

**Charter Township of Chesterfield
Macomb County, Michigan**

**Financial Report
with Supplemental Information
December 31, 2009**

Charter Township of Chesterfield

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Independent Auditor's Report

To the Board of Trustees
Charter Township of Chesterfield
Macomb County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Chesterfield, Michigan as of and for the year ended December 31, 2009, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Chesterfield, Michigan'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, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Chesterfield, Michigan as of December 31, 2009 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.

The management's discussion and analysis and the budgetary comparison schedules, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

To the Board of Trustees
Charter Township of Chesterfield

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Chesterfield, Michigan's basic financial statements. The accompanying other supplemental information and additional information, 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. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we express no opinion on it.

Plante & Moran, PLLC

May 25, 2010

Charter Township of Chesterfield

Management's Discussion and Analysis

Our discussion and analysis of the Charter Township of Chesterfield, Michigan's (the "Township") financial performance provides an overview of the Township's financial activities for the fiscal year ended December 31, 2009. Please read it in conjunction with the Township's financial statements.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements by providing information about the Township's most significant funds. The fiduciary fund statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside of the government.

The Charter Township of Chesterfield as a Whole

The following table shows, in a condensed format, the net assets as of the current date and compared to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets						
Current and other assets	\$ 34,021,428	\$ 33,118,323	\$ 14,746,665	\$ 24,362,983	\$ 48,768,093	\$ 57,481,306
Capital assets	<u>24,461,768</u>	<u>25,266,368</u>	<u>60,918,792</u>	<u>53,069,982</u>	<u>85,380,560</u>	<u>78,336,350</u>
Total assets	58,483,196	58,384,691	75,665,457	77,432,965	134,148,653	135,817,656
Liabilities						
Long-term liabilities	6,086,500	6,691,500	14,667,169	15,167,403	20,753,669	21,858,903
Other liabilities	<u>15,616,181</u>	<u>16,491,254</u>	<u>2,662,285</u>	<u>2,592,102</u>	<u>18,278,466</u>	<u>19,083,356</u>
Total liabilities	<u>21,702,681</u>	<u>23,182,754</u>	<u>17,329,454</u>	<u>17,759,505</u>	<u>39,032,135</u>	<u>40,942,259</u>
Net Assets						
Invested in capital assets -						
Net of related debt	17,770,268	17,974,868	45,751,389	46,237,233	63,521,657	64,212,101
Restricted	12,234,274	10,730,868	8,628,038	8,977,628	20,862,312	19,708,496
Unrestricted	<u>6,775,973</u>	<u>6,496,201</u>	<u>3,956,576</u>	<u>4,458,599</u>	<u>10,732,549</u>	<u>10,954,800</u>
Total net assets	<u>\$ 36,780,515</u>	<u>\$ 35,201,937</u>	<u>\$ 58,336,003</u>	<u>\$ 59,673,460</u>	<u>\$ 95,116,518</u>	<u>\$ 94,875,397</u>

Charter Township of Chesterfield

Management's Discussion and Analysis (Continued)

The Township's combined net assets increased 0.3 percent from a year ago - increasing from \$94,875,397 to \$95,116,518. As we look at the governmental activities separately from the business-type activities, we can see that unrestricted net assets, the part of net assets that can be used to finance day-to-day operations, increased by \$279,772 for the governmental activities. This represents an increase of approximately 4.3 percent. The current level of unrestricted net assets for our governmental activities stands at \$6,775,973, or about 35 percent of expenditures. Taking a look at the business-type activities, unrestricted net assets decreased by \$502,023. This represents a decrease of approximately 11.3 percent.

The following table shows the changes of the net assets during the current year and as compared to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue						
Program revenue:						
Charges for services	\$ 2,571,294	\$ 2,649,446	\$ 8,864,144	\$ 7,371,002	\$ 11,435,438	\$ 10,020,448
Operating grants and contributions	267,117	147,039	-	-	267,117	147,039
Capital grants and contributions	161,209	653,628	488,851	1,481,377	650,060	2,135,005
General revenue:						
Property taxes	14,685,977	13,735,828	-	-	14,685,977	13,735,828
State-shared revenues	2,328,751	2,681,225	-	-	2,328,751	2,681,225
Investment earnings	264,539	690,824	144,152	437,455	408,691	1,128,279
Franchise fees	575,697	519,904	-	-	575,697	519,904
Proceeds from sale of fixed assets	94,785	28,940	-	-	94,785	28,940
Transfers and other revenues	-	(6,366)	-	6,366	-	-
Total revenue	20,949,369	21,100,468	9,497,147	9,296,200	30,446,516	30,396,668
Program Expenses						
General government	3,726,401	4,101,381	-	-	3,726,401	4,101,381
Public safety	13,024,982	13,307,318	-	-	13,024,982	13,307,318
Street, sidewalks, and drains	1,505,456	2,089,884	-	-	1,505,456	2,089,884
Recreation and culture	811,000	810,462	-	-	811,000	810,462
Interest on long-term debt	302,952	328,591	-	-	302,952	328,591
Water and sewer	-	-	10,748,490	11,067,434	10,748,490	11,067,434
Brandenburg Park	-	-	86,114	85,542	86,114	85,542
Total program expenses	19,370,791	20,637,636	10,834,604	11,152,976	30,205,395	31,790,612
Change in Net Assets	\$ 1,578,578	\$ 462,832	\$ (1,337,457)	\$ (1,856,776)	\$ 241,121	\$ (1,393,944)

Property taxes are the primary source of revenue for the governmental activities, providing approximately 70.1 percent of the total. State-shared revenue provides another 11.1 percent and charges for services provided 12.3 percent, leaving just 6.5 percent being provided by all other sources.

Charter Township of Chesterfield

Management's Discussion and Analysis (Continued)

Governmental Activities

The Township's total governmental revenues decreased by \$151,099. The overall decrease, which represents 0.7 percent, is primarily due to reductions in state-shared revenue, investment earnings, and grants. Although total governmental revenues only reflected a minor loss, the future reductions in property taxes, reductions in state-shared revenue, and the severe decrease in building permits is a concern. The total governmental expenses decreased by \$1,266,845.

Business-type Activities

The Township has two business-type activities. These include the Water and Sewer Fund and the Brandenburg Memorial Park Fund. Revenues for business-type activities were \$9,497,147. Revenue increased by \$200,947, or about 2.2 percent. The increase in revenue was primarily due to an increase in charges for water and sewer services. Expenses decreased by \$318,372 from prior year. Water and sewer treatment is provided to Chesterfield residents through the Detroit water and sewer department. Revenues from water and sewer operations were \$9,419,135, including contributions from developers. Revenues from the Township's operation of Brandenburg Memorial Park were \$78,012.

The Township's Funds

Our analysis of the Township's major funds begins on page 10, following the government-wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Township's major funds for 2009 include the General Fund, Police Fund, Fire Department Operating Fund, and Fire Department Equipment Fund.

The General Fund pays for a majority of the Township's governmental services. The General Fund ended 2009 with a fund balance of \$6,278,476. Revenues decreased by \$319,915 due primarily to a decrease in state-shared revenue and interest income. Expenditures increased by \$947,207 due primarily to a decrease in road maintenance and repair and personnel costs.

The Fire Department Operating Fund is funded through a property tax millage. These funds are expended exclusively for the operations of the fire department. The Fire Department Operating Fund ended 2009 with a fund balance of \$766,443. Revenues increased by \$914,876 due primarily to an increase in property taxes. Expenditures decreased by \$124,248 due to a decrease in employee-related costs.

The Fire Department Equipment Fund is funded through a property tax millage. These funds are expended exclusively for the housing, vehicles, and equipment used to support the Chesterfield Township fire department. The Fire Department Equipment Fund ended 2009 with a fund balance of \$4,991,565. Revenue decreased by \$75,668 primarily due to lower interest income. Expenditures increased \$162,975 primarily due to an increase in equipment and capital outlay purchases.

Charter Township of Chesterfield

Management's Discussion and Analysis (Continued)

The Police Department Fund is funded by a special assessment. These funds are expended exclusively for the operations of the police department. The police department ended 2009 with a fund balance of \$5,991,963. Revenues decreased by \$77,682 primarily due to a decrease in investment revenue. Expenditures increased by \$108,966 primarily due to an increase in personnel costs.

General Fund Budgetary Highlights

Over the course of the year, the Township amended the budget to take into account unanticipated events during the year. Actual revenues were below budgeted revenues by 2.3 percent. Actual expenditures were 19.6 percent below budget. The Township completed the year with actual revenues over expenditures of \$253,507.

Capital Asset and Debt Administration

At the end of 2009, the Township had \$85,380,560 invested in a broad range of capital assets, including buildings, police and fire equipment, and water and sewer lines. In addition, the Township has invested significantly in roads within the Township. These assets are not reported in the Township's financial statements because of Michigan law, which makes these roads the property of the Macomb County Road Commission (along with the responsibility to maintain them).

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Chesterfield Township Finance Department or the clerk's office at 47275 Sugarbush, Chesterfield Township, Michigan 48047.

Charter Township of Chesterfield

Statement of Net Assets December 31, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents (Note 2)	\$ 24,868,579	\$ 3,786,419	\$ 28,654,998	\$ 5,415
Receivables - Net:				
Property taxes	7,160,998	-	7,160,998	-
Customers	-	2,152,106	2,152,106	-
Special assessments	579,939	-	579,939	-
Accrued interest	9,927	11,618	21,545	-
Due from other governmental units	971,389	-	971,389	-
Other	11,956	-	11,956	-
Internal balances (Note 4)	58,999	(58,999)	-	-
Prepaid expenditures	78,655	1,681	80,336	-
Inventories	-	176,216	176,216	-
Other postemployment benefit asset (Note 10)	280,986	49,586	330,572	-
Restricted assets (Note 7)	-	8,628,038	8,628,038	-
Capital assets (Note 3):				
Nondepreciable	3,528,765	409,484	3,938,249	-
Depreciable - Net	20,933,003	60,509,308	81,442,311	-
Total assets	58,483,196	75,665,457	134,148,653	5,415
Liabilities				
Accounts payable	262,381	1,108,082	1,370,463	-
Accrued and other liabilities	264,593	249,649	514,242	-
Deferred revenue (Note 5)	13,889,597	804,320	14,693,917	-
Noncurrent liabilities (Note 6):				
Due within one year	1,199,610	500,234	1,699,844	-
Due in more than one year	6,086,500	14,667,169	20,753,669	-
Total liabilities	21,702,681	17,329,454	39,032,135	-
Net Assets				
Invested in capital assets - Net of related debt	17,770,268	45,751,389	63,521,657	-
Restricted:				
Fire operating	766,443	-	766,443	-
Fire equipment	4,991,565	-	4,991,565	-
Police Fund	5,991,963	-	5,991,963	-
Debt service	484,303	-	484,303	-
Water and sewer bond ordinance	-	8,006,274	8,006,274	-
Water and sewer construction and maintenance	-	621,764	621,764	-
Unrestricted	6,775,973	3,956,576	10,732,549	5,415
Total net assets	<u>\$ 36,780,515</u>	<u>\$ 58,336,003</u>	<u>\$ 95,116,518</u>	<u>\$ 5,415</u>

Charter Township of Chesterfield

	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Primary government:				
Governmental activities:				
General government	\$ 3,726,401	\$ 1,443,185	\$ 55,308	\$ -
Public safety	13,024,982	783,165	111,539	-
Public works	1,505,456	74,603	-	161,209
Recreation and culture	811,000	270,341	100,270	-
Interest on long-term debt	302,952	-	-	-
Total governmental activities	19,370,791	2,571,294	267,117	161,209
Business-type activities:				
Water Supply and Sewage Disposal System	10,748,490	8,786,234	-	488,851
Brandenburg Memorial Park Fund	86,114	77,910	-	-
Total business-type activities	10,834,604	8,864,144	-	488,851
Total primary government	<u>\$ 30,205,395</u>	<u>\$ 11,435,438</u>	<u>\$ 267,117</u>	<u>\$ 650,060</u>
Component units:				
Local Redevelopment Authority	\$ 54	\$ -	\$ -	\$ -
Economic Development Corporation	400	-	-	-
Total component units	<u>\$ 454</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Property taxes				
State-shared revenues				
Franchise fees				
Investment earnings				
Gain on sale of capital assets				
Total general revenues and gain on sale of capital assets				
Change in Net Assets				
Net Assets - Beginning of year				
Net Assets - End of year				

Statement of Activities
Year Ended December 31, 2009

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (2,227,908)	\$ -	\$ (2,227,908)	\$ -
(12,130,278)	-	(12,130,278)	-
(1,269,644)	-	(1,269,644)	-
(440,389)	-	(440,389)	-
<u>(302,952)</u>	<u>-</u>	<u>(302,952)</u>	<u>-</u>
(16,371,171)	-	(16,371,171)	-
-	(1,473,405)	(1,473,405)	-
<u>-</u>	<u>(8,204)</u>	<u>(8,204)</u>	<u>-</u>
-	(1,481,609)	(1,481,609)	-
(16,371,171)	(1,481,609)	(17,852,780)	-
-	-	-	(54)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(400)</u>
-	-	-	(454)
14,685,977	-	14,685,977	-
2,328,751	-	2,328,751	-
575,697	-	575,697	-
264,539	144,152	408,691	177
<u>94,785</u>	<u>-</u>	<u>94,785</u>	<u>-</u>
<u>17,949,749</u>	<u>144,152</u>	<u>18,093,901</u>	<u>177</u>
1,578,578	(1,337,457)	241,121	(277)
<u>35,201,937</u>	<u>59,673,460</u>	<u>94,875,397</u>	<u>5,692</u>
<u>\$ 36,780,515</u>	<u>\$ 58,336,003</u>	<u>\$ 95,116,518</u>	<u>\$ 5,415</u>

