

Grand Rapids Charter Township
Kent County, Michigan
**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**
Year ended December 31, 2009

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Grand Rapids Charter Township
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis is intended as a narrative overview of Grand Rapids Charter Township, Michigan's operations over the fiscal year and its financial condition on December 31, 2009. Please read it in conjunction with the Township's financial statements.

FINANCIAL HIGHLIGHTS

- The Township's total net assets increased \$36,283 (.3 percent) as a result of this year's operations.
- Of the \$11,698,969 total net assets reported, \$4,142,669 is unrestricted or available to be used to meet future operating and capital improvement needs.
- The General Fund's unreserved, undesignated fund balance at the end of the fiscal year was \$957,675, which represents 38 percent of the actual total General Fund expenditures for the fiscal year.

Overview of the financial statements

The Township's annual financial report is comprised of four parts: management's discussion and analysis, the basic financial statements, required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the Township:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Township's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Township government, reporting the Township's operations in more detail than the government-wide financial statements.
 - The governmental funds statements tell how general government services like public works and public safety were financed in the short term, as well as what remains for future spending.
 - Proprietary fund statements offer short- and long-term financial information about the activities the government operates like a business. The Township's lone proprietary fund accounts for its building inspections department.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

A comparative analysis of the basic financial statements for 2009 and 2008 is also presented.

**Grand Rapids Charter Township
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Government-wide statements

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

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

- Over time, increases or decreases in the Township's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Township, you need to consider additional nonfinancial factors, such as changes in the Township's property tax base and the condition of the Township's roads.

The government-wide financial statements present governmental activities. Most of the Township's basic services are included here, such as general government, public safety, and public works, etc. Property taxes and intergovernmental revenues generally fund these services.

Fund financial statements

The fund financial statements provide more detailed information about the Township's most significant funds - not the Township as a whole. Funds are accounting devices that the Township uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law and by grant agreements.
- The Township Board establishes other funds to control and manage money for particular purposes (like sewer and water improvements) or to show that it is properly using certain taxes and other revenues (like the street lighting and lakes management special assessments).

The Township has three kinds of funds:

- **Governmental funds.** Most of the Township's basic services are included in governmental funds, which focus on (1) how cash, and other financial assets that can be readily converted to cash, flows in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship between them.

**Grand Rapids Charter Township
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

- *Proprietary funds.* Services for which the Township charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information.
- *Fiduciary funds.* These funds are used to account for the collection and disbursement of resources, primarily taxes, for the benefit of parties outside the government. The Township is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The Township's fiduciary balances are reported in a separate Statement of Fiduciary Net Assets - Fiduciary Funds. We exclude these activities from the Township's government-wide financial statements because the Township cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE TOWNSHIP AS A WHOLE

Net assets. Total net assets at the end of the fiscal year were \$11,698,969, an increase of .3 percent compared to the prior year. However, \$7,365,465 of this total is invested in capital assets and \$190,835 is restricted for various purposes. Consequently, unrestricted net assets were \$4,142,669, 35 percent of the total.

*Condensed financial information
Net assets*

	<u>Governmental activities</u>	
	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 5,993,264	\$ 5,827,007
Capital assets	<u>7,365,465</u>	<u>7,483,378</u>
Total assets	<u>13,358,729</u>	<u>13,310,385</u>
Liabilities, other than long-term debt	<u>1,659,760</u>	<u>1,647,699</u>
Net assets:		
Invested in capital assets	7,365,465	7,483,378
Restricted	190,835	258,833
Unrestricted	<u>4,142,669</u>	<u>3,920,475</u>
Total net assets	<u>\$ 11,698,969</u>	<u>\$ 11,662,686</u>

Grand Rapids Charter Township
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Changes in net assets. The Township's total revenues are \$3,055,078. Approximately 47% of the Township's revenues come from property taxes, while state revenue sharing represents 28%. About 13% of total revenues come from charges for services.

Condensed financial information
Changes in net assets

	<u>Governmental activities</u>	
	<u>2009</u>	<u>2008</u>
Program revenues:		
Charges for services	\$ 405,831	\$ 454,055
Operating grants and contributions	61,235	115,970
Capital grants	32,534	79,916
General revenues:		
Property taxes	1,422,919	1,386,749
State shared revenue	861,883	1,000,880
Cable franchise fees	175,207	168,242
Interest income	90,118	150,033
Other	5,351	15,857
Special item - Gain on sale of land	-	216,088
Total revenues	<u>3,055,078</u>	<u>3,587,790</u>
Expenses:		
Legislative	21,005	20,632
General government	911,303	944,981
Public safety	1,347,474	1,454,713
Public works	445,552	223,195
Health and welfare	111,550	97,679
Community and economic development	87,968	97,627
Recreation and culture	93,943	74,893
Total expenses	<u>3,018,795</u>	<u>2,913,720</u>
Increase in net assets	<u>\$ 36,283</u>	<u>\$ 674,070</u>

Grand Rapids Charter Township
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Governmental activities. Governmental activities increased the Township's net assets by \$36,283 in the current year compared to a \$674,070 increase in the prior year. The Township experienced a significant gain on the sale of land (\$216,088) in the prior year, which augmented the increase in net assets. The increase in net assets was also lower this year because program and general revenues decreased by \$321,975, while expenses increased by \$105,075. The decrease in revenues in the current year can be attributed primarily to a decrease in state grants (\$138,997) and a decrease in intergovernmental revenue (\$90,000). Expenses increased primarily due to substantial public works expenses, exceeding \$222,000, related to street maintenance costs.

