

Charter Township