

Charter Township of Redford Wayne County, Michigan

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

Charter Township of Redford

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Independent Auditor's Report

To the Board of Trustees
Charter Township of Redford
Wayne 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 Redford (the "Township") as of and for the year ended March 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 Redford'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Redford as of March 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, pension system schedule of funding progress, and the budgetary comparison schedule, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by accounting principles generally accepted in the United States of America. 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 Redford
Wayne County, Michigan

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Redford's basic financial statements. The accompanying other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2009 on our consideration of the Charter Township of Redford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

As described in Note 12, the Charter Township of Redford has implemented a new financial reporting standard, as required by the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as of March 31, 2009.

Plante & Moran, PLLC

August 26, 2009

Charter Township of Redford

Management's Discussion and Analysis

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

Financial Highlights

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

- State-shared revenue, our second largest revenue source, declined slightly for the year ended March 31, 2009 at \$5,505,000. Recently the State enacted additional statutory revenue-sharing reductions for the 2009-2010 fiscal year.
- Short-term interest rates fell to historic lows as a result of the actions of the Federal Reserve Board reducing the Federal Funds rate to spur the economy. This caused investment earnings to fall dramatically for the 2009 fiscal year to \$439,000 from \$971,000 in 2008. We expect future investment earnings to decline further with the Federal Funds rate policy of 0.00 percent to .25 percent in place.
- Employee and postemployment healthcare costs for fiscal year 2009 surpassed \$6,200,000, of which \$3,664,000 paid for retiree health care and \$2,536,000 paid for active employees. Since 2001, fiscal year healthcare costs have increased by \$2,700,000 from an annual amount of \$3,500,000. This increase of over 78 percent is well above the CPI inflation rate.
- The Township continues its proactive approach to reorganizing in response to revenue challenges and disproportionate cost increases for items such as health care, vehicle fuels, and utilities. In total, the General Fund managed to keep expenditures in line with 2009 revenues. Fortunately, one-time revenue sources from reimbursed insurance premiums and IBNR reserve adjustments helped offset the reduced revenues from interest earnings and state revenue sharing. Capital program funding was reduced significantly below 2008 levels, well below historic levels. With those challenges facing us, the Township's General Fund realized a current year surplus of approximately \$15,000.
- Total net assets related to the Township's governmental activities decreased by approximately \$6,000,000. The decrease is mostly due to building renovations and road paving that will be financed after year end as well as recognition of the OPEB liability.

Using this Annual Report

- This annual report consists of a series of financial statements. The statement of net assets (deficit) 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.

Charter Township of Redford

Management's Discussion and Analysis (Continued)

- 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 Township as a Whole

- The following table shows, in a condensed format, the approximate net assets as of March 31, 2009 and 2008:

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets						
Current assets	\$ 28,785,000	\$ 33,526,000	\$ 12,084,000	\$ 12,063,000	\$ 40,869,000	\$ 45,589,000
Noncurrent assets	17,653,000	15,240,000	46,312,000	47,408,000	63,965,000	62,648,000
Total assets	46,438,000	48,766,000	58,396,000	59,471,000	104,834,000	108,237,000
Liabilities						
Current liabilities	4,793,000	4,696,000	2,435,000	2,453,000	7,228,000	7,149,000
Long-term liabilities	21,409,000	17,929,000	12,258,000	13,369,000	33,667,000	31,298,000
Total liabilities	26,202,000	22,625,000	14,693,000	15,822,000	40,895,000	38,447,000
Net Assets						
Invested in capital assets -						
Net of related debt	9,262,000	7,584,000	32,109,000	31,864,000	41,371,000	39,448,000
Restricted	9,530,000	9,448,000	1,254,000	1,253,000	10,784,000	10,701,000
Unrestricted	1,444,000	9,109,000	10,340,000	10,532,000	11,784,000	19,641,000
Total net assets	\$ 20,236,000	\$ 26,141,000	\$ 43,703,000	\$ 43,649,000	\$ 63,939,000	\$ 69,790,000

The current level of unrestricted net assets for our governmental activities stands at \$1,444,000, or about 3 percent of expenditures.

Charter Township of Redford

Management's Discussion and Analysis (Continued)

The following table shows the approximate changes in net assets for the years ended March 31, 2009 and 2008:

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue						
Program revenue:						
Charges for services	\$ 8,949,000	\$ 10,139,000	\$ 14,835,000	\$ 15,751,000	\$ 23,784,000	\$ 25,890,000
Operating grants and contributions	1,418,000	1,310,000	-	-	1,418,000	1,310,000
Capital grants and contributions	906,000	651,000	-	-	906,000	651,000
General revenue:						
Property taxes	20,304,000	20,763,000	-	-	20,304,000	20,763,000
State-shared revenue	5,505,000	5,572,000	-	-	5,505,000	5,572,000
Unrestricted investment earnings	606,000	1,287,000	194,000	404,000	800,000	1,691,000
Miscellaneous - Refunds	800,000	229,000	-	-	800,000	229,000
Gain (loss) on sale of assets	(43,000)	-	23,000	30,000	(20,000)	30,000
Transfers and other revenue	191,000	(108,000)	(191,000)	108,000	-	-
Total revenue	38,636,000	39,843,000	14,861,000	16,293,000	53,497,000	56,136,000
Program Expenses						
General government	7,032,000	7,090,000	-	-	7,032,000	7,090,000
Public safety	23,665,000	19,969,000	-	-	23,665,000	19,969,000
Public works	7,766,000	7,909,000	-	-	7,766,000	7,909,000
Health and welfare	522,000	459,000	-	-	522,000	459,000
Community and economic development	3,852,000	3,029,000	-	-	3,852,000	3,029,000
Recreation and culture	1,218,000	1,080,000	-	-	1,218,000	1,080,000
Interest on long-term debt	485,000	444,000	-	-	485,000	444,000
Indoor ice rink	-	-	-	53,000	-	53,000
Water and sewer	-	-	12,151,000	11,714,000	12,151,000	11,714,000
Golf course	-	-	1,439,000	1,443,000	1,439,000	1,443,000
Senior housing	-	-	452,000	449,000	452,000	449,000
Protective inspection	-	-	765,000	894,000	765,000	894,000
Total program expenses	44,540,000	39,980,000	14,807,000	14,553,000	59,347,000	54,533,000
Change in Net Assets	\$ (5,904,000)	\$ (137,000)	\$ 54,000	\$ 1,740,000	\$ (5,850,000)	\$ 1,603,000

The Township is a mature community that developed post-World War II as an early suburban community. Because of our fully developed status, there is little space for new development and tax-base growth. Our efforts are being directed at redevelopment, especially of commercial, industrial, and public lands.

Governmental Activities

Local property taxes and state-shared revenues make up approximately 67 percent, or \$25,809,000, of the Township's total governmental revenues of \$38,636,000. The largest area of expenditures is in the public safety and criminal justice activities, costing approximately \$23,665,000, or 53 percent of the total governmental expenses. The public works activities, including solid waste disposal, cost approximately \$7,766,000, or 18 percent of expenses. The remaining \$13,109,000 of expenses, or 29 percent of expenses, pays for recreation, community development, health and welfare, general government activities, and interest on debt.

Charter Township of Redford

Management's Discussion and Analysis (Continued)

Business-type Activities

The business-type activities consist of the Water and Sewer Fund, Indoor Ice Rink Fund, Golf Course Fund, Senior Citizen Housing Fund, and the Protective Inspection Fund.

- The Township provides water and sewer services to residents and businesses connected to the system. The system generates revenues from customers of the system, such that the system is financially self-sufficient and not reliant on taxes. The Township purchases water as a wholesale customer of the Detroit water and sewer department. The Township, through our engineering consultants, developed a system of controls to monitor non-revenue water on a continual timely basis. The methodology identifies changes in water volume, pressure, and source locations that can be evaluated daily or more often if needed. Implementation of these controls resulted in a significant reduction in the water loss percentage. As a result, the Water and Sewer Fund had an operating surplus for the fifth consecutive year in 2009. The Township operates a combined sewerage transmission system that collects sanitary sewerage from customers and storm water run-off during rain events for delivery to the Detroit sewerage treatment facility. The fund realized an operating surplus of approximately \$563,000 and an increase in net assets of approximately \$386,000.
- As of July 1, 2005, the operations of the Township ice arena were contracted to a private firm. The decision to privatize resulted from several years of growing operating deficits that required General Fund subsidies that reached \$167,000 in the 2005 fiscal year. Under the terms of the contract, the Township will realize revenues from the facility lease and a share of certain other revenues. This arrangement provides the continuation of the recreation programs for our citizens and mitigates the exposure to operating losses.
- The Township owns and operates Glenhurst municipal golf course as a business-type activity. The operations of the golf course have continually generated sufficient surpluses to provide resources for major reinvestment in the golf course infrastructure. Five years ago, an \$800,000 renovation project was completed on the course. The improvements have been well received by our regular patrons. The capital improvements and renovations were paid from retained earnings. The existing debt of \$207,000 is from bonds issued to purchase the course in 1989 and later refinanced to take advantage of lower interest rates. In November 2009, the final debt service payment will be made. The golf course incurred an operating deficit of \$153,000 after depreciation and before debt service and a decrease in net assets of \$162,000. The Golf Course experienced modest sales growth of \$56,000 with operating expenses increasing by only \$10,000 from the previous year.

Charter Township of Redford

Management's Discussion and Analysis (Continued)

- The Township owns and operates a 92-unit independent-living senior citizens apartment complex named Minock Meadows, available to current and former residents, and family members of residents. The facility provides reasonably priced market rate housing for self-sufficient seniors interested in remaining in the Township. The financial results show an operating surplus of \$331,000 before debt service. The facility was opened on October 1, 1993. The construction was financed by issuing bonds, of which \$2,713,000 of principal remains outstanding.
- The Protective Inspection Fund is operated as a business-type activity. The fund accounts for activities related to construction code enforcement. The goal of the operation is to generate sufficient revenues from building ordinance code fees to support the cost of operations. For fiscal year 2009, the Township's General Fund supplemented the operations by transferring \$129,000.

The Township's Funds

Our analysis of the major funds begins on page 13, 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 solid waste, special grants, and capital projects. The Township's major funds for fiscal year 2009 were the General Fund, Sidewalk Improvement Fund, and Community Development Block Grant Fund.

- The General Fund pays for most of the Township's governmental services. The most costly services are police and fire, which incurred expenses of approximately \$19,689,000 in fiscal year 2009. These two activities are partially funded by three police and fire millages. During the current year, this amounted to approximately \$4,100,000 for operations and \$4,945,000 for the retirement system. The remaining \$10,644,000 operating cost of the police and fire departments is funded by other revenue of the General Fund. In addition, the General Fund pays for the cost of general governmental services including district court, probation and criminal justice activities, treasury and financial operations, central staff services, recreation, public works, and various other activities exceeding \$10,000,000.
- The Township operates a sidewalk improvement capital projects special assessment program, known as the Sidewalk Improvement Fund. Township ordinance officers cite hazardous sidewalks for replacement by the property owner. If the property owner does not make the repair in a reasonable time, the Township replaces the sidewalks and assesses the property. Payments can be made in full or will be assessed with interest on a five-year amortization schedule. The annual payments are collected on the property tax bill. For the 2009 fiscal year, nearly \$1,100,000 in sidewalks were replaced and \$1,030,000 in revenues received. The current accounts receivable balance at year end was \$1,660,000.

Charter Township of Redford

Management's Discussion and Analysis (Continued)

- The Community Development Block Grant Fund accounts for program expenses and revenues received from the Federal Department of Housing and Urban Development's Block Grant program, and related program revenues. In the 2008-2009 fiscal year, the Township used Sec. 108 loan funds to pay for a road paving project in qualifying CDBG areas.

General Fund Budgetary Highlights

Over the course of the year, the Township amended the budget to take into account events during the year. An amendment was passed, decreasing estimated revenues by \$691,000. Court fines and property tax revenues were categories with the most significant decreases.

The decreased revenues resulted in reduced appropriations in the same amount. Most notable were decreases in appropriations for police, fire, and criminal justice departments.

Capital Asset and Debt Administration

At the end of the fiscal year, the Township had over \$58,700,000 invested in a broad range of capital assets, including buildings, police and fire equipment, and water and sewer lines, net of related accumulated depreciation. The capital assets made up 56 percent of the Township's total assets amount of \$104,835,000. Capital expenditures programs remained at a reduced level for the 2009 fiscal year.

The long-term debt amount of \$34,261,000 is related to the investment in capital assets and a Brownfield Redevelopment project. At the end of the fiscal year, the Township had \$14.1 million in debt in the governmental-type activities while business-type activities had \$12.7 million outstanding, with 78 percent of that in the Water and Sewer Fund and \$7.5 million in component unit debt.

Economic Factors and Next Year's Budgets and Rates

The Township's budget for the 2009-2010 fiscal year anticipates significantly reduced property tax revenues of \$1,300,000. The Township is experiencing a decline in housing values reflective of the national housing and mortgage crisis. Unfortunately, the Township is experiencing a large number of tax appeals by commercial and industrial property owners. Our expectation for the following year is another measurable decrease in taxable values. The state-wide Tax Reform Act limits growth in taxable value on any individual property to the lesser of inflation or 5 percent. Because some properties increase in value by less than inflation, the mathematical result of this is that the total taxable value for the Township will grow less than by inflation, before considering new property additions.

Water and sewer rates will increase in the 2009 fiscal year by approximately 3.2 percent.

Charter Township of Redford

Management's Discussion and Analysis (Continued)

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 Township's finance department.

