

Charter Township of Meridian, Michigan

**Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2024**

**Prepared by:
Department of Finance
Bernadette Blonde, Finance Director**



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June 26, 2025

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Scott Hendrickson
Township Supervisor

Angela Demas
Township Clerk

Phil Deschaine
Township Treasurer

Kathy Ann Sundland
Township Trustee

Peter Trezise
Township Trustee

Marna Wilson
Township Trustee

Nickolas Lentz
Township Trustee

Timothy Dempsey
Township Manager

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

The annual comprehensive financial report of the Charter Township of Meridian (the “Township”) for the year ended December 31, 2024, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Charter Township of Meridian issue annually a report on its financial position and activity, and that this report be audited by an independent certified public accounting firm. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the Charter Township of Meridian. All disclosures necessary to enable the reader to gain an understanding of the Charter Township of Meridian’s activities have been included.

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

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

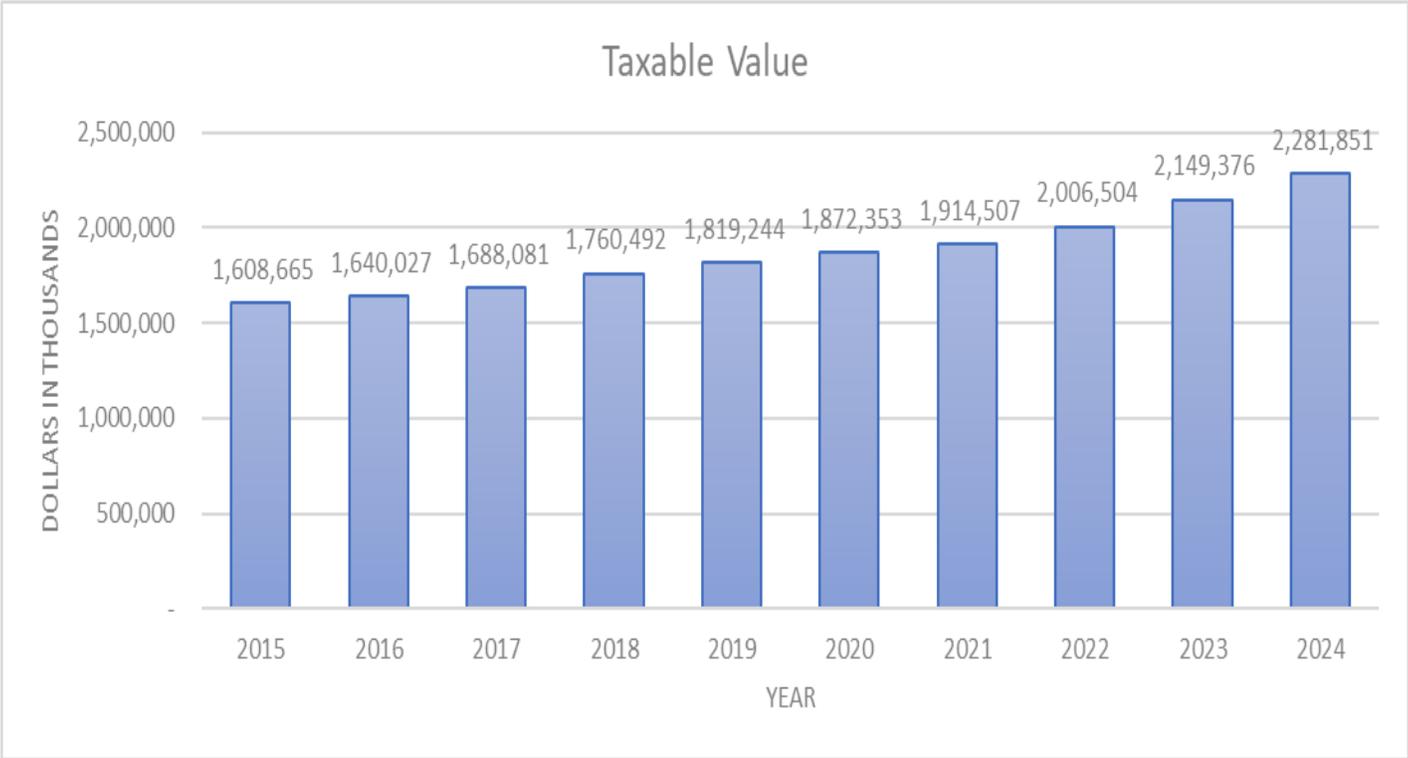
Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government.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

Governmental Structure, Local Economic Condition, and Outlook

The governmental unit, organized in 1842 and chartered in 1959, is approximately 32 square miles in the south-central area of Lower Michigan with a population of approximately 45,000. The municipality is a largely residential area located east of Lansing, the State Capital, and immediately adjacent to East Lansing, home of Michigan State University, and is part of the Lansing Metropolitan Area.

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

The Charter Township of Meridian continues to be an attractive community for residential construction and commercial development. The following chart details the change in Taxable Value over the last ten years. The 2024 taxable value (2025 tax revenue) increased 6.1 percent over 2023 taxable value. This is the eleventh consecutive year of growth in taxable value since 2013; the 2024 taxable value is 47% percent higher than the 2014 taxable value. While the Township has experienced strong taxable value growth, inflationary pressures continued to mount in 2024. Healthcare, contract services, and consumable supplies continue to escalate. Despite the challenges, 2024 finished strong due to the diligent financial stewardship by Township staff.



Major Initiatives

The Township's staff, seeking to meet the Township Board's annual goals and fulfill core Township services, undertook a variety of projects throughout 2024. These projects reflect the Township's commitment to promote the safety and welfare of its residents and investing in the infrastructure vital to sustaining quality service delivery.

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

- The successful Local Roads Program continued its progress in 2024. Since the 2019 millage was proposed, the Township completed over 39 miles of reconstruction and over 50 miles of preventative maintenance work. The work affects thousands of property owners and roadway users from May to November and the Township appreciates their patience and understanding.
- Construction of Phase II of the MSU to Lake Lansing Regional Pathway was completed in 2024. Phases I and II, along with the future Phase III, provide an easy, safe, and enjoyable option for non-motorized travel between the MSU Campus and Lake Lansing Park South, along approximately five miles of connected pathways and trails.
- The County Park West Sanitary Sewer Replacement Project was completed in the spring, which involved replacing 1,305 feet of sanitary gravity sewer and 1,450 feet of sanitary force main that was failing under portions of East Reynolds Road, Quail Street, and the Ingham County boat launch property. Six manholes and sanitary lateral stubs to 22 single-family homes were also replaced. This project required a very condensed construction schedule, significantly adding to the complexity of the project. The boat launch was reopened on schedule.
- Information, referrals, and emergency assistance was provided to Township residents by Meridian Cares for various services on an as-needed basis. In 2024, Meridian Cares assisted 123 families with a total of \$51,089 in emergency financial assistance, averaging \$415 per family. Of the 123 families, 92 were assisted with rental payments to avoid eviction and 31 were assisted to prevent electricity shut offs. Over two-hundred Redi-Ride discount passes were provided to the community. The Township receives a 50 percent discount on these passes from Capital Area Transportation Authority.
- The Meridian Township Deer Management Program was developed to address the overpopulation of deer in our community that continues to cause numerous car-deer collisions, as well as excessive environmental impacts in parks, preserves and neighborhoods. In total, 297 deer were culled by volunteer archery hunters and the Meridian Police Department Staff which lead to over 7,000 lbs. of venison donated to local food banks. The program took place on 43 township properties and 29 private properties, as the result of collaboration between volunteer residential hunters, Meridian Police Department, Meridian Park and Recreation, and the nonprofit Sportsman Against Hunger.
- The Community Planning and Development Department processed 10 site plans, 12 special use permits, and 12 rezoning requests. On the Building side, 1,168 building permits were issued, which was a nearly 15 percent increase from 2023. A total of 2,278

trades (mechanical, electrical, and plumbing) permits were issued. A total of 1,133 code enforcements were logged throughout the year, a 3.4% increase from 2023. The Department also continued its work with the Planning Commission on several ordinance revisions.

- American House Meridian, the 10-acre redevelopment at 1673 Haslett Road, opened its door to independent living seniors in February 2024. The four-story development is an MUPUD with an approved Brownfield plan by the Meridian Township BRA for \$1.2M in reimbursable eligible activities over seven years. The project had a grand opening celebration on May 16, 2024. The site features several onsite amenities for residents and will include commercial businesses.
- The Township continues to fulfill the promise of enhanced pension payments to MERS by contributing over \$5,423,036 to MERS for the fiscal year 2024. The Township contributed an extra \$1,943,708 to the plan and is using a 5.0% rate of return assumption and not the 7.0% rate of return assumption used by MERS.
- During the calendar year 2024, the Meridian Township Treasurer's Office reported a total property tax collected and processed of \$123,850,242. These collections increased by \$10,964,795, or 9.71%, from the \$112,885,447 collected in 2023. In 2022 we collected \$110,997,504, in 2021, we collected \$109,131,271, \$105,219,167 in 2020, and \$102,919,241 was collected in 2019. These receipts were distributed to our four local school districts (Okemos, Haslett, East Lansing and Williamston, ISD), Ingham County Government, Lansing Community College (LCC), Capital Area Transit Authority (CATA), Capital Area District Library (CADL) and the Capital Region Airport Authority (CRAA). Meridian Township operations received approximately 18% of the tax collected in 2024.
- The Meridian Township Fire Department responded to 6,361 emergencies consisting of 5,483 EMS calls and 878 fire-related calls in 2024. Emergency response call volume was a slight increase from the year prior. This increase in call volume has been a trend over well over a decade with a 41% increase since 2015. The addition of two full-time firefighter positions in 2024 brought the Department closer to meeting the National Fire Protection Association's standards for staffing, enhancing the quality of service provided to the community.
- The Fire Department's continued its investment in equipment and related infrastructure in 2024. The Department received a FEMA Assistance to Firefighters Grant for \$65,000 to replace our 24-year old Cascade fill station. This device is used to fill the cylinders of the Self Contained Breathing Apparatus (SCBA), so firefighters can enter an immediately dangerous to life or health atmosphere, such as a fire, and protect their lungs and bodies from exposure. The fleet was updated with the replacement of a fire engine and the Fire Marshall's vehicle. The remaining four warning sirens were installed to provide full geographic coverage for the Township.
- Fire Prevention also remained a critical priority in 2024. Prevention inspections totaled 131 in 2024, plus 56 building inspections, 77 plan reviews, and 20 fire alarm inspections. Fire loss incidents (4) in 2024 fire loss dollars (\$155K) in 2024 were the lowest in the past 11 years.
- The Meridian Township Police Department responded to over 19,533 calls for service in

2024. This resulted in 5,054 written reports, including 440 alarm calls and 810 vehicle crashes. The total number of citations issued was 2,647, a 259% increase from the year prior. This was largely due to a renewed focus on traffic safety.

- The Public Safety Recruiting and Retention program was approved and went into effect on January 1, 2024. MTPD was able to successfully retain its staff and recruit new, highly qualified candidates for hire. In 2024, the Department sponsored nine recruits through four different police academies. Four of the officers completed training and were working on their own, while three remained in field training at the end of the year.
- Traffic safety continued to be a focus for MTPD. The Department worked in conjunction with the Ingham County Road Department and the State Highway Department to address concerns related to road design. The Department took enforcement action in areas designated as directed patrols based on review of traffic crash data, citizen complaints, and traffic problems due to road closures. Speed monitoring instruments, including a speed trailer and speed signs, were utilized to complete traffic and speed studies. In 2024, the MTPD completed thirteen directed patrols and seven traffic surveys. Officers also provide 14 free car seat inspections for community members.
- The Farmers' Market has continued its growth since moving to Marketplace on the Green both in vendor participation and customer visits. The Market operated every Saturday from May until December, the third Saturdays from January to April, and every Wednesday from June through October, for a total of 64 yearly market days and 300 total hours of shopping. There were 201 unique vendors, an increase of 25 percent from 2023 and 87,000 customer visits, a 21 percent increase. The Market also hosted 33 entertainers and other special events. The Market continued to support a food composting drop off and a food gleaning program where vendors and customers donate their leftover produce for donations to local food banks and food pantries. Nearly \$33,000 in food assistance was dispersed through the Market, a 12% increase from 2023.
- The Meridian Conservation Corps (MCC) had 346 community volunteers conduct valuable work to improve our natural environment in Township parks and preserves. The MCC logged 632.5 hours in 2024. Fifty-five Meridian Conservation Corps Stewardship Workday and Educational Events were successfully completed. These events included invasive species removal, native planting and seed sowing, native seed collection, trash cleanup, and education on wetlands and local flora and fauna.
- Township IT staff and Brightline IT worked on multiple projects, including upgrades to backup infrastructure, network firewall and switching infrastructure, cloud services security, expansion of cloud-based assets, and deployment of mobile devices. The IT Department also played a critical role in election operations and the transition to Fifth Third Bank. The Department responded to over 1,000 requests for service throughout 2024, including security, application, file, print, backup, telephone, and other technology services. Activities spanned seven separate facilities, over 1,000 network nodes, and over 200 end-users.
- The Clerk's Office managed four elections in 2024. Turnout ranged from 783 voters in the May, East Lansing Public Schools Election, to 25,903 voters in the November, General Election. The Office registered 4,117 new voters, maintained 34,228 Master

Card and Voter Information Cards, and processed 3,034 voter status changes. There were also 21,790 total data updates for Individual Master Cards.

- Proposal 2022-2 implementation began with the nine additional days of early voting, additional drop box requirements, drop box video monitoring, and implementing the Permanent Ballot List. The Township installed four new ballot boxes, all under video surveillance, and increased security where our election equipment is stored. Over 13,000 voters signed up for the Permanent Mail Ballot List in Meridian Township. The Township completed twenty-seven total days of early voting for 2024.
- The Communications Department designed and mailed to every household the 2024 Prime Meridian Magazine. This 16-page publication was made available at various Township buildings and a digital copy online. The Department sent out three different newsletters in 2024: Meridian Happenings, The Playbook, and the Green Gazette. All three of those newsletters were staggered and sent every month. There were 9,430 contacts across all three newsletters, with an average open rate of 56%. The industry average for open rates is 42%, which means Meridian Township performed above average.
- Assessing conducted its annual re-inspection program for 2024, with two summer interns joined the Staff part time to assist with the program. Staff reviewed and inspected 1,958 parcels. During this process, record cards were reviewed for accuracy and photos were updated. At the end of 2024, there were eight parcels under appeal with the Michigan Tax Tribunal. Six appeals were resolved during 2024.
- Human Resources staff processed well over 200 employee traffic items, including selection, hire and onboarding, promotions, transfers, departures/retirements, and numerous temporary, seasonal, cadet, and election worker positions. Efforts continued with Gallagher Healthcare Benefits Consultants to closely monitor healthcare expenses. The self-insured Blue Care Network (BCN) product continued to provide savings to the Township relative to other options and despite rising healthcare costs.

Financial Information

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

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

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

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

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

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

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

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

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

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

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

2024 Financial Condition: The financial condition and results of operations for 2023 are discussed in the Management's Discussion & Analysis section of the ACFR. The Township continues to maintain a strong financial position and provides services from current revenues.

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

Tax abatements: Tax abatements, strategically implemented by the Township, serve as an important instrument to foster economic growth and community development. This initiative not only spurs job creation and increases local investment, but also broadens the tax base over time. The anticipated long-term benefits include enhanced property tax values, greater economic activity, and improved health for the Township's businesses. This forward-thinking approach ensures sustained economic vitality for all Township residents.

Other Information

Independent Audit. An annual audit, required by state statute, of accounts, financial records, and transactions has been completed by the independent certified public accounting firm of Yeo & Yeo. The firm was appointed by the Township through an open bid process in 2023. Bids are requested every five to seven years.

Certificate of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Charter Township of Meridian for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023.

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

Respectfully submitted,

Timothy H. Dempsey
Township Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

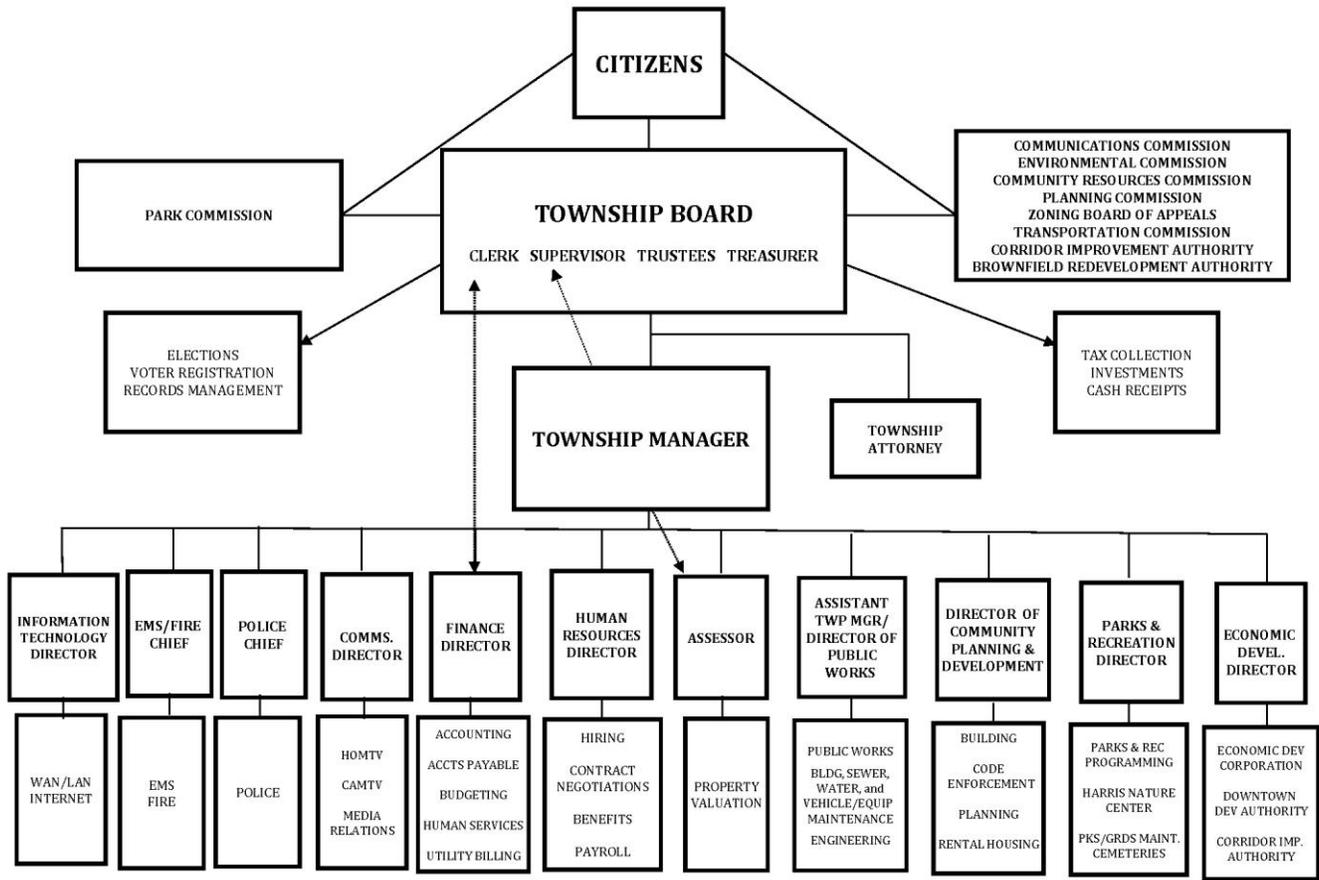
**Charter Township of Meridian
Michigan**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO



Dotted Lines – Denotes Relationship defined by State Statute

Charter Township of MeridianMeridian Township
List of Elected and Appointed Officials
December 31, 2024

Elected Officials

Township Board

Supervisor	Scott Hendrickson
Clerk	Angela Demas
Treasurer	Philip Deschaine
Trustee	Peter Trezise
Trustee	Kathy Ann Sundland
Trustee	Marna Wilson
Trustee	Nickolas Lentz

Park Commission

Chair	Emily Rambo
Commissioner	Mary Nardo Farris
Commissioner	Amanda Lick
Commissioner	Mark Stephens
Commissioner	Michael McDonald

Appointed Officials

Interim Township Manager	Tim Schmitt
Human Resources Director	Abby Tithof
Finance Director	Vacant
Parks & Recreation Director	Courtney Wisinski
Assessor	Ashley Winstead
Community Planning and Development Director	Tim Schmitt
Assistant Township Manager and Director of Public Works	Dan Opsommer
Fire Chief	Mike Hamel
Police Chief	Rick Grillo
Communications Manager	Samantha Diehl
Information Technology	Stephen Gebes
Economic Development Director	Amber Clark
Director of Project Management and Operations	Melissa Massie



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Independent Auditors' Report

Township Board
Charter Township of Meridian
Ingham County, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian (the Township), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Township as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the East Lansing – Meridian Water and Sewer Authority, a joint venture, which represents 9.66 percent of the assets of the business-type activities as of December 31, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for East Lansing – Meridian Water and Sewer Authority is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, during the year ended December 31, 2024, the Township adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Emphasis of Matter Regarding Correction of Error

As described in Note 17 to the financial statements, the Township recorded prior period adjustments related to the correction of capital asset and utility receivable balances. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2025, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Lansing, Michigan
June 26, 2025

Charter Township of Meridian

Management's Discussion and Analysis

December 31, 2024

The Township's Annual Comprehensive Financial Report is presented in the format required by the Governmental Accounting Standards Board (GASB) Statement No. 34. The 2024 annual report consists of five parts: (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplementary information, (4) other supplementary information that presents combining statements for nonmajor governmental funds, and (5) a statistical section. The basic financial statements include two kinds of statements that present different views of the Township. The first two statements are government-wide financial statements that provide both long-term and short-term information about the Township's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the Township's government, reporting the Township's operations in more detail than the government-wide statements.

Government-wide Statements

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

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

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

Fund Financial Statements

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

The Township has three kinds of funds:

- **Governmental Funds** – Most of the Township's basic services are included in governmental funds, which focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year end that are available for spending. The governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs.

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- **Proprietary Funds** – Services for which the Township charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide statements, provide both long and short-term financial information.
- **Fiduciary Funds** – The Township is responsible for ensuring that the assets reported in these funds are used for their intended purpose (taxes collected on behalf of other agencies and retirement payments). All of the Township's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the Township's government-wide financial statements because the Township cannot use these assets to finance its operations.

Financial Overview

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

	Governmental Activities		Business-type Activities		Total	
	2024	2023 (Restated)	2024	2023 (Restated)	2024	2023 (Restated)
Assets						
Current assets	\$ 83,310,221	\$ 75,196,715	\$ 16,950,216	\$ 15,678,842	\$ 100,260,437	\$ 90,875,557
Capital assets	82,339,373	76,417,188	78,271,041	72,714,148	160,610,414	149,131,336
Investment in joint venture	-	-	10,179,532	7,674,740	10,179,532	7,674,740
Total assets	165,649,594	151,613,903	105,400,789	96,067,730	271,050,383	247,681,633
Deferred outflows of resources						
Deferred OPEB	325,640	810,112	-	-	325,640	810,112
Deferred pension	11,604,246	13,106,376	461,137	439,864	12,065,383	13,546,240
Total deferred outflows of resources	11,929,886	13,916,488	461,137	439,864	12,391,023	14,356,352
Liabilities						
Current liabilities	3,596,025	3,033,089	856,429	535,555	4,452,454	3,568,644
Long-term liabilities	56,198,353	51,272,743	32,377,567	30,969,108	88,575,920	82,241,851
Total liabilities	59,794,378	54,305,832	33,233,996	31,504,663	93,028,374	85,810,495
Deferred inflows of resources						
Property taxes levied for a subsequent period	23,287,044	22,761,785	-	-	23,287,044	22,761,785
Deferred leases receivable	-	-	1,490,343	1,504,438	1,490,343	1,504,438
Deferred OPEB	623,515	738,119	-	-	623,515	738,119
Deferred pension	240,701	395,036	7,810	13,493	248,511	408,529
Special assessments levied for a subsequent period	543,191	499,670	-	-	543,191	499,670
Total deferred inflows of resources	24,694,451	24,394,610	1,498,153	1,517,931	26,192,604	25,912,541
Net Position						
Net investment in capital assets	64,110,266	62,620,827	47,050,516	42,912,061	111,160,782	105,532,888
Restricted	20,426,230	24,702,716	-	-	20,426,230	24,702,716
Unrestricted	8,554,155	(493,594)	24,079,261	20,572,939	32,633,416	20,079,345
Total net position	\$ 93,090,651	\$ 86,829,949	\$ 71,129,777	\$ 63,485,000	\$ 164,220,428	\$ 150,314,949

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Management's Discussion and Analysis
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The Charter Township of Meridian had combined net position of \$164.2 million, which is an increase from last year of by \$13.9 million, or 9.25%. Business-type activities comprise \$71.1 million, which is an increase of \$7.6 million compared to last year. The primary reason for the increase is due to increased charges for services, as the Township increased water billing rates 20% and sewer billing rates 5% compared to 2023, along with improved interest rates. Governmental activities make up \$93.0 million of the total net position, which is a \$6.3 million increase compared to last year. The primary reason for this increase is improved interest rates as market conditions improved, along with an increase in operating grants and contributions and an increase in property tax revenue.

There was a decrease in restricted net position of \$4.27 million primarily due to the use of restricted funds for their intended purposes during the year. For example, restricted funds such as the Park Millage, Road Debt Service, Fire Station Debt and ARPA funds were spent on capital outlay, debt service and public works project, as reflected in the governmental fund expenditures. As these resources were used, they were reclassified from restricted net position to expenses resulting in a lower year end restricted balance.

The current ratio (current assets divided by current liabilities) is at 22.52, a decrease from 25.18 in 2023. The decrease in this ratio is related to an increase in current liabilities. The increase is due to the timing of payments at year end that are included in accounts payable and accrued liabilities. This ratio shows that the Township has adequate current assets to meet its current obligations.

Long-term liabilities totaled \$88.6 million as of year-end, representing 53.9 percent of the Township's net position. Of this amount, \$27.7 million is attributable to net pension and other postemployment benefit (OPEB) obligations. Total long-term liabilities increased by \$6.3 million compared to the prior year, consisting of a \$4.9 million increase within governmental activities and a \$1.4 million increase within business-type activities. The increase is primarily the result of higher special assessment obligations, lease liabilities, and compensated absences, largely attributable to the implementation of new accounting standards.

