

CHARTER TOWNSHIP OF DELHI

Holt, Michigan



REPORT ON FINANCIAL STATEMENTS
(with required supplementary information and
additional supplementary information)

YEAR ENDED DECEMBER 31, 2011

**CHARTER TOWNSHIP OF DELHI
REPORT ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

C O N T E N T S

FINANCIAL SECTION	vii
Independent auditors' report.....	viii - ix
Management's Discussion and Analysis.....	xi - xxi
Basic financial statements	1
Government-wide financial statements.....	3
Statement of net assets	4
Statement of activities	5
Fund financial statements	6
Balance sheet - governmental funds.....	7
Reconciliation of fund balances on the balance sheet for governmental funds to net assets of governmental activities on the statement of net assets.....	8
Statement of revenues, expenditures and changes in fund balances - governmental funds	9
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities.....	10
Proprietary fund	
Statement of net assets - proprietary fund	12 - 13
Statements of revenues, expenses and changes in net assets - proprietary fund.....	14
Statement of cash flows - proprietary fund	15 - 16

**CHARTER TOWNSHIP OF DELHI
REPORT ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

C O N T E N T S (Continued)

	<u>Page</u>
FINANCIAL SECTION (Continued)	
Fiduciary funds.....	17
Statement of fiduciary net assets.....	18
Statement of changes in fiduciary net assets.....	19
Notes to the basic financial statements.....	20 - 46
Required supplementary information.....	47
Budgetary comparison schedule - general fund	48 - 49
Budgetary comparison schedule - fire fund special revenue	50
Budgetary comparison schedule - police fund special revenue.....	51
Retiree health plan schedule of funding progress and schedule of employer contributions	52
Additional supplementary information	53
Nonmajor governmental fund types	
Combining balance sheet	54
Combining statement of revenues, expenditures, and changes in fund balances	55
Special revenue funds	
Combining balance sheet	56
Combining statement of revenues, expenditures and changes in fund balances	57

**CHARTER TOWNSHIP OF DELHI
 REPORT ON FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

C O N T E N T S (Continued)

	<u>Page</u>
FINANCIAL SECTION (Continued)	
Schedule of revenues, expenditures and changes in fund balances - budget and actual - nonmajor special revenue funds	58 - 59
 Debt service funds	
Balance sheet.....	60
Statement of revenues, expenditures and changes in fund balance	61
Schedule of revenues, expenditures and changes in fund balance - budget and actual - nonmajor debt service funds.....	62
 Fiduciary funds	
Combining statement of fiduciary assets and liabilities - agency funds	63
Combining statement of changes in assets and liabilities - agency funds.....	64
 Brownfield Redevelopment Authority Component Unit	
Statement of net assets/governmental fund balance sheet	65
Statement of activities/governmental fund revenues, expenditures and changes in fund balance	66
 Downtown Development Authority Component Unit	
Statement of net assets/governmental funds balance sheet.....	68 - 69
Statement of activities/governmental funds revenues, expenditures and changes in fund balances	70 - 71

**CHARTER TOWNSHIP OF DELHI
 REPORT ON FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

C O N T E N T S (Continued)

	<u>Page</u>
FINANCIAL SECTION (Concluded)	
General Fund	
Balance sheets	72
Statements of revenues, expenditures and changes in fund balance	74 - 75
Sewer Fund	
Balance sheets	76 - 77
Statements of revenues, expenses and changes in net assets	78
Statements of cash flows	79 - 80
STATISTICAL SECTION (UNAUDITED)	81
Description of statistical section	82
Financial trends	
Net assets by component	83
Statement of activities	84 - 85
Fund balance, governmental funds	86
Changes in fund balances - governmental funds	87
Revenue capacity	
Assessed value and taxable value of property	88
Property tax rates direct and overlapping governments	89
Top ten principal taxpayers	90
Property tax levies and collections	91

**CHARTER TOWNSHIP OF DELHI
REPORT ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

C O N T E N T S (Concluded)

	<u>Page</u>
STATISTICAL SECTION (UNAUDITED) (Concluded)	
Debt capacity	
Ratios of outstanding debt by type.....	92
Ratios of general bonded debt outstanding	93
Computation of direct and overlapping debt.....	94
Legal debt margin information.....	95
Demographic and economic information	
Demographic and economic statistics.....	96
Principal employers.....	97
Full time equivalent township government employees by function	98
Operating information	
Operating indicators by function.....	99
Capital asset statistics by function	100

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Charter Township of Delhi
State of 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, State of Michigan as of and for the year ended December 31, 2011, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Delhi'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 respective 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, State of Michigan as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the financial statements, the Township implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages xii through xxi and 48 through 52 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide and assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Charter Township of Delhi as a whole. The supplementary information included on pages 54 through 80 is presented for purposes of additional analysis and is not a required part of the financial statements. The combining and individual nonmajor fund financial statements and other information are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

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May 9, 2012

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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, 2011.

Financial Highlights

- The primary government assets of the Township exceeded its liabilities at the close of the most recent fiscal year by \$49,441,636 (*net assets*). Of this amount, \$5,573,048 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Township's governmental activities net assets increased by \$1,918,887.
- The Township's business-type activity net assets decreased by \$923,895.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$4,676,206, an increase of \$2,186,082 in comparison with the prior year. Approximately 82% of this total amount, or \$3,834,951, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current year, unassigned fund balance for the General Fund was \$3,874,217 or 66.5 percent of total general fund expenditures and other financing uses.
- The primary government total bonded debt increased by a net \$584,358 during the current fiscal year; \$5,864,951 in new bonded debt was issued and \$5,580,593 of existing debt was retired. New debt was issued in revenue bonds in the Sewer Fund for the digester project of \$1,529,951 and refunding bonds were issued for \$4,335,000 to retire the 2002 Sewer/Water Capital Improvement bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements 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 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 general government, public safety, public works, community and economic development, and recreation and culture. The business-type activities of the Township include sewer 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 4 - 5 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, Fire Fund, and Police Fund, which are the Township's three major governmental funds. Data from the other three 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, special revenue and debt service 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 7 - 10 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 has an enterprise fund to account for its sanitary sewer operations. *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 12 - 16 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 18 - 19 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 20 - 46 of this report.

Other information. In addition to the basic financial statements and accompanying note, this report also presents certain required or other 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 48 - 80 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 \$49,441,636 at the close of the most recent year.

By far the largest portion of the Township’s net assets (84 percent) reflects its investment in capital assets (e.g. infrastructure, land, buildings, equipment, and vehicles net of accumulated depreciation), less any related debt used to acquire those assets that are still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Township’s 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	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 10,657,963	\$ 8,751,324	\$ 4,415,918	\$ 4,887,499	\$ 15,073,881	\$ 13,638,823
Capital assets, net	12,472,600	12,903,197	50,170,866	50,369,235	62,643,466	63,272,432
Total assets	<u>23,130,563</u>	<u>21,654,521</u>	<u>54,586,784</u>	<u>55,256,734</u>	<u>77,717,347</u>	<u>76,911,255</u>
Current liabilities	5,882,322	6,155,096	758,410	426,493	6,640,732	6,581,589
Noncurrent liabilities	3,373,661	3,543,732	18,261,318	18,339,290	21,634,979	21,883,022
Total liabilities	<u>9,255,983</u>	<u>9,698,828</u>	<u>19,019,728</u>	<u>18,765,783</u>	<u>28,275,711</u>	<u>28,464,611</u>
Net assets:						
Invested in capital assets, net of related debt	9,506,445	9,359,465	31,909,548	32,029,945	41,415,993	41,389,410
Restricted	321,446	5,624	2,131,149	2,001,776	2,452,595	2,007,400
Unrestricted	4,046,689	2,590,604	1,526,359	2,459,230	5,573,048	5,049,834
Total Net Assets	<u>\$ 13,874,580</u>	<u>\$ 11,955,693</u>	<u>\$ 35,567,056</u>	<u>\$ 36,490,951</u>	<u>\$ 49,441,636</u>	<u>\$ 48,446,644</u>

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.

Primary government net assets increased by \$994,992 during the current fiscal year. This was a combination of net assets increasing by \$1,918,887 in Governmental Activities and decreasing by \$923,895 in the Business-type Activities.

Delhi Charter Township's Changes in Net Assets

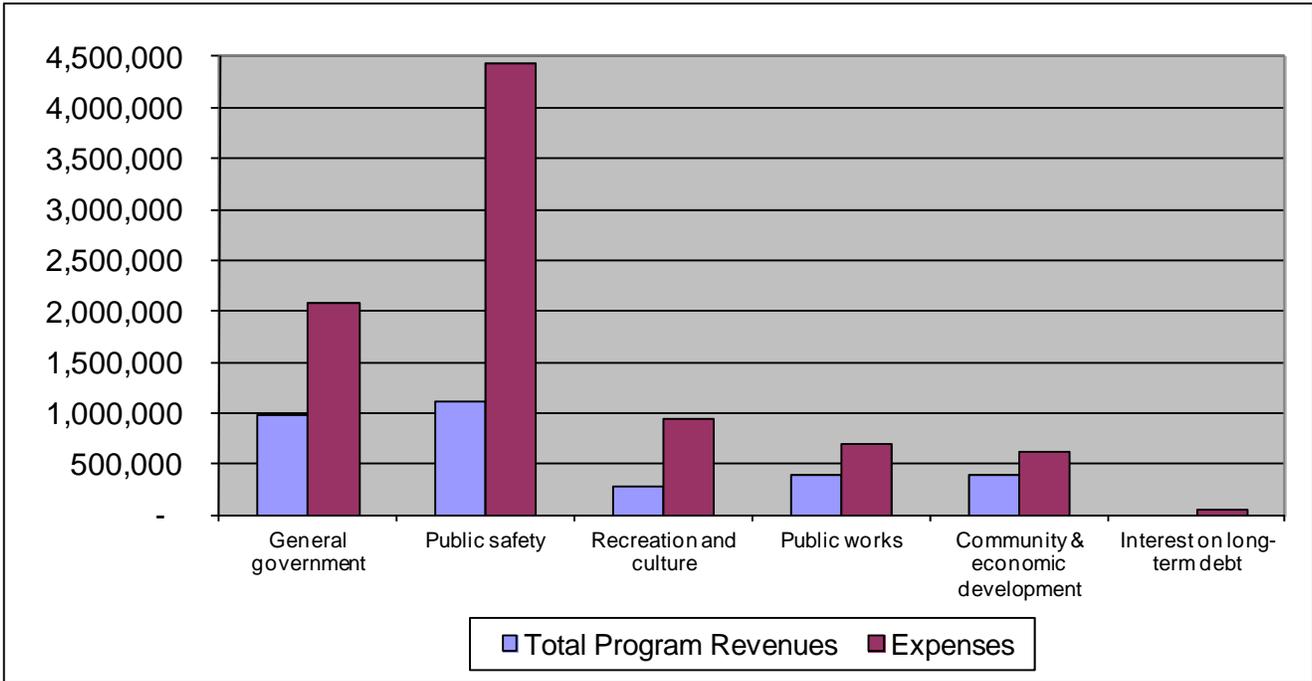
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenue:						
Program revenues:						
Charges for services	\$ 2,578,222	\$ 2,453,629	\$ 5,116,198	\$ 5,042,106	\$ 7,694,420	\$ 7,495,735
Operating grants and contributions	422,216	168,765	10,069	30,109	432,285	198,874
Capital grants and contributions	109,207	271,422	31,475	46,604	140,682	318,026
General revenues:						
Property taxes	5,393,489	3,642,755	-	-	5,393,489	3,642,755
State shared revenue	1,888,513	1,474,950	-	-	1,888,513	1,474,950
Unrestricted grants and contributions	324,964	558,432	55,050	36,702	380,014	595,134
Other	16,439	85,742	24,339	-	40,778	85,742
Total revenues	10,733,050	8,655,695	5,237,131	5,155,521	15,970,181	13,811,216
Expenses:						
General government	2,087,161	2,286,907	-	-	2,087,161	2,286,907
Public safety	4,430,295	4,309,039	-	-	4,430,295	4,309,039
Public works	702,532	633,727	-	-	702,532	633,727
Recreation and cultural	935,756	952,510	-	-	935,756	952,510
Interest on long-term debt	44,563	60,120	-	-	44,563	60,120
Sewer	-	-	6,161,026	6,258,249	6,161,026	6,258,249
Community & economic development	613,856	652,920	-	-	613,856	652,920
Total expenses	8,814,163	8,895,223	6,161,026	6,258,249	14,975,189	15,153,472
Increase (decrease) in net assets	1,918,887	(239,528)	(923,895)	(1,102,728)	994,992	(1,342,256)
Net assets -beginning of year	11,955,693	12,195,221	36,490,951	37,593,679	48,446,644	49,788,900
Net assets - end of year	\$ 13,874,580	\$ 11,955,693	\$ 35,567,056	\$ 36,490,951	\$ 49,441,636	\$ 48,446,644

Governmental activities. Governmental activities increased the Township's net assets by \$1,918,887 during 2011. Key elements of this net increase are:

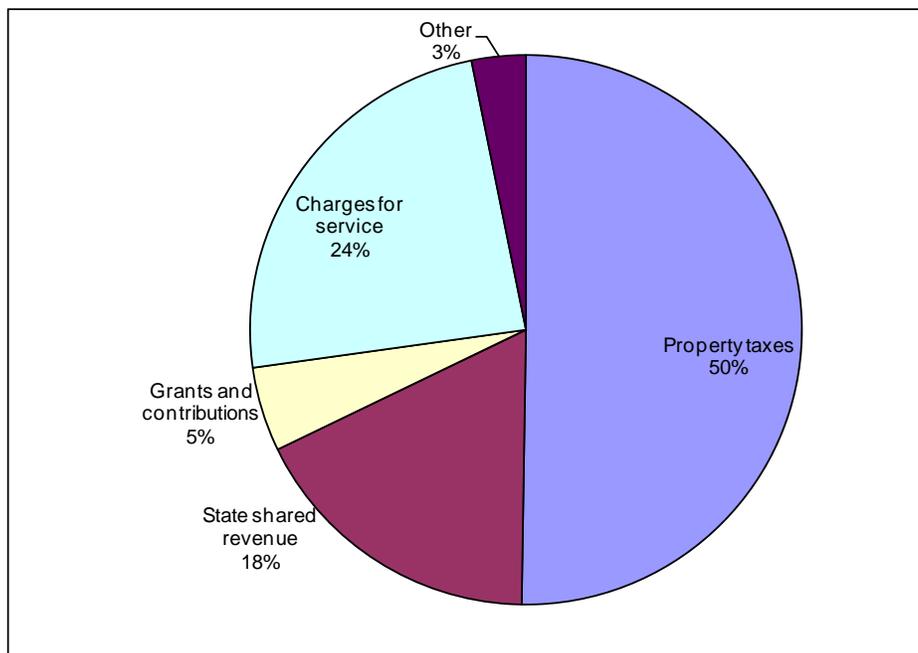
- Charges for services increased by approximately \$124,000. In 2011 the Township had more activity than predicted in construction and ambulance.
- Operating grants increased by approximately \$253,000. Most of this increase was a result of grant money received for fire equipment.
- Property tax had a net increase of approximately \$1,750,000 as a result of a new millage for fire and police services coupled with an overall taxable value decrease. The taxable value of property is expected to continue to decline for the next several years.
- State shared revenues increased by approximately \$414,000 primarily due to the 2010 census where population increased from 22,569 to 25,877, a 14% increase.

- General government expenses decreased by approximately \$200,000. The decrease was due to the consolidation of precincts for lower election expenditures, the treasurer’s position changing from full time to part time, a vacancy in the assessing office, and lower building maintenance & repair expenditures. Additionally, fire insurance & bonds expenditures were moved to Fire Fund.
- Public safety expenses increased by approximately \$121,000, due to the additions of the school resource officer and the fire recruitment retention coordinator.

