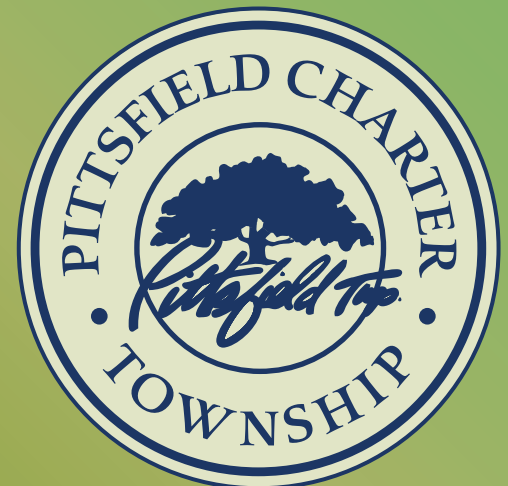


Comprehensive Annual Financial Report

Fiscal Year ended December 31, 2009



PITTSFIELD CHARTER TOWNSHIP, MICHIGAN



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year Ended
December 31, 2009**

Prepared by:

Finance Department

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2009

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INTRODUCTORY SECTION



Pittsfield Charter Township
Office of the Supervisor

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Website: www.pittsfield-mi.gov

Mandy Grewal
Township Supervisor
grewalm@pittsfield-mi.gov

Barbara Ryan Fuller
Deputy Supervisor
fullerb@pittsfield-mi.gov

June 3, 2010

To The Honorable Board of Trustees of Pittsfield Charter Township:

State law requires that all local governments, subject to certain size criteria, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended December 31, 2009.

Management assumes full responsibility for the completeness and reliability of all of the information contained in this report, based on a comprehensive framework of internal controls that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement.

Rehmann Robson, a firm of licensed certified public accountants, has issued an unqualified opinion on the Pittsfield Charter Township's financial statements for the year ended December 31, 2009. The independent auditor's report is presented at the front of the financial section of this report.

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

Profile of the Government

Organized in 1834 and chartered in 1972, Pittsfield Charter Township, which is approximately 28 square miles with a population of about 35,000, bridges the territory between the City of Ann Arbor and the City of Saline. Pittsfield Township has the second largest tax base in Washtenaw County, second only to the City of Ann Arbor. Pittsfield has an outstanding Department of Public Safety which extends fire and police protection to all township residents. Pittsfield also provides rubbish collection and recycling services, public water and sanitary sewer service. With over 700 acres of public park facilities, Pittsfield offers numerous recreational activities for youth, adults and seniors along with offering an outstanding variety of park and open spaces increasingly accessible by non-motorized pathways.

Pittsfield Charter Township is a vibrant community with a wide spectrum of land uses including commercial corridors, business parks, agricultural lands, park land, open spaces, and many strong residential neighborhoods representing a variety of housing options. The true hallmark of the Township, however, is the diversity and talent of its residents. Pittsfield is bordered by the three communities of Ann Arbor, Saline, and Ypsilanti. Pittsfield is uniquely poised to take advantage of the density supported by its proximity to these communities while simultaneously providing for existing larger-scale agricultural, residential, commercial, and business use developments. Considering the existing mix of urban, suburban, and rural influences, along with the various mixture of land uses and its demographic diversity, Pittsfield is poised to take a leadership role in establishing a new standard for mainstreaming non-motorized transportation, dense mixed-use, and infill development within a non-urban township context.

Pittsfield Township has operated under the charter township form of government since 1972. A Charter township status is a special township classification created by the Michigan Legislature in 1947 to provide additional powers and streamlined administration for governing a growing community. Pittsfield Township government is conducted by a township board consisting of seven members – a supervisor, clerk, treasurer, and four trustees – which is determined by the desires of the township residents.

Procedures for the township's financial administration, such as budgets, accounting, investments and deposits, are closely regulated by the state. Township meetings must comply with Michigan's Open Meetings Act (*MCL 15.261-15.275*), and township records must be stored and made available in conformance with specific laws, such as the Freedom of Information Act (*MCL 15.231-15.246*). The Charter Township Act (*MCL 42.1 – 42.34*) gives charter townships broad powers to enact and enforce a variety of ordinances. Zoning ordinances enacted under the Michigan Zoning Enabling Act (*MCL 125.3101 -125.3702*) give townships the authority to regulate land use, while many other specific ordinances control activities that infringe on the rights of citizens. The Michigan Constitution and state statutes also limit the amount of property tax millage that townships can levy for general township operations. Charter townships may levy up to 5 mills. Townships also utilize other sources of revenue to support services. User fees, permits, fines and special assessments on real property are the most frequently used sources.

All powers of the township shall be vested in and all matters of policy of the township shall be exercised and determined by the township board of trustees. The township board typically holds two regular meetings per month. The township board is the township's legislative and policy making body. The township board is responsible for adopting the annual budget, contracts, laws, ordinances and resolutions; approving purchases; and granting permits and license terms. Board members are elected at large to a four year term, and general elections are held in November of a primary election year. The township board serves as the direct citizen's link to Township Hall.

The township board appoints all boards and commissions except for the Parks & Recreation Commission Board, which is independently elected. Statutorily, the township Supervisor, Clerk and Treasurer appoint their Deputies. The government's three full-time elected officials (Supervisor, Clerk, and Treasurer) are responsible for carrying out the policies and ordinances of the township board, for supervising the day-to-day operations of the government, and for appointing the heads of the government's various operating departments.

The township is also financially accountable for certain legally separate entities, which are reported separately within the Township's financial statements. Additional information on each of these legally separate entities can be found in the notes to the basic financial statements.

Pittsfield Township operates on a calendar-year fiscal year cycle. For its regular budget development schedule, the Charter Township Act provides that the township must conduct a budget public hearing by December 15 or earlier, and adopt the budget by December 31 of the year preceding the calendar year for which the budget is being prepared. Concurrent with budget adoption, the township board is required to provide for a tax levy necessary to meet the budget expenditures up to the authorized charter millage of the township. This annual budget serves as the foundation for the township's financial planning and control. The budget is prepared by fund, function and department. The Township Supervisor is authorized to approve transfers of budgetary funds within a cost center, excluding wages, salaries, overtime and fringes, in consultation with the effected Department Director and /or Accounting Director.

Factors Affecting Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the township operates as described below:

Local economy. Many municipalities in Michigan are struggling to address the fundamental flaws in the existing local government financing system. The combined effects of Proposal A and the Headlee Amendment caps a township's ability to generate revenue at the rate of inflation, while the cost of providing services continues to increase faster than inflation. The state and federal government also limit a township's ability to raise non-tax revenue.

The township's current taxable valuation of \$1,821,789,953 represents a .56% decrease from the previous year. The ratio of total township tax collections to date for tax year 2008 (current and delinquent) to the current tax levy is 99.63%

The State of Michigan is currently in the midst of a fundamental economic shift from a manufacturing base to a new economy. Many national forces are also having a profound impact on the State: a slowing national economy, the foreclosure crisis and increased energy costs. While many would view this as a time to forego various projects, Pittsfield Township is moving forward on ensuring the economic health and vitality of the township's future.

Long-term financial planning. Continued economic development looks challenging, but favorable for the future. Pittsfield Township continues to refine and update its financial forecast model to address changes and trends identified. By seeing what potential outcomes are available, the township can position itself to more adequately deal with its future.

As reflected in the financial statement, the township had an actuarial valuation of its retiree health care plan completed as required under GASB No 45. The combined current year liability for the governmental and business-type activities is \$554,025 and is reported on the Statement of Net Assets. The Township is currently reviewing various options to address this issue.

Relevant financial policies. The Township has recently reviewed some of its financial policies and procedures and made changes to ensure that adequate controls are in place. The Township is currently undergoing a review of its current water and sewer rates in order to develop a long term rate track plan. The plan will help to ensure the financial stability of the water and sewer utilities.

Major initiatives. The Township has embarked upon a Water Main Replacement and Rehabilitation Project. This replacement project consists of the installation of an 8-inch ductile iron water main of over 29,000 feet by directional drill and 2,500 feet by open cut construction. The work includes the installation of water main appurtenances including 77 gate valves in wells and 69 fire hydrants, the replacement of 532 existing water service leads, the abandonment of 31,000 feet of existing 6-inch and 8- inch water mains, and related restoration work. The Rehabilitation portion of the project consists of rehabilitation of 10,700 feet of existing 12-inch water main by Cured-In-Place Pipe, installation of associated appurtenances and the installation and removal of a temporary water system.

The financing for this project is provided by bonding and the Michigan Municipal Bond Authority Drinking Water Revolving Fund (DWRF) financing. As part of the American Recovery and Reinvestment Act of 2009 (ARRA), the Township will realize a 40% forgiveness of indebtedness on both principal and interest on the DWRF financing. The Township also issued general obligation bonds in 2010 pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in the amount \$7,845,000 as part of the project funding.

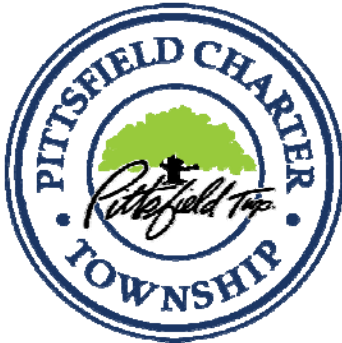
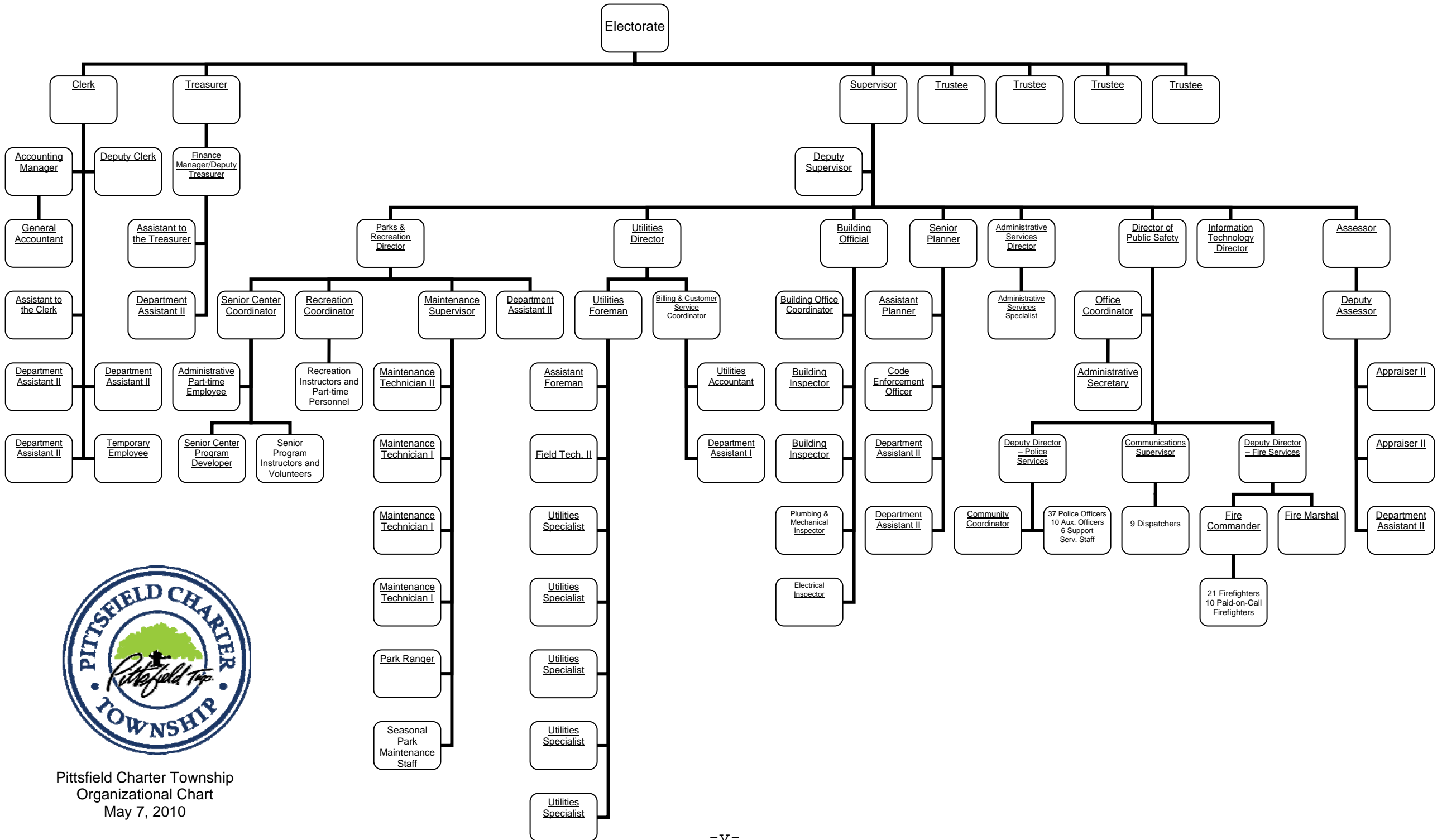
The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the accounting and administration departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the governing township board for their unfailing support for maintaining the highest standards of professionalism in the management of Pittsfield Charter Township's finances.

Respectfully submitted,

Signature not included for security purposes

Mandy Grewal
Township Supervisor

Tracy Watkins
Accounting Manager



Pittsfield Charter Township
Organizational Chart
May 7, 2010

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN
List of Elected and Appointed Officials
For the Fiscal Year Ended December 31, 2009

Elected Officials

Mandy Grewal, Supervisor
Alan Israel, Clerk
Patricia Tupacz Scribner, Treasurer
Annette Ferguson, Trustee
Stephanie D. Hunt, Trustee
Gerald Krone, Trustee
Michael Yi, Trustee

Appointed Officials

Barbara Fuller, Deputy Supervisor
Felicia Rutledge, Deputy Clerk
Ken Mohrlock, Deputy Treasurer

Administration

Matthew Harshberger, Public Safety Director
Michael Luptowski, Utilities Director
Virginia Kingsley, Administrative Services Director
Dan Cooperrider, Parks and Recreation Director
Tracy Watkins, Accounting Manager
Kurt Weiland, Building Official
Paul Montagno, Planning/Zoning Administrator
John Adams, Information Technology Director

Prepared by Finance Department
Tracy Watkins, Accounting Manager

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

June 3, 2010

To the Board of Trustees
Pittsfield Charter Township
Ann Arbor, Michigan

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

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

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

The Management's Discussion and Analysis on pages 3-10 and the schedules of funding progress and employer contributions on pages 48-49 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of *Pittsfield Charter Township, Michigan*, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi of this report.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended December 31, 2009.

- The assets of the Township exceeded its liabilities at the close of the most recent fiscal year by \$71,343,236 (*net assets*). Of this amount, \$25,199,243 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets decreased by \$1,249,549.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$14,846,506 a decrease of \$734,938 in comparison with the prior year. Approximately 97.3 percent of this total amount, or \$14,439,108, is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$4,243,052 or 37.3% of total general fund expenditures and other financing uses.
- The Township's total long-term debt (excluding compensated absences) increased by a net amount of \$116,199 during the current fiscal year; \$1,720,000 of drain assessment bonds were issued during the year.

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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the Township include general government, public safety, public works, planning and zoning, and parks and recreation.

The government-wide financial statements include not only the Township itself (known as the *primary government*), but also legally separate entities 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 11-13 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 19 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, public safety special revenue fund, parks and recreation millage special revenue fund and Michigan Avenue East debt service fund, which are considered to be major funds. Data from the other 15 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 14-21 of this report.

Proprietary funds. The Township has one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Township uses an enterprise fund to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the water and sewer operations, which is considered to be a major fund of the Township.

The basic proprietary fund financial statements can be found on pages 22-25 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 page 26 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-47 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This is limited to schedules concerning the Township's progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees. Required supplementary information can be found on page 48-49 of this report.