Governmental Activities

Revenues for governmental activities totaled approximately \$41.1 million in 2024. A total of \$22.8 million was in the form of property tax collections, an increase of \$0.84 million from 2023, primarily due to growth in taxable values resulting from inflationary adjustments, new construction, and the uncapping of property values following transfer of ownership. Millage rates remained consistent, with no significant changes affecting the levy. \$6.7 million was charges for services, \$3.0 million was operating grants and contributions, and \$1.0 was capital grants and contributions. Revenue from state sources was \$5.1 million and we recorded investment income of \$2.3 million. Other miscellaneous income totaled \$0.2 million.

Expenses for governmental activities totaled \$34.9 million. That is a decrease of \$3.6 million compared to 2023. A little less than half (46.7 %) of this expense funded public safety in the Township.

Business-type Activities

Business-type activities in the Township include water and sewer services. Revenue for business-type activities totaled \$18.8 million; \$17.2 million was collected from customers and \$1.1 million is the value of assets contributed by developers. The Township purchases water from the East Lansing-Meridian Water Sewer Authority and the Board of Water and Light, and water is distributed by the Township through mains to customers. The Township contracts for sewage treatment from the City of East Lansing Wastewater Treatment Plant. Township residential customers are billed quarterly for water and sewer service based on water consumption. Commercial customers are billed monthly.

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The following table shows the changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2024	2023 (Restated)	2024	2023 (Restated)	2024	2023 (Restated)
Revenue						
Program revenue:						
Charges for services	\$6,683,804	\$6,460,806	\$17,242,777	\$14,427,823	\$23,926,581	\$20,888,629
Operating grants and contributions	3,033,042	2,747,247	-	-	3,033,042	2,747,247
Capital grants and contributions	1,013,928	1,034,349	1,103,795	826,331	2,117,723	1,860,680
General Revenue:						
Property taxes	22,781,217	21,932,209	-	-	22,781,217	21,932,209
State sources	5,067,649	5,067,428	-	-	5,067,649	5,067,428
Unrestricted investment income (loss)	2,271,819	2,290,171	480,653	557,271	2,752,472	2,847,442
Gain on Sale of capital assets	55,000	45,818	-	-	55,000	45,818
Other miscellaneous income	239,181	346,898	-	-	239,181	346,898
Total revenue	41,145,640	39,924,926	18,827,225	15,811,425	59,972,865	55,736,351
Program Expenses						
General government	8,181,142	6,032,287	-	-	8,181,142	6,032,287
Public safety	16,292,505	14,829,667	-	-	16,292,505	14,829,667
Public works	5,664,245	5,468,862	-	-	5,664,245	5,468,862
Health and welfare	271,261	262,078	-	-	271,261	262,078
Community and economic development	1,407,444	1,261,967	-	-	1,407,444	1,261,967
Recreation and culture	2,551,459	3,013,366	-	-	2,551,459	3,013,366
Interest on long-term debt	516,882	451,980	-	-	516,882	451,980
Water and sewer	-	-	11,182,448	12,106,564	11,182,448	12,106,564
Total program expenses	34,884,938	31,320,207	11,182,448	12,106,564	46,067,386	43,426,771
Change in Net Position	6,260,702	8,604,719	7,644,777	3,704,861	13,905,479	12,309,580
Adoption of GASB 101	-	(912,246)	-	(84,152)	-	(996,398)
Net Position – beginning of year	86,829,949	79,137,476	63,485,000	59,864,291	150,314,949	139,001,767
Net Position – end of year	\$93,090,651	\$86,829,949	\$71,129,777	\$63,485,000	\$164,220,428	\$150,314,949

Financial Analysis of Township Funds and Budgets

The General Fund ended 2024 with a fund balance of \$15.02 million (compared with \$14.5 million in 2023). This represents approximately 6.1 months of annual expenditures, which is within the requirements of policy governance established by the Township's board. The total increase in fund balance is approximately \$0.5 million. The overall increase resulted primarily from an increase of \$0.9 million of property tax revenue, and a reduction of expenses for General Government of \$0.7 million. The Township has continued to operate with a balanced budget. This has been accomplished with the dedicated efforts of all employees to work more efficiently, manage expenditures, and enhance revenue whenever possible.

The Local Roads Fund experienced an increase in fund balance of \$4.9 million during the year. The increase was largely the result of the issuance of \$10.2 million in new debt to fund future road projects.

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Budget Variances

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

The actual vs. budget variances in the General Fund are the result of efforts to keep costs below budget. On the revenue side, the largest positive variances occurred in the charges for services, state grants, and investment income. On the expenditure side, public safety exceeded the final amended budget primarily due to the required recognition of lease liabilities and related expenses under GASB statement No. 87 Leases. While these lease costs were recognized in accordance with the new accounting standard, the Township's budget for Public Safety included only the expected cash outflows, not the full impact of the standard's required liability recognition, resulting in a non-cash budget variance.

The General Fund had significant budget amendments during the year, including an increase of approximately \$1.6 million in revenues and \$2.5 million in expenditures and transfers out. As the year progressed, the Township anticipated higher-than-originally-budgeted revenues from licenses and permits, federal and state grants, charges for services, and investment income. On the expenditure side, public safety costs increased primarily due to higher personnel expenses, including approximately \$700,000 in salary increases, as well as additional training expenditures to support departmental readiness and compliance. Transfers out also increased, most notably to fund the purchase of a new fire truck.

Capital Assets Activity

There were several projects in 2024, including continued renovations of the Public Safety building, completion of MSU to Lake Lansing Phase II regional pathway and multiple sewer replacement projects.

Additional information about capital assets is presented in Note 5 to the financial statements.

Long-term Debt Activity

The Township continued to pay off its debt and made principal payments on the outstanding governmental activities debt of approximately \$4,358,772 during 2024. Outstanding governmental activities debt at December 31, 2024 including compensated absences and outstanding lease liability was approximately \$29.6 million.

For business-type activities, the Township recorded \$2.9 million of new debt for wastewater system improvements and paid down approximately \$1.6 million of existing debt. Ending business-type debt including compensated absences was approximately \$31.3 million.

More detailed information about long-term liabilities is presented in Note 8 to the financial statements.

Current Economic Events

The Township continues to experience a fairly healthy economy in the community. This is seen in an appreciating housing market, as well as some new construction growth. In 2024, taxable value growth continued to increase for the eleventh year in a row, bringing us 49% above 2013 values. The resulting property tax growth has been helpful in offsetting ongoing cost increases, but challenges remain in addressing higher inflation rates for all goods and services.

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Personnel costs represent approximately 74.7% of the governmental operating expenses of the Township. The increasing cost of healthcare and legacy costs continue to be a concern. Changes in programs and employee cost-sharing agreements in the past couple of years have helped to contain healthcare costs; however, they continue to rise along with payroll taxes, pension, and other personnel costs. Operating efficiencies, organizational restructuring, and improved technology have helped to contain expenditures to available revenue.

Contact Us

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

Charter Township of Meridian
Statement of Net Position
December 31, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 16,797,822	\$ 6,696,734	\$ 23,494,556	\$ 463,732
Investments	47,786,933	3,655,419	51,442,352	-
Receivables				
Accounts	1,352,287	222,724	1,575,011	-
Taxes	13,501,141	-	13,501,141	654,311
Utility bills	-	3,807,594	3,807,594	-
Special assessments	2,448,947	-	2,448,947	-
Leases receivable	-	1,490,343	1,490,343	-
Due from other units of government	845,695	-	845,695	-
Internal balances	282,609	(282,609)	-	-
Inventories	-	1,059,381	1,059,381	-
Prepaid items	294,787	300,630	595,417	-
Investment in joint venture	-	10,179,532	10,179,532	-
Capital assets not being depreciated	38,382,181	983,709	39,365,890	-
Capital assets, net of accumulated depreciation	43,957,192	77,287,332	121,244,524	-
Total assets	<u>165,649,594</u>	<u>105,400,789</u>	<u>271,050,383</u>	<u>1,118,043</u>
Deferred outflows of resources				
Pension related	11,604,246	461,137	12,065,383	-
OPEB related	325,640	-	325,640	-
Total deferred outflows of resources	<u>11,929,886</u>	<u>461,137</u>	<u>12,391,023</u>	<u>-</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Statement of Net Position
December 31, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Liabilities				
Accounts payable	\$ 2,193,650	\$ 598,310	\$ 2,791,960	\$ -
Due to other units of government	39,952	1,029	40,981	43,304
Payroll and other liabilities	863,602	257,090	1,120,692	-
Interest payable	252,389	-	252,389	-
Customer deposits	25,563	-	25,563	-
Unearned revenue	220,869	-	220,869	-
Noncurrent liabilities				
Debt due within one year	7,686,007	1,804,273	9,490,280	-
Debt due in more than one year	21,885,035	29,523,457	51,408,492	-
Net pension liability	26,475,478	1,049,837	27,525,315	-
Net OPEB liability	151,833	-	151,833	-
Total liabilities	<u>59,794,378</u>	<u>33,233,996</u>	<u>93,028,374</u>	<u>43,304</u>
Deferred inflows of resources				
Property taxes levied for a subsequent period	23,287,044	-	23,287,044	649,885
Special assessments levied for a subsequent period	543,191	-	543,191	-
Lease related	-	1,490,343	1,490,343	-
Pension related	240,701	7,810	248,511	-
OPEB related	623,515	-	623,515	-
Total deferred inflows of resources	<u>24,694,451</u>	<u>1,498,153</u>	<u>26,192,604</u>	<u>649,885</u>
Net position				
Net investment in capital assets	64,110,266	47,050,516	111,160,782	-
Restricted for				
Land preservation	7,869,168	-	7,869,168	-
Pedestrian/bike path millage	2,683,469	-	2,683,469	-
Fire	3,153	-	3,153	-
Police	41,653	-	41,653	-
Senior center millage	545,688	-	545,688	-
Cable TV	114,484	-	114,484	-
Community needs	74,715	-	74,715	-
Library	15,044	-	15,044	-
Grants	143,481	-	143,481	-
CATA millage	36,457	-	36,457	-
Opioid remediation	262,913	-	262,913	-
Local roads	4,225,171	-	4,225,171	-
Park millage	1,686,108	-	1,686,108	-
Fire station debt service	320,676	-	320,676	-
Road debt service	2,404,050	-	2,404,050	-
Unrestricted	<u>8,554,155</u>	<u>24,079,261</u>	<u>32,633,416</u>	<u>424,854</u>
Total net position	<u>\$ 93,090,651</u>	<u>\$ 71,129,777</u>	<u>\$ 164,220,428</u>	<u>\$ 424,854</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Statement of Activities
For the Year Ended December 31, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Functions/programs								
Primary government								
Governmental activities								
General government	\$ 8,181,142	\$ 1,498,800	\$ 2,155,494	\$ -	\$ (4,526,848)	\$ -	\$ (4,526,848)	\$ -
Public safety	16,292,505	3,701,935	455,728	-	(12,134,842)	-	(12,134,842)	-
Public works	5,664,245	1,050,000	335,000	333,072	(3,946,173)	-	(3,946,173)	-
Health and welfare	271,261	-	57,738	-	(213,523)	-	(213,523)	-
Community and economic development	1,407,444	-	-	-	(1,407,444)	-	(1,407,444)	-
Recreation and culture	2,551,459	433,069	29,082	680,856	(1,408,452)	-	(1,408,452)	-
Interest	516,882	-	-	-	(516,882)	-	(516,882)	-
Total governmental activities	34,884,938	6,683,804	3,033,042	1,013,928	(24,154,164)	-	(24,154,164)	-
Business-type activities								
Sewer	6,323,736	8,772,581	-	555,646	-	3,004,491	3,004,491	-
Water	4,858,712	8,470,196	-	548,149	-	4,159,633	4,159,633	-
Total business-type activities	11,182,448	17,242,777	-	1,103,795	-	7,164,124	7,164,124	-
Total primary government	\$ 46,067,386	\$ 23,926,581	\$ 3,033,042	\$ 2,117,723	(24,154,164)	7,164,124	(16,990,040)	-
Component units								
Brownfield Redevelopment Authority	\$ 552,186	\$ -	\$ -	\$ -				\$ (552,186)
Economic Development Corporation	9,300	10,000	4,200	-				4,900
Downtown Development Authority	16,616	-	-	-				(16,616)
Corridor Improvement Authority	319	-	-	-				(319)
Total component units	\$ 578,421	\$ 10,000	\$ 4,200	\$ -				(564,221)
General revenues								
Property taxes					22,781,217	-	22,781,217	663,294
Unrestricted state-shared revenue					5,067,649	-	5,067,649	-
Unrestricted investment earnings					2,271,819	480,653	2,752,472	6,006
Gain on sale of capital assets					55,000	-	55,000	-
Miscellaneous					239,181	-	239,181	-
Total general revenues					30,414,866	480,653	30,895,519	669,300
Change in net position					6,260,702	7,644,777	13,905,479	105,079
Net position - beginning of year					82,059,766	62,562,886	144,622,652	319,775
Change in accounting principle					(912,246)	(84,152)	(996,398)	-
Correction of errors					5,682,429	1,006,266	6,688,695	-
Net position - beginning of year, as restated					86,829,949	63,485,000	150,314,949	319,775
Net position - end of year					\$ 93,090,651	\$ 71,129,777	\$ 164,220,428	\$ 424,854

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Balance Sheet
December 31, 2024

	General	Special Revenue	Debt		Nonmajor Governmental Funds	Total Governmental Funds
		Fund Local Roads	Service Fund Road Debt			
Assets						
Cash and cash equivalents	\$ 6,382,710	\$ 1,571,622	\$ 4,372,597	\$ 4,066,294	\$ 16,393,223	
Investments	17,975,033	13,397,585	-	15,862,321	47,234,939	
Receivables						
Accounts	783,202	350,803	-	218,282	1,352,287	
Taxes	9,296,460	-	2,575,565	1,629,116	13,501,141	
Special assessments	234,315	-	-	2,214,632	2,448,947	
Due from other units of government	843,611	-	-	2,084	845,695	
Due from other funds	345,421	-	-	-	345,421	
Prepaid items	157,138	750	-	136,899	294,787	
Total assets	\$ 36,017,890	\$ 15,320,760	\$ 6,948,162	\$ 24,129,628	\$ 82,416,440	
Liabilities						
Accounts payable	\$ 1,326,544	\$ 581,172	\$ -	\$ 258,856	\$ 2,166,572	
Due to other funds	948,654	-	-	62,812	1,011,466	
Due to other units of government	39,945	-	-	7	39,952	
Payroll and other liabilities	841,782	-	-	17,991	859,773	
Customer deposits	25,563	-	-	-	25,563	
Unearned revenue	81,693	-	-	139,176	220,869	
Total liabilities	3,264,181	581,172	-	478,842	4,324,195	
Deferred inflows of resources						
Unavailable revenue - state shared revenue	843,292	-	-	-	843,292	
Unavailable revenue - special assessments	-	-	-	2,134,632	2,134,632	
Unavailable revenue - ambulance charges	72,980	-	-	-	72,980	
Unavailable revenue - federal grant revenue	-	-	-	1,435	1,435	
Unavailable revenue - state grant revenue	-	-	-	19,598	19,598	
Unavailable revenue - other revenue	-	-	-	188,915	188,915	
Unavailable revenue - licenses and permits	187,446	-	-	-	187,446	
Unavailable revenue - charges for services	72,815	15,176	-	-	87,991	
Property taxes levied for a subsequent period	16,091,564	1,010	4,403,077	2,791,393	23,287,044	
Special assessments levied for a subsequent period	463,191	-	-	80,000	543,191	
Total deferred inflows of resources	17,731,288	16,186	4,403,077	5,215,973	27,366,524	
Fund balances						
Non-spendable						
Prepaid items	157,138	750	-	136,899	294,787	
Restricted for						
Park millage	-	-	-	1,678,364	1,678,364	
Pedestrian/bike path millage	-	-	-	2,667,966	2,667,966	
Fire	-	-	-	3,081	3,081	
Police	-	-	-	40,771	40,771	
Senior center millage	-	-	-	545,688	545,688	
Cable TV	-	-	-	114,484	114,484	
Community needs	-	-	-	74,715	74,715	
Library	-	-	-	15,044	15,044	
Grants	-	-	-	142,483	142,483	
Capital area transportation authority millage	-	-	-	36,457	36,457	
Opioid remediation	-	-	-	73,998	73,998	
Local roads	-	4,209,245	-	-	4,209,245	
Local roads - capital projects	-	10,513,407	-	-	10,513,407	
Land preservation	-	-	-	7,868,913	7,868,913	
Fire station debt service	-	-	-	323,476	323,476	
Road debt service	-	-	2,545,085	-	2,545,085	
Committed - pension stabilization	2,212,023	-	-	-	2,212,023	
Assigned						
American Rescue Plan Act	-	-	-	27,824	27,824	
Township improvement	-	-	-	4,684,650	4,684,650	
Unassigned	12,653,260	-	-	-	12,653,260	
Total fund balances	15,022,421	14,723,402	2,545,085	18,434,813	50,725,721	
Total liabilities, deferred inflows of resources, and fund balances	\$ 36,017,890	\$ 15,320,760	\$ 6,948,162	\$ 24,129,628	\$ 82,416,440	

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Reconciliation of Fund Balances of Governmental Funds
to Net Position of Governmental Activities
December 31, 2024

Total fund balances for governmental funds	\$ 50,725,721
Total net position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	38,382,181
Capital assets, net of accumulated depreciation	40,702,101
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	
	3,536,289
Deferred outflows (inflows) of resources.	
Deferred outflows of resources resulting from net pension liability	11,565,532
Deferred outflows of resources resulting from net OPEB liability	325,640
Deferred inflows of resources resulting from net pension liability	(240,046)
Deferred inflows of resources resulting from net OPEB liability	(623,515)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(252,389)
Compensated absences	(1,688,599)
Bonds, notes, premiums and discounts	(26,160,197)
Lease liabilities	(1,701,923)
Net pension liability	(26,387,343)
Net OPEB liability	(151,833)
Internal service funds are included as part of governmental activities.	5,059,032
Net position of governmental activities	\$ 93,090,651

Charter Township of Meridian
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2024

	<i>Formerly Major Fund</i>			Debt	Nonmajor Governmental Funds	Total Governmental Funds
	General	Special Revenue Funds		Service Fund		
		Local Roads	Park Millage	Road Debt		
Revenues						
Taxes	\$ 15,917,493	\$ 1,010		\$ 4,138,708	\$ 3,321,271	\$ 23,378,482
Licenses and permits	1,983,060	-		-	-	1,983,060
Federal grants	77,959	-		-	1,463,862	1,541,821
State grants	5,358,767	-		24,710	31,023	5,414,500
Local contributions	606,366	335,000		-	680,856	1,622,222
Charges for services	3,999,953	-		-	606,235	4,606,188
Fines and forfeitures	279,723	-		-	-	279,723
Investment income (loss)	890,577	271,498		98,598	970,590	2,231,263
Other revenue	69,881	(815)		-	375,372	444,438
	<u>29,183,779</u>	<u>606,693</u>		<u>4,262,016</u>	<u>7,449,209</u>	<u>41,501,697</u>
Expenditures						
Current						
General government	7,595,628	-		-	-	7,595,628
Public safety	17,999,757	-		-	410,690	18,410,447
Public works	-	6,047,079		-	1,711,462	7,758,541
Health and welfare	61,993	-		-	193,992	255,985
Community and economic development	1,307,188	-		-	-	1,307,188
Recreation and culture	1,434,982	-		-	2,192,498	3,627,480
Capital outlay	-	-		-	1,405,539	1,405,539
Debt service						
Principal retirement	875,095	-		3,415,000	245,000	4,535,095
Interest and fiscal charges	246,420	-		518,000	13,956	778,376
Bond issuance costs	-	67,836		-	-	67,836
	<u>29,521,063</u>	<u>6,114,915</u>		<u>3,933,000</u>	<u>6,173,137</u>	<u>45,742,115</u>
Excess (deficiency) of revenues over expenditures	<u>(337,284)</u>	<u>(5,508,222)</u>		<u>329,016</u>	<u>1,276,072</u>	<u>(4,240,418)</u>
Other financing sources (uses)						
Transfers in	267,490	155,506		-	32,736	455,732
Transfers out	(1,237,594)	-		-	(293,792)	(1,531,386)
Issuance of debt	-	10,284,856		-	-	10,284,856
Lease liabilities issued	1,878,246	-		-	-	1,878,246
	<u>908,142</u>	<u>10,440,362</u>		<u>-</u>	<u>(261,056)</u>	<u>11,087,448</u>
Net change in fund balances	<u>570,858</u>	<u>4,932,140</u>		<u>329,016</u>	<u>1,015,016</u>	<u>6,847,030</u>
Fund balances - beginning of year, as previously presented	14,451,563	9,791,262	1,498,991	2,216,069	15,920,806	43,878,691
Changes within financial reporting entity (major to nonmajor fund)	-	-	(1,498,991)	-	1,498,991	-
Fund balances - beginning of year, as adjusted	<u>14,451,563</u>	<u>9,791,262</u>		<u>2,216,069</u>	<u>17,419,797</u>	<u>43,878,691</u>
Fund balances - end of year	<u>\$ 15,022,421</u>	<u>\$ 14,723,402</u>		<u>\$ 2,545,085</u>	<u>\$ 18,434,813</u>	<u>\$ 50,725,721</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

Net change in fund balances - total governmental funds	\$ 6,847,030
 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 and amortization expense.	
Depreciation and amortization expense	(5,298,476)
Capital outlay	10,978,510
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
	(451,613)
 Expenses are recorded when incurred in the statement of activities.	
Accrued interest	27,761
Compensated absences	165,893
 The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.	
Net change in the net pension liability	1,986,117
Net change in the deferred outflow of resources related to the net pension liability	(1,478,243)
Net change in the deferred inflow of resources related to the net pension liability	153,071
 The statement of net position reports the net OPEB liability and deferred outflows of resources and deferred inflows related to the net OPEB liability and pension expense. However, the amount recorded on the governmental funds equals actual OPEB contributions.	
Net change in the net OPEB liability	517,723
Net change in the deferred outflow of resources related to the net OPEB liability	(484,472)
Net change in the deferred inflow of resources related to the net OPEB liability	114,604
 Long-term liabilities and related transactions applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Debt issued	(12,473,102)
Repayments of long-term debt	4,535,095
Amortization of premiums, discounts and similar items	301,569
Internal service funds are also included as governmental activities	819,235
Change in net position of governmental activities	\$ 6,260,702

Charter Township of Meridian
Proprietary Funds
Statement of Net Position
December 31, 2024

	Enterprise Funds			Internal Service
	Sewer	Water	Total	Fund Motor Pool
Assets				
Current assets				
Cash and cash equivalents	\$ 4,331,598	\$ 2,365,136	\$ 6,696,734	\$ 404,599
Investments	1,537,033	2,118,386	3,655,419	551,994
Receivables				
Accounts	6,649	216,075	222,724	-
Utility bills	1,939,659	1,867,935	3,807,594	-
Leases receivable, current	-	15,292	15,292	-
Due from other funds	5,000	5,000	10,000	948,654
Inventories	-	1,059,381	1,059,381	-
Prepaid items	285,938	14,692	300,630	-
	<u>8,105,877</u>	<u>7,661,897</u>	<u>15,767,774</u>	<u>1,905,247</u>
Total current assets				
Noncurrent assets				
Investment in joint venture	-	10,179,532	10,179,532	-
Leases receivable, long-term	-	1,475,051	1,475,051	-
Capital assets not being depreciated	310,179	673,530	983,709	-
Capital assets, net of accumulated depreciation	57,502,312	19,785,020	77,287,332	3,255,091
	<u>57,812,491</u>	<u>32,113,133</u>	<u>89,925,624</u>	<u>3,255,091</u>
Total noncurrent assets				
	<u>57,812,491</u>	<u>32,113,133</u>	<u>89,925,624</u>	<u>3,255,091</u>
Total assets	<u>65,918,368</u>	<u>39,775,030</u>	<u>105,693,398</u>	<u>5,160,338</u>
Deferred outflows of resources				
Pension related	142,694	318,443	461,137	38,714
	<u>142,694</u>	<u>318,443</u>	<u>461,137</u>	<u>38,714</u>
Liabilities				
Current liabilities				
Accounts payable	129,679	468,631	598,310	27,078
Due to other funds	143,203	149,406	292,609	-
Due to other units of government	-	1,029	1,029	-
Payroll and other liabilities	144,894	112,196	257,090	3,829
Compensated absences	15,034	17,269	32,303	3,658
Current portion of long-term liabilities	1,771,970	-	1,771,970	-
	<u>2,204,780</u>	<u>748,531</u>	<u>2,953,311</u>	<u>34,565</u>
Total current liabilities				
	<u>2,204,780</u>	<u>748,531</u>	<u>2,953,311</u>	<u>34,565</u>
Noncurrent liabilities				
Compensated absences	68,486	78,671	147,157	16,665
Long-term liabilities	29,376,300	-	29,376,300	-
Net pension liability	324,851	724,986	1,049,837	88,135
	<u>29,769,637</u>	<u>803,657</u>	<u>30,573,294</u>	<u>104,800</u>
Total noncurrent liabilities				
	<u>29,769,637</u>	<u>803,657</u>	<u>30,573,294</u>	<u>104,800</u>
Total liabilities	<u>31,974,417</u>	<u>1,552,188</u>	<u>33,526,605</u>	<u>139,365</u>
Deferred inflows of resources				
Lease related	-	1,490,343	1,490,343	-
Pension related	2,421	5,389	7,810	655
	<u>2,421</u>	<u>1,495,732</u>	<u>1,498,153</u>	<u>655</u>
Total deferred inflows of resources				
	<u>2,421</u>	<u>1,495,732</u>	<u>1,498,153</u>	<u>655</u>
Net position				
Net investment in capital assets	26,664,221	20,386,295	47,050,516	3,255,091
Unrestricted	7,420,003	16,659,258	24,079,261	1,803,941
	<u>34,084,224</u>	<u>37,045,553</u>	<u>71,129,777</u>	<u>5,059,032</u>
Total net position				
	<u>\$ 34,084,224</u>	<u>\$ 37,045,553</u>	<u>\$ 71,129,777</u>	<u>\$ 5,059,032</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2024