The cost of all governmental activities this year was \$3,018,795 compared to \$2,913,720 in 2008. After subtracting the direct charges to those who directly benefited from the programs (\$405,831), and operating and capital grants (\$93,769), the "public benefit" portion covered by property taxes, state shared revenue, and other general revenues was \$2,519,195.

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

At December 31, 2009, the Township's governmental funds reported total fund balances of \$4,143,848, an increase of \$200,872 over last year.

The fund balance of the General Fund at year end was \$957,675, which represents an increase of \$88,134 in 2009. The increase in fund balance was primarily related to proceeds from the sale of a fire truck in the amount of \$39,556.

The fund balance of the Improvement Revolving Fund at year end was \$2,950,006. The fund's equity increased by \$69,131 in 2009 because the fund recognized interest income and incurred no expenditures.

General Fund budgetary highlights

The General Fund's total revenues were \$17,134 lower than budgeted as certain revenue sources differed from expectations. License and permit revenues were \$77,030 more than expected because the Township now has three providers of cable services. Revenue from the newest provider was not included in the budget and franchise fees from the other providers were higher than anticipated. State grant revenue (state shared revenue) was \$98,112 less than originally expected as the State cut its payments to local units during the year. The budget was not amended to reflect the reduction in state shared revenue.

General Fund expenditures, in total, were \$150,016 less than the amounts appropriated. Fire Department costs were the most notable variance as actual costs were \$55,246 less than appropriated. General administration (\$32,008) and planning and zoning (\$28,092) costs were also less than budgeted.

These variances and the unbudgeted proceeds from the sale of a fire truck, in the amount of \$39,556, resulted in a positive budget variance of \$170,389 and an \$88,134 increase in fund balance compared to a budgeted decrease of \$82,255.

Grand Rapids Charter Township
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Capital assets

At December 31, 2009, the Township had invested \$7,365,465 in various capital assets, including its land, buildings, equipment, and vehicles. This amount represents a net decrease of \$117,913 in 2009.

This year's major capital asset additions included:

- Costs associated with shared trail costs in the amount of \$71,300.
- Costs incurred to develop a bike trail in the amount of \$47,896.

Economic condition and outlook

The current economic condition has begun to stabilize at both the national and state level. There are a few indications of an economic turnaround nationally although Michigan is expected to lag behind any national recovery. The negative effects of the continuing recession on Grand Rapids Charter Township revenue sources for 2010 and 2011 are as follows:

- a) The continual deflation of real property values will result in lower property tax collections for 2010 and 2011 that will be in the range of 2% annually.
- b) Unemployment will remain high and result in weak consumer spending and therefore decreased state sales tax receipts that will impact the amount we receive from State Constitutional Revenue Sharing by as much as 3.5% for 2010.
- c) The revenue from building inspection fees will remain depressed for 2010, with development growth remaining weak in 2011.
- d) The interest earned on investments will average a return of 1.5% with an anticipated rise in interest rates late in 2010.

The impact on the Grand Rapids Charter Township 2010 budget is an expected total revenue drop of 4.5% compared to 2009. The Township will likely see an additional decline of 2% in 2011 before stabilizing for the 2012 budget year.

In response to the reduced revenue, Grand Rapids Charter Township expenditures for 2010 are budgeted to be 6% less than in 2009. The savings are primarily due to the reduction of capital projects. During good times the Township was able to improve parks, construct recreational trails, and accelerate the local roads maintenance program. Capital projects are now on hold until the revenue growth returns. Grand Rapids Charter Township expects to weather the economic storm without increasing the burden of additional taxes or fees on our residents. We have and will continue to take the necessary steps to control costs while providing essential services and do so within the revenue constraints.

**Grand Rapids Charter Township
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Contacting the Township's financial management

This financial report is designed to provide a general overview of the Township's finances to its citizens, customers, investors, and creditors, and to demonstrate the Township's accountability for the money it receives. Questions regarding any information provided in this report or request for additional financial information should be addressed to:

Grand Rapids Charter Township
Michael DeVries, Supervisor
1836 East Beltline, N.E.
Grand Rapids, MI 49525-4594

Phone: (616) 361-7391

INDEPENDENT AUDITORS' REPORT

**Board of Trustees
Grand Rapids Charter Township, Michigan**

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Rapids Charter Township, Michigan, as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

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

Board of Trustees
Grand Rapids Charter Township, Michigan
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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Grand Rapids Charter Township, Michigan's basic financial statements. The supplementary information, as listed in the contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such 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.

Sigfried Crandall P.C.

