

**Charter Township of Grand Blanc
Genesee County, Michigan**

**Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2011**

Prepared by the Finance Department

Charter Township of Grand Blanc

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Charter Township of Grand Blanc

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CHARTER TOWNSHIP OF GRAND BLANC

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May 25, 2012

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc
Grand Blanc, Michigan

This letter serves to formally transmit to the citizens and the Township Board of the Charter Township of Grand Blanc the Comprehensive Annual Financial Report (CAFR) introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Charter Township of Grand Blanc's MD&A can be found immediately following the report of the independent auditor.

The state statutes require that within six months of the close of each fiscal year, the Charter Township of Grand Blanc issue a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. The accuracy and reliability of the accounting system is dependent on adequate internal controls. Since the cost of internal controls should not outweigh their benefit, the Charter Township's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Therefore, the accuracy, completeness, and fairness of the financial data reported, including all disclosures, rests with the Charter Township's management, who assumes full responsibility for the information presented in this report and asserts that, to the best of their knowledge and belief, this financial report is complete and reliable in all material respects. Plante & Moran, PLLC has issued an unqualified opinion on the Charter Township of Grand Blanc's financial statements for the year ended December 31, 2011. The independent auditor's report is located at the front of the financial section of this report.



Marilyn Hoffman, *Supervisor*

Catherine Lane, *Clerk*

Earl Guzak, *Treasurer*

Trustees:

Larry J. Anderson Paul D. Bush Clark Kent Ryan Thompson

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc
Grand Blanc, Michigan

Profile of Charter Township of Grand Blanc

The Charter Township of Grand Blanc was incorporated on April 1, 1833 and is located in the southeastern part of Genesee County. Genesee County is located in the mid-state section of Michigan about 60 miles north of the city of Detroit, 10 miles south of Flint, and three miles north of Automation Alley in Oakland County. The Charter Township currently has a land area of 32.1 square miles and a population of approximately 37,508, an increase of 25.75 percent or an additional 7,681 residents, per the results of the 2010 census. The Charter Township has a futuristic, innovative approach to development, but keeps an eye on its rich history and heritage. The result has been structured commercial development, aesthetically pleasing neighborhoods, excellent public services, and top rated schools. The Charter Township still maintains a rural atmosphere with a variety of age, size, and price for its housing. The Charter Township is enhanced by exemplary educational systems in both public and private schools and has a premier library system. Quality health care is also provided by Genesys Hospital. Prestige Point recently received recognition as one of the best assisted care living facilities in the state. Only six assisted living facilities statewide received this highest level award. In addition, Ciena Healthcare celebrated the groundbreaking of its \$8.5 million Grand Blanc Care Center last October.

The Charter Township of Grand Blanc (the “Charter Township”) provides multiple services to its citizens. Among these are police protection, community development, planning and zoning, building code enforcement, property assessment, general administrative services, voter registration, garbage collection, mosquito control, minimal road improvements, and partial water and sewer operations. The Charter Township also participates with the City of Grand Blanc (the “City”) in jointly funded ventures such as the Grand Blanc Fire Commission, the Grand Blanc Parks and Recreation Commission/Senior Citizen Activity Center, and the Grand Blanc McFarlen Library. The Charter Township’s board is comprised of the supervisor, clerk, treasurer, and four trustees. All board members are elected for a four-year term which coincides with the presidential election.

The Charter Township of Grand Blanc Board of Trustees adopts an annual budget in accordance with the State of Michigan Uniform Budgeting Act, P.A. 621 of 1978. The Charter Township’s fiscal year is January through December. The annual budget is adopted no later than December 31 for the subsequent year. The Board of Trustees must approve all budget amendments made throughout the fiscal year, with a goal of maintaining a General Fund balance between 12 percent and 15 percent of General Fund revenue.

As a recipient of federal and state financial assistance, the Charter Township is responsible for ensuring there is adequate internal control structure in place to ensure and document compliance with applicable laws and regulations related to these programs. Management evaluates this internal control structure annually.

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc
Grand Blanc, Michigan

As demonstrated by the statements and schedules included in the financial section of this report, the Charter Township continues to meet its responsibility for sound financial management.

Local Economy

The 2010 census showed that the Charter Township has seen an increase in population of 25.5 percent or an increase of 7,681 people. We had over 350 homes in foreclosure in 2011 within the Charter Township; however, we are starting to see these homes being resold. The Grand Blanc unemployment rate is 7.8 percent, which is below the City of Flint's (12.6 percent) and Genesee County's (9.6 percent) unemployment rate. We are anticipating a reduction in our unemployment rate as MAGNA Electronics has received a large grant and tax incentives, with the promise of 525 new jobs within the next four years.

The Charter Township has several residential developments, currently at various phases of construction. Granted there is little activity in the residential developments, due to the economy, but the projects have not all been abandoned. With the ongoing subdivisions, the average 2011 new home construction cost was \$204,795, which is slightly above the average new home construction cost in 2010 of \$202,500.

In 2011, the Charter Township of Grand Blanc issued 20 new home building permits, with a projected new construction value of \$4.1 million. The majority of the new permits were for a large active senior community, Del Webb's Grand Reserve, with an average size home of approximately 1,800 square feet and the price range of \$150,000 to \$200,000. Del Webb's Grand Reserve is projecting 25 new home starts in 2012.

Not surprisingly, with our residents making improvements to their homes rather than building a new home or moving because of the current economic conditions, we issued 303 residential improvement permits, with a projected construction value of \$3.0 million. Five permits were issued for new commercial construction which includes Grand Blanc Care Center, Mass Transportation Authority (which is building the first of its kind, hydrogen fueling station in Michigan), Halo Burger, Kia Dealership, and Nissan Dealership with a projected new construction value of \$14 million.

The Charter Township has two General Motors (GM) facilities within its boundaries which help to support its tax base. The Charter Township no longer relies on GM as the major part of the tax base. GM's percentage of the tax base decreased from 2.86 percent in 2010 to 1.58 percent in 2011, which was mainly due to changes in personal property valuations. The metal fabrication plant that has been historically a stamping plant for sheet metal parts has been redesigned as a tooling support facility for new assembly lines. The GM metal fabrication plant employs approximately 350 employees. The world headquarters for General Motors Service and Parts Operation is also located in the Charter Township and employs approximately 1,100.

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc
Grand Blanc, Michigan

Even though the State of Michigan and Genesee County continue to experience economic tensions over the future of automotive-related industries, the Charter Township's proximity to Oakland County, one of the wealthiest counties in the nation, and I-75/Automation Alley is beneficial to our growth. Grand Blanc Township is actively trying to secure a TIGER 4 grant for the Dort Highway project.

The Charter Township is hoping to attract high-tech companies and direct future development in a way that maximizes the benefit for the Charter Township. Our Community Development department has implemented a "Technology Village" area in the southern portion of the Charter Township and the Genesee Regional Chamber of Commerce is vigorously marketing properties to emerging businesses, similar to Magna Electronics, expanding in the Charter Township.

Employees of research and development firms typically seek out job opportunities in communities that offer a high quality of life. In choosing where to locate, firms look closely at the make-up of the community, seeking communities with a "places to be" atmosphere that will draw professional workers. The Charter Township of Grand Blanc is well positioned to attract R & D users: Grand Blanc Community Schools are among the best in the state of Michigan, the Charter Township's per capita income and educational levels are already among the highest in Genesee County, and the Charter Township has an increasing number of retail and entertainment offerings within high quality new developments. In 2012, we are hoping Grand Blanc will see two new nursing home facilities and an upscale restaurant. As articulated in the Charter Township's Master Plan Vision Statement, the Charter Township envisions building upon this "unparalleled quality of life" in the years to come.

The Grand Blanc community is fortunate to have a large number of strong community-based organizations such as the Grand Blanc Chamber of Commerce, Grand Blanc Arts Council, Character Community Council, Grand Blanc Rotary, Kiwanis, Elks, and the Grand Blanc Newcomers Club.

Long-term Financial Planning

Unassigned fund balance in the General Fund (13.09 percent of total General Fund revenue) of \$1,698,382 falls within the policy guidelines set by the Charter Township's fund balance policy. Even with the downturn in the economy, the Charter Township will take the necessary steps to preserve its General Fund balance.

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc
Grand Blanc, Michigan

Relevant Financial Policies

State statutes require an annual audit by independent certified public accountants. The Charter Township's Board of Trustees selected the firm of Plante & Moran, PLLC. The Charter Township of Grand Blanc met all requirements as set forth by Michigan state statutes. The auditors, in conducting the audit, used auditing standards generally accepted in the United States of America. Plante & Moran, PLLC's report on the basic financial statements is included in the financial section of this report.

Standard and Poor's and Fitch Rating reviewed the underlying rating (SPUR) on our General Obligation Limited Tax Capital Improvement Bonds and upgraded our rating to "AA" from "AA-", while affirming the stable outlook.

The Charter Township's board approved a new purchasing policy in 2009, which tightens the requirements needed to enter into contracts or purchase materials needed for the Charter Township. In addition, we also updated our petty cash policy and their locations.

Major Initiatives

Throughout the year, the Charter Township's government has been involved in a variety of projects that reflect the Charter Township's commitment to ensuring its citizens are able to live and work in an enviable environment. The Mission Statement of the Charter Township of Grand Blanc is, "A planned and progressive community which provides a safe, caring, and quality environment in which to live, work, and play."

Governor Jennifer Granholm supported the Michigan Economic Growth Authority Board's (MEGA Board) approval of a \$5 million, seven-year tax credit for Magna Electronics in Grand Blanc Township. Magna Electronics produces a high tech line of electronic products, including electric motors for electric and hybrid electric vehicles and electric propulsion systems for the Ford Focus battery electric vehicle. The total project is estimated to be \$70 million and provide 525 new jobs in the next four years. Manufacturing began in 2011.

Grand Blanc Township received a \$900,000 grant in 2009 to develop a 2.3 mile pathway, which was completed in 2011 and runs through Bicentennial Park.

Our police department is a progressive, full-service, law enforcement agency. The department provides 24/7 police service including dispatching, senior citizens call-in, vacation checks, operation identification, K-9 unit, motorcycle unit, motor carrier unit, child safety seat inspections, patrol, traffic enforcement, and an accident reconstruction team.

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc
Grand Blanc, Michigan

The continued growth of the Charter Township is directly related to the infrastructure capabilities in our township. We currently have 193 miles of water mains and 241 miles of sanitary sewer mains and are continuously improving our infrastructure system. Capital improvements to the water and sewer systems in 2011 totaled \$614,000 on such projects as completing the Baldwin Road radio feed meter station. Those projects were funded by the revenue generated from the water tap-in fees.

The Charter Township's governmental funds invested almost \$600,000 in 2011 for capital projects/purchases which were directly related to the construction of Saginaw Street sidewalk and Bi-Centennial Park Trail construction. The capital projects fund balance of \$2,172,707 will be carried forward to fiscal year 2012.

Awards and Acknowledgements

Chief David Stamm was re-appointed by former Governor Jennifer Granholm to serve on the Governors Traffic Safety Advisory Commission.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Charter Township of Grand Blanc for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2010. This was the sixteenth consecutive year that the Charter Township has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc
Grand Blanc, Michigan

The preparation of the Comprehensive Annual Financial Report was made possible by the efficient and dedicated services of the entire staff of the finance department and the help, insight, and support from the Charter Township superintendent, Keith Edwards. I would like to express my appreciation to the Charter Township's finance department for their assistance and input. Additionally, the accounting firm of Plante & Moran, PLLC made substantial contributions in the preparation of this document. Lastly, I wish to acknowledge the Charter Township of Grand Blanc Board of Trustees for their interest and commitment to responsible, prudent, and progressive financial leadership.

Respectfully submitted,

A handwritten signature in black ink that reads "Debra P. Barriger". The signature is fluid and cursive, with "Debra" on the first line and "P. Barriger" on the second line.

Debra P. Barriger
Director of Financial Services

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Charter Township of Grand Blanc
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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



Linda C. Danison

President

Jeffrey P. Euer

Executive Director

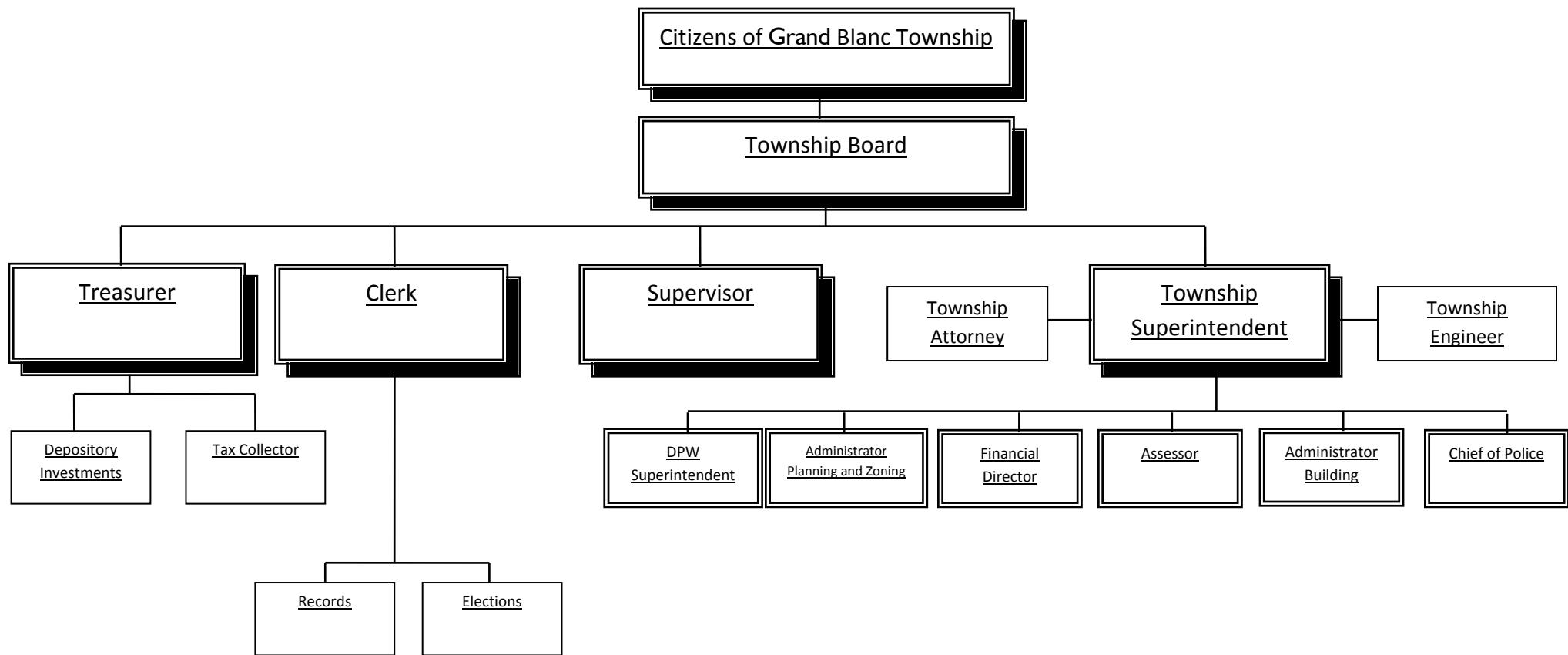
Charter Township of Grand Blanc

List of Principal Officials

<u>Title</u>	<u>Name</u>
Supervisor	Marilyn M. Hoffman
Clerk	Cathy Lane
Treasurer	Earl Guzak
Board of Trustees	Paul Bush Larry Anderson Ryan Thompson Clark Kent
Township Superintendent	Keith Edwards
Finance Director	Debra Barriger
DPW Director	Kirk Richardson
Police Chief	David Stamm
Fire Chief	James Harmes
Deputy Assessor	Rebecca Salvati
Parks and Recreation Director	Kay Eidson
Planner	Michael Deem
GIS Coordinator	Robbie Beller

Charter Township of Grand Blanc

Charter Township of Grand Blanc Organization Chart



Independent Auditor's Report

To the Board of Trustees
Charter Township of Grand Blanc

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Grand Blanc (the "Charter Township") as of and for the year ended December 31, 2011, which collectively comprise the Charter Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Grand Blanc's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Grand Blanc as of December 31, 2011 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Charter Township of Grand Blanc's basic financial statements. Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, retirement system schedules of funding progress, and the budgetary comparison schedules for the General Fund and each major special revenue fund on pages 3-12 and 49-51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis and the retirement system schedules of funding progress in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Trustees
Charter Township of Grand Blanc

The other budgetary comparison schedules and combining statements, as identified in the table of contents as other supplemental information, are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. These schedules along with the budgetary comparison schedules for the General Fund and each major special revenue fund on pages 59-65, have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory section and statistical section, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

During the year, the Charter Township implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, as discussed in Note 1. As a result of this required implementation, the Bicentennial Park Fund was reclassified from a special revenue fund to a capital projects fund and the Master Campus Fund was reclassified from a capital projects fund to a debt service fund. In addition, fund balance classifications in the governmental fund financial statements have been changed to reflect the five new classifications under GASB No. 54.