Expenses and Program Revenues - Governmental Activities

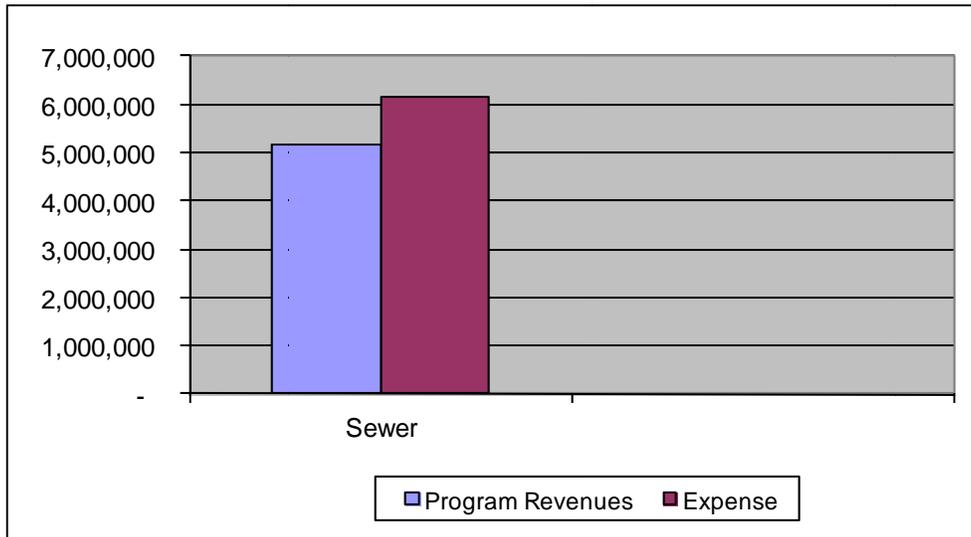


Revenues by Source - Governmental Activities

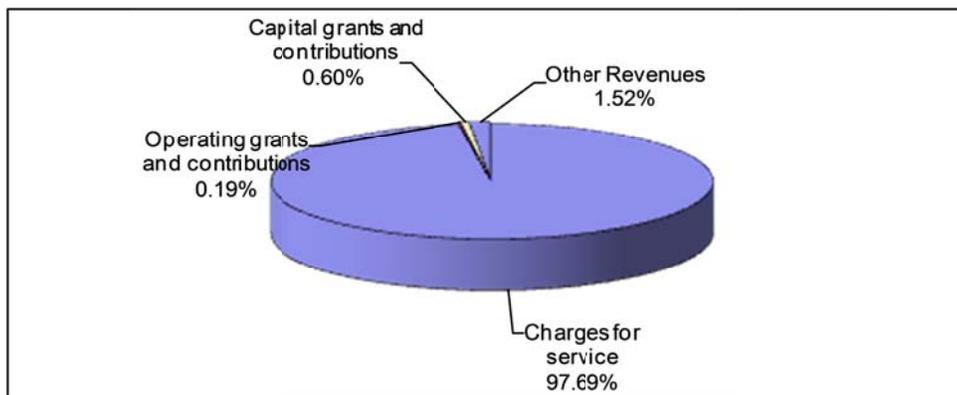


Business-type activities. Business-type activities decreased the Township’s net assets by \$923,895 during fiscal year 2011, due to the basic service charge rates not being enough to cover the costs of depreciation.

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, *unassigned fund balance* may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Township’s governmental funds reported combined ending fund balances of \$4,676,206, an increase of \$2,186,082 in comparison with the prior year. Over 82 percent of this total amount constitutes *unassigned fund balance*, which is available for spending at the government’s discretion. The remainder of fund balance is either *nonspendable*, *restricted*, or *committed* to indicate that it is not available for general spending because it has already been established as nonspendable, such as for prepaids, or is restricted/committed for specific activities.

The General Fund is the chief operating fund of the Township. At the end of the current year, unassigned fund balance of the general fund was \$3,874,217 while total fund balance was \$3,977,168. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and other financing uses. Unassigned fund balance represents 66.5 percent of total general fund expenditures and other financing uses while total fund balance is 68.3 percent of total general fund expenditures and other financing uses.

The fund balance in the Township's General Fund increased by \$2,180,207 during the current year. Overall, expenditures, including transfers out, decreased \$2,286,289 and revenues and other financing sources increased by \$164,457. Key factors for this are:

- The activities of fire and police were reclassified from the General Fund to their own separate funds and partially supported by millages. This resulted in a net decrease in expenditures and financing uses of \$2.2 million in the General Fund.
- Intergovernmental revenue increased by approximately \$264,000
- Other revenue declined by approximately \$201,000.
- There were approximately \$100,000 in proceeds from the sale of capital assets in the current year.
- Treasurer's position became part time.
- The general governmental departments spent \$87,059 less than originally budgeted.

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 \$35,567,056; a decrease for the year of \$923,895. 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 increase of \$166,595 (2.7%) in appropriations (including operating transfers out) between the original and final amended budget. While most departments actually had decreased final budgets, the transfers out to balance the Fire and Police Funds increased by approximately \$125,000 to make up a majority of this increase in the total General Fund budget. The remaining increases and decreases netted to an increase of approximately \$41,000 or less than 1 percent.

- Due to the receipt of a State Grant, the parks budget increased to account for the construction of a new pavilion at Valhalla Park
- Increases in the other functions department was due to an increase in retirees' benefits and transfers out to the Fire & Police Funds.

Additionally, budgeted revenues (including other financing sources) increased by approximately \$902,000 as follows:

- Approximately \$625,000 increase in intergovernmental revenue due to the increase in revenue sharing and grants
- Approximately \$113,000 increase in charges for services due to increase in construction permits issued and ambulance fees.
- Approximately \$97,000 increase in sale of capital assets due to the rehabilitation and sale of two HUD homes.

Fire Fund and Police Fund

These two funds were created in 2011 as a result of a new voter approved millage to cover costs of providing fire and police services to the Township. These funds had total revenues and other financing sources of \$1,701,742 and \$2,209,162 respectively, and \$1,701,742 and \$2,209,162 in expenditures respectively. The Fire and Police Funds had restricted property tax revenues of \$1,126,846 in each fund. Total revenues in these funds were not sufficient to fully fund fire and police operations, so therefore, the General Fund had to transfer \$352,349 and \$1,010,319 respectively into the Fire and Police funds to cover the remaining operating expenditures.

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, 2011, amounted to \$62,643,466 (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 net decrease in the Township's investment in capital assets for the current fiscal year was less than 1 percent due to having depreciation expense collectively higher than new capital assets added in the current year.

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

- Construction in progress for the Valhalla Park pavilion at year end was \$192,246
- Of the new machinery and equipment, \$133,088 was for the Fire Department
- In the Sewer Fund, \$1,958,851 was added to Construction in Progress for the Lift Station D project
- New vehicles were purchased for \$100,205

Delhi Charter Township's Capital Assets

(net of depreciation)

	Governmental Activities		Business Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land/Monuments	\$ 2,010,991	\$ 1,979,419	\$ 806,335	\$ 776,635	\$ 2,817,326	\$ 2,756,054
Public works	813,665	927,305	44,090,374	46,177,597	44,904,039	47,104,902
Flowage rights	2,313,906	2,377,212	-	-	2,313,906	2,377,212
Buildings and improvements	4,591,728	4,776,819	1,074,520	1,113,749	5,666,248	5,890,568
Land improvements	1,375,242	1,535,297	408,031	440,170	1,783,273	1,975,467
Machinery and equipment	396,047	343,280	173,547	220,701	569,594	563,981
Furniture and office equipment	35,976	48,579	16,349	25,960	52,325	74,539
Computer equipment and programs	46,326	58,087	22,846	33,507	69,172	91,594
Vehicles	589,527	750,253	246,464	207,367	835,991	957,620
Construction in progress	299,192	106,946	3,332,400	1,373,549	3,631,592	1,480,495
Total	\$ 12,472,600	\$ 12,903,197	\$ 50,170,866	\$ 50,369,235	\$ 62,643,466	\$ 63,272,432

Additional information on the Township's capital assets can be found in note 5 on pages 33 - 35 of this report.

Long-term debt. At the end of the current fiscal year, the primary government of the Township had total debt outstanding of \$21,634,979.

Delhi Charter Township's Outstanding Debt

	Governmental Activities		Business Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General obligation bonds	\$ 711,789	\$ 734,266	\$ 6,316,448	\$ 6,669,563	\$ 7,028,237	\$ 7,403,829
Special assessment bonds	-	30,193	-	104,807	-	135,000
Revenue bonds	-	-	11,179,870	10,084,919	11,179,870	10,084,919
Other long-term debt	2,661,872	2,779,273	765,000	1,480,000	3,426,872	4,259,273
Total	\$ 3,373,661	\$ 3,543,732	\$ 18,261,318	\$ 18,339,289	\$ 21,634,979	\$ 21,883,021

The Township’s total bonded debt increased by a net of \$584,358 (3.3 percent), up to \$18,208,107 during 2011. Payments of \$5,280,593 were made that reduced the bonded debt. However, \$5,864,951 additional bonds were added as a result of the Township’s participation in a State Revolving Fund low interest loan program and a refunding bond issuance.

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 \$75,707,465, which is significantly in excess of the Township’s and Downtown Development Authority’s outstanding general obligation debt of \$20,614,368.

Additional information on the Township’s long-term debt can be found in note 7 on pages 36 - 41 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 2012 fiscal year:

- The emphasis on reducing costs while providing quality services to our citizens continued to be a major consideration in the 2012 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 (H.S.A.) while encouraging employee contributions into their HSAs.
- Minimize capital purchases and infrastructure investments based upon need.
- Continue to assess staffing needs whenever a vacancy occurs, while continuing to cross train staff for organizational effectiveness & efficiency.

During the current fiscal year, unassigned fund balance in the General Fund increased to \$3,874,217. The Township has projected revenues to exceed expenditures in 2012 by \$619,515 thereby increasing unreserved fund balance to \$4,439,732. Our goal is to maintain a fund balance averaging between three and six months of operating expenditures.

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 Township Manager.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

**CHARTER TOWNSHIP OF DELHI
STATEMENT OF NET ASSETS
DECEMBER 31, 2011**

	Primary government			Component units	
	Governmental activities	Business-type activities	Total	Downtown Development Authority	Brownfield Redevelopment Authority
ASSETS					
ASSETS:					
Cash and cash equivalents	\$ 3,453,980	\$ 147,958	\$ 3,601,938	\$ 1,488,948	\$ 34,911
Investments	861,408	428,972	1,290,380	474	-
Receivables, net	6,234,247	1,528,862	7,763,109	3,019,554	139,680
Prepays and other assets	108,328	178,977	287,305	42,396	-
Restricted assets:					
Cash and cash equivalents	-	1,477,523	1,477,523	-	-
Investments	-	653,626	653,626	-	-
Capital assets not being depreciated	2,310,183	4,138,735	6,448,918	4,889,564	-
Capital assets being depreciated, net	10,162,417	46,032,131	56,194,548	5,975,071	-
TOTAL ASSETS	23,130,563	54,586,784	77,717,347	15,416,007	174,591
LIABILITIES AND NET ASSETS					
LIABILITIES:					
Accounts payable and accrued expenses	457,069	758,410	1,215,479	1,835,147	-
Unearned revenue	5,425,253	-	5,425,253	1,708,316	139,261
Long-term liabilities:					
Due within one year	339,077	1,650,322	1,989,399	1,057,912	-
Due in more than one year	3,034,584	16,610,996	19,645,580	9,529,944	-
TOTAL LIABILITIES	9,255,983	19,019,728	28,275,711	14,131,319	139,261
NET ASSETS:					
Invested in capital assets net of related debt	9,506,445	31,909,548	41,415,993	297,872	-
Restricted:					
For fire equipment	281,401	-	281,401	-	-
For neighborhood stabilization plan	40,045	-	40,045	-	-
For debt service	-	648,034	648,034	-	-
For replacement and special assessment	-	1,483,115	1,483,115	-	-
Unrestricted	4,046,689	1,526,359	5,573,048	986,816	35,330
TOTAL NET ASSETS	\$ 13,874,580	\$ 35,567,056	\$ 49,441,636	\$ 1,284,688	\$ 35,330

The notes to the financial statements are an integral part of this statement.

**CHARTER TOWNSHIP OF DELHI
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2011**

Functions/programs	Expenses	Net (expense) revenue and changes in net assets							
		Program revenues			Primary government			Component units	
		Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total	Downtown Development Authority	Brownfield Redevelopment Authority
Primary government:									
Governmental activities:									
General government	\$ 2,087,161	\$ 946,334	\$ 6,658	\$ 16,572	\$ (1,117,597)	\$ -	\$ (1,117,597)	\$ -	\$ -
Public safety	4,430,295	800,662	307,658	-	(3,321,975)	-	(3,321,975)	-	-
Public works	702,533	346,808	-	37,290	(318,435)	-	(318,435)	-	-
Community development	613,856	380,862	-	-	(232,994)	-	(232,994)	-	-
Recreation and culture	935,756	103,555	107,900	55,345	(668,956)	-	(668,956)	-	-
Interest on long-term debt	44,561	-	-	-	(44,561)	-	(44,561)	-	-
Total governmental activities	8,814,162	2,578,221	422,216	109,207	(5,704,518)	-	(5,704,518)	-	-
Business-type activities:									
Sewer	6,161,026	5,116,198	10,069	31,475	-	(1,003,284)	(1,003,284)	-	-
Total primary government	\$ 14,975,188	\$ 7,694,419	\$ 432,285	\$ 140,682	-	(1,003,284)	(6,707,802)	-	-
Component units:									
Brownfield redevelopment	\$ 175,693	\$ -	\$ -	\$ -	-	-	-	-	(175,693)
Downtown development	2,109,958	29,550	-	-	-	-	-	(2,080,408)	-
Total component units	\$ 2,285,651	\$ 29,550	\$ -	\$ -	-	-	-	(2,080,408)	(175,693)
General revenues:									
Taxes:									
Property taxes, levied for general purposes					3,139,797	-	3,139,797	2,433,722	187,290
Property taxes, levied for fire					1,126,846	-	1,126,846	-	-
Property taxes, levied for police					1,126,846	-	1,126,846	-	-
State sources					1,888,513	-	1,888,513	-	-
Unrestricted grants and contributions					324,964	55,050	380,014	2,103	-
Investment earnings					16,439	24,339	40,778	5,852	-
Total general revenues					7,623,405	79,389	7,702,794	2,441,677	187,290
Change in net assets					1,918,887	(923,895)	994,992	361,269	11,597
Net assets, beginning of year					11,955,693	36,490,951	48,446,644	923,419	23,733
Net assets, end of year					\$ 13,874,580	\$ 35,567,056	\$ 49,441,636	\$ 1,284,688	\$ 35,330

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

**CHARTER TOWNSHIP OF DELHI
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011**

	General	Fire fund (a special revenue fund)	Police fund (a special revenue fund)	Nonmajor governmental funds	Total governmental funds
ASSETS					
ASSETS:					
Cash and cash equivalents	\$ 2,894,505	\$ 38,784	\$ 26,544	\$ 494,147	\$ 3,453,980
Investments	659,162	-	-	202,246	861,408
Receivables:					
Taxes	2,923,376	1,059,726	1,059,726	368,911	5,411,739
Special assessments	62,386	-	-	28,194	90,580
Other	398,929	19,640	3,815	8	422,392
Due from component unit	309,536	-	-	-	309,536
Prepays	52,906	39,266	-	-	92,172
TOTAL ASSETS	\$ 7,300,800	\$ 1,157,416	\$ 1,090,085	\$ 1,093,506	\$ 10,641,807
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 302,808	\$ 8,673	\$ 1,494	\$ 3,410	\$ 316,385
Accrued liabilities	73,051	53,901	-	-	126,952
Due to component unit	-	6,251	-	-	6,251
Deferred revenue	2,947,773	1,088,591	1,088,591	391,058	5,516,013
TOTAL LIABILITIES	3,323,632	1,157,416	1,090,085	394,468	5,965,601
FUND BALANCES:					
Nonspendable:					
Prepays	52,906	39,266	-	-	92,172
Restricted:					
For fire equipment, training and apparatus	-	-	-	281,401	281,401
For neighborhood stabilization plan	40,045	-	-	-	40,045
Committed:					
For debt service	-	-	-	383,106	383,106
For water improvement	-	-	-	34,531	34,531
For disaster contingency fund	10,000	-	-	-	10,000
Unassigned	3,874,217	(39,266)	-	-	3,834,951
TOTAL FUND BALANCES	3,977,168	-	-	699,038	4,676,206
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,300,800	\$ 1,157,416	\$ 1,090,085	\$ 1,093,506	\$ 10,641,807

The notes to the financial statements are an integral part of this statement.

**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
YEAR ENDED DECEMBER 31, 2011**

Total governmental fund balances \$ 4,676,206

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, are not reported in the funds:

Capital assets not being depreciated	\$ 2,310,183	
Capital assets being depreciated, net	<u>10,162,417</u>	12,472,600

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 government funds, and thus are not included in fund balance.

Deferred revenue expected to be collected after March 1, 2011		90,760
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

General obligation debt	(2,971,865)	
Bond discount, net of accumulated amortization of \$4,782	16,156	
Compensated absences	(401,796)	
Accrued interest	<u>(7,481)</u>	

Net assets of governmental activities	<u><u>\$ 13,874,580</u></u>
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CHARTER TOWNSHIP OF DELHI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2011

	General	Fire fund (a special revenue fund)	Police fund (a special revenue fund)	Nonmajor governmental funds	Total governmental funds
REVENUES:					
Taxes	\$2,763,858	\$1,126,846	\$1,126,846	\$ 375,939	\$ 5,393,489
Special assessments	342,283	-	-	15,308	357,591
Intergovernmental	2,166,758	37,384	-	71,547	2,275,689
Licenses and permits	226,356	-	-	-	226,356
Charges for services	1,885,919	-	22,635	27,800	1,936,354
Interest	15,267	-	-	1,484	16,751
Other	504,378	185,163	49,362	360	739,263
Total revenue	<u>7,904,819</u>	<u>1,349,393</u>	<u>1,198,843</u>	<u>492,438</u>	<u>10,945,493</u>
EXPENDITURES:					
Current:					
General government	1,959,161	-	-	-	1,959,161
Public safety	-	1,690,242	2,209,162	265,748	4,165,152
Public works	491,153	-	-	5,569	496,722
Community and economic development	608,433	-	-	-	608,433
Recreation and culture	712,694	-	-	-	712,694
Other	321,261	-	-	-	321,261
Debt service:					
Principal repayment	155,093	-	-	86,804	241,897
Interest	9,887	-	-	56,868	66,755
Capital outlay	178,718	11,500	-	131,341	321,559
Total expenditures	<u>4,436,400</u>	<u>1,701,742</u>	<u>2,209,162</u>	<u>546,330</u>	<u>8,893,634</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	<u>3,468,419</u>	<u>(352,349)</u>	<u>(1,010,319)</u>	<u>(53,892)</u>	<u>2,051,859</u>
OTHER FINANCING SOURCES (USES):					
Proceeds from sale of capital assets	100,089	-	-	-	100,089
Bond proceeds	-	-	-	721,779	721,779
Payment to escrow agent	-	-	-	(687,645)	(687,645)
Transfers in	-	352,349	1,010,319	25,633	1,388,301
Transfers out	(1,388,301)	-	-	-	(1,388,301)
Total other financing sources (uses)	<u>(1,288,212)</u>	<u>352,349</u>	<u>1,010,319</u>	<u>59,767</u>	<u>134,223</u>
Net change in fund balances	2,180,207	-	-	5,875	2,186,082
FUND BALANCES:					
Beginning of year	1,796,961	-	-	693,163	2,490,124
End of year	<u>\$3,977,168</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 699,038</u>	<u>\$ 4,676,206</u>

The notes to the financial statements are an integral part of this statement.