March 13, 2010

BASIC FINANCIAL STATEMENTS

Grand Rapids Charter Township
STATEMENT OF NET ASSETS
December 31, 2009

	<u>Governmental activities</u>
ASSETS	
Current assets:	
Cash	\$ 1,599,964
Investments	3,234,676
Receivables	1,027,831
Prepaid expenses	<u>48,080</u>
Total current assets	<u>5,910,551</u>
Noncurrent assets:	
Receivables	82,713
Capital assets not being depreciated - land	4,299,000
Capital assets, net of accumulated depreciation	<u>3,066,465</u>
Total noncurrent assets	<u>7,448,178</u>
Total assets	<u>13,358,729</u>
LIABILITIES	
Current liabilities:	
Payables	139,767
Deferred revenue	<u>1,519,993</u>
Total current liabilities	<u>1,659,760</u>
NET ASSETS	
Invested in capital assets	7,365,465
Restricted for:	
Public safety	55,082
Public works	135,753
Unrestricted	<u>4,142,669</u>
Total net assets	<u>\$ 11,698,969</u>

See notes to financial statements

Grand Rapids Charter Township
STATEMENT OF ACTIVITIES
Year ended December 31, 2009

Functions/Programs	<u>Expenses</u>	<u>Program revenues</u>		<u>Net (expenses) revenues and change in net assets</u>
		<u>Charges for services</u>	<u>Operating grants and contributions</u>	
Governmental activities:				
Legislative	\$ 21,005	\$ -	\$ -	\$ -
General government	911,303	107,896	-	-
Public safety	1,347,474	177,874	-	-
Public works	445,552	104,511	61,235	-
Health and welfare	111,550	-	-	-
Community and economic development	87,968	7,000	-	-
Recreation and culture	93,943	8,550	-	32,534
Total governmental activities	<u>\$3,018,795</u>	<u>\$ 405,831</u>	<u>\$ 61,235</u>	<u>\$ 32,534</u>
General revenues:				
Property taxes				1,422,919
State shared revenue				861,883
Franchise fees				175,207
Unrestricted interest income				90,118
Other				5,351
Total general revenues				<u>2,555,478</u>
Change in net assets				36,283
Net assets - beginning				<u>11,662,686</u>
Net assets - ending				<u>\$ 11,698,969</u>

See notes to financial statements

Grand Rapids Charter Township
BALANCE SHEET - governmental funds
December 31, 2009

	<u>General</u>	<u>Public Safety</u>	<u>Improvement Revolving</u>	<u>Nonmajor governmental funds</u>	<u>Total governmental funds</u>
ASSETS					
Cash	\$ 817,702	\$ 371,184	\$ 57,113	\$ 301,230	\$ 1,547,229
Investments	345,583	-	2,889,093	-	3,234,676
Receivables	580,968	381,489	90,513	45,836	1,098,806
Total assets	<u>\$ 1,744,253</u>	<u>\$ 752,673</u>	<u>\$ 3,036,719</u>	<u>\$ 347,066</u>	<u>\$ 5,880,711</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables	\$ 122,063	\$ -	\$ -	\$ 8,313	\$ 130,376
Deferred revenue	664,515	752,673	86,713	102,586	1,606,487
Total liabilities	<u>786,578</u>	<u>752,673</u>	<u>86,713</u>	<u>110,899</u>	<u>1,736,863</u>
Fund balances:					
Unreserved, undesignated	957,675	-	2,950,006	-	3,907,681
Unreserved, reported in nonmajor - special revenue funds	-	-	-	236,167	236,167
Total fund balances	<u>957,675</u>	<u>-</u>	<u>2,950,006</u>	<u>236,167</u>	<u>4,143,848</u>
Total liabilities and fund balances	<u>\$ 1,744,253</u>	<u>\$ 752,673</u>	<u>\$ 3,036,719</u>	<u>\$ 347,066</u>	<u>\$ 5,880,711</u>

Amounts reported for governmental activities in the statement of net assets (page 5) are different because:

Total fund balances - governmental funds	\$ 4,143,848
Prepaid expenses are not reported in the funds.	48,080
Special assessments receivable are not available to pay for the current period's expenditures and, therefore, are deferred in the funds.	86,494
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	7,365,465
Net assets of the Building Inspections Fund are included in governmental activities.	<u>55,082</u>
Net assets of governmental activities	<u>\$ 11,698,969</u>

See notes to financial statements

Grand Rapids Charter Township
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - governmental funds
Year ended December 31, 2009