	Enterprise Funds			Internal Service
	Sewer	Water	Total	Fund Motor Pool
Operating revenue				
Customer fees	\$ 8,568,768	\$ 7,977,985	\$ 16,546,753	\$ -
Billings to other funds	-	-	-	1,266,467
Rental income	-	27,430	27,430	-
Other revenue	203,813	464,781	668,594	47,377
Total operating revenue	<u>8,772,581</u>	<u>8,470,196</u>	<u>17,242,777</u>	<u>1,313,844</u>
Operating expenses				
Personnel services	1,006,987	1,405,644	2,412,631	259,879
Supplies	43,639	89,585	133,224	-
Contractual services	2,210,041	4,452,120	6,662,161	58,968
Utilities	103,513	6,110	109,623	-
Repairs and maintenance	163,546	7,197	170,743	616,992
Other expenses	601,791	526,311	1,128,102	-
Depreciation	1,555,588	876,538	2,432,126	729,980
Total operating expenses	<u>5,685,105</u>	<u>7,363,505</u>	<u>13,048,610</u>	<u>1,665,819</u>
Operating income (loss)	<u>3,087,476</u>	<u>1,106,691</u>	<u>4,194,167</u>	<u>(351,975)</u>
Nonoperating revenue (expenses)				
Investment income	282,611	198,042	480,653	40,556
Change in value of joint venture	-	2,504,793	2,504,793	-
Gain on sale of capital assets	-	-	-	55,000
Interest expense	(638,631)	-	(638,631)	-
Total nonoperating revenues (expenses)	<u>(356,020)</u>	<u>2,702,835</u>	<u>2,346,815</u>	<u>95,556</u>
Income (loss) before contributions and transfers	<u>2,731,456</u>	<u>3,809,526</u>	<u>6,540,982</u>	<u>(256,419)</u>
Capital contributions	555,646	548,149	1,103,795	-
Transfers in	-	-	-	1,075,654
Change in net position	<u>3,287,102</u>	<u>4,357,675</u>	<u>7,644,777</u>	<u>819,235</u>
Net position - beginning of year	30,299,053	32,263,833	62,562,886	4,241,622
Change in accounting principle	(37,913)	(46,239)	(84,152)	(1,825)
Correction of errors	535,982	470,284	1,006,266	-
Net position - beginning of year (restated)	<u>30,797,122</u>	<u>32,687,878</u>	<u>63,485,000</u>	<u>4,239,797</u>
Net position - end of year	<u>\$ 34,084,224</u>	<u>\$ 37,045,553</u>	<u>\$ 71,129,777</u>	<u>\$ 5,059,032</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2024

	Enterprise Funds			Internal Service Funds
	Sewer	Water	Total	Motor Pool
Cash flows from operating activities				
Receipts from customers	\$ 8,350,694	\$ 7,701,701	\$ 16,052,395	\$ 365,190
Receipts from other funds	138,203	144,406	282,609	-
Payments to other funds	-	-	-	(641,701)
Payments to suppliers	(3,069,753)	(5,040,397)	(8,110,150)	(310,720)
Payments to employees	(1,014,198)	(1,420,851)	(2,435,049)	-
Net cash provided (used) by operating activities	<u>4,404,946</u>	<u>1,384,859</u>	<u>5,789,805</u>	<u>(587,231)</u>
Cash flows from noncapital financing activities				
Transfer from other funds	-	-	-	1,075,654
Cash flows from capital and related financing activities				
Purchases/construction of capital assets	(2,727,993)	(1,121,907)	(3,849,900)	(972,131)
Principal and interest paid on long-term debt	(2,416,470)	-	(2,416,470)	-
Proceeds from sale of capital assets	-	-	-	55,000
Net cash used by capital and related financing activities	<u>(5,144,463)</u>	<u>(1,121,907)</u>	<u>(6,266,370)</u>	<u>(917,131)</u>
Cash flows from investing activities				
Proceeds from sales and maturities of investments	-	2,504,793	2,504,793	-
Purchases of investments	(1,537,033)	(2,908,358)	(4,445,391)	(551,994)
Interest received	282,611	198,042	480,653	40,556
Net cash used by investing activities	<u>(1,254,422)</u>	<u>(205,523)</u>	<u>(1,459,945)</u>	<u>(511,438)</u>
Net change in cash and cash equivalents	(1,993,939)	57,429	(1,936,510)	(940,146)
Cash and cash equivalents - beginning of year	<u>6,325,537</u>	<u>2,307,707</u>	<u>8,633,244</u>	<u>1,344,745</u>
Cash and cash equivalents - end of year	<u>\$ 4,331,598</u>	<u>\$ 2,365,136</u>	<u>\$ 6,696,734</u>	<u>\$ 404,599</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 3,087,476	\$ 1,106,691	\$ 4,194,167	\$ (351,975)
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation and amortization expense	1,555,588	876,538	2,432,126	729,980
Changes in assets and liabilities				
Receivables (net)	(421,887)	(754,400)	(1,176,287)	-
Due from other funds	(5,000)	(5,000)	(10,000)	(948,654)
Inventories	-	(368,469)	(368,469)	-
Prepaid items	(6,785)	1,647	(5,138)	-
Pension related deferred outflows of resources	(12,701)	(8,572)	(21,273)	23,887
Accounts payable	23,485	373,611	397,096	(210)
Accrued and other liabilities	10,716	731	11,447	2,100
Due to other funds	143,203	149,406	292,609	-
Due to other units of government	-	1,029	1,029	-
Compensated absences	(7,211)	(15,207)	(22,418)	8,127
Net pension liability	39,633	45,061	84,694	(49,222)
Lease related deferred inflows of resources	-	(14,095)	(14,095)	-
Pension related deferred inflows of resources	(1,571)	(4,112)	(5,683)	(1,264)
Net cash provided (used) by operating activities	<u>\$ 4,404,946</u>	<u>\$ 1,384,859</u>	<u>\$ 5,789,805</u>	<u>\$ (587,231)</u>
Supplementary Information				
Contributed capital	<u>\$ 555,646</u>	<u>\$ 548,149</u>	<u>\$ 1,103,795</u>	<u>\$ -</u>
Capital assets acquired through amounts in accounts payable	<u>\$ -</u>	<u>\$ 72,255</u>	<u>\$ -</u>	<u>\$ 72,255</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2024

	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Custodial Fund Tax Collection Fund</u>
Assets		
Cash and cash equivalents	\$ -	\$ 16,662,993
Investments		
Money market mutual fund	153,801	-
Exchange traded funds	745,221	-
Mutual funds	11,481,223	-
Receivables		
Accrued interest and other	<u>649</u>	<u>-</u>
 Total assets	 <u>12,380,894</u>	 <u>16,662,993</u>
Liabilities		
Accounts payable	-	76,635
Due to other units of government	<u>-</u>	<u>16,586,358</u>
 Total liabilities	 <u>-</u>	 <u>16,662,993</u>
Net position		
Restricted for:		
Pensions	4,326,609	-
Postemployment benefits other than pension	<u>8,054,285</u>	<u>-</u>
 Total net position	 <u>\$ 12,380,894</u>	 <u>\$ -</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2024

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Tax Collection Fund
Additions		
Contributions		
Employer	\$ 166,789	\$ -
Investment earnings		
Interest, dividends and other	802,127	-
Net increase in fair value of investments	381,786	-
Investment expenses	(23,894)	-
Net investment gain	1,160,019	-
Property tax collections for other governments	-	103,356,927
Total additions	1,326,808	103,356,927
Deductions		
Benefits paid to participants or beneficiaries	549,591	-
Other deductions	60,356	-
Payments of property tax to other governments	-	103,356,927
Total deductions	609,947	103,356,927
Change in net position	716,861	-
Net position - beginning of year	11,664,033	-
Net position - end of year	\$ 12,380,894	\$ -

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian
Component Units
Statement of Net Position
December 31, 2024**

	Local Brownfield Revolving Fund	Brownfield Redevelopment Authority	Economic Development Corporation	Downtown Development Authority	Corridor Improvement Authority	Total
Assets						
Current assets						
Cash and cash equivalents	\$ 52,967	\$ 129,361	\$ 64,053	\$ 200,840	\$ 16,511	\$ 463,732
Receivables						
Taxes	-	532,999	-	66,187	55,125	654,311
Total assets	<u>52,967</u>	<u>662,360</u>	<u>64,053</u>	<u>267,027</u>	<u>71,636</u>	<u>1,118,043</u>
Liabilities						
Current liabilities						
Due to other units of government	-	42,985	-	-	319	43,304
Deferred inflows of resources						
Unavailable revenue - taxes	-	532,999	-	61,761	55,125	649,885
Net position						
Unrestricted	<u>\$ 52,967</u>	<u>\$ 86,376</u>	<u>\$ 64,053</u>	<u>\$ 205,266</u>	<u>\$ 16,192</u>	<u>\$ 424,854</u>

Charter Township of Meridian
Component Units
Statement of Activities
For the Year Ended December 31, 2024

	Local Brownfield Revolving Fund	Brownfield Redevelopment Authority	Economic Development Corporation	Downtown Development Authority	Corridor Improvement Authority	Total
Expenses						
Community and economic development	\$ -	\$ 552,186	\$ 9,300	\$ 16,616	\$ 319	\$ 578,421
Program revenues						
Charges for services	-	-	10,000	-	-	10,000
Operating grants and contributions	-	-	4,200	-	-	4,200
Total program revenues	-	-	14,200	-	-	14,200
Net program expense (revenue)	-	552,186	(4,900)	16,616	319	564,221
General revenues						
Property taxes	-	590,739	-	56,044	16,511	663,294
Unrestricted investment earnings	-	-	216	5,790	-	6,006
Transfers	18,938	(18,938)	-	-	-	-
Total general revenues and transfers	18,938	571,801	216	61,834	16,511	669,300
Change in net position	18,938	19,615	5,116	45,218	16,192	105,079
Net position - beginning of year	34,029	66,761	58,937	160,048	-	319,775
Net position - end of year	\$ 52,967	\$ 86,376	\$ 64,053	\$ 205,266	\$ 16,192	\$ 424,854

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

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

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

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

Local Brownfield Revolving Fund – The Local Brownfield Revolving Fund (LBRF) was established pursuant to Public Act 381 of 1996, as amended. The primary purpose of the LBRF is to assist in financing environmental assessment, remediation, and other eligible activities as authorized by PA 381, as amended. The LBRF is managed by the BRA's governing body.

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

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

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

Corridor Improvement Authority – The Corridor Improvement Authority (CIA) is authorized under the Corridor Improvement Authority Act (PA 280 of 2005). The primary purpose of the CIA is to correct and prevent deterioration within business corridors, encourage historic preservation, and promote economic growth within its designated development area. The CIA's governing body includes the Township supervisor and members appointed by the supervisor, subject to approval by the Township board. The CIA does not issue separate financial statements.

Charter Township of Meridian

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December 31, 2024

Fiduciary Component Units – The Pension and Other Postemployment Benefits Trust Funds were established to account for the assets set aside to fund the Township’s pension and OPEB plans. The primary purpose of the Trusts are to provide the necessary funding for pension payments and retiree healthcare coverage provided to eligible Township employees during retirement. The Pension Trust is overseen by a five-member board consisting of the Township Treasurer, an employee representative and three residents appointed by the Township Supervisor. The OPEB Trust is overseen by a committee consisting of the Township Manager, Finance Director and Township Treasurer. The assets of the Trusts are for the exclusive benefit of the participants and their beneficiaries, and the assets shall not be diverted to any other activity prior to the satisfaction of all liabilities. The assets are protected from any of the Township’s creditors. The respective oversight groups have the ability to exercise responsibility, specifically in the area of designation of management.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *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 a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. 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, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

The Township reports the following major governmental funds:

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

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

The Road Debt Service Fund is used to account for tax revenue and debt service related to the 2022 and 2024 bond issuances for road improvements.

The Township reports the following major proprietary funds:

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

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

Additionally, the Township reports the following:

The Nonmajor Special Revenue Funds account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative requirements.

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

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

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

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

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 sewer and water funds and the internal service fund are charges to customers for sales and services. The Township also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the sewer and water funds and the internal service fund 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.

Assets, Liabilities, and Net Position or Fund Balance

Deposits and investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value based on quoted market price. Certificate of deposits are stated at cost which approximates fair value. Pooled investment income is generally allocated to each fund using a weighted average balance for the principal.

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

Receivables and payables – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of a lending/borrowing arrangement outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” All trade and property tax receivables are shown net of an allowance for uncollectible amounts of \$3,740.

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

Property taxes billed during the month of December will be used to finance the following year’s operations. As such, these taxes are recorded as deferred inflows in each respective fund as of December 31. The 2023 taxable valuation of the Township totaled approximately \$2.14 billion, on which ad valorem taxes consisted of the following mills, and resulted in the following revenue, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

Purpose	Mills Levied	Ad Valorem Taxes Levied Raised (in millions)
Township operating	4.1444	\$ 8.88
Streets debt	1.9429	4.16
Police protection	0.5996	1.28
Fire protection	0.6318	1.35
Police and fire protection	1.4723	3.15
Community services	0.1478	0.32
Bike path	0.3297	0.71
CATA Redi Ride	0.1971	0.42
Park & recreation	0.6575	1.41
Land preservation	0.0996	0.21
Fire station debt	0.2000	0.43

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

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

Charter Township of Meridian
Notes to the Financial Statements
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Property, plant and equipment are depreciated using the straight-line method over the following useful lives:

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

Deferred outflows of resources – A deferred outflow of resources represents a consumption of net assets by the Township that applies to future periods. The Township may report deferred outflows of resources as a result of the following:

- Pension and OPEB earnings which are the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in pension and OPEB expense.
- Changes in assumptions and experience differences relating to the net pension and net OPEB liability are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.
- Pension and OPEB contributions made after the measurement date. This amount will reduce the net pension liability and net OPEB liability in the following year.

Compensated absences – It is the Township’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term obligations – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions – The Township offers a defined benefit pension plan to its employees. The Township receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. In the governmental funds, pension costs are recognized as contributions are made. For the government-wide statements and proprietary funds, the Township records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan’s fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Township’s pension plan and additions to/deductions from the pension plan’s fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments

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December 31, 2024

(including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund, Sewer Fund, Water Fund and Motor Pool Fund are primarily responsible for liquidating the pension liability.

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

Deferred inflows of resources – A deferred inflow of resources represents an acquisition of net assets by the Township that applies to future periods. The Township may report deferred inflows of resources as a result of the following:

- Unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period.
- Lease revenue related to leases receivable which is being amortized to recognize lease revenue in a systematic and rational manner over the term of the lease.
- Property taxes and special assessments levied during the year that were intended to finance future periods.
- Pension and OPEB earnings which are the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in pension and OPEB expense.
- Changes in assumptions and experience differences relating to the net OPEB liability are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.

Fund Balances – In the fund financial statements, governmental funds report fund balances in the following categories:

Non-spendable – assets that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts constrained on use imposed by the government’s highest level of decision-making, its Township Board. A fund balance commitment may be established, modified, or rescinded by a resolution of the Township Board.

Assigned – amounts intended to spend resources on specific purposes expressed by the governing body or the Township Manager, who is authorized by resolution approved by the governing body to make assignments. Residual amounts in governmental funds other than the general fund are automatically assigned by their nature.

Unassigned – all other resources; this is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

Charter Township of Meridian

Notes to the Financial Statements

December 31, 2024

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

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

The Township has adopted a minimum fund balance policy, to maintain a minimum end-of-year unassigned fund balance reserve of 25% of budgeted general fund expenditures.

Use of Estimates

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

Adoption of New Accounting Standards

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

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

Upcoming Accounting and Reporting Changes

Statement No. 102, *Certain Risk Disclosures*, requires organizations to provide users of the financial statements with essential information about risks related to the organization's vulnerabilities due to certain concentrations or constraints. This statement is effective for the year ending December 31, 2025.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an organization's accountability while also addressing certain application issues. This statement includes changes to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. This statement is effective for the year ending December 31, 2026.

Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription The Township is evaluating the impact that the above GASB statements will have on its financial reporting. assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. This statement is effective for the year ending December 31, 2026.

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

The Township is evaluating the impact that the above GASB statements will have on its financial reporting.

Note 2 - Stewardship, Compliance, and Accountability

Expenditures in Excess of Appropriations

	Appropriations	Actual	Budget Variance
General Fund			
Public safety	\$ 16,291,999	\$ 17,999,757	\$ 1,707,758
Debt service			
Principal retirement	718,373	875,095	156,722
Interest and fiscal charges	208,067	246,420	38,353
Local Roads Fund			
Public works	5,860,000	6,047,079	187,079
Debt service			
Bond issuance costs	-	67,836	67,836
Fire Fund			
Public safety	351,660	354,251	2,591

State Code Construction Act

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

Current year permit revenue		\$ 1,172,544
Related expenses:		
Direct costs	\$ 721,745	
Estimated indirect costs	95,774	817,519
Current year surplus		355,025
Cumulative shortfall - beginning of year		(5,889,619)
Cumulative shortfall - end of year		\$ (5,534,594)

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

Note 3 - Deposits and Investments

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

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>	<u>Total</u>
Governmental activities	\$ 16,797,822	\$ 47,786,933	\$ 64,584,755
Business-type activities	<u>6,696,734</u>	<u>3,655,419</u>	<u>10,352,153</u>
Total	23,494,556	51,442,352	74,936,908
Fiduciary funds	16,662,993	12,380,245	29,043,238
Component units	<u>463,732</u>	-	<u>463,732</u>
Total	<u>\$ 40,621,281</u>	<u>\$ 63,822,597</u>	<u>\$ 104,443,878</u>

The breakdown between deposits and investments is as follows:

	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Component Units</u>	<u>Total</u>
Bank deposits (checking and savings accounts, money markets and certificates of deposit)	\$ 23,494,156	\$ 16,662,993	\$ 463,732	\$ 40,620,881
Investments in securities, mutual funds and similar vehicles	51,442,352	12,380,245	-	63,822,597
Petty cash and cash on hand	<u>400</u>	<u>-</u>	<u>-</u>	<u>400</u>
	<u>\$ 74,936,908</u>	<u>\$ 29,043,238</u>	<u>\$ 463,732</u>	<u>\$ 104,443,878</u>

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. A local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; banker's acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan. To the extent that cash from various funds has been pooled in an investment, related investment income is allocated to each fund based on relative participation in the pool, except that the custodial fund's investment earnings are allocated to the General Fund.

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

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

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

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

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

Investment Type	Fair Value	Less than One Year	1 to 5 Years	6 to 10 years	More than 10 years
U.S. agency securities	\$ 15,187,677	\$ -	\$ 14,326,910	\$ 860,767	\$ -
Government investment pool	17,724,068	17,724,068	-	-	-
	<u>\$ 32,911,745</u>				

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

Investment	Carrying Value	Rating	Rating Organization
U.S. agency securities	\$ 15,187,677	Aaa	Moody's
Government investment pool	17,724,068	AAAm	S&P
	<u>\$ 32,911,745</u>		

Concentration of credit risk –

Government-wide

It is the policy of the Township to invest its funds in a manner which will ensure the preservation of principal and provide the highest investment return with the maximum security while meeting the daily cash flow needs of the Township and complying with all state statutes governing the investment of public funds.

More than 5% of the Township's government-wide investments are in:

Federal National Mortgage Association (FNMA)	\$ 3,620,802
Treasury Securities	11,566,875

Pension and Similar Trust Funds

Pension and similar trust funds are authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

More than 5% of the Township's pension and similar trust funds' investments are in:

Pension Investments

Federated Hermes International Equity Fund	\$ 385,916
Fidelity 500 Index Fund	1,666,672

OPEB Investments

Mission Square II Model Portfolio Conservative Fund	8,054,285
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Custodial credit risk - deposits – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year-end, the Township's bank balance was \$71,902,681 and \$69,896,805 of that amount was exposed to custodial credit risk because it was uninsured and uncollateralized. All bank deposits of the component units were insured and collateralized by federal depository insurance at year end. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Note 4 - Fair Value Measurements

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

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

Debt securities are valued by the Township's investment custodian using independent pricing services based on the type of asset. The pricing services may use valuation models or matrix pricing, which consider: (a) benchmark yields, (b) reported trades, (c) broker/dealer quotes, (d) benchmark securities, (e) bids or offers, and (f) reference data. The Township's level 2 investments as noted in the table below are valued using significant other observable inputs of the underlying securities.

Charter Township of Meridian
Notes to the Financial Statements
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The Township has the following recurring fair value measurements as of year end:

Investment	Balance at December 31, 2024	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Primary Government				
U.S. agency securities				
Residential mortgage backed securities	\$ 3,620,802	\$ -	\$ 3,620,802	\$ -
Treasury securities	11,566,875	-	11,566,875	-
Certificates of deposit	<u>16,210,358</u>	<u>16,210,358</u>	<u>-</u>	<u>-</u>
	<u>31,398,035</u>	<u>16,210,358</u>	<u>15,187,677</u>	<u>-</u>
Fiduciary Funds				
Exchange traded funds	745,221	745,221	-	-
Money market funds	2,474,049	2,474,049	-	-
Mutual funds	<u>3,426,939</u>	<u>3,426,939</u>	<u>-</u>	<u>-</u>
	<u>6,646,209</u>	<u>6,646,209</u>	<u>-</u>	<u>-</u>
	38,044,244	<u>\$ 22,856,567</u>	<u>\$ 15,187,677</u>	<u>\$ -</u>
Investments carried at net asset value				
Michigan CLASS government investment pool	17,724,068			
MissionSquare II Model Portfolio Conservative Fund	<u>8,054,285</u>			
Total investments	<u>\$ 63,822,597</u>			

Investments in Entities that Calculate Net Asset Value per Share

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

The net asset value of the Township's investment in Michigan CLASS was \$17,724,068. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The Michigan CLASS investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies. It has a rating of AAA from Standard and Poor's with a weighted average maturity of 48 days.

The net asset value of the Township's investment in the MissionSquare II Model Portfolio Conservative Fund (Fund) was \$8,054,285. There are no unfunded commitments, specific redemption frequencies or redemption notice periods required. The Fund invests in a combination of MissionSquare Funds Class M and third-party ETFs to seek to obtain exposure to approximately 62% fixed income investments, 34% equity investments, and 4% multi-strategy investments. These asset allocations are referred to as "neutral targets" because they do not reflect decisions that may be made by MissionSquare Investments (MSQI), the investment advisor to the Fund, to overweight or underweight a particular asset class based on market or operational factors. The neutral targets also do not reflect performance differences between the Fund's asset class allocations that will cause temporary deviations from the neutral targets. The actual asset class allocation of the Fund may vary by as much as +/-10

Charter Township of Meridian
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percentage points for the fixed income and equity investments as a result of MSQI's allocation decisions, performance differences between asset classes of the Fund, or some combination thereof, although the multi-strategy investments will generally not exceed 7 percentage points of the Fund's total assets.

Note 5 - Capital Assets

Capital assets activity of the primary government for the current year is as follows:

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 37,169,262	\$ -	\$ -	\$ 37,169,262
Construction-in-progress	863,507	1,212,919	863,507	1,212,919
Total capital assets not being depreciated	<u>38,032,769</u>	<u>1,212,919</u>	<u>863,507</u>	<u>38,382,181</u>
Capital assets being depreciated				
Land improvements	-	1,622,877	-	1,622,877
Infrastructure	24,159,109	6,412,720	-	30,571,829
Buildings, additions and improvements	20,595,068	127,693	-	20,722,761
Furniture and equipment	2,472,788	277,562	-	2,750,350
Machinery and equipment	430,231	74,275	-	504,506
Vehicles	7,814,268	897,856	218,737	8,493,387
Drainage flow rights	13,407,923	310,000	-	13,717,923
Right to use asset - machinery and equipment	-	1,878,246	-	1,878,246
Total capital assets being depreciated	<u>68,879,387</u>	<u>11,601,229</u>	<u>218,737</u>	<u>80,261,879</u>
Less accumulated depreciation for				
Land improvements	-	153,550	-	153,550
Infrastructure	13,050,023	3,685,410	-	16,735,433
Buildings, additions and improvements	8,983,278	831,302	-	9,814,580
Furniture and equipment	1,295,465	201,262	-	1,496,727
Machinery and equipment	296,637	22,790	-	319,427
Vehicles	4,934,922	707,190	218,737	5,423,375
Drainage flow rights	1,934,643	271,867	-	2,206,510
Right to use asset - machinery and equipment	-	155,085	-	155,085
Total accumulated depreciation	<u>30,494,968</u>	<u>6,028,456</u>	<u>218,737</u>	<u>36,304,687</u>
Net capital assets being depreciated	<u>38,384,419</u>	<u>5,572,773</u>	<u>-</u>	<u>43,957,192</u>
Governmental activities net capital assets	<u>\$ 76,417,188</u>	<u>\$ 6,785,692</u>	<u>\$ 863,507</u>	<u>\$ 82,339,373</u>

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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets not being depreciated				
Land	\$ 363,060	\$ -	\$ -	\$ 363,060
Construction-in-progress	-	620,649	-	620,649
Total capital assets not being depreciated	<u>363,060</u>	<u>620,649</u>	<u>-</u>	<u>983,709</u>
Capital assets being depreciated				
Buildings, additions and improvements	3,356,737	-	-	3,356,737
Other tools and equipment	4,764,389	164,000	83,851	4,844,538
Water and sewer infrastructure	112,310,419	7,204,370	-	119,514,789
Total capital assets being depreciated	<u>120,431,545</u>	<u>7,368,370</u>	<u>83,851</u>	<u>127,716,064</u>
Less accumulated depreciation for				
Buildings, additions and improvements	3,291,410	4,895	-	3,296,305
Other tools and equipment	3,120,572	166,206	83,851	3,202,927
Water and sewer infrastructure	41,668,475	2,261,025	-	43,929,500
Total accumulated depreciation	<u>48,080,457</u>	<u>2,432,126</u>	<u>83,851</u>	<u>50,428,732</u>
Net capital assets being depreciated	<u>72,351,088</u>	<u>4,936,244</u>	<u>-</u>	<u>77,287,332</u>
Business-type capital assets, net	<u>\$ 72,714,148</u>	<u>\$ 5,556,893</u>	<u>\$ -</u>	<u>\$ 78,271,041</u>

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

Governmental activities

General government	\$ 527,217
Public safety	472,695
Public works	3,966,353
Health and welfare	15,852
Recreation and culture	316,359
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>729,980</u>
Total governmental activities	<u>6,028,456</u>

Business-type activities

Sewer Fund	1,555,588
Water Fund	<u>876,538</u>
Total business-type activities	<u>2,432,126</u>
 Total primary government	 <u>\$ 8,460,582</u>

Construction Commitments

The Township entered into contracts for construction totaling \$10,706,941. As of December 31, 2024, \$4,824,357 remained outstanding on the contracts.