**CHARTER TOWNSHIP OF DELHI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2011**

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

Net change in fund balances - total governmental funds	\$ 2,186,082
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	398,723
Depreciation expense	(829,320)
Repayments of principal on long-term debt is an expenditure in the governmental funds, but not in the statement of activities (where it is a reduction of liabilities)	
Proceeds from issuance of bonds	(721,779)
Repayment of principal on long-term debt	929,542
Discount on issuance of bonds	17,625
Amortization of bond discounts	(1,469)
Increase in OPEB payable	(5,710)
Revenue is recorded on the accrual method in the statement of activities; in the governmental funds it is recorded on the modified accrual method and not considered available:	
Accrued revenue beginning of the year - primarily delinquent personal property taxes	(119,623)
Accrued revenue end of the year - primarily delinquent personal property taxes	90,760
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 the governmental funds.	
Accrued interest on bonds is recorded in the statement of activities when incurred; it is not recorded in governmental funds until it is paid:	
Accrued interest payable beginning of the year	13,519
Accrued interest payable end of the year	(7,481)
Compensated absences are reported on the accrual method in the statement of activities, and recorded as an expenditure when financial resources are used in the governmental funds:	
Accrued compensated absences beginning of the year	369,814
Accrued compensated absences end of the year	(401,796)
Change in net assets of governmental activities	\$ 1,918,887

The notes to the financial statements are an integral part of this statement.

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**CHARTER TOWNSHIP OF DELHI
 PROPRIETARY FUND
 STATEMENT OF NET ASSETS
 DECEMBER 31, 2011**

	Business-type activities- Enterprise fund <hr/> Sewer fund <hr/>
ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 147,958
Investments	428,972
Special assessments receivable	411,141
Other receivables	1,117,721
Prepays	55,597
Other assets	123,380
TOTAL CURRENT ASSETS	<hr/> 2,284,769 <hr/>
NONCURRENT ASSETS:	
Restricted cash, cash equivalents and investments:	
Debt service cash and cash equivalents	648,034
Replacement cash and cash equivalents	829,489
Replacement investments	653,626
Property, plant and equipment net of accumulated depreciation	46,032,131
Property, plant and equipment not being depreciated	4,138,735
TOTAL NONCURRENT ASSETS	<hr/> 52,302,015 <hr/>
TOTAL ASSETS	<hr/> 54,586,784 <hr/>

The notes to the financial statements are an integral part of this statement.

	Business-type activities- Enterprise fund
LIABILITIES AND NET ASSETS	Sewer fund
CURRENT LIABILITIES:	
Accounts payable	\$ 368,647
Accrued liabilities	156,894
Interest payable	114,251
Retainage payable	118,618
Current portion of long-term debt	<u>1,650,322</u>
TOTAL CURRENT LIABILITIES	<u>2,408,732</u>
LONG-TERM LIABILITIES, net of current portion:	
Due in more than one year	<u>16,610,996</u>
TOTAL LIABILITIES	<u>19,019,728</u>
NET ASSETS:	
Invested in capital assets net of related debt	31,909,548
Restricted for:	
Replacement	1,483,115
Debt service	648,034
Unrestricted	<u>1,526,359</u>
TOTAL NET ASSETS	<u><u>\$ 35,567,056</u></u>

The notes to the financial statements are an integral part of this statement.

**CHARTER TOWNSHIP OF DELHI
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET ASSETS
 YEAR ENDED DECEMBER 31, 2011**

	<u>Business-type activities- Enterprise fund</u>
	<u>Sewer fund</u>
OPERATING REVENUES:	
Charges for services	\$ 4,963,327
Permits and fees	143,221
Other operating revenue	<u>62,288</u>
Total operating revenues	<u>5,168,836</u>
OPERATING EXPENSES:	
Costs of sales and services	3,256,447
Depreciation	<u>2,298,326</u>
Total operating expenses	<u>5,554,773</u>
Operating loss	<u>(385,937)</u>
NON-OPERATING REVENUES (EXPENSES):	
Interest and rentals	36,820
Interest expense	<u>(606,253)</u>
Total non-operating revenues - net	<u>(569,433)</u>
Net loss before capital contributions	(955,370)
CAPITAL CONTRIBUTIONS	
Change in net assets	<u>(923,895)</u>
NET ASSETS:	
Beginning of year	<u>36,490,951</u>
End of year	<u>\$ 35,567,056</u>

The notes to the financial statements are an integral part of this statement.

**CHARTER TOWNSHIP OF DELHI
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2011**

	<u>Business-type activities- Enterprise fund</u>
	<u>Sewer fund</u>
INCREASE (DECREASE) IN CASH:	
Cash flows from operating activities:	
Cash received from customers	\$ 5,014,812
Cash payments to suppliers for goods and services	(1,651,560)
Cash payments to employees for services	<u>(1,292,441)</u>
Net cash provided by operating activities	<u>2,070,811</u>
Cash flows from capital and related financing activities:	
Purchase of capital assets	(2,072,976)
Proceeds from bonds	5,143,172
Interest payments	(638,335)
Principal payments	<u>(5,221,144)</u>
Net cash used by capital and related financing activities	<u>(2,789,283)</u>
Cash flows from investing activities:	
Proceeds from maturities of investments	(106,556)
Interest and rental earnings	<u>36,820</u>
Net cash used by investing activities	<u>(69,736)</u>
NET DECREASE IN CASH	(788,208)
CASH:	
Beginning of year	<u>2,413,689</u>
End of year	<u><u>\$ 1,625,481</u></u>

The notes to the financial statements are an integral part of this statement.

**CHARTER TOWNSHIP OF DELHI
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS (Concluded)
 YEAR ENDED DECEMBER 31, 2011**

	<u>Business-type activities- Enterprise fund</u>
	<u>Sewer fund</u>
RECONCILIATION OF NET OPERATING REVENUES (EXPENSE) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating loss	\$ (385,937)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:	
Depreciation and amortization	2,298,326
Loss on sale of equipment	4,494
(Increase) decrease in assets:	
Special assessments receivable	27,897
Other receivables	(181,921)
Prepaid expenses	(39,355)
Other assets	(16,692)
Increase (decrease) in liabilities:	
Accounts payable	226,805
Accrued expenses	19,076
Retainage payable	118,618
Deposits payable	(500)
Total adjustments	<u>2,456,748</u>
Net cash provided by operating activities	<u><u>\$ 2,070,811</u></u>

Non-cash transactions:

Contributions of capital assets amounting to \$31,475 were made during the year 2011 to record the cost of sewer systems accepted by the Township from various developers.

FIDUCIARY FUNDS

**CHARTER TOWNSHIP OF DELHI
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2011**

	Private Purpose Trust	
ASSETS	Cemetery	Agency funds
ASSETS:		
Cash	\$ 76,135	\$ 15,947,154
Accounts receivable	-	154
Taxes receivable	-	14,880,951
	76,135	30,828,259
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Due to other governments	-	30,488,940
Undistributed receipts	-	339,319
	-	30,828,259
NET ASSETS:		
Held in trust for individuals	\$ 76,135	\$ -

The notes to the financial statements are an integral part of this statement.

**CHARTER TOWNSHIP OF DELHI
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 YEAR ENDED DECEMBER 31, 2011**

	Private Purpose Trust
	Cemetery
DEDUCTIONS:	
Cemetery perpetual care	\$ 299
NET ASSETS:	
Beginning of year	76,434
End of year	\$ 76,135

NOTES TO THE BASIC 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 accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board 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.

A. Reporting Entity

The Charter Township of Delhi (Township) is incorporated under the provisions of Act 359, P.A. 1947 as amended (Charter Township Act) and is located in mid-Michigan. The Township provides the following services as authorized by its charter; public safety (police and fire), public improvements (sewers), planning and zoning, recreation and general administrative services.

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

Discretely Presented Component Units

The following is a description of the discretely presented component units. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

The Downtown Development Authority of 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 Charter Township of Delhi because the Township appoints the Authorities' Board members and has the ability to significantly influence the operations of the Authorities.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support. Likewise, the *primary* government is reported separately from its legally separate *component* units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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

The government reports the following major governmental funds:

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

The *fire fund* is a special revenue fund established to provide for the safety of the citizens of the Township by reducing the impact of community emergencies through education, prevention and service.

The *police fund* is a special revenue fund established to provide for the safety and welfare of the residents of the Township through a contract with the Ingham County Sheriff's Office.

The government reports the following major proprietary funds:

Sewer 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 government reports the following nonmajor fund types:

Special revenue funds - The *special revenue funds* account for revenue sources that are legally restricted for specific purpose (not including expendable trusts or major capital projects). The Township's nonmajor special revenue funds include the water improvement and the fire equipment, training and apparatus funds.

Debt service fund - The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term debt payable from a property tax debt levy. The Township's debt service fund relates to Pinetree Road.

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.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Concluded)

The Township has 3 fiduciary funds. One is a private purpose trust fund - the Cemetery Trust Fund which accounts for principal received and related interest. The other two funds are agency funds where the Township holds funds for others. The tax fund collects and distributes taxes to other governments and the Trust and Agency Fund holds funds like escrows and retainage for others.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict 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 government has elected not to follow subsequent private-sector guidance.

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 for sewer and services between funds and other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sewer fund are charges to customers for sales and services. The funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds 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.

D. Assets, Liabilities and Net Assets or Equity

1. Cash 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. Investments include instruments allowed by state statute subsequently described. Investments are carried at amortized cost or fair value.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

1. Cash and Investments (Concluded)

State statutes authorized the Township to invest in bonds, securities, and other direct and certain indirect obligations of the U.S. Treasury, which include securities issued or guaranteed by the Government National Mortgage Association; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, savings and loan association, or credit union, which is a member of the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or National Credit Union Administration, respectively; and in commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services and which matures not more than 270 days after the date of purchase. The Township is also authorized to invest in U.S. government or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds composed of investments as outlined above.

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 value 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.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" and are all current. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Accounts receivable in the proprietary funds do not have an allowance for uncollectibles. Delinquent amounts are ultimately added to the tax roll and become a lien on the property and as a consequence, no allowance is deemed necessary. An allowance is recorded related to delinquent personal property taxes amounting to fifty percent of the total. No other significant allowances are deemed necessary.

3. Prepaid Expenses

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.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

4. Restricted Assets

Certain proceeds of enterprise funds, 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.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (sidewalks and usage rights), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvement are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful live:

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

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

6. Compensated Absences

It is the Township's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick leave, which will be paid to employees upon separation from the Township. All vacation pay and partial sick leave is accrued when earned 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.

7. 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 straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

8. Pension and Other Postemployment Benefit Costs

The Township offers both pension and retiree healthcare benefits to retirees. The Township receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. In the governmental funds, pension and OPEB costs are recognized as contributions are made. For the government-wide statements and proprietary funds, the Township reports the full accrual cost equal to the current year required contribution, adjusted for interest and "adjustment to the ARC" on the beginning of year underpaid amount, if any.

9. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented only for certain individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

D. Assets, Liabilities and Net Assets or Equity (Concluded)

10. Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures. Such estimates are primarily related to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

11. Fund Balance

Beginning with fiscal year 2011, the Township implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance - amounts that are in nonspendable form (such as inventory or prepaid expenditures) or are either legally or contractually required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as taxpayers, grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The Township's Fire, Police and Fire Equipment, Training and Apparatus fund balances are considered restricted.

Committed fund balance - amounts constrained to specific purposes by the Township itself, using its highest level of decision-making authority (Board of Trustees). To be reported as committed, amounts cannot be used for any other purpose unless the Township takes the same highest level action to remove or change the constraint.

Assigned fund balance - amounts the Township intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority.

Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The Township would typically use restricted fund balance first, followed by committed resources, and then assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these classified funds.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

In the general fund, the goal of the Township Board shall be to maintain a minimum unassigned fund balance of no less than 17% of General Fund expenditures. For purposes of this calculation, “expenditures” will be the annual budgeted expenditures amount less non-recurring capital expenditures. If unassigned fund balance levels fall below 17% of expenditures, the General Fund budget for the following year will be adjusted to restore fund balance to the 17% level.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year-end.

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

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, a proposed budget is submitted to the Township Board 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 accounting principles generally accepted in the United States of America. Budgeted amounts are as originally adopted, or as amended by the Board of Trustees during the fiscal year.
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**

NOTE 3 - DEPOSITS AND INVESTMENTS

As of December 31, 2011, the Township had the following investments.

<u>Investment Type</u>	<u>Fair value</u>	<u>Weighted average maturity (years)</u>	<u>Standard & Poor's rating</u>	<u>%</u>
Stifel Nicholas Money Market	\$ 264	0.0027	N/A	0.0%
Ambassador Bank Money Market	258,582	0.0027	AAAm - Moody	5.6%
Federal National Mortgage Association	100,147	4.6791	AA+	2.2%
Federal National Mortgage Association	113,472	4.8978	AA+	2.5%
Federal National Mortgage Association	122,471	3.2859	AA+	2.6%
Federal National Mortgage Association	100,075	4.9248	AA+	2.2%
PNC Bank Money Market	100,488	0.0027	N/A	2.2%
CLASS Pooled Investments	103,656	0.0027	N/A	2.3%
Federal Natl Mtg Assn Medium Term Nts	100,004	2.8215	AA+	2.2%
Federal Natl Mtg Assn Medium Term Nts	120,189	3.6585	AA+	2.6%
Federal Natl Mtg Assn Medium Term Nts	105,321	4.6413	AA+	2.3%
Federal Natl Mtg Assn Medium Term Nts	99,995	4.7169	AA+	2.2%
Dart Money Market	2,797,846	0.0027	N/A	61.2%
Citizens Bank Money Market	126,301	0.0027	N/A	2.8%
Govt Loan Trust Zero Cpn	106,570	1.2339	Aaa - Moody	2.3%
Comerica Securities - CD	105,203	1.4418	N/A	2.3%
Financing Corp CPN FICO Strips	55,245	1.8387	N/A	1.2%
Federal Natl Mtg Assn Debenture Zero Cpn	55,790	2.5029	Aaa - Moody	1.2%
GNMA II GTD Mtg Pass Thru	2,453	19.2807	N/A	0.1%
Total fair value	<u>\$4,574,072</u>			<u>100.0%</u>
Portfolio weighted average maturity		<u>3.1547</u>		

1 day maturity equals 0.0027, one year equals 1.00

CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Interest rate risk. In accordance with its investment policy, the Township will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the Township's cash requirements.

Credit risk. State law limits investments in commercial paper and corporate bonds to a prime or better rating issued by nationally recognized statistical rating organizations (NRSROs).

Concentration of credit risk. The Township will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the Township's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. As of December 31, 2011, \$3,018,985 of the Township's bank balance of \$22,195,552 was exposed to custodial credit risk because it was uninsured. Certificate of deposits and money market accounts are included in the above totals. The book balance reported as deposits on the financial statements as of December 31, 2011 was \$19,995,667.

Custodial credit risk - investments. For an investment, this 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.

The Township will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the Township will do business.