	<u>General</u>	<u>Public Safety</u>	<u>Improvement Revolving</u>	<u>Nonmajor governmental funds</u>	<u>Total governmental funds</u>
REVENUES					
Property taxes	\$ 696,480	\$ 751,951	\$ -	\$ -	\$ 1,448,431
Licenses and permits	265,230	-	-	-	265,230
State grants	870,288	-	-	-	870,288
Intergovernmental	-	-	-	10,000	10,000
Charges for services	60,539	-	-	-	60,539
Interest and rentals	47,482	-	59,080	1,304	107,866
Other	24,570	-	10,051	125,149	159,770
Total revenues	<u>1,964,589</u>	<u>751,951</u>	<u>69,131</u>	<u>136,453</u>	<u>2,922,124</u>
EXPENDITURES					
Legislative	21,005	-	-	-	21,005
General government	876,913	-	-	-	876,913
Public safety	1,055,613	-	-	-	1,055,613
Public works	302,393	-	-	258,210	560,603
Health and welfare	112,650	-	-	-	112,650
Community and economic development	87,968	-	-	-	87,968
Recreation and culture	4,563	-	-	-	4,563
Capital outlay	41,493	-	-	-	41,493
Total expenditures	<u>2,502,598</u>	<u>-</u>	<u>-</u>	<u>258,210</u>	<u>2,760,808</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(538,009)</u>	<u>751,951</u>	<u>69,131</u>	<u>(121,757)</u>	<u>161,316</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital asset	39,556	-	-	-	39,556
Transfers in	751,951	-	-	165,364	917,315
Transfers out	(165,364)	(751,951)	-	-	(917,315)
Total other financing sources (uses)	<u>626,143</u>	<u>(751,951)</u>	<u>-</u>	<u>165,364</u>	<u>39,556</u>
NET CHANGES IN FUND BALANCES	<u>88,134</u>	<u>-</u>	<u>69,131</u>	<u>43,607</u>	<u>200,872</u>
FUND BALANCES - BEGINNING	<u>869,541</u>	<u>-</u>	<u>2,880,875</u>	<u>192,560</u>	<u>3,942,976</u>
FUND BALANCES - ENDING	<u>\$ 957,675</u>	<u>\$ -</u>	<u>\$ 2,950,006</u>	<u>\$ 236,167</u>	<u>\$ 4,143,848</u>

See notes to financial statements

Grand Rapids Charter Township
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - governmental funds (Continued)
Year ended December 31, 2009

Reconciliation of the statement of revenues, expenditures, and changes in fund balances to the statement of activities:

Net change in fund balances - total governmental funds (page 8) \$ 200,872

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

Capital assets:

Assets acquired	197,060
Assets disposed, net	(34,205)
Provision for depreciation	(280,768)

Changes in other assets/liabilities:

Prepaid expenses	(7,030)
Deferred revenue	(10,270)

Net expenses of the Building Inspections Fund (29,376)

Change in net assets of *governmental activities* (page 6) \$ 36,283

Grand Rapids Charter Township
STATEMENT OF NET ASSETS - proprietary fund
 December 31, 2009

	<u>Building Inspections</u>
ASSETS	
Cash	\$ 52,735
Receivables	<u>11,738</u>
Total assets	64,473
LIABILITIES	
Payables	<u>9,391</u>
NET ASSETS	55,082
<p>Amounts reported for business-type activities in the government-wide statement of net assets (page 5) are different because:</p> <p>Assets and liabilities of the Building Inspections Fund have been combined with those of governmental activities.</p>	
	<u>(55,082)</u>
Net assets of business-type activities	<u><u>\$ -</u></u>

See notes to financial statements

Grand Rapids Charter Township
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND
NET ASSETS - *proprietary fund*
Year ended December 31, 2009

	<u>Building Inspections</u>
OPERATING REVENUES	
Charges for services - licenses and permits	\$ 137,873
OPERATING EXPENSES	
Salaries and fringe benefits	56,951
Contracted services	<u>110,298</u>
Total operating expenses	<u>167,249</u>
CHANGE IN NET ASSETS	(29,376)
NET ASSETS - BEGINNING	<u>84,458</u>
NET ASSETS - ENDING	<u>\$ 55,082</u>
CHANGE IN NET ASSETS	\$ (29,376)
<p>Amounts reported for business-type activities in the government-wide statement of activities (page 6) are different because:</p> <p>Revenues and expenses of the Building Inspections Fund have been combined with those of the governmental activities.</p>	
	<u>29,376</u>
Change in net assets of business-type activities	<u>\$ -</u>

See notes to financial statements

Grand Rapids Charter Township
STATEMENT OF CASH FLOWS - proprietary fund
Year ended December 31, 2009

	<u><i>Building Inspections</i></u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 146,698
Payments to employees	(56,951)
Payments to suppliers	<u>(117,358)</u>
Net cash used in operating activities	(27,611)
CASH - BEGINNING	<u>80,346</u>
CASH - ENDING	<u><u>\$ 52,735</u></u>
Reconciliation of change in net assets to net cash used in operating activities:	
Change in net assets	\$ (29,376)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Decrease in receivables	8,825
Decrease in payables	<u>(7,060)</u>
Net cash used in operating activities	<u><u>\$ (27,611)</u></u>

See notes to financial statements

Grand Rapids Charter Township
STATEMENT OF FIDUCIARY NET ASSETS - agency funds
December 31, 2009

ASSETS

Cash \$ 925,066

LIABILITIES

Due to other governmental units \$ 925,066

Grand Rapids Charter Township NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of Grand Rapids Charter Township, Michigan (the Township), conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant policies.

a) Reporting entity:

The accompanying financial statements present the Township and its component unit, an entity for which the Township is considered to be financially accountable. Component units are normally reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the Township.