Plante & Moran, PLLC

May 25, 2012

Charter Township of Grand Blanc

Management's Discussion and Analysis

This section of the Charter Township of Grand Blanc's (the "Charter Township") annual financial report presents our discussion and analysis of the Charter Township's financial performance during the fiscal year ended December 31, 2011. Please read it in conjunction with the transmittal letter at the front of this report and the Charter Township's financial statements, which follow this section.

Overview of the Financial Statements

The 2011 Comprehensive Annual Financial Report of the Charter Township of Grand Blanc follows a similar format used in 2010. This annual report has been changed to comply with the reporting requirements of Government Accounting Standards Board Statement No. 34. This annual report consists of five parts: (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplemental information, (4) other supplemental information (which presents combining statements for nonmajor governmental funds and fiduciary funds), and (5) a statistical section. The basic financial statements include two kinds of statements that present different views of the Charter Township. The first two statements are government-wide financial statements that provide both short-term and long-term information about the Charter Township's financial status. The remaining statements are fund financial statements that focus on individual operations of the Charter Township's government, reporting in more detail than the government-wide statements.

Government-wide Statements

The government-wide statements report information about the Charter Township as a whole, using accounting methods similar to those used by private sector companies. The statement of net assets includes all of the Charter Township's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid (full accrual).

The two government-wide statements report the Charter Township's net assets and how they have changed. Net assets, the difference between the Charter Township's assets and liabilities, are one means to measure the Charter Township's financial health or position.

The government-wide financial statements of the Charter Township are divided into two categories:

- **Government Activities** - Most of the Charter Township's basic services are included here, such as police, general administration, public works, fire protection, recreation, and culture. Property taxes, state-shared revenue, charges for services, and investment earnings provide most of the funding for these services.
- **Business-type Activities** - The Charter Township charges fees to customers to help it cover the costs of certain services it provides. The Charter Township's water and sewer system is included here.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Fund Financial Statements

The fund financial statements provide more detailed information about the Charter Township's most significant funds - not the Charter Township as a whole. Funds are accounting devices that the Charter Township uses to segregate financial resources (along with all related liabilities) for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Some of the Charter Township's funds are required by state law. The Charter Township's board of trustees establishes additional funds to control and manage monies for particular purposes (such as the Capital Projects Fund) or to demonstrate that it is properly utilizing specific taxes or grants (such as the Drug Forfeiture Fund).

The Charter Township has three kinds of funds:

- **Governmental Funds** - The majority of the basic services of the Charter Township are accounted for in the governmental funds, which focus on how cash and other financial assets can readily be converted to cash flow in and out and the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are sufficient financial resources that can be spent in the short term to finance the Charter Township's General Fund operations.
- **Proprietary Funds** - Services for which the Charter Township charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide financial statements, provide both long- and short-term financial information. The Charter Township's only proprietary fund is the Department of Public Works (DPW) which accounts for the operations of water and sewer services.
- **Fiduciary Funds** - The Charter Township is the trustee, or fiduciary, for ensuring that the assets reported in these funds are used for their intended purpose. All of the Charter Township's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the Charter Township's government-wide financial statements because the Charter Township cannot use these assets to finance its operation.

Notes to the Financial Statements - Provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements and fund financial statements.

Required Supplemental Information - Includes the budgetary comparison statements for the General Fund and Major Special Revenue Funds as well as budget footnotes. This required supplemental information is in addition to the basic financial statements and accompanying notes.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Other Supplemental Information - Includes the budgetary comparison statements for the nonmajor Capital Projects Funds, nonmajor governmental funds, the budget footnotes, and the combining schedules for the nonmajor governmental funds and the fiduciary funds.

Financial Analysis of the Charter Township as a Whole

The Charter Township has combined net assets of \$102 million. This was a total increase of approximately \$200,000 or 0.2 percent for 2011. The business-type activities comprised \$87.7 million and government activities accounted for \$14.2 million of total net assets. The business-type activities experienced a \$300,000 decrease in net assets. The governmental activities showed an increase of \$0.5 million of net assets. This year's report provides comparative data for the statement of activities. We felt it was necessary to establish a benchmark for this year's reporting of the effect on the Charter Township's net assets. In a condensed format, the table below shows a comparison of the net assets as of the current date to the prior year. All numbers are in thousands.

TABLE I

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
	(in thousands)		(in thousands)		(in thousands)	
Assets						
Current and other assets	\$ 19,515	\$ 19,230	\$ 7,385	\$ 6,979	\$ 26,900	\$ 26,209
Capital assets	20,073	20,470	82,881	84,274	102,954	104,744
Total assets	39,588	39,700	90,266	91,253	129,854	130,953
Liabilities						
Long-term liabilities outstanding	14,298	14,016	261	168	14,559	14,184
Other liabilities	11,089	11,999	2,349	3,145	13,438	15,144
Total liabilities	25,387	26,015	2,610	3,313	27,997	29,328
Net Assets						
Invested in capital assets - Net of related debt	8,811	8,838	82,739	84,274	91,550	93,112
Restricted	610	521	-	-	610	521
Unrestricted	4,780	4,326	4,917	3,666	9,697	7,992
Total net assets	\$ 14,201	\$ 13,685	\$ 87,656	\$ 87,940	\$ 101,857	\$ 101,625

The governmental activities showed an increase for 2011 in total net assets of 3.8 percent and business-type activities showed a decrease in total net assets of 0.3 percent. The category changes are minimal and consistent with the prior year.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Governmental Activities

Revenue for governmental activities totaled \$14.2 million in 2011. The synopsis of the Charter Township's tax millage for 2010, which was revenue in 2011, was 3.865 mills for the Charter Township operation and 0.7 mills for the municipal campus plan, 0.9128 mills for the Charter Township police, 0.500 mills for the Fire Commission, and 0.1482 mills for the Charter Township mosquito control. Of the total revenue, \$7.9 million, or 55.5 percent, was in the form of property tax collections. As taxable value is decreasing and the tax appeals from 2009, 2010, and 2011 are currently coming before the Michigan tax tribunal, the 2012 estimated revenue from property tax is anticipated to be a \$500,000 reduction. State-shared revenue contributed 20.4 percent, or \$2.9 million, of total revenue. Revenue sharing continues to be an area of concern; as the State of Michigan works on its economic recovery plan and balancing its budget, the State of Michigan is continuing to reduce the per person funding to all governmental entities.

Charges for governmental services represent 16.8 percent of total revenue. The Charter Township's housing construction provides building permits and inspection fees, which represent 16.8 percent of the charges for services revenue. The building permits and inspection fees increased \$100,000 over the 2010 revenue from building permits and inspection fees.

Governmental net assets for 2011 increased \$516,000.

TABLE 2

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
	(in thousands)		(in thousands)		(in thousands)	
Revenue						
Program revenue:						
Charges for service	\$ 2,391	\$ 2,432	\$ 11,664	\$ 10,735	\$ 14,055	\$ 13,167
Operating grants and contributions	324	216	-	-	324	216
Capital grants and contributions	100	753	603	737	703	1,490
General revenue:						
Property taxes	7,898	8,358	-	-	7,898	8,358
State-shared revenue	2,904	1,909	-	-	2,904	1,909
Unrestricted investment earnings	53	71	37	48	90	119
Miscellaneous	553	521	28	3	581	524
Total revenue	14,223	14,260	12,332	11,523	26,555	25,783

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

TABLE 2 (Continued)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
	(in thousands)		(in thousands)		(in thousands)	
Expenses						
General government	\$ 2,922	\$ 2,847	\$ -	\$ -	\$ 2,922	\$ 2,847
Public safety	7,887	7,859	-	-	7,887	7,859
Public works	1,847	3,131	-	-	1,847	3,131
Community and economic development	182	178	-	-	182	178
Recreation and culture	361	368	-	-	361	368
Interest on long-term debt	508	465	-	-	508	465
Water and sewer	-	-	12,616	12,922	12,616	12,922
Total expenses	13,707	14,848	12,616	12,922	26,323	27,770
Increase (Decrease) in Net Assets	516	(588)	(284)	(1,399)	232	(1,987)
Net Assets - Beginning of year	13,685	14,273	87,940	89,339	101,625	103,612
Net Assets - End of year	\$ 14,201	\$ 13,685	\$ 87,656	\$ 87,940	\$ 101,857	\$ 101,625

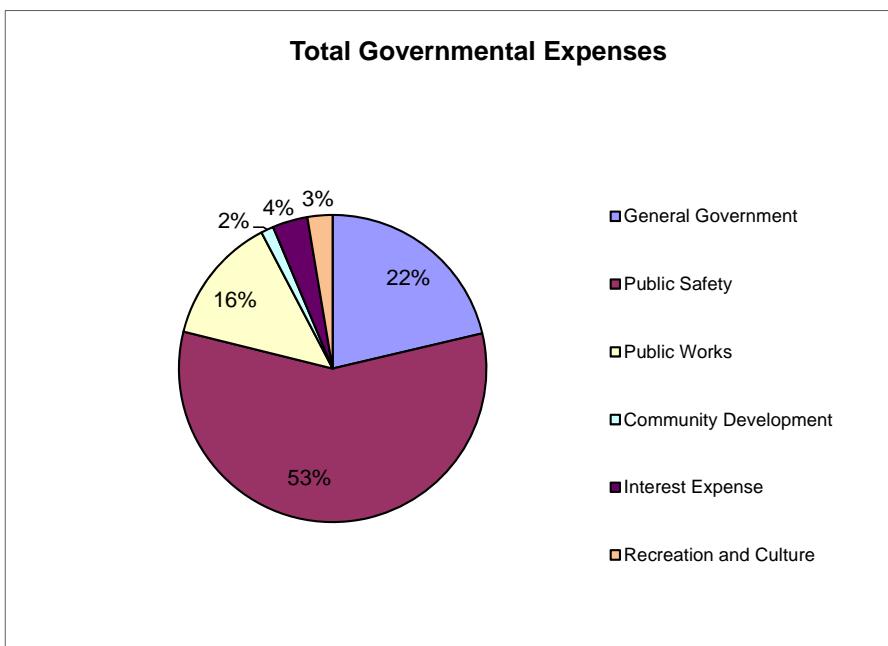
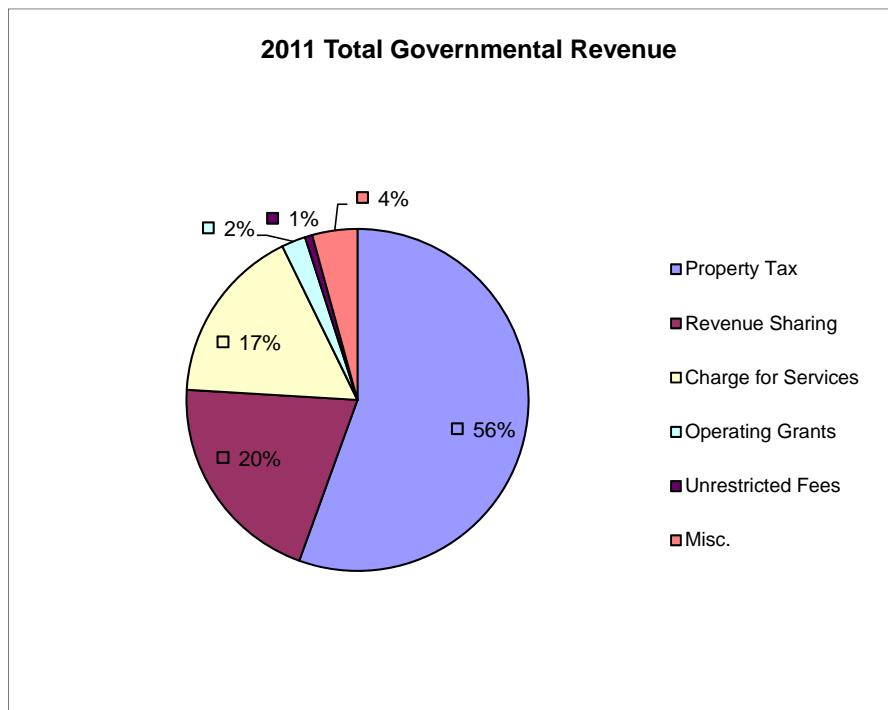
Business-type Activities

The Charter Township has one business-type activity: the water and sewer system. The Charter Township purchases water from Genesee County and the Charter Township's sewage is pumped to Genesee County treatment facilities. User fees and charges for services primarily fund the water and sewer operations. The revenue from charges for services of \$11.7 million covered 92.9 percent of the \$12.6 million of water and sewer expenses. The Charter Township's goal is to have the water and sewer operations be self-supporting. In 2011, \$603,000 of tap-in fees collected will be used to fund the projects on the five-year capital improvement plan; projects recently completed or under construction include Flex-net Automated Base Station and Meters on Baldwin Road Tank, sewer lining replacement, and other miscellaneous water and sewer system improvements. The net assets for business-type activities at the end of 2011 show a decrease of \$300,000

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

The following pie charts offer a quick view of the revenue and expenses of governmental activities as a percentage of the whole:



Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Capital Assets

The Charter Township has combined net capital assets of approximately \$102,657,000. The following schedule provides a summary of the capital assets, net of accumulated depreciation, for 2011 and 2010. Numbers are in thousands.

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
	(as restated)					
Land	\$ 1,945	\$ 1,955	\$ 234	\$ 231	\$ 2,179	\$ 2,186
Construction in progress	-	89	149	148	149	237
Buildings and improvements	13,876	14,212	1,534	1,559	15,410	15,771
Furniture and equipment	557	690	454	2,213	1,011	2,903
Infrastructure	3,662	3,365	-	-	3,662	3,365
Water and sewer distribution systems	-	-	80,312	79,716	80,312	79,716
Vehicles	33	159	198	407	231	566
Total	\$ 20,073	\$ 20,470	\$ 82,881	\$ 84,274	\$ 102,954	\$ 104,744

The Charter Township's governmental funds invested over \$600,000 in 2011 for capital projects/purchases. The General Fund capital investments included the addition of sidewalks, roof repair, soccer fields, and a pathway at Bicentennial Park. The Capital Projects Fund's balance of \$2.1 million will be carried forward to the 2012 year to be used for road improvements, police vehicles, and other projects as warranted. The Charter Township has slowed down on capital projects, evaluating each project as a need rather than a want.

In the proprietary fund, the Charter Township received donated sewer and water line infrastructure assets in the amount of \$10,000 and collected \$580,000 in tap-in fees which will be used to fund the infrastructure projects currently under construction, such as the Baldwin Tank Flexnet Automated meters base station, replacement of meters, and sewer line preventative maintenance. Additional information on the Charter Township's capital asset activity can be found in Note 5 in the notes to the financial statements section.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Long-term Debt

The Charter Township has a total of \$12,078,095 in long-term governmental debt and \$180,207 in long-term business activity debt as of December 31, 2011. Of this total debt, \$10,200,000, or 83 percent, is related to the issuance of a 25-year general obligation limited tax capital improvement bond for construction of a new police station, \$260,474, or 2 percent, is related to employee-compensated absences, and \$1,656,146, or 14 percent, of the debt is related to road improvement projects. The Charter Township had a policy of assisting subdivisions, usually 25 percent of their special assessment project cost, in financing road improvements within the Charter Township that are completed by the Genesee County Road Commission; typically, these obligations are then paid over a 10-year period. This policy was eliminated in 2009 due to declining revenue. The Charter Township's debt represents 12 percent of total net assets of governmental activities and business-type activities. Additional information on the Charter Township's long-term debt activity can be found in Note 7 in the notes to financial statements section.

The Charter Township's Nonmajor Governmental Funds

Beginning on page 54 of this report, there is a summary of four types of nonmajor governmental funds:

- **Special Revenue Funds** - These funds were established to meet specific requirements or needs that would allow the Charter Township to track specific revenue and expenditures. The Solid Waste Fund, Drug Forfeiture Fund, Law Enforcement Fund, and PEG (public, educational, and government) Channel Grant Fund are special revenue funds due to the source of revenue.
- **Debt Service Funds** - This fund, the Master Campus Project Fund, receives a specific tax revenue determined by the board (currently 0.8 mills) to be used for debt service payments on the Master Campus bond.
- **Capital Projects Funds** - These funds, the Capital Projects Fund and the Bicentennial Park Fund, identify specific capital projects and track the related expenditures. For the Capital Project Fund, the Charter Township board has identified specific tax revenue to be used for capital projects and improvements. The Bicentennial Park Fund was established to track revenue from a cell tower located on the Charter Township property that is used by the local parks and recreation department. These funds are to be used for Bicentennial Park improvements.
- **Permanent Funds** - The Charter Township is responsible for three cemeteries, Oakwood Cemetery, Perry-McFarland Cemetery, and Maple Cemetery. These funds identify the principal monies and the investment revenue that is expendable for maintenance.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Financial Analysis of Charter Township's Funds and Budgets

The following budget analysis comes from the data provided in the budgetary comparison schedules - General Fund on page 49 and Solid Waste on page 51 of this report. The Charter Township's total budgeted revenue for 2011 was \$12,278,802, with actual revenue coming in at \$12,372,604 for a surplus of \$93,802 or 5.7 percent. The major under-budgeted revenue areas were state revenue sharing, fire mileage, and special assessment revenue. During 2011, the Charter Township made significant budget amendments to revisit the original revenue projections for property tax revenue and state revenue sharing, which also included the revisit of expenditures to avoid utilizing fund balance.