Foreign currency risk. The Township is not authorized to invest in investments which have this type of risk

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - DEPOSITS AND INVESTMENTS (Concluded)

Summary of deposit and investments balances. The following is a reconciliation of deposit and investment balances as of December 31, 2011:

Deposits (including deposits in transit at year end)	\$ 19,995,667
Investments	4,574,072
Cash on hand	1,350
	<u>\$ 24,571,089</u>
Cash and cash equivalents:	
Township wide - unrestricted	\$ 3,601,938
Township wide - restricted	1,477,523
Component units	1,523,859
Cemetery fund (a private purpose trust)	76,135
Agency funds (fiduciary funds)	15,947,154
Investments:	
Township wide - unrestricted	1,290,380
Township wide - restricted	653,626
Component units	474
	<u>\$ 24,571,089</u>

NOTE 4 - RECEIVABLES

Receivables at December 31, 2011 consist of the following:

Governmental Activities		Business-type Activities	
General	\$ 238,040	Service	\$ 902,306
Special Assessment	90,580	General	210,652
Ambulance	182,920	Due from current tax	379,090
Due from DDA	309,536	Special assessment	32,051
Due from current tax	5,411,739	Other	4,763
Other	1,432		
	<u>\$ 6,234,247</u>		<u>\$ 1,528,862</u>
Downtown Development Authority		Brownfield Redevelopment Authority	
Due from Township	\$ 3,018,275	Due from Township	\$ 139,680
General	1,279		
	<u>\$ 3,019,554</u>		<u>\$ 139,680</u>

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - CAPITAL ASSETS

The capital assets are as follows:

	Balance December 31, 2010	Restatement and Reclassifications	Additions	Deletions	Balance December 31, 2011
Primary government:					
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 1,979,419	\$ -	\$ 16,572	\$ -	\$ 1,995,991
Monuments	-	-	15,000	-	15,000
Construction in process	106,946	-	192,246	-	299,192
Total capital assets, not being depreciated	<u>2,086,365</u>	<u>-</u>	<u>223,818</u>	<u>-</u>	<u>2,310,183</u>
Capital assets, being depreciated:					
Buildings and improvements	7,377,325	-	-	-	7,377,325
Land improvements and sidewalks	2,639,458	-	-	-	2,639,458
Machinery and equipment	1,049,481	-	144,026	19,480	1,174,027
Furniture and office equipment	574,048	-	-	5,242	568,806
Flowage rights	2,503,850	-	-	-	2,503,850
Infrastructure	1,959,083	-	-	-	1,959,083
Computer equipment and programs	412,551	-	26,385	84,043	354,893
Vehicles	2,164,147	-	4,494	7,775	2,160,866
Total capital assets, being depreciated	<u>18,679,943</u>	<u>-</u>	<u>174,905</u>	<u>116,540</u>	<u>18,738,308</u>
Less accumulated depreciation for:					
Buildings and improvements	2,600,506	-	185,091	-	2,785,597
Land improvements and sidewalks	1,104,161	-	160,055	-	1,264,216
Machinery and equipment	706,201	-	91,259	19,480	777,980
Furniture and office equipment	525,469	-	12,603	5,242	532,830
Flowage rights	126,638	-	63,306	-	189,944
Infrastructure	1,031,778	-	113,640	-	1,145,418
Computer equipment and programs	354,464	-	38,146	84,043	308,567
Vehicles	1,413,894	-	165,220	7,775	1,571,339
Total accumulated depreciation	<u>7,863,111</u>	<u>-</u>	<u>829,320</u>	<u>116,540</u>	<u>8,575,891</u>
Total capital assets, being depreciated, net	<u>10,816,832</u>	<u>-</u>	<u>(654,415)</u>	<u>-</u>	<u>10,162,417</u>
Total	<u>\$ 12,903,197</u>	<u>\$ -</u>	<u>\$ (430,597)</u>	<u>\$ -</u>	<u>\$ 12,472,600</u>

CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - CAPITAL ASSETS (Continued)

	Balance December 31, 2010	Restatement and Reclassifications	Additions	Deletions	Balance December 31, 2011
Primary government:					
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 776,635	\$ -	\$ 29,700	\$ -	\$ 806,335
Construction in process	1,373,549	-	1,958,851	-	3,332,400
Total capital assets, not being depreciated	<u>2,150,184</u>	<u>-</u>	<u>1,988,551</u>	<u>-</u>	<u>4,138,735</u>
Capital assets, being depreciated:					
Sewage disposal plant and equipment	29,927,003	-	-	-	29,927,003
Sewer mains	42,068,659	-	-	-	42,068,659
Outfall lines	1,141,390	-	-	-	1,141,390
Land improvements	482,092	-	-	-	482,092
Furniture and office equipment	127,055	-	-	-	127,055
Computer equipment	352,685	-	6,934	-	359,619
Vehicles	940,559	-	100,205	58,616	982,148
Machinery and equipment	706,990	-	8,761	11,209	704,542
Maintenance facility	1,430,686	-	-	-	1,430,686
Total capital assets, being depreciated	<u>77,177,119</u>	<u>-</u>	<u>115,900</u>	<u>69,825</u>	<u>77,223,194</u>
Less accumulated depreciation for:					
Sewage disposal plant and equipment	11,408,463	-	1,034,973	-	12,443,436
Sewer mains	15,185,781	-	1,028,412	-	16,214,193
Outfall lines	365,211	-	23,838	-	389,049
Land improvements	41,922	-	32,139	-	74,061
Furniture and office equipment	101,095	-	9,611	-	110,706
Computer equipment	319,178	-	17,595	-	336,773
Vehicles	733,192	(3,000)	59,614	54,122	735,684
Machinery and equipment	486,289	-	55,915	11,209	530,995
Maintenance facility	316,937	3,000	36,229	-	356,166
Total accumulated depreciation	<u>28,958,068</u>	<u>-</u>	<u>2,298,326</u>	<u>65,331</u>	<u>31,191,063</u>
Total capital assets, being depreciated, net	<u>48,219,051</u>	<u>-</u>	<u>(2,182,426)</u>	<u>4,494</u>	<u>46,032,131</u>
Total	<u>\$ 50,369,235</u>	<u>\$ -</u>	<u>\$ (193,875)</u>	<u>\$ 4,494</u>	<u>\$ 50,170,866</u>

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - CAPITAL ASSETS (Concluded)

	Balance December 31, 2010	Restatement and Reclassifications	Additions	Deletions	Balance December 31, 2011
Component unit:					
Downtown Development Authority:					
Capital assets, not being depreciated:					
Land	\$ 4,889,564	\$ -	\$ -	\$ -	\$ 4,889,564
Total capital assets, not being depreciated	4,889,564	-	-	-	4,889,564
Capital assets, being depreciated:					
Buildings	1,051,920	-	-	-	1,051,920
Land improvements	6,447,926	-	-	-	6,447,926
Infrastructure	1,294,495	-	-	-	1,294,495
Computer	2,500	-	-	-	2,500
Machinery and equipment	43,613	-	-	-	43,613
Furniture and office equipment	76,020	-	-	-	76,020
Total capital assets, being depreciated	8,916,474	-	-	-	8,916,474
Less accumulated depreciation for:					
Buildings	163,533	-	26,520	-	190,053
Land improvements	1,257,383	(1,705)	360,115	-	1,615,793
Infrastructure	958,443	1,705	86,755	-	1,046,903
Computer	-	-	833	-	833
Machinery and equipment	27,621	-	4,361	-	31,982
Furniture and office equipment	48,237	-	7,602	-	55,839
Total accumulated depreciation	2,455,217	-	486,186	-	2,941,403
Total capital assets, being depreciated, net	6,461,257	-	(486,186)	-	5,975,071
Total	\$ 11,350,821	\$ -	\$ (486,186)	\$ -	\$ 10,864,635

Depreciation expense was charged to functions/programs of the primary government at December 31, 2011 as follows:

Governmental activities:	
General government	\$ 178,259
Public safety	251,034
Public works	176,948
Community development	4,021
Recreation and culture	219,058
Total governmental activities	<u>\$ 829,320</u>
Business type activities:	
Sewer	<u>\$ 2,298,326</u>
Component unit:	
Downtown development authority	<u>\$ 486,186</u>

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - INTERFUND RECEIVABLES, PAYABLE AND TRANSFERS

The composition of interfund transfers for the year ended December 31, 2011 is as follows:

	Transfer in			Total transfers out
	Pine Tree Road	Fire Fund	Police Fund	
Transfer out:				
General Fund	\$ 25,633	\$ 352,349	\$ 1,010,319	\$ 1,388,301
Total transfers in	<u>\$ 25,633</u>	<u>\$ 352,349</u>	<u>\$ 1,010,319</u>	<u>\$ 1,388,301</u>

Transfers are used to move funds for purchase of capital outlay and to move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations.

NOTE 7 - LONG-TERM DEBT

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM DEBT (Continued)

General Obligation Bonds (Concluded)

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.

\$721,779, 2011 Refunding Bonds, due in annual installments of \$9,990 to \$74,925 through 2022, interest at 0.875% to 3.65%. The Township issued bonds totaling \$4,335,000 of which 16.65% (\$721,779) was for water improvement (general long-term debt) and 83.35% (\$3,613,221) was for sanitary sewer (enterprise fund) \$ 711,789

Other Long-term Debt

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

Purpose	Amount	Fiscal year obligations extend through	Interest Rate
Governmental activities	<u><u>\$ 1,987,532</u></u>	2029	Imputed at 4%

Installment Purchase Agreement

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

Purpose	Amount	Fiscal year Due	Interest Rate
Governmental activities	<u><u>\$ 266,834</u></u>	2019	3.49%

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM DEBT (Continued)

Enterprise Fund

General Obligation Bonds Payable:

\$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%	\$ 1,885,000
\$3,613,221, 2011 Refunding Bonds (Sanitary Sewer general obligation bonds), due in annual installments of \$50,010 to \$375,075 through 2022, interest at 0.875% to 3.65%. The Township issued one bond issue for \$4,335,000 of which 83.35% (\$3,613,221) was for sanitary sewer (enterprise fund) and 16.65% (\$721,779) was for water improvement (general long-term debt)	3,563,212
\$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)	868,236
	\$ 6,316,448

State Revolving Loan Fund Revenue Bonds

\$9,850,000, 2007 Sanitary Sewer revenue bonds, draws to December 31, 2011 of \$9,850,000, interest payable at 1.625%. Interest payments due semi-annually. Principal payments ranging from \$420,000 to \$570,000 due annually through 2028.	\$ 8,565,000
\$8,400,000, 2010 Sanitary Sewer revenue bonds, draws to November 30, 2012, interest paid semi-annually at 2.5%. Principal payments ranging from \$330,000 to \$525,000 due starting in 2013, payable through 2032.	2,614,870
	\$ 11,179,870

Note 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%.	\$ 765,000

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM DEBT (Continued)

Downtown Development Authority (Component Unit)

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

\$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%	\$ 525,000
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\$2,540,000, 2010 Downtown Development refunding bonds for the purpose of refunding 1997 general obligations bonds, due in annual installments of \$495,000 to \$525,000 starting in 2011 and going through 2015, interest at .875% to 2.05%	2,045,000
--	-----------

\$8,980,000, 2008 DDA general obligation bonds, due in annual installments for \$395,912 to \$787,000 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)	7,796,763
	\$ 10,366,763
	\$ 10,366,763

Land Contract

\$225,000, Land contract due in semi-annual installments of \$23,446 through 2016, interest at 6%	\$ 200,000
	\$ 200,000

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM DEBT (Continued)

The following is a summary of changes in long-term debt during the year ended December 31, 2011:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Governmental activities:					
General obligation bonds	\$ 734,266	\$ 721,779	\$ 744,256	\$ 711,789	\$ 58,275
Special assessment bonds	30,193	-	30,193	-	-
General assessment payable	2,109,291	-	121,759	1,987,532	121,759
Installment purchase agreement	300,168	-	33,334	266,834	33,333
OPEB payable	-	5,710	-	5,710	5,710
Compensated absences	369,814	31,982	-	401,796	120,000
	<u>\$ 3,543,732</u>	<u>\$ 759,471</u>	<u>\$ 929,542</u>	<u>\$ 3,373,661</u>	<u>\$ 339,077</u>
Business-type activities:					
General obligation bonds	\$ 6,669,564	\$ 3,613,221	\$ 3,966,337	\$ 6,316,448	\$ 445,322
Revenue bonds	10,084,919	1,529,951	435,000	11,179,870	440,000
Special assessment bonds	104,807	-	104,807	-	-
Notes payable	1,480,000	-	715,000	765,000	765,000
	<u>\$ 18,339,290</u>	<u>\$ 5,143,172</u>	<u>\$ 5,221,144</u>	<u>\$ 18,261,318</u>	<u>\$ 1,650,322</u>
Component unit:					
General obligation bonds	\$ 11,336,172	\$ -	\$ 969,409	\$ 10,366,763	\$ 1,001,403
Land contract	-	225,000	25,000	200,000	35,416
Compensated absences	22,542	-	1,449	21,093	21,093
	<u>\$ 11,358,714</u>	<u>\$ 225,000</u>	<u>\$ 995,858</u>	<u>\$ 10,587,856</u>	<u>\$ 1,057,912</u>
	<u>\$ 33,241,736</u>	<u>\$ 6,127,643</u>	<u>\$ 7,146,544</u>	<u>\$ 32,222,835</u>	<u>\$ 3,047,311</u>

The annual requirements to amortize all long-term debt outstanding, exclusive of compensated absences and OPEB payable as of December 31, 2011, are as follows:

Year ending December 31	Governmental activities		Business-type activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 213,367	\$ 130,517	\$ 1,650,322	\$ 437,581	\$ 1,036,819	\$ 368,371
2013	214,200	122,323	1,237,496	385,811	1,075,969	342,597
2014	215,864	113,972	1,263,336	360,165	1,110,752	314,086
2015	216,697	105,448	1,300,008	332,752	1,150,675	281,265
2016	217,530	96,756	1,327,683	303,580	664,743	251,130
2017 - 2021	1,043,626	348,252	6,491,397	1,029,550	3,273,808	857,646
2022 - 2026	586,115	145,444	3,861,076	298,595	2,253,997	188,030
2027 - 2029	258,756	25,476	1,130,000	27,625	-	-
	<u>\$ 2,966,155</u>	<u>\$ 1,088,188</u>	<u>\$ 18,261,318</u>	<u>\$ 3,175,659</u>	<u>\$ 10,566,763</u>	<u>\$ 2,603,125</u>

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM DEBT (Concluded)

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, 2011, \$2,900,000 of bonds outstanding from a prior advance refunding is considered defeased.

On June 23, 2011, the Township issued refunding bonds of \$4,335,000 with interest rates ranging from .875% to 3.65% to advanced refund the Township's 2002 Sanitary Sewer general obligation bonds which had interest rates of 3.10% to 5.0%. The bonds matured at various times through 2022. The 2011 general obligation bonds were issued at a discount after paying issuance costs of \$47,644. The net proceeds from the 2011 bond totaled \$4,227,921. The net proceeds of the new bonds were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments on the refunded debt. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the Township's government-wide financial statements.

As a result of the advance refunding, the Township reduced its total debt service requirements by \$380,727, which resulted in an economic gain (difference between the present value of the debt service payment on the old and new debt) of \$326,234.

NOTE 8 - CONTRIBUTED CAPITAL

Contributed capital currently exists only in the enterprise fund. This capital has been used along with other Township resources to purchase or construct the sewer system currently in use or still in construction within the Township. Contributions for 2011 from customers, sub-dividers and component units equaled \$31,475. Currently, accounting principles generally accepted in the United States of America call for capital contributions to be recorded as revenue.

NOTE 9 - PROPERTY TAX REVENUE

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 and also taxes for the county, intermediate school district, community college and school districts. 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 revenue. Property tax receivables related to delinquent taxes are also deferred unless collected within 60 days of year-end.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - PROPERTY TAX REVENUE (Concluded)

The Township is permitted by state statute to levy taxes up to \$5.00 per \$1,000 of taxable valuation for general government 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. In 2011, the Township levied \$4.3094 per \$1,000 for general governmental purposes and \$0.5000 per \$1,000 for fire equipment, and \$1.5000 per \$1,000 for Police services, and \$1.5000 per \$1,000 for Fire and Emergency Medical Services on the December 1, 2010 levy (recognized as revenue in 2011) for a total of \$7.8094 per \$1,000.

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.

NOTE 10 - PENSION PLANS

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 2011 was \$4,029,816. Contributions were calculated using the base salary amount of \$3,103,723. The Township made the required 10% contribution total \$310,372.

NOTE 11 - 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 \$6,280. The deferred compensation is only available to the employees upon retirement, termination, becoming permanently disabled, or death.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS

In addition to benefits described in Note 10 and 11, the Township provides both health and life insurance benefits for retired employees (the "Plan"). The Plan provides other post employment benefits (OPEB) for all of its full time employees through a single-employer defined benefit plan. Based on the plan, the Township is required to have an actuarial calculation every three years. The information provided is the results of the most recent actuarial valuation with a measurement date of August 31, 2010.

Plan Description. The purpose of the Plan is to provide health and life insurance benefits to all employees who retire from the Township with a minimum ten years of service based on the schedule of shared participation rates. The Plan is maintained as a trust fund in the Charter Township of Delta's financial statements. The Township Board of Trustees has the authority to establish and amend benefit provisions.

Funding Policy. The contribution requirements of plan members and the Township are established and may be amended by the Township. Retirees receiving benefits contribute to the cost of the premiums based on the number of years of service. The Township's share of costs ranges from 75% to 100% of the monthly premiums, based on years of service. The Township will provide 100% of life insurance. The Township is also required to contribute at a rate that is based on an actuarial valuation that is prepared in accordance within certain parameters, in addition to a pay-as-you-go basis for retiree health care cost. The Township contributed \$154,276 for their portion of shared costs with retiree's premiums. At August 31, 2010, the date of the latest actuarial valuation, participants in the Plan consisted of:

Retirees and beneficiaries receiving benefits	15
Active employees	61
	76
Total	76

Funding progress. For the year ended December 31, 2011 the Township has estimated the cost of providing retiree health care benefits through an actuarial valuation as of August 31, 2010. The valuation computes an annual required contribution, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. Based on that valuation, the Township contributed \$390,168 in the year ended December 31, 2011 which represents 99.0% of the annual required contribution. An additional \$4,122 was contributed on behalf of the Downtown Development Authority. This is an additional 1.0% of the annual required contribution. The value of the Plan's assets at the end of December 31, 2011 was \$1,121,221.

