

Charter Township of Delhi

Holt, Michigan



Comprehensive Annual Financial Report

For the Year Ended December 31, 2009

Prepared by:

Accounting Department

CHARTER TOWNSHIP OF DELHI
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2009

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INTRODUCTORY SECTION



DELHI CHARTER TOWNSHIP

2074 AURELIUS ROAD
HOLT, MICHIGAN 48842

PHONE: (517) 694-2136
FAX: (517) 268-3069

April 15, 2010

To the Board of Trustees and the Citizens of Delhi Charter Township:

The Comprehensive Annual Financial Report (CAFR) for Delhi Charter Township, Michigan for the year ended December 31, 2009 is hereby submitted. The report represents a comprehensive and detailed picture of our financial transactions during fiscal year 2009 and the financial condition of the various funds as of the fiscal year end.

The Management of Delhi Charter Township is responsible for the accuracy of data, completeness, and fairness of the presentation, including all disclosures. Internal controls have been established for this purpose. Since the cost of internal control should not be greater than the benefits received, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rehmann Robson, Certified Public Accountants, have issued an unqualified ("clean") opinion on Delhi Charter Township's financial statements for the year ended December 31, 2009. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of Delhi Charter Township

The Township was founded April 4, 1842 and is incorporated under the provisions of Public Act 359 of 1947 as amended. It became a Charter Township on September 18, 1961.

There are seven members elected to the Board of Trustees including a Supervisor (part-time), Clerk, Treasurer, and four Trustees. Board members serve four-year terms and have policy-making and legislative authority. The Board appoints the Township Manager who in turn appoints the department heads subject to confirmation by the Township Board.

The Township encompasses approximately 28.5 square miles and is located just south of Lansing, the capital city of Michigan. It is in close proximity to Michigan State University, Capitol City Airport, Lansing Community College, Cooley Law School, and two major hospitals. Population in 2009 was approximately 25,000 residents.

The following services are provided by the Township: fire and ambulance services; police services (contracted through Ingham County); parks and recreation; planning, building, and zoning, sanitary sewer collection and treatment, cemetery, along with brush and leaf composting and on-site recycling. Public water is provided through the Lansing's Board of Water and Light; street lights are provided by either Consumers Power or Lansing's Board of Water and Light; public streets are under the jurisdiction of the Ingham County Road Commission; and public storm sewers are under the jurisdiction of the Ingham County Drain Commission.

The Board is required to adopt a final budget for the ensuing year by December 31st of the previous year. The budget is divided into various funds (e.g. general fund) and is adopted by departments (e.g. fire). Transfers between departments up to \$10,000 may be made by the Township Manager and reported to the Board at the next regular Board meeting. The Township Board must approve all budget amendments.

Local economy

During 2009, the State of Michigan continued to experience declines in revenue along with a very high unemployment rate at year end of 13.6%. This contributed to a downturn in certain aspects of the Township's financial resources. For example, the revenue the Township receives from the State of Michigan, which is based on several factors (sales tax received by the State is one), has continued to decline in every year since 2001 when revenue sharing accounted for 30% of the total General Fund budget. In 2009 state revenue sharing was 31% lower than it was in 2001. It is anticipated that these revenues will continue to decline.

The considerable growth in residential development that the Township experienced from 2000-2005 was substantially curtailed in 2006 and has continued to decline through 2009. The associated revenues in the Department of Community Development (building permits, mechanical permits, etc.) dramatically declined as well.

Although the taxable value of properties in the Township increased in 2007 and 2008 (revenue recognized in 2008 and 2009 respectively), 2009 taxable value has decreased by 3% and is expected to decline even more in the next few years. The related revenues in 2010 and beyond are expected to decline.

Also impacting property taxes is the rise in the number of foreclosed properties. There were 102 foreclosed properties in 2006, 141 in 2007, 142 in 2008, and 157 in 2009.

Long-term financial planning

The Township Board has adopted a reserve policy whereby the Township will strive to maintain an amount of unreserved fund balance in the General Fund of no less than fifteen (15) percent of general fund operating expenditures. Although fund balance in the General Fund decreased by \$518,191 in 2009, unreserved/undesignated fund balance at 12/31/09 was 25% of general fund expenditures (including transfers out).

The original General Fund budget projected a fund balance decrease of over \$850,000. However, the Township Board and management staff closely monitored the Township's reserves throughout the year and were successful in reducing this deficit while fully funding the actuarially determined annual contribution for retiree health care. The Board and staff will continue to closely monitor the Township's revenues and expenditures in 2010 and beyond.

Relevant financial policies

The Township has prepared a 5 year financial forecast which projects future fund balance levels will fall below the Board's policy of maintaining 15% of expenditures in fund balance. The Board continues cost cutting measures including, but not limited to reductions in staffing and employee benefits, as well as examining future sources of revenue to ensure adherence in future years to this policy.

Major initiatives

The digester improvement project at the Publicly Owned Treatment Plant (POTW) was completed in 2009. At project end, there were 6 new tanks (4 processing digesters and 2 holding tanks) and 2 micro-turbine generators. The new digesters will increase sludge processing capacity from 2.6 million gallons per day to 4.7 million. The new digesters will meet the anticipated growth for the next twenty years. Funding for this project was through a combination of government grants, loans, and sewer usage charges.

A new Senior Center opened in mid 2009. The Delhi Downtown Development Authority provided the funding for this project through bonds issued in 2008. The cost to operate and maintain this new center has been kept relatively low due to the building being LEED (Leadership in Energy and Environmental Design) certified and the majority of staffing is accomplished through senior volunteers.

An additional mile of the non-motorized pathway was completed in 2009. The long term plan is for this pathway to connect to neighboring communities.

Street, sidewalk, and drainage improvements were made in the Cedar Heights neighborhood to create a more walkable/safer neighborhood with improved parking.

Sanitary sewer and stormwater improvements were made in the Delhi NE section of the Township to improve public health.

Other capital improvements were put on hold due to uncertain revenue streams.

Awards and acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Delhi Charter Township for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2008.

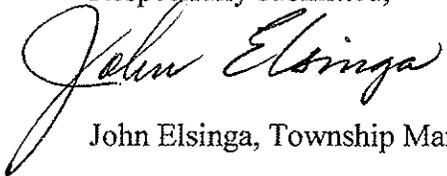
This is the second year that the Township has received this prestigious award. In order to be awarded a Certificate of Achievement, the Township had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

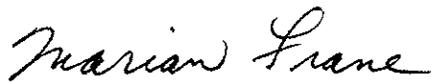
In Addition, the Township received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for its annual budget document dated December 31, 2009. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the dedicated service of the Accounting Department along with the excellent cooperation from all Departments. We wish to express our sincere appreciation to all staff members who assisted in the preparation of this report.

Respectfully submitted,

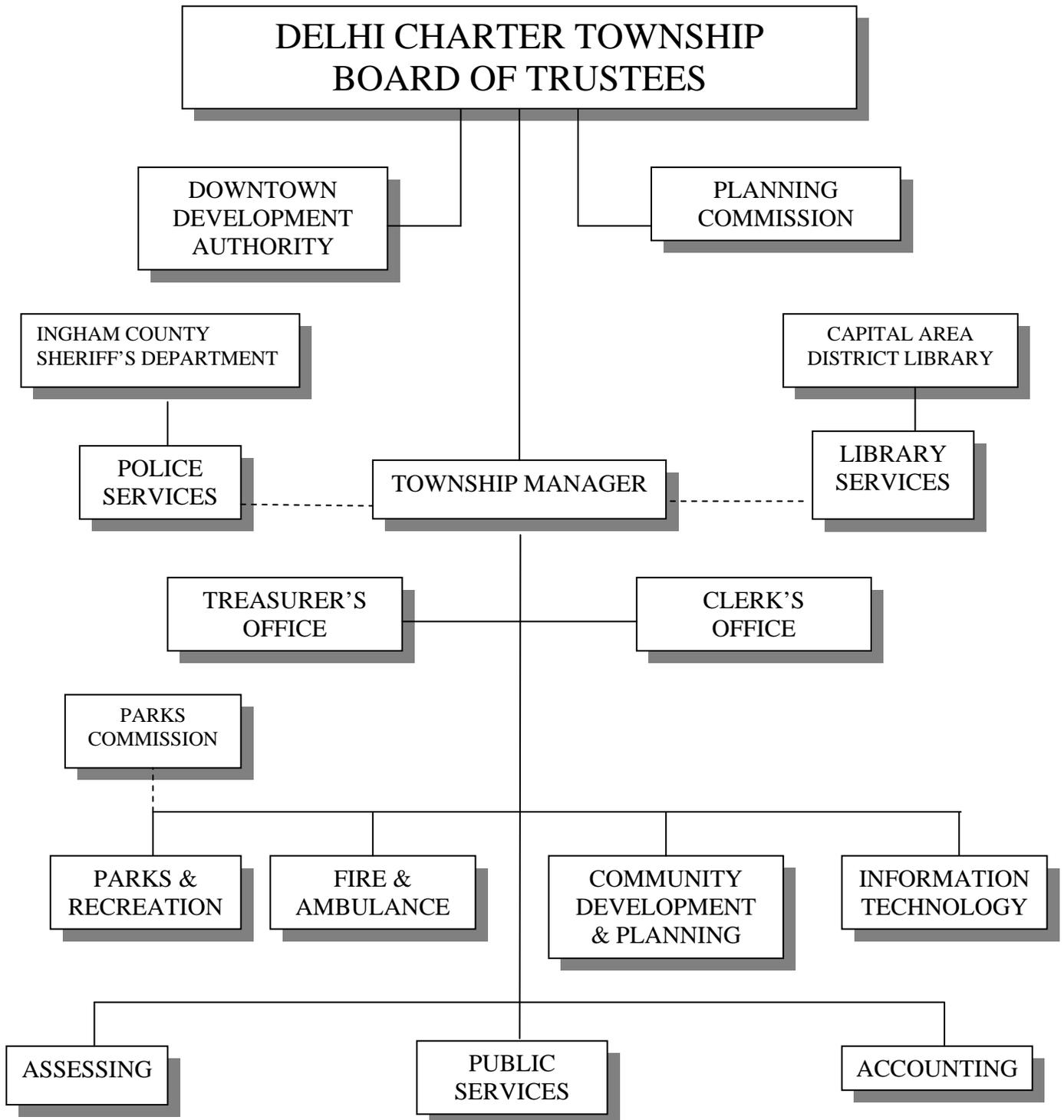


John Elsinga, Township Manager



Marian Frane, Director of Accounting

Delhi Charter Township Organizational Chart of Services



**Delhi Charter Township
List of Elected and Appointed Officials
December 31, 2009**

Board of Trustees

Supervisor	Stuart Goodrich
Clerk.....	Evan Hope
Treasurer.....	Harry R. Ammon
Trustee	Derek Bajema
Trustee.....	John Hayhoe
Trustee	Jerry Ketchum
Trustee.....	Roy Sweet

Executive Staff

Township Manager.....	John Elsinga
Accounting Director.....	Marian Frane
Assessor	Nicole Wilson
Asst Twp Mgr for Human Resources	Wendy Thielen
Community Development Director	Tracy Miller
Downtown Dev Auth Exec Director	Al McFadyen
Fire Chief.....	Rick Royston
Information Technology Director	Jim Felton
Parks & Recreation Director.....	Mark Jenks
Public Services Director	Sandra Diorka

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Charter Township of Delhi Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

April 15, 2010

The Board of Trustees
Charter Township of Delhi
Holt, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the **CHARTER TOWNSHIP OF DELHI, MICHIGAN**, as of and for the year ended December 31, 2009, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the **Charter Township of Delhi, Michigan**, as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3-11 and the Retiree Health Plan historical information on page 51 are not required parts of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the *Charter Township of Delhi's* basic financial statements. The introductory section, combining and individual fund financial statements and budgetary schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and budgetary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Lehmann Lobson".

MANAGEMENT'S DISCUSSION and ANALYSIS

Management's Discussion and Analysis

As management of Delhi Charter Township, Michigan, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2009.

Financial Highlights

- The assets of the Township exceeded its liabilities at the close of the most recent fiscal year by \$48,889,079 (*net assets*). Of this amount, \$4,479,807 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$1,032,982.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$2,875,994, a decrease of \$777,871 in comparison with the prior year. Over 95% of this total amount, or \$2,742,942, is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$1,949,051 or 29 percent of total general fund expenditures (not including transfers out).
- The Township's total bonded debt increased by \$570,971 during the current fiscal year; \$2,038,055 in new bonded debt was issued and \$1,467,084 of existing debt was retired. The new debt is revenue bonds in the Sewer Fund for the digester project.

Overview of the Financial Statements

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

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

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

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

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

The government-wide financial statements include not only the Township itself (known as the *primary government*), but also two legally separate authorities – the Downtown Development Authority and the Brownfield Redevelopment Authority – for which the Township is financially accountable. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 12-14 of this report.

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

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

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

The Township maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 15-20 of this report.

Proprietary funds. There are two types of proprietary funds – enterprise and internal service. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Township uses two enterprise funds - one to account for its sanitary sewer operations and the other for community development. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Township’s various functions. The Township does not use internal service funds at this time.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 21-24 of this report.

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

The basic fiduciary fund financial statements can be found on pages 25-26 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-50 of this report.

Other information. In addition to the basic financial statements and accompanying note, this report also presents certain required supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 52-69 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of Delhi Charter Township, assets exceeded liabilities by \$48,889,079 at the close of the most recent fiscal year.

By far the largest portion of the Township’s net assets (85 percent) reflects its investment in capital assets (e.g. infrastructure, land, buildings, equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Township’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Delhi Charter Township’s Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$7,095,164	\$8,662,110	\$5,185,401	\$6,313,233	\$12,280,565	\$14,975,343
Capital assets, net	10,386,798	7,501,160	51,726,525	51,534,813	62,113,323	59,035,973
Total assets	17,481,962	16,163,270	56,911,926	57,848,046	74,393,888	74,011,316
Long-term liabilities	1,392,292	2,023,679	17,129,994	16,760,879	18,522,286	18,784,558
Other liabilities	4,794,270	4,877,155	2,188,253	2,493,506	6,982,523	7,370,661
Total liabilities	6,186,562	6,900,834	19,318,247	19,254,385	25,504,809	26,155,219
Net assets:						
Invested in capital assets, net of related debt	8,580,733	5,141,128	32,927,591	33,175,333	41,508,324	38,316,461
Restricted	59,126	82,186	2,841,822	2,618,428	2,900,948	2,700,614
Unrestricted	2,655,541	4,039,122	1,824,266	2,799,900	4,479,807	6,839,022
Total Net Assets	\$11,295,400	\$9,262,436	\$37,593,679	\$38,593,661	\$48,889,079	\$47,856,097

At the end of the current fiscal year, the Township is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The government's net assets increased by \$1,032,982 during the current fiscal year. This was a combination of net assets increasing by \$2,032,964 in Governmental Activities and decreasing by \$999,982 in the Business-type Activities. Net assets in Governmental Activities would have declined had it not been for the capital asset donations to the General Fund and Parks and Recreation Fund from the Downtown Development Authority of more than \$3,000,000.