Charter Township of Chesterfield

Governmental Funds Balance Sheet December 31, 2009

	Major Special Revenue Funds					
	General	Fire	Fire Department	Police	Other Nonmajor	Total
	Fund	Department Operating Fund	Equipment Fund	Department Fund	Governmental Funds	Governmental Funds
Assets						
Cash and investments (Note 2)	\$ 6,038,517	\$ 2,410,344	\$ 5,379,368	\$ 10,225,003	\$ 815,347	\$ 24,868,579
Receivables:						
Taxes	827,225	1,780,458	435,955	4,117,360	-	7,160,998
Special assessments	95,343	-	-	-	484,596	579,939
Accrued interest	3,228	167	1,084	5,265	183	9,927
Other	9,578	-	-	-	2,378	11,956
Due from other governmental units	950,303	-	-	21,086	-	971,389
Due from other funds (Note 4)	167,698	71	-	-	19,552	187,321
Prepaid expenditures	3,542	5,431	-	69,682	-	78,655
Total assets	\$ 8,095,434	\$ 4,196,471	\$ 5,816,407	\$ 14,438,396	\$ 1,322,056	\$ 33,868,764
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 72,967	\$ 21,062	\$ 1,272	\$ 157,495	\$ 9,585	\$ 262,381
Accrued compensation	46,224	25,269	-	11,486	15,850	98,829
Accrued and other liabilities	8,148	17,997	4,406	49,141	-	79,692
Due to other funds (Note 4)	27,133	20,129	71	70,521	10,468	128,322
Deferred revenue (Note 5)	1,662,486	3,345,571	819,093	8,157,790	484,596	14,469,536
Total liabilities	1,816,958	3,430,028	824,842	8,446,433	520,499	15,038,760
Fund Balances						
Reserved for prepaids	3,542	5,431	-	69,682	-	78,655
Unreserved - Reported in:						
General Fund	6,274,934	-	-	-	-	6,274,934
Special Revenue Funds	-	761,012	4,991,565	5,922,281	317,254	11,992,112
Debt Service Funds	-	-	-	-	484,303	484,303
Total fund balances	6,278,476	766,443	4,991,565	5,991,963	801,557	18,830,004
Total liabilities and fund balances	\$ 8,095,434	\$ 4,196,471	\$ 5,816,407	\$ 14,438,396	\$ 1,322,056	\$ 33,868,764

Charter Township of Chesterfield

Governmental Funds Reconciliation of Fund Balances to the Statement of Net Assets December 31, 2009

Total Fund Balances of Governmental Funds	\$ 18,830,004
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	24,461,768
Certain receivables are expected to be collected over several years in the General Fund and are not available to pay for current year expenditures	579,939
Compensated absences are not due and payable in the current period and are not reported in the funds	(594,610)
Accrued interest payable on long-term debt is not recorded in the funds	(86,072)
Long-term liabilities are not due and payable in the current period and are not reported in the funds	(6,691,500)
Other postemployment benefits are contributed in excess of requirement and the asset is not reported in the funds	<u>280,986</u>
Net Assets of Governmental Activities	<u>\$ 36,780,515</u>

Charter Township of Chesterfield

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended December 31, 2009

	Major Special Revenue Funds					Total Governmental Funds
	General Fund	Fire Department Operating Fund	Fire Department Equipment Fund	Police Department Fund	Other Nonmajor Governmental Funds	
Revenue						
Property taxes	\$ 1,537,371	\$ 3,541,151	\$ 867,827	\$ 8,733,723	\$ -	\$ 14,680,072
Intergovernmental	2,328,751	-	-	-	-	2,328,751
Permits and fees	31,165	-	-	-	304,403	335,568
Grants and reimbursements	1,165,720	-	-	111,679	256,700	1,534,099
Charges for services	379,643	-	-	-	-	379,643
Special assessments	27,208	-	-	-	165,800	193,008
Investment income	58,333	12,977	36,862	118,184	38,183	264,539
Other income	797,925	25,322	-	435,531	26,472	1,285,250
Total revenue	6,326,116	3,579,450	904,689	9,399,117	791,558	21,000,930
Expenditures - Current						
General government	4,736,153	-	-	-	-	4,736,153
Public safety	-	2,784,982	-	9,133,163	911,082	12,829,227
Road maintenance and repair	217,851	-	-	-	-	217,851
Recreation and culture	499,302	-	-	-	230,298	729,600
Debt service:						
Principal	-	-	105,000	-	270,000	375,000
Interest and other charges	-	-	124,504	-	38,145	162,649
Capital outlay	-	-	136,477	-	-	136,477
Total expenditures	5,453,306	2,784,982	365,981	9,133,163	1,449,525	19,186,957
Excess of Revenue Over (Under) Expenditures	872,810	794,468	538,708	265,954	(657,967)	1,813,973
Other Financing Sources (Uses)						
Transfers in (Note 4)	-	-	-	-	619,303	619,303
Transfers out (Note 4)	(619,303)	-	-	-	-	(619,303)
Total other financing (uses) sources	(619,303)	-	-	-	619,303	-
Net Change in Fund Balances	253,507	794,468	538,708	265,954	(38,664)	1,813,973
Fund Balances (Deficits) - Beginning of year	6,024,969	(28,025)	4,452,857	5,726,009	840,221	17,016,031
Fund Balances - End of year	\$ 6,278,476	\$ 766,443	\$ 4,991,565	\$ 5,991,963	\$ 801,557	\$ 18,830,004

Charter Township of Chesterfield

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, 2009

Net Change in Fund Balances - Total Governmental Funds	\$ 1,813,973
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation	826,460
Depreciation is recorded as an expense in the statement of activities but not in the governmental funds	(1,611,298)
Proceeds from the sale of capital assets are reported as revenue in the governmental funds; the statement of activities records a gain or loss, included in the general government expense	(19,762)
Certain revenue reported in the statement of activities will not provide current financial resources in the governmental funds until future years	(193,009)
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities, where it reduces long-term debt	600,000
Interest expense is recorded when incurred in the statement of activities	8,647
Increase in compensated absences is recorded when earned in the statement of activities	3,460
Annual required contribution related to other postemployment benefits is recorded on the statement of activities based on the actuarial valuation	<u>150,107</u>
Change in Net Assets of Governmental Activities	<u>\$ 1,578,578</u>

Charter Township of Chesterfield

Proprietary Funds Statement of Net Assets December 31, 2009

	Major Enterprise Fund	Nonmajor Enterprise Fund	Total
	Water and Sewer Fund	Brandenburg Memorial Park Fund	Enterprise Funds
Assets			
Current assets:			
Cash and cash equivalents (Note 2)	\$ 3,721,468	\$ 64,951	\$ 3,786,419
Accounts receivable	2,152,106	-	2,152,106
Interest receivable	11,618	-	11,618
Prepaid expenses	1,681	-	1,681
Due from other funds (Note 4)	108,699	-	108,699
Other postemployment benefit asset (Note 10)	49,586	-	49,586
Inventories	176,216	-	176,216
Total current assets	6,221,374	64,951	6,286,325
Noncurrent assets:			
Restricted assets (Note 7)	8,628,038	-	8,628,038
Capital assets - Net (Note 3):			
Nondepreciable	409,484	-	409,484
Depreciable - Net	59,482,676	1,026,632	60,509,308
Total noncurrent assets	68,520,198	1,026,632	69,546,830
Total assets	74,741,572	1,091,583	75,833,155
Liabilities			
Current liabilities:			
Accounts payable	1,107,145	937	1,108,082
Accrued and other liabilities	249,649	-	249,649
Deferred revenue (Note 5)	804,320	-	804,320
Due to other funds (Note 4)	167,687	11	167,698
Current portion of long-term debt (Note 6)	500,234	-	500,234
Total current liabilities	2,829,035	948	2,829,983
Noncurrent liabilities - Long-term debt -			
Net of current portion (Note 6)	14,667,169	-	14,667,169
Total liabilities	17,496,204	948	17,497,152
Net Assets			
Invested in capital assets - Net of related debt	44,724,757	1,026,632	45,751,389
Restricted for water and sewer bond ordinance	8,006,274	-	8,006,274
Water and sewer construction and maintenance	621,764	-	621,764
Unrestricted	3,892,573	64,003	3,956,576
Total net assets	<u>\$ 57,245,368</u>	<u>\$ 1,090,635</u>	<u>\$ 58,336,003</u>

Charter Township of Chesterfield

Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Assets Year Ended December 31, 2009

	Major Enterprise Fund	Nonmajor Enterprise Fund Brandenburg Memorial Park Fund	Total Enterprise Funds
Operating Revenue			
Water	\$ 4,510,572	\$ -	\$ 4,510,572
Sewage disposal	4,455,031	-	4,455,031
Fees	-	75,864	75,864
Other	36,064	2,046	38,110
Total operating revenue	9,001,667	77,910	9,079,577
Operating Expenses			
Personnel services	2,065,018	30,053	2,095,071
Supplies	149,172	5,840	155,012
Depreciation	1,820,773	25,638	1,846,411
Other services and charges	6,206,142	24,583	6,230,725
Total operating expenses	10,241,105	86,114	10,327,219
Operating Loss	(1,239,438)	(8,204)	(1,247,642)
Nonoperating Revenue (Expense)			
Interest income	144,050	102	144,152
Capital income	170,896	-	170,896
Proceeds from the sale of fixed assets	10,221	-	10,221
Interest expense	(507,385)	-	(507,385)
Total nonoperating (expense) revenue	(182,218)	102	(182,116)
Loss - Before contributions	(1,421,656)	(8,102)	(1,429,758)
Capital Contributed from Grants and Developers	92,301	-	92,301
Change in Net Assets	(1,329,355)	(8,102)	(1,337,457)
Net Assets - Beginning of year	58,574,723	1,098,737	59,673,460
Net Assets - End of year	<u>\$ 57,245,368</u>	<u>\$ 1,090,635</u>	<u>\$ 58,336,003</u>

Charter Township of Chesterfield

Proprietary Funds Statement of Cash Flows Year Ended December 31, 2009

	Enterprise Funds		
	Water and Sewer Fund	Brandenberg Memorial Park Fund	Total Enterprise Funds
Cash Flows from Operating Activities			
Receipts from customers	\$ 8,548,730	\$ 77,910	\$ 8,626,640
Payments to suppliers	(6,182,734)	(30,423)	(6,213,157)
Payments to employees	(2,065,018)	(30,053)	(2,095,071)
Other payments	358,355	(186)	358,169
Net cash provided by operating activities	659,333	17,248	676,581
Cash Flows from Capital and Related Financing Activities			
Proceeds from the sale of capital assets	10,221	-	10,221
Contributions from customers	170,896	-	170,896
Principal and interest paid on long-term debt	(1,003,667)	-	(1,003,667)
Purchase of capital assets	(771,985)	-	(771,985)
Net cash used in capital and related financing activities	(1,594,535)	-	(1,594,535)
Cash Flows from Investing Activities - Interest received on investments	199,011	102	199,113
Net (Decrease) Increase in Cash and Cash Equivalents	(736,191)	17,350	(718,841)
Cash and Cash Equivalents - Beginning of year	13,085,697	47,601	13,133,298
Cash and Cash Equivalents - End of year	<u>\$ 12,349,506</u>	<u>\$ 64,951</u>	<u>\$ 12,414,457</u>
Balance Sheet Classification of Cash and Cash Equivalents			
Cash and cash equivalents	\$ 3,721,468	\$ 64,951	\$ 3,786,419
Restricted assets (Note 7)	8,628,038	-	8,628,038
Total cash and cash equivalents	<u>\$ 12,349,506</u>	<u>\$ 64,951</u>	<u>\$ 12,414,457</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities			
Operating loss	\$ (1,239,438)	\$ (8,204)	\$ (1,247,642)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation and amortization	1,820,773	25,638	1,846,411
Noncash expense related to OPEB asset recorded in operating expenses	(31,739)	-	(31,739)
Changes in assets and liabilities:			
Receivables	(232,090)	11	(232,079)
Inventories	8,267	-	8,267
Due from other funds	266,332	-	266,332
Other assets	790	-	790
Accounts payable	164,313	11	164,324
Accrued and other liabilities	(40,530)	(208)	(40,738)
Deferred revenue	(57,345)	-	(57,345)
Net cash provided by operating activities	<u>\$ 659,333</u>	<u>\$ 17,248</u>	<u>\$ 676,581</u>

Noncash Investing, Capital, and Financing Activities - During the year ended December 31, 2009, developers constructed water and sewer lines with an estimated value of \$92,301 and donated them to the Township's Water and Sewer Fund. During 2008, the Township entered into an agreement with Macomb County for the North Gratiot Drain project in which debt was taken out to fund this project. At December 31, 2009, \$8,830,935 of bond proceeds had been spent and the balance being held at the County of behalf of the Township was reduced to \$0. This resulted in a noncash transaction on the Township's books of a decrease in restricted assets and an increase in capital assets.

Charter Township of Chesterfield

Fiduciary Funds Statement of Fiduciary Assets and Liabilities December 31, 2009

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 5,796,201
Accrued interest receivable	<u>250</u>
Total assets	<u>\$ 5,796,451</u>
Liabilities	
Bonds and deposits	\$ 622,836
Cash held on behalf of the Library	1,433,640
Due to other governmental units	<u>3,739,975</u>
Total liabilities	<u>\$ 5,796,451</u>

Charter Township of Chesterfield

Component Units Combining Statement of Net Assets December 31, 2009

	Component Units		
	Local Redevelopment Authority	Economic Development Corporation	Total
	Assets - Cash and cash equivalents (Note 2)	\$ -	\$ 5,415
Liabilities - Accounts payable	-	-	-
Net Assets - Unrestricted	\$ -	\$ 5,415	\$ 5,415

Charter Township of Chesterfield

Component Units Combining Statement of Changes in Net Assets Year Ended December 31, 2009

	Expenses	Program Revenues - Operating Grants and Contributions	Net (Expense) Revenue and Component Units		
			Local Redevelopment Authority	Economic Development Corporation	Total
Component units:					
Local Redevelopment Authority - Community and economic development	\$ 54	\$ -	\$ (54)	\$ -	\$ (54)
Economic Development Corporation - General government	400	-	-	(400)	(400)
Total component units	<u>\$ 454</u>	<u>\$ -</u>	(54)	(400)	(454)
General Revenues - Investment earnings			-	177	177
Change in Net Assets			(54)	(223)	(277)
Net Assets - Beginning of year			54	5,638	5,692
Net Assets - End of year			<u>\$ -</u>	<u>\$ 5,415</u>	<u>\$ 5,415</u>

Charter Township of Chesterfield

**Notes to Financial Statements
December 31, 2009**

Note I - Summary of Significant Accounting Policies

The accounting policies of the Charter Township of Chesterfield, Michigan (the "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 Township:

Reporting Entity

The Charter Township of Chesterfield was organized on December 4, 1989 under the provisions of Act 359 of P.A. 1947, as amended (Charter Township Act). The Charter Township of Chesterfield, Michigan is governed by an elected seven-member board of trustees. The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable.