Annual required contribution (recommended)	\$ 394,290
Amounts contributed:	
Payments of current expenses	(394,290)
Increase in net OPEB obligation	-
OPEB obligation:	
Beginning of year	5,710
End of year	\$ 5,710

The outstanding balance is recorded as long-term liabilities due within one year.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS (Continued)

The annual OPEB costs, the percentage contributed to the Plan, and the net OPEB obligation for the current and preceding two years is as follows:

Year ending December 31,	Annual OPEB cost	Percentage of annual OPEB cost contributed	Net OPEB obligation
2009	\$ 349,093	100.0%	\$ -
2010	364,802	98.4%	5,710
2011	394,290	100.0%	5,710

The funding progress of the Plan as of the most recent valuation date of August 31, 2010, is as follows:

Actuarial accrued liability (AAL)	\$ 3,647,677
Actuarial value of plan assets - 8/31/2010	532,747
Unfunded actuarial accrued liability (UAAL)	<u>\$ 3,114,930</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>14.6%</u>
Covered payroll (active plan members)	<u>\$ 4,030,000</u>
UAAL as a percentage of covered payroll	<u>77.3%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. 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 with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit cost between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS**

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS (Concluded)

In the August 31, 2010, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 8 percent investment rate of return and an annual healthcare cost trend rate of 9 percent initially, reduced by decrements to an ultimate rate of 4.5 percent after ten years. Both rates include a 4.5 percent inflation assumption. The actuarial value of the assets was determined using the fair market value at the time of measurement. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at August 31, 2010 was thirty years.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The Township and its component units are 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. The Township and its component units carry commercial insurance to cover any losses that may result from the above described activities. No settlements have incurred in excess of coverage in 2011 or any of the prior three years.

There are various claims and legal actions pending against the Township, many of which are either partially or fully covered by insurance. The Township is defending against these actions. In the opinion of Township management, the ultimate amount of loss, if any, resulting from these claims and legal actions will not be material to the financial position of the Township.

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 expect such amounts, if any, to be immaterial.

NOTE 14 - NATURE AND PURPOSE OF RESTRICTIONS OF NET ASSETS

Restrictions in the enterprise fund represent amounts set aside for debt retirement and capital improvement. The amount of the restriction is based on the excess of restricted investments over related liabilities.

NOTE 15 - BUILDING DEPARTMENT

The Township records the results of building department operations in the general fund. In accordance with Michigan Public Act 245 of 1999, the Township is required to maintain an accounting system that separately accumulates revenues and expenditures related to the building department function. For the year ended December 31, 2011 building department revenues were \$173,869 and expenditures were \$268,787.

CHARTER TOWNSHIP OF DELHI
NOTES TO FINANCIAL STATEMENTS
(Concluded)

NOTE 16 - 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 17 - UPCOMING ACCOUNTING PRONOUNCEMENT

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued in December 2010. This statement incorporates into the GASB literature certain accounting and financial reporting guidance issued on or before November 30, 1989 that is included in FASB Statements and Interpretations, APB Opinions and Accounting Research Bulletins of the AICPA Committee on Accounting Procedure. The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the Township's 2012 fiscal year.

GASB statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, was issued by the GASB in June 2011 and will be effective for the Township's 2012 fiscal year. The statement incorporates deferred outflows of resources and deferred inflows of resources, as defined by GASB Concepts Statement No. 4, into the definitions of the required components of the residual measure of net position, formerly net assets. This statement also provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Once implemented, this statement will impact the format and reporting of the balance sheet at the government-wide level and also at the fund level.

REQUIRED SUPPLEMENTARY INFORMATION

**CHARTER TOWNSHIP OF DELHI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2011**

	Original budget	Final budget	Actual	Actual over (under) final budget
REVENUES:				
Taxes	\$ 2,777,300	\$ 2,761,800	\$ 2,763,858	\$ 2,058
Special assessments	270,500	339,500	342,283	2,783
Intergovernmental	1,436,600	2,062,020	2,166,758	104,738
Licenses and permits	177,800	215,150	226,356	11,206
Charges for services	1,728,860	1,841,530	1,885,919	44,389
Interest	60,000	15,000	15,267	267
Other	470,650	491,500	504,378	12,878
Total revenues	<u>6,921,710</u>	<u>7,726,500</u>	<u>7,904,819</u>	<u>178,319</u>
EXPENDITURES:				
Current:				
General government:				
Legislative - Board of trustees	101,230	100,060	97,806	(2,254)
Manager	329,260	331,000	326,919	(4,081)
Accounting	185,300	199,620	193,754	(5,866)
Clerk	232,100	237,620	229,238	(8,382)
Information technology	291,870	264,370	236,205	(28,165)
Treasurer	253,750	242,600	225,555	(17,045)
Assessing	266,900	263,980	256,048	(7,932)
Elections	43,750	16,750	14,288	(2,462)
Building and grounds	298,830	286,490	277,827	(8,663)
Cemetery	103,110	103,730	101,521	(2,209)
Total general government	<u>2,106,100</u>	<u>2,046,220</u>	<u>1,959,161</u>	<u>(87,059)</u>

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Actual over (under) final budget</u>
EXPENDITURES (Concluded):				
Current (concluded):				
Recreation and culture:				
Parks administration	\$ 207,780	\$ 169,120	\$ 166,813	\$ (2,307)
Parks	362,180	387,380	384,876	(2,504)
Recreation	190,520	164,730	161,005	(3,725)
Total recreation and culture	<u>760,480</u>	<u>721,230</u>	<u>712,694</u>	<u>(8,536)</u>
Public works	<u>653,200</u>	<u>579,020</u>	<u>491,153</u>	<u>(87,867)</u>
Community and economic development	<u>594,650</u>	<u>612,700</u>	<u>608,433</u>	<u>(4,267)</u>
Other	<u>333,070</u>	<u>352,550</u>	<u>321,261</u>	<u>(31,289)</u>
Debt service:				
Principal	155,140	155,140	155,093	(47)
Interest	9,890	9,890	9,887	(3)
Debt service	<u>165,030</u>	<u>165,030</u>	<u>164,980</u>	<u>(50)</u>
Capital outlay	<u>68,700</u>	<u>246,900</u>	<u>178,718</u>	<u>(68,182)</u>
Total expenditures	<u>4,681,230</u>	<u>4,723,650</u>	<u>4,436,400</u>	<u>(287,250)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,240,480</u>	<u>3,002,850</u>	<u>3,468,419</u>	<u>465,569</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital asset	2,000	98,800	100,089	1,289
Transfers in (out)	<u>(1,321,048)</u>	<u>(1,446,393)</u>	<u>(1,388,301)</u>	<u>58,092</u>
Total other financing sources (uses)	<u>(1,319,048)</u>	<u>(1,347,593)</u>	<u>(1,288,212)</u>	<u>59,381</u>
Net change in fund balance	921,432	1,655,257	2,180,207	524,950
FUND BALANCE:				
Beginning of year	<u>1,796,961</u>	<u>1,796,961</u>	<u>1,796,961</u>	<u>-</u>
End of year	<u>\$ 2,718,393</u>	<u>\$ 3,452,218</u>	<u>\$ 3,977,168</u>	<u>\$ 524,950</u>

**CHARTER TOWNSHIP OF DELHI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FIRE FUND SPECIAL REVENUE
YEAR ENDED DECEMBER 31, 2011**

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Actual over (under) final budget</u>
REVENUES:				
Taxes	\$ 1,130,000	\$ 1,126,530	\$ 1,126,846	\$ 316
Intergovernmental	-	17,820	37,384	19,564
Other revenue	172,580	185,080	185,163	83
Total revenues	<u>1,302,580</u>	<u>1,329,430</u>	<u>1,349,393</u>	<u>19,963</u>
EXPENDITURES:				
Current:				
Public safety	1,609,390	1,724,250	1,690,242	(34,008)
Capital outlay	-	11,500	11,500	-
Total expenditures	<u>1,609,390</u>	<u>1,735,750</u>	<u>1,701,742</u>	<u>(34,008)</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(306,810)</u>	<u>(406,320)</u>	<u>(352,349)</u>	<u>53,971</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>306,810</u>	<u>406,320</u>	<u>352,349</u>	<u>(53,971)</u>
Total other financing sources (uses)	<u>306,810</u>	<u>406,320</u>	<u>352,349</u>	<u>(53,971)</u>
Net change in fund balances	-	-	-	-
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CHARTER TOWNSHIP OF DELHI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
POLICE FUND SPECIAL REVENUE
YEAR ENDED DECEMBER 31, 2011**

	Original budget	Final budget	Actual	Actual over (under) final budget
REVENUES:				
Taxes	\$ 1,130,000	\$ 1,126,530	\$ 1,126,846	\$ 316
Charges for services	-	22,630	22,635	5
Other revenue	56,000	48,000	49,362	1,362
Total revenues	1,186,000	1,197,160	1,198,843	1,683
EXPENDITURES:				
Current:				
Public safety	2,174,400	2,211,600	2,209,162	(2,438)
Total expenditures	2,174,400	2,211,600	2,209,162	(2,438)
Excess (deficiency) of revenue over (under) expenditures	(988,400)	(1,014,440)	(1,010,319)	4,121
OTHER FINANCING SOURCES (USES):				
Transfers in	988,400	1,014,440	1,010,319	(4,121)
Total other financing sources (uses)	988,400	1,014,440	1,010,319	(4,121)
Net change in fund balances	-	-	-	-
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

**CHARTER TOWNSHIP OF DELHI
REQUIRED SUPPLEMENTARY INFORMATION
RETIREE HEALTH PLAN SCHEDULE OF FUNDING PROGRESS
AND SCHEDULE OF EMPLOYER CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2011**

The historical information required to be disclosed, beginning as of March 31, 2008, is as follows:

	(1)	(2)	(3)	(4)	(5)	
Actuarial valuation date	Actuarial value of assets	Actuarial accrued liability (AAL)	Unfunded AAL (UAAL) (2) - (1)	Funded ratio (1)/(2)	Annual covered payroll	UAAL as a % of payroll [(2)-(1)]/(5)
3/31/08	\$ -	\$ 3,627,845	\$ 3,627,845	0.0%	\$ 4,019,000	90.3%
8/31/10	532,747	3,647,677	3,114,930	14.6%	4,030,000	77.3%

Schedule of employer contributions

Year ended	Actual valuation date	Annual required contribution	Actual contribution	Percentage contributed	Net OPEB obligation (asset)
12/31/2009	March 31, 2008	\$ 349,093	\$ 349,093	100.0%	\$ -
12/31/2010	March 31, 2008	364,802	359,092	98.4%	5,710
12/31/2011	August 31, 2010	394,290	394,290	100.0%	5,710

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of August 31, 2010 the latest actuarial valuation follows:

Actuarial cost method	Individual entry age
Amortization method	Level percent open
Amortization period (perpetual)	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5%
Valuation health care cost trend rate	9% in 2011, grading to 4.5% in 2019

**ADDITIONAL
SUPPLEMENTARY INFORMATION**

**CHARTER TOWNSHIP OF DELHI
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011**

	Special revenue	Debt service	Total nonmajor governmental funds
ASSETS			
ASSETS:			
Cash and cash equivalents	\$ 494,147	\$ -	\$ 494,147
Investments	202,246	-	202,246
Accounts receivable	8	-	8
Taxes receivable	368,911	-	368,911
Special assessments receivable	28,194	-	28,194
	\$ 1,093,506	\$ -	\$ 1,093,506
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts payable	\$ 3,410	\$ -	\$ 3,410
Deferred revenue	391,058	-	391,058
	394,468	-	394,468
FUND BALANCES:			
Restricted:			
Fire equipment, training and apparatus	281,401	-	281,401
Committed:			
For debt service	383,106	-	383,106
For water improvement	34,531	-	34,531
	699,038	-	699,038
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,093,506	\$ -	\$ 1,093,506

**CHARTER TOWNSHIP OF DELHI
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2011**

	<u>Special revenue</u>	<u>Debt service</u>	<u>Total nonmajor governmental funds</u>
REVENUES:			
Taxes	\$ 375,939	\$ -	\$ 375,939
Special assessments	15,308	-	15,308
Intergovernmental	71,547	-	71,547
Charges for services	27,800	-	27,800
Interest	1,484	-	1,484
Other	360	-	360
	<u>492,438</u>	<u>-</u>	<u>492,438</u>
EXPENDITURES:			
Current:			
Public safety	265,748	-	265,748
Public works	5,569	-	5,569
Debt service:			
Principal	56,611	30,193	86,804
Interest	55,804	1,064	56,868
Capital outlay	131,341	-	131,341
	<u>515,073</u>	<u>31,257</u>	<u>546,330</u>
Total revenues	<u>492,438</u>	<u>-</u>	<u>492,438</u>
Total expenditures	<u>515,073</u>	<u>31,257</u>	<u>546,330</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(22,635)</u>	<u>(31,257)</u>	<u>(53,892)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	25,633	25,633
Bond proceeds	721,779	-	721,779
Payment to escrow agent	(687,645)	-	(687,645)
	<u>34,134</u>	<u>25,633</u>	<u>59,767</u>
Total other financing sources (uses)	<u>34,134</u>	<u>25,633</u>	<u>59,767</u>
Net change in fund balances	11,499	(5,624)	5,875
FUND BALANCES:			
Beginning of year	<u>687,539</u>	<u>5,624</u>	<u>693,163</u>
End of year	<u>\$ 699,038</u>	<u>\$ -</u>	<u>\$ 699,038</u>

**CHARTER TOWNSHIP OF DELHI
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2011
(with comparative totals for December 31, 2010)**

	Water Improvement Fund	Fire Equipment, Training and Apparatus Fund	Totals	
			2011	2010
ASSETS				
Cash and cash equivalents	\$ 199,714	\$ 294,433	\$ 494,147	\$ 643,451
Investments	202,246	-	202,246	102,085
Accounts receivable	8	-	8	41
Taxes receivable	15,669	353,242	368,911	2,578,680
Special assessments receivable	28,194	-	28,194	40,359
Prepays	-	-	-	50
TOTAL ASSETS	\$ 445,831	\$ 647,675	\$ 1,093,506	\$ 3,364,666
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 3,410	\$ 3,410	\$ 4,061
Deferred revenue	28,194	362,864	391,058	2,673,066
TOTAL LIABILITIES	28,194	366,274	394,468	2,677,127
FUND BALANCES				
Nonspendable:				
Prepays	-	-	-	50
Restricted:				
Fire equipment, training and apparatus	-	281,401	281,401	230,642
Committed:				
For debt service	383,106	-	383,106	409,680
For water improvement	34,531	-	34,531	47,167
TOTAL FUND BALANCES	417,637	281,401	699,038	687,539
TOTAL LIABILITIES AND FUND BALANCES	\$ 445,831	\$ 647,675	\$ 1,093,506	\$ 3,364,666

**CHARTER TOWNSHIP OF DELHI
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2011
(with comparative totals for the year ended December 31, 2010)**

	Water Improvement Fund	Fire Equipment, Training and Apparatus Fund	Totals	
			2011	2010
REVENUES:				
Taxes	\$ -	\$ 375,939	\$ 375,939	\$ 401,233
Special assessments	15,308	-	15,308	16,257
Charges for services	27,800	-	27,800	21,300
Interest	1,172	312	1,484	2,745
Intergovernmental	-	71,547	71,547	36,750
Other revenue	360	-	360	9,737
Total revenues	44,640	447,798	492,438	488,022
EXPENDITURES:				
Current:				
Public safety	-	265,748	265,748	338,988
Public works	5,569	-	5,569	3,631
Debt service:				
Principal	56,611	-	56,611	44,955
Interest	55,804	-	55,804	36,547
Capital outlay	-	131,341	131,341	134,159
Total expenditures	117,984	397,089	515,073	558,280
Excess (deficiency) of revenues over (under) expenses	(73,344)	50,709	(22,635)	(70,258)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	21,724
Transfers out	-	-	-	(13,295)
Bond proceeds	721,779	-	721,779	-
Payment to escrow agent	(687,645)	-	(687,645)	-
Total other financing sources (uses)	34,134	-	34,134	8,429
Net change in fund balances	(39,210)	50,709	11,499	(61,829)
FUND BALANCES:				
Beginning of year	456,847	230,692	687,539	749,368
End of year	\$ 417,637	\$ 281,401	\$ 699,038	\$ 687,539