Delhi Charter Township's Changes in Net Assets

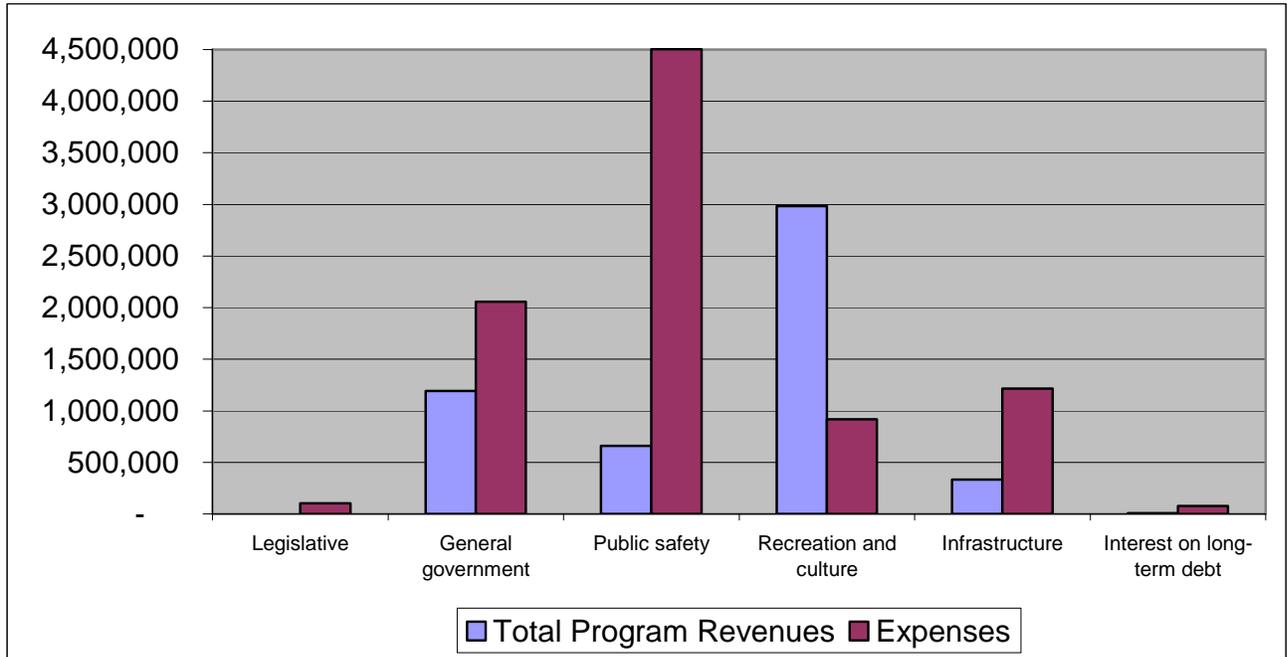
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue:						
Program revenues:						
Charges for services	\$ 1,684,802	\$ 1,705,407	\$ 5,188,251	\$ 5,082,619	\$ 6,873,053	\$ 6,788,026
Operating grants and contributions	97,136	155,846	309,131	389,390	406,267	545,236
Capital grants and contributions	3,396,484	421,038	145,768	401,403	3,542,252	822,441
General revenues:						
Property taxes	3,726,355	3,631,229	-	-	3,726,355	3,631,229
State shared revenue	1,553,811	1,762,721	-	-	1,553,811	1,762,721
Unrestricted grants and contributions	505,290	545,943	-	4,006	505,290	549,949
Other	77,351	153,566	-	-	77,351	153,566
Total revenues	11,041,229	8,375,750	5,643,150	5,877,418	16,684,379	14,253,168
Expenses:						
Legislative	105,129	83,758	-	-	105,129	83,758
General government	2,057,487	2,243,486	-	-	2,057,487	2,243,486
Public safety	4,503,054	4,348,348	-	-	4,503,054	4,348,348
Recreation and cultural	918,737	846,039	-	-	918,737	846,039
Infrastructure	1,214,437	797,885	-	-	1,214,437	797,885
Interest on long-term debt	76,276	91,009	-	-	76,276	91,009
Sewer	-	-	6,114,406	5,700,904	6,114,406	5,700,904
Community Development	-	-	661,871	686,645	661,871	686,645
Total expenses	8,875,120	8,410,525	6,776,277	6,387,549	15,651,397	14,798,074
Increase (decrease) in net assets before transfers	2,166,109	(34,775)	(1,133,127)	(510,131)	1,032,982	(544,906)
Transfers in (out)	(133,145)	(235,286)	133,145	235,286	-	-
Increase (decrease) in net assets	2,032,964	(270,061)	(999,982)	(274,845)	1,032,982	(544,906)
Net assets -beginning of year	9,262,436	9,532,497	38,593,661	38,868,506	47,856,097	48,401,003
Net assets - end of year	\$ 11,295,400	\$ 9,262,436	\$ 37,593,679	\$ 38,593,661	\$ 48,889,079	\$ 47,856,097

Governmental activities. Governmental activities increased the Township's net assets by \$2,032,964 during fiscal year 2009. Key elements of this net increase are:

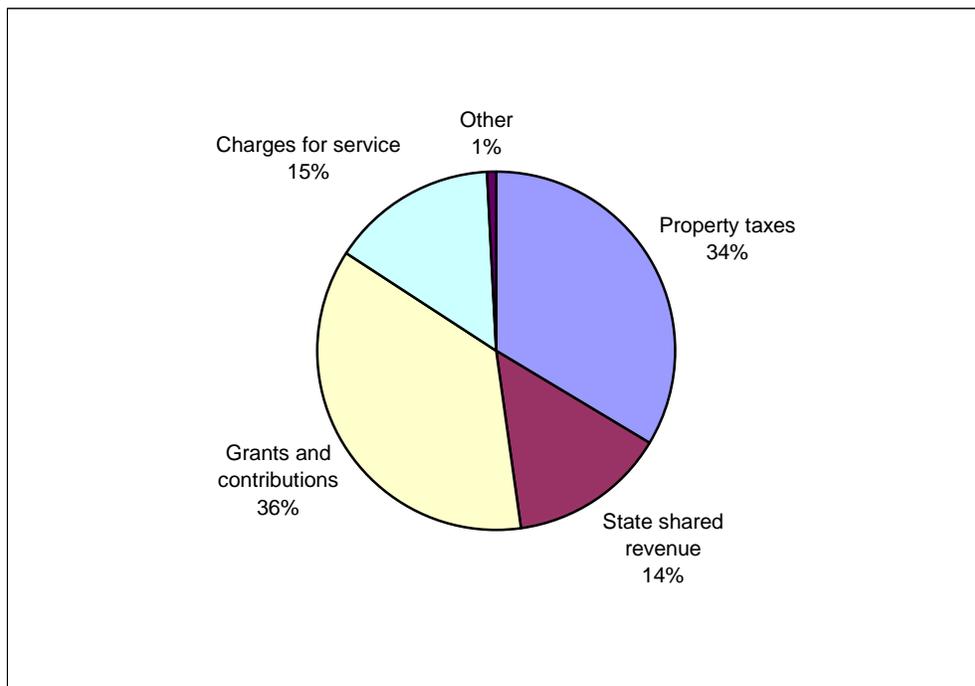
- Capital grants increased by \$2,975,446. Most of this increase was a result of the Downtown Development Authority donating a newly built senior center and its land to the Parks and Recreation Fund. Other capital assets totaling about \$539,000 were also donated to the General Fund and the Parks and Recreation Fund from the Downtown Development Authority.
- Property tax increased by \$95,000. This is not expected to continue because the taxable value of property is expected to decline for the next several years.
- State shared revenues declined by \$209,000 continuing the trend of decreased support from the State of Michigan since 2001.

- Other revenues declined by \$76,000 due to less interest revenue.
- General government expenses decreased by \$186,000 due to a reduction in the workforce and the timing of filling vacancies.
- Public safety expenses increased by \$155,000. This was due to a scheduled annual increase in the police contract as well as an increase in depreciation expense from capital assets purchased in late 2008.
- Infrastructure expenses were up by \$417,000 due to a timing difference of the recognition of costs related to water improvement costs from earlier periods.

Expenses and Program Revenues - Governmental Activities



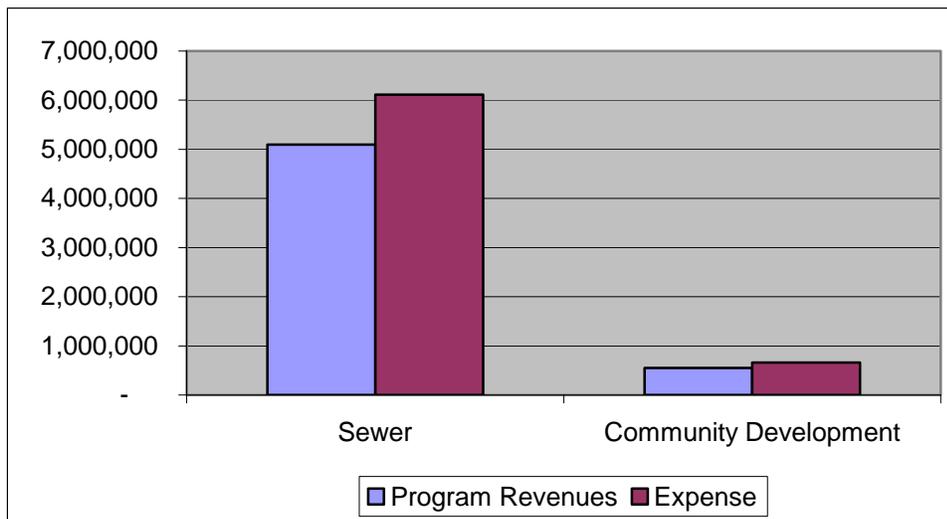
Revenues by Source - Governmental Activities



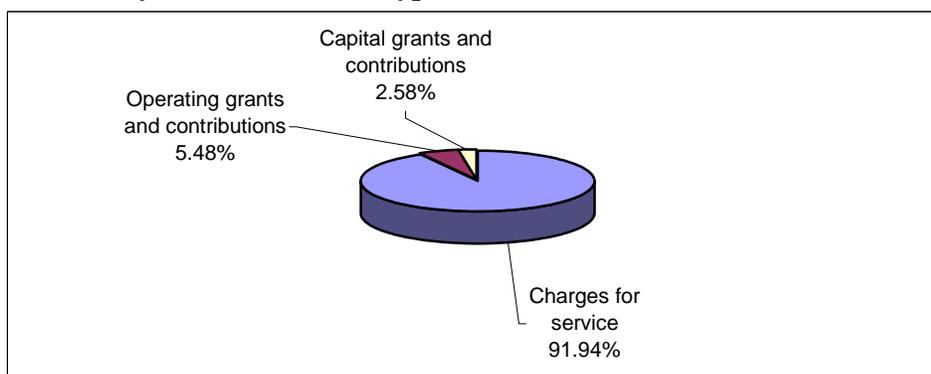
Business-type activities. Business-type activities decreased the Township’s net assets by \$999,982 during fiscal year 2009. Key elements of this decrease are:

- Charges for services were up by \$105,000. Although sewer usage revenue was down about \$50,000, revenues from the sewer service charge was up, netting an increase of \$91,000 for these 2 fees. Additionally, rental registration fees increased by \$45,000 due to an increase in the fee charged.
- Interest earned from deposits was down by \$130,000.
- Sewer operating expenses were up about \$385,000. Engineering fees increased by \$151,000 and \$185,000 was spent to extend water to the sewer plant.
- The capital contributions from developers for sanitary sewers was down by \$256,000.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government’s Funds

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

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

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$2,875,994, a decrease of \$777,871 in comparison with the prior year. Over 95 percent of this total amount constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed for prepaid expenditures (\$133,052).

The General Fund is the chief operating fund of the Township. At the end of the current fiscal year, unreserved fund balance of the general fund was \$1,949,051 while total fund balance was \$2,067,500. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance and total fund balance represents 29 percent of total general fund expenditures, while total fund balance represents 30 percent of total general fund expenditures.

The fund balance in the Township's General Fund decreased by \$518,191 during the current fiscal year. Overall, expenditures including transfers out, decreased \$151,000 but revenues and other financing sources decreased by \$366,000. Key factors for this decrease are:

- State shared revenue declined by \$209,000.
- Interest revenue declined by \$101,000.
- Revenue from special assessments decreased by \$58,000.
- Police expenditures (contracted with Ingham County) were up by \$95,000.
- Actual revenues were 1% less than budgeted and expenditures were 3% less than budgeted.

The fund balance in the Parks and Recreation fund was \$13,295. This is by design and accomplished through transfers from the General Fund. The transfer required from the General Fund to maintain this amount was \$692,348, an increase of \$96,960.

Proprietary funds. The Township's proprietary funds provide the same type of information found in the government wide financial statements, but in more detail.

Total net assets of the Sewer Fund at the end of the year amounted to \$37,554,447; a decrease for the year of \$1,020,836. Other factors concerning the finances of this fund have already been addressed in the discussion of the Township's business-type activities.

General Fund Budgetary Highlights

During the year there was a net decrease of \$488,399 (6%) in appropriations (including transfers out) between the original and final amended budget. Some of the decreases were:

- \$185,000 decrease in salaries and benefits due to layoffs, vacancies, and other cost saving measures;
- \$167,000 decrease in street and sidewalk improvements;
- \$57,000 reduction in capital outlay from delaying financial software upgrade and eliminating window treatments
- \$19,000 decrease in education and training

Additionally, budgeted revenues (including other financing sources) decreased by \$284,640 as follows:

- \$179,000 decrease in state revenue sharing
- \$50,000 increase in ambulance fees
- \$105,000 decrease in interest

Capital Asset and Debt Administration

Capital assets. The Township's investment in capital assets for its governmental and business type activities as of December 31, 2009, amounted to \$62,113,323 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, infrastructure, buildings and improvements, park and recreation facilities, machinery and equipment and construction in progress. The total increase in the Township's investment in capital assets for the current fiscal year was 5.2 percent (a 38.5 percent decrease for governmental activities and less than 1 percent increase for business-type activities).

Major capital asset acquisitions during the fiscal year included the following:

- The DDA completed construction of the Senior Center and deeded the land and building to the Parks and Recreation Fund for \$2,512,098.
- Added playground equipment in Valhalla Park for \$34,973.
- Completed phase I of the non-motorized trail for \$243,923.
- Refurbished a pumper for \$198,228.
- Upgraded the siren system for \$110,192.
- Completed the overflow parking lot at the Community Services Center for \$236,474
- Added \$10,296,706 of digester improvements.
- Completed the recycling center for \$465,340.
- Added sewer lines for \$1,843,468.

Delhi Charter Township's Capital Assets

(net of depreciation)

	Governmental Activities		Business Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 1,979,419	\$ 1,585,364	\$ 776,635	\$ 776,635	\$ 2,756,054	\$ 2,361,999
Infrastructure systems	330,280	340,289	48,184,395	37,746,319	48,514,675	38,086,608
Buildings and improvements	4,974,321	3,000,456	1,146,976	1,183,205	6,121,297	4,183,661
Land improvements	1,633,011	1,233,830	454,999	-	2,088,010	1,233,830
Machinery and equipment	402,942	283,964	233,899	139,532	636,841	423,496
Furniture and office equipment	60,973	73,837	40,958	54,125	101,931	127,962
Computer equipment and programs	30,851	27,841	78,942	72,665	109,793	100,506
Vehicles	916,493	955,579	259,104	333,751	1,175,597	1,289,330
Construction in progress	58,508	-	550,617	11,228,581	609,125	11,228,581
Total	\$ 10,386,798	\$ 7,501,160	\$ 51,726,525	\$ 51,534,813	\$ 62,113,323	\$ 59,035,973

Additional information on the Township's capital assets can be found in note 3-C on pages 38-40 of this report.

Long-term debt. At the end of the current fiscal year, the Township had total debt outstanding of \$20,604,999. Of this amount, \$8,377,917 comprises debt backed by the full faith and credit of the government.

Delhi Charter Township's Outstanding Debt

	Governmental Activities		Business Type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 1,254,221	\$ 1,732,511	\$ 7,123,696	\$ 7,557,490	\$ 8,377,917	\$ 9,290,001
Special assessment bonds	60,385	90,578	209,614	314,421	269,999	404,999
Revenue bonds	-	-	9,305,624	7,687,569	9,305,624	7,687,569
Other long-term debt	491,459	536,943	2,160,000	2,800,000	2,651,459	3,336,943
Total	\$ 1,806,065	\$ 2,360,032	\$ 18,798,934	\$ 18,359,480	\$ 20,604,999	\$ 20,719,512

The Township's total bonded debt increased by \$570,971 (3 percent), up to \$17,953,540 during 2009. Payments of \$1,467,084 were made that reduced the bonded debt. However, \$2,038,055 additional revenue bonds were added as a result of the Township's participation in a State Revolving Fund low interest loan program.

The Township has an "AA-" rating from Standard & Poor's. This is one of the highest ratings and reflects a strong capacity to repay the debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the Township is \$83,548,365, which is significantly in excess of the Township's outstanding general obligation debt of \$11,029,376.

Additional information on the Township's long-term debt can be found in note 3-F on pages 41-46 of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Township's budget for the 2010 fiscal year:

- The emphasis on reducing costs while providing quality services to our citizens continued to be a major consideration in the 2010 budget development.
- Contain health care costs by continuation of the Township's high deductible health plan with the phasing down of employer contributions to employees' health savings accounts.
- Scale back capital purchases and infrastructure investments.
- Consideration of millages for public safety and recreation.
- Reduce the number of police officers in the contract with Ingham County.
- Continue to assess staffing needs whenever a vacancy occurs.