The Michigan economy has clearly been affected by the sluggish performance of the automobile industry and related enterprises, which has affected the Charter Township's building department. Too many foreclosed homes, approximately 350 in the Charter Township, are on the market, making the anticipated new home construction market fall below expectations.

State revenue sharing was originally budgeted at \$1,812,134; the budget was then amended up to \$2,900,000, with actual state revenue sharing coming in at \$2,904,697 for a surplus of \$4,697. The Charter Township's population increased 25.5 percent from the 2000 and the 2010 census. The State of Michigan is facing numerous budget constraints and is continually looking at the state revenue-sharing program to help with its budget shortfalls. The Michigan Township Association is lobbying hard against any additional reductions in the program as numerous local governments have been hit hard with these cuts.

The Charter Township's General Fund had budgeted expenditures of \$10,950,148 and actual expenditures were \$10,260,377. The net effect for 2011 shows an excess of revenue over expenditures prior to transfers out of \$2,122,227. After net other financing uses of \$2,233,436, expenditures and other financing uses exceeded revenue by \$121,209. This decreased the Charter Township's 2011 General Fund balance to \$1,704,495. The December 31, 2011 General Fund balance is 13 percent of 2011 General Fund expenditures and transfers, which is in compliance with the Charter Township's General Fund balance policy.

Current Economic Conditions

The General Fund for the Charter Township operations has two major funding sources and a number of smaller sources. Property taxes and state revenue sharing constitute the major funding sources with 60.7 percent and 22.4 percent, respectively, of the total Charter Township General Fund revenue. Even though the demand for new housing has slowed, commercial property permits and commercial improvement permits have continued to keep the Charter Township of Grand Blanc as one of the most active governmental entities for permits issued in Genesee County. In 2011, the Charter Township issued 48 commercial permits. Five of these permits were for new construction, while 43 of these permits were for additions/improvements to existing buildings.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Housing plats that have had initial approval from the Charter Township board that have not been developed equate to approximately 1,400 dwellings. There were 20 new housing permits issued and 11 new housing additions in 2011. Most of the new residential construction permits are for homes at Del Webb's Grand Reserve community, where 478 houses and condominiums are planned for active adults 55 and over, with a 15,000 square foot recreation center. The \$3.4 million recreation center was completed in 2008.

In light of the decline in property tax value, state revenue sharing, residential building permits, healthcare issues, demand for additional office space, and difficult economic conditions for the state of Michigan, this report indicates that the Charter Township continues to monitor its already strong financial base. The Charter Township decreased the General Fund balance by \$121,209 or 7 percent. 2012 is expected to be a difficult year financially, but we are prepared to meet the challenge.

Contacting the Charter Township's Financial Management

This financial report is designed to provide our residents, taxpayers, customers, investors, and creditors with a general overview of the Charter Township's finances and to show the Charter Township's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the finance director at the Charter Township of Grand Blanc, P.O. Box 1833, 5371 S. Saginaw St., Grand Blanc, MI 48439, (810) 424-2654, (810) 424-2600, or visit our website at www.twp.grand-blanc.mi.us.

Charter Township of Grand Blanc

Statement of Net Assets December 31, 2011

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents (Note 3)	\$ 8,320,357	\$ 3,711,463	\$ 12,031,820
Investments	3,395,268	-	3,395,268
Receivables:			
Property taxes	4,163,610	-	4,163,610
Customers	497,390	3,221,557	3,718,947
Accrued interest and other	210,774	-	210,774
Receivables billed on tax roll	-	327,136	327,136
Due from other governmental units	574,283	-	574,283
Special assessments	462,249	-	462,249
Internal balances	433,317	(433,317)	-
Investment in joint ventures	1,457,977	-	1,457,977
Capital assets:			
Assets not subject to depreciation	1,945,207	382,734	2,327,941
Assets subject to depreciation	18,127,686	82,498,011	100,625,697
Capital connections receivable - Net of current portion	-	557,963	557,963
Total assets	39,588,118	90,265,547	129,853,665
Liabilities			
Accounts payable	653,416	1,373,767	2,027,183
Due to other governmental units	1,936	-	1,936
Accrued liabilities and other	676,720	936,595	1,613,315
Unearned revenue	9,095,920	-	9,095,920
Noncurrent liabilities:			
Due within one year:			
Compensated absences	221,949	38,525	260,474
Current portion of long-term debt	439,285	-	439,285
Due in more than one year:			
Net OPEB obligation	2,881,010	119,477	3,000,487
Long-term debt	11,416,861	141,682	11,558,543
Total liabilities	25,387,097	2,610,046	27,997,143
Net Assets			
Invested in capital assets - Net of related debt	8,810,747	82,739,063	91,549,810
Restricted for:			
Mosquito spraying	6,113	-	6,113
Solid waste	225,570	-	225,570
Drug forfeiture and federal equitable sharing	94,859	-	94,859
Law enforcement	12,197	-	12,197
PEG Channel Grant	3,088	-	3,088
Unexpended cemetery fund	105,286	-	105,286
Expendable cemetery fund	163,026	-	163,026
Unrestricted	4,780,135	4,916,438	9,696,573
Total net assets	\$ 14,201,021	\$ 87,655,501	\$ 101,856,522

Charter Township of Grand Blanc

	Program Revenue				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/Programs					
Primary government:					
Governmental activities:					
General government	\$ 2,922,201	\$ 254,420	\$ 30,312	\$ -	
Public safety	7,887,239	503,752	293,413	-	
Public works	1,847,059	1,593,016	-	99,647	
Community and economic development	181,727	20,680	-	-	
Recreation and culture	360,374	19,094	-	-	
Interest on long-term debt	<u>508,282</u>	-	-	-	
Total governmental activities	13,706,882	2,390,962	323,725	99,647	
Business-type activities	12,616,223	11,664,319	-	602,900	
Total primary government	\$ 26,323,105	\$ 14,055,281	\$ 323,725	\$ 702,547	
General revenue:					
Property taxes					
State-shared revenue					
Investment income					
Cable franchise fees					
Other miscellaneous income					
Gain on sale of assets					
Total general revenue					
Change in Net Assets					
Net Assets - Beginning of year					
Net Assets - End of year					

Statement of Activities
Year Ended December 31, 2011

Net (Expense) Revenue and Changes in Net Assets
Primary Government

Governmental Activities	Business-type Activities	Total
\$ (2,637,469)	\$ (2,637,469)	
(7,090,074)	(7,090,074)	
(154,396)	(154,396)	
(161,047)	(161,047)	
(341,280)	(341,280)	
<u>(508,282)</u>	<u>(508,282)</u>	
(10,892,548)	(10,892,548)	
<u>-</u>	<u>(349,004)</u>	<u>(349,004)</u>
(10,892,548)	(349,004)	(11,241,552)
7,898,025	-	7,898,025
2,904,697	-	2,904,697
52,783	36,627	89,410
547,608	-	547,608
5,575	-	5,575
<u>-</u>	<u>28,247</u>	<u>28,247</u>
11,408,688	64,874	11,473,562
516,140	(284,130)	232,010
<u>13,684,881</u>	<u>87,939,631</u>	<u>101,624,512</u>
<u>\$ 14,201,021</u>	<u>\$ 87,655,501</u>	<u>\$ 101,856,522</u>

Charter Township of Grand Blanc

Governmental Funds Balance Sheet December 31, 2011

	General Fund	Solid Waste Fund	Nonmajor Funds	Total
Assets				
Cash and cash equivalents (Note 3)	\$ 7,186,308	\$ 1,080,923	\$ 53,126	\$ 8,320,357
Investments (Note 3)	3,180,223	-	215,045	3,395,268
Receivables:				
Property taxes	4,163,610	-	-	4,163,610
Customers	-	497,390	-	497,390
Accrued interest receivable and other	210,502	-	272	210,774
Due from other governmental units	574,283	-	-	574,283
Special assessments	462,249	-	-	462,249
Due from other funds (Note 6)	433,317	-	5,022,209	5,455,526
Total assets	\$16,210,492	\$ 1,578,313	\$ 5,290,652	\$23,079,457
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 611,172	\$ -	\$ 42,244	\$ 653,416
Due to other governmental units	1,936	-	-	1,936
Due to other funds (Note 6)	5,022,209	-	-	5,022,209
Accrued liabilities and other	562,902	-	-	562,902
Deferred revenue (Note 4)	8,307,778	1,352,743	-	9,660,521
Total liabilities	14,505,997	1,352,743	42,244	15,900,984
Fund Balances				
Nonspendable - Cemetery endowment	-	-	105,286	105,286
Restricted:				
Public safety	-	-	107,056	107,056
Solid waste	-	225,570	-	225,570
Mosquito spraying	6,113	-	-	6,113
PEG channel	-	-	3,088	3,088
Cemetery	-	-	163,026	163,026
Committed - Bicentennial Park improvements	-	-	11,453	11,453
Assigned:				
Capital projects	-	-	2,172,707	2,172,707
Debt service	-	-	2,685,792	2,685,792
Unassigned	1,698,382	-	-	1,698,382
Total fund balances	1,704,495	225,570	5,248,408	7,178,473
Total liabilities and fund balances	\$16,210,492	\$ 1,578,313	\$ 5,290,652	\$23,079,457

Charter Township of Grand Blanc

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Assets December 31, 2011

Fund Balance Reported in Governmental Funds	\$	7,178,473
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 are not reported in the funds		20,072,893
Investments in joint ventures are not financial resources and are not reported in the funds		1,457,977
Special assessment receivables are expected to be collected over several years and are not available to pay for current year expenditures		462,250
Certain receivables are expected to be collected in future years and are not available to pay for current year expenditures		102,351
Long-term liabilities are not due and payable in the current period and are not reported in the funds		(11,856,146)
Accrued interest on long-term debt is not reported in the funds		(113,818)
Compensated absences are not due and payable in the current period and are not reported in the funds		(221,949)
Net other postemployment benefits obligation is not recorded as a liability in the funds		<u>(2,881,010)</u>
Net Assets of Governmental Activities	\$	<u>14,201,021</u>

Charter Township of Grand Blanc

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended December 31, 2011

	Solid Waste			
	General Fund	Fund	Nonmajor Funds	Total
Revenue				
Property taxes (Note 8)	\$ 7,882,680	\$ -	\$ -	\$ 7,882,680
Licenses and permits	423,622	-	-	423,622
Federal sources	132,802	-	33,270	166,072
State sources	3,012,001	-	22,887	3,034,888
Charges for services	-	1,320,866	-	1,320,866
Fines and forfeitures	99,967	-	76,111	176,078
Investment income	31,926	1,018	19,839	52,783
Other revenue:				
Special assessments	330,216	-	-	330,216
Local donations	-	-	30,312	30,312
Cable franchise fees	547,608	-	-	547,608
Other miscellaneous income	521,574	4,500	21,619	547,693
Total revenue	12,982,396	1,326,384	204,038	14,512,818
Expenditures				
Current:				
General government	2,517,134	-	30,510	2,547,644
Public safety	7,105,494	-	9,996	7,115,490
Public works	711,714	1,316,459	-	2,028,173
Recreation and culture	233,016	-	-	233,016
Capital outlay	-	-	613,860	613,860
Debt service	302,811	-	655,675	958,486
Total expenditures	10,870,169	1,316,459	1,310,041	13,496,669
Excess of Revenue Over (Under) Expenditures	2,112,227	9,925	(1,106,003)	1,016,149
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	7,454	-	6,480	13,934
Transfers in	-	-	2,240,890	2,240,890
Transfers out	(2,240,890)	-	-	(2,240,890)
Total other financing (uses) sources	(2,233,436)	-	2,247,370	13,934
Net Change in Fund Balances	(121,209)	9,925	1,141,367	1,030,083
Fund Balances - Beginning of year	1,825,704	215,645	4,107,041	6,148,390
Fund Balances - End of year	\$ 1,704,495	\$ 225,570	\$ 5,248,408	\$ 7,178,473

Charter Township of Grand Blanc

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended December 31, 2011

Net Change in Fund Balances - Total Governmental Funds	\$	1,030,083
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:		
Capital outlay		614,103
Depreciation expense		(1,008,819)
Net book value of assets disposed of		(2,741)
Revenue is recorded in the statement of activities when earned; it is not reported in the funds until collected or collectible within 60 days of year end		
		(2,926)
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)		459,284
Accrued interest expense is recorded as an expense in the statement of activities but not in the governmental funds		2,087
Investment in joint ventures is not included in the funds		(71,882)
Decrease in accumulated employee sick and vacation pay and other similar expenses reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment		217,675
Increases in net other postemployment benefit obligations do not require the use of current resources, and therefore are not reported in the governmental funds until they come due for payment		(720,724)
Change in Net Assets of Governmental Activities	\$	<u>516,140</u>

Charter Township of Grand Blanc

Proprietary Funds
Department of Public Works
Statement of Net Assets
December 31, 2011

		<u>Department of Public Works</u>
Assets		
Current assets:		
Cash and cash equivalents (Note 3)		\$ 3,711,463
Receivables:		
Customers		3,221,557
Receivables billed on tax roll		<u>327,136</u>
Total current assets		7,260,156
Noncurrent assets:		
Capital assets (Note 5):		
Assets not subject to depreciation		382,734
Assets subject to depreciation		82,498,011
Tap-in assessments receivable		<u>557,963</u>
Total noncurrent assets		<u>83,438,708</u>
Total assets		90,698,864
Liabilities		
Current liabilities:		
Accounts payable		1,373,767
Due to other funds		433,317
Accrued liabilities and other		936,595
Compensated absences		<u>38,525</u>
Total current liabilities		2,782,204
Noncurrent liabilities:		
Net OPEB obligation		119,477
Long-term debt		<u>141,682</u>
Total noncurrent liabilities		<u>261,159</u>
Total liabilities		<u>3,043,363</u>
Net Assets		
Invested in capital assets		82,739,063
Unrestricted		<u>4,916,438</u>
Total net assets		<u>\$ 87,655,501</u>

Charter Township of Grand Blanc

Proprietary Funds
Department of Public Works
Statement of Revenue, Expenses, and Changes in Net Assets
Year Ended December 31, 2011

	December 31	
	2011	2010
Operating Revenue		
Sale of water	\$ 5,268,959	\$ 4,628,445
Sewage disposal charges	6,096,466	5,879,279
Water meters	107,755	18,838
Penalties and other charges for services	<u>191,139</u>	<u>208,270</u>
Total operating revenue	11,664,319	10,734,832
Operating Expenses		
Cost of water	4,278,881	4,385,707
Cost of sewage disposal	4,775,695	4,861,363
General and administrative	1,750,223	1,874,592
Depreciation (Note 5)	<u>1,810,558</u>	<u>1,800,583</u>
Total operating expenses	<u>12,615,357</u>	<u>12,922,245</u>
Operating Loss		
	(951,038)	(2,187,413)
Nonoperating Revenue		
Investment income	36,627	48,473
Interest expense	(866)	-
Gain on sale of assets	<u>28,247</u>	<u>2,604</u>
Total nonoperating revenue	<u>64,008</u>	<u>51,077</u>
Net Loss - Before contributions		
	(887,030)	(2,136,336)
Capital Contributions		
Capital charge and line inspection fees	592,900	156,100
Lines donated by developers	<u>10,000</u>	<u>580,712</u>
Total capital contributions	<u>602,900</u>	<u>736,812</u>
Change in Net Assets		
	(284,130)	(1,399,524)
Net Assets - Beginning of year	<u>87,939,631</u>	<u>89,339,155</u>
Net Assets - End of year	<u>\$ 87,655,501</u>	<u>\$ 87,939,631</u>

Charter Township of Grand Blanc

Proprietary Funds
Department of Public Works
Statement of Cash Flows
Year Ended December 31, 2011

Cash Flows from Operating Activities

Receipts from customers	\$ 11,438,935
Receipts from interfund services and reimbursements	343,280
Payments to suppliers	(9,829,325)
Payments to employees	<u>(1,820,694)</u>
	132,196

Cash Flows from Capital and Related Financing Activities

Issuance of debt	141,682
Capital charge collections	486,695
Proceeds from sales of capital assets	28,247
Purchase of capital assets	(406,827)
Interest paid on capital debt	<u>(866)</u>
	248,931

Cash Flows from Investing Activities

Interest received on investments	36,627
Proceeds from sale and maturities of investment securities	<u>215,450</u>
	252,077

Net Increase in Cash and Cash Equivalents

Cash and Cash Equivalents - Beginning of year	633,204
	<u>3,078,259</u>
	\$ 3,711,463

Reconciliation of Operating Loss to Net Cash from Operating Activities

Operating loss	\$ (951,038)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation and amortization	1,810,558
Changes in assets and liabilities:	
Receivables	(225,384)
Accounts payable	(709,963)
Due to others	343,280
Accrued and other liabilities	<u>(135,257)</u>
	\$ 132,196

Noncash Investing, Capital, and Financing Activities - During the year ended December 31, 2011, the Department of Public Works Fund received \$10,000 of lines donated by developers.

