

**Charter Township of Plymouth  
Wayne County, Michigan**

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**Comprehensive Annual Financial Report  
for the Fiscal Year Ended  
December 31, 2004**

# Charter Township of Plymouth

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# Charter Township of Plymouth

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June 5, 2005

To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

The Comprehensive Annual Financial Report of the Charter Township of Plymouth for the fiscal year ended December 31, 2004 is hereby submitted.

Responsibility for the accuracy, completeness, and fairness of the financial data herein, including all disclosures, rests with the Charter Township of Plymouth.

All funds, account groups, and component units of the Township are included in this report. These funds include the General, Special Revenue, Enterprise, and Fiduciary Funds; under account groups, it includes the General Fixed Assets and General Long-term Debt Account Groups, and under component units, it includes the Economic Development Authority, Brownfield Redevelopment Authority, and Downtown Development Authority.

### **Report Format**

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical.

The introductory section includes the table of contents, this transmittal letter, an organizational chart of Plymouth Township, a list of the Township's principal officials, and a fund organization chart.

The financial section includes the auditor's opinion from the accounting firm of Plante & Moran, PLLC, which performed an independent audit of the Charter Township of Plymouth. It also includes a management's discussion and analysis, basic financial statements, the notes to the financial statements, and additional information regarding the funds of the Township.

The statistical section includes selected financial and general information presented on a multiyear comparative basis.

To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

June 5, 2005

## **The Charter Township of Plymouth**

The Charter Township of Plymouth, located in western Wayne County in southeastern Michigan along the high technology corridor of I-275 and M-14, finds itself strategically situated approximately halfway between downtown Detroit and Ann Arbor. Plymouth Township prides itself with having one of the lowest overall tax rates in southeastern Michigan while providing necessary quality of life services, which citizens and businesses desire and demand.

Enhancing Plymouth Township's position close to the technology and research centers in Ann Arbor is recent census data provided by the United States Census Bureau designating Plymouth Township as having the highest income neighborhoods in all of Wayne County, Michigan. This, along with the educational level of community residents, provides a stabilizing influence, helping to define quality of life.

While most communities have experienced tough economic times since September 11, 2001, Plymouth Township has continued to provide necessary services to the community without any reductions. This is primarily due to the fact that Township staffing levels are below the average of surrounding communities.

### **Public Facilities**

The Township opened the Lake Pointe Soccer Park on June 8, 2004. The park has been well received by Township residents and visitors from around the state.

The Township continued with its plan to build a new township hall and police and fire facilities. A project that started in 2000 saw the hiring of the architect and construction manager during 2004 and completion of the site plan and elevations. The facilities are expected to open in 2006.

### **Budgeting and Accounting Systems**

The Charter Township of Plymouth Board of Trustees adopts an annual budget in accordance with the State of Michigan Uniform Budgeting Act, P.A. 621 of 1978. The Township's fiscal year is January through December. The annual budget is adopted each October for the subsequent year. The Township Board of Trustees adopts appropriations on an activity basis. Michigan law requires expenditures to be within budget at this level. Unexpended appropriations lapse at year end. The Township Board of Trustees must approve all budget amendments made throughout the year.

To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

June 5, 2005

In maintaining and improving the Township's accounting and financial reporting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) reliability of financial records for preparing financial statements and maintaining accountability of Township assets. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived and (2) the valuation of the costs and benefits requires estimates and judgments by management. Internal accounting controls will not provide absolute assurance.

### **General Fund**

The General Fund accounts for all the ordinary activities of the Township that are not accounted for in another fund. Revenues for the General Fund come from state-shared revenue, general property taxes, fees, and other sources.

### **Special Revenue Funds**

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The Charter Township of Plymouth has two Special Revenue Funds that are accounted for separately. The two funds are the 911 Communications Fund and the Improvement Revolving Fund. Explanations of the two funds are as follows:

#### **911 Communications Funds**

This fund accounts for 911 revenues and expenditures relating to a utility surcharge that is imposed on telephone customers. Funds are collected by the Conference of Western Wayne, of which the Charter Township of Plymouth is a member, and are disbursed to the Township on a monthly basis. Expenditures of these funds are restricted to qualifying expenses as defined by the State of Michigan.

#### **Improvement Revolving Fund**

This fund accounts for revenues and expenditures for certain capital improvements requiring separate accounting and financing.

### **Enterprise Funds**

#### **Water and Sewer Fund**

This fund accounts for the operations for providing water and sewer service 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. The Water and Sewer Fund employs 11 full-time employees and one part-time employee.

To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

June 5, 2005

## **Enterprise Funds (Continued)**

### **Solid Waste Disposal Fund**

This fund accounts for the operations providing solid waste services (trash pickup and household hazardous waste disposal) to the citizens of the Township. The fund's primary revenues are generated through user charges from those requesting solid waste services. As of December 31, 2004, the annual charge for solid waste services is \$144.00 per household.

### **Special Assessments Fund**

This fund accounts for revenues and expenses for certain special assessments (road pavings and sidewalk repairs) requiring separate accounting and financing.

### **Fiduciary Funds**

Agency Funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Charter Township of Plymouth has two of these types of funds: the Agency Fund and the Tax Collection Fund.

### **Components Units**

Included in the financial statements of the Charter Township of Plymouth are three discretely presented component units: the Economic Development Corporation (EDC), the Brownfield Redevelopment Authority (BRDA), and the Downtown Development Authority (DDA). The EDC assists businesses with the financing of industrial construction projects. The Brownfield Redevelopment Authority captures tax revenues to assist in environmental cleanups of properties. The DDA captures tax revenues that are used to fund improvements to the downtown area along Ann Arbor Road.

### **Cash Management**

The Township's investment policy includes the legal requirements for municipalities covered under Michigan Public Act No. 20 of 1943, as amended in December 1997. We maximize the use of funds and ultimately try to increase the return on our dollars while minimizing risk. Investments are placed with institutions that are deemed to provide minimal risk to Township assets. Our investment portfolio currently consists of authorized pooled funds and money market funds, in compliance with the Township's investment policy and Public Act 20, as amended.

To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

June 5, 2005

### **Risk Management**

The Charter Township of Plymouth is a member of the Michigan Municipal Risk Management Authority (MMRMA). The MMRMA is a self-insured association with a membership of approximately 315 State of Michigan local governmental units. It provides risk management, claims administration, legal defense, and reinsurance services for its members. As a member of MMRMA, the Township has liability coverage of up to \$15,000,000 per occurrence. Our self-insured retention for liability is \$75,000 per occurrence. We are actively involved in risk control through supervisory and employee training, facilities inspections, and utilization of the MMRMA Risk Control Staff.

### **Independent Audit**

As required by State of Michigan law, an annual audit of the Township's accounts and financial statements has been completed by the Township's independent certified public accountants, Plante & Moran, PLLC. They have given the Township an "unqualified opinion," which is the very best opinion an organization can receive on its financial statements. Their report is included in this report.

### **Awards and Recognition**

Plymouth Township continues to demonstrate financial responsibility. For the second year in a row, Plymouth Township has achieved national recognition from the Government Finance Officers Association (GFOA). The Certificate of Achievement for Excellence in Financial Reporting was awarded to Plymouth Township for their 2003 Comprehensive Annual Financial Report. This is the highest form of recognition a community can receive for its financial reporting.

Plymouth Township was also recognized by Money Magazine (January 2004) as one of the most desirable places to live in America.



To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

June 5, 2005

### **Acknowledgments**

The preparation of the third Comprehensive Annual Financial Report was made possible by the dedicated service of Deputy Treasurer Amy Hammye. Appreciation is also expressed to Supervisor Richard Reaume (former supervisor), Trustee Steve Mann, Clerk Marilyn Massengill, Public Services Manager Tony Hollis, Information Services Manager Bob Janks, Administrative Assistant Carol Pyykkonen, and Human Resource Director Joann Coobatis for their contributions and assistance during the preparation of this report. They have our sincere appreciation for assisting in this effort.

Sincerely,

A handwritten signature in black ink that reads "Ron Edwards". The signature is written in a cursive style with a large, looping initial "R".

Ron Edwards  
Treasurer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Charter Township of Canton,  
Michigan

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

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



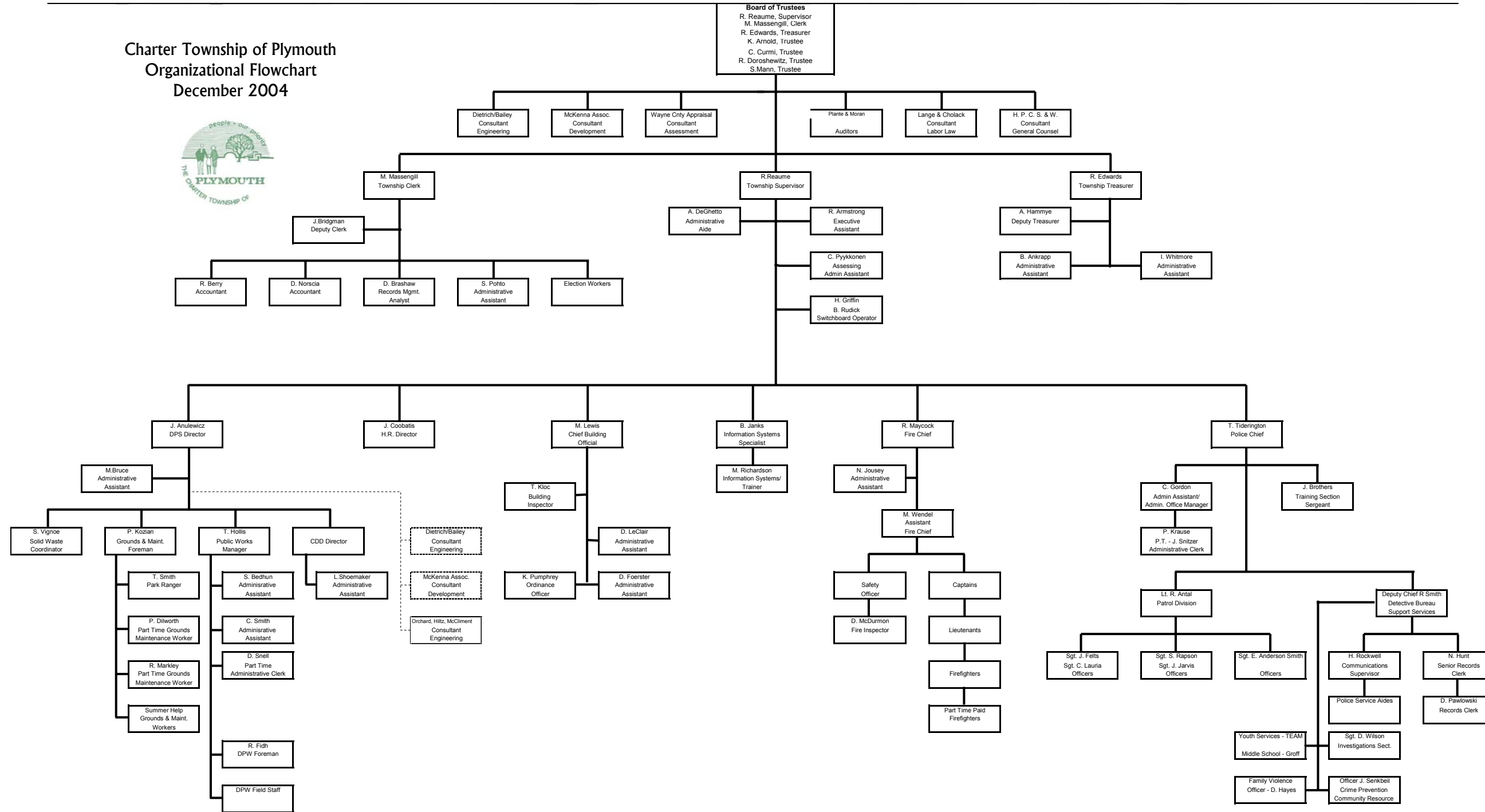
*Nancy L. Ziehl*

President

*Jeffrey R. Emer*

Executive Director

Charter Township of Plymouth  
Organizational Flowchart  
December 2004



# Charter Township of Plymouth

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## List of Principal Officials

### Supervisor's Office

Supervisor  
Human Resource Director

Richard Reaume  
Joann Coobatis

### Clerk's Office

Clerk  
Deputy Clerk

Marilyn Massengill  
Joseph Bridgman

### Treasurer's Office

Treasurer  
Deputy Treasurer

Ron Edwards  
Amy Hammye

### Building Department

Mark Lewis

### Fire Department

Fire Chief  
Assistant Fire Chief  
Fire Marshal  
Emergency Manager

Randolph Maycock  
Mark Wendel  
Don McDurmon  
Don McDurmon

### Information Services

Robert Janks

### Public Services Division

Director  
Department of Public Works and Parks  
Solid Waste/Recreation Coordinator

James D. Anulewicz  
Tony Hollis  
Susan Vignoe

### Police Department

Police Chief  
Police Deputy Chief

Thomas Tiderington  
Robert Smith

# Charter Township of Plymouth

## Summary of Personnel Positions December 31, 2004

|                                      | <u>Full-time</u>  | <u>Part-time</u> |
|--------------------------------------|-------------------|------------------|
| <b>Supervisor's Office</b>           | 3                 | -                |
| <b>Human Resources</b>               | 1                 | -                |
| <b>Information Services</b>          | 2                 | 2                |
| <b>Assessing</b>                     | 1                 | -                |
| <b>Clerk's Office</b>                | 6                 | 1                |
| <b>Treasurer's Office</b>            | 3                 | 1                |
| <b>Building Department</b>           |                   |                  |
| Official's Office                    | 3                 | -                |
| Ordinance/Inspections                | 1                 | -                |
| Facility Maintenance                 | 1                 | -                |
| <b>Department of Public Services</b> |                   |                  |
| Director's Office                    | 2                 | -                |
| Waste Management                     | 1                 | -                |
| Community Development                | 1                 | -                |
| Public Works                         | 10                | 1                |
| Parks                                | 2                 | 2                |
| <b>Public Safety</b>                 |                   |                  |
| Fire                                 | 31                | 7                |
| Police                               | <u>46</u>         | <u>1</u>         |
| <b>Total employees</b>               | <u><u>114</u></u> | <u><u>15</u></u> |

# Charter Township of Plymouth

## Labor Agreements December 31, 2004

| Bargaining Unit   | Expiration Date | Number of Employees |
|---|-----------------|---------------------|
| <b>Command Officers Association of Michigan -</b><br>Sergeants  | 12/31/05        | 7                   |
| <b>Police Officers Association of Michigan -</b><br>Represents police officers and dispatchers  | 12/31/02        | 32                  |
| <b>International Association of Firefighters -</b><br>Represents firefighters   | 3/31/2006       | 28                  |
| <b>American Federation of State, County, and<br/>Municipal Employees -</b><br>Represents administrative assistant,<br>facilities maintenance employees,<br>building inspectors, and ordinance<br>officers | 12/31/04        | 31                  |
| <b>Teamsters -</b> Represents public works employees  | 12/31/06        | 6                   |
| Total   |                 | <u><u>104</u></u>   |

# Charter Township of Plymouth

## Fund Organization Chart December 31, 2004 (Unaudited)

| <u>Fund Name</u>                                | <u>Fund Number</u> |
|---|--------------------|
| <b>Governmental Funds</b>                       |                    |
| General Fund                                    | 101                |
| Special Revenue Funds:                          |                    |
| 911 Service                                     | 211                |
| Improvement Revolving                           | 246                |
| Drug Forfeiture                                 | 265                |
| <b>Proprietary Funds - Enterprise Funds</b>     |                    |
| Solid Waste Disposal                            | 226                |
| Water and Sewer                                 | 592                |
| Special Assessment District                     | 805                |
| <b>Fiduciary Funds - Trust and Agency Funds</b> |                    |
| Trust and Agency                                | 701                |
| Tax Collections                                 | 703                |



**Plante & Moran, PLLC**  
27400 Northwestern Highway  
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Southfield, MI 48037-0307  
Tel: 248.352.2500  
Fax: 248.352.0018  
plantemoran.com

## Independent Auditor's Report

To the Board of Trustees  
Charter Township of Plymouth  
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 Plymouth as of and for the year ended December 31, 2004, 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 Plymouth's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Plymouth as of December 31, 2004 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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





To the Board of Trustees  
Charter Township of Plymouth  
Wayne County, Michigan

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Plymouth's basic financial statements. The accompanying introductory section, other supplemental information, and statistical section, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The combining balance sheets and combining statements of revenue, expenditures, and changes in fund balance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, Drug Forfeiture Fund budgetary comparison schedule, and statistical section have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Plante & Moran, PLLC*

April 22, 2005

# Charter Township of Plymouth

## Management's Discussion and Analysis

The Charter Township of Plymouth's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Township's financial activity, (3) identify changes in the Township's financial position, (4) identify any material deviations from the approved budget, and (5) identify individual fund issues or concerns.

The management's discussion and analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. Please read it in conjunction with the transmittal letter and 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 December 31, 2004:

- Property taxes, our largest revenue source, increased by approximately \$82,000 this year. The slight increase is due to the rate of inflation factor under state law. The continuation of commercial properties disputing their taxable values and having them reduced has affected property tax revenue.
- State-shared revenue, our second largest revenue source, was reduced by the State of Michigan by approximately \$121,000 this year. The cumulative effect since 2002 is approximately \$2,000,000 in lost revenue.
- Contributions from the City of Plymouth for fire and dispatch services were increased by \$12,597 this year. This represents an increase of approximately 1.1 percent from 2003.
- Fines and forfeits - District Court revenue was reduced by \$89,101. This is attributed to an additional full-time judge in 2003. The cumulative effect since 2002 is approximately \$174,000. This is attributed to an additional full-time judge for the 35th District Court.
- Total General Fund expenditures and financing sources increased by just \$2,035,233. The transfer of approximately \$1,586,000 to purchase the land for the new Town hall facilities was the major contributor to the increase.
- Water and sewer operating income is \$91,167. The Township will not seek a rate increase for the upcoming year due to the positive results achieved. The Township will have to adjust connection fees due to infrastructure costs.
- Total net assets related to the Township's governmental activities decreased by approximately \$1,340,000. For the most part, this was a result of the revenue decreases described above and increased expenses including depreciation on general fixed assets, which is not a cash outlay and was funded by our taxpayers at the time of purchase, rather than as the assets are being used.