Discretely Presented Component Units - The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Township.

The Local Redevelopment Authority (LRA) was created to provide for the redevelopment of the Army Garrison Seville Manor - Housing Unit, including the identification of reuse needs, the preparation and implementation of a redevelopment plan, and such other incidental ownership, management, maintenance, and redevelopment services and improvements as are necessary. The LRA board is comprised of the three full-time officials of the Township.

The Economic Development Corporation (EDC) was formed to alleviate and prevent conditions of unemployment, and to assist and retain local industries and commercial enterprises in order to strengthen and revitalize the economy of Chesterfield Township. The EDC board is comprised of nine members, of which not more than three can be members of the Township board.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note I - Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Charter Township of Chesterfield

**Notes to Financial Statements
December 31, 2009**

Note I - Summary of Significant Accounting Policies (Continued)

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 Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The following major revenue sources meet the availability criterion: state-shared revenue 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.

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. All other revenue items are considered to be available only when cash is received by the Township.

The Township reports the following major governmental funds:

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

Fire Department Operating Fund - The Fire Department Operating Fund accounts for the operations related to its full-service fire department. The main source of revenue for the Fire Department Operating Fund comes from a voter-approved millage on real and personal property. The approved millage for the Fire Department Operating Fund is to be used for fire operations.

Fire Department Equipment Fund - The Fire Department Equipment Fund accounts for the purchase of fire equipment related to its full-service fire department. The main source of revenue for the Fire Department Equipment Fund comes from a voter-approved millage on real and personal property. The approved millage for the Fire Department Equipment Fund is to be used for the purchase of fire equipment.

Police Department Fund - The Police Department Fund is a full-service department that provides public safety needs for the Township and its residents. The main source of revenue for the police department comes from a voter-approved special assessment millage on all real property.

Charter Township of Chesterfield

**Notes to Financial Statements
December 31, 2009**

Note 1 - Summary of Significant Accounting Policies (Continued)

The Township reports the following major proprietary fund:

Water and Sewer Fund - The Water and Sewer Fund accounts for the results of operations that provide water and sewer services to citizens, financed primarily by a user charge for the provision of those services.

Additionally, the Township reports the following fund type:

Agency Funds - The Agency Funds record primarily tax collections received and remitted to other units of government (the county, school districts, etc.) as well as building bonds and deposits, and cash held on behalf of the Chesterfield Township Library, held for temporary periods. The 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 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 Township's water and sewer function and various other functions of the Township. Eliminations of these charges would distort the direct costs and program revenues 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.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 1 - Summary of 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 the Township's proprietary funds relates to charges to customers for sales and services. The Water and Sewer 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.

The Township's 2008 tax is levied and collectible on December 1, 2008. It is the Township's policy to recognize revenue from the current tax levy in the subsequent year when the proceeds of the levy are budgeted and available for the financing of operations.

The 2008 taxable valuation of the Charter Township of Chesterfield totaled \$1.892 billion, on which ad valorem taxes levied consisted of .8061 mills for operating purposes, 1.8858 mills for fire operating purposes, .4617 mills for acquisition of fire equipment, and 5.0 mills for police operating purposes. The police millage is on real property only. This resulted in \$1.53 million for operating purposes, \$4.44 million for fire purposes, and \$8.73 million for police purposes. These amounts are recognized in the respective General and Special Revenue Funds financial statements as tax revenue.

Assets, Liabilities, and Net Assets or Equity

Cash 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.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 1 - Summary of Significant Accounting Policies (Continued)

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 an allowance for uncollectible amounts.

Inventories and Prepaid Items - Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets - A Township ordinance requires amounts to be set aside in the Water and Sewer Major Enterprise Fund for construction, debt service principal and interest, operations and maintenance, and a bond reserve. These amounts have been classified as restricted assets, along with amounts on deposit at the County being held for the construction or debt service of the Township’s sewer lines. In the current year, unspent bond proceeds related to the North Gratiot Drain project have been restricted as well.

Restricted assets in the General Fund represent unspent bond proceeds to be used for police renovations.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. 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.

All capital assets are depreciated using the straight-line method over the following useful lives:

Infrastructure	20 years
Buildings and improvements	20 years
Furniture, fixtures, and equipment	5-20 years
Water and sewer distribution systems	50 years

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note I - Summary of Significant Accounting Policies (Continued)

Compensated Absences (Vacation and Sick Leave) - It is the Township's policy to permit employees to accumulate earned but unused sick, vacation pay, and comp time benefits. A liability for unused sick leave is reported in the governmental funds because the Township has a policy to pay employees for unused sick time at the beginning of each year. All unused sick, vacation pay, and comp time are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end.

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

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.

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Township's policy is to first apply restricted sources.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note I - Summary of Significant Accounting Policies (Continued)

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

Upcoming Reporting Change - 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 upon the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved will be replaced with five new classifications: nonspendable, restricted, committed, assigned, and unassigned. The Township is currently evaluating the impact this standard will have on the financial statements when adopted. The Township will implement GASB No. 54 beginning with the fiscal year ending December 31, 2011.

Upcoming Reporting Change - In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, effective for the Township's 2010 fiscal year end. This statement requires capitalization of identifiable intangible assets in the statement of net assets and provides guidance for amortization of intangible assets unless they are considered to have an indefinite useful life. This statement also establishes specified conditions upon which internally generated intangible assets should be recognized and amortized, including internally generated computer software. The Township is currently evaluating the impact this standard will have on the financial statements when adopted.

Charter Township of Chesterfield

**Notes to Financial Statements
December 31, 2009**

Note 2 - 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 Township 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 Township has designated 10 banks for the deposit of its funds.

The investment policy adopted by the Township in accordance with Public Act 196 of 1997 has authorized investment in U.S. Treasuries, U.S. agencies, instrumentalities, certificates of deposit, commercial paper (meeting certain rating and maturity requirements), investment pools, and mutual funds. The Township's deposits and investment policies are in accordance with statutory authority.

The Township's cash and investments are subject to two 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 Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$38,915,783 of bank deposits (certificates of deposit, checking, and savings accounts), of which \$8,931,552 was covered by federal depository insurance and \$29,984,231 was uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 2 - Deposits and Investments (Continued)

Credit Risk - Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township's investment policy does not place additional limitations relating to credit risk. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Fair Value	Rating	Rating Organization
Bank investment pools	\$ 2,599,774	PI	Moody's

Note 3 - Capital Assets

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

	Balance January 1, 2009	Additions	Disposals and Reclassifications	Balance December 31, 2009
Governmental Activities				
Other governmental capital assets:				
Capital assets not being depreciated:				
Land	\$ 3,230,316	\$ 64,022	\$ (19,762)	\$ 3,274,576
Construction in progress	-	254,189	-	254,189
Subtotal	3,230,316	318,211	(19,762)	3,528,765
Capital assets being depreciated:				
Buildings	13,269,920	168,802	-	13,438,722
Improvements other than buildings	2,830,876	-	-	2,830,876
Machinery and equipment	7,296,224	311,105	-	7,607,329
Infrastructure	14,032,844	28,342	-	14,061,186
Subtotal	37,429,864	508,249	-	37,938,113
Accumulated depreciation:				
Buildings	6,651,282	554,702	-	7,205,984
Improvements other than buildings	675,325	150,380	-	825,705
Machinery and equipment	4,630,519	516,394	-	5,146,913
Infrastructure	3,436,686	389,822	-	3,826,508
Subtotal	15,393,812	1,611,298	-	17,005,110
Net capital assets being depreciated	22,036,052	(1,103,049)	-	20,933,003
Net governmental activities capital assets	\$ 25,266,368	\$ (784,838)	\$ (19,762)	\$ 24,461,768

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 3 - Capital Assets (Continued)

	Balance January 1, 2009	Additions	Disposals and Reclassifications	Balance December 31, 2009
Business-type Activities				
Capital assets not being depreciated -				
Land	\$ 409,484	\$ -	\$ -	\$ 409,484
Capital assets being depreciated:				
Buildings	7,095,435	-	-	7,095,435
Improvements other than buildings	2,426,180	-	-	2,426,180
Machinery and equipment	1,261,099	8,799	-	1,269,898
Infrastructure	55,524,714	9,686,422	-	65,211,136
Subtotal	66,307,428	9,695,221	-	76,002,649
Accumulated depreciation:				
Buildings	1,158,478	349,839	-	1,508,317
Improvements other than buildings	1,263,796	59,226	-	1,323,022
Machinery and equipment	759,754	84,673	-	844,427
Infrastructure	10,464,902	1,352,673	-	11,817,575
Subtotal	13,646,930	1,846,411	-	15,493,341
Net capital assets being depreciated	52,660,498	7,848,810	-	60,509,308
Net business-type activities capital assets	\$ 53,069,982	\$ 7,848,810	\$ -	\$ 60,918,792

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

Governmental activities:	
General government	\$ 404,534
Public safety and compliance	753,555
Public works	389,822
Recreation and culture	63,387
Total governmental activities	\$ 1,611,298
Business-type activities:	
Water and Sewer Fund	\$ 1,820,773
Brandenburg Memorial Park Fund	25,638
Total business-type activities	\$ 1,846,411

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 4 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water and Sewer Fund	\$ 167,687
	Nonmajor enterprise fund - Brandenburg Park	11
	Total General Fund	167,698
Fire Department Operating Fund	Fire Department Equipment Fund	71
Nonmajor governmental funds	General Fund	19,552
Water and Sewer Fund	General Fund	7,581
	Fire Department Operating Fund	20,129
	Police Department Fund	70,521
	Nonmajor governmental funds	10,468
	Total Water and Sewer Fund	108,699
	Total	\$ 296,020

These 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 Transferred From	Fund Transferred To	Amount
General Fund	Nonmajor governmental funds	\$ 619,303

The transfers from the General Fund to the nonmajor governmental funds represent the use of unrestricted resources to finance those programs, in accordance with budgetary authorizations.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 5 - Deferred Revenue

Statement of Net Assets - On the statement of net assets, the deferred revenue in the governmental activities represents property taxes levied on December 1, 2008, but recognized as revenue in the year ended December 31, 2009 when the proceeds of the levy are budgeted and available for financing operations. The deferred revenue in the business-type activities represents money paid by customers for the right to tap into the Township's water and sewer lines. However, as of December 31, 2009, the right has not been exercised.

Governmental Funds Balance Sheet - Governmental funds reported 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 recorded on the governmental funds balance sheet are as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes	\$ -	\$ 13,889,597	\$ 13,889,597
Special assessments	<u>579,939</u>	<u>-</u>	<u>579,939</u>
Total	<u>\$ 579,939</u>	<u>\$ 13,889,597</u>	<u>\$ 14,469,536</u>

Proprietary Funds Balance Sheet - Proprietary funds defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the component of deferred revenue recorded on the proprietary funds balance sheet is as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Water and sewer taps	\$ -	\$ 804,320

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 6 - Long-term Debt

The 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 Township. County contractual agreements and installment purchase agreements are also general obligations of the Township. Special assessment bonds provide for capital improvements that benefit specific properties and will be repaid from amounts levied against those properties benefited from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the Township is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a reassessment of the district) are received.

Bond and contractual obligation activity can be summarized as follows:

	Interest Rate Range	Principal Maturity Ranges	Beginning Balance	Additions (Reductions)	Ending Balance	Due Within One Year
Governmental activities:						
General obligation bonds:						
Fire Station Building Bonds	3.25% - 5.25%	\$105,000 - \$315,000	\$ 3,181,500	\$ (105,000)	\$ 3,076,500	\$ 105,000
2007 Capital Improvement Bonds	4.00% - 4.25%	\$50,000 - \$100,000	1,450,000	(50,000)	1,400,000	50,000
Installment purchase agreements -						
Police building	6.10% - 6.25%	\$175,000 - \$275,000	1,550,000	(175,000)	1,375,000	175,000
Special Assessment Bonds:						
Paving District 138	5.10% - 5.20%	\$70,000	140,000	(70,000)	70,000	70,000
Paving District 142	4.25%	\$15,000 - \$20,000	50,000	(15,000)	35,000	15,000
Paving Districts 140 and 143	4.13% - 4.50%	\$35,000 - \$40,000	145,000	(35,000)	110,000	40,000
Paving District 148	2.40% - 3.50%	\$150,000 - \$175,000	775,000	(150,000)	625,000	150,000
Total bond and notes payable			7,291,500	(600,000)	6,691,500	605,000
Other long-term obligations -						
Compensated absences			598,070	(3,460)	594,610	594,610
Total governmental activities			\$ 7,889,570	\$ (603,460)	\$ 7,286,110	\$ 1,199,610

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 6 - Long-term Debt (Continued)

	Interest Rate Range	Principal Maturity Ranges	Beginning Balance	Additions (Reductions)	Ending Balance	Due Within One Year
Business-type activities:						
General obligation bonds - D.P.W. Building Bonds	3.25% - 5.25%	\$195,000 - \$585,000	\$ 5,908,500	\$ (195,000)	\$ 5,713,500	\$ 195,000
Installment purchase agreements - Water and sewer improvements	2.25%	\$107,585 - \$122,255	924,250	(107,585)	816,665	107,585
Drainage District Drain Bonds - North Gratiot Drain	3.25% - 4.75%	\$197,649 - \$474,356	<u>8,830,934</u>	<u>(193,696)</u>	<u>8,637,238</u>	<u>197,649</u>
Total business-type activities			<u>\$ 15,663,684</u>	<u>\$ (496,281)</u>	<u>\$ 15,167,403</u>	<u>\$ 500,234</u>

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	Principal	Interest
2010	\$ 605,000	\$ 283,533	\$ 500,234	\$ 626,377
2011	595,000	257,255	570,124	609,389
2012	635,000	229,535	635,124	589,173
2013	650,000	200,061	640,014	566,706
2014-2018	1,900,000	651,052	3,799,130	2,411,476
2019-2023	1,906,500	291,696	4,634,985	1,569,461
2024 and thereafter	<u>400,000</u>	<u>33,174</u>	<u>4,387,792</u>	<u>1,071,227</u>
Total	<u>\$ 6,691,500</u>	<u>\$ 1,946,306</u>	<u>\$ 15,167,403</u>	<u>\$ 7,443,809</u>

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 7 - Restricted Assets

Specific assets of the Water and Sewer Fund have been restricted for operations and maintenance and debt service. Restricted assets at December 31, 2009 consist of cash and cash equivalents and money held on deposit with other governmental units and are reserved in accordance with the water and sewer bond ordinance requirements. The following is the detail of restricted assets at December 31, 2009:

Water and Sewer Fund:

Restricted assets from bond ordinance:

Cash and cash equivalents	\$ 8,006,274
Less current liabilities payable from restricted assets	<u>(500,234)</u>

Net restricted assets from bond ordinances	7,506,040
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Cash held at Macomb County	<u>621,764</u>
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Total Water and Sewer Fund	<u><u>\$ 8,127,804</u></u>
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Note 8 - Risk Management

The 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 Township has purchased commercial insurance for medical claims and participates in the Michigan Municipal League Risk Pool for claims relating to workers' compensation and participates in the Michigan Townships' Participating Plan for claims relating to property and 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 Municipal League Risk Pool Program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

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.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 9 - Defined Benefit Pension Plan

General Employees

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

Funding Policy - The obligation to contribute to and maintain the MERS for these employees was established by the Township's board of trustees and requires a contribution from the employees of 2 percent of base wages and a contribution from the employer set at 9.97 percent of participating employees' base wages.