During the current fiscal year, unreserved fund balance in the General Fund decreased to \$1,949,051. The Township has appropriated \$927,450 of this amount for spending in the 2010 fiscal year budget. Such appropriation is intended to offset revenues that do not keep up with increasing costs to maintain the current service commitments to the public.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Accounting, 2074 Aurelius Road, Holt, Michigan 48842-6320. Phone (517) 268-3021. E-mail: marian.frane@delhitownship.com.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF DELHI
Statement of Net Assets
December 31, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 1,169,650	\$ 1,361,170	\$ 2,530,820	\$ 758,247
Investments	1,217,664	2,071,401	3,289,065	474
Receivables, net	4,568,822	1,523,623	6,092,445	3,303,606
Prepays and other assets	139,028	229,207	368,235	6,754
Capital assets not being depreciated	2,037,927	1,327,251	3,365,178	4,901,310
Capital assets being depreciated, net	8,348,871	50,399,274	58,748,145	6,391,745
Total assets	17,481,962	56,911,926	74,393,888	15,362,136
Liabilities				
Accounts payable and accrued expenses	301,005	449,885	750,890	1,097,761
Unearned revenue	3,777,633	69,428	3,847,061	2,667,779
Long-term liabilities:				
Due within one year	715,632	1,668,940	2,384,572	717,067
Due in more than one year	1,392,292	17,129,994	18,522,286	11,269,417
Total liabilities	6,186,562	19,318,247	25,504,809	15,752,024
Net assets				
Invested in capital assets, net of related debt	8,580,733	32,927,591	41,508,324	(669,184)
Restricted for:				
Debt service	59,126	587,325	646,451	-
Replacement and special assessments	-	2,254,497	2,254,497	-
Unrestricted	2,655,541	1,824,266	4,479,807	279,296
Total net assets	\$ 11,295,400	\$ 37,593,679	\$ 48,889,079	\$ (389,888)

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

CHARTER TOWNSHIP OF DELHI
Statement of Activities
For the Year Ended December 31, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government					
Governmental activities:					
Legislative	\$ 105,129	\$ -	\$ -	\$ -	\$ (105,129)
General government	2,057,487	902,289	37,541	253,416	(864,241)
Public safety	4,503,054	648,678	12,646	-	(3,841,730)
Recreation and cultural	918,737	133,835	35,818	2,814,529	2,065,445
Public works	1,214,437	-	10,358	321,681	(882,398)
Interest on long-term debt	76,276	-	773	6,858	(68,645)
Total governmental activities	<u>8,875,120</u>	<u>1,684,802</u>	<u>97,136</u>	<u>3,396,484</u>	<u>(3,696,698)</u>
Business-type activities:					
Sewer	6,114,406	4,866,048	81,754	145,768	(1,020,836)
Community development	661,871	322,203	227,377	-	(112,291)
Total business-type activities	<u>6,776,277</u>	<u>5,188,251</u>	<u>309,131</u>	<u>145,768</u>	<u>(1,133,127)</u>
Total primary government	<u>\$ 15,651,397</u>	<u>\$ 6,873,053</u>	<u>\$ 406,267</u>	<u>\$ 3,542,252</u>	<u>\$ (4,829,825)</u>
Component units					
Brownfield redevelopment	\$ 210,025	\$ -	\$ 77	\$ -	\$ (209,948)
Downtown development	<u>11,952,917</u>	<u>43,528</u>	<u>65,393</u>	<u>-</u>	<u>(11,843,996)</u>
Total component units	<u>\$ 12,162,942</u>	<u>\$ 43,528</u>	<u>\$ 65,470</u>	<u>\$ -</u>	<u>\$ (12,053,944)</u>

continued...

CHARTER TOWNSHIP OF DELHI
Statement of Activities (Concluded)
For the Year Ended December 31, 2009

<u>Functions/Programs</u>	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
Changes in net assets				
Net (expense) revenue	\$ (3,696,698)	\$ (1,133,127)	\$ (4,829,825)	\$ (12,053,944)
General revenues:				
Property taxes	3,726,355	-	3,726,355	3,837,473
Unrestricted State shared revenue	1,553,811	-	1,553,811	-
Grants and contributions not restricted to specific programs	505,290	-	505,290	-
Unrestricted investment earnings	77,351	-	77,351	-
Transfers - internal activities	(133,145)	133,145	-	-
Total general revenues and transfers	<u>5,729,662</u>	<u>133,145</u>	<u>5,862,807</u>	<u>3,837,473</u>
Change in net assets	2,032,964	(999,982)	1,032,982	(8,216,471)
Net assets, beginning of year	<u>9,262,436</u>	<u>38,593,661</u>	<u>47,856,097</u>	<u>7,826,583</u>
Net assets (deficit), end of year	<u>\$ 11,295,400</u>	<u>\$ 37,593,679</u>	<u>\$ 48,889,079</u>	<u>\$ (389,888)</u>

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

FUND FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF DELHI
Balance Sheet
Governmental Funds
December 31, 2009

	General	Nonmajor Funds	Totals
Assets			
Cash and cash equivalents	\$ 472,398	\$ 697,252	\$ 1,169,650
Investments	1,115,751	101,913	1,217,664
Taxes receivable	3,103,265	856,043	3,959,308
Special assessments receivable	99,377	79,029	178,406
Other receivables	237,947	22,505	260,452
Due from component unit	170,656	-	170,656
Prepays	118,449	14,603	133,052
<u>TOTAL ASSETS</u>	5,317,843	1,771,345	7,089,188
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	162,157	17,674	179,831
Accrued liabilities	89,754	10,977	100,731
Deferred revenue	2,998,432	934,200	3,932,632
Total liabilities	3,250,343	962,851	4,213,194
Fund balances			
Reserved for prepaids	118,449	14,603	133,052
Unreserved, designated for debt service			
Special revenue fund	-	408,697	408,697
Unreserved:			
Undesignated	1,949,051	-	1,949,051
Undesignated, reported in nonmajor:			
Special revenue funds	-	326,068	326,068
Debt service funds	-	59,126	59,126
Total fund balances	2,067,500	808,494	2,875,994
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 5,317,843	\$ 1,771,345	\$ 7,089,188

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

CHARTER TOWNSHIP OF DELHI
Reconciliation of Fund Balances on the Balance Sheet
for Governmental Funds to Net Assets
of Governmental Activities on the Statement of Net Assets
December 31, 2009

Fund balances - total governmental funds	\$ 2,875,994
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Amounts reported for *governmental activities* in the statement of net assets are different because:

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

Add: capital assets not being depreciated	2,037,927
Add: capital assets being depreciated, net	8,348,871

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred revenues in the governmental funds, and thus are not included in fund balance.

Add: deferred long-term receivables	154,999
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Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.

Subtract: bonds payable and other long-term debt	(1,806,065)
Subtract: compensated absences	(301,859)
Subtract: accrued interest on long-term liabilities	(20,443)
Add: unamortized bond issue costs on refunding	5,976

Net assets of governmental activities	\$ <u>11,295,400</u>
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The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF DELHI
Statement of Revenue, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Totals</u>
Revenue			
Taxes	\$ 2,866,901	\$ 859,454	\$ 3,726,355
Special assessments	321,681	23,800	345,481
Intergovernmental	1,694,169	138,580	1,832,749
Licenses and permits	16,526	-	16,526
Charges for services	1,493,521	151,185	1,644,706
Interest	77,351	11,771	89,122
Other	659,472	40,265	699,737
	<hr/>		
Total revenue	7,129,621	1,225,055	8,354,676
<hr/>			
Expenditures			
Current:			
Legislative	105,129	-	105,129
General government	1,913,355	-	1,913,355
Public safety	3,929,418	262,438	4,191,856
Infrastructure	539,168	3,594	542,762
Recreation and cultural	-	767,951	767,951
Other	323,535	-	323,535
Debt service:			
Principal	12,151	541,816	553,967
Interest	-	73,415	73,415
Capital outlay	11,065	520,207	531,272
	<hr/>		
Total expenditures	6,833,821	2,169,421	9,003,242
	<hr/>		
Revenue over (under) expenditures	295,800	(944,366)	(648,566)
<hr/>			
Other financing sources (uses)			
Proceeds from sale of capital assets	140	3,700	3,840
Transfers in	-	692,348	692,348
Transfers out	(814,131)	(11,362)	(825,493)
	<hr/>		
Total other financing sources (uses)	(813,991)	684,686	(129,305)
	<hr/>		
Net change in fund balances	(518,191)	(259,680)	(777,871)
	<hr/>		
Fund balances, beginning of year	2,585,691	1,068,174	3,653,865
	<hr/>		
Fund balances, end of year	\$ 2,067,500	\$ 808,494	\$ 2,875,994
	<hr/> <hr/>		

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

CHARTER TOWNSHIP OF DELHI
Reconciliation of the Statement of Revenue, Expenditures
and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2009

Net change in fund balances - total governmental funds \$ (777,871)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add: capital outlay	1,254,432
Subtract: depreciation expense	(651,987)
Add: contribution of capital assets	2,327,843
Subtract: proceeds from sale of capital assets	(3,840)
Subtract: loss on disposal of capital assets	(40,810)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.

Subtract: change in deferred special assessments receivable	(661,666)
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long term-liabilities.

Add: principal payments on long-term liabilities	553,967
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Subtract: change in accrued interest on bonds and deferred loss on refunding	(2,859)
Add: decrease in the accrual of compensated absences	35,755

Change in net assets of governmental activities	\$ 2,032,964
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The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF DELHI
Statement of Revenue, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Actual over (under) Final Budget
Revenue				
Taxes	\$ 2,863,400	\$ 2,868,200	\$ 2,866,901	\$ (1,299)
Special assessments	323,590	321,200	321,681	481
Intergovernmental	1,920,350	1,701,550	1,694,169	(7,381)
Licenses and permits	16,800	16,300	16,526	226
Charges for services	1,435,240	1,489,240	1,493,521	4,281
Interest	180,000	75,150	77,351	2,201
Other	720,970	704,070	659,472	(44,598)
Total revenue	7,460,350	7,175,710	7,129,621	(46,089)
Expenditures				
Legislative:				
Board of Trustees	106,200	105,700	105,129	(571)
General government:				
Manager	336,030	331,060	329,580	(1,480)
Accounting	186,020	183,700	180,516	(3,184)
Clerk	321,480	292,890	279,851	(13,039)
Computer	201,170	177,770	165,961	(11,809)
Treasurer	287,100	288,160	281,424	(6,736)
Assessor	323,090	255,800	248,035	(7,765)
Elections	38,710	29,860	29,088	(772)
Building and grounds	354,330	348,420	328,832	(19,588)
Cemetery	100,370	73,920	70,068	(3,852)
Total general government	2,148,300	1,981,580	1,913,355	(68,225)
Public safety:				
Police	2,437,580	2,434,580	2,433,029	(1,551)
Fire	1,617,380	1,523,850	1,496,389	(27,461)
Total public safety	4,054,960	3,958,430	3,929,418	(29,012)
Infrastructure	682,799	550,979	539,168	(11,811)

CHARTER TOWNSHIP OF DELHI
Budget and Actual (Concluded)
Budget and Actual
General Fund
For the Year Ended December 31, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual over (under) Final Budget</u>
Expenditures (concluded)				
Other	\$ 371,360	\$ 331,850	\$ 323,535	\$ (8,315)
Debt service - principal	12,151	12,151	12,151	-
Capital outlay	92,500	15,020	11,065	(3,955)
Total expenditures	7,468,270	6,955,710	6,833,821	(121,889)
Revenue over (under) expenditures	(7,920)	220,000	295,800	75,800
Other financing sources (uses)				
Proceeds from sale of capital assets	-	-	140	140
Transfers out	(847,500)	(871,661)	(814,131)	57,530
Total other financing (uses)	(847,500)	(871,661)	(813,991)	57,670
Net change in fund balances	(855,420)	(651,661)	(518,191)	133,470
Fund balance, beginning of year	2,585,691	2,585,691	2,585,691	-
Fund balance, end of year	\$ 1,730,271	\$ 1,934,030	\$ 2,067,500	\$ 133,470

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

CHARTER TOWNSHIP OF DELHI
Statement of Net Assets
Enterprise Funds
December 31, 2009

	<u>Nonmajor Fund</u>		<u>Total</u>
	<u>Sewer</u>	<u>Community Development</u>	
Assets			
Current assets:			
Cash and cash equivalents	\$ 170,823	\$ 70,630	\$ 241,453
Investments	349,386	-	349,386
Special assessments receivable	473,522	61,397	534,919
Other receivables	988,704	-	988,704
Prepays	79,969	10,307	90,276
Other assets	138,931	-	138,931
Total current assets	<u>2,201,335</u>	<u>142,334</u>	<u>2,343,669</u>
Noncurrent assets:			
Restricted cash, cash equivalents and investments:			
Debt service cash and cash equivalents	587,325	-	587,325
Replacement and special assessments cash and cash equivalents	532,392	-	532,392
Replacement and special assessments investments	1,722,015	-	1,722,015
Capital assets not being depreciated	1,327,251	-	1,327,251
Capital assets being depreciated, net	50,360,042	39,232	50,399,274
Total noncurrent assets	<u>54,529,025</u>	<u>39,232</u>	<u>54,568,257</u>
 Total assets	 <u>56,730,360</u>	 <u>181,566</u>	 <u>56,911,926</u>
Liabilities			
Current liabilities:			
Accounts payable	64,807	10,258	75,065
Accrued liabilities	139,596	62,648	202,244
Interest payable	155,303	-	155,303
Deposits payable	17,273	-	17,273
Unearned revenue	-	69,428	69,428
Current portion of long-term debt	1,668,940	-	1,668,940
Total current liabilities	<u>2,045,919</u>	<u>142,334</u>	<u>2,188,253</u>
Long-term liabilities:			
Due in more than one year	17,129,994	-	17,129,994
 Total liabilities	 <u>19,175,913</u>	 <u>142,334</u>	 <u>19,318,247</u>
Net assets			
Invested in capital assets, net of related debt	32,888,359	39,232	32,927,591
Restricted for:			
Replacement	2,001,346	-	2,001,346
Debt service	587,325	-	587,325
Special assessments	253,151	-	253,151
Unrestricted	1,824,266	-	1,824,266
 Total net assets	 <u>\$ 37,554,447</u>	 <u>\$ 39,232</u>	 <u>\$ 37,593,679</u>

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

CHARTER TOWNSHIP OF DELHI
Statement of Revenue, Expenses
and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended December 31, 2009

	Sewer	Nonmajor Fund Community Development	Total
Operating revenue			
Charges for services	\$ 4,692,424	\$ 148,969	\$ 4,841,393
Permits and fees	126,633	173,234	299,867
Other operating revenue	36,991	184,528	221,519
Total operating revenue	4,856,048	506,731	5,362,779
Operating expense			
Cost of services	3,519,749	655,141	4,174,890
Depreciation	1,940,952	6,730	1,947,682
Total operating expense	5,460,701	661,871	6,122,572
Operating loss	(604,653)	(155,140)	(759,793)
Nonoperating revenue (expenses)			
Interest and rentals	91,754	234	91,988
Interest expense	(653,705)	-	(653,705)
Gain on sale of capital assets	-	42,615	42,615
Total nonoperating revenue (expenses)	(561,951)	42,849	(519,102)
Net loss before capital contributions and transfers	(1,166,604)	(112,291)	(1,278,895)
Capital contributions	145,768	-	145,768
Transfers in	-	133,145	133,145
Change in net assets	(1,020,836)	20,854	(999,982)
Net assets, beginning of year	38,575,283	18,378	38,593,661
Net assets, end of year	\$ 37,554,447	\$ 39,232	\$ 37,593,679

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

CHARTER TOWNSHIP OF DELHI
Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2009

	Sewer	Nonmajor Fund Community Development	Total
Cash flows from operating activities			
Cash received from customers	\$ 4,816,270	\$ 537,451	\$ 5,353,721
Cash payments to suppliers for goods and services	(2,956,986)	(338,193)	(3,295,179)
Cash payments to employees for services	(993,901)	(359,049)	(1,352,950)
Net cash provided by (used in) operating activities	865,383	(159,791)	705,592
Cash flows from capital and related financing activities			
Purchase of capital assets	(1,962,504)	(31,123)	(1,993,627)
Proceeds from sale of capital assets	-	42,615	42,615
Proceeds from bonds	2,038,055	-	2,038,055
Interest payments	(653,705)	-	(653,705)
Principal payments	(1,598,601)	-	(1,598,601)
Net cash provided by (used in) capital and related financing activities	(2,176,755)	11,492	(2,165,263)
Cash flows from noncapital and related financing activities			
Transfers in	-	133,145	133,145
Cash flows from investing activities			
Proceeds from maturities of investments	1,732,916	-	1,732,916
Interest and rental earnings	91,754	234	91,988
Net cash provided by investing activities	1,824,670	234	1,824,904
Net increase (decrease) in cash and cash equivalents	513,298	(14,920)	498,378
Cash and cash equivalents, beginning of year	777,242	85,550	862,792
Cash and cash equivalents, end of year	\$ 1,290,540	\$ 70,630	\$ 1,361,170
Statement of Net Assets classification of cash:			
Cash and cash equivalents	\$ 170,823	\$ 70,630	\$ 241,453
Restricted cash and cash equivalents	1,119,717	-	1,119,717
	\$ 1,290,540	\$ 70,630	\$ 1,361,170

CHARTER TOWNSHIP OF DELHI
Statement of Cash Flows
Enterprise Funds (Concluded)
For the Year Ended December 31, 2009

	Sewer	<u>Non-Major Fund Community Development</u>	Total
Cash flows from operating activities			
Operating loss	\$ (604,653)	\$ (155,140)	\$ (759,793)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,940,952	6,730	1,947,682
(Increase) decrease in:			
Special assessments receivable	65,334	(38,110)	27,224
Other receivables	(105,112)	32	(105,080)
Prepaid expenses	(54,807)	(6,287)	(61,094)
Other assets	32,244	-	32,244
Increase (decrease) in:			
Accounts payable	(395,514)	(26,374)	(421,888)
Accrued expenses	(16,218)	(9,440)	(25,658)
Deposits payable	3,157	-	3,157
Unearned revenue	-	68,798	68,798
Net cash provided by (used in) operating activities	<u>\$ 865,383</u>	<u>\$ (159,791)</u>	<u>\$ 705,592</u>

Non-cash transactions:

Contributions of capital assets amounting to \$145,767 were made during the year 2009 to record the cost of sewer systems accepted by the Township from various developers.