Charter Township of Grand Blanc

Fiduciary Funds Statement of Fiduciary Net Assets December 31, 2011

	Pension and Employee Benefits Trust	
	Fund	Agency Funds
Assets		
Cash and cash equivalents (Note 3)	\$ 3,066,507	\$ 3,097,717
Investments (Note 3):		
Mutual funds	4,281,120	-
Bonds	211,730	-
Receivables	77	-
Due from primary government	383,981	-
Total assets	7,943,415	\$ 3,097,717
Liabilities - Undistributed tax collections and other		
Net Assets Held in Trust for Pension and Other Employee Benefits		
		\$ 7,943,415

Charter Township of Grand Blanc

Fiduciary Funds **Statement of Changes in Fiduciary Net Assets - Pension and** **Employee Benefits Trust Fund** **Year Ended December 31, 2011**

Additions

Investment income:	
Interest and dividends	\$ 161,342
Net decrease in fair value of investments	(112,491)
Contributions - Employer contributions	<u>1,076,525</u>
Total additions	1,125,376

Deductions

Benefit payments	704,650
Administrative expenses	<u>23,180</u>
Total deductions	727,830

Net Increase in Net Assets Held in Trust

Net Assets Held in Trust for Pension and Other Employee Benefits -	
Beginning of year	<u>7,545,869</u>
Net Assets Held in Trust for Pension and Other Employee Benefits -	
End of year	<u>\$ 7,943,415</u>

Charter Township of Grand Blanc

Notes to Financial Statements

December 31, 2011

Note I - Nature of Business and Significant Accounting Policies

The accounting policies of the Charter Township of Grand Blanc (the "Charter Township") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Charter Township of Grand Blanc.

Reporting Entity

The Charter Township of Grand Blanc is governed by an elected seven-member board of trustees. The accompanying financial statements present the Charter Township of Grand Blanc. There are no component units to be included in these financial statements.

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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note I - Nature of Business and Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Charter Township considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. The following major revenue sources meet the availability criterion: state-shared revenue, district court fines, and interest associated with the current fiscal period. Conversely, special assessments and federal grant reimbursements will be collected after the period of availability; receivables have been recorded for these, along with a "deferred revenue" liability. All other revenue items are considered to be available only when cash is received by the Charter Township.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The Charter Township reports the following major governmental funds:

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

Solid Waste Fund - The Solid Waste Fund accounts for the operations of a residential and commercial rubbish collection and disposal system, primarily transportation to a privately owned and operated landfill.

The Charter Township reports the following major proprietary fund:

Department of Public Works Fund - The Department of Public Works Fund is used to account for the results of operations that provide water and sewer services to residents and businesses, financed primarily by a user charge for the provision of those services.

Additionally, the Charter Township reports the following fund types:

The internal service funds account for major machinery and equipment purchases and maintenance, as well as risk management services provided to other departments of the Charter Township on a cost reimbursement basis.

Charter Township of Grand Blanc

Notes to Financial Statements **December 31, 2011**

Note I - Nature of Business and Significant Accounting Policies (Continued)

Pension and Other Employee Benefits Trust Fund - The Pension and Other Employee Benefits Trust Fund accounts for the activities of the police and fire employees' retirement system, which accumulates resources for pension benefit payments to qualified employees.

Agency Fund - The agency fund accounts for assets held by the Charter Township in a trustee capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Private sector standards of accounting issued prior to December 1, 1989 are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The Charter Township has elected not to follow private sector standards issued after November 30, 1989 for its business-type activities.

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

Amounts reported as program revenue 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 revenue rather than as program revenue. Likewise, general revenue includes all taxes.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Charter Township's policy is to first apply restricted resources. When an expense is incurred for purposes for which the amounts in any of the unrestricted fund balance classifications could be used, it is the Charter Township's policy to spend funds in this order: committed, assigned, and unassigned.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note I - Nature of Business and Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary fund relates to charges to customers for sales and services. The Department of Public Works Fund also recognizes the portion of tap fees intended to recover current costs (e.g., labor and materials to hook up new customers) as operating revenue. The portion intended to recover the cost of the infrastructure is recognized as nonoperating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Property Tax Revenue

Property taxes are levied on each December 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed. See Note 8 for more information on property tax revenue.

Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

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

All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

Capital Assets - Capital assets, which include property, plant, equipment, and intangible assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Charter Township as assets with an initial individual cost of more than \$2,500 and an estimated useful life in excess of one year. 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.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note I - Nature of Business and Significant Accounting Policies (Continued)

Infrastructure, intangibles, buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 to 50 years
Water and sewer distribution systems	45 to 99 years
Vehicles	3 to 10 years
Furniture and equipment	3 to 20 years

Compensated Absences (Vacation and Sick Leave) - It is the Charter Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability for unpaid accumulated sick leave since the Charter Township does not have a policy to pay any amounts when employees separate from service with the Charter Township. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end.

Long-term Obligations - In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. 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 are reported as other financing uses. Issuance costs are reported as debt service expenditures. The General Fund and debt service funds are generally used to liquidate governmental long-term debt.

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

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note I - Nature of Business and Significant Accounting Policies (Continued)

Fund Equity - In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications - nonspendable, restricted, committed, assigned, and unassigned. The Charter Township implemented GASB Statement No. 54 during the year.

As a result of this required implementation, the Bicentennial Park Fund was reclassified from a special revenue fund to a capital projects fund and the Master Campus Fund was reclassified from a capital projects fund to a debt service fund. In order to conform the classification of the funds to the appropriate fund types under these new definitions, beginning fund balance was not restated in any funds. In addition, fund balance classifications in the governmental fund financial statements have been changed to reflect the five new classifications under GASB No. 54.

In the fund financial statements, governmental funds report the following components of fund balance:

- Nonspendable - Amounts that are not in spendable form or are legally or contractually required to be maintained intact
- Restricted - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose
- Committed - Amounts that have been formally set aside by the board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the board of trustees.
- Assigned - Intent to spend resources on specific purposes expressed by the governing body or the finance director in conjunction with the Township superintendent, who is authorized by resolution approved by the governing body to make assignments

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

- Unassigned - Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Comparative Data/Reclassifications - Comparative total data for the prior year has been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

Note 2 - Stewardship, Compliance, and Accountability

Construction Code Fees - The Charter Township oversees building construction in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The Charter Township charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative shortfall generated since January 1, 2000 is as follows:

Cumulative shortfall at January 1, 2011	\$ (2,222,736)
Building permit revenue	365,585
Related expenses:	
Direct costs	\$ 317,243
Estimated indirect costs	<u>47,586</u> <u>364,829</u>
Current year surplus	756
Cumulative shortfall at December 31, 2011	<u>\$ (2,221,980)</u>

Noncompliance with Legal or Contractual Provisions - During the fiscal year ended December 31, 2011, the budget was amended in a legally permissible manner with the exception that final budget amendments were made in February 2012.

Charter Township of Grand Blanc

Notes to Financial Statements **December 31, 2011**

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States, repurchase agreements, bankers' acceptances of United States banks, commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase, obligations of the State of Michigan or its political subdivisions, which are rated as investment grade, and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Pension Trust Fund and Employee Benefits Funds are also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate (if the trust fund's assets exceed \$250 million), debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

The Charter Township has designated six banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of state statutory authority as listed above. The Charter Township's deposits and investment policies are in accordance with statutory authority.

The Charter Township's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Charter Township's deposits may not be returned to it. The Charter Township does not have a deposit policy for custodial credit risk. At year end, the Charter Township had \$8,906,854 of bank deposits (certificates of deposit, checking, and savings accounts). Of that amount, \$572,662 was covered by federal depository insurance and the remainder was uninsured and uncollateralized. The Charter Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Charter 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 estimated risk level are used as depositories. To the extent that cash from various funds has been pooled, related investment income is allocated to each fund based on relative participation in the pool, except that Agency Fund investment earnings are allocated to the General Fund as provided by Michigan law.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 3 - Deposits and Investments (Continued)

Custodial Credit Risk of Investments - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Charter Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Charter Township does not have a policy for custodial credit risk. At year end, the Charter Township had no investment securities that were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Charter Township's name.

Interest Rate Risk - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Charter Township's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity. The Charter Township prohibits investment of operating funds in securities maturing more than two years from the date of purchase. Reserves and capital improvements may be invested in securities exceeding two years but less than five years. At year end, the average maturities of investments are as follows:

Investment	Fair Value	Weighted Average Maturity
Mutual funds (pension)	\$ 1,628	10 years
Corporate bonds (pension)	211,730	23.9 years

Credit Risk - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Charter Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities are as follows:

Investment	Fair Value	Rating	Rating Organization
Mutual funds (pension)	\$ 1,628	3 stars	Morningstar
Corporate bonds (pension)	211,730	A+	Moody's
Money market	4,067,571	AA1	Moody's
Money market	488,881	A1	Moody's
Money market	7,563,136	N/A	Not rated

Concentration of Credit Risk - The Charter Township places no limit on the amount the Charter Township may invest in any one issuer.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 4 - Receivables and Deferred Revenue

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

	Governmental Funds		
	Unavailable	Unearned	Total
Property taxes levied for 2012 operations	\$ -	\$ 7,743,177	\$ 7,743,177
Solid waste charges billed for 2012 operations	-	1,352,743	1,352,743
Special assessments	462,250	-	462,250
Delinquent property taxes	57,327	-	57,327
Grant revenue	45,024	-	45,024
Total	\$ 564,601	\$ 9,095,920	\$ 9,660,521

Note 5 - Capital Assets

Capital asset activity of the Charter Township's governmental and business-type activities was as follows:

Governmental Activities	Balance				December 31, 2011
	January 1, 2011	Reclassifications	Additions	Disposals and Adjustments	
Capital assets not being depreciated:					
Land and land improvements	\$ 1,955,357	\$ (8,890)	\$ -	\$ (1,260)	\$ 1,945,207
Construction in progress	89,399	(89,399)	-	-	-
Subtotal	2,044,756	(98,289)	-	(1,260)	1,945,207
Capital assets being depreciated:					
Buildings and improvements	17,312,065	-	124,917	(5,340)	17,431,642
Vehicles	962,705	(10,304)	-	(129,718)	822,683
Furniture and equipment	2,642,451	10,304	34,892	(11,670)	2,675,977
Infrastructure	5,132,238	98,289	454,294	-	5,684,821
Subtotal	26,049,459	98,289	614,103	(146,728)	26,615,123
Accumulated depreciation:					
Buildings and improvements	3,100,123	(199)	461,321	(5,340)	3,555,905
Vehicles	804,223	(8,611)	124,011	(129,718)	789,905
Furniture and equipment	1,952,115	8,810	168,627	(10,189)	2,119,363
Infrastructure	1,767,404	-	254,860	-	2,022,264
Subtotal	7,623,865	-	1,008,819	(145,247)	8,487,437
Net capital assets being depreciated	18,425,594	98,289	(394,716)	(1,481)	18,127,686
Net capital assets	\$ 20,470,350	\$ -	\$ (394,716)	\$ (2,741)	\$ 20,072,893

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 5 - Capital Assets (Continued)

Business-type Activities	Balance January 1, 2011	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2011
Capital assets not being depreciated:					
Land	\$ 230,650	\$ -	\$ 3,500	\$ -	\$ 234,150
Construction in progress	147,508	(147,508)	148,584	-	148,584
Subtotal	378,158	(147,508)	152,084	-	382,734
Capital assets being depreciated:					
Water and sewer distribution systems	100,122,399	2,322,046	241,279	-	102,685,724
Buildings and improvements	1,779,875	-	11,598	-	1,791,473
Vehicles	1,551,139	(83,580)	-	(124,717)	1,342,842
Furniture and equipment	3,992,486	(2,090,958)	11,866	(94,851)	1,818,543
Subtotal	107,445,899	147,508	264,743	(219,568)	107,638,582
Accumulated depreciation:					
Water and sewer distribution systems	20,406,054	451,239	1,517,265	-	22,374,558
Buildings and improvements	220,821	-	35,791	-	256,612
Vehicles	1,144,000	(760)	126,002	(124,717)	1,144,525
Furniture and equipment	1,778,706	(450,479)	131,500	(94,851)	1,364,876
Subtotal	23,549,581	-	1,810,558	(219,568)	25,140,571
Net capital assets being depreciated	83,896,318	147,508	(1,545,815)	-	82,498,011
Net capital assets	\$ 84,274,476	\$ -	\$ (1,393,731)	\$ -	\$ 82,880,745

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

Governmental activities:

General government	\$ 376,583
Public safety	497,927
Public works	4,978
Recreation and culture	129,331
Total governmental activities	\$ 1,008,819
Business-type activities - Water and sewer	\$ 1,810,558

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
Due to/from Other Funds		
General Fund	Department of Public Works Fund	\$ 433,317
Nonmajor governmental fund - Master Campus Fund	General Fund	2,685,661
Nonmajor governmental fund - Capital Projects Fund	General Fund	2,207,125
Other nonmajor governmental funds	General Fund	<u>129,423</u>
	Total	\$ <u>5,455,526</u>

The balance owed from the General Fund to the Capital Projects Fund and the Master Campus Fund represents the cumulative amount transferred from the General Fund to the Capital Projects Fund and the Master Campus Fund over that fund's lifetime. The General Fund continues to hold the cash and investments so that it may continue to earn interest on these funds. The other balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Interfund transfers reported in the fund financial statements are comprised of the following:

Fund Providing Resources	Fund Receiving Resources	Amount
General Fund	Master Campus Project Fund	\$ 864,797
	Capital Projects Fund	<u>1,376,093</u>
	Total General Fund	\$ <u>2,240,890</u>

The transfers from the General Fund to the Master Campus Project Fund and Capital Projects Fund represent transfers of unrestricted resources to finance capital projects and debt service.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 7 - Long-term Debt

The Charter Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Charter Township. County contractual agreements and installment purchase agreements are also general obligations of the government.

The proceeds from the 2006 Capital Improvement Bonds were used to finance the construction of the Grand Blanc Township police department building. The special assessment obligations represent the financing of road improvements done by the Genesee County Road Commission (the "Road Commission") that benefit certain districts within the Charter Township; these districts are assessed, at least in part, for the cost of the improvements. The remaining cost is split between the Road Commission and the Charter Township. The Charter Township funds its portion of the cost annually from General Fund revenue. No additional funds have been set aside for the future payment of this debt. Other long-term obligations include compensated absences. The General Fund and the Enterprise Fund pay obligations related to compensated absences.

Long-term debt activity can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities							
General obligation limited tax bonds - 2006 Capital Improvement Bonds Amount of issue: \$10,800,000 Maturing through 2031	4.125% - 5.00%	\$200,000- \$700,000	\$ 10,400,000	\$ -	\$ 200,000	\$ 10,200,000	\$ 200,000
Special assessment bonds - 2009 Deerfield Road Bonds Amount of issue: \$158,000 Maturing through 2014	2.89%	\$32,000	128,000	-	32,000	96,000	32,000
Special assessment bonds - 2010 Holly Springs Bond Amount of issue: \$535,000 Maturing through 2020	1.7% - 4.15%	\$37,000 - \$59,000	535,000	-	37,000	498,000	37,000
Other governmental obligations - Special assessment at-large road districts of the Genesee County Road Commission Amount of issue: \$1,818,818 Maturing through 2018	3.9% - 4.87%	\$72,600 - \$170,285	1,232,430	-	170,284	1,062,146	170,285
Installment purchase agreements - Contract issued in 2001 for the Charter Township's portion of a fire truck purchase for the Grand Blanc Fire Commission Amount of issue: \$150,000 Maturing through 2011	4.99%	20,000	-	20,000	-	-	-
Total bonds payable		12,315,430	-	459,284	11,856,146	439,285	
Other long-term obligations - Compensated absences		439,624	627,129	844,804	221,949	221,949	
Total governmental activities		\$ 12,755,054	\$ 627,129	\$ 1,304,088	\$ 12,078,095	\$ 661,234	

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 7 - Long-term Debt (Continued)

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities							
Other long-term obligations - Compensated absences			\$ 90,636	\$ 182,144	\$ 234,255	\$ 38,525	\$ 38,525
Limited Tax - General Obligation - 2011 Sanitary Sewer System SWQIF Bonds							
Amount of issue: \$540,000 Maturing through 2033	2.5%	\$20,000 - \$35,000	-	141,682	-	141,682	-
Total business-type activities			\$ 90,636	\$ 323,826	\$ 234,255	\$ 180,207	\$ 38,525

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 439,285	\$ 510,759	\$ 950,044	\$ -	\$ 3,469	\$ 3,469
2013	459,285	492,766	952,051	-	3,542	3,542
2014	458,285	474,634	932,919	20,000	3,542	23,542
2015	526,285	452,970	979,255	20,000	3,042	23,042
2016	525,283	428,690	953,973	20,000	2,542	22,542
2017-2021	2,747,723	1,764,852	4,512,575	81,682	4,418	86,100
2022-2026	3,200,000	1,147,012	4,347,012	-	-	-
2027-2031	3,500,000	393,400	3,893,400	-	-	-
Total	\$ 11,856,146	\$ 5,665,083	\$ 17,521,229	\$ 141,682	\$ 20,555	\$ 162,237

For the year ended December 31, 2011, interest expense was \$473,148.

