

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

**Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2006**

Prepared by the Controller's Office

Charter Township of Grand Blanc

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Charter Township of Grand Blanc

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June 29, 2007

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

This letter serves to formally transmit to the citizens and board of trustees of the Charter Township of Grand Blanc the Comprehensive Annual Financial Report for the 2006 fiscal year ended December 31, 2006. Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Charter Township of Grand Blanc's MD&A can be found immediately following the report of the independent auditor. The state statutes require that within six months of the close of each fiscal year, the Charter Township of Grand Blanc issue a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. The accuracy and reliability of the accounting system is dependent on adequate internal control. Since the cost of internal controls should not outweigh their benefits, the Township's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Therefore, the accuracy, completeness, and fairness of the financial data reported, including all disclosures, rests with the Township's management, who assumes full responsibility for the information presented in this report and asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects. Plante & Moran, PLLC has issued an unqualified opinion on the Charter Township of Grand Blanc's financial statements for the year ended December 31, 2006. The independent auditor's report is located at the front of the financial section of this report.

The Comprehensive Annual Financial Report is prepared to meet the needs of a broad spectrum of interested parties and is divided into the following major sections:

Introductory Section - This section introduces the reader to the Charter Township of Grand Blanc and to this report. The introductory section, which is unaudited, includes this letter of transmittal, an organizational chart, and a list of the Charter Township of Grand Blanc's principal elected and appointed officials and department heads.

Financial Section - Basic Financial Statements - The independent auditor's report, management's discussion and analysis letter, government-wide financial statements, combined fund financial statements, and notes to the financial statements are included under this section. These are the Township's basic financial statements and provide an overview for readers who require less detailed information than is contained in the balance of the Comprehensive Annual Financial Report.

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

Financial Section - Required Supplemental Information - This section contains a more detailed comparative analysis of actual revenues and expenditures versus the 2006 budgets for the General Fund and Major Special Revenue Funds.

Financial Section - Other Supplemental Information - This section contains combining statements for all of the Township's nonmajor special revenue governmental funds, Fiduciary Funds, and Agency Funds, as well as budget to actual comparative statements for all nonmajor governmental funds.

Statistical Section - Although this section contains substantial financial data, these schedules differ from the financial statements in that they present some non-accounting data, cover more than the current year, and are designed to reflect social and economic data, financial trends, and fiscal capabilities of the Township, and are unaudited.

Township Services

The Charter Township of Grand Blanc (the "Charter Township") provides various services to its citizens. Among these are police protection; community development, by our planning, zoning, and building departments; property assessment; general administrative services; voter registration; garbage collection; mosquito control; partial water and sewer operations; and partial snow removal. The Charter Township also participates with the City of Grand Blanc (the "City") in jointly funded ventures such as Grand Blanc Fire Commission, Grand Blanc Parks and Recreation Commission/Senior Citizen Activity Center, and the Grand Blanc District Library. The Charter Township of Grand Blanc's board is comprised of the supervisor, clerk, treasurer, and four trustees. All board members are elected for a four-year term and their election process coincides with the presidential election.

Economic Condition and Outlook

The Charter Township of Grand Blanc was incorporated in 1833 and is located in the southeastern part of Genesee County. Genesee County is located in the mid-state section of Michigan about 60 miles north of the city of Detroit. The Charter Township currently has a land area of 32.1 square miles and a population of approximately 35,075. The Charter Township has a futuristic, innovative approach to development, but keeps an eye on its rich history and heritage. The result has been structured commercial development, aesthetically pleasing neighborhoods, excellent public services, and top-rated schools. The Charter Township still maintains a rural atmosphere with a variety of age, size, and price for its housing. The Township has 35 residential developments under some phase of construction. With the 35 on-going subdivisions, approximately 18 percent of 2006 housing sales were from new construction with the average 2006 new home construction cost at \$269,000.

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

A major factor that has contributed to the positive expansion of our Charter Township is the fact that Grand Blanc is located off the first four exits of I-75 just north of the fastest-growing county in Michigan and the fourth wealthiest in the nation, Oakland County. Oakland County residents are finding very affordable housing in the Grand Blanc community and are still within a 30-minute expressway commute from their Oakland County employment. There is continuing economic tension over the future of Delphi and General Motors, Genesee County's two largest employers. While a major portion of Grand Blanc Township's residents are directly or indirectly connected to the automotive industry, the Charter Township is fortunate to be part of the I-75/Automation Alley and the growth spillover from Oakland County.

Grand Blanc Township continued to lead Genesee County in 2006 with 850 property sales and 110 new housing building permits, with a projected new construction value of \$29.6 million. We also continued to experience a strong number of residential improvement permits, even though they were down from the 2005 levels. 2006 residential improvement permits totaled 287 with a projected construction value of \$4.1 million. The number of permits issued for new commercial construction was 24 with a projected new construction value of \$31.5 million, and the number of permits issued for commercial improvements was 85, with a projected improvement value of \$9.3 million. While permits for new residential construction were down from the previous year, the number of permits issued for both new commercial construction and commercial improvement increased. Commercial permits increased 33 percent for new commercial construction and increased 54 percent for commercial improvement. This consistency helps support the public's continued community confidence to invest in their homes and businesses in Grand Blanc Township.

Besides affordable and diverse housing, varied and growing retail outlets, and work opportunities within a 30-minute drive, an additional drawing point to our community is the Grand Blanc Community Schools, which service 95 percent of the Charter Township. Grand Blanc Community Schools Points of Pride include:

- The dropout rate was 0.33 percent for the 2005-2006 school year.
- Over 90 percent of GBHS graduates enroll in an institution of higher learning.
- Every graduate in the Class of 2006 passed the MEAP reading, science, writing, and mathematics tests. Grand Blanc High School pioneered the requirement among all schools in Michigan that its graduates meet this standard. Grand Blanc High School was only one of five school districts in the state to rank in the top 5 percent of ALL subtests on the MEAP.
- 342 graduating seniors in the Class of 2006 met the standards for receiving \$2,500 MEAP merit scholarships - one of the highest amounts earned among all the high schools in Michigan in 2006.
- The Standard and Poor's Performance Cost Index, which compares spending of all Michigan schools to their MEAP performance, ranks Grand Blanc among the best school districts in the state.

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

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

The Charter Township has two General Motors facilities within its boundaries to support its tax base. The Charter Township no longer relies on GM as the major part of the tax base, even though they are still our largest taxpayer. GM's percentage of the tax base decreased from 5.8 percent in 2003 to 4.7 percent in 2004, to 3.4 percent in 2005 to 2.9 percent in 2006. The metal fabrication plant that has been historically a stamping plant for sheet metal parts has been redesigned as a tooling support facility for new assembly lines. GM invested \$20 million in this transfer and employs approximately 820 employees. The headquarters for General Motors Service and Parts Operation is also located in the Charter Township and employs approximately 1,200 employees.

Even though the State of Michigan and Genesee County continue to experience economic tensions over the future of General Motors and Delphi, the Charter Township's location to Oakland County, I-75/Automation Alley, and the high quality of the Grand Blanc Community Schools will continue to fuel a favorable economic environment and local indicators point to continued stability and growth.

In 2004, the Charter Township hired an outside consultant to develop, consistent with the industry's understanding of the Michigan Supreme Court's case, *Bolt vs. the City of Lansing*, utility rates and tap-in fees for the Township of Grand Blanc's water and sewer department. The results of the study confirmed that the Charter Township should change the way the Charter Township bills for water based on a minimum bill plus consumption, to billing for a "ready to serve" fee and eliminate the minimum bill; increase the water tap-in fees from \$1,600 to \$4,500; and the sewer tap-in fees from \$1,600 to \$5,100. The revenue generated from the tap-in fees has been designated to help fund the Charter Township's future water and sewer infrastructure needs. In 2006, \$2.5 million in tap-in fees was collected and that revenue has been combined with the \$6.3 million collected in 2005 to fund projects on the five-year capital improvement plan, which included constructing the Baldwin Road Elevated Water Tower (1,000,000 gallon), Knollwood and Stockbridge emergency back-up wells, Embury Road booster pump station, two DPW storage facilities, Center to Dort Highway water main, and sewer improvements on Vassar Road and Fenton Road.

Major Initiatives

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

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

The Grand Blanc Township Police Department is a progressive, full-service, C.A.L.E.A. accredited, law enforcement agency. The department provides 24/7 police service including dispatching, D.A.R.E., senior citizens call-in, vacation checks, operation identification, K-9 unit, motorcycle unit, motor carrier unit, child safety seat inspections, and an accident reconstruction team.

In 2005, Grand Blanc Township conducted a mid-decade census in hopes of receiving additional state revenue-sharing dollars. The census showed the State of Michigan that our population increased from 29,827 to 35,075 or 18 percent since the 2000 census and with the formula currently being used to allocate revenue-sharing monies to municipalities, the Charter Township received an additional \$292,500 in 2006.

In June 2006, the Fire Prevention Bureau came into full operation with the hiring of four part-time fire inspectors. The goal of the Fire Prevention Bureau is to provide fire inspections on all commercial and industrial buildings, as well as develop fire safety educational programs for our community.

The continued growth of the Charter Township is directly related to the infrastructure capabilities. The total water lines increased in 2006 by three miles to 182 total miles and the sanitary sewer system increased one mile to 228 total miles. As stated above, there were six major water and sewer projects in 2006, using the revenue generated from the tap-in fees, in an effort to continuously improve the Charter Township's infrastructure capabilities.

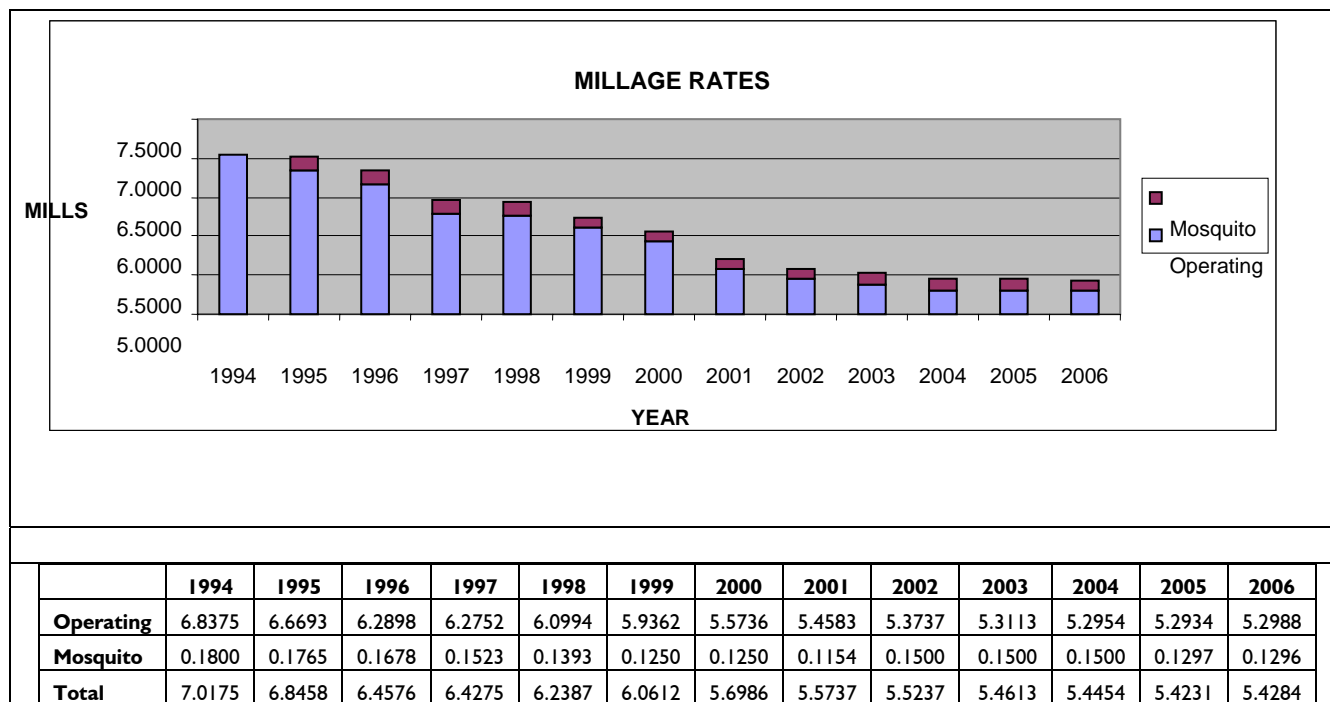
A goal from the Charter Township's strategic planning session of 2002 was to prepare the Charter Township for addressing the crowded conditions it was experiencing within the administrative building. With the December 2001 tax millage, the Charter Township had paid in full three water/sewer bonds that had accounted for approximately .4 mills. Following public hearings, the Charter Township board of trustees increased the general operating millage .3 mills for the winter of 2002. This additional .3 millage was specifically dedicated for a Municipal Campus Project plan. All of the water and sewer debt was paid off in 2004, and the Charter Township board increased the general operating millage .4 mills for the winter 2004 tax collection and dedicated this additional revenue to the Municipal Campus Project Fund. Combining this millage with the dedicated .30 mills increase in 2002 will produce approximately \$900,000 annually. This will give the Charter Township a solid base to borrow monies for the construction of the municipal campus plan. The new Grand Blanc police headquarters building is the first building project in the municipal campus plan that will ultimately include a new Township Hall, Veterans Memorial, enclosed Department of Public Works buildings, and a walking path surrounding an existing two-acre natural wetland. There will also be improved services in the existing Charter Township building including a totally renovated fire station and Department of Public Works offices. The Charter Township is addressing its facility needs, yet not increasing the total Charter Township millage to its residents.

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

The Charter Township invested over \$2.6 million in 2006 for capital projects/purchases, of which \$1.9 million was directly related to the construction in progress of the new 41,190 square foot police station. Included in the remaining \$0.7 million in capital investment included the addition of sidewalks, police vehicles, new computer software, and a splash pad at Bicentennial Park. The Capital Projects Fund balance of \$1.6 million will be carried forward to the 2007 year.

The Charter Township continued its policy of communication of information to its residents through greatly expanding the use of the website, newsletters, and local newspaper articles. In addition, the board voted to conduct a cost/benefit analysis and RFP to proceed with creating a wireless network. A wireless network has several possibilities for Charter Township emergency workers and internal Charter Township accessibility and mobility. The Charter Township hopes to have the wireless network in place within the next couple of years.

For the seventeenth consecutive year, the Charter Township board of trustees reduced the total Charter Township tax millage. The 2005 Charter Township millage of 5.4231, which is reported as revenue in 2006, was slightly lower than in 2004. See the following bar graph.



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

Achievements

Jeffery Cyphert, CMFA, Grand Blanc Treasurer, was installed as the President of the Association of Public Treasurers of the United States and Canada.

Cheryl Gelisse completed the necessary requirements to earn the Certified Public Finance Administrator (CPFA) Award from the Association of Public Treasurers of the United States and Canada.

On July 12, 2003, the Charter Township's police department was awarded recognition and accreditation by C.A.L.E.A. (Commission on Accreditation for Law Enforcement Agencies). This is a nationally prominent award, with annual recertification requirements. In 2006, the department met all applicable policing standards according to its size and function. The standards addressed all areas of administration, operation, and technical activities. A C.A.L.E.A. team of assessors did a comprehensive review of all aspects of the police department.

Chief David Stamm was re-appointed in 2006 by Governor Jennifer Granholm to serve on the Governors Traffic Safety Advisory Commission for a term ending May 27, 2008. Chief Stamm was also elected as the president of the Genesee County Chiefs of Police Association.

Officer Todd Gilbert was elected as vice president of the DARE Officers Association of Michigan. Officer Scott Theede was elected as president.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Charter Township of Grand Blanc for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2005. This was the eleventh consecutive year that the Charter Township has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

Accounting Systems and Budgetary Control

The Charter Township of Grand Blanc board of trustees adopts an annual budget in accordance with the State of Michigan Uniform Budgeting Act, P.A. 621 of 1978. The Charter Township's fiscal year is January through December. The annual budget is adopted each October for the subsequent year. Budgetary controls include the fact that expenditures do not exceed revenues for the year, while maintaining a General Fund balance between 12 percent and 15 percent of General Fund revenues. The board of trustees must approve all budget amendments made throughout the fiscal year.

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

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

Pension and Postemployment Benefits

The Charter Township of Grand Blanc provides pension programs to its full-time employees. Per the collective bargaining agreement with the Charter Township's police command, sergeants, patrol officers, and dispatchers, their pension program has been transferred to the Municipal Employees' Retirement System of Michigan (MERS), with the Charter Township paying a fixed rate and the employees' rate adjusted per an actuary (see Note 10). All the administrative and DPW employees belong to a defined contribution program, whereas the Charter Township contributes a flat percentage of the employee's gross wages to the pension program. The Charter Township has made every required payment to the pension program since the beginning of the program (see Note 11).