# **Charter Township of Plymouth**

## **Management's Discussion and Analysis (Continued)**

- The Township received a credit rating of AA from Standards and Poor's. This was the first time that Standard and Poor's issued a rating for the Township.
- The Township received a Certificate of Achievement for Excellence in Financial Reporting for their 2003 Comprehensive Annual Financial Report. This is the highest achievement a governmental unit is awarded.

### **Township Highlights**

- The Township retained Johnson Controls headquarters which were planned to be moved to Salem Township.
- The Township opened Lake Pointe Soccer Park on June 8, 2004.
- The Township continued to expand Friendship Station Senior Center. Expansion of the facility was approved in 2004 and completion is expected by July 2005. Community Block Grant funds are being utilized for the expansion.
- The Township continued construction of sidewalks in the community to connect neighborhoods. The sidewalks have proven to be a valuable addition to the community, allowing residents and visitors to move around the Township safely.
- The DDA improvements on Ann Arbor Road from Eckles to just west of Haggerty started in the fall and should be completed by summer 2005. The improvements, with an approximate cost of \$1,500,000, are being funded by a grant and DDA tax capture.

### **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.

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.

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

### Governmental Activities

The following tables show, in a condensed format, the current year's net assets and changes in net assets, compared to the prior year (in thousands of dollars):

|                              | 2003                 | 2004                 | Change from Prior Year |         |
|------------------------------|----------------------|----------------------|------------------------|---------|
|                              |                      |                      | in Dollars             | Percent |
| <b>Assets</b>                |                      |                      |                        |         |
| Current assets               | \$ 14,579,000        | \$ 18,563,000        | \$ 3,984,000           | 27      |
| Noncurrent assets            | <u>10,494,000</u>    | <u>12,383,000</u>    | <u>1,889,000</u>       | 18      |
| Total assets                 | 25,073,000           | 30,946,000           | 5,873,000              | 23      |
| <b>Liabilities</b>           |                      |                      |                        |         |
| Current liabilities          | 7,409,000            | 8,700,000            | 1,291,000              | 17      |
| Long-term liabilities        | <u>1,973,000</u>     | <u>7,896,000</u>     | <u>5,923,000</u>       | 300     |
| Total liabilities            | <u>9,382,000</u>     | <u>16,596,000</u>    | <u>7,214,000</u>       | 77      |
| <b>Net Assets</b>            |                      |                      |                        |         |
| Invested in capital assets - |                      |                      |                        |         |
| Net of related debt          | 8,379,000            | 8,342,000            | (37,000)               | -       |
| Restricted                   | 51,000               | 49,000               | (2,000)                | (4)     |
| Unrestricted                 | <u>7,261,000</u>     | <u>5,959,000</u>     | <u>(1,302,000)</u>     | (18)    |
| Total net assets             | <u>\$ 15,691,000</u> | <u>\$ 14,350,000</u> | <u>\$ (1,341,000)</u>  | (9)     |

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

|                                    | 2003                | 2004                  | Change from Prior Year |         |
|------------------------------------|---------------------|-----------------------|------------------------|---------|
|                                    |                     |                       | in Dollars             | Percent |
| <b>Revenue</b>                     |                     |                       |                        |         |
| Program revenue:                   |                     |                       |                        |         |
| Charges for services               | \$ 2,681,000        | \$ 2,864,000          | \$ 183,000             | 7       |
| Operating grants and contributions | 425,000             | 316,000               | (109,000)              | (26)    |
| Capital grants and contributions   | 22,000              | 66,000                | 44,000                 | 200     |
| General revenue:                   |                     |                       |                        |         |
| Property taxes                     | 5,560,000           | 5,642,000             | 82,000                 | 1       |
| State-shared revenues              | 2,170,000           | 2,049,000             | (121,000)              | (6)     |
| Investment earnings                | 309,000             | 278,000               | (31,000)               | (10)    |
| Cable franchise fees               | 284,000             | 295,000               | 11,000                 | 4       |
| Golf course fees                   | 350,000             | 350,000               | -                      | -       |
| Total revenue                      | 11,801,000          | 11,860,000            | 59,000                 | -       |
| <b>Program Expenses</b>            |                     |                       |                        |         |
| General government                 | 2,114,000           | 2,438,000             | 324,000                | 15      |
| Public safety                      | 7,853,000           | 8,335,000             | 482,000                | 6       |
| Building inspections               | 610,000             | 617,000               | 7,000                  | 1       |
| Planning and zoning                | 493,000             | 455,000               | (38,000)               | (8)     |
| Public works                       | 676,000             | 665,000               | (11,000)               | (2)     |
| Community services                 | 164,000             | 84,000                | (80,000)               | (49)    |
| Parks                              | 335,000             | 401,000               | 66,000                 | 20      |
| Interest on long-term debt         | 46,000              | 205,000               | 159,000                | 346     |
| Total program expenses             | 12,291,000          | 13,200,000            | 909,000                | 7       |
| <b>Change in Net Assets</b>        | <b>\$ (490,000)</b> | <b>\$ (1,340,000)</b> | <b>\$ (850,000)</b>    |         |

The Township's total governmental revenues increased by approximately \$59,000. The slight increase is attributable to charges for services.

Expenses increased by 7.4 percent during the year, which is approximately \$909,000. Increases in health care and wages were attributable to the increase.

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

### Business-type Activities

The Township's business-type activities consist of the Water and Sewer Fund, Solid Waste Disposal Fund, and Special Assessment Fund. We provide water to residents from the Detroit Water System. We provide sewage treatment through the Western Townships Utilities Authority, which collects sewage, equalizes it, and sends it to both the Detroit sewage treatment plant and the Ypsilanti Community Utilities Authority sewage treatment plant. The Special Assessment Fund was created to account for revenues and expenses for certain special assessments (road pavings and sidewalk repairs) requiring separate accounting and financing.

The following tables show, in a condensed format, the current year's net assets and changes in net assets, compared to the prior year (in thousands of dollars):

|                              | 2003                 | 2004                 | Change from Prior Year |         |
|------------------------------|----------------------|----------------------|------------------------|---------|
|                              |                      |                      | in Dollars             | Percent |
| <b>Assets</b>                |                      |                      |                        |         |
| Current assets               | \$ 13,896,000        | \$ 15,396,000        | \$ 1,500,000           | 11      |
| Investment in joint venture  | 38,512,000           | 38,763,000           | 251,000                | 1       |
| Capital assets               | <u>33,834,000</u>    | <u>33,297,000</u>    | <u>(537,000)</u>       | (2)     |
| Total assets                 | 86,242,000           | 87,456,000           | 1,214,000              | 1       |
| <b>Liabilities</b>           |                      |                      |                        |         |
| Current liabilities          | 1,189,000            | 2,512,000            | 1,323,000              | 111     |
| Long-term liabilities        | <u>35,203,000</u>    | <u>33,981,000</u>    | <u>(1,222,000)</u>     | (3)     |
| Total liabilities            | <u>36,392,000</u>    | <u>36,493,000</u>    | <u>101,000</u>         | -       |
| <b>Net Assets</b>            |                      |                      |                        |         |
| Invested in capital assets - |                      |                      |                        |         |
| Net of related debt          | 33,834,000           | 33,297,000           | (537,000)              | (2)     |
| Unrestricted                 | <u>16,016,000</u>    | <u>17,666,000</u>    | <u>1,650,000</u>       | 10      |
| Total net assets             | <u>\$ 49,850,000</u> | <u>\$ 50,963,000</u> | <u>\$ 1,113,000</u>    | 2       |

# Charter Township of Plymouth

## Management's Discussion and Analysis (Continued)

|                                 | 2003              | 2004                | Change from Prior Year |           |
|---------------------------------|-------------------|---------------------|------------------------|-----------|
|                                 |                   |                     | in Dollars             | Percent   |
| Operating revenues:             |                   |                     |                        |           |
| Water and sewer                 | \$ 7,490,000      | \$ 7,409,000        | \$ (81,000)            | (1)       |
| Rubbish                         | 1,004,000         | 1,104,000           | 100,000                | 10        |
| Special assessments             | -                 | 368,000             | 368,000                |           |
| Operating expenses:             |                   |                     |                        |           |
| Water and sewer                 | 7,404,000         | 7,319,000           | (85,000)               | (1)       |
| Rubbish                         | 1,136,000         | 1,169,000           | 33,000                 | 3         |
| Special assessments             | -                 | 358,000             | 358,000                |           |
| Operating income                | (46,000)          | 35,000              | 81,000                 |           |
| Meter charges                   | 1,234,000         | 1,250,000           | 16,000                 | 1         |
| Investment income               | 161,000           | 240,000             | 79,000                 | 49        |
| Interest expense                | (1,764,000)       | (1,907,000)         | (143,000)              | 8         |
| Benefit fees                    | 717,000           | 1,033,000           | 316,000                | 44        |
| Lines constructed by developers | 640,000           | 462,000             | (178,000)              | (28)      |
| <b>Change in Net Assets</b>     | <b>\$ 942,000</b> | <b>\$ 1,113,000</b> | <b>\$ 171,000</b>      | <b>18</b> |

In 2004, water used per customer was approximately the same as the prior year, resulting in a slight decrease in revenue due to 2003 rate reduction. However, the Township's operating expenses continued to be consistent with the prior year. As a result, the Water and Sewer Fund reported operating income of approximately \$91,000.

### The Township's Funds

Our analysis of the Township's major funds begins on page 14, following the government-wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Township's major funds for 2004 include the General Fund, the Improvement Revolving Fund, the Water and Sewer Fund, and the Solid Waste Fund.

### **Governmental Funds**

#### General Fund Budgetary Highlights

Over the course of the year, the Township amended the budget to take into account events during the year. The most significant change was an increase in operating transfers of approximately \$1,586,000 to purchase land. Township departments overall stayed below budget, resulting in total expenditures of \$14,159,992, which was \$428,606 below budget.

# **Charter Township of Plymouth**

## **Management's Discussion and Analysis (Continued)**

### **Improvement Revolving Highlights**

The deficit in the Improvement Revolving Fund was eliminated during the year. The Township amended the budget during the year due to construction of the Township Hall facilities.

### **Business-type Funds**

#### **Water and Sewer Fund**

The Water and Sewer Fund experienced a \$1,168,785 increase in net assets. The increase is primarily due to (1) capital contributions and (2) effective maintenance programs established by the Township.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

As of the year end, the Township had approximately \$44,895,000 invested in a variety of capital assets, including buildings, fire and police equipment, and water and sewer lines. This represents a net increase (additions less retirements and depreciation) of \$1,352,630, with the major addition being the purchase of property for the new Township Hall. Roads within the Township are accounted for and maintained by the County of Wayne. A summary of capital assets is presented on pages 34-36 (Note 5 of the notes to financial statements).

#### **Debt Outstanding**

As of year end, the Township had \$42,479,794 in debt outstanding compared to \$36,969,951 last year, which represents an increase of approximately \$5,500,000. The key factor to the increase was due to the Township selling \$6,000,000 of bonds to finance the building of the Township Hall facilities.

A significant portion of the Township's debt (\$35,146,660) is attributable to business-type activities (water and sewer). A summary of debt is presented on pages 37 and 38 (Note 7 of the notes to financial statements).

### **Economic Factors and Next Year's Budgets and Rates**

The State of Michigan relies on various taxes and fees to provide governmental activities to their citizens. Local governments rely primarily on property taxes and state-shared revenues to provide governmental activities to their citizens. For business-type (water and sewer, solid waste disposal) and certain governmental activities (permitting, development), the user pays a related fee or charge associated with the service.

The State of Michigan has made several reductions in state-shared revenues over the past three years. We expect further reductions in state-shared revenue in 2005.



# **Charter Township of Plymouth**

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## **Management's Discussion and Analysis (Continued)**

### **Contacting the Township's Management**

This Township's financial statements are designed to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and to show the Township's accountability. If you have questions about this report or need additional information, we welcome you to contact the Township's Treasurer's office at 42350 Ann Arbor Road, Plymouth, MI 48170.

# Charter Township of Plymouth

## Statement of Net Assets (Deficit) December 31, 2004

|   | Primary Government         |                             |                      | Component<br>Units  |
|---|----------------------------|-----------------------------|----------------------|---------------------|
|   | Governmental<br>Activities | Business-type<br>Activities | Total                |                     |
| <b>Assets</b>                                       |                            |                             |                      |                     |
| Cash and investments (Note 3)                       | \$ 8,333,259               | \$ 12,964,700               | \$ 21,297,959        | \$ 38,760           |
| Receivables - Net:                                  |                            |                             |                      |                     |
| 2005 property taxes                                 | 3,342,367                  | 48,806                      | 3,391,173            | 222,820             |
| Special assessments                                 | -                          | 1,422,726                   | 1,422,726            | -                   |
| Accounts  | -                          | 2,142,409                   | 2,142,409            | 995                 |
| Other   | 145,444                    | 55,260                      | 200,704              | 1,404               |
| Restricted assets (Notes 1 and 3)                   | 4,077,673                  | -                           | 4,077,673            | -                   |
| Internal balances                                   | 1,290,780                  | (1,290,780)                 | -                    | -                   |
| Advances to Downtown Development Authority          | 615,664                    | -                           | 615,664              | -                   |
| Due from other governmental units                   | 758,366                    | -                           | 758,366              | -                   |
| Prepaid costs and other assets                      | -                          | 52,905                      | 52,905               | -                   |
| Investment in joint venture (Note 1):               |                            |                             |                      |                     |
| Western Townships Utilities Authority (WTUA)        | -                          | 38,762,788                  | 38,762,788           | -                   |
| 35th District Courthouse Authority                  | 786,000                    | -                           | 786,000              | -                   |
| Nondepreciable capital assets (Note 5)              | 4,627,889                  | 650,000                     | 5,277,889            | -                   |
| Depreciable capital assets - Net (Note 5)           | 6,969,360                  | 32,647,351                  | 39,616,711           | -                   |
| <b>Total assets</b>                                 | <b>30,946,802</b>          | <b>87,456,165</b>           | <b>118,402,967</b>   | <b>263,979</b>      |
| <b>Liabilities</b>                                  |                            |                             |                      |                     |
| Accounts payable                                    | 833,783                    | 1,215,174                   | 2,048,957            | 126,384             |
| Accrued and other liabilities                       | 885,534                    | 23,693                      | 909,227              | -                   |
| Unearned revenue (Note 4)                           | 6,211,266                  | -                           | 6,211,266            | 218,994             |
| Due to other governmental units                     | 1,404                      | -                           | 1,404                | -                   |
| Advances from Plymouth Township                     | -                          | -                           | -                    | 615,664             |
| Compensated absences:                               |                            |                             |                      |                     |
| Due within one year                                 | 594,228                    | 44,420                      | 638,648              | -                   |
| Due in more than one year                           | 737,293                    | 62,948                      | 800,241              | -                   |
| Long-term debt (Note 7):                            |                            |                             |                      |                     |
| Due within one year                                 | 174,106                    | 1,228,737                   | 1,402,843            | -                   |
| Due in more than one year                           | 7,159,027                  | 33,917,924                  | 41,076,951           | -                   |
| <b>Total liabilities</b>                            | <b>16,596,641</b>          | <b>36,492,896</b>           | <b>53,089,537</b>    | <b>961,042</b>      |
| <b>Net Assets (Deficit)</b>                         |                            |                             |                      |                     |
| Invested in capital assets - Net of<br>related debt | 8,341,789                  | 33,297,351                  | 41,639,140           | -                   |
| Restricted for drug enforcement                     | 48,879                     | -                           | 48,879               | -                   |
| Unrestricted  | 5,959,493                  | 17,665,918                  | 23,625,411           | (697,063)           |
| <b>Total net assets (deficit)</b>                   | <b>\$ 14,350,161</b>       | <b>\$ 50,963,269</b>        | <b>\$ 65,313,430</b> | <b>\$ (697,063)</b> |

# Charter Township of Plymouth

| Functions/Programs                              | Program Revenues     |                      |                                    |                                  |
|---|----------------------|----------------------|------------------------------------|----------------------------------|
|   | Expenses             | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| <b>Primary government:</b>                      |                      |                      |                                    |                                  |
| Governmental activities:                        |                      |                      |                                    |                                  |
| General government                              | \$ 2,438,405         | \$ 342,997           | \$ -                               | \$ -                             |
| Public safety:                                  |                      |                      |                                    |                                  |
| Police  | 3,922,995            | 312,721              | 154,264                            | -                                |
| Fire  | 3,506,160            | 988,663              | -                                  | -                                |
| Dispatching                                     | 905,548              | 382,885              | -                                  | -                                |
| Building inspections (Note 2)                   | 617,312              | 673,820              | -                                  | -                                |
| Planning and zoning                             | 455,081              | 163,079              | -                                  | -                                |
| Public works                                    | 665,616              | -                    | 27,891                             | 65,692                           |
| Community services                              | 83,614               | -                    | 134,000                            | -                                |
| Parks   | 400,555              | -                    | -                                  | -                                |
| Interest on long-term debt                      | 205,024              | -                    | -                                  | -                                |
| <b>Total governmental activities</b>            | <b>13,200,310</b>    | <b>2,864,165</b>     | <b>316,155</b>                     | <b>65,692</b>                    |
| Business-type activities:                       |                      |                      |                                    |                                  |
| Water and sewer                                 | 9,130,264            | 10,154,250           | -                                  | -                                |
| Special assessments                             | 453,496              | 367,965              | -                                  | -                                |
| Rubbish disposal                                | 1,168,794            | 1,103,581            | -                                  | -                                |
| <b>Total business-type activities</b>           | <b>10,752,554</b>    | <b>11,625,796</b>    | <b>-</b>                           | <b>-</b>                         |
| <b>Total primary government</b>                 | <b>\$ 23,952,864</b> | <b>\$ 14,489,961</b> | <b>\$ 316,155</b>                  | <b>\$ 65,692</b>                 |
| <b>Component units:</b>                         |                      |                      |                                    |                                  |
| Downtown Development Authority                  | \$ 750,550           | \$ -                 | \$ -                               | \$ -                             |
| Economic Development Corporation                | -                    | -                    | -                                  | -                                |
| Brownfield Redevelopment Authority              | 287,001              | -                    | -                                  | -                                |
| <b>Total component units</b>                    | <b>\$ 1,037,551</b>  | <b>\$ -</b>          | <b>\$ -</b>                        | <b>\$ -</b>                      |
| General revenues:                               |                      |                      |                                    |                                  |
| Property taxes                                  |                      |                      |                                    |                                  |
| State-shared revenues                           |                      |                      |                                    |                                  |
| Investment earnings                             |                      |                      |                                    |                                  |
| Cable franchise fees                            |                      |                      |                                    |                                  |
| Golf course fees                                |                      |                      |                                    |                                  |
| Total general revenues                          |                      |                      |                                    |                                  |
| <b>Change in Net Assets</b>                     |                      |                      |                                    |                                  |
| <b>Net Assets (Deficit) - Beginning of year</b> |                      |                      |                                    |                                  |
| <b>Net Assets (Deficit) - End of year</b>       |                      |                      |                                    |                                  |