Note 8 - Property Tax Revenue

The Charter Township's governmental funds recognize the December 1, 2010 property tax levy as revenue for the year ended December 31, 2011. The following is a breakdown of tax levies reported in the General Fund.

	Approximate Revenue
Operating millage - Charter limit of 5.0 mills:	
3.865 mills - Operating	\$ 4,706,000
.70 mills - Master campus project	852,000
Police millage - .9128 mills - Voted millage for police	1,111,000
Fire millage - .50 mills - Voted millage for fire	609,000
Mosquito millage - .1482 mills - Charter limit of 5.0 mills	180,000
Act 198/255 taxes and administration fees	493,000

Charter Township of Grand Blanc

Notes to Financial Statements **December 31, 2011**

Note 8 - Property Tax Revenue (Continued)

A mill equals \$1 of tax per thousand dollars of property valuation (taxable valuation). The Charter Township's total taxable valuation for 2010 was approximately \$1,217,498,000.

The police and fire millages raised less revenue than expenditures. To date, the mosquito millage has raised \$6,113 more revenue than expenditures. As a result, \$6,113 of the fund balance was restricted in the General Fund as of December 31, 2011.

Note 9 - Risk Management

The Charter Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Charter Township has purchased commercial insurance for workers' compensation and medical benefits and participates in the Michigan Townships Participating Plan (the "Plan") risk pool for claims relating to general liability. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Townships Participating Plan operates as an insurance purchasing pool for local units of government in Michigan. The plan purchases commercial insurance on behalf of its members at a lower cost than would be available on an individual basis.

Note 10 - Defined Benefit Pension Plan

Plan Description - The Charter Township participates in the Michigan Municipal Employees' Retirement System (the "System"), an agent multiple-employer defined benefit pension plan that covers all police sergeants, officers, and administration. The System provides retirement, disability, and death benefits to plan members and their beneficiaries. The Michigan Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplemental information for the System. That report may be obtained by writing to the System at 1134 Municipal Way, Lansing, MI 48917.

Funding Policy - The obligation to contribute to and maintain the System for these employees was established by negotiation with the Charter Township's Police Officers Labor Council Patrol Officers Union, Police Officers Labor Council Sergeants Unit, and Fraternal Order of Police Executive Command. The agreement requires a contribution from the employer of any actuarially required contributions in excess of 15 percent prior to 1997 and 14 percent after January 1, 1997. Currently, this results in an employee contribution ranging from 5.27 percent to 8 percent of gross wages.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 10 - Defined Benefit Pension Plan (Continued)

Annual Pension Cost - For the year ended December 31, 2011, the Charter Township's annual pension cost of \$569,994 for the plan was equal to the Charter Township's required and actual contribution. The annual required contribution was determined as part of an actuarial valuation at December 31, 2009, using the entry age actuarial cost method.

Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 1 percent to 12.9 percent per year, and (c) 2.5 percent per year cost of living adjustments. Both (a) and (b) include an inflation component of 4.5 percent (1 percent for calendar years 2011-2014). The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a five-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period is 30 years depending on division.

Three-year Trend Information

	Fiscal Year Ended December 31		
	2011	2010	2009
Annual pension cost (APC)	\$ 569,994	\$ 573,243	\$ 635,636
Percentage of APC contributed	100.0 %	100.0 %	100.0 %
Net pension obligation	\$ -	\$ -	\$ -

	Fiscal Year Ended December 31		
	2010	2009	2008
Actuarial value of assets	\$ 8,753,631	\$ 7,982,509	\$ 7,160,147
Actuarial accrued liability (AAL) (entry age)	\$ 15,048,208	\$ 14,239,995	\$ 13,270,174
Unfunded AAL (UAAL)	\$ 6,294,577	\$ 6,257,486	\$ 6,110,027
Funded ratio	58.2 %	56.1 %	54.0 %
Covered payroll	\$ 2,673,831	\$ 3,096,096	\$ 3,094,761
UAAL as a percentage of covered payroll	235.4 %	202.1 %	197.4 %

Charter Township of Grand Blanc

Notes to Financial Statements **December 31, 2011**

Note 11 - Defined Contribution Pension Plan

The Charter Township provides pension benefits to all of its full-time employees (except police personnel, who are covered by a defined benefit plan effective January 1, 1993) through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment (or other date). As established by the Charter Township board of trustees, the Charter Township contributes 15 percent of employees' gross earnings, and employees are not permitted to make contributions other than participant rollover contributions. In accordance with these requirements, the Charter Township contributed \$309,982 during the current year and there was no employee contribution.

Note 12 - Joint Ventures

The Charter Township is a member of the Grand Blanc District Library Commission, which provides library services to the residents of the Charter Township and the city of Grand Blanc. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed \$52,476 for its operations. The Charter Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements for the Grand Blanc District Library Commission can be obtained from the administrative offices at 4195 West Pasadena, Flint, MI 48504.

The Charter Township is a member of the Grand Blanc Parks and Recreation Commission, which provides recreational services to the residents of the Charter Township and the city of Grand Blanc. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed \$180,540 for its operations. The Charter Township's equity interest of \$479,259 at December 31, 2010 is recorded within the governmental activities column of the statement of net assets. The Charter Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements for the Grand Blanc Parks and Recreation Commission can be obtained from the administrative offices at 131 East Grand Blanc Road, Grand Blanc, MI 48439.

Charter Township of Grand Blanc

Notes to Financial Statements **December 31, 2011**

Note 12 - Joint Ventures (Continued)

The Charter Township is a member of the Grand Blanc Fire Commission, which provides fire protection services to the residents of the Charter Township and the city of Grand Blanc. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed \$617,710 for its operations, plus an additional \$609,792 from the new dedicated millage. The Charter Township's equity of \$978,718 at December 31, 2010 is recorded within the governmental activities column of the statement of net assets. The Charter Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements for the Grand Blanc Fire Commission can be obtained from the administrative offices at 117 High Street, Grand Blanc, MI 48439.

Note 13 - Contingent Liabilities

The Charter Township has been named as a defendant in multiple claims and lawsuits requesting damages of various amounts. The various proceedings have not yet progressed to the point where legal opinion can be reached as to the ultimate liability, if any, after consideration of available insurance, where applicable, that may result from the resolution of these matters. The Charter Township has not recorded an estimate of this liability at December 31, 2011.

Note 14 - Other Postemployment Benefits

Plan Description - The Charter Township provides retiree healthcare benefits to eligible employees and their spouses. Benefits are provided to all full-time employees. Currently, the plan has 106 members (including 82 employees in active services and 24 retired employees with their beneficiaries currently receiving benefits).

Funding Policy - There are no provisions in the plan for employee contributions. The Charter Township has no obligation to make contributions in advance of when the insurance premiums are due for payment (in other words, this may be financed on a "pay-as-you-go" basis). However, as shown below, the Charter Township has made contributions to advance-fund these benefits, as determined by the Charter Township board through annual budget resolutions.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 14 - Other Postemployment Benefits (Continued)

Funding Progress - For the year ended December 31, 2011, the Charter Township has estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of December 31, 2008. The valuation computes an annual required contribution, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. This valuation's computed contribution and actual funding are summarized as follows:

Annual required contribution (recommended)	\$ 1,263,834
Interest on the prior year's net OPEB obligation	174,643
Less adjustment to the annual required contribution	<hr/>
Annual OPEB cost	1,438,477
Amounts contributed:	
Payments of current premiums	(416,545)
Advance funding	<hr/> <u>(350,000)</u>
Increase in net OPEB obligation	671,932
OPEB obligation - Beginning of year	<hr/> 2,328,555
OPEB obligation - End of year	<hr/> <u>\$ 3,000,487</u>

Fiscal Year Ended	Actuarial Valuation Date	Annual Other Postemployment Benefit Cost	Percentage Contributed	Net OPEB Obligation
12/31/08	10/31/06	\$ 1,263,411	33.1	\$ 845,286
12/31/09	12/31/08	1,501,517	53.6	1,541,454
12/31/10	12/31/08	1,481,250	46.9	2,328,555
12/31/11	12/31/08	1,438,476	53.3	3,000,487

The funding progress of the plan as of the most recent valuation date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (Percent) (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
10/31/06	\$ 1,577,000	\$ 12,537,422	\$ 10,960,422	12.6	\$ 4,907,432	223.3
12/31/08	2,028,960	13,175,632	11,146,672	15.4	5,082,104	219.3
12/31/11	3,335,965	13,140,026	9,804,061	25.4	4,241,565	231.1

Charter Township of Grand Blanc

Notes to Financial Statements **December 31, 2011**

Note 14 - Other Postemployment Benefits (Continued)

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented above, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of 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.

In the December 31, 2011 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 7.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 5 percent annually. Both rates included a 5 percent inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis over 30 years.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2011

Note 15 - Pension and Other Employee Benefit Trust Funds

The following are condensed financial statements for the Charter Township's defined contribution pension plan (see Note 10) and the postemployment healthcare plan (see Note 14). The plans do not issue separate financial statements.

	Pension Trust	Employee Benefits	Total
Statement of Net Assets			
Cash and investments	\$ 4,573,470	\$ 2,985,887	\$ 7,559,357
Other assets	33,981	350,077	384,058
Net assets	<u>\$ 4,607,451</u>	<u>\$ 3,335,964</u>	<u>\$ 7,943,415</u>
Statement of Changes in Net Assets			
Investment income	\$ 35,536	\$ 13,315	\$ 48,851
Contributions	309,982	766,543	1,076,525
Benefit payments	(288,105)	(416,545)	(704,650)
Other decreases	(23,180)	-	(23,180)
Net change in net assets	<u>\$ 34,233</u>	<u>\$ 363,313</u>	<u>\$ 397,546</u>

Note 16 - Upcoming Accounting Pronouncements

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity Omnibus*. This pronouncement, which is an amendment to Statement 14 and Statement 34, modifies certain requirements for inclusion of component units in the financial reporting entity. This statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. Lastly, the statement also clarifies the reporting of equity interests in legally separate organizations. The Charter Township is currently evaluating the impact this standard will have on the financial statements when adopted during the Charter Township's 2013 fiscal year.

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

Charter Township of Grand Blanc

Notes to Financial Statements **December 31, 2011**

Note 16 - Upcoming Accounting Pronouncements (Continued)

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

Required Supplemental Information

General Fund

The General Fund contains the records of the ordinary activities of the Charter Township that are not accounted for in another fund. General Fund activities are funded by revenue from state-shared revenue, general property taxes, and other sources. The schedule comparing revenues and expenditures - budgetary comparison schedule - compares the activity final amended budget (the level on which expenditures may not legally exceed appropriations) to actual revenue and expenditures.

Charter Township of Grand Blanc

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended December 31, 2011

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 7,250,548	\$ 7,275,742	\$ 7,272,888	\$ (2,854)
Licenses and permits	318,850	404,750	423,622	18,872
Federal grants	60,000	126,500	132,802	6,302
State-shared revenue and grants	1,914,134	3,005,500	3,012,001	6,501
Fines and forfeitures	100,000	100,000	99,967	(33)
Investment income	67,200	30,400	31,926	1,526
Other revenue:				
Special assessments	245,000	406,000	330,216	(75,784)
Cable franchise fees	500,000	525,000	547,608	22,608
Other miscellaneous income	486,279	404,910	521,574	116,664
Total revenue	10,942,011	12,278,802	12,372,604	93,802
Expenditures - Current				
General government:				
Legislative	188,110	197,132	194,880	2,252
Supervisor's office	66,705	74,856	73,517	1,339
General office	448,478	469,705	464,703	5,002
GIS/IT	367,328	356,211	343,822	12,389
Treasurer's office	327,850	327,850	310,082	17,768
Assessor's office	378,892	381,899	360,402	21,497
Clerk's office	189,001	189,001	179,849	9,152
Elections	38,250	34,777	25,911	8,866
Buildings and grounds	300,000	158,400	147,496	10,904
Legal and attorney	155,000	175,000	132,777	42,223
Planning and zoning	155,063	228,227	172,941	55,286
Contingency	-	300,000	110,754	189,246
Total general government	2,614,677	2,893,058	2,517,134	375,924
Public safety:				
Police	5,576,407	5,729,407	5,560,747	168,660
Fire	617,712	651,862	651,259	603
Building and zoning	281,405	303,241	283,696	19,545
Total public safety	6,475,524	6,684,510	6,495,702	188,808
Public works	661,415	811,815	711,714	100,101
Recreation and culture	230,540	233,040	233,016	24
Debt service	240,000	327,725	302,811	24,914
Total expenditures	10,222,156	10,950,148	10,260,377	689,771
Excess of Revenue Over Expenditures	719,855	1,328,654	2,112,227	783,573
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	5,000	5,000	7,454	2,454
Transfers out	(680,770)	(1,351,364)	(2,240,890)	(889,526)
Total other financing uses	(675,770)	(1,346,364)	(2,233,436)	(887,072)
Net Change in Fund Balance	44,085	(17,710)	(121,209)	(103,499)
Fund Balance - Beginning of year	1,825,704	1,825,704	1,825,704	-
Fund Balance - End of year	\$ 1,869,789	\$ 1,807,994	\$ 1,704,495	\$ (103,499)

Major Special Revenue Fund

The Solid Waste Fund is a special revenue fund. Special revenue funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. This fund accounts for the operations of a residential and commercial rubbish collection and disposal system, primarily transportation to a privately owned and operated landfill.

Charter Township of Grand Blanc

Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Fund Solid Waste Fund Year Ended December 31, 2011

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Charges for services	\$ 1,327,920	\$ 1,244,500	\$ 1,320,866	\$ 76,366
Investment income	1,000	1,000	1,018	18
Other revenue	-	-	4,500	4,500
Total revenue	1,328,920	1,245,500	1,326,384	80,884
Expenditures - Current - Rubbish disposal	1,327,920	1,317,000	1,316,459	541
Net Change in Fund Balance	1,000	(71,500)	9,925	81,425
Fund Balance - Beginning of year	215,645	215,645	215,645	-
Fund Balance - End of year	\$ 216,645	\$ 144,145	\$ 225,570	\$ 81,425

Charter Township of Grand Blanc

Note to Required Supplemental Information Year Ended December 31, 2011

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the department level (i.e., the level at which expenditures may not legally exceed appropriations).

The Charter Township adopts a formal budget for the General Fund, special revenue fund, and capital projects funds. By August 1 of each year, all department heads submit spending requests to the Charter Township supervisor so that a budget may be prepared. Before September 1, the proposed budget is submitted to the Charter Township board for review. Public hearings are held and the final budget is adopted no later than December 31.

Excess of Expenditures Over Appropriations in Budgeted Funds - During the year, the only significant expenditure in excess of appropriation was the transfer from the General Fund to the capital projects fund, which was not budgeted.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as restrictions, commitments, or assignments of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year end; the commitments will be reappropriated and honored during the subsequent year. Encumbrances are not included as expenditures or liabilities; the amount of encumbrances outstanding at December 31, 2011 is not significant. Unexpected appropriations lapse at year end.

A reconciliation of the budgetary comparison schedule to the fund-based statement of changes in fund balance is as follows:

	<u>Expenditures</u>
General Fund:	
Amounts per operating statement	\$ 10,870,169
Property tax revenue (1 mill) budgeted to offset contribution to Grand Blanc Fire Commission	<u>(609,792)</u>
Amounts per budget statement	<u>\$ 10,260,377</u>

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund - Transfers out	\$ 1,351,364	\$ 2,240,890	\$ (889,526)
Capital projects fund - Capital outlay	314,500	593,909	(279,409)

The excess expenditures in transfers out represent the transfer from the General Fund to the capital projects fund for capital projects. The excess in the capital projects fund relates to the Bicentennial Park trail construction which was budgeted in the prior year.

Other Supplemental Information

Charter Township of Grand Blanc

Other Supplemental Information

Nonmajor Funds

Fund Descriptions

Nonmajor Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. A description of the special revenue funds included as nonmajor governmental funds is as follows:

Drug Forfeiture Fund - This fund accounts for monies received from the federal drug enforcement agency for law enforcement purposes and for state funds related to drug enforcement purposes. These monies are to be used to supplement existing law and drug enforcement funds in the law enforcement field.

