



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
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**September 2022**

**City, Village, and Township Revenue Sharing  
Fiscal Year 2023  
Detailed Guidance**

**City, Village, and Township Revenue Sharing (CVTRS) Program**

For fiscal year (FY) 2023, the Legislature continued the City, Village, and Township Revenue Sharing (CVTRS) program. Each eligible local unit must meet all of the program requirements to receive the full CVTRS payments.

Each city, village, or township that received a FY 2022 CVTRS payment is eligible to receive a payment equal to 106% of the local unit's FY 2022 CVTRS eligible payment amount.

The Michigan Department of Treasury's (Treasury) website has templates available which cities, villages, or townships may use to comply with the CVTRS program requirements. The templates are located under the "Forms and Templates" section at [https://www.michigan.gov/treasury/0,4679,7-121-1751\\_2197\\_58826---,00.html](https://www.michigan.gov/treasury/0,4679,7-121-1751_2197_58826---,00.html). Cities, villages, or townships do not have to use these templates. The templates are available to assist cities, villages, or townships if they so choose.

**Program Requirements**

- I. To qualify for CVTRS payments, a local unit must complete the following by the due date:
  1. Provide to Treasury the required documents (see below).
  2. Make required documents available for public viewing in the city, village, or township clerk's office or post them on a publicly accessible Internet website.
- II. Required Documents
  1. City, Village, and Township Revenue Sharing and County Incentive Program Certification (form 4886)
  2. Citizen's Guide (minimum General Fund) (see III. Citizen's Guide Reporting Options below)
    - i. Most recent local finances
    - ii. Recognition of unfunded liabilities
  3. Performance Dashboard

4. Debt Service Report (all funds)

- i. Issuance date by debt instrument
- ii. Issuance amount by debt instrument
- iii. Type of debt instrument
- iv. A listing of all revenues pledged to finance debt service by debt instrument
- v. A listing of the **annual** debt service payment amounts **until maturity**

5. Projected Budget Report (minimum General Fund)

- i. The current fiscal year projected revenues and expenditures
- ii. The immediately following fiscal year projected revenues and expenditures
- iii. An explanation of the assumptions used for the projections

III. Citizen's Guide Reporting Options

Local units will have two options related to meeting the Citizen's Guide requirement:

1. A local unit can utilize the Citizen's Guide on Treasury's online system, if the local unit's F65 report has been filed timely. Local units may wish to verify that all the data reported on the F65 report is accurate, especially the general fund revenues, expenditures, and the unfunded pension liability.
  - i. The local unit will need to indicate on the City, Village, and Township Revenue Sharing and County Incentive Program Certification (form 4886) that they have elected the Treasury Citizen's Guide option and the local unit is not submitting a copy of a Citizen's Guide.
  - ii. The local unit will need to link to Treasury's Internet website for the Citizen's Guide or print a copy of Treasury's Citizen's Guide in order to make the document available for public viewing.
  - iii. The Treasury Citizen's Guide can be found at:  
<http://micommunityfinancials.michigan.gov/>

Note: The F65 information on Treasury's online system is refreshed monthly.

- OR -

2. A local unit can create the Citizen's Guide in another format that meets the CVTRS requirements.

IV. Due Date

1. **December 1, 2022** – to receive full CVTRS payments

- OR -

2. February 1, April 1, June 1, or August 1 – to receive reduced CVTRS payments

#### V. Payment Information

1. All eligible local units will receive 1/6 of the CVTRS payment on the last business day of October.
2. If the required documents are submitted on or before December 1, 2022;
  - i. A local unit qualifies to receive 1/6 of the CVTRS payment on the last business day of December, February, April, June, and August.
3. If the required documents are submitted after December 1, 2022, but by the first day of a payment month (February, April, June, and August);
  - i. December CVTRS payment is forfeited.
  - ii. Remaining CVTRS payments will be forfeited unless the required documents are received by the first day of a payment month. If Treasury receives the documents by the first day of a payment month, 1/6 of the CVTRS payment will be received on the last business day of each payment month thereafter.

#### VI. Mailing Requirement

1. Local units must include in any mailing of general information to its citizens, the Internet website address or physical location where the required documents are available for public viewing.

#### VII. Use of Funds – **NEW REQUIREMENT**

1. A city, village, or township that has a retirement pension benefit system in underfunded status (under Section 5 of 2017 Public Act 202) must allocate, to the local unit's pension unfunded liability, an amount equal to the sum of the local unit's FY 2023 eligible CVTRS payment amount less the sum of the local unit's FY 2020 eligible CVTRS payment amounts.
2. A city, village, or township that has issued a municipal security under Section 518 of 2001 Public Act 34, is exempt from allocating FY 2023 CVTRS payment amounts to the local unit's pension unfunded liability.

#### **Additional Information**

Detailed information can be found on the Michigan Department of Treasury's CVTRS website [http://www.michigan.gov/treasury/0,4679,7-121-1751\\_2197\\_58826---,00.html](http://www.michigan.gov/treasury/0,4679,7-121-1751_2197_58826---,00.html).

Any local unit that falsifies certification documents shall forfeit any future CVTRS payments and shall repay the State all CVTRS payments it has received.

If you have any questions, please review the Frequently Asked Questions on Treasury's CVTRS website or feel free to contact the Revenue Sharing and Grants Division by phone at 517-335-7484 or by email at [TreasRevenueSharing@michigan.gov](mailto:TreasRevenueSharing@michigan.gov).