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Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund				Total
	General Fund	Sewer Fund	Water Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 143,203	\$ 149,406	\$ 52,812	\$ 345,421
Sewer Fund	-	-	-	5,000	5,000
Water Fund	-	-	-	5,000	5,000
Internal Service Funds	948,654	-	-	-	948,654
	<u>\$ 948,654</u>	<u>\$ 143,203</u>	<u>\$ 149,406</u>	<u>\$ 62,812</u>	<u>\$ 1,304,075</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The details for interfund transfers are as follows:

Transfers In	Transfers Out		
	General Fund	Nonmajor Governmental Funds	Total
General Fund (1)	\$ -	\$ 267,490	\$ 267,490
Local Roads Fund (2)	155,506	-	155,506
Internal Service Fund (3)	1,075,654	-	1,075,654
Nonmajor Governmental Funds (4)	6,434	26,302	32,736
	<u>\$ 1,237,594</u>	<u>\$ 293,792</u>	<u>\$ 1,531,386</u>

- (1) To support cost of increased public safety wages and capital outlay
- (2) To support local roads
- (3) To support purchase of public safety vehicles
- (4) To support additional costs for fire department

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Note 7 - Leases

Lease Receivable

The Township has an agreement leasing clock tower space. The lease commenced in December 2001 and will automatically renew in 5-year terms through December 2057, unless the lessee notifies the Township in writing of the lessee's intention not to extend the agreement prior to the commencement of any succeeding term. The Township intends to exercise all renewal periods available in the agreement. The Township recognized \$14,095 in lease revenue and \$19,474 in related interest income for the year ended December 31, 2024. Monthly payments increase 3% annually. Future minimum lease payments at an imputed interest rate of 1.3% are as follows:

Year Ending December 31,	Principal	Interest
2025	\$ 15,292	\$ 19,284
2026	16,535	19,078
2027	17,826	18,855
2028	19,167	18,616
2029	20,558	18,358
2030-2033	125,546	87,261
2035-2039	168,946	77,756
2034-2044	220,830	65,165
2045-2049	282,654	48,893
2050-2054	356,113	28,240
2055-2057	246,876	4,906
Total	\$ 1,490,343	\$ 406,412

Lease Liability

During the 2024 fiscal year, the Township entered into a 9-year lease agreement as lessee for the use of fire equipment from Stryker. An initial lease liability was recorded in the amount of \$1,878,246. As of December 31, 2024, the value of the lease liability was \$1,701,923. The Township is required to make annual principal and interest payments of \$214,677. The lease has an interest rate of 3%. The value of the right-to-use asset as of the end of the current fiscal year was \$1,878,246 and had accumulated amortization of \$155,085.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2025	\$ 167,243	\$ 47,434
2026	172,330	42,347
2027	177,572	37,106
2028	182,973	31,705
2029	188,538	26,140
2030-2033	813,267	45,441
	\$ 1,701,923	\$ 230,173

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Note 8 - Long-Term Debt

The Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Township. Compensated absences additions and deductions are reported net. Long-term obligation activity is summarized as follows:

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities									
Bonds and notes payable									
General obligation bonds									
Fire Station Construction Bond	\$ 3,500,000	2028	2.40% - 2.60%	\$200,000 - \$250,000	\$ 695,000	\$ -	\$ 245,000	\$ 450,000	\$ 250,000
Road Construction Bond	12,000,000	2026	5.00%	\$3,320,000 - \$3,625,000	10,360,000	-	3,415,000	6,945,000	3,625,000
Road Construction Bond	9,835,000	2028	5.00%	\$640,000 - \$4,245,000	-	9,835,000	-	9,835,000	2,260,000
Special assessment obligations									
Towar Gardens	1,873,200	2026	4.98%	\$187,320	561,960	-	187,320	374,640	187,320
Towar Snell	251,250	2026	5.40%	\$25,125	75,375	-	25,125	50,250	25,125
Briarwood	211,500	2026	5.33%	\$10,575	31,725	-	10,575	21,150	10,575
Kinawa	190,000	2032	4.19%	\$10,000	90,000	-	10,000	80,000	10,000
Ember Oaks	35,800	2033	5.25%	\$1,790	17,900	-	1,790	16,110	1,790
Smith Consolidated	111,953	2036	3.22%	\$5,592 - \$5,598	72,768	-	5,598	67,170	5,598
Nemoka	3,120,000	2040	2.49%	\$156,000	2,652,000	-	156,000	2,496,000	156,000
Daniels	5,238,614	2041	2.00% - 2.13%	\$260,000 - \$265,000	4,720,000	-	260,000	4,460,000	260,000
Remy Chandler	56,820	2026	1.68%	\$11,364	34,092	-	11,364	22,728	11,364
Proctor Drain	310,000	2033	4.67%	\$31,000	-	310,000	31,000	279,000	31,000
Total bonds and notes payable					19,310,820	10,145,000	4,358,772	25,097,048	6,833,772
Less deferred amounts									
For issuance premiums					914,862	449,856	301,569	1,063,149	377,386
Leases									
Compensated absences					-	1,878,246	176,323	1,701,923	167,243
Internal service fund obligations									
Compensated absences					12,196	8,127	-	20,323	3,658
Total governmental activities					\$ 22,092,370	\$ 12,481,229	\$ 5,002,557	\$ 29,571,042	\$ 7,686,007
Business-type activities									
Bonds and notes payable									
General obligation bonds									
2013 SRF Wastewater Optimization Bonds	\$ 681,738	2033	2.00%	\$35,438 - \$41,410	\$ 375,016	\$ -	\$ 34,216	\$ 340,800	\$ 35,438
2015 SRF Wastewater Optimization Bonds	4,999,500	2036	2.50%	\$238,310 - \$313,300	3,406,328	-	116,657	3,289,671	238,310
2017 SRF Wastewater Optimization Bonds	5,632,185	2038	2.50%	\$416,471 - \$584,416	7,343,396	-	405,023	6,938,373	416,471
2019 SRF Wastewater Optimization Bonds	4,837,994	2040	2.00%	\$598,466 - \$811,219	11,561,248	222,125	586,036	11,197,337	598,466
2021 SRF Wastewater Optimization Bonds	2,440,234	2042	1.87%	\$442,977 - \$641,603	7,116,099	2,740,944	474,954	9,382,089	483,285
Total general obligation bonds					29,802,087	2,963,069	1,616,886	31,148,270	1,771,970
Compensated absences									
Water Fund					111,147	-	15,207	95,940	17,269
Sewer Fund					90,731	-	7,211	83,520	15,034
Total business-type activities					\$ 30,003,965	\$ 2,963,069	\$ 1,639,304	\$ 31,327,730	\$ 1,804,273

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

Year Ending December 31,	Governmental Activities		Business-type Activities	
	Bonds		Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 6,833,772	\$ 920,692	\$ 1,771,970	\$ 660,432
2026	4,858,772	704,622	1,810,875	621,207
2027	4,709,388	429,137	1,849,304	582,187
2028	3,154,388	233,136	1,889,844	542,305
2029	464,388	123,385	1,933,241	501,537
2030-2034	2,274,150	449,261	10,283,730	1,862,824
2035-2039	2,116,190	201,051	9,713,507	745,380
2040-2043	686,000	15,170	1,895,799	40,924
	<u>\$ 25,097,048</u>	<u>\$ 3,076,454</u>	<u>\$ 31,148,270</u>	<u>\$ 5,556,796</u>

Other Debt

From time to time, the Economic Development Corporation issues limited Obligation Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed. The resulting debt of the developers is serviced directly by the financial institution. Neither the Township nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2024, there were three series of Limited Obligation Revenue Bonds outstanding, with an aggregate principal amount payable of \$4,685,000.

Note 9 - Net Investment in Capital Assets

The composition of net investment in capital assets as of year end, was as follows:

	Governmental Activities	Business-type Activities
Capital assets		
Capital assets not being depreciated	\$ 38,382,181	\$ 983,709
Capital assets, net of accumulated depreciation	<u>43,957,192</u>	<u>77,287,332</u>
Total capital assets	<u>82,339,373</u>	<u>78,271,041</u>
Unspent bond proceeds	<u>10,513,407</u>	<u>-</u>
Related debt		
General obligation bonds	(17,230,000)	(31,148,270)
Special assessment obligations	(7,867,048)	-
Capital related accounts and retainage payable	(880,394)	(72,255)
Leases	(1,701,923)	-
Unamortized bond premiums	<u>(1,063,149)</u>	<u>-</u>
Total related debt	<u>(28,742,514)</u>	<u>(31,220,525)</u>
Net investment in capital assets	<u>\$ 64,110,266</u>	<u>\$ 47,050,516</u>

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Note 10 - Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for medical benefit claims and for claims relating to property loss, torts, and errors and omissions. The Township participates in the Michigan Municipal Workers' Compensation Fund (risk pool) for claims relating to employee injuries (workers' compensation). Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal League risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

Note 11 - Employee Retirement and Benefit Systems

Defined Benefit - Charter Township of Meridian Employees' Retirement System

Plan Administration – The Charter Township of Meridian Pension Board is the administrator of the Meridian Township Employees' Pension Plan (Plan), a single-employer defined benefit pension plan that provides pensions to all full-time employees of the Township, excluding those included in the Municipal Employees' Retirement System of Michigan and defined contribution plan. This Plan is closed to new employees. Benefit terms have been established by contractual agreements between the Township and the various employee union representation; amendments are subject to the same process.

Management of the Plan is vested with the Pension Board, which consists of five members – the Township Treasurer, an employee representative, and three residents appointed by the Township Supervisor.

This is a single employer defined benefit plan administered by the Township. The plan does not issue a separate stand-alone financial statement.

Benefits Provided – The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Postretirement cost of living adjustments are not provided. Retirement benefits for general plan members are calculated as a percent of the member's final average compensation based on the highest five consecutive years out of the last ten years of service. The percentages used for the various groups are as follows:

- 1) Basic Benefit – A participant eligible for a normal retirement benefit shall be entitled to a monthly ten year certain and life pension equal to the greater of the amount listed below or his or her accrued benefit as of December 31, 1988:
 - a. Non-Represented Employees – 1.0% of final average compensation not in excess of \$1,725, plus 1.4% of final average compensation in excess of \$1,725, multiplied by years of benefit credited service.
 - b. Professional Supervisory and Non-Supervisory Union Employees – Effective January 1, 1988, 1.11% of final average compensation multiplied by years of benefit credited service.
 - c. Firefighters Union Employees – Effective January 1, 1988, 1.5% of final average compensation multiplied by years of benefit credited service. Effective October 14, 1991, 1.6% of final average compensation multiplied by years of benefit credited service. Effective April 30, 1996, 1.8% of final average compensation multiplied by years of benefit credited service.
 - d. Police Supervisory Union Employees – Effective January 1, 1988, 1.6% of final average compensation multiplied by years of benefit credited service. Effective July 1, 1994, 2.16% of final average compensation multiplied by years of benefit credited service. Effective December 31, 1996, 2.25% of final average compensation multiplied by years of benefit credited service.

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- e. Police Non-Supervisory Union Employees – Effective January 1, 1987, 1.48% of final average compensation multiplied by years of benefit credited service. Effective December 31, 1991, 1.6% of final average compensation multiplied by years of benefit credited service. Effective January 1, 1995, 1.8% of final average compensation multiplied by years of benefit credited service.
 - f. Public Works/Physical Plant Union Employees – 1.25% of final average compensation multiplied by years of benefit credited service.
 - g. Clerical and Secretarial Union Employees – 1.05% of final average compensation multiplied by years of benefit credited service.
 - h. For Any Active Participant Who is an Employee of the Township as of May 1, 2000 – 1.5% of final average compensation multiplied by years of benefit credited service. Effective January 1, 2009, the benefit multiplier of 1.5% shall be increased to 1.8% for a participant who is an active non-union employee hired prior to February 1, 1980.
- 2) Additional Normal Retirement Benefit – Any participant-fireman or participant-policeman who is entitled to a retirement benefit under the Plan shall receive an additional retirement benefit during each month for which retirement benefits are payable which is prior to the month in which such participant attains age 62. This benefit shall not apply to a police supervisory union employee who terminates service on or after July 1, 1994.

The additional normal retirement benefit shall equal the amount such participant would be entitled to commencing at age 62 under Title II of the Social Security Act then in effect, multiplied by a fraction (not greater than one), the numerator of which is equal to such participant's years of benefit credited service earned while a participant-fireman or participant-policeman as of the date of his or her retirement, and the denominator of which is 25. The additional normal retirement benefit shall be payable only during the life of the retired participant, with no continuing benefits payable to such participant's spouse, joint pensioner or other beneficiary following death. In addition, the additional normal retirement benefit shall not be considered in determining the amount of any pre-retirement death benefit payable. Further, the additional normal retirement benefit described herein shall not be subject to any actuarial adjustment.

Benefit Options – In lieu of the benefit forms provided for above, a participant may elect pursuant to a qualified election made during the election period, an actuarially equivalent optional form of benefit. Such actuarially equivalent optional form of benefit may be:

- 1) A monthly benefit payable for the life of the participant with or without a period certain (five years or ten years), as specified by the participant. If a five- or ten-year period certain is specified, the participant shall name one or more designated beneficiaries to receive payments after the participant's death. The participant shall specify shares or priority among designated beneficiaries.
- 2) A monthly benefit payable for life of the participant with a percentage (50, 66 2/3, 75, or 100%) of such monthly benefit, as specified by the participant, continued to the participant's eligible spouse until his or her death and continued to the participant's designated beneficiary after the eligible spouse's death.

Normal Retirement Date – The date on which the participant attains age 65, except that the normal retirement date for participant-firemen and participant-policemen shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 55 and completes 25 years of benefit credited service. Effective April 1, 1996, in the case of a participant fireman who terminates service between April 1, 1996 and April 15, 1996, the age requirement in clause (2) of the preceding sentence shall not apply. Effective April 30, 1996, the normal retirement date for participant-fireman shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective as of April 1, 1997, in the case of a participant-fireman who terminates service between April 1, 1997 and May 31, 1997, who, as of April 1, 1997, has attained age 50 and completed 20 or more years of benefit credited service, and the sum of whose age and years of benefit credited service was not

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less than 75 as of April 1, 1997, such participant's normal retirement date shall be the earlier of (1) the date determined under the preceding three sentences, or (2) the date on which the participant terminates service. Effective January 1, 1991, the normal retirement date for police supervisory union employees shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective December 31, 1991, the normal retirement date for police non-supervisory union employees shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective August 19, 1997, the normal retirement date for the participant holding the position of public safety director of the employer on July 1, 1997, shall be October 31, 1997. For any active participant employed by the Township on or after May 1, 2000, the normal retirement date shall be the earlier of (1) the date on which participant attains age 65, or (2) the date on which the participant attains age 55 and completes 20 years of benefit credited service.

Effective June 1, 2003, the normal retirement date for the participant-police officer labor council – terminated vested participants, police department non-supervisory – terminated vested participants and fire department – terminated vested participants shall be the earlier of (1) the date on which the terminated vested participant attains age 65, or (2) the date on which the terminated vested participant attains age 52 and completes 25 years of benefit credited service, or (3) the date on which the terminated vested participant attains age 55 and completes 15 years of benefit credited service.

Early Retirement Benefit – The “Early Retirement Date” means the first day of the month following the month in which the participant attains age 55 and completes 15 or more years of benefit credited service. A participant eligible for an early retirement benefit hereunder shall be entitled to a monthly ten year certain and life pension equal to his or her accrued benefit, reduced by 5/9ths of one % for each of the first 60 months and 5/18ths of one % for each additional month that the date on which the participant's early retirement benefit commences precedes his or her normal retirement date.

Death Benefit – Effective January 1, 1985, upon the death of a participant before commencement of benefits under this plan, an early survivor's pension shall be payable to his or her eligible spouse, if any. The amount of the early survivor's pension and the time at which it will commence shall be determined as follows:

- 1) If the participant had met the requirements for immediate commencement of any benefit under the Plan on or prior to his or her date of death, the early survivor's pension shall be the survivor's pension that would have been payable if the participant had retired on the day before his or her death and not elected an optional form of retirement benefit.
- 2) If the participant had not met the requirements for immediate commencement of any benefit under the Plan on or prior to his or her date of death, the early survivor's pension shall be the survivor's pension that would have been payable if the participant had:
 - a. separated from service on the date of his or her death;
 - b. survived until the earliest date on which he or she could elect to receive retirement benefits under the Plan and retired on said date without electing an optional form of retirement benefit; and
 - c. died on the day after his or her deemed early retirement date.
- 3) The death benefit payable shall commence not earlier than the earliest date on which the participant could have elected to receive retirement benefits under the Plan.

Disability Benefits – A participant eligible for a disability retirement benefit under the plan document shall be entitled to a monthly pension commencing as of the first day of the month coincident with or next following the participant's normal retirement date in an amount equal to what the participant's normal retirement benefit would be if the participant had remained in service until his or her normal retirement date (accruing years of benefit

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credited service until such normal retirement date) and based on the participant’s final average compensation determined as of the date on which the disability is certified.

Plan Membership – As of December 31, 2024, pension plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	38
Inactive employees entitled to, but not yet receiving benefits	14
Active employees*	-
	52
	52

*The plan is closed to new members.

Contributions – Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year are to be funded during that year. Accordingly, the Township retains an independent actuary to determine the annual contribution, and the Township considers this during the budget process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Plan does not call for any employee contributions to the Plan. The Township made no contributions for the year ended December 31, 2024.

Investment Policy – The Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

The Plan’s asset allocation policy is as follows:

Asset Class	Target Allocation
Equity - US Equity	48.00%
Equity - International Equity	13.00%
Equity - REITS	4.00%
Fixed Income - US Investment Grade	32.00%
Cash	3.00%
	100.00%

Rate of Return – For the year ended December 31, 2024, the annual money-weighted rate of return on Plan investments, net of investment expense, was 12.62%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Reserves – The Plan does not require reserves to be set aside.

Funding Policy – Historically, the Township has made periodic employer contributions at actuarially determined rates; however, this is a closed plan with no active employees that was over 100% funded in 2008. The Township suspended contributions, so as to not overfund the Plan. The subsequent economic downturn resulted in the Plan dropping to 76% funded at the time of the January 1, 2011 actuarial valuation. Township management made the decision to resume funding the Plan in 2012. The Township once again suspended contributions for 2013. The Plan was funded at 66.9% at the time of the January 1, 2014 actuarial valuation and 65.9% at the

Charter Township of Meridian
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time of the January 1, 2013 actuarial valuation. The Township resumed contributions for the years ended December 31, 2014 through 2021. Administrative costs of the Plan are financed through investment earnings.

Net Pension Liability – The components of the net pension liability as of December 31, 2024 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of December 31, 2023	\$ 4,508,276	\$ 4,261,753	\$ 246,523
Changes for the year			
Interest on total pension liability	257,202	-	257,202
Experience differences	60,973	-	60,973
Net investment income (loss)	-	531,907	(531,907)
Benefit payments and refunds	(443,157)	(443,157)	-
Administrative expense	-	(23,894)	23,894
Net changes	(124,982)	64,856	(189,838)
Balances as of December 31, 2024	\$ 4,383,294	\$ 4,326,609	\$ 56,685

Actuarial Assumptions – The December 31, 2024 total pension liability was determined by an actuarial valuation as of December 31, 2024. The measurement date was December 31, 2024 and all census data provided to the actuary was as of December 31, 2024, therefore no update procedures to roll forward the estimated liability to December 31, 2024 were needed.

The valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return 6.00%

Mortality rates were based on the fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales. The actuarial assumptions are generally based on past experience, modified for projected changes in conditions.

The long-term expected rate of return on pension plan investments of 6.0% was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Long-term Expected Real Rate of Return
Equity - US Equity	8.17%
Equity - International Equity	9.50%
Equity - REITS	8.75%
Fixed Income - US Investment Grade	4.80%
Cash	0.00%
	4.85%

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Discount Rate – The discount rate used to measure the total pension liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Township, calculated using the discount rate of 6.0%, as well as what the Township’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.0%) or 1 percentage point higher (7.0%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 344,020	\$ 56,685	\$ (198,280)

Pension Expense and Deferred Outflows of Resources Related to Pensions – For the year ended December 31, 2024, the Township recognized pension expense of \$79,444. As of December 31, 2024, the Township reported deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total to Amortize</u>
Net difference between projected and actual earning on plan investments	\$ -	\$ (44,247)	\$ (44,247)

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

<u>Year ended December 31,</u>		
2025	\$	43,799
2026		99,081
2027		(129,086)
2028		(58,041)
	\$	<u>(44,247)</u>

Defined Benefit – Municipal Employees’ Retirement System of Michigan

Plan description – The Township participates in the Michigan Municipal Employees’ Retirement System (MERS), an agent multiple-employer, statewide public employee defined benefit pension plan that covers all employees of the government. The plan was established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. The system provides retirement, disability and death benefits to plan members and their beneficiaries. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917 or on the web at <http://www.mersofmich.com>.

Benefits provided – The Plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS. The MERS plan covers all public works (American Federation of State, County, and Municipal Employees (AFSCME)), police nonsupervisory, clerical unit, police supervisory employees, firefighters, and Teamsters employees of the Township.

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01 - DPW	Closed to new hires
Benefit Multiplier	2.25% Multiplier (80% max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)
02 - Police Patrol	Closed to new hires
Benefit Multiplier	2.75% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	8.29%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)
05 - Firefighters	Closed to new hires
Benefit Multiplier	Bridged Benefit: 2.75% Multiplier (80% max) - Termination FAC; 2.50% Multiplier (80% max)
Bridged Benefit Date	12/31/2016
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	7.76%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)
10 - Admin Professional	Closed to new hires
Benefit Multiplier	Bridged Benefit: 2.50% Multiplier (80% max) - Termination FAC; 2.25% Multiplier (80% max)
Bridged Benefit Date	12/31/2016
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

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11 - Teamsters	Open Division
Benefit Multiplier	2.00% Multiplier (no max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)
12 - Admin Professional on/aft 1/1/17	Open Division
Benefit Multiplier	1.50% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)
13 - DPW on/aft 1/1/17	Open Division
Benefit Multiplier	1.50% Multiplier (80% max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)
20 - Police Command	Closed to new hires
Benefit Multiplier	2.75% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	11.24%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

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<u>21 - Command/Patrol on/aft 1/1/20</u>	<u>Open Division</u>
Benefit Multiplier	1.75% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	3 years
Employee Contributions	8.29%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)
<u>50 - Firefighters IAFF on/aft 1/1/17</u>	<u>Open Division</u>
Benefit Multiplier	1.75% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	3 years
Employee Contributions	7.76%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

Employees covered by benefit terms – At the December 31, 2023 valuation date, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefits	127
Inactive employees entitled to, but not yet receiving benefits	94
Active employees	<u>105</u>
	<u>326</u>

Contributions – The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by 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. Employer and employee contribution rates were as follows:

	Percentage of Payroll	
	Employer Contributions	Employee Contributions
01 - DPW	-	5.00%
02 - Police Patrol	-	8.29%
05 - Firefighters	-	7.76%
10 - Admin Professional	-	5.00%
11 - Teamsters	-	5.00%
12 - Admin Prof on/aft 1/1/17	2.93%	5.00%
13 - DPW on/aft 1/1/17	3.98%	5.00%
20 - Police Command	-	11.24%
21 - Command/Patrol on/aft 1/1/20	1.89%	8.29%
50 - Fire IAFF on/aft 1/1/17	3.68%	7.76%

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Net pension liability – The employer’s net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions – The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement include: 1) Inflation 2.50%; 2) Salary increases 3.00% in the long-term; 3) Investment rate of return of 6.90%, net of investment expense, including inflation.

Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with a price inflation of 2.50%.

Mortality rates used were based on the Pub-2010 Mortality Tables. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study.

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 or arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Allocation Gross Rate Of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-term Expected Real Rate of Return
Global equity	60.00%	7.00%	4.20%	2.50%	2.70%
Global fixed income	20.00%	4.50%	0.90%	2.50%	0.40%
Private investments	20.00%	9.50%	1.90%	2.50%	1.40%
	<u>100.00%</u>		<u>7.00%</u>		<u>4.50%</u>

Discount rate – The discount rate used to measure the total pension liability is 7.18%. 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 plans 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.

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	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of December 31, 2023	\$ 84,955,274	\$ 55,725,837	\$ 29,229,437
Changes for the year			
Service cost	1,108,837	-	1,108,837
Interest on total pension liability	6,027,738	-	6,027,738
Experience differences	2,697,136	-	2,697,136
Changes in assumptions	742,288	-	742,288
Employer contributions	-	5,339,460	(5,339,460)
Employee contributions	-	769,299	(769,299)
Net investment income (loss)	-	6,359,617	(6,359,617)
Benefit payments and refunds	(4,737,004)	(4,737,004)	-
Administrative expense	-	(131,570)	131,570
Net changes	5,838,995	7,599,802	(1,760,807)
Balances as of December 31, 2024	\$ 90,794,269	\$ 63,325,639	\$ 27,468,630

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the employer, calculated using the discount rate of 7.18%, as well as what the employer’s net pension liability would be using a discount rate that is 1% point lower (6.18%) or 1% higher (8.18%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability	\$ 39,227,171	\$ 27,468,630	\$ 17,803,675

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions – For the year ended December 31, 2024 the employer recognized pension expense of \$4,713,786. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total to Amortize
Differences in experience	\$ 2,405,950	\$ (204,264)	\$ 2,201,686.00
Differences in assumptions	1,371,638	-	1,371,638
Net difference between projected and actual earning on plan investments	2,864,759	-	2,864,759
Contributions subsequent to the measurement date*	5,423,036	-	-
Total	\$ 12,065,383	\$ (204,264)	\$ 6,438,083

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in subsequent years.

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

<u>Year ended December 31,</u>	
2025	\$ 2,145,315
2026	2,071,895
2027	2,675,782
2028	<u>(454,909)</u>
	<u>\$ 6,438,083</u>

Financial Statement Reconciliation

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Total Pension Expense
Charter Township of Meridian Employees' Retirement System	\$ 56,685	\$ -	\$ (44,247)	\$ 79,444
Municipal Employee's Retirement System of Michigan	<u>27,468,630</u>	<u>12,065,383</u>	<u>(204,264)</u>	<u>4,713,786</u>
	<u>\$ 27,525,315</u>	<u>\$ 12,065,383</u>	<u>\$ (248,511)</u>	<u>\$ 4,793,230</u>

Defined Contribution – Meridian Charter Township Money Purchase Plan

The Township provides retirement benefits to nonunion, professional supervisory, and professional nonsupervisory employees through a defined contribution plan which is administered by Municipal Employees' Retirement System (MERS) Defined contribution (401a) plans are provided to fire employees hired after 1/1/2017 and police employees hired after 1/1/2020. The Township also provides contributions to a Health Care Savings Plan (HCSP), administered by MERS, for all employees, except fire and police union personnel hired prior to 1/1/2017. In a defined contribution and health care savings plans, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan provisions and contribution requirements were established through negotiation with the Township's collective bargaining units.