Annual Pension Cost - For the year ended December 31, 2009, the Township's annual pension cost of \$541,288 for the plan was equal to the Township's required and actual contribution. The annual required contribution was determined as part of an actuarial valuation at December 31, 2008, using the entry age normal cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return and (b) projected salary increases of 4.5 percent per year plus a percentage based on age-related scale to reflect merit, longevity, and promotional salary increases. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis for the general administration division, and on an open basis for the public works, public safety dispatch, public safety officers, public safety sergeants, and executive divisions. The remaining amortization period is 30 years.

	Fiscal Year Ended December 31		
	2007	2008	2009
Annual pension costs (APC)	\$ 498,516	\$ 526,499	\$ 541,288
Percentage of APC contributed	100%	100%	100%
Net pension obligation	\$ -	\$ -	\$ -

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 9 - Defined Benefit Pension Plan (Continued)

The Township began participating in the MERS plan in 2004.

The schedule of funding progress 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
12/31/04	\$ 3,268,067	\$ 6,213,485	\$ 2,945,418	53.00	\$ 4,767,138	62.00
12/31/05	3,997,370	7,217,061	3,219,691	55.40	5,149,977	62.52
12/31/06	4,891,010	8,161,100	3,270,090	59.93	5,615,845	58.23
12/31/07	5,934,581	9,502,355	3,567,774	62.45	5,524,195	64.58
12/31/08	6,701,144	10,493,106	3,791,962	63.86	5,237,268	72.40

Police and Command Employees

Plan Description - Beginning in 2007, the Township began participating in the Michigan Municipal Employees' Retirement System, an agent multiple-employer defined benefit pension plan for the police and command union employees. 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 Township's collective bargaining units. The police agreement requires a contribution from the employer of 11.80 percent for both police and command. Currently, the employees are not required to contribute.

Annual Pension Cost - For the year ended December 31, 2009, the Township incurred \$499,084 in annual pension costs for police and command. The annual required contribution was determined by part of an actuarial valuation dated December 31, 2008 for police and command.

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 9 - Defined Benefit Pension Plan (Continued)

The valuations used the entry age normal cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 percent per year, and (c) no cost of living adjustments. Both (a) and (b) include an inflation component of 3 percent to 4 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four-year period. The standard amortization period to fund the unfunded liability is 25 years for positive unfunded liabilities and 10 years for negative unfunded liabilities (the amortization period is reestablished with each valuation).

	Fiscal Year Ended December 31		
	2007	2008	2009
Annual pension costs (APC)	\$ 199,163	\$ 533,506	\$ 499,084
Percentage of APC contributed	100%	100%	100%
Net pension obligation	\$ -	\$ -	\$ -

Three-year Trend Information - Because 2007 is the initial year of benefits and the Township used the initial actuarial valuations for 2008 and received a new valuation for 2009, three-year trend information is not yet available, only two-year trend information. Both plans have received one actuarial valuation, summarized as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (Percent) (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
Police:						
12/31/07	\$ 2,925,895	\$ 5,798,586	\$ 2,872,691	50.46	\$ 3,107,919	92.43
12/31/08	3,726,335	6,223,205	2,496,870	59.88	3,230,041	77.30
Command:						
12/31/07	-	3,595,331	3,595,331	0.00	1,260,610	285.20
12/31/08	2,120,446	3,694,475	1,574,029	57.40	1,212,930	129.78

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 9 - Defined Benefit Pension Plan (Continued)

	Police	Command
Actuarial value of assets	\$ -	\$ -
Actuarial accrued liability (AAL)	\$ 4,848,566	\$ 3,595,331
Unfunded AAL (UAAL)	\$ 4,848,566	\$ 3,595,331
Funded ratio	- %	- %
Covered payroll	\$ 2,686,303	\$ 1,260,610
UAAL as a percentage of covered payroll	180.5%	285.2%

Note 10 - Other Postemployment Benefits

Plan Description - The Township provides postretirement benefits, other than pension benefits, to all full-time employees of the Township through the Chesterfield Township Retiree Health Care Plan. These benefits include certain healthcare and life insurance benefits. All employees with 15 years of service and who are at least 55 years old at retirement are eligible to receive these benefits. This plan is an agent-sponsored multiple employer plan administered by the Michigan Municipal Employees' Retirement System. 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 Township's collective bargaining units. The 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 Township has made contributions to advance-fund these benefits, as determined by the board of trustees through annual budget resolutions. Currently, the retirees are not required to contribute.

Funding Progress - For the year ended December 31, 2009, the 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:

Charter Township of Chesterfield

Notes to Financial Statements December 31, 2009

Note 10 - Other Postemployment Benefits (Continued)

Annual required contribution (recommended)	\$ 1,209,096
Interest on the prior year's net OPEB obligation (asset)	(11,898)
Plus adjustment to the annual required contribution	<u>7,935</u>
Annual OPEB cost	1,205,133
Amounts contributed:	
Payments of current premiums	313,738
Advance funding	<u>1,073,240</u>
Change in net OPEB asset	181,845
OPEB asset - Beginning of year	<u>148,727</u>
OPEB asset - End of year	<u><u>\$ 330,572</u></u>

The annual OPEB costs, the percentage contributed to the plan, and the net OPEB obligation for the current and prior year are as follows:

	<u>Fiscal Year Ended December 31</u>	
	<u>2008</u>	<u>2009</u>
Annual OPEB costs	\$ 1,158,502	\$ 1,386,978
Percentage contributed	112.8%	115.1%
Net OPEB asset	\$ 148,727	\$ 330,572

The funding progress of the plan is as follows:

	<u>Valuation as of December 31</u>	
	<u>2004</u>	<u>2008</u>
Actuarial value of assets	\$ -	\$ 2,392,850
Actuarial accrued liability (AAL)	9,996,375	15,120,552
Unfunded AAL (UAAL)	9,996,375	12,727,702
Funded ratio	0.0%	15.8%

The valuations used the entry age normal cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 percent per year, and (c) no cost of living adjustments. Both (a) and (b) include an inflation component of 3.5 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial accrued liability is amortized as a level of percent of active member payroll over a period of 30 years.

Required Supplemental Information

Charter Township of Chesterfield

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended December 31, 2009

	Original Budget	Amended Budget	Actual	Variance with Amended Budget Favorable (Unfavorable)
Revenue and Other Financing Sources	\$ 6,473,850	\$ 6,473,850	\$ 6,326,116	\$ (147,734)
Expenditures and Other Financing Uses				
General government:				
Township board	49,400	49,400	44,762	4,638
Township supervisor	118,980	118,980	113,509	5,471
Elections	238,960	238,960	137,229	101,731
General administration	1,951,100	1,951,100	1,604,422	346,678
Accounting	252,920	252,920	231,505	21,415
Assessing	438,440	438,440	371,457	66,983
Township clerk	262,460	262,460	259,845	2,615
Human resources	80,070	80,070	75,520	4,550
Board of Review	3,100	3,100	2,861	239
Township treasurer	364,780	364,780	341,068	23,712
Township hall and grounds	1,578,400	1,578,400	1,355,730	222,670
Anchor Bay Harbor storm sewer	78,000	78,000	10,812	67,188
Planning Commission	56,270	56,270	38,805	17,465
Zoning Board of Appeals	10,240	10,240	4,775	5,465
Planning and zoning administration	138,860	138,860	125,840	13,020
Community Development Block Grant	70,000	70,000	18,013	51,987
Streets, sidewalks, and drains	490,100	490,100	123,351	366,749
Culture and recreation	624,340	634,340	499,302	135,038
Enforcement officers	146,330	146,330	94,500	51,830
Operating transfers out	-	589,180	619,303	(30,123)
Total expenditures and other financing uses	6,952,750	7,551,930	6,072,609	1,479,321
Net Change in Fund Balance	(478,900)	(1,078,080)	253,507	1,331,587
Fund Balance - Beginning of year	6,024,969	6,024,969	6,024,969	-
Fund Balance - End of year	<u>\$ 5,546,069</u>	<u>\$ 4,946,889</u>	<u>\$ 6,278,476</u>	<u>\$ 1,331,587</u>

Charter Township of Chesterfield

Required Supplemental Information Budgetary Comparison Schedule Fire Department Operating Fund - Major Special Revenue Funds Year Ended December 31, 2009

	Original Budget	Amended Budget	Actual	Variance with Amended Budget Favorable (Unfavorable)
Revenue	\$ 3,613,860	\$ 3,613,860	\$ 3,579,450	\$ (34,410)
Expenditures				
Personnel services	2,731,030	2,731,030	2,170,517	560,513
Supplies	54,000	54,000	31,370	22,630
Other services and charges	645,480	645,480	583,095	62,385
Total expenditures	<u>3,430,510</u>	<u>3,430,510</u>	<u>2,784,982</u>	<u>645,528</u>
Net Change in Fund Balance	183,350	183,350	794,468	611,118
Fund Balance (Deficit) - Beginning of year	<u>(28,025)</u>	<u>(28,025)</u>	<u>(28,025)</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 155,325</u>	<u>\$ 155,325</u>	<u>\$ 766,443</u>	<u>\$ 611,118</u>

Charter Township of Chesterfield

Required Supplemental Information Budgetary Comparison Schedule Fire Department Equipment Fund - Major Special Revenue Funds Year Ended December 31, 2009

	Original Budget	Amended Budget	Actual	Variance with Amended Budget Favorable (Unfavorable)
Revenue	\$ 1,045,380	\$ 1,045,380	\$ 904,689	\$ (140,691)
Expenditures				
Supplies	25,000	25,000	-	25,000
Debt service	229,510	229,510	229,504	6
Capital outlay	186,000	186,000	136,477	49,523
Total expenditures	<u>440,510</u>	<u>440,510</u>	<u>365,981</u>	<u>74,529</u>
Net Change in Fund Balance	604,870	604,870	538,708	(66,162)
Fund Balance - Beginning of year	<u>4,452,857</u>	<u>4,452,857</u>	<u>4,452,857</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 5,057,727</u>	<u>\$ 5,057,727</u>	<u>\$ 4,991,565</u>	<u>\$ (66,162)</u>

Charter Township of Chesterfield

Required Supplemental Information Budgetary Comparison Schedule Police Department Fund - Major Special Revenue Funds Year Ended December 31, 2009

	Original Budget	Amended Budget	Actual	Variance with Amended Budget Favorable (Unfavorable)
Revenue	\$ 9,451,740	\$ 9,451,740	\$ 9,399,117	\$ (52,623)
Expenditures				
Personnel services	6,789,740	6,789,740	6,539,327	250,413
Supplies	173,000	173,000	129,201	43,799
Other services and charges	1,303,100	1,303,100	1,432,969	(129,869)
Capital outlay	380,000	380,000	278,694	101,306
Dispatch services	786,190	786,190	752,972	33,218
Total expenditures	<u>9,432,030</u>	<u>9,432,030</u>	<u>9,133,163</u>	<u>298,867</u>
Net Change in Fund Balance	19,710	19,710	265,954	246,244
Fund Balance - Beginning of year	<u>5,726,009</u>	<u>5,726,009</u>	<u>5,726,009</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 5,745,719</u>	<u>\$ 5,745,719</u>	<u>\$ 5,991,963</u>	<u>\$ 246,244</u>

Charter Township of Chesterfield

Notes to Required Supplemental Information December 31, 2009

Note 1 - Reconciliation of Budgeted Amounts to Basic Financial Statements

The budgetary comparison schedules for the General and Major Special Revenue Funds are presented on the same basis of accounting used in preparing the adopted budget. Following is a reconciliation of the budgetary comparison schedule to the governmental funds (statement of revenues, expenditures, and changes in fund balances):

	General Fund		Fire Department Operating Fund		Fire Department Equipment Fund		Police Department Fund	
	Total Revenue	Total Expenditures	Total Revenue	Total Expenditures	Total Revenue	Total Expenditures	Total Revenue	Total Expenditures
Amounts per operating statement	\$ 6,326,116	\$ 5,453,306	\$ 3,579,450	\$ 2,784,982	\$ 904,689	\$ 365,981	\$ 9,399,117	\$ 9,133,163
Operating transfers budgeted as revenue and expenditures on budget statement	-	619,303	-	-	-	-	-	-
Amounts per budget statement	<u>\$ 6,326,116</u>	<u>\$ 6,072,609</u>	<u>\$ 3,579,450</u>	<u>\$ 2,784,982</u>	<u>\$ 904,689</u>	<u>\$ 365,981</u>	<u>\$ 9,399,117</u>	<u>\$ 9,133,163</u>

Note 2 - Budgetary Information

Budgetary Information - Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and all Special Revenue Funds except that (1) operating transfers have been included in the revenue and expenditures categories, rather than as other financing sources (uses) and (2) retroactive wage adjustments are recorded in the period settled and paid, rather than reporting estimates during the period that the services were rendered. All annual appropriations lapse at fiscal year end; encumbrances are not included as expenditures. During the year, the budget was amended in a legally permissible manner.