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

CHARTER TOWNSHIP OF DELHI
Statement of Fiduciary Net Assets
December 31, 2009

	Private Purpose Trust Cemetery	Agency Funds
Assets		
Cash and cash equivalents	\$ 76,507	\$ 16,233,055
Accounts receivable	-	1,040
Taxes receivable	-	15,649,451
Total assets	76,507	\$ 31,883,546
Liabilities		
Due to other governments	-	\$ 31,376,303
Undistributed receipts	-	507,243
Total liabilities	-	\$ 31,883,546
Net assets		
Held in trust for individuals	\$ 76,507	

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

CHARTER TOWNSHIP OF DELHI
Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
For the Year Ended December 31, 2009

	Private Purpose Trust Cemetery
Additions	
Interest	\$ 215
Deductions	
Cemetery perpetual care	236
Change in net assets	(21)
Net assets, beginning of year	76,528
Net assets, end of year	\$ 76,507

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

CHARTER TOWNSHIP OF DELHI
Combining Statement of Net Assets
Component Units
December 31, 2009

	Brownfield Redevelopment Authority	Downtown Development Authority	Total
Assets			
Cash and cash equivalents	\$ 9,850	\$ 748,397	\$ 758,247
Investments	-	474	474
Receivables, net	162,441	3,141,165	3,303,606
Prepaid items and other assets	-	6,754	6,754
Capital assets not being depreciated	-	4,901,310	4,901,310
Capital assets being depreciated, net	-	6,391,745	6,391,745
Total assets	172,291	15,189,845	15,362,136
Liabilities			
Accounts payable and accrued expenses	-	1,094,261	1,094,261
Undistributed receipts	-	3,500	3,500
Unearned revenue	162,441	2,505,338	2,667,779
Long-term liabilities:			
Due within one year	-	717,067	717,067
Due in more than one year	-	11,269,417	11,269,417
Total liabilities	162,441	15,589,583	15,752,024
Net assets			
Invested in capital assets, net of related debt	-	(669,184)	(669,184)
Unrestricted	9,850	269,446	279,296
Total net assets (deficit)	\$ 9,850	\$ (399,738)	\$ (389,888)

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

CHARTER TOWNSHIP OF DELHI
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2009

	Brownfield Redevelopment Authority	Downtown Development Authority	Total
Expenses			
Brownfield redevelopment	\$ 210,025	\$ -	\$ 210,025
Downtown development	-	11,952,917	11,952,917
Total expenses	210,025	11,952,917	12,162,942
Program revenues			
Charges for services	-	43,528	43,528
Operating grants and contributions	77	65,393	65,470
Total program revenues	77	108,921	108,998
Net expense	(209,948)	(11,843,996)	(12,053,944)
General revenues			
Property taxes	212,840	3,624,633	3,837,473
Total general revenues	212,840	3,624,633	3,837,473
Change in net assets	2,892	(8,219,363)	(8,216,471)
Net assets, beginning of year	6,958	7,819,625	7,826,583
Net assets (deficit), end of year	\$ 9,850	\$ (399,738)	\$ (389,888)

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

NOTES to the FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1-A. Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the government.

Discretely Presented Component Units - The component units column in the government-wide financial statements include the financial data of the following component units. These units are reported in a separate column to emphasize they are legally separate from the Township.

The *Downtown Development Authority* of the Charter Township of Delhi is organized pursuant to Charter Township of Delhi Ordinance No. 80 and Act 197 of the Public Acts of 1975 of the State of Michigan, as amended. The primary purpose of the Authority is to provide for the ongoing maintenance, promotion, security and continued operation of the downtown district. A tax increment financing district was established to finance these activities. The members of the Board of Directors of the Authority are appointed by the Township Board. No separate audit report is issued for this Authority.

The *Delhi Township Brownfield Redevelopment Authority* is organized pursuant to Section 13(1) of the State of Michigan's Brownfield Redevelopment Financing Act (Public Act 381 of 1996, as amended by Public Act 145 of 2000). The primary purpose of the Authority is to clean up environmentally challenged properties in the Township and prepare them for desirable and productive re-uses. Tax increment financing will be used to finance these activities. The members of the Board of Directors of the Authority are appointed by the Township Board. No separate audit report is issued for this Authority.

The *Downtown Development Authority* and the *Brownfield Redevelopment Authority* are considered component units of the Charter Township of Delhi because the Township appoints the Authorities' Board members and has the ability to significantly influence operations of the Authorities.

1-B. Basis of Presentation

Government-wide Financial Statements. The statements of net assets and activities display information about the primary government (the "Township") and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the Township's *governmental* and *business-type activities*. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Township and for each function of the Township's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

Fund Financial Statements. The fund financial statements provide information about the Township's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary* and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Township reports the following major governmental funds:

General fund. This 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 Township reports the following major enterprise fund:

Sewage enterprise fund (Sewer Disposal System). This fund accounts for the activities of the Township's sewage disposal and sewage treatment systems that are financed primarily by user charges for those services.

Additionally, the Township reports the following fund types:

Special revenue funds. These funds account for revenue sources that are legally restricted to expenditures for specific purposes not including trusts or major capital projects.

Debt service funds. These funds account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Enterprise fund. These funds account for those operations that are financed and operated in a manner similar to private business or where the Township has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Private purpose trust fund. This fund accounts for contributions earmarked for perpetual care of graves of individuals.

Agency funds. These funds account for assets held for other governments in an agency capacity. Included are the Trust and Agency fund, which accounts for assets held on behalf of other governments and the Current Tax fund which accounts for the collection and distribution of property tax receipts.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

1-C. Measurement Focus / Basis of Accounting

Government-wide, Proprietary and Fiduciary Fund Financial Statements. The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except for agency funds, which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

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 Township's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise 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.

Nonexchange transactions, in which the Township gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Township considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases, if any, are reported as other financing sources.

Under the terms of grant agreements, the Township funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the Township's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and proprietary funds of the Township follow private-sector standards of accounting and financial reported issued prior to December 1, 1989, unless those standards conflict with guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Township has elected not to follow subsequent private-sector guidance.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

1-D. Assets, Liabilities and Equity

Deposits and Investments

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

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

Investments are stated at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have established market values are reported at estimated fair value. Cash deposits are reported at cost.

Restricted Assets

Certain proceeds of enterprise fund bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants, Michigan law, or township ordinance. Certain general fund assets have been designated for surplus drain funds. This amount is to be utilized to alleviate drainage problems within the Township.

Receivables and Payables

All trade and delinquent property tax receivables are shown net of an allowance for uncollectibles, as applicable.

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

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at fair market value on the date of donation. Repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

Interest is capitalized on proprietary fund assets that are constructed utilizing debt proceeds. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project.

Capital assets are defined by the Township as assets with an original cost of \$1,500 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Sewage mains and infrastructure	40
Building	40
Building improvements	20
Land improvements	15
Machinery and equipment	5-10
Computer equipment	3-10
Furniture and fixtures	10
Vehicles	5-7

Compensated Absences

It is the Township's policy to permit employees to accumulate a limited amount of earned but unused sick and vacation leave, which will be paid to employees upon separation from the Township. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

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.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Fund balance designations represent tentative management plans that are subject to change.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2-A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general, special revenue and debt service funds. All annual appropriations lapse at year end, except for those approved by the Board of Trustees to carry forward.

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or prior to September 1 of each year, the Township manager submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of a resolution.
4. Any revisions of the budget must be approved by the Board of Trustees. Budget revisions made to the component unit's (Downtown Development Authority) budget are approved by the Downtown Development Authority Board. If the component unit's budget amendments have an impact on fund balance, the Township Board of Trustees also needs to approve the amendments.
5. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, debt service funds and proprietary funds. Similarly, the Township also adopts budgets, on a project basis, for all capital projects.
6. Budgets for general, special revenue, debt service funds and proprietary funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended by the Board of Trustees during the fiscal year. Individual amendments were not material in relation to the original appropriations which were amended.
7. The budget is prepared by fund and function and activity and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Expenditures may not exceed budget at the function level.

It is important to note that capital outlay is budgeted by department, and not in total. This may have an impact on variances as presented in the financial statements.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. The Township does not utilize encumbrance accounting.

2-B. Excess of Expenditures Over Appropriations

There were no reported excesses of expenditures over final budgeted amounts for the year ended December 31, 2009.

NOTE 3 – DETAILED NOTES ON ALL FUNDS

3-A. Deposits and Investments

Summary of Deposit and Investment Balances. Following is a reconciliation of deposit and investment balances as of December 31, 2009:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total</u>
Statement of Net Assets:			
Cash and cash equivalents	\$ 2,530,820	\$ 758,247	\$ 3,289,067
Investments	3,289,065	474	3,289,539
Statement of Fiduciary Net Assets -			
Cash and cash equivalents	<u>16,309,562</u>	<u>-</u>	<u>16,309,562</u>
Total	<u>\$ 22,129,447</u>	<u>\$ 758,721</u>	<u>\$ 22,888,168</u>
Deposits and Investments:			
Bank deposits (checking accounts, savings accounts and CDs)			\$ 19,654,001
Investments in securities, mutual funds and similar vehicles			3,232,817
Cash on hand			<u>1,350</u>
Total			<u>\$ 22,888,168</u>

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

The Township chooses to disclose its investments by specifically identifying each. At December 31, 2009, the Township had the following investments.

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
MBIA Class Investment Pool	n/a	\$ 103,395	n/a
MBS Money Market	n/a	2,080	n/a
Ambassador Bank Money Market	n/a	258,212	n/a
Irwin Union Bank Money Market	n/a	172,678	n/a
Dart Bank Money Market	n/a	1,708,925	n/a
MILAF Money Market	n/a	166,673	S&P – AAAm
Citizens Bank Money Market	n/a	125,621	n/a
Comerica Bank Money Market	n/a	6,730	n/a
RMA Investment	n/a	3,370	n/a
Oakland County GO Ltd Tax	4/1/10	100,277	Moody's – MIG1
Federal Home Loan Bank Note	2/25/14	101,438	Moody's - Aaa
Federal National Mtg. Assn. Note	12/30/14	99,651	Moody's - Aaa
Federal Home Loan Mtg. Note	2/15/13	116,222	Moody's - Aaa
Federal Home Loan Mtg. Note	11/15/12	158,011	Moody's - Aaa
Federal Home Loan Mtg. Note	11/13/14	106,362	Moody's - Aaa
GNMA Pass-thru Pool	7/20/31	<u>3,172</u>	n/a
		<u>\$ 3,232,817</u>	

Investment and deposit risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the list of authorized investments above. The Township's investment policy limits investment maturities of commercial paper to 270 days as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity dates for each investment are identified above for investments held at year end.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments in the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on investment credit risk. State law limits the allowable investments and the maturity of some of the allowable investments as identified in the list of authorized investments on page 32. Credit ratings for investments held at year end are identified in the table above.

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. State law does not require and the Township does not have a policy for deposit custodial credit risk. As of year end, \$16,780,067 of the Township's bank balance of \$18,575,815 was exposed to custodial credit risk because it was uninsured and uncollateralized.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the Township does not have a policy for investment custodial credit risk. On the investments listed above, there is no custodial credit risk as these investments are held by the counterparty in the Township's name.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments above. The Township's investment policy allows for no more than \$5,000,000 to be invested in any one institution exclusive of trust and agency accounts. All investments held at year end are reported above.

3-B. Receivables

Receivables in the governmental activities are 6 percent accounts receivable, 87 percent property taxes, 4 percent special assessments, and 3 percent due from component units. 62 percent, or \$110,612, of the special assessment receivables are not expected to be collected within one year. 44 percent of the accounts receivable are not expected to be collected within one year. Business-type activities receivables are 35 percent special assessment receivables and 65 percent are due from customers.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Special assessments not yet due (governmental funds)	\$ 154,999	\$ -	\$ 154,999
Long term accounts receivable	-	145,865	145,865
Property taxes levied for next fiscal year	-	<u>3,631,768</u>	<u>3,631,768</u>
	<u>\$ 154,999</u>	<u>\$ 3,777,633</u>	<u>\$ 3,932,632</u>

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

3-C. Capital Assets

Capital assets activity for the year ended December 31, 2009, was as follows:

Primary government

	<u>Balance December 31, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2009</u>
<u>Governmental Activities</u>				
Land	\$ 1,585,364	\$ 394,055	\$ -	\$ 1,979,419
Construction in progress	-	58,508	-	58,508
Total capital assets not being depreciated	1,585,364	452,563	-	2,037,927
Capital assets being depreciated:				
Buildings and improvements	5,310,734	2,118,043	-	7,428,777
Land improvements	2,089,391	530,571	-	2,619,962
Machinery and equipment	878,224	253,294	109,749	1,021,769
Furniture and office equipment	532,423	6,799	19,856	519,366
Flowage rights	400,340	-	-	400,340
Computer equipment and programs	331,740	22,777	-	354,517
Vehicles	2,133,815	198,228	206,580	2,125,463
Subtotal	11,676,667	3,129,712	336,185	14,470,194
Accumulated depreciation:				
Buildings and improvements	2,310,278	144,178	-	2,454,456
Land improvements	855,561	131,390	-	986,951
Machinery and equipment	594,260	89,666	65,099	618,827
Furniture and office equipment	458,586	19,663	19,856	458,393
Flowage rights	60,051	10,009	-	70,060
Computer equipment and programs	303,899	19,767	-	323,666
Vehicles	1,178,236	237,314	206,580	1,208,970
Total accumulated depreciation	5,760,871	651,987	291,535	6,121,323
Total capital assets being depreciated - net	5,915,796	2,477,725	44,650	8,348,871
Governmental activities capital assets - net	\$ 7,501,160	\$ 2,930,288	\$ 44,650	\$ 10,386,798

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

	Balance December 31, 2008	Additions	Deductions	Balance December 31, 2009
<u>Business-type Activities</u>				
Capital assets not being depreciated:				
Land	\$ 776,635	-	\$ -	\$ 776,635
Construction in progress	11,228,581	385,391	11,063,356	550,616
Subtotal	12,005,216	385,391	11,063,356	1,327,251
Capital assets being depreciated:				
Sewage disposal plant and equipment	19,423,972	10,296,708	-	29,720,680
Sewer mains	40,178,588	1,843,467	-	42,022,055
Outfall lines	1,141,390	-	-	1,141,390
Land improvements	-	465,340	-	465,340
Furniture and office equipment	193,687	-	9,020	184,667
Computer equipment	327,585	71,208	1,969	396,824
Vehicles	956,628	8,400	13,646	951,382
Machinery and equipment	552,765	132,236	11,609	673,392
Maintenance facility	1,430,686	-	-	1,430,686
Subtotal	64,205,301	12,817,359	36,244	76,986,416
Accumulated depreciation:				
Sewage disposal plant and equipment	9,507,086	693,270	-	10,200,356
Sewer mains	13,173,009	984,988	-	14,157,997
Outfall lines	317,536	23,837	-	341,373
Land improvements	-	10,341	-	10,341
Furniture and office equipment	139,562	13,166	9,020	143,708
Computer equipment	254,920	64,933	1,969	317,884
Vehicles	622,877	83,049	13,646	692,280
Machinery and equipment	413,233	37,870	11,609	439,494
Maintenance facility	247,481	36,228	-	283,709
Total accumulated depreciation	24,675,704	1,947,682	36,244	26,587,142
Total capital assets being depreciated - net	39,529,597	10,869,677	-	50,399,274
Business-type activities capital assets - net	\$ 51,534,813	\$ 11,255,068	\$ 11,063,356	\$ 51,726,525

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

<u>Component Unit</u>	<u>Balance December 31, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2009</u>
Capital assets not being depreciated:				
Land	\$ 5,283,619	\$ -	\$ 394,055	\$ 4,889,564
Construction in progress	9,628,992	64,818	9,682,064	11,746
Subtotal	<u>14,912,611</u>	<u>64,818</u>	<u>10,076,119</u>	<u>4,901,310</u>
Capital assets being depreciated:				
Buildings	1,042,490	-	-	1,042,490
Land improvements	3,925,003	2,405,511	-	6,330,514
Machinery and equipment	43,613	-	-	43,613
Furniture and equipment	76,020	-	-	76,020
Subtotal	<u>5,087,126</u>	<u>2,405,511</u>	<u>-</u>	<u>7,492,637</u>
Accumulated depreciation:				
Buildings	111,204	26,067	-	137,271
Land improvements	644,609	255,117	-	899,726
Machinery and equipment	18,899	4,361	-	23,260
Furniture and equipment	33,033	7,602	-	40,635
Total accumulated depreciation	<u>807,745</u>	<u>293,147</u>	<u>-</u>	<u>1,100,892</u>
Total capital assets being depreciated - net	<u>4,279,381</u>	<u>2,112,364</u>	<u>-</u>	<u>6,391,745</u>
Component unit capital assets - net	<u><u>\$ 19,191,992</u></u>	<u><u>\$ 2,177,182</u></u>	<u><u>\$ 10,076,119</u></u>	<u><u>\$ 11,293,055</u></u>

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

Governmental activities:

General government	\$ 174,371
Public safety	320,833
Recreation and culture	146,774
Public Works	<u>10,009</u>

Total

\$ 651,987

Business-type activities:

Sewer	\$ 1,940,952
Community Development	<u>6,730</u>

Total

\$ 1,947,682

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

3-D. Payables

Payables in the governmental activities are 60 percent vendors, 33 percent accrued payroll, and 7 percent accrued interest. Business-type activities payables are 17 percent vendors, 3 percent deposits, 45 percent accrued payroll, and 35 percent accrued interest.