Law Enforcement Fund - This fund accounts for monies received as a result of gambling raids. These funds are to be used for law enforcement enhancement.

Federal Equitable Sharing Fund - This fund accounts for federal monies related to drug enforcement purposes. These monies are to be used to supplement existing law and drug enforcement funds in the law enforcement field.

PEG Channel Grant Fund - This fund accounts for monies collected by the Charter Township for the operation of public, educational, and government channels (PEG).

Nonmajor Debt Service Funds

Master Campus Project - This fund is used to account for property taxes set aside for all costs associated with the development and construction of a Charter Township master campus.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for the acquisition of capital facilities other than those financed by the operations of an Enterprise Fund.

Capital Projects Fund - This fund is used to account for earmarked revenue set aside for public improvements of a major nature. Revenue sources to date have come solely from General Fund operating transfers.

Bicentennial Park Fund - This fund accounts for monies received from Trinity Wireless for the use of land within Bicentennial Park for a cellular tower. These funds are to be used for Bicentennial Park improvements.

Nonmajor Permanent Funds

Permanent funds account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the Charter Township programs. A description of the permanent funds included as nonmajor governmental funds is as follows:

Oakwood Cemetery Fund - This fund is used to account for Oakwood Cemetery deposits.

Perry Cemetery Fund - This fund is used to account for Perry Cemetery deposits.

Maple Cemetery Fund - This fund is used to account for Maple Cemetery deposits.

Charter Township of Grand Blanc

	Special Revenue Funds					Debt Service Funds	
	Drug Forfeiture Fund	Law Enforcement Fund	Federal Equitable Sharing Fund	PEG Channel Grant Fund	Master Campus Project Fund		
Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	131
Due from other funds	87,254	12,197	7,625	10,894	2,685,661		
Total assets	\$ 87,254	\$ 12,197	\$ 7,625	\$ 10,894	\$ 2,685,661		
Liabilities and Fund Balances							
Liabilities - Accounts payable	\$ 20	\$ -	\$ -	\$ -	\$ 7,806	\$ -	\$ -
Fund Balances							
Nonspendable - Cemetery endowment	-	-	-	-	-	-	-
Restricted:							
Public safety	87,234	12,197	7,625	-	-	-	-
PEG channel	-	-	-	3,088	-	-	-
Cemetery	-	-	-	-	-	-	-
Committed - Bicentennial Park improvements	-	-	-	-	-	-	-
Assigned:							
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	2,685,792	-
Total fund balances	87,234	12,197	7,625	3,088	2,685,792		
Total liabilities and fund balances	\$ 87,254	\$ 12,197	\$ 7,625	\$ 10,894	\$ 2,685,792		

Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

Capital Projects Funds		Permanent Funds				Total
Capital Projects Fund	Bicentennial Park Fund	Oakwood Cemetery Fund	Perry Cemetery Fund	Maple Cemetery Fund	Nonmajor Governmental Funds	
\$ -	\$ -	\$ 1,266	\$ 45,109	\$ 6,751	\$ 53,126	
-	-	48,836	73,897	92,312	215,045	
-	-	31	-	110	272	
<u>2,207,125</u>	<u>11,453</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,022,209</u>	
<u>\$ 2,207,125</u>	<u>\$ 11,453</u>	<u>\$ 50,133</u>	<u>\$ 119,006</u>	<u>\$ 99,173</u>	<u>\$ 5,290,652</u>	
\$ 34,418	\$ -	\$ -	\$ -	\$ -	\$ 42,244	
-	-	11,257	73,897	20,132	105,286	
-	-	-	-	-	107,056	
-	-	-	-	-	3,088	
-	-	38,876	45,109	79,041	163,026	
-	11,453	-	-	-	11,453	
<u>2,172,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,172,707</u>	
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,685,792</u>	
<u>2,172,707</u>	<u>11,453</u>	<u>50,133</u>	<u>119,006</u>	<u>99,173</u>	<u>5,248,408</u>	
<u>\$ 2,207,125</u>	<u>\$ 11,453</u>	<u>\$ 50,133</u>	<u>\$ 119,006</u>	<u>\$ 99,173</u>	<u>\$ 5,290,652</u>	

Charter Township of Grand Blanc

	Special Revenue Funds				Debt Service Funds
	Drug Forfeiture Fund	Law Enforcement Fund	Federal Equitable Sharing Fund	PEG Channel Grant Fund	Master Campus Project Fund
Revenue					
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -
State-shared revenue and grants	-	-	-	-	-
Fines and forfeitures	65,535	8,366	2,210	-	-
Investment income	-	-	17	-	13,313
Other revenue	-	-	-	30,312	-
Total revenue	65,535	8,366	2,227	30,312	13,313
Expenditures					
Current:					
General government	-	-	-	30,312	-
Public safety	9,996	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service	-	-	-	-	655,675
Total expenditures	9,996	-	-	30,312	655,675
Excess of Revenue Over (Under) Expenditures	55,539	8,366	2,227	-	(642,362)
Other Financing Sources					
Proceeds from sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	864,797
Total other financing sources	-	-	-	-	864,797
Net Change in Fund Balances	55,539	8,366	2,227	-	222,435
Fund Balances - Beginning of year	31,695	3,831	5,398	3,088	2,463,357
Fund Balances - End of year	\$ 87,234	\$ 12,197	\$ 7,625	\$ 3,088	\$ 2,685,792

Other Supplemental Information
Combining Statement of Revenue, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2011

Capital Projects Fund		Permanent Funds			Total
Capital Projects Fund	Bicentennial Park Fund	Oakwood Cemetery Fund	Perry Cemetery Fund	Maple Cemetery Fund	Nonmajor Governmental Funds
\$ 33,270	\$ -	\$ -	\$ -	\$ -	\$ 33,270
22,887	-	-	-	-	22,887
-	-	-	-	-	76,111
-	-	3,891	1,715	903	19,839
-	19,094	25	1,600	900	51,931
56,157	19,094	3,916	3,315	1,803	204,038
-	-	-	78	120	30,510
-	-	-	-	-	9,996
593,909	19,951	-	-	-	613,860
-	-	-	-	-	655,675
593,909	19,951	-	78	120	1,310,041
(537,752)	(857)	3,916	3,237	1,683	(1,106,003)
6,480	-	-	-	-	6,480
1,376,093	-	-	-	-	2,240,890
1,382,573	-	-	-	-	2,247,370
844,821	(857)	3,916	3,237	1,683	1,141,367
1,327,886	12,310	46,217	115,769	97,490	4,107,041
\$ 2,172,707	\$ 11,453	\$ 50,133	\$ 119,006	\$ 99,173	\$ 5,248,408

Charter Township of Grand Blanc

Other Supplemental Information Nonmajor Governmental Fund - Drug Forfeiture Fund Budgetary Comparison Year Ended December 31, 2011

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue - Fines and forfeitures	\$ 25,685	\$ 65,000	\$ 65,535	\$ 535
Expenditures - Public safety	12,398	10,000	9,996	4
Net Change in Fund Balance	13,287	55,000	55,539	539
Fund Balance - Beginning of year	18,408	31,695	31,695	-
Fund Balance - End of year	\$ 31,695	\$ 86,695	\$ 87,234	\$ 539

Charter Township of Grand Blanc

Other Supplemental Information Nonmajor Governmental Fund - Law Enforcement Fund Budgetary Comparison Year Ended December 31, 2011

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue - Fines and forfeitures	\$ 2,300	\$ 8,000	\$ 8,366	\$ 366
Expenditures - Public safety	<u>822</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,478	8,000	8,366	366
Fund Balance - Beginning of year	<u>2,353</u>	<u>3,831</u>	<u>3,831</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 3,831</u>	<u>\$ 11,831</u>	<u>\$ 12,197</u>	<u>\$ 366</u>

Charter Township of Grand Blanc

Other Supplemental Information
Nonmajor Governmental Fund - Federal Equitable Sharing Fund
Budgetary Comparison
Year Ended December 31, 2011

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Fines and forfeitures	\$ -	\$ 3,200	\$ 2,210	\$ (990)
Investment income	17	100	17	(83)
Total revenue	17	3,300	2,227	(1,073)
Fund Balance - Beginning of year	<u>5,381</u>	<u>5,398</u>	<u>5,398</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 5,398</u>	<u>\$ 8,698</u>	<u>\$ 7,625</u>	<u>\$ (1,073)</u>

Charter Township of Grand Blanc

Other Supplemental Information Nonmajor Governmental Fund - PEG Channel Grant Fund Budgetary Comparison Year Ended December 31, 2011

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue - PEG contributions	\$ 28,026	\$ 29,500	\$ 30,312	\$ 812
Expenditures - Capital outlay	<u>28,026</u>	<u>29,500</u>	<u>30,312</u>	<u>(812)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	<u>3,088</u>	<u>3,088</u>	<u>3,088</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 3,088</u>	<u>\$ 3,088</u>	<u>\$ 3,088</u>	<u>\$ -</u>

Charter Township of Grand Blanc

Other Supplemental Information
Nonmajor Governmental Fund - Master Campus Project Fund
Budgetary Comparison
Year Ended December 31, 2011

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue - Investment income	\$ 10,737	\$ 10,203	\$ 13,313	\$ 3,110
Expenditures - Debt service				
Principal	200,000	200,000	200,000	-
Interest on long-term debt	<u>464,263</u>	<u>460,000</u>	<u>455,675</u>	<u>4,325</u>
Total expenditures	<u>664,263</u>	<u>660,000</u>	<u>655,675</u>	<u>4,325</u>
Excess of Expenditures Over Revenue	(653,526)	(649,797)	(642,362)	7,435
Other Financing Sources - Transfers in	<u>969,500</u>	<u>864,797</u>	<u>864,797</u>	<u>-</u>
Net Change in Fund Balance	315,974	215,000	222,435	7,435
Fund Balance - Beginning of year	<u>2,147,383</u>	<u>2,463,357</u>	<u>2,463,357</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 2,463,357</u>	<u>\$ 2,678,357</u>	<u>\$ 2,685,792</u>	<u>\$ 7,435</u>

Charter Township of Grand Blanc

Other Supplemental Information
Nonmajor Governmental Fund - Capital Projects Fund
Budgetary Comparison
Year Ended December 31, 2011

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Federal grants	\$ 139,117	\$ 34,500	\$ 33,270	\$ (1,230)
State grants	75,764	11,500	22,887	11,387
Other revenue	8,968	-	-	-
Total revenue	223,849	46,000	56,157	10,157
Expenditures - Capital outlay	415,093	314,500	593,909	(279,409)
Excess of Expenditures Over Revenue	(191,244)	(268,500)	(537,752)	(269,252)
Proceeds from Sale of Capital Assets	29,541	6,000	6,480	480
Other Financing Sources - Transfers in	568,977	-	1,376,093	1,376,093
Net Change in Fund Balance	407,274	(262,500)	844,821	1,107,321
Fund Balance - Beginning of year	920,612	1,327,886	1,327,886	-
Fund Balance - End of year	\$ 1,327,886	\$ 1,065,386	\$ 2,172,707	\$ 1,107,321

Charter Township of Grand Blanc

Other Supplemental Information Nonmajor Governmental Fund - Bicentennial Park Fund Budgetary Comparison Year Ended December 31, 2011

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue - Rental income	\$ 18,837	\$ 19,000	\$ 19,094	\$ 94
Expenditures - Capital outlay	13,767	20,000	19,951	49
Net Change in Fund Balance	5,070	(1,000)	(857)	143
Fund Balance - Beginning of year	7,240	12,310	12,310	-
Fund Balance - End of year	\$ 12,310	\$ 11,310	\$ 11,453	\$ 143

Fiduciary Funds

A description of the fiduciary funds maintained by the Charter Township is as follows:

Pension Trust Fund - This fund accounts for employer and employee contributions to the Charter Township's defined contribution pension plan.

Employee Benefits Fund - This fund accounts for anticipated future costs of existing employee benefit programs.

Agency Funds - Agency funds account for assets held by the Charter Township as an agent for individuals, organizations, other governments, or other funds. Such funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results in operations.

Charter Township of Grand Blanc

Other Supplemental Information Statement of Assets and Liabilities Pension and Other Employee Benefits Trust Funds December 31, 2011

	Pension Trust Funds		
	Pension Trust	Employee	Total Pension
		Benefits Trust	Trust Funds
Assets			
Cash and cash equivalents	\$ 80,620	\$ 2,985,887	\$ 3,066,507
Investments:			
Mutual funds	4,281,120	-	4,281,120
Bonds	211,730	-	211,730
Receivables - Accrued interest receivable	-	77	77
Due from primary government	33,981	350,000	383,981
Total assets	4,607,451	3,335,964	7,943,415
Net Assets Held in Trust for Pension and Other Employee Benefits	<u>\$ 4,607,451</u>	<u>\$ 3,335,964</u>	<u>\$ 7,943,415</u>

Charter Township of Grand Blanc

Other Supplemental Information
Combining Statement of Changes in Fiduciary Net Assets
Pension and Other Employee Benefits Trust Funds
Year Ended December 31, 2011

	Employee		
	Pension Trust	Benefits Trust	Total
Additions			
Investment income:			
Interest and dividends	\$ 148,027	\$ 13,315	\$ 161,342
Net decrease in fair value of investments	(112,491)	-	(112,491)
Contributions	309,982	766,543	1,076,525
Total additions	345,518	779,858	1,125,376
Deductions			
Benefit payments	288,105	416,545	704,650
Administrative expenses	23,180	-	23,180
Total deductions	311,285	416,545	727,830
Net Increase			
	34,233	363,313	397,546
Net Assets Held in Trust for Pension and Other Employee Benefits - Beginning of year	4,573,218	2,972,651	7,545,869
Net Assets Held in Trust for Pension and Other Employee Benefits - End of year	\$ 4,607,451	\$ 3,335,964	\$ 7,943,415

Charter Township of Grand Blanc

Other Supplemental Information
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended
December 31, 2011

	<u>Balance at January 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at December 31, 2011</u>
Assets - Cash and investments	<u>\$ 3,869,770</u>	<u>\$ 49,355,365</u>	<u>\$ (50,127,418)</u>	<u>\$ 3,097,717</u>
Liabilities - Undistributed tax collections and other	<u>\$ 3,869,770</u>	<u>\$ 49,355,365</u>	<u>\$ (50,127,418)</u>	<u>\$ 3,097,717</u>

Statistical Section

Charter Township of Grand Blanc

Description of Statistical Section

This part of the Charter Township of Grand Blanc's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the Charter Township's overall financial health. Many of the schedules present data for the past fiscal years that will allow the reader to discern trends that cannot be seen in a single year's financial statements.

Contents

Financial Trends:

These schedules contain trend information to help the reader understand how the Charter Township's financial performance and well-being have changed over time.

Revenue Capacity:

These schedules contain information to help the reader assess the locally levied taxes including the property tax collected by the Charter Township treasurer, which represents the Charter Township's largest revenue source.

Debt Capacity:

These schedules present information to help the reader assess the affordability of the Charter Township's current levels of outstanding debt and the Charter Township's ability to issue debt in the future.

Demographic Information:

These schedules offer demographic indicators to help the reader understand the environment within which the Charter Township's financial activities take place.

Operating Information:

These schedules contain service data to help the reader understand how the information in the Charter Township's financial report relates to the services the Charter Township provides and the activities it performs.

Sources

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The Charter Township implemented GASB Statement No. 34 in 2003; schedules representing government-wide information include information beginning in that year. The reported numbers begin with the year for which information is available.

Charter Township of Grand Blanc

	Fiscal Year			
	2004	2005	2006	2007
Governmental Activities				
Invested in capital assets -				
Net of related debt	\$ 5,685,105	\$ 6,061,001	\$ 6,313,242	\$ 6,718,990
Restricted	477,616	745,081	790,887	798,720
Unrestricted	<u>5,238,804</u>	<u>5,480,340</u>	<u>5,877,983</u>	<u>5,938,999</u>
Total net assets	11,401,525	12,286,422	12,982,112	13,456,709
Business-type Activities				
Invested in capital assets -				
Net of related debt	69,497,610	72,709,732	77,445,337	80,339,816
Restricted - Mosquito	114,653	-	-	-
Unrestricted	<u>5,021,322</u>	<u>9,755,242</u>	<u>8,227,121</u>	<u>9,347,557</u>
Total net assets	74,633,585	82,464,974	85,672,458	89,687,373
Primary Government in Total				
Invested in capital assets -				
Net of related debt	75,182,715	78,770,733	83,758,579	87,058,806
Restricted	592,269	745,081	790,887	798,720
Unrestricted	<u>10,260,126</u>	<u>15,235,582</u>	<u>14,105,104</u>	<u>15,286,556</u>
Total net assets	<u>\$ 86,035,110</u>	<u>\$ 94,751,396</u>	<u>\$ 98,654,570</u>	<u>\$ 103,144,082</u>

Note: In fiscal year 2010, the Charter Township adopted GASB No. 51 and began capitalizing the intangible assets of the Charter Township.