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

1. On or before September 1, the Township supervisor, finance department, and respective department heads prepare a proposed operating budget for the fiscal year commencing January 1 and submit it to the board. One to two study sessions are held at an open meeting with the board in order to answer any questions. The budget must be adopted through a passage of a budget resolution no later than the last board meeting in December.
2. Public hearings are conducted to obtain citizen comments.

Charter Township of Chesterfield

Notes to Required Supplemental Information December 31, 2009

Note 2 - Budgetary Information (Continued)

- The legislative budget is adopted by fund on a departmental basis. Line item detail is provided as a general guideline. Throughout the year, the board receives requests to amend the activity budget. All amendments by departments must be approved by a vote of the Township board.

Excess of Expenditures Over Appropriations in Budgeted Funds - During the year, the Township incurred expenditures that were in excess of the amounts budgeted, as follows:

	Amended Budget	Actual
General Fund - Operating transfers out	\$ 589,180	\$ 619,303
Police Fund - Other services and charges	1,303,100	1,432,969

General Fund operating transfers out were not budgeted but were made to the Building Fund at the end of the year in order to help fund the operations of the Building Fund. Police Fund capital outlay expenditures were greater than the amount budgeted due to ongoing renovations of the police building that were not originally budgeted for.

Police Fund other services and charges were over budget as gasoline prices were higher than anticipated during the year. Also, the entire amount of the debt payment on the police building was paid out of this fund in the current year and only a piece of that was budgeted for in this fund.

Other Supplemental Information

Charter Township of Chesterfield

Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds December 31, 2009 and 2008

	Nonmajor Special Revenue Funds				Total Nonmajor Governmental Funds	
	Building	Parks and	Recreation	Nonmajor Debt Service Funds	2009	2008
		Recreation	Land Acquisition			
Assets						
Cash and investments	\$ 4,809	\$ 291,412	\$ 29,926	\$ 489,200	\$ 815,347	\$ 970,274
Receivables:						
Special assessments	-	-	-	484,596	484,596	650,396
Accrued interest	-	164	19	-	183	647
Other	2,378	-	-	-	2,378	2,175
Due from other funds	18,884	668	-	-	19,552	66,032
Total assets	<u>\$ 26,071</u>	<u>\$ 292,244</u>	<u>\$ 29,945</u>	<u>\$ 973,796</u>	<u>\$ 1,322,056</u>	<u>\$ 1,689,524</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 4,650	\$ 4,935	\$ -	\$ -	\$ 9,585	\$ 73,178
Accrued and other liabilities	15,850	-	-	-	15,850	18,840
Due to other funds	5,571	-	-	4,897	10,468	106,889
Deferred revenue	-	-	-	484,596	484,596	650,396
Total liabilities	26,071	4,935	-	489,493	520,499	849,303
Fund Balances - Unreserved and undesignated	-	287,309	29,945	484,303	801,557	840,221
Total liabilities and fund balances	<u>\$ 26,071</u>	<u>\$ 292,244</u>	<u>\$ 29,945</u>	<u>\$ 973,796</u>	<u>\$ 1,322,056</u>	<u>\$ 1,689,524</u>

Charter Township of Chesterfield

Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds Years Ended December 31, 2009 and 2008

	Nonmajor Special Revenue Funds				Total Nonmajor Governmental Funds	
	Building	Parks and Recreation	Recreation		2009	2008
			Land Acquisition	Nonmajor Debt Service Funds		
Revenue						
Permits and fees	\$ 304,403	\$ -	\$ -	\$ -	\$ 304,403	\$ 389,818
Grants and reimbursements	-	256,700	-	-	256,700	259,309
Special assessments	-	-	-	165,800	165,800	158,674
Investment income	83	2,171	462	35,467	38,183	57,434
Other income	26,472	-	-	-	26,472	47,288
Total revenue	330,958	258,871	462	201,267	791,558	912,523
Expenditures						
Current:						
Public safety	911,082	-	-	-	911,082	2,244,663
Public works	-	-	-	-	-	21,245
Recreation and culture	-	230,298	-	-	230,298	234,903
Debt service:						
Principal	-	-	-	270,000	270,000	270,000
Interest and fiscal charges	-	-	-	38,145	38,145	47,459
Total expenditures	911,082	230,298	-	308,145	1,449,525	2,818,270
Excess of Revenue (Under) Over Expenditures	(580,124)	28,573	462	(106,878)	(657,967)	(1,905,747)
Other Financing Sources (Uses)						
Transfers in	580,124	-	-	39,179	619,303	153,574
Transfers out	-	-	-	-	-	(177,423)
Total other financing sources (uses)	580,124	-	-	39,179	619,303	(23,849)
Net Change in Fund Balances	-	28,573	462	(67,699)	(38,664)	(1,929,596)
Fund Balances - Beginning of year	-	258,736	29,483	552,002	840,221	2,769,817
Fund Balances - End of year	\$ -	\$ 287,309	\$ 29,945	\$ 484,303	\$ 801,557	\$ 840,221

Charter Township of Chesterfield

Other Supplemental Information Comparative Balance Sheet - General Fund December 31, 2009 and 2008

	2009	2008
Assets		
Cash and investments	\$ 6,038,517	\$ 5,715,230
Taxes receivable	827,225	747,793
Special assessments	95,343	122,552
Accrued interest receivable	3,228	15,412
Due from others	9,578	22,652
Due from other governmental units	950,303	1,114,654
Due from other funds	167,698	118,203
Prepays and other	3,542	4,599
Restricted assets	-	65,917
	\$ 8,095,434	\$ 7,927,012
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 72,967	\$ 74,056
Accrued compensation	46,224	54,863
Accrued and other liabilities	8,148	21
Due to other funds	27,133	122,838
Deferred revenue	1,662,486	1,650,265
	1,816,958	1,902,043
Fund Balance		
Reserved for prepaid expenditures	3,542	4,599
Unreserved - Designated for:		
Park improvement	-	11,015
Senior citizens	-	15,533
Unreserved - Undesignated	6,274,934	5,993,822
	6,278,476	6,024,969
	\$ 8,095,434	\$ 7,927,012

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund Years Ended December 31, 2009 and 2008

	2009	2008
Revenues		
Property taxes:		
General operating millage	\$ 1,515,366	\$ 1,505,672
Penalties and interest	22,005	69,511
Total property taxes	1,537,371	1,575,183
Trailer park fees	5,905	5,553
Licenses and registration	25,260	7,095
Intergovernmental - State-shared revenue	2,328,751	2,680,525
Charges for services:		
Zoning Board of Appeals	5,450	6,775
Platting and review fees	10,056	20,420
Rezoning fees	1,850	3,800
Street lighting	74,603	75,888
Industrial facility exemption fees	3,375	5,701
Summer tax roll preparation fees	23,876	23,793
School election fees	155,148	18,506
Total charges for services	274,358	154,883
Parks and recreation programs	105,285	101,828
Interest and investment earnings	52,060	196,713
Grants and reimbursements:		
Interfund equipment and building charges	446,950	449,338
Community Development Block Grant	12,672	18,077
Other grants	127,598	81,411
Administration reimbursements	578,500	633,330
Total grants and reimbursements	1,165,720	1,182,156
Miscellaneous:		
Franchise fees	592,997	543,921
Miscellaneous sales and receipts	204,928	126,296
Special assessments	27,208	68,403
Interest on special assessments	6,273	3,475
Total miscellaneous	831,406	742,095
Total revenues	6,326,116	6,646,031

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund (Continued) Years Ended December 31, 2009 and 2008

	2009	2008
Expenditures		
General governmental:		
Township board:		
Personnel services	\$ 43,399	\$ 42,135
Other services and charges	1,363	1,688
Total Township board	44,762	43,823
Township supervisor:		
Personnel services	111,459	111,892
Supplies	1,306	521
Other services and charges	744	1,099
Total Township supervisor	113,509	113,512
Elections:		
Personnel services	126,269	201,380
Supplies	9,567	21,589
Other services and charges	1,393	9,336
Total elections	137,229	232,305
General administrative:		
Personnel services	1,088,205	1,176,558
Other services and charges	516,217	661,403
Total general administrative	1,604,422	1,837,961
Accounting:		
Personnel services	226,549	220,642
Supplies	2,669	2,886
Other services and charges	2,287	-
Total accounting	231,505	223,528
Assessing:		
Personnel services	310,194	390,476
Supplies	15,291	13,156
Other services and charges	45,972	86,252
Total assessing	371,457	489,884
Township clerk:		
Personnel services	248,224	247,364
Supplies	4,811	3,055
Other services and charges	6,810	3,890
Total township clerk	259,845	254,309

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund (Continued) Years Ended December 31, 2009 and 2008

	2009	2008
Expenditures (Continued):		
General governmental (Continued):		
Human resources:		
Personnel services	\$ 74,547	\$ 72,638
Supplies	823	1,254
Other services and charges	150	967
Total human resources	75,520	74,859
Board of Review:		
Personnel services	2,379	4,579
Other services and charges	482	754
Total Board of Review	2,861	5,333
Township treasurer:		
Personnel services	316,098	315,406
Supplies	1,935	2,649
Other services and charges	23,035	24,841
Total Township treasurer	341,068	342,896
Township halls and grounds:		
Personnel services	390,778	411,215
Supplies	24,650	29,053
Other services and charges	492,126	551,426
Debt service:		
Principal	225,000	215,000
Interest	148,951	161,325
Capital outlay	74,225	41,969
Total Township halls and grounds	1,355,730	1,409,988
Anchor Bay Harbor Storm Sewer:		
Other services and charges	10,812	12,479
Capital outlay	-	6,325
Total Anchor Bay Harbor Storm Sewer	10,812	18,804
Planning Commission:		
Personnel services	11,802	17,370
Supplies	125	-
Other services and charges	26,878	24,630
Total Planning Commission	38,805	42,000

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund (Continued) Years Ended December 31, 2009 and 2008

	2009	2008
Expenditures (Continued):		
General governmental (Continued):		
Zoning Board of Appeals:		
Personnel services	\$ 3,419	\$ 3,640
Supplies	116	-
Other services and charges	1,240	3,179
Total Zoning Board of Appeals	4,775	6,819
Planning and zoning administration:		
Personnel services	123,680	128,823
Supplies	735	622
Other services and charges	1,425	1,080
Total planning and zoning administration	125,840	130,525
Community Development Block Grant - Other services and charges	18,013	16,549
Total general governmental	4,736,153	5,243,095
Streets, sidewalks, and drains - Road care and street lighting -		
Other services and charges	217,851	668,039
Culture and recreation:		
Youth activity center:		
Supplies	398	546
Other services and charges	7,161	7,138
Total youth activity center	7,559	7,684
Parks and recreation:		
Personnel services	189,851	188,529
Supplies	5,284	5,277
Other services and charges	49,119	45,074
Total parks and recreation	244,254	238,880
Senior citizens center:		
Personnel services	111,806	109,400
Supplies	2,845	3,907
Other services and charges	132,838	129,508
Total senior citizens center	247,489	242,815
Total culture and recreation	499,302	489,379
Total expenditures	5,453,306	6,400,513

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund (Continued) Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Excess of Revenues Over Expenditures	\$ 872,810	\$ 245,518
Other Financing Sources (Uses)		
Transfers in	-	77,508
Transfers out	<u>(619,303)</u>	<u>(60,024)</u>
Total other financing (uses) sources	<u>(619,303)</u>	<u>17,484</u>
Net Change in Fund Balance	253,507	263,002
Fund Balance - Beginning of year	<u>6,024,969</u>	<u>5,761,967</u>
Fund Balance - End of year	<u>\$ 6,278,476</u>	<u>\$ 6,024,969</u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Balance Sheet Fire Department Operating Fund - Major Special Revenue Fund December 31, 2009 and 2008

	2009	2008
Assets		
Cash and investments	\$ 2,410,344	\$ 1,710,795
Taxes receivable	1,780,458	1,915,485
Accrued interest receivable	167	309
Due from other funds	71	-
Other assets	5,431	10,531
Total assets	\$ 4,196,471	\$ 3,637,120
Liabilities and Fund Balance (Deficit)		
Liabilities		
Accounts payable	\$ 21,062	\$ 29,186
Accrued compensation	25,269	27,419
Accrued and other liabilities	17,997	-
Due to other funds	20,129	34,582
Deferred revenue	3,345,571	3,573,958
Total liabilities	3,430,028	3,665,145
Fund Balance (Deficit)		
Reserved	5,431	10,531
Unreserved	761,012	(38,556)
Total fund balance (deficit)	766,443	(28,025)
Total liabilities and fund balance (deficit)	\$ 4,196,471	\$ 3,637,120

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) Fire Department Operating Fund - Major Special Revenue Fund Years Ended December 31, 2009 and 2008

	2009	2008
Revenues		
Property taxes	\$ 3,541,151	\$ 2,587,713
Interest and investment earnings	12,977	29,824
Miscellaneous	25,322	47,037
Total revenues	3,579,450	2,664,574
Expenditures		
Personnel services:		
Salaries and wages	1,411,324	1,450,637
Payroll taxes	102,181	102,871
Insurance	379,901	458,929
Pension	277,111	281,026
Total personnel services	2,170,517	2,293,463
Supplies:		
Office and operating	18,606	16,147
Uniforms	12,764	186
Total supplies	31,370	16,333
Other services and charges:		
Contracted services	12,482	14,625
Professional services	5,730	7,429
Dues and memberships	3,872	1,184
Printing and publications	1,470	1,057
Telephone	20,145	16,017
Travel, conferences, and training	2,026	2,075
Administration	84,550	97,920
Gas, oil, and repairs	112,017	116,245
Insurance	77,931	90,926
Utilities	64,302	57,709
Building maintenance	10,489	4,265
Equipment maintenance	14,303	21,628
Dispatch service	70,000	70,000
Hydrant rental	103,430	98,250
Miscellaneous	348	104
Total other services and charges	583,095	599,434
Total expenditures	2,784,982	2,909,230
Net Change in Fund Balance	794,468	(244,656)
Fund Balance (Deficit) - Beginning of year	(28,025)	216,631
Fund Balance (Deficit) - End of year	\$ 766,443	\$ (28,025)