In an effort to address health care costs for current and future retirees of the Charter Township of Grand Blanc, the Charter Township has established a dedicated Employee Benefits Fund (see Note 14). The intent is to set aside some of the yearly revenues over expenditures into this fund. At some future point in time, the annual cost of retiree health care would be paid from the investments from this fund. The 2006 actual expenditure for the insurance benefits of the Charter Township's retired employees was \$207,432 and was paid out of the 2006 budget. As noted in the fiduciary funds section of the other supplemental information, the Charter Township has \$1,652,630 in this fund as of December 2006.

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

The Governmental Accounting Standards Board has recently released Statement Number 45, *Accounting and Reporting by Employers for Post-employment Benefits Other than Pensions*. The new standard 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, 2008. The Charter Township has contracted with Rodwan Consulting Company to complete the required other postretirement benefits (OPEB) actuarial study and they will be presenting the projected annual OPEB costs for compliance with GASB-45 to the board during the first half of 2007.

Deferred Compensation Plan

The Charter Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their current salary until future years. The deferred compensation funds are not available to employees until termination, retirement, death, or unforeseeable emergency.

Cash Management

The Charter Township operates under the direction of its nationally recognized investment policy and the parameters established by the State of Michigan. The Charter Township's investment policy received two Certifications of Excellence from the Municipal Treasurers Association United States and Canada. For 2006, the Charter Township's investments provided an average yield on all funds of approximately 5.29 percent. Cash temporarily idle during the year was invested in certificates of deposits and demand deposits ranging from seven days to 120 days to maturity; commercial paper ranging from 19 days to 90 days to maturity; U.S. government instruments; and authorized investment pools. Any uninvested funds in the bank checking accounts were swept into interest-bearing sweep accounts. As checks were presented for payment, monies to cover the checks were transferred from the trust accounts back into the checking accounts. The type of investment and length of investment were determined by the Charter Township's four objectives: safety of capital; liquidity; return on investment; and maintaining the public's trust. Since a large portion of the Charter Township's deposits is not insured and Michigan law does not require collateralization of government deposits, the Charter Township uses a national independent rating service to review and rate depository banks and savings and loan institutions. The status of all financial institutions is reviewed quarterly. The Charter Township board of trustees and the public are presented a quarterly comprehensive investment report identifying all investments and interest earned by type and fund, in addition to GASB 40 disclosures. GASB 40 identifies a number of reporting and disclosure requirements for public funds that are designed to manage and limit risk in deposits and investments. The Charter Township's quarterly investment report identifies and discloses information regarding interest rate risk, credit risk, and concentration of risk as required by GASB 40. The report also contains comments on current economic conditions, investment strategies, and a performance comparison with standard indices.

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

Risk Management

The Michigan Township Participating Plan covers the Charter Township's liability and the Accident Fund Company covers workers' compensation. Sun Life Insurance covers the employees' disability insurance.

Independent Audit

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

Acknowledgments

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

Respectfully submitted,



Debra P. Barriger
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Charter Township of Grand Blanc, Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

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.



President

Executive Director

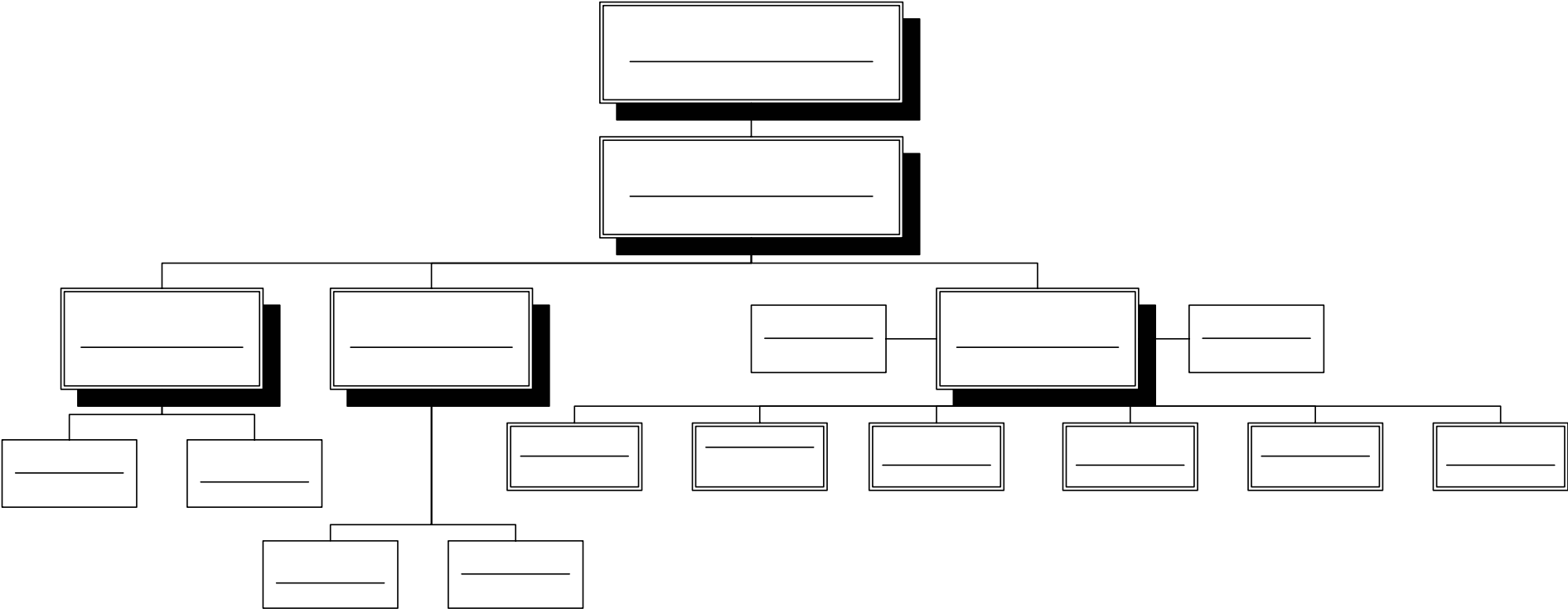
Charter Township of Grand Blanc

List of Principal Officials December 31, 2006

<u>Title</u>	<u>Name</u>
Supervisor	Jeffrey Zittel
Clerk	Linda Kingston
Treasurer	Jeffery L. Cyphert
Board of Trustees	Paul Bush Roger Swaim Marilyn M. Hoffman Ann Moss
Finance Director	Debra Barriger
DPW Superintendent	Roger Buell
Police Chief	David Stamm
Fire Chief	James B. Harmes
Assessor	Peggy Nolde
Building Official	Kirk F. Richardson
Parks and Recreation Director	Kae A. Eidson
Community Development Director	Keith Edwards
GIS Coordinator	Robbie Beller

Charter Township of Grand Blanc Township

Charter Township of Grand Blanc Organization Chart





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Independent Auditor's Report

To the Board of Trustees
Charter Township of Grand Blanc
Genesee County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Grand Blanc as of and for the year ended December 31, 2006, which collectively comprise the Charter Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Grand Blanc's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information presented for the proprietary fund has been derived from the Township's 2005 financial statements and, in our report dated March 28, 2006, we expressed an unqualified opinion on the financial statements of that major fund.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Grand Blanc as of December 31, 2006 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.

To the Board of Trustees
Charter Township of Grand Blanc
Genesee County, Michigan

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Grand Blanc's basic financial statements. The management's discussion and analysis and the budgetary comparison schedules, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. The 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 budgetary comparison schedules and other supplemental information 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. We have applied certain limited procedures to the management's discussion and analysis, 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. The introductory section 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.

The financial statements include partial prior-year comparative information. Such information does not include all of the information required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2005, from which such partial information was derived.

Plante & Moran, PLLC

June 1, 2007

Charter Township of Grand Blanc

Management's Discussion and Analysis

This section of the Charter Township of Grand Blanc's (the "Charter Township") annual financial report presents our discussion and analysis of the Charter Township's financial performance during the fiscal year ended December 31, 2006. Please read it in conjunction with the transmittal letter at the front of this report and the Charter Township's financial statements, which follow this section.

Overview of the Financial Statements

The 2006 Comprehensive Annual Financial Report of the Charter Township of Grand Blanc follows a similar format used in 2005. This annual report has been changed to comply with the reporting requirements of the Government Accounting Standards Board Statement No. 34. This annual report consists of five parts - management's discussion and analysis, the basic financial statements, required supplemental information, other supplemental information (which presents combining statements for nonmajor governmental funds and fiduciary funds), and a statistical section. The basic financial statements include two kinds of statements that present different views of the Charter Township. The first two statements are government-wide financial statements that provide both short-term and long-term information about the Charter Township's status. The remaining statements are fund financial statements that focus on individual parts of the Charter Township government, reporting in more detail than the government-wide statements.

Government-wide Statements

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

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

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

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

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Fund Financial Statements

The fund financial statements provide more detailed information about the Charter Township's most significant funds - not the Charter Township as a whole. Funds are accounting devices that the Charter Township uses to keep track of specific sources of funding and spending for particular purposes. Some of the Charter Township's funds are required by state law. The Charter Township's board of trustees establishes other funds to control and manage money for particular purposes (such as the Municipal Campus Project) or to show that it is properly using certain taxes or grants (such as the Drug Forfeiture Fund).

The Charter Township has three kinds of funds:

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

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

Required Supplemental Information includes the budgetary comparison statements for the General Fund, major Special Revenue Fund, and major Capital Projects Fund as well as budget footnotes. This required supplemental information is in addition to the basic financial statements and accompanying notes.

Other Supplemental Information includes the budgetary comparison statements for the non-major special revenue governmental funds, the budget footnotes, and the combining schedules for the nonmajor governmental funds and the fiduciary funds.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Financial Analysis of the Charter Township as a Whole

The Charter Township has combined net assets of \$98.7 million. This was a total increase of \$3.9 million or 4.1 percent for 2006. The business-type activities comprised \$85.7 million and government activities accounted for \$13.0 million of total net assets. The business-type activities experienced a \$3.2 million increase in net assets. This increase was primarily due to the water and sewer lines donated by developers and tap-in fees. The governmental activities showed an increase of \$0.7 million of net assets. One significant component of this increase was the increase in state-shared revenue that resulted from the mid-decade census conducted in a previous year. This year's report provides comparative data for the statement of activities. We felt it was necessary to establish a benchmark for this year's reporting of the effect on the Charter Township's net assets. In a condensed format, the table below shows a comparison of the net assets as of the current date to the prior year. All numbers are in thousands.

TABLE I

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
	(in thousands)					
Assets						
Current and other assets	\$ 27,127	\$ 16,878	\$ 9,942	\$ 11,700	\$ 37,069	\$ 28,578
Capital assets	8,098	6,061	77,445	72,710	85,543	78,771
Total assets	35,225	22,939	87,387	84,410	122,612	107,349
Liabilities						
Long-term liabilities outstanding	11,367	756	71	51	11,438	807
Other liabilities	10,876	9,897	1,644	1,894	12,520	11,791
Total liabilities	22,243	10,653	1,715	1,945	23,958	12,598
Net Assets						
Invested in capital assets - Net of related debt	6,313	6,061	77,445	72,710	83,758	78,771
Restricted	791	745	-	-	791	745
Unrestricted	5,878	5,480	8,227	9,755	14,105	15,235
Total net assets	<u>\$ 12,982</u>	<u>\$ 12,286</u>	<u>\$ 85,672</u>	<u>\$ 82,465</u>	<u>\$ 98,654</u>	<u>\$ 94,751</u>

Both the governmental and business-type activities showed increases for 2006 in total net assets of 5.7 percent and 3.9 percent, respectively. The category changes are minimal and consistent with the prior year.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Governmental Activities

Revenues for governmental activities totaled \$13.6 million in 2006. The synopsis of the Charter Township's tax millage for 2006 was 3.6806 for Charter Township operation and 0.7 for master campus plan; .9128 for Charter Township police; and .1296 for Charter Township mosquito control. Of the total revenues, \$7.5 million or 55.4 percent were in the form of property tax collections. Our residential growth continues to support annual increases in property tax revenues. State-shared revenue contributed 18.9 percent or \$2.6 million of the total revenues. In 2005, Grand Blanc Township conducted a mid-decade census; the State of Michigan certified that our population increased from 29,827 to 35,075 or by 18 percent since the 2000 census. In June 2006, Grand Blanc Township received \$292,500 in state revenue sharing to account for the increase in our population. Revenue sharing continues to be an area of concern; as the State of Michigan works at its economic recovery and balancing its budget, it is continuing to reduce the per person funding to all governmental entities, and increasing our certified population by 5,248 will help to offset the reductions.

Charges for governmental services represent 16.7 percent of the total revenues. The Charter Township's housing construction provides building permits and inspection fees, which represents 32.8 percent of the charges for services revenue. This is a further example of how growth is positively affecting the Charter Township.

Governmental net assets for 2006 increased \$695,690.

TABLE 2

	Governmental		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
	(in thousands)					
Revenue						
Program revenue:						
Charges for service	\$ 2,267	\$ 2,765	\$ 7,763	\$ 7,797	\$ 10,030	\$ 10,562
Operating grants and contributions	295	271	-	-	295	271
Capital grants and contributions	40	-	3,840	8,326	3,880	8,326
General revenue:						
Property taxes	7,528	6,932	-	-	7,528	6,932
State-shared revenue	2,568	2,303	-	-	2,568	2,303
Unrestricted investment earnings	651	303	494	185	1,145	488
Transfers	-	115	-	(115)	-	-
Miscellaneous	279	357	-	-	279	357
Total revenue	13,628	13,046	12,097	16,193	25,725	29,239

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

TABLE 2 (continued)

	Governmental		Business-type Activities		Total	
	Activities		2006	2005	2006	2005
			(in thousands)			
Expenses						
General government	\$ 3,151	\$ 3,457	\$ -	\$ -	\$ 3,151	\$ 3,457
Public safety	7,060	6,409	-	-	7,060	6,409
Public works	2,144	1,692	-	-	2,144	1,692
Community and economic development	259	396	-	-	259	396
Recreation and culture	121	207	-	-	121	207
Interest on long-term debt	198	-	-	-	198	-
Water and sewer	-	-	8,890	8,362	8,890	8,362
Total expenses	<u>12,933</u>	<u>12,161</u>	<u>8,890</u>	<u>8,362</u>	<u>21,823</u>	<u>20,523</u>
Increase in Net Assets	695	885	3,207	7,831	3,902	8,716
Net Assets - Beginning of year	<u>12,287</u>	<u>11,402</u>	<u>82,465</u>	<u>74,634</u>	<u>94,752</u>	<u>86,036</u>
Net Assets - End of year	<u>\$ 12,982</u>	<u>\$ 12,287</u>	<u>\$ 85,672</u>	<u>\$ 82,465</u>	<u>\$ 98,654</u>	<u>\$ 94,752</u>