Charter Township of Redford

Statement of Net Assets (Deficit) March 31, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and investments (Note 2)	\$ 20,772,840	\$ 7,543,404	\$ 28,316,244	\$ 5,155,597
Receivables - Net (Note 3)	6,954,935	3,896,237	10,851,172	-
Prepaid costs and other assets	69,940	904,971	974,911	-
Internal balances	375,139	(375,139)	-	-
Due from component units	1,254,943	13,718	1,268,661	-
Due from other governmental units	1,125	-	1,125	-
Inventories and other assets	-	100,352	100,352	-
Deposits	611,651	-	611,651	-
Unamortized bond issuance costs	71,854	263,167	335,021	215,282
Restricted assets (Notes 2 and 7)	2,169,827	1,356,139	3,525,966	-
Nondepreciable capital assets (Note 4)	1,343,404	2,509,738	3,853,142	165,506
Depreciable capital assets - Net (Note 4)	12,789,079	42,147,820	54,936,899	4,750
Net pension asset	24,035	-	24,035	-
Unamortized goodwill	-	35,920	35,920	-
Total assets	46,438,772	58,396,327	104,835,099	5,541,135
Liabilities				
Accounts payable	683,538	550,839	1,234,377	781,706
Accrued liabilities	1,970,332	410,256	2,380,588	1,548,753
Due to primary government	-	-	-	1,268,661
Due to other governmental units	4,068	-	4,068	-
Estimated insurance and other liabilities:				
Due within one year	616,701	70,157	686,858	-
Due in more than one year	1,455,236	-	1,455,236	-
Provision for compensated absences:				
Due within one year	109,719	-	109,719	-
Due in more than one year	3,924,891	737,716	4,662,607	-
Long-term debt (Note 6):				
Due within one year	1,409,139	1,403,981	2,813,120	45,000
Due in more than one year	12,726,070	11,247,426	23,973,496	7,430,000
Net other postemployment benefits liability/ Due in more than one year (Note 12)	3,302,392	273,280	3,575,672	-
Total liabilities	26,202,086	14,693,655	40,895,741	11,074,120
Net Assets (Deficit)				
Invested in capital assets - Net of related debt	9,262,483	32,108,615	41,371,098	170,256
Restricted for:				
Solid waste management	2,221,090	-	2,221,090	-
Community Development Block Grant	553,649	-	553,649	-
Drain	852,518	-	852,518	-
Drug law enforcement	1,070,023	-	1,070,023	-
Bond debt service	1,519,980	1,253,675	2,773,655	-
Other purposes (Note 9)	3,312,702	-	3,312,702	-
Unrestricted (Note 14)	1,444,241	10,340,382	11,784,623	(5,703,241)
Total net assets (deficit)	\$ 20,236,686	\$ 43,702,672	\$ 63,939,358	\$ (5,532,985)

Charter Township of Redford

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 7,032,209	\$ 5,599,526	\$ 124,925	\$ -
Public safety	23,664,998	2,515,429	75,333	-
Public works	7,765,685	341,667	-	906,234
Health and welfare	521,980	11,969	132,658	-
Community and economic development	3,852,314	105,002	1,085,257	-
Recreation and culture	1,217,835	375,621	-	-
Interest on long-term debt	485,231	-	-	-
Total governmental activities	44,540,252	8,949,214	1,418,173	906,234
Business-type activities:				
Water and sewer	12,150,665	12,324,592	-	-
Golf course	1,438,575	1,278,399	-	-
Senior housing	452,202	610,661	-	-
Protective inspection	765,471	620,491	-	-
Total business-type activities	14,806,913	14,834,143	-	-
Total primary government	\$ 59,347,165	\$ 23,783,357	\$ 1,418,173	\$ 906,234
Component units:				
Downtown Development Authority	\$ 308,182	\$ -	\$ -	\$ -
Brownfield Redevelopment Authority	3,795,466	-	-	-
Total component units	\$ 4,103,648	\$ -	\$ -	\$ -
General revenues:				
Property taxes				
State-shared revenues				
Investment earnings				
Miscellaneous - Refunds and rebates				
Gain (loss) on sale of assets				
Transfers				
Total general revenues				
Change in Net Assets				
Net Assets (Deficit) - Beginning of year				
Net Assets (Deficit) - End of year				

Statement of Activities
Year Ended March 31, 2009

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (1,307,758)	\$ -	\$ (1,307,758)	\$ -
(21,074,236)	-	(21,074,236)	-
(6,517,784)	-	(6,517,784)	-
(377,353)	-	(377,353)	-
(2,662,055)	-	(2,662,055)	-
(842,214)	-	(842,214)	-
(485,231)	-	(485,231)	-
(33,266,631)	-	(33,266,631)	-
-	173,927	173,927	-
-	(160,176)	(160,176)	-
-	158,459	158,459	-
-	(144,980)	(144,980)	-
-	27,230	27,230	-
(33,266,631)	27,230	(33,239,401)	-
-	-	-	(308,182)
-	-	-	(3,795,466)
-	-	-	(4,103,648)
20,303,942	-	20,303,942	3,198,719
5,504,740	-	5,504,740	-
606,359	194,293	800,652	66,427
799,994	-	799,994	1,195
(43,481)	23,298	(20,183)	-
190,647	(190,647)	-	-
27,362,201	26,944	27,389,145	3,266,341
(5,904,430)	54,174	(5,850,256)	(837,307)
26,141,116	43,648,498	69,789,614	(4,695,678)
\$ 20,236,686	\$ 43,702,672	\$ 63,939,358	\$ (5,532,985)

Charter Township of Redford

Governmental Funds Balance Sheet March 31, 2009

	General Fund	Sidewalk Improvement Fund	Community Development Block Grant	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 6,997,813	\$ 258,222	\$ -	\$ 9,137,786	\$ 16,393,821
Receivables - Net (Note 3)	2,018,878	1,667,418	553,649	1,196,321	5,436,266
Prepaid costs and other assets	69,940	-	-	-	69,940
Due from other funds (Note 5)	2,215,110	-	25,478	1,189,244	3,429,832
Due from component units	640,480	-	-	614,463	1,254,943
Due from other governmental units (Note 3)	1,371,130	-	90,447	57,092	1,518,669
Restricted assets (Note 7)	-	-	1,214,206	955,621	2,169,827
Total assets	\$ 13,313,351	\$ 1,925,640	\$ 1,883,780	\$ 13,150,527	\$ 30,273,298
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 333,016	\$ -	\$ 2,220	\$ 343,912	\$ 679,148
Accrued liabilities	632,916	-	1,252,192	78,010	1,963,118
Due to other funds	42,380	-	75,719	3,076,321	3,194,420
Due to other governmental units	4,068	-	-	-	4,068
Deferred revenue (Note 3)	1,798,769	1,551,584	553,649	1,192,649	5,096,651
Deposits and other liabilities	205,921	-	-	-	205,921
Total liabilities	3,017,070	1,551,584	1,883,780	4,690,892	11,143,326
Fund Balances					
Reserved for:					
Other purposes (Note 9)	297,627	-	-	-	297,627
911 dispatch	-	-	-	17,293	17,293
Debt service	-	-	-	1,807,508	1,807,508
Capital projects (unspent bond proceeds)	-	-	-	193,726	193,726
Unreserved, reported in General Fund - Designated (Note 9)	9,998,654	-	-	-	9,998,654
Unreserved, reported in Special Revenue Funds - Undesignated	-	-	-	3,318,161	3,318,161
Unreserved, reported in Capital Projects Funds - Designated for future capital improvements	-	374,056	-	3,122,947	3,497,003
Total fund balances	10,296,281	374,056	-	8,459,635	19,129,972
Total liabilities and fund balances	\$ 13,313,351	\$ 1,925,640	\$ 1,883,780	\$ 13,150,527	
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					14,132,483
Bond issuance costs used in governmental activities are not financial resources and are not reported in the funds					71,854
Special assessment receivables are expected to be collected over several years and are not available to pay for current year expenditures					2,185,308
Delinquent personal and real property taxes are expected to be collected over several years and are not available to pay for current year expenditures					2,276,714
Net pension asset not recorded on the modified accrual statements					24,035
Deferred revenue related to grants was not collected within 60 days of year end and is not available to pay for current year expenditures					634,629
Long-term liabilities are not due and payable in the current period and are not reported in the funds					(18,169,819)
Accrued interest is not due and payable in the current period and is not reported in the funds					(752)
Net other postemployment benefits obligation is not recorded as a liability in the funds					(3,302,392)
Internal Service Funds are included as part of governmental activities					3,254,654
Net assets of governmental activities					\$ 20,236,686

Charter Township of Redford

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

	General Fund	Sidewalk Improvement Fund	Community Development Block Grant	Nonmajor Governmental Funds	Total Governmental Funds
Revenue					
Property taxes	\$ 16,350,928	\$ -	\$ -	\$ 4,176,621	\$ 20,527,549
State sources	5,653,373	-	-	138,340	5,791,713
Federal sources	-	-	1,174,143	134,515	1,308,658
Licenses, permits, and fees	610,901	-	-	-	610,901
Charges for services	1,304,186	962,782	-	226,478	2,493,446
Special assessments	-	-	-	110,877	110,877
Fines and forfeitures	3,326,146	-	-	674,404	4,000,550
Interest income	438,911	68,366	-	176,232	683,509
Other	1,908,661	-	-	1,519,664	3,428,325
Total revenue	29,593,106	1,031,148	1,174,143	7,157,131	38,955,528
Expenditures					
Current:					
General government	7,304,380	-	-	503,050	7,807,430
Public safety	19,347,408	-	-	1,100,669	20,448,077
Public works	1,097,562	-	-	4,031,087	5,128,649
Health and welfare	173,452	-	-	344,881	518,333
Community and economic development	544,773	-	3,274,143	35,290	3,854,206
Recreation and culture	964,957	-	-	-	964,957
Capital outlay	-	1,096,072	-	2,174,353	3,270,425
Debt service	-	-	-	1,273,255	1,273,255
Total expenditures	29,432,532	1,096,072	3,274,143	9,462,585	43,265,332
Excess of Revenue Over (Under) Expenditures	160,574	(64,924)	(2,100,000)	(2,305,454)	(4,309,804)
Other Financing Sources (Uses)					
Proceeds from issuance of debt	-	-	2,100,000	-	2,100,000
Transfers in (Note 5)	-	-	-	878,326	878,326
Transfers out (Note 5)	(145,215)	-	-	(868,326)	(1,013,541)
Total other financing sources (uses)	(145,215)	-	2,100,000	10,000	1,964,785
Net Change in Fund Balances	15,359	(64,924)	-	(2,295,454)	(2,345,019)
Fund Balances - Beginning of year	10,280,922	438,980	-	10,755,089	21,474,991
Fund Balances - End of year	\$ 10,296,281	\$ 374,056	\$ -	\$ 8,459,635	\$ 19,129,972

Charter Township of Redford

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended March 31, 2009

Net Change in Fund Balances - Total Governmental Funds	\$ (2,345,019)
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	605,782
Governmental funds report bond issuance costs as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as amortization	(5,971)
Governmental funds report proceeds from sale of assets as revenue; in the statement of activities, the proceeds are reduced by the net book value of the assets sold to report a gain (loss)	(101,332)
Special assessment revenues are recorded in the statement of activities when the assessment is set; they are not reported in the funds until collected or collectible within 60 days of year end	38,502
Revenue reported in the statement of activities that does not provide current financial resources and is not reported as revenue in the governmental funds (GASB No. 33)	(244,680)
Proceeds from the issuance of long-term debt are not reported as financing sources on the statement of activities	(2,100,000)
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	1,403,273
Transfer in to the Governmental Funds from the Ice Rink Fund to close out the fund is recorded in the statement of activities but not the fund statements	325,862
Increases in accumulated employee sick and vacation pay, as well as estimated general liability claims, are recorded when earned in the statement of activities	73,710
Net pension asset is recorded as an expenditure in the governmental funds, and as an asset and amortized in the statement of activities	(10,852)
Change in other postemployment benefit liability	(3,302,392)
Internal Service Funds are also included as governmental activities	<u>(241,313)</u>
Change in Net Assets of Governmental Activities	<u>\$ (5,904,430)</u>

Charter Township of Redford

Proprietary Funds Statement of Net Assets March 31, 2009

	Water and Sewer Fund	Senior Housing Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets					
Current assets:					
Cash and investments (Note 2)	\$ 6,870,969	\$ 459,533	\$ 212,902	\$ 7,543,404	\$ 4,379,019
Receivables - Net	3,872,572	-	23,665	3,896,237	-
Prepaid expenses	904,971	-	-	904,971	-
Due from other funds (Note 5)	42,380	-	-	42,380	282,000
Due from component units	-	-	13,718	13,718	-
Inventories and other assets	89,868	-	10,484	100,352	-
Deposits	-	-	-	-	611,651
Total current assets	<u>11,780,760</u>	<u>459,533</u>	<u>260,769</u>	<u>12,501,062</u>	<u>5,272,670</u>
Noncurrent assets:					
Unamortized bond issuance costs	233,375	16,907	12,885	263,167	-
Restricted assets (Note 7)	1,356,139	-	-	1,356,139	-
Capital assets (Note 4)	38,429,243	3,211,899	3,016,416	44,657,558	-
Unamortized goodwill	-	-	35,920	35,920	-
Total noncurrent assets	<u>40,018,757</u>	<u>3,228,806</u>	<u>3,065,221</u>	<u>46,312,784</u>	<u>-</u>
Total assets	<u>51,799,517</u>	<u>3,688,339</u>	<u>3,325,990</u>	<u>58,813,846</u>	<u>5,272,670</u>
Liabilities					
Current liabilities:					
Accounts payable	503,545	7,356	39,938	550,839	4,390
Accrued liabilities	344,444	48,754	17,058	410,256	6,462
Due to other funds	257,185	33,474	126,860	417,519	141,148
Other liabilities and advances	20,047	50,050	60	70,157	1,866,016
Current portion of long-term debt	1,016,893	192,742	194,346	1,403,981	-
Total current liabilities	<u>2,142,114</u>	<u>332,376</u>	<u>378,262</u>	<u>2,852,752</u>	<u>2,018,016</u>
Noncurrent liabilities:					
Provision for compensated absences	562,062	33,641	142,013	737,716	-
Net other postemployment benefits liability (Note 12)	273,280	-	-	273,280	-
Long-term debt - Net of current portion	8,832,261	2,408,602	6,563	11,247,426	-
Total noncurrent liabilities	<u>9,667,603</u>	<u>2,442,243</u>	<u>148,576</u>	<u>12,258,422</u>	<u>-</u>
Total liabilities	<u>11,809,717</u>	<u>2,774,619</u>	<u>526,838</u>	<u>15,111,174</u>	<u>2,018,016</u>
Net Assets					
Investment in capital assets - Net of related debt	28,682,553	610,555	2,815,507	32,108,615	-
Restricted	1,253,675	-	-	1,253,675	-
Unrestricted	10,053,572	303,165	(16,355)	10,340,382	3,254,654
Total net assets	<u>\$ 39,989,800</u>	<u>\$ 913,720</u>	<u>\$ 2,799,152</u>	<u>\$ 43,702,672</u>	<u>\$ 3,254,654</u>