Financial Trend Information
Net Assets by Component
Statement of Net Assets

Fiscal Year				
2008		2009		2010
				2011
\$ 6,682,242	\$ 6,976,914	\$ 8,837,920	\$ 8,810,747	
683,180	635,810	521,165	610,139	
<u>4,724,292</u>	<u>3,039,134</u>	<u>4,325,796</u>	<u>4,780,135</u>	
12,089,714	10,651,858	13,684,881	14,201,021	
84,034,057	84,724,481	84,274,476	82,739,063	
-	-	-	-	
<u>6,860,844</u>	<u>4,614,674</u>	<u>3,665,155</u>	<u>4,916,438</u>	
90,894,901	89,339,155	87,939,631	87,655,501	
90,716,299	91,701,395	93,112,396	91,549,810	
683,180	635,810	521,165	610,139	
<u>11,585,136</u>	<u>7,653,808</u>	<u>7,990,951</u>	<u>9,696,573</u>	
<u>\$ 102,984,615</u>	<u>\$ 99,991,013</u>	<u>\$ 101,624,512</u>	<u>\$ 101,856,522</u>	

Charter Township of Grand Blanc

	Fiscal Year Ended December 31			
	2004	2005	2006	2007
Expenses				
General government	\$ 2,789,281	\$ 3,457,066	\$ 3,151,040	\$ 2,715,114
Public safety	5,892,463	6,409,202	7,059,945	7,974,790
Public services	1,613,483	1,691,373	2,144,233	2,007,753
Community and economic development	298,852	395,745	259,316	432,944
Recreation and culture	242,510	207,256	120,673	345,344
Interest on long-term debt	5,256	-	198,156	484,127
Total governmental activities	10,841,845	12,160,642	12,933,363	13,960,072
Program Revenue				
Charges for services:				
General government	91,362	155,238	61,853	74,001
Public safety	985,364	1,227,246	953,146	1,199,517
Public services	1,233,410	1,281,236	1,055,304	1,134,598
Community and economic development	79,479	85,483	35,716	33,135
Recreation and culture	13,200	16,296	160,983	118,096
Total charges for services	2,402,815	2,765,499	2,267,002	2,559,347
Operating grants and contributions	270,412	271,313	295,191	358,543
Capital grants and contributions	-	-	40,554	-
Total program revenue	2,673,227	3,036,812	2,602,747	2,917,890
Net Expense				
(8,168,618)	(9,123,830)	(10,330,616)	(11,042,182)	
General Revenue				
Property taxes	6,407,809	6,931,573	7,528,398	8,120,917
State-shared revenue	2,323,369	2,302,999	2,568,081	2,288,035
Unrestricted investment earnings	120,879	302,662	651,273	1,016,079
Unrestricted fees and other	338,206	471,493	278,554	91,748
Total general revenue	9,190,263	10,008,727	11,026,306	11,516,779
Net Change in Net Assets				
1,021,645	884,897	695,690	474,597	
Net Assets - Beginning of year	10,379,880	11,401,525	12,286,422	12,982,112
Net Assets - End of year	\$ 11,401,525	\$ 12,286,422	\$ 12,982,112	\$ 13,456,709

Note: In fiscal year 2010, the Charter Township adopted GASB No. 51 and began capitalizing intangible assets of the Charter Township, which required beginning net assets to be restated.

**Financial Trend Information
Changes in Governmental Net Assets**

Fiscal Year Ended December 31				
2008	2009	2010	2011	
\$ 3,328,975	\$ 3,924,053	\$ 2,846,619	\$ 2,922,201	
8,353,459	8,111,389	7,859,301	7,887,239	
2,468,866	1,895,558	3,131,284	1,847,059	
402,485	430,874	177,831	181,727	
406,377	293,441	368,414	360,374	
491,165	467,876	465,058	508,282	
 15,451,327	 15,123,191	 14,848,507	 13,706,882	
 159,175	 367,266	 504,225	 254,420	
592,056	414,235	447,439	503,752	
1,161,807	1,333,850	1,437,568	1,593,016	
26,204	23,848	23,933	20,680	
16,560	16,560	18,837	19,094	
 1,955,802	 2,155,759	 2,432,002	 2,390,962	
436,751	239,948	216,394	323,725	
16,762	315,004	752,721	99,647	
 2,409,315	 2,710,711	 3,401,117	 2,814,334	
 (13,042,012)	 (12,412,480)	 (11,447,390)	 (10,892,548)	
 8,505,344	 8,422,105	 8,357,695	 7,898,025	
2,220,797	1,915,708	1,909,593	2,904,697	
509,379	166,926	70,995	52,783	
439,497	469,885	520,649	553,183	
 11,675,017	 10,974,624	 10,858,932	 11,408,688	
 (1,366,995)	 (1,437,856)	 (588,458)	 516,140	
 13,456,709	 12,089,714	 14,273,339	 13,684,881	
 \$ 12,089,714	 \$ 10,651,858	 \$ 13,684,881	 \$ 14,201,021	

Charter Township of Grand Blanc

	Fiscal Year Ended December 31				
	2002	2003	2004	2005	2006
Expenses	\$ 6,470,648	\$ 6,720,937	\$ 8,272,460	\$ 8,361,734	\$ 8,890,267
Program Revenue					
Charges for services	6,310,432	6,569,818	6,877,348	7,796,578	7,763,717
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	5,263,058	3,450,976	4,388,959	8,326,023	3,839,900
Total program revenue	11,573,490	10,020,794	11,266,307	16,122,601	11,603,617
Net Revenue (Expense)	5,102,842	3,299,857	2,993,847	7,760,867	2,713,350
General Revenue					
Property taxes	155,306	166,286	180,794	-	-
Unrestricted investment earnings	109,978	100,325	105,735	185,175	494,134
Proceeds from sale of capital assets	-	-	-	-	-
Transfers	(124,952)	42,760	-	(114,653)	-
Total general revenue	140,332	309,371	286,529	70,522	494,134
Change in Net Assets	\$ 5,243,174	\$ 3,609,228	\$ 3,280,376	\$ 7,831,389	\$ 3,207,484

**Financial Trend Information
Changes in Business-type Net Assets**

Fiscal Year Ended December 31					
2007	2008	2009	2010	2011	
\$ 10,319,834	\$ 12,904,958	\$ 12,656,255	\$ 12,922,245	\$ 12,616,223	
9,143,873	9,117,513	10,355,416	10,734,832	11,664,319	
456,052	332,809	-	-	-	
4,271,568	4,335,264	650,320	736,812	602,900	
<u>13,871,493</u>	<u>13,785,586</u>	<u>11,005,736</u>	<u>11,471,644</u>	<u>12,267,219</u>	
3,551,659	880,628	(1,650,519)	(1,450,601)	(349,004)	
-	-	-	-	-	
463,256	326,900	89,576	48,473	36,627	
-	-	5,197	2,604	28,247	
-	-	-	-	-	
<u>463,256</u>	<u>326,900</u>	<u>94,773</u>	<u>51,077</u>	<u>64,874</u>	
\$ 4,014,915	\$ 1,207,528	\$ (1,555,746)	\$ (1,399,524)	\$ (284,130)	

Charter Township of Grand Blanc

	December 31			
	2002	2003	2004	2005
Fund Balances				
General Fund - Unreserved/Unassigned**	\$ 1,030,189	\$ 1,018,296	\$ 1,045,513	\$ 1,454,875
All other governmental funds:				
Nonspendable**:				
Non-expendable cemetery endowment	-	-	-	-
Reserved/Restricted**:				
Mosquito spraying	-	-	-	-
Solid waste	-	-	-	-
Public safety	25,848	26,518	16,373	17,492
Drug forfeiture	-	-	1,138	5,907
Cable TV activities - PEG Fund	25,588	60,579	22,380	3,088
Drug enforcement	5,276	-	-	-
Cemetery	-	-	-	-
Committed**:				
Bicentennial Park improvements	-	-	-	-
Assigned**:				
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unreserved, reported in:				
Special Revenue Funds - Solid waste	297,778	184,936	279,813	466,345
Special Revenue Funds - Bicentennial Park	1,764	6,624	16,747	10,224
Capital Projects Funds	2,225,147	2,649,441	2,731,023	2,274,604
Master Campus Project	-	150,182	461,153	834,022
Civic Campus Fund	-	-	-	-
Debt Service Funds - Water and sewer	167,167	162,782	-	-
Permanent funds - Cemetery:				
Unexpendable	43,604	105,627	105,627	122,191
Expendable	65,746	68,676	52,286	130,058
Total all other governmental funds	\$ 3,888,107	\$ 4,433,661	\$ 4,732,053	\$ 5,318,806

Note: In fiscal year 2011, the Charter Township adopted GASB No. 54 which changed fund balance classifications from unreserved and reserved to five new categories: Nonspendable, restricted, committed, assigned, and unassigned.

Financial Trend Information
Fund Balances - Governmental Funds

December 31						
2006	2007	2008	2009	2010	2011	
\$ 1,499,961	\$ 1,608,985	\$ 1,682,294	\$ 1,697,320	\$ 1,823,679	\$ 1,698,382	
-	-	-	-	-	-	105,286
3,898	6,047	6,275	1,986	2,025	6,113	
-	-	-	-	-	225,570	
14,180	10,335	396	2,353	3,831	107,056	
14,091	23,185	13,483	23,789	37,093	-	
3,088	3,088	8,232	3,088	3,088	3,088	
-	-	-	-	-	-	
-	-	-	-	-	163,026	
-	-	-	-	-	11,453	
-	-	-	-	-	2,172,707	
-	-	-	-	-	2,685,792	
467,283	498,710	448,191	361,185	215,645	N/A	
9,016	6,964	1,179	7,240	12,310	N/A	
1,681,959	1,888,167	1,377,491	920,612	1,327,886	N/A	
1,634,021	1,539,340	2,038,697	2,147,383	2,463,357	N/A	
9,015,517	257,545	-	-	-	N/A	
-	-	-	-	-	N/A	
155,716	127,580	64,335	95,186	106,375	N/A	
132,631	135,822	142,268	148,223	153,101	N/A	
\$ 14,631,361	\$ 6,105,768	\$ 5,782,841	\$ 5,408,365	\$ 6,148,390	\$ 7,178,473	

Charter Township of Grand Blanc

	Year Ended December 31			
	2002	2003	2004	2005
Revenue				
Property taxes	\$ 5,432,863	\$ 5,909,327	\$ 6,359,871	\$ 6,947,143
Licenses and permits	1,412,537	1,216,745	1,241,715	1,440,310
Federal grants	-	-	24,065	-
State-shared revenue and grants	2,760,329	3,016,237	2,420,418	2,406,442
Charges for services	1,098,336	1,168,050	1,227,837	1,275,480
Fines and forfeitures	153,024	137,489	132,635	147,882
Investment income	202,863	199,820	120,879	328,203
Other	321,035	417,331	291,700	426,534
Total revenue	11,380,987	12,064,999	11,819,120	12,971,994
Expenditures				
General government	2,013,856	2,278,435	2,738,634	2,773,106
Public safety	5,383,975	5,743,612	5,939,996	6,746,784
Public services	2,014,288	2,518,843	2,198,652	1,950,818
Recreation and culture	4,585	-	-	-
Capital outlay	1,101,704	330,006	146,495	1,024,108
Debt service	1,200,654	482,818	467,812	-
Other	-	165,730	29,140	-
Total expenditures	11,719,062	11,519,444	11,520,729	12,494,816
Excess of Revenue (Under) Over Expenditures	(338,075)	545,555	298,391	477,178
Other Financing Sources (Uses)				
Debt issuance	-	-	-	-
Debt premium or discount	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	1,100,000	1,000,712	715,854	993,305
Transfers out	(1,100,000)	(1,000,712)	(715,854)	(883,730)
Total other financing sources	-	-	-	109,575
Net Change in Fund Balances	(338,075)	545,555	298,391	586,753
Fund Balances - Beginning of year	4,226,182	3,888,107	4,433,662	4,732,053
Fund Balances - End of year	\$ 3,888,107	\$ 4,433,662	\$ 4,732,053	\$ 5,318,806
Debt service as a percentage of noncapital expenditures	11%	4%	4%	0%

Financial Trend Information
Changes in Fund Balances - Governmental Funds

Year Ended December 31									
	2006	2007	2008	2009	2010	2011			
\$	7,525,780	\$ 8,120,917	\$ 8,505,344	\$ 8,389,929	\$ 8,349,970	\$ 7,882,680			
1,183,970	1,187,765	882,219	795,497	360,728	423,622				
60,235	100,193	99,752	256,948	207,793	166,072				
2,627,621	2,371,390	2,329,109	2,022,440	2,096,949	3,034,888				
1,050,136	1,129,260	1,156,629	1,152,097	1,177,676	1,320,866				
118,065	114,199	121,168	117,166	139,836	176,078				
654,244	1,020,103	498,929	166,926	62,027	52,783				
374,482	302,862	480,247	667,705	1,454,838	1,455,829				
	13,594,533	14,346,689	14,073,397	13,568,708	13,849,817	14,512,818			
	2,863,050	2,855,104	2,996,256	2,635,967	2,682,007	2,547,644			
7,175,167	7,293,654	7,428,887	7,239,909	6,586,845	7,115,490				
2,347,500	2,453,722	2,888,891	3,173,710	2,793,129	2,028,173				
-	-	-	-	246,554	233,016				
2,588,288	9,806,994	1,201,044	1,210,936	425,466	613,860				
-	784,431	536,465	568,950	940,575	958,486				
	-	-	-	-	-	-			
14,974,005	23,193,905	15,051,543	14,829,472	13,674,576	13,496,669				
(1,379,472)	(8,847,216)	(978,146)	(1,260,764)	175,241	1,016,149				
10,800,000	321,623	655,219	884,000	535,000	-				
(107,973)	-	1,485,246	-	-	-				
-	-	-	2,288	29,784	13,934				
946,990	1,257,353	(194,500)	1,216,000	1,538,477	2,240,890				
(946,990)	(1,257,353)	(1,290,746)	(1,216,000)	(1,538,477)	(2,240,890)				
10,692,027	321,623	655,219	886,288	564,784	13,934				
9,312,555	(8,525,593)	(322,927)	(374,476)	740,025	1,030,083				
5,318,806	14,631,361	6,105,768	5,782,841	5,408,365	6,148,390				
\$ 14,631,361	\$ 6,105,768	\$ 5,782,841	\$ 5,408,365	\$ 6,148,390	\$ 7,178,473				

0%

6%

4%

4%

7%

7%

Charter Township of Grand Blanc

Taxable Value by Property Type

Real Property

Tax Year	Residential	Commercial	Industrial	Other	Agricultural and IFT Real
2002	\$ 691,422,172	\$ 161,628,532	\$ 57,935,960	\$ -	\$ 21,865,799
2003	758,684,136	174,517,419	60,636,287	-	22,866,356
2004	836,757,967	186,527,937	62,563,902	-	23,823,900
2005	909,882,944	198,881,657	63,088,569	-	23,919,585
2006	993,823,502	222,001,854	66,846,585	-	21,396,298
2007	1,049,143,441	263,087,297	68,692,698	-	5,077,900
2008	1,028,196,955	272,794,647	68,639,609	-	2,478,500
2009	959,112,832	277,779,895	66,891,980	-	1,077,700
2010	821,960,016	269,598,619	61,821,236	-	1,605,500
2011	773,463,997	230,138,564	52,604,012	-	1,587,700

Note: Under Michigan law, the revenue base is taxable value.

Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year.