Business-type Activities

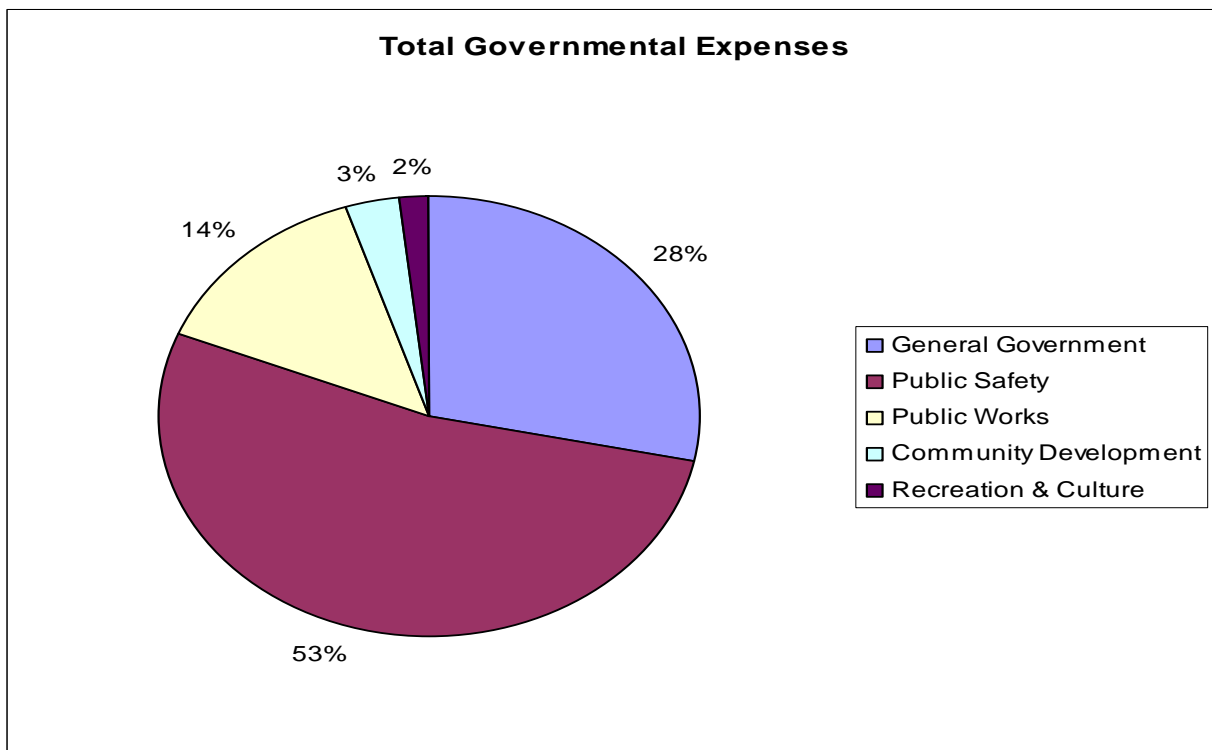
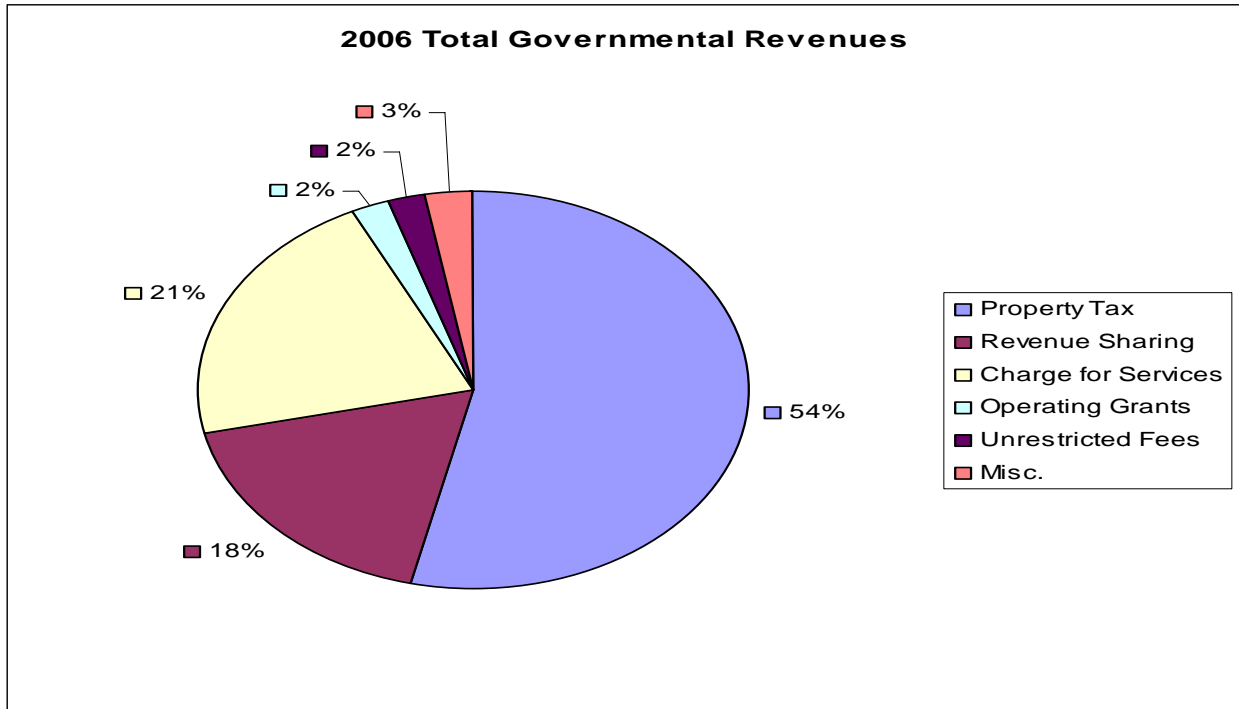
The Charter Township has one business-type activity: the water and sewer system. The Charter Township purchases water from Genesee County and the Charter Township's sewage is pumped to Genesee County treatment facilities. User fees and charges for services primarily fund the water and sewer operations. The revenues from charges for services of \$7.8 million covered 88.0 percent of the \$8.9 million of water and sewer expenses. The Charter Township's goal is to have the water and sewer operations self-supporting. The \$3.8 million of capital grants and contributions represents the infrastructure that was donated to the Charter Township by the developers, special assessment districts that were constructing new subdivisions, and water and sewer tap-in fees. In 2006, \$2.5 million of tap-in fees collected will be used to fund the projects on the five-year capital improvement plan, which included construction in progress of the Baldwin Road elevated water tower, Knollwood and Stockbridge emergency back-up wells, Embury Road booster pump station, two DPW storage facilities, Center to Dort Highway water main, and sewer improvement on Vassar Road and Fenton Road. The net assets for business-type activities at the end of 2006 show an increase of \$3.2 million.

In October 2006, Rowe, Inc. and Potter Consulting secured an S2 grant from the Michigan Department of Environmental Quality on behalf of Grand Blanc Township for the purpose of further evaluating inflow and infiltration (I&I) issues in the Charter Township sanitary sewer system and developing a project plan to reduce I&I to an acceptable level. The total project cost is \$1,079,200 with the grant providing \$971,280 and the Charter Township contributing 10 percent or \$107,920. This study, Phase IV I & I Study, is a two-year project ending in February 2009.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

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



Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Capital Assets

The Charter Township has combined net capital assets of approximately \$85,543,000. The following schedule provides a summary of the capital assets, net of accumulated depreciation for 2006 and 2005. Numbers are in thousands.

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
	(in thousands)					
Land	\$ 1,857	\$ 1,854	\$ 238	\$ 238	\$ 2,095	\$ 2,092
Construction in progress	1,943	-	3,622	-	5,565	-
Buildings and improvements	3,324	3,089	369	380	3,693	3,469
Furniture and equipment	497	621	2,121	2,133	2,618	2,754
Water and sewer distribution systems	-	-	70,328	69,171	70,328	69,171
Vehicles	477	497	767	788	1,244	1,285
Total	\$ 8,098	\$ 6,061	\$ 77,445	\$ 72,710	\$ 85,543	\$ 78,771

The Charter Township invested over \$2.6 million in 2006 for capital projects/purchases, of which \$1.9 million was directly related to the construction in progress of the new 41,190 square foot police station. The remaining \$0.7 million in capital investments included the addition of sidewalks, police vehicles, new computer software, and improvements to BiCentennial Park, including a splash pad. The Capital Projects Fund balance of \$1.7 million will be carried forward to the 2007 year.

In the proprietary fund, the Charter Township did receive donated sewer and water line infrastructure assets in the amount of \$1.3 million and \$2.5 million in tap-in fees which are being used to fund the infrastructure projects currently under construction, such as the Baldwin Road elevated water tower, Embury Road pump station, two DPW storage facilities, and improvements to water mains and sewer lines. While the Charter Township purchases its water from Genesee County, it still maintains its well system for backup and/or emergency use. During 2006, improvements were under construction for the addition of two emergency back-up wells. Additional capital assets acquired in 2006 for the proprietary fund included a new dump truck, a four-wheel drive heavy duty pick-up truck, and computer system upgrades. Additional information on the Charter Township's capital asset activity can be found in Note 4 to the notes to financial statements.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Long-term Debt

The Charter Township has a total of \$11,367,000 in long-term governmental debt and \$71,500 in long-term business activity debt as of December 31, 2006. Of this debt, \$10,800,000 or 94.4 percent is related to the issuance of a 25-year general obligation limited tax capital improvement bond for construction of a new police station; \$363,000 or 3.2 percent is related to employee-compensated absences; \$186,000 or 1.6 percent of the debt is related to road improvement projects. The Charter Township has a policy of assisting subdivisions in financing road improvements within the Charter Township that are completed by the Genesee County Road Commission; typically these obligations are then paid over a 10-year period. The Charter Township's debt represents 11.6 percent of total net assets of governmental activities and business-type activities. Additional information on the Charter Township's long-term debt activity can be found in Note 6 to the notes to financial statements.

The Charter Township's Nonmajor Governmental Funds

On pages 52 and 53 of this report, there is a summary of three types of nonmajor governmental funds:

- **Special Revenue Funds** - These funds were established to meet specific requirements or needs that would allow the Charter Township to track specific revenues and expenditures. The Drug Forfeiture Fund, Law Enforcement Fund, and PEG (public, educational, and government) Channel Grant Fund are self-explanatory. The Bicentennial Park Fund was established to track revenues from a cell tower located on Charter Township property that is used by the local parks and recreation department. These funds are to be used for Bicentennial Park improvements.
- **Capital Projects Funds** - These funds, the Capital Projects Fund and the Master Campus Project Fund, identify specific capital projects and track the related expenditures. For the Master Campus Project Fund, the Charter Township board has identified specific tax revenues for new Charter Township campus facility design and construction.
- **Permanent Funds** - The Charter Township is responsible for three cemeteries, Oakwood Cemetery, Perry Cemetery, and Maple Cemetery. These funds identify the principal monies and the investment revenue that is expendable for maintenance.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Financial Analysis of Charter Township Funds and Budgets

The following budget analysis comes from the data provided in the budgetary comparison schedules - General Fund on pages 45 and 46 of this report. The Charter Township's total budgeted revenues for 2006 were \$12,571,027, with actual revenue coming in at \$12,265,569 for a shortage of \$305,458 or 2.4 percent. The revenue shortfall areas were property tax revenue, state revenue sharing, inspection fee revenue, and police grants.

State revenue sharing was budgeted at \$2,586,050, with actual state revenue sharing coming in at \$2,568,081 for a shortfall of \$17,969. The State of Michigan is facing numerous budget constraints and it is continually looking at the state revenue-sharing program to help with its budget shortfalls. The Michigan Township Association is lobbying hard against any additional reductions in the program as numerous local governments have been hit hard with these cuts. As mentioned earlier, the Charter Township conducted a mid-decade census that increased our certified population count by 18 percent to 35,075, to help to preserve the Township's share of the state revenue sharing program.

The Charter Township had budgeted expenditures of \$11,680,213 and actual expenditures were \$11,269,595. The net effect for 2006 shows an excess of revenues over expenditures prior to transfers out of \$995,974. After transfers out of \$946,990, revenues and other financing uses exceeded expenditures by \$48,984. This increased the Charter Township's 2006 General Fund balance to \$1,503,859 or 12 percent of 2007 General Fund expenditures, which is in compliance with the Charter Township's General Fund balance policy.

Current Economic Conditions

The General Fund for the Charter Township's operations has two major funding sources and a number of smaller sources. Property taxes and state revenue sharing constitute the major funding sources with 61.4 percent and 21.4 percent, respectively, of the total Charter Township General Fund revenue. Even though the demand for new housing has slowed, the increase in commercial property permits has continued to keep the Charter Township as the number one governmental entity for permits issued in Genesee County for the tenth year in a row. Housing plats that have had initial approval from the Charter Township board that have not been developed equate to approximately 5,000 lots. Continued housing opportunity is available in our Charter Township. There were 117 new housing permits issued and 31 new commercial permits issued in 2006. The statistical section shows that the Charter Township's ad valorem taxable value has increased an average of 8.0 percent per year for the last 11 years. The \$93.7 million increase for 2006 equated to a 7.3 percent increase over 2005.

Two major commercial developers purchased 80 acres and 75 acres of land within the Charter Township. Both are in the process of developing their land via the Planned Urban Development (PUD) concept.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

Heritage Park has completed the three major phases of the 80-acre commercial development valued at approximately \$100,000,000, which included the opening of Wal-Mart, Sam's Club, Kohl's, PetSmart, Staples, MC Sporting Goods, Panera Bread, Leo's Coney Island, CiCi's Pizza, and others during 2006. Flagstar Bank is currently under construction and a stand-alone restaurant is planned as the capstone of the development for 2008.

The 75-acre Trillium Circle Life Style Center of commercial development completed the construction of the 14-screen movie theater and a new mixed-use building containing Merrill Lynch on the second floor with retail uses on the first floor. The Charter Township is also reviewing the building plans for the 400-seat IMAX theater addition to the Trillium Cinema, and the site plan for the Buffalo Wild Wings Restaurant, both to be constructed in 2007. This project valued at approximately \$75,000,000 is expected to be 25 percent complete by 2008.

The Charter Township has experienced a boom in medical office development and approved over 100,000 sq. ft. for completion in 2007 including a 50,000 sq. ft. outpatient surgery center at Genesys Regional Medial Center, a 28,000 sq. ft. Regional Cardiology building, and other offices. Accessory uses include two new Rite Aid Pharmacies of approximately 11,000 sq. ft. each.

First quarter figures for 2007 for new residential construction showed a 26 percent increase from 2006 in the number of new house permits issued due in large part to the newly developed Pulte/Del-Webb Active Adult Community, a 315-acre single-family and duplex development with a 17,000 sq. ft. recreation center. The \$3.4 million recreation center is currently under construction.

The Charter Township, similar to other municipalities, is wrestling with major increases in health care for its employees. An effort is being made to reduce the number of health care carriers and adjust the prescription co-pay to better position the Charter Township as these benefit areas increase in cost. The Charter Township continues to increase the balance of funds set aside for retirees' health care in the Employee Benefits Fund. The Charter Township's intent is to have a self-supporting fund for retirees' health care costs.

As stated earlier, the Charter Township paid off three water line construction bonds in 2004. This reduced the bond debt millage rate by approximately .41 mills. The Charter Township board increased its general operating millage .40 mills for the winter 2004 tax collection and dedicated this additional revenue to the Township Campus Plan. Combining this millage with the dedicated .30 mills increase in 2002 will produce approximately \$900,000+ annually. This would give the Charter Township a solid base to borrow monies for the construction of a new police station, Charter Township hall, DPW facility, and an upgraded fire station. The Charter Township is addressing its facility needs, yet not increasing the total Charter Township millage to its residents. The Charter Township board believes this is a very prudent means of addressing the shrinking office space and an outdated building.

Charter Township of Grand Blanc

Management's Discussion and Analysis (Continued)

In light of the decline in residential building permits, health care issues, demand for additional office space, and difficult economic conditions for the State of Michigan, this report indicates that the Charter Township continues to expand its already strong financial base with another positive year. The Charter Township increased the total governmental fund balance by 175 percent, increased governmental and business-type activities net assets of 5.6 percent and 4.0 percent, respectively, and slightly decreased the total Charter Township property taxes millage rate.