Discretely presented component unit:

Plainfield Avenue Corridor Improvement Authority:

The Authority was created in 2007 under the provisions of Act 280, Public Acts of 2005 of the State of Michigan. The purpose of the Authority is to redevelop and promote economic growth within the Plainfield Avenue corridor. The Authority's revenues are primarily derived through tax increment financing. The Authority's governing body is appointed by the Township Board and its budget must be approved by the Township Board. The Authority had no transactions occur during the year; therefore, no information regarding the Authority has been included in the accompanying financial statements. Separate financial statements will not be issued for the Authority, as management believes these financial statements, including disclosures, contain complete information so as to constitute a fair presentation of the Authority.

b) Government-wide and fund financial statements:

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Township. The effect of interfund activity has been removed from these statements. Governmental activities, normally supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

c) Measurement focus, basis of accounting, and financial statement presentation:

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

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

State grants, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the Township.

The Township reports the following major governmental funds:

- The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund. Revenues are primarily derived from property taxes and state shared revenue.

The Improvement Revolving Fund accounts for utility improvements financed through special assessments.

The Public Safety Fund accounts for the financial resources used for the operational costs of the Township's public safety functions. Revenues are derived from property taxes.

The Township reports a single proprietary fund, the Building Inspections Fund, which accounts for operations (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

c) Measurement focus, basis of accounting, and financial statement presentation (continued):

The Township reports fiduciary funds, its Agency and Tax Collection funds, which account for assets held by the Township as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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 (GASB). Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Township has elected not to follow subsequent private-sector standards.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds relate to charges to customers for services. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

d) Assets, liabilities, and net assets or equity:

i) Bank deposits - Cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Pooled interest income is proportionately allocated to all funds.

ii) Receivables - In general, outstanding balances between funds are reported as "due to/from other funds." No allowance for uncollectible accounts has been recorded as the Township considers all receivables to be fully collectible.

iii) Prepaid items - Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in the government-wide financial statements.

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

d) *Assets, liabilities, and net assets or equity* (continued):

iv) *Capital assets* - Capital assets, which include land, buildings, equipment, and infrastructure assets (e.g., shared road costs, pathways, and similar items), are reported in the government-wide financial statements. Capital assets other than infrastructure are defined by the Township as assets with an initial individual cost of more than \$2,500 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. Governments can elect to account for infrastructure assets either retroactively to June 15, 1980, or prospectively. The Township has elected to account for infrastructure assets retroactively.

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

Buildings and improvements	40 years
Land improvements	20 years
Equipment	5 - 10 years
Vehicles	10 - 15 years

v) *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.

vi) *Property tax revenue recognition* - Property taxes are levied as of December 1 on property values assessed as of December 31 of the prior year. The billings are due on February 14 (with the final collection date of February 28), at which time the bill becomes delinquent and penalties and interest may be assessed by the Township. Property tax revenue is recognized in the year for which taxes have been levied and become available. The Township levy date is December 1, and, accordingly, taxes have been deferred from recognition as revenue until the following year.

The 2008 taxable valuation of the Township totaled \$887,535,646, on which ad valorem taxes levied consisted of the following:

<u>Fund</u>	<u>Millage rate</u>	<u>Purpose</u>	<u>Taxes raised</u>
General	0.7500	Operating	\$ 663,881
Public safety	0.8495	Public safety	751,951

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue funds. The budget document presents information by fund, function, department, and line-item. The legal level of budgetary control adopted by the governing body is the function level. All annual appropriations lapse at the end of the fiscal year. There were no significant budget variances during the fiscal year ending December 31, 2009.

NOTE 3 - CASH AND INVESTMENTS:

The Township's deposits and investments were reported in the basic financial statements as follows:

	<u>Governmental activities</u>	<u>Fiduciary funds</u>	<u>Totals</u>
Cash	\$ 1,599,964	\$ 925,066	\$ 2,525,030
Investments	<u>3,234,676</u>	<u>-</u>	<u>3,234,676</u>
Totals	<u>\$ 4,834,640</u>	<u>\$ 925,066</u>	<u>\$ 5,759,706</u>

Deposits:

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) and the Township's investment policy authorize the Township to make deposits in the accounts of federally-insured banks, credit unions, and savings and loan associations that have an office in Michigan. The Township's deposits are in accordance with statutory authority.

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Township will not be able to recover its deposits. Deposits are exposed to custodial credit risk if they are not covered by federal depository insurance or are uncollateralized. As of December 31, 2009, \$963,033 of the Township's bank balances of \$2,674,551 was exposed to custodial credit risk because it was uninsured and uncollateralized.

State law does not require and the Township's investment policy does not specifically address this risk. The Township believes that it is impractical to insure all bank deposits due to the amounts of the deposits and the limits of FDIC insurance. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the risk level of each institution. Only the institutions with an acceptable estimated risk level are used as depositories.

Investments:

State statutes authorize the Township to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper, with three (3) highest rate classifications by at least two (2) rating services, maturing not later than 270 days; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers' acceptances; e) mutual funds; and f) investment pools organized under the local government investment pool act. The Township's investments consist of holdings in the Kent County Investment Pool and the Michigan Class Investment Pool, which are nonrisk categorized, qualifying investments that are carried at cost, which approximates fair market value.