Tax Year	Millage Rates - Direct City Taxes					Overlapping Taxes		
	General		Total Direct			Community		
	Operating	Debt	Mosquito	Police	Fire	Taxes	County	College
2002	3.9806	0.4678	0.1500	0.9253	-	5.5237	8.1831	2.8280
2003	3.9806	0.4153	0.1500	0.9153	-	5.4612	8.1373	2.7466
2004	4.3806	-	0.1500	0.9148	-	5.4454	8.5154	2.6807
2005	4.3806	-	0.1297	0.9128	-	5.4231	8.5091	2.6807
2006	4.3806	-	0.1296	0.9128	-	5.4230	10.2092	2.6796
2007	4.3806	-	0.1185	0.9128	-	5.4119	10.2092	2.6796
2008	4.3806	-	0.1184	0.9128	-	5.4118	10.2092	2.6796
2009	4.5650	-	0.1267	0.9128	-	5.6045	10.2094	2.6796
2010	4.5650	-	0.1482	0.9128	0.5000	6.1260	10.2094	2.6796
2011	4.5650	-	0.1596	0.9128	0.5000	6.1374	10.4594	2.8596

Revenue Capacity Information
Assessed Value and Actual Value of Taxable Property

Taxable Value by Property Type

Personal Property	IFT Pers.	Total Ad-Val	Total Abated	Total Value	GBT Tax		Taxable Value as a Percent of Actual
					Rate (Mills)	Estimated Actual Value	
\$ 108,264,600	\$ 9,537,200	\$ 1,019,251,264	\$ 31,402,999	\$ 1,051,049,801	-	\$ 2,287,789,000	45.94%
107,813,600	10,518,000	1,101,651,442	33,384,356	1,134,557,982	-	2,553,378,000	44.43%
104,453,963	10,137,300	1,190,303,769	33,947,420	1,224,270,807	5.4454	2,684,475,400	45.61%
108,761,952	10,082,600	1,280,615,122	34,002,185	1,314,617,307	5.4231	2,879,649,400	45.65%
91,676,305	4,245,700	1,374,348,246	25,641,998	1,399,990,244	5.4230	3,065,639,800	45.67%
90,988,800	3,101,600	1,471,912,236	8,179,500	1,480,091,736	-	3,111,956,800	47.56%
79,903,100	3,663,100	1,449,534,311	6,141,600	1,455,675,911	5.4118	3,100,029,800	46.96%
94,827,200	2,839,800	1,398,611,907	3,917,500	1,402,529,407	5.6045	2,910,734,600	48.18%
82,967,400	2,353,100	1,236,347,271	3,958,600	1,240,305,871	6.1260	2,527,561,000	49.07%
78,488,900	4,320,500	1,134,695,473	5,908,200	1,140,603,673	6.1374	2,277,923,464	50.07%

Direct and Overlapping Property Tax Rates

Intermediate School District	Overlapping Taxes		Total Tax Rate	
	School - Homestead	School - Non- homestead	Homestead	Non- homestead
3.5673	8.7872	26.5352	28.8893	46.6373
3.5469	7.7779	25.4123	27.6699	45.3043
3.5361	11.4768	29.1112	31.6544	49.2888
3.5361	11.5015	28.8290	31.6505	48.9780
3.5341	11.4700	29.4700	33.3159	51.3159
3.5341	11.3600	29.3600	33.1948	51.1948
3.5341	11.3600	29.3600	33.1947	51.1947
3.5341	11.3600	29.3600	33.3876	51.3876
3.5341	11.8000	29.8000	34.3491	52.3491
3.5341	12.2350	30.2350	35.2255	53.2255

Charter Township of Grand Blanc

Revenue Capacity Information Principal Property Taxpayers

Principal Taxpayers	Type of Business	2011		Percent of Total	2002		Percent of Total	2002 Rank
		Taxable Value	Percent of Total		Taxable Value	Percent of Total		
1 General Motors	Auto manufacturing	\$ 18,920,449	1.66%	\$ 67,278,736		6.40%		1
2 Consumers Energy	Utilities	18,715,029	1.64%	18,502,414		1.76%		3
3 Ring Screw Works	Manufacturing	12,845,970	1.12%	13,566,051		1.29%		4
4 Auker (Eldon Auker Trust)	Real estate	9,862,604	0.86%	11,091,690		1.06%		6
5 Edward Rose Assoc.	Apartments	9,149,000	0.80%	12,867,060		1.22%		5
6 Knollwood Village Associates	Apartments	8,533,200	0.75%	9,533,000		0.91%		8
7 Magna Electronics	Manufacturing	8,359,100	0.73%		N/A	N/A	N/A	N/A
8 Edward Rose Dev. Co.	Apartments	8,126,500	0.71%		N/A	N/A	N/A	N/A
9 Walmart	Retail sales	7,962,900	0.70%		N/A	N/A	N/A	N/A
10 Al Serra Properties	Auto sales	6,666,524	0.58%		N/A	N/A	N/A	N/A

Source: Township Assessing Department Records

Property Tax Levies and Collections

Fiscal Year Ended December 31	Percent of						Total Collections to Tax Levy	
	Current Collections		Levy Collected		Delinquent Collections			
	Total Levy (I)	Collections	Collected	Collections	Collected			
2002	\$ 5,088,582	\$ 4,820,983	94.74%	\$ 263,741	\$ 5,084,724	99.92%		
2003	5,631,979	5,308,723	94.26%	286,174	5,594,897	99.34%		
2004	6,014,126	5,798,942	96.42%	190,231	5,989,173	99.59%		
2005	6,574,010	6,379,021	97.03%	111,672	6,490,693	98.73%		
2006	7,004,728	6,889,856	98.36%	23,428	6,913,284	98.69%		
2007	7,525,351	7,485,664	99.47%	37,267	7,522,931	99.97%		
2008	7,955,313	7,924,883	99.62%	12,188	7,937,071	99.77%		
2009	7,851,685	7,831,893	99.75%	16,077	7,847,970	99.95%		
2010	7,838,228	7,746,496	98.83%	5,137	7,751,633	98.90%		
2011	7,839,799	7,759,833	98.98%	30,077	7,789,910	99.36%		

(I) Does not include penalty and interest on late payment of taxes

Charter Township of Grand Blanc

	2002	2003	2004	2005
Governmental Activities				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Installment purchase agreements	140,000	130,000	120,000	105,000
Special assessment bonds	647,547	526,365	405,182	284,000
Total	787,547	656,365	525,182	389,000
Business-type Activities				
SWQIF bonds	-	-	-	-
Installment purchase agreements	1,050,589	455,187	-	-
Total debt of the government	\$ 1,838,136	\$ 1,111,552	\$ 525,182	\$ 389,000
Median Household Income per Census	\$ 59,858	\$ 59,858	\$ 59,858	\$ 59,858
Total Population (Per Federal Census 10 Year)	25,392	25,392	25,392	25,392
Total Debt per Capita	\$ 72	\$ 44	\$ 21	\$ 15

**Debt Capacity Information
Ratios of Outstanding Debt**

2006	2007	2008	2009	2010	2011
\$ 10,800,000	\$ 10,800,000	\$ 10,700,000	\$ 10,600,000	\$ 10,400,000	\$ 10,200,000
90,000	75,000	60,000	40,000	20,000	-
<u>185,811</u>	<u>376,530</u>	<u>896,331</u>	<u>1,572,312</u>	<u>1,895,430</u>	<u>1,656,146</u>
11,075,811	11,251,530	11,656,331	12,212,312	12,315,430	11,856,146
-	-	-	-	-	141,682
-	-	-	-	-	-
\$ 11,075,811	\$ 11,251,530	\$ 11,656,331	\$ 12,212,312	\$ 12,315,430	\$ 11,997,828
\$ 59,858	\$ 59,858	\$ 59,858	\$ 59,858	\$ 59,858	\$ 60,542
25,392	29,827	29,827	29,827	37,508	37,508
\$ 436	\$ 377	\$ 391	\$ 409	\$ 328	\$ 320

Charter Township of Grand Blanc

Debt Capacity Information Ratios of General Bonded Debt Outstanding

Fiscal Year	General Obligation Bonds	Less Pledged Debt Service Funds		Net General Bonded Debt	Total Taxable Value Ad Valorem and IFT	Debt as a Percentage of Taxable Value	Estimated Population	General Obligation Debt per Capita
2002	\$ -	\$ -	\$ -	\$ 1,051,049,801		- %	29,827	\$ -
2003	-	-	-	1,134,557,982		- %	29,827	-
2004	-	-	-	1,224,270,807		- %	29,827	-
2005	-	-	-	1,314,617,307		- %	35,075	-
2006	10,800,000	-	10,800,000	1,399,990,244		0.77%	35,075	308
2007	10,800,000	-	10,800,000	1,480,091,736		0.73%	35,075	308
2008	10,700,000	-	10,700,000	1,455,675,911		0.74%	35,075	305
2009	10,600,000	-	10,600,000	1,402,529,407		0.76%	35,075	302
2010	11,083,000	-	11,083,000	1,240,305,871		0.89%	37,508	295
2011	10,794,000	-	10,794,000	1,139,051,263		0.95%	37,508	288

Direct and Overlapping Governmental Activities Debt

Jurisdiction	Debt Outstanding	Percent Applicable to Charter Township		Amount Applicable to Charter Township	
		Charter Township	Township		
Direct debt - Charter Township of Grand Blanc	\$ 11,856,146		100.00	\$ 11,856,146	
Overlapping debt:					
Genesee County	83,665,000		12.23	10,232,230	
Grand Blanc School District	86,540,000		73.92	63,970,368	
Goodrich School District	49,580,000		12.07	5,984,306	
Lake Fenton School District	24,750,000		2.14	529,650	
Mott Community College	56,945,000		11.61	6,611,315	
Bishop Airport Authority	10,910,000		12.23	1,334,293	
Total	<u>\$ 324,246,146</u>			<u>\$ 100,518,308</u>	

Charter Township of Grand Blanc

	2002	2003	2004	2005
Debt Limit (Fiscal Year Ended) (1)				
State equalized valuation (previous year)	\$ 1,175,318,800	\$ 1,276,689,000	\$ 1,376,198,900	\$ 1,473,832,800
Debt limit (10 percent of state equalized valuation)	117,531,880	127,668,900	137,619,890	147,383,280
Debt Applicable to Debt Limit				
Total debt	1,838,136	1,111,552	525,182	389,000
Less deductions allowed by law:				
Special assessment bonds	(647,547)	(526,365)	(405,182)	(284,000)
General obligation limited tax bonds	-	-	-	-
Total amount of debt applicable to debt limit	1,190,589	585,187	120,000	105,000
Legal Debt Margin	\$ 117,531,880	\$ 127,668,900	\$ 137,619,890	\$ 147,383,280
Net Debt Subject to Limit as Percentage of Debt Limit	1.01%	0.46%	0.09%	0.07%

(1) The legal debt limit continues to be derived from state equalized value (SEV), not taxable value (TV).

Debt Capacity Information
Legal Debt Margins

2006	2007	2008	2009	2010	2011
\$ 1,558,529,700	\$ 1,628,440,700	\$ 1,557,658,800	\$ 1,453,248,100	\$ 1,263,780,500	\$ 1,166,161,500
155,852,970	162,844,070	155,765,880	145,324,810	126,378,050	116,616,150
11,075,811	11,251,530	11,656,331	12,212,312	12,315,430	11,856,146
(185,811)	(376,530)	(896,331)	(1,572,311)	(1,895,430)	(1,656,146)
<u>(10,800,000)</u>	<u>(10,800,000)</u>	<u>(10,700,000)</u>	<u>(10,600,000)</u>	<u>(10,400,000)</u>	<u>(10,200,000)</u>
90,000	75,000	60,000	40,001	20,000	-
<u>\$ 155,852,970</u>	<u>\$ 162,844,070</u>	<u>\$ 155,765,880</u>	<u>\$ 145,324,810</u>	<u>\$ 126,378,050</u>	<u>\$ 116,616,150</u>
0.06%	0.05%	0.04%	0.03%	0.02%	0.00%

Charter Township of Grand Blanc

Demographic and Economic Statistics Demographic and Economic Information

Fiscal Year	Population	Personal income (in thousands)	Per Capita	
			Personal Income	Unemployment Rate
2002	29,827	(A)	(A)	(A)
2003	29,827	(A)	(A)	(A)
2004	29,827	(A)	(A)	(A)
2005	35,075	(A)	(A)	(A)
2006	35,075	(A)	(A)	(A)
2007	35,075	(A)	(A)	(A)
2008	35,075	(A)	(A)	(A)
2009	35,075	(A)	(A)	8.8%
2010	37,508	(A)	\$ 35,624	8.6%
2011	37,508	(A)	\$ 28,730	7.0%

(A) Not available

Principal Employers

Taxpayer	2011 Employees	Percentage of Total	2002 Employees	Percentage of Total	1997 Rank	
1 Genesys Health System	3,966	33.34%	(A)	(A)	(A)	(A)
2 General Motors Service Parts Operation	1,100	9.25%	(A)	(A)	(A)	(A)
3 Grand Blanc Community Schools	891	7.49%	(A)	(A)	(A)	(A)
4 Acumet Industries	431	3.62%	(A)	(A)	(A)	(A)
5 TMI Custom Air Systems, Inc	383	3.22%	(A)	(A)	(A)	(A)
6 General Motors Stamping Plant	351	2.95%	(A)	(A)	(A)	(A)
7 Serra Automotive Group	328	2.76%	(A)	(A)	(A)	(A)
8 Walmart	275	2.31%	(A)	(A)	(A)	(A)
9 Magna Electronics	250	2.10%	(A)	(A)	(A)	(A)
10 Genesys Athletic Club	195	1.64%	(A)	(A)	(A)	(A)

(A) Not available

Charter Township of Grand Blanc

Operating Information Full-time Equivalent Government Employees

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Supervisor	2	2	2	2	2	2	2	2	1	1
Treasurer	2	2	2	2	2	2	2	2	2	2
Clerk	2	2	2	2	2	2	2	2	2	2
Finance	5	4	5	5	5	4	5	4	5	5
General office	4	4	4	4	4	4	3	3	2	2
Assessing	5	5	5	5	5	5	5	5	4	4
GIS-IT	-	-	-	-	-	-	-	-	3	3
Public Safety										
Police	51	51	52	52	53	53	51	49	44	46
Fire and EMS	2	2	2	2	2	2	2	2	2	5
Part-time volunteer	52	52	52	45	48	40	45	45	45	45
Public Services										
DPW	30	34	17	20	20	20	20	19	18	18
Building	5	5	5	5	6	5	3	3	2	2
Planning/Zoning	3	3	3	3	4	4	4	3	2	2
Parks and recreation	6	6	6	6	6	6	6	6	6	6

Information obtained from Director of Department

Charter Township of Grand Blanc

Function/ Program	2002	2003	2004	2005
Police:				
Physical arrests	1,794	1,873	2,445	2,527
Traffic violations	4,498	4,371	5,548	5,577
Traffic stops	-	-	-	-
Calls for service	(A)	(A)	(A)	(A)
Fire:				
Emergency responses	448	511	482	438
Fires extinguished	(A)	97	113	79
Inspections	-	-	-	-
Public works - Refuse collected (tons)	(A)	(A)	(A)	14,830
Parks and recreation - Recreation programs	(A)	649	653	662
Library:				
Circulation (books borrowed)	978,363	1,013,247	1,418,106	1,951,419
Collection volume	699,807	661,387	700,242	705,797
Water:				
New connections	(A)	(A)	(A)	(A)
Water main breaks	(A)	(A)	(A)	(A)
Miles of water mains	164	173	177	179
Number of water meters	4,371	5,171	5,960	6,480
Number of water units	-	-	-	14,859
Total consumption	131,868,048	141,510,695	126,300,495	130,772,000
Average consumption per meter	30,169	27,366	21,191	20,181
Sewer:				
Miles of sanitary sewer mains	215	219	221	227
Number of sewer customers	9,552	19,167	19,233	20,473

(A) Information not available

Information obtained from Director of Department

Operating Information
Operating Indicators

2006	2007	2008	2009	2010	2011
2,410	2,273	2,436	2,472	2,502	2,825
3,324	4,445	5,111	4,929	3,594	3,968
-	8,599	9,337	8,771	8,171	9,631
16,184	17,208	17,798	16,990	17,340	21,788
484	499	472	438	422	469
102	94	70	54	113	98
-	-	-	-	453	490
(A)	(A)	(A)	(A)	(A)	(A)
670	702	701	704	702	706
2,358,562	2,434,035	2,580,077	2,734,882	3,008,370	2,963,244
678,740	665,165	645,235	632,330	695,563	619,912
147	159	65	26	23	25
7	9	1	3	5	-
182	188	193	193	193	193
6,821	7,063	7,136	7,164	7,193	7,219
15,253	15,579	15,715	15,757	15,771	15,700
121,680,400	144,908,373	122,486,600	121,835,108	113,610,700	126,184,500
17,839	20,517	17,165	17,007	15,795	15,771
228	237	245	245	241	241
20,473	11,155	11,216	11,241	11,257	11,273

Charter Township of Grand Blanc

Operating Information Capital Asset Statistics

Function/ Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police:										
Stations										
Patrol units	(A)	(A)	(A)	(A)	(A)	(A)	17	17	17	17
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Trucks	7	7	7	7	7	7	9	9	10	7
Public works:										
Streets (miles)	(A)									
Street lights	(A)									
Traffic signals	(A)									
Refuse collection trucks	(A)									
Parks and recreation:										
Acreage	202	222	222	222	222	222	222	222	222	222
Playgrounds	2	2								
Soccer fields	-	-	-	-	-	-	-	-	-	4
Baseball/Softball diamonds	10	10	10	10	10	10	10	10	10	10
Pools/Splash pad	-	-	-	-						
Sand volleyball court	-	-	-	-	-	-	-	-	-	5
Libraries - Branches										
Water:										
Mains (miles)	164.0	173.0	177.0	179.0	182.0	188.0	193.0	193.0	193.0	193.0
Fire hydrants	(A)	(A)	(A)	(A)	(A)	2,160	2,200	2,200	2,216	2,216
Storage capacity	(A)									
Sewer:										
Miles of sanitary sewers	215.0	219.0	221.0	227.0	228.0	237.0	245.0	245.0	241.0	241.0
Miles of storm sewers	(A)									
Treatment capacity	(A)									

(A) Information not available

Information obtained from Director of Department