Contacting the Charter Township's Financial Management

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

Charter Township of Grand Blanc

Statement of Net Assets December 31, 2006

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents (Note 3)	\$ 4,507,323	\$ 4,813,782	\$ 9,321,105
Investments (Note 3)	5,755,114	1,115,798	6,870,912
Restricted assets	9,015,517	-	9,015,517
Receivables - Net:			
Property taxes	4,725,338	-	4,725,338
Customers	474,362	1,929,405	2,403,767
Receivables billed on tax roll	-	271,690	271,690
Tap-in assessment receivables	-	1,716,145	1,716,145
Other	43,973	-	43,973
Due from other governmental units	917,874	-	917,874
Internal balances	(95,625)	95,625	-
Investments in joint ventures:			
Fire commission (Note 12)	1,369,771	-	1,369,771
Parks and recreation (Note 12)	413,849	-	413,849
Capital assets - Net (Note 4):			
Nondepreciable capital assets	3,799,348	3,860,672	7,660,020
Depreciable capital assets - Net	<u>4,298,377</u>	<u>73,584,665</u>	<u>77,883,042</u>
Total assets	35,225,221	87,387,782	122,613,003
Liabilities			
Accounts payable	676,013	969,103	1,645,116
Accrued and other liabilities	815,587	674,681	1,490,268
Due to other governmental units	2,477	-	2,477
Unearned revenue (Note 16)	9,381,608	-	9,381,608
Noncurrent liabilities (Note 6):			
Due within one year	359,452	71,540	430,992
Due in more than one year	<u>11,007,972</u>	<u>-</u>	<u>11,007,972</u>
Total liabilities	<u>22,243,109</u>	<u>1,715,324</u>	<u>23,958,433</u>
Net Assets			
Invested in capital assets - Net of related debt	6,313,242	77,445,337	83,758,579
Restricted:			
Mosquito spraying	3,898	-	3,898
Solid waste	467,283	-	467,283
Drug forfeiture	14,091	-	14,091
Law enforcement	14,180	-	14,180
PEG Channel Grant	3,088	-	3,088
Unexpendable cemetery funds	155,716	-	155,716
Expendable cemetery funds	132,631	-	132,631
Unrestricted	<u>5,877,983</u>	<u>8,227,121</u>	<u>14,105,104</u>
Total net assets	<u>\$ 12,982,112</u>	<u>\$ 85,672,458</u>	<u>\$ 98,654,570</u>

Charter Township of Grand Blanc

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
Functions/Programs				
Primary government:				
Governmental activities:				
General government	\$ 3,151,040	\$ 61,853	\$ 20,112	\$ -
Public safety	7,059,945	953,146	114,524	-
Public works	2,144,233	1,055,304	160,555	40,554
Community and economic development	259,316	35,716	-	-
Recreation and culture	120,673	160,953	-	-
Interest expense	198,156	-	-	-
Total governmental activities	12,933,363	2,266,972	295,191	40,554
Business-type activities - Water and sewer	8,890,267	7,763,717	-	3,839,900
Total primary government	\$ 21,823,630	\$ 10,030,689	\$ 295,191	\$ 3,880,454

General revenues:

- Property taxes
- Intergovernmental unrestricted (state-shared revenues)
- Unrestricted investment earnings
- Other

Total general revenues

Change in Net Assets

Net Assets - Beginning of year

Net Assets - End of year

Statement of Activities
Year Ended December 31, 2006

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (3,069,075)	\$ -	\$ (3,069,075)
(5,992,275)	-	(5,992,275)
(887,820)	-	(887,820)
(223,600)	-	(223,600)
40,280	-	40,280
<u>(198,156)</u>	<u>-</u>	<u>(198,156)</u>
(10,330,646)	-	(10,330,646)
<u>-</u>	<u>2,713,350</u>	<u>2,713,350</u>
(10,330,646)	2,713,350	(7,617,296)
7,528,398	-	7,528,398
2,568,081	-	2,568,081
651,273	494,134	1,145,407
<u>278,584</u>	<u>-</u>	<u>278,584</u>
<u>11,026,336</u>	<u>494,134</u>	<u>11,520,470</u>
695,690	3,207,484	3,903,174
<u>12,286,422</u>	<u>82,464,974</u>	<u>94,751,396</u>
<u>\$ 12,982,112</u>	<u>\$ 85,672,458</u>	<u>\$ 98,654,570</u>

Charter Township of Grand Blanc

Governmental Funds Balance Sheet December 31, 2006

	General Fund	Major Special	Major Capital	Other Nonmajor Governmental Funds	Total Governmental Funds
		Revenue Fund	Project Fund		
		Solid Waste Fund	Civic Campus Fund		
Assets					
Cash and cash equivalents (Note 3)	\$ 3,246,359	\$ 1,122,181	\$ 77,713	\$ 61,070	\$ 4,507,323
Investments (Note 3)	5,331,580	-	196,087	227,447	5,755,114
Restricted assets	-	-	9,015,517	-	9,015,517
Receivables:					
Taxes	4,725,338	-	-	-	4,725,338
Customers	-	474,362	-	-	474,362
Other	43,973	-	-	-	43,973
Due from other governmental units	917,874	-	-	-	917,874
Due from other funds (Note 5)	170	-	19,672	3,357,272	3,377,114
Total assets	\$ 14,265,294	\$ 1,596,543	\$ 9,308,989	\$ 3,645,789	\$ 28,816,615
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 381,624	\$ -	\$ 293,472	\$ 917	\$ 676,013
Accrued and other liabilities	617,431	-	-	-	617,431
Due to other funds (Note 5)	3,472,569	-	-	170	3,472,739
Due to other governmental units	2,477	-	-	-	2,477
Deferred revenue (Note 16)	8,287,334	1,129,260	-	-	9,416,594
Total liabilities	12,761,435	1,129,260	293,472	1,087	14,185,254
Fund Balances					
Reserved for:					
Mosquito spraying	3,898	-	-	-	3,898
Solid waste activities	-	467,283	-	-	467,283
Civic campus - Unspent bond proceeds	-	-	9,015,517	-	9,015,517
Cable TV activities	-	-	-	3,088	3,088
Law enforcement	-	-	-	28,271	28,271
Cemetery unexpendable	-	-	-	155,716	155,716
Unreserved, reported in:					
General Fund	1,499,961	-	-	-	1,499,961
Special Revenue Funds	-	-	-	9,016	9,016
Capital Projects Funds - Designated (Note 7)	-	-	-	3,315,980	3,315,980
Permanent Funds	-	-	-	132,631	132,631
Total fund balances	1,503,859	467,283	9,015,517	3,644,702	14,631,361
Total liabilities and fund balances	\$ 14,265,294	\$ 1,596,543	\$ 9,308,989	\$ 3,645,789	

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	8,097,725
Investment in joint ventures is not included as an asset in the governmental funds	1,783,620
Certain receivables are expected to be collected in future years and are not available to pay for current year expenditures	34,986
Interest on long-term debt is not reported in the funds	(198,156)
Long-term liabilities are not due and payable in the current period and are not reported in the funds	(11,075,811)
Compensated absences are not due and payable in the current period and are not reported in the funds	(291,613)
Net assets of governmental activities	\$ 12,982,112

Charter Township of Grand Blanc

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended December 31, 2006

	General Fund	Major Special Revenue Fund	Major Capital Project Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
		Solid Waste Fund	Civic Campus Fund		
Revenue					
Property taxes (Note 8)	\$ 7,525,780	\$ -	\$ -	\$ -	\$ 7,525,780
Licenses and permits	1,183,970	-	-	-	1,183,970
Federal sources	60,235	-	-	-	60,235
State sources	2,627,621	-	-	-	2,627,621
Charges for services	-	1,050,136	-	-	1,050,136
Fines, forfeitures, and seizures	106,630	-	-	11,435	118,065
Investment income	466,481	37,648	79,699	70,416	654,244
Other	294,852	-	-	79,630	374,482
Total revenue	12,265,569	1,087,784	79,699	161,481	13,594,533
Expenditures					
General government	2,840,337	-	-	22,713	2,863,050
Public safety	7,168,604	-	-	6,563	7,175,167
Public services	1,260,654	1,086,846	-	-	2,347,500
Capital outlay	-	-	1,756,209	832,079	2,588,288
Total expenditures	11,269,595	1,086,846	1,756,209	861,355	14,974,005
Excess of Revenue Over (Under) Expenditures	995,974	938	(1,676,510)	(699,874)	(1,379,472)
Other Financing Sources (Uses)					
Proceeds from issuance of debt	-	-	10,800,000	-	10,800,000
Discount on bond issuance	-	-	(107,973)	-	(107,973)
Transfer in from General Fund	-	-	-	946,990	946,990
Transfer out to Master Campus Fund	(856,990)	-	-	-	(856,990)
Transfer out to Capital Projects Fund	(90,000)	-	-	-	(90,000)
Total other financing sources (uses)	(946,990)	-	10,692,027	946,990	10,692,027
Net Change in Fund Balances	48,984	938	9,015,517	247,116	9,312,555
Fund Balances - Beginning of year	1,454,875	466,345	-	3,397,586	5,318,806
Fund Balances - End of year	\$ 1,503,859	\$ 467,283	\$ 9,015,517	\$ 3,644,702	\$ 14,631,361

Charter Township of Grand Blanc

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended December 31, 2006

Net Change in Fund Balances - Total Governmental Funds	\$ 9,312,555
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	2,622,450
Depreciation and gain/loss on the sale of fixed assets is recorded as income/expense in the statement of activities but not in the governmental funds	(585,726)
Repayment of bond principal and payments on installment purchase agreements are expenditures in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	113,189
Proceeds of bond issuance are recognized as revenue in the governmental funds, but not in the statement of activities	(10,800,000)
Accrued interest expense is recorded as an expense in the statement of activities but not in the governmental funds	(198,156)
Decrease in accumulated employee sick, vacation, and personal pay is recorded when earned in the statement of activities	75,790
Certain revenue reported in the statement of activities will not provide current financial resources in the governmental funds until future years	2,618
Investment in joint ventures is not included in the funds	152,970
Change in Net Assets of Governmental Activities	<u>\$ 695,690</u>

Charter Township of Grand Blanc

Proprietary Fund Statement of Net Assets December 31, 2006

	Enterprise Fund - Department of Public Works
Assets	
Current assets:	
Cash and cash equivalents (Note 3)	\$ 4,813,782
Investments (Note 3)	1,115,798
Receivables:	
Customer usage billings	1,929,405
Receivables billed on tax roll	271,690
Due from other funds (Note 5)	95,625
Total current assets	<u>8,226,300</u>
Noncurrent assets:	
Tap-in assessments receivable - Net of current portion	1,716,145
Nondepreciable capital assets (Note 4)	3,860,672
Depreciable capital assets - Net (Note 4)	73,584,665
Total noncurrent assets	<u>79,161,482</u>
Total assets	<u>87,387,782</u>
Liabilities	
Current liabilities:	
Accounts payable	969,103
Accrued and other liabilities	746,221
Total liabilities	<u>1,715,324</u>
Net Assets	
Invested in capital assets	77,445,337
Unrestricted	8,227,121
Total net assets	<u><u>\$ 85,672,458</u></u>

Charter Township of Grand Blanc

Proprietary Fund Statement of Revenue, Expenses, and Changes in Net Assets Year Ended December 31, 2006

	Enterprise Fund - Department of Public Works	
	Year Ended December 31	
	2006	2005
Operating Revenue		
Sewage disposal	\$ 4,088,433	\$ 3,932,200
Water sales	3,316,345	3,535,177
Water meters	105,943	174,346
Penalties and other charges for services	249,531	154,855
Total operating revenue	7,760,252	7,796,578
Operating Expenses		
Cost of sewage disposal	3,527,250	2,386,334
Cost of water	2,913,389	2,720,390
Depreciation (Note 4)	1,511,155	1,443,420
General and administrative	938,473	1,811,590
Total operating expenses	8,890,267	8,361,734
Operating Loss	(1,130,015)	(565,156)
Nonoperating Revenue (Expenses)		
Interest income	494,134	185,175
Gain on sale of assets	3,465	-
Transfer out to General Fund	-	(114,653)
Total nonoperating revenue	497,599	70,522
Net Loss - Before capital contributions	(632,416)	(494,634)
Capital Contributions		
Donated from developers	1,296,569	1,966,287
Contributions from special assessment districts	36,875	45,873
Tap-in and line inspection fees	2,506,456	6,313,863
Total capital contributions	3,839,900	8,326,023
Net Change in Net Assets	3,207,484	7,831,389
Net Assets - Beginning of year	82,464,974	74,633,585
Net Assets - End of year	\$ 85,672,458	\$ 82,464,974

Charter Township of Grand Blanc

Proprietary Fund Statement of Cash Flows Year Ended December 31, 2006

	Enterprise Fund - Department of Public Works
Cash Flows from Operating Activities	
Receipts from customers	\$ 7,723,339
Payments to suppliers	(5,927,653)
Payments to employees	(1,702,645)
Internal activity - Receipts from other funds	35,135
Other receipts	<u>249,531</u>
Net cash provided by operating activities	377,707
Cash Flows from Capital and Related Financing Activities	
Collection of customer assessments (principal and interest)	2,661,902
Purchase of capital assets	<u>(4,946,726)</u>
Net cash used in capital and related financing activities	(2,284,824)
Cash Flows from Investing Activities	
Interest received on investments	494,134
Purchases of investment securities	<u>(406,937)</u>
Net cash provided by investing activities	<u>87,197</u>
Net Decrease in Cash and Cash Equivalents	(1,819,920)
Cash and Cash Equivalents - Beginning of year	<u>6,633,702</u>
Cash and Cash Equivalents - End of year	<u>\$ 4,813,782</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities	
Operating loss	\$ (1,130,015)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation and amortization	1,511,155
Changes in assets and liabilities:	
Receivables	212,618
Accounts payable	(437,155)
Accrued and other liabilities	132,360
Due to/from other funds	<u>88,744</u>
Net cash provided by operating activities	<u>\$ 377,707</u>

Noncash Investing, Capital, and Financing Activities - During the year ended December 31, 2006, the Department of Public Works Fund received \$1,296,569 of lines donated by developers.

Charter Township of Grand Blanc

Fiduciary Funds Statement of Net Assets December 31, 2006

	Pension and Other Employee Benefits Trust Funds	Agency Fund
Assets		
Cash and cash equivalents (Note 3)	\$ 160,120	\$ 9,721,163
Investments (Note 3):		
Certificate of deposits	99,925	-
Mutual funds	3,282,416	-
Limited partnerships	43,007	-
Corporate bonds	397,810	-
Government securities	1,524,048	-
Other receivables	128,449	-
Total assets	5,635,775	<u><u>\$ 9,721,163</u></u>
Liabilities - Undistributed tax collections	-	<u><u>\$ 9,721,163</u></u>
Net Assets - Held in trust for pension and other employee benefits	<u><u>\$ 5,635,775</u></u>	

Charter Township of Grand Blanc

Fiduciary Funds Statement of Changes in Net Assets Pension and Other Employee Benefits Trust Funds Year Ended December 31, 2006

Additions

Investment income:	
Interest and dividends	\$ 124,527
Net increase in fair value of investments	<u>573,035</u>
Net investment income	697,562
Contributions - Employer	<u>401,826</u>
Total additions	1,099,388

Deductions

Benefit payments	141,898
Administrative expenses	<u>10,658</u>
Total deductions	<u>152,556</u>

Net Increase 946,832

Net Assets Held in Trust for Pension and Other Employee Benefits

Beginning of year	<u>4,688,943</u>
End of year	<u><u>\$ 5,635,775</u></u>

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note I - Summary of Significant Accounting Policies

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

Reporting Entity

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

Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function 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 Grand Blanc

**Notes to Financial Statements
December 31, 2006**

Note I - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary funds. 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 Charter 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. All other revenue items are considered to be available only when cash is received by the Charter Township.

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

The Charter Township reports the following major governmental funds:

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

Solid Waste Fund - The Solid Waste Fund accounts for the operations of a residential and commercial rubbish collection disposal system, primarily transportation to a privately owned and operated landfill. Funding is provided primarily through a property tax levy.

Civic Campus Fund - The Civic Campus Fund accounts for the construction costs of the Charter Township's new campus facilities. Funding is primarily through the issuance of a general obligation bond.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note I - Summary of Significant Accounting Policies (Continued)

The Charter Township reports the following major proprietary fund:

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

Additionally, the Charter Township reports the following fund types:

Pension and Other Employee Benefits Trust Fund - The Pension and Other Employee Benefits Trust Fund accounts for the activities of employee benefit plans which accumulates resources for pension and other postemployment benefit payments to qualified employees.

Agency Fund - The Agency Fund accounts for tax collections and disbursements of the Charter Township in a trustee capacity. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

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

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

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

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 1 - Summary of Significant Accounting Policies (Continued)

Property Tax Revenue

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

Assets, Liabilities, and Net Assets or Equity

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

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." 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. Property taxes are levied on each December 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed.

Restricted Assets - Unspent proceeds of the 2006 Capital Improvement Bonds have been restricted.

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 Charter Township as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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

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

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 2 - Stewardship, Compliance, and Accountability

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

Cumulative shortfall - January 1, 2006		\$ (418,925)
Building permit revenue		743,755
Related expenses:		
Direct costs	\$ 1,010,900	
Estimated indirect costs	<u>151,635</u>	
Total construction code expenses		<u>1,162,535</u>
Cumulative shortfall - December 31, 2006		<u>\$ (837,705)</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 two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

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

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 3 - Deposits and Investments (Continued)

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

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Charter Township's deposits may not be returned to it. The Charter Township does not have a deposit policy for custodial credit risk. At year end, the Charter Township had \$24,001,443 of bank deposits (certificates of deposit, checking, and savings accounts). Of that amount, approximately \$835,000 was covered by federal depository insurance and the remainder was uninsured and uncollateralized. The Charter Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Charter Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. To the extent that cash from various funds has been pooled, related investment income is allocated to each fund based on relative participation in the pool, except that Agency Fund investment earnings are allocated to the General Fund as provided by Michigan law.