Charter Township of Chesterfield

Other Supplemental Information Comparative Balance Sheet Fire Department Equipment Fund - Major Special Revenue Fund December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Cash and investments	\$ 5,379,368	\$ 4,843,416
Taxes receivable	435,955	469,000
Accrued interest receivable	<u>1,084</u>	<u>15,449</u>
Total assets	<u>\$ 5,816,407</u>	<u>\$ 5,327,865</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 1,272	\$ -
Accrued and other liabilities	4,406	-
Due to other funds	71	-
Deferred revenue	<u>819,093</u>	<u>875,008</u>
Total liabilities	824,842	875,008
Fund Balance - Unreserved	<u>4,991,565</u>	<u>4,452,857</u>
Total liabilities and fund balance	<u>\$ 5,816,407</u>	<u>\$ 5,327,865</u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance Fire Department Equipment Fund - Major Special Revenue Fund Years Ended December 31, 2009 and 2008

	2009	2008
Revenues		
Property taxes	\$ 867,827	\$ 861,983
Grants and reimbursements	-	700
Interest and other	36,862	117,430
Other income	-	244
	<hr/>	<hr/>
Total revenues	904,689	980,357
Expenditures		
Supplies - Uniforms	-	3,909
Debt service:		
Principal	105,000	70,000
Interest	124,504	129,097
	<hr/>	<hr/>
Total debt service	229,504	199,097
Capital outlay:		
Equipment and vehicles	136,298	-
Building improvements	179	-
	<hr/>	<hr/>
Total capital outlay	136,477	-
	<hr/>	<hr/>
Total expenditures	365,981	203,006
	<hr/>	<hr/>
Net Change in Fund Balance	538,708	777,351
Fund Balance - Beginning of year	4,452,857	3,675,506
	<hr/>	<hr/>
Fund Balance - End of year	<u>\$ 4,991,565</u>	<u>\$ 4,452,857</u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Balance Sheet Police Department Fund - Major Special Revenue Fund December 31, 2009 and 2008

	2009	2008
Assets		
Cash and investments	\$ 10,225,003	\$ 10,120,367
Accrued interest receivable	5,265	23,870
Taxes receivable	4,117,360	4,488,916
Other receivables	-	7,592
Due from other governmental units	21,086	21,167
Other assets	69,682	135,589
 Total assets	 <u>\$ 14,438,396</u>	 <u>\$ 14,797,501</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 157,495	\$ 130,787
Accrued compensation	11,486	10,409
Accrued liabilities - Other	49,141	2,779
Due to other funds	70,521	127,270
Deferred revenue	8,157,790	8,800,247
 Total liabilities	 8,446,433	 9,071,492
Fund Balance		
Reserved	69,682	135,589
Unreserved	5,922,281	5,590,420
 Total fund balance	 <u>5,991,963</u>	 <u>5,726,009</u>
 Total liabilities and fund balance	 <u>\$ 14,438,396</u>	 <u>\$ 14,797,501</u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - Police Department Fund - Major Special Revenue Fund Years Ended December 31, 2009 and 2008

	2009	2008
Revenues		
Property taxes	\$ 8,733,723	\$ 8,705,396
Fines	99,231	100,930
Interest and investment earnings	118,184	285,948
Grants	111,679	36,079
Miscellaneous	73,386	90,563
Liquor licenses	20,873	20,869
Dispatch revenue	242,041	237,014
Total revenues	9,399,117	9,476,799
Expenditures		
Personnel services:		
Salaries and wages	4,208,289	4,184,066
Payroll taxes	309,877	315,171
Insurance	918,302	939,603
Legal settlement	134,335	-
Pension	968,524	966,706
Total personnel services	6,539,327	6,405,546
Supplies:		
Office and operating	68,776	68,719
Uniforms	60,425	60,986
Total supplies	129,201	129,705
Other services and charges:		
Contracted services	199,077	196,233
Professional services	95,930	88,021
Dues and memberships	530	6,565
Telephone	49,613	56,559
Travel, conferences, and training	62,581	41,778
Administration	187,080	209,680
Rent - Building and other	373,950	376,338
Printing and publications	3,084	3,702
Gas, oil, and repairs	223,508	244,000
Insurance	86,018	64,127
Utilities	80,882	72,281
Building maintenance	26,426	30,947
Equipment maintenance	17,724	7,327
Miscellaneous	26,566	30,695
Total other services and charges	1,432,969	1,428,253

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - Police Department Fund Major Special Revenue Fund (Continued) Years Ended December 31, 2009 and 2008

	2009	2008
Expenditures (Continued)		
Capital outlay - Equipment and vehicles	\$ 278,694	\$ 290,409
Dispatch services:		
Personnel services	752,328	769,529
Other services and charges	644	755
Total dispatch services	<u>752,972</u>	<u>770,284</u>
Total expenditures	<u>9,133,163</u>	<u>9,024,197</u>
Excess of Revenues Over Expenditures	265,954	452,602
Fund Balance - Beginning of year	<u>5,726,009</u>	<u>5,273,407</u>
Fund Balance - End of year	<u><u>\$ 5,991,963</u></u>	<u><u>\$ 5,726,009</u></u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Balance Sheet Building Department - Special Revenue Fund December 31, 2009 and 2008

	2009	2008
Assets		
Cash and investments	\$ 4,809	\$ 123,737
Accrued interest receivable	-	42
Other assets	2,378	2,175
Due from other funds	18,884	-
	<u>18,884</u>	<u>-</u>
Total assets	<u><u>\$ 26,071</u></u>	<u><u>\$ 125,954</u></u>
Liabilities		
Accounts payable	\$ 4,650	\$ 5,122
Accrued compensation	15,850	18,840
Due to other funds	5,571	101,992
	<u>5,571</u>	<u>101,992</u>
Total liabilities	<u><u>\$ 26,071</u></u>	<u><u>\$ 125,954</u></u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - Building Department - Special Revenue Fund Years Ended December 31, 2009 and 2008

	2009	2008
Revenues		
Permits and fees	\$ 304,403	\$ 389,818
Interest and investment earnings	83	6,689
Miscellaneous	26,472	47,288
Total revenues	330,958	443,795
Expenditures		
Personnel services:		
Salaries and wages	428,212	482,076
Payroll taxes	33,140	37,371
Insurance	173,011	195,337
Unemployment	9,412	-
Pension	86,914	97,977
Total personnel services	730,689	812,761
Supplies - Office and operating supplies	7,343	16,080
Other services and charges:		
Contracted services	60,352	60,903
Professional services	7,410	9,370
Travel, conferences, and training	1,007	2,059
Printing and publications	314	904
Computer usage and maintenance	6,500	6,500
Insurance	9,855	12,725
Equipment maintenance	5,156	4,363
Miscellaneous	82,456	82,881
Total other services and charges	173,050	179,705
Total expenditures	911,082	1,008,546
Other Financing Sources - Transfers in	580,124	60,024
Net Change in Fund Balance	-	(504,727)
Fund Balance - Beginning of year	-	504,727
Fund Balance - End of year	\$ -	\$ -

Charter Township of Chesterfield

Other Supplemental Information Comparative Balance Sheet Parks and Recreation - Special Revenue Fund December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Cash and investments	\$ 291,412	\$ 260,517
Accrued interest receivable	164	358
Due from other funds	<u>668</u>	<u>-</u>
Total assets	<u><u>\$ 292,244</u></u>	<u><u>\$ 260,875</u></u>
Liabilities and Fund Balance		
Liabilities - Accounts payable	\$ 4,935	\$ 2,139
Fund Balance	<u>287,309</u>	<u>258,736</u>
Total liabilities and fund balance	<u><u>\$ 292,244</u></u>	<u><u>\$ 260,875</u></u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - Parks and Recreation - Special Revenue Fund Years Ended December 31, 2009 and 2008

	2009	2008
Revenues		
Fundraisers and donations:		
Youth basketball and softball	\$ 57,858	\$ 56,640
Basketball	21,046	25,549
Flag football	11,565	11,155
Golf league	4,208	4,686
Miscellaneous	162,023	161,279
Interest earnings	2,171	5,308
Total revenues	258,871	264,617
Expenditures		
Personnel services:		
Salaries and wages	45,276	39,877
Payroll taxes	3,464	3,051
Total personnel services	48,740	42,928
Parks and recreation:		
Youth basketball and softball	50,265	44,853
Basketball	16,994	19,109
Flag football	11,106	10,957
Golf league	4,104	4,259
Miscellaneous	99,089	112,797
Total parks and recreation	181,558	191,975
Public works - Park property improvement	-	21,245
Total expenditures	230,298	256,148
Net Change in Fund Balance	28,573	8,469
Fund Balance - Beginning of year	258,736	250,267
Fund Balance - End of year	\$ 287,309	\$ 258,736

Charter Township of Chesterfield

Other Supplemental Information Comparative Balance Sheet Recreation Land Acquisition - Special Revenue Fund December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Cash and investments	\$ 29,926	\$ 29,236
Accrued interest receivable	<u>19</u>	<u>247</u>
Total assets	<u><u>\$ 29,945</u></u>	<u><u>\$ 29,483</u></u>
Fund Balance - Unreserved and undesignated	<u><u>\$ 29,945</u></u>	<u><u>\$ 29,483</u></u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - Recreation Land Acquisition - Special Revenue Fund Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenue - Interest and other	\$ 462	\$ 968
Expenditures	<u>-</u>	<u>-</u>
Net Change in Fund Balance	462	968
Fund Balance - Beginning of year	<u>29,483</u>	<u>28,515</u>
Fund Balance - End of year	<u><u>\$ 29,945</u></u>	<u><u>\$ 29,483</u></u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Combining Balance Sheet - Nonmajor Debt Service Funds December 31, 2009 and 2008

	2009	2008
Assets		
Cash and investments	\$ 489,200	\$ 556,784
Special assessments receivable	484,596	650,396
Due from other funds	<u>-</u>	<u>115</u>
Total assets	<u>\$ 973,796</u>	<u>\$ 1,207,295</u>
Liabilities and Fund Balances		
Liabilities		
Due to other funds	\$ 4,897	\$ 4,897
Deferred revenue	<u>484,596</u>	<u>650,396</u>
Total liabilities	489,493	655,293
Fund Balances - Unreserved - Undesignated	<u>484,303</u>	<u>552,002</u>
Total liabilities and fund balances	<u>\$ 973,796</u>	<u>\$ 1,207,295</u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Combining Statement of Revenue, Expenditures, and Changes in Fund Balance - Nonmajor Debt Service Funds Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenue		
Special assessments	\$ 165,800	\$ 158,674
Investment income	<u>35,467</u>	<u>44,469</u>
Total revenue	201,267	203,143
Expenditures - Debt service		
Principal	270,000	270,000
Interest and fiscal charges	<u>38,145</u>	<u>47,459</u>
Total expenditures	<u>308,145</u>	<u>317,459</u>
Excess of Expenditures Over Revenue	(106,878)	(114,316)
Other Financing Sources - Transfers in	<u>39,179</u>	<u>9,677</u>
Net Change in Fund Balances	(67,699)	(104,639)
Fund Balances - Beginning of year	<u>552,002</u>	<u>656,641</u>
Fund Balances - End of year	<u><u>\$ 484,303</u></u>	<u><u>\$ 552,002</u></u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Combining Balance Sheet - Nonmajor Capital Project Funds December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets - Due from other funds	<u>\$ -</u>	<u>\$ 65,917</u>
Liabilities - Accounts payable	<u>\$ -</u>	<u>\$ 65,917</u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Combining Statement of Revenue, Expenditures, and Changes in Fund Balance - Nonmajor Capital Project Funds Years Ended December 31, 2009 and 2008

	2009	2008
Revenue - Investment income	\$ -	\$ -
Expenditures - Public safety	-	1,236,117
Excess of Expenditures Over Revenue	-	(1,236,117)
Other Financing Uses - Transfers out	-	(93,550)
Net Change in Fund Balances	-	(1,329,667)
Fund Balances - Beginning of year	-	1,329,667
Fund Balances - End of year	\$ -	\$ -

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Net Assets Enterprise Funds December 31, 2009 and 2008

	Water and Sewer Fund		Brandenburg Memorial Park Fund		Total Enterprise Funds	
	2009	2008	2009	2008	2009	2008
Assets						
Current assets:						
Cash and cash equivalents	\$ 3,721,468	\$ 4,108,069	\$ 64,951	\$ 47,601	\$ 3,786,419	\$ 4,155,670
Accounts receivable	2,152,106	1,699,169	-	-	2,152,106	1,699,169
Interest receivable	11,618	66,578	-	11	11,618	66,589
Prepaid expenses	1,681	2,471	-	-	1,681	2,471
Due from other funds	108,699	207,344	-	-	108,699	207,344
Due from other governmental units	-	220,847	-	-	-	220,847
Other receivables	49,586	17,847	-	-	49,586	17,847
Inventories	176,216	184,483	-	-	176,216	184,483
Total current assets	6,221,374	6,506,808	64,951	47,612	6,286,325	6,554,420
Noncurrent assets:						
Restricted assets	8,628,038	17,808,563	-	-	8,628,038	17,808,563
Capital assets - Net:						
Nondepreciable	409,484	409,484	-	-	409,484	409,484
Depreciable - Net	59,482,676	51,608,228	1,026,632	1,052,270	60,509,308	52,660,498
Total noncurrent assets	68,520,198	69,826,275	1,026,632	1,052,270	69,546,830	70,878,545
Total assets	74,741,572	76,333,083	1,091,583	1,099,882	75,833,155	77,432,965
Liabilities						
Current liabilities:						
Accounts payable	1,107,145	942,832	937	1,145	1,108,082	943,977
Accrued and other liabilities	249,649	290,179	-	-	249,649	290,179
Deferred revenue	804,320	861,665	-	-	804,320	861,665
Due to other funds	167,687	-	11	-	167,698	-
Current portion of long-term debt	500,234	496,281	-	-	500,234	496,281
Total current liabilities	2,829,035	2,590,957	948	1,145	2,829,983	2,592,102
Noncurrent liabilities - Long-term debt -						
Net of current portion	14,667,169	15,167,403	-	-	14,667,169	15,167,403
Total liabilities	17,496,204	17,758,360	948	1,145	17,497,152	17,759,505
Net Assets						
Invested in capital assets - Net of related debt	44,724,757	45,184,963	1,026,632	1,052,270	45,751,389	46,237,233
Restricted for water and sewer bond ordinance	8,006,274	8,359,227	-	-	8,006,274	8,359,227
Water and sewer construction and maintenance	621,764	618,401	-	-	621,764	618,401
Unrestricted	3,892,573	4,412,132	64,003	46,467	3,956,576	4,458,599
Total net assets	<u>\$ 57,245,368</u>	<u>\$ 58,574,723</u>	<u>\$ 1,090,635</u>	<u>\$ 1,098,737</u>	<u>\$ 58,336,003</u>	<u>\$ 59,673,460</u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Revenue, Expenses, and Changes in Net Assets Enterprise Funds Years Ended December 31, 2009 and 2008