**Statement of Activities**  
**Year Ended December 31, 2004**

| Net (Expense) Revenue and Changes in Net Assets |                             |                      |                     |
|---|-----------------------------|----------------------|---------------------|
| Primary Government                              |                             |                      |                     |
| Governmental<br>Activities                      | Business-type<br>Activities | Total                | Component Units     |
| \$ (2,095,408)                                  | \$ -                        | \$ (2,095,408)       | \$ -                |
| (3,456,010)                                     | -                           | (3,456,010)          | -                   |
| (2,517,497)                                     | -                           | (2,517,497)          | -                   |
| (522,663)                                       | -                           | (522,663)            | -                   |
| 56,508  | -                           | 56,508               | -                   |
| (292,002)                                       | -                           | (292,002)            | -                   |
| (572,033)                                       | -                           | (572,033)            | -                   |
| 50,386  | -                           | 50,386               | -                   |
| (400,555)                                       | -                           | (400,555)            | -                   |
| (205,024)                                       | -                           | (205,024)            | -                   |
| (9,954,298)                                     | -                           | (9,954,298)          | -                   |
| -   | 1,023,986                   | 1,023,986            | -                   |
| -   | (85,531)                    | (85,531)             | -                   |
| -   | (65,213)                    | (65,213)             | -                   |
| -   | 873,242                     | 873,242              | -                   |
| (9,954,298)                                     | 873,242                     | (9,081,056)          | -                   |
| -   | -                           | -                    | (750,550)           |
| -   | -                           | -                    | -                   |
| -   | -                           | -                    | (287,001)           |
| -   | -                           | -                    | (1,037,551)         |
| 5,641,737                                       | -                           | 5,641,737            | 358,911             |
| 2,048,750                                       | -                           | 2,048,750            | -                   |
| 278,354   | 239,856                     | 518,210              | 271                 |
| 295,341   | -                           | 295,341              | -                   |
| 350,000   | -                           | 350,000              | -                   |
| 8,614,182                                       | 239,856                     | 8,854,038            | 359,182             |
| (1,340,116)                                     | 1,113,098                   | (227,018)            | (678,369)           |
| 15,690,277                                      | 49,850,171                  | 65,540,448           | (18,694)            |
| <b>\$ 14,350,161</b>                            | <b>\$ 50,963,269</b>        | <b>\$ 65,313,430</b> | <b>\$ (697,063)</b> |

# Charter Township of Plymouth

## Governmental Funds Balance Sheet December 31, 2004

|   | General Fund         | Improvement<br>Revolving Fund | Other Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|-------------------------------|---|--------------------------------|
| <b>Assets</b>   |                      |                               |   |                                |
| Cash and investments (Note 3)   | \$ 6,683,353         | \$ 1,599,564                  | \$ 50,342                               | \$ 8,333,259                   |
| Receivables - Net:  |                      |                               |   |                                |
| 2005 property taxes   | 3,342,367            | -                             | -                                       | 3,342,367                      |
| Other   | 114,375              | -                             | 31,069                                  | 145,444                        |
| Restricted assets - Unspent bond proceeds   | -                    | 4,077,673                     | -                                       | 4,077,673                      |
| Due from other funds (Note 6)   | 556,467              | 1,355,235                     | -                                       | 1,911,702                      |
| Advances to Downtown Development Authority  | 615,664              | -                             | -                                       | 615,664                        |
| Due from other governmental units   | 758,366              | -                             | -                                       | 758,366                        |
| <b>Total assets</b>   | <b>\$ 12,070,592</b> | <b>\$ 7,032,472</b>           | <b>\$ 81,411</b>                        | <b>\$ 19,184,475</b>           |
| <b>Liabilities and Fund Balances</b>  |                      |                               |   |                                |
| <b>Liabilities</b>  |                      |                               |   |                                |
| Accounts payable  | \$ 571,351           | \$ 262,432                    | \$ -                                    | \$ 833,783                     |
| Accrued and other liabilities   | 762,658              | -                             | -                                       | 762,658                        |
| Due to other funds (Note 6)   | 64,455               | 555,004                       | 1,463                                   | 620,922                        |
| Deferred revenue (Note 4)   | 6,510,373            | -                             | 31,069                                  | 6,541,442                      |
| Due to other governmental units   | 1,404                | -                             | -                                       | 1,404                          |
| <b>Total liabilities</b>  | <b>7,910,241</b>     | <b>817,436</b>                | <b>32,532</b>                           | <b>8,760,209</b>               |
| <b>Fund Balances</b>  |                      |                               |   |                                |
| Reserved for Town Hall construction   | -                    | 4,077,673                     | -                                       | 4,077,673                      |
| Reserved for Downtown Development Authority improvements  | 494,894              | -                             | -                                       | 494,894                        |
| Unreserved, reported in:  |                      |                               |   |                                |
| General Fund  | 3,665,457            | -                             | -                                       | 3,665,457                      |
| Special Revenue Funds   | -                    | 2,137,363                     | 48,879                                  | 2,186,242                      |
| <b>Total fund balances</b>  | <b>4,160,351</b>     | <b>6,215,036</b>              | <b>48,879</b>                           | <b>10,424,266</b>              |
| <b>Total liabilities and fund balances</b>  | <b>\$ 12,070,592</b> | <b>\$ 7,032,472</b>           | <b>\$ 81,411</b>                        |                                |
| 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                    |                      |                               |   | 11,597,249                     |
| Grants and other revenues not received within 60 days of year end are not available currently and are not reported in the funds |                      |                               |   | 330,176                        |
| Long-term liabilities are not due and payable in the current period and are not reported in the funds                           |                      |                               |   | (7,333,133)                    |
| Interest amounts on long-term liabilities are not due and payable in the current period and are not reported in the funds       |                      |                               |   | (2,876)                        |
| Compensated absences are not due and payable in the current period and are not recorded in the funds                            |                      |                               |   | (1,331,521)                    |
| Investment in joint venture is not a financial resource and is not reported in the funds  |                      |                               |   | 786,000                        |
| Self-insurance liabilities are not due and payable in the current period and are not reported in the funds                      |                      |                               |   | (120,000)                      |
| <b>Net assets of governmental activities</b>  |                      |                               |   | <b>\$ 14,350,161</b>           |

# Charter Township of Plymouth

## Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances (Deficit) Year Ended December 31, 2004

|  | General Fund        | Improvement<br>Revolving Fund | Other Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|-------------------------------|---|--------------------------------|
| <b>Revenue</b>                                     |                     |                               |   |                                |
| Property taxes                                     | \$ 5,641,737        | \$ -                          | \$ -                                    | \$ 5,641,737                   |
| Licenses and permits                               | 818,361             | -                             | -                                       | 818,361                        |
| Federal grants                                     | 211,179             | 65,693                        | -                                       | 276,872                        |
| State-shared revenues                              | 2,048,750           | -                             | -                                       | 2,048,750                      |
| City of Plymouth contribution                      | 1,116,037           | -                             | -                                       | 1,116,037                      |
| District Court fines                               | 104,108             | -                             | -                                       | 104,108                        |
| Interest and rents                                 | 487,076             | 136,681                       | 602                                     | 624,359                        |
| Intragovernmental service charge                   | 478,545             | -                             | -                                       | 478,545                        |
| Transfer of special assessments                    | -                   | 1,251,193                     | -                                       | 1,251,193                      |
| Other  | 1,040,421           | -                             | 138,291                                 | 1,178,712                      |
| Total revenue                                      | 11,946,214          | 1,453,567                     | 138,893                                 | 13,538,674                     |
| <b>Expenditures</b>                                |                     |                               |   |                                |
| Current:   |                     |                               |   |                                |
| General government                                 | 2,914,831           | -                             | -                                       | 2,914,831                      |
| Public safety                                      | 7,872,429           | -                             | 128,579                                 | 8,001,008                      |
| Planning and building                              | 1,016,087           | -                             | -                                       | 1,016,087                      |
| Community social services                          | 225,623             | -                             | -                                       | 225,623                        |
| Parks  | 287,328             | -                             | -                                       | 287,328                        |
| Capital outlay                                     | -                   | 2,639,445                     | 12,558                                  | 2,652,003                      |
| Debt service                                       | 106,693             | 265,237                       | -                                       | 371,930                        |
| Total expenditures                                 | 12,422,991          | 2,904,682                     | 141,137                                 | 15,468,810                     |
| <b>Excess of Expenditures Over Revenue</b>         | (476,777)           | (1,451,115)                   | (2,244)                                 | (1,930,136)                    |
| <b>Other Financing Sources (Uses)</b>              |                     |                               |   |                                |
| Transfers in (Note 6)                              | -                   | 1,737,001                     | -                                       | 1,737,001                      |
| Transfers out (Note 6)                             | (1,737,001)         | -                             | -                                       | (1,737,001)                    |
| Issuance of debt                                   | -                   | 6,000,000                     | -                                       | 6,000,000                      |
| Total other financing sources (uses)               | (1,737,001)         | 7,737,001                     | -                                       | 6,000,000                      |
| <b>Net Change in Fund Balances</b>                 | (2,213,778)         | 6,285,886                     | (2,244)                                 | 4,069,864                      |
| <b>Fund Balances (Deficit) - Beginning of year</b> | 6,374,129           | (70,850)                      | 51,123                                  | 6,354,402                      |
| <b>Fund Balances - End of year</b>                 | <u>\$ 4,160,351</u> | <u>\$ 6,215,036</u>           | <u>\$ 48,879</u>                        | <u>\$ 10,424,266</u>           |

# Charter Township of Plymouth

## Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities Year Ended December 31, 2004

|  |                              |
|--|------------------------------|
| <b>Net Change in Fund Balances - Total Governmental Funds</b>  | <b>\$ 4,069,864</b>          |
| 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:  |                              |
| Capital outlay expenditures  | 2,649,778                    |
| Depreciation expense   | (733,461)                    |
| In the statement of activities, the loss on sale of assets is recorded; in the funds, the proceeds from sale of assets are reported                                      | (26,805)                     |
| 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) | 60,502                       |
| Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)                        | 166,146                      |
| New bond financing is not reported as financing sources on the statement of activities   | (6,000,000)                  |
| Transfer of special assessments to the Special Assessment Enterprise Fund is not a revenue on the statement of activities  | (1,251,193)                  |
| Accrued interest payable is recorded when due in governmental funds  | 760                          |
| Accumulated employee sick and vacation pay, as well as estimated general liability claims, are recorded when earned in the statement of activities                       | <u>(275,707)</u>             |
| <b>Change in Net Assets of Governmental Activities</b>   | <b><u>\$ (1,340,116)</u></b> |

# Charter Township of Plymouth

## Proprietary Funds Statement of Net Assets (Deficit) December 31, 2004

|  | Water and<br>Sewer Fund | Solid Waste<br>Disposal Fund | Nonmajor<br>Special<br>Assessment<br>District Fund | Total<br>Proprietary<br>Funds |
|--|-------------------------|------------------------------|--|-------------------------------|
| <b>Assets</b>                                      |                         |                              |  |                               |
| Current assets:                                    |                         |                              |  |                               |
| Cash and cash equivalents (Note 3)                 | \$ 12,888,801           | \$ -                         | \$ 75,899  | \$ 12,964,700                 |
| Receivables - Net                                  | 1,950,383               | 296,092                      | 1,422,726  | 3,669,201                     |
| Due from other funds (Note 6)                      | 38,871                  | 25,666                       | -  | 64,537                        |
| Prepaid costs, inventory, and other assets         | 52,905                  | -                            | -  | 52,905                        |
| Total current assets                               | 14,930,960              | 321,758                      | 1,498,625  | 16,751,343                    |
| Noncurrent assets:                                 |                         |                              |  |                               |
| Investment in WTUA (Note 1)                        | 38,762,788              | -                            | -  | 38,762,788                    |
| Nondepreciable capital assets (Note 5)             | 650,000                 | -                            | -  | 650,000                       |
| Depreciable capital assets - Net (Note 5)          | 32,647,351              | -                            | -  | 32,647,351                    |
| Total noncurrent assets                            | 72,060,139              | -                            | -  | 72,060,139                    |
| Total assets                                       | 86,991,099              | 321,758                      | 1,498,625  | 88,811,482                    |
| <b>Liabilities</b>                                 |                         |                              |  |                               |
| Current liabilities:                               |                         |                              |  |                               |
| Accounts payable                                   | 716,575                 | 364,735                      | 133,864  | 1,215,174                     |
| Accrued and other liabilities                      | 21,678                  | 2,015                        | -  | 23,693                        |
| Due to other funds                                 | -                       | 82                           | 1,355,235  | 1,355,317                     |
| Current portion of compensated absences            | 42,023                  | 2,397                        | -  | 44,420                        |
| Current portion of long-term debt                  | 1,228,737               | -                            | -  | 1,228,737                     |
| Total current liabilities                          | 2,009,013               | 369,229                      | 1,489,099  | 3,867,341                     |
| Noncurrent liabilities:                            |                         |                              |  |                               |
| Compensated absences - Net of current portion      | 60,342                  | 2,606                        | -  | 62,948                        |
| Long-term debt - Net of current portion            | 33,917,924              | -                            | -  | 33,917,924                    |
| Total noncurrent liabilities                       | 33,978,266              | 2,606                        | -  | 33,980,872                    |
| Total liabilities                                  | 35,987,279              | 371,835                      | 1,489,099  | 37,848,213                    |
| <b>Net Assets (Deficit)</b>                        |                         |                              |  |                               |
| Investment in capital assets - Net of related debt | 33,297,351              | -                            | -  | 33,297,351                    |
| Unrestricted                                       | 17,706,469              | (50,077)                     | 9,526  | 17,665,918                    |
| Total net assets (deficit)                         | <b>\$ 51,003,820</b>    | <b>\$ (50,077)</b>           | <b>\$ 9,526</b>                                    | <b>\$ 50,963,269</b>          |



# Charter Township of Plymouth

## Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Assets (Deficit) Year Ended December 31, 2004

|   | Water and<br>Sewer Fund | Solid Waste<br>Disposal Fund | Nonmajor<br>Special<br>Assessment<br>District Fund | Total<br>Proprietary<br>Funds |
|---|-------------------------|------------------------------|--|-------------------------------|
| <b>Operating Revenue</b>                    |                         |                              |  |                               |
| Sale of water                               | \$ 3,203,302            | \$ -                         | \$ -   | \$ 3,203,302                  |
| Sewage disposal charges                     | 3,938,611               | -                            | -  | 3,938,611                     |
| Solid waste charges                         | -                       | 1,103,581                    | -  | 1,103,581                     |
| Special assessment charges                  | -                       | -                            | 367,965  | 367,965                       |
| Installation charges                        | 53,906                  | -                            | -  | 53,906                        |
| Intragovernmental services                  | 85,476                  | -                            | -  | 85,476                        |
| Other miscellaneous revenue                 | 127,502                 | -                            | -  | 127,502                       |
| Total operating revenue                     | 7,408,797               | 1,103,581                    | 367,965  | 8,880,343                     |
| <b>Operating Expenses</b>                   |                         |                              |  |                               |
| Cost of water                               | 1,874,277               | -                            | -  | 1,874,277                     |
| Cost of sewage disposal                     | 2,251,559               | -                            | -  | 2,251,559                     |
| Solid waste disposal                        | -                       | 1,092,755                    | -  | 1,092,755                     |
| Salaries and fringe benefits                | 644,685                 | 70,788                       | -  | 715,473                       |
| Special assessment project costs            | -                       | -                            | 358,437  | 358,437                       |
| Intragovernmental services charges          | 478,545                 | -                            | -  | 478,545                       |
| Depreciation                                | 1,094,579               | -                            | -  | 1,094,579                     |
| Professional services                       | 5,520                   | -                            | -  | 5,520                         |
| Repair and maintenance                      | 506,423                 | -                            | -  | 506,423                       |
| Administrative expenses                     | 142,751                 | -                            | -  | 142,751                       |
| Miscellaneous                               | 319,291                 | 5,251                        | -  | 324,542                       |
| Total operating expenses                    | 7,317,630               | 1,168,794                    | 358,437  | 8,844,861                     |
| <b>Operating Income (Loss)</b>              | 91,167                  | (65,213)                     | 9,528  | 35,482                        |
| <b>Nonoperating Revenue (Expenses)</b>      |                         |                              |  |                               |
| Meter charges                               | 1,250,157               | -                            | -  | 1,250,157                     |
| Investment income                           | 144,799                 | -                            | 95,057   | 239,856                       |
| Interest expense                            | (1,812,419)             | -                            | (95,059)   | (1,907,478)                   |
| <b>Income (Loss) - Before contributions</b> | (326,296)               | (65,213)                     | 9,526  | (381,983)                     |
| <b>Capital Contributions</b>                |                         |                              |  |                               |
| Benefit fees                                | 1,033,422               | -                            | -  | 1,033,422                     |
| Lines constructed by developers             | 461,659                 | -                            | -  | 461,659                       |
| Total capital contributions                 | 1,495,081               | -                            | -  | 1,495,081                     |
| <b>Change in Net Assets</b>                 | 1,168,785               | (65,213)                     | 9,526  | 1,113,098                     |
| <b>Net Assets - Beginning of year</b>       | 49,835,035              | 15,136                       | -  | 49,850,171                    |
| <b>Net Assets (Deficit) - End of year</b>   | <u>\$ 51,003,820</u>    | <u>\$ (50,077)</u>           | <u>\$ 9,526</u>                                    | <u>\$ 50,963,269</u>          |