Charter Township of Grand Blanc

Notes to Financial Statements
December 31, 2006

Note 3 - Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Charter Township's investment policy does not restrict investment maturities, other than it limits its exposure to possible decline in fair market value by controlling duration of maturities. The Charter Township prohibits investment of operating funds in securities maturing more than two years from the date of purchase. Reserve and capital improvements may be invested in securities exceeding two years but less than five years. At year end, the average maturities of investments are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. government agency securities	\$ 5,518,328	15 months
Mutual funds (pension)	465,723	5.7 years
Corporate bonds (pension)	397,810	10.5 years

Credit Risk

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

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
U.S. government agency securities	\$5,518,328	Aaa	Moody's
Mutual funds (pension)	314,750	4 stars	S & P
Mutual funds (pension)	150,973	5 stars	S & P
Corporate bonds (pension)	397,810	BB+	Moody's

Concentration of Credit Risk

The Charter Township places no limit on the amount the Charter Township may invest in any one issuer. The pension fund investments in General Motors Acceptance Corporation Smartnotes are 10.7 percent of total plan assets and 2.0 percent of total Charter Township investments.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 4 - Capital Assets

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

	Balance January 1, 2006	Additions	Disposals and Adjustments	Balance December 31, 2006
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 1,853,972	\$ 2,820	\$ -	\$ 1,856,792
Construction in progress	-	1,942,556	-	1,942,556
Subtotal	1,853,972	1,945,376	-	3,799,348
Capital assets being depreciated:				
Buildings and improvements	4,547,663	382,095	-	4,929,758
Vehicles	1,089,030	174,848	97,538	1,166,340
Furniture and equipment	2,240,275	120,131	1,539	2,358,867
Subtotal	7,876,968	677,074	99,077	8,454,965
Accumulated depreciation:				
Buildings and improvements	1,458,338	147,295	-	1,605,633
Vehicles	592,531	168,561	71,512	689,580
Furniture and equipment	1,619,070	249,172	6,867	1,861,375
Subtotal	3,669,939	565,028	78,379	4,156,588
Net capital assets being depreciated	4,207,029	112,046	20,698	4,298,377
Net governmental capital assets	<u>\$ 6,061,001</u>	<u>\$ 2,057,422</u>	<u>\$ 20,698</u>	<u>\$ 8,097,725</u>

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 4 - Capital Assets (Continued)

	Balance January 1, 2006	Additions	Disposals and Adjustments	Balance December 31, 2006
Business-type Activities				
Capital assets not being depreciated:				
Land	\$ 238,131	\$ -	\$ -	\$ 238,131
Construction in progress	-	3,622,541	-	3,622,541
Subtotal	238,131	3,622,541	-	3,860,672
Capital assets being depreciated -				
Water and sewer distribution systems	82,445,581	2,418,423	-	84,864,004
Buildings and improvements	516,453	-	-	516,453
Vehicles	1,546,536	150,300	103,957	1,592,879
Furniture and equipment	3,456,733	72,287	-	3,529,020
Subtotal	87,965,303	2,641,010	103,957	90,502,356
Accumulated depreciation:				
Water and sewer distribution systems	13,274,255	1,261,893	-	14,536,148
Buildings and improvements	136,976	10,507	-	147,483
Vehicles	758,359	154,993	87,166	826,186
Furniture and equipment	1,324,112	83,762	-	1,407,874
Subtotal	15,493,702	1,511,155	87,166	16,917,691
Net capital assets being depreciated	72,471,601	1,129,855	16,791	73,584,665
Net business-type capital assets	<u>\$ 72,709,732</u>	<u>\$ 4,752,396</u>	<u>\$ 16,791</u>	<u>\$ 77,445,337</u>

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

Governmental activities:	
General government	\$ 214,504
Public safety	265,888
Economic development	11,065
Recreation and culture	73,571
Total governmental activities	<u>\$ 565,028</u>
Business-type activities - Water and sewer	<u>\$ 1,511,155</u>

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 4 - Capital Assets (Continued)

Construction Commitments - The Charter Township had one significant active construction project at year end. During 2006, the Charter Township saw the ground breaking of the new Charter Township Police facility. The budget for the 41,000 square foot fully operational building is \$10 million. The Charter Township has established an additional \$1.5 million to develop the infrastructure, roadways, and parking areas for the new Charter Township campus. The campus includes the proposed Charter Township Hall in about five years. Before the end of the year, the police basement and foundation were completed. At year end, the Charter Township's commitments with contractors are as follows:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Police station and campus infrastructure	\$ 1,755,783	\$ 9,044,217
DPW storage facilities	1,181,289	20,145
Emergency back-up wells	217,860	645,767
Embury road pump station	771,763	327,737
Baldwin Road elevated water tower	1,597,313	477,687
Watermain - Center to Dort	161,546	3,139,454
Sewer Imp Vassar Rd & Fenton Rd	<u>97,860</u>	<u>2,096,140</u>
Total	<u>\$ 5,783,414</u>	<u>\$ 15,751,147</u>

Note 5 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

<u>Fund Due To</u>	<u>Fund Due From</u>	<u>Amount</u>
General Fund	Perry Cemetery Fund	\$ 170
Civic Campus Fund	General Fund	19,672
Department of Public Works	General Fund	95,625
Nonmajor governmental fund - Capital Projects Fund	General Fund	1,682,876
Nonmajor governmental fund - Master Campus Fund	General Fund	1,634,021
Other nonmajor governmental funds	General Fund	<u>40,375</u>
Total nonmajor governmental funds		<u>3,357,272</u>
Total		<u>\$ 3,472,739</u>

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

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

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

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

Fund Providing Resources	Fund Receiving Resources	Amount
General Fund	Master Campus Project Fund	\$ 856,990
General Fund	Capital Projects Fund	<u>90,000</u>
Total		<u>\$ 946,990</u>

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

Note 6 - Long-term Debt

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

The special assessment obligations represent the financing of road improvements done by the Genesee County Road Commission that benefit certain districts within the Charter Township; these districts are assessed, at least in part, for the cost of the improvements. The remaining cost is split between the Road Commission and the Charter Township. The Charter Township funds its portion of the cost annually from General Fund revenues. No additional funds have been set aside for the future payment of this debt. Other long-term obligations include compensated absences. The General Fund and the Enterprise Fund pay obligations related to compensated absences.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 6 - Long-term Debt (Continued)

Long-term obligation activity can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities							
General obligation limited tax bonds:							
2006 Capital improvement bonds							
Amount of issue: \$10,800,000	4.125% -	\$100,000 -	\$ -	\$ 10,800,000	\$ -	\$ 10,800,000	\$ -
Maturing through 2031	5.00%	\$700,000					
Other governmental obligations:							
Special assessment at-large road districts of the Genesee County Road Commission			284,000	-	(98,189)	185,811	95,522
Amount of issue: \$1,371,149	6.125%	\$3,231 - \$95,518					
Maturing through 2010							
Installment purchase agreements - Contract issued in 2001 for the Charter Township's portion of a fire truck purchase for the Grand Blanc Fire Commission	4.99%	\$15,000 - \$20,000	105,000	-	(15,000)	90,000	15,000
Amount of issue: \$150,000							
Maturing through 2011							
Other long-term obligations - Compensated absences			367,403	764,155	(839,945)	291,613	248,930
Total governmental activities			756,403	11,564,155	(953,134)	11,367,424	359,452
Business-type Activities - Other long-term obligations - Compensated absences			51,326	163,341	(143,127)	71,540	71,540
Total governmental and business- type activities			<u>\$ 807,729</u>	<u>\$ 11,727,496</u>	<u>\$ (1,096,261)</u>	<u>\$ 11,438,964</u>	<u>\$ 430,992</u>

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

	Governmental Activities		
	Principal	Interest	Total
2007	\$ 110,522	\$ 567,505	\$ 678,027
2008	152,734	480,585	633,319
2009	157,734	473,615	631,349
2010	234,821	464,646	699,467
2011	220,000	454,949	674,949
2012-2016	1,200,000	2,135,000	3,335,000
2017-2021	2,300,000	1,736,125	4,036,125
2022-2026	3,200,000	1,147,013	4,347,013
2027-2031	3,500,000	393,400	3,893,400
Total	<u>\$ 11,075,811</u>	<u>\$ 7,852,838</u>	<u>\$ 18,928,649</u>

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 7 - Reserved and Designated Fund Balances

Fund balances have been designated as follows:

Capital Projects Fund - Designated for		
Technology		\$ 109,633
Pathway/Trailway Plan		310,177
Vehicle replacement		1,896
Road improvements		609,309
Future land obligations		575,000
McGrath Park		20,000
Bicentennial Park		30,944
Midway Park		25,000
		<hr/>
Total Capital Projects Fund		1,681,959
		<hr/>
Master Campus Project - Designated		1,634,021
		<hr/>
Total fund balance designated for capital projects		<u>\$ 3,315,980</u>

Note 8 - Property Tax Revenue

The Charter Township's governmental funds recognize the December 1, 2005 property tax levy as revenue for the year ended December 31, 2006. The following is a breakdown of tax levies:

Source of Taxes	Fund Receiving Taxes	Approximate Revenue
<hr/>		
Governmental funds:		
Operating millage - Charter limit of 5.0 mills:		
3.6806 mills - Operating	General Fund	\$ 4,693,000
.70 mills - For Master Campus Project	General Fund	892,000
Police millage - .9128 mills - Voted millage for public service	General Fund	1,164,000
Mosquito millage - .1297 mills - Charter limit of 5.0 mills	General Fund	165,000
Act 198/255 taxes and administration fees	General Fund	580,000

A mill equals one dollar of tax per thousand dollars of property valuation (taxable valuation). The Charter Township's total taxable valuation for 2005 was approximately \$1,274,986,000.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 8 - Property Tax Revenue (Continued)

The police millage raised less revenue than expenditures. The mosquito millage raised \$3,898 more revenue than expenditures. As a result, \$3,898 of fund balance was reserved in the General Fund as of December 31, 2006.

Note 9 - Risk Management

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

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

Note 10 - Defined Benefit Pension Plan

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

Funding Policy - The obligation to contribute to and maintain the System for these employees was established by negotiation with the Police Officers Labor Council Patrol Officers Union. The agreement requires a contribution from the employer of any actuarially required contributions in excess of 15 percent prior to 1997 and 14 percent after January 1, 1997. Currently, this results in an employee contribution ranging from 2.52 percent to 4.63 percent of gross wages.

Annual Pension Costs - For the year ended December 31, 2006, the Charter Township's annual pension cost of \$527,617 for the plan was equal to the required and actual contribution. The annual required contribution was determined as part of an actuarial valuation at December 31, 2004, using the entry age normal cost method.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 10 - Defined Benefit Pension Plan (Continued)

Significant actuarial assumptions used include: (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 percent to 12.90 percent per year, and (c) 2.5 percent per year cost of living adjustments. Both (a) and (b) include an inflation component of 4.5 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a five-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period is 30 years depending on division.

Three-year trend information is as follows:

	Fiscal Year Ended December 31		
	2004	2005	2006
Annual pension costs (APC)	\$ 397,051	\$ 628,210	\$ 527,617
Percentage of APC contributed	100%	100%	100%
Net pension obligation	None	None	None
	Actuarial Valuation as of December 31		
	2002	2003	2004
Actuarial value of assets	\$ 2,195,050	\$ 2,702,602	\$ 3,176,897
Actuarial accrued liability (AAL)			
(entry age normal)	\$ 5,411,309	\$ 5,860,743	\$ 6,522,730
Unfunded AAL (UAAL)	\$ 3,216,259	\$ 3,158,141	\$ 3,345,833
Funded ratio	40.6%	46.1%	48.7%
Covered payroll	\$ 1,948,189	\$ 2,116,256	\$ 2,172,004
UAAL as a percentage of covered payroll	165%	149%	154%

Note 11 - Defined Contribution Pension Plan

The Charter Township provides pension benefits to all of its full-time employees (except police personnel, who are covered by a defined benefit plan effective January 1, 1993) through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment (or other date). As established by the Charter Township board of trustees, the Charter Township contributes 15 percent of employees' gross earnings and employees are not permitted to make contributions other than participant rollover contributions. In accordance with these requirements, the Charter Township contributed \$326,826 during the current year, and there was no employee contribution.

Charter Township of Grand Blanc

**Notes to Financial Statements
December 31, 2006**

Note 12 - Joint Ventures

The Charter Township is a member of the Grand Blanc District Library Commission, which provides library services to the residents of the Charter Township and the City of Grand Blanc. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed \$55,200 for its operations. The Charter Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements for the Grand Blanc District Library Commission can be obtained from the administrative offices at 4195 West Pasadena, Flint, MI 48504.

The Charter Township is a member of the Grand Blanc Parks and Recreation Commission, which provides recreational services to the residents of the Charter Township and the City of Grand Blanc. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed \$230,900 for its operations. The Charter Township's equity interest of \$413,849 is recorded within the governmental activities column of the statement of net assets. The Charter Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements for the Grand Blanc Parks and Recreation Commission can be obtained from the administrative offices at 131 East Grand Blanc Road, Grand Blanc, MI 48439.

The Charter Township is a member of the Grand Blanc Fire Commission, which provides fire protection services to the residents of the Charter Township and the City of Grand Blanc. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed \$552,652 for its operations. The Charter Township's equity of \$1,369,771 is recorded within the governmental activities column of the statement of net assets. The Charter Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements for the Grand Blanc Fire Commission can be obtained from the administrative offices at 117 High Street, Grand Blanc, MI 48439.

Note 13 - Contingent Liabilities

The Charter Township has been named as a defendant in multiple claims and lawsuits requesting damages of various amounts. The various proceedings have not yet progressed to the point where legal opinion can be reached as to the ultimate liability, if any, after consideration of available insurance, where applicable, that may result from the resolution of these matters. The Charter Township has not recorded an estimate of this liability at December 31, 2006.

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 14 - Other Postemployment Benefits

The Charter Township provides health care benefits to employees with 20 years of service and who have attained the age of 55 (25 years of service for sworn police officers) upon retirement, in accordance with labor contracts. Currently, 15 retirees are eligible. The Charter Township includes retirees and their dependents in its insured health care plan, with no contribution required by the participant. Expenditures for postemployment health care benefits are recognized as the insurance premiums become due; during the year, this amounted to approximately \$207,000.

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, 2008.

Note 15 - Pension and Other Postemployment Benefits

The following are condensed financial statements for the Township's defined contribution pension plan (see Note 11) and the postemployment healthcare plan (see Note 14). The plans do not issue separate financial statements.

	<u>Pension Trust</u>	<u>Employee Benefits</u>
Statement of Net Assets		
Cash and investments	\$ 3,964,444	\$ 1,542,882
Other assets	<u>18,701</u>	<u>109,748</u>
Net assets	<u>\$ 3,983,145</u>	<u>\$ 1,652,630</u>
Statement of Changes in Net Assets		
Investment income	\$ 615,716	\$ 81,847
Contributions	326,826	-
Benefit payments	(141,898)	-
Other decreases	<u>(10,658)</u>	<u>-</u>
Change in net assets	<u>\$ 789,986</u>	<u>\$ 81,847</u>

Charter Township of Grand Blanc

Notes to Financial Statements December 31, 2006

Note 16 - Deferred Revenue

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

	Governmental Funds			Governmental
	Unavailable	Unearned	Total	Activities Unearned
Property taxes levied for 2007 operations	\$ -	\$ 8,252,348	\$ 8,252,348	\$ 8,252,348
Solid waste charges billed for 2007 operations	-	1,129,260	1,129,260	1,129,260
Delinquent property taxes	<u>34,986</u>	<u>-</u>	<u>34,986</u>	<u>-</u>
Total	<u>\$ 34,986</u>	<u>\$ 9,381,608</u>	<u>\$ 9,416,594</u>	<u>\$ 9,381,608</u>

Required Supplemental Information

General Fund

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

Charter Township of Grand Blanc

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended December 31, 2006

	Prior Year Actual	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenues					
Property taxes	\$ 6,946,675	\$ 7,700,450	\$ 7,711,800	\$ 7,525,780	\$ (186,020)
Licenses and permits:					
Building permits	646,242	660,000	415,500	414,439	(1,061)
Inspection fees	312,258	305,000	405,000	315,204	(89,796)
Cable television franchise fee	356,840	334,755	374,755	385,757	11,002
Zoning fees	97,431	289,706	51,196	43,450	(7,746)
Other	27,539	29,500	37,200	25,120	(12,080)
Total licenses and permits	1,440,310	1,618,961	1,283,651	1,183,970	(99,681)
Federal sources - Police grants	-	15,000	39,460	60,235	20,775
State sources:					
Revenue sharing	2,302,999	2,343,050	2,586,050	2,568,081	(17,969)
Police grants	89,114	62,000	70,095	42,854	(27,241)
Liquor license fees	14,329	15,000	16,700	16,686	(14)
Total state sources	2,406,442	2,420,050	2,672,845	2,627,621	(45,224)
District Court fines	135,472	100,000	100,000	106,630	6,630
Interest	242,854	135,000	466,950	466,481	(469)
Other revenues:					
Special assessments	150,296	147,989	160,549	160,555	6
Other	16,961	31,660	45,505	32,939	(12,566)
Refunds and rebates:					
Police	111,855	45,000	51,050	70,879	19,829
School summer tax collection fees	45,742	50,000	39,217	30,479	(8,738)
Total other revenues	324,854	274,649	296,321	294,852	(1,469)
Total revenues	11,496,607	12,264,110	12,571,027	12,265,569	(305,458)