Charter Township of Redford

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

	Water and Sewer Fund	Senior Housing Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenue					
Charges for services	\$ 12,324,592	\$ 610,661	\$ 1,278,399	\$ 14,213,652	\$ 232,349
Permits	-	-	620,491	620,491	-
Township contributions	-	-	-	-	5,369,903
Total operating revenue	12,324,592	610,661	1,898,890	14,834,143	5,602,252
Operating Expenses					
Cost of water and sewer transmission and distribution	8,394,140	-	-	8,394,140	-
General and administrative costs	1,983,190	232,195	1,886,151	4,101,536	232,349
Depreciation and amortization	1,384,475	99,439	310,349	1,794,263	-
Benefit payments, reinsurance charges, and claim administration	-	-	-	-	5,611,216
Total operating expenses	11,761,805	331,634	2,196,500	14,289,939	5,843,565
Operating Income (Loss)	562,787	279,027	(297,610)	544,204	(241,313)
Nonoperating Revenue (Expense)					
Interest income	181,998	7,180	5,115	194,293	-
Interest expense	(388,860)	(120,568)	(7,546)	(516,974)	-
Gain (loss) on disposal of assets	30,000	-	(6,702)	23,298	-
Total nonoperating expense	(176,862)	(113,388)	(9,133)	(299,383)	-
Other Financing Sources (Uses)					
Transfers in	-	-	135,215	135,215	-
Transfers out	-	-	(325,862)	(325,862)	-
Total other financing uses	-	-	(190,647)	(190,647)	-
Change in Net Assets	385,925	165,639	(497,390)	54,174	(241,313)
Net Assets - Beginning of year	39,603,875	748,081	3,296,542	43,648,498	3,495,967
Net Assets - End of year	\$ 39,989,800	\$ 913,720	\$ 2,799,152	\$ 43,702,672	\$ 3,254,654

Charter Township of Redford

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

	Water and Sewer Fund	Senior Housing Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities					
Receipts from customers	\$ 12,165,404	\$ 610,661	\$ 1,909,375	\$ 14,685,440	\$ -
Payments to suppliers	(8,212,553)	(137,840)	(1,165,786)	(9,516,179)	(47,473)
Payments to employees	(1,961,126)	(98,000)	(759,685)	(2,818,811)	(184,481)
Internal activity - Receipts from (disbursement to) other funds	(255,642)	(2,962)	(46,479)	(305,083)	5,355,245
Claims paid	-	-	-	-	(6,014,667)
Net cash provided by (used in) operating activities	<u>1,736,083</u>	<u>371,859</u>	<u>(62,575)</u>	<u>2,045,367</u>	<u>(891,376)</u>
Cash Flows from Noncapital and Related Financing Activities -					
Transfers from (to) other funds	-	-	128,891	128,891	-
Cash Flows from Capital and Related Financing Activities					
Proceeds from sale of assets	30,000	-	4,339	34,339	-
Purchase of capital assets	(1,113,229)	(93,034)	(181,447)	(1,387,710)	-
Principal and interest paid on capital debt	(1,409,720)	(315,595)	(192,863)	(1,918,178)	-
Net cash used in capital and related financing activities	<u>(2,492,949)</u>	<u>(408,629)</u>	<u>(369,971)</u>	<u>(3,271,549)</u>	<u>-</u>
Cash Flows from Investing Activities					
Interest received on investments	181,998	7,180	5,115	194,293	-
Purchase of investment securities	(317)	-	-	(317)	-
Net cash provided by investing activities	<u>181,681</u>	<u>7,180</u>	<u>5,115</u>	<u>193,976</u>	<u>-</u>
Net Decrease in Cash and Cash Equivalents	<u>(575,185)</u>	<u>(29,590)</u>	<u>(298,540)</u>	<u>(903,315)</u>	<u>(891,376)</u>
Cash and Cash Equivalents - Beginning of year	<u>8,776,971</u>	<u>489,123</u>	<u>511,442</u>	<u>9,777,536</u>	<u>5,270,395</u>
Cash and Cash Equivalents - End of year	<u>\$ 8,201,786</u>	<u>\$ 459,533</u>	<u>\$ 212,902</u>	<u>\$ 8,874,221</u>	<u>\$ 4,379,019</u>
Balance Sheet Classification of Cash and Cash Equivalents					
Cash and investments	\$ 6,870,969	\$ 459,533	\$ 212,902	\$ 7,543,404	\$ 4,379,019
Restricted cash (Note 7)	1,330,817	-	-	1,330,817	-
Total cash and cash equivalents	<u>\$ 8,201,786</u>	<u>\$ 459,533</u>	<u>\$ 212,902</u>	<u>\$ 8,874,221</u>	<u>\$ 4,379,019</u>
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities					
Operating income (loss)	\$ 562,787	\$ 279,027	\$ (297,610)	\$ 544,204	\$ (241,313)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation and amortization	1,384,475	99,439	310,349	1,794,263	-
Changes in assets and liabilities:					
Receivables	(159,188)	-	10,485	(148,703)	-
Due from other funds	(42,380)	-	-	(42,380)	88,000
Inventory and other assets	13,778	-	3,176	16,954	-
Deposits	-	-	-	-	(119,888)
Accounts payable	(52,615)	(8,130)	30,804	(29,941)	1,062
Accrued and other liabilities	242,488	4,485	(73,300)	173,673	(284,230)
Due to other funds	(213,262)	(2,962)	(46,479)	(262,703)	(335,007)
Net cash provided by (used in) operating activities	<u>\$ 1,736,083</u>	<u>\$ 371,859</u>	<u>\$ (62,575)</u>	<u>\$ 2,045,367</u>	<u>\$ (891,376)</u>

There were no significant noncash investing, capital, or financing activities during the year ended March 31, 2009.

Charter Township of Redford

Fiduciary Funds Statement of Net Assets March 31, 2009

	Pension and Other Employee Benefit Trust Funds
Assets	
Cash and cash equivalents (Note 2)	\$ 7,136,783
Investments (Note 2):	
Corporate bonds	11,039,899
U.S. government securities	8,692,790
Common and preferred stock	20,678,102
Foreign securities	5,562,305
Receivables:	
Accrued interest	286,813
Due from other governmental units	78,026
	<hr/>
Total assets	53,474,718
Liabilities	
Accounts payable	4,627
Due to other governmental units	144,720
	<hr/>
Total liabilities	149,347
	<hr/>
Net Assets - Held in trust for pension and other employee benefits	\$ 53,325,371
	<hr/> <hr/>

Charter Township of Redford

Fiduciary Funds Statement of Changes in Net Assets Year Ended March 31, 2009

	Pension and Other Employee Benefit Trust Funds
Additions	
Investment income:	
Interest and dividends	\$ 2,305,006
Net depreciation in fair value of investments	(16,178,925)
Investment expenses	<u>(361,706)</u>
Net investment loss	(14,235,625)
Contributions	7,269,947
Refunds and rebates	<u>151,159</u>
Total additions - Net	(6,814,519)
Deductions	
Benefit payments	8,818,476
Refunds and withdrawals	378,784
Administrative expenses	<u>130,484</u>
Total deductions	<u>9,327,744</u>
Net Decrease	(16,142,263)
Net Assets Held in Trust for Pension and Other Employee Benefits	
Beginning of year	<u>69,467,634</u>
End of year	<u><u>\$ 53,325,371</u></u>

Charter Township of Redford

Component Units Statement of Net Assets (Deficit) March 31, 2009

	Downtown Development Authority	Brownfield Redevelopment Financing Authority	Total
Assets			
Current assets - Cash and investments (Note 2)	\$ 264,061	\$ 4,891,536	\$ 5,155,597
Noncurrent assets:			
Unamortized bond issuance costs	-	215,282	215,282
Capital assets (Note 4)	170,256	-	170,256
Total noncurrent assets	170,256	215,282	385,538
Total assets	434,317	5,106,818	5,541,135
Liabilities			
Current liabilities:			
Accounts payable	52,551	729,155	781,706
Accrued expenses	-	1,548,753	1,548,753
Due to primary government	65	1,268,596	1,268,661
Current portion of long-term debt	-	45,000	45,000
Total current liabilities	52,616	3,591,504	3,644,120
Noncurrent liabilities - Long-term debt - Net of current portion	-	7,430,000	7,430,000
Total liabilities	52,616	11,021,504	11,074,120
Net Assets (Deficit)			
Investment in capital assets - Net of related debt	170,256	-	170,256
Unrestricted	211,445	(5,914,686)	(5,703,241)
Total net assets (deficit)	\$ 381,701	\$ (5,914,686)	\$ (5,532,985)

Charter Township of Redford

	<u>Expenses</u>
Downtown Development Authority - Public works	\$ 308,182
Brownfield Redevelopment Authority:	
Community development	3,434,961
Interest on long-term debt	<u>360,505</u>
Total Brownfield Redevelopment Authority	<u>3,795,466</u>
Total component units	<u><u>\$ 4,103,648</u></u>
	General Revenues
	Property taxes
	Investment earnings
	Other revenue
	Total general revenues
	Change in Net Assets (Deficit)
	Net Assets (Deficit) - Beginning of year
	Net Assets (Deficit) - End of year

**Component Units
Statement of Activities
Year Ended March 31, 2009**

Net (Expenses) Revenue and Changes in		
Net Assets		
Downtown Development Authority	Brownfield Redevelopment Authority	Total
\$ (308,182)	\$ -	\$ (308,182)
-	(3,434,961)	(3,434,961)
-	(360,505)	(360,505)
-	(3,795,466)	(3,795,466)
(308,182)	(3,795,466)	(4,103,648)
166,996	3,031,723	3,198,719
5,335	61,092	66,427
1,195	-	1,195
173,526	3,092,815	3,266,341
(134,656)	(702,651)	(837,307)
516,357	(5,212,035)	(4,695,678)
\$ 381,701	\$ (5,914,686)	\$ (5,532,985)

Charter Township of Redford

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

Note I - Summary of Significant Accounting Policies

The accounting policies of the Charter Township of Redford (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 Charter Township of Redford:

Reporting Entity

The Charter Township of Redford 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. Although blended component units are legal separate entities, in substance, they are part of the Township's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Township (see discussion below for description).

Blended Component Units

The Redford Township Building Authority is governed by a board that is appointed by the Township board. Although it is legally separate from the Township, it is reported in the General Fund as if it were part of the primary government because its sole purpose is to finance and construct the Township's public buildings.

The Redford Township Police and Fire Retirement System has also been blended into the Township's financial statements. The system is governed by a five-member pension board that includes two individuals chosen by the Township board. The system is reported in a trust fund as if it were part of the primary government because of the fiduciary responsibility that the Township retains relative to the operations of the retirement system.

Discretely Presented Component Units

The Downtown Development Authority (the "DDA") was created to correct and prevent deterioration in the downtown district, encourage historical preservation, and to promote economic growth within the district. The DDA's governing body is appointed by the Township board. It is reported within the component unit column in the combined financial statements to emphasize that it is legally separate from the Township. The DDA does not publish separately issued financial statements. The DDA can be contacted at the Township offices at 15145 Beech Daly Road, Redford Township, Michigan 48239.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note I - Summary of Significant Accounting Policies (Continued)

The Brownfield Redevelopment Financing Authority was established pursuant to Public Act 381 of 1996. The Authority was created to promote revitalization of environmentally distressed areas within the boundaries of the Township. The Authority's governing body is approved by the Township board. It is reported within the component unit column in the combined financial statements to emphasize that it is legally separate from the Township. The Authority does not publish separately issued financial statements. The Authority can be contacted at the Township offices at 15145 Beech Daly Road, Redford Township, Michigan 48239.

The Economic Development Corporation (the "EDC") was created to provide means and methods for the encouragement and assistance of industrial and commercial enterprises in relocating, purchasing, constructing, improving, or expanding within the Township, primarily through loans to eligible businesses. The EDC had no financial activity during the year ended March 31, 2009.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets (deficit) 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.

Note I - Summary of Significant Accounting Policies (Continued)

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.

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, district court fines, and interest associated with the current fiscal period. Conversely, special assessments and federal grant reimbursements will be collected after the period of availability; receivables have been recorded for these, along with a “deferred revenue” liability.