# Charter Township of Plymouth

## Proprietary Funds Statement of Cash Flows Year Ended December 31, 2004

|   | Water and<br>Sewer Fund | Solid Waste<br>Disposal Fund | Nonmajor<br>Special<br>Assessment<br>District Fund | Total Proprietary<br>Funds |
|---|-------------------------|------------------------------|--|----------------------------|
| <b>Cash Flows from Operating Activities</b>   |                         |                              |  |                            |
| Receipts from customers   | \$ 7,093,001            | \$ 1,061,780                 | \$ 368,033   | \$ 8,522,814               |
| Payments to suppliers   | (5,424,817)             | (983,711)                    | (224,573)  | (6,633,101)                |
| Payments to employees   | (631,452)               | (69,350)                     | -  | (700,802)                  |
| Internal activity - Payments from (to) other funds                                      | 29,092                  | (8,719)                      | (67,559)   | (47,186)                   |
| Other receipts  | <u>212,978</u>          | <u>-</u>                     | <u>-</u>   | <u>212,978</u>             |
| Net cash provided by operating activities   | 1,278,802               | -                            | 75,901   | 1,354,703                  |
| <b>Cash Flows from Capital and Related Financing Activities</b>                         |                         |                              |  |                            |
| Meter charges   | 1,250,157               | -                            | -  | 1,250,157                  |
| New customer benefit charges  | 1,033,422               | -                            | -  | 1,033,422                  |
| Purchase of capital assets  | (346,797)               | -                            | -  | (346,797)                  |
| Principal and interest paid on capital debt   | <u>(2,136,430)</u>      | <u>-</u>                     | <u>(95,059)</u>                                    | <u>(2,231,489)</u>         |
| Net cash used in capital and related financing activities                               | (199,648)               | -                            | (95,059)   | (294,707)                  |
| <b>Cash Flows from Investing Activities - Interest received on investments</b>          | <u>144,799</u>          | <u>-</u>                     | <u>95,057</u>                                      | <u>239,856</u>             |
| <b>Net Increase in Cash and Cash Equivalents</b>  | 1,223,953               | -                            | 75,899   | 1,299,852                  |
| <b>Cash and Cash Equivalents - Beginning of year</b>                                    | <u>11,664,848</u>       | <u>-</u>                     | <u>-</u>   | <u>11,664,848</u>          |
| <b>Cash and Cash Equivalents - End of year</b>  | <u>\$ 12,888,801</u>    | <u>\$ -</u>                  | <u>\$ 75,899</u>                                   | <u>\$ 12,964,700</u>       |
| <b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities</b>  |                         |                              |  |                            |
| Operating income (loss)   | \$ 91,167               | \$ (65,213)                  | \$ 9,528   | \$ 35,482                  |
| Adjustments to reconcile operating income (loss) to net cash from operating activities: |                         |                              |  |                            |
| Depreciation  | 1,094,579               | -                            | -  | 1,094,579                  |
| Changes in assets and liabilities:  |                         |                              |  |                            |
| Receivables   | (102,818)               | (41,801)                     | 68   | (144,551)                  |
| Due from other funds  | 29,092                  | (8,801)                      | -  | 20,291                     |
| Prepays, inventory, and other assets  | (8,755)                 | -                            | -  | (8,755)                    |
| Accounts payable  | 162,304                 | 114,295                      | 133,864  | 410,463                    |
| Accrued and other liabilities   | 13,233                  | 1,438                        | -  | 14,671                     |
| Due to other funds  | <u>-</u>                | <u>82</u>                    | <u>(67,559)</u>                                    | <u>(67,477)</u>            |
| Net cash provided by operating activities   | <u>\$ 1,278,802</u>     | <u>\$ -</u>                  | <u>\$ 75,901</u>                                   | <u>\$ 1,354,703</u>        |

**Noncash Investing, Capital, and Financing Activities** - During the year ended December 31, 2004, the Water and Sewer Fund received \$461,659 of lines donated by developers.

# Charter Township of Plymouth

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## Fiduciary Funds Statement of Assets and Liabilities December 31, 2004

|  | <u>Agency Funds</u>            |
|--|--------------------------------|
| <b>Assets - Cash and cash equivalents (Note 3)</b> | <b><u>\$ 6,549,211</u></b>     |
| <b>Liabilities</b>                                 |                                |
| Due to other governmental units                    | \$ 5,986,864                   |
| Deposits for developers and refundables            | 198,512                        |
| Deposits for building bonds                        | <u>363,835</u>                 |
| <br>Total liabilities                              | <br><b><u>\$ 6,549,211</u></b> |

# Charter Township of Plymouth

## Component Units Statement of Net Assets (Deficit) December 31, 2004

|  | Downtown<br>Development<br>Authority | Economic<br>Development<br>Corporation | Brownfield<br>Redevelopment<br>Authority | Totals              |
|--|--------------------------------------|--|--|---------------------|
| <b>Assets</b>                              |                                      |  |  |                     |
| Cash and investments (Note 3)              | \$ -                                 | \$ 16,161                              | \$ 22,599                                | \$ 38,760           |
| Property tax receivable                    | 120,770                              | -                                      | 102,050                                  | 222,820             |
| Accounts receivable                        | -                                    | 995                                    | -  | 995                 |
| Due from other governmental units          | -                                    | -                                      | 1,404                                    | 1,404               |
| Total assets                               | 120,770                              | 17,156                                 | 126,053                                  | 263,979             |
| <b>Liabilities</b>                         |                                      |  |  |                     |
| Accounts payable                           | 121,822                              | -                                      | 4,562                                    | 126,384             |
| Unearned revenue                           | 120,770                              | -                                      | 98,224                                   | 218,994             |
| Advances from Plymouth Township            | 615,664                              | -                                      | -  | 615,664             |
| Total liabilities                          | 858,256                              | -                                      | 102,786                                  | 961,042             |
| <b>Net Assets (Deficit) - Unrestricted</b> | <b>\$ (737,486)</b>                  | <b>\$ 17,156</b>                       | <b>\$ 23,267</b>                         | <b>\$ (697,063)</b> |

# Charter Township of Plymouth

## Component Units Statement of Activities Year Ended December 31, 2004

|   | Net (Expense) Revenue and Changes in Net Assets |                                      |  |  | Total                      |
|---|---|--------------------------------------|--|--|----------------------------|
|   | Expenses  | Downtown<br>Development<br>Authority | Economic<br>Development<br>Corporation | Brownfield<br>Redevelopment<br>Authority |                            |
| <b>Downtown Development Authority -</b>         |   |                                      |  |  |                            |
| Public works                                    | \$ 750,550                                      | \$ (750,550)                         | \$ -                                   | \$ -                                     | \$ (750,550)               |
| <b>Economic Development Corporation -</b>       |   |                                      |  |  |                            |
| Public works                                    | -   | -                                    | -                                      | -  | -                          |
| <b>Brownfield Redevelopment Authority -</b>     |   |                                      |  |  |                            |
| Environmental remediation                       | <u>287,001</u>                                  | <u>-</u>                             | <u>-</u>                               | <u>(287,001)</u>                         | <u>(287,001)</u>           |
| Total governmental activities                   | <u><b>\$ 1,037,551</b></u>                      | (750,550)                            | -                                      | (287,001)                                | (1,037,551)                |
| <b>General Revenues</b>                         |   |                                      |  |  |                            |
| Property tax capture                            |   | 69,162                               | -                                      | 289,749                                  | 358,911                    |
| Interest  |   | <u>-</u>                             | <u>70</u>                              | <u>201</u>                               | <u>271</u>                 |
| Total general revenues                          |   | <u>69,162</u>                        | <u>70</u>                              | <u>289,950</u>                           | <u>359,182</u>             |
| <b>Change in Net Assets (Deficit)</b>           |   | (681,388)                            | 70                                     | 2,949                                    | (678,369)                  |
| <b>Net Assets (Deficit) - Beginning of year</b> |   | <u>(56,098)</u>                      | <u>17,086</u>                          | <u>20,318</u>                            | <u>(18,694)</u>            |
| <b>Net Assets (Deficit) - End of year</b>       |   | <u><b>\$ (737,486)</b></u>           | <u><b>\$ 17,156</b></u>                | <u><b>\$ 23,267</b></u>                  | <u><b>\$ (697,063)</b></u> |

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2004**

## **Note 1 - Summary of Significant Accounting Policies**

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

### **Reporting Entity**

The Charter Township of Plymouth 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 Township Building Authority is governed by a board that is appointed by the Township. Although it is legally separate from the Township, it is reported as if it were part of the primary government because its primary purpose is to finance and construct the Township's public buildings. To date, the Authority has constructed a fire station. It holds no assets; the debt activity has been blended into the General Fund.

**Discretely Presented Component Units** - The Downtown Development Authority was created to correct and prevent deterioration in the downtown district, to eliminate blighting influences and brownfield impacts, and to promote the overall image of the downtown district. The Township Board of Trustees appoints the Authority's governing body, and has the ability to impose its will. It is reported within the component unit column in the combined financial statements to emphasize that is legally separate from the Township. The Authority does not publish a separately issued financial statement. The Authority can be contacted at its administrative offices as follows:

Downtown Development Authority  
42350 Ann Arbor Road  
Plymouth, MI 48170

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2004**

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

The Economic Development Corporation 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 Township Board of Trustees appoints the Corporation's governing body, and has the ability to impose its will. It is reported within the component unit column in the combined financial statements to emphasize that it is legally separate from the Township. The Corporation does not publish a separately issued financial statement. The Corporation can be contacted at its administrative offices as follows:

Economic Development Corporation  
42350 Ann Arbor Road  
Plymouth, MI 48170

The Brownfield Redevelopment Authority was created to finance environmental cleanup within the boundaries of the Township. The Township Board of Trustees appoints the Authority's governing body, and has the ability to impose its will. 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 a separately issued financial statement. The Authority can be contacted at its administrative offices as follows:

Brownfield Redevelopment Authority  
42350 Ann Arbor Road  
Plymouth, MI 48170

**Jointly Governed Organizations** - The Township is a member of the Western Townships Utilities Authority, which provides sewage disposal services to the Townships of Canton, Northville, and Plymouth. The participating communities provide annual funding for its operations through payment of monthly sewer use invoices and semi-annual debt payments. During the current year, the Township paid the Authority approximately \$1,980,000 for its operations, \$2,136,000 for its debt, and \$77,000 for capital project costs. The Authority has currently been funded with \$200,000 of working capital and is current in its debt payments. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments. Complete financial statements for the Authority can be obtained from the administrative offices at 40905 Joy Road, Canton, MI 48187.

# Charter Township of Plymouth

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## Notes to Financial Statements December 31, 2004

### Note 1 - Summary of Significant Accounting Policies (Continued)

The Township is a member of the 35<sup>th</sup> District Court System, which provides judicial services to the Township and several other surrounding communities. The Township appoints one member to the joint venture's board, which then approves the annual budget. The Township and the other member communities have agreed to become guarantors of bonds issued by the District Court Building Authority during 1999. The Township's portion of the guaranteed debt is less than \$1,000,000. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments. Complete financial statements for the 35<sup>th</sup> District Court can be obtained from the administrative office at 660 Plymouth Rd., Plymouth, MI 48170.

#### 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.



# Charter Township of Plymouth

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## Notes to Financial Statements December 31, 2004

### Note 1 - 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.

**Improvement Revolving Fund** - The Improvement Revolving Fund was established to account for revenues and expenditures for certain capital improvements requiring separate accounting and financing. Special assessments are being accounted for in a new fund for all projects started as of January 1, 2004.

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2004**

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

The Township reports the following major proprietary funds:

**Water and Sewer Fund** - The Water and Sewer Fund is used to account for the results of operations for providing water and sewer service 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.

**Solid Waste Disposal Fund** - The Solid Waste Disposal Fund is used to account for the results of operations for providing solid waste services (trash pickup and household hazardous waste disposal) to citizens of the Township. The revenues are generated through a user charge to citizens requesting solid waste services.

Additionally, the Township reports the following fund types:

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of earmarked revenue or financing activities requiring separate accounting because of legal or regulatory provisions.

**Agency Funds** - The Agency Funds account for assets held by the Township in a trustee capacity. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

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

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

# Charter Township of Plymouth

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## Notes to Financial Statements December 31, 2004

### Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

#### **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 2003 tax is levied and collectible on December 1, 2003, and is recognized as revenue in the year ended December 31, 2004, when the proceeds of the levy are budgeted and available for the financing of operations.

The 2003 taxable valuation of the Township totaled approximately \$1,752,000,000 (a portion of which is captured by the DDA and BRDA), on which taxes levied consisted of .8173 mills for operating purposes, .8173 mills for fire services, and 1.6348 mills for police and fire services. This resulted in \$1,430,000 for operating, \$1,430,000 for fire services, and \$2,859,000 for police and fire services. These amounts are recognized in the General Fund financial statements as tax revenue (net of reductions for delinquent amounts and prior year tax tribunal changes).

#### **Golf Course Fees**

The Township has a golf course that is run by a management company. The operator of the golf course pays a rental fee to the Township. There are no program costs associated with the golf course fees for the Township, thus the fees have been classified as program revenue on the statement of activities.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 1 - 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.

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

**Restricted Assets** - The unspent portion of the Township's 2004 bond issuance has been classified as restricted.

**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.

**Capital Assets** - Capital assets, which include property, plant, and equipment, 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 \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

|                                      |                |
|--------------------------------------|----------------|
| Water and sewer transportation lines | 50 years       |
| Buildings and improvements           | 30 to 40 years |
| Meters and supplies                  | 15 years       |
| Furnishings, vehicles, and equipment | 2 to 15 years  |

# Charter Township of Plymouth

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## Notes to Financial Statements December 31, 2004

### Note 1 - Summary of Significant Accounting Policies (Continued)

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

**Long-term Obligations** - In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

**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.

### Note 2 - Stewardship, Compliance, and Accountability

**Fund Deficits** - For the year ended December 31, 2004, the Township has an accumulated fund deficit in the Solid Waste Disposal Fund, which will be eliminated during 2005 as rates were raised near the end of 2004. The Downtown Development Authority also has an accumulated fund deficit, which will be eliminated with the collection of future property tax captures.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 2 - Stewardship, Compliance, and Accountability (Continued)

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

|  |                  |                     |
|--|------------------|---------------------|
| Cumulative shortfall at December 31, 2003  |                  | \$ (12,613)         |
| Current year building permit revenue       | \$ 673,820       |                     |
| Related expenses (modified accrual basis): |                  |                     |
| Direct costs                               | 631,973          |                     |
| Estimated indirect costs                   | <u>404,609</u>   |                     |
| Total construction code expenses           | <u>1,036,582</u> |                     |
| Current year shortfall                     |                  | <u>(362,762)</u>    |
| Cumulative shortfall at December 31, 2004  |                  | <u>\$ (375,375)</u> |

### Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the highest classification, 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 Plymouth

## Notes to Financial Statements December 31, 2004

### Note 3 - Deposits and Investments (Continued)

The Township has designated seven 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 of funds as listed above. The Charter Township of Plymouth's deposits and investment policies are in accordance with statutory authority.

At year end, the deposits and investments were reported in the basic financial statements in the following categories:

|                      | Governmental<br>Activities | Fiduciary<br>Funds  | Business- type<br>Activities | Total Primary<br>Government | Component<br>Units |
|----------------------|----------------------------|---------------------|------------------------------|-----------------------------|--------------------|
| Cash and investments | \$ 8,333,259               | \$ 6,549,211        | \$ 12,964,700                | \$ 27,847,170               | \$ 38,760          |
| Restricted assets    | 4,077,673                  | -                   | -                            | 4,077,673                   | -                  |
| Total                | <u>\$ 12,410,932</u>       | <u>\$ 6,549,211</u> | <u>\$ 12,964,700</u>         | <u>\$ 31,924,843</u>        | <u>\$ 38,760</u>   |

The breakdown between deposits and investments for the Township is as follows:

|   | Primary<br>Government | Component<br>Units |
|---|-----------------------|--------------------|
| Bank deposits (checking accounts, savings<br>accounts, and certificates of deposit) | \$ 24,600,113         | \$ 38,760          |
| Investments in bank investment pools  | 7,324,430             | -                  |
| Petty cash or cash on hand  | 300                   | -                  |
| Total   | <u>\$ 31,924,843</u>  | <u>\$ 38,760</u>   |

### Deposits

The bank balance of the Township's deposits is \$30,627,175, of which \$600,000 is covered by federal depository insurance and the remainder was uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits Township funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

The component units' deposits had a bank balance of \$38,760, of which the entire amount was covered by federal depository insurance.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 3 - Deposits and Investments (Continued)

#### Investments

The Township's investments during the year consisted solely of bank investment pools. Investments are normally categorized to give an indication of the level of risk assumed by the Township; however, these funds are not categorized because they are not evidenced by securities that exist in physical or book entry form. The Township believes that the investments in these funds comply with the investment authority noted above. The bank investment pools are regulated by the Michigan Banking Act, and the fair value of the position in the pool is the same as the value of the pool shares.