3-E. Interfund Receivables, Payables and Transfers

Receivables and Payables

The Township often has interfund balances between its funds. These interfund balances result primarily 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.

Transfers

For the year then ended December 31 2009, interfund transfers consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General fund	\$ -	\$ 814,131
Nonmajor governmental funds	692,348	11,362
Nonmajor enterprise fund	<u>133,145</u>	<u>-</u>
Total	<u>\$ 825,493</u>	<u>\$ 825,493</u>

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

3-F. Long-term Debt

Governmental Activities

General Obligation Bonds

The Township issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds, therefore, are reported in the proprietary fund if they are expected to be repaid from proprietary revenues.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 5 to 30 year serial bonds.

\$1,032,300, 2002 Water Improvement District, Serial Bonds, due in annual installments of \$44,955 to \$79,088 through 2022, interest at 3.1% to 5.00%. The Township issued bonds totaling \$6,200,000 of which 16.65% (\$1,032,300) was for water improvement (general long-term debt) and 83.35% (\$5,167,700) was for sanitary sewer (enterprise fund)	\$ 779,221
\$2,365,000, 2004 General Obligation Community Service Center Refunding Bonds, due in one remaining installment of \$475,000 due May 1, 2010, interest at 2.6%	<u>475,000</u>
	<u>\$ 1,254,221</u>

Special Assessment Bonds Payable

The Township has issued special assessment bonds payable. The government pledges special assessments levied against taxpayers' benefiting from a specific construction asset which are collectible over a period of years. In addition, the Township has pledged, in certain of the following, its full faith and credit within statutory limitations:

\$435,000, 1996 Pine Tree Road Improvement, Serial Bonds, due in annual installments of \$30,193 through 2011, interest at 5.00%. The Township issued one bond issue for \$1,945,000 of which 78% was for the sanitary sewer special assessment (\$1,510,000) and 22% was for the Pine Tree Road Improvement (\$435,000)	<u>\$ 60,385</u>
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Other Long-term Debt

The government is assessed for drains at large by Ingham County. The assessment covers the Township's share of installation and flowage rights for the drains. General assessments outstanding at year-end are as follows:

<u>Purpose</u>	<u>Amount</u>	<u>Fiscal year Due</u>	<u>Interest Rate</u>
Governmental activities	<u>\$ 157,958</u>	2022	Imputed at 4%

The Township has entered into an installment purchase agreement to purchase property. This obligation is summarized as follows:

<u>Purpose</u>	<u>Amount</u>	<u>Fiscal year Due</u>	<u>Interest Rate</u>
Governmental activities	<u>\$ 333,501</u>	2019	3.49%

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

Enterprise Fund

General Obligation Bonds Payable:

\$1,000,000, 1996 Sanitary Sewer general obligation bonds, due in annual installments of \$90,000 to \$95,000 through 2011, interest at 5.20% to 5.40%	\$ 185,000
\$2,500,000, 2003 Sanitary Sewer general obligation bonds, due in annual installments of \$95,000 to \$195,000 through 2024, interest at 3.00% to 4.75%	2,080,000
\$5,167,700, 2002 Sanitary Sewer general obligation bonds, due in annual installments of \$225,045 to \$395,912 through 2022, interest at 3.10% to 5.00%. The Township issued one bond issue for \$6,200,000 of which 83.35% (\$5,167,700) was for sanitary sewer (enterprise fund) and 16.65% (\$1,032,300) was for water improvement (general long-term debt)	3,900,780
\$1,000,000 2008 DDA general obligation bonds, due in annual installments of \$44,088 to \$87,675 through 2024, interest at 3.0 % to 4.125%. The Township issued one bond issue for \$9,980,000, of which \$1,000,000 was for Sanitary sewer and \$8,980,000 was for downtown development (DDA component unit).	<u>957,916</u>
	<u>\$ 7,123,696</u>

State Revolving Loan Fund Revenue Bonds Payable:

\$9,850,000, 2007 Sanitary Sewer revenue bonds, draws to 12/31/09 of \$9,725,624, interest rate to be determined after final draw not to exceed 1.625%	<u>\$ 9,305,624</u>
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Special assessment bonds payable:

The Township has issued special assessment bonds payable. The government pledges special assessments levied against taxpayers benefiting from a specific constructed asset and collectible over a period of years.

\$1,510,000, 1996 Sanitary Sewer Special Assessment Bonds (Dell Willoughby), due in annual installments of \$104,807 through 2011, interest at 5.00%. The Township issued one bond issue for \$1,945,000 of which 78% was for the Sanitary Sewer Special Assessment (\$1,510,000) and 22% was for the Pine Tree Road Improvement (\$435,000)	<u>\$ 209,614</u>
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CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

Notes Payable:

\$6,695,000, 1998 refunding note payable due to Ingham County calling for total annual installments of \$680,000 to \$765,000 through 2012, interest at 5.13% \$ 2,160,000

Downtown Development Authority (Component Unit)

The long-term debt balance of the Downtown Development Authority consists of the following:

General Obligation Bonds

\$990,000, 2003 general obligation bonds to finance Downtown Development Authority costs of constructing a building, due in annual installments of \$60,000 to \$85,000 through 2018, interest at 2.90% to 4.50% \$ 650,000

\$2,050,000, 1997 general obligation serial and/or term bonds to finance Downtown Development Authority costs of constructing certain road, rail, water, sewer, and environmental improvements, due in annual installments of \$75,000 to \$375,000 starting in 2001 and going through 2015, interest at 5.00% to 5.10% 1,375,000

\$2,325,000, 2001 general obligation bonds to finance Downtown Development Authority costs of constructing certain water and sewer improvements, due in annual installments of \$160,000 to \$220,000 through 2016, interest at 4.0% to 4.63% 1,315,000

\$8,980,000 2008 DDA general obligation bonds, due in annual installments of \$395,912 to \$787,325 through 2024, interest at 3.0 % to 4.125%. The Township issued one bond issue for \$9,980,000, of which \$1,000,000 was for sanitary sewer and \$8,980,000 was for downtown development (DDA component unit). 8,602,084

\$ 11,942,084

Notes Payable

\$200,000 Holt Shopping Center, due in monthly installments of \$2,534 through July 2010, interest at a rate of 9.0% \$ 20,155

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

The following is a summary of changes in long-term debt during the year ended December 31, 2009:

	Balance December 31, 2008	Additions	Deletions	Balance December 31, 2009	Due within one year
Governmental activities:					
General obligation bonds	\$ 1,732,511	\$ -	\$ 478,290	\$ 1,254,221	\$ 519,955
Special assessment bonds	90,578	-	30,193	60,385	30,193
General assessment payable	170,109	-	12,151	157,958	12,150
Installment purchase agreement	366,834	-	33,333	333,501	33,334
Compensated absences	337,614	301,859	337,614	301,859	120,000
Total governmental	\$ 2,697,646	\$ 301,859	\$ 891,581	\$ 2,107,924	\$ 715,632
Enterprise fund:					
General obligation bonds	\$ 7,557,490	\$ -	\$ 433,794	\$ 7,123,696	\$ 454,133
Revenue bonds	7,687,569	2,038,055	420,000	9,305,624	430,000
Special assessment bonds	314,421	-	104,807	209,614	104,807
Notes payable	2,800,000	-	640,000	2,160,000	680,000
Total business-type	\$ 18,359,480	\$ 2,038,055	\$ 1,598,601	\$ 18,798,934	\$ 1,668,940
Component unit:					
General obligation bonds	\$ 12,610,000	\$ -	\$ 667,916	\$ 11,942,084	\$ 690,912
Notes payable	47,398	-	27,243	20,155	20,155
Compensated absences	15,878	24,245	15,878	24,245	6,000
Total component unit	\$ 12,673,276	\$ 24,245	\$ 711,037	\$ 11,986,484	\$ 717,067

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

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

The annual requirements to amortize all long-term debt outstanding, exclusive of compensated absences as of December 31, 2009, are as follows:

Year ending December 31	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Component Unit</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 595,632	\$ 63,512	\$ 1,668,940	\$ 581,420	\$ 711,067	\$ 481,341
2011	122,296	52,236	1,728,778	515,683	794,409	454,371
2012	94,600	47,775	1,604,480	451,911	881,403	422,599
2013	97,100	43,915	869,988	389,356	918,397	386,949
2014	99,595	39,867	894,995	364,519	1,125,892	344,981
2015-2019	535,613	133,002	4,931,604	1,397,836	3,945,371	1,142,630
2020-2024	261,229	26,187	4,994,524	568,832	3,585,701	452,965
2025-2028	-	-	2,105,624	83,159	-	-
Total	<u>\$ 1,806,065</u>	<u>\$ 406,494</u>	<u>\$ 18,798,934</u>	<u>\$ 4,352,716</u>	<u>\$ 11,962,239</u>	<u>\$ 3,685,837</u>

Advance Refunding

In prior years, the Township defeased certain bonds by placing the proceeds of new bonds in irrevocable trusts for the purpose of generating resources for all future debt service payments on the refunded debt. As a result, the refunded bonds are considered to be defeased and the trust fund assets and related liabilities have been removed from the statement of net assets. At December, 31, 2009, \$2,160,000 of bonds outstanding is considered defeased.

3-G. Segment Information – Enterprise Funds

The government issued bonds and notes payable to finance certain improvements to its sewer system. Because the Sewer Fund, which accounts entirely for the government's sewer activities is a segment and is reported as a major fund in the fund financial statements, segment disclosures herein are not required.

NOTE 4 – OTHER INFORMATION

4-A. Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2009, the government carried commercial insurance to cover all risks of losses. The Township has had no settled claims from these risks that exceeded its commercial coverage in any of the past three fiscal years.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

4-B. Property Taxes

Property taxes become an enforceable lien on the property as of December 1. Taxes are levied on December 1 and are due in February of the following year. The Township bills and collects its own property taxes together with taxes for the County and other various school districts and the community college. All tax collections are accounted for in the tax collection fund, an agency fund. Township tax revenues are recognized in the fiscal year following the December 1 levy date. Property taxes levied for the ensuing year's revenue are included in taxes receivable and deferred until collected. Property tax receivables related to delinquent taxes are also deferred unless collected within 60 days of year-end.

The Township is permitted by the Charter Township Act of the State to levy taxes up to \$5.00 per \$1,000 of assessed valuation for general governmental services other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. Additional taxes may be levied, upon approval of the voters, to a total levy of \$10.00 per \$1,000 of assessed valuation. The Township levied 4.3094 mills for general operations, .4846 mills for fire operations, and .5515 for Community Service Center debt requirements on the December 1, 2008, levy (recognized as revenue in 2009).

The Downtown Development and Brownfield Redevelopment Authorities, which are component units, also receive property tax revenue from the December 1 tax levy. These tax revenues are recognized in the fiscal year following the December 1 levy date.

4-C. Contingent Liabilities

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

4-D. Postemployment Benefits

In addition to benefits described in Notes 4-E and 4-F, the Township provides both health and life insurance benefits for retired employees meeting specific age and years of continued service requirements. The Township will provide 75% to 100% health insurance coverage comparable to that provided to active employees. The obligation of the Township will cease or decrease as comparable health insurance becomes available to the retiree through another employer or source (i.e., Medicare). The Township will provide 100% of life insurance.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

Funding Policy and Annual OPEB Cost. For this plan, contribution requirements of the plan members and the Township are established and may be amended by union contract for bargaining employees and for non-bargaining employees by the Township Board . The Authority’s annual other postemployment benefit (OPEB) cost (expense) for the plan is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45 “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.” The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The Township’s annual OPEB cost for the current year and the related information for the plan are as follows:

Contribution rates:

Authority – Actuarially determined	8.0%
Plan members	N/A

Annual required contribution	\$ 349,093
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	349,093
Contributions made	349,093
Increase in net OPEB obligation	-
Net OPEB obligation – beginning of year	-
Net OPEB obligation – end of year	\$ -

The Township’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended December 31, 2009, for the plan is as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/08	\$334,060	100%	\$ -
12/31/09	\$349,093	100%	\$ -

Funded Status and Funding Progress. The funded status of the plan as of the most recent actuarial valuation of March 31, 2008, was as follows:

Actuarial accrued liabilities (a)	\$ 3,627,845
Actuarial value of plan assets (b)	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	<u>\$ 3,627,845</u>

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

Funded ratio (b) / (a)	0%
Covered payroll (c)	\$ 4,019,000
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll	$\frac{[(a) - (b)]}{(c)}$ 90.3%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

Actuarial Methods and Assumptions. Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Authority and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial valuation date	3/31/08
Actuarial cost method	Entry Age
Amortization method	Level Percent of Payroll Open
Remaining amortization period	30 years
Asset valuation method	N/A
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	N/A
Healthcare inflation rate	10% in 2009 Grading to 4.5% in 2017

Contributions have been made to the Plan in 2008 and 2009 to an OPEB trust account of an outside financial institution. The balance held in this trust as of December 31, 2009 is \$532,747.

CHARTER TOWNSHIP OF DELHI

Notes To Financial Statements

4-E. Pension Plan

The Township provides pension benefits for all of its full-time employees through a defined contribution plan called the Defined Contribution Pension Plan for Governmental Employees. The Plan is administered by an outside party. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate upon completion of three months of service. The Township contributes an amount equal to 10% of the employee's base annual compensation.

The Township's contribution for each employee (and interest attributable to these contributions) are fully vested after two years service. Township contributions and attributable interest forfeited by employees who leave employment prior to full vesting are used to reduce the Township's current period contribution requirements.

Plan provisions and contribution requirements are established and may be amended by the Township Board.

The Township's total payroll in 2009 was \$4,140,775. Contributions were calculated using the base salary amount of \$3,078,280. The Township made the required 10% contribution totaling \$307,828.

4-F. Deferred Compensation Plans

The Township offers two deferred compensation plans created in accordance with Internal Revenue Code Section 457; one designed for full-time employees, and the second available only to part-time employees. The plans permit employees to defer a portion of their salary until future years. For the plan covering part-time employees, the Township contributes 3% of gross pay to the plan on behalf of all participating employees. The Township made contributions to the plans totaling \$4,676. The deferred compensation is only available to the employees upon retirement, termination, becoming permanently disabled, or death.

4-G. State Construction Code Disclosures

The Community Development Department reviews all planning, zoning and construction activities, issues building permits, and provides code enforcement and rental housing inspections and registrations. This activity had been reported as a separated activity in the General Fund through December 31, 2004. Effective January 1, 2005, this activity is reported in a separate Community Development Enterprise Fund.

* * * * *

REQUIRED SUPPLEMENTARY INFORMATION

GASB 45 REQUIRED SUPPLEMENTARY INFORMATION
Retiree Health Plan

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Funded Ratio</u>	<u>Unfunded AAL (UAAL)</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of of Covered Payroll</u>
3/31/08	\$ -	\$ 3,627,845	0.0%	\$ 3,627,845	\$ 4,019,000	90.3%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation (asset)</u>
12/31/08	\$ 334,060	\$ 334,060	100.00%	\$ -
12/31/09	\$ 349,093	\$ 349,093	100.00%	\$ -

**COMBINING and INDIVIDUAL FUND FINANCIAL
STATEMENTS and SCHEDULES**

CHARTER TOWNSHIP OF DELHI
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Totals</u>
Assets			
Cash and cash equivalents	\$ 632,746	\$ 64,506	\$ 697,252
Investments	101,913	-	101,913
Accounts receivable	22,505	-	22,505
Taxes receivable	391,080	464,963	856,043
Special assessments receivable	66,064	12,965	79,029
Prepays	14,603	-	14,603
	<hr/>		
<u>TOTAL ASSETS</u>	\$ 1,228,911	\$ 542,434	\$ 1,771,345
	<hr/> <hr/>		
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	\$ 17,674	\$ -	\$ 17,674
Accrued liabilities	10,977	-	10,977
Deferred revenue	450,892	483,308	934,200
	<hr/>		
Total liabilities	479,543	483,308	962,851
	<hr/>		
Fund balances			
Reserved for prepaids	14,603	-	14,603
Unreserved, designated for debt service	408,697	-	408,697
Unreserved, undesignated	326,068	59,126	385,194
	<hr/>		
Total fund balances	749,368	59,126	808,494
	<hr/>		
<u>TOTAL LIABILITIES, AND FUND BALANCES</u>	\$ 1,228,911	\$ 542,434	\$ 1,771,345
	<hr/> <hr/>		

CHARTER TOWNSHIP OF DELHI
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2009

	Special Revenue	Debt Service	Totals
Revenue			
Taxes	\$ 401,989	\$ 457,465	\$ 859,454
Special assessments	16,942	6,858	23,800
Intergovernmental	138,580	-	138,580
Charges for services	151,185	-	151,185
Interest	10,998	773	11,771
Other	40,265	-	40,265
	<hr/>		
Total revenue	759,959	465,096	1,225,055
<hr/>			
Expenditures			
Current:			
Recreation and cultural	767,951	-	767,951
Public safety	262,438	-	262,438
Debt service:			
Principal	76,623	465,193	541,816
Interest	50,450	22,965	73,415
Infrastructure	3,594	-	3,594
Capital outlay	520,207	-	520,207
	<hr/>		
Total expenditures	1,681,263	488,158	2,169,421
	<hr/>		
Revenue under expenditures	(921,304)	(23,062)	(944,366)
<hr/>			
Other financing sources (uses)			
Proceeds from sale of capital assets	3,700	-	3,700
Transfers in	692,348	-	692,348
Transfers out	(11,362)	-	(11,362)
	<hr/>		
Total other financing sources	684,686	-	684,686
	<hr/>		
Net changes in fund balances	(236,618)	(23,062)	(259,680)
	<hr/>		
Fund balances, beginning of year	985,986	82,188	1,068,174
	<hr/>		
Fund balances, end of year	\$ 749,368	\$ 59,126	\$ 808,494
	<hr/>		