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 - RECEIVABLES:

Receivables as of year end of the Township's funds, are as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Property taxes</u>	<u>Special assessments</u>	<u>Interest</u>	<u>Inter-governmental</u>	<u>Totals</u>
Governmental:						
General	\$ 82,915	\$ 336,802	\$ -	\$ 1,800	\$ 159,451	\$ 580,968
Public Safety	-	381,489	-	-	-	381,489
Improvement Revolving	-	-	86,713	3,800	-	90,513
Nonmajor	-	-	45,836	-	-	45,836
	<u>82,915</u>	<u>718,291</u>	<u>132,549</u>	<u>5,600</u>	<u>159,451</u>	<u>1,098,806</u>
Proprietary:						
Building Inspections	<u>11,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,738</u>
Totals	<u>\$ 94,653</u>	<u>\$ 718,291</u>	<u>\$ 132,549</u>	<u>\$ 5,600</u>	<u>\$ 159,451</u>	<u>\$ 1,110,544</u>
Noncurrent portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,713</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,713</u>

NOTE 5 - DEFERRED REVENUE:

Governmental funds report deferred revenues in connection with resources that are not considered to be available to liquidate liabilities of the current period. Governmental funds may also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, several of the funds deferred recognition of revenues that were considered unearned or unavailable at December 31, 2009. The types of revenues deferred, by fund, are as follows:

<u>Fund</u>	<u>Unearned taxes</u>	<u>Unearned assessments</u>	<u>Unavailable assessments</u>	<u>Totals</u>
General	\$ 664,515	\$ -	\$ -	\$ 664,515
Public Safety	752,673	-	-	752,673
Improvement Revolving	-	-	86,713	86,713
Nonmajor governmental	-	102,586	-	102,586
Totals	<u>\$ 1,417,188</u>	<u>\$ 102,586</u>	<u>\$ 86,713</u>	<u>\$ 1,606,487</u>

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 - CAPITAL ASSETS:

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

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
Governmental activities:				
Capital assets not being depreciated - land	\$ 4,299,000	\$ -	\$ -	\$ 4,299,000
Capital assets being depreciated:				
Infrastructure - shared road costs	394,723	-	-	394,723
Building and improvements	3,699,279	165,377	-	3,864,656
Equipment	407,764	31,683	-	439,447
Vehicles	970,957	-	(166,395)	804,562
Subtotal	<u>5,472,723</u>	<u>197,060</u>	<u>(166,395)</u>	<u>5,503,388</u>
Less accumulated depreciation for:				
Infrastructure - shared road costs	(18,437)	(24,236)	-	(42,673)
Buildings and improvements	(1,285,883)	(137,134)	-	(1,423,017)
Equipment	(238,853)	(31,332)	-	(270,185)
Vehicles	(745,172)	(88,066)	132,190	(701,048)
Subtotal	<u>(2,288,345)</u>	<u>(280,768)</u>	<u>132,190</u>	<u>(2,436,923)</u>
Total capital assets being depreciated, net	<u>3,184,378</u>	<u>(83,708)</u>	<u>(34,205)</u>	<u>3,066,465</u>
Governmental activities capital assets, net	<u>\$ 7,483,378</u>	<u>\$ (83,708)</u>	<u>\$ (34,205)</u>	<u>\$ 7,365,465</u>

Depreciation expense was charged to functions of the Township as follows:

<i>Governmental activities:</i>	
General government	\$ 53,252
Public safety	114,530
Public works	24,236
Recreation and culture	<u>88,750</u>
Total	<u>\$ 280,768</u>

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 7 - PAYABLES:

Payables as of year end of the Township's funds, are as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Payroll</u>	<u>Inter-govern- mental</u>	<u>Totals</u>
Governmental:				
General	\$ 79,147	\$ 42,916	\$ -	\$ 122,063
Nonmajor governmental	<u>8,313</u>	<u>-</u>	<u>-</u>	<u>8,313</u>
	87,460	42,916	-	130,376
Proprietary:				
Building Inspections	<u>-</u>	<u>-</u>	<u>9,391</u>	<u>9,391</u>
Totals	<u>\$ 87,460</u>	<u>\$ 42,916</u>	<u>\$ 9,391</u>	<u>\$ 139,767</u>

NOTE 8 - INTERFUND TRANSFERS:

Interfund transfers for the year ended December 31, 2009, are as follows:

<u>Fund</u>	<u>Transfer in</u>	<u>Fund</u>	<u>Transfer out</u>
General	\$ 751,951	Public Safety	\$ 751,951
Nonmajor governmental	<u>165,364</u>	General	<u>165,364</u>
Totals	<u>\$ 917,315</u>	Totals	<u>\$ 917,315</u>

The transfer to the General Fund represents restricted revenues collected in the Public Safety Fund to pay for operational costs of the public safety functions accounted for in the General Fund. The transfers to the nonmajor governmental funds consist of unrestricted General Fund resources that support various programs that are accounted for in other funds of the Township.