**CHARTER TOWNSHIP OF DELHI
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2011**

	<u>Water Improvement Fund</u>			<u>Fire Equipment, Training and Apparatus Fund</u>		
	<u>Final budget</u>	<u>Actual</u>	<u>Actual over</u>	<u>Final budget</u>	<u>Actual</u>	<u>Actual over</u>
			<u>(under) final budget</u>			<u>(under) final budget</u>
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ 375,620	\$ 375,939	\$ 319
Special assessments	15,200	15,308	108	-	-	-
Charges for services	27,300	27,800	500	-	-	-
Interest	500	1,172	672	300	312	12
Intergovernmental	-	-	-	71,500	71,547	47
Other revenue	-	360	360	-	-	-
	<u>43,000</u>	<u>44,640</u>	<u>1,640</u>	<u>447,420</u>	<u>447,798</u>	<u>378</u>
Total revenues						
EXPENDITURES:						
Current:						
Public safety	-	-	-	268,480	265,748	(2,732)
Public works	6,280	5,569	(711)	-	-	-
Debt service:						
Principal	56,610	56,611	1	-	-	-
Interest	56,180	55,804	(376)	-	-	-
Capital outlay	-	-	-	131,350	131,341	(9)
	<u>119,070</u>	<u>117,984</u>	<u>(1,086)</u>	<u>399,830</u>	<u>397,089</u>	<u>2,741</u>
Total expenditures						

	Water Improvement Fund			Fire Equipment, Training and Apparatus Fund		
	Final budget	Actual	Actual over (under) final budget	Final budget	Actual	Actual over (under) final budget
Excess (deficiency) of revenue over (under) expenditures	\$ (76,070)	\$ (73,344)	\$ 2,726	\$ 47,590	\$ 50,709	\$ 3,119
OTHER FINANCING SOURCES (USES):						
Bond proceeds	721,770	721,779	9			
Payment to escrow agent	(687,650)	(687,645)	5			
Total other financing sources (uses)	34,120	34,134	14	-	-	-
Net change in fund balances	(41,950)	(39,210)	2,740	47,590	50,709	3,119
FUND BALANCES:						
Beginning of year	456,847	456,847	-	230,692	230,692	-
End of year	\$ 414,897	\$ 417,637	\$ 2,740	\$ 278,282	\$ 281,401	\$ 3,119

**CHARTER TOWNSHIP OF DELHI
DEBT SERVICE FUND
BALANCE SHEET
DECEMBER 31, 2011**

	<u>Pinetree Road</u>
ASSETS	
ASSETS:	
Taxes receivable	\$ -
	<u> </u>
FUND BALANCE:	
Unassigned	\$ -
	<u> </u>

**CHARTER TOWNSHIP OF DELHI
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2011**

	Pinetree Road
EXPENDITURES:	
Principal payments on debt	\$ 30,193
Interest and fiscal charges	1,064
Total expenditures	31,257
Deficiency of revenues under expenditures	(31,257)
OTHER FINANCING USES:	
Transfers in	25,633
Net change in fund balances	(5,624)
FUND BALANCE:	
Beginning of year	5,624
End of year	\$ -

**CHARTER TOWNSHIP OF DELHI
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2011**

	Debt Service - Pinetree Road		
	Final budget	Actual	Actual over (under) final budget
EXPENDITURES:			
Principal payments on debt	\$ 30,193	\$ 30,193	\$ -
Interest and fiscal charges	1,064	1,064	-
Total expenditures	31,257	31,257	-
Deficiency of revenues under expenditures	(31,257)	(31,257)	-
OTHER FINANCING SOURCES (USES):			
Transfers in	25,633	25,633	-
Net change in fund balances	(5,624)	(5,624)	
FUND BALANCE:			
Beginning of year	5,624	5,624	-
End of year	\$ -	\$ -	\$ -

CHARTER TOWNSHIP OF DELHI
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2011
(with comparative totals for December 31, 2010)

ASSETS	Trust and Agency	Tax collection fund	Totals	
			2011	2010
ASSETS:				
Cash and cash equivalents	\$ 51,381	\$ 15,895,773	\$ 15,947,154	\$ 16,847,666
Accounts receivable	154	-	154	-
Taxes receivable	287,784	14,593,167	14,880,951	15,511,751
TOTAL ASSETS	\$ 339,319	\$ 30,488,940	\$ 30,828,259	\$ 32,359,417
LIABILITIES:				
Due to other governments	\$ -	\$ 30,488,940	\$ 30,488,940	31,832,316
Undistributed receipts	339,319	-	339,319	527,101
TOTAL LIABILITIES	\$ 339,319	\$ 30,488,940	\$ 30,828,259	\$ 32,359,417

CHARTER TOWNSHIP OF DELHI
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2011

	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011
Trust and Agency				
Assets				
Cash and cash equivalents	\$ 37,012	\$ 2,081,800	\$ 2,067,431	\$ 51,381
Accounts receivable	-	15,658	15,504	154
Taxes receivable	490,089	242,025	444,330	287,784
	<u>\$ 527,101</u>	<u>\$ 2,339,483</u>	<u>\$ 2,527,265</u>	<u>\$ 339,319</u>
Liabilities				
Undistributed receipts	<u>\$ 527,101</u>	<u>\$ 2,415,752</u>	<u>\$ 2,603,534</u>	<u>\$ 339,319</u>
Current Tax				
Assets				
Cash and cash equivalents	\$ 16,810,654	\$ 39,268,442	\$ 40,183,323	\$ 15,895,773
Taxes receivable	15,021,662	39,989,566	40,418,061	14,593,167
	<u>\$ 31,832,316</u>	<u>\$ 79,258,008</u>	<u>\$ 80,601,384</u>	<u>\$ 30,488,940</u>
Liabilities				
Due to other governments	<u>\$ 31,832,316</u>	<u>\$ 45,576,965</u>	<u>\$ 46,920,341</u>	<u>\$ 30,488,940</u>
Totals				
Assets				
Cash and cash equivalents	\$ 16,847,666	\$ 41,350,242	\$ 42,250,754	\$ 15,947,154
Accounts receivable	-	15,658	15,504	154
Taxes receivable	15,511,751	40,231,591	40,862,391	14,880,951
	<u>\$ 32,359,417</u>	<u>\$ 81,597,491</u>	<u>\$ 83,128,649</u>	<u>\$ 30,828,259</u>
Liabilities				
Undistributed receipts	\$ 527,101	\$ 2,415,752	\$ 2,603,534	\$ 339,319
Due to other governments	31,832,316	45,576,965	46,920,341	30,488,940
	<u>\$ 32,359,417</u>	<u>\$ 47,992,717</u>	<u>\$ 49,523,875</u>	<u>\$ 30,828,259</u>

CHARTER TOWNSHIP OF DELHI
STATEMENT OF NET ASSETS / GOVERNMENTAL FUND BALANCE SHEET
BROWNFIELD REDEVELOPMENT AUTHORITY COMPONENT UNIT
DECEMBER 31, 2011

	Governmental fund balance sheet	Adjustments	Statement of net assets
ASSETS			
Cash and cash equivalents	\$ 34,911	\$ -	\$ 34,911
Taxes receivable	139,680	-	139,680
Total assets	\$ 174,591	-	174,591
LIABILITIES			
Deferred/unearned revenue	\$ 139,261	-	139,261
FUND BALANCES:			
Unassigned	35,330	(35,330)	-
Total liabilities and fund balances	\$ 174,591		
NET ASSETS			
Unrestricted		35,330	35,330
Total net assets		\$ 35,330	\$ 35,330

CHARTER TOWNSHIP OF DELHI
STATEMENT OF ACTIVITIES / GOVERNMENTAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BROWNFIELD REDEVELOPMENT AUTHORITY COMPONENT UNIT
YEAR ENDED DECEMBER 31, 2011

	Governmental fund statement of revenues, expenditures and changes in fund balance	Adjustments	Statement of activities
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Property taxes	\$ 187,290	\$ -	\$ 187,290
	<u> </u>	<u> </u>	<u> </u>
Total revenues	187,290	-	187,290
EXPENDITURES/EXPENSES:			
Community and economic development	175,693	-	175,693
	<u> </u>	<u> </u>	<u> </u>
Changes in fund balance/net assets	11,597	-	11,597
FUND BALANCES/NET ASSETS:			
Beginning of year	23,733	-	23,733
	<u> </u>	<u> </u>	<u> </u>
End of year	<u>\$ 35,330</u>	<u>\$ -</u>	<u>\$ 35,330</u>

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CHARTER TOWNSHIP OF DELHI
STATEMENT OF NET ASSETS / GOVERNMENTAL FUNDS BALANCE SHEET
DOWNTOWN DEVELOPMENT AUTHORITY COMPONENT UNIT
DECEMBER 31, 2011

	<u>Governmental funds balance sheet</u>					
	Downtown Development General Operating	2008 Bond Debt Retirement	2010 Refunding Bonds	Total	Adjustments	Statement of Net Assets
ASSETS:						
Cash and cash equivalents	\$ 1,488,948	\$ -	\$ -	\$ 1,488,948	\$ -	\$ 1,488,948
Investments	474	-	-	474	-	474
Taxes receivable	3,012,024	-	-	3,012,024	-	3,012,024
Other receivables	1,279	-	-	1,279	-	1,279
Due from primary government	6,251	-	-	6,251	-	6,251
Prepays	3,611	-	-	3,611	38,785	42,396
Capital assets not being depreciated	-	-	-	-	4,889,564	4,889,564
Capital assets being depreciated	-	-	-	-	5,975,071	5,975,071
TOTAL ASSETS	\$ 4,512,587	\$ -	\$ -	\$ 4,512,587	\$ 10,903,420	\$ 15,416,007
LIABILITIES:						
Accounts payable	\$ 148,322	\$ -	\$ -	\$ 148,322	\$ -	\$ 148,322
Accrued liabilities	7,786	-	-	7,786	-	7,786
Interest payable	-	-	-	-	80,700	80,700
Due to other governments	1,287,385	-	-	1,287,385	-	1,287,385
Due to primary government	309,536	-	-	309,536	-	309,536
Deferred revenue	1,708,316	-	-	1,708,316	-	1,708,316
Undistributed receipts	1,418	-	-	1,418	-	1,418
Long-term liabilities:						
Due within one year	-	-	-	-	1,057,912	1,057,912
Due in more than one year	-	-	-	-	9,529,944	9,529,944
TOTAL LIABILITIES	3,462,763	-	-	3,462,763	10,668,556	14,131,319

Governmental funds balance sheet

	Downtown Development General Operating	2008 Bond Debt Retirement	2010 Refunding Bonds	Total	Adjustments	Statement of Net Assets
FUND BALANCES:						
Nonspendable:						
Prepays	\$ 3,611	\$ -	\$ -	\$ 3,611	\$ (3,611)	\$ -
Unassigned	1,046,213	-	-	1,046,213	(1,046,213)	-
TOTAL FUND BALANCES	1,049,824	-	-	1,049,824	(1,049,824)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,512,587	\$ -	\$ -	\$ 4,512,587		
NET ASSETS:						
Invested in capital assets, net of related debt					297,872	297,872
Unrestricted					986,816	986,816
Total net assets					\$ 1,284,688	\$ 1,284,688

CHARTER TOWNSHIP OF DELHI
STATEMENT OF ACTIVITIES / GOVERNMENTAL FUNDS REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
DOWNTOWN DEVELOPMENT AUTHORITY COMPONENT UNIT
YEAR ENDED DECEMBER 31, 2011

	Governmental funds revenues, expenditures and changes in fund balances					
	Downtown Development General Operating	2008 Bond Debt Retirement	2010 Refunding Bonds	Total	Adjustments	Statement of Activities
REVENUES:						
Property taxes	\$ 2,433,722	\$ -	\$ -	\$ 2,433,722	\$ -	\$ 2,433,722
Charges for services	226,966	-	4,687	231,653	(200,000)	31,653
Interest	5,852	-	-	5,852	-	5,852
	<u>2,666,540</u>	<u>-</u>	<u>4,687</u>	<u>2,671,227</u>	<u>(200,000)</u>	<u>2,471,227</u>
EXPENDITURES/EXPENSES:						
Current:						
Community and economic development	1,216,214	-	-	1,216,214	494,434	1,710,648
Debt service:						
Principal	65,000	409,409	495,000	969,409	(969,409)	-
Interest	24,325	320,891	33,725	378,941	20,369	399,310
	<u>1,305,539</u>	<u>730,300</u>	<u>528,725</u>	<u>2,564,564</u>	<u>(454,606)</u>	<u>2,109,958</u>
Revenues over (under) expenditures	<u>1,361,001</u>	<u>(730,300)</u>	<u>(524,038)</u>	<u>106,663</u>	<u>254,606</u>	<u>361,269</u>

**Governmental funds revenues, expenditures
and changes in fund balances**

	Downtown Development General Operating	2008 Bond Debt Retirement	2010 Refunding Bonds	Total	Adjustments	Statement of Activities
OTHER FINANCING SOURCES (USES):						
71 Transfers in	\$ -	\$ 730,300	\$ 524,038	\$ 1,254,338	\$ (1,254,338)	\$ -
Transfers out	(1,254,338)	-	-	(1,254,338)	1,254,338	-
Total other financing sources (uses)	(1,254,338)	730,300	524,038	-	-	-
Net change in fund balances	106,663	-	-	106,663	254,606	361,269
FUND BALANCES:						
Beginning of year	943,161	-	-	943,161	(19,742)	923,419
End of year	<u>\$ 1,049,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,049,824</u>	<u>\$ 234,864</u>	<u>\$ 1,284,688</u>

**CHARTER TOWNSHIP OF DELHI
GENERAL FUND
BALANCE SHEETS
DECEMBER 31, 2011 AND 2010**

	2011	2010
ASSETS		
ASSETS:		
Cash and cash equivalents	\$ 2,894,505	\$ 941,364
Investments	659,162	643,915
Receivables:		
Taxes	2,923,376	2,992,721
Special assessments	62,386	79,084
Other	398,929	375,805
Due from component unit	309,536	319,075
Prepays	52,906	29,070
TOTAL ASSETS	\$ 7,300,800	\$ 5,381,034
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	\$ 302,808	\$ 440,144
Accrued liabilities	73,051	128,806
Deferred revenue	2,947,773	3,015,123
TOTAL LIABILITIES	3,323,632	3,584,073
FUND BALANCE:		
Nonspendable:		
Prepays	52,906	29,070
Restricted:		
For neighborhood stabilization plan	40,045	-
Committed:		
Disaster contingency fund	10,000	10,000
Unassigned	3,874,217	1,757,891
TOTAL FUND BALANCE	3,977,168	1,796,961
TOTAL LIABILITIES AND FUND BALANCE	\$ 7,300,800	\$ 5,381,034

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**CHARTER TOWNSHIP OF DELHI
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
REVENUES:		
Taxes	\$ 2,763,858	\$ 2,765,415
Special assessments	342,283	330,383
Intergovernmental	2,166,758	1,902,292
Licenses and permits	226,356	206,255
Charges for services	1,885,919	1,831,640
Interest	15,267	36,518
Other	504,378	705,429
	7,904,819	7,777,932
Total revenues		
EXPENDITURES:		
Current:		
General government:		
Legislative - Board of trustees	97,806	88,276
Manager	326,919	325,839
Accounting	193,754	177,405
Clerk	229,238	239,789
Information technology	236,205	177,026
Treasurer	225,555	299,968
Assessing	256,048	247,559
Elections	14,288	58,977
Building and grounds	277,827	408,100
Cemetery	101,521	81,150
	1,959,161	2,104,089
Total general government		
Public safety:		
Police	-	2,185,243
Fire	-	1,427,533
	-	3,612,776
Total public safety		

	2011	2010
EXPENDITURES (Concluded):		
Current (Concluded):		
Public works	\$ 491,153	\$ 532,614
Community and economic development	608,433	588,014
Recreation and culture	712,694	725,571
Other	321,261	348,663
Debt service	164,980	166,144
Capital outlay	178,718	33,119
Total expenditures	4,436,400	8,110,990
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,468,419	(333,058)
OTHER FINANCING SOURCES (USES):		
Proceeds from sale of capital asset	100,089	-
Transfers in	-	62,519
Transfers out	(1,388,301)	-
Total other financing sources (uses)	(1,288,212)	62,519
Net change in fund balance	2,180,207	(270,539)
FUND BALANCE:		
Beginning of year	1,796,961	2,067,500
End of year	\$ 3,977,168	\$ 1,796,961

**CHARTER TOWNSHIP OF DELHI
SEWER FUND
BALANCE SHEETS
DECEMBER 31, 2011 AND 2010**

	2011	2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 147,958	\$ 1,068,096
Investments	428,972	319,859
Special assessments receivable	411,141	439,038
Other receivables	1,117,721	935,800
Prepays	55,597	16,242
Other assets	123,380	106,688
	2,284,769	2,885,723
TOTAL CURRENT ASSETS		
NONCURRENT ASSETS:		
Restricted cash, cash equivalents and investments:		
Debt service cash and cash equivalents	648,034	542,531
Replacement and special assessments cash and cash equivalents	829,489	803,062
Replacement investments	653,626	656,183
Property, plant and equipment net of accumulated depreciation	46,032,131	48,219,051
Property, plant and equipment not being depreciated	4,138,735	2,150,184
	52,302,015	52,371,011
TOTAL NONCURRENT ASSETS		
TOTAL ASSETS	\$ 54,586,784	\$ 55,256,734