### Note 4 - Deferred Revenue

The Township records unearned revenue for property taxes billed as of December 1 that are to be used in the next year's budget. The Township also records unearned revenue in connection with resources that have been received but not yet earned. In addition, 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. At the end of the current fiscal year, the various components of deferred revenue are as follows:

|  | <u>Unavailable</u> | <u>Unearned</u>     |
|--|--------------------|---------------------|
| Property taxes billed for next year's budget | \$ -               | \$ 6,011,766        |
| Permit revenue                               | -                  | 199,500             |
| Grant reimbursement                          | 180,000            | -                   |
| Other  | <u>150,176</u>     | <u>-</u>            |
| Total  | <u>\$ 330,176</u>  | <u>\$ 6,211,266</u> |

The Brownfield Redevelopment Authority and the Downtown Development Authority record unearned revenue for property taxes billed as of December 1 that are to be used in the next year's budget. Unearned revenue recorded for the component units as of December 31, 2004 is \$218,994.



# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 5 - Capital Assets

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

|   | Balance<br>January 1, 2004 | Additions    | Disposals and<br>Adjustments | Balance<br>December 31, 2004 |
|---|----------------------------|--------------|------------------------------|------------------------------|
| <b>Governmental Activities</b>              |                            |              |                              |                              |
| Capital assets not being depreciated:       |                            |              |                              |                              |
| Land  | \$ 2,513,760               | \$ 1,585,616 | \$ -                         | \$ 4,099,376                 |
| Construction in progress                    | 1,432,151                  | 528,513      | 1,432,151                    | 528,513                      |
| Subtotal                                    | 3,945,911                  | 2,114,129    | 1,432,151                    | 4,627,889                    |
| Capital assets being depreciated:           |                            |              |                              |                              |
| Buildings and improvements                  | 5,598,448                  | 1,432,151    | -                            | 7,030,599                    |
| Furnishings, vehicles, and equipment        | 7,548,855                  | 534,109      | 376,372                      | 7,706,592                    |
| Subtotal                                    | 13,147,303                 | 1,966,260    | 376,372                      | 14,737,191                   |
| Accumulated depreciation:                   |                            |              |                              |                              |
| Buildings and improvements                  | 3,363,946                  | 105,767      | -                            | 3,469,713                    |
| Furnishings, vehicles, and equipment        | 4,021,531                  | 627,694      | 351,107                      | 4,298,118                    |
| Subtotal                                    | 7,385,477                  | 733,461      | 351,107                      | 7,767,831                    |
| Net capital assets being depreciated        | 5,761,826                  | 1,232,799    | 25,265                       | 6,969,360                    |
| Total capital assets - Net of depreciation  | \$ 9,707,737               | \$ 3,346,928 | \$ 1,457,416                 | \$ 11,597,249                |
| <br>  |                            |              |                              |                              |
|   | Balance<br>January 1, 2004 | Additions    | Disposals and<br>Adjustments | Balance<br>December 31, 2004 |
| <b>Business-type Activities</b>             |                            |              |                              |                              |
| Capital assets not being depreciated - Land | \$ 650,000                 | \$ -         | \$ -                         | \$ 650,000                   |
| Capital assets being depreciated:           |                            |              |                              |                              |
| Water and sewer transportation lines        | 46,728,537                 | 461,659      | -                            | 47,190,196                   |
| Buildings and improvements                  | 1,561,277                  | -            | -                            | 1,561,277                    |
| Meters and supplies                         | 1,467,178                  | 34,275       | 20,816                       | 1,480,637                    |
| Equipment and other                         | 774,184                    | 61,763       | 62,215                       | 773,732                      |
| Subtotal                                    | 50,531,176                 | 557,697      | 83,031                       | 51,005,842                   |
| Accumulated depreciation:                   |                            |              |                              |                              |
| Water and sewer transportation lines        | 15,276,943                 | 940,936      | -                            | 16,217,879                   |
| Buildings and improvements                  | 523,281                    | 41,878       | -                            | 565,159                      |
| Meters and supplies                         | 964,340                    | 56,254       | 20,816                       | 999,778                      |
| Equipment and other                         | 582,379                    | 55,511       | 62,215                       | 575,675                      |
| Subtotal                                    | 17,346,943                 | 1,094,579    | 83,031                       | 18,358,491                   |
| Net capital assets being depreciated        | 33,184,233                 | (536,882)    | -                            | 32,647,351                   |
| Net capital assets                          | \$ 33,834,233              | \$ (536,882) | \$ -                         | \$ 33,297,351                |

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 5 - Capital Assets (Continued)

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

|  |                     |
|--|---------------------|
| Governmental activities:                   |                     |
| General government                         | \$ 127,745          |
| Public safety:                             |                     |
| Police                                     | 192,566             |
| Fire                                       | 226,564             |
| Dispatching                                | 51,281              |
| Building inspections                       | 4,686               |
| Planning and zoning                        | 2,433               |
| Public works                               | 18,458              |
| Parks                                      | <u>109,728</u>      |
| Total governmental activities              | <u>\$ 733,461</u>   |
| Business-type activities - Water and Sewer | <u>\$ 1,094,579</u> |

**Construction Commitments** - The Township has active construction projects at year end for the architecture and design of the new Town Hall, construction management for the new Town Hall, and Friendship Station improvements. At year end, the Township's commitments with contractors are as follows:

|                                   | <u>Spent to Date</u> | <u>Remaining<br/>Commitment</u> |
|-----------------------------------|----------------------|---------------------------------|
| Town hall architecture            | \$ 237,556           | \$ 417,444                      |
| Town Hall construction management | -                    | 431,000                         |
| Friendship Station improvements   | <u>135,325</u>       | <u>91,775</u>                   |
| Total                             | <u>\$ 372,881</u>    | <u>\$ 940,219</u>               |

**Future Commitments** - Pursuant to a positive vote of its residents in 2003, the Township intends to construct a new town hall, fire station, and police station. It is currently expected to cost approximately \$13,111,000. The Township sold bonds in 2004 for \$6,000,000, and intends to finance the remainder through a combination of existing funds (in both the General Fund and Water and Sewer Fund) and sale of the existing property.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 5 - Capital Assets (Continued)

There is a resolution for the Township to fund \$1,021,750 for a grade-separation at a railroad crossing. The remaining funding is being provided by state and federal grants and the City of Plymouth.

Brownfield redevelopment costs of approximately \$471,000 have been incurred by property owners in the Brownfield district. These costs will be paid for through future property tax collections.

### Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

| Receivable Fund               | Payable Fund               | Amount                     |
|-------------------------------|----------------------------|----------------------------|
| General Fund                  | Improvement Revolving Fund | \$ 555,004                 |
|                               | Drug Forfeiture Fund       | 1,463                      |
| Improvement Revolving Fund    | Special Assessments Fund   | <u>1,355,235</u>           |
| Subtotal - Governmental funds |                            | 1,911,702                  |
| Water and Sewer Fund          | General Fund               | 38,789                     |
|                               | Solid Waste Disposal Fund  | 82                         |
| Solid Waste Disposal Fund     | General Fund               | <u>25,666</u>              |
| Subtotal - Proprietary Funds  |                            | <u>64,537</u>              |
| Total                         |                            | <u><u>\$ 1,976,239</u></u> |

These balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

#### Interfund Transfers

|                                       |   |                            |
|---------------------------------------|---|----------------------------|
| Fund transferred from<br>General Fund | Fund transferred to<br>Improvement Revolving Fund | <u><u>\$ 1,737,001</u></u> |
|---------------------------------------|---|----------------------------|

The transfer from the General Fund to the Improvement Revolving Fund represents the annual amount set aside to fund future capital projects (principally fire equipment and the new Town Hall).

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 7 - Long-term Debt

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

| Description  | Amount               |
|--|----------------------|
| 1993 Building Authority bond originally issued for \$995,000, used to construct the fire station, bearing interest from 5.95% to 6.10%, with principal maturity ranges from \$55,000 to \$95,000, maturing in 2007   | \$ 280,000           |
| 2003 Installment Purchase agreement originally issued for \$1,173,773, used for Lake Pointe Soccer Park, bearing interest at 3.60%, with principal maturity ranges from \$39,495 to \$116,119, maturing in 2015  | 1,053,133            |
| 2004 General Obligation bond originally issued for \$6,000,000, used to design and construct the new town hall, bearing interest from 3.50% to 4.85%, with principal maturity ranges from \$75,000 to \$500,000, maturing in 2025  | <u>6,000,000</u>     |
| Total governmental activities  | 7,333,133            |
| 2001 Contractual Obligation to WTUA to service a portion of its debt related to construction of sewage collection and retention facilities, with an original obligation amount of \$17,448,892, bearing interest from 3.50% to 5.25%, with principal maturity ranges from \$130,682 to \$1,705,482, maturing in 2018 | 17,025,096           |
| 2002 Contractual Obligation to WTUA to service a portion of its debt related to construction of sewage collection and retention facilities, with an original obligation amount of \$18,289,494, bearing interest from 3.00% to 5.00%, with principal maturity ranges from \$167,930 to \$1,611,929, maturing in 2022 | <u>18,121,565</u>    |
| Total business-type activities   | <u>35,146,661</u>    |
| Total  | <u>\$ 42,479,794</u> |

Long-term obligation activity can be summarized as follows:

|  | Beginning<br>Balance | Additions    | Reductions          | Ending Balance       | Due Within<br>One Year |
|--|----------------------|--------------|---------------------|----------------------|------------------------|
| <b>Governmental Activities - General obligations</b> | \$ 1,499,279         | \$ 6,000,000 | \$ (166,146)        | \$ 7,333,133         | \$ 174,106             |
| <b>Business-type Activities</b>                      |                      |              |                     |                      |                        |
| 2001 Contractual Obligation                          | \$ 18,268,950        | \$ -         | \$ (228,600)        | \$ 18,040,350        |                        |
| Less deferred amount on 2001 refunding               | (1,087,772)          | -            | 72,518              | (1,015,254)          |                        |
| 2001 Contractual Obligation                          | 17,181,178           | -            | (156,082)           | 17,025,096           |                        |
| 2002 Contractual Obligation                          | 18,528,325           | -            | (180,500)           | 18,347,825           |                        |
| Less:  |                      |              |                     |                      |                        |
| Unamortized bond issue costs on 2002 issue           | (64,267)             | -            | 3,383               | (60,884)             |                        |
| Unamortized discount on 2002 issue                   | (174,564)            | -            | 9,188               | (165,376)            |                        |
| 2002 Contractual Obligation                          | 18,289,494           | -            | (167,929)           | 18,121,565           |                        |
| Total business-type activities                       | <u>\$ 35,470,672</u> | <u>\$ -</u>  | <u>\$ (324,011)</u> | <u>\$ 35,146,661</u> | <u>\$ 1,228,737</u>    |

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 7 - 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 |                      |                      |
|-----------|-------------------------|---------------------|----------------------|--------------------------|----------------------|----------------------|
|           | Principal               | Interest            | Total                | Principal                | Interest             | Total                |
| 2005      | \$ 174,106              | \$ 315,480          | \$ 489,586           | \$ 1,228,737             | \$ 1,797,860         | \$ 3,026,597         |
| 2006      | 257,175                 | 307,101             | 564,276              | 1,472,412                | 1,735,585            | 3,207,997            |
| 2007      | 285,356                 | 295,594             | 580,950              | 1,472,412                | 1,660,585            | 3,132,997            |
| 2008      | 243,653                 | 283,001             | 526,654              | 1,779,912                | 1,580,170            | 3,360,082            |
| 2009      | 247,070                 | 273,960             | 521,030              | 1,792,612                | 1,484,063            | 3,276,675            |
| 2010-2014 | 1,666,134               | 1,205,634           | 2,871,768            | 11,328,760               | 5,881,634            | 17,210,394           |
| 2015-2019 | 1,759,639               | 868,582             | 2,628,221            | 11,597,028               | 2,771,253            | 14,368,281           |
| 2020-2024 | 2,200,000               | 444,526             | 2,644,526            | 4,474,788                | 471,362              | 4,946,150            |
| 2025      | 500,000                 | 24,250              | 524,250              | -                        | -                    | -                    |
| Total     | <u>\$ 7,333,133</u>     | <u>\$ 4,018,128</u> | <u>\$ 11,351,261</u> | <u>\$ 35,146,661</u>     | <u>\$ 17,382,512</u> | <u>\$ 52,529,173</u> |

### 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 participates in the Michigan Municipal League risk pool for claims relating to workers' compensation and employee medical benefit claims, and participates in the Michigan Municipal Risk Management Authority for claims relating to general liability claims.

The Michigan Municipal League risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

The Michigan 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.

# Charter Township of Plymouth

## Notes to Financial Statements December 31, 2004

### Note 8 - Risk Management (Continued)

The Township estimates the liability for general liability 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. Changes in the estimated liability for the past two fiscal years were as follows:

|  | <u>2004</u>       | <u>2003</u>     |
|--|-------------------|-----------------|
| Unpaid claims - Beginning of year                            | \$ 5,000          | \$ 23,723       |
| Incurred claims (including claims incurred but not reported) | 115,000           | -               |
| Claim payments   | <u>-</u>          | <u>(18,723)</u> |
| Unpaid claims - End of year                                  | <u>\$ 120,000</u> | <u>\$ 5,000</u> |

The Township is involved in various lawsuits in the ordinary course of business. There is one lawsuit that requests damages of up to \$1,000,000 in damages; however, the Township is covered through the Authority for any claims in excess of \$75,000 per claim. The ultimate outcome of this case is not known and no liability has been booked.

### Note 9 - Defined Contribution Pension Plan

The Township provides pension benefits to substantially all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. As established by Township Board resolution, the Township contributes 15 percent of employees' base earnings and certain employees contribute 5 percent of base earnings, with an additional 5 percent allowed.

The Township's total payroll during the current year was \$7,163,864. The current year contribution was calculated based on covered payroll of \$5,810,218, resulting in an employer contribution of \$886,628 (including the amounts paid directly by the City of Plymouth) and employee contributions of \$161,904.

# Charter Township of Plymouth

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**Notes to Financial Statements  
December 31, 2004**

## **Note 10 - Subsequent Event**

Subsequent to year end, the Charter Township of Plymouth - IAFF Pension Trust Fund System was established as a single-employer defined benefit pension plan that is administered by the Charter Township of Plymouth, Michigan; this plan covers substantially all full-time firefighters of the Township. The system provides retirement, disability, death, and health benefits to plan members and their beneficiaries. The actuarial liability of the plan based on the initial actuarial valuation dated February 1, 2005 is \$5,209,358. The valuation of the plan's assets is \$4,593,618.

At February 1, 2005, the date of the most recent actuarial valuation, membership consisted of 26 current active employees. There are no retirees or beneficiaries currently receiving benefits or terminated employees entitled to benefits but not yet receiving them. The plan does not issue a separate financial report.

## **Note 11 - Other Postemployment Benefits**

The Township has elected to provide postemployment health benefits to certain retirees and their beneficiaries. The Township pays a significant portion of the full cost of coverage for these benefits. Also, retirees can purchase coverage for their dependents at the Township's group rates. Currently, 18 retirees are eligible for postemployment health benefits. For the fiscal year ended December 31, 2004, the Township made payments for postemployment health benefit premiums of \$140,712. The Township obtains health care coverage through private insurers.

**Upcoming Reporting Change** - The Governmental Accounting Standards Board has recently released Statement Number 45, *Accounting and Reporting by Employers for Postemployment Benefits Other Than Pensions*. The new pronouncement provides guidance for local units of government in recognizing the cost of retiree health care, as well as any "other" postemployment benefits (other than pensions). The new rules will cause the government-wide financial statements to recognize the cost of providing retiree health care coverage over the working life of the employee, rather than at the time the health care premiums are paid. The new pronouncement is effective for the year ending December 31, 2007.

## **Required Supplemental Information**

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# Charter Township of Plymouth

## Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended December 31, 2004

|  | Original<br>Budget   | Amended<br>Budget    | Actual               | Variance with<br>Amended<br>Budget |
|--|----------------------|----------------------|----------------------|------------------------------------|
| <b>Revenue</b>                         |                      |                      |                      |                                    |
| Property taxes                         | \$ 5,760,000         | \$ 5,760,000         | \$ 5,641,737         | \$ (118,263)                       |
| State-shared revenue                   | 2,160,000            | 2,160,000            | 2,048,750            | (111,250)                          |
| Licenses and permits                   | 756,000              | 996,000              | 818,361              | (177,639)                          |
| Fines and forfeitures                  | 200,000              | 300,000              | 295,341              | (4,659)                            |
| City of Plymouth fire contribution     | 892,360              | 892,360              | 880,948              | (11,412)                           |
| City of Plymouth dispatch contribution | 218,744              | 218,744              | 235,089              | 16,345                             |
| Charges for services                   | 80,000               | 80,000               | 48,616               | (31,384)                           |
| Interest and rents                     | 925,000              | 825,000              | 591,184              | (233,816)                          |
| Federal grants                         | 679,050              | 510,000              | 211,179              | (298,821)                          |
| Miscellaneous                          | 630,000              | 659,050              | 696,464              | 37,414                             |
| Intergovernmental service charge       | 520,000              | 520,000              | 478,545              | (41,455)                           |
| Total revenue                          | 12,821,154           | 12,921,154           | 11,946,214           | (974,940)                          |
| Contribution from fund balance         | 1,711,501            | 1,667,444            | 2,213,778            | 546,334                            |
| Total sources of funds                 | <u>\$ 14,532,655</u> | <u>\$ 14,588,598</u> | <u>\$ 14,159,992</u> | <u>\$ (428,606)</u>                |
| <b>Expenditures</b>                    |                      |                      |                      |                                    |
| General government                     | \$ 3,203,697         | \$ 3,196,952         | \$ 2,914,831         | \$ 282,121                         |
| Public safety                          | 7,911,486            | 7,930,339            | 7,872,429            | 57,910                             |
| Building                               | 608,529              | 650,636              | 631,973              | 18,663                             |
| Community development                  | 416,732              | 417,759              | 384,114              | 33,645                             |
| Park                                   | 312,518              | 313,218              | 287,328              | 25,890                             |
| Grants                                 | 236,000              | 236,000              | 225,623              | 10,377                             |
| Debt service                           | 106,692              | 106,693              | 106,693              | -                                  |
| Capital improvement                    | 1,737,001            | 1,737,001            | 1,737,001            | -                                  |
| Total expenditures                     | <u>\$ 14,532,655</u> | <u>\$ 14,588,598</u> | <u>\$ 14,159,992</u> | <u>\$ 428,606</u>                  |

# Charter Township of Plymouth

## Required Supplemental Information Budgetary Comparison Schedule Major Special Revenue Funds - Improvement Revolving Fund Year Ended December 31, 2004

|                                 | Original<br>Budget         | Amended<br>Budget          | Actual                     | Variance with<br>Amended<br>Budget |
|---------------------------------|----------------------------|----------------------------|----------------------------|------------------------------------|
| <b>Revenue</b>                  |                            |                            |                            |                                    |
| Federal sources                 | \$ 70,000                  | \$ 70,000                  | \$ 65,693                  | \$ (4,307)                         |
| Interest and rents              | 100,000                    | 100,000                    | 136,681                    | 36,681                             |
| Bond proceeds                   | 6,000,000                  | 6,000,000                  | 6,000,000                  | -                                  |
| Transfer of special assessments | -                          | -                          | 1,251,193                  | 1,251,193                          |
| Transfer from other funds       | <u>1,750,281</u>           | <u>1,750,281</u>           | <u>1,737,001</u>           | <u>(13,280)</u>                    |
| Total revenue                   | 7,920,281                  | 7,920,281                  | 9,190,568                  | 1,270,287                          |
| <b>Expenditures</b>             |                            |                            |                            |                                    |
| Capital outlay                  | 2,769,695                  | 2,769,695                  | 2,639,445                  | 130,250                            |
| Debt payment                    | <u>122,000</u>             | <u>256,000</u>             | <u>265,237</u>             | <u>(9,237)</u>                     |
| Total expenditures              | 2,891,695                  | 3,025,695                  | 2,904,682                  | 121,013                            |
| <b>Fund Balance (Deficit)</b>   |                            |                            |                            |                                    |
| Beginning of year               | <u>546,436</u>             | <u>(70,850)</u>            | <u>(70,850)</u>            | <u>-</u>                           |
| End of year                     | <u><b>\$ 5,575,022</b></u> | <u><b>\$ 4,823,736</b></u> | <u><b>\$ 6,215,036</b></u> | <u><b>\$ 1,391,300</b></u>         |

# Charter Township of Plymouth

## Note to Required Supplemental Information December 31, 2004

### Note - Budgetary Information

The Township adopts a formal budget for the General Fund and all Special Revenue Funds. By August 1 of each year, all department heads submit spending requests to the Township supervisor so that a budget may be prepared. Before September 1, the proposed budget is submitted to the Township Board for review. Public hearings are held, and a final budget is adopted no later than November 1. The Township Board must approve any budget amendments.