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

The 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.

Sidewalk Improvement Fund - The Sidewalk Improvement Fund accounts for the construction and improvements to the sidewalks in the Township. Included in the fund are the special assessment receivables and revenues related to the construction, in addition to the construction costs.

Charter Township of Redford

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

Note I - Summary of Significant Accounting Policies (Continued)

Community Development Block Grant Fund - The Community Development Block Grant Fund accounts for program expenses and revenues received from the Federal Department of Housing and Urban Development's Block Grant program, and related program revenues.

The Township reports the following major proprietary funds:

Water and Sewer Fund - The Water and Sewer Fund accounts for the results of operations for providing water and sewer services to the citizens and businesses of the Township. The fund's primary revenues are generated through user charges from those requesting water and sewer services.

Senior Housing Fund - The Senior Housing Fund accounts for the results of operations for providing senior housing facilities to elderly citizens of the Township. The revenues are generated through monthly rental payments made by tenants.

Additionally, the Township reports the following fund types:

Internal Service Funds - The Internal Service Funds account for the general liability insurance, health insurance, and maintenance on vehicles provided to other funds of the Township, primarily on a cost-reimbursement basis.

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

Police and Fire Other Postemployment Benefits Trust Funds - The Police and Fire Other Postemployment Benefits Trust Fund accumulates resources to fund the Township's obligation to provide healthcare benefits to retirees.

General Employees' Other Postemployment Benefits Trust Funds - The General Employees' Other Postemployment Benefits Trust Fund accumulates resources to fund the Township's obligation to provide healthcare benefits to retirees.

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.

Charter Township of Redford

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary 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 they are added to the county tax rolls.

The Township's 2008 tax is levied and collectible on December 1, 2008 and is recognized as revenue in the year ended March 31, 2009, when the proceeds of the levy are budgeted and available for the financing of operations.

The 2008 taxable valuation of the Township totaled \$1.41 billion (a portion of which is abated and a portion of which is captured by the DDA), on which taxes levied consisted of 4.2306 mills for general operating purposes, 2.961 mills for police and fire operating purposes, 3.43 mills for police and fire pension, 2.5984 mills for solid waste management, 0.586 mills for street lighting, 0.29 mills for police station debt service, and 0.1079 mills for Dial-A-Ride operating purposes. This resulted in \$5.8 million for general operating purposes, \$4.1 million for police and fire operating purposes, \$4.9 million for police and fire pension, \$3.6 million for solid waste management, \$0.8 million for street lighting, \$0.4 million for police station debt service, and \$0.1 million for Dial-A-Ride operating purposes. These amounts are recognized in the respective General, Special Revenue, and Debt Service Funds financial statements as tax revenue.

Note I - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. To the extent that cash from various funds has been pooled, pooled investment income is generally allocated to each fund using a weighted average of balance for the principal.

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

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 - The revenue bonds of the Enterprise Funds require amounts to be set aside for construction, debt service principal and interest, operations and maintenance, and a bond reserve. These amounts have been classified as restricted assets, as well as amounts on deposit at the county being held for the construction or debt service of the Charter Township of Redford's water and sewer lines. In addition, unspent bond proceeds have been classified as restricted assets in both the governmental and business-type activities.

When an expense has been incurred for purposes for which both restricted and unrestricted net assets are available, the Township's policy is to first apply restricted resources.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads usage rights 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 one year, although assets purchased under that threshold may be capitalized at the Township's discretion. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Land improvements	7 to 50 years
Road usage rights	15 years
Buildings and improvements	7 to 50 years
Water and sewer facilities	50 to 100 years
Water meters	20 to 60 years
CSO basin	30 years
Vehicles	3 to 10 years
Equipment	5 to 10 years
Office equipment	5 to 7 years
Furniture and fixtures	7 years

Goodwill - The Township purchased a golf course and is recording the activity in the Golf Course Fund (business-type activity). The excess of the purchase price over the fair market value of tangible assets was recorded as goodwill.

Amortization - Bond issuance costs and discounts recorded in the governmental-type and business-type activities are being amortized over the life of the bonds. In addition, a portion of the purchase price of the golf course has been recorded as goodwill in the Golf Course Fund and is being amortized over 20 years. For the year ended March 31, 2009, amortization of \$5,971 and \$203,008 has been included in the operating expenses of the governmental and business-type activities, respectively, and accumulated amortization totaled \$14,830 and \$2,251,049 for governmental and business-type activities, respectively.

In addition, bond issuance costs in the component units are also being amortized over the life of the bonds. For the year ended March 31, 2009, amortization of \$13,200 has been included in the community development expenses, and accumulated amortization totaled \$48,726.

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

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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

Comparative Data/Reclassifications - Comparative data is not included in the Township's financial statements.

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 local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; 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 and investment pools composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

Charter Township of Redford

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

Note 2 - Deposits and Investments (Continued)

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

The Township has designated 10 banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of state statutory authority as listed above. The Charter Township of Redford's deposits and investment policies are in accordance with statutory authority.

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

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does have a deposit policy for custodial credit risk. At year end, the Township had \$16,673,396 of bank deposits (certificates of deposit, checking, and savings accounts) that were 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. At year end, the component units had \$2,500,000 of bank deposits that were uninsured and uncollateralized.

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

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 2 - Deposits and Investments (Continued)

Interest Rate Risk - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Township's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity. At year end, the average maturities of investments are as follows:

Investment	Fair Value	Weighted Average Maturity (in Years)
U.S. agency securities (pension)	\$ 8,692,790	26.00
Corporate bonds (pension)	11,039,899	7.66

Credit Risk - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. 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
Government-wide			
National City Municipal Investment Fund	\$ 803,000	Not Rated	
Ambassador Investments	537,650	AAA	S&P
Chase Governmental Money Market	5,399	Not Rated	
Comerica J-Fund	9,592,348	AI, PI	S&P, Moody's
MBIA Pooled Accounts	3,685,837	AAA	Fitch
Allegiant Money Market Fund (pension)	4,622,985	AAA	S&P, Moody's
Government securities (pension)	7,934,911	AAA	S&P
Corporate bonds (pension)	4,750,534	A	S&P
Corporate bonds (pension)	1,312,353	A+	S&P
Corporate bonds (pension)	614,466	A-	S&P
Corporate bonds (pension)	438,231	AAA	S&P
Corporate bonds (pension)	2,247,118	BBB	S&P
Corporate bonds (pension)	1,108,650	BBB+	S&P
Corporate bonds (pension)	568,547	BBB-	S&P
Component Unit			
Comerica J-Fund	1,801,216	AI, PI	S&P, Moody's

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 2 - Deposits and Investments (Continued)

Concentration of Credit Risk - The Township limits the amount the Township may invest in any one issuer to 5 percent. No more than 5 percent of the Township's investments is invested in any one issuer.

Note 3 - Receivables and Deferred Revenue

Receivables as of year end for the Township's individual major funds and the nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities					Business-type Activities			
	General Fund	Sidewalk Improvement Fund	Community Development Block Grant	Nonmajor Funds	Total	Water and Sewer Fund	Nonmajor Funds	Total	Total
Receivables:									
Taxes	\$ 1,872,766	\$ -	\$ -	\$ 496,689	\$ 2,369,455	\$ -	\$ -	\$ -	\$ 2,369,455
Accounts	135,559	-	-	71,769	207,328	3,567,175	-	3,567,175	3,774,503
Interest and other	79,074	-	-	-	79,074	-	-	-	79,074
Special assessments	-	1,667,418	-	646,605	2,314,023	305,397	23,665	329,062	2,643,085
Housing rehabilitation loans	-	-	553,649	-	553,649	-	-	-	553,649
Intergovernmental	1,371,130	-	90,447	57,092	1,518,669	-	-	-	1,518,669
Less allowance for uncollectibles	(68,521)	-	-	(18,742)	(87,263)	-	-	-	(87,263)
Net receivables	\$ 3,390,008	\$ 1,667,418	\$ 644,096	\$ 1,253,413	\$ 6,954,935	\$ 3,872,572	\$ 23,665	\$ 3,896,237	\$ 10,851,172

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

Delinquent property taxes	\$ 2,276,714
Special assessments	2,185,308
Community Development Block Grant	553,649
Home grant	<u>80,980</u>
Total	<u>\$ 5,096,651</u>

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 4 - Capital Assets

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

	Balance April 1, 2008	Additions	Disposals	Reclassifications [#]	Balance March 31, 2009
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 1,320,620	\$ 1,653	\$ -	\$ 21,131	\$ 1,343,404
Construction in progress	314,067	-	-	(314,067)	-
Subtotal	1,634,687	1,653	-	(292,936)	1,343,404
Capital assets being depreciated:					
Land improvements	1,963,879	-	-	60,605	2,024,484
Road usage rights*	169,464	-	-	-	169,464
Buildings and improvements	15,012,001	1,130,760	500,000	1,168,339	16,811,100
Vehicles	3,236,564	277,607	423,792	-	3,090,379
Equipment	379,583	-	-	-	379,583
Office equipment	1,793,196	115,904	-	502,219	2,411,319
Furniture and fixtures	45,592	-	-	-	45,592
Subtotal	22,600,279	1,524,271	923,792	1,731,163	24,931,921
Accumulated depreciation:					
Land improvements	650,082	74,454	-	26,010	750,546
Road usage rights*	40,657	10,164	-	-	50,821
Buildings and improvements	5,991,124	382,211	450,000	901,031	6,824,366
Vehicles	2,443,871	265,122	372,460	-	2,336,533
Equipment	374,041	2,669	-	179,619	556,329
Office equipment	1,388,543	184,408	-	5,705	1,578,656
Furniture and fixtures	44,477	1,114	-	-	45,591
Subtotal	10,932,795	920,142	822,460	1,112,365	12,142,842
Net capital assets being depreciated	11,667,484	604,129	101,332	618,798	12,789,079
Net capital assets	\$ 13,302,171	\$ 605,782	\$ 101,332	\$ 325,862	\$ 14,132,483

* Road usage rights represent the Township's contribution to roads owned and operated by the County, the use of which will be amortized over 15 years.

Capital assets of the indoor ice rink fund were transferred into the governmental activities as of March 31, 2009 and are included in the reclassification column.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 4 - Capital Assets (Continued)

	Balance April 1, 2008	Additions	Disposals	Reclassifications [#]	Balance March 31, 2009
Business-type Activities					
Capital assets not being depreciated:					
Land	\$ 809,259	\$ 80,000	\$ -	\$ (21,131)	\$ 868,128
Construction in progress	1,510,014	210,746	-	(79,150)	1,641,610
Subtotal	2,319,273	290,746	-	(100,281)	2,509,738
Capital assets being depreciated:					
Water and sewer facilities	31,528,841	557,638	-	79,150	32,165,629
Water meters	1,972,103	-	-	-	1,972,103
CSO basin	18,950,477	-	-	-	18,950,477
Buildings and improvements	10,125,672	93,034	-	(1,228,941)	8,989,765
Vehicles	1,169,837	344,840	114,551	-	1,400,126
Equipment	1,861,747	101,452	73,725	(188,155)	1,701,319
Subtotal	65,608,677	1,096,964	188,276	(1,337,946)	65,179,419
Accumulated depreciation:					
Water and sewer facilities	7,696,717	474,462	-	-	8,171,179
Water meters	1,748,628	26,558	-	-	1,775,186
CSO basin	6,627,818	631,682	-	-	7,259,500
Buildings and improvements	4,398,047	239,304	-	(927,041)	3,710,310
Vehicles	1,015,120	50,886	114,554	-	951,452
Other equipment	1,243,616	168,360	62,680	(185,324)	1,163,972
Subtotal	22,729,946	1,591,252	177,234	(1,112,365)	23,031,599
Net capital assets being depreciated	42,878,731	(494,288)	11,042	(225,581)	42,147,820
Net capital assets	\$ 45,198,004	\$ (203,542)	\$ 11,042	\$ (325,862)	\$ 44,657,558

Capital assets of the indoor ice rink fund were transferred into the governmental activities as of March 31, 2009 and are included in the reclassification column.