Charter Township of Grand Blanc

Required Supplemental Information (Continued) Budgetary Comparison Schedule - General Fund Year Ended December 31, 2006

	Prior Year Actual	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Expenditures					
General government:					
General office	\$ 638,649	\$ 681,762	\$ 661,686	\$ 596,000	\$ 65,686
Legislative	306,161	406,370	342,503	338,799	3,704
Supervisor's office	138,687	146,324	146,824	146,295	529
Clerk's office	252,866	270,749	280,749	275,159	5,590
Treasurer's office	244,328	268,236	267,386	264,613	2,773
Elections	11,899	21,219	46,124	45,800	324
Assessor's office	377,060	430,828	410,884	406,188	4,696
Building and grounds	156,696	135,682	232,127	224,849	7,278
Planning and zoning	384,154	635,841	471,437	371,417	100,020
Legal and attorney	223,821	242,050	177,350	171,217	6,133
Total general government	2,734,321	3,239,061	3,037,070	2,840,337	196,733
Public safety:					
Police	5,346,823	5,544,619	5,690,619	5,604,989	85,630
Fire	544,480	606,368	721,952	671,804	50,148
Building and zoning	848,959	865,114	893,079	891,811	1,268
Total public safety	6,740,262	7,016,101	7,305,650	7,168,604	137,046
Public services	839,593	1,026,992	1,337,492	1,260,654	76,838
Total expenditures	10,314,176	11,282,154	11,680,212	11,269,595	410,617
Excess of Revenues Over Expenditures	1,182,431	981,956	890,815	995,974	105,159
Other Financing Sources (Uses)					
Contingency	(5,000)	(191,713)	-	-	-
Transfer in from Department of Public Works Fund	114,653	106,917	-	-	-
Transfer in from Debt Service Fund	504	-	-	-	-
Transfer to Capital Projects Fund	(50,000)	-	-	(90,000)	(90,000)
Transfer to Master Campus Fund	(833,226)	(856,990)	(856,990)	(856,990)	-
Total other financing uses	(773,069)	(941,786)	(856,990)	(946,990)	(90,000)
Net Change in Fund Balance	409,362	40,170	33,825	48,984	15,159
Fund Balance - Beginning of year	1,045,513	1,454,875	1,454,875	1,454,875	-
Fund Balance - End of year	\$ 1,454,875	\$ 1,495,045	\$ 1,488,700	\$ 1,503,859	\$ 15,159

Major Special Revenue Fund

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

Charter Township of Grand Blanc

Required Supplemental Information Budgetary Comparison Schedule Major Special Revenue Fund Year Ended December 31, 2006

	Solid Waste Fund				Variance with Amended Budget
	Prior Year Actual	Original Budget	Amended Budget	Actual	
Revenues					
Solid waste collection charges	\$ 1,275,480	\$ 1,192,320	\$ 1,087,750	\$ 1,050,136	\$ (37,614)
Interest	22,277	10,000	10,000	37,648	27,648
Total revenues	1,297,757	1,202,320	1,097,750	1,087,784	(9,966)
Expenditures - Public services - Solid waste collection					
	<u>1,111,225</u>	<u>1,080,000</u>	<u>1,086,850</u>	<u>1,086,846</u>	<u>4</u>
Excess of Revenues Over Expenditures					
	186,532	122,320	10,900	938	(9,962)
Fund Balance - Beginning of year					
	<u>279,813</u>	<u>466,345</u>	<u>466,345</u>	<u>466,345</u>	<u>-</u>
Fund Balance - End of year					
	<u>\$ 466,345</u>	<u>\$ 588,665</u>	<u>\$ 477,245</u>	<u>\$ 467,283</u>	<u>\$ (9,962)</u>

Major Capital Projects Fund

The Civic Campus Fund is a Capital Projects Fund. Capital Projects Funds account for all resources for the acquisitions of capital facilities by the Township. This fund accounts for resources for the construction of the Township's new Civic Campus facilities.

Charter Township of Grand Blanc

Required Supplemental Information Budgetary Comparison Schedule Major Capital Projects Fund Year Ended December 31, 2006

	Civic Campus				Variance with
	Prior Year Actual	Original Budget	Amended Budget	Actual	Amended Budget
Revenues - Interest	\$ -	\$ -	\$ -	\$ 79,699	\$ 79,699
Expenditures - Capital outlay	-	-	1,800,000	1,756,209	43,791
Excess of Expenditures Over Revenues	-	-	(1,800,000)	(1,676,510)	123,490
Other Financing Sources (Uses)					
Proceeds from issuance of debt	-	-	10,800,000	10,800,000	-
Discount on bond proceeds	-	-	-	(107,973)	(107,973)
Total other financing sources	-	-	10,800,000	10,692,027	(107,973)
Fund Balance - Beginning of year	-	-	-	-	-
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,000,000</u>	<u>\$ 9,015,517</u>	<u>\$ 15,517</u>

Charter Township of Grand Blanc

Note to Required Supplemental Information December 31, 2006

Note - Budgetary Information

Budgetary Information - Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and all Special Revenue Funds. All annual appropriations lapse at fiscal year end.

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

The budget document presents information by fund, function, department, and line items. Appropriations are adopted by the Charter Township board on a departmental basis; this is the legal level of budgetary control. Expenditures at the departmental level in excess of budget appropriations are a violation of Michigan law. During the year, the budget was amended in a legally permissible manner. Encumbrances represent commitments related to unperformed contracts (or purchase orders) for goods or services. Encumbrances are not included as expenditures or liabilities; the amount of encumbrances outstanding at December 31, 2006 is not significant. Unexpended appropriations lapse at year end.

Excess of Expenditures Over Appropriations in Budgeted Funds - During the year, the Charter Township of Grand Blanc did not incur any significant expenditures that were in excess of the amounts budgeted.

Other Supplemental Information

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition of capital facilities other than those financed by the operations of an Enterprise Fund. A description of the Capital Projects Funds included as nonmajor governmental funds is as follows:

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

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

Nonmajor Governmental Funds (Continued)

Permanent Funds

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

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

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

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

Charter Township of Grand Blanc

	Special Revenue Funds			
	Drug Forfeiture	Law Enforcement	Bicentennial Park	PEG Channel Grant
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Due from other funds	14,091	14,180	9,016	3,088
Total assets	<u>\$ 14,091</u>	<u>\$ 14,180</u>	<u>\$ 9,016</u>	<u>\$ 3,088</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
Fund Balances				
Reserved:				
Cable TV activities	-	-	-	3,088
Law enforcement	14,091	14,180	-	-
Cemetery - Unexpendable	-	-	-	-
Cemetery - Expendable	-	-	-	-
Unreserved - Designated - Capital projects	-	-	-	-
Unreserved - Undesignated	-	-	9,016	-
Total fund balances	<u>14,091</u>	<u>14,180</u>	<u>9,016</u>	<u>3,088</u>
Total liabilities and fund balances	<u>\$ 14,091</u>	<u>\$ 14,180</u>	<u>\$ 9,016</u>	<u>\$ 3,088</u>

**Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2006**

Capital Projects Funds		Permanent Funds			Total Nonmajor Governmental Funds
Capital Projects Fund	Master Campus Project	Oakwood Cemetery Fund	Perry Cemetery Fund	Maple Cemetery Fund	
\$ -	\$ -	\$ 10,261	\$ 38,928	\$ 11,881	\$ 61,070
-	-	37,015	110,543	79,889	227,447
1,682,876	1,634,021	-	-	-	3,357,272
\$ 1,682,876	\$ 1,634,021	\$ 47,276	\$ 149,471	\$ 91,770	\$ 3,645,789
\$ 917	\$ -	\$ -	\$ -	\$ -	\$ 917
-	-	-	170	-	170
917	-	-	170	-	1,087
-	-	-	-	-	3,088
-	-	-	-	-	28,271
-	-	17,279	112,548	25,889	155,716
-	-	29,997	36,753	65,881	132,631
1,681,959	1,634,021	-	-	-	3,315,980
-	-	-	-	-	9,016
1,681,959	1,634,021	47,276	149,301	91,770	3,644,702
\$ 1,682,876	\$ 1,634,021	\$ 47,276	\$ 149,471	\$ 91,770	\$ 3,645,789

Charter Township of Grand Blanc

	Special Revenue Funds			
	Drug Forfeiture	Law Enforcement	Bicentennial Park	PEG Channel Grant
Revenue				
Forfeitures and seizures	\$ 11,435	\$ -	\$ -	\$ -
Investment income	-	-	-	-
Other	-	-	16,560	20,112
Total revenue	11,435	-	16,560	20,112
Expenditures				
General government	-	-	-	20,112
Public safety	3,251	3,312	-	-
Capital outlay	-	-	17,768	-
Other	-	-	-	-
Total expenditures	3,251	3,312	17,768	20,112
Excess of Revenue Over (Under) Expenditures	8,184	(3,312)	(1,208)	-
Other Financing Sources - Transfer from other funds	-	-	-	-
Net Change in Fund Balances	8,184	(3,312)	(1,208)	-
Fund Balances - Beginning of year	5,907	17,492	10,224	3,088
Fund Balances - End of year	\$ 14,091	\$ 14,180	\$ 9,016	\$ 3,088

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and Changes
in Fund Balances - Nonmajor Governmental Funds
Year Ended December 31, 2006

Debt Service Fund	Capital Projects Funds		Permanent Funds			Total Nonmajor Governmental Funds
Water and Sewer Debt Service Fund	Capital Projects Fund	Master Campus Project	Oakwood Cemetery Fund	Perry Cemetery Fund	Maple Cemetery Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,435
-	-	34,121	343	35,401	551	70,416
-	40,554	-	-	804	1,600	79,630
-	40,554	34,121	343	36,205	2,151	161,481
-	-	-	2,420	171	10	22,713
-	-	-	-	-	-	6,563
-	723,199	91,112	-	-	-	832,079
-	-	-	-	-	-	-
-	723,199	91,112	2,420	171	10	861,355
-	(682,645)	(56,991)	(2,077)	36,034	2,141	(699,874)
-	90,000	856,990	-	-	-	946,990
-	(592,645)	799,999	(2,077)	36,034	2,141	247,116
-	2,274,604	834,022	49,353	113,267	89,629	3,397,586
\$ -	\$ 1,681,959	\$ 1,634,021	\$ 47,276	\$ 149,301	\$ 91,770	\$ 3,644,702

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule Nonmajor Governmental Funds Year Ended December 31, 2006

	Drug Forfeiture Fund			
	Prior Year	Amended		Variance with
	Actual	Budget	Actual	Amended Budget
Revenues - Forfeitures and seizures	\$ 7,010	\$ 3,400	\$ 11,435	\$ 8,035
Expenditures - Public safety	<u>2,241</u>	<u>3,300</u>	<u>3,251</u>	<u>49</u>
Excess of Revenues Over Expenditures	4,769	100	8,184	8,084
Fund Balance - Beginning of year	<u>1,138</u>	<u>5,907</u>	<u>5,907</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 5,907</u>	<u>\$ 6,007</u>	<u>\$ 14,091</u>	<u>\$ 8,084</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule Nonmajor Governmental Funds (Continued) Year Ended December 31, 2006

	Law Enforcement Fund			
	Prior Year	Amended	Actual	Variance
	Actual	Budget		with Amended Budget
Revenues - Forfeitures and seizures	\$ 5,400	\$ 8,000	\$ -	\$ (8,000)
Expenditures - Public safety	<u>4,281</u>	<u>3,300</u>	<u>3,312</u>	<u>(12)</u>
Excess of Revenues Over (Under)				
Expenditures	1,119	4,700	(3,312)	(8,012)
Fund Balance - Beginning of year	<u>16,373</u>	<u>17,492</u>	<u>17,492</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 17,492</u>	<u>\$ 22,192</u>	<u>\$ 14,180</u>	<u>\$ (8,012)</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule Nonmajor Governmental Funds (Continued) Year Ended December 31, 2006

	Bicentennial Park Fund			Variance with Amended Budget
	Prior Year	Amended	Actual	
	Actual	Budget		
Revenues - Rental income	\$ 16,296	\$ 33,120	\$ 16,560	\$ (16,560)
Expenditures - Capital outlay	<u>22,819</u>	<u>17,800</u>	<u>17,768</u>	<u>32</u>
Excess of Revenues Over (Under)				
Expenditures	(6,523)	15,320	(1,208)	(16,528)
Fund Balance - Beginning of year	<u>16,747</u>	<u>10,224</u>	<u>10,224</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 10,224</u></u>	<u><u>\$ 25,544</u></u>	<u><u>\$ 9,016</u></u>	<u><u>\$ (16,528)</u></u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule Nonmajor Governmental Funds (Continued) Year Ended December 31, 2006

	PEG Channel Grant			
	Prior Year	Amended	Actual	Variance
	Actual	Budget		with Amended Budget
Revenues - PEG contributions	\$ 19,493	\$ 18,900	\$ 20,112	\$ 1,212
Expenditures - Other	<u>38,785</u>	<u>20,100</u>	<u>20,112</u>	<u>(12)</u>
Excess of Expenditures Over Revenues	(19,292)	(1,200)	-	1,200
Fund Balance - Beginning of year	<u>22,380</u>	<u>3,088</u>	<u>3,088</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 3,088</u></u>	<u><u>\$ 1,888</u></u>	<u><u>\$ 3,088</u></u>	<u><u>\$ 1,200</u></u>

Fiduciary Funds

A description of the Fiduciary Funds maintained by the Charter Township is as follows:

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

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

Charter Township of Grand Blanc

Other Supplemental Information Combining Statement of Net Assets Pension and Other Employee Benefit Trust Funds December 31, 2006

	Pension Trust	Employee Benefits	Total
Assets			
Cash and equivalents	\$ 141,286	\$ 18,834	\$ 160,120
Investments:			
Certificate of deposits	99,925	-	99,925
Mutual funds	3,282,416	-	3,282,416
Limited partnerships	43,007	-	43,007
Corporate bonds	397,810	-	397,810
Government securities	-	1,524,048	1,524,048
Other receivables	18,701	109,748	128,449
	<u>18,701</u>	<u>109,748</u>	<u>128,449</u>
 Total assets	 <u>\$ 3,983,145</u>	 <u>\$ 1,652,630</u>	 <u>\$ 5,635,775</u>
 Net Assets - Reserved for pension and other employee benefits	 <u>\$ 3,983,145</u>	 <u>\$ 1,652,630</u>	 <u>\$ 5,635,775</u>

Charter Township of Grand Blanc

Other Supplemental Information Combining Statement of Changes in Net Assets Pension and Other Employee Benefit Trust Funds Year Ended December 31, 2006

	Pension Trust	Employee Benefits	Total
Additions			
Investment income:			
Interest and dividends	\$ 42,680	\$ 81,847	\$ 124,527
Net increase in fair value of investments	573,035	-	573,035
Net investment income	615,715	81,847	697,562
Contributions - Employer	326,826	75,000	401,826
Total additions	942,541	156,847	1,099,388
Deductions			
Benefit payments	141,898	-	141,898
Administrative expenses	10,658	-	10,658
Total deductions	152,556	-	152,556
Net Increase	789,985	156,847	946,832
Net Assets Held in Trust for Pension and Other Employee Benefits			
Beginning of year	3,193,160	1,495,783	4,688,943
End of year	<u>\$ 3,983,145</u>	<u>\$ 1,652,630</u>	<u>\$ 5,635,775</u>

Charter Township of Grand Blanc

Fiduciary Funds Statement of Changes in Assets and Liabilities - Agency Fund Year Ended December 31, 2006

	Balance January 1, 2006	Additions	Deductions	Balance December 31, 2006
Assets - Cash and cash equivalents	<u>\$ 7,182,250</u>	<u>\$ 60,296,959</u>	<u>\$ 57,758,046</u>	<u>\$ 9,721,163</u>
Liabilities - Undistributed tax collections	<u>\$ 7,182,250</u>	<u>\$ 60,296,959</u>	<u>\$ 57,758,046</u>	<u>\$ 9,721,163</u>

Statistical Section

Charter Township of Grand Blanc

Description of Statistical Section

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

Contents

Financial Trends:

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

Revenue Capacity:

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

Debt Capacity:

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

Demographic Information:

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

Operating Information:

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

Sources:

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

Charter Township of Grand Blanc

Financial Trend Information Net Assets by Component Statement of Net Assets

	Fiscal Year			
	2003	2004	2005	2006
Governmental Activities				
Invested in capital assets, net of related debt	\$ 5,778,904	\$ 5,685,105	\$ 6,061,001	\$ 6,313,242
Restricted	446,337	477,616	745,081	790,887
Unrestricted	<u>4,154,639</u>	<u>5,238,804</u>	<u>5,480,340</u>	<u>5,877,983</u>
Total net assets	10,379,880	11,401,525	12,286,422	12,982,112
Business Type Activities				
Invested in capital assets, net of related debt	65,617,031	69,497,610	72,709,732	77,445,337
Restricted - Mosquito	90,158	114,653	-	-
Unrestricted	<u>5,646,020</u>	<u>5,021,322</u>	<u>9,755,242</u>	<u>8,227,121</u>
Total net assets	71,353,209	74,633,585	82,464,974	85,672,458
Primary Government in Total				
Invested in capital assets, net of related debt	71,395,935	75,182,715	78,770,733	83,758,579
Restricted	536,495	592,269	745,081	790,887
Unrestricted	<u>9,800,659</u>	<u>10,260,126</u>	<u>15,235,582</u>	<u>14,105,104</u>
Total net assets	<u>\$ 81,733,089</u>	<u>\$ 86,035,110</u>	<u>\$ 94,751,396</u>	<u>\$ 98,654,570</u>

Note: In fiscal year 2003, the City adopted GASB No. 34 and began reporting a government-wide statement of net assets.