Appropriations are adopted by the Township Board on an activity basis, as reported on pages 42 and 43 of these financial statements. Michigan law requires expenditures to be within budget at this level. During the year, the Charter Township of Plymouth incurred expenditures that were in excess of the amounts budgeted, as follows:

|   | Amended<br>Budget | Actual     | Variance   |
|---|-------------------|------------|------------|
| Improvement Revolving Fund - Debt payment | \$ 256,000        | \$ 265,237 | \$ (9,237) |

The unfavorable expenditure variance occurred due to bond issuance costs.

During the current year, the budget was amended in a legally permissible manner. However, the General Fund had expenditures budgeted over revenue. Encumbrances represent commitments related to unperformed contracts (or purchase orders) for goods or services. The amount of encumbrances outstanding at December 31, 2004 has not been calculated. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures.

## **Other Supplemental Information**

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# Charter Township of Plymouth

## Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds December 31, 2004

|  | Special Revenue Funds |                    |  |
|--|-----------------------|--------------------|--|
|  | 911<br>Communications | Drug<br>Forfeiture | Total<br>Nonmajor<br>Governmental<br>Funds |
|  |                       |                    |  |
| <b>Assets</b>                          |                       |                    |  |
| Cash and investments                   | \$ -                  | \$ 50,342          | \$ 50,342                                  |
| Receivables - Net                      | 31,069                | -                  | 31,069                                     |
| Total assets                           | <b>\$ 31,069</b>      | <b>\$ 50,342</b>   | <b>\$ 81,411</b>                           |
| <b>Liabilities and Fund Balances</b>   |                       |                    |  |
| <b>Liabilities</b>                     |                       |                    |  |
| Due to other funds                     | \$ -                  | \$ 1,463           | \$ 1,463                                   |
| Deferred revenue                       | 31,069                | -                  | 31,069                                     |
| Total liabilities                      | 31,069                | 1,463              | 32,532                                     |
| <b>Fund Balances - Unreserved</b>      | -                     | 48,879             | 48,879                                     |
| Total liabilities and<br>fund balances | <b>\$ 31,069</b>      | <b>\$ 50,342</b>   | <b>\$ 81,411</b>                           |

# Charter Township of Plymouth

## Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds Year Ended December 31, 2004

|  | Special Revenue Funds |                    | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|-----------------------|--------------------|--|
|  | 911<br>Communications | Drug<br>Forfeiture |  |
| <b>Revenue</b>                             |                       |                    |  |
| Interest income                            | \$ -                  | \$ 602             | \$ 602                                     |
| Forfeitures                                | -                     | 18,315             | 18,315                                     |
| Other                                      | 119,976               | -                  | 119,976                                    |
|  | 119,976               | 18,917             | 138,893                                    |
| <b>Expenditures - Public safety</b>        | 119,976               | 21,161             | 141,137                                    |
| <b>Excess of Expenditures Over Revenue</b> | -                     | (2,244)            | (2,244)                                    |
| <b>Fund Balances - Beginning of year</b>   | -                     | 51,123             | 51,123                                     |
| <b>Fund Balances - End of year</b>         | \$ -                  | \$ 48,879          | \$ 48,879                                  |

# Charter Township of Plymouth

## Other Supplemental Information Budgetary Comparison Schedule Drug Forfeiture Fund Year Ended December 31, 2004

|  | Original<br>Budget      | Amended<br>Budget       | Actual                  | Variance<br>with<br>Amended<br>Budget |
|--|-------------------------|-------------------------|-------------------------|---------------------------------------|
| <b>Revenue</b> - Forfeitures and interest income | \$ 5,000                | \$ 20,000               | \$ 18,917               | \$ (1,083)                            |
| <b>Expenditures</b> - Public safety              | <u>4,000</u>            | <u>24,340</u>           | <u>21,161</u>           | <u>3,179</u>                          |
| <b>Net Revenue (Expenditures)</b>                | 1,000                   | (4,340)                 | (2,244)                 | 2,096                                 |
| <b>Fund Balance</b>                              |                         |                         |                         |                                       |
| Beginning of year                                | <u>51,526</u>           | <u>51,123</u>           | <u>51,123</u>           | <u>-</u>                              |
| End of year                                      | <u><b>\$ 52,526</b></u> | <u><b>\$ 46,783</b></u> | <u><b>\$ 48,879</b></u> | <u><b>\$ 2,096</b></u>                |

# Charter Township of Plymouth

## Other Supplemental Information Combining Statement of Assets and Liabilities Fiduciary Funds December 31, 2004

|   | General<br>Agency        | Tax<br>Collections         | Totals                     |
|---|--------------------------|----------------------------|----------------------------|
| <b>Assets - Cash and cash equivalents</b> | <b><u>\$ 562,347</u></b> | <b><u>\$ 5,986,864</u></b> | <b><u>\$ 6,549,211</u></b> |
| <b>Liabilities</b>                        |                          |                            |                            |
| Due to other governmental units           | \$ -                     | \$ 5,986,864               | \$ 5,986,864               |
| Deposits for developers and refundables   | 198,512                  | -                          | 198,512                    |
| Deposits for building bonds               | <u>363,835</u>           | <u>-</u>                   | <u>363,835</u>             |
| Total liabilities                         | <b><u>\$ 562,347</u></b> | <b><u>\$ 5,986,864</u></b> | <b><u>\$ 6,549,211</u></b> |



# Charter Township of Plymouth

## Other Supplemental Information Combining Statement of Changes in Assets and Liabilities Fiduciary Funds December 31, 2004

|  | Balance<br>January 1,<br>2004 | Additions                   | Deletions                   | Balance<br>December 31,<br>2004 |
|--|-------------------------------|-----------------------------|-----------------------------|---------------------------------|
| <b><u>Agency Funds</u></b>                           |                               |                             |                             |                                 |
| <b>Assets - Cash and cash equivalents</b>            | <b><u>\$ 721,417</u></b>      | <b><u>\$ 658,434</u></b>    | <b><u>\$ 817,504</u></b>    | <b><u>\$ 562,347</u></b>        |
| <b>Liabilities</b>                                   |                               |                             |                             |                                 |
| Accrued and other liabilities                        | \$ 35,541                     | \$ 289,026                  | \$ 324,567                  | \$ -                            |
| Due to other governmental units                      | 462                           | 19,623                      | 20,085                      | -                               |
| Deposits for developers and refundables              | 355,789                       | 113,924                     | 271,201                     | 198,512                         |
| Deposits for building bonds                          | <u>329,625</u>                | <u>237,060</u>              | <u>202,850</u>              | <u>363,835</u>                  |
| Total liabilities                                    | <b><u>\$ 721,417</u></b>      | <b><u>\$ 659,633</u></b>    | <b><u>\$ 818,703</u></b>    | <b><u>\$ 562,347</u></b>        |
| <b><u>Tax Collection Fund</u></b>                    |                               |                             |                             |                                 |
| <b>Assets - Cash and cash equivalents</b>            | <b><u>\$ 5,420,302</u></b>    | <b><u>\$ 58,228,369</u></b> | <b><u>\$ 57,661,808</u></b> | <b><u>\$ 5,986,863</u></b>      |
| <b>Liabilities - Due to other governmental units</b> | <b><u>\$ 5,420,302</u></b>    | <b><u>\$ 59,067,943</u></b> | <b><u>\$ 58,501,382</u></b> | <b><u>\$ 5,986,863</u></b>      |
| <b><u>Total - All Agency Funds</u></b>               |                               |                             |                             |                                 |
| <b>Assets - Cash and cash equivalents</b>            | <b><u>\$ 6,141,719</u></b>    | <b><u>\$ 58,886,803</u></b> | <b><u>\$ 58,479,312</u></b> | <b><u>\$ 6,549,210</u></b>      |
| <b>Liabilities</b>                                   |                               |                             |                             |                                 |
| Accrued and other liabilities                        | \$ 35,541                     | \$ 289,026                  | \$ 324,567                  | \$ -                            |
| Due to other governmental units                      | 5,420,764                     | 59,087,566                  | 58,521,467                  | 5,986,863                       |
| Deposits for developers and refundables              | 355,789                       | 113,924                     | 271,201                     | 198,512                         |
| Deposits for building bonds                          | <u>329,625</u>                | <u>237,060</u>              | <u>202,850</u>              | <u>363,835</u>                  |
| Total liabilities                                    | <b><u>\$ 6,141,719</u></b>    | <b><u>\$ 59,727,576</u></b> | <b><u>\$ 59,320,085</u></b> | <b><u>\$ 6,549,210</u></b>      |

**Statistical Section**

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# Charter Township of Plymouth

|   | 1995                | 1996                | 1997                | 1998                |
|---|---------------------|---------------------|---------------------|---------------------|
| <b><u>Expenditures</u></b>                            |                     |                     |                     |                     |
| <b>General Government</b>                             |                     |                     |                     |                     |
| Supervisor  | \$ 185,385          | \$ 198,324          | \$ 210,050          | \$ 241,450          |
| Information services                                  | 314,215             | 311,271             | 369,323             | 395,348             |
| Assessor  | 179,006             | 197,341             | 172,197             | 204,546             |
| Clerk   | 201,267             | 305,184             | 214,518             | 322,481             |
| Treasurer   | 195,548             | 204,208             | 190,065             | 214,954             |
| Township hall and grounds                             | 158,081             | 160,583             | 171,466             | 148,564             |
| General operating                                     | 232,401             | 231,012             | 249,871             | 208,243             |
| Boards, commissions, and other                        | 563,300             | 491,111             | 442,745             | 421,693             |
| Total general government                              | 2,029,203           | 2,099,034           | 2,020,235           | 2,157,279           |
| <b>Public Safety</b>                                  |                     |                     |                     |                     |
| Law enforcement                                       | 2,057,332           | 2,271,199           | 2,494,468           | 2,671,929           |
| Communications center                                 | 437,921             | 316,241             | 267,606             | 271,073             |
| Fire department                                       | 1,893,266           | 2,037,625           | 2,061,595           | 2,248,318           |
| Total public safety                                   | 4,388,519           | 4,625,065           | 4,823,669           | 5,191,320           |
| <b>Building</b>                                       | 523,670             | 483,180             | 596,881             | 687,289             |
| <b>Public Services</b>                                | 188,770             | 247,491             | 279,012             | 318,073             |
| <b>Recreation and Cultural - Parks</b>                | 340,457             | 396,290             | 542,481             | 263,125             |
| <b>Health and Welfare</b>                             | 260,912             | 196,558             | 81,372              | 37,329              |
| <b>Debt Service</b>                                   | 93,740              | 97,030              | 94,930              | 97,680              |
| Total expenditures                                    | 7,825,271           | 8,144,648           | 8,438,580           | 8,752,095           |
| <b>Other Financing Uses - Operating transfers out</b> |                     |                     |                     |                     |
| Drug Forfeiture Fund                                  | -                   | -                   | -                   | -                   |
| Improvement Revolving Fund                            | 594,177             | 335,598             | 281,677             | 750,647             |
| Total other financing uses                            | 594,177             | 335,598             | 281,677             | 750,647             |
| Total expenditures and other financing uses           | <u>\$ 8,419,448</u> | <u>\$ 8,480,246</u> | <u>\$ 8,720,257</u> | <u>\$ 9,502,742</u> |

**General Governmental Expenditures by Function  
Last Ten Fiscal Years**

| 1999                        | 2000                        | 2001                        | 2002                        | 2003                        | 2004                        |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| \$ 242,955                  | \$ 255,617                  | \$ 397,668                  | \$ 358,832                  | \$ 359,823                  | \$ 369,725                  |
| 479,207                     | 429,210                     | 271,836                     | 296,428                     | 268,728                     | 291,682                     |
| 214,234                     | 207,640                     | 229,122                     | 241,584                     | 314,793                     | 365,338                     |
| 409,176                     | 554,604                     | 494,014                     | 542,340                     | 491,306                     | 558,698                     |
| 237,744                     | 239,089                     | 321,824                     | 294,456                     | 286,364                     | 307,761                     |
| 184,536                     | 164,495                     | 154,362                     | 140,344                     | 132,451                     | 136,378                     |
| 418,566                     | 327,963                     | 651,519                     | 330,403                     | 341,553                     | 286,072                     |
| 467,957                     | 608,147                     | 627,481                     | 690,354                     | 582,983                     | 599,177                     |
| <u>2,654,375</u>            | <u>2,786,765</u>            | <u>3,147,826</u>            | <u>2,894,741</u>            | <u>2,778,001</u>            | <u>2,914,831</u>            |
| 2,957,403                   | 3,444,336                   | 3,214,704                   | 3,464,033                   | 3,406,567                   | 3,644,507                   |
| 384,912                     | 519,581                     | 615,938                     | 742,974                     | 819,675                     | 854,412                     |
| <u>2,407,042</u>            | <u>2,706,365</u>            | <u>3,174,994</u>            | <u>3,190,509</u>            | <u>3,274,647</u>            | <u>3,373,510</u>            |
| 5,749,357                   | 6,670,282                   | 7,005,636                   | 7,397,516                   | 7,500,889                   | 7,872,429                   |
| 732,027                     | 802,119                     | 694,171                     | 672,674                     | 608,692                     | 631,973                     |
| 387,270                     | 376,504                     | 431,915                     | 385,107                     | 419,414                     | 384,114                     |
| 360,988                     | 431,110                     | 638,296                     | 234,912                     | 246,550                     | 287,328                     |
| 96,970                      | 130,785                     | 143,076                     | 96,774                      | 163,558                     | 225,623                     |
| <u>100,123</u>              | <u>102,243</u>              | <u>103,993</u>              | <u>100,352</u>              | <u>106,173</u>              | <u>106,693</u>              |
| 10,081,110                  | 11,299,808                  | 12,164,913                  | 11,782,076                  | 11,823,277                  | 12,422,991                  |
| -                           | -                           | -                           | -                           | 51,123                      | -                           |
| <u>562,301</u>              | <u>527,044</u>              | <u>127,852</u>              | <u>267,528</u>              | <u>250,359</u>              | <u>1,737,001</u>            |
| <u>562,301</u>              | <u>527,044</u>              | <u>127,852</u>              | <u>267,528</u>              | <u>301,482</u>              | <u>1,737,001</u>            |
| <b><u>\$ 10,643,411</u></b> | <b><u>\$ 11,826,852</u></b> | <b><u>\$ 12,292,765</u></b> | <b><u>\$ 12,049,604</u></b> | <b><u>\$ 12,124,759</u></b> | <b><u>\$ 14,159,992</u></b> |