	Balance April 1, 2008	Additions	Disposals and Adjustments	Reclassifications	Balance March 31, 2009
Component Units					
Capital assets not being depreciated - Land	\$ 75,690	\$ 89,816	\$ -	\$ -	\$ 165,506
Capital assets being depreciated - Equipment	-	5,700	-	-	5,700
Accumulated depreciation - Equipment	-	950	-	-	950
Net capital assets	\$ 75,690	\$ 94,566	\$ -	\$ -	\$ 170,256

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 4 - Capital Assets (Continued)

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

Governmental activities:

General government	\$ 116,052
Public safety	585,659
Public works	88,735
Community and economic development	40,375
Recreation and culture	<u>89,321</u>

Total governmental activities \$ 920,142

Business-type activities:

Water and sewer	\$ 1,260,603
Senior housing	78,402
Golf course	<u>252,247</u>

Total business-type activities \$ 1,591,252

Depreciation expense of \$950 was charged to public works in the Downtown Development Authority.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 5 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
Due to/from Other Funds		
Governmental Funds		
General Fund	Nonmajor governmental funds	\$ 1,867,784
	Senior Housing Fund	33,474
	Nonmajor Enterprise Funds	101,860
	Internal Service Fund - Self-insurance	141,148
	Community Development Block Grant	69,719
	General Employee OPEB Trust Fund	<u>1,125</u>
	Total General Fund	2,215,110
Community Development Block Grant	Nonmajor governmental funds	25,478
Nonmajor governmental funds	Nonmajor governmental funds	1,183,059
	Community Development Block Grant	6,000
	Water and Sewer Fund	<u>185</u>
	Total nonmajor governmental funds	<u>1,189,244</u>
	Total governmental funds	3,429,832
Business-type Fund - Water and Sewer Fund	General Fund	42,380
Internal Service Funds	Nonmajor enterprise funds	25,000
	Water and Sewer Fund	<u>257,000</u>
	Total Internal Service Funds	<u>282,000</u>
	Total	<u><u>\$ 3,754,212</u></u>

Interfund 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.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 5 - Interfund Receivables, Payables, and Transfers (Continued)

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

Fund Providing Resources	Fund Receiving Resources	Amount
General Fund	Ice Rink	(2) \$ 6,324
	Public Improvement Storm Water	(1) 10,000
	Protective Inspection Fund	(2) <u>128,891</u>
	Total General Fund	145,215
Road Improvement Fund	Public Improvement Debt Service	(3) 212,281
	Road Paving Debt Service Fund	(3) <u>143,888</u>
	Total Road Improvement Fund	356,169
Road Paving Debt Service	Public Improvement Debt Service	(3) 250,930
	Section 108 Loan Debt Service	(3) <u>261,227</u>
	Total Road Paving Debt Service Fund	<u>512,157</u>
	Total	<u>\$ 1,013,541</u>

- (1) Transfer for capital improvements
- (2) Transfer for operations
- (3) Transfer for debt service payments

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 government. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service. The Building Authority bond commitments are limited by the Township's legal ability to levy property taxes.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 6 - Long-term Debt (Continued)

Long-term obligation activity can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities							
General obligation bonds - 1991 Refunded Bonds -							
Unlimited Tax Bonds (Police station):	5.00%	\$585,000 -	\$ 1,665,000	\$ -	\$ 490,000	\$ 1,175,000	\$ 590,000
Amount of issue - \$4,180,000		\$590,000					
Maturing through 2011							
2006 Capital Improvement Bonds:	3.75% - 4.00%	\$150,000-	2,495,000	-	200,000	2,295,000	200,000
Amount of issue - \$2,695,000		\$200,000					
Maturing through 2021							
Building Authority bonds:							
1998A Fire Station:	4.50%	\$150,000 -	1,950,000	-	150,000	1,800,000	150,000
Amount of issue - \$3,000,000		\$250,000					
Maturing through 2018							
1998B Service Building:	4.50%	\$75,000 -	1,050,000	-	75,000	975,000	75,000
Amount of issue - \$1,500,000		\$125,000					
Maturing through 2018							
1999 Service Building:	4.50% - 5.00%	\$30,000 -	345,000	-	25,000	320,000	30,000
Amount of issue - \$500,000		\$55,000					
Maturing through 2017							
1999 Township Hall/District Court Renovations:	4.64%	-	109,134	-	109,134	-	-
Amount of issue - \$968,326							
Maturing through 2009							
2007 Capital Improvement Bonds:							
Lyndon:	4.00% - 5.00%	\$27,882 -	507,461	-	27,882	479,579	27,882
Amount of issue - \$507,461 (part of \$4.5M orig issue)*		\$47,400					
Maturing through 2022							
Glendale:	4.00% - 5.00%	\$16,730 -	304,486	-	16,730	287,756	16,730
Amount of issue - \$304,486 (part of \$4.5M orig issue)*		\$28,441					
Maturing through 2022							
2007 Capital Improvement Bond - Roads:	4.00% - 5.00%	\$154,527 -	2,812,401	-	154,527	2,657,874	154,527
Amount of issue - \$2,812,401 (part of \$4.5M orig issue)*		\$262,697					
Maturing through 2022							
2007 CDBG Bond:	4.55-5.13%	\$165,000-	1,600,000	2,100,000	155,000	3,545,000	165,000
Amount of issue - \$1,600,000		\$365,000					
Maturing through 2022							
Installment purchase agreements:							
Amount of issue - \$600,000	6.21%	\$600,000	600,000	-	-	600,000	-
Maturing through 2012							
Total governmental activities			<u>\$ 13,438,482</u>	<u>\$ 2,100,000</u>	<u>\$ 1,403,273</u>	<u>\$ 14,135,209</u>	<u>\$ 1,409,139</u>

* The Brownfield Redevelopment Authority has committed to fund the future payments of this debt, to the extent of future tax revenue captures.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 6 - Long-term Debt (Continued)

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities							
General obligation bonds:							
2004 Combined Sewer Overflow Refunding Bonds: Amount of issue - \$5,495,000 Maturing through 2016	2.60% - 3.625%	\$500,000 - \$575,000	\$ 4,270,000	\$ -	\$ 510,000	\$ 3,760,000	\$ 525,000
Building Authority bonds:							
1997 (Refunded Bonds) Golf Course Purchase: Amount of issue - \$1,297,857 Maturing through 2010	4.60% - 5.10%	\$1,825	5,476	-	3,651	1,825	1,825
1997 (Refunded Bonds) Senior Housing Project: Amount of issue - \$2,257,143 Maturing through 2013	4.60% - 5.10%	\$203,175 - \$245,000	1,259,525	-	181,350	1,078,175	203,175
2004 Refunding Bonds Golf Course Purchase: Amount of issue - \$410,000 Maturing through 2010	2.50%	\$205,000	385,000	-	180,000	205,000	205,000
2004 Refunding Bonds Senior Housing Project: Amount of issue - \$1,695,000 Maturing through 2018	2.5% - 4.00%	\$10,000 - \$350,000	1,645,000	-	10,000	1,635,000	10,000
Revenue bonds:							
Water Bonds Series 1998 - 1990 (Refunded Bonds): Revenue and Phase 7: Amount of issue - \$4,490,000 Maturing through 2018	4.40% - 5.00%	\$140,000 - \$205,000	1,660,000	-	135,000	1,525,000	140,000
2001 Water Supply & Sewage Disposal System Bonds: Amount of issue - \$4,200,000 Maturing through 2020	4.00% - 6.00%	\$200,000 - \$400,000	3,375,000	-	200,000	3,175,000	200,000
1994 Combined Sewer Overflow (1) State Revolving Fund Debt - Maturing through 2014	2.00%	\$17,897 - \$140,000	687,897	-	125,000	562,897	135,000
2007 Capital Improvement Bonds: Water Mains: Amount of issue - \$925,642 (part of \$4.5M orig issue) Maturing through 2022	4.00% - 5.00%	\$50,860 - \$86,462	925,642	-	50,860	874,782	50,860
Deferred charge on refunding			(295,198)	-	(128,926)	(166,272)	(66,879)
Total business-type activities			\$ 13,918,342	\$ -	\$ 1,266,935	\$ 12,651,407	\$ 1,403,981

(1) This represents preliminary draws on the Michigan Municipal Bond Authority. The total financing is expected to be \$2,740,000. Principal payments began in 1997, with interest charged at 2 percent.

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Component Units							
Limited Tax General Obligation Bonds, Series 2007 Amount of issue - \$3,805,000 Maturing through 2027	4.00% - 5.00%	\$0 - \$320,000	\$ 3,805,000	\$ -	\$ -	\$ 3,805,000	\$ -
Limited Tax General Obligation Bonds, Series 2006A Amount of issue - \$3,670,000 Maturing through 2026	5.15% - 5.7%	\$45,000 - \$400,000	3,670,000	-	-	3,670,000	45,000
Total component unit activities			\$ 7,475,000	\$ -	\$ -	\$ 7,475,000	\$ 45,000

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 6 - Long-term Debt (Continued)

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

	Governmental Activities			Business-type Activities			Component Units		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 1,409,139	\$ 621,095	\$ 2,030,234	\$ 1,470,860	\$ 512,312	\$ 1,983,172	\$ 45,000	\$ 359,344	\$ 404,344
2011	1,484,054	559,022	2,043,076	1,285,946	460,388	1,746,334	100,000	355,612	455,612
2012	1,514,054	493,078	2,007,132	1,280,946	410,588	1,691,534	270,000	347,013	617,013
2013	949,054	417,234	1,366,288	1,380,946	359,611	1,740,557	300,000	334,175	634,175
2014	988,968	377,094	1,366,062	1,348,929	305,855	1,654,784	305,000	320,419	625,419
2015-2018	5,154,240	1,199,740	6,353,980	5,395,752	740,910	6,136,662	1,950,000	1,346,912	3,296,912
2019-2023	2,635,700	238,477	2,874,177	654,300	36,547	690,847	2,810,000	768,287	3,578,287
2024-2028	-	-	-	-	-	-	1,695,000	101,087	1,796,087
Total	\$ 14,135,209	\$ 3,905,740	\$ 18,040,949	\$ 12,817,679	\$ 2,826,211	\$ 15,643,890	\$ 7,475,000	\$ 3,932,849	\$ 11,407,849

Interest - Total interest incurred by the Township for the year was approximately \$1,517,000.

Future Revenues Pledged for Debt Payments - The Township has pledged substantially all revenue of the Water and Sewer Fund, net of operating expenses, to repay the above water and sewer revenue bonds. Proceeds from the bonds provided financing for the construction of the water supply and sewage disposal systems. The bonds are payable solely from the net revenues of the water and sewer system. The remaining principal and interest to be paid on the bonds total \$6,635,392. During the current year, net revenues of the system were \$732,703 compared to the annual debt requirements of \$716,543.

The Township has pledged a portion of future property tax revenues to repay \$7,475,000 in Brownfield Redevelopment bonds issued in 2006 and 2007 to finance various capital improvements. The bonds are payable solely from the incremental property taxes captured by the Authority, and are projected to produce 100 percent of debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$11,407,849 payable through 2028. For the current year, principal and interest paid and total property tax captures were \$360,505 and \$3,031,723, respectively.

Defeased Debt - In prior years, the Township defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts' assets and liabilities for the defeased bonds are not included in the basic financial statements. At March 31, 2009, \$8,350,000 of bonds outstanding are considered defeased.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 7 - Restricted Assets

Restricted assets as of March 31, 2009 consist of the following:

	Governmental Activities	Business-type Activities
Cash and cash equivalents	\$ 2,169,827	\$ 1,330,817
Assets held at Wayne County for sewer line construction	-	25,322
Total restricted assets	<u>\$ 2,169,827</u>	<u>\$ 1,356,139</u>

The assets are restricted for the following purposes:

	Governmental Activities	Business-type Activities
1998 Revenue Bonds debt	\$ -	\$ 215,250
2001 Revenue Bonds debt	-	395,000
Sewage transmission line construction	-	25,322
Combined sewer overflow - Bond debt	-	618,103
2008 unspent bond proceeds	<u>2,169,827</u>	<u>102,464</u>
Total	<u>\$ 2,169,827</u>	<u>\$ 1,356,139</u>

Net assets have been restricted in the amount of \$955,621 in the governmental activities. Net assets in the amount of \$1,253,675 have been restricted in the business-type activities. The remaining \$102,464 of unspent bond proceeds has been restricted in conjunction with the investment in capital assets, net of related debt.

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 workers' compensation claims and participates in the Michigan Municipal Risk Management Authority risk pool for claims relating to property loss, torts, and errors and omissions; the Township is self-insured for medical benefits provided to employees. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 8 - Risk Management (Continued)

The Michigan Municipal Risk Management Authority (the "Authority") risk pool program operates as a claims servicing pool for amounts up to member retention limits, and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to the Authority that the Authority uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the Township.

The Township estimates the liability for general liability and medical benefit claims that have been incurred through the end of the fiscal year, including claims that have been reported as well as those that have not yet been reported. These estimates are recorded in the Self-insurance Internal Service Fund. Changes in the estimated liability for the past two fiscal years were as follows:

	General Liability	Medical Benefits
Unpaid claims - April 1, 2007	\$ 1,097,538	\$ 1,000,000
Incurred claims (including claims incurred but not reported)	1,157,718	4,673,183
Claim payments	<u>(1,105,677)</u>	<u>(4,673,183)</u>
Unpaid claims - March 31, 2008	1,149,579	1,000,000
Incurred claims (including claims incurred but not reported)	765,709	4,796,645
Claim payments	<u>(1,049,272)</u>	<u>(4,796,645)</u>
Unpaid claims - March 31, 2009	<u>\$ 866,016</u>	<u>\$ 1,000,000</u>

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 9 - Fund Balance and Net Asset Reservations and Restrictions

The General Fund has reserved fund balance in the following amounts:

Reserved for vehicle forfeiture	\$	10,719
Reserved for police resource program		33,308
Reserved for street lighting		73,446
Reserved for probation work release program		23,346
Reserved for youth program		8,431
Reserved for police bond collections		41,835
Other reserves		<u>106,542</u>
Total	\$	<u>297,627</u>

The General Fund has designated fund balance for working capital needs of \$9,998,654. The working capital designation represents amounts needed to finance Township operations from April 1 until property taxes are collected again in December. Approximately two-thirds or \$10.9 million of the annual property tax levy and, in addition, a percentage of the annual budgeted expenditures are needed for this purpose.

Net assets restricted for other purposes are composed of the following:

Street lighting	\$	73,446
Probation work release program		23,346
Police bond collections		41,835
Other General Fund restrictions		159,000
Dial-A-Ride		73,918
911 dispatch		299,639
Police station		244,922
Home grant		80,980
Road paving projects		193,726
Court building improvement		<u>2,121,890</u>
Total	\$	<u>3,312,702</u>

Note 10 - Single-employer Defined Benefit Pension Plan

Police and Fire Retirement System

Plan Description - The Police and Fire Pension Plan is a combination of a single-employer defined benefit pension plan and a single-employer defined contribution plan. The defined contribution portion of the plan was set up for the annual employees' contribution. The assets of the defined contribution plan are used to fund the defined benefit pension plan. Therefore, the two plans work together as a defined benefit pension plan. The plan is administered by the Redford Township Police and Fire Employees' Retirement System; this plan covers substantially all police and fire employees of the Township. The system provides retirement, disability, and death benefits to plan members and their beneficiaries. At March 31, 2008, the date of the most recent actuarial valuation, membership consisted of 139 retirees and beneficiaries currently receiving benefits. The plan does not issue a separate financial report.