The combining statements referred to earlier in connection with nonmajor and fiduciary funds are presented immediately following the required supplementary information. Combining and individual fund financial statements and schedules can be found on pages 50-65 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 Pittsfield Charter Township, assets exceeded liabilities by \$71,343,236 at the close of the most recent fiscal year as shown in the following table (which shows, in a condensed format, the net assets as of fiscal year end 2009 as compared to the prior fiscal year):

Pittsfield Charter Township's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 19,446,690	\$ 19,035,058	\$ 10,423,618	\$ 12,380,307	\$ 29,870,308	\$ 31,415,365
Capital assets, net	29,571,524	29,704,670	30,573,711	30,625,775	60,145,235	60,330,445
Total assets	<u>49,018,214</u>	<u>48,739,728</u>	<u>40,997,329</u>	<u>43,006,082</u>	<u>90,015,543</u>	<u>91,745,810</u>
Long-term liabilities	8,997,391	8,553,396	7,252,421	7,476,500	16,249,812	16,029,896
Other liabilities	1,939,080	3,453,614	483,415	2,254,705	2,422,495	5,708,319
Total liabilities	<u>10,936,471</u>	<u>12,007,010</u>	<u>7,735,836</u>	<u>9,731,205</u>	<u>18,672,307</u>	<u>21,738,215</u>
Net assets						
Invested in capital assets, net of related debt	21,660,473	22,189,818	23,372,211	23,149,275	45,032,684	45,339,093
Restricted	1,111,309	1,263,137	-	-	1,111,309	1,263,137
Unrestricted	<u>15,309,961</u>	<u>15,305,614</u>	<u>9,889,282</u>	<u>10,684,941</u>	<u>25,199,243</u>	<u>25,990,555</u>
Total net assets	<u>\$ 38,081,743</u>	<u>\$ 38,758,569</u>	<u>\$ 33,261,493</u>	<u>\$ 33,834,216</u>	<u>\$ 71,343,236</u>	<u>\$ 72,592,785</u>

The largest portion of the Township's net assets (63.1% or \$45,032,684) reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment, systems and infrastructure), 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.

An additional portion of the Township's net assets (1.6% or \$1,111,309) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (35.3% or \$25,199,243) may be used to meet the government's ongoing obligations.

The Township's total net assets decreased approximately 1.7% from the prior year. This change resulted from a number of factors. The Township was involved in the completion of a two-mile non-motored pathway, the purchase of replacement patrol vehicles, and finishing various building maintenance projects. Bond and installment purchase payments were also made during the year which assisted in reducing the outstanding debt principal.

Pittsfield Charter Township's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue						
Program revenues:						
Charges for services	\$ 3,354,502	\$ 3,368,830	\$ 8,552,060	\$ 8,737,990	\$ 11,906,562	\$ 12,106,820
Operating grants and contributions	336,912	292,966	-	-	336,912	292,966
Capital grants and contributions	430,468	1,159,037	110,088	337,092	540,556	1,496,129
General revenues:						
Property taxes	8,991,812	9,532,657	-	-	8,991,812	9,532,657
State shared revenue	1,863,410	2,099,893	-	-	1,863,410	2,099,893
Cable franchise fees	442,812	601,810	-	-	442,812	601,810
Unrestricted investment earnings	79,205	412,165	19,051	262,755	98,256	674,920
Total revenues	15,499,121	17,467,358	8,681,199	9,337,837	24,180,320	26,805,195
Expenses						
General government	2,332,030	4,059,630	-	-	2,332,030	4,059,630
Public safety	8,110,750	7,829,666	-	-	8,110,750	7,829,666
Public works	1,934,371	2,030,837	-	-	1,934,371	2,030,837
Planning and zoning	366,557	370,600	-	-	366,557	370,600
Parks and recreation	2,887,250	1,053,631	-	-	2,887,250	1,053,631
Interest on long-term debt	544,989	384,683	-	-	544,989	384,683
Water and sewer	-	-	9,253,922	9,627,408	9,253,922	9,627,408
Total expenses	16,175,947	15,729,047	9,253,922	9,627,408	25,429,869	25,356,455
Change in net assets	(676,826)	1,738,311	(572,723)	(289,571)	(1,249,549)	1,448,740
Net assets, beginning	38,758,569	37,020,258	33,834,216	34,123,787	72,592,785	71,144,045
Net assets, ending	\$ 38,081,743	\$ 38,758,569	\$ 33,261,493	\$ 33,834,216	\$ 71,343,236	\$ 72,592,785

Financial Analysis of the Township's Governmental Funds

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

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

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$14,846,506, a decrease of \$734,938 in comparison with the prior year. Approximately 97.3% of this total amount (or \$14,439,108) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed for recycling programs.

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, the total fund balance of the general fund was \$4,277,211, of which \$4,243,052 was entirely unreserved and undesignated. As a measure of the general fund's liquidity, it may be useful to compare unreserved undesignated fund balance to total general fund expenditures. Unreserved undesignated fund balance represents 37.3% of total general fund expenditures and other financing uses. Overall, the fund balance of the general fund decreased by \$293,887 for the year, resulting in a final unfavorable budget variance of an equal amount.

Other factors affecting the general fund financial results for the year include:

- Total general fund revenue was down about 5.9% compared to the prior fiscal year. Most of the Township's operating revenue is provided by property taxes collected, which were slightly lower by 1.6% compared to last fiscal year. As mentioned above, the decrease in current year tax collection was due to the decrease in taxable values and lower millage rates. State-shared revenue decreased about 11.3% from the previous year, and interest rates for funds went down significantly.
- The Township moved forward on finishing the two mile non-motorized travel and recreational pathway project called the Platt Road Greenway. The Township was awarded \$523,000 in Federal and State grants towards the construction costs. The Township also received \$150,000 in funding through the Washtenaw County Parks & Recreation Commission.
- The Township's Public Safety Department purchased in-car video equipment which enhances the safety of our public safety officers. A grant from the Department of Justice assisted in the funding of the equipment.

The public safety special revenue fund and parks and recreation millage special revenue fund had ending fund balances of \$6,441,106 and \$114,189, respectively. The Michigan Avenue East debt service fund had no fund balance.

General Fund Budgetary Highlights

Over the course of the year, the Township amended the budget to take into account various events occurring during the year. Nearly all departments stayed below budget, resulting in total expenditures being below the amended budget. The Township takes an active role in monitoring all departmental needs and budget requests throughout the fiscal year. The Township will continue to find ways to reduce costs and yet provide the essential services to the citizens of Pittsfield, allowing for favorable budgetary results.

Capital Assets and Debt Administration

Capital Assets. At the end of fiscal 2009, the Township had \$60,145,235 invested in a broad range of net capital assets including land, land improvements, buildings and system improvements, sidewalks, roads, police and fire equipment, vehicles, parks facilities, water and sewer systems.

Pittsfield Charter Township's Capital Assets
(net of depreciation)

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land	\$ 21,005,842	\$ 21,005,842	\$ 510,118	\$ 510,118	\$ 21,515,960	\$ 21,515,960
Construction in progress	-	-	259,591	-	259,591	-
Buildings and improvements	3,663,121	3,840,053	664,518	696,162	4,327,639	4,536,215
Machinery and equipment	1,855,242	1,949,385	306,213	1,011,762	2,161,455	2,961,147
Infrastructure	3,047,319	2,909,390	28,833,271	28,407,733	31,880,590	31,317,123
Total	\$ 29,571,524	\$ 29,704,670	\$ 30,573,711	\$ 30,625,775	\$ 60,145,235	\$ 60,330,445

Major capital asset events during the current fiscal year included:

- Purchase of five Ford Crown Victoria vehicles, with patrol car equipment setup, for use by the Department of Public Safety.
- Purchase of a Chevrolet Impala for use by the Department of Public Safety.
- Purchase of patrol in-car cameras for use by the Department of Public Safety.
- Installation of a generator/transfer switch for Township Hall to participate in Washtenaw County's Homeland Security Emergency program as a designated 'Reception Center'.
- Facility improvements including revamping the heating and cooling system, an ADA compliance door and ramp at Township Hall.
- Completion of a 2-mile non-motorized pathway along Platt Road.

Additional information on the Township's capital assets can be found in Note 3-C on pages 36-37 of this report.

Long-term debt. At the end of the current fiscal year, the Township had total long-term debt (excluding compensated absences) outstanding of \$15,196,051, which is backed by the full faith and credit of the government.

Pittsfield Charter Township's Outstanding Debt

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
General obligation bonds	\$ 1,075,000	\$ 1,395,000	\$ 7,285,000	\$ 7,565,000	\$ 8,360,000	\$ 8,960,000
Installment notes	4,270,000	5,167,216	-	-	4,270,000	5,167,216
Special assessment debt w/ government commitment	<u>2,566,051</u>	<u>952,636</u>	<u>-</u>	<u>-</u>	<u>2,566,051</u>	<u>952,636</u>
Total	<u>\$ 7,911,051</u>	<u>\$ 7,514,852</u>	<u>\$ 7,285,000</u>	<u>\$ 7,565,000</u>	<u>\$ 15,196,051</u>	<u>\$ 15,079,852</u>

The Township has an A+ rating from Standard & Poor's on its general obligation bonds. Additional information on the Township's long-term debt can be found in Note 3-F on pages 38-42 of this report.

Economic Factors and Next Year's Budgets and Rates

The Township's expenditure budget for next fiscal year is \$1,326,234 less than the current year amended budget which includes \$399,350 of fund balance that will be used for capital expenditures. Revenues are budgeted to be about \$926,884 lower. The Township is expecting a decrease in assessed property values and continues to seek cost savings and other grant funding sources. The Township's goal is to preserve jobs with no reduction in service levels.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, you are welcome to contact the Clerk's Office at (734) 822-3120.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP
Statement of Net Assets
December 31, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Economic Development Corporation
Assets				
Cash and cash equivalents	\$ 14,884,877	\$ 6,692,857	\$ 21,577,734	\$ 8,898
Restricted cash and cash equivalents	-	2,420,852	2,420,852	-
Receivables	4,082,148	1,070,776	5,152,924	-
Internal balances	79,372	(79,372)	-	-
Inventory and prepaid items	400,293	318,505	718,798	-
Capital assets not being depreciated	21,005,842	769,709	21,775,551	-
Capital assets being depreciated, net	8,565,682	29,804,002	38,369,684	-
Total assets	49,018,214	40,997,329	90,015,543	8,898
Liabilities				
Accounts payable and accrued expenses	1,169,148	430,130	1,599,278	-
Accrued liabilities	172,323	53,285	225,608	-
Unearned revenue	194,563	-	194,563	-
Long-term liabilities:				
Due within one year	1,527,534	345,921	1,873,455	-
Due in more than one year	7,469,857	6,906,500	14,376,357	-
Other noncurrent liability - net other postemployment benefit liability	403,046	-	403,046	-
Total liabilities	10,936,471	7,735,836	18,672,307	-
Net assets				
Invested in capital assets, net of related debt	21,660,473	23,372,211	45,032,684	-
Restricted for:				
Debt service	1,062,490	-	1,062,490	-
Capital projects	41,714	-	41,714	-
Recycling	7,105	-	7,105	-
Unrestricted	15,309,961	9,889,282	25,199,243	8,898
Total net assets	\$ 38,081,743	\$ 33,261,493	\$ 71,343,236	\$ 8,898

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

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

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government					
Governmental activities:					
General government	\$ 2,332,030	\$ 2,266,763	\$ 308,470	\$ -	\$ 243,203
Public safety	8,110,750	650,619	25,174	-	(7,434,957)
Public works	1,934,371	256,560	3,268	430,468	(1,244,075)
Planning and zoning	366,557	-	-	-	(366,557)
Parks and recreation	2,887,250	180,560	-	-	(2,706,690)
Interest on long-term debt	544,989	-	-	-	(544,989)
Total governmental activities	16,175,947	3,354,502	336,912	430,468	(12,054,065)
Business-type activities -					
Water and sewer	9,253,922	8,552,060	-	110,088	(591,774)
Total primary government	<u>\$ 25,429,869</u>	<u>\$ 11,906,562</u>	<u>\$ 336,912</u>	<u>\$ 540,556</u>	<u>\$ (12,645,839)</u>
Component unit					
Economic Development Corporation	<u>\$ 197</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (197)</u>

Continued...

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

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Economic Development Corporation
Changes in net assets				
Net expense	\$ (12,054,065)	\$ (591,774)	\$ (12,645,839)	\$ (197)
General revenues:				
Property taxes	8,991,812	-	8,991,812	-
State shared revenue	1,863,410	-	1,863,410	-
Cable franchise fees	442,812	-	442,812	-
Unrestricted investment earnings	79,205	19,051	98,256	-
Total general revenues	11,377,239	19,051	11,396,290	-
Change in net assets	(676,826)	(572,723)	(1,249,549)	(197)
Net assets, beginning of year, as restated	38,758,569	33,834,216	72,592,785	9,095
Net assets, end of year	\$ 38,081,743	\$ 33,261,493	\$ 71,343,236	\$ 8,898

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

FUND FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP
Balance Sheet
Governmental Funds
December 31, 2009

	<u>General</u>	<u>Public Safety</u>	<u>Parks & Recreation Millage</u>	<u>Michigan Avenue East</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Assets						
Cash and cash equivalents	\$ 3,526,027	\$ 6,156,194	\$ 897,916	\$ -	\$ 4,304,740	\$ 14,884,877
Accounts receivable	653,453	-	-	-	78,803	732,256
Taxes and special assessments	-	-	-	1,720,000	1,629,892	3,349,892
Due from other funds	972,916	-	5,656	-	96,728	1,075,300
Prepaid items	34,159	361,140	-	-	4,994	400,293
TOTAL ASSETS	\$ 5,186,555	\$ 6,517,334	\$ 903,572	\$ 1,720,000	\$ 6,115,157	\$ 20,442,618
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 304,935	\$ 47,258	\$ 155,099	\$ -	\$ 94,349	\$ 601,641
Accrued liabilities	129,793	28,970	-	-	13,560	172,323
Due to other funds	10,130	-	634,284	-	351,514	995,928
Due to other governments	60,105	-	-	-	-	60,105
Escrow payable	287,595	-	-	-	11,843	299,438
Deferred revenue	116,786	-	-	1,720,000	1,629,891	3,466,677
Total liabilities	909,344	76,228	789,383	1,720,000	2,101,157	5,596,112
Fund balances						
Reserved for recycling	-	-	-	-	7,105	7,105
Reserved for prepaid items	34,159	361,140	-	-	4,994	400,293
Unreserved:						
Designated for subsequent year expenditures reported in nonmajor special revenue funds	-	-	-	-	68,137	68,137
Undesignated	4,243,052	6,079,966	114,189	-	-	10,437,207
Undesignated, reported in nonmajor						
Special revenue funds	-	-	-	-	2,829,560	2,829,560
Debt service funds	-	-	-	-	1,062,490	1,062,490
Capital projects funds	-	-	-	-	41,714	41,714
Total fund balances	4,277,211	6,441,106	114,189	-	4,014,000	14,846,506
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,186,555	\$ 6,517,334	\$ 903,572	\$ 1,720,000	\$ 6,115,157	\$ 20,442,618

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

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

Fund balances - total governmental funds	\$ 14,846,506
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Amounts reported for *governmental activities* in the statement of net assets are different because:

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

Add - capital assets	46,045,522
Deduct - accumulated depreciation	(16,473,998)

Deferred revenue is not a *current financial resource* and therefore is not reported as revenue in the governmental funds.

3,272,114

Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Deduct - bonds, contracts and notes payable net of related costs	(7,911,051)
Deduct - accrued interest on bonds and installment contracts payable	(207,964)
Deduct - other postemployment benefit obligation	(403,046)
Deduct - compensated absences	<u>(1,086,340)</u>

Net assets of governmental activities	<u><u>\$ 38,081,743</u></u>
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The accompanying notes are an integral part of these financial statements.