CHARTER TOWNSHIP OF DELHI
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	Water Improvement	Parks and Recreation	Fire Equipment Replacement Millage	Total
<u>ASSETS</u>				
Assets				
Cash and cash equivalents	\$ 353,097	\$ 3,064	\$ 276,585	\$ 632,746
Investments	101,913	-	-	101,913
Accounts receivable	-	20,438	2,067	22,505
Taxes receivable	-	-	391,080	391,080
Special assessments receivable	66,064	-	-	66,064
Prepays	500	13,295	808	14,603
<u>TOTAL ASSETS</u>	\$ 521,574	\$ 36,797	\$ 670,540	\$ 1,228,911
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities				
Accounts payable	\$ -	\$ 12,525	\$ 5,149	\$ 17,674
Accrued liabilities	-	10,977	-	10,977
Deferred revenue	49,517	-	401,375	450,892
Total liabilities	49,517	23,502	406,524	479,543
Fund balances				
Reserved for prepaids	500	13,295	808	14,603
Unreserved, designated for debt service	408,697	-	-	408,697
Unreserved, undesignated	62,860	-	263,208	326,068
Total fund balances	472,057	13,295	264,016	749,368
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 521,574	\$ 36,797	\$ 670,540	\$ 1,228,911

CHARTER TOWNSHIP OF DELHI
Combining Statement of Revenue, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Water Improvement	Parks and Recreation	Fire Equipment Replacement Millage	Total
Revenue				
Taxes	\$ -	\$ -	\$ 401,989	\$ 401,989
Special assessments	16,942	-	-	16,942
Charges for services	17,350	133,835	-	151,185
Interest	2,002	-	8,996	10,998
Intergovernmental	-	21,788	116,792	138,580
Other Revenue	18,189	18,426	3,650	40,265
Total revenue	54,483	174,049	531,427	759,959
Expenditures				
Current:				
Recreation and cultural	-	767,951	-	767,951
Public safety	-	-	262,438	262,438
Debt service:				
Principal	43,290	33,333	-	76,623
Interest	38,235	12,215	-	50,450
Infrastructure	3,594	-	-	3,594
Capital outlay	-	50,174	470,033	520,207
Total expenditures	85,119	863,673	732,471	1,681,263
Revenue under expenditures	(30,636)	(689,624)	(201,044)	(921,304)
Other financing sources (uses)				
Proceeds from sale of capital assets	-	-	3,700	3,700
Transfers in	-	692,348	-	692,348
Transfers out	-	-	(11,362)	(11,362)
Total other financing sources (uses)	-	692,348	(7,662)	684,686
Net changes in fund balances	(30,636)	2,724	(208,706)	(236,618)
Fund balances, beginning of year	502,693	10,571	472,722	985,986
Fund balances, end of year	\$ 472,057	\$ 13,295	\$ 264,016	\$ 749,368

CHARTER TOWNSHIP OF DELHI
Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Water Improvement		
	Final Budget	Actual	Actual over (under) Final Budget
Revenue			
Taxes	\$ -	\$ -	\$ -
Special assessments	16,940	16,942	2
Charges for services	15,500	17,350	1,850
Interest	2,000	2,002	2
Intergovernmental	-	-	-
Other revenue	20,000	18,189	(1,811)
Total revenue	54,440	54,483	43
Expenditures			
Current:			
Recreation and cultural	-	-	-
Public safety	-	-	-
Debt service:			
Principal	43,300	43,290	(10)
Interest expense	38,300	38,235	(65)
Infrastructure	3,750	3,594	(156)
Capital outlay	-	-	-
Total expenditures	85,350	85,119	(231)
Revenue over (under) expenditures	(30,910)	(30,636)	274
Other financing sources (uses)			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in fund balances	(30,910)	(30,636)	274
Fund balances, beginning of year	502,693	502,693	-
Fund balances, end of year	\$ 471,783	\$ 472,057	\$ 274

Parks and Recreation		
Final Budget	Actual	Actual over (under) Final Budget
\$ -	\$ -	\$ -
-	-	-
133,450	133,835	385
-	-	-
17,360	21,788	4,428
17,320	18,426	1,106
<u>168,130</u>	<u>174,049</u>	<u>5,919</u>
776,910	767,951	(8,959)
-	-	-
33,340	33,333	(7)
12,220	12,215	(5)
50,180	50,174	(6)
<u>872,650</u>	<u>863,673</u>	<u>(8,977)</u>
<u>(704,520)</u>	<u>(689,624)</u>	<u>14,896</u>
-	-	-
704,520	692,348	(12,172)
-	-	-
<u>704,520</u>	<u>692,348</u>	<u>(12,172)</u>
-	2,724	2,724
<u>10,571</u>	<u>10,571</u>	<u>-</u>
<u>\$ 10,571</u>	<u>\$ 13,295</u>	<u>\$ 2,724</u>

Fire Equipment Replacement Millage		
Final Budget	Actual	Actual over (under) Final Budget
\$ 401,800	\$ 401,989	\$ 189
-	-	-
-	-	-
8,000	8,996	996
116,790	116,792	2
3,650	3,650	-
<u>530,240</u>	<u>531,427</u>	<u>1,187</u>
-	-	-
279,410	262,438	(16,972)
-	-	-
-	-	-
-	-	-
477,500	470,033	(7,467)
<u>756,910</u>	<u>732,471</u>	<u>(24,439)</u>
<u>(226,670)</u>	<u>(201,044)</u>	<u>25,626</u>
3,600	3,700	100
-	-	-
-	(11,362)	(11,362)
<u>3,600</u>	<u>(7,662)</u>	<u>(11,262)</u>
(223,070)	(208,706)	14,364
<u>472,722</u>	<u>472,722</u>	<u>-</u>
<u>\$ 249,652</u>	<u>\$ 264,016</u>	<u>\$ 14,364</u>

CHARTER TOWNSHIP OF DELHI
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2009

	Community Service Center	Pinetree Road	Total
<u>ASSETS</u>			
Assets			
Cash and cash equivalents	\$ 39,153	\$ 25,353	\$ 64,506
Taxes receivable	464,963	-	464,963
Special assessments receivable	-	12,965	12,965
<u>TOTAL ASSETS</u>	\$ 504,116	\$ 38,318	\$ 542,434
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Deferred revenue	\$ 477,202	\$ 6,106	\$ 483,308
Fund balances			
Unreserved, undesignated	26,914	32,212	59,126
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 504,116	\$ 38,318	\$ 542,434

CHARTER TOWNSHIP OF DELHI
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2009

	Community Service Center	Pinetree Road	Total
Revenue			
Taxes	\$ 457,465	\$ -	\$ 457,465
Special assessments	-	6,858	6,858
Interest	634	139	773
Total revenue	458,099	6,997	465,096
Expenditures			
Debt service:			
Principal	435,000	30,193	465,193
Interest and fiscal charges	18,502	4,463	22,965
Total expenditures	453,502	34,656	488,158
 Net changes in fund balances	 4,597	 (27,659)	 (23,062)
 Fund balances, beginning of year	 22,317	 59,871	 82,188
 Fund balances, end of year	 \$ 26,914	 \$ 32,212	 \$ 59,126

CHARTER TOWNSHIP OF DELHI
Schedule of Revenue, Expenditures, and
Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
For the Year Ended December 31, 2009

	Debt Service - Community Service Center		
	Final		Actual over
	Budget	Actual	(under) Final
			Budget
Revenue			
Taxes	\$ 457,820	\$ 457,465	\$ (355)
Special assessments	-	-	-
Interest	620	634	14
Total revenue	458,440	458,099	(341)
Expenditures			
Debt service:			
Principal	435,000	435,000	-
Interest expense	18,510	18,502	(8)
Total expenditures	453,510	453,502	(8)
Net changes in fund balances	4,930	4,597	(333)
Fund balances, beginning of year	22,317	22,317	-
Fund balances, end of year	\$ 27,247	\$ 26,914	\$ (333)

Debt Service - Pinetree Road

Final Budget	Actual	Actual over (under) Final Budget
\$ -	\$ -	\$ -
6,850	6,858	8
150	139	(11)
<hr/> 7,000	<hr/> 6,997	<hr/> (3)
30,200	30,193	-
4,550	4,463	(7)
<hr/> 34,750	<hr/> 34,656	<hr/> (94)
(27,750)	(27,659)	91
59,871	59,871	-
<hr/> \$ 32,121	<hr/> \$ 32,212	<hr/> \$ 91

CHARTER TOWNSHIP OF DELHI
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2009

	Trust and Agency	Current Tax	Total
Assets			
Cash and cash equivalents	\$ 113,108	\$ 16,119,947	\$ 16,233,055
Accounts receivable	1,040	-	1,040
Taxes receivable	393,095	15,256,356	15,649,451
Total assets	\$ 507,243	\$ 31,376,303	\$ 31,883,546
Liabilities			
Due to other governments	-	31,376,303	31,376,303
Undistributed receipts	507,243	-	507,243
Total liabilities	\$ 507,243	\$ 31,376,303	\$ 31,883,546

CHARTER TOWNSHIP OF DELHI
All Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended December 31, 2009

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2009
Trust and Agency				
Assets				
Cash and cash equivalents	\$ 386,747	\$ 2,391,257	\$ 2,664,896	\$ 113,108
Accounts receivable	-	1,040	-	1,040
Taxes receivable	351,178	161,807	119,890	393,095
	<u>\$ 737,925</u>	<u>\$ 2,554,104</u>	<u>\$ 2,784,786</u>	<u>\$ 507,243</u>
Liabilities				
Undistributed receipts	\$ 737,925	\$ 2,620,756	\$ 2,851,438	\$ 507,243
Current Tax				
Assets				
Cash and cash equivalents	\$16,068,259	\$40,869,064	\$40,817,376	\$ 16,119,947
Taxes receivable	15,833,408	42,438,096	43,015,148	15,256,356
	<u>\$31,901,667</u>	<u>\$83,307,160</u>	<u>\$83,832,524</u>	<u>\$ 31,376,303</u>
Liabilities				
Due to other governments	\$31,901,667	\$47,501,742	\$48,027,106	\$ 31,376,303
Totals				
Assets				
Cash and cash equivalents	\$16,455,006	\$43,260,321	\$43,482,272	\$ 16,233,055
Accounts receivable	-	1,040	-	1,040
Taxes receivable	16,184,586	42,599,903	43,135,038	15,649,451
	<u>\$32,639,592</u>	<u>\$85,861,264</u>	<u>\$86,617,310</u>	<u>\$ 31,883,546</u>
Liabilities				
Undistributed receipts	\$ 737,925	\$ 2,620,756	\$ 2,851,438	\$ 507,243
Due to other governments	31,901,667	47,501,742	48,027,106	31,376,303
	<u>\$32,639,592</u>	<u>\$50,122,498</u>	<u>\$50,878,544</u>	<u>\$ 31,883,546</u>

CHARTER TOWNSHIP OF DELHI
Statement of Net Assets / Governmental Funds Balance Sheet
Brownfield Redevelopment Authority Component Unit
December 31, 2009

	Special Revenue Fund	Adjustments	Statement of Net Assets
Assets			
Cash and cash equivalents	\$ 9,850	\$ -	\$ 9,850
Taxes receivable	162,441	-	162,441
Total assets	<u>\$ 172,291</u>	-	<u>172,291</u>
Liabilities			
Deferred/unearned revenue	\$ 162,441	\$ -	\$ 162,441
Fund balances			
Unreserved, undesignated	9,850	(9,850)	-
Total liabilities and fund balances	<u>\$ 172,291</u>		
Net assets			
Unrestricted		9,850	9,850
Total net assets		<u>\$ 9,850</u>	<u>\$ 9,850</u>

CHARTER TOWNSHIP OF DELHI
Statement of Activities / Governmental Funds Revenue,
Expenditures, and Changes in Fund Balances
Brownfield Redevelopment Authority Component Unit
For the Year Ended December 31, 2009

	Special Revenue Fund	Adjustments	Statement of Activities
Revenue			
Property taxes	\$ 212,840	\$ -	\$ 212,840
Interest	77	-	77
Total revenue	212,917	-	212,917
Expenditures/Expenses			
General government	210,025	-	210,025
Total expenditures/expenses	210,025	-	210,025
Change in fund balances / net assets	2,892	-	2,892
Fund balances / net assets, beginning of year	6,958	-	6,958
Fund balances / net assets, end of year	\$ 9,850	\$ -	\$ 9,850

CHARTER TOWNSHIP OF DELHI
Statement of Net Assets / Governmental Funds Balance Sheet
Downtown Development Authority Component Unit
December 31, 2009

	Governmental			
	Downtown Development Authority	Project 9 Infrastructure Debt Service	College Water/Sewer Debt Service	2008 Bond Debt Retirement
Assets				
Cash and cash equivalents	\$ 748,259	\$ -	\$ 138	\$ -
Investments	474	-	-	-
Taxes receivable	3,140,039	-	-	-
Other receivables	1,126	-	-	-
Prepaid items	6,754	-	-	-
Capital assets not being depreciated	-	-	-	-
Capital assets being depreciated, net	-	-	-	-
Total assets	\$ 3,896,652	\$ -	\$ 138	\$ -
Liabilities				
Accounts payable	\$ 132,044	\$ -	\$ 138	\$ -
Accrued liabilities	6,898	-	-	-
Interest payable	-	-	-	-
Due to other governments	708,389	-	-	-
Due to primary government	170,656	-	-	-
Deferred revenue	2,505,338	-	-	-
Undistributed receipts	3,500	-	-	-
Long-term liabilities:				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total liabilities	3,526,825	-	138	-
Fund balances				
Reserved for prepaid items	6,754	-	-	-
Unreserved, undesignated	363,073	-	-	-
Total fund balances	369,827	-	-	-
Total liabilities and fund balances	\$ 3,896,652	\$ -	\$ 138	\$ -

Net assets

Invested in capital assets, net of related debt (deficit)

Unrestricted

Total net assets (deficit)

Total	Adjustments	Statement of Net Assets
\$ 748,397	\$ -	\$ 748,397
474	-	474
3,140,039	-	3,140,039
1,126	-	1,126
6,754	-	6,754
-	4,901,310	4,901,310
-	6,391,745	6,391,745
<u>\$ 3,896,790</u>	<u>11,293,055</u>	<u>15,189,845</u>
\$ 132,182	-	132,182
6,898	-	6,898
-	76,136	76,136
708,389	-	708,389
170,656	-	170,656
2,505,338	-	2,505,338
3,500	-	3,500
-	717,067	717,067
-	11,269,417	11,269,417
<u>3,526,963</u>	<u>12,062,620</u>	<u>15,589,583</u>
6,754	(6,754)	-
363,073	(363,073)	-
<u>369,827</u>	<u>(369,827)</u>	<u>-</u>
<u>\$ 3,896,790</u>		
	(669,184)	(669,184)
	269,446	269,446
	<u>\$ (399,738)</u>	<u>\$ (399,738)</u>

CHARTER TOWNSHIP OF DELHI
Statement of Activities / Governmental Funds Revenue,
Expenditures, and Changes in Fund Balances
Downtown Development Authority Component Unit
For the Year Ended December 31, 2009

	Governmental			
	Downtown Development Authority	Project 9 Infrastructure Debt Service	College Water/Sewer Debt Service	2008 Bond Debt Retirement
Revenues				
Property taxes	\$ 3,624,633	\$ -	\$ -	\$ -
Charges for services	43,528	-	-	-
Interest and rentals	65,393	-	-	-
Total program revenues	<u>3,733,554</u>	-	-	-
Expenditures/expenses				
General government	1,576,478	-	-	-
Public works	-	-	-	-
Debt service:				
Principal	87,243	75,000	155,000	377,916
Interest	31,145	71,675	61,335	343,906
Capital outlay	1,964,396	-	-	-
Total expenditures/ expenses	<u>3,659,262</u>	<u>146,675</u>	<u>216,335</u>	<u>721,822</u>
Revenue over (under) expenditures	<u>74,292</u>	<u>(146,675)</u>	<u>(216,335)</u>	<u>(721,822)</u>
Other financing sources (uses)				
Transfers in	-	146,675	216,335	721,822
Transfers out	(1,084,832)	-	-	-
Total other financing sources (uses)	<u>(1,084,832)</u>	<u>146,675</u>	<u>216,335</u>	<u>721,822</u>
Change in fund balances/net assets	(1,010,540)	-	-	-
Fund balances / net assets, beginning of year	<u>1,380,367</u>	-	-	-
Fund balances / net assets (deficit), end of year	<u>\$ 369,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Total	Adjustments	Statement of Activities
\$	3,624,633	\$ -	\$ 3,624,633
	43,528	-	43,528
	65,393	-	65,393
	3,733,554	-	3,733,554
	1,576,478	4,528,935	6,105,413
	-	5,342,765	5,342,765
	695,159	(695,159)	-
	508,061	(3,322)	504,739
	1,964,396	(1,964,396)	-
	4,744,094	7,208,823	11,952,917
	(1,010,540)	(7,208,823)	(8,219,363)
	1,084,832	(1,084,832)	-
	(1,084,832)	1,084,832	-
	-	-	-
	(1,010,540)	(7,208,823)	(8,219,363)
	1,380,367	6,439,258	7,819,625
\$	369,827	\$ (769,565)	\$ (399,738)

STATISTICAL SECTION

CHARTER TOWNSHIP OF DELHI

Description of Statistical Section

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

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.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year. The Township implemented GASB 34 in 2003. Schedules presenting government-wide information include information beginning in that year.