Charter Township of Grand Blanc

Financial Trend Information Changes in Governmental Net Assets

	Fiscal Year			
	2003	2004	2005	2006
Expenses				
General government	\$ 2,997,262	\$ 2,789,281	\$ 3,457,066	\$ 3,151,040
Public safety	5,464,514	5,892,463	6,409,202	7,059,945
Public services	1,886,488	1,613,483	1,691,373	2,144,233
Community and economic development	234,370	298,852	395,745	259,316
Recreation and culture	282,174	242,510	207,256	120,673
Interest on long-term debt	24,917	5,256	-	198,156
Total governmental activities	10,889,725	10,841,845	12,160,642	12,933,363
Program Revenues - Charges for services, grants, and contributions	1,564,197	2,673,227	3,036,812	2,602,717
Net Expense	(9,325,528)	(8,168,618)	(9,123,830)	(10,330,646)
General Revenues				
Property taxes	7,077,377	6,407,809	6,931,573	7,528,398
State-shared revenues	2,889,369	2,323,369	2,302,999	2,568,081
Unrestricted investment earnings	199,823	120,879	302,662	651,273
Unrestricted fees and other	319,563	338,206	-	278,584
Miscellaneous	12,731	-	356,840	-
Transfers	-	-	114,653	-
Total general revenues	10,498,863	9,190,263	10,008,727	11,026,336
Net Change in Fund Balance	1,173,335	1,021,645	884,897	695,690
Fund Balance - Beginning of year	9,206,545	10,379,880	11,401,525	12,286,422
Fund Balance - End of year	<u>\$ 10,379,880</u>	<u>\$ 11,401,525</u>	<u>\$ 12,286,422</u>	<u>\$ 12,982,112</u>

Note: In fiscal year 2003, the City adopted GASB No. 34 and began reporting a government-wide statement of net assets.

Charter Township of Grand Blanc

	Fiscal Year Ended December 31				
	1997	1998	1999	2000	2001
Operating Revenue					
Sale of water	\$ 1,166,173	\$ 1,580,272	\$ 1,710,251	\$ 2,340,667	\$ 2,166,309
Sewage disposal charges	2,322,292	2,474,436	2,598,241	2,999,479	2,809,227
Water meters	63,299	134,872	141,625	134,664	188,951
Interest and penalty charges	86,117	104,133	99,779	105,683	146,662
Total operating revenue	3,637,881	4,293,713	4,549,896	5,580,493	5,311,149
Operating Expenses					
Cost of water produced/purchased	1,211,027	1,511,212	1,814,593	1,651,806	1,941,374
Cost of sewage treatment	1,579,627	1,676,657	1,793,501	2,050,174	1,860,960
Billing and administrative costs	877,907	866,026	1,065,548	1,175,583	1,217,274
Depreciation	-	-	-	-	-
Total operating expenses	3,668,561	4,053,895	4,673,642	4,877,563	5,019,608
Operating Income (Loss)	(30,680)	239,818	(123,746)	702,930	291,541
Nonoperating Revenue (Expenses)					
Investment income	143,781	119,585	123,613	130,237	148,375
Interest expense	(9,067)	(3,038)	-	-	(3,095)
Gain (loss) on disposal of assets	-	-	1,619	-	209
Special assessments	101,951	101,821	106,318	105,598	107,518
Mosquito spraying	(101,371)	(101,371)	(103,581)	(103,941)	(106,210)
Transfer to other funds	-	-	-	-	-
Total nonoperating revenue	135,294	116,997	127,969	131,894	146,797
Net Gain (Loss) Before Capital Contributions	104,614	356,815	4,223	834,824	438,338
Capital Contributions					
Tap-in and line inspection fees	-	-	-	-	-
Special assessments	-	-	-	-	-
Lines constructed by developers	-	-	-	-	-
Total capital contributions	-	-	-	-	-
Net Change in Net Assets	104,614	356,815	4,223	834,824	438,338
Net Assets - Beginning of year	4,078,162	4,182,776	4,539,591	4,543,814	5,378,638
Net Assets - End of year	\$ 4,182,776	\$ 4,539,591	\$ 4,543,814	\$ 5,378,638	\$ 5,816,976

Financial Trend Information
Changes in Business-type Net Assets

Fiscal Year Ended December 31					
2002	2003	2004	2005	2006	
\$ 2,555,504	\$ 2,784,542	\$ 3,001,280	\$ 3,535,177	\$ 3,316,345	
3,388,824	3,467,972	3,551,442	3,932,200	4,088,433	
212,209	129,032	133,225	174,346	105,943	
153,895	173,409	191,401	154,855	249,531	
<u>6,310,432</u>	<u>6,554,955</u>	<u>6,877,348</u>	<u>7,796,578</u>	<u>7,760,252</u>	
2,128,152	2,054,948	2,772,907	2,720,390	2,913,389	
2,147,061	2,123,294	2,291,187	2,386,334	3,527,250	
1,330,145	1,452,076	1,711,677	1,811,590	938,473	
865,290	942,851	1,345,027	1,443,420	1,511,155	
<u>6,470,648</u>	<u>6,573,169</u>	<u>8,120,798</u>	<u>8,361,734</u>	<u>8,890,267</u>	
(160,216)	(18,214)	(1,243,450)	(565,156)	(1,130,015)	
109,978	100,312	105,735	185,175	494,134	
(13,794)	(9,799)	-	-	-	
(4,948)	-	4,070	-	3,465	
155,306	166,315	180,794	-	-	
(106,210)	(137,969)	(155,732)	-	-	
-	-	-	(114,653)	-	
<u>140,332</u>	<u>118,859</u>	<u>134,867</u>	<u>70,522</u>	<u>497,599</u>	
(19,884)	100,645	(1,108,583)	(494,634)	(632,416)	
-	1,291,247	1,496,759	6,313,863	2,506,456	
-	72,458	481,900	45,873	36,875	
-	2,144,878	2,410,300	1,966,287	1,296,569	
<u>-</u>	<u>3,508,583</u>	<u>4,388,959</u>	<u>8,326,023</u>	<u>3,839,900</u>	
(19,884)	3,609,228	3,280,376	7,831,389	3,207,484	
7,308,388	67,743,981	71,353,209	74,633,585	82,464,974	
<u>\$ 7,288,504</u>	<u>\$ 71,353,209</u>	<u>\$ 74,633,585</u>	<u>\$ 82,464,974</u>	<u>\$ 85,672,458</u>	

Charter Township of Grand Blanc

	December 31			
	1997	1998	1999	2000
Fund Balances				
General Fund - Unreserved	\$ 826,019	\$ 871,424	\$ 931,905	\$ 952,068
All other governmental funds:				
Reserved:				
Mosquito levy	-	-	-	-
Law enforcement	5,940	6,063	8,709	8,709
Drug forfeiture	-	-	-	-
Cable TV activities - PEG Fund	-	-	-	-
Drug enforcement	24,987	24,245	28,979	24,970
Fire hall	5,196	-	-	-
Unreserved, reported in:				
Special Revenue Funds - Solid waste	159,940	179,589	210,505	260,467
Special Revenue Funds - Bicentennial Park	-	-	-	9,693
Capital Project Funds	1,275,000	885,613	740,006	899,635
Campus Project	-	-	-	-
Civic Campus Fund	-	-	-	-
Debt Service Funds - Water and sewer	592,929	490,552	519,754	546,753
Permanent funds - Cemetery:				
Unexpendable	42,738	42,738	42,738	59,721
Expendable	126,026	155,075	153,761	116,082
Total all other governmental funds	<u>\$ 3,058,775</u>	<u>\$ 2,655,299</u>	<u>\$ 2,636,358</u>	<u>\$ 2,878,098</u>
Trust and Agency Funds:				
Employee Pension Benefits	\$ 3,608,730	\$ 3,938,815	\$ 3,244,384	\$ 3,213,634
Postretirement Employee Benefits	-	-	350,000	750,000
Total Trust and Agency Funds	<u>\$ 3,608,730</u>	<u>\$ 3,938,815</u>	<u>\$ 3,594,384</u>	<u>\$ 3,963,634</u>

Financial Trend Information
Fund Balances - Governmental Funds

December 31					
2001	2002	2003	2004	2005	2006
\$ 1,007,738	\$ 1,030,189	\$ 1,018,296	\$ 1,045,513	\$ 1,454,875	\$ 1,499,961
-	-	-	-	-	3,898
8,709	25,848	26,518	16,373	17,492	14,180
-	-	-	1,138	5,907	14,091
-	25,588	60,579	22,380	3,088	3,088
9,576	5,276	-	-	-	-
-	-	-	-	-	-
313,855	297,778	184,936	279,813	466,345	467,283
13,501	1,764	6,624	16,747	10,224	9,016
2,400,714	2,225,147	2,649,441	2,731,023	2,274,604	1,681,959
-	-	150,182	461,153	834,022	1,634,021
-	-	-	-	-	9,015,517
573,864	167,167	162,782	-	-	-
59,721	43,604	105,627	105,627	122,191	155,716
75,309	65,746	68,676	52,286	130,058	132,631
\$ 4,462,987	\$ 3,888,106	\$ 4,433,662	\$ 4,732,052	\$ 5,318,806	\$ 14,631,361
\$ 2,953,956	\$ 2,567,655	\$ 3,034,496	\$ 3,355,295	\$ 3,193,160	\$ 3,983,145
837,883	1,049,008	1,267,837	1,489,268	1,495,783	1,652,630
\$ 3,791,839	\$ 3,616,663	\$ 4,302,333	\$ 4,844,563	\$ 4,688,943	\$ 5,635,775

Charter Township of Grand Blanc

	Year Ended December 31			
	1997	1998	1999	2000
Revenue				
Property taxes	\$ 4,114,936	\$ 4,470,229	\$ 4,723,427	\$ 5,008,089
Licenses and permits	489,245	864,125	987,328	907,498
Federal grants	128,080	371,009	235,790	140,797
State-shared revenues and grants	2,055,510	2,176,598	2,358,113	2,481,575
Charges for services	960,400	898,018	973,638	1,070,009
Fines and forfeitures	102,071	85,492	104,698	76,208
Investment income	282,304	337,330	309,460	413,679
Other	167,765	155,622	235,330	194,148
Total revenue	8,300,311	9,358,423	9,927,784	10,292,003
Expenditures				
General government	1,266,591	1,304,322	1,670,720	1,718,582
Public safety	3,167,178	3,276,388	3,791,906	4,005,698
Public services	1,714,583	2,133,835	2,044,842	1,884,533
Other	6,560	6,231	5,963	6,144
Capital outlay	16,584	2,108,863	545,607	518,340
Debt service principal	1,726,701	1,680,785	1,536,374	1,496,269
Debt service interest	-	-	-	-
Other	-	-	-	-
Total expenditures	7,898,197	10,510,424	9,595,412	9,629,566
Excess of Revenue Over (Under) Expenditures	402,114	(1,152,001)	332,372	662,437
Other Financing Sources (Uses)				
Debt issuance	-	-	-	-
Debt premium or discount	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	402,114	(1,152,001)	332,372	662,437
Fund Balances - Beginning of year	2,629,534	3,031,648	2,457,486	2,789,858
Fund Balances - End of year	\$ 3,031,648	\$ 1,879,647	\$ 2,789,858	\$ 3,452,295

Financial Trend Information
Change in Fund Balances - Governmental Funds

Year Ended December 31					
2001	2002	2003	2004	2005	2006
\$ 5,046,893	\$ 5,432,863	\$ 5,909,327	\$ 6,359,871	\$ 6,947,143	7,525,780
1,284,875	1,412,537	1,216,745	1,241,715	1,440,310	1,183,970
51,631	-	-	24,065	-	60,235
2,915,759	2,760,329	3,016,237	2,420,418	2,406,442	2,627,621
1,113,316	1,098,336	1,168,050	1,227,837	1,275,480	1,050,136
78,903	153,024	137,489	132,635	147,882	118,065
413,781	202,863	199,820	120,879	328,203	654,244
245,934	321,035	417,331	291,700	426,534	374,482
<u>11,151,092</u>	<u>11,380,987</u>	<u>12,064,999</u>	<u>11,819,120</u>	<u>12,971,994</u>	<u>13,594,533</u>
1,719,274	2,013,856	2,278,435	2,738,634	2,773,106	2,863,050
4,612,660	5,383,975	5,743,612	5,939,996	6,746,784	7,175,167
1,747,487	2,014,288	2,518,843	2,198,652	1,950,818	2,347,500
5,452	4,585	-	-	-	-
234,513	1,101,704	330,006	146,495	1,024,108	2,588,288
1,268,161	1,200,654	455,188	455,188	-	-
-	-	27,630	12,624	-	-
-	-	165,730	29,140	-	-
<u>9,587,547</u>	<u>11,719,062</u>	<u>11,519,444</u>	<u>11,520,729</u>	<u>12,494,816</u>	<u>14,974,005</u>
1,563,545	(338,075)	545,555	298,391	477,178	(1,379,472)
-	-	-	-	-	-
150,000	-	-	-	-	10,800,000
-	-	-	-	-	(107,973)
2,280,463	1,100,000	1,000,712	715,854	993,305	946,990
<u>(2,280,463)</u>	<u>(1,100,000)</u>	<u>(1,000,712)</u>	<u>(715,854)</u>	<u>(883,730)</u>	<u>(946,990)</u>
<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,575</u>	<u>10,692,027</u>
1,713,545	(338,075)	545,555	298,391	586,753	9,312,555
3,452,295	5,165,840	3,888,107	4,433,662	4,732,053	5,318,806
<u>\$ 5,165,840</u>	<u>\$ 4,827,765</u>	<u>\$ 4,433,662</u>	<u>\$ 4,732,053</u>	<u>\$ 5,318,806</u>	<u>14,631,361</u>

Charter Township of Grand Blanc

Taxable Value by Property Type

Real Property

Tax Year	Residential	Commercial	Industrial	Agricultural and Other	IFT Real
1997	\$ 410,942,691	\$ 99,643,385	\$ 42,577,218	\$ 1,752,914	\$ 21,001,300
1998	453,402,865	107,324,709	44,158,560	-	25,466,900
1999	496,307,197	121,343,537	46,797,429	-	25,871,004
2000	549,392,330	132,005,933	48,367,042	-	26,931,567
2001	614,822,305	143,232,371	52,144,368	-	26,986,149
2002	691,422,172	161,628,532	57,935,960	-	21,865,799
2003	758,684,136	174,517,419	60,636,287	-	22,866,356
2004	836,757,967	186,527,937	62,563,902	-	23,823,900
2005	909,882,944	198,881,657	63,088,569	-	23,919,585
2006	993,823,502	222,001,854	66,846,585	-	21,396,298

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

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

Tax Year	Millage Rates - Direct Township Taxes					Overlapping Taxes	
	General Operating	Debt	Mosquito	Police	Total Direct Taxes	County	Community College
1997	3.6806	1.6335	0.1523	0.9611	6.4275	8.2618	1.8750
1998	3.6806	1.4598	0.1393	0.9590	6.2387	8.2618	1.8745
1999	3.6806	1.3042	0.1330	0.9514	6.0692	8.2345	1.8694
2000	3.6806	0.9505	0.1250	0.9425	5.6986	8.2271	1.8694
2001	3.6806	0.8476	0.1250	0.9205	5.5737	8.2187	2.8672
2002	3.9806	0.4678	0.1500	0.9253	5.5237	8.1831	2.8280
2003	3.9806	0.4153	0.1500	0.9153	5.4612	8.1373	2.7466
2004	4.3806	-	0.1500	0.9148	5.4454	8.5154	2.6807
2005	4.3806	-	0.1297	0.9128	5.4231	8.5091	2.6807
2006	4.3806	-	0.1296	0.9128	5.4230	10.1792	2.6796