For the defined contribution plan, the Township contributes 10% of employees' base earnings, until April 2024, 15% of the Township Manager's base earnings, while employees contribute 3.5%. For Fire employees hired after 1/1/2017 and Police employees hired after 1/1/2020, the Township contributes 10% of employees' base wages with no employee contribution. Fire employees participate with Nationwide, and police employees participate with MERS. Non fire and police employees vest immediately while fire and police employees vest after five years.

For the Health Care Savings Plan, the Township contributes 2% of non-fire/police employees' base earnings, while employees contribute 1%. Additionally, when an employee separates or retires from the Township, 25% (separation) or 50% (retirement) of their unused sick time is contributed to their Retirement Health Savings Plan. For Fire employees hired after 1/1/2017, the Township contributes 7% of employees' base earnings with no employee contributions the MERS Health Care Savings Plan. When an employee separates or retires, 25% of their unused sick time is paid out. Non fire and police employees vest immediately while fire and police employees vest after five years.

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In accordance with these requirements, the Township contributed \$584,158 and \$280,137 during the current year and employees contributed \$122,990 and \$56,787 for the defined contribution and healthcare plans, respectively. In addition, payouts for the Health Care Savings Plan totaled \$54,001.

Note 12 - Other Postemployment Benefits

Plan description – The Township, in accordance with the labor contracts, administers the Charter Township of Meridian Other Postemployment Benefits Plan - a single employer defined benefits plan used to provide postemployment health care benefits. The committee designated with oversight within the Township consists of the Township Manager, Finance Director, and Township Treasurer. This is a single employer defined benefit plan administered by the Township. The benefits are provided under collective bargaining agreements. The plan does not issue a separate stand-alone financial statement. Administrative costs are paid by the plan through the employer contributions.

Benefits provided – Benefits are provided through a self-insurance plan, and half of the cost of benefits is covered by the plan. The Township, in accordance with labor contracts, has the authority to establish and amend the benefit terms. Benefits are provided for as follows:

Retiree Coverage and Eligibility

All police and fire uniformed employees (MTFFA/POAM/CCLP) hired before 1/1/2017 receive up to two-person coverage after reaching age 50 with 25 years of service. The Township pays 50% of the monthly premium.

All AFSCME-DPW and Teamsters employees who are hired prior to 1981 and have at least twenty (20) years of service and are at least age 55. The Township will pay one-half (1/2) of the two (2) person rate (not to exceed \$4,000 annually) or one-half (1/2) the single subscriber rate (not to exceed \$2,000 annually).

AFSCME-Clerical, AFSCME-Non-Supervisory, Professional Supervisory and Non-Union employees do not receive retiree post-retirement health coverage.

Spouse Coverage

One-half of the cost of spouse coverage is included for retirees covered by the MTFFA, POAM and CCLP collective bargaining agreements. AFSCME-DPW and Teamsters employees' spouse are covered subject to the limits listed above. Spouse coverage includes the spouse at the time of retirement.

Coverage for Beneficiary of Deceased Active Employee

MTFFA only – Coverage will be maintained for the firefighter and their family after their death or disability. The coverage will be maintained for the spouse until remarriage and for the children until they reach age 21 or until they marry, if marrying before age 21.

Coverage for Beneficiary of Deceased Retired Employee

One-half of the cost of the surviving spouse coverage is included for retirees covered by the MTFFA, POAM and CCLP collective bargaining agreements. AFSCME-DPW and Teamsters employees' surviving spouse are covered subject to the limits listed above.

Employees covered by benefit terms – At December 31, 2024, the plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	34
Inactive employees entitled to, but not yet receiving benefits	37
Active employees	49
	<u>120</u>

Charter Township of Meridian
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Contributions – The Township, in accordance with labor contracts, has the authority to establish and amend the contribution requirements of the Township and plan members. The Township establishes rates based on an actuarially determined rate. For the year ended December 31, 2024, the Township contributed \$166,789. Plan members are not required to contribute to the plan.

Investment policy – The Plan does not have a formal policy in regards to the allocation of invested assets. Establishing such a policy, and any subsequent amendments to the policy, would require a majority vote of the Township Board's members. It is the intention of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across the broad selection of distinct asset classes. The Plan informally discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The Plan invests in accordance with the authorizations noted in Note 3 that are applicable to the Township.

The long-term expected rate of return on OPEB plan investments have not been formally determined by asset allocation class. The Plan as a whole expects the long-term expected rate to be 5%. The Plan currently has one investment which is considered a balanced fund that seeks to obtain exposure to approximately 62% fixed income/stable value investment and 34% equity investments and 4% multi-strategy investments.

Rate of return – For the year ended December 31, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 8.81%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Net OPEB liability – The net OPEB liability was measured as of December 31, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. The components of the net OPEB liability as of December 31, 2024 were as follows:

Total OPEB liability		\$ 8,206,118
Plan fiduciary net position		<u>(8,054,285)</u>
Net OPEB liability		<u>\$ 151,833</u>

Plan fiduciary net position as a percentage of the total OPEB liability is 98.15%.

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

Inflation	2.50%
Salary increases	N/A
Investment rate of return	5.00%, net of OPEB plan administrative and investment expense, including inflation
Healthcare cost trend rates	Non-medicare: 7.50% in 2023, grading to 3.50% in 2034. Medicare: 6.25% in 2023, grading to 3.50% in 2034.

Mortality rates were based on the following:

Post Retirement: Sex distinct Pub-2010 General Healthy Retiree tables scaled by a factor of 106%. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

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Disabled Retirement: Sex distinct PubNS-2010 Disabled tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Pre Retirement: Sex distinct Pub-2010 General Employees tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Discount rate – The discount rate used to measure the total OPEB liability was 5.00%. This single discount rate was based on a combination of the expected rate of return on OPEB plan investments of 5.00% and the municipal bond rate of 4.08%. The projection of cash flows used to determine the discount rate assumed that Township contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of December 31, 2023	\$ 8,071,836	\$ 7,402,280	\$ 669,556
Changes for the year			
Service cost	109,852	-	109,852
Interest on total OPEB liability	402,168	-	402,168
Experience differences	(210,949)	-	(210,949)
Employer contributions	-	166,789	(166,789)
Net investment income (loss)	-	652,005	(652,005)
Benefit payments and refunds	(166,789)	(166,789)	-
Net changes	134,282	652,005	(517,723)
Balances as of December 31, 2024	\$ 8,206,118	\$ 8,054,285	\$ 151,833

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net OPEB liability of the Township, as well as what the Township’s net OPEB liability would be if it were calculated using a discount rate that is 1% lower (4.00%) or 1% higher (6.00%) than the current discount rate.

	1% Decrease	Current Discount Rate	1% Increase
	Net OPEB liability	\$ 1,410,870	\$ 151,833

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the net OPEB liability of the Township, as well as what the Township’s net OPEB liability would be if were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	Net OPEB liability	\$ (900,585)	\$ 151,833

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended December 31, 2024 the employer recognized OPEB expense of \$(147,855). The employer reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total to Amortize
Differences in experience	\$ 66,434	\$ (613,844)	\$ (547,410)
Differences in assumptions	259,206	(5,253)	253,953
Net difference between projected and actual earning on plan investments	-	(4,418)	(4,418)
Total	<u>\$ 325,640</u>	<u>\$ (623,515)</u>	<u>\$ (297,875)</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the OPEB liability in subsequent years.

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

<u>Year ended December 31,</u>	
2025	\$ 28,902
2026	(14,244)
2027	(238,337)
2028	(74,196)
	<u>\$ (297,875)</u>

Note 13 - Pension and Other Employee Benefit Trust Funds Financial Statements

	Pension Trust Fund	Employer Funded Retiree Health Insurance Trust Fund	Total
Assets			
Investments			
Money market mutual fund	\$ 153,801	\$ -	\$ 153,801
Exchange traded funds	745,221	-	745,221
Mutual funds	3,426,938	8,054,285	11,481,223
Receivables			
Accrued interest	649	-	649
Total assets	<u>4,326,609</u>	<u>8,054,285</u>	<u>12,380,894</u>

Net Position

Restricted - held in trust for pension benefits and other employee benefits	<u>\$ 4,326,609</u>	<u>\$ 8,054,285</u>	<u>\$ 12,380,894</u>
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Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

	Pension Trust Fund	Employer Funded Retiree Health Insurance Trust Fund	Total
Additions			
Contributions			
Employer	\$ -	\$ 166,789	\$ 166,789
Investment earnings			
Interest and dividends	150,122	652,005	802,127
Change in fair value	381,786	-	381,786
Investment expenses	(23,894)	-	(23,894)
Net investment loss	508,014	652,005	1,160,019
Total additions	508,014	818,794	1,326,808
Deductions			
Benefits	382,802	166,789	549,591
Other deductions	60,356	-	60,356
Total deductions	443,158	166,789	609,947
Change in net position	64,856	652,005	716,861
Net position - beginning of year	4,261,753	7,402,280	11,664,033
Net position - end of year	\$ 4,326,609	\$ 8,054,285	\$ 12,380,894

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

Note 14 - Joint Venture

East Lansing – Meridian Water and Sewer Authority

The Township is a member of the East Lansing – Meridian Water and Sewer Authority, which provides water services to the residents of the City of East Lansing and the Charter Township of Meridian. The participating communities provide annual funding for its operations. During the current year, the Township contributed \$4,251,615 for its operations and debt. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. The Township appoints three members to the joint venture’s governing board, which then approves the annual budget.

The following financial information of the joint venture is obtained from audited financial statements as of June 30, 2024. Complete financial statements for the East Lansing – Meridian Water and Sewer Authority can be obtained from the administrative office at 410 Abbot Road, East Lansing, Michigan.

Total assets	\$ 37,405,956
Total deferred outflows of resources	402,327
Total liabilities	20,762,344
Total deferred inflows of resources	292,345
Total net position	16,753,594
Total operating revenue	5,356,320
Total operating expenses	4,563,289
Total nonoperating revenue (expense)	3,661,897
Change in net position	4,454,928

The Township’s equity in this joint venture as of December 31, 2024 is \$10,179,532, which is recorded in the Water Fund.

Note 15 - Tax Abatements

The Township receives reduced property tax revenue as a result of payment in lieu of taxes agreements (PILT) under Section 15A of the State Housing Development Authority Act of 1966 and also under MCL 211.7d Public Act 8 of 2010. The Township has Brownfield reductions under Michigan Public Act 381 of 1996.

For the fiscal year ended December 31, 2024, the Township’s property tax revenues were reduced by \$299,281 under these programs. These long-term agreements expire in varying years with one agreement expiring only when the property ceases to be used for the purpose specified in the abatement agreement.

There are no significant abatements made by Ingham County that affect the Township.

Note 16 - Property Tax Appeals

The Township is defending various property tax appeal cases in the Michigan Tax Tribunal. In each case, the Township assessor is required to determine whether to litigate or settle. The property tax values relate to multiple tax years, and the outcome of these cases may affect property tax revenue.

Charter Township of Meridian
Notes to the Financial Statements
December 31, 2024

Note 17 - Changes Within the Financial Reporting Framework, Change in Accounting Principle, and Correction of Errors

The Park Millage Fund (“the Fund”) was previously reported as a major fund within the governmental funds; however, the Fund no longer meets the quantitative threshold for presentation as major funds. As a result, the following presentation change was necessary to be made in the financial statements.

The Township record a change in accounting principle due to the adoption of GASB Statement No. 101, *Compensated Absences*.

The Governmental Activities were restated to correct for previously omitted capital assets. The Business-Type Activities, Sewer Fund and Water Fund were restated to correct for a previously omitted utility billing receivable.

	December 31, 2023 As Previously Reported	Change Within the Financial Reporting Entity	Change in Accounting Principle	Correction of Errors	December 31, 2023 As Restated
Government-Wide					
Governmental Activities	\$ 82,059,766	\$ -	\$ (912,246)	\$ 5,682,429	\$ 86,829,949
Business-Type Activities	62,562,886	-	(84,152)	1,006,266	63,485,000
Total Primary Government	\$ 144,622,652	\$ -	\$ (996,398)	\$ 6,688,695	\$ 150,314,949
Governmental Funds					
Major Fund:					
General Fund	\$ 14,451,563	\$ -	\$ -	\$ -	\$ 14,451,563
Local Roads Fund	9,791,262	-	-	-	9,791,262
Park Millage Fund	1,498,991	(1,498,991)	-	-	-
Road Debt Fund	2,216,069	-	-	-	2,216,069
Nonmajor Funds	15,920,806	1,498,991	-	-	17,419,797
Total Governmental Funds	\$ 43,878,691	\$ -	\$ -	\$ -	\$ 43,878,691
Proprietary Funds					
Major Funds:					
Sewer	\$ 30,299,053	\$ -	\$ (37,913)	\$ 535,982	\$ 30,797,122
Water	32,263,833	-	(46,239)	470,284	32,687,878
Total Proprietary Funds	\$ 62,562,886	\$ -	\$ (84,152)	\$ 1,006,266	\$ 63,485,000

Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes				
Property taxes	\$ 15,952,100	\$ 16,014,840	\$ 15,917,493	\$ (97,347)
Licenses and permits	1,640,650	2,046,720	1,983,060	(63,660)
Federal grants	-	128,498	77,959	(50,539)
State-shared revenue	4,850,000	4,852,004	4,845,383	(6,621)
State grants	130,000	483,037	513,384	30,347
Local contributions	540,000	606,366	606,366	-
Charges for services	3,420,400	3,757,289	3,999,953	242,664
Fines and forfeitures	237,250	260,198	279,723	19,525
Investment income	450,000	683,540	890,577	207,037
Other revenue	55,460	73,372	69,881	(3,491)
	<u>27,275,860</u>	<u>28,905,864</u>	<u>29,183,779</u>	<u>277,915</u>
Expenditures				
Current				
General government	7,520,786	8,150,680	7,595,628	(555,052)
Public safety	15,291,817	16,291,999	17,999,757	1,707,758
Health and welfare	62,936	63,754	61,993	(1,761)
Community and economic development	1,356,060	1,396,730	1,307,188	(89,542)
Recreation and culture	1,522,967	1,566,892	1,434,982	(131,910)
Capital outlay	18,400	18,400	-	(18,400)
Debt service				
Principal retirement	720,944	718,373	875,095	156,722
Interest and fiscal charges	210,580	208,067	246,420	38,353
	<u>26,704,490</u>	<u>28,414,895</u>	<u>29,521,063</u>	<u>1,106,168</u>
Excess (deficiency) of revenues over expenditures	<u>571,370</u>	<u>490,969</u>	<u>(337,284)</u>	<u>(828,253)</u>
Other financing sources (uses)				
Transfers in	-	-	267,490	267,490
Transfers out	(407,000)	(1,237,594)	(1,237,594)	-
Lease liabilities issued	-	-	1,878,246	1,878,246
	<u>(407,000)</u>	<u>(1,237,594)</u>	<u>908,142</u>	<u>2,145,736</u>
Net change in fund balance	164,370	(746,625)	570,858	1,317,483
Fund balance - beginning of year	<u>14,451,563</u>	<u>14,451,563</u>	<u>14,451,563</u>	<u>-</u>
Fund balance - end of year	<u>\$ 14,615,933</u>	<u>\$ 13,704,938</u>	<u>\$ 15,022,421</u>	<u>\$ 1,317,483</u>

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Budgetary Comparison Schedule
Local Roads Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ 1,010	\$ 1,010	\$ 1,010	\$ -
Local contributions	335,000	335,000	335,000	-
Investment income	300,000	247,000	271,498	24,498
Other revenue	-	14,362	(815)	(15,177)
Total revenues	<u>636,010</u>	<u>597,372</u>	<u>606,693</u>	<u>9,321</u>
Expenditures				
Current				
Public works	5,360,000	5,860,000	6,047,079	187,079
Debt service				
Bond issuance costs	-	-	67,836	67,836
Total expenditures	<u>5,360,000</u>	<u>5,860,000</u>	<u>6,114,915</u>	<u>254,915</u>
Excess of revenues (deficiency) over expenditures	(4,723,990)	(5,262,628)	(5,508,222)	(245,594)
Other financing sources (uses)				
Transfers in	280,000	280,000	155,506	(124,494)
Issuance of debt	-	10,237,520	10,284,856	47,336
Total other financing sources (uses)	280,000	10,517,520	10,440,362	(77,158)
Net change in fund balance	(4,443,990)	5,254,892	4,932,140	(322,752)
Fund balance - beginning of year	<u>9,791,262</u>	<u>9,791,262</u>	<u>9,791,262</u>	<u>-</u>
Fund balance - end of year	<u>\$ 5,347,272</u>	<u>\$ 15,046,154</u>	<u>\$ 14,723,402</u>	<u>\$ (322,752)</u>

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Charter Township of Meridian Employee's Retirement Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios

Fiscal year ended December 31,	2024	2023	2022	2021	2020
Total pension liability					
Service cost	\$ -	\$ -	\$ -	\$ 8,529	\$ 8,064
Interest	257,202	268,174	281,388	294,717	297,676
Experience differences	60,973	(5,631)	(39,070)	-	120,898
Changes in assumptions	-	-	-	(51,802)	(33,084)
Benefit payments and refunds	<u>(443,157)</u>	<u>(447,665)</u>	<u>(477,437)</u>	<u>(461,241)</u>	<u>(424,945)</u>
Net change in total pension liability	(124,982)	(185,122)	(235,119)	(209,797)	(31,391)
Total pension liability - beginning	<u>4,508,276</u>	<u>4,693,398</u>	<u>4,928,517</u>	<u>5,138,314</u>	<u>5,169,705</u>
Total pension liability - ending (a)	<u>\$ 4,383,294</u>	<u>\$ 4,508,276</u>	<u>\$ 4,693,398</u>	<u>\$ 4,928,517</u>	<u>\$ 5,138,314</u>
Plan fiduciary net position					
Employer contributions	\$ -	\$ -	\$ -	\$ 128,800	\$ 200,000
Net investment income (loss)	531,907	589,010	(829,509)	577,376	605,038
Benefit payments and refunds	(443,157)	(447,665)	(477,437)	(461,241)	(424,945)
Administrative expense	<u>(23,894)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50)</u>
Net change in plan fiduciary net position	64,856	141,345	(1,306,946)	244,935	380,043
Plan fiduciary net position - beginning	<u>4,261,753</u>	<u>4,120,408</u>	<u>5,427,354</u>	<u>5,182,419</u>	<u>4,802,376</u>
Plan fiduciary net position - ending (b)	<u>\$ 4,326,609</u>	<u>\$ 4,261,753</u>	<u>\$ 4,120,408</u>	<u>\$ 5,427,354</u>	<u>\$ 5,182,419</u>
Net pension liability (a-b)	<u>\$ 56,685</u>	<u>\$ 246,523</u>	<u>\$ 572,990</u>	<u>\$ (498,837)</u>	<u>\$ (44,105)</u>
Plan fiduciary net position as a percentage of total pension liability	98.71%	94.53%	87.79%	110.12%	100.86%
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ 112,521
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	(39.20%)

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Charter Township of Meridian Employee's Retirement Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios

Fiscal year ended December 31,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 7,933	\$ 7,751	\$ 14,978	\$ 14,830	\$ 12,993
Interest	302,038	307,616	318,040	324,025	307,223
Experience differences	54,195	25,530	(86,411)	(22,387)	(124,938)
Changes in assumptions	-	-	-	-	474,087
Benefit payments and refunds	(448,911)	(418,997)	(414,434)	(418,211)	(362,253)
Net change in total pension liability	(84,745)	(78,100)	(167,827)	(101,743)	307,112
Total pension liability - beginning	5,254,450	5,332,550	5,500,377	5,602,120	5,295,008
Total pension liability - ending (a)	<u>\$ 5,169,705</u>	<u>\$ 5,254,450</u>	<u>\$ 5,332,550</u>	<u>\$ 5,500,377</u>	<u>\$ 5,602,120</u>
Plan fiduciary net position					
Employer contributions	\$ 200,000	\$ 300,000	\$ 400,000	\$ 400,000	\$ 250,000
Net investment income (loss)	880,823	(217,924)	593,541	162,002	86,536
Benefit payments and refunds	(448,911)	(418,997)	(414,434)	(418,211)	(362,253)
Administrative expense	(74)	(25)	(46)	(25)	(69,808)
Net change in plan fiduciary net position	631,838	(336,946)	579,061	143,766	(95,525)
Plan fiduciary net position - beginning	4,170,538	4,507,484	3,928,423	3,784,657	3,880,182
Plan fiduciary net position - ending (b)	<u>\$ 4,802,376</u>	<u>\$ 4,170,538</u>	<u>\$ 4,507,484</u>	<u>\$ 3,928,423</u>	<u>\$ 3,784,657</u>
Net pension liability (a-b)	<u>\$ 367,329</u>	<u>\$ 1,083,912</u>	<u>\$ 825,066</u>	<u>\$ 1,571,954</u>	<u>\$ 1,817,463</u>
Plan fiduciary net position as a percentage of total pension liability	92.89%	79.37%	84.53%	71.42%	67.56%
Covered payroll	\$ 106,283	\$ 104,560	\$ 102,156	\$ 100,153	\$ 99,161
Net pension liability as a percentage of covered payroll	345.61%	1,036.64%	807.65%	1,569.55%	1,832.84%

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Charter Township of Meridian Employee's Retirement Pension Plan
Schedule of Employer Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2015	\$ 403,377	\$ 250,000	\$ 153,377	\$ 99,161	252.12%
12/31/2016	430,449	400,000	30,449	100,153	399.39%
12/31/2017	206,057	400,000	(193,943)	102,156	391.56%
12/31/2018	151,469	300,000	(148,531)	104,560	286.92%
12/31/2019	146,745	200,000	(53,255)	106,283	188.18%
12/31/2020	127,718	200,000	(72,282)	112,521	177.74%
12/31/2021	89,043	128,800	(39,757)	-	N/A
12/31/2022	13,085	-	13,085	-	N/A
12/31/2023	-	-	-	-	N/A
12/31/2024	-	-	-	-	N/A

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Charter Township of Meridian Employee's Retirement Pension Plan
Schedule of Investment Returns

Fiscal Year Ended December 31,	Money-weighted Rate of Return
2015	2.23%
2016	4.35%
2017	15.46%
2018	-5.34%
2019	22.46%
2020	13.04%
2021	11.55%
2022	-16.28%
2023	15.01%
2024	12.62%

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Changes in Net Pension Liability and Related Ratios

Fiscal year ended December 31,	2024	2023	2022	2021	2020
Total pension liability					
Service cost	\$ 1,108,837	\$ 1,073,413	\$ 964,989	\$ 983,064	\$ 984,875
Interest	6,027,738	5,802,953	5,709,764	5,347,638	5,226,527
Changes of benefit terms	-	-	-	-	-
Experience differences	2,697,136	766,196	(817,059)	83,960	14,112
Changes in assumptions	742,288	-	3,259,691	2,359,578	2,527,677
Other changes	-	-	-	-	-
Benefit payments and refunds	<u>(4,737,004)</u>	<u>(4,382,602)</u>	<u>(4,136,081)</u>	<u>(3,864,734)</u>	<u>(3,575,639)</u>
Net change in total pension liability	5,838,995	3,259,960	4,981,304	4,909,506	5,177,552
Total pension liability - beginning	<u>84,955,274</u>	<u>81,695,314</u>	<u>76,714,010</u>	<u>71,804,504</u>	<u>66,626,952</u>
Total pension liability - ending (a)	<u>\$ 90,794,269</u>	<u>\$ 84,955,274</u>	<u>\$ 81,695,314</u>	<u>\$ 76,714,010</u>	<u>\$ 71,804,504</u>
Plan fiduciary net position					
Employer contributions	\$ 5,339,460	\$ 5,199,999	\$ 4,759,365	\$ 4,176,804	\$ 3,854,707
Employee contributions	769,299	525,344	535,007	507,808	503,377
Net investment income (loss)	6,359,617	(6,861,125)	7,992,331	6,164,510	5,449,737
Benefit payments and refunds	(4,737,004)	(4,382,602)	(4,136,081)	(3,864,734)	(3,575,639)
Administrative expense	<u>(131,570)</u>	<u>(114,855)</u>	<u>(86,644)</u>	<u>(93,507)</u>	<u>(94,307)</u>
Net change in plan fiduciary net position	7,599,802	(5,633,239)	9,063,978	6,890,881	6,137,875
Plan fiduciary net position - beginning	<u>55,725,837</u>	<u>61,359,076</u>	<u>52,295,098</u>	<u>45,404,217</u>	<u>39,266,342</u>
Plan fiduciary net position - ending (b)	<u>\$ 63,325,639</u>	<u>\$ 55,725,837</u>	<u>\$ 61,359,076</u>	<u>\$ 52,295,098</u>	<u>\$ 45,404,217</u>
Net pension liability (a-b)	<u>\$ 27,468,630</u>	<u>\$ 29,229,437</u>	<u>\$ 20,336,238</u>	<u>\$ 24,418,912</u>	<u>\$ 26,400,287</u>
Plan fiduciary net position as a percentage					
of total pension liability	69.75%	65.59%	75.11%	68.17%	63.23%
Covered payroll	\$ 7,365,056	\$ 6,867,923	\$ 6,370,191	\$ 6,525,085	\$ 6,445,381
Net pension liability as a percentage of covered payroll	372.96%	425.59%	319.24%	374.23%	409.60%

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Changes in Net Pension Liability and Related Ratios