Delhi Charter Township
Net Assets By Component
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended						
	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net of related debt	\$ 4,097,858	\$ 2,747,773	\$ 2,904,787	\$ 4,180,266	\$ 4,298,842	\$ 5,141,128	\$ 8,580,733
Restricted	934,921	1,340,368	1,676,748	1,586,782	1,845,176	82,188	59,126
Unrestricted	4,626,633	4,428,042	4,136,777	3,404,342	3,388,481	4,039,122	2,655,541
Total governmental activities net assets	<u>\$ 9,659,412</u>	<u>\$ 8,516,183</u>	<u>\$ 8,718,312</u>	<u>\$ 9,171,390</u>	<u>\$ 9,532,499</u>	<u>\$ 9,262,438</u>	<u>\$ 11,295,400</u>
Business-type activities							
Invested in capital assets, net of related debt	\$ 22,554,025	\$ 27,311,338	\$ 30,568,426	\$ 30,873,207	\$ 32,052,918	\$ 33,175,333	\$ 32,927,591
Restricted	2,341,490	3,440,595	3,275,154	3,244,209	3,439,345	2,618,428	2,841,822
Unrestricted	8,498,052	4,750,275	3,865,016	4,322,440	3,376,243	2,799,900	1,824,266
Total business-type activities net assets	<u>\$ 33,393,567</u>	<u>\$ 35,502,208</u>	<u>\$ 37,708,596</u>	<u>\$ 38,439,856</u>	<u>\$ 38,868,506</u>	<u>\$ 38,593,661</u>	<u>\$ 37,593,679</u>
Primary government							
Invested in capital assets, net of related debt	\$ 26,651,883	\$ 30,059,111	\$ 33,473,213	\$ 35,053,473	\$ 36,351,760	\$ 38,316,461	\$ 41,508,324
Restricted	3,276,411	4,780,963	4,951,902	4,830,991	5,284,521	2,700,616	2,900,948
Unrestricted	13,124,685	9,178,317	8,001,793	7,726,782	6,764,724	6,839,022	4,479,807
Total primary government net assets	<u>\$ 43,052,979</u>	<u>\$ 44,018,391</u>	<u>\$ 46,426,908</u>	<u>\$ 47,611,246</u>	<u>\$ 48,401,005</u>	<u>\$ 47,856,099</u>	<u>\$ 48,889,079</u>

GASB 34 was adopted in 2003. Data for this schedule is unavailable in years preceding 2003.

Delhi Charter Township
Changes in Net Assets
Last Seven Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities:							
Legislative	\$ -	\$ 53,147	\$ 52,334	\$ 52,332	\$ 61,598	\$ 83,758	\$ 105,129
General governmental	2,348,086	1,975,126	1,834,790	1,932,514	2,248,507	2,243,486	2,057,487
Public Safety	3,796,061	3,743,943	3,629,755	3,890,919	4,083,262	4,348,348	4,503,054
Public Works	905,791	-	-	-	467,234	797,885	1,214,437
Engineering	-	151,759	70,538	-	-	-	-
Community development	-	341,779	-	-	-	-	-
Recreation & cultural	614,243	670,705	741,668	770,980	823,026	846,039	918,737
Infrastructure	-	415,552	350,107	488,254	-	-	-
Other governmental activities	-	218,691	209,611	237,858	16,410	-	-
Interest on long-term debt	219,529	171,866	139,856	115,218	103,955	91,009	76,276
Total governmental activities	<u>7,883,710</u>	<u>7,742,568</u>	<u>7,028,659</u>	<u>7,488,075</u>	<u>7,803,992</u>	<u>8,410,525</u>	<u>8,875,120</u>
Business-type activities:							
Sewer	4,444,272	5,124,559	5,304,487	5,423,789	5,493,927	5,700,904	6,114,406
Community Development	-	-	545,424	599,503	698,192	686,645	661,871
Total business-type activities	<u>4,444,272</u>	<u>5,124,559</u>	<u>5,849,911</u>	<u>6,023,292</u>	<u>6,192,119</u>	<u>6,387,549</u>	<u>6,776,277</u>
Total primary government expenses	<u>\$ 12,327,982</u>	<u>\$ 12,867,127</u>	<u>\$ 12,878,570</u>	<u>\$ 13,511,367</u>	<u>\$ 13,996,111</u>	<u>\$ 14,798,074</u>	<u>\$ 15,651,397</u>
Program revenues							
Charges for services:							
General government	377,398	596,127	617,892	711,788	813,504	892,589	902,289
Public safety	580,478	945,328	504,341	546,463	590,840	677,948	648,678
Public works	635,989	-	-	-	-	-	-
Community development	-	29,880	-	-	-	-	-
Recreation and cultural	109,214	108,695	127,318	115,240	152,570	134,870	133,835
Operating grants and contributions	59,833	506,673	459,807	608,514	217,929	155,846	97,136
Capital grants and contributions	-	306,076	(3,396)	114,693	258,803	421,038	3,396,484
Total governmental activities program revenues	<u>1,762,912</u>	<u>2,492,779</u>	<u>1,705,962</u>	<u>2,096,698</u>	<u>2,033,646</u>	<u>2,282,291</u>	<u>5,178,422</u>

Continued

	Schedule 2							Concluded
	Fiscal Year Ended							
	2003	2004	2005	2006	2007	2008	2009	
Business-type activities:								
Charges for services:								
Sewer	5,335,388	5,401,343	5,678,173	5,404,117	5,010,784	4,802,468	4,866,048	
Community development	-	-	601,664	460,926	412,815	280,151	322,203	
Operating grants and contributions	-	161,079	250,731	388,458	493,867	389,390	309,131	
Capital grants and contributions	253,957	901,587	1,550,284	253,243	322,539	401,403	145,768	
Total business-type activities program revenues	<u>5,589,345</u>	<u>6,464,009</u>	<u>8,080,852</u>	<u>6,506,744</u>	<u>6,240,005</u>	<u>5,873,412</u>	<u>5,643,150</u>	
Total primary government program revenues	<u>\$ 7,352,257</u>	<u>\$ 8,956,788</u>	<u>\$ 9,786,814</u>	<u>\$ 8,603,442</u>	<u>\$ 8,273,651</u>	<u>\$ 8,155,703</u>	<u>\$ 10,821,572</u>	
Net (Expense)/Revenue								
Governmental activities	(6,120,798)	(5,249,789)	(5,322,697)	(5,391,377)	(5,770,346)	(6,128,234)	(3,696,698)	
Business-type activities	1,145,073	1,339,450	2,230,941	483,452	47,886	(514,137)	(1,133,127)	
Total primary government net expense	<u>\$ (4,975,725)</u>	<u>\$ (3,910,339)</u>	<u>\$ (3,091,756)</u>	<u>\$ (4,907,925)</u>	<u>\$ (5,722,460)</u>	<u>\$ (6,642,371)</u>	<u>\$ (4,829,825)</u>	
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Property taxes	3,034,627	2,837,256	3,083,557	3,325,504	3,482,728	3,631,229	3,726,355	
State shared revenues	1,956,061	1,846,592	1,845,018	1,798,179	1,765,856	1,762,721	1,553,811	
Grants and contributions not restricted to specific programs	546,427	564,271	313,785	311,693	536,536	545,943	505,290	
Unrestricted investment earnings	100,474	114,606	147,015	273,927	306,428	179,694	77,351	
Gain (loss) on sale of capital assets	6,160	331,980	110,928	10,945	162,393	(26,128)	-	
Intra-entity transfer	383,529	-	-	(5,017)	(122,486)	(235,286)	(133,145)	
Transfers	443,172	-	-	-	-	-	-	
Total governmental activities	<u>6,470,450</u>	<u>5,694,705</u>	<u>5,500,303</u>	<u>5,715,231</u>	<u>6,131,455</u>	<u>5,858,173</u>	<u>5,729,662</u>	
Business-type activities:								
Investment earnings	198,152	-	-	-	-	-	-	
Other	261,823	-	-	-	-	-	-	
Intra-entity transfer	-	-	-	5,017	122,486	235,286	133,145	
Transfers	(443,172)	-	-	-	-	-	-	
Grants and contributions not restricted to specific programs	-	-	-	242,789	258,278	4,006	-	
Total business-type activities	<u>16,803</u>	<u>-</u>	<u>-</u>	<u>247,806</u>	<u>380,764</u>	<u>239,292</u>	<u>133,145</u>	
Total primary government	<u>\$ 6,487,253</u>	<u>\$ 5,694,705</u>	<u>\$ 5,500,303</u>	<u>\$ 5,963,037</u>	<u>\$ 6,512,219</u>	<u>\$ 6,097,465</u>	<u>\$ 5,862,807</u>	
Change in Net Assets								
Governmental activities	349,652	444,916	177,606	323,854	361,109	(270,061)	2,032,964	
Business-type activities	1,161,876	1,339,450	2,230,941	731,258	428,650	(274,845)	(999,982)	
Total primary government	<u>\$ 1,511,528</u>	<u>\$ 1,784,366</u>	<u>\$ 2,408,547</u>	<u>\$ 1,055,112</u>	<u>\$ 789,759</u>	<u>\$ (544,906)</u>	<u>\$ 1,032,982</u>	

Engineering and infrastructure expenses were split out from Public Works expenses beginning in 2004.

The Community Development activity became an enterprise fund in 2005.

GASB 34 was adopted in 2003. Data for this schedule is unavailable in years preceding 2003.

DELHI CHARTER TOWNSHIP
FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2000	2001	2002	2003*	2004**	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 900,683	\$ 691,957	\$ 672,013	\$ 665,254	\$ 22,249	\$ 17,181	\$ 16,879	\$ 131,422	\$ 43,263	\$ 118,449
Unreserved	2,375,616	2,985,265	3,227,804	3,336,559	3,594,274	3,478,017	2,810,035	2,757,433	2,542,428	1,949,051
Total general fund	<u>\$ 3,276,299</u>	<u>\$ 3,677,222</u>	<u>\$ 3,899,817</u>	<u>\$ 4,001,813</u>	<u>\$ 3,616,523</u>	<u>\$ 3,495,198</u>	<u>\$ 2,826,914</u>	<u>\$ 2,888,855</u>	<u>\$ 2,585,691</u>	<u>\$ 2,067,500</u>
All other Governmental Funds										
Reserved	888,400	1,686,589	777,346	391,894	2,702	2,322	1,697	26,276	4,672	14,603
Unreserved, report in:										
Special revenue funds	297,972	562,649	937,156	1,322,000	620,877	1,047,526	1,423,826	1,693,348	981,313	734,765
Capital projects funds										
Debt service funds	-	-	-	-	716,789	626,900	161,259	125,552	82,187	59,126
Total all other governmental funds	<u>\$ 1,186,372</u>	<u>\$ 2,249,238</u>	<u>\$ 1,714,502</u>	<u>\$ 1,713,894</u>	<u>\$ 1,340,368</u>	<u>\$ 1,676,748</u>	<u>\$ 1,586,782</u>	<u>\$ 1,845,176</u>	<u>\$ 1,068,172</u>	<u>\$ 808,494</u>

* The Township implemented GASB Statement No. 34 in 2003. This resulted in an increase to the December 31, 2002 fund balance by \$282,719.

** Beginning fund balance was decreased by \$46,084 due to a restatement.

DELHI CHARTER TOWNSHIP
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	12/31/2000	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009
Revenues										
Taxes	\$ 2,476,857	\$ 2,629,030	\$ 2,795,846	\$ 2,949,759	\$ 2,837,256	\$ 3,083,557	\$ 3,325,504	\$ 3,482,728	\$ 3,631,229	\$ 3,726,355
Special assessments	243,690	131,084	161,804	99,388	332,282	283,497	302,707	309,267	413,635	345,481
Intergovernmental	4,446,262	2,393,690	2,399,756	2,009,211	2,233,400	1,948,687	1,896,685	2,054,131	2,034,967	1,832,749
Licenses and permits	380,096	393,015	470,019	635,989	470,630	16,262	17,215	16,969	15,965	16,526
Charges for services	775,989	867,014	939,730	1,021,182	1,209,400	1,233,289	1,387,884	1,612,695	1,656,817	1,644,706
Interest	388,208	319,561	221,106	85,582	123,919	196,732	354,870	395,285	227,839	89,122
Other	751,089	862,601	883,143	996,282	933,347	876,789	880,588	651,883	771,323	699,737
Total revenues	9,462,191	7,595,995	7,871,404	7,797,393	8,140,234	7,638,813	8,165,453	8,522,958	8,751,775	8,354,676
Expenditures										
Legislative	-	-	-	-	53,147	52,334	52,332	61,598	83,758	105,129
General government	1,459,692	1,611,891	1,754,695	1,837,345	2,036,617	1,907,548	2,046,388	2,083,561	2,073,343	1,913,355
Public safety	2,767,745	3,078,197	3,385,031	3,626,658	3,521,507	3,479,152	3,679,179	3,881,356	4,102,659	4,191,856
Engineering	134,497	141,279	146,671	130,891	141,751	60,529	-	-	-	-
Infrastructure	577,480	589,082	608,129	763,795	415,552	350,107	488,254	467,234	787,877	542,762
Community development	-	-	-	-	339,990	-	-	-	-	-
Recreation and cultural	422,114	488,186	504,547	546,032	615,878	622,949	630,761	694,297	706,826	767,951
Other	128,738	113,293	164,696	205,754	218,691	209,611	230,413	204,589	333,332	323,535
Debt service										
Principal	371,889	3,236,793	472,510	358,486	406,210	498,208	500,462	504,763	521,389	553,967
Interest	414,270	378,132	472,251	223,270	187,401	134,391	113,902	100,592	87,808	73,415
Capital outlay	5,442,424	2,523,716	2,748,868	619,059	1,690,847	219,857	1,201,701	255,292	902,863	531,272
Total expenditures	11,718,849	12,160,569	10,257,398	8,311,290	9,627,591	7,534,686	8,943,392	8,253,282	9,599,855	9,003,242
Excess of revenues over (under) expenditures	(2,256,658)	(4,564,574)	(2,385,994)	(513,897)	(1,487,357)	104,127	(777,939)	269,676	(848,080)	(648,566)
Other Financing Sources (Uses)										
Proceeds from long-term debt	-	2,325,000	1,032,300	-	500,000	-	-	-	-	-
Issuance of refunding debt	-	-	-	-	2,365,000	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(2,353,080)	-	-	-	-	-
Proceeds from sale of capital assets	12,410	60,000	31,332	8,178	250,476	110,928	24,710	173,145	3,200	3,840
Bond premium	-	-	-	-	12,229	-	-	-	-	-
Inter-entity transfers in	-	-	-	383,529	-	-	-	-	-	-
Transfers in	3,198,173	4,429,295	1,754,368	504,540	604,397	621,903	794,517	592,477	595,388	692,348
Transfers out	(782,347)	(785,932)	(744,147)	(504,540)	(604,397)	(621,903)	(799,534)	(714,963)	(830,674)	(825,493)
Total other financing sources (uses)	2,428,236	6,028,363	2,073,853	391,707	774,625	110,928	19,693	50,659	(232,086)	(129,305)
Net change in fund balances	\$ 171,578	\$ 1,463,789	\$ (312,141)	\$ (122,190)	\$ (712,732)	\$ 215,055	\$ (758,246)	\$ 320,335	\$ (1,080,166)	\$ (777,871)
Debt service as a percentage of noncapital expenditures	12.5%	37.5%	12.6%	7.6%	7.5%	8.6%	7.9%	7.6%	7.0%	8.1%

DELHI CHARTER TOWNSHIP
ASSESSED VALUE AND
TAXABLE VALUE OF PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31	Agricultural Property	Commercial Property	Industrial Property	Residential Property	Developmental Property	Personal Property	Total Taxable Value	Total Direct Tax Rate	Assessed Value	Taxable Value as a Percentage of Assessed Value
2000	\$ 2,515,880	\$ 70,190,970	\$ 7,205,183	\$ 341,511,884	\$ 1,299,203	\$ 33,378,600	\$ 456,101,720	\$ 5.6629	\$ 505,140,500	90.29%
2001	1,967,143	76,790,522	7,522,536	375,826,884	1,437,989	37,343,115	500,888,189	5.6565	548,498,450	91.32%
2002	2,025,784	85,854,626	8,132,215	409,937,566	-	38,441,912	544,392,103	5.5880	609,018,900	89.39%
2003	2,318,418	86,532,326	13,766,815	442,823,750	-	40,306,800	585,748,109	5.5253	678,378,800	86.35%
2004	2,331,465	99,636,533	14,109,294	481,682,386	-	40,517,100	638,276,778	5.3370	740,946,400	86.14%
2005	2,590,787	111,556,779	15,460,638	525,702,625	-	45,210,400	700,521,229	5.3262	811,331,950	86.34%
2006	2,218,367	114,964,632	15,051,118	572,239,358	-	46,827,750	751,301,225	5.3282	867,761,750	86.58%
2007	2,468,072	121,108,641	14,121,340	606,104,452	-	46,577,255	790,379,760	5.3064	890,124,785	88.79%
2008	2,514,938	126,663,528	16,032,179	615,416,841	-	52,132,300	812,759,786	5.3455	903,051,000	90.00%
2009	2,575,559	129,201,749	15,211,328	592,190,424	-	45,226,200	784,405,260	5.4039	835,843,650	93.85%