Revenue Capacity Information Assessed Value and Actual Value of Taxable Property

Taxable Value by Property Type

Personal Property	IFT Pers.	Total Ad-Val	Total Abated	Total Value	GBT Tax		Taxable Value as a
					Rate (Mills)	Estimated Actual Value	% of Actual
\$ 95,837,600	\$ 10,772,900	\$ 649,000,894	\$ 31,774,200	\$ 683,208,361	6.4275	\$ 1,449,714,800	47.13%
100,085,400	18,438,500	704,971,534	43,905,400	747,902,145	6.2387	1,633,083,000	45.80%
110,178,100	16,066,000	774,626,263	41,937,004	816,439,688	6.0692	1,801,398,800	45.32%
98,217,200	16,456,600	827,982,505	43,388,167	871,269,165	5.6986	1,837,971,400	47.40%
103,464,100	14,673,600	913,663,144	41,659,749	954,764,747	5.5737	2,046,331,800	46.66%
108,264,600	9,537,200	1,019,251,264	31,402,999	1,051,049,801	5.5237	2,287,789,000	45.94%
107,813,600	10,518,000	1,101,651,442	33,384,356	1,134,557,982	5.4612	2,553,378,000	44.43%
104,453,963	10,137,300	1,190,303,769	33,947,420	1,224,270,807	5.4454	2,684,475,400	45.61%
108,761,952	10,082,600	1,280,615,122	34,002,185	1,314,617,307	5.4231	2,879,649,400	45.65%
91,676,305	4,245,700	1,374,348,246	25,641,998	1,399,990,244	5.423	3,065,639,800	45.67%

Direct and Overlapping Property Tax Rates

Intermediate School District	Overlapping Taxes		Total Tax Rate	
	School - Homestead	School - Non-homestead	Homestead	Non-homestead
3.6032	7.0000	25.0000	27.1675	45.1675
3.6032	8.8000	26.8000	28.7782	46.7782
3.5894	8.7925	26.6719	28.5550	46.4344
3.5894	8.8000	26.6311	28.1845	46.0156
3.5835	8.7923	26.7923	29.0354	47.0354
3.5673	8.7872	26.5352	28.8893	46.6373
3.5469	7.7779	25.4123	27.6699	45.3043
3.5361	11.4768	23.1112	31.6544	49.2888
3.5361	11.5015	22.8290	31.6505	48.9780
3.5341	11.4700	23.4700	33.2859	50.6134

Charter Township of Grand Blanc

Revenue Capacity Information Principal Property Taxpayers

Principal Taxpayers	Type of Business	2006 Taxable Value	Percent of Total	1997 Taxable Value	Percent of Total	1997 Rank
1 General Motors	Auto manufacturing	\$ 42,494,669	3.04	\$ 76,753,843	11.23	1
2 Consumers Energy	Utilities	18,327,624	1.31	13,100,061	1.92	3
3 Ring Screw Works	Manufacturing	15,731,705	1.12	5,562,516	0.81	6
4 Auker	Real estate	10,421,525	0.74	10,738,660	1.57	4
5 Edward Rose Assoc.	Apartments	9,868,900	0.7	-	-	-
6 Wal-Mart/Sam's	Retail sales	9,469,107	0.68	-	-	-
7 Knollwood Village Assoc.	Apartments	9,186,700	0.66	9,523,000	1.39	5
8 Genesys Medsports	Health/Fitness/Conference	9,124,900	0.65	-	-	-
9 Edward Rose Dev. Co.	Construction	9,002,588	0.64	5,255,400	0.76	8
10 Grand Blanc processing	Manufacturing	6,583,998	0.47	-	-	-

Source: Township Assessing Department Records

Property Tax Levies and Collections

Fiscal Year Ended December 31	Total Levy (1)	Current Collections	Percent of Levy Collected	Delinquent Collections	Total Tax Collections	Percent of Total Collections to Tax Levy
1997	\$ 4,181,877	\$ 3,908,970	93.47	\$ 255,662	\$ 4,164,632	99.59
1998	4,392,004	4,117,227	93.74	274,140	4,391,367	99.99
1999	4,698,371	4,425,947	94.2	249,734	4,675,681	99.52
2000	4,717,231	4,463,157	94.61	245,783	4,708,940	99.82
2001	5,088,582	4,820,983	94.74	263,741	5,084,724	99.92
2002	5,631,979	5,308,723	94.26	286,174	5,594,897	99.34
2003	6,014,126	5,798,942	96.42	190,231	5,989,173	99.59
2004	6,574,010	6,379,021	97.03	111,672	6,490,693	98.73
2005	7,004,728	6,889,856	98.36	23,428	6,913,284	98.69
2006	7,454,988	7,399,821	99.26	4,839	7,404,660	99.32

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

Charter Township of Grand Blanc

	1997	1998	1999	2000
Governmental Activities				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Installment purchase agreements	-	-	-	-
Special assessment bonds	358,995	737,093	636,873	781,297
Compensated absences	101,743	124,890	170,707	211,500
Total	460,738	861,983	807,580	992,797
Business Type Activities				
Installment purchase agreements	7,240,584	5,870,959	4,562,926	3,243,890
Compensated absences	-	-	-	-
Total	7,240,584	5,870,959	4,562,926	3,243,890
Total debt of the government	<u>\$ 7,701,322</u>	<u>\$ 6,732,942</u>	<u>\$ 5,370,506</u>	<u>\$ 4,236,687</u>
Median household income per census	\$ 20,050	\$ 20,050	\$ 20,050	\$ 59,858
Total Population (Per Federal Census 10 yr)	25,392	25,392	25,392	25,392
Total debt per capita	\$ 303	\$ 265	\$ 212	\$ 167

Debt Capacity Information Ratios of Outstanding Debt

2001	2002	2003	2004	2005	2006
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,800,000
150,000	140,000	130,000	120,000	105,000	90,000
768,729	647,547	526,365	405,182	284,000	185,811
175,554	270,201	302,104	319,431	367,403	291,613
<u>1,094,283</u>	<u>1,057,748</u>	<u>958,469</u>	<u>844,613</u>	<u>756,403</u>	<u>11,367,424</u>
2,246,264	1,050,589	455,187	-	-	-
-	-	27,191	37,381	51,326	71,540
<u>2,246,264</u>	<u>1,050,589</u>	<u>482,378</u>	<u>37,381</u>	<u>51,326</u>	<u>71,540</u>
<u>\$ 3,340,547</u>	<u>\$ 2,108,337</u>	<u>\$ 1,440,847</u>	<u>\$ 881,994</u>	<u>\$ 807,729</u>	<u>\$ 11,438,964</u>
\$ 59,858	\$ 59,858	\$ 59,858	\$ 59,858	\$ 59,858	\$ 59,858
25,392	25,392	25,392	25,392	25,392	25,392
\$ 132	\$ 83	\$ 57	\$ 35	\$ 32	\$ 450

Charter Township of Grand Blanc

Debt Capacity Information Ratios of General Bonded Debt Outstanding

Fiscal Year	General Obligation Bonds	Less Pledged Debt Service Funds	Net General Bonded Debt	Total Taxable Value Ad Valorem and IFT	Debt as a Percentage of Taxable Value	Estimated Population	General Obligation Debt per Capita
1997	\$ 7,251,000	\$ 593,000	\$ 6,658,000	\$ 683,208,000	0.97	25,392	\$ 262
1998	5,871,000	491,000	5,380,000	747,902,000	0.72	25,392	212
1999	4,563,000	520,000	4,043,000	816,439,688	0.5	25,392	159
2000	3,244,000	547,000	2,697,000	871,269,165	0.31	29,827	90
2001	2,195,000	574,000	1,621,000	954,764,747	0.17	29,827	54
2002	1,050,000	167,000	883,000	1,051,049,801	0.08	29,827	30
2003	585,000	163,000	422,000	1,134,557,982	0.04	29,827	14
2004	120,000	-	120,000	1,224,270,807	0.01	29,827	4
2005	105,000	-	105,000	1,314,617,307	0.01	35,075	3
2006	10,890,000	-	10,890,000	1,399,990,244	0.78	35,075	310

Direct and Overlapping Property

Jurisdiction	Debt Outstanding	Percent Applicable to Charter Township	Amount Applicable to Charter Township
Direct debt - Charter Township of Grand Blanc	\$ 10,800,000	100.00	\$ 10,800,000
Overlapping debt:			
Genesee County	36,885,357	12.14	4,477,882
Grand Blanc School District	101,755,000	73.02	74,301,501
Goodrich School District	42,239,252	10.34	4,367,539
Lake Fenton School District	29,235,000	2.66	777,651
Mott Community College	9,254,000	11.57	1,070,688
Bishop Airport Authority	10,555,000	12.14	1,281,377
Total	\$ 240,723,609		\$ 97,076,638

Charter Township of Grand Blanc

	1997	1998	1999	2000
Debt Limit (Fiscal Year Ended) (1)				
State equalized valuation (previous year)	\$ 693,026,300	\$ 816,541,900	\$ 900,699,400	\$ 962,426,600
Debt limit (10 percent of State equalized valuation)	69,302,630	81,654,190	90,069,940	96,242,660
Debt Applicable to Debt Limit				
Total bonded debt	7,611,322	6,732,942	5,370,506	4,236,687
Less deductions allowed by law:				
Special Assessment Bonds	(258,995)	(737,093)	(636,873)	(781,297)
General Obligation Limited Tax Bonds	-	-	-	-
Employee-compensated absences	(101,743)	(124,890)	(170,707)	(211,500)
County contractual obligations	(7,150,584)	(5,870,959)	(4,562,926)	(3,243,890)
Total amount of debt applicable to debt limit	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 69,202,630</u>	<u>\$ 81,654,190</u>	<u>\$ 90,069,940</u>	<u>\$ 96,242,660</u>

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

Debt Capacity Information
Legal Debt Margins

2001	2002	2003	2004	2005	2006
\$ 1,064,842,300	\$ 1,175,318,800	\$ 1,276,689,000	\$ 1,376,198,900	\$ 1,473,832,800	\$ 1,558,529,700
106,484,230	117,531,880	127,668,900	137,619,890	147,383,280	155,852,970
3,139,822	1,968,123	1,413,656	844,613	756,403	11,367,424
(768,729)	(647,547)	(526,365)	(405,182)	(284,000)	(185,811)
-	-	-	-	-	(10,800,000)
(175,554)	(270,201)	(302,104)	(319,431)	(367,403)	(291,613)
(2,045,539)	(910,375)	(455,187)	-	-	-
150,000	140,000	130,000	120,000	105,000	90,000
\$ 106,334,230	\$ 117,391,880	\$ 127,538,900	\$ 137,499,890	\$ 147,278,280	\$ 155,762,970

Charter Township of Grand Blanc

Demographic and Economic Statistics Demographic and Economic Information

Fiscal Year	Population	Personal Income (in thousands)	Per Capita	
			Personal Income	Unemployment Rate
1997	25,392	(A)	(A)	(A)
1998	25,392	(A)	(A)	(A)
1999	25,392	(A)	(A)	(A)
2000	29,827	(A)	27,520	0.04
2001	29,827	(A)	(A)	(A)
2002	29,827	(A)	(A)	(A)
2003	29,827	(A)	(A)	(A)
2004	29,827	(A)	(A)	(A)
2005	35,075	(A)	(A)	(A)
2006	35,075	(A)	(A)	(A)

(A) Not available

Principal Employers

Taxpayer	2006	Percentage of	1997	Percentage	1997 Rank
	Employees	Total	Employees	of Total	
1 Genesys Health System	3,050	19.90	(A)	(A)	(A)
2 General Motors Service Parts Operation	1,200	7.83	(A)	(A)	(A)
3 General Motors Stamping Plant	820	5.35	(A)	(A)	(A)
4 Cadance Innovation	550	3.59	(A)	(A)	(A)
5 Hutchings Automotive Pro/Mehr Tube	325	2.12	(A)	(A)	(A)
6 Wal-Mart	300	1.96	(A)	(A)	(A)
7 Textron Fastening Systems	298	1.94	(A)	(A)	(A)
8 Grand Blanc Community Schools	280	1.83	(A)	(A)	(A)
9 Serra Automotive Group	265	1.73	(A)	(A)	(A)
10 Sam's Club	220	1.44	(A)	(A)	(A)

(A) Not available

Charter Township of Grand Blanc

Operating Information Full-time Equivalent Government Employees

Function/Program	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
General government	34	36	41	45	53	58	61	55	-	-
Supervisor	2	2	2	2	2	2	2	2	2	2
Treasurer	2	2	2	2	2	2	2	2	2	2
Clerk	2	2	2	2	2	2	2	2	2	2
Finance	3	4	4	5	5	5	4	5	5	5
General office	-	-	-	-	4	4	4	4	4	4
Assessing	5	5	5	5	5	5	5	5	5	5
Public Safety										
Police	39	40	44	44	53	51	51	52	52	53
Fire and EMS	2	2	2	2	2	2	2	2	2	2
Part-time volunteer	51	51	51	58	58	52	52	52	45	48
Public Services										
DPW	12	13	18	21	25	30	34	17	20	20
Building	5	5	5	5	5	5	5	5	5	6
Planning/Zoning	3	3	3	3	3	3	3	3	3	4
Parks and recreation	5	5	5	5	5	6	6	6	6	6

Charter Township of Grand Blanc

Function/ Program	1997	1998	1999	2000
Police:				
Physical arrests	752	875	509	528
Traffic violations	2,045	2,809	2,693	2,126
Calls for service	(A)	(A)	(A)	(A)
Fire:				
Emergency responses	403	424	524	489
Fires extinguished	(A)	(A)	(A)	(A)
Public works - Refuse collected (tons)	(A)	(A)	(A)	(A)
Parks and recreation - Recreation programs	(A)	(A)	560	(A)
Library:				
Circulation (books borrowed)	955,217	914,897	899,484	877,183
Collection volume	655,433	671,848	620,325	684,313
Water:				
New connections	(A)	(A)	(A)	(A)
Water main breaks	(A)	(A)	(A)	(A)
Miles of water mains	109	116	124	125
Number of water meters	2,825	3,340	3,522	3,661
Number of water units				
Total consumption	58,613,729	74,604,906	82,641,038	90,568,962
Average consumption per meter	20,748	22,337	23,464	24,739
Sewer:				
Miles of sanitary sewer mains	165	173	193	195
Number of sewer customers	7,797	8,143	8,250	8,395

(A) Information not available

Operating Information
Operating Indicators

2001	2002	2003	2004	2005	2006
1,099	1,794	1,873	2,445	2,527	2,410
2,242	4,498	4,371	5,548	5,577	3,324
(A)	(A)	(A)	(A)	(A)	16,184
458	448	511	482	438	484
(A)	(A)	97	113	79	102
(A)	(A)	(A)	(A)	14,830	(A)
(A)	(A)	649	653	662	670
922,045	978,363	1,013,247	1,418,106	1,951,419	2,358,562
717,365	699,807	661,387	700,242	705,797	678,740
(A)	(A)	(A)	(A)	(A)	147
(A)	(A)	(A)	(A)	(A)	7
160	164	173	177	179	182
4,089	4,371	5,171	5,960	6,480	6,821
99,697,798	131,868,048	141,510,695	126,300,495	130,772,000	121,680,400
24,382	30,169	27,366	21,191	20,181	17,839
213	215	219	221	227	228
9,088	9,552	19,167	19,233	20,473	20,473

Charter Township of Grand Blanc

Operating Information Capital Asset Statistics

Function/ Program	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Trucks	7	7	7	7	7	7	7	7	7	7
Public works:										
Streets (miles)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Streetlights	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Traffic signals	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Refuse collection trucks	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Parks and recreation:										
Acreage	148	202	202	202	202	202	222	222	222	222
Playgrounds	1	1	1	1	2	2	2	1	1	1
Baseball/Softball diamonds	10	10	10	10	10	10	10	10	10	10
Pools/Splash pad	-	-	-	-	-	-	-	-	-	1
Libraries - Branches	1	1	1	1	1	1	1	1	1	1
Water:										
Mains (miles)	108.5	116.0	124.0	125.0	160.0	164.0	173.0	177.0	179.0	182.0
Fire hydrants	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Storage capacity	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Sewer:										
Miles of sanitary sewers	164.8	172.5	193.0	195.0	213.0	215.0	219.0	221.0	227.0	228.0
Miles of storm sewers	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Treatment capacity	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)

(A) Information not available