NOTE 9 - RISK MANAGEMENT:

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation). The Township has purchased commercial insurance for each of these claims and is neither self-insured, nor participates in a shared-risk pool. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Grand Rapids Charter Township
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 10 - DEFINED CONTRIBUTION PENSION PLAN:

The Township provides pension benefits for most of its employees through a defined contribution plan. The plan covers all full-time employees and Grand Rapids Charter Township officials with supervisory duties. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate from the date of employment. The Township contributes a percentage of each qualified employee's base salary to the plan. The Township contributes 12% for non-union employees and union employees. The Township's contributions are fully vested immediately. The Township made the required contributions of \$63,489 for the year ended December 31, 2009.

The Township is not a trustee of the plan, nor is the Township responsible for investment management of plan assets.

NOTE 11 - RESTRICTED NET ASSETS:

Net assets of the governmental activities as of December 31, 2009, are restricted for the following purposes:

Public safety - construction code inspections	<u>\$ 55,082</u>
Public works:	
Courthouse at Knapp's Corner	112,963
Lakes management	22,553
Street lighting and maintenance	<u>237</u>
Total public works	<u>135,753</u>
Total	<u>\$ 190,835</u>

NOTE 12 - CONTINGENT LIABILITY:

In the normal course of its activities, the Township becomes a party in various legal actions. The Township is currently involved in Michigan Tax Tribunal cases, filed by property owners, which could have a significant financial impact. Because the outcome of these lawsuits is not presently determinable, the possible range of the potential cost cannot be reasonably predicted; therefore, no accrual has been made for this amount in the financial statements. The Township intends to vigorously defend its position in these cases.

REQUIRED SUPPLEMENTARY INFORMATION

Grand Rapids Charter Township
BUDGETARY COMPARISON SCHEDULE - General Fund
Year ended December 31, 2009

	<u>Original budget</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES				
Property taxes	\$ 698,123	\$ 698,123	\$ 696,480	\$ (1,643)
Licenses and permits	188,200	188,200	265,230	77,030
State grants	968,400	968,400	870,288	(98,112)
Charges for services	58,400	58,400	60,539	2,139
Interest and rentals	58,500	58,500	47,482	(11,018)
Other	10,100	10,100	24,570	14,470
Total revenues	<u>1,981,723</u>	<u>1,981,723</u>	<u>1,964,589</u>	<u>(17,134)</u>
EXPENDITURES				
Legislative	<u>21,212</u>	<u>21,212</u>	<u>21,005</u>	<u>207</u>
General government:				
Supervisor	64,400	64,400	65,074	(674)
Elections	15,000	15,000	12,090	2,910
Assessor	100,400	159,500	134,101	25,399
Clerk	103,500	103,500	119,668	(16,168)
Board of review	1,277	1,277	2,798	(1,521)
Treasurer	72,000	72,000	75,964	(3,964)
Hall and grounds	115,000	127,000	133,406	(6,406)
Cemetery	1,200	1,200	-	1,200
General administration	325,820	365,820	333,812	32,008
Total general government	<u>798,597</u>	<u>909,697</u>	<u>876,913</u>	<u>32,784</u>
Public safety:				
Police protection	497,000	497,000	482,479	14,521
Fire department	705,380	628,380	573,134	55,246
Total public safety	<u>1,202,380</u>	<u>1,125,380</u>	<u>1,055,613</u>	<u>69,767</u>
Public works:				
Road improvements and maintenance	150,000	222,000	228,014	(6,014)
Other	66,000	90,100	71,139	18,961
Street lights	2,800	2,800	3,240	(440)
Total public works	<u>218,800</u>	<u>314,900</u>	<u>302,393</u>	<u>12,507</u>
Health and welfare - ambulance	<u>117,000</u>	<u>117,000</u>	<u>112,650</u>	<u>4,350</u>

Grand Rapids Charter Township
BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)
Year ended December 31, 2009

	<u>Original budget</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES (Continued)				
Community and economic development:				
Planning and zoning	\$ 112,060	\$ 112,060	\$ 83,968	\$ 28,092
Economic development	-	4,000	4,000	-
Total community and economic development	<u>112,060</u>	<u>116,060</u>	<u>87,968</u>	<u>28,092</u>
Recreation and culture	<u>47,165</u>	<u>7,165</u>	<u>4,563</u>	<u>2,602</u>
Capital outlay	<u>253,000</u>	<u>41,200</u>	<u>41,493</u>	<u>(293)</u>
Total expenditures	<u>2,770,214</u>	<u>2,652,614</u>	<u>2,502,598</u>	<u>150,016</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(788,491)</u>	<u>(670,891)</u>	<u>(538,009)</u>	<u>132,882</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital asset	-	-	39,556	39,556
Transfer in - Public Safety Fund	<u>754,000</u>	<u>754,000</u>	<u>751,951</u>	<u>(2,049)</u>
Transfers out:				
Leonard/Crahen/Forest Hills Pathway Fund	-	(133,000)	(133,000)	-
Courthouse at Knapp's Corner Fund	(16,364)	(16,364)	(16,364)	-
Street Lighting Fund	-	(6,000)	(6,000)	-
East Beltline Gateway Fund	-	(10,000)	(10,000)	-
Total transfers out	<u>(16,364)</u>	<u>(165,364)</u>	<u>(165,364)</u>	<u>-</u>
Total other financing sources	<u>737,636</u>	<u>588,636</u>	<u>626,143</u>	<u>37,507</u>
NET CHANGES IN FUND BALANCES	(50,855)	(82,255)	88,134	170,389
FUND BALANCES - BEGINNING	<u>869,541</u>	<u>869,541</u>	<u>869,541</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 818,686</u>	<u>\$ 787,286</u>	<u>\$ 957,675</u>	<u>\$ 170,389</u>