Contributions - Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Please refer to Note 1 for further significant accounting policies.

Funding Policy - The obligation to contribute to and maintain the system for these employees was established by negotiation with the Township's competitive bargaining units. The Township has assumed the responsibility to contribute 5 percent of employees' covered wages on behalf of the police and fire employees.

Annual Pension Cost - For the year ended March 31, 2009, the Township's annual pension cost was \$2,873,014. The actuarial valuation required a contribution of \$2,862,162; the interest on the cumulative prior year overpayments (net pension asset) was \$2,442 and the effect of the net pension asset on normal cost was \$13,294. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period is 25 years.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 10 - Single-employer Defined Benefit Pension Plan (Continued)

Three-year trend information is as follows:

	Fiscal Year Ended March 31		
	2009	2008	2007
Annual pension costs (APC)	\$ 2,873,014	\$ 4,742,358	\$ 4,229,974
Percentage of APC contributed	99.62%	99.79%	99.78%
Net pension obligation (asset)	\$ (24,035)	\$ (34,887)	\$ (45,029)

Funded Status and Funding Progress

	Valuation Year Ended December 31		
	2008	2007	2006
Actuarial value of assets	\$ 71,243,732	\$ 68,631,856	\$ 64,358,035
Actuarial accrued liability (AAL)	\$ 87,432,949	\$ 83,810,895	\$ 80,878,263
Unfunded AAL (UAAL)	\$ 16,189,217	\$ 15,179,039	\$ 16,520,228
Funded ratio	81%	82%	80%
Covered payroll	\$ 6,742,696	\$ 6,680,915	\$ 6,818,088
UAAL as a percentage of covered payroll	240%	227%	242%

The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions - The annual required contribution was determined as part of an actuarial valuation at March 31, 2008, using the entry age actuarial cost method. Significant actuarial assumptions used include (a) a 7.5 investment rate of return, (b) projected salary increases of 4.5 percent per year, attributable to inflation, and (c) additional projected salary increases ranging from 0 percent to 4.40 percent per year, attributable to merit/seniority. 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. The remaining amortization period is 25 years.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 10 - Single-employer Defined Benefit Pension Plan (Continued)

Municipal Employees' Retirement System of Michigan

Plan Description - The Township also participates in the Municipal Employees' Retirement System of Michigan, an agent multiple-employer defined benefit pension plan that covers a substantial number of employees of the Township other than police and fire employees. The system provides retirement, disability, and death benefits to plan members and their beneficiaries. The Municipal Employees' Retirement System of Michigan issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the 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 competitive bargaining units and requires a contribution from the employees of 3 percent to 5 percent, which is paid by the Township.

Annual Pension Cost - For the year ended March 31, 2009, the Township's annual pension cost of \$1,187,425 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, 2007, using the entry age actuarial cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 percent per year attributable to inflation, and (c) additional projected salary increases ranging from 0 percent to 8.4 percent per year, attributable to seniority/merit. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a five-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period is 28 years.

Three-year trend information is as follows:

	Fiscal Year Ended March 31		
	2009	2008	2007
Annual pension costs (APC)	\$ 1,187,425	\$ 1,145,312	\$ 1,093,038
Percentage of APC contributed	100%	100%	100%
Net pension obligation	\$ -	\$ -	\$ -

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 10 - Single-employer Defined Benefit Pension Plan (Continued)

	Valuation Year Ended December 31		
	2007	2006	2005
Actuarial value of assets	\$ 33,543,730	\$ 31,958,330	\$ 30,416,492
Actuarial accrued liability (AAL)	\$ 40,572,189	\$ 39,101,484	\$ 37,381,341
Unfunded AAL (UAAL)	\$ 7,028,459	\$ 7,143,154	\$ 6,964,849
Funded ratio	83%	82%	81%
Covered payroll	\$ 5,894,049	\$ 5,788,814	\$ 5,997,613
UAAL as a percentage of covered payroll	119%	123%	116%

Note 11 - Commitments

The Township has entered into a contract with a corporation that will manage the operations of the Glenhurst golf course. Under the terms of this contract, the Township has agreed to pay the corporation from its Golf Course (Enterprise) Fund a minimum fee of \$650,000 between April 1, 2009 and March 31, 2010 for services rendered during calendar year 2009. The Township has agreed to pay additional fees if certain golf course revenue is attained.

Note 12 - Other Postemployment Benefits

Plan Description - The Township provides retiree healthcare benefits to eligible employees and their spouses. Benefits are provided to public safety and general employees and accounted for separately. Currently, the plan has 454 members (including employees in active service, terminated employees not yet receiving benefits, and retired employees and beneficiaries currently receiving benefits).

This is a single employer defined benefit plan administered by the Township. The benefits are provided under collective bargaining agreements. The plan does not issue a separate stand-alone financial statement. Administrative costs are paid by the employer.

Funding Policy - The collective bargaining agreements require a biweekly contribution from retirees ranging from \$4-\$40 based on the plan and coverage election they have made. 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 for Police and Fire, as determined by the Township Board through annual budget resolutions.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 12 - Other Postemployment Benefits (Continued)

Funding Progress - For the year ended March 31, 2009, the Township has estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of March 31, 2006. 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:

General Employees

Annual required contribution (recommended)	\$ 3,261,088
Amounts contributed - Advanced funding	<u>(1,969,571)</u>
Increase in net OPEB obligation	1,291,517
OPEB obligation - Beginning of year	<u>-</u>
OPEB obligation - End of year	<u>\$ 1,291,517</u>
Annual required contribution (recommended)	\$ 4,378,848
Amounts contributed - Advanced funding	<u>(2,094,693)</u>
Increase in net OPEB obligation	2,284,155
OPEB obligation - Beginning of year	<u>-</u>
OPEB obligation - End of year	<u>\$ 2,284,155</u>

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

General Employees

Valuation as of March 31, 2006	
Actuarial value of assets	\$ -
Actuarial accrued liability (AAL)	\$ 43,388,361
Unfunded AAL (UAAL)	\$ 43,388,361
Funded ratio	0%
Annual covered payroll	\$ 6,074,730
Ratio of UAAL to covered payroll	714%

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 12 - Other Postemployment Benefits (Continued)

Police and Fire

Valuation as of March 31, 2006	
Actuarial value of assets	\$ -
Actuarial accrued liability (AAL)	\$ 59,892,022
Unfunded AAL (UAAL)	\$ 59,892,022
Funded ratio	0%
Annual covered payroll	\$ 7,779,088
Ratio of UAAL to covered payroll	770%

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

In the March 31, 2006 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 6.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 16 percent initially, reduced by decrements to an ultimate rate of 9 percent after 10 years. Both rates included a 4.5 percent inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll over 30 years.

Charter Township of Redford

Notes to Financial Statements March 31, 2009

Note 13 - Pension and Other Postemployment Benefits

The following are condensed financial statements for the Charter Township's defined benefit pension plan (see Note 10) and the postemployment healthcare plans (see Note 12). The plans do not issue separate financial statements.

	Pension Trust	Police and Fire OPEB Trust Fund	General Employees' OPEB Trust Fund	Total
Statement of Net Assets				
Cash and investments	\$ 50,596,089	\$ 2,242,775	\$ 271,015	\$ 53,109,879
Other assets	364,839	-	-	364,839
Net assets	<u>\$ 50,960,928</u>	<u>\$ 2,242,775</u>	<u>\$ 271,015</u>	<u>\$ 53,474,718</u>
Statement of Changes in Net Assets				
Investment (loss) income	\$ (14,255,034)	\$ 16,415	\$ 2,994	\$ (14,235,625)
Contributions	3,205,683	2,094,693	1,969,571	7,269,947
Other increases	-	83,138	68,021	151,159
Benefit payments	(5,058,022)	(1,989,758)	(1,770,696)	(8,818,476)
Other decreases	(509,268)	-	-	(509,268)
Transfers	(1,894,692)	1,894,692	-	-
Change in net assets	<u>\$ (18,511,333)</u>	<u>\$ 2,099,180</u>	<u>\$ 269,890</u>	<u>\$ (16,142,263)</u>

Note 14 - Component Unit - Brownfield

Fund Deficit - The Township has an accumulated deficit in the Brownfield Redevelopment Financing Authority in the amount of \$56,477 at March 31, 2009 on a modified accrual basis that will be eliminated with future property tax capture. On the full accrual statements, the unrestricted accumulated deficit is \$5,703,241. The Township plans on eliminating the deficit with future property tax capture.

Required Supplemental Information

Charter Township of Redford

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

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Fund Balance - Beginning of year	\$ 9,291,509	\$ 10,280,922	\$ 10,280,922	\$ -
Resources (Inflows)				
Property taxes	16,747,794	16,286,294	16,350,928	64,634
Permits and licenses	570,200	615,200	610,901	(4,299)
State sources	5,755,600	5,699,100	5,653,373	(45,727)
Federal sources	-	15,000	-	(15,000)
Charges for services	1,087,300	1,257,800	1,304,186	46,386
Fines and forfeitures	4,128,150	3,296,150	3,326,146	29,996
Interest income	605,000	375,000	438,911	63,911
Other	1,719,900	2,378,424	2,433,661	55,237
Total resources (inflows)	30,613,944	29,922,968	30,118,106	195,138
Charges to Appropriations (Outflows)				
General government:				
Legislative	80,421	80,421	80,108	313
District court	1,919,829	1,809,829	1,758,424	51,405
Criminal justice	823,000	773,000	769,525	3,475
Probation	253,747	253,747	251,886	1,861
Work program	57,147	44,147	38,314	5,833
Executive	215,021	177,671	175,484	2,187
Elections	166,712	156,712	152,635	4,077
Accounting	467,851	464,851	462,100	2,751
Assessor	285,090	285,090	285,147	(57)
Attorney	147,000	177,000	207,167	(30,167)
Clerk	396,654	389,654	387,891	1,763
Civil service	204,797	199,797	211,712	(11,915)
Police and fire civil service	8,450	8,450	6,501	1,949
Treasurer	444,789	432,089	412,260	19,829
Information systems department	374,952	368,652	311,295	57,357
Public service building maintenance	227,000	222,000	220,194	1,806
Board of Review	7,650	7,650	10,669	(3,019)
Buildings and grounds	479,659	450,359	449,183	1,176
Old library MTCE	3,800	13,800	12,904	896
General government	1,117,500	1,144,528	1,117,305	27,223
Public safety:				
Police	11,939,626	11,316,226	11,532,622	(216,396)
School resource officer	259,895	274,395	282,253	(7,858)
School crossing guard	60,920	44,920	36,569	8,351
Central dispatch	397,292	368,292	366,068	2,224
Fire	7,388,543	7,188,543	7,471,397	(282,854)

The Township's budget was adopted on a fund basis. The budget comparison shown above for the General Fund is more detailed than the General Appropriations Act. Information in this schedule is presented for the purpose of additional analysis.

Charter Township of Redford

Required Supplemental Information Budgetary Comparison Schedule - General Fund (Continued) Year Ended March 31, 2009

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Charges to Appropriations (Outflows) (Continued)				
Public safety (Continued):				
Transportation	\$ 40,000	\$ 40,000	\$ 42,019	\$ (2,019)
Protective inspection	30,000	360,000	270,371	89,629
Public works:				
Department of Public Works	213,326	213,326	200,235	13,091
Highways and streets	822,000	924,000	897,327	26,673
Health and welfare - Animal control	205,490	190,490	173,452	17,038
Recreation and culture:				
Recreation and parks	421,489	345,076	329,023	16,053
Parks facilities	476,767	491,467	480,940	10,527
Senior citizens	101,560	78,060	76,429	1,631
Cultural	57,000	78,503	78,565	(62)
Boards and commission:				
Planning	33,414	18,415	14,295	4,120
Board of Appeals	22,069	32,069	31,547	522
Site	9,500	10,500	11,632	(1,132)
Historical	27,700	7,700	4,480	3,220
Sister city commission	9,775	5,775	5,396	379
Beautification commission	17,500	19,264	18,188	1,076
Youth commission	9,000	4,000	8,195	(4,195)
Senior citizens commission	25,500	17,500	15,529	1,971
Community promotion	58,000	160,000	158,916	1,084
Redford redevelopment	275,000	275,000	276,595	(1,595)
Total charges to appropriations (outflows)	<u>30,582,435</u>	<u>29,922,968</u>	<u>30,102,747</u>	<u>(179,779)</u>
Fund Balance - End of year	<u>\$ 9,323,018</u>	<u>\$ 10,280,922</u>	<u>\$ 10,296,281</u>	<u>\$ 15,359</u>

The Township's budget was adopted on a fund basis. The budget comparison shown above for the General Fund is more detailed than the General Appropriations Act. Information in this schedule is presented for the purpose of additional analysis.

Charter Township of Redford

Required Supplemental Information Budgetary Comparison Schedule - Community Development Block Grant Fund Year Ended March 31, 2009

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Fund Balance - Beginning of year	\$ -	\$ -	\$ -	\$ -
Resources				
Federal revenue	3,203,894	3,217,904	3,149,967	(67,937)
Program income	175,104	175,104	124,176	(50,928)
Amounts available for appropriation	3,378,998	3,393,008	3,274,143	(118,865)
Charges to Appropriations				
Program year 2007 - B-07-MC-26-0029	2,241,998	2,241,998	2,241,995	3
Program year 2008 - B-08-MC-26-0029	1,137,000	1,151,010	1,032,148	118,862
Total charges to appropriations	3,378,998	3,393,008	3,274,143	118,865
Fund Balance - End of year	\$ -	\$ -	\$ -	\$ -

The Township's budget was adopted on a fund basis. The budget comparison shown above for the Community Development Block Grant Fund is more detailed than the General Appropriations Act. Information in this schedule is presented for the purpose of additional analysis.