LIABILITIES AND NET ASSETS	<u>2011</u>	<u>2010</u>
CURRENT LIABILITIES:		
Accounts payable	\$ 368,647	\$ 141,842
Accrued liabilities	156,894	137,818
Interest payable	114,251	146,333
Retainage payable	118,618	-
Deposits payable	-	500
Current portion of long-term debt	<u>1,650,322</u>	<u>1,728,778</u>
TOTAL CURRENT LIABILITIES	2,408,732	2,155,271
LONG-TERM LIABILITIES , net of current portion:		
Due in more than one year	<u>16,610,996</u>	<u>16,610,512</u>
TOTAL LIABILITIES	<u>19,019,728</u>	<u>18,765,783</u>
NET ASSETS:		
Invested in capital assets net of related debt	31,909,548	32,029,945
Restricted for:		
Replacement	1,483,115	1,273,206
Debt service	648,034	542,531
Special assessments	-	186,039
Unrestricted	<u>1,526,359</u>	<u>2,459,230</u>
TOTAL NET ASSETS	<u>35,567,056</u>	<u>36,490,951</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 54,586,784</u></u>	<u><u>\$ 55,256,734</u></u>

**CHARTER TOWNSHIP OF DELHI
SEWER FUND
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
OPERATING REVENUES:		
Charges for services	\$ 4,963,327	\$ 4,917,871
Permits and fees	143,221	121,025
Other operating revenue	62,288	26,710
Total operating revenues	5,168,836	5,065,606
OPERATING EXPENSES:		
Costs of sales and services	3,256,447	3,121,778
Depreciation	2,298,326	2,481,005
Total operating expenses	5,554,773	5,602,783
Operating loss	(385,937)	(537,177)
NON-OPERATING REVENUES (EXPENSES):		
Interest and rentals	36,820	33,319
Interest expense	(606,253)	(606,242)
Total non-operating revenues - net	(569,433)	(572,923)
Net loss before capital contributions and transfers	(955,370)	(1,110,100)
CAPITAL CONTRIBUTIONS	31,475	46,604
Change in net assets	(923,895)	(1,063,496)
NET ASSETS:		
Beginning of year	36,490,951	37,554,447
End of year	\$ 35,567,056	\$ 36,490,951

**CHARTER TOWNSHIP OF DELHI
SEWER FUND
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
INCREASE (DECREASE) IN CASH:		
Cash flows from operating activities:		
Cash received from customers	\$ 5,014,812	\$ 5,199,598
Cash payments to suppliers for goods and services	(1,651,560)	(1,837,108)
Cash payments to employees for services	(1,292,441)	(1,185,790)
	2,070,811	2,176,700
Cash flows from capital and related financing activities:		
Purchase of capital assets	(2,072,976)	(1,162,948)
Proceeds from bonds	5,143,172	1,209,295
Interest payments	(638,335)	(573,998)
Principal payments	(5,221,144)	(1,668,940)
	(2,789,283)	(2,196,591)
Cash flows from investing activities:		
Proceeds (purchases) from maturities of investments	(106,556)	1,109,721
Interest and rental earnings	36,820	33,319
	(69,736)	1,143,040
NET INCREASE (DECREASE) IN CASH	(788,208)	1,123,149
CASH:		
Beginning of year	2,413,689	1,290,540
End of year	\$ 1,625,481	\$ 2,413,689
Statement of net assets classification of cash:		
Cash and cash equivalents	\$ 147,958	\$ 1,068,096
Restricted cash and cash equivalents	1,477,523	1,345,593
	\$ 1,625,481	\$ 2,413,689
Noncash activities:		
noncash capital contributions	\$ 31,475	\$ 46,604

**CHARTER TOWNSHIP OF DELHI
SEWER FUND
STATEMENTS OF CASH FLOWS (Concluded)
YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
RECONCILIATION OF NET OPERATING REVENUES (EXPENSE) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating loss	\$ (385,937)	\$ (537,177)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation and amortization	2,298,326	2,481,005
Loss on sale of equipment	4,494	-
(Increase) decrease in assets:		
Special assessments receivable	27,897	34,484
Other receivables	(181,921)	52,904
Prepaid expenses	(39,355)	63,727
Other assets	(16,692)	32,243
Increase (decrease) in liabilities:		
Accounts payable	226,805	77,035
Accrued expenses	19,076	(10,748)
Retainage payable	118,618	-
Deposits payable	(500)	(16,773)
Total adjustments	2,456,748	2,713,877
Net cash provided by operating activities	\$ 2,070,811	\$ 2,176,700

**STATISTICAL SECTION
(UNAUDITED)**

CHARTER TOWNSHIP OF DELHI
DESCRIPTION OF STATISTICAL SECTION

This part of Delhi Township's financial statements 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 Report on the Financial Statements 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 Nine Fiscal Years
(accrual basis of accounting)**

	Fiscal Year Ended								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
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	\$ 9,359,465	\$ 9,506,445
Restricted	934,921	1,340,368	1,676,748	1,586,782	1,845,176	82,188	59,126	5,624	321,446
Unrestricted	4,626,633	4,428,042	4,136,777	3,404,342	3,388,481	4,039,122	2,655,541	2,590,604	4,046,689
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>	<u>\$ 11,955,693</u>	<u>\$ 13,874,580</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	\$ 32,029,945	\$ 31,909,548
Restricted	2,341,490	3,440,595	3,275,154	3,244,209	3,439,345	2,618,428	2,841,822	2,001,776	2,131,149
Unrestricted	8,498,052	4,750,275	3,865,016	4,322,440	3,376,243	2,799,900	1,824,266	2,459,230	1,526,359
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>	<u>\$ 36,490,951</u>	<u>\$ 35,567,056</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	\$ 41,389,410	\$ 41,415,993
Restricted	3,276,411	4,780,963	4,951,902	4,830,991	5,284,521	2,700,616	2,900,948	2,007,400	2,452,595
Unrestricted	13,124,685	9,178,317	8,001,793	7,726,782	6,764,724	6,839,022	4,479,807	5,049,834	5,573,048
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>	<u>\$ 48,446,644</u>	<u>\$ 49,441,636</u>

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

**Delhi Charter Township
Statement of Activities
Last Nine Fiscal Years
(Accrual Basis of Accounting)**

	Fiscal Year Ended								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
General governmental	\$ 2,348,086	\$ 2,028,273	\$ 1,887,124	\$ 1,984,846	\$ 2,310,105	\$ 2,327,244	\$ 2,162,616	\$ 2,286,907	\$ 2,087,161
Public Safety	3,796,061	3,743,943	3,629,755	3,890,919	4,083,262	4,346,453	4,503,054	4,309,039	4,430,295
Public Works	905,791	567,311	420,645	488,254	467,234	797,885	1,214,437	633,727	702,533
Community development	-	341,779	-	-	-	-	-	652,920	613,856
Recreation & cultural	614,243	670,705	741,668	770,980	823,026	847,934	918,737	952,510	935,756
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	60,120	44,561
Total governmental activities	7,883,710	7,742,568	7,028,659	7,488,075	7,803,992	8,410,525	8,875,120	8,895,223	8,814,162
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	6,209,025	6,161,026
Community Development	-	-	545,424	599,503	698,192	686,645	661,871	-	-
Total business-type activities	4,444,272	5,124,559	5,849,911	6,023,292	6,192,119	6,387,549	6,776,277	6,209,025	6,161,026
Total primary government expenses	\$ 12,327,982.00	\$ 12,867,127.00	\$ 12,878,570.00	\$ 13,511,367.00	\$ 13,996,111.00	\$ 14,798,074.00	\$ 15,651,397.00	\$ 15,104,248.00	\$ 14,975,188.00
Program revenues									
Charges for services:									
General government	\$ 377,398	\$ 596,127	\$ 617,892	\$ 711,788	\$ 813,504	\$ 892,589	\$ 902,289	\$ 907,325	\$ 946,334
Public safety	580,478	945,328	504,341	546,463	590,840	677,948	648,678	739,988	800,662
Public works	635,989	-	-	-	-	-	-	345,410	346,808
Community development	-	29,880	-	-	-	-	-	351,602	380,862
Recreation and cultural	109,214	108,695	127,318	115,240	152,570	134,870	133,835	109,304	103,555
Operating grants and contributions	59,833	506,673	459,807	608,514	217,929	155,846	97,136	168,765	422,216
Capital grants and contributions	-	306,076	(3,396)	114,693	258,803	421,038	3,396,484	271,422	109,207
Total governmental activities program revenues	1,762,912	2,492,779	1,705,962	2,096,698	2,033,646	2,282,291	5,178,422	2,893,816	3,109,644
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	5,042,106	5,116,198
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	30,109	10,069
Capital grants and contributions	253,957	901,587	1,550,284	253,243	322,539	401,403	145,768	46,604	31,475
Total business-type activities program revenues	5,589,345	6,464,009	8,080,852	6,506,744	6,240,005	5,873,412	5,643,150	5,118,819	5,157,742
Total primary government program revenues	\$ 7,352,257	\$ 8,956,788	\$ 9,786,814	\$ 8,603,442	\$ 8,273,651	\$ 8,155,703	\$ 10,821,572	\$ 8,012,635	\$ 8,267,386
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)	\$ (6,001,407)	\$ (5,704,518)
Business-type activities	1,145,073	1,339,450	2,230,941	483,452	47,886	(514,137)	(1,133,127)	(1,090,206)	(1,003,284)
Total primary government net expense	\$ (4,975,725)	\$ (3,910,339)	\$ (3,091,756)	\$ (4,907,925)	\$ (5,722,460)	\$ (6,642,371)	\$ (4,829,825)	\$ (7,091,613)	\$ (6,707,802)

**Delhi Charter Township
Statement of Activities
Last Nine Fiscal Years
(Accrual Basis of Accounting)**

	Fiscal Year Ended								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
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	\$ 3,642,755	\$ 5,393,489
State shared revenues	1,956,061	1,846,592	1,845,018	1,798,179	1,765,856	1,762,721	1,553,811	1,474,950	1,888,513
Grants and contributions not restricted to specific programs	546,427	564,271	313,785	311,693	536,536	545,943	505,290	558,432	324,964
Unrestricted investment earnings	100,474	114,606	147,015	273,927	306,428	179,694	77,351	36,518	16,439
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)	49,224	-
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>	<u>5,761,879</u>	<u>7,623,405</u>
Business-type activities:									
Investment earnings	198,152	-	-	-	-	-	-	-	24,339
Other	261,823	-	-	-	-	-	-	-	-
Intra-entity transfer	-	-	-	5,017	122,486	235,286	133,145	(49,224)	-
Transfers	(443,172)	-	-	-	-	-	-	-	-
Grants and contributions not restricted to specific programs	-	-	-	242,789	258,278	4,006	-	36,702	55,050
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>	<u>(12,522)</u>	<u>79,389</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>	<u>\$ 5,749,357</u>	<u>\$ 7,702,794</u>
Change in Net Assets									
Governmental activities	\$ 349,652	\$ 444,916	\$ 177,606	\$ 323,854	\$ 361,109	\$ (270,061)	\$ 2,032,964	\$ (239,528)	\$ 1,918,887
Business-type activities	1,161,876	1,339,450	2,230,941	731,258	428,650	(274,845)	(999,982)	(1,102,728)	(923,895)
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>	<u>\$ (1,342,256)</u>	<u>\$ 994,992</u>

8

The Community Development activity became an enterprise fund in 2005 and was reclassified back to the General Fund in 2010. 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)

	2002	2003*	2004**	2005	2006	2007	2008	2009	2010	2011***
General Fund										
Reserved	\$ 672,013	\$ 665,254	\$ 22,249	\$ 17,181	\$ 16,879	\$ 131,422	\$ 43,263	\$ 118,449	\$ 29,070	\$ -
Unreserved	3,227,804	3,336,559	3,594,274	3,478,017	2,810,035	2,757,433	2,542,428	1,949,051	1,767,891	-
Nonspendable	-	-	-	-	-	-	-	-	-	52,906
Restricted	-	-	-	-	-	-	-	-	-	40,045
Committed	-	-	-	-	-	-	-	-	-	10,000
Unassigned	-	-	-	-	-	-	-	-	-	3,874,217
Total general fund	<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>	<u>\$ 1,796,961</u>	<u>\$ 3,977,168</u>
All other Governmental Funds:										
Reserved	\$ 777,346	\$ 391,894	\$ 2,702	\$ 2,322	\$ 1,697	\$ 26,276	\$ 4,672	\$ 14,603	\$ 50	\$ -
Unreserved, report in:										
Special revenue funds	937,156	1,322,000	620,877	1,047,526	1,423,826	1,693,348	981,313	734,765	687,489	-
Debt service funds	-	-	716,789	626,900	161,259	125,552	82,187	59,126	5,624	-
Nonspendable in special revenue funds	-	-	-	-	-	-	-	-	-	39,266
Restricted in special revenue funds	-	-	-	-	-	-	-	-	-	281,401
Committed in special revenue funds	-	-	-	-	-	-	-	-	-	417,637
Unassigned in special revenue funds	-	-	-	-	-	-	-	-	-	(39,266)
Total all other governmental funds	<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>	<u>\$ 693,163</u>	<u>\$ 699,038</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.

*** New Fund Balance categories

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

	12/31/2002	12/31/2003	12/31/2004	12/31/2005	12/31/2006	12/31/2007	12/31/2008	12/31/2009	12/31/2010	12/31/2011
Revenues										
Taxes	\$ 2,795,846	\$ 2,949,759	\$ 2,837,256	\$ 3,083,557	\$ 3,325,504	\$ 3,482,728	\$ 3,631,229	\$ 3,726,355	\$ 3,642,755	\$ 5,393,489
Special assessments	161,804	99,388	332,282	283,497	302,707	309,267	413,635	345,481	353,122	357,591
Intergovernmental	2,399,756	2,009,211	2,233,400	1,948,687	1,896,685	2,054,131	2,034,967	1,832,749	1,939,042	2,275,689
Licenses and permits	470,019	635,989	470,630	16,262	17,215	16,969	15,965	16,526	206,255	226,356
Charges for services	939,730	1,021,182	1,209,400	1,233,289	1,387,884	1,612,695	1,656,817	1,644,706	1,852,940	1,936,354
Interest	221,106	85,582	123,919	196,732	354,870	395,285	227,839	89,122	39,751	16,751
Other	883,143	996,282	933,347	876,789	880,588	651,883	771,323	699,737	715,166	739,263
Total revenues	7,871,404	7,797,393	8,140,234	7,638,813	8,165,453	8,522,958	8,751,775	8,354,676	8,749,031	10,945,493
Expenditures										
General government	1,754,695	1,837,345	2,089,764	1,959,882	2,098,720	2,145,159	2,157,101	2,018,484	2,104,089	1,959,161
Public safety	3,385,031	3,626,658	3,521,507	3,479,152	3,679,179	3,881,356	4,102,659	4,191,856	3,951,764	4,165,152
Engineering	146,671	130,891	141,751	60,529	-	-	-	-	-	-
Public works	608,129	763,795	415,552	350,107	488,254	467,234	787,877	542,762	536,245	496,722
Community development	-	-	339,990	-	-	-	-	-	588,014	608,433
Recreation and cultural	504,547	546,032	615,878	622,949	630,761	694,297	706,826	767,951	725,571	712,694
Other	164,696	205,754	218,691	209,611	230,413	204,589	333,332	323,535	348,663	321,261
Debt service:										
Principal	472,510	358,486	406,210	498,208	500,462	504,763	521,389	553,967	705,239	241,897
Interest	472,251	223,270	187,401	134,391	113,902	100,592	87,808	73,415	57,262	66,755
Capital outlay	2,748,868	619,059	1,690,847	219,857	1,201,701	255,292	902,863	531,272	167,278	321,559
Total expenditures	10,257,398	8,311,290	9,627,591	7,534,686	8,943,392	8,253,282	9,599,855	9,003,242	9,184,125	8,893,634
Excess of revenues over (under) expenditures	(2,385,994)	(513,897)	(1,487,357)	104,127	(777,939)	269,676	(848,080)	(648,566)	(435,094)	2,051,859
Other Financing Sources (Uses)										
Proceeds from long-term debt	1,032,300	-	500,000	-	-	-	-	-	-	-
Issuance of refunding debt	-	-	2,365,000	-	-	-	-	-	-	721,779
Payment to refunded bond escrow agent	-	-	(2,353,080)	-	-	-	-	-	-	(687,645)
Proceeds from sale of capital assets	31,332	8,178	250,476	110,928	24,710	173,145	3,200	3,840	-	100,089
Bond premium	-	-	12,229	-	-	-	-	-	-	-
Inter-entity transfers in	-	383,529	-	-	-	-	-	-	-	-
Transfers in	1,754,368	504,540	604,397	621,903	794,517	592,477	595,388	692,348	84,243	1,388,301
Transfers out	(744,147)	(504,540)	(604,397)	(621,903)	(799,534)	(714,963)	(830,674)	(825,493)	(35,019)	(1,388,301)
Total other financing sources (uses)	2,073,853	391,707	774,625	110,928	19,693	50,659	(232,086)	(129,305)	49,224	134,223
Net change in fund balances	\$ (312,141)	\$ (122,190)	\$ (712,732)	\$ 215,055	\$ (758,246)	\$ 320,335	\$ (1,080,166)	\$ (777,871)	\$ (385,870)	\$ 2,186,082
Debt service as a percentage of noncapital expenditures	12.6%	7.6%	7.5%	8.6%	7.9%	7.6%	7.0%	7.4%	8.5%	10.8%