Source: Township Assessing Department

DELHI CHARTER TOWNSHIP
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(PER \$1,000 OF ASSESSED VALUATION)

Fiscal Year Ended December 31	Delhi Charter Township				Overlapping Rates					Total Direct & Overlapping Rates		
	Operating Millage	Fire Equip & Training Millage	Debt Service Millage	Total Township Millage	Ingham County Operating Millage	Ingham Intermediate School Millage	Lansing Community College Millage	State Education Tax	Holt School District Operating Millage		Debt Service Millage	Total School Millage
2000	4.5041	0.4895	0.6693	5.6629	10.4177	6.1354	2.9106	6.0000	0.0000	10.0000	10.0000	41.1266
2001	4.4698	0.4857	0.7010	5.6565	10.4348	6.1042	3.8926	6.0000	0.0000	10.0000	10.0000	42.0881
2002	4.4456	0.4830	0.6594	5.5880	11.6815	6.0738	3.8733	6.0000	0.0000	10.0000	10.0000	43.2166
2003	4.3940	0.4942	0.6371	5.5253	12.2489	6.0553	3.8544	5.0000	0.0000	10.0000	10.0000	42.6839
2004	4.3403	0.4881	0.5086	5.3370	12.2038	6.0291	3.8375	6.0000	0.0000	10.0000	10.0000	43.4074
2005	4.3094	0.4846	0.5322	5.3262	12.2566	5.9911	3.8112	6.0000	0.0000	10.0000	10.0000	43.3851
2006	4.3094	0.4846	0.5342	5.3282	13.1731	5.9881	3.8072	6.0000	0.0000	10.0000	10.0000	44.2966
2007	4.3094	0.4846	0.5124	5.3064	13.1538	5.9881	3.8072	6.0000	0.0000	10.0000	10.0000	44.2555
2008	4.3094	0.4846	0.5515	5.3455	14.1009	5.9881	3.8072	6.0000	0.0000	10.0000	10.0000	45.2417
2009	4.3094	0.5000	0.5945	5.4039	14.0811	5.9881	3.8072	6.0000	0.0000	10.0000	10.0000	45.2803

Non-homestead school operating millage

2000	17.7791
2001	17.6724
2002	17.6724
2003	17.4674
2004	17.3171
2005	17.3171
2006	17.3171
2007	17.3171
2008	17.3171
2009	17.3171

Source: Township Assessing Department

DELHI CHARTER TOWNSHIP
TOP TEN PRINCIPAL
TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2009			2000		
	Taxable Value	Rank	Percentage of Total Twp Taxable Value	Taxable Value	Rank	Percentage of Total Twp Taxable Value
RSDC of Michigan, LLC	\$ 27,357,100	1	3.3%			
Consumers Energy	10,802,889	2	1.3%	\$ 7,873,988	1	1.7%
Woodland Lakes Investment Group	7,151,900	3	0.9%			
MPT Lansing LLC	5,384,623	4	0.7%			
Dart Container Corp of MI	5,328,056	5	0.6%	3,472,260	3	0.8%
Bondarenko Ltd LLC	4,265,076	6	0.5%	2,961,320	5	0.7%
Parker Hannifin Corp	4,515,000	7	0.5%	4,177,711	2	0.9%
Theroux Development Co	3,623,208	8	0.4%	2,758,548	6	
Orchid Orthopedic Solutions	3,468,600	9	0.4%			
Aspen Lakes Estates II LLC	3,001,008	10	0.4%			
Media One				3,376,100	2	0.7%
Delhi Village Ltd				2,018,603	7	0.4%
Cedar Park Shopping Center				1,992,330	8	0.4%
Huntley Villa I & II				1,999,481	9	0.4%
Moran Foods				1,920,296	10	0.4%

Source: Township Assessing Department

DELHI CHARTER TOWNSHIP
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected with the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 2,471,213	\$ 2,461,437	99.6%	\$ 8,629	\$ 2,470,066	99.95%
2001	2,578,062	2,549,452	98.9%	27,210	2,576,662	99.95%
2002	2,830,963	2,801,194	98.9%	29,574	2,830,768	99.99%
2003	3,039,438	2,986,631	98.3%	51,339	3,037,970	99.95%
2004	3,360,749	3,340,283	99.4%	16,247	3,356,530	99.87%
2005	3,539,253	3,520,466	99.5%	17,687	3,538,153	99.97%
2006	3,843,446	3,829,154	99.6%	10,939	3,840,093	99.91%
2007	4,308,253	4,297,111	99.7%	9,088	4,306,199	99.95%
2008	4,436,174	4,422,147	99.7%	8,249	4,430,396	99.87%
2009	4,336,310	4,325,485	99.8%	-	4,325,485	99.75%

Ingham County reimburses the Township for all delinquent real property tax.

DELHI CHARTER TOWNSHIP
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities						Business-type Activities				Total Primary Government	Per Capita*
	General Obligation Bonds	Special Assessment Bonds	General Assessment Payable	Note Payable	Capital Lease	Installment Purchase Agreement	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Notes Payable		
2000	\$ 3,190,000	\$ 727,676	\$ -	\$ -	\$ 33,282	\$ -	\$ 805,000	\$ 1,993,324	\$ -	\$ 7,904,857	\$ 14,654,139	\$ 648
2001	3,005,000	620,165	-	-	-	-	750,000	1,751,835	-	7,548,173	13,675,173	593
2002	3,832,300	507,654	-	-	-	-	5,857,700	1,510,346	-	6,617,345	18,325,345	787
2003	3,572,325	409,143	378,823	-	-	-	8,172,675	1,268,857	-	5,932,374	19,734,197	830
2004	3,339,025	317,750	357,306	-	-	500,000	7,940,975	1,031,250	-	5,248,259	18,734,565	751
2005	2,984,060	229,357	335,789	-	-	466,667	7,620,940	793,643	-	4,535,000	16,965,456	672
2006	2,597,430	160,964	194,410	-	-	433,379	7,287,570	596,036	-	3,985,000	15,254,789	594
2007	2,178,303	120,771	182,265	-	-	400,088	6,931,697	435,229	1,280,410	3,405,000	14,933,763	577
2008	1,732,511	90,578	170,108	-	-	366,834	7,557,490	314,422	7,687,569	2,800,000	20,719,512	797
2009	1,254,221	60,385	157,958	-	-	333,501	7,123,696	209,614	9,305,624	2,160,000	20,604,999	793

* Based on population estimates.

Note - Information for personal income is not available

DELHI CHARTER TOWNSHIP
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Percentage of Taxable Value ¹ of Property	Per Capita ²
2000	\$ 3,190,000	0.70%	\$ 141.05
2001	3,005,000	0.60%	130.21
2002	3,832,300	0.70%	164.66
2003	3,572,325	0.61%	150.20
2004	3,339,025	0.52%	133.89
2005	2,984,060	0.43%	118.27
2006	2,597,430	0.35%	101.11
2007	2,178,303	0.28%	84.22
2008	1,732,511	0.21%	66.67
2009	1,254,221	0.16%	48.26

Note: Details regarding the township's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Assessed Value and Taxable Value of Property for property value data.

² See the Schedule of Demographic and Economic Statistics for population data.

DELHI CHARTER TOWNSHIP
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2009

Jurisdiction	Net General Bonded Debt Outstanding	Percent Applicable to Delhi	Amount Applicable to Delhi
Holt School District	\$ 95,217,608	84.76%	\$ 80,706,445
Mason School District	24,670,000	10.41%	2,568,147
Lansing School District	62,565,000	0.04%	25,026
Eaton Rapids School District	48,942,747	1.43%	699,881
Ingham County	29,645,954	10.18%	3,017,958
Eaton Intermediate School District	1,520,000	0.27%	4,104
Lansing Community College	63,775,000	7.07%	<u>4,508,893</u>
Subtotal, overlapping debt			91,530,454
Delhi Charter Township direct debt	1,254,221	100.00%	<u>1,254,221</u>
Total direct and overlapping debt			<u><u>\$ 92,784,675</u></u>

Source: Municipal Advisory Council of Michigan

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 50,514,050	\$ 54,849,845	\$ 69,001,890	\$ 67,837,880	\$ 74,094,640	\$ 81,133,195	\$ 86,776,175	\$ 89,012,479	\$ 90,305,100	\$ 83,584,365
Total net debt applicable to limit	11,933,139	11,303,173	16,707,685	18,056,197	17,385,565	15,942,456	14,497,790	13,097,348	12,626,944	11,029,376
Legal debt margin	38,580,911	43,546,672	52,294,205	49,781,683	56,709,075	65,190,739	72,278,385	75,915,131	77,678,156	72,554,989
Total net debt application to the limit as a percentage of debt limit	23.62%	20.61%	24.21%	26.62%	23.46%	19.65%	16.71%	14.71%	13.98%	13.20%

Legal Debt Margin Calculation for Fiscal Year 2009

2009 State Equalized Valuation (SEV)	835,843,650
Legal Debt Limit (10% of SEV)	X 10%
	<u>83,584,365</u>
Direct General Obligation Debt	20,604,999
Less:	
Special Assessment Bonds	(269,999)
Revenue Bonds	<u>(9,305,624)</u>
Net Direct Debt	<u>11,029,376</u>
Debt Limit Margin	<u>\$ 72,554,989</u>

DELHI CHARTER TOWNSHIP
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (estimated)	Personal Income (amounts expressed in thousands)	Per Capita Personal Income ¹	Median Age	School Enrollment	Unemployment Rate
2000	22,616	\$ 598,532	\$ 26,465	35.9	5,329	1.9%
2001	23,078	626,383	27,142	n/a	5,308	2.5%
2002	23,274	642,968	27,626	n/a	5,507	3.0%
2003	23,783	680,075	28,595	n/a	5,705	3.6%
2004	24,938	719,012	28,832	n/a	5,866	4.0%
2005	25,230	763,157	30,248	n/a	5,947	4.1%
2006	25,689	826,184	32,161	n/a	6,005	4.0%
2007	25,865	n/a	n/a	n/a	5,998	3.9%
2008	25,987	n/a	n/a	n/a	5,973	4.7%
2009	25,987	n/a	n/a	n/a	5,852	7.6%

Sources: Michigan Employment Security Commission
Holt Public Schools
State of Michigan: Department of Energy, Labor, and Economic Growth
US Census Bureau

DELHI CHARTER TOWNSHIP
PRINCIPAL EMPLOYER
CURRENT YEAR AND NINE YEARS AGO

Employer	2009			2000		
	Approx No. Employed	Rank	Percentage of Total Township Employment	Approx No. Employed	Rank	Percentage of Total Township Employment
Holt Public Schools	1000	1	n/a	596	1	n/a
Dakkota Integrated Interiors	249	2	n/a			
Granger Construction	170	3	n/a			
RSDC of Michigan, LLC	164	4	n/a	272	2	n/a
Orchid Orthopedic Solutions	115	5	n/a	75	6	n/a
Holt Senior Care	110	6	n/a			
Kroger	105	7	n/a			
Lansing Christian School	100	8	n/a			
Davenport Masonry	97	9	n/a			
Delhi Charter Township	84	10	n/a			
Spartan International				200	3	n/a
McLean Screen Print Inc				110	4	n/a
Molded Plastic Industries				100	5	n/a
Grable & Sons Metal Products				45	7	n/a
Palmer Engineering				40	8	n/a
Holt Products Company Inc.				30	9	n/a
Pageant Homes, Inc				30	10	n/a

Source: 2000 Michigan Manufacturers Directory, phonecalls
Total Township employment is unavailable.

DELHI CHARTER TOWNSHIP
FULL-TIME EQUIVALENT TOWNSHIP GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government	17.25	18.00	19.00	20.50	20.50	20.63	20.10	19.94	19.32	17.82
Public Safety										
Police										
Officers*	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Civilians*	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Fire										
Firefighters and officers	14.70	16.40	18.60	17.30	17.20	17.41	17.66	17.66	18.31	18.81
Civilians	1.50	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.80	1.80
Public Works	20.50	23.50	23.50	24.50	25.50	27.25	28.84	29.60	26.60	26.30
Engineering	2.00	2.00	2.00	1.50	1.50	-	-	-	-	-
Community Development	5.50	6.00	6.00	6.00	6.00	7.00	7.50	7.50	7.85	6.80
Recreation and Culture	5.00	5.00	5.00	5.00	5.50	5.00	5.50	5.80	5.80	5.80
Total	88.95	95.40	98.60	98.80	100.20	101.29	103.60	104.50	102.18	99.83

Source: Townships Budget Documents and Human Resources

* These positions are employees of Ingham County. The Township contracts with Ingham County for police protection.

DELHI CHARTER TOWNSHIP
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Fire										
Number of Calls	1,676	1,750	1,742	1,850	1,818	2,063	2,065	2,122	2,287	2,182
Inspections	785	925	900	858	907	1,138	836	1,004	1,000	375
Burning/Recreational Permits	1,306	1,329	1,472	1,331	1,964	1,901	2,171	2,069	1,288	356
Police										
Number of Traffic Accidents	791	747	955	890	779	872	741	969	842	669
Number of Written Complaints	5,492	5,530	4,878	4,673	4,644	4,525	4,683	4,729	4,621	4,667
Number of Miles Driven	8,834	137,844	105,366	198,475	174,376	163,754	187,916	153,791	150,075	146,832
Vehicle Stops	4,855	6,744	8,048	8,013	7,011	5,609	5,429	7,849	8,041	8,754
Accounting										
Number of W-2's processed	404	406	447	369	345	293	356	314	362	300
Number of payroll checks processed	n/a	n/a	n/a	n/a	2,933	2,456	2,614	2,346	2,353	1,932
Number of payroll direct deposits	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,463	1,685
Number of purchase orders processed	n/a	n/a	n/a	n/a	1,314	1,061	873	795	734	593
Number of accounts payable checks processed	2,975	3,312	3,159	2,992	3,571	2,753	2,830	2,881	2,767	2,585
Assessing										
Number of Field Inspections	n/a	206	403	1,438	2,226	1,242	2,485	899	1,381	364
Clerk's Office										
Number of FOIA requests	45	18	43	56	122	77	56	65	37	29
Number of pages scanned/microfilmed	87,500	70,200	60,000	64,000	113,708	73,166	21,452	19,985	26,754	35,962
Elections										
Number of Registered Voters	14,923	15,084	15,294	15,734	16,578	16,804	16,723	17,016	17,929	17,542
Number of Permanent Absentee Voters	1,170	1,361	1,337	1,251	1,251	1,815	1,766	2,010	2,294	2,206
Treasurer's Office										
Average Number of Sewer Bills per Month	5,871	6,037	6,187	6,435	6,852	7,000	7,150	7,157	7,195	7,257
Number of Tax Bills-Two billings/year beg, 2003	9,577	9,872	9,969	18,187	18,534	19,154	19,875	20,110	20,278	20,382
Culture & Recreation										
Number of Athletic Teams	236	236	244	247	242	253	290	231	259	254
Number of Sr. Citizens Trips	6	6	6	8	8	8	8	9	8	8
Tennis Lessons	227	309	261	204	201	196	200	165	195	204
Wastewater										
Average daily sewage treatment (millions of gallons per day)	2.36	2.64	2.31	2.12	2.87	2.23	3.00	2.45	2.54	2.68
Community Development										
Permits Issued	1,633	1,831	1,970	2,287	2,136	1,858	1,526	1,629	986	1,194
Code Enforcement Complaints	1,687	1,203	1,127	1,718	547	677	592	585	530	563

Source: Various Township Departments

DELHI CHARTER TOWNSHIP
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Fire Stations	2	2	2	2	2	2	2	2	2	2
Culture and Recreation										
Parks Acreage	79	85	95	95	110	110	110	120	120	120
Parks	5	6	7	7	8	8	9	9	9	9
Senior Center	1	1	1	1	1	1	1	1	1	1
Buildings	2	2	2	2	2	2	2	2	2	2
Tennis Courts	8	8	8	8	8	8	8	8	8	8
Sewer										
Sanitary Sewers (miles)	n/a	n/a	n/a	n/a	n/a	n/a	123.35	124.25	124.98	124.63
Maximum daily treatment capacity (millions of gallons)	2.5	2.5	2.5	2.5	2.5	4	4	4	4.5	4.5
General Government										
Cemeteries	1	1	2	2	2	2	2	2	2	2
Community Service Center	1	1	1	1	1	1	1	1	1	1