	Water and Sewer Fund		Brandenburg Memorial Park Fund		Total Enterprise Funds	
	2009	2008	2009	2008	2009	2008
Operating Revenue						
Water	\$ 4,510,572	\$ 3,683,959	\$ -	\$ -	\$ 4,510,572	\$ 3,683,959
Sewage disposal	4,455,031	3,730,128	-	-	4,455,031	3,730,128
Fees	-	-	75,864	77,340	75,864	77,340
Other	36,064	19,167	2,046	3,962	38,110	23,129
Total operating revenue	9,001,667	7,433,254	77,910	81,302	9,079,577	7,514,556
Operating Expenses						
Personnel services	2,065,018	2,179,780	30,053	29,896	2,095,071	2,209,676
Supplies	149,172	144,284	5,840	2,920	155,012	147,204
Other services and charges	8,026,915	8,483,950	50,221	52,726	8,077,136	8,536,676
Total operating expenses	10,241,105	10,808,014	86,114	85,542	10,327,219	10,893,556
Operating Loss	(1,239,438)	(3,374,760)	(8,204)	(4,240)	(1,247,642)	(3,379,000)
Nonoperating Revenue (Expense)						
Interest income	144,050	437,196	102	259	144,152	437,455
Capital income	170,896	744,795	-	-	170,896	744,795
Proceeds from sale of fixed assets	10,221	14,803	-	-	10,221	14,803
Interest expense	(507,385)	(259,420)	-	-	(507,385)	(259,420)
Total nonoperating (expense) revenue	(182,218)	937,374	102	259	(182,116)	937,633
Loss - Before contributions and transfers out	(1,421,656)	(2,437,386)	(8,102)	(3,981)	(1,429,758)	(2,441,367)
Capital Contributed from Grants and Developers	92,301	578,225	-	-	92,301	578,225
Transfers In	-	6,366	-	-	-	6,366
Change in Net Assets	(1,329,355)	(1,852,795)	(8,102)	(3,981)	(1,337,457)	(1,856,776)
Net Assets - Beginning of year	58,574,723	60,427,518	1,098,737	1,102,718	59,673,460	61,530,236
Net Assets - End of year	\$ 57,245,368	\$ 58,574,723	\$ 1,090,635	\$ 1,098,737	\$ 58,336,003	\$ 59,673,460

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Cash Flows Enterprise Funds Years Ended December 31, 2009 and 2008

	Water and Sewer Fund		Brandenburg Memorial Park Fund		Total Enterprise Funds	
	2009	2008	2009	2008	2009	2008
Cash Flows from Operating Activities						
Receipts from customers	\$ 8,548,730	\$ 7,322,060	\$ 77,910	\$ 81,302	\$ 8,626,640	\$ 7,403,362
Payments to suppliers	(6,182,734)	(6,841,201)	(30,423)	(28,444)	(6,213,157)	(6,869,645)
Payments to employees	(2,065,018)	(2,272,994)	(30,053)	(29,896)	(2,095,071)	(2,302,890)
Other payments	358,355	(410,031)	(186)	6	358,169	(410,025)
Net cash provided by (used in) operating activities	659,333	(2,202,166)	17,248	22,968	676,581	(2,179,198)
Cash Flows from Noncapital Financing Activities -						
Transfer to other funds	-	6,366	-	-	-	6,366
Cash Flows from Capital and Related Financing Activities						
Proceeds from the sale of capital assets	10,221	14,803	-	-	10,221	14,803
Contributions from customers	170,896	744,795	-	-	170,896	744,795
Principal and interest paid on long-term debt	(1,003,667)	(492,114)	-	-	(1,003,667)	(492,114)
Purchase of capital assets	(771,985)	(361,211)	-	-	(771,985)	(361,211)
Net cash used in capital and related financing activities	(1,594,535)	(93,727)	-	-	(1,594,535)	(93,727)
Cash Flows from Investing Activities -						
Interest received on investments	199,011	502,288	102	259	199,113	502,547
Net (Decrease) Increase in Cash and Cash Equivalents	(736,191)	(1,787,239)	17,350	23,227	(718,841)	(1,764,012)
Cash and Cash Equivalents - Beginning of year	13,085,697	14,872,936	47,601	24,374	13,133,298	14,897,310
Cash and Cash Equivalents - End of year	<u>\$ 12,349,506</u>	<u>\$ 13,085,697</u>	<u>\$ 64,951</u>	<u>\$ 47,601</u>	<u>\$ 12,414,457</u>	<u>\$ 13,133,298</u>
Balance Sheet Classification of Cash and Cash Equivalents						
Cash and cash equivalents	\$ 3,721,468	\$ 4,108,069	\$ 64,951	\$ 47,601	\$ 3,786,419	\$ 4,155,670
Restricted assets	8,628,038	8,977,628	-	-	8,628,038	8,977,628
Total cash and cash equivalents	<u>\$ 12,349,506</u>	<u>\$ 13,085,697</u>	<u>\$ 64,951</u>	<u>\$ 47,601</u>	<u>\$ 12,414,457</u>	<u>\$ 13,133,298</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities						
Operating loss	\$ (1,239,438)	\$ (3,374,760)	\$ (8,204)	\$ (4,240)	\$ (1,247,642)	\$ (3,379,000)
Adjustments to reconcile operating loss to net cash from operating activities:						
Depreciation and amortization	1,820,773	1,740,426	25,638	27,202	1,846,411	1,767,628
Noncash expense related to OPEB asset recorded in operating expenses	(31,739)	(17,847)	-	-	(31,739)	(17,847)
Changes in assets and liabilities:						
Receivables	(232,090)	(156,460)	11	(11)	(232,079)	(156,471)
Inventories	8,267	(16,383)	-	-	8,267	(16,383)
Due from/to other funds	266,332	652	-	-	266,332	652
Other assets	790	608	-	-	790	608
Accounts payable	164,313	(30,224)	11	-	164,324	(30,224)
Accrued and other liabilities	(40,530)	132,253	(208)	17	(40,738)	132,270
Deferred revenue	(57,345)	(480,431)	-	-	(57,345)	(480,431)
Net cash provided by (used in) operating activities	<u>\$ 659,333</u>	<u>\$ (2,202,166)</u>	<u>\$ 17,248</u>	<u>\$ 22,968</u>	<u>\$ 676,581</u>	<u>\$ (2,179,198)</u>

Noncash Investing, Capital, and Financing Activities - During the years ended December 31, 2009 and 2008, developers constructed water and sewer lines with an estimated value of \$92,301 and \$256,604, respectively, and donated them to the Township's Water and Sewer Fund.

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Operating Revenues Water and Sewer Fund - Major Enterprise Fund Years Ended December 31, 2009 and 2008

	2009	2008
Operating Revenues		
Water:		
Project inspection	\$ 9,588	\$ 9,600
Water taps	216,798	215,204
Water sales	4,026,020	3,208,863
Penalties	76,137	55,516
Hydrant rental	103,930	98,686
Miscellaneous	78,099	96,090
Total water	4,510,572	3,683,959
Sewer:		
Contractor's registration	3,750	2,325
Inspection fees	12,652	25,700
Project inspection	42,418	75,982
Sewer disposal revenues	4,305,706	3,525,628
Penalties	83,011	61,661
House rental	6,600	7,800
Miscellaneous	894	31,032
Total sewer	4,455,031	3,730,128
Other - Reimbursements	36,064	19,167
Total operating revenues	<u><u>\$ 9,001,667</u></u>	<u><u>\$ 7,433,254</u></u>

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement of Operating Expenses Water and Sewer Fund - Major Enterprise Fund Years Ended December 31, 2009 and 2008

	2009	2008
Operating Expenses		
Personnel services:		
Compensation:		
Supervision	\$ 89,395	\$ 88,460
Clerical	194,432	192,435
Operational	1,186,341	1,284,040
Overtime	28,271	39,789
Payroll taxes	105,719	110,328
Hospitalization	337,770	341,843
Life insurance	5,814	4,501
Pension plan	117,276	118,384
Total personnel services	2,065,018	2,179,780
Supplies:		
Office	14,036	4,989
Operating	41,222	57,614
Uniforms	14,337	12,510
Materials:		
Water	77,662	65,791
Sewer	1,915	3,380
Total supplies	149,172	144,284

Charter Township of Chesterfield

Other Supplemental Information Comparative Statement Operating Expenses Water and Sewer Fund - Major Enterprise Fund (Continued) Years Ended December 31, 2009 and 2008

	2009	2008
Operating Expenses (Continued)		
Other services and charges:		
Contractual services:		
Water	\$ 3,047	\$ 7,892
Sewer	-	711
Other	3,394	6,114
Administration	222,600	238,530
Auditing	15,270	14,970
Engineering	15,303	140,523
Legal	3,880	40,084
Dues and association fees	12,399	12,186
Dispatch services	7,000	7,000
Telephone	15,304	14,940
Truck expenses	62,329	107,019
Travel and meeting	1,607	1,327
Advertising and printing	18,522	2,624
Insurance	142,777	176,917
Utilities	55,770	60,705
Municipal pumping	21,928	30,282
Sewer disposal charges	3,034,477	3,159,673
Water purchases	2,422,194	2,285,855
Repairs and maintenance	135,072	369,922
Building and equipment rent	7,036	12,115
Miscellaneous	6,233	54,135
Depreciation expense - Building addition and improvements	<u>1,820,773</u>	<u>1,740,426</u>
Total other services and charges	<u>8,026,915</u>	<u>8,483,950</u>
Total operating expenses	<u>\$ 10,241,105</u>	<u>\$ 10,808,014</u>

Additional Information

Charter Township of Chesterfield

Additional Information Tax Summary - 2008 Levy

	Adjusted Tax Warrant	Commercial and Industrial Development Exemptions Additions	Tax Spread
School Districts			
Anchor Bay C-2	\$ 9,253,769	\$ 21,718	\$ 9,275,487
L'Anse Creuse F-4	12,804,988	294,905	13,099,893
New Haven H-9	1,442,524	128,913	1,571,437
Total school districts	23,501,281	445,536	23,946,817
State Education Tax	10,051,919	129,984	10,181,903
Macomb County - Taxes including intermediate district and community college	17,239,067	292,976	17,532,043
Charter Township of Chesterfield			
Taxes:			
General (operating)	1,406,192	23,896	1,430,088
Fire (operating)	3,289,663	55,908	3,345,571
Fire (equipment)	805,407	13,685	819,092
Police (special assessment)	8,092,393	65,397	8,157,790
Library	1,127,780	19,164	1,146,944
Mandatory sewer - Debt service	3,002	-	3,002
Special assessments:			
Water bills	55,160	-	55,160
Street lighting	67,638	-	67,638
Clean up	11,542	-	11,542
Garbage	166,642	-	166,642
Sidewalks	2,481	-	2,481
Paving	65,850	-	65,850
Weed cutting	30,596	-	30,596
Retention basin	24,798	-	24,798
Total Charter Township of Chesterfield	15,149,144	178,050	15,327,194
Total	\$ 65,941,411	\$ 1,046,546	\$ 66,987,957

Charter Township of Chesterfield

Additional Information Statistical Tax Information Years Ended December 31

Population - 37,405 residents - Per the 2000 Census

Water and Sewer Information

Water Customers to Date - 14,177

Sewer Customers to Date - 13,675

Year	Assessed Valuation			County Equalized Valuation	State Equalized Valuation
	Real Property	Personal Property	Total		
1999	\$ 879,068,266	\$ 130,088,511	\$ 1,009,156,777	\$ 1,009,156,777	\$ 1,009,156,777
2000	984,950,317	136,540,929	1,121,491,246	1,121,491,246	1,121,491,246
2001	1,112,258,430	133,904,145	1,246,162,575	1,246,162,575	1,246,162,575
2002	1,230,395,463	133,044,776	1,363,440,239	1,363,440,239	1,363,440,239
2003	1,308,715,438	140,065,580	1,448,781,018	1,448,781,018	1,448,781,018
2004	1,413,346,603	137,992,954	1,551,339,557	1,551,339,557	1,551,339,557
2005	1,531,240,236	131,043,043	1,662,283,279	1,662,283,279	1,662,283,279
2006	1,637,961,934	109,239,860 *	1,747,201,794	1,747,201,794	1,747,201,794
2007	1,728,496,976	111,950,066	1,840,447,042	1,840,447,042	1,840,447,042
2008	1,742,879,245	118,265,090	1,861,144,335	1,861,144,335	1,861,144,335
2009	1,723,183,840	125,037,304	1,848,221,144	1,848,221,144	1,848,221,144

* Decrease in personal property assessed values due to the loss of Visteon, a large taxpayer to the Township

Charter Township of Chesterfield

Additional Information Statistical Tax Information (Continued) Tax Rates Years Ended December 31

Anchor Bay No. C-2

Year	Township					School			Total
	General Operation	Fire Operation	Equipment	Police S.A.	Library	County	Homestead	Non-homestead	
2000	0.8424	1.4478	0.4825	5.0000	0.6755	8.2895	16.0000	34.0000	32.7377
2001	0.8208	1.4109	0.4701	5.0000	0.6583	8.4219	16.0000	34.0000	32.7820
2002	0.8157	1.4021	0.4672	5.0000	0.6542	9.7018	16.0000	34.0000	34.0410
2003	0.8157	1.4021	0.4672	5.0000	0.6542	9.5780	15.0000	32.8236	32.9172
2004	0.8127	1.3970	0.4655	5.0000	0.6518	9.4778	16.0000	34.0000	33.8048
2005	0.8061	1.3858	0.4617	5.0000	0.6465	9.3758	16.0000	34.0000	33.6759
2006	0.8061	1.3858	0.4617	5.0000	0.6465	9.3743	16.0000	34.0000	33.6744
2007	0.8061	1.3858	0.4617	5.0000	0.6465	9.3743	16.0000	34.0000	33.6744
2008	0.8061	1.8858	0.4617	5.0000	0.6465	9.5143	16.0000	34.0000	34.3144
2009	0.8061	1.8858	0.4617	5.0000	0.6465	9.8823	16.0000	34.0000	34.6824

