

Research Update:

# Bloomfield Charter Township, MI Series 2026 GO Refunding Bonds Assigned 'AAA' Rating

May 11, 2026

## Overview

- S&P Global Ratings assigned its 'AAA' long-term rating to **Bloomfield Charter Township**, Michigan's roughly \$8.6 million series 2026 general obligation (GO) unlimited-tax refunding bonds.
- The outlook is stable.

## Rationale

### Security

The township's full faith and credit and lawfully available money--including revenue from an ad valorem tax, which may be levied in an amount sufficient to pay the annual principal and interest--secure the 2026 bonds.

The series 2026 bond proceeds will refund the series 2016 bonds.

### Credit highlights

The rating reflects our view of the township's extremely strong economic base, consistently positive operating performance supporting its healthy reserve and liquidity positions, and robust management practices; elevated fixed costs offset these strengths. To further support prudent fiscal oversight, officials have augmented the policy framework by incorporating rolling, long-term capital planning into the annual budget process as well as adhering to a reserve target of 50% to 75% of general fund expenditures. The township's maintenance of approximately 89% of operating revenue, or \$53.5 million, across its general, public safety, and equipment and replacement (E&R) funds aligns with this policy. Property taxes and assessments, which represent 73% of combined (general and public safety funds) operating revenue, continue to perform well, reflecting the strength of the township's commercial and residential real estate. Although the township is mostly built out, residential infill and redevelopments continue. While high fixed costs continue to command slightly less than one-third of the budget, these costs include the township's increased funding of its pension and other postemployment benefits liability in 2025 as part of the strategy to improve its long-term position.

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Conservative management practices, investment earnings, and state revenue sharing from Michigan sales tax revenue have supported positive financial results in recent years, as have vacancies in staff and the 2020 transition to a self-insured health care model for employees. In fiscal 2025, the township reported an operating surplus of 1.4%, net of a \$7 million transfer to the E&R fund. In fiscal 2026 officials anticipate ending with a surplus of approximately \$7 million, the majority of which will be transferred to the E&R fund, and in fiscal 2027 management expects at least a breakeven result.

The 'AAA' rating further reflects our view of the township's:

- Robust and affluent residential tax base, which participates in the broad and diverse Detroit-Warren-Dearborn metropolitan statistical area, with access to economic institutions in Oakland County, including Ford, General Motors, and Stellantis as well as growing construction, health care, distribution and warehousing, and high-tech research and development sectors.
- Thorough, forward-looking financial management policies and practices, including a detailed five-year rolling capital plan and a 10-year financial plan. In addition, the board receives quarterly budget-to-actual reports, and data from external sources informs its budgets, resulting in positive operating performance in recent years. The township also maintains formal investment, debt management, and fund balance policies, and management is taking measures to mitigate cyber risk.
- Positive operating track record that we expect will continue, considering management's budget adjustment ability and healthy and stable property-tax-driven revenue mix, all of which we expect will support the maintenance of very strong reserves, in line with its formal policy.
- Elevated fixed costs, with a weak debt and liability position, although debt amortization remains rapid. The township anticipates issuing additional special assessment bonds later in 2026.
- Fiscal 2025 results that showed a funded ratio of 87.3%, with a net pension liability of \$32.4 million and a discount rate of 6%. Annual pension contributions made up 19% of total governmental fund revenue in fiscal 2025, but the township overcontributed to the liability and plans to continue to do so when possible, and therefore we do not view fixed costs as a significant credit risk.
- For more information on our institutional framework assessment for Michigan municipalities, see "[Institutional Framework Assessment: Michigan Local Governments](#)," Sept. 9, 2024.

## Environmental, social, and governance

We view environmental, social, and governance factors as neutral in our analysis.

## Rating above the sovereign

The rating on Bloomfield Charter Township's GO debt is eligible to be higher than the sovereign rating because we believe the township could maintain positive credit characteristics relative to the U.S. sovereign in a stress scenario. Under our "[Ratings Above The Sovereign--Corporate And Government Ratings--Methodology And Assumptions](#)" criteria, Nov. 19, 2013, the township has predominantly locally derived revenue with independent taxing authority and treasury management from the federal government.

## Outlook

The stable outlook reflects our view of the township's extremely strong economy as well as our belief that the proactive management team will continue to achieve positive operating results over the next two years.

### Downside scenario

We could lower the rating if the township is unable to maintain balanced operations, leading to a sustained weakening of reserves.

### Bloomfield Charter Township, Michigan--credit summary

Institutional framework (IF)	2
Individual credit profile (ICP)	1.65
Economy	1.0
Financial performance	1
Reserves and liquidity	1
Management	1.00
Debt and liabilities	4.25

### Bloomfield Charter Township, Michigan--key credit metrics

	Most recent	2025	2024	2023
<b>Economy</b>				
Real GCP per capita as % of U.S.	132	--	132	134
County PCPI as % of U.S.	128	--	128	129
Market value (\$000s)	14,032,838	13,332,640	12,169,474	11,264,074
Market value per capita (\$)	319,378	303,442	276,969	255,126
Top 10 taxpayers as % of taxable value	2.4	6.9	1.7	2.2
County unemployment rate (%)	3.6	3.6	3.6	2.9
Local median household EBI as % of U.S.	178	--	178	180
Local per capita EBI as % of U.S.	191	--	191	192
Local population	43,938	--	43,938	44,151
<b>Financial performance</b>				
Operating fund revenue (\$000s)	--	60,048	58,001	49,761
Operating fund expenditures (\$000s)	--	46,132	46,759	44,285
Net transfers and other adjustments (\$000s)	--	(13,096)	(10,970)	(5,148)
Operating result (\$000s)	--	820	272	328
Operating result as % of revenue	--	1.4	0.5	0.7
Operating result three-year average %	--	0.8	0.9	1.3
<b>Reserves and liquidity</b>				
Available reserves as % of operating revenue	--	50.8	51.3	59.3
Available reserves (\$000s)	--	30,520	29,749	29,505
<b>Debt and liabilities</b>				
Debt service cost as % of revenue	--	12.7	16.3	15.8

**Bloomfield Charter Township, Michigan--key credit metrics**

	Most recent	2025	2024	2023
Net direct debt per capita (\$)	2,348	1,795	1,615	1,775
Net direct debt (\$000s)	103,166	78,867	70,981	78,354
Direct debt 10-year amortization (%)	80	90	99	--
Pension and OPEB cost as % of revenue	--	14	20	16
NPLs per capita (\$)	--	736	734	947
Combined NPLs (\$000s)	--	32,353	32,271	41,791

Financial data may reflect analytical adjustments and is sourced from issuer audit reports or other annual disclosures. Economic data is generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. Local population is sourced from Claritas. Claritas estimates are point in time and not meant to show year-over-year trends. EBI--Effective buying income. GCP--Gross county product. NPL--Net pension liability. OPEB--Other postemployment benefits. PCPI--Per capita personal income.

**Ratings List**

**New Issue Ratings**

US\$8.600 mil GO unlted tax rfdg bnds ser 2026 due 05/01/2032

Long Term Rating AAA/Stable

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352>. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings referenced herein can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

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