# Charter Township of Plymouth

|   | <u>1995</u>                | <u>1996</u>                | <u>1997</u>                | <u>1998</u>                 |
|---|----------------------------|----------------------------|----------------------------|-----------------------------|
| <b><u>Revenue</u></b>   |                            |                            |                            |                             |
| <b>Property Taxes</b>   | \$ 3,013,589               | \$ 3,234,306               | \$ 3,418,163               | \$ 3,778,814                |
| <b>Licenses, Permits, and Fees</b>                                      |                            |                            |                            |                             |
| Cable television franchise fees   | 67,884                     | 119,788                    | 138,161                    | 160,406                     |
| Building licenses and permits   | 1,028,683                  | 1,407,324                  | 1,351,602                  | 1,676,951                   |
| 911 service fees  | <u>90,490</u>              | <u>91,484</u>              | <u>-</u>                   | <u>-</u>                    |
| Total licenses, permits, and fees                                       | 1,187,057                  | 1,618,596                  | 1,489,763                  | 1,837,357                   |
| <b>Grants</b>   | 260,912                    | 196,558                    | 81,372                     | 48,445                      |
| <b>State-shared Revenue</b>   | 1,704,627                  | 1,933,268                  | 1,874,208                  | 2,020,149                   |
| <b>Charges for Services - Planning Commission/<br/>Board of Appeals</b> | 83,473                     | 75,498                     | 77,983                     | 93,055                      |
| <b>Fines and Forfeits - District Courts</b>                             | 256,279                    | 262,012                    | 108,053                    | -                           |
| <b>Interest and Rent</b>  |                            |                            |                            |                             |
| Interest on investments   | 271,149                    | 316,118                    | 573,845                    | 611,752                     |
| Golf course lease   | <u>245,493</u>             | <u>250,000</u>             | <u>276,003</u>             | <u>300,000</u>              |
| Total interest and rent   | 516,642                    | 566,118                    | 849,848                    | 911,752                     |
| <b>Other</b>  |                            |                            |                            |                             |
| Intergovernmental reimbursements  | 315,782                    | 369,570                    | 355,398                    | 404,728                     |
| Contribution from City of Plymouth                                      | 391,769                    | 616,506                    | 636,822                    | 693,610                     |
| Miscellaneous   | <u>221,549</u>             | <u>745,381</u>             | <u>323,870</u>             | <u>259,078</u>              |
| Total other   | 929,100                    | 1,731,457                  | 1,316,090                  | 1,357,416                   |
| <b>Total revenue</b>  | <b><u>\$ 7,951,679</u></b> | <b><u>\$ 9,617,813</u></b> | <b><u>\$ 9,215,480</u></b> | <b><u>\$ 10,046,988</u></b> |

**General Governmental Revenues by Function  
Last Ten Fiscal Years**

| <u>1999</u>                 | <u>2000</u>                 | <u>2001</u>                 | <u>2002</u>                 | <u>2003</u>                 | <u>2004</u>                 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| \$ 4,117,846                | \$ 4,408,297                | \$ 4,699,081                | \$ 5,204,451                | \$ 5,624,458                | \$ 5,641,737                |
| 199,879                     | 308,936                     | 304,830                     | 280,950                     | 283,667                     | 295,341                     |
| 1,712,318                   | 1,472,753                   | 1,229,773                   | 869,878                     | 750,430                     | 673,820                     |
| -                           | -                           | -                           | -                           | -                           | -                           |
| 1,912,197                   | 1,781,689                   | 1,534,603                   | 1,150,828                   | 1,034,097                   | 969,161                     |
| 260,261                     | 166,095                     | 362,798                     | 247,638                     | 113,770                     | 211,179                     |
| 2,196,699                   | 2,281,115                   | 2,569,570                   | 2,412,189                   | 2,169,801                   | 2,048,750                   |
| 43,857                      | 56,585                      | 60,873                      | 87,474                      | 131,906                     | 144,541                     |
| 160,080                     | 621,984                     | 408,462                     | 278,632                     | 188,209                     | 104,108                     |
| 619,169                     | 804,082                     | 622,886                     | 234,898                     | 144,167                     | 137,076                     |
| <u>325,000</u>              | <u>347,917</u>              | <u>352,083</u>              | <u>350,000</u>              | <u>350,000</u>              | <u>350,000</u>              |
| 944,169                     | 1,151,999                   | 974,969                     | 584,898                     | 494,167                     | 487,076                     |
| 462,994                     | 462,583                     | 477,838                     | 488,842                     | 448,330                     | 478,545                     |
| 606,835                     | 877,200                     | 936,837                     | 1,314,574                   | 1,103,710                   | 1,116,037                   |
| <u>509,989</u>              | <u>311,549</u>              | <u>624,717</u>              | <u>626,874</u>              | <u>671,153</u>              | <u>745,080</u>              |
| <u>1,579,818</u>            | <u>1,651,332</u>            | <u>2,039,392</u>            | <u>2,430,290</u>            | <u>2,223,193</u>            | <u>2,339,662</u>            |
| <b><u>\$ 11,214,927</u></b> | <b><u>\$ 12,119,096</u></b> | <b><u>\$ 12,649,748</u></b> | <b><u>\$ 12,396,400</u></b> | <b><u>\$ 11,979,601</u></b> | <b><u>\$ 11,946,214</u></b> |

# Charter Township of Plymouth

## General Fund Balance Compared to Annual Expenditures December 31, 2004 (Unaudited)

| <u>Fiscal Year</u> | <u>Reserved<br/>Fund Balance</u> | <u>Unreserved<br/>Fund Balance</u> | <u>Annual<br/>Expenditures</u> | <u>Unreserved Fund Balance as<br/>a Percentage of Expenditures</u> |
|--------------------|----------------------------------|------------------------------------|--------------------------------|--|
| 1995               | \$ -                             | \$ 1,795,921                       | \$ 8,419,448                   | 21.33  |
| 1996               | -                                | 2,933,489                          | 8,480,246                      | 34.59  |
| 1997               | -                                | 3,443,350                          | 8,720,257                      | 39.49  |
| 1998               | -                                | 3,987,596                          | 9,502,742                      | 41.96  |
| 1999               | -                                | 4,559,112                          | 10,643,411                     | 42.84  |
| 2000               | 1,448,889                        | 3,402,467                          | 11,826,852                     | 28.77  |
| 2001               | 540,776                          | 4,667,563                          | 12,292,765                     | 37.97  |
| 2002               | 407,863                          | 5,147,272                          | 12,049,604                     | 42.72  |
| 2002 restated *    | 407,863                          | 6,111,424                          | 12,049,604                     | 50.72  |
| 2003               | -                                | 6,374,129                          | 12,124,759                     | 52.57  |
| 2004               | 494,894                          | 3,665,457                          | 14,159,992                     | 25.89  |

\* Relates to accounting change associated with GASB 34.

# Charter Township of Plymouth

## Township Tax Collection History December 31, 2004 (Unaudited)

| <u>Fiscal Year</u> | <u>Township Taxes Levied</u> | <u>Current Tax Collections</u> | <u>Percent of Current Taxes Collected</u> | <u>Delinquent Tax Collections</u> | <u>Total Tax Collections</u> | <u>Percentage of Total Tax Collections to Total Tax Levy</u> |
|--------------------|------------------------------|--------------------------------|---|-----------------------------------|------------------------------|--|
| 1995               | \$ 3,447,292                 | \$ 3,298,887                   | 95.70                                     | \$ 121,466                        | \$ 3,420,353                 | 99.22  |
| 1996               | 3,687,771                    | 3,573,698                      | 96.91                                     | 99,991                            | 3,673,689                    | 99.62  |
| 1997               | 4,006,651                    | 3,878,895                      | 96.81                                     | 104,734                           | 3,983,629                    | 99.43  |
| 1998               | 4,384,096                    | 4,254,233                      | 97.04                                     | 118,114                           | 4,372,347                    | 99.73  |
| 1999               | 4,670,844                    | 4,516,722                      | 96.70                                     | 122,426                           | 4,639,148                    | 99.32  |
| 2000               | 4,749,783                    | 4,590,472                      | 96.65                                     | 126,165                           | 4,716,637                    | 99.30  |
| 2001               | 5,226,089                    | 5,064,629                      | 96.91                                     | 119,524                           | 5,184,153                    | 99.20  |
| 2002               | 5,551,282                    | 5,446,561                      | 98.11                                     | 67,663                            | 5,514,224                    | 99.33  |
| 2003               | 5,769,041                    | 5,669,666                      | 98.28                                     | 79,114                            | 5,748,780                    | 99.65  |
| 2004               | 6,067,630                    | 5,839,457                      | 96.24                                     | -                                 | 5,839,457                    | 96.24  |

Note: Tax levies not adjusted for subsequent tax adjustments or tax tribunals.

Township levy includes water debt millage through 1999.



# Charter Township of Plymouth

## Taxable Value and Assessed Value of Township Property December 31, 2004 (Unaudited)

| Fiscal Year | Real<br>Property<br>Taxable Value | Personal Property<br>Taxable Value | Tax Abated<br>Taxable Value | Total<br>Taxable Value | State Equalized<br>Value | Estimated Actual<br>Value of<br>Property |
|-------------|-----------------------------------|------------------------------------|-----------------------------|------------------------|--------------------------|--|
| 1995        | \$ 826,815,296                    | \$ 108,906,570                     | \$ 41,978,750               | \$ 977,700,616         | \$ 834,220,106           | \$ 1,668,440,212                         |
| 1996        | 865,864,595                       | 133,992,181                        | 53,933,940                  | 1,053,790,716          | 1,020,678,177            | 2,041,356,354                            |
| 1997        | 941,804,484                       | 147,463,080                        | 74,405,480                  | 1,163,673,044          | 1,124,193,975            | 2,248,387,950                            |
| 1998        | 1,018,297,277                     | 180,880,910                        | 76,958,854                  | 1,276,137,041          | 1,257,602,580            | 2,515,205,160                            |
| 1999        | 1,097,509,525                     | 206,519,070                        | 89,868,940                  | 1,393,897,535          | 1,472,452,505            | 2,944,905,010                            |
| 2000        | 1,207,114,195                     | 222,725,600                        | 109,017,830                 | 1,538,857,625          | 1,658,966,650            | 3,317,933,300                            |
| 2001        | 1,326,999,080                     | 217,798,910                        | 97,142,304                  | 1,641,940,294          | 1,862,611,820            | 3,725,223,640                            |
| 2002        | 1,428,707,130                     | 214,833,838                        | 108,930,260                 | 1,752,471,228          | 2,002,201,818            | 4,004,403,636                            |
| 2003        | 1,501,206,576                     | 218,590,040                        | 89,628,270                  | 1,809,424,886          | 2,122,362,096            | 4,244,724,192                            |
| 2004        | 1,573,908,475                     | 230,142,858                        | 103,778,700                 | 1,907,830,033          | 2,249,615,836            | 4,499,231,672                            |

# Charter Township of Plymouth

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|                               | <u>1995</u>               | <u>1996</u>               | <u>1997</u>               | <u>1998</u>               | <u>1999</u>               | <u>2000</u>               |
|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Schools</b>                |                           |                           |                           |                           |                           |                           |
| State Education Tax           | 6.0000                    | 6.0000                    | 6.0000                    | 6.0000                    | 6.0000                    | 6.0000                    |
| Plymouth-Canton Schools       | 2.0800                    | 2.1800                    | 2.1800                    | 2.1800                    | 3.4700                    | 3.1500                    |
| Schoolcraft Community College | 1.8600                    | 1.8600                    | 1.8600                    | 1.8600                    | 1.8500                    | 1.9789                    |
| RESA/Special Education        | 2.0000                    | 2.0000                    | 2.0000                    | 2.0000                    | 2.0000                    | 1.8311                    |
| <b>Other</b>                  |                           |                           |                           |                           |                           |                           |
| Wayne County                  | 6.7300                    | 6.7300                    | 6.7300                    | 6.7300                    | 6.7068                    | 6.6651                    |
| Plymouth Township             | 3.6000                    | 3.5900                    | 3.5600                    | 3.5600                    | 3.4600                    | 3.2000                    |
| Wayne County Jail             | 0.9600                    | 0.9600                    | 0.9600                    | 0.9600                    | 0.9505                    | 0.9446                    |
| Wayne County Parks            | -                         | 0.2500                    | 0.2500                    | 0.2500                    | 0.2493                    | 0.2477                    |
| Huron Clinton Metro Parks     | 0.2300                    | 0.2300                    | 0.2300                    | 0.2300                    | 0.2218                    | 0.2202                    |
| Plymouth District Library     | <u>1.0000</u>             | <u>1.9400</u>             | <u>1.9300</u>             | <u>1.9300</u>             | <u>1.6650</u>             | <u>1.8297</u>             |
| <br>Total millage for year    | <br><b><u>24.4600</u></b> | <br><b><u>25.7400</u></b> | <br><b><u>25.7000</u></b> | <br><b><u>25.7000</u></b> | <br><b><u>26.5734</u></b> | <br><b><u>26.0673</u></b> |

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**Tax Rate History of Direct and Overlapping Governments**  
**December 31, 2004**  
(Unaudited)

| <u>2001</u>           | <u>2002</u>           | <u>2003</u>           | <u>2004</u>           |
|-----------------------|-----------------------|-----------------------|-----------------------|
| 6.0000                | 6.0000                | 5.0000                | 6.0000                |
| 3.4900                | 3.3000                | 3.1500                | 3.1000                |
| 1.8193                | 1.8043                | 1.8024                | 1.7967                |
| 1.9753                | 3.4643                | 3.4643                | 3.4643                |
| 6.6556                | 6.6380                | 6.6380                | 6.6380                |
| 3.2800                | 3.2694                | 3.2694                | 3.2694                |
| 0.9432                | 0.9381                | 0.9381                | 0.9381                |
| 0.2473                | 0.2459                | 0.2459                | 0.2459                |
| 0.2186                | 0.2170                | 0.2161                | 0.2154                |
| <u>1.7962</u>         | <u>1.7875</u>         | <u>1.7838</u>         | <u>1.7778</u>         |
| <b><u>26.4255</u></b> | <b><u>27.6645</u></b> | <b><u>26.5080</u></b> | <b><u>27.4456</u></b> |

# Charter Township of Plymouth

## Property Taxes Levied December 31, 2004 (Unaudited)

| <u>Fiscal Year</u> | <u>Township Taxes</u> | <u>County Taxes</u> | <u>School Tax</u> | <u>State Education</u> | <u>Community College</u> | <u>Library</u> | <u>Total</u>  |
|--------------------|-----------------------|---------------------|-------------------|------------------------|--------------------------|----------------|---------------|
| 1995               | \$ 3,447,292          | \$ 9,499,794        | \$ 8,774,534      | \$ 5,624,708           | \$ 1,781,651             | \$ 957,583     | \$ 30,085,562 |
| 1996               | 3,687,771             | 10,430,135          | 9,563,740         | 6,095,499              | 1,903,208                | 1,986,124      | 33,666,477    |
| 1997               | 4,006,651             | 11,438,398          | 10,803,124        | 6,773,971              | 2,087,428                | 2,166,765      | 37,276,337    |
| 1998               | 4,384,096             | 12,573,905          | 12,094,758        | 7,474,923              | 2,294,504                | 2,328,967      | 41,151,153    |
| 1999               | 4,670,844             | 13,659,201          | 15,068,554        | 8,187,950              | 2,486,345                | 2,247,768      | 46,320,662    |
| 2000               | 4,749,783             | 14,927,007          | 16,139,558        | 9,078,011              | 2,717,935                | 2,715,851      | 50,328,145    |
| 2001               | 5,226,089             | 15,997,083          | 17,208,600        | 9,713,986              | 2,898,755                | 2,861,954      | 53,906,467    |
| 2002               | 5,551,282             | 19,532,298          | 17,567,396        | 10,400,627             | 3,063,658                | 3,035,124      | 59,150,385    |
| 2003               | 5,769,041             | 20,296,906          | 17,785,517        | 8,999,938              | 3,180,479                | 3,147,656      | 59,179,537    |
| 2004               | 6,067,630             | 21,166,359          | 18,756,710        | 11,320,985             | 3,334,505                | 3,299,435      | 63,945,624    |

# Charter Township of Plymouth

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| Taxpayer                       | Real<br>Taxable<br>Valuation | Personal Property<br>Taxable<br>Valuation | Tax Abated<br>Taxable<br>Valuation | Total<br>Taxable<br>Valuation |
|--------------------------------|------------------------------|---|------------------------------------|-------------------------------|
| Visteon Corporation            | \$ 10,752,340                | \$ 28,752,460                             | \$ -                               | \$ 39,504,800                 |
| Johnson Control                | 21,952,430                   | 8,410,390                                 | -                                  | 30,362,820                    |
| Tower Automotive               | 681,670                      | 4,864,410                                 | 25,201,030                         | 30,747,110                    |
| Demattia/AEW Realty Co. L.L.C. | 17,432,140                   | 374,570                                   | -                                  | 17,806,710                    |
| EFG Loan Funding               | -                            | 14,329,240                                | -                                  | 14,329,240                    |
| Dembs Roth Group               | 12,750,571                   | -   | -                                  | 12,750,571                    |
| Detroit Edison                 | 340,510                      | 10,982,810                                | -                                  | 11,323,320                    |
| AFL-CIO                        | 8,979,190                    | -   | -                                  | 8,979,190                     |
| Compuware Sports Arena         | 8,536,910                    | 404,940                                   | -                                  | 8,941,850                     |
| Unisys                         | 4,817,810                    | 3,582,160                                 | -                                  | 8,399,970                     |
| Total                          | <u>\$ 86,243,571</u>         | <u>\$ 71,700,980</u>                      | <u>\$ 25,201,030</u>               | <u>\$ 183,145,581</u>         |

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**Principal Taxpayers**  
**December 31, 2004**  
(Unaudited)

| <u>Total Taxes</u><br><u>Billed</u> | <u>Percentage</u><br><u>of Total</u><br><u>Taxes Billed</u> |
|-------------------------------------|---|
| \$ 1,758,279                        | 2.97  |
| 1,351,401                           | 2.28  |
| 872,952                             | 1.48  |
| 792,539                             | 1.34  |
| 637,766                             | 1.08  |
| 575,628                             | 0.97  |
| 506,569                             | 0.86  |
| 399,646                             | 0.68  |
| 397,984                             | 0.67  |
| <u>373,910</u>                      | <u>0.63</u>   |
| <b><u>\$ 7,666,674</u></b>          | <b><u>12.96</u></b>   |

# Charter Township of Plymouth

## Special Assessments and Collections for the Past Ten Fiscal Years December 31, 2004 (Unaudited)

| <u>Fiscal Year</u> | <u>Liens Assessed,<br/>Interest Charges,<br/>and Adjustments</u> | <u>Collections</u> | <u>Unpaid<br/>Balances</u> |
|--------------------|--|--------------------|----------------------------|
| 1995               | \$ 15,905  | \$ 38,011          | \$ 108,673                 |
| 1996               | 1,675,820  | 238,377            | 1,546,116                  |
| 1997               | 1,362,945  | 409,530            | 2,499,531                  |
| 1998               | (290,070)  | 402,716            | 1,806,745                  |
| 1999               | 78,624   | 481,206            | 1,404,163                  |
| 2000               | 1,673,461  | 456,039            | 2,621,585                  |
| 2001               | 413,622  | 376,930            | 2,658,277                  |
| 2002               | 1,117,631  | 1,556,726          | 2,219,182                  |
| 2003               | 67,748   | 864,137            | 1,422,793                  |
| 2004               | 465,988  | 466,056            | 1,422,725                  |