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

	<u>General</u>	<u>Public Safety</u>	<u>Parks & Recreation Millage</u>	<u>Michigan Avenue East</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Taxes and special assessments	\$ 6,825,336	\$ 1,813,307	\$ 886,256	\$ -	\$ 430,468	\$ 9,955,367
Licenses and permits	112,332	-	-	-	288,040	400,372
Intergovernmental	1,913,937	41,360	-	-	-	1,955,297
Charges for services	1,195,715	-	-	-	1,277,046	2,472,761
Fines and forfeitures	91,569	-	-	-	-	91,569
Franchise fees	442,812	-	-	-	-	442,812
Investment earnings	59,774	11,567	1,980	-	5,884	79,205
Donations	152,500	-	-	-	-	152,500
Other revenue	290,457	-	-	-	89,249	379,706
Total revenue	11,084,432	1,866,234	888,236	-	2,090,687	15,929,589
Expenditures						
Current expenditures:						
General government	2,079,990	-	-	-	26,043	2,106,033
Public safety	5,570,177	1,093,578	-	-	661,720	7,325,475
Public works	550,855	-	-	-	1,037,632	1,588,487
Planning and zoning	361,169	-	-	-	-	361,169
Culture and recreation	2,260,556	-	559,998	-	-	2,820,554
Debt service:						
Principal	-	-	897,216	-	426,585	1,323,801
Interest and fiscal charges	-	-	242,209	-	94,816	337,025
Capital outlay	500,074	265,999	975	-	34,935	801,983
Total expenditures	11,322,821	1,359,577	1,700,398	-	2,281,731	16,664,527
Revenue over (under) expenditures	(238,389)	506,657	(812,162)	-	(191,044)	(734,938)
Other financing sources (uses)						
Transfers in	305	-	-	-	55,803	56,108
Transfers out	(55,803)	-	-	-	(305)	(56,108)
Total other financing sources (uses)	(55,498)	-	-	-	55,498	-
Net change in fund balances	(293,887)	506,657	(812,162)	-	(135,546)	(734,938)
Fund balances, beginning of year	4,571,098	5,934,449	926,351	-	4,149,546	15,581,444
Fund balances, end of year	\$ 4,277,211	\$ 6,441,106	\$ 114,189	\$ -	\$ 4,014,000	\$ 14,846,506

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

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

Net change in fund balances - total governmental funds \$ (734,938)

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

Collection of special assessments revenue levied in prior years provide *current financial gains* in the funds, but do not affect *net assets* . (430,468)

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

Add - capital outlay	990,661
Deduct - depreciation expense	(1,084,565)
Deduct - loss on disposal of capital assets	(39,242)

Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Add - principal payments on long-term liabilities	1,323,801
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Deduct - increase in accrued interest payable on bonds	(207,964)
Deduct - increase in other postemployment benefit obligation	(403,046)
Deduct - increase in the accrual for compensated absences	(91,065)

Change in net assets of governmental activities \$ (676,826)

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

PITTSFIELD CHARTER TOWNSHIP
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2009

	<u>Budget</u>		<u>Actual</u>	<u>Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Revenues				
Taxes and special assessments	\$ 6,831,697	\$ 6,831,697	\$ 6,825,336	\$ (6,361)
Licenses and permits	66,000	66,000	112,332	46,332
Intergovernmental	3,039,250	3,405,250	1,913,937	(1,491,313)
Charges for services	1,290,000	1,290,000	1,195,715	(94,285)
Fines and forfeitures	140,000	140,000	91,569	(48,431)
Franchise fees	400,000	400,000	442,812	42,812
Investment earnings	400,000	400,000	59,774	(340,226)
Donations	100	100	152,500	152,400
Other revenue	387,000	387,000	290,457	(96,543)
	<u>12,554,047</u>	<u>12,920,047</u>	<u>11,084,432</u>	<u>(1,835,615)</u>
Expenditures				
General government				
Township board	45,900	45,900	45,509	(391)
Township supervisor	150,517	150,517	185,734	35,217
Elections	57,350	52,350	51,393	(957)
Accounting	142,500	142,500	132,490	(10,010)
Assessor	319,000	317,280	310,860	(6,420)
Township clerk	237,750	242,750	261,672	18,922
Personnel	239,665	238,340	167,570	(70,770)
Purchasing	32,100	32,100	31,852	(248)
Board of review	3,800	5,520	5,880	360
Administrative	115,000	116,325	107,794	(8,531)
Professional services	112,800	112,800	109,250	(3,550)
Township treasurer	207,100	207,100	207,394	294
Network administrator	96,700	83,700	75,363	(8,337)
Information technology	57,000	70,000	58,887	(11,113)
Building and grounds	316,500	331,500	310,426	(21,074)
Phase II EPA/DEQ compliance	4,750	20,750	17,916	(2,834)
Total general government	<u>2,138,432</u>	<u>2,169,432</u>	<u>2,079,990</u>	<u>(89,442)</u>
Public safety				
Police	3,604,931	3,707,920	3,518,030	(189,890)
Fire	2,307,651	2,204,663	2,125,928	(78,735)
Property maintenance inspections	92,750	92,750	63,164	(29,586)
Allocated to other departments	(180,000)	(180,000)	(136,945)	43,055
Total public safety	<u>5,825,332</u>	<u>5,825,332</u>	<u>5,570,177</u>	<u>(255,155)</u>

PITTSFIELD CHARTER TOWNSHIP
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Concluded)
General Fund
For the Year Ended December 31, 2009

	<u>Budget</u>		<u>Actual</u>	<u>Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Expenditures (concluded)				
Public works				
Highways, streets and drains	\$ 601,500	\$ 621,500	\$ 550,855	\$ (70,645)
Planning and zoning				
Planning and zoning	393,200	393,200	310,833	(82,367)
Code enforcement	49,700	49,700	50,336	636
Total planning and zoning	<u>442,900</u>	<u>442,900</u>	<u>361,169</u>	<u>(81,731)</u>
Culture and recreation				
Parks and recreation	2,571,933	2,616,933	2,259,525	(357,408)
Historical commission	1,275	1,261	1,031	(230)
Total culture and recreation	<u>2,573,208</u>	<u>2,618,194</u>	<u>2,260,556</u>	<u>(357,638)</u>
Debt service:				
Principal	240,000	240,000	-	(240,000)
Interest and other charges	206,870	126,884	-	(126,884)
Total culture and recreation	<u>446,870</u>	<u>366,884</u>	<u>-</u>	<u>(366,884)</u>
Capital outlay	<u>510,000</u>	<u>860,000</u>	<u>500,074</u>	<u>(359,926)</u>
Total expenditures	<u>12,538,242</u>	<u>12,904,242</u>	<u>11,322,821</u>	<u>(1,581,421)</u>
Revenue over (under) expenditures	<u>15,805</u>	<u>15,805</u>	<u>(238,389)</u>	<u>(254,194)</u>
Other financing sources (uses)				
Transfers in	-	-	305	305
Transfers out	<u>(15,805)</u>	<u>(15,805)</u>	<u>(55,803)</u>	<u>(39,998)</u>
Total other uses	<u>(15,805)</u>	<u>(15,805)</u>	<u>(55,498)</u>	<u>(39,693)</u>
Net change in fund balance	-	-	(293,887)	(293,887)
Fund balance, beginning of year	<u>4,571,098</u>	<u>4,571,098</u>	<u>4,571,098</u>	<u>-</u>
Fund balance, end of year	<u>\$ 4,571,098</u>	<u>\$ 4,571,098</u>	<u>\$ 4,277,211</u>	<u>\$ (293,887)</u>

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

PITTSFIELD CHARTER TOWNSHIP
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Public Safety Special Revenue Fund
For the Year Ended December 31, 2009

	<u>Budget</u>		<u>Actual</u>	Actual
	<u>Original</u>	<u>Final</u>		Over (Under)
				Final Budget
Revenues				
Taxes and special assessments	\$ 1,811,041	\$ 1,811,041	\$ 1,813,307	\$ 2,266
Intergovernmental	-	-	41,360	41,360
Investment earnings	175,000	175,000	11,567	(163,433)
 Total revenues	 1,986,041	 1,986,041	 1,866,234	 (119,807)
Expenditures				
Public safety	1,209,430	1,209,430	1,093,578	(115,852)
Capital outlay	770,000	770,000	265,999	(504,001)
 Total expenditures	 1,979,430	 1,979,430	 1,359,577	 (619,853)
 Net change in fund balance	 6,611	 6,611	 506,657	 500,046
 Fund balance, beginning of year	 5,934,449	 5,934,449	 5,934,449	 -
 Fund balance, end of year	 \$ 5,941,060	 \$ 5,941,060	 \$ 6,441,106	 \$ 500,046

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

PITTSFIELD CHARTER TOWNSHIP
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Parks & Recreation Millage Special Revenue Fund
For the Year Ended December 31, 2009

	<u>Budget</u>		<u>Actual</u>	<u>Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
Revenues				
Taxes and special assessments	\$ 884,479	\$ 884,479	\$ 886,256	\$ 1,777
Intergovernmental	-	90,000	-	(90,000)
Investment earnings	20,000	20,000	1,980	(18,020)
Total revenues	<u>904,479</u>	<u>994,479</u>	<u>888,236</u>	<u>(106,243)</u>
Expenditures				
Culture and recreation	313,674	324,199	559,998	235,799
Debt service:				
Principal	360,000	360,000	897,216	537,216
Interest and fiscal charges	145,326	145,326	242,209	96,883
Capital outlay	75,000	154,475	975	(153,500)
Total expenditures	<u>894,000</u>	<u>984,000</u>	<u>1,700,398</u>	<u>716,398</u>
Net change in fund balance	10,479	10,479	(812,162)	(822,641)
Fund balance, beginning of year	<u>926,351</u>	<u>926,351</u>	<u>926,351</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 936,830</u></u>	<u><u>\$ 936,830</u></u>	<u><u>\$ 114,189</u></u>	<u><u>\$ (822,641)</u></u>

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

PITTSFIELD CHARTER TOWNSHIP
Statement of Net Assets
Water and Sewer Enterprise Fund
December 31, 2009

Assets

Current assets:

Cash and cash equivalents	\$ 6,692,857
Accounts receivable, net	1,070,776
Due from other funds	551,252
Inventory	317,558
Prepaid items	<u>947</u>
 Total current assets	 <u>8,633,390</u>

Noncurrent assets:

Restricted cash and cash equivalents	2,420,852
Capital assets not being depreciated	769,709
Capital assets being depreciated, net	<u>29,804,002</u>
 Total noncurrent assets	 <u>32,994,563</u>

Total assets	<u>41,627,953</u>
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Liabilities

Current liabilities:

Accounts payable and accrued liabilities	341,475
Accrued payroll	49,285
Contracts payable	4,000
Due to other funds	630,624
Due to other governments	88,655
Bonds payable, current portion	<u>345,921</u>

Total current liabilities	1,459,960
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Noncurrent liabilities - bonds payable, net of current portion	<u>6,906,500</u>
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Total liabilities	<u>8,366,460</u>
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Net assets

Invested in capital assets, net of related debt	22,602,502
Unrestricted	<u>10,658,991</u>
 Total net assets	 <u><u>\$ 33,261,493</u></u>

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

PITTSFIELD CHARTER TOWNSHIP
Statement of Revenues, Expenses
and Changes in Fund Net Assets
Water and Sewer Enterprise Fund
For the Year Ended December 31, 2009

Operating revenues	
Charges for services	\$ 8,503,783
Other	<u>48,277</u>
Total operating revenues	<u>8,552,060</u>
 Operating expenses	
Personal services	683,465
Materials and supplies	6,736,778
Contractual	108,541
Insurance	28,660
Maintenance	103,727
Other expense	169,521
Depreciation	<u>1,128,597</u>
Total operating expenses	<u>8,959,289</u>
Operating loss	<u>(407,229)</u>
 Nonoperating revenues (expenses)	
Investment earnings	19,051
Interest expense and fees	<u>(294,633)</u>
Total nonoperating expenses	<u>(275,582)</u>
Loss before contributions	(682,811)
Capital contributions - tap fees and other	<u>110,088</u>
Change in net assets	(572,723)
Net assets, beginning of year, as restated	<u>33,834,216</u>
Net assets, end of year	<u><u>\$ 33,261,493</u></u>

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

PITTSFIELD CHARTER TOWNSHIP
Statement of Cash Flows
Water and Sewer Enterprise Fund
For the Year Ended December 31, 2009

Cash flows from operating activities	
Receipts from customers and users	\$ 8,679,978
Payments to suppliers	(8,765,778)
Payments to employees	(902,217)
	<hr/>
Net cash used in operating activities	(988,017)
	<hr/>
Cash flows from capital and related financing activities	
Principal paid on debt	(280,000)
Interest paid on debt	(289,633)
Purchase of capital assets	(1,076,534)
Cash contributions for tap fees	110,088
	<hr/>
Net cash used in capital and related financing activities	(1,536,079)
	<hr/>
Cash flows from investing activities	
Interest received on investments	19,051
	<hr/>
Net change in cash and cash equivalents	(2,505,045)
	<hr/>
Cash and cash equivalents, beginning of year	11,618,754
	<hr/>
Cash and cash equivalents, end of year	\$ 9,113,709
	<hr/> <hr/>
Reconciliation to statement of net assets	
Cash and cash equivalents	\$ 6,692,857
Restricted cash and cash equivalents	2,420,852
	<hr/>
	\$ 9,113,709
	<hr/> <hr/>

PITTSFIELD CHARTER TOWNSHIP
Statement of Cash Flows (Concluded)
Water and Sewer Enterprise Fund
For the Year Ended December 31, 2009

Reconciliation of operating loss to net cash used in operating activities

Operating loss	\$ (407,229)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	1,128,597
Changes in assets and liabilities:	
Accounts receivable	127,918
Inventory	(170,404)
Due from other funds	(398,210)
Prepaid items	17,367
Accounts payable and accrued liabilities	(1,452,269)
Accrued payroll	(226,404)
Due to other funds	384,965
Compensated absences	7,652
	7,652
Net cash used in operating activities	\$ (988,017)

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

PITTSFIELD CHARTER TOWNSHIP
Statement of Net Assets
Fiduciary Funds
December 31, 2009

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	<u>\$ 9,710,248</u>
Liabilities	
Undistributed receipts	<u>\$ 9,710,248</u>

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

NOTES TO THE FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. Blended component units, if any, although legally separate entities, are, in substance, part of the government’s operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Discretely Presented Component Unit

Pittsfield Township Economic Development Corporation (the “EDC”) – The EDC, established pursuant to State statutes, was formed to assist economic activity in the Township, primarily through the issuance of tax exempt bonds. The Township has no obligation to fund deficits of the EDC nor does it guarantee its debt. Members of the EDC’s Board of Directors are appointed by the Township’s Board of Trustees.

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 nonfiduciary activities of the primary government and its component unit. 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 certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements, except for agency funds, which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The Township 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.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

The *public safety special revenue fund* accounts for the public safety millage revenue and related expenditures.

The *parks and recreation millage special revenue fund* accounts for the parks and recreation millage revenue and related expenditures.

The *Michigan Avenue East debt service fund* accounts for the resources accumulated and payments made for principal and interest on the Michigan Avenue East drain assessment debt.

The government reports the following major proprietary funds:

The *water and sewer enterprise fund* accounts for the activities of the water distribution, sewer disposal, and treatment system, which are financed primarily by user charges.

Additionally, the government reports the following fund types:

The *special revenue funds* account for revenue sources that are legally restricted to expenditures for specific purposes not including major capital projects.

The *debt service funds* account for the accumulation of resources for and the payment of principal and interest on long-term general obligation debt of governmental funds not being financed by proprietary funds.

The *capital projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

The *agency funds* account for assets held for other governments in an agency capacity, specifically for library penal fines and payroll withholdings.

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 payments-in-lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

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 enterprise fund are charges to customers for sales and services. Operating expenses 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.

When both restricted and unrestricted revenues are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition.

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

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 either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as *due to/from other funds*. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as *internal balances*. Advances between funds, if any, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

3. Inventory and Prepaid Items

Inventory is valued at cost, which approximates market, using the first-in/first-out method. The costs of governmental fund-type inventory is primarily recorded as expenditures when purchased rather than when consumed.