**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
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%
2010	2,504,049	123,516,681	13,641,928	549,152,400	-	48,597,700	737,412,758	7.8094	771,940,775	95.53%
2011	2,525,723	118,189,772	22,133,866	531,477,428	-	39,901,800	714,228,589	7.8094	739,999,851	96.52%

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/EMS Millage	Police 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	Service Millage	Total School Millage		
2002	4.4456	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	0.5000	0.5945	5.4039	14.0811	5.9881	3.8072	6.0000	0.0000	10.0000	10.0000	45.2803
2010	4.3094	1.5000	1.5000	0.5000	0.0000	7.8094	14.0739	5.9881	3.8072	6.0000	0.0000	10.0000	10.0000	47.6786
2011	4.3094	1.5000	1.5000	0.5000	0.0000	7.8094	14.1133	5.9881	3.8072	6.0000	0.0000	10.0000	10.0000	47.7180

Non-homestead school operating millage

2002	17.6724
2003	17.4674
2004	17.3171
2005	17.3171
2006	17.3171
2007	17.3171
2008	17.3171
2009	17.3171
2010	17.3171
2011	17.3171

Source: Township Assessing Department

**DELHI CHARTER TOWNSHIP
TOP TEN PRINCIPAL
TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO**

Taxpayer	2011			2002		
	Taxable Value	Rank	Percentage of Total Twp Taxable Value	Taxable Value	Rank	Percentage of Total Twp Taxable Value
RSDC of Michigan, LLC	\$ 20,963,000	1	2.9%			
Consumers Energy	7,910,438	2	1.1%	\$ 8,467,966	1	1.6%
Woodland Lakes Investment Group	6,160,600	3	0.8%			
Parker Hannifin Corp	5,490,900	4	0.8%	5,622,500	2	1.0%
Dart Container Corp of MI	4,709,289	5	0.6%	3,632,326	4	0.7%
Bondarenko Ltd LLC	3,676,804	6	0.5%	4,328,700	3	0.8%
Theroux Development Co.	3,630,538	7	0.5%	3,002,468	5	0.6%
Aspen Lakes Estates II LLC	2,475,500	8	0.3%			0.0%
Comcast of Michigan, LLC	2,462,683	9	0.3%			
DTN Enterprises LLC	2,278,413	10	0.3%			
Media One				2,574,700	6	0.5%
Stealth Engineering				2,270,400	7	0.4%
Delhi Village Ltd				2,149,860	8	0.4%
Cedar Park Shopping Center				2,121,878	9	0.4%
Moran Foods				2,080,552	10	0.4%

06

Source: Township Assessing Department

**DELHI CHARTER TOWNSHIP
PROPERTY TAX LEVIES AND COLLECTONS
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
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	3,037,969	99.95%
2004	3,360,749	3,340,283	99.4%	16,250	3,356,533	99.87%
2005	3,539,253	3,520,466	99.5%	17,695	3,538,161	99.97%
2006	3,843,446	3,829,154	99.6%	11,107	3,840,261	99.92%
2007	4,308,253	4,297,110	99.7%	9,401	4,306,511	99.96%
2008	4,436,174	4,422,146	99.7%	9,024	4,431,170	99.89%
2009	4,336,310	4,325,485	99.8%	5,322	4,330,806	99.87%
2010	5,872,671	5,852,639	99.7%	7,647	5,860,286	99.79%
2011	5,663,616	5,643,714	99.6%	-	5,643,714	99.65%

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

Source: Township Tax and Delinquent Personal Property Tax programs

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

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita*
	General Obligation Bonds	Special Assessment Bonds	General Assessment Payable	Installment Purchase Agreement	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Notes Payable			
2002	\$ 3,832,300	\$ 507,654	\$ -	\$ -	\$ 5,857,700	\$ 1,510,346	\$ -	\$ 6,617,345	\$ 18,325,345	3.20%	\$ 786
2003	3,572,325	409,143	378,823	-	8,172,675	1,268,857	-	5,932,374	19,734,197	3.30%	829
2004	3,339,025	317,750	357,306	500,000	7,940,975	1,031,250	-	5,248,259	18,734,565	2.93%	750
2005	2,984,060	229,357	335,789	466,667	7,620,940	793,643	-	4,535,000	16,965,456	2.56%	671
2006	2,597,430	160,964	194,410	433,379	7,287,570	596,036	-	3,985,000	15,254,789	2.22%	593
2007	2,178,303	120,771	182,265	400,088	6,931,697	435,229	1,280,410	3,405,000	14,933,763	2.11%	576
2008	1,732,511	90,578	170,108	366,834	7,557,490	314,422	7,687,569	2,800,000	20,719,512	2.95%	795
2009	1,254,220	60,386	157,959	333,501	7,123,696	209,614	9,305,624	2,160,000	20,605,000	2.85%	790
2010	734,266	30,193	2,109,291	300,168	6,669,563	104,807	10,084,919	1,480,000	21,513,207	3.00%	834
2011	711,789	-	1,987,532	266,834	6,316,448	-	11,179,870	765,000	21,227,473	3.08%	829

* Based on population estimates.

See Schedule 13 for Demographic and Economic Statistics for personal income and population data.

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

Fiscal Year	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES			Total Primary Government	Total Debt as a Percentage of Taxable Value ¹	Total Governmental Activities G.O. Debt Per Capita ²	Per Capita Income
	General Obligation Bonds	Special Assessment Bonds	General Obligation Bonds	Revenue Bonds	Special Assessment Bonds				
2002	\$ 3,832,300	\$ 507,654	\$ 5,857,700	\$ -	\$ 1,510,346	\$ 11,708,000	2.15%	164.47	\$ 24,562
2003	3,572,325	409,143	8,172,675	-	1,268,857	13,423,000	2.29%	149.99	25,101
2004	3,339,025	317,750	7,940,975	-	1,031,250	12,629,000	1.98%	133.68	25,640
2005	2,984,060	229,357	7,620,940	-	793,643	11,628,000	1.66%	118.05	26,179
2006	2,597,430	160,964	7,287,570	-	596,036	10,642,000	1.42%	100.90	26,717
2007	2,178,303	120,771	6,931,698	1,280,410	435,229	10,946,411	1.38%	84.02	27,256
2008	1,732,511	90,578	7,557,490	7,687,569	314,421	17,382,569	2.14%	66.46	26,935
2009	1,254,221	60,385	7,123,696	9,305,624	209,614	17,953,540	2.29%	48.09	27,768
2010	734,266	30,193	6,669,564	10,084,919	104,807	17,623,749	2.39%	28.38	27,768
2011	711,789	-	6,316,448	11,179,870	-	18,208,107	2.55%	27.79	26,912

**GOVERNMENTAL ACTIVITIES
GENERAL BONDED DEBT**

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	General Bonded Debt as a Percentage of Taxable Value ¹	General Bonded Debt Per Capita ²	
2002	\$ 3,832,300	\$ 507,654	\$ 4,339,954	0.80%	\$ 186
2003	3,572,325	409,143	3,981,468	0.68%	167.17
2004	3,339,025	317,750	3,656,775	0.57%	146.41
2005	2,984,060	229,357	3,213,417	0.46%	127.12
2006	2,597,430	160,964	2,758,394	0.37%	107.15
2007	2,178,303	120,771	2,299,074	0.29%	88.68
2008	1,732,511	90,578	1,823,089	0.22%	69.93
2009	1,254,221	60,385	1,314,606	0.17%	50.41
2010	734,266	30,193	764,459	0.10%	29.54
2011	711,789	-	711,789	0.10%	27.79

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

¹ See Schedule 5, the Schedule of Assessed Value and Taxable Value of Property for property value data.

² See Schedule 13, the Schedule of Demographic and Economic Statistics for population data.

**DELHI CHARTER TOWNSHIP
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2011**

Jurisdiction	Net General Bonded Debt Outstanding	Percent Applicable to Delhi	Amount Applicable to Delhi
Holt School District	\$ 90,509,072	83.48%	\$ 75,556,973
Mason School District	21,175,000	10.22%	2,164,085
Lansing School District	58,895,000	0.04%	23,558
Eaton Rapids School District	45,520,000	1.21%	550,792
Ingham County	39,987,732	9.76%	3,902,803
Ingham Intermediate School District	2,500,000	8.18%	204,500
Eaton Intermediate School District	1,275,000	0.23%	2,933
Lansing Community College	54,705,000	6.76%	3,698,058
Subtotal, overlapping debt			\$ 86,103,702
Delhi Charter Township direct debt	711,789	100.00%	711,789
Total direct and overlapping debt			<u>86,815,491</u>

Source: Municipal Advisory Council of Michigan (MAC)

The MAC obtains the taxable values of properties within the various taxing jurisdictions from the State of Michigan. The percentage applicable to Delhi Township is calculated by dividing the taxable value of Delhi Township taxpayers in that jurisdiction by the total taxable value of the jurisdiction.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the township. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Delhi Charter Township. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**DELHI CHARTER TOWNSHIP
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	\$ 69,001,890	\$ 67,837,880	\$ 74,094,640	\$ 81,133,195	\$ 86,776,175	\$ 89,012,479	\$ 90,305,100	\$ 83,584,365	\$ 77,184,731	\$ 75,707,465
Total net debt applicable to limit	22,741,302	23,948,262	22,510,710	20,498,349	18,772,865	17,079,653	25,284,342	22,991,615	22,629,459	20,614,366
Legal debt margin	\$ 46,260,588	\$ 43,889,618	\$ 51,583,930	\$ 60,634,846	\$ 68,003,310	\$ 71,932,826	\$ 65,020,758	\$ 60,592,750	\$ 54,555,272	\$ 55,093,099
Total net debt applicable to the limit as a percentage of debt limit	32.96%	35.30%	30.38%	25.27%	21.63%	19.19%	28.00%	27.51%	29.32%	27.23%

Legal Debt Margin Calculation for Fiscal Year 2011

2011 State Equalized Valuation (SEV)	\$ 757,074,651
	x 10%
Legal Debt Limit (10% of SEV)	<u>75,707,465</u>
Direct General Obligation Debt	\$ 31,794,236
Less:	
Special Assessment Bonds	-
Revenue Bonds	<u>(11,179,870)</u>
Net Direct Debt	<u>20,614,366</u>
Debt Limit Margin	<u>\$ 55,093,099</u>

**DELHI CHARTER TOWNSHIP
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (estimated) ¹	Estimated Total Personal Income for Township Residents (amounts expressed in thousands)	Per Capita Personal Income ¹	Median Age ¹	School Enrollment ²	Unemployment Rate ³
2001	23,094	\$ 554,810	\$ 24,024	n/a	5,308	2.5%
2002	23,301	572,319	24,562	n/a	5,507	3.0%
2003	23,817	597,831	25,101	n/a	5,705	3.6%
2004	24,977	640,410	25,640	n/a	5,866	4.0%
2005	25,279	661,779	26,179	n/a	5,947	4.1%
2006	25,743	687,776	26,717	36.7	6,005	4.0%
2007	25,925	706,612	27,256	36.7	5,998	3.9%
2008	26,070	702,195	26,935	36.7	5,973	4.5%
2009	26,078	724,134	27,768	38.5	5,862	7.2%
2010	25,877	718,553	27,768	n/a	5,862	6.8%
2011	25,610	689,216	26,912	37.7	5,892	8.5%

Data Sources:

¹ U.S. Census Bureau and estimated by current trends

² Holt Public Schools

³ State of Michigan: Department of Energy, Labor, and Economic Growth

**DELHI CHARTER TOWNSHIP
PRINCIPAL EMPLOYER
CURRENT YEAR AND TEN YEARS AGO**

Employer	2011			2002		
	Approx No. Employed	Rank	Percentage of Total Township Employment	Approx No. Employed	Rank	Percentage of Total Township Employment
Holt Public Schools	850	1	n/a	583	1	n/a
Dakkota Integrated Interiors	361	2	n/a	180	5	n/a
Granger Construction	197	3	n/a	250	4	n/a
RSDC of Michigan, LLC	175	4	n/a	292	2	n/a
Orchid Stealth	153	5	n/a	115	8	
Magna Powertrain (MPT)	150	6	n/a			
Kroger	130	7	n/a			
Holt Senior Care	123	8	n/a	75		n/a
Lansing Christian School	100	9	n/a			
Delhi Charter Township	79	10	n/a	137	7	n/a
Davenport Masonry				280	3	n/a
Tru Star, Inc				170	6	n/a
Save-a-Lot, Inc				110	9	n/a
Parker Hannifin Corp				109	10	n/a

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

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

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	19.00	20.50	20.50	20.63	20.10	19.94	19.32	17.82	17.82	18.17
Public Safety:										
Police										
Officers *	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	18.00	19.00
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	18.60	17.30	17.20	17.41	17.66	17.66	18.31	18.81	17.96	17.96
Civilians	2.00	1.50	1.50	1.50	1.50	1.50	1.80	1.80	1.80	1.80
Public Works	23.50	24.50	25.50	27.25	28.84	29.60	26.60	26.30	22.55	23.80
Engineering	2.00	1.50	1.50	-	-	-	-	-	-	-
Community Development	6.00	6.00	6.00	7.00	7.50	7.50	7.85	6.80	6.80	6.00
Recreation and Culture	5.00	5.00	5.50	5.00	5.50	5.80	5.80	5.80	5.80	9.43
Total	<u>98.60</u>	<u>98.80</u>	<u>100.20</u>	<u>101.29</u>	<u>103.60</u>	<u>104.50</u>	<u>102.18</u>	<u>99.83</u>	<u>92.23</u>	<u>97.66</u>

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	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fire										
Number of Calls	1,742	1,850	1,818	2,063	2,065	2,122	2,287	2,182	2,324	2,410
Inspections	900	858	907	1,138	836	1,004	1,000	375	1,129	826
Burning/Recreational Permits	1,472	1,331	1,964	1,901	2,171	2,069	1,288	356	317	271
Police										
Number of Traffic Accidents	955	890	779	872	741	969	842	669	507	288
Number of Written Complaints	4,878	4,673	4,644	4,525	4,683	4,729	4,621	4,667	4,125	4,044
Number of Miles Driven	105,366	198,475	174,376	163,754	187,916	153,791	150,075	146,832	115,671	113,913
Vehicle Stops	8,048	8,013	7,011	5,609	5,429	7,849	8,041	8,754	5,869	5,867
Accounting										
Number of W-2's processed	447	369	345	293	356	314	362	300	303	225
Number of payroll checks processed	n/a	n/a	2,933	2,456	2,614	2,346	2,353	1,932	1,459	1,189
Number of payroll direct deposits	n/a	n/a	n/a	n/a	n/a	n/a	1,463	1,685	2,063	2,085
Number of purchase orders processed	n/a	n/a	1,314	1,061	873	795	734	593	458	432
Number of accounts payable checks processed	3,159	2,992	3,571	2,753	2,830	2,881	2,767	2,585	2,156	2,283
Number of accounts payable ACHs sent							39	40	224	513
Assessing										
Number of Field Inspections	403	1,438	2,226	1,242	2,485	899	1,381	364	679	1,188
Clerk's Office										
Number of FOIA requests	43	56	122	77	56	65	37	29	37	26
Number of pages scanned/microfilmed	60,000	64,000	113,708	73,166	21,452	19,985	26,754	35,962	39,369	4,962
Elections										
Number of Registered Voters	15,294	15,734	16,578	16,804	16,723	17,016	17,929	17,542	17,425	17,891
Number of Permanent Absentee Voters	1,337	1,251	1,251	1,815	1,766	2,010	2,294	2,206	2,584	2,490
Treasurer's Office										
Monthly Average No. of Sewer Bills mailed	6,187	6,435	6,852	7,000	7,150	7,157	7,195	7,257	7,225	7,087
Monthly Average No. of Sewer Bills Emailed	-	-	-	-	-	-	-	-	-	116
Number of Tax Bills-Two billings/year beg, 2003	9,969	18,187	18,534	19,154	19,875	20,110	20,278	20,382	20,494	20,412
Culture & Recreation										
Number of Athletic Teams	244	247	242	253	290	231	259	254	248	282
Number of Sr. Citizens Trips	6	8	8	8	8	9	8	8	11	11
Tennis Lessons	261	204	201	196	200	165	195	204	155	-
Wastewater										
Average daily sewage treatment (millions of gallons per day)	2.31	2.12	2.87	2.23	3.00	2.45	2.54	2.68	2.15	2.35
Community Development										
Permits Issued	1,970	2,287	2,136	1,858	1,526	1,629	986	1,194	1,229	1,207
Code Enforcement Complaints	1,127	1,718	547	677	592	585	530	563	583	579

Source: Various Township Departments

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Function										
Public Safety										
Fire Stations	2	2	2	2	2	2	2	2	2	2
Culture and Recreation										
Parks Acreage	95	95	110	110	110	120	120	120	120	120
Parks	7	7	8	8	9	9	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	122.05	122.63	124.44	124.43	124.54	124.54	124.54
Maximum daily treatment capacity (millions of gallons)	2.5	2.5	2.5	4	4	4	4.5	4.5	4.5	4.5
General Government										
Cemeteries	3	3	3	3	3	3	3	3	3	3
Community Service Center	1	1	1	1	1	1	1	1	1	1