Fiscal year ended December 31,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 984,557	\$ 1,010,514	\$ 1,000,303	\$ 981,161	\$ 972,200
Interest	5,023,418	4,901,121	4,711,548	4,473,927	4,260,390
Changes of benefit terms	-	(201,785)	-	-	-
Experience differences	(17,758)	(948,982)	(268,400)	(344,829)	-
Changes in assumptions	-	-	-	2,496,029	-
Other changes	-	(9,031)	-	-	-
Benefit payments and refunds	<u>(3,327,410)</u>	<u>(3,092,898)</u>	<u>(3,064,869)</u>	<u>(2,837,026)</u>	<u>(2,460,442)</u>
Net change in total pension liability	2,662,807	1,658,939	2,378,582	4,769,262	2,772,148
Total pension liability - beginning	<u>63,964,145</u>	<u>62,305,206</u>	<u>59,926,624</u>	<u>55,157,362</u>	<u>52,385,214</u>
Total pension liability - ending (a)	<u>\$ 66,626,952</u>	<u>\$ 63,964,145</u>	<u>\$ 62,305,206</u>	<u>\$ 59,926,624</u>	<u>\$ 55,157,362</u>
Plan fiduciary net position					
Employer contributions	\$ 3,802,749	\$ 3,460,367	\$ 2,835,443	\$ 2,065,675	\$ 1,863,475
Employee contributions	500,743	519,853	454,938	434,297	552,292
Net investment income (loss)	(1,638,422)	4,636,217	3,637,926	(517,185)	1,898,696
Benefit payments and refunds	(3,327,410)	(3,092,898)	(3,064,869)	(2,837,026)	(2,460,442)
Administrative expense	<u>(79,386)</u>	<u>(73,113)</u>	<u>(71,256)</u>	<u>(70,405)</u>	<u>(69,906)</u>
Net change in plan fiduciary net position	(741,726)	5,450,426	3,792,182	(924,644)	1,784,115
Plan fiduciary net position - beginning	<u>40,008,068</u>	<u>34,557,642</u>	<u>30,765,460</u>	<u>31,690,104</u>	<u>29,905,989</u>
Plan fiduciary net position - ending (b)	<u>\$ 39,266,342</u>	<u>\$ 40,008,068</u>	<u>\$ 34,557,642</u>	<u>\$ 30,765,460</u>	<u>\$ 31,690,104</u>
Net pension liability (a-b)	<u>\$ 27,360,610</u>	<u>\$ 23,956,077</u>	<u>\$ 27,747,564</u>	<u>\$ 29,161,164</u>	<u>\$ 23,467,258</u>
Plan fiduciary net position as a percentage of total pension liability	58.93%	62.55%	55.47%	51.34%	57.45%
Covered payroll	\$ 6,473,935	\$ 6,324,075	\$ 6,197,969	\$ 6,122,164	\$ 6,100,190
Net pension liability as a percentage of covered payroll	422.63%	378.81%	447.69%	476.32%	384.70%

See Accompanying Notes to Required Supplementary Information

**Charter Township of Meridian
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Employer Contributions**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2015	\$ 2,001,384	\$ 3,049,113	\$ (1,047,729)	\$ 6,122,164	49.80%
12/31/2016	1,835,443	2,835,443	(1,000,000)	6,197,969	45.75%
12/31/2017	2,318,478	3,460,368	(1,141,890)	6,324,075	54.72%
12/31/2018	2,302,708	3,802,749	(1,500,041)	6,453,286	58.93%
12/31/2019	2,264,527	3,854,707	(1,590,180)	6,586,586	58.52%
12/31/2020	2,472,037	4,176,804	(1,704,767)	6,434,228	64.92%
12/31/2021	3,009,366	4,759,366	(1,750,000)	6,460,360	73.67%
12/31/2022	3,265,891	5,199,999	(1,934,108)	7,432,637	69.96%
12/31/2023	3,153,463	5,339,460	(2,185,997)	6,126,422	87.15%
12/31/2024	3,604,328	5,423,036	(1,818,708)	7,668,690	70.72%

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Other Postemployment Benefits
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended December 31, 2024

Fiscal year ended December 31,	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service cost	\$ 109,852	\$ 102,366	\$ 126,654	\$ 77,036	\$ 109,467	\$ 101,169	\$ 190,743	\$ 184,032
Interest	402,168	403,044	394,891	346,126	336,017	451,588	433,155	422,016
Other changes	-	44,925	-	-	-	-	-	-
Experience differences	(210,949)	(693,185)	(171,130)	272,930	(74,110)	(3,048,686)	(177,273)	(146,888)
Changes in assumptions	-	278,012	(10,952)	445,576	(29,617)	218,141	(38,069)	49,580
Benefit payments and refunds	(166,789)	(178,337)	(181,341)	(165,327)	(162,018)	(136,274)	(126,136)	(123,649)
Net change in total OPEB liability	134,282	(43,175)	158,122	976,341	179,739	(2,414,062)	282,420	385,091
Total OPEB liability - beginning	<u>8,071,836</u>	<u>8,115,011</u>	<u>7,956,889</u>	<u>6,980,548</u>	<u>6,800,809</u>	<u>9,214,871</u>	<u>8,932,451</u>	<u>8,547,360</u>
Total OPEB liability - ending (a)	<u>\$ 8,206,118</u>	<u>\$ 8,071,836</u>	<u>\$ 8,115,011</u>	<u>\$ 7,956,889</u>	<u>\$ 6,980,548</u>	<u>\$ 6,800,809</u>	<u>\$ 9,214,871</u>	<u>\$ 8,932,451</u>
Plan fiduciary net position								
Employer contributions	\$ 166,789	\$ 178,337	\$ 181,341	\$ 190,327	\$ 447,018	\$ 447,774	\$ 450,136	\$ 295,649
Net investment income (loss)	652,005	775,025	(968,342)	608,510	652,811	724,043	(212,818)	395,193
Benefit payments and refunds	(166,789)	(178,337)	(181,341)	(165,327)	(162,018)	(136,274)	(126,136)	(123,649)
Net change in plan fiduciary net position	652,005	775,025	(968,342)	633,510	937,811	1,035,543	111,182	567,193
Plan fiduciary net position - beginning	<u>7,402,280</u>	<u>6,627,255</u>	<u>7,595,597</u>	<u>6,962,087</u>	<u>6,024,276</u>	<u>4,988,733</u>	<u>4,877,551</u>	<u>4,310,358</u>
Plan fiduciary net position - ending (b)	<u>\$ 8,054,285</u>	<u>\$ 7,402,280</u>	<u>\$ 6,627,255</u>	<u>\$ 7,595,597</u>	<u>\$ 6,962,087</u>	<u>\$ 6,024,276</u>	<u>\$ 4,988,733</u>	<u>\$ 4,877,551</u>
Net OPEB liability (a-b)	<u>\$ 151,833</u>	<u>\$ 669,556</u>	<u>\$ 1,487,756</u>	<u>\$ 361,292</u>	<u>\$ 18,461</u>	<u>\$ 776,533</u>	<u>\$ 4,226,138</u>	<u>\$ 4,054,900</u>
Plan fiduciary net position as a percentage of total OPEB liability	98.15%	91.71%	81.67%	95.46%	99.74%	88.58%	54.14%	54.60%
Covered payroll	N/A							
Net OPEB liability as a percentage of covered payroll	N/A							

Data will be added as information is available until 10 years of such data is available.

**Charter Township of Meridian
Required Supplementary Information
Other Postemployment Benefits
Schedule of Employer Contributions**

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ 283,991	\$ 500,000	\$ (216,009)	N/A	N/A
2016	283,991	306,674	(22,683)	N/A	N/A
2017	453,565	295,649	157,916	N/A	N/A
2018	449,295	450,136	(841)	N/A	N/A
2019	207,005	447,774	(240,769)	N/A	N/A
2020	205,355	447,018	(241,663)	N/A	N/A
2021	172,422	190,327	(17,905)	N/A	N/A
2022	167,659	181,341	(13,682)	N/A	N/A
2023	190,086	178,337	11,749	N/A	N/A
2024	186,412	166,789	19,623	N/A	N/A

See Accompanying Notes to Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Other Postemployment Benefits
Schedule of Investment Returns

Fiscal Year Ended December 31,	Money-weighted Rate of Return
2017	9.01%
2018	-5.34%
2019	22.46%
2020	10.68%
2021	8.74%
2022	-12.75%
2023	11.69%
2024	8.81%

Charter Township of Meridian
Notes to the Required Supplementary Information
December 31, 2024

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. The Township adopts a formal budget for the General Fund, special revenue fund types, and debt service fund types. By mid-June of each year, all department heads submit spending requests to the director of finance so that a budget may be prepared. Before September 1, the proposed budget is submitted by the Township manager to the Township board for review. Public hearings are held, and a final budget is adopted no later than November 1. Any budget amendments must be approved by the Township board. During the year, the budget was amended in a legally permissible manner.

The budget is adopted on a functional basis. Although spending estimates are produced for each line item, budgetary control is exercised at the department level for internal control purposes. Encumbrances represent commitments related to unperformed contracts (or purchase orders) for goods or services. Encumbrances are not included as expenditures or liabilities; the amount of encumbrances outstanding at December 31, is not significant. Unexpended appropriations lapse at year end.

The budgetary comparison schedules for the General Fund and major special revenue funds are presented on the same basis of accounting used in preparing the adopted budgets.

A comparison of actual results of operations to all budgets shown in the other supplementary information section is for management analysis and is more detailed than the adopted budget on a functional basis.

Excess of Expenditures Over Appropriations in Budgeted Funds

The Township did have significant budget variances. See Note 2 to the Notes to the Financial Statements for expenditures in excess of appropriates detail.

Pension Information – Charter Township of Meridian Employees’ Retirement System

Notes to the Schedule of Changes in Net Pension Liability and Related Ratios

There were no changes in assumptions for the year ending December 31, 2024.

Notes to the Schedule of Employer Contributions

- Valuation date: December 31, 2024
- Actuarially determined contribution rates are calculated as of December 31 each year, which is 1 day prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Individual entre-age normal
- Amortization method: Level dollar, closed
- Remaining amortization period: 4 years
- Asset valuation method: 4-year smoothed market
- Inflation: N/A
- Salary increase: N/A
- Investment rate of return: 6 percent
- Mortality rates: Fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales. Pub-2010 Healthy Annuitant Mortality Tables – 50% male and 50% female blend

Charter Township of Meridian
Notes to the Required Supplementary Information
December 31, 2024

Pension Information – Municipal Employees’ Retirement System of Michigan

Notes to the Schedule of Changes in Net Pension Liability and Related Ratios

The December 31, 2024 changes in assumptions are due to the following:

- The discount rate was lowered from 7.25% to 7.18%.
- The investment rate of return was increased from 6.85% to 6.90%.

Notes to the Schedule of Employer Contributions

- Valuation date: December 31, 2023
- The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry age
- Amortization method: Level percentage of pay, open
- Remaining amortization period: 17 years
- Asset valuation method: 5 years smoothed
- Inflation: 2.5 percent
- Salary increase: 3.0 percent, plus merit and longevity
- Investment rate of return: 6.90 percent net of pension plan investment expense, including inflation
- Mortality rates: Fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales.

OPEB Information – Meridian Charter Township Money Purchase Plan

Notes to the Schedule of Changes in Total Net OPEB and Related Ratios

The December 31, 2024 changes in assumptions are due to the following:

- The discount rate was increased from 4.99% to 5.00%.

Notes to the Schedule of Employer Contributions

- Valuation date: December 31, 2022
- Actuarially determined contribution rates are calculated as of December 31 of even numbered years, which is 1 day prior to the beginning of the fiscal year biennium in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry age normal level percent of pay
- Amortization method: Level dollar, closed
- Remaining amortization period: 28 years
- Asset valuation method: Market value
- Inflation: 2.5 percent
- Salary increase: N/A
- Investment rate of return: 5 percent net of pension plan investment expense, including inflation

Charter Township of Meridian
Notes to the Required Supplementary Information
December 31, 2024

- Mortality:
 - Post-Retirement: Sex distinct Pub-2010 General Healthy Retiree tables scaled by a factor of 106%. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.
 - Disabled Retirement: Sex distinct PubNS-2010 Disabled tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.
 - Pre-Retirement: Sex distinct Pub-2010 General Employees table without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.
- Health Care Trend Rates: Non-Medicare: 7.50% in 2023, grading to 3.50% in 2034. Medicare: 6.25% in 2023, grading to 3.50% in 2034.
- Aging Factors: The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.

Other Supplementary Information

Charter Township of Meridian Description of Funds Nonmajor Governmental Funds

Pedestrian/Bike Path Millage Fund – This fund is used to account for the design and construction of the Township’s millage-supported pedestrian/bicycle pathway system.

Park Millage Fund – This fund is used to account for tax revenue that supports local park maintenance and improvements.

Fire Fund – This fund is used to account for donations that are restricted and designated for fire-related activities.

Police Fund – This fund is used to account for donations, forfeitures, and State of Michigan funds that are specifically used to aid law enforcement.

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

Senior Center Millage Fund – This fund is used to account for tax revenue and donations that are used to support the Meridian Senior Center.

Cable TV Fund – This fund is used to account for the operations of government access channels, which provide news and information about the Township’s government activities and the community it serves. Funds for operations are derived from cable franchise fees.

Community Needs Fund – This fund is used to account for donations that provide emergency funds to needy Township residents.

Library Fund – This fund is used to account for donations for improvements to the local libraries.

Grants Fund – This fund is used to account for various federal grant awards.

CATA Millage Fund – This fund is used to account for tax revenue that supports increased public transportation.

Opioid Settlement Fund – This fund is used to account for revenues received through opioid settlements and the related expenditures on opioid remediation.

American Rescue Plan Act Fund – This fund is used to account for funding received for pandemic relief and the related expenditures.

Fire Station Debt Service Fund – This fund is used to account for tax revenue and debt service related to the 2013 bond issuance to construct a new central fire station.

Capital Projects Fund – This fund is used to account for the activity of the Township’s capital projects.

Township Improvement Revolving Fund – This fund is used to account for advances from the General Fund and reimbursements from special assessments for specific public improvements.

Charter Township of Meridian
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Special Revenue Funds						
	Pedestrian/Bike Path Millage	Park Millage	Fire	Police	Land Preservation	Senior Center Millage	Cable TV
Assets							
Cash and cash equivalents	\$ 905,817	\$ 837,288	\$ 3,081	\$ 67,734	\$ 576,430	\$ 173,193	\$ 22,265
Investments	2,105,213	1,525,937	-	2,132	7,391,218	507,573	92,219
Receivables							
Accounts	17,643	4,095	72	6,032	527	-	-
Taxes	435,970	869,456	-	-	131,601	109,404	-
Special assessments	-	-	-	-	-	-	-
Due from other units of government	-	-	-	2,084	-	-	-
Prepaid items	-	3,649	-	517	255	-	-
Total assets	\$ 3,464,643	\$ 3,240,425	\$ 3,153	\$ 78,499	\$ 8,100,031	\$ 790,170	\$ 114,484
Liabilities							
Accounts payable	\$ 23,516	\$ 53,917	\$ -	\$ 1,022	\$ 1,867	\$ 57,232	\$ -
Due to other funds	10,000	-	-	-	-	-	-
Due to other units of government	-	-	-	-	-	-	-
Payroll and other liabilities	1,229	12,740	-	2,824	1,072	-	-
Unearned revenue	-	-	-	33,000	-	-	-
Total liabilities	34,745	66,657	-	36,846	2,939	57,232	-
Deferred inflows of resources							
Unavailable revenue - special assessments	-	-	-	-	-	-	-
Unavailable revenue - federal grant revenue	-	-	72	365	-	-	-
Unavailable revenue - charges for services	15,503	4,095	-	-	-	-	-
Unavailable revenue - other revenue	-	-	-	-	-	-	-
Property taxes levied for a subsequent period	746,429	1,487,660	-	-	227,924	187,250	-
Special assessments levied for a subsequent period	-	-	-	-	-	-	-
Total deferred inflows of resources	761,932	1,491,755	72	365	227,924	187,250	-
Fund balances							
Non-spendable							
Prepaid items	-	3,649	-	517	255	-	-
Restricted for							
Pedestrian/bike path millage	2,667,966	-	-	-	-	-	-
Park Millage	-	1,678,364	-	-	-	-	-
Fire	-	-	3,081	-	-	-	-
Police	-	-	-	40,771	-	-	-
Senior center millage	-	-	-	-	-	545,688	-
Cable TV	-	-	-	-	-	-	114,484
Community needs	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-
Capital area transportation authority millage	-	-	-	-	-	-	-
Opioid remediation	-	-	-	-	-	-	-
Land preservation	-	-	-	-	7,868,913	-	-
Fire station debt service	-	-	-	-	-	-	-
Assigned							
American Rescue Plan Act	-	-	-	-	-	-	-
Township improvement	-	-	-	-	-	-	-
Total fund balances	2,667,966	1,682,013	3,081	41,288	7,869,168	545,688	114,484
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,464,643	\$ 3,240,425	\$ 3,153	\$ 78,499	\$ 8,100,031	\$ 790,170	\$ 114,484

Charter Township of Meridian
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

Special Revenue Funds

	Community Needs	Library	Grants	CATA Millage	Opioid Settlement	American Rescue Plan Act
Assets						
Cash and cash equivalents	\$ 37,214	\$ 27	\$ (514)	\$ 23,163	\$ 47,096	\$ 286,819
Investments	44,160	15,017	143,123	14,078	26,902	5,491
Receivables						
Accounts	-	-	998	-	188,915	-
Taxes	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Due from other units of government	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	132,478
Total assets	\$ 81,374	\$ 15,044	\$ 143,607	\$ 37,241	\$ 262,913	\$ 424,788
Liabilities						
Accounts payable	\$ 6,659	\$ -	\$ -	\$ -	\$ -	\$ 105,498
Due to other funds	-	-	-	-	-	52,812
Due to other units of government	-	-	-	-	-	-
Payroll and other liabilities	-	-	126	-	-	-
Unearned revenue	-	-	-	-	-	106,176
Total liabilities	6,659	-	126	-	-	264,486
Deferred inflows of resources						
Unavailable revenue - special assessments	-	-	-	-	-	-
Unavailable revenue - federal grant revenue	-	-	998	-	-	-
Unavailable revenue - state grant revenue	-	-	-	-	-	-
Unavailable revenue - other revenue	-	-	-	-	188,915	-
Property taxes levied for a subsequent period	-	-	-	784	-	-
Special assessments levied for a subsequent period	-	-	-	-	-	-
Total deferred inflows of resources	-	-	998	784	188,915	-
Fund balances						
Non-spendable						
Prepaid items	-	-	-	-	-	132,478
Restricted for						
Pedestrian/bike path millage	-	-	-	-	-	-
Park Millage	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	-	-	-	-	-
Senior center millage	-	-	-	-	-	-
Cable TV	-	-	-	-	-	-
Community needs	74,715	-	-	-	-	-
Library	-	15,044	-	-	-	-
Grants	-	-	142,483	-	-	-
Capital area transportation authority millage	-	-	-	36,457	-	-
Opioid remediation	-	-	-	-	73,998	-
Park millage	-	-	-	-	-	-
Fire station debt service	-	-	-	-	-	-
Assigned						
American Rescue Plan Act	-	-	-	-	-	27,824
Township improvement	-	-	-	-	-	-
Total fund balances	74,715	15,044	142,483	36,457	73,998	160,302
Total liabilities, deferred inflows of resources, and fund balances	\$ 81,374	\$ 15,044	\$ 143,607	\$ 37,241	\$ 262,913	\$ 424,788

**Charter Township of Meridian
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024**

	Debt		Capital		Total Nonmajor Governmental Funds
	Service Fund		Projects Funds		
	Fire Station Debt Service	Capital Projects	Township Improvement Revolving		
Assets					
Cash and cash equivalents	\$ 382,137	\$ 13,145	\$ 691,399	\$ 4,066,294	
Investments	-	2,099,201	1,890,057	15,862,321	
Receivables					
Accounts	-	-	-	218,282	
Taxes	82,685	-	-	1,629,116	
Special assessments	-	-	2,214,632	2,214,632	
Due from other units of government	-	-	-	2,084	
Prepaid items	-	-	-	136,899	
Total assets	<u>\$ 464,822</u>	<u>\$ 2,112,346</u>	<u>\$ 4,796,088</u>	<u>\$ 24,129,628</u>	
Liabilities					
Accounts payable	\$ -	\$ 8,323	\$ 822	\$ 258,856	
Due to other funds	-	-	-	62,812	
Due to other units of government	-	-	7	7	
Payroll and other liabilities	-	-	-	17,991	
Unearned revenue	-	-	-	139,176	
Total liabilities	<u>-</u>	<u>8,323</u>	<u>829</u>	<u>478,842</u>	
Deferred inflows of resources					
Unavailable revenue - special assessments	-	-	2,134,632	2,134,632	
Unavailable revenue - federal grant revenue	-	-	-	1,435	
Unavailable revenue - state grant revenue	-	-	-	19,598	
Unavailable revenue - other revenue	-	-	-	188,915	
Property taxes levied for a subsequent period	141,346	-	-	2,791,393	
Special assessments levied for a subsequent period	-	-	80,000	80,000	
Total deferred inflows of resources	<u>141,346</u>	<u>-</u>	<u>2,214,632</u>	<u>5,215,973</u>	
Fund balances					
Non-spendable					
Prepaid items	-	-	-	136,899	
Restricted for					
Pedestrian/bike path millage	-	-	-	2,667,966	
Park Millage	-	-	-	1,678,364	
Fire	-	-	-	3,081	
Police	-	-	-	40,771	
Senior center millage	-	-	-	545,688	
Cable TV	-	-	-	114,484	
Community needs	-	-	-	74,715	
Library	-	-	-	15,044	
Grants	-	-	-	142,483	
Capital area transportation authority millage	-	-	-	36,457	
Opioid remediation	-	-	-	73,998	
Park millage	-	-	-	7,868,913	
Fire station debt service	323,476	-	-	323,476	
Assigned					
American Rescue Plan Act	-	-	-	27,824	
Township improvement	-	2,104,023	2,580,627	4,684,650	
Total fund balances	<u>323,476</u>	<u>2,104,023</u>	<u>2,580,627</u>	<u>18,434,813</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 464,822</u>	<u>\$ 2,112,346</u>	<u>\$ 4,796,088</u>	<u>\$ 24,129,628</u>	

Charter Township of Meridian
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	<i>Formerly Major Fund</i>						
	Special Revenue Funds						
	Pedestrian/Bike Path Millage	Park Millage	Fire	Police	Land Preservation	Senior Center Millage	Cable TV
Revenues							
Taxes	\$ 698,074	\$ 1,391,240	\$ -	\$ -	\$ 213,405	\$ 175,165	\$ -
Federal grants	-	-	317,893	5,667	-	-	-
State grants	4,193	8,362	-	12,070	1,267	1,053	-
Local contributions	680,856	-	-	-	-	-	-
Charges for services	270,000	-	-	-	-	-	-
Investment income	126,287	96,398	53	1,401	356,269	29,099	6,055
Other revenue	7,812	245,285	4,582	18,020	-	-	-
Total revenues	1,787,222	1,741,285	322,528	37,158	570,941	205,317	6,055
Expenditures							
Current							
Public safety	-	-	354,251	50,878	-	-	-
Public works	1,625,613	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	120,224	-
Recreation and culture	-	1,558,263	-	-	181,801	-	32,434
Capital outlay	-	-	-	-	-	-	-
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	1,625,613	1,558,263	354,251	50,878	181,801	120,224	32,434
Excess (deficiency) of revenues over expenditures	161,609	183,022	(31,723)	(13,720)	389,140	85,093	(26,379)
Other financing sources (uses)							
Transfers in	-	-	32,736	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	32,736	-	-	-	-
Net change in fund balances	161,609	183,022	1,013	(13,720)	389,140	85,093	(26,379)
Fund balances - beginning of year, as previously presented	2,506,357	-	2,068	55,008	7,480,028	460,595	140,863
Change within financial reporting entity (major to nonmajor)	-	1,498,991	-	-	-	-	-
Fund balances - beginning of year, as adjusted	2,506,357	1,498,991	2,068	55,008	7,480,028	460,595	140,863
Fund balances - end of year	\$ 2,667,966	\$ 1,682,013	\$ 3,081	\$ 41,288	\$ 7,869,168	\$ 545,688	\$ 114,484

Charter Township of Meridian
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	Special Revenue Funds					
	Community Needs	Library	Grants	CATA Millage	Opioid Settlement	American Rescue Plan Act
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ 417,407	\$ -	\$ -
Federal grants	-	-	3,157	-	-	1,137,145
State grants	-	-	-	2,507	-	-
Local contributions	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	3,347	768	7,363	6,237	2,116	55,594
Other revenue	57,738	-	-	-	41,326	-
Total revenues	<u>61,085</u>	<u>768</u>	<u>10,520</u>	<u>426,151</u>	<u>43,442</u>	<u>1,192,739</u>
Expenditures						
Current						
Public safety	-	-	4,393	-	1,168	-
Public works	-	-	-	-	-	-
Health and welfare	73,768	-	-	-	-	-
Recreation and culture	-	-	-	420,000	-	-
Capital outlay	-	-	-	-	-	843,353
Debt service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>73,768</u>	<u>-</u>	<u>4,393</u>	<u>420,000</u>	<u>1,168</u>	<u>843,353</u>
Excess (deficiency) of revenues over expenditures	<u>(12,683)</u>	<u>768</u>	<u>6,127</u>	<u>6,151</u>	<u>42,274</u>	<u>349,386</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(293,792)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(293,792)</u>
Net change in fund balances	<u>(12,683)</u>	<u>768</u>	<u>6,127</u>	<u>6,151</u>	<u>42,274</u>	<u>55,594</u>
Fund balances - beginning of year, as previously presented	87,398	14,276	136,356	30,306	31,724	104,708
Change within financial reporting entity (major to nonmajor)	-	-	-	-	-	-
Fund balances - beginning of year, as adjusted	<u>87,398</u>	<u>14,276</u>	<u>136,356</u>	<u>30,306</u>	<u>31,724</u>	<u>104,708</u>
Fund balances - end of year	<u>\$ 74,715</u>	<u>\$ 15,044</u>	<u>\$ 142,483</u>	<u>\$ 36,457</u>	<u>\$ 73,998</u>	<u>\$ 160,302</u>

Charter Township of Meridian
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	<u>Debt Service</u>		<u>Capital Projects Funds</u>	
	Fire Station Debt Service	Capital Projects	Township Improvement Revolving	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 425,980	\$ -	\$ -	\$ 3,321,271
Federal grants	-	-	-	1,463,862
State grants	1,571	-	-	31,023
Local contributions	-	-	-	680,856
Charges for services	-	-	336,235	606,235
Investment income	7,432	117,171	155,000	970,590
Other revenue	-	-	609	375,372
Total revenues	<u>434,983</u>	<u>117,171</u>	<u>491,844</u>	<u>7,449,209</u>
Expenditures				
Current				
Public safety	-	-	-	410,690
Public works	-	-	85,849	1,711,462
Health and welfare	-	-	-	193,992
Recreation and culture	-	-	-	2,192,498
Capital outlay	-	562,186	-	1,405,539
Debt service				
Principal retirement	245,000	-	-	245,000
Interest and fiscal charges	13,956	-	-	13,956
Total expenditures	<u>258,956</u>	<u>562,186</u>	<u>85,849</u>	<u>6,173,137</u>
Excess (deficiency) of revenues over expenditures	<u>176,027</u>	<u>(445,015)</u>	<u>405,995</u>	<u>1,276,072</u>
Other financing sources (uses)				
Transfers in	-	-	-	32,736
Transfers out	-	-	-	(293,792)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(261,056)</u>
Net change in fund balances	<u>176,027</u>	<u>(445,015)</u>	<u>405,995</u>	<u>1,015,016</u>
Fund balances - beginning of year, as previously presented	147,449	2,549,038	2,174,632	15,920,806
Change within financial reporting entity (major to nonmajor)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,498,991</u>
Fund balances - beginning of year, as adjusted	<u>147,449</u>	<u>2,549,038</u>	<u>2,174,632</u>	<u>17,419,797</u>
Fund balances - end of year	<u>\$ 323,476</u>	<u>\$ 2,104,023</u>	<u>\$ 2,580,627</u>	<u>\$ 18,434,813</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Pedestrian/Bike Path Millage Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ 704,827	\$ 705,088	\$ 698,074	\$ (7,014)
State grants	3,500	4,194	4,193	(1)
Local contributions	540,000	680,856	680,856	-
Charges for services	-	270,000	270,000	-
Investment income	60,000	127,350	126,287	(1,063)
Other revenue	-	13,939	7,812	(6,127)
	<u>1,308,327</u>	<u>1,801,427</u>	<u>1,787,222</u>	<u>(14,205)</u>
Expenditures				
Current				
Public works	<u>694,512</u>	<u>1,707,990</u>	<u>1,625,613</u>	<u>(82,377)</u>
Net change in fund balance	613,815	93,437	161,609	68,172
Fund balance - beginning of year	<u>2,506,357</u>	<u>2,506,357</u>	<u>2,506,357</u>	<u>-</u>
Fund balance - end of year	<u>\$ 3,120,172</u>	<u>\$ 2,599,794</u>	<u>\$ 2,667,966</u>	<u>\$ 68,172</u>