Payments made to vendors for services that will benefit future periods are recorded as prepaid items.

4. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles and infrastructure assets (e.g., roads, bridges, drains and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. 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 assets lives are not capitalized. Major outlays for capital assets and improvements 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.

Capital assets of the primary government are depreciated using the straight-line method over the useful life of the assets as follows:

Buildings and improvements	15-30 years
Equipment	5-20 years
Infrastructure	15-50 years

5. Compensated Absences

In accordance with contracts negotiated with the various employee groups of the Township, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in the contracts. All sick and vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only when they have matured or come due. The long-term portion of the compensated absences related to the governmental funds is a liability recorded in the statement of net assets.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

6. Long-term Obligations

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

7. Fund Equity

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

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

1. Public hearings are conducted in September and October to obtain citizen comment.
2. Prior to December 15, the budget is legally enacted through passage of a budget resolution.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

3. In accordance with State Law, prior to December 15, the Township Supervisor submits to the Township Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year. Detail line item budgets are included for administrative control. The legal level of control for the budgets is at the departmental basis.
4. Formal budgetary integration is employed as a management control device for the general and special revenue funds. Budgets for these funds are prepared and adopted on a basis consistent with generally accepted accounting principles.
5. The Township does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds.
6. Budget amounts are reported as originally adopted and as amended by the Township Board.

B. Excess of Expenditures over Appropriations

State statutes provide that a local unit shall not incur expenditures in excess of the amount appropriated. The approved budgets for the Township were adopted on a basis consistent with generally accepted accounting principles. An excess of expenditures over appropriations in individual funds were as follows for the year ended December 31, 2009 (these over-expenditures were funded by available fund balance):

	Final Budget	Actual	Variance
General fund			
General government:			
Township supervisor	\$ 150,517	\$ 185,734	\$ 35,217
Township clerk	242,750	261,672	18,922
Board of review	5,520	5,880	360
Treasurer's department	207,100	207,394	294
Planning and zoning -			
Code enforcement	49,700	50,336	636
Parks and recreation fund			
Culture and recreation	324,199	559,998	235,799
Debt service:			
Principal	360,000	897,216	537,216
Interest and fiscal charges	145,326	242,209	96,883

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Following is a reconciliation of deposits and investments as of December 31, 2009:

	Primary Government	Component Unit	Total
Statement of Net Assets:			
Cash and cash equivalents	\$ 21,577,734	\$ 8,898	\$ 21,586,632
Restricted cash and cash equivalents	2,420,852	-	2,420,852
Statement of Fiduciary Net Assets -			
Cash and cash equivalents	9,710,248	-	9,710,248
Total	\$ 33,708,834	\$ 8,898	\$ 33,717,732
Deposits and investments:			
Bank deposits (checking, saving and certificates of deposit)			\$ 33,717,012
Cash on hand			720
Total			\$ 33,717,732

Custodial Credit Risk - Deposits. Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Deposits are exposed to custodial credit risk if they are not covered by depository insurance. State law does not require and the Township does not have a policy for deposit custodial credit risk.

At year-end, \$30,732,003 of the combined bank balance of \$34,694,490 (total book balance of \$33,717,012) was exposed to custodial credit risk as it was uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable level are used as depositories.

The Township has restricted cash and cash equivalents of \$2,420,852 at December 31, 2009 for capital improvement projects.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

B. Receivables

Receivables in the governmental activities are 18 percent accounts receivable and 82 percent taxes and special assessments. Approximately 78 percent, or \$1,263,841, of the special assessment receivables are not expected to be collected within one year. Business-type activities accounts receivable are 100% due from customers.

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

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Special assessments not yet due (governmental funds)	\$ 1,552,114	\$ 153,039	\$ 1,705,153
Drain assessments not yet due (governmental funds)	1,720,000	-	1,720,000
Prepaid rent	-	41,524	41,524
	<u>\$ 3,272,114</u>	<u>\$ 194,563</u>	<u>\$ 3,466,677</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

C. Capital Assets

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

Governmental activities	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 21,005,842	\$ -	\$ -	\$ 21,005,842
Capital assets, being depreciated:				
Building and improvements	6,270,312	43,781	-	6,314,093
Infrastructure	11,341,962	497,938	-	11,839,900
Machinery and equipment	6,674,324	448,942	(237,579)	6,885,687
Total capital assets being depreciated	<u>24,286,598</u>	<u>990,661</u>	<u>(237,579)</u>	<u>25,039,680</u>
Less accumulated depreciation for:				
Building and improvements	(2,430,259)	(220,713)	-	(2,650,972)
Infrastructure	(8,432,572)	(360,009)	-	(8,792,581)
Machinery and equipment	(4,724,939)	(503,843)	198,337	(5,030,445)
Total accumulated depreciation	<u>(15,587,770)</u>	<u>(1,084,565)</u>	<u>198,337</u>	<u>(16,473,998)</u>
Total capital assets being depreciated, net	<u>8,698,828</u>	<u>(93,904)</u>	<u>(39,242)</u>	<u>8,565,682</u>
Capital assets, net	<u>\$ 29,704,670</u>	<u>\$ (93,904)</u>	<u>\$ (39,242)</u>	<u>\$ 29,571,524</u>

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

General government	\$ 166,419
Public safety	500,178
Public works	345,884
Planning and zoning	5,388
Parks and recreation	<u>66,696</u>
Total depreciation expense	<u>\$ 1,084,565</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Business-type activities	Beginning Balance	Additions	Disposals	Reclass	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 510,118	\$ -	\$ -	\$ -	\$ 510,118
Construction in progress	-	259,591	-	-	259,591
Total capital assets not being depreciated	<u>510,118</u>	<u>259,591</u>	<u>-</u>	<u>-</u>	<u>769,709</u>
Capital assets, being depreciated:					
Infrastructure	42,009,825	773,101	-	650,232	43,433,158
Buildings	949,314	-	-	-	949,314
Machinery and equipment	1,452,549	43,842	-	(650,232)	846,159
Total capital assets being depreciated	<u>44,411,688</u>	<u>816,943</u>	<u>-</u>	<u>-</u>	<u>45,228,631</u>
Less accumulated depreciation for:					
Infrastructure	(13,602,092)	(997,795)	-	-	(14,599,887)
Buildings	(253,152)	(31,644)	-	-	(284,796)
Machinery and equipment	(440,787)	(99,159)	-	-	(539,946)
Total accumulated depreciation	<u>(14,296,031)</u>	<u>(1,128,598)</u>	<u>-</u>	<u>-</u>	<u>(15,424,629)</u>
Total capital assets being depreciated, net	<u>30,115,657</u>	<u>(311,655)</u>	<u>-</u>	<u>-</u>	<u>29,804,002</u>
Capital assets, net	<u>\$ 30,625,775</u>	<u>\$ (52,064)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,573,711</u>

D. Payables

Payables in the governmental activities are 67 percent due to vendors, 13 percent accrued liabilities, 16 percent accrued interest and four percent due to other governments. Business-type activities payables are 72 percent due to vendors, 10 percent accrued payroll and 18 percent due to other governments.

E. Interfund Receivables, Payables and Transfers

Following is a summary of interfund balances as of December 31, 2009:

	Receivable	Payable
General fund	\$ 972,916	\$ 10,130
Parks and recreation millage fund	5,656	634,284
Nonmajor governmental funds	96,728	351,514
Water and sewer fund	<u>551,252</u>	<u>630,624</u>
Total	<u>\$ 1,626,552</u>	<u>\$ 1,626,552</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Due to/from balances result primarily from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and/or payments between funds are made. Interfund receivables and payables represent routine and temporary cash flow assistance.

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

	Transfers In	Transfers Out
General fund	\$ 305	\$ 55,803
Nonmajor governmental funds	55,803	305
Total	\$ 56,108	\$ 56,108

F. Long-Term Debt

Installment obligations. The government has entered into a long-term installment payment agreement for the purchase of land. The original amount of installment obligations issued during 2002 was \$7,350,000 for the primary government. Installment obligations outstanding at year-end amounted to \$4,270,000 with interest at 5.30 percent. Annual debt service requirements to maturity for installment obligations are as follows:

Year Ended December 31	Governmental activities	
	Principal	Interest
2010	\$ 700,000	\$ 207,760
2011	810,000	167,745
2012	850,000	123,755
2013	925,000	76,717
2014	985,000	26,103
	\$ 4,270,000	\$ 602,080

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

General obligation bonds - governmental activities. The government has issued general obligation bonds to finance certain improvement projects. The Township has pledged its full faith and credit within statutory limitations for the following issues:

\$885,000, 2000 Water's Place Improvement serial bonds, due in annual installments of \$60,000 to \$65,000 through 2015, interest 5.25% to 5.6%.	\$ 365,000
\$700,000, 2001 Series A Munger Road Improvement serial bonds, due in annual installments of \$75,000 through 2011, interest 5.4%.	150,000
\$270,000, 2001 Series B Ann Arbor-Saline Road and Waters/Lohr Road Improvement serial bonds, due in annual installments of \$30,000 through 2011, interest 4.0% to 5.4%.	60,000
\$875,000, 2004 State and Textile Road Improvement serial bonds, due in annual installments of \$50,000 to \$100,000 through 2014, interest 3.15% to 4.4%.	<u>500,000</u>
Total special assessment bonds	<u><u>\$ 1,075,000</u></u>

Annual debt service requirements to maturity for special assessments are as follows:

Year Ended December 31	Governmental activities	
	Principal	Interest
2010	\$ 270,000	\$ 47,182
2011	265,000	34,457
2012	160,000	24,375
2013	160,000	16,990
2014	160,000	9,425
2015	60,000	1,680
	<u>\$ 1,075,000</u>	<u>\$ 134,109</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Special assessment debt with government commitment. The government has been assessed for its *at large* share of certain drainage district project costs, payable over a multi-year period with interest at 1.625 to 5 percent. Special assessment debt with government commitment, for which debt proceeds are received and expended by the Washtenaw County Drain Commission (and the resulting infrastructure capital asset is its property), currently outstanding is as follows:

\$1,850,000, 1996 Carpenter Road serial bonds, due in annual installments of \$75,000 to \$100,000 through 2015, interest 5%. The Township's share of the bond is \$1,639,100 or 88.6% and Washtenaw County's share of the bond is \$210,000 or 11.4%.	\$ 487,300
\$2,180,000, 2006 Mallets Creek serial bonds, due in annual installments of \$17,985 to \$23,664, through 2026, interest 1.625%. The Township's share of the bond is \$412,706 or 17.86% and Washtenaw County's share of the bond is \$1,767,294 or 82.14%.	358,751
\$1,720,000, 2009 Michigan Avenue East serial bonds, due in annual installments of \$50,000 to \$130,000 through 2029, interest 2.25% to 4.75%.	<u>1,720,000</u>
Total drain assessment bonds payable	<u><u>\$ 2,566,051</u></u>

Annual debt service requirements to maturity for drain assessments are as follows:

Year Ended December 31	Governmental activities	
	Principal	Interest
2010	\$ 157,534	\$ 93,040
2011	162,531	87,121
2012	162,531	81,145
2013	167,531	75,115
2014	151,328	69,443
2015-2019	530,572	288,218
2020-2024	586,696	190,040
2025-2029	647,328	73,488
	<u>\$ 2,566,051</u>	<u>\$ 957,610</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

General obligation bond – business-type activities. The government issues general obligation bonds to provide funds for the acquisition and construction of major water and sewer system capital infrastructure. No general obligation bonds were issued during the current year. The original amount of the outstanding general obligation bonds was \$8,750,000.

General obligation bonds currently outstanding are as follows:

\$750,000, 2002 Huron Utilities Authority serial bonds, due in annual installments of \$65,000 to \$80,000 through 2013, interest at 4.25% to 4.7%.	\$ 295,000
\$8,000,000, 2004 Capital Improvement serial bonds, due in annual installments of \$190,000 to \$530,000 through 2029, interest at 2.75% to 4.3%.	<u>6,990,000</u>
Total general obligation bonds	<u><u>\$ 7,285,000</u></u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31	Business-type activities	
	Principal	Interest
2010	\$ 295,000	\$ 280,036
2011	300,000	270,166
2012	315,000	259,666
2013	330,000	248,254
2014	260,000	236,207
2015-2019	1,495,000	1,034,345
2020-2024	1,885,000	714,262
2025-2029	2,405,000	268,640
	<u>\$ 7,285,000</u>	<u>\$ 3,311,576</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Changes in long-term debt. Long-term debt activity for the year ended December 31, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Governmental activities					
Installment notes	\$ 5,167,216	\$ -	\$ 897,216	\$ 4,270,000	\$ 700,000
General obligation bonds	1,395,000	-	320,000	1,075,000	270,000
Special assessment debt with government commitment	952,636	1,720,000	106,585	2,566,051	157,534
Compensated absences	<u>995,275</u>	<u>91,065</u>	<u>-</u>	<u>1,086,340</u>	<u>400,000</u>
Total governmental activities	<u>\$ 8,510,127</u>	<u>\$ 1,811,065</u>	<u>\$ 1,323,801</u>	<u>\$ 8,997,391</u>	<u>\$ 1,527,534</u>
Business-type activities					
General obligation bonds	\$ 7,565,000	\$ -	\$ 280,000	\$ 7,285,000	\$ 295,000
Unamortized discount	(88,500)	5,000	-	(83,500)	-
Compensated absences	<u>43,269</u>	<u>7,652</u>	<u>-</u>	<u>50,921</u>	<u>-</u>
Total business-type activities	<u>\$ 7,519,769</u>	<u>\$ 12,652</u>	<u>\$ 280,000</u>	<u>\$ 7,252,421</u>	<u>\$ 295,000</u>

IV. OTHER INFORMATION

A. Risk Management

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

B. Contingent Liabilities

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

The government and its component unit, individually or jointly, are a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government and component unit's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

C. Property Taxes

Property taxes become an enforceable lien on the property as of December 31. Taxes are levied on December 1 and are due in February of the following year. The Township bills and collects its own property taxes along with collecting taxes for various school districts. Township tax revenues are recognized in the fiscal year following the December 1 levy date. Taxes are considered delinquent on March 1, at which time the applicable property is subject to lien and penalty and interest is assessed.

Assessed values as established annually by the government, and subject to acceptance by the Township, are equalized by the State at an estimated 50% of current market value. The taxable value of real and personal property in the Township totaled \$1,780,702,342. The government's general operating tax rate for fiscal year 2009 was 3.8758 mills.

D. Postemployment Benefits

Plan Description. The Township participates in the Municipal Employees' Retirement System (MERS) Retirement Health Funding Vehicle, an agent multiple-employer other postemployment benefit plan that provides healthcare benefits to eligible retirees and their beneficiaries. The Plan was adopted and established by the Township Board of Trustees. MERS issues a publicly available financial report that includes financial statements and required supplementary information, which may be obtained by writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917.

Plan Membership. As of December 31, 2009, the date of the latest actuarial valuation, eight retirees were currently receiving benefits; the Plan has 124 active participants.

Funding Policy. The contribution requirements of plan members and the Township are established and may be amended by the Township Board of Trustees, subject to applicable labor contracts, although the Township has no obligation to make contributions in advance of when the insurance premiums or benefits are due for payment. In other words, the plan may be financed on a *pay-as-you-go* basis.

Currently, active plan members are required to contribute 14.14% for AFSCME, dispatch and non-union administrative employees, 6.69% for fire and patrol employees, 11.70% for police employees, and 3.595% for elected officials of covered payroll. Additionally, plan members receiving healthcare benefits contribute on a sliding scale basis for spouse and dependent coverage, ranging from 0% to 50% of the monthly premium or a limit of \$600 for dispatch, non-union administrative and AFSCME employees, based on years of service. Plan members receiving benefits are not required to contribute towards their own individual coverage. Total contributions from active plan members and from plan members receiving benefits were \$471,390 or 10.5% of the total cost of benefits for 2009; the Township made contributions to the plan totaling \$277,088.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Funding Progress. For the year ended December 31, 2009, the Township estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of December 31, 2009. Such a valuation computes an annual required contribution (ARC) that represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current combined ARC is 10.52% of annual covered payroll.