Charter Township of Redford

Required Supplemental Information Pension System Schedule of Funding Progress March 31, 2009

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
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Police and Fire Retirement System

03/31/03	\$ 63,000,000	\$ 69,600,000	\$ 6,600,000	90.5	\$ 6,200,000	106.5
03/31/04	62,100,000	73,700,000	11,600,000	84.3	6,500,000	178.5
03/31/05	62,700,000	77,200,000	14,500,000	81.2	6,700,000	216.4
03/31/06	64,400,000	80,900,000	16,500,000	79.6	6,800,000	242.6
03/31/07	68,600,000	83,800,000	15,200,000	81.9	6,700,000	226.9
03/31/08	71,200,000	87,400,000	16,200,000	81.5	6,700,000	241.8

The schedule of employer contributions is as follows:

Police and Fire Retirement System

Fiscal Year Ended March 31	Annual Required Contribution*	Percentage Contributed	Net Pension Obligation (Asset)
2004	\$ 3,061,809	99.75	\$ (71,644)
2005	3,270,092	99.75	(63,365)
2006	3,808,649	99.77	(54,507)
2007	4,229,974	99.78	(45,029)
2008	4,742,358	99.79	(34,887)
2009	2,862,162	99.62	(24,035)

* The required contribution is expressed to the Township as a percentage of payroll.

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of March 31, 2008, the latest actuarial valuation, follows:

Actuarial cost method	Entry age actuarial cost method
Amortization method	Level percent of payroll
Remaining amortization period	25 years
Asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases*	4.5%-8.9%
*Includes inflation at	4.5%
Cost of living adjustments	N/A

Charter Township of Redford

Note to Required Supplemental Information March 31, 2009

Note - Budgetary Information

The Township is legally subject to the budgetary control requirements of State of Michigan P.A. 621 of 1978 (the Uniform Budgeting Act). The following is a summary of the requirements of this Act according to the State Treasurer's *Bulletin for Audits of Local Units of Government in Michigan* dated April 1982:

1. Budgets must be adopted for the General Fund and Special Revenue Funds.
2. Budgeted expenditures cannot exceed budgeted revenues and fund balance.
3. The budgets must be amended when necessary.
4. Public hearings must be held before budget adoptions.
5. Expenditures cannot exceed budget appropriations.
6. Expenditures must be authorized by a budget before being incurred.

The Township adopts its budget on a fund-total basis for all funds, which is in accordance with the State's legal requirement and is the level of classification detail at which expenditures may not legally exceed appropriations. The Community Development Block Grant Fund's budget is adopted on a project basis, and does not lapse at year end. A comparison of actual results of operations to the General Fund budget adopted by the Township board is included as required supplemental information. This comparison includes expenditure budget overruns. As of March 31, 2009, the General Fund expenditures exceeded budgeted amounts due to unanticipated expenditures incurred near the end of the fiscal year. A comparison of actual results of operations, including budget overruns, to the nonmajor fund budgets as adopted by the Township board is available at the clerk's office for inspection.

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

1. The Township supervisor on or before 75 days prior to the commencement of the fiscal and budgetary year (April 1) shall prepare and submit to the board a complete itemized proposed budget for the next fiscal year.
2. A public hearing on the budget shall be held before its final adoption, at such time and place as the board shall direct, and notice of such public hearing shall be published at least 10 days in advance thereof by the clerk.
3. The board shall, on or before 15 days prior to the commencement of the next fiscal year, adopt a budget for the ensuing fiscal year.

Charter Township of Redford

Note to Required Supplemental Information March 31, 2009

Note - Budgetary Information (Continued)

The annual budget is prepared by the Township management and adopted by the Township board; subsequent amendments are approved by the Township board. During the current year, the budget was amended in a legally permissible manner.

The budget has been prepared in accordance with accounting principles generally accepted in the United States of America, except that transfers to/from other funds have been included in revenue and expenditures, rather than as other financing sources (uses), grant revenue to reimburse capital expenditures has been included in expenditures rather than revenue, and reimbursements from other funds for wage expense have been included as other revenue rather than as an offset to expenditures.

The budget statements are presented on the same basis of accounting used in preparing the adopted budget.

Fund Deficit - The Township has an accumulated deficit in the Marquee Renovation Fund in the amount of \$929,053 that will be eliminated with a future bond issuance.

The Township has an accumulated deficit in the Road Paving Fund in the amount of \$490,881 at March 31, 2009 that will be eliminated with a future bond issuance.

The Township has an unrestricted net deficit in the Golf Course Fund in the amount of \$18,047 at March 31, 2009 that will be eliminated as the debt will be paid off in the coming year.

Other Supplemental Information

Charter Township of Redford

	Special Revenue Funds						
	Dial-A-Ride	Home Grant	Drug Law Enforcement	Solid Waste Management	911 Dispatch	Accrued General Employee Fund	Neighborhood Stabilization Act
Assets							
Cash and investments	\$ 62,046	\$ 81,154	\$ 1,074,880	\$ 2,078,530	\$ 249,455	\$ 146,804	\$ -
Receivables - Net	26,129	-	-	411,937	62,080	-	-
Due from other funds	-	-	-	-	-	6,000	-
Due from component units	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	29,869
Restricted assets	-	-	-	-	-	-	-
Total assets	\$ 88,175	\$ 81,154	\$ 1,074,880	\$ 2,490,467	\$ 311,535	\$ 152,804	\$ 29,869
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 1,250	\$ 132	\$ 4,857	\$ 242,995	\$ 229	\$ -	\$ -
Accrued liabilities	6,196	-	-	10,126	7,073	53,268	1,347
Due to other funds	6,811	42	-	16,256	4,594	376	28,522
Deferred revenue	16,439	80,980	-	411,937	-	-	-
Total liabilities	30,696	81,154	4,857	681,314	11,896	53,644	29,869
Fund Balances							
Reserved	-	-	-	-	17,293	-	-
Unreserved:							
Designated	-	-	-	-	-	-	-
Undesignated	57,479	-	1,070,023	1,809,153	282,346	99,160	-
Total fund balances	57,479	-	1,070,023	1,809,153	299,639	99,160	-
Total liabilities and fund balances	\$ 88,175	\$ 81,154	\$ 1,074,880	\$ 2,490,467	\$ 311,535	\$ 152,804	\$ 29,869

**Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds
March 31, 2009**

Debt Service Funds				Capital Projects Funds			
Police Station	Road Paving Debt Service	Public Improvement Debt Service	Section 108 Loan Debt Service	Capital Improvement	Police Station	Drain	Public Improvement - Storm Water
\$ 423,352	\$ 397,731	\$ 14,156	\$ 12,045	\$ 1,123,355	\$ 244,922	\$ 873,558	\$ -
49,570	-	-	-	-	-	-	-
-	143,888	405,524	261,227	-	-	-	-
-	249,948	10,960	353,555	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 472,922	\$ 791,567	\$ 430,640	\$ 626,827	\$ 1,123,355	\$ 244,922	\$ 873,558	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	454,470	10,409	-	-	-	21,040	-
49,569	-	-	-	-	-	-	-
49,569	454,470	10,409	-	-	-	21,040	-
-	-	-	-	-	-	-	-
-	-	-	-	1,123,355	244,922	852,518	-
423,353	337,097	420,231	626,827	-	-	-	-
423,353	337,097	420,231	626,827	1,123,355	244,922	852,518	-
\$ 472,922	\$ 791,567	\$ 430,640	\$ 626,827	\$ 1,123,355	\$ 244,922	\$ 873,558	\$ -

Charter Township of Redford

Other Supplemental Information Combining Balance Sheet (Continued) Nonmajor Governmental Funds March 31, 2009

	Capital Projects Funds						Total Nonmajor Governmental Funds
	Road Improvement	Road Paving	Glendale Paving-Pinnacle	Lyndon 2 Paving- Shamrock	Marquee Renovation	Court Building Improvement	
Assets							
Cash and investments	\$ 261,131	\$ -	\$ -	\$ -	\$ -	\$ 2,094,667	\$ 9,137,786
Receivables - Net	646,605	-	-	-	-	-	1,196,321
Due from other funds	372,258	347	-	-	-	-	1,189,244
Due from component units	-	-	-	-	-	-	614,463
Due from other governmental units	-	-	-	-	-	27,223	57,092
Restricted assets	-	584,943	91,800	278,878	-	-	955,621
Total assets	\$ 1,279,994	\$ 585,290	\$ 91,800	\$ 278,878	\$ -	\$ 2,121,890	\$ 13,150,527
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 89,905	\$ -	\$ 4,544	\$ -	\$ -	\$ -	\$ 343,912
Accrued liabilities	-	-	-	-	-	-	78,010
Due to other funds	356,169	1,076,171	61	172,347	929,053	-	3,076,321
Deferred revenue	633,724	-	-	-	-	-	1,192,649
Total liabilities	1,079,798	1,076,171	4,605	172,347	929,053	-	4,690,892
Fund Balances							
Reserved	-	-	-	-	-	-	17,293
Unreserved:							
Designated	-	-	87,195	106,531	-	2,121,890	4,536,411
Undesignated	200,196	(490,881)	-	-	(929,053)	-	3,905,931
Total fund balances	200,196	(490,881)	87,195	106,531	(929,053)	2,121,890	8,459,635
Total liabilities and fund balances	\$ 1,279,994	\$ 585,290	\$ 91,800	\$ 278,878	\$ -	\$ 2,121,890	\$ 13,150,527

Charter Township of Redford

	Special Revenue Funds						
	Dial-A-Ride	Home Grant	Drug Law Enforcement	Solid Waste Management	911 Dispatch	Accrued General Employee Fund	Neighborhood Stabilization Act
Revenue							
Property taxes	\$ 149,889	\$ -	\$ -	\$ 3,594,601	\$ -	\$ -	\$ -
State sources	132,658	-	-	-	5,682	-	-
Federal sources	-	5,421	99,225	-	-	-	29,869
Charges for services	4,869	-	-	-	221,609	-	-
Special assessments	-	-	-	-	-	-	-
Fines and forfeitures	-	-	295,825	-	-	-	-
Interest income	-	-	39,394	-	7,364	-	-
Other	51,625	-	-	17,675	-	501,051	-
Total revenue	339,041	5,421	434,444	3,612,276	234,655	501,051	29,869
Expenditures							
Current:							
General government	-	-	-	-	-	503,050	-
Public safety	-	-	839,673	-	260,996	-	-
Public works	-	-	-	3,752,097	-	-	-
Health and welfare	344,881	-	-	-	-	-	-
Community and economic development	-	5,421	-	-	-	-	29,869
Capital outlay	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Total expenditures	344,881	5,421	839,673	3,752,097	260,996	503,050	29,869
Excess of Revenue Over (Under) Expenditures	(5,840)	-	(405,229)	(139,821)	(26,341)	(1,999)	-
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net Change in Fund Balances	(5,840)	-	(405,229)	(139,821)	(26,341)	(1,999)	-
Fund Balances - Beginning of year	63,319	-	1,475,252	1,948,974	325,980	101,159	-
Fund Balances - End of year	\$ 57,479	\$ -	\$ 1,070,023	\$ 1,809,153	\$ 299,639	\$ 99,160	\$ -

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and Changes
in Fund Balances (Deficit) - Nonmajor Governmental Funds
Year Ended March 31, 2009

Debt Service Funds				Capital Projects Funds			
Police Station	Road Paving Debt Service	Public Improvement Debt Service	Section 108 Loan Debt Service	Capital Improvement	Police Station	Drain	Public Improvement - Storm Water
\$ 432,131	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
14,174	2,712	210	-	-	6,071	16,246	4,786
-	249,948	290,686	365,600	-	-	-	-
446,305	252,660	290,896	365,600	-	6,071	16,246	4,786
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	234,003
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	82,750	-	-	-
573,250	298,058	347,823	-	-	-	-	-
573,250	298,058	347,823	-	82,750	-	-	234,003
(126,945)	(45,398)	(56,927)	365,600	(82,750)	6,071	16,246	(229,217)
-	143,888	463,211	261,227	-	-	-	10,000
-	(512,157)	-	-	-	-	-	-
-	(368,269)	463,211	261,227	-	-	-	10,000
(126,945)	(413,667)	406,284	626,827	(82,750)	6,071	16,246	(219,217)
550,298	750,764	13,947	-	1,206,105	238,851	836,272	219,217
\$ 423,353	\$ 337,097	\$ 420,231	\$ 626,827	\$ 1,123,355	\$ 244,922	\$ 852,518	\$ -

Charter Township of Redford

Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Deficit) - Nonmajor Governmental Funds (Continued) Year Ended March 31, 2009