Grand Rapids Charter Township
BUDGETARY COMPARISON SCHEDULE - Public Safety Fund
Year ended December 31, 2009

	<u>Original budget</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES				
Property taxes	\$ 754,000	\$ 754,000	\$ 751,951	\$ (2,049)
OTHER FINANCING USES				
Transfer out - General Fund	<u>(754,000)</u>	<u>(754,000)</u>	<u>(751,951)</u>	<u>2,049</u>
NET CHANGES IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Grand Rapids Charter Township
BUDGETARY COMPARISON SCHEDULE - Improvement Revolving Fund
Year ended December 31, 2009

	<u>Original budget</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES				
Interest	\$ 90,000	\$ 90,000	\$ 59,080	\$ (30,920)
Other - special assessments	<u>6,113</u>	<u>6,113</u>	<u>10,051</u>	<u>3,938</u>
Total revenues	<u>96,113</u>	<u>96,113</u>	<u>69,131</u>	<u>(26,982)</u>
NET CHANGES IN FUND BALANCES	96,113	96,113	69,131	(26,982)
FUND BALANCES - BEGINNING	<u>2,880,875</u>	<u>2,880,875</u>	<u>2,880,875</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$2,976,988</u>	<u>\$2,976,988</u>	<u>\$2,950,006</u>	<u>\$ (26,982)</u>

SUPPLEMENTARY INFORMATION

Grand Rapids Charter Township
COMBINING BALANCE SHEET - nonmajor governmental funds
 December 31, 2009

	<u>Lakes Management</u>	<u>Lighting and Maintenance</u>	<u>Courthouse at Knapp's Corner</u>
ASSETS			
Cash	\$ 33,207	\$ 54,646	\$ 179,327
Receivables	<u>11,111</u>	<u>34,725</u>	<u>-</u>
Total assets	<u>\$ 44,318</u>	<u>\$ 89,371</u>	<u>\$ 179,327</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Payables	\$ -	\$ 8,313	\$ -
Deferred revenue	<u>21,765</u>	<u>80,821</u>	<u>-</u>
Total liabilities	21,765	89,134	-
Fund balances - unreserved, undesignated	<u>22,553</u>	<u>237</u>	<u>179,327</u>
Total liabilities and fund balances	<u>\$ 44,318</u>	<u>\$ 89,371</u>	<u>\$ 179,327</u>

<i>Leonard/ Crahen/ Foresthill Pathways</i>	<i>East Beltline Gateway</i>	<i>Total nonmajor governmental funds</i>
\$ 33,091	\$ 959	\$ 301,230
-	-	45,836
<u>\$ 33,091</u>	<u>\$ 959</u>	<u>\$ 347,066</u>
\$ -	\$ -	\$ 8,313
-	-	102,586
-	-	110,899
<u>33,091</u>	<u>959</u>	<u>236,167</u>
<u>\$ 33,091</u>	<u>\$ 959</u>	<u>\$ 347,066</u>

Grand Rapids Charter Township

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - nonmajor governmental funds**

Year ended December 31, 2009

	<u>Lakes Management</u>	<u>Lighting and Maintenance</u>	<u>Courthouse at Knapp's Corner</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ 10,000
Interest	155	206	803
Other:			
Special assessments	23,690	75,680	-
Private contributions	-	-	-
Miscellaneous	-	7,245	-
	<hr/>	<hr/>	<hr/>
Total revenues	23,845	83,131	10,803
 EXPENDITURES			
Public works	<hr/> 18,434	<hr/> 93,967	<hr/> -
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,411	(10,836)	10,803
 OTHER FINANCING SOURCES			
Transfers in - General Fund	<hr/> -	<hr/> 6,000	<hr/> 16,364
 NET CHANGES IN FUND BALANCES	5,411	(4,836)	27,167
 FUND BALANCES - BEGINNING	<hr/> 17,142	<hr/> 5,073	<hr/> 152,160
 FUND BALANCES - ENDING	<hr/> \$ 22,553	<hr/> \$ 237	<hr/> \$ 179,327

<i>Leonard/ Crahen/ Foresthill Pathways</i>	<i>East Beltline Gateway</i>	<i>Total nonmajor governmental funds</i>
\$ -	\$ -	\$ 10,000
122	18	1,304
-	-	99,370
18,534	-	18,534
-	-	7,245
18,656	18	136,453
<u>135,222</u>	<u>10,587</u>	<u>258,210</u>
(116,566)	(10,569)	(121,757)
<u>133,000</u>	<u>10,000</u>	<u>165,364</u>
16,434	(569)	43,607
<u>16,657</u>	<u>1,528</u>	<u>192,560</u>
<u>\$ 33,091</u>	<u>\$ 959</u>	<u>\$ 236,167</u>