Annual OPEB Cost and Net OPEB Obligation. For 2009, the components of the Township's annual OPEB (other postemployment benefit) cost for the year, the amount actually contributed to the Plan, and changes in the Township's net OPEB obligation to the Plan were as follows:

Annual required contribution	\$ 680,134
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	<u>680,134</u>
Contributions made	<u>(277,088)</u>
Increase in net OPEB obligation	403,046
Net OPEB obligation, beginning of year	-
Net OPEB obligation, end of year	<u>\$ 403,046</u>

Funded Status. The funded status of the Plan as of December 31, 2009, the date of the most recent actuarial valuation, is as follows:

Actuarial accrued liabilities (a)	\$ 8,033,569
Actuarial value of plan assets (b)	<u>1,545,277</u>
Unfunded actuarial accrued liability (a-b)	<u>\$ 6,488,292</u>
Funded ratio (b/a)	19.2%
Covered payroll (c)	\$ 6,465,155
Unfunded actuarial accrued liability as a percentage of covered payroll [(a-b)/c]	100.4%

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 to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

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 benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

Actuarial valuation date	12/31/2008
Actuarial cost method	Entry age normal cost
Amortization method	Level percent of payroll open
Remaining amortization period	30 years
Asset valuation method	Market value
Discount rate	8.0%
Projected salary increases	4.5%
Healthcare inflation rate	8.0% grading to 4.5% ultimately

E. Retirement Plan

Defined Benefit Pension Plan. The Township participates in the Michigan Municipal Employees' Retirement System (MERS), an agent multiple-employer defined benefit pension plan that covers substantially all of the employees of the Township. The system provides retirement, disability and death benefits to plan members and their beneficiaries. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Municipal Employees Retirement System of Michigan, 1134 Municipal Way, Lansing, Michigan 48917 or by calling (800) 767-6377.

The Township's contributions are recognized when due and a formal commitment to provide the contributions has been made.

Employees are not required to contribute to the plan. The contribution requirements for the Township are determined by the actuary. The employer contributions consist of the actuarial determined normal cost and a portion of unfunded liability (28-year amortization).

For the year ended December 31, 2009, the Township's annual pension cost was \$484,278. A level of percentage payroll amortization is used to determine the required contribution. The actuarial assumption included (a) 8% investment rate of return; and (b) projected salary increases of 4.5% per year.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Annual required contribution	\$ 484,278
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual net pension cost	484,278
Contributions made	(484,278)
Change in net pension asset	-
Net pension asset, beginning of year	-
Net pension asset, end of year	\$ -

Three Year Trend Information

<u>Year Ended</u> <u>December 31,</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
2007	\$ 472,566	100.0%	\$ -
2008	510,445	100.0%	-
2009	484,152	100.0%	126

The funded status of the plan as of December 31, 2008, the date of the latest actuarial valuation, was as follows:

Actuarial accrued liabilities (AAL)	\$ 15,441,447
Actuarial value of plan assets	11,515,448
Unfunded actuarial accrued liability (UAAL)	\$ 3,925,999
Funded ratio	75%
Covered payroll (active plan members)	\$ 6,231,744
UAAL as a percentage of covered payroll	63%

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 and mortality. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. For purposes of the schedule of funding progress, the actuarial accrued liability value as shown is determined using the entry age actuarial cost method.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

F. Subsequent Events

On January 22, 2010 the Township issued water supply system revenue bonds in the amount of \$4,707,000. The bonds bear interest at 2.5% and are due specifically through January 22, 2032.

G. Restatements

The beginning net assets of governmental activities were increased by \$2,025,851, which included an increase of \$43,269 to properly account for compensated absences that should have been included in business-type activities and an increase of \$1,982,582 to properly record special assessment revenues that were not recognized in the prior year. Also the beginning net assets of the water and sewer enterprise fund and of the business-type activities were increased by \$559,339, which included a decrease of \$43,269 to properly account for compensated absences and an increase of \$602,608 to record unbilled water and sewer receivables at the beginning of the fiscal year.

* * * * *

REQUIRED SUPPLEMENTARY INFORMATION

PITTSFIELD CHARTER TOWNSHIP
Required Supplementary Information
Municipal Employees Retirement System of Michigan

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/03	\$ 5,826,387	\$ 8,233,918	71.0%	\$ 2,407,531	\$ 5,233,763	46.0%
12/31/04	6,750,466	9,711,666	70.0%	2,961,200	5,384,000	55.0%
12/31/05	7,755,416	10,943,440	71.0%	3,188,024	5,796,407	55.0%
12/31/06	9,015,922	12,681,900	71.0%	3,665,978	6,009,800	61.0%
12/31/07	10,278,963	14,059,796	73.0%	3,780,833	6,301,388	60.0%
12/31/08	11,515,448	15,441,447	75.0%	3,925,999	6,231,744	63.0%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed	Net Pension Obligation
12/31/04	\$ 298,754	\$ 298,754	100.0%	\$ -
12/31/05	357,073	357,073	100.0%	-
12/31/06	416,355	416,355	100.0%	-
12/31/07	472,566	472,566	100.0%	-
12/31/08	510,445	510,445	100.0%	-
12/31/09	484,278	484,278	100.0%	-

PITTSFIELD CHARTER TOWNSHIP
Required Supplementary Information
Other Postemployment Benefits

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Funded Ratio</u>	<u>Unfunded AAL (UAAL)</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of of Covered Payroll</u>
12/31/09	\$ 1,545,277	\$ 8,033,569	19.2%	\$ 6,488,292	\$ 6,465,155	100.4%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
12/31/09	\$ 680,134	\$ 277,088	40.7%	\$ 403,046

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

PITTSFIELD CHARTER TOWNSHIP
Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2009

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects State & Textile Road</u>	<u>Totals</u>
ASSETS				
Assets				
Cash and cash equivalents	\$ 3,200,537	\$ 1,062,489	\$ 41,714	\$ 4,304,740
Accounts receivable	78,803	-	-	78,803
Special assessments receivable	-	1,629,892	-	1,629,892
Due from other funds	96,728	-	-	96,728
Prepaid items	4,994	-	-	4,994
TOTAL ASSETS	<u>\$ 3,381,062</u>	<u>\$ 2,692,381</u>	<u>\$ 41,714</u>	<u>\$ 6,115,157</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 94,349	\$ -	\$ -	\$ 94,349
Accrued liabilities	13,560	-	-	13,560
Due to other funds	351,514	-	-	351,514
Escrow payable	11,843	-	-	11,843
Deferred revenue	-	1,629,891	-	1,629,891
Total liabilities	<u>471,266</u>	<u>1,629,891</u>	<u>-</u>	<u>2,101,157</u>
Fund balances				
Reserved for recycling	7,105	-	-	7,105
Reserved for prepaid items	4,994	-	-	4,994
Unreserved:				
Designated for subsequent year expenditures	68,137	-	-	68,137
Undesignated	2,829,560	1,062,490	41,714	3,933,764
Total fund balances	<u>2,909,796</u>	<u>1,062,490</u>	<u>41,714</u>	<u>4,014,000</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,381,062</u>	<u>\$ 2,692,381</u>	<u>\$ 41,714</u>	<u>\$ 6,115,157</u>

PITTSFIELD CHARTER TOWNSHIP
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Nonmajor Governmental Fund
For the Year Ended December 31, 2009

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects State & Textile Road</u>	<u>Totals</u>
Revenues				
Taxes and special assessments	\$ -	\$ 430,468	\$ -	\$ 430,468
Licenses and permits	288,040	-	-	288,040
Charges for services	1,277,046	-	-	1,277,046
Investment earnings	3,743	2,069	72	5,884
Other	89,249	-	-	89,249
	<u>1,658,078</u>	<u>432,537</u>	<u>72</u>	<u>2,090,687</u>
Expenditures				
Current expenditures:				
General government	3,220	22,823	-	26,043
Public safety	661,720	-	-	661,720
Public works	1,037,632	-	-	1,037,632
Debt service:				
Principal	-	426,585	-	426,585
Interest and fiscal charges	-	94,816	-	94,816
Capital outlay	34,935	-	-	34,935
	<u>1,737,507</u>	<u>544,224</u>	<u>-</u>	<u>2,281,731</u>
Revenues over (under) expenditures	<u>(79,429)</u>	<u>(111,687)</u>	<u>72</u>	<u>(191,044)</u>
Other financing sources (uses)				
Transfers in	40,000	15,803	-	55,803
Transfers out	(305)	-	-	(305)
	<u>39,695</u>	<u>15,803</u>	<u>-</u>	<u>55,498</u>
Net change in fund balances	(39,734)	(95,884)	72	(135,546)
Fund balances, beginning of year	<u>2,949,530</u>	<u>1,158,374</u>	<u>41,642</u>	<u>4,149,546</u>
Fund balances, end of year	<u><u>\$ 2,909,796</u></u>	<u><u>\$ 1,062,490</u></u>	<u><u>\$ 41,714</u></u>	<u><u>\$ 4,014,000</u></u>

PITTSFIELD CHARTER TOWNSHIP
Combining Balance Sheet - Nonmajor Special Revenue Funds
December 31, 2009

	<u>Refuse Collection</u>	<u>Tree Mitigation</u>	<u>Building Department</u>
ASSETS			
Assets			
Cash and cash equivalents	\$ 139,000	\$ 213,206	\$ 347,955
Accounts receivable	-	-	18,803
Due from other funds	96,294	-	434
Prepaid items	-	-	253
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 235,294	\$ 213,206	\$ 367,445
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 85,427	\$ -	\$ 1,024
Accrued liabilities	-	-	-
Due to other funds	12,882	-	338,632
Escrow payable	11,843	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	110,152	-	339,656
	<hr/>	<hr/>	<hr/>
Fund balances			
Reserved for recycling	7,105	-	-
Reserved for prepaid items	-	-	253
Unreserved:			
Designated for subsequent year expenditures	-	-	-
Undesignated	118,037	213,206	27,536
	<hr/>	<hr/>	<hr/>
Total fund balances	125,142	213,206	27,789
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 235,294	\$ 213,206	\$ 367,445
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

<u>Budget Stabilization</u>	<u>Land Preservation</u>	<u>E 911 Service</u>	<u>Total</u>
\$ 965,000	\$ -	\$ 1,535,376	\$ 3,200,537
-	-	60,000	78,803
-	-	-	96,728
-	-	4,741	4,994
<u>\$ 965,000</u>	<u>\$ -</u>	<u>\$ 1,600,117</u>	<u>\$ 3,381,062</u>
\$ -	\$ -	\$ 7,898	\$ 94,349
-	-	13,560	13,560
-	-	-	351,514
-	-	-	11,843
-	-	21,458	471,266
-	-	-	7,105
-	-	4,741	4,994
-	-	68,137	68,137
965,000	-	1,505,781	2,829,560
965,000	-	1,578,659	2,909,796
<u>\$ 965,000</u>	<u>\$ -</u>	<u>\$ 1,600,117</u>	<u>\$ 3,381,062</u>

PITTSFIELD CHARTER TOWNSHIP
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	<u>Refuse Collection</u>	<u>Tree Mitigation</u>	<u>Building Department</u>
Revenues			
Licenses and permits	\$ -	\$ -	\$ 288,040
Charges for services	1,016,227	-	-
Investment earnings	269	364	440
Other	-	-	89,249
	<u>1,016,496</u>	<u>364</u>	<u>377,729</u>
Expenditures			
Current expenditures:			
General government	-	3,220	-
Public safety	-	-	390,386
Public works	1,037,632	-	-
Capital outlay	-	-	-
	<u>1,037,632</u>	<u>3,220</u>	<u>390,386</u>
Revenues under expenditures	<u>(21,136)</u>	<u>(2,856)</u>	<u>(12,657)</u>
Other financing sources (uses)			
Transfers in	-	-	40,000
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>40,000</u>
Net change in fund balances	(21,136)	(2,856)	27,343
Fund balances, beginning of year	<u>146,278</u>	<u>216,062</u>	<u>446</u>
Fund balances, end of year	<u><u>\$ 125,142</u></u>	<u><u>\$ 213,206</u></u>	<u><u>\$ 27,789</u></u>

Budget Stabilization	Land Preservation	E 911 Service	Total
\$ -	\$ -	\$ -	\$ 288,040
-	-	260,819	1,277,046
-	-	2,670	3,743
-	-	-	89,249
-	-	263,489	1,658,078
-	-	-	3,220
-	-	271,334	661,720
-	-	-	1,037,632
-	-	34,935	34,935
-	-	306,269	1,737,507
-	-	(42,780)	(79,429)
-	-	-	40,000
-	(305)	-	(305)
-	(305)	-	39,695
-	(305)	(42,780)	(39,734)
965,000	305	1,621,439	2,949,530
<u>\$ 965,000</u>	<u>\$ -</u>	<u>\$ 1,578,659</u>	<u>\$ 2,909,796</u>

PITTSFIELD CHARTER TOWNSHIP
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Final Budget and Actual - Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Refuse Collection		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Licenses and permits	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	1,030,000	1,016,227	(13,773)
Investment earnings	5,300	269	(5,031)
Other	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	1,035,300	1,016,496	(18,804)
	<hr/>	<hr/>	<hr/>
Expenditures			
Current expenditures:			
General government	-	-	-
Public safety	-	-	-
Public works	1,064,300	1,037,632	(26,668)
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	1,064,300	1,037,632	(26,668)
	<hr/>	<hr/>	<hr/>
Revenues over (under) expenditures	(29,000)	(21,136)	7,864
	<hr/>	<hr/>	<hr/>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	(29,000)	(21,136)	7,864
	<hr/>	<hr/>	<hr/>
Fund balances, beginning of year	-	146,278	(146,278)
	<hr/>	<hr/>	<hr/>
Fund balances, end of year	<u>\$ (29,000)</u>	<u>\$ 125,142</u>	<u>\$ 154,142</u>

Tree Mitigation			Building Department		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ 360,000	\$ 288,040	\$ (71,960)
-	-	-	-	-	-
-	-	-	-	-	-
5,000	364	(4,636)	1,500	440	(1,060)
-	-	-	40,000	89,249	49,249
<u>5,000</u>	<u>364</u>	<u>(4,636)</u>	<u>401,500</u>	<u>377,729</u>	<u>(23,771)</u>
5,000	3,220	(1,780)	-	-	-
-	-	-	401,321	390,386	(10,935)
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,000</u>	<u>3,220</u>	<u>(1,780)</u>	<u>401,321</u>	<u>390,386</u>	<u>(10,935)</u>
-	(2,856)	(2,856)	179	(12,657)	(12,836)
-	-	-	-	40,000	40,000
-	-	-	-	-	-
-	-	-	-	40,000	40,000
-	(2,856)	(2,856)	179	27,343	27,164
-	216,062	(216,062)	-	446	(446)
<u>\$ -</u>	<u>\$ 213,206</u>	<u>\$ 213,206</u>	<u>\$ 179</u>	<u>\$ 27,789</u>	<u>\$ 27,610</u>

Continued...