	Capital Projects Funds						Total Nonmajor Governmental Funds
	Road Improvement	Road Paving	Glendale Paving-Pinnacle	Lyndon 2 Paving- Shamrock	Marquee Renovation	Court Building Improvement	
Revenue							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,176,621
State sources	-	-	-	-	-	-	138,340
Federal sources	-	-	-	-	-	-	134,515
Charges for services	-	-	-	-	-	-	226,478
Special assessments	110,877	-	-	-	-	-	110,877
Fines and forfeitures	-	-	-	-	-	378,579	674,404
Interest income	23,914	6,471	1,676	3,893	-	49,321	176,232
Other	43,079	-	-	-	-	-	1,519,664
Total revenue	177,870	6,471	1,676	3,893	-	427,900	7,157,131
Expenditures							
Current:							
General government	-	-	-	-	-	-	503,050
Public safety	-	-	-	-	-	-	1,100,669
Public works	-	-	44,987	-	-	-	4,031,087
Health and welfare	-	-	-	-	-	-	344,881
Community and economic development	-	-	-	-	-	-	35,290
Capital outlay	136	990,168	-	172,246	929,053	-	2,174,353
Debt service	-	-	-	-	-	54,124	1,273,255
Total expenditures	136	990,168	44,987	172,246	929,053	54,124	9,462,585
Excess of Revenue Over (Under) Expenditures	177,734	(983,697)	(43,311)	(168,353)	(929,053)	373,776	(2,305,454)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	878,326
Transfers out	(356,169)	-	-	-	-	-	(868,326)
Total other financing sources (uses)	(356,169)	-	-	-	-	-	10,000
Net Change in Fund Balances	(178,435)	(983,697)	(43,311)	(168,353)	(929,053)	373,776	(2,295,454)
Fund Balances - Beginning of year	378,631	492,816	130,506	274,884	-	1,748,114	10,755,089
Fund Balances - End of year	\$ 200,196	\$ (490,881)	\$ 87,195	\$ 106,531	\$ (929,053)	\$ 2,121,890	\$ 8,459,635

Charter Township of Redford

Other Supplemental Information Combining Statement of Net Assets Nonmajor Enterprise Funds March 31, 2009

	Indoor Ice Rink	Golf Course	Protective Inspection	Total Nonmajor Enterprise Funds
Assets				
Current assets:				
Cash and investments	\$ -	\$ 85,455	\$ 127,447	\$ 212,902
Receivables - Net	-	-	23,665	23,665
Due from component units	-	13,718	-	13,718
Inventories and other assets	-	10,484	-	10,484
Total current assets	-	109,657	151,112	260,769
Noncurrent assets:				
Unamortized bond issuance costs	-	12,885	-	12,885
Capital assets	-	3,016,416	-	3,016,416
Unamortized goodwill	-	35,920	-	35,920
Total noncurrent assets	-	3,065,221	-	3,065,221
Total assets	-	3,174,878	151,112	3,325,990
Liabilities				
Current liabilities:				
Accounts payable	-	39,211	727	39,938
Accrued liabilities	-	10,378	6,680	17,058
Due to other funds	-	126,860	-	126,860
Other liabilities and advances	-	60	-	60
Current portion of long-term debt	-	194,346	-	194,346
Total current liabilities	-	370,855	7,407	378,262
Noncurrent liabilities:				
Provision for compensated absences	-	-	142,013	142,013
Long-term debt - Net of current portion	-	6,563	-	6,563
Total noncurrent liabilities	-	6,563	142,013	148,576
Total liabilities	-	377,418	149,420	526,838
Net Assets				
Investment in capital assets - Net of related debt	-	2,815,507	-	2,815,507
Unrestricted	-	(18,047)	1,692	(16,355)
Total net assets	<u>\$ -</u>	<u>\$ 2,797,460</u>	<u>\$ 1,692</u>	<u>\$ 2,799,152</u>

Charter Township of Redford

Other Supplemental Information Combining Statement of Revenue, Expenses, and Changes in Net Assets Nonmajor Enterprise Funds Year Ended March 31, 2009

	Indoor Ice Rink	Golf Course	Protective Inspection	Total Nonmajor Enterprise Funds
Operating Revenue				
Charges for services	\$ -	\$ 1,278,399	\$ -	\$ 1,278,399
Permits	-	-	620,491	620,491
Total operating revenue	-	1,278,399	620,491	1,898,890
Operating Expenses				
General and administrative costs	-	1,120,680	765,471	1,886,151
Depreciation and amortization	-	310,349	-	310,349
Total operating expenses	-	1,431,029	765,471	2,196,500
Operating Loss	-	(152,630)	(144,980)	(297,610)
Nonoperating Revenue (Expense)				
Interest income	-	5,115	-	5,115
Interest expense	-	(7,546)	-	(7,546)
Loss on disposal of assets	-	(6,702)	-	(6,702)
Total nonoperating expense	-	(9,133)	-	(9,133)
Other Financing Sources (Uses)				
Transfers in	6,324	-	128,891	135,215
Transfers out	(325,862)	-	-	(325,862)
Total other financing sources (uses)	(319,538)	-	128,891	(190,647)
Change in Net Assets	(319,538)	(161,763)	(16,089)	(497,390)
Net Assets - Beginning of year	319,538	2,959,223	17,781	3,296,542
Net Assets - End of year	<u>\$ -</u>	<u>\$ 2,797,460</u>	<u>\$ 1,692</u>	<u>\$ 2,799,152</u>

Charter Township of Redford

Other Supplemental Information Combining Statement of Cash Flows Nonmajor Enterprise Funds Year Ended March 31, 2009

	Indoor Ice Rink	Golf Course	Protective Inspection	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities				
Receipts from customers	\$ 4,000	\$ 1,278,399	\$ 626,976	\$ 1,909,375
Payments to suppliers	-	(1,085,728)	(80,058)	(1,165,786)
Payments to employees	-	-	(759,685)	(759,685)
Internal activity	(35,354)	(1,125)	(10,000)	(46,479)
Net cash provided by (used in) operating activities	(31,354)	191,546	(222,767)	(62,575)
Cash Flows from Noncapital and Related Financing Activities -				
Transfers from other funds	-	-	128,891	128,891
Cash Flows from Capital and Related Financing Activities				
Proceeds from sale of assets	-	4,339	-	4,339
Purchase of capital assets	-	(181,447)	-	(181,447)
Principal and interest paid on capital debt	-	(192,863)	-	(192,863)
Net cash used in capital and related financing activities	-	(369,971)	-	(369,971)
Cash Flows from Investing Activities - Interest received on investments	-	5,115	-	5,115
Net Decrease in Cash and Cash Equivalents	(31,354)	(173,310)	(93,876)	(298,540)
Cash and Cash Equivalents - Beginning of year	31,354	258,765	221,323	511,442
Cash and Cash Equivalents - End of year	<u>\$ -</u>	<u>\$ 85,455</u>	<u>\$ 127,447</u>	<u>\$ 212,902</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities				
Operating loss	\$ -	\$ (152,630)	\$ (144,980)	\$ (297,610)
Adjustments to reconcile operating loss to net cash from operating activities:				
Depreciation and amortization	-	310,349	-	310,349
Changes in assets and liabilities:				
Receivables	4,000	-	6,485	10,485
Inventory and other assets	-	3,176	-	3,176
Accounts payable	-	31,321	(517)	30,804
Accrued and other liabilities	-	455	(73,755)	(73,300)
Due to other funds	(35,354)	(1,125)	(10,000)	(46,479)
Net cash provided by (used in) operating activities	<u>\$ (31,354)</u>	<u>\$ 191,546</u>	<u>\$ (222,767)</u>	<u>\$ (62,575)</u>

Noncash Investing, Capital, and Financing Activities - During the year ended March 31, 2009, the Indoor Ice Rink Fund closed and transferred all capital assets to the governmental funds with a net book value of \$325,862. There were no other significant noncash activities.

Charter Township of Redford

Other Supplemental Information Combining Statement of Net Assets Pension and Other Employee Benefit Trust Funds March 31, 2009

	Pension Trust Fund	Police and Fire OPEB Trust Fund	General Employee OPEB Trust Fund	Total
Assets				
Cash and cash equivalents	\$ 4,622,993	\$ 2,242,775	\$ 271,015	\$ 7,136,783
Investments:				
Corporate bonds	11,039,899	-	-	11,039,899
U.S. government securities	8,692,790	-	-	8,692,790
Common and preferred stock	20,678,102	-	-	20,678,102
Foreign securities	5,562,305	-	-	5,562,305
Receivables:				
Accrued interest	286,813	-	-	286,813
Due from other governmental units	78,026	-	-	78,026
Total assets	50,960,928	2,242,775	271,015	53,474,718
Liabilities				
Accounts payable	4,627	-	-	4,627
Due to other governmental units	-	143,595	1,125	144,720
Total liabilities	4,627	143,595	1,125	149,347
Net Assets - Held in trust	<u>\$ 50,956,301</u>	<u>\$ 2,099,180</u>	<u>\$ 269,890</u>	<u>\$ 53,325,371</u>

Charter Township of Redford

Other Supplemental Information Combining Statement of Changes in Net Assets Pension and Other Employee Benefit Trust Funds Year Ended March 31, 2009

	Pension Trust Fund	Police and Fire OPEB Trust Fund	General Employees' OPEB Trust Fund	Total
Additions				
Investment income:				
Interest and dividends	\$ 2,285,597	\$ 16,415	\$ 2,994	\$ 2,305,006
Net depreciation in fair value of investments	(16,178,925)	-	-	(16,178,925)
Investment expenses	(361,706)	-	-	(361,706)
Net investment income (loss)	(14,255,034)	16,415	2,994	(14,235,625)
Contributions	3,205,683	2,094,693	1,969,571	7,269,947
Refunds and rebates	-	83,138	68,021	151,159
Total additions - Net	(11,049,351)	2,194,246	2,040,586	(6,814,519)
Deductions				
Benefit payments	5,058,022	1,989,758	1,770,696	8,818,476
Refunds and withdrawals	378,784	-	-	378,784
Administrative expenses	130,484	-	-	130,484
Total deductions	5,567,290	1,989,758	1,770,696	9,327,744
Net Increase (Decrease)	(16,616,641)	204,488	269,890	(16,142,263)
Transfers In (Out)				
Transfers in	-	1,894,692	-	1,894,692
Transfers out	(1,894,692)	-	-	(1,894,692)
Total transfers in (out)	(1,894,692)	1,894,692	-	-
Change in Net Assets	(18,511,333)	2,099,180	269,890	(16,142,263)
Net Assets Held in Trust				
Beginning of year	69,467,634	-	-	69,467,634
End of year	<u>\$ 50,956,301</u>	<u>\$ 2,099,180</u>	<u>\$ 269,890</u>	<u>\$ 53,325,371</u>

Charter Township of Redford

Other Supplemental Information Combining Statement of Net Assets Internal Service Funds March 31, 2009

	Internal Service Fund	Vehicle Maintenance Internal Service Fund	Total Internal Service Funds
Assets - Current			
Cash and investments	\$ 4,379,019	\$ -	\$ 4,379,019
Due from other funds	130,000	152,000	282,000
Deposits	611,651	-	611,651
Total assets	5,120,670	152,000	5,272,670
Liabilities - Current			
Accounts payable	-	4,390	4,390
Accrued liabilities	-	6,462	6,462
Due to other funds	-	141,148	141,148
Other liabilities and advances	1,866,016	-	1,866,016
Total liabilities	1,866,016	152,000	2,018,016
Net Assets - Unrestricted	\$ 3,254,654	\$ -	\$ 3,254,654

Charter Township of Redford

Other Supplemental Information Combining Statement of Revenue, Expenses, and Changes in Net Assets Internal Service Funds Year Ended March 31, 2009

	Internal Service Fund	Vehicle Maintenance Internal Service Fund	Total Internal Service Funds
Operating Revenue			
Charges for services	\$ -	\$ 232,349	\$ 232,349
Township contributions	5,369,903	-	5,369,903
	<u>5,369,903</u>	<u>-</u>	<u>5,369,903</u>
Total operating revenue	5,369,903	232,349	5,602,252
Operating Expenses			
General and administrative costs	-	232,349	232,349
Benefit payments, reinsurance charges, and claim administration	5,611,216	-	5,611,216
	<u>5,611,216</u>	<u>-</u>	<u>5,611,216</u>
Total operating expenses	<u>5,611,216</u>	<u>232,349</u>	<u>5,843,565</u>
Operating Loss/Change in Net Assets	(241,313)	-	(241,313)
Net Assets - Beginning of year	<u>3,495,967</u>	<u>-</u>	<u>3,495,967</u>
Net Assets - End of year	<u><u>\$ 3,254,654</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,254,654</u></u>

Charter Township of Redford

Other Supplemental Information Combining Statement of Cash Flows Internal Service Funds Year Ended March 31, 2009

	Internal Service Fund	Vehicle Maintenance Internal Service Fund	Total Internal Service Funds
Cash Flows from Operating Activities			
Internal activity - Payments from other funds	\$ 5,127,903	\$ 227,342	\$ 5,355,245
Payments to suppliers	-	(47,473)	(47,473)
Payments to employees	-	(184,481)	(184,481)
Claims paid	(6,014,667)	-	(6,014,667)
Net cash used in operating activities	(886,764)	(4,612)	(891,376)
Cash and Cash Equivalents - Beginning of year	5,265,783	4,612	5,270,395
Cash and Cash Equivalents - End of year	\$ 4,379,019	\$ -	\$ 4,379,019
Reconciliation of Operating Loss to Net Cash from Operating Activities			
Operating loss	\$ (241,313)	\$ -	\$ (241,313)
Adjustments to reconcile operating loss to net cash from operating activities - Changes in assets and liabilities:			
Due from other funds	118,000	(30,000)	88,000
Deposits	(119,888)	-	(119,888)
Accounts payable	-	1,062	1,062
Accrued and other liabilities	(283,563)	(667)	(284,230)
Due to other funds	(360,000)	24,993	(335,007)
Net cash used in operating activities	\$ (886,764)	\$ (4,612)	\$ (891,376)

There were no significant noncash investing, capital, or financing activities during the year ended March 31, 2009.