Charter Township of Meridian
Required Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Park Millage Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
Revenues				
Taxes	\$ 1,404,650	\$ 1,405,132	\$ 1,391,240	\$ (13,892)
State grants	5,600	8,363	8,362	(1)
Investment income	37,000	93,350	96,398	3,048
Other revenue	191,700	249,209	245,285	(3,924)
Total revenues	1,638,950	1,756,054	1,741,285	(14,769)
Expenditures				
Current				
Recreation and culture	1,676,023	1,764,864	1,558,263	(206,601)
Net change in fund balance	(37,073)	(8,810)	183,022	191,832
Fund balance - beginning of year	1,498,991	1,498,991	1,498,991	-
Fund balance - end of year	\$ 1,461,918	\$ 1,490,181	\$ 1,682,013	\$ 191,832

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Fire Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Federal grants	\$ -	\$ 317,964	\$ 317,893	\$ (71)
Investment income	5	35	53	18
Other revenue	-	-	4,582	4,582
Total revenues	5	317,999	322,528	4,529
Expenditures				
Current				
Public safety	-	351,660	354,251	2,591
Excess of revenues (deficiency) over expenditures	5	(33,661)	(31,723)	1,938
Other financing sources (uses)				
Transfers in	-	32,736	32,736	-
Net change in fund balance	5	(925)	1,013	1,938
Fund balance - beginning of year	2,068	2,068	2,068	-
Fund balance - end of year	\$ 2,073	\$ 1,143	\$ 3,081	\$ 1,938

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Police Fund

For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Federal grants	\$ 5,000	\$ 5,145	\$ 5,667	\$ 522
State grants	7,000	11,694	12,070	376
Investment income	500	1,075	1,401	326
Other revenue	<u>1,000</u>	<u>18,020</u>	<u>18,020</u>	<u>-</u>
Total revenues	13,500	35,934	37,158	1,224
Expenditures				
Current				
Public safety	<u>54,000</u>	<u>75,654</u>	<u>50,878</u>	<u>(24,776)</u>
Net change in fund balance	(40,500)	(39,720)	(13,720)	26,000
Fund balance - beginning of year	<u>55,008</u>	<u>55,008</u>	<u>55,008</u>	<u>-</u>
Fund balance - end of year	<u>\$ 14,508</u>	<u>\$ 15,288</u>	<u>\$ 41,288</u>	<u>\$ 26,000</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Land Preservation Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Taxes	\$ 215,608	\$ 215,618	\$ 213,405	\$ (2,213)
State grants	1,000	1,267	1,267	-
Investment income	<u>90,000</u>	<u>311,000</u>	<u>356,269</u>	<u>45,269</u>
Total revenues	306,608	527,885	570,941	43,056
Expenditures				
Current				
Recreation and culture	<u>235,721</u>	<u>213,560</u>	<u>181,801</u>	<u>(31,759)</u>
Net change in fund balance	70,887	314,325	389,140	74,815
Fund balance - beginning of year	<u>7,480,028</u>	<u>7,480,028</u>	<u>7,480,028</u>	<u>-</u>
Fund balance - end of year	<u>\$ 7,550,915</u>	<u>\$ 7,794,353</u>	<u>\$ 7,869,168</u>	<u>\$ 74,815</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Senior Center Millage Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Taxes	\$ 176,733	\$ 176,733	\$ 175,165	\$ (1,568)
State grants	800	1,050	1,053	3
Investment income	<u>12,000</u>	<u>28,600</u>	<u>29,099</u>	<u>499</u>
Total revenues	189,533	206,383	205,317	(1,066)
Expenditures				
Current				
Health and welfare	<u>148,000</u>	<u>148,000</u>	<u>120,224</u>	<u>(27,776)</u>
Net change in fund balance	41,533	58,383	85,093	26,710
Fund balance - beginning of year	<u>460,595</u>	<u>460,595</u>	<u>460,595</u>	<u>-</u>
Fund balance - end of year	<u>\$ 502,128</u>	<u>\$ 518,978</u>	<u>\$ 545,688</u>	<u>\$ 26,710</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Cable TV Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Investment income	\$ 2,000	\$ 6,100	\$ 6,055	\$ (45)
Expenditures				
Current				
Recreation and culture	-	32,500	32,434	(66)
Net change in fund balance	2,000	(26,400)	(26,379)	21
Fund balance - beginning of year	140,863	140,863	140,863	-
Fund balance - end of year	<u>\$ 142,863</u>	<u>\$ 114,463</u>	<u>\$ 114,484</u>	<u>\$ 21</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Community Needs Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Investment income	\$ 1,000	\$ 2,950	\$ 3,347	\$ 397
Other revenue	<u>16,200</u>	<u>59,020</u>	<u>57,738</u>	<u>(1,282)</u>
Total revenues	17,200	61,970	61,085	(885)
Expenditures				
Current				
Health and welfare	<u>41,200</u>	<u>76,611</u>	<u>73,768</u>	<u>(2,843)</u>
Net change in fund balance	(24,000)	(14,641)	(12,683)	1,958
Fund balance - beginning of year	<u>87,398</u>	<u>87,398</u>	<u>87,398</u>	-
Fund balance - end of year	<u>\$ 63,398</u>	<u>\$ 72,757</u>	<u>\$ 74,715</u>	<u>\$ 1,958</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Library Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
Revenues				Final
				Budget
Investment income	\$ 100	\$ 800	\$ 768	\$ (32)
Fund balance - beginning of year	14,276	14,276	14,276	-
Fund balance - end of year	\$ 14,376	\$ 15,076	\$ 15,044	\$ (32)

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Grants Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Investment income	\$ 2,000	\$ 7,095	\$ 7,363	\$ 268
Expenditures				
Current				
Public safety	-	3,493	4,393	900
Health and welfare	5,000	5,000	-	(5,000)
Total expenditures	5,000	8,493	4,393	(4,100)
Net change in fund balance	(3,000)	(4,558)	6,127	10,685
Fund balance - beginning of year	136,356	136,356	136,356	-
Fund balance - end of year	\$ 133,356	\$ 131,798	\$ 142,483	\$ 10,685

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
CATA Millage Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ 420,100	\$ 420,215	\$ 417,407	\$ (2,808)
State grants	1,500	2,510	2,507	(3)
Investment income	<u>1,000</u>	<u>5,900</u>	<u>6,237</u>	<u>337</u>
Total revenues	422,600	428,625	426,151	(2,474)
Expenditures				
Current				
Recreation and culture	<u>420,000</u>	<u>420,000</u>	<u>420,000</u>	<u>-</u>
Net change in fund balance	2,600	8,625	6,151	(2,474)
Fund balance - beginning of year	<u>30,306</u>	<u>30,306</u>	<u>30,306</u>	<u>-</u>
Fund balance - end of year	<u>\$ 32,906</u>	<u>\$ 38,931</u>	<u>\$ 36,457</u>	<u>\$ (2,474)</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Opioid Settlement Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Investment income	\$ 600	\$ 1,750	\$ 2,116	\$ 366
Other revenue	-	41,326	41,326	-
Total revenues	600	43,076	43,442	366
Expenditures				
Current				
Public safety	-	2,000	1,168	(832)
Net change in fund balance	600	41,076	42,274	1,198
Fund balance - beginning of year	31,724	31,724	31,724	-
Fund balance - end of year	\$ 32,324	\$ 72,800	\$ 73,998	\$ 1,198

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
American Rescue Plan Act Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Federal grants	\$ 612,903	\$ 1,221,304	\$ 1,137,145	\$ (84,159)
Investment income	<u>50,000</u>	<u>50,000</u>	<u>55,594</u>	<u>5,594</u>
Total revenues	662,903	1,271,304	1,192,739	(78,565)
Expenditures				
Capital outlay	<u>612,903</u>	<u>1,191,304</u>	<u>843,353</u>	<u>(347,951)</u>
Excess of revenues over expenditures	50,000	80,000	349,386	269,386
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>(26,302)</u>	<u>(293,792)</u>	<u>(267,490)</u>
Net change in fund balance	50,000	53,698	55,594	1,896
Fund balance - beginning of year	<u>104,708</u>	<u>104,708</u>	<u>104,708</u>	<u>-</u>
Fund balance - end of year	<u>\$ 154,708</u>	<u>\$ 158,406</u>	<u>\$ 160,302</u>	<u>\$ 1,896</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Fire Station Debt Service Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ 426,916	\$ 427,024	\$ 425,980	\$ (1,044)
State grants	1,100	1,571	1,571	-
Investment income	500	4,425	7,432	3,007
Total revenues	<u>428,516</u>	<u>433,020</u>	<u>434,983</u>	<u>1,963</u>
Expenditures				
Debt service				
Principal retirement	245,000	245,000	245,000	-
Interest and fiscal charges	<u>13,960</u>	<u>13,960</u>	<u>13,956</u>	<u>(4)</u>
Total expenditures	<u>258,960</u>	<u>258,960</u>	<u>258,956</u>	<u>(4)</u>
Net change in fund balance	169,556	174,060	176,027	1,967
Fund balance - beginning of year	<u>147,449</u>	<u>147,449</u>	<u>147,449</u>	-
Fund balance - end of year	<u>\$ 317,005</u>	<u>\$ 321,509</u>	<u>\$ 323,476</u>	<u>\$ 1,967</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Capital Project Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Investment income	\$ 60,000	\$ 120,820	\$ 117,171	\$ (3,649)
Expenditures				
Capital outlay	188,445	579,445	562,186	(17,259)
Net change in fund balance	(128,445)	(458,625)	(445,015)	13,610
Fund balance - beginning of year	2,549,038	2,549,038	2,549,038	-
Fund balance - end of year	\$ 2,420,593	\$ 2,090,413	\$ 2,104,023	\$ 13,610

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Township Improvement Revolving Fund
For the Year Ended December 31, 2024**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Charges for services	\$ 750,000	\$ 328,179	\$ 336,235	\$ 8,056
Investment income	90,000	161,200	155,000	(6,200)
Other revenue	-	337	609	272
	<u>840,000</u>	<u>489,716</u>	<u>491,844</u>	<u>2,128</u>
Expenditures				
Current				
Public works	<u>150,000</u>	<u>110,000</u>	<u>85,849</u>	<u>(24,151)</u>
Net change in fund balance	690,000	379,716	405,995	26,279
Fund balance - beginning of year	<u>2,174,632</u>	<u>2,174,632</u>	<u>2,174,632</u>	<u>-</u>
Fund balance - end of year	<u>\$ 2,864,632</u>	<u>\$ 2,554,348</u>	<u>\$ 2,580,627</u>	<u>\$ 26,279</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Major Governmental Fund - Debt Service
Road Debt Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ 4,147,309	\$ 4,148,437	\$ 4,138,708	\$ (9,729)
State grants	11,000	24,710	24,710	-
Investment income	10,000	74,750	98,598	23,848
Total revenues	<u>4,168,309</u>	<u>4,247,897</u>	<u>4,262,016</u>	<u>14,119</u>
Expenditures				
Debt service				
Principal retirement	3,415,000	3,415,000	3,415,000	-
Interest and fiscal charges	518,000	518,000	518,000	-
Total expenditures	<u>3,933,000</u>	<u>3,933,000</u>	<u>3,933,000</u>	<u>-</u>
Excess of revenues over expenditures	235,309	314,897	329,016	14,119
Fund balance - beginning of year	<u>2,216,069</u>	<u>2,216,069</u>	<u>2,216,069</u>	<u>-</u>
Fund balance - end of year	<u>\$ 2,451,378</u>	<u>\$ 2,530,966</u>	<u>\$ 2,545,085</u>	<u>\$ 14,119</u>

Statistical Section

Charter Township of Meridian Statistical Section

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

The statistical section is organized into the following main categories:

Financial trends – These schedules contain trend information to help the reader understand how the Township's financial performance and well-being have changed over time.

Revenue capacity – These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.

Debt capacity – These schedules contain information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.

Demographic and economic information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place.

Operating information – These schedules contain service and infrastructure data to help the reader understand how the information in the Township's financial report relates to the services the Township provides and the activities it performs.

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

Charter Township of Meridian
Net Position by Component
Last Ten Fiscal Years
(Unaudited)

	December 31				
	(in thousands of dollars)				
	2015	2016	2017	2018	2019
Governmental Activities:					
Net investment in capital assets	\$ 36,166	\$ 37,311	\$ 40,613	\$ 42,957	\$ 44,162
Restricted	8,400	9,757	9,150	10,204	23,050
Unrestricted	(10,661)	(11,611)	(11,910)	(15,183)	(22,274)
Total net position	<u>\$ 33,905</u>	<u>\$ 35,457</u>	<u>\$ 37,853</u>	<u>\$ 37,978</u>	<u>\$ 44,938</u>
Business-type Activities:					
Net investment in capital assets	\$ 39,764	\$ 39,273	\$ 39,865	\$ 39,887	\$ 39,914
Restricted	-	-	-	-	-
Unrestricted	7,433	9,077	10,972	12,615	14,977
Total net position	<u>\$ 47,197</u>	<u>\$ 48,350</u>	<u>\$ 50,837</u>	<u>\$ 52,502</u>	<u>\$ 54,891</u>
Primary Government:					
Net investment in capital assets	\$ 75,930	\$ 76,584	\$ 80,478	\$ 82,844	\$ 84,076
Restricted	8,400	9,757	9,150	10,204	23,050
Unrestricted	(3,228)	(2,534)	(938)	(2,568)	(7,297)
Total net position	<u>\$ 81,102</u>	<u>\$ 83,807</u>	<u>\$ 88,690</u>	<u>\$ 90,480</u>	<u>\$ 99,829</u>

Charter Township of Meridian
Net Position by Component
Last Ten Fiscal Years
(Unaudited)

	December 31				
	(in thousands of dollars)				
	2020	2021	2022	2023	2024
Governmental Activities:					
Net investment in capital assets	\$ 51,739	\$ 55,088	\$ 59,497	\$ 62,620	\$ 64,110
Restricted	12,130	13,627	15,836	24,703	20,427
Unrestricted	(8,430)	(2,954)	3,804	419	8,554
Total net position	<u>\$ 55,439</u>	<u>\$ 65,761</u>	<u>\$ 79,137</u>	<u>\$ 87,742</u>	<u>\$ 93,091</u>
Business-type Activities:					
Net investment in capital assets	\$ 40,505	\$ 39,141	\$ 39,833	\$ 42,912	\$ 47,051
Restricted	-	-	-	-	-
Unrestricted	16,111	18,609	20,031	20,657	24,079
Total net position	<u>\$ 56,616</u>	<u>\$ 57,750</u>	<u>\$ 59,864</u>	<u>\$ 63,569</u>	<u>\$ 71,130</u>
Primary Government:					
Net investment in capital assets	\$ 92,244	\$ 94,229	\$ 99,330	\$ 105,532	\$ 11,161
Restricted	12,130	13,627	15,836	24,703	90,427
Unrestricted	7,681	15,655	23,835	21,076	62,633
Total net position	<u>\$ 112,055</u>	<u>\$ 123,511</u>	<u>\$ 139,001</u>	<u>\$ 151,311</u>	<u>\$ 164,221</u>

Charter Township of Meridian
Changes in Governmental Net Position
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2015	2016	2017	2018	2019
Expenses:					
General government	\$ 4,346	\$ 4,347	\$ 4,785	\$ 4,239	\$ 3,789
Public safety	10,937	12,247	11,454	12,450	13,146
Public works	946	1,230	1,132	1,414	1,070
Health and welfare	162	159	180	143	273
Community and economic development	-	-	-	-	-
Recreation and culture	2,258	2,484	3,078	2,514	2,700
Interest on long-term debt	168	148	138	128	334
Total expenses	18,817	20,615	20,767	20,888	21,312
Program revenue:					
Charges for services:					
General government	416	414	667	699	680
Public safety	2,574	2,724	2,895	2,685	2,897
Public works	121	82	120	204	417
Recreation and culture	338	346	1,181	1,181	1,203
Total charges for services	3,449	3,566	4,863	4,769	5,197
Operating grants and contributions	127	137	172	121	418
Capital grants and contributions	-	-	-	589	-
Total program revenue	3,576	3,703	5,035	5,479	5,615
Excess of expenses over revenue	(15,241)	(16,912)	(15,732)	(15,409)	(15,697)
General revenue:					
Property taxes	13,005	13,464	13,695	16,142	16,766
State-shared revenue	3,087	3,165	3,496	3,579	3,711
Investment income (loss)	152	128	238	486	748
Franchise fees*	1,021	1,058	-	-	-
Miscellaneous income	562	694	723	793	1,432
Total general revenue	17,827	18,509	18,152	21,000	22,657
Transfers	-	(45)	(24)	-	-
Change in accounting principle	-	-	-	-	-
Change in net position	\$ 2,586	\$ 1,552	\$ 2,396	\$ 5,591	\$ 6,960

*Franchise fees were included in charges for services beginning in 2017 to comply with the State of Michigan's chart of accounts requirements.

Charter Township of Meridian
Changes in Governmental Net Position
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2020	2021	2022	2023	2024
Expenses:					
General government	\$ 5,350	\$ 5,038	\$ 6,179	\$ 6,032	\$ 8,181
Public safety	12,450	11,089	11,793	14,830	16,293
Public works	1,851	2,127	2,861	5,469	5,664
Health and welfare	196	233	349	262	271
Community and economic development	129	1,554	1,161	1,262	1,407
Recreation and culture	1,221	2,944	2,801	3,013	2,552
Interest on long-term debt	400	360	536	452	517
Total expenses	<u>21,597</u>	<u>23,345</u>	<u>25,680</u>	<u>31,320</u>	<u>34,885</u>
Program revenue:					
Charges for services:					
General government	1,440	1,497	1,441	1,407	1,499
Public safety	2,421	3,078	3,224	3,560	3,702
Public works	1,231	1,050	1,050	1,050	1,050
Recreation and culture	118	298	392	443	433
Total charges for services	<u>5,210</u>	<u>5,923</u>	<u>6,107</u>	<u>6,460</u>	<u>6,684</u>
Operating grants and contributions	1,460	856	3,306	2,747	3,033
Capital grants and contributions	252	1,536	3,091	1,034	1,013
Total program revenue	<u>6,922</u>	<u>8,315</u>	<u>12,504</u>	<u>10,241</u>	<u>10,730</u>
Excess of expenses over revenue	(14,675)	(15,030)	(13,176)	(21,079)	(24,155)
General revenue:					
Property taxes	20,099	20,620	21,047	21,932	22,781
State-shared revenue	3,728	4,333	5,658	5,067	5,068
Investment income (loss)	720	214	(185)	2,290	2,272
Franchise fees*	-	-	-	-	-
Miscellaneous income	629	-	33	394	294
Total general revenue	<u>25,176</u>	<u>25,167</u>	<u>26,553</u>	<u>29,683</u>	<u>30,415</u>
Transfers	-	185	-	-	-
Change in accounting principle	-	-	-	-	(912)
Change in net position	<u>\$ 10,501</u>	<u>\$ 10,322</u>	<u>\$ 13,377</u>	<u>\$ 8,604</u>	<u>\$ 5,348</u>

*Franchise fees were included in charges for services beginning in 2017 to comply with the State of Michigan's chart of accounts requirements.

Charter Township of Meridian
Changes in Business-type Net Position
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2015	2016	2017	2018	2019
Expenses:					
Sewer	\$ 5,538	\$ 5,342	\$ 5,200	\$ 5,293	\$ 4,365
Water	5,097	5,147	5,609	5,591	5,911
Total expenses	<u>10,635</u>	<u>10,489</u>	<u>10,809</u>	<u>10,884</u>	<u>10,276</u>
Program revenue:					
Charges for services:					
Sewer	4,260	4,638	5,227	5,626	5,896
Water	4,575	6,172	6,317	6,388	6,559
Total charges for services	<u>8,835</u>	<u>10,810</u>	<u>11,544</u>	<u>12,014</u>	<u>12,455</u>
Operating grants and contributions	-	403	-	-	-
Capital grants and contributions	1,126	383	1,213	526	155
Total program revenue	<u>9,961</u>	<u>11,596</u>	<u>12,757</u>	<u>12,540</u>	<u>12,610</u>
Excess (deficiency) of expenses over revenue	(674)	1,107	1,948	1,656	2,334
General revenue:					
Investment income (loss)	3	1	1	1	56
Gain (loss) on sale of assets	-	-	-	7	-
State-shared revenue	-	-	514	-	-
Miscellaneous	-	-	-	-	-
Total general revenue	<u>3</u>	<u>1</u>	<u>515</u>	<u>8</u>	<u>56</u>
Transfers	-	45	24	-	-
Change in accounting principle	-	-	-	-	-
Change in net position	<u>\$ (671)</u>	<u>\$ 1,153</u>	<u>\$ 2,487</u>	<u>\$ 1,664</u>	<u>\$ 2,390</u>
Change in net position – primary government	<u>\$ 1,915</u>	<u>\$ 2,705</u>	<u>\$ 4,883</u>	<u>\$ 7,255</u>	<u>\$ 9,350</u>

Charter Township of Meridian
Changes in Business-type Net Position
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2020	2021	2022	2023	2024
Expenses:					
Sewer	\$ 5,776	\$ 5,680	\$ 5,412	\$ 6,125	\$ 6,323
Water	6,316	6,562	6,509	5,982	4,859
Total expenses	<u>12,092</u>	<u>12,242</u>	<u>11,921</u>	<u>12,107</u>	<u>11,182</u>
Program revenue:					
Charges for services:					
Sewer	6,335	6,650	6,662	7,401	8,773
Water	6,617	6,214	6,359	7,028	8,470
Total charges for services	<u>12,952</u>	<u>12,864</u>	<u>13,021</u>	<u>14,429</u>	<u>17,243</u>
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	1,300	94	755	826	1,104
Total program revenue	<u>14,252</u>	<u>12,958</u>	<u>13,776</u>	<u>15,255</u>	<u>18,347</u>
Excess of expenses over revenue	2,160	716	1,855	3,148	7,165
General revenue:					
Investment income (loss)	23	46	(140)	557	480
Gain (loss) on sale of assets	-	-	-	-	-
State-shared revenue	-	-	-	-	-
Miscellaneous	-	372	399	-	-
Total general revenue	<u>23</u>	<u>418</u>	<u>259</u>	<u>557</u>	<u>480</u>
Transfers	-	-	-	-	-
Change in accounting principle	-	-	-	-	(84)
Change in net position	<u>\$ 2,183</u>	<u>\$ 1,134</u>	<u>\$ 2,114</u>	<u>\$ 3,705</u>	<u>\$ 7,561</u>
Change in net position – primary government	<u>\$ 12,684</u>	<u>\$ 11,456</u>	<u>\$ 15,491</u>	<u>\$ 12,309</u>	<u>\$ 12,909</u>

Charter Township of Meridian
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ 297	\$ 289	\$ 119	\$ 140	\$ 174
Committed	-	-	-	-	-
Assigned	-	-	1,111	592	1,812
Unassigned	7,307	7,137	5,627	7,229	8,508
Total general fund	<u>\$ 7,604</u>	<u>\$ 7,426</u>	<u>\$ 6,857</u>	<u>\$ 7,961</u>	<u>\$ 10,494</u>
All Other Governmental Funds					
Nonspendable	\$ 31	\$ 13	\$ 11	\$ 8	\$ 8
Restricted	8,368	9,744	9,139	10,197	23,055
Assigned	1,131	1,059	1,150	956	1,003
Unassigned (deficit)	-	-	-	-	-
Total all other governmental funds	<u>\$ 9,530</u>	<u>\$ 10,816</u>	<u>\$ 10,300</u>	<u>\$ 11,161</u>	<u>\$ 24,066</u>

Charter Township of Meridian
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2020	2021	2022	2023	2024
General Fund					
Nonspendable	\$ 222	\$ 245	\$ 538	\$ 317	\$ 157
Committed	-	-	-	2,099	2,212
Assigned	683	2,694	1,594	-	-
Unassigned	9,301	10,227	13,138	12,036	12,653
Total general fund	<u>\$ 10,206</u>	<u>\$ 13,166</u>	<u>\$ 15,270</u>	<u>\$ 14,452</u>	<u>\$ 15,022</u>
All Other Governmental Funds					
Nonspendable	\$ 2	\$ -	\$ 56	\$ 32	\$ 138
Restricted	18,437	16,749	28,192	24,597	30,853
Assigned	1,033	961	1,852	4,798	4,712
Unassigned (deficit)	-	-	(41)	-	-
Total all other governmental funds	<u>\$ 19,472</u>	<u>\$ 17,710</u>	<u>\$ 30,059</u>	<u>\$ 29,427</u>	<u>\$ 35,703</u>