# Charter Township of Plymouth

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## Computation of Legal Debt Margin December 31, 2004 (Unaudited)

|  |                         |
|--|-------------------------|
| Debt limit - 2004 equalized value              | <u>\$ 2,249,615,836</u> |
| Debt limit (10 percent of equalized valuation) | \$ 224,961,584          |
| Total debt applicable to debt limit            | <u>7,333,133</u>        |
| Legal debt margin                              | <u>\$ 217,628,451</u>   |



# Charter Township of Plymouth

## Ratio of Annual Debt Service Expenditures for General Obligated Debt December 31, 2004 (Unaudited)

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> | <u>Annual Expenditures</u> | <u>Ratio of Debt Service to General Expenditures (Percent)</u> |
|--------------------|------------------|-----------------|---------------------------|----------------------------|--|
| 1995               | \$ 45,000        | \$ 48,740       | \$ 93,740                 | \$ 8,419,448               | 1.11   |
| 1996               | 50,000           | 47,030          | 97,030                    | 8,480,246                  | 1.14   |
| 1997               | 50,000           | 44,930          | 94,930                    | 8,720,257                  | 1.09   |
| 1998               | 55,000           | 42,680          | 97,680                    | 9,502,742                  | 1.03   |
| 1999               | 60,000           | 40,123          | 100,123                   | 10,643,411                 | 0.94   |
| 2000               | 65,000           | 37,243          | 102,243                   | 11,826,852                 | 0.86   |
| 2001               | 70,000           | 33,993          | 103,993                   | 12,292,765                 | 0.85   |
| 2002               | 70,000           | 30,352          | 100,352                   | 12,049,604                 | 0.83   |
| 2003               | 80,000           | 26,173          | 106,173                   | 12,125,725                 | 0.88   |
| 2004               | 85,000           | 21,693          | 106,693                   | 14,159,992                 | 0.75   |

# Charter Township of Plymouth

## Ratio of Net General Obligated Debt to Assessed Value and Net General Obligation Debt Per Capita December 31, 2004 (Unaudited)

| Fiscal Year | Assessed<br>Value | Estimated<br>Population | General<br>Bonded Debt<br>Outstanding (1) | Percent of<br>General<br>Bonded Debt<br>to Assessed<br>Value | Ratio of<br>General<br>Bonded Debt<br>Per Capita |
|-------------|-------------------|-------------------------|---|--|--|
| 1994        | \$ 882,995,667    | 24,627                  | \$ 910,000                                | 0.10   | 36.95  |
| 1995        | 834,220,106       | 25,221                  | 865,000                                   | 0.10   | 34.30  |
| 1996        | 1,020,678,177     | 25,645                  | 815,000                                   | 0.08   | 31.78  |
| 1997        | 1,124,193,975     | 25,493                  | 765,000                                   | 0.07   | 30.01  |
| 1998        | 1,257,602,580     | 26,163                  | 710,000                                   | 0.06   | 27.14  |
| 1999        | 1,472,452,505     | 27,087                  | 650,000                                   | 0.04   | 24.00  |
| 2000        | 1,658,966,650     | 27,798                  | 585,000                                   | 0.04   | 21.04  |
| 2001        | 1,862,611,820     | 28,443                  | 515,000                                   | 0.03   | 18.11  |
| 2002        | 2,002,201,818     | 28,585                  | 445,000                                   | 0.02   | 15.57  |
| 2003        | 2,122,362,096     | 28,783                  | 365,000                                   | 0.02   | 12.68  |
| 2004        | 2,249,615,836     | 28,033                  | 280,000                                   | 0.01   | 9.99   |

(1) General obligation bonds reported in the Enterprise Fund with government commitment

# Charter Township of Plymouth

## Computation of Direct and Overlapping Debt December 31, 2004 (Unaudited)

| <u>Governmental Unit</u>              | <u>Bonds<br/>Outstanding</u> | <u>Percentage</u> | <u>Total</u>                 |
|---------------------------------------|------------------------------|-------------------|------------------------------|
| Plymouth Township                     | \$ 6,280,000                 | 100.00            | \$ 6,280,000                 |
| Plymouth Township                     | 1,053,133                    | 100.00            | 1,053,133                    |
| Western Townships Utilities Authority | 35,146,661                   | 100.00            | <u>35,146,661</u>            |
| Total direct debt                     |                              |                   | 42,479,794                   |
| Wayne County                          | 115,059,610                  | 3.95              | 4,544,855                    |
| 35th District Court                   | 925,000                      | 100.00            | 925,000                      |
| Plymouth-Canton Schools               | 219,635,000                  | 34.63             | 76,059,601                   |
| Plymouth District Library             | 5,635,000                    | 81.38             | <u>4,585,763</u>             |
| Total direct and overlapping debt     |                              |                   | <u><u>\$ 128,595,013</u></u> |

# Charter Township of Plymouth

## Demographic Statistics December 31, 2004 (Unaudited)

| Fiscal Year | Population<br>(A) | Per Capita<br>Income | Median<br>Age | Education<br>in Years<br>of Formal<br>Schooling | School<br>Enrollment<br>Plymouth Canton<br>Schools | Unemployment<br>Rate (C) |
|-------------|-------------------|----------------------|---------------|---|--|--------------------------|
| 1995        | 25,221            | (B)                  | (B)           | (B)   | 15,352   | 1.70%                    |
| 1996        | 25,645            | (B)                  | (B)           | (B)   | 15,720   | 1.40%                    |
| 1997        | 25,493            | (B)                  | (B)           | (B)   | 15,746   | 1.30%                    |
| 1998        | 26,163            | (B)                  | (B)           | (B)   | 16,033   | 1.20%                    |
| 1999        | 27,087            | (B)                  | (B)           | (B)   | 16,276   | 1.20%                    |
| 2000        | 27,798            | (B)                  | (B)           | (B)   | 16,333   | 1.80%                    |
| 2001        | 28,443            | (B)                  | (B)           | (B)   | 16,581   | 2.20%                    |
| 2002        | 28,585            | (B)                  | (B)           | (B)   | 16,996   | 2.50%                    |
| 2003        | 28,783            | (B)                  | (B)           | (B)   | 17,810   | 2.70%                    |
| 2004        | 28,033            | (B)                  | (B)           | (B)   | 17,780   | 3.40%                    |

(A) Estimated population per Southeast Michigan Council of Governments

(B) Not available

(C) Michigan Employment Security Commission

# Charter Township of Plymouth

## Building Permits, Value of Construction, Bank Deposits, and Assessed Value December 31, 2004 (Unaudited)

| <u>Fiscal Year</u> | <u>Building Permits</u> | <u>Construction Value</u> | <u>Community<br/>Bank Deposits</u> | <u>Assessed Value</u> |
|--------------------|-------------------------|---------------------------|------------------------------------|-----------------------|
| 1995               | 535                     | \$ 59,219,437             | Not available                      | \$ 834,220,106        |
| 1996               | 615                     | 122,335,808               | Not available                      | 1,020,678,177         |
| 1997               | 617                     | 88,441,460                | Not available                      | 1,124,193,975         |
| 1998               | 691                     | 105,193,901               | Not available                      | 1,257,602,580         |
| 1999               | 664                     | 103,259,396               | Not available                      | 1,472,452,505         |
| 2000               | 762                     | 83,429,730                | Not available                      | 1,658,966,650         |
| 2001               | 517                     | 77,538,222                | Not available                      | 1,862,611,820         |
| 2002               | 354                     | 47,086,207                | Not available                      | 2,002,201,818         |
| 2003               | 326                     | 45,798,680                | Not available                      | 2,122,362,096         |
| 2004               | 368                     | 42,793,873                | Not available                      | 2,249,615,836         |

# Charter Township of Plymouth

|                                      | <u>1995</u>         | <u>1996</u>         | <u>1997</u>         | <u>1998</u>         | <u>1999</u>         | <u>2000</u>         | <u>2001</u>         |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Plymouth Twp. fire runs              | 588                 | 590                 | 677                 | 691                 | 718                 | 579                 | 614                 |
| City of Plymouth fire runs           | <u>277</u>          | <u>205</u>          | <u>263</u>          | <u>234</u>          | <u>221</u>          | <u>202</u>          | <u>224</u>          |
| Total community fire runs            | 865                 | 795                 | 940                 | 925                 | 939                 | 781                 | 838                 |
| Plymouth Twp. rescue runs            | 1,182               | 1,259               | 1,231               | 1,268               | 1,558               | 1,679               | 1,691               |
| City of Plymouth rescue runs         | <u>517</u>          | <u>589</u>          | <u>670</u>          | <u>695</u>          | <u>601</u>          | <u>700</u>          | <u>687</u>          |
| Total community rescue runs          | <u>1,699</u>        | <u>1,848</u>        | <u>1,901</u>        | <u>1,963</u>        | <u>2,159</u>        | <u>2,379</u>        | <u>2,378</u>        |
| Total community fire department runs | <u><b>2,564</b></u> | <u><b>2,643</b></u> | <u><b>2,841</b></u> | <u><b>2,888</b></u> | <u><b>3,098</b></u> | <u><b>3,160</b></u> | <u><b>3,216</b></u> |
| Plymouth Twp. runs                   | 1,770               | 1,849               | 1,908               | 1,959               | 2,276               | 2,258               | 2,305               |
| City of Plymouth runs                | 794                 | 794                 | 933                 | 929                 | 822                 | 902                 | 911                 |
| Plymouth Twp. runs                   | 69.03               | 69.96               | 67.16               | 67.83               | 73.47               | 71.46               | 71.67               |
| City of Plymouth runs                | <u>30.97</u>        | <u>30.04</u>        | <u>32.84</u>        | <u>32.17</u>        | <u>26.53</u>        | <u>28.54</u>        | <u>28.33</u>        |
| Total                                | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              |
| Staffing:                            |                     |                     |                     |                     |                     |                     |                     |
| Officers                             | 6                   | 6                   | 6                   | 6                   | 6                   | 6                   | 6                   |
| Firefighters                         | <u>14</u>           | <u>15</u>           | <u>15</u>           | <u>15</u>           | <u>16</u>           | <u>17</u>           | <u>20</u>           |
| Total                                | <u><b>20</b></u>    | <u><b>21</b></u>    | <u><b>21</b></u>    | <u><b>21</b></u>    | <u><b>22</b></u>    | <u><b>23</b></u>    | <u><b>26</b></u>    |

Source - Plymouth Community Fire Department Annual Reports

Note: City of Plymouth Fire Department merged with Charter Township of Plymouth's Fire Department in 1995.

**Community Fire Department Runs and Firefighter Staffing**  
**December 31, 2004**  
(Unaudited)

| <u>2002</u>         | <u>2003</u>         | <u>2004</u>         |
|---------------------|---------------------|---------------------|
| 666                 | 649                 | 580                 |
| <u>232</u>          | <u>205</u>          | <u>214</u>          |
| 898                 | 854                 | 794                 |
| 1,698               | 1,620               | 1,600               |
| <u>738</u>          | <u>769</u>          | <u>697</u>          |
| <u>2,436</u>        | <u>2,389</u>        | <u>2,297</u>        |
| <b><u>3,334</u></b> | <b><u>3,243</u></b> | <b><u>3,091</u></b> |
| 2,364               | 2,269               | 2,180               |
| 970                 | 974                 | 911                 |
| 70.91               | 69.97               | 70.53               |
| <u>29.09</u>        | <u>30.03</u>        | <u>29.47</u>        |
| 100.00              | 100.00              | 100.00              |
| 6                   | 6                   | 6                   |
| <u>21</u>           | <u>21</u>           | <u>21</u>           |
| <b><u>27</u></b>    | <b><u>27</u></b>    | <b><u>27</u></b>    |

# Charter Township of Plymouth

## Net Revenues Available for Water Debt Service December 31, 2004 (Unaudited)

| Fiscal Year | Gross Revenue | Operating Expenses | Net Revenues Available for Debt Service | Debt Service Requirements |              |              | Coverage |
|-------------|---------------|--------------------|---|---------------------------|--------------|--------------|----------|
|             |               |                    |   | Principal                 | Interest     | Total        |          |
| 1995        | \$ 6,720,393  | \$ 5,791,092       | \$ 929,301                              | \$ 608,473                | \$ 2,055,027 | \$ 2,663,500 | 0.35     |
| 1996        | 7,159,098     | 5,579,064          | 1,580,034                               | 533,171                   | 1,971,681    | 2,504,852    | 0.63     |
| 1997        | 8,388,027     | 5,159,193          | 3,228,834                               | 578,045                   | 1,968,583    | 2,546,628    | 1.27     |
| 1998        | 7,722,546     | 6,094,162          | 1,628,384                               | 1,806,195                 | 1,618,105    | 3,424,300    | 0.48     |
| 1999        | 8,289,592     | 6,430,806          | 1,858,786                               | 614,678                   | 1,641,614    | 2,256,292    | 0.82     |
| 2000        | 7,485,173     | 6,122,995          | 1,362,178                               | 777,088                   | 1,495,293    | 2,272,381    | 0.60     |
| 2001        | 8,125,238     | 7,085,115          | 1,040,123                               | 606,421                   | 1,613,993    | 2,220,414    | 0.47     |
| 2002        | 9,818,138     | 7,317,375          | 2,500,763                               | 457,701                   | 1,286,424    | 1,744,125    | 1.43     |
| 2003        | 9,602,173     | 6,318,944          | 3,283,229                               | 310,764                   | 1,764,421    | 2,075,185    | 1.58     |
| 2004        | 9,837,175     | 6,223,051          | 3,614,124                               | 409,100                   | 1,727,330    | 2,136,430    | 1.69     |



# Charter Township of Plymouth

## Water and Sewer Rate and Water Consumed - Last Ten Fiscal Years December 31, 2004 (Unaudited)

| Fiscal Year | Water<br>Rate<br>Per 1,000<br>Gallons | Sewer<br>Rate<br>Per 1,000<br>Gallons | Total<br>Rate<br>Per 1,000<br>Gallons | Residential<br>Water<br>Consumed in<br>Gallons | Commercial<br>Water<br>Consumed in<br>Gallons | Total<br>Water<br>Consumed in<br>Gallons |
|-------------|---------------------------------------|---------------------------------------|---------------------------------------|--|---|--|
| 1995        | 1.47                                  | 1.97                                  | 3.44                                  | \$ 661,519,000                                 | \$ 582,031,000                                | \$ 1,243,550,000                         |
| 1996        | 1.47                                  | 1.97                                  | 3.44                                  | 828,833,000                                    | 634,016,000                                   | 1,462,849,000                            |
| 1997        | 1.47                                  | 1.97                                  | 3.44                                  | 705,321,000                                    | 612,028,000                                   | 1,317,349,000                            |
| 1998        | 1.47                                  | 1.97                                  | 3.44                                  | 889,621,000                                    | 660,146,000                                   | 1,549,767,000                            |
| 1999        | 1.47                                  | 1.97                                  | 3.44                                  | 952,208,000                                    | 691,022,000                                   | 1,643,230,000                            |
| 2000        | 1.47                                  | 1.97                                  | 3.44                                  | 785,681,000                                    | 637,773,000                                   | 1,423,454,000                            |
| 2001        | 1.80                                  | 2.30                                  | 4.10                                  | 934,966,000                                    | 680,071,000                                   | 1,615,037,000                            |
| 2002        | 2.20                                  | 2.72                                  | 4.92                                  | 1,023,625,000                                  | 707,027,000                                   | 1,730,652,000                            |
| 2003        | 2.14                                  | 2.72                                  | 4.86                                  | 842,507,000                                    | 665,699,000                                   | 1,508,206,000                            |
| 2004        | 2.14                                  | 2.72                                  | 4.86                                  | 797,856,000                                    | 665,190,000                                   | 1,463,046,000                            |

# Charter Township of Plymouth

## Miscellaneous Statistical Data December 31, 2004 (Unaudited)

|  |                   |
|--|-------------------|
| Date of incorporation                        | April 12, 1827    |
| Township Charter adopted                     | 1977              |
| Form of government                           | Charter Township  |
| Area of Township                             | 16.6 square miles |
| <b>Miles of Street and Sidewalks*</b>        |                   |
| Streets - Paved                              | 139.5             |
| Streets - Unpaved                            | 4                 |
| Sidewalks                                    | Not available     |
| <b>Fire and Emergency Medical Protection</b> |                   |
| Stations                                     | 3                 |
| Employees - Sworn firefighters/paramedics    | 27                |
| Employees - Sworn firefighters               | 2                 |
| Part paid - Sworn firefighters               | 7                 |
| Employees - Civilian                         | 1                 |
| <b>Police Protection</b>                     |                   |
| Stations                                     | 1                 |
| Employees - Sworn                            | 31                |
| Employees - Civilian                         | 16                |
| Vehicular patrol units:                      |                   |
| Patrol cars                                  | 12                |
| Motorcycles                                  | 4                 |
| Other vehicles                               | 4                 |
| <b>Water and Sewer</b>                       |                   |
| Water customers:                             |                   |
| Residential                                  | 8,418             |
| Commercial                                   | 1,130             |
| Miles of water mains                         | 174               |
| Miles of sanitary sewers                     | 140               |
| <b>Recreation</b>                            |                   |
| Township park acreage                        | 112.5             |
| Township parks                               | 5                 |
| Wayne County parks                           | 1                 |
| Private subdivision parks                    | 32                |
| Seniors centers                              | 1                 |
| Golf courses                                 | 2                 |
| Ice arenas                                   | 2                 |
| School playgrounds                           | 7                 |
| Little League baseball fields                | 4                 |
| Soccer fields                                | 4                 |

\* Township is not responsible for maintenance and repair of streets and sidewalks.