New Haven No. H-9

2000	0.8424	1.4478	0.4825	5.0000	0.6755	8.2895	8.3500	26.2170	25.0877
2001	0.8208	1.4109	0.4701	5.0000	0.6583	8.4219	9.1500	26.6578	25.9320
2002	0.8157	1.4021	0.4672	5.0000	0.6542	9.7018	12.3100	29.8178	30.3510
2003	0.8157	1.4021	0.4672	5.0000	0.6542	9.5780	12.0000	29.5420	29.9172
2004	0.8127	1.3970	0.4655	5.0000	0.6518	9.4778	13.0000	31.0000	30.8048
2005	0.8061	1.3858	0.4617	5.0000	0.6465	9.3758	13.0000	30.9073	30.6759
2006	0.8061	1.3858	0.4617	5.0000	0.6465	9.3743	13.0000	31.0000	30.6744
2007	0.8061	1.3858	0.4617	5.0000	0.6465	9.3743	13.0000	31.0000	30.6744
2008	0.8061	1.8858	0.4617	5.0000	0.6465	9.5143	13.0000	31.0000	31.3144
2009	0.8061	1.8858	0.4617	5.0000	0.6465	9.8823	13.0000	31.0000	31.6824

L'Anse Creuse No. F-4

2000	0.8424	1.4478	0.4825	5.0000	0.6755	8.2895	12.6900	30.6900	29.4277
2001	0.8208	1.4109	0.4701	5.0000	0.6583	8.4219	12.1800	29.8974	28.9620
2002	0.8157	1.4021	0.4672	5.0000	0.6542	9.7018	12.6900	30.6900	30.7310
2003	0.8157	1.4021	0.4672	5.0000	0.6542	9.5780	11.6900	29.6900	29.6072
2004	0.8127	1.3970	0.4655	5.0000	0.6518	9.4778	12.6900	30.6900	30.4948
2005	0.8061	1.3858	0.4617	5.0000	0.6465	9.3758	13.0000	31.0000	30.6759
2006	0.8061	1.3858	0.4617	5.0000	0.6465	9.3743	13.0000	31.0000	30.6744
2007	0.8061	1.3858	0.4617	5.0000	0.6465	9.3743	13.0000	31.0000	30.6744
2008	0.8061	1.8858	0.4617	5.0000	0.6465	9.5143	13.0000	31.0000	31.3144
2009	0.8061	1.8858	0.4617	5.0000	0.6465	9.8823	13.0000	31.0000	31.6824

Charter Township of Chesterfield

Additional Information Interest Earned by Fund Year Ended December 31, 2009

	Certificates of Deposit and Savings Accounts	Special Assessments	Total
<u>General Fund</u>			
Operating	\$ 51,855	\$ 6,273	\$ 58,128
Parks and recreation	205	-	205
	<hr/>	<hr/>	<hr/>
Total General Fund	52,060	6,273	58,333
<u>Special Revenue Funds</u>			
Fire department funds	49,838	-	49,838
Police department	118,184	-	118,184
Building department	83	-	83
Parks and recreation	2,171	-	2,171
Recreation land acquisition	463	-	463
	<hr/>	<hr/>	<hr/>
Total Special Revenue Funds	170,739	-	170,739
<u>Debt Service Funds</u>			
Other Paving Districts	-	35,467	35,467
<u>Enterprise Funds</u>			
Brandenburg Memorial Park	102	-	102
Water supply and sewage disposal system	144,051	-	144,051
	<hr/>	<hr/>	<hr/>
Total Enterprise Funds	144,153	-	144,153
	<hr/>	<hr/>	<hr/>
Total all funds	<u>\$ 366,952</u>	<u>\$ 41,740</u>	<u>\$ 408,692</u>

Charter Township of Chesterfield

Additional Information Insurance in Force Year Ended December 31, 2009

Company	Policy Number	Type of Coverage	Amount of Coverage	Deductible	Term		Annual Premium
					From	To	
Michigan Township Participating Plan	MTP221916	Property	\$ 33,298,052	\$ 500	10/1/2008	10/1/2010	\$ 377,565
		Liability	5,000,000	10,000			
		Wrongful acts	5,000,000	10,000			
		Automobile	5,000,000	-			
		Crime	10,000	-			
		Law enforcement	5,000,000	10,000			
		Inland marine	2,088,445	500			
		Boiler	2,000,000	250			
		Bond	100,000	-			
		EDP	600,000	500			
Michigan Municipal Workers' Compensation Self-insurer's Fund		Workers' compensation	State Law		7/1/2009	6/30/2010	344,908
Provident Insurance		Volunteer firemen program accident and disability	Various		7/1/2009	6/30/2010	3,764

Charter Township of Chesterfield

Additional Information Bonds Payable - Combined All Districts Year Ended December 31, 2009

	Original Issue	Previous Years	Current Year	Balance Outstanding December 31, 2009
<u>Special Assessment Bonds</u>				
Paving District 138	\$ 655,000	\$ 515,000	\$ 70,000	\$ 70,000
Paving District 142	150,000	100,000	15,000	35,000
Paving Districts 140 and 143	345,000	200,000	35,000	110,000
Paving District 148	1,475,000	700,000	150,000	625,000
Total	\$ 2,625,000	\$ 1,515,000	\$ 270,000	\$ 840,000

Charter Township of Chesterfield

Additional Information Bonds Payable - By Districts December 31, 2009

Special Assessment Paving Bonds
District 138

Dated - October 1, 2000
Interest Payable - May 1 and November 1

Bond Number	Interest Rate	Maturity Date - May 1	Amount Maturing Annually
10	5.20%	2010	\$ 70,000

Special Assessment Paving Bonds
District 142

Dated - November 1, 2001
Interest Payable - May 1 and November 1

Bond Number	Interest Rate	Maturity Date - May 1	Amount Maturing Annually
9	4.25%	2010	\$ 15,000
10	4.25%	2011	20,000
Total			\$ 35,000

Charter Township of Chesterfield

Additional Information Bonds Payable - By District (Continued) December 31, 2009

Special Assessment Paving Bonds
Districts 140 and 143

Dated - August 1, 2002
Interest Payable - February 1 and August 1

Bond Number	Interest Rate	Maturity Date - May 1	Amount Maturing Annually
8	4.25%	2010	\$ 40,000
9	4.40%	2011	35,000
10	4.50%	2012	35,000
Total			\$ 110,000

Special Assessment Paving Bonds
District 148

Dated - January 1, 2004
Interest Payable - April 1 and October 1

Bond Number	Interest Rate	Maturity Date - May 1	Amount Maturing Annually
7	2.90%	2010	\$ 150,000
8	3.15%	2011	150,000
9	3.38%	2012	150,000
10	3.50%	2013	175,000
Total			\$ 625,000

Charter Township of Chesterfield

Additional Information Combined Special Assessment Bond Indebtedness (Principal and Interest) December 31, 2009

Years Ending December 31	Paving Bonds
2010	\$ 302,216
2011	223,682
2012	196,976
2013	181,126
Total	<u>\$ 904,000</u>

Charter Township of Chesterfield

Additional Information Other Debt December 31, 2009

Police building	\$ 1,375,000
Water and sewer improvements	816,665
D.P.W. building	5,713,500
Fire station #3	3,076,500
Police renovation	1,400,000
North Gratiot Drain	<u>8,637,238</u>
Total other debt	<u><u>\$ 21,018,903</u></u>

Charter Township of Chesterfield

Additional Information Other Debt - By Component December 31, 2009

Police Building

Dated - February 10, 2000

Interest and Principal Payable - August 1 and February 1

Payment Number	Interest Rate	Year	Amount Maturing Annually
20-21	6.10%	2010	\$ 175,000
22-23	6.25%	2011	200,000
24-25	6.25%	2012	225,000
26-27	6.25%	2013	250,000
28-29	6.25%	2014	250,000
30	6.25%	2015	<u>275,000</u>
Total			<u>\$ 1,375,000</u>

Charter Township of Chesterfield

Additional Information Other Debt - By Component (Continued) December 31, 2009

Water and Sewer Improvements

Dated - September 28, 1995
Interest Payable - April 1 and October 1

Payment Number	Interest Rate	Year	Amount Maturing Annually
14	2.25%	2010	\$ 107,585
15	2.25%	2011	112,475
16	2.25%	2012	112,475
17	2.25%	2013	117,365
18	2.25%	2014	122,255
19	2.25%	2015	122,255
20	2.25%	2016	<u>122,255</u>
Total			<u><u>\$ 816,665</u></u>

Charter Township of Chesterfield

Additional Information Other Debt - By Component (Continued) December 31, 2009

D.P.W. Building

Dated - December 1, 2003
Interest Payable - April 1 and October 1

Payment Number	Interest Rate	Year	Amount Maturing Annually
6	3.25%	2010	\$ 195,000
7	3.50%	2011	260,000
8	3.75%	2012	325,000
9	4.00%	2013	325,000
10	3.55%	2014	390,000
11	3.65%	2015	390,000
12	3.80%	2016	390,000
13	3.90%	2017	390,000
14	4.00%	2018	390,000
15	4.00%	2019	455,000
16	4.10%	2020	520,000
17	4.20%	2021	552,500
18	4.30%	2022	585,000
19	4.38%	2023	<u>546,000</u>
	Total		<u>\$ 5,713,500</u>

Charter Township of Chesterfield

Additional Information Other Debt - By Component (Continued) December 31, 2009

Fire Station #3

Dated - December 1, 2003
Interest Payable - April 1 and October 1

Payment Number	Interest Rate	Year	Amount Maturing Annually
6	3.25%	2010	\$ 105,000
7	3.50%	2011	140,000
8	3.75%	2012	175,000
9	4.00%	2013	175,000
10	3.55%	2014	210,000
11	3.65%	2015	210,000
12	3.80%	2016	210,000
13	3.90%	2017	210,000
14	4.00%	2018	210,000
15	4.00%	2019	245,000
16	4.10%	2020	280,000
17	4.20%	2021	297,500
18	4.30%	2022	315,000
19	4.38%	2023	<u>294,000</u>
Total			<u><u>\$ 3,076,500</u></u>

Charter Township of Chesterfield

Additional Information Other Debt - By Component (Continued) December 31, 2009

Police Renovation

Dated - October 10, 2007

Interest Payable - April 1 and October 1

Payment Number	Interest Rate	Year	Amount Maturing Annually
3	4.00%	2010	\$ 50,000
4	4.00%	2011	50,000
5	4.00%	2012	50,000
6	4.00%	2013	50,000
7	4.00%	2014	50,000
8	4.00%	2015	50,000
9	4.00%	2016	75,000
10	4.25%	2017	75,000
11	4.00%	2018	75,000
12	4.00%	2019	75,000
13	4.00%	2020	100,000
14	4.00%	2021	100,000
15	4.10%	2022	100,000
16	4.10%	2023	100,000
17	4.10%	2024	100,000
18	4.15%	2025	100,000
19	4.15%	2026	100,000
20	4.15%	2027	100,000
Total			<u>\$ 1,400,000</u>

Charter Township of Chesterfield

Additional Information Other Debt - By Component (Continued) December 31, 2009

North Gratiot Drain

Dated - June 1, 2008

Interest Payable - April 1 and October 1

Payment Number	Interest Rate	Year	Amount Maturing Annually
2	3.38%	2010	\$ 197,649
3	3.50%	2011	197,649
4	3.63%	2012	197,649
5	3.75%	2013	197,649
6	4.00%	2014	296,473
7	4.00%	2015	296,473
8	5.00%	2016	296,473
9	4.00%	2017	296,473
10	4.00%	2018	296,473
11	4.13%	2019	395,297
12	4.25%	2020	395,297
13	5.00%	2021	395,297
14	5.00%	2022	395,297
15	5.00%	2023	395,297
16	5.00%	2024	395,297
17	4.50%	2025	395,297
18	4.50%	2026	434,827
19	4.63%	2027	434,827
20	4.75%	2028	434,827
21	4.75%	2029	434,827
22	4.75%	2030	434,827
23	4.75%	2031	474,356
24	4.75%	2032	474,356
25	4.75%	2033	474,351
Total			<u>\$ 8,637,238</u>

Charter Township of Chesterfield

Additional Information Combined Other Indebtedness (Principal and Interest)

Years Ending December 31	Police Building	Water/Sewer Improvement	D.P.W. Building	Fire Station #3	Police Renovation	North Gratiot Drain	Total
2010	\$ 255,338	\$ 124,749	\$ 417,934	\$ 225,041	\$ 105,937	\$ 583,928	\$ 1,712,927
2011	268,750	127,164	475,215	255,885	103,938	577,134	1,808,086
2012	280,469	124,633	529,571	285,154	101,937	570,093	1,891,857
2013	290,625	126,938	516,978	278,373	99,938	562,805	1,875,657
2014	275,000	129,132	568,555	306,145	97,937	651,993	2,028,762
2015	283,594	126,381	554,515	298,585	95,938	640,134	1,999,147
2016	-	123,631	539,988	290,763	118,437	626,793	1,699,612
2017	-	-	524,973	282,678	115,344	613,452	1,536,447
2018	-	-	509,568	274,383	112,250	601,493	1,497,694
2019	-	-	557,668	300,283	109,250	686,334	1,653,535
2020	-	-	602,908	324,643	130,750	669,781	1,728,082
2021	-	-	613,145	330,115	126,750	651,499	1,721,509
2022	-	-	621,465	334,635	122,700	631,734	1,710,534
2023	-	-	557,944	300,431	118,600	611,969	1,588,944
2024	-	-	-	-	114,500	592,204	706,704
2025	-	-	-	-	110,375	573,427	683,802
2026	-	-	-	-	106,225	594,280	700,505
2027	-	-	-	-	102,075	574,441	676,516
2028	-	-	-	-	-	554,058	554,058
2029	-	-	-	-	-	533,404	533,404
2030	-	-	-	-	-	512,750	512,750
2031	-	-	-	-	-	530,686	530,686
2032	-	-	-	-	-	508,154	508,154
2033	-	-	-	-	-	485,618	485,618
Total	<u>\$ 1,653,776</u>	<u>\$ 882,628</u>	<u>\$ 7,590,427</u>	<u>\$ 4,087,114</u>	<u>\$ 1,992,881</u>	<u>\$ 14,138,164</u>	<u>\$ 30,344,990</u>