Charter Township of Meridian
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2015	2016	2017	2018	2019
Revenue					
Property taxes	\$ 13,005	\$ 13,464	\$ 13,695	\$ 16,142	\$ 16,766
Licenses and permits	737	796	2,280	1,946	2,008
Intergovernmental revenue	3,226	3,252	3,555	4,198	3,999
Charges for services	3,597	3,624	3,337	3,656	3,695
Investment income (loss)	152	128	236	476	730
Other	1,902	2,160	1,062	1,149	1,827
Total revenue	<u>22,619</u>	<u>23,424</u>	<u>24,165</u>	<u>27,567</u>	<u>29,025</u>
Expenditures					
Current:					
General government	5,010	5,208	5,832	5,257	5,595
Public safety	10,273	11,287	11,042	12,656	12,552
Public works	287	519	823	1,205	424
Health and welfare	161	168	163	123	240
Community and economic development	-	-	-	-	-
Recreation and culture	2,275	2,711	2,552	2,629	2,700
Capital outlay	5,852	1,732	4,003	2,816	3,114
Debt service:					
Principal	659	480	486	491	491
Interest	217	155	145	136	124
Debt issuance costs	-	-	-	-	117
Total expenditures	<u>24,734</u>	<u>22,260</u>	<u>25,046</u>	<u>25,313</u>	<u>25,357</u>
Excess of revenues over (under) expenditures	(2,115)	1,164	(881)	2,254	3,668
Other financing sources (uses)					
Proceeds from issuance of long-term debt	-	-	-	-	11,100
Premium on issuance of debt	-	-	-	-	880
Transfers in	462	190	451	550	400
Transfers out	(462)	(247)	(700)	(840)	(610)
Insurance recoveries	-	-	43	-	-
Sale of capital assets	459	-	3	-	-
Total other financing sources (uses)	<u>459</u>	<u>(57)</u>	<u>(203)</u>	<u>(290)</u>	<u>11,770</u>
Net change in fund balance	<u>\$ (1,656)</u>	<u>\$ 1,107</u>	<u>\$ (1,084)</u>	<u>\$ 1,964</u>	<u>\$ 15,438</u>
Debt service as a percentage of noncapital expenditures	4.64%	3.09%	3.00%	2.82%	2.73%
Capital outlay as a percentage of total expenditures	23.66%	7.78%	15.98%	11.12%	12.28%

Charter Township of Meridian
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year Ended December 31				
	(in thousands of dollars)				
	2020	2021	2022	2023	2024
Revenue					
Property taxes	\$ 20,099	\$ 20,620	\$ 21,047	\$ 21,951	\$ 23,378
Licenses and permits	1,480	2,210	1,886	1,742	1,983
Intergovernmental revenue	3,943	5,512	7,901	6,790	8,579
Charges for services	3,343	3,619	4,766	4,424	4,606
Investment income (loss)	713	211	(190)	2,251	2,231
Other	1,282	1,879	1,646	2,312	725
Total revenue	<u>30,860</u>	<u>34,051</u>	<u>37,056</u>	<u>39,470</u>	<u>41,502</u>
Expenditures					
Current:					
General government	6,339	5,841	11,431	6,096	7,596
Public safety	12,407	12,531	13,106	14,558	18,411
Public works	850	658	688	6,087	7,759
Health and welfare	180	214	338	225	256
Community and economic development	130	1,554	1,124	1,242	1,307
Recreation and culture	1,075	2,322	2,441	2,652	3,627
Capital outlay	10,404	5,182	6,146	4,784	1,406
Debt service:					
Principal	3,515	3,791	4,846	4,073	4,535
Interest	593	529	462	954	778
Debt issuance costs	-	-	126	-	68
Total expenditures	<u>35,493</u>	<u>32,622</u>	<u>40,708</u>	<u>40,671</u>	<u>45,743</u>
Excess of revenues over (under) expenditures	(4,633)	1,429	(3,652)	(1,201)	(4,241)
Other financing sources (uses)					
Proceeds from issuance of long-term debt	-	-	18,355	-	12,162
Premium on issuance of debt	-	-	-	-	-
Transfers in	350	330	280	4,080	456
Transfers out	(600)	(561)	(530)	(4,330)	(1,531)
Insurance recoveries	-	-	-	-	-
Sale of capital assets	-	-	-	1	-
Total other financing sources (uses)	<u>(250)</u>	<u>(231)</u>	<u>18,105</u>	<u>(249)</u>	<u>11,087</u>
Net change in fund balance	<u>\$ (4,883)</u>	<u>\$ 1,198</u>	<u>\$ 14,453</u>	<u>\$ (1,450)</u>	<u>\$ 6,846</u>
Debt service as a percentage of noncapital expenditures	16.40%	15.59%	17.72%	13.20%	15.48%
Capital outlay as a percentage of total expenditures	29.31%	15.88%	15.10%	11.76%	3.07%

Charter Township of Meridian
Taxable Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

<u>Taxable Value by Property Type (\$000s)</u>						
<u>Tax Year</u>	<u>Residential</u>	<u>Commercial, Industrial, Agricultural, and Other</u>	<u>Total Value</u>	<u>Tax Rate (Mills)</u>	<u>Estimated Actual Value (\$000s)</u>	<u>Taxable Value as a Percent of Actual</u>
2015	\$ 1,182,156	\$ 426,509	\$ 1,608,665	7.84	\$ 3,447,893	46.66%
2016	1,206,787	433,240	1,640,027	7.82	3,642,106	45.03%
2017	1,242,176	445,905	1,688,081	9.02	3,784,714	44.60%
2018	1,290,897	469,595	1,760,492	9.00	3,943,992	44.64%
2019	1,346,089	473,155	1,819,244	10.50	4,141,308	43.93%
2020	1,391,098	481,255	1,872,353	10.45	4,366,300	42.88%
2021	1,427,589	486,918	1,914,507	10.45	4,494,352	42.60%
2022	1,498,553	507,951	2,006,504	10.42	4,711,694	42.59%
2023	1,606,522	542,854	2,149,376	10.42	5,098,188	42.16%
2024	1,721,509	560,342	2,281,851	10.07	5,536,402	41.22%

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

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

Source: Charter Township of Meridian Assessor

Charter Township of Meridian
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Unaudited)

Tax Year	Millage Rates - Direct Township Taxes				Overlapping Taxes				
	General Operating	Debt	Special Purpose	Total Direct Taxes	Ingham County	Lansing Community College	Ingham Intermediate School District	Okemos School - Homestead	Okemos School - Non-Homestead
2015	4.20	0.20	3.44	7.84	15.09	3.81	5.99	13.99	31.99
2016	4.18	0.20	3.44	7.82	15.33	3.81	5.99	13.99	31.99
2017	4.17	0.20	4.64	9.02	15.34	3.81	5.99	13.99	31.99
2018	4.17	0.20	4.63	9.00	11.34	3.81	6.00	13.99	31.99
2019	4.17	0.20	6.13	10.50	11.34	3.81	6.00	13.99	31.99
2020	4.16	2.14	4.15	10.45	11.91	3.78	6.24	13.99	31.99
2021	4.16	2.14	4.15	10.45	11.98	3.77	6.23	13.99	31.99
2022	4.14	2.14	4.14	10.42	11.31	3.77	6.23	13.99	31.99
2023	4.14	2.14	4.14	10.42	11.31	3.77	6.23	13.99	31.99
2024	4.13	2.01	3.93	10.07	12.39	3.77	6.23	13.99	31.99

Note: The Township has multiple overlapping tax districts due to 425 agreements, additional school districts, and TIF plans. The tax rates shown above relate to the Township's tax for the Ingham, Okemos, Haslett, Williamston, and East Lansing School Districts. Information relating to other overlapping tax districts can be obtained from the Finance Department at Township Hall.

Source: Charter Township of Meridian Treasurer

Charter Township of Meridian
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Unaudited)

Overlapping Taxes									
Tax Year	Haslett School - Homestead	Haslett School - Non- Homestead	Williamston School - Homestead	Williamston School - Non- Homestead	East Lansing School - Homestead	East Lansing School - Non- Homestead	Capital Regional Airport Authority	Capital Area District Library	Capital Area Transit Authority
2015	16.36	34.36	15.59	33.59	12.74	30.74			
2016	16.35	34.35	15.58	33.58	12.49	30.49			
2017	16.33	34.33	15.57	33.57	14.28	32.28			
2018	16.33	34.33	15.57	33.57	14.28	32.26	0.70	1.56	3.01
2019	16.33	34.33	15.58	33.58	13.50	31.50	0.70	1.56	3.01
2020	16.32	34.32	15.57	33.41	14.00	32.00	0.70	1.56	3.00
2021	16.30	34.30	15.56	33.40	13.80	31.80	0.70	1.55	2.99
2022	16.29	34.29	15.55	33.32	13.63	31.63	0.70	1.56	2.99
2023	16.30	34.30	15.55	33.32	13.30	31.30	0.70	1.56	2.99
2024	16.28	34.28	15.55	33.55	13.30	31.30	0.70	1.56	2.99

Note: The Township has multiple overlapping tax districts due to 425 agreements, additional school districts, and TIF plans. The tax rates shown above relate to the Township's tax for the Ingham, Okemos, Haslett, Williamston, and East Lansing School Districts. Information relating to other overlapping tax districts can be obtained from the Finance Department at Township Hall.

Source: Charter Township of Meridian Treasurer

**Charter Township of Meridian
Principal Property Taxpayers
(Unaudited)**

Taxpayer	2024 Taxable Value	Percentage of Total	2015 Taxable Value	Percentage of Total	2015 Rank
1 Consumers Energy	\$ 35,961,879	1.58%	\$ 19,780,835	1.23%	3
2 C150 2929 Hannah Lofts, LLC	23,377,500	1.02%	21,311,300	1.32%	2
3 East Lansing I, LLC	16,977,842	0.74%	14,711,285	0.91%	4
4 Meridian Mall, LP	15,488,300	0.68%	29,387,161	1.83%	1
5 TEG Central, LLC	11,724,294	0.51%			
6 GC Club Meridian Apartments LLC	11,627,700	0.51%			
7 East Lansing Athletic Club, Inc.	11,023,876	0.48%			
8 Brandywine Creek II, LLC	10,274,061	0.45%	8,251,517	0.51%	8
9 ACC OP, LLC	9,601,990	0.42%	7,711,744	0.48%	9
10 Okemos Pointe, LLC	8,613,359	0.38%			

Source: Charter Township of Meridian Assessor

**Charter Township of Meridian
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Tax Year	Fiscal Year Ended December 31	Total Levy	Current Collections	Percent Collected	Delinquent Collections	Total Tax Collections	Percent of Levy Collected
2014	2015	\$ 12,602,616	\$ 12,309,015	97.67%	\$ 14,730	\$ 12,323,745	97.79%
2015	2016	12,797,544	12,513,915	97.78%	11,080	12,524,995	97.87%
2016	2017	15,189,137	14,838,327	97.69%	7,355	14,845,682	97.74%
2017	2018	15,745,273	15,479,066	98.31%	21,849	15,500,915	98.45%
2018	2019	19,000,536	18,647,722	98.14%	7,166	18,654,888	98.18%
2019	2020	19,465,284	19,033,079	97.78%	8,130	19,041,209	97.82%
2020	2021	19,971,703	19,649,465	98.39%	3,834	19,653,299	98.41%
2021	2022	20,874,637	20,465,242	98.04%	10,611	20,475,853	98.09%
2022	2023	22,256,351	21,818,727	98.03%	14,868	21,833,595	98.10%
2023	2024	22,846,665	22,390,446	98.00%	9,487	22,399,933	98.04%

Source: Charter Township of Meridian Assessor and Treasurer

Charter Township of Meridian
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019
Governmental Activities					
General obligation bonds	\$ 3,080,000	\$ 2,865,000	\$ 2,650,000	\$ 2,430,000	\$ 2,210,000
Installment purchase agreements	-	-	-	-	-
Road construction bond	-	-	-	-	11,100,000
Drain assessments	2,777,947	2,624,463	2,353,428	2,082,394	1,811,360
Unamortized issuance premiums*	-	-	-	-	880,482
Total	5,857,947	5,489,463	5,003,428	4,512,394	16,001,842
Business-type Activities					
Other governmental obligations	1,773,094	5,024,672	5,370,166	10,771,821	17,333,107
Total debt of the government	<u>\$ 7,631,041</u>	<u>\$ 10,514,135</u>	<u>\$ 10,373,594</u>	<u>\$ 15,284,215</u>	<u>\$ 33,334,949</u>
Total taxable value (\$000s)	\$ 1,608,665	\$ 1,640,027	\$ 1,688,081	\$ 1,760,492	\$ 1,819,244
Debt as a Percentage of Taxable Value	0.47%	0.64%	0.61%	0.87%	1.83%
Total Population	39,688	39,688	39,688	39,688	39,688
Total Debt per Capita	\$ 192	\$ 265	\$ 261	\$ 385	\$ 840

*Unamortized issuance premiums were added to this schedule beginning with fiscal year 2019

Charter Township of Meridian
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

	2020	2021	2022	2023	2024
Governmental Activities					
General obligation bonds	\$ 1,985,000	\$ 1,755,000	\$ 935,000	\$ 695,000	\$ 450,000
Installment purchase agreements	-	-	-	-	-
Road construction bond	8,050,000	4,885,000	13,525,000	10,360,000	16,780,000
Drain assessments	1,570,952	4,294,544	8,923,592	8,255,820	7,867,048
Unamortized issuance premiums*	660,361	440,240	1,279,805	914,862	1,063,149
Total	12,266,313	11,374,784	24,663,397	20,225,682	26,160,197
Business-type Activities					
Other governmental obligations	26,784,161	25,665,087	30,300,235	29,802,087	31,148,270
Total debt of the government	<u>\$ 39,050,474</u>	<u>\$ 37,039,871</u>	<u>\$ 54,963,632</u>	<u>\$ 50,027,769</u>	<u>\$ 57,308,467</u>
Total taxable value (\$000s)	\$ 1,872,353	\$ 1,914,507	\$ 2,006,504	\$ 2,149,376	\$ 2,768,201
Debt as a Percentage of Taxable Value	2.09%	1.93%	2.74%	2.33%	2.07%
Total Population	39,688	43,916	43,916	43,916	43,916
Total Debt per Capita	\$ 984	\$ 843	\$ 1,252	\$ 1,139	\$ 1,305

*Unamortized issuance premiums were added to this schedule beginning with fiscal year 2019

Charter Township of Meridian
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Tax-limited General Obligation Bonds (LTGO)	Tax Supported Bonds (UTGO)	Less Pledged Debt Service Funds	Special Assessment Obligations	Other General Obligation Debt
2015	\$ -	\$ 3,080,000	\$ -	\$ 2,777,947	\$ 1,773,094
2016	-	2,865,000	-	2,624,463	5,024,672
2017	-	2,650,000	-	2,353,428	5,370,166
2018	-	2,430,000	-	2,082,394	10,771,820
2019	11,980,482	2,210,000	-	1,811,360	17,333,107
2020	8,710,361	1,985,000	-	1,570,952	26,784,161
2021	5,325,240	1,755,000	-	4,294,544	25,665,087
2022	14,804,805	935,000	-	8,923,592	30,300,235
2023	11,274,862	695,000	-	8,255,820	29,802,087
2024	17,843,149	450,000	-	7,867,048	31,148,270

Charter Township of Meridian
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Net General Obligation Debt	Net Position Restricted for Debt Service	Taxable Value (\$000s)	Debt as a Percentage of Actual Taxable Value	Population	Net General Obligation Debt per Capita
2015	\$ 7,631,041	\$ -	\$ 1,608,665	0.47%	39,688	\$ 192
2016	10,514,135	-	1,640,027	0.64%	39,688	265
2017	10,373,594	-	1,688,081	0.61%	39,688	261
2018	15,284,214	-	1,760,492	0.87%	39,688	385
2019	33,334,949	-	1,819,244	1.83%	39,688	840
2020	39,050,474	-	1,872,353	2.09%	39,688	984
2021	37,039,871	-	1,914,507	1.93%	43,916	843
2022	54,963,632	1,924,293	2,006,504	2.74%	43,916	1,208
2023	50,027,769	2,087,277	2,149,376	2.33%	43,916	1,092
2024	57,308,467	2,724,726	2,281,851	2.51%	43,916	1,243

Charter Township of Meridian
Direct and Overlapping Governmental Activities Debt
December 31, 2023
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
Ingham County	\$ 114,820,310	21.06%	\$ 24,181,157
East Lansing School District	89,528,377	14.39%	12,883,133
Okemos School District	89,806,460	87.45%	78,535,749
Williamston School District	68,296,472	7.25%	4,951,494
Haslett School District	54,118,423	66.88%	36,194,401
Ingham Intermediate School District	9,989,000	17.91%	1,789,030
Lansing Community College	64,065,000	14.47%	9,270,206
Total overlapping debt			167,805,170
Direct Township debt			26,160,197
Total direct and overlapping debt			\$ 193,965,367

Source: The overlapping debt is calculated by the Municipal Advisory Council of Michigan (MAC). MAC's method is to take the outstanding debt for all municipalities in its geographic region except for the State of Michigan and the federal government and multiply that by the estimated percent applicable, which is based on the relative taxable value in each municipality.

**Charter Township of Meridian
Pledged Revenue Coverage
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Water and Sewer Revenue Bonds						Special Assessment Bonds				
	Gross Revenue	Applicable Expenses	Net Revenue	Principal	Interest	Coverage	Special Assessment Collections	Principal	Interest	Coverage	
2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2016	-	-	-	-	-	-	-	-	-	-	
2017	-	-	-	-	-	-	-	-	-	-	
2018	-	-	-	-	-	-	-	-	-	-	
2019	-	-	-	-	-	-	-	-	-	-	
2020	-	-	-	-	-	-	-	-	-	-	
2021	-	-	-	-	-	-	-	-	-	-	
2022	-	-	-	-	-	-	-	-	-	-	
2023	-	-	-	-	-	-	-	-	-	-	
2024	-	-	-	-	-	-	-	-	-	-	

Charter Township of Meridian
Legal Debt Margin
Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019
Calculation of Debt Limit					
State equalized valuation	\$ 1,723,946,700	\$ 1,821,053,200	\$ 1,892,356,824	\$ 1,971,995,800	\$ 2,070,653,588
10% of taxable value	172,394,670	182,105,320	189,235,682	197,199,580	207,065,359
Calculation of debt subject to limit					
Total debt	8,330,658	11,298,335	11,196,846	16,130,928	33,303,774
Less debt not subject to limit:					
Special assessment bonds	2,777,947	2,624,463	2,353,428	2,082,395	1,811,360
Contractual adjustment	8,200	-	-	-	-
Employee compensated absences	699,617	784,200	823,252	846,714	849,305
Total	3,485,764	3,408,663	3,176,680	2,929,109	2,660,665
Net debt subject to limit	<u>\$ 4,844,894</u>	<u>\$ 7,889,672</u>	<u>\$ 8,020,166</u>	<u>\$ 13,201,819</u>	<u>\$ 30,643,109</u>
Legal debt margin	\$ 167,549,776	\$ 174,215,648	\$ 181,215,516	\$ 183,997,761	\$ 176,422,250
Net debt subject to limit as a percentage debt limit	2.81%	4.33%	4.24%	6.69%	14.80%

Charter Township of Meridian
Legal Debt Margin
Last Ten Fiscal Years
(Unaudited)

	2020	2021	2022	2023	2024
Calculation of Debt Limit					
State equalized valuation	\$ 2,183,150,200	\$ 2,247,176,400	\$ 2,355,846,878	\$ 2,549,094,366	\$ 2,768,200,643
10% of taxable value	218,315,020	224,717,640	235,584,688	254,909,437	276,820,064
Calculation of debt subject to limit					
Total debt	39,336,765	37,955,863	55,864,865	50,964,755	60,898,772
Less debt not subject to limit:					
Special assessment bonds	1,570,952	4,294,544	8,923,592	8,255,821	7,867,048
Contractual adjustment	-	-	-	-	-
Employee compensated absences	946,652	915,992	901,233	1,072,072	1,888,382
Total	2,517,604	5,210,536	9,824,825	9,327,893	9,755,430
Net debt subject to limit	<u>\$ 36,819,161</u>	<u>\$ 32,745,327</u>	<u>\$ 46,040,040</u>	<u>\$ 41,636,862</u>	<u>\$ 51,143,342</u>
Legal debt margin	\$ 181,495,859	\$ 191,972,313	\$ 189,544,648	\$ 213,272,575	\$ 225,676,722
Net debt subject to limit as a percentage debt limit	16.87%	14.57%	19.54%	16.33%	18.48%

**Charter Township of Meridian
Demographic and Economic Statistics
(Unaudited)**

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Township's Unemployment Rate
1970	23,827	\$ 103,933	\$ 4,362	5.70%
1980	28,735	308,815	10,747	6.20%
1990	35,644	594,506	16,679	3.10%
2000	39,125	1,259,434	32,190	1.80%
2010	39,688	1,483,180	37,371	6.00%
2020	43,916	2,034,409	46,325	3.30%

Sources: Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce and U.S. Census Bureau, Charter Township of Meridian Department of Planning and Community Development

**Charter Township of Meridian
Principal Employers
(Unaudited)**

Employer	Calendar Year 2024 Employees	Percentage of Total	Calendar Year 2015 Employees	Percentage of Total	Calendar Year 2015 Rank
1 State of Michigan	13,880	25.67%	N/A	N/A	N/A
2 Michigan State University	11,118	20.56%	N/A	N/A	N/A
3 Sparrow Health System	9,000	16.64%	N/A	N/A	N/A
4 General Motors	4,183	7.73%	N/A	N/A	N/A
5 Auto Owners	5,943	10.99%	N/A	N/A	N/A
6 Jackson National Life	2,907	5.38%	N/A	N/A	N/A
7 Peckham	2,200	4.07%	N/A	N/A	N/A
8 Lansing Community College	1,957	3.62%	N/A	N/A	N/A
9 Lansing School District	1,490	2.76%	N/A	N/A	N/A
10 McLaren Health	1,401	2.59%	N/A	N/A	N/A

N/A = Information is not available

2018 switched source to LEAP

Source: LEAP Largest Employers Lansing Michigan

Charter Township of Meridian
Full-time Equivalent Government Employees
Last Ten Fiscal Years
(Unaudited)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	37	39	32	33	33	35	31	35	39	39
Public safety:										
Police	45	45	45	46	46	46	46	46	46	46
Fire and EMS	34	34	35	36	36	36	36	36	38	40
Community planning and development	12	12	16	17	18	13	13	12	12	12
Public works	21	21	20	21	22	21	21	27	22	22
Parks and recreation	10	11	15	15	13	13	13	13	13	13
Total	159	162	163	168	168	164	160	169	170	172

Source: Charter Township of Meridian records

Charter Township of Meridian
Operating Indicators
Last Ten Fiscal Years
(Unaudited)

Function/Program	2015	2016	2017	2018	2019
Election data:					
Registered voters	29,070	31,257	30,263	30,954	31,106
Voters (at polls or absentee)	8,791	22,934	5,625	21,344	7,116
Percent voting	30.2%	73.4%	18.6%	69.0%	22.9%
Police:					
Physical arrests	765	700	559	577	563
Traffic violations	2,366	2,272	1,752	1,922	2,096
Investigations	234	366	398	263	222
Fire:					
Fire runs	623	925	1,181	991	1,217
Emergency medical runs	3,884	4,028	3,988	4,226	4,220
Inspections	205	158	173	285	412
Water					
Number of customers billed	13,000	12,310	12,300	12,250	12,300
Total gallons purchased (000s)	1,135,397	1,212,208	1,304,855	1,306,647	1,287,860
Average consumption per year	87	98	106	107	105
Sewer - Average daily sewage treatment	4,264,226	4,233,669	4,742,521	4,617,594	4,715,567

N/A = Information is not available

Source: Charter Township of Meridian records

**Charter Township of Meridian
Operating Indicators
Last Ten Fiscal Years
(Unaudited)**

Function/Program	2020	2021	2022	2023	2024
Election data:					
Registered voters	33,942	33,139	32,599	33,304	32,318
Voters (at polls or absentee)	25,798	4,496	22,047	-	25,903
Percent voting	76.0%	13.6%	67.6%	0.0%	80.2%
Police:					
Physical arrests	402	554	503	441	460
Traffic violations	1,517	1,711	1,231	736	2,647
Investigations	351	279	171	292	281
Fire:					
Fire runs	875	963	795	883	878
Emergency medical runs	4,031	4,627	5,286	5,424	5,483
Inspections	86	203	160	93	131
Water					
Number of customers billed	12,320	12,564	12,344	12,475	12,374
Total gallons purchased (000s)	1,349,203	1,252,861	1,175,134	1,172,580	1,300,329
Average consumption per year	110	100	95	94	95
Sewer - Average daily sewage treatment	4,579,664	4,534,271	3,993,802	3,394,374	4,393,182

N/A = Information is not available

Source: Charter Township of Meridian records

**Charter Township of Meridian
Capital Asset Statistics
Last Ten Fiscal Years
(Unaudited)**

Function/Program	2015	2016	2017	2018	2019
Police:					
Stations	1	1	1	1	1
Patrol units (number of officers and sergeants)	37	35	34	34	38
Fire:					
Stations	3	3	3	3	3
Fire response vehicles	4	4	4	4	4
Emergency response vehicles	4	4	5	5	5
Pedestrian/Bicycle pathways (miles)	74.50	74.50	76.00	76.00	76.00
Parks and recreation:					
Acreage	911	911	911	911	911
Mowing acres	219	215	215	215	215
Developed parks/playgrounds	17	17	17	17	17
Developed fields (soccer, baseball, etc.)	14	14	14	15	15
Water					
Mains (miles)	168.08	168.08	171.66	225.66	226.00
Fire hydrants	1,900	1,900	1,900	2,279	2,284
Storage capacity	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Sewer - Miles of sanitary sewers	147.18	147.35	148.87	192.54	192.54
Township vehicles/equipment	136	136	136	136	138

Source: Charter Township of Meridian records

Note: In 2018 an asset management study was done resulting in significant increases in fire hydrants, water main miles and sanitary sewer miles.

**Charter Township of Meridian
Capital Asset Statistics
Last Ten Fiscal Years
(Unaudited)**

Function/Program	2020	2021	2022	2023	2024
Police:					
Stations	1	1	1	1	1
Patrol units (number of officers and sergeants)	36	38	40	32	39
Fire:					
Stations	3	3	3	3	3
Fire response vehicles	4	4	5	5	5
Emergency response vehicles	5	5	5	5	5
Pedestrian/Bicycle pathways (miles)	77.00	77.51	77.69	78.84	78.84
Parks and recreation:					
Acreage	931	933	933	933	933
Mowing acres	215	215	215	215	215
Developed parks/playgrounds	17	17	17	17	17
Developed fields (soccer, baseball, etc.)	16	16	16	16	16
Water					
Mains (miles)	227.60	227.74	228.30	237.05	239.20
Fire hydrants	2,299	2,305	2,314	2,332	2,340
Storage capacity	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Sewer - Miles of sanitary sewers	193.97	194.03	194.03	196.53	197.26
Township vehicles/equipment	137	140	147	147	149

Source: Charter Township of Meridian records

Note: In 2018 an asset management study was done resulting in significant increases in fire hydrants, water main miles and sanitary sewer miles.