PITTSFIELD CHARTER TOWNSHIP
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Final Budget and Actual - Nonmajor Special Revenue Funds (Concluded)
For the Year Ended December 31, 2009

	Budget Stabilization		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Licenses and permits	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment earnings	-	-	-
Other	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	-	-	-
	<hr/>	<hr/>	<hr/>
Expenditures			
Current expenditures:			
General government	-	-	-
Public safety	-	-	-
Refuse collection	-	-	-
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	-	-	-
	<hr/>	<hr/>	<hr/>
Revenues over (under) expenditures	-	-	-
	<hr/>	<hr/>	<hr/>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	-	-	-
	<hr/>	<hr/>	<hr/>
Fund balances, beginning of year	-	965,000	(965,000)
	<hr/>	<hr/>	<hr/>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 965,000</u>	<u>\$ 965,000</u>

Land Preservation			E 911 Service		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50	-	(50)	-	-	-
-	-	-	200,000	260,819	60,819
5	-	(5)	50,000	2,670	(47,330)
-	-	-	-	-	-
<u>55</u>	<u>-</u>	<u>(55)</u>	<u>250,000</u>	<u>263,489</u>	<u>13,489</u>
-	-	-	-	-	-
-	-	-	281,962	271,334	(10,628)
-	-	-	-	-	-
-	-	-	36,175	34,935	(1,240)
-	-	-	318,137	306,269	(11,868)
<u>55</u>	<u>-</u>	<u>(55)</u>	<u>(68,137)</u>	<u>(42,780)</u>	<u>25,357</u>
-	-	-	-	-	-
-	(305)	(305)	-	-	-
-	(305)	(305)	-	-	-
<u>55</u>	<u>(305)</u>	<u>(360)</u>	<u>(68,137)</u>	<u>(42,780)</u>	<u>25,357</u>
-	305	(305)	-	1,621,439	(1,621,439)
<u>\$ 55</u>	<u>\$ -</u>	<u>\$ (55)</u>	<u>\$ (68,137)</u>	<u>\$ 1,578,659</u>	<u>\$ 1,646,796</u>

PITTSFIELD CHARTER TOWNSHIP
Combining Balance Sheet - Nonmajor Debt Service Fund
December 31, 2009

	1991 Water & Sewer	Carpenter Road Drain	Mallets Creek	Textile Road Water
ASSETS				
Assets				
Cash and cash equivalents	\$ 615,458	\$ 143,721	\$ 26,466	\$ -
Special assessments receivable	23,703	337,777	335,184	-
	<u>\$ 639,161</u>	<u>\$ 481,498</u>	<u>\$ 361,650</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Deferred revenue	\$ 23,702	\$ 337,777	\$ 335,184	\$ -
	<u>615,459</u>	<u>143,721</u>	<u>26,466</u>	<u>-</u>
Fund balances				
Unreserved, undesignated	615,459	143,721	26,466	-
	<u>\$ 639,161</u>	<u>\$ 481,498</u>	<u>\$ 361,650</u>	<u>\$ -</u>
TOTAL LIABILITIES AND FUND BALANCES				

<u>State & Textile Road</u>	<u>Waters Place Road</u>	<u>Munger Road 2001</u>	<u>Ann Arbor/ Waters Road</u>	<u>Total</u>
\$ 106,117	\$ 47,685	\$ 110,793	\$ 12,249	\$ 1,062,489
<u>425,724</u>	<u>377,521</u>	<u>71,014</u>	<u>58,969</u>	<u>1,629,892</u>
<u>\$ 531,841</u>	<u>\$ 425,206</u>	<u>\$ 181,807</u>	<u>\$ 71,218</u>	<u>\$ 2,692,381</u>
\$ 425,724	\$ 377,521	\$ 71,014	\$ 58,969	\$ 1,629,891
<u>106,117</u>	<u>47,685</u>	<u>110,793</u>	<u>12,249</u>	<u>1,062,490</u>
<u>\$ 531,841</u>	<u>\$ 425,206</u>	<u>\$ 181,807</u>	<u>\$ 71,218</u>	<u>\$ 2,692,381</u>

PITTSFIELD CHARTER TOWNSHIP
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Nonmajor Debt Service Fund
For the Year Ended December 31, 2005

	<u>1991 Water & Sewer</u>	<u>Carpenter Road Drain</u>	<u>Mallets Creek</u>	<u>Textile Road Water</u>
Revenues				
Taxes and special assessments	\$ 17,667	\$ 84,910	\$ 30,388	\$ 27,246
Investment earnings	1,061	269	42	25
Total revenues	<u>18,728</u>	<u>85,179</u>	<u>30,430</u>	<u>27,271</u>
Expenditures				
General government	-	-	-	22,823
Debt service:				
Principal retirement	-	88,600	17,985	50,000
Interest and fiscal charges	-	26,580	6,121	1,275
Total expenditures	<u>-</u>	<u>115,180</u>	<u>24,106</u>	<u>74,098</u>
Revenues over (under) expenditures	18,728	(30,001)	6,324	(46,827)
Other financing sources				
Transfers in	-	15,803	-	-
Net change in fund balances	18,728	(14,198)	6,324	(46,827)
Fund balances, beginning of year	<u>596,731</u>	<u>157,919</u>	<u>20,142</u>	<u>46,827</u>
Fund balances, end of year	<u><u>\$ 615,459</u></u>	<u><u>\$ 143,721</u></u>	<u><u>\$ 26,466</u></u>	<u><u>\$ -</u></u>

<u>State & Textile Road</u>	<u>Waters Place Road</u>	<u>Munger Road 2001</u>	<u>Ann Arbor/ Waters Road</u>	<u>Total</u>
\$ 105,864	\$ 86,105	\$ 46,319	\$ 31,969	\$ 430,468
317	105	221	29	2,069
<u>106,181</u>	<u>86,210</u>	<u>46,540</u>	<u>31,998</u>	<u>432,537</u>
-	-	-	-	22,823
100,000	65,000	75,000	30,000	426,585
24,325	21,911	10,400	4,204	94,816
<u>124,325</u>	<u>86,911</u>	<u>85,400</u>	<u>34,204</u>	<u>544,224</u>
(18,144)	(701)	(38,860)	(2,206)	(111,687)
-	-	-	-	15,803
(18,144)	(701)	(38,860)	(2,206)	(95,884)
<u>124,261</u>	<u>48,386</u>	<u>149,653</u>	<u>14,455</u>	<u>1,158,374</u>
<u>\$ 106,117</u>	<u>\$ 47,685</u>	<u>\$ 110,793</u>	<u>\$ 12,249</u>	<u>\$ 1,062,490</u>

PITTSFIELD CHARTER TOWNSHIP
Combining Statement of Fiduciary Net Assets
Agency Funds
December 31, 2009

	<u>Tax Collection Fund</u>	<u>Performance Bonds Fund</u>	<u>Imprest and Payroll Fund</u>	<u>Trust and Agency Fund</u>	<u>Total</u>
Assets					
Cash and cash equivalents	<u>\$ 8,956,575</u>	<u>\$ 712,511</u>	<u>\$ 15,852</u>	<u>\$ 25,310</u>	<u>\$ 9,710,248</u>
Liabilities					
Undistributed receipts	<u>\$ 8,956,575</u>	<u>\$ 712,511</u>	<u>\$ 15,852</u>	<u>\$ 25,310</u>	<u>\$ 9,710,248</u>

PITTSFIELD CHARTER TOWNSHIP
Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2009

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>Tax Collection Fund</u>				
Assets				
Cash and cash equivalents	\$ 3,522,668	\$ 139,059,835	\$ 133,625,928	\$ 8,956,575
Liabilities				
Undistributed receipts	\$ 3,522,668	\$ 139,059,835	\$ 133,625,928	\$ 8,956,575
<u>Performance Bonds Fund</u>				
Assets				
Cash and cash equivalents	\$ 793,579	\$ 219,775	\$ 300,843	\$ 712,511
Liabilities				
Undistributed receipts	\$ 793,579	\$ 219,775	\$ 300,843	\$ 712,511
<u>Imprest and Payroll Fund</u>				
Assets				
Cash and cash equivalents	\$ 15,707	\$ 2,489	\$ 2,344	\$ 15,852
Liabilities				
Undistributed receipts	\$ 15,707	\$ 2,489	\$ 2,344	\$ 15,852
<u>Trust and Agency Fund</u>				
Assets				
Cash and cash equivalents	\$ 10,181	\$ 754,230	\$ 739,101	\$ 25,310
Liabilities				
Undistributed receipts	\$ 10,181	\$ 754,230	\$ 739,101	\$ 25,310
<u>Total</u>				
Assets				
Cash and cash equivalents	\$ 4,342,135	\$ 140,036,329	\$ 134,668,216	\$ 9,710,248
Liabilities				
Undistributed receipts	\$ 4,342,135	\$ 140,036,329	\$ 134,668,216	\$ 9,710,248

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Pittsfield Charter Township's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

<u>Contents</u>	<u>Page</u>
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.	67-75
Revenue Capacity These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.	76-79
Debt Capacity These schedules present 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.	80-83
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.	84-88

Pittsfield Charter Township
Net Assets by Component
Last Seven Years (A)
(Accrual Basis of Accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental Activities							
Invested in capital assets, net of related debt	\$ 12,578,788	\$ 12,483,400	\$ 13,972,968	\$ 15,137,660	\$ 21,783,060	\$ 22,189,818	\$ 21,660,473
Restricted	2,736,389	2,172,501	1,854,093	1,486,642	1,308,767	1,263,137	1,111,309
Unrestricted	<u>10,607,666</u>	<u>12,699,772</u>	<u>13,869,386</u>	<u>15,359,129</u>	<u>11,902,580</u>	<u>13,279,763</u>	<u>15,309,961</u>
Total net assets	<u>\$ 25,922,843</u>	<u>\$ 27,355,673</u>	<u>\$ 29,696,447</u>	<u>\$ 31,983,431</u>	<u>\$ 34,994,407</u>	<u>\$ 36,732,718</u>	<u>\$ 38,081,743</u>
Business-type Activities							
Invested in capital assets, net of related debt	\$ 18,374,645	\$ 17,916,796	\$ 21,619,575	\$ 21,686,761	\$ 22,315,706	\$ 23,149,275	\$ 23,372,211
Restricted	-	-	-	-	-	-	-
Unrestricted	<u>12,682,978</u>	<u>13,453,049</u>	<u>10,614,180</u>	<u>11,188,698</u>	<u>11,248,742</u>	<u>10,125,602</u>	<u>9,889,282</u>
Total net assets	<u>\$ 31,057,623</u>	<u>\$ 31,369,845</u>	<u>\$ 32,233,755</u>	<u>\$ 32,875,459</u>	<u>\$ 33,564,448</u>	<u>\$ 33,274,877</u>	<u>\$ 33,261,493</u>
Total Primary Government							
Invested in capital assets, net of related debt	\$ 30,953,433	\$ 30,400,196	\$ 35,592,543	\$ 36,824,421	\$ 44,098,766	\$ 45,339,093	\$ 45,032,684
Restricted	2,736,389	2,172,501	1,854,093	1,486,642	1,308,767	1,263,137	1,111,309
Unrestricted	<u>23,290,644</u>	<u>26,152,821</u>	<u>24,483,566</u>	<u>26,547,827</u>	<u>23,151,322</u>	<u>23,405,365</u>	<u>25,199,243</u>
Total net assets	<u>\$ 56,980,466</u>	<u>\$ 58,725,518</u>	<u>\$ 61,930,202</u>	<u>\$ 64,858,890</u>	<u>\$ 68,558,855</u>	<u>\$ 70,007,595</u>	<u>\$ 71,343,236</u>

(A) Pittsfield Charter Township implemented GASB 34 as of and for the year ended December 31, 2003; accordingly, data prior to fiscal 2003 is not readily available and, therefore, not presented.

Source: Pittsfield Charter Township Accounting Department

Pittsfield Charter Township
Changes in Net Assets
Last Seven Years (A)
(Accrual Basis of Accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Expenses							
Governmental activities:							
General government	\$ 1,951,137	\$ 1,886,811	\$ 1,874,670	\$ 1,957,225	\$ 3,704,845	\$ 4,059,630	\$ 2,332,030
Public safety	6,615,069	5,731,179	6,181,387	6,521,746	7,674,377	7,829,666	8,110,750
Public works	1,656,286	1,717,388	1,748,678	1,848,223	1,903,279	2,030,837	1,934,371
Planning and zoning	341,152	372,070	330,525	362,701	360,737	370,600	366,557
Parks and recreation	655,832	614,299	697,397	654,427	717,334	1,053,631	2,887,250
Other unallocated	1,315,402	1,992,136	1,579,075	2,063,838	-	-	-
Interest on long-term debt	788,257	556,292	531,521	466,614	429,738	384,683	544,989
Subtotal governmental activities	<u>13,323,135</u>	<u>12,870,175</u>	<u>12,943,253</u>	<u>13,874,774</u>	<u>14,790,310</u>	<u>15,729,047</u>	<u>16,175,947</u>
Business-type activities -							
Water and sewer	<u>6,606,875</u>	<u>7,816,853</u>	<u>8,502,652</u>	<u>8,519,813</u>	<u>9,530,617</u>	<u>9,627,408</u>	<u>9,253,922</u>
Total expenses	<u>19,930,010</u>	<u>20,687,028</u>	<u>21,445,905</u>	<u>22,394,587</u>	<u>24,320,927</u>	<u>25,356,455</u>	<u>25,429,869</u>
Program revenues							
Governmental activities:							
Charges for services:							
General government	2,068,337	1,849,399	1,822,584	2,033,346	2,354,703	2,213,152	2,266,763
Public safety	964,193	862,131	705,600	661,849	678,607	724,694	650,619
Public works	1,276,399	1,141,289	264,185	287,188	260,523	264,271	256,560
Parks and recreation	185,415	165,788	159,891	167,887	172,175	166,713	180,560
Operating grants and contributions	61,246	305,606	254,121	276,201	319,314	292,966	336,912
Capital grants and contributions	102,093	13,078	1,107,032	725,334	1,248,278	1,159,037	430,468
Subtotal governmental activities	<u>4,657,683</u>	<u>4,337,291</u>	<u>4,313,413</u>	<u>4,151,805</u>	<u>5,033,600</u>	<u>4,820,833</u>	<u>4,121,882</u>
Business-type activities:							
Charges for services	6,304,968	7,431,884	8,440,206	8,155,670	9,314,032	8,737,990	8,552,060
Operating grants and contributions	-	-	-	-	-	-	-
Capital grants and contributions	811,251	456,817	526,618	425,862	293,706	337,092	110,088
Subtotal business-type activities	<u>7,116,219</u>	<u>7,888,701</u>	<u>8,966,824</u>	<u>8,581,532</u>	<u>9,607,738</u>	<u>9,075,082</u>	<u>8,662,148</u>
Total program revenues	<u>11,773,902</u>	<u>12,225,992</u>	<u>13,280,237</u>	<u>12,733,337</u>	<u>14,641,338</u>	<u>13,895,915</u>	<u>12,784,030</u>
Net (expense)/revenue							
Governmental activities	(8,665,452)	(8,532,884)	(8,629,840)	(9,722,969)	(9,756,710)	(10,908,214)	(12,054,065)
Business-type activities	<u>509,344</u>	<u>71,848</u>	<u>464,172</u>	<u>61,719</u>	<u>77,121</u>	<u>(552,326)</u>	<u>(591,774)</u>
Total net expense	<u>(8,156,108)</u>	<u>(8,461,036)</u>	<u>(8,165,668)</u>	<u>(9,661,250)</u>	<u>(9,679,589)</u>	<u>(11,460,540)</u>	<u>(12,645,839)</u>

Continued...

Pittsfield Charter Township
Changes in Net Assets (Concluded)
Last Seven Years (A)
(Accrual Basis of Accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General revenues							
Governmental activities:							
Property taxes	\$ 6,846,733	\$ 7,228,368	\$ 7,771,794	\$ 8,401,535	\$ 9,040,019	\$ 9,532,657	\$ 8,991,812
State shared revenues	2,310,373	2,141,845	2,186,549	2,139,405	2,113,251	2,099,893	1,863,410
Cable franchise fees	-	319,170	344,232	366,197	398,908	412,165	442,812
Unrestricted investment earnings	317,707	276,331	668,039	1,102,816	1,215,508	601,810	79,205
Other	-	-	-	-	-	-	-
Subtotal governmental activities	<u>9,474,813</u>	<u>9,965,714</u>	<u>10,970,614</u>	<u>12,009,953</u>	<u>12,767,686</u>	<u>12,646,525</u>	<u>11,377,239</u>
Business-type activities:							
Investment earnings	171,823	240,374	399,738	579,985	611,868	262,755	19,051
Other	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Subtotal business-type activities	<u>171,823</u>	<u>240,374</u>	<u>399,738</u>	<u>579,985</u>	<u>611,868</u>	<u>262,755</u>	<u>19,051</u>
Total general revenues	<u>9,646,636</u>	<u>10,206,088</u>	<u>11,370,352</u>	<u>12,589,938</u>	<u>13,379,554</u>	<u>12,909,280</u>	<u>11,396,290</u>
Change in net assets							
Governmental activities	809,361	1,432,830	2,340,774	2,286,984	3,010,976	1,738,311	(676,826)
Business-type activities	<u>681,167</u>	<u>312,222</u>	<u>863,910</u>	<u>641,704</u>	<u>688,989</u>	<u>(289,571)</u>	<u>(572,723)</u>
Total change in net assets	<u>\$ 1,490,528</u>	<u>\$ 1,745,052</u>	<u>\$ 3,204,684</u>	<u>\$ 2,928,688</u>	<u>\$ 3,699,965</u>	<u>\$ 1,448,740</u>	<u>\$ (1,249,549)</u>

(A) Pittsfield Charter Township implemented GASB 34 as of and for the year ended December 31, 2003; accordingly, data prior to fiscal 2003 is not readily available and, therefore, not presented.

Source: Pittsfield Charter Township Accounting Department

Pittsfield Charter Township
Fund Balances - Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund					
Reserved	\$ 101,718	\$ 53,360	\$ 57,001	\$ 30,878	\$ 30,878
Unreserved	<u>6,783,813</u>	<u>9,260,739</u>	<u>5,699,714</u>	<u>6,329,405</u>	<u>7,084,113</u>
Total general fund	<u>\$ 6,885,531</u>	<u>\$ 9,314,099</u>	<u>\$ 5,756,715</u>	<u>\$ 6,360,283</u>	<u>\$ 7,114,991</u>
All Other Governmental Funds					
Reserved	\$ 6,665,707	\$ 7,074,623	\$ 6,952,854	\$ 2,705,511	\$ 2,141,623
Unreserved, reported in:					
Special revenue funds	2,519,806	3,112,531	3,874,543	4,278,261	5,615,659
Debt service funds	-	-	-	-	-
Capital project funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 9,185,513</u>	<u>\$ 10,187,154</u>	<u>\$ 10,827,397</u>	<u>\$ 6,983,772</u>	<u>\$ 7,757,282</u>

Source: Pittsfield Charter Township Accounting Department

Schedule 3
Unaudited

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 30,878	\$ 16,801	\$ 42,878	\$ 39,773	\$ 34,159
<u>7,932,600</u>	<u>8,823,608</u>	<u>4,758,618</u>	<u>4,531,325</u>	<u>4,243,052</u>
<u>\$ 7,963,478</u>	<u>\$ 8,840,409</u>	<u>\$ 4,801,496</u>	<u>\$ 4,571,098</u>	<u>\$ 4,277,211</u>
\$ 1,823,215	\$ 1,469,841	\$ 1,265,889	\$ 1,223,364	\$ 373,239
5,936,786	6,535,521	8,174,162	9,786,982	9,091,852
-	-	-	-	1,062,490
-	-	-	-	<u>41,714</u>
<u>\$ 7,760,001</u>	<u>\$ 8,005,362</u>	<u>\$ 9,440,051</u>	<u>\$ 11,010,346</u>	<u>\$ 10,569,295</u>

Pittsfield Charter Township
Changes in Fund Balances - Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Revenue					
Taxes and special assessments	\$ 6,846,835	\$ 7,254,798	\$ 7,936,480	\$ 7,898,005	\$ 8,048,931
Licenses and permits	669,219	631,233	502,948	639,919	678,926
Intergovernmental	2,489,274	3,184,836	3,149,176	2,485,825	2,255,965
Charges for services	1,229,729	1,337,747	1,366,424	1,631,832	1,740,230
Fines and forfeitures	101,826	99,080	76,896	111,602	131,261
Franchise fees	229,971	296,016	287,832	299,286	319,170
Investment earnings	1,243,313	1,152,582	591,182	317,707	276,331
Donations	-	-	-	-	-
Other revenue	636,238	614,645	740,425	748,320	852,191
Total revenue	<u>13,446,405</u>	<u>14,570,937</u>	<u>14,651,363</u>	<u>14,132,496</u>	<u>14,303,005</u>
Expenditures					
General government	1,384,314	1,409,319	1,612,324	1,751,300	1,743,609
Public safety	4,578,160	5,099,715	4,892,694	6,052,531	5,157,998
Public works	987,949	1,032,546	859,999	1,034,125	1,095,227
Planning and zoning	683,296	429,533	469,774	341,152	362,914
Culture and recreation	598,816	505,932	609,856	614,566	571,272
Other unallocated	1,536,970	955,055	1,404,988	1,315,402	1,992,136
Capital outlay	631,492	563,239	12,813,573	532,649	1,152,994
Debt service:					
Principal	1,392,425	1,413,600	1,438,600	4,942,571	1,208,600
Interest and other charges	702,310	810,572	816,696	788,257	547,542
Total expenditures	<u>12,495,732</u>	<u>12,219,511</u>	<u>24,918,504</u>	<u>17,372,553</u>	<u>13,832,292</u>
Revenues over (under) expenditures	<u>950,673</u>	<u>2,351,426</u>	<u>(10,267,141)</u>	<u>(3,240,057)</u>	<u>470,713</u>
Other financing sources (uses)					
Sale of capital assets	-	-	-	-	191,255
Proceeds from debt	885,000	965,950	7,350,000	-	866,250
Transfers in	641,198	133,225	1,492,849	57,081	671,937
Transfers out	(641,198)	(20,392)	(1,492,849)	(57,081)	(671,937)
Total other financing sources (uses)	<u>885,000</u>	<u>1,078,783</u>	<u>7,350,000</u>	<u>-</u>	<u>1,057,505</u>
Net change in fund balance	<u><u>\$ 1,835,673</u></u>	<u><u>\$ 3,430,209</u></u>	<u><u>\$ (2,917,141)</u></u>	<u><u>\$ (3,240,057)</u></u>	<u><u>\$ 1,528,218</u></u>
Debt services as a percentage of noncapital expenditures	<u>17.66%</u>	<u>19.08%</u>	<u>18.63%</u>	<u>34.03%</u>	<u>14.04%</u>

Source: Pittsfield Charter Township Accounting Department

**Schedule 4
Unaudited**

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 8,513,809	\$ 8,907,137	\$ 9,539,947	\$ 9,987,080	\$ 9,955,367
512,523	424,620	484,164	443,173	400,372
2,428,250	2,439,288	2,180,513	2,766,545	1,955,297
1,869,116	1,906,376	2,035,960	2,157,958	2,472,761
114,583	136,264	136,941	99,726	91,569
344,232	366,197	398,908	412,165	442,812
668,039	1,102,816	1,215,508	601,810	79,205
-	-	-	-	152,500
833,475	879,060	1,809,345	998,901	379,706
<u>15,284,027</u>	<u>16,161,758</u>	<u>17,801,286</u>	<u>17,467,358</u>	<u>15,929,589</u>
1,686,450	1,860,689	1,928,139	1,963,345	2,106,033
5,528,491	6,021,115	7,100,908	7,250,367	7,325,475
1,183,389	1,400,321	1,453,941	1,602,267	1,588,487
322,751	363,210	360,254	364,286	361,169
644,409	624,528	664,270	973,780	2,820,554
1,579,075	2,065,410	1,655,149	2,015,332	-
1,798,135	1,398,979	6,510,640	374,599	801,983
1,158,600	838,600	896,585	1,198,802	1,323,801
531,521	466,614	429,738	384,683	337,025
<u>14,432,821</u>	<u>15,039,466</u>	<u>20,999,624</u>	<u>16,127,461</u>	<u>16,664,527</u>
<u>851,206</u>	<u>1,122,292</u>	<u>(3,198,338)</u>	<u>1,339,897</u>	<u>(734,938)</u>
-	-	-	-	-
-	-	594,433	-	-
18,180	17,602	17,012	100,965	56,108
<u>(18,180)</u>	<u>(17,602)</u>	<u>(17,012)</u>	<u>(100,965)</u>	<u>(56,108)</u>
<u>-</u>	<u>-</u>	<u>594,433</u>	<u>-</u>	<u>-</u>
<u>\$ 851,206</u>	<u>\$ 1,122,292</u>	<u>\$ (2,603,905)</u>	<u>\$ 1,339,897</u>	<u>\$ (734,938)</u>
<u>14.34%</u>	<u>9.88%</u>	<u>6.82%</u>	<u>10.42%</u>	<u>10.60%</u>

Pittsfield Charter Township
Changes in Fund Balances - General Fund
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Revenue					
Property taxes	\$ 3,849,090	\$ 4,206,450	\$ 4,491,874	\$ 4,923,390	\$ 5,217,938
Licenses and permits	669,219	57,558	75,148	67,736	62,782
Intergovernmental	2,356,359	2,967,484	2,574,849	2,383,732	2,242,887
Charges for services	683,120	767,417	777,303	827,597	913,786
Fines and forfeitures	101,826	99,080	76,896	111,602	131,261
Franchise fees	229,971	296,016	287,832	299,286	319,170
Investment earnings	707,794	739,370	358,745	224,645	178,985
Donations	-	-	-	-	-
Other revenue	636,088	613,433	722,927	642,096	838,565
Total revenue	<u>9,233,467</u>	<u>9,746,808</u>	<u>9,365,574</u>	<u>9,480,084</u>	<u>9,905,374</u>
Expenditures					
General government	1,384,314	1,409,319	1,612,324	1,751,300	1,743,609
Public safety	4,135,411	4,121,220	3,876,554	4,334,142	4,079,697
Public works	414,449	447,741	252,731	412,832	443,131
Planning and zoning	683,296	429,533	469,774	341,152	362,914
Culture and recreation	495,965	404,799	441,836	471,018	514,921
Other unallocated	298,933	598,069	1,179,827	1,315,402	1,476,525
Capital outlay	-	-	11,309,739	-	358,144
Debt service	-	-	167,723	269,155	344,235
Total expenditures	<u>7,412,368</u>	<u>7,410,681</u>	<u>19,310,508</u>	<u>8,895,001</u>	<u>9,323,176</u>
Revenues over (under) expenditures	<u>1,821,099</u>	<u>2,336,127</u>	<u>(9,944,934)</u>	<u>585,083</u>	<u>582,198</u>
Other financing sources (uses)					
Loan proceeds	-	-	7,350,000	-	-
Sale of capital assets	-	-	-	-	191,255
Transfers in	12	112,833	-	37,783	-
Transfers out	<u>(286,030)</u>	<u>(20,392)</u>	<u>(962,450)</u>	<u>(19,298)</u>	<u>(18,745)</u>
Total other financing sources (uses)	<u>(286,018)</u>	<u>92,441</u>	<u>6,387,550</u>	<u>18,485</u>	<u>172,510</u>
Net change in fund balance	<u><u>\$ 1,535,081</u></u>	<u><u>\$ 2,428,568</u></u>	<u><u>\$ (3,557,384)</u></u>	<u><u>\$ 603,568</u></u>	<u><u>\$ 754,708</u></u>

Source: Pittsfield Charter Township Accounting Department

Schedule 5
Unaudited

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 5,620,877	\$ 6,007,405	\$ 6,471,030	\$ 6,824,545	\$ 6,825,336
45,105	49,275	102,889	59,340	112,332
2,276,133	2,234,556	2,180,513	2,161,456	1,913,937
940,251	1,012,294	1,088,913	1,169,029	1,195,715
114,583	136,264	136,941	99,726	91,569
344,232	366,197	398,908	412,165	442,812
444,813	742,969	798,583	375,038	59,774
-	-	-	-	152,500
<u>615,015</u>	<u>665,282</u>	<u>1,530,691</u>	<u>687,236</u>	<u>290,457</u>
<u>10,401,009</u>	<u>11,214,242</u>	<u>12,708,468</u>	<u>11,788,535</u>	<u>11,084,432</u>
1,686,450	1,860,689	1,928,139	1,963,345	2,079,990
4,378,933	4,802,996	5,958,382	6,053,564	5,570,177
402,467	451,180	477,685	581,332	550,855
322,751	363,210	360,254	364,286	361,169
549,495	580,991	631,041	857,532	2,260,556
1,497,840	1,668,913	1,467,869	1,376,346	-
404,196	300,000	6,202,818	161,357	500,074
292,210	291,730	298,614	605,761	-
<u>9,534,342</u>	<u>10,319,709</u>	<u>17,324,802</u>	<u>11,963,523</u>	<u>11,322,821</u>
<u>866,667</u>	<u>894,533</u>	<u>(4,616,334)</u>	<u>(174,988)</u>	<u>(238,389)</u>
-	-	594,433	-	-
-	-	-	-	-
-	-	-	-	305
<u>(18,180)</u>	<u>(17,602)</u>	<u>(17,012)</u>	<u>(55,410)</u>	<u>(55,803)</u>
<u>(18,180)</u>	<u>(17,602)</u>	<u>577,421</u>	<u>(55,410)</u>	<u>(55,498)</u>
<u>\$ 848,487</u>	<u>\$ 876,931</u>	<u>\$ (4,038,913)</u>	<u>\$ (230,398)</u>	<u>\$ (293,887)</u>

Pittsfield Charter Township
Taxable and Estimated Actual Value of Property
Last Ten Years

As of Dec. 31,	FYE Dec. 31,	Real Property (1)		Personal Property (1)		Total		(2) Total Direct Tax Rate
		Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value	
2008	2009	\$ 1,653,147,342	\$ 3,306,294,684	\$ 127,555,000	\$ 25,511,000	\$ 1,780,702,342	\$ 3,331,805,684	5.35540
2007	2008	1,694,059,053	3,388,118,106	127,730,900	25,546,180	1,821,789,953	3,413,664,286	5.15000
2006	2007	1,711,715,683	3,423,431,366	120,334,500	24,066,900	1,832,050,183	3,447,498,266	5.19500
2005	2006	1,618,317,533	3,236,635,066	114,273,900	22,854,780	1,732,591,433	3,259,489,846	5.19500
2004	2005	1,493,683,426	2,987,366,852	118,161,900	23,632,380	1,611,845,326	3,010,999,232	5.19500
2003	2004	1,374,902,806	2,749,805,612	112,208,600	22,441,720	1,487,111,406	2,772,247,332	5.19500
2002	2003	1,272,590,996	2,545,181,992	122,191,200	24,438,240	1,394,782,196	2,569,620,232	5.19500
2001	2002	1,196,426,442	2,392,852,884	128,710,100	25,742,020	1,325,136,542	2,418,594,904	5.19500
2000	2001	1,089,475,259	2,178,950,518	116,060,200	23,212,040	1,205,535,459	2,202,162,558	5.03650
1999	2000	983,779,017	1,967,558,034	99,968,500	19,993,700	1,083,747,517	1,987,551,734	5.23420

(1) Does not include properties subject to Industrial Facility Tax exemptions.

(2) Per \$1,000 of taxable value.

Source: Pittsfield Charter Township Accounting Department & Assessing Department

Pittsfield Charter Township
Direct and Overlapping Property Tax Rates
Last Ten Years
(rate per \$1,000 of taxable value)

Fiscal Year Ended December 31,	Twp	Ann Arbor		Milan		Saline		State Education Tax		Washtenaw Community College		Washtenaw County		Washtenaw Intermediate School District		Ann Arbor District Library		Saline District Library		Total Homestead		Total Non-Homestead	
		Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools	Public Schools
2009	5.35540	25.40810	26.01480	25.85000	6.00000	3.68560	5.74180	3.97450	1.55000	1.30660	86.88680	104.88680											
2008	5.15000	25.51520	26.01480	25.83110	6.00000	3.68560	5.70180	3.97450	1.92140	1.30110	87.09550	105.09550											
2007	5.19500	25.95590	26.01480	25.83110	6.00000	3.69560	5.67680	3.97450	1.92140	1.50030	87.76540	105.76540											
2006	5.19500	26.21750	26.01480	25.83110	6.00000	3.70820	5.67680	3.97450	1.92140	1.50410	88.04340	106.04340											
2005	5.19500	26.77540	26.01480	25.83160	6.00000	3.72490	5.50240	3.99700	1.93320	0.96230	87.93660	105.93660											
2004	5.19500	27.12750	26.01480	25.83510	6.00000	3.77480	5.54930	4.03500	1.94760	0.97840	88.45750	106.45750											
2003	5.19500	27.09190	26.01480	25.83510	5.00000	3.83430	5.58190	3.05520	1.95000	0.98920	86.54740	104.54740											
2002	5.19500	28.13900	26.04000	25.84200	6.00000	3.85590	5.61860	3.07380	1.95000	0.99750	88.71180	106.71180											
2001	5.03650	27.04550	26.04000	25.85000	6.00000	3.10500	5.67720	3.10500	1.95000	1.01020	86.81940	104.81940											
2000	5.23420	27.72470	29.00230	23.10000	6.00000	3.99440	5.47590	3.13110	1.95000	1.02450	88.63710	106.63710											

Source: Pittsfield Charter Township Treasurer's Department

**Pittsfield Charter Township
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2009			2000		
	(1) Taxable Valuation	Rank	% of Total Twp Taxable Value	(1) Taxable Valuation	Rank	% of Total Twp Taxable Value
McMullen Properties	\$ 22,339,052	1	5.50%	\$ -	-	-
Highland Industrial Properties	19,971,385	2	4.92%	11,790,362	4	1.09%
Meijer Inc	18,020,043	3	4.44%	14,546,155	3	-
Pines of Cloverlane Apts	15,809,600	4	3.89%	-	-	-
Hunt Club Apts	12,864,000	5	3.17%	-	-	-
Glencoe Hills LLC	12,779,492	6	3.15%	9,855,606	6	0.91%
National Amusements	11,453,945	7	2.82%	9,171,207	8	0.85%
Airport Boulevard Assoc.	10,119,521	8	2.49%	8,927,487	9	0.82%
Spicetree Apts	9,230,897	9	2.27%	7,132,020	10	0.66%
Waters Place	9,038,739	10	2.22%	-	-	-
NSK Corporation	-	-	-	15,611,100	1	1.44%
Detroit Edison	-	-	-	14,950,503	2	1.38%
ERP Operating Ltd Part	-	-	-	9,949,853	5	0.92%
Carlyle/FR Investors	-	-	-	9,302,805	7	0.86%
	<u>\$ 141,626,674</u>		<u>34.86%</u>	<u>\$ 111,237,098</u>		<u>10.26%</u>

(1) Includes ad valorem and Industrial Facilities Tax properties.

Source: Pittsfield Charter Township Treasurer's Department

PITTSFIELD CHARTER TOWNSHIP
Property Tax Levies and Collections
Last Ten Years

(1) Fiscal Year Ended December 31,	(2) Taxies Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		(3) Delinquent Collections	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2000	\$ 5,117,064	\$ 4,920,002	96.15%	\$ 179,055	\$ 5,099,057	99.65%
2001	5,612,380	5,350,695	95.34%	216,962	5,567,657	99.20%
2002	5,999,362	5,717,897	95.31%	224,319	5,942,216	99.05%
2003	6,899,378	6,535,394	94.72%	285,052	6,820,446	98.86%
2004	7,267,675	6,965,196	95.84%	236,639	7,201,835	99.09%
2005	7,757,818	7,429,427	95.77%	302,538	7,731,965	99.67%
2006	8,397,815	8,053,517	95.90%	303,578	8,357,095	99.52%
2007	9,024,153	8,598,583	95.28%	400,234	8,998,817	99.72%
2008	9,529,994	9,064,779	95.12%	411,262	9,476,041	99.43%
2009	9,400,448	8,895,990	94.63%	470,126	9,366,116	99.63%

(1) Property taxes are levied July 1 of the current fiscal year based on taxable property values as of the preceding December 31. Unpaid property taxes become delinquent as of March 1 of the current fiscal year. The Township's delinquent real property taxes are purchased by Washtenaw County. Uncollected personal property taxes must be collected by the Township Treasurer.

(2) Includes Industrial Facility Tax. Taxies levied for 2004 and 2005 have been adjusted to STC ruling.

(3) Includes settlement payment from Washtenaw County Treasurers department for purchase of delinquent real property tax roll.

Source: Pittsfield Charter Township Treasurer's Department

Pittsfield Charter Township
Ratios of Outstanding Debt by Type
Last Ten Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Governmental activities										
Installment notes	\$ 1,487,179	\$ 1,307,326	\$ 7,350,000	\$ 6,990,000	\$ 6,620,000	\$ 6,230,000	\$ 5,820,000	\$ 5,964,433	\$ 5,167,216	\$ 4,270,000
General obligation bonds	9,085,000	8,730,000	7,380,000	2,925,000	3,050,000	2,370,000	2,030,000	1,690,000	1,395,000	1,075,000
Special assessment debt	-	-	1,128,471	1,018,900	930,300	841,700	1,165,806	1,059,221	952,636	2,566,051
Amounts available in debt service funds	(6,005,652)	(5,764,835)	(6,364,539)	(2,511,151)	(1,867,952)	(1,646,266)	(1,316,375)	(1,130,355)	(1,158,374)	(1,062,490)
	4,566,527	4,272,491	9,493,932	8,422,749	8,732,348	7,795,434	7,699,431	7,583,299	6,356,478	6,848,561
Business-type activities										
General obligation bonds	903,000	2,676,717	2,371,549	2,056,539	9,737,637	8,350,000	8,100,000	7,840,000	7,565,000	7,285,000
Total outstanding debt	\$ 5,469,527	\$ 6,949,208	\$ 11,865,481	\$ 10,479,288	\$ 18,469,985	\$ 16,145,434	\$ 15,799,431	\$ 15,423,299	\$ 13,921,478	\$ 14,133,561
Total taxable value	\$ 295,233,493	\$ 305,717,851	\$ 325,083,750	\$ 341,520,684	\$ 357,200,411	\$ 371,905,255	\$ 392,625,235	\$ 392,650,808	\$ 407,867,563	\$ 406,249,284
Ratio of total debt to taxable value	1.85%	2.27%	3.65%	3.07%	5.17%	4.34%	4.02%	3.93%	3.41%	3.48%
Total population	30,167	30,496	31,349	31,723	32,279	33,560	34,018	32,284	34,196	34,196
Total debt per capita	\$ 181	\$ 228	\$ 378	\$ 330	\$ 572	\$ 481	\$ 464	\$ 478	\$ 407	\$ 413
% of personal income	0.52%	0.65%	1.06%	0.89%	1.52%	1.30%	1.21%	1.22%	1.04%	1.06%

Source: Pittsfield Charter Township Accounting Department

Details regarding the Township's debt can be found in the notes to the financial statements.

Pittsfield Charter Township
Ratios of Net General Bonded Debt Outstanding
Last Ten Years

Year	Net General Bonded Debt Outstanding			% of Total Personal Income	% of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds & Notes	Amounts Available in Debt Service Funds	Total			
2009	\$ 5,345,000	\$(1,062,490)	\$ 4,282,510	0.32%	0.24%	\$ 125.23
2008	6,562,216	(1,158,374)	5,403,842	0.40%	0.30%	158.03
2007	7,654,433	(1,130,355)	6,524,078	0.52%	0.36%	202.08
2006	7,850,000	(1,316,375)	6,533,625	0.50%	0.38%	192.06
2005	8,600,000	(1,646,266)	6,953,734	0.56%	0.43%	207.20
2004	9,670,000	(1,867,952)	7,802,048	0.64%	0.52%	241.71
2003	9,915,000	(2,511,151)	7,403,849	0.63%	0.53%	233.39
2002	14,730,000	(6,364,539)	8,365,461	0.75%	0.63%	266.85
2001	10,037,326	(5,764,835)	4,272,491	0.40%	0.35%	140.10
2000	10,572,179	(6,005,652)	4,566,527	0.43%	0.42%	151.37

Source: Pittsfield Charter Township Accounting Department

Details regarding the Township's debt can be found in the notes to the financial statements.

Pittsfield Charter Township
Computation of Net Direct and Overlapping Debt
As of December 31, 2009

	<u>Gross Amount Outstanding</u>	<u>Self-Supporting or Paid by Benefited Entity</u>	<u>Net Amount Outstanding</u>
Direct debt			
General obligation notes	\$ 4,270,000	\$ -	\$ 4,270,000
Special assessment bonds	2,566,051	2,566,051	-
General obligation bonds	<u>7,285,000</u>	<u>7,285,000</u>	<u>-</u>
Net direct debt	<u>\$ 14,121,051</u>	<u>\$ 9,851,051</u>	<u>4,270,000</u>
Overlapping debt			
School districts:			
Saline (34.38%)			50,131,505
Ann Arbor (15.04%)			28,619,616
Milan (8.10%)			8,615,726
Washtenaw County (11.62%)			10,212,099
Washtenaw Community College (11.89%)			5,388,548
Saline District Library (34.38%)			<u>868,095</u>
Net overlapping debt			<u>103,835,589</u>
Net direct and overlapping debt			<u>\$ 108,105,589</u>

Source: Municipal Advisory Council of Michigan

Pittsfield Charter Township
Legal Debt Margin
Last Ten Years

Legal debt margin calculation for fiscal 2009

Assessed value (excluding IFT values)	<u>\$ 1,893,573,600</u>
Debt limit (10% of assessed value)	\$ 189,357,360
Less: net debt applicable to limit	<u>(4,270,000)</u>
Legal debt margin	<u>\$ 185,087,360</u>

	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</u>
2009	\$ 189,357,360	\$ 4,270,000	\$ 185,087,360	2.25%
2008	197,607,620	5,167,216	192,440,404	2.61%
2007	205,721,150	5,964,433	199,756,717	2.90%
2006	197,126,190	5,820,000	191,306,190	2.95%
2005	184,431,510	6,230,000	178,201,510	3.38%
2004	170,065,660	6,620,000	163,445,660	3.89%
2003	157,567,940	6,990,000	150,577,940	4.44%
2002	147,744,830	7,350,000	140,394,830	4.97%
2001	131,270,930	1,307,326	129,963,604	1.00%
2000	117,055,000	1,487,179	115,567,821	1.27%

Source: Pittsfield Charter Township Accounting Department & Assessing Department

Pittsfield Charter Township
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population</u>	(1) <u>Total Personal Income (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2009 (2)	34,196	\$ 1,337,303	\$ 39,107	8.32%
2008	34,196	1,337,303	39,107	5.50%
2007	32,284	1,263,660	39,142	4.50%
2006	34,018	1,303,059	38,305	4.30%
2005	33,560	1,243,633	37,057	4.10%
2004	32,279	1,212,690	37,569	4.40%
2003	31,723	1,171,086	36,916	3.80%
2002	31,349	1,120,319	35,737	3.40%
2001	30,496	1,076,905	35,313	2.70%
2000	30,167	1,052,225	34,880	2.20%

(1) Data specific for the Township is not available; accordingly, amount shown is calculated based on Township's population and per capita personal income for Washtenaw County.

(2) Population and personal income data is not yet readily available for 2009; accordingly amounts from the prior year are shown in 2009 for these items.

Sources: Regional Economic Information System, Bureau of Economic Analysis,
U.S. Department of Commerce, Bureau of Economic Analysis

Pittsfield Charter Township
Principal Employers
Current Year (1)

		2009	
Employer	Category	Employees	Rank
Infra Source	Site preparation contractors	500-900	1
Meijer	Supermarket and other grocery stores	500-900	1
Kroger	Supermarket and other grocery stores	250-499	3
Target	Department stores, except discounts	250-499	3
Mobility Transportation	Special needs transportation	250-499	3
ANS Communications	Data processing and related services	250-499	3
Saline High School	Elementary and secondary schools	250-499	3
Huron Valley Correctional	Correctional institutions	250-499	3
Tecumseh Products	AC, refrigeration, and forced air heating	100-249	9
A&D Technology	Testing apparatus manufacturers	100-250	9

(1) Prior year data is not readily available; also, total employment data for the Township is likewise not readily available.

Source: Michigan Department of Energy, Labor and Economic Growth, Labor Market

Pittsfield Charter Township
Full Time Equivalent Governmental Employees by Function/Program
Last Ten Years

Function/Program	Full Time Equivalent Employees as of December 31									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Supervisor	2	3	3	2	2	3	2	2	3	2
Clerk/Elections	4	5	6	6	6	5	6	5	5	5
Treasurer	4	5	5	5	5	5	5	5	4	4
Assessing	4	4	4	4	4	4	4	4	4	4
Accounting	2	2	2	2	2	2	2	2	2	2
Administrative Services										2
Human Resources	1	2	2	2	2	2	2	2	1	
Information Technology	1	1	1	1	1	1	1	1	1	1
Community Development										
Building Safety	4	2	2	5	4	5	6	6	5	6
Public Safety										
Police	32	32	37	36	39	37	40	37	39	38
Fire	14	14	14	13	20	20	20	20	21	21
Dispatch/Clerical	12	11	12	12	9	12	11	12	12	13
Public Works										
Department of Public Works	7	10	9	10	11	12	11	12	10	11
Parks and recreation	4	7	7	8	9	9	9	10	10	10
Total	98	104	111	113	121	124	125	125	122	124

Source: Pittsfield Charter Township Accounting Department

Pittsfield Charter Township
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Election Data										
Registered voters	6,818	7,158	8,484	8,865	11,204	11,621	13,747	14,351	18,758	20,973
Voters (at the polls or absentee)	5,087	216	5,193	338	9,028	1,597	8,884	560	10,800	3,684
Percentage voting	74.60%	3.00%	61.20%	4.40%	80.60%	13.70%	64.60%	3.90%	57.60%	17.60%
Police										
Traffic citations	2,751	2,872	3,485	4,791	4,816	3,682	4,510	3,573	2,943	3,364
Parking citations	97	65	74	86	*	*	*	*	*	*
Arrests	819	714	588	760	824	773	847	796	1,168	1,325
Calls for service	13,628	12,792	13,027	12,636	13,255	13,007	13,849	15,755	16,399	13,161
Fire										
Medical Runs	897	838	953	915	971	1,133	1,181	1,155	1,248	1,342
Accident Runs	547	430	439	414	406	462	449	511	487	520
Fire Runs	371	378	361	339	390	425	426	430	377	360
Other calls for service	236	239	300	222	213	215	224	254	293	257

* Not readily available.

Source: Pittsfield Charter Township Clerk's Department
Pittsfield Charter Township Public Safety Department

Pittsfield Charter Township
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Police department building	1	1	1	1	1	1	1	1	1	1
Vehicle patrol units	25	25	25	25	30	33	29	26	28	26
Fire										
Number of stations serving City	3	3	3	3	3	3	3	3	3	3
Fire units serving City:										
Fire engines	4	4	4	4	4	4	4	3	3	3
Ladder trucks	1	1	1	1	1	2	2	2	2	2
Tanker trucks	1	1	1	1	1	1	1	1	1	1
Rescue vehicles	1	1	1	1	1	1	1	1	1	1
Brush trucks	2	2	2	2	2	1	1	1	1	1
Adm/Utility trucks	3	3	3	3	4	5	5	4	4	4
Public Works										
Sewer:										
Feet of sanitary mains	N/A	N/A	N/A	676,629	678,966	694,870	696,593	698,321	712,646	712,646
Water:										
Feet of water mains	N/A	N/A	N/A	896,467	901,093	932,922	940,635	949,870	968,718	969,827
Number of fire hydrants	N/A	N/A	N/A	2,005	2,026	2,113	2,138	2,164	2,232	2,240
Parks and Recreation										
Parks:										
Twp	7	7	10	10	10	10.5	10.5	14	14	14
Park acreage	232	232	767	767	767	810	810	1,004	1,004	1,004
Fishing Docks	2	2	2	2	2	2	2	2	2	2
Play structures	5	5	5	5	5	6	9	10	10	10
Community center	1	1	1	1	5	1	1	1	1	1
Tennis courts	4	4	4	4	4	4	4	4	4	4
Pavilions	6	6	6	6	6	6	7	7	7	7

Source: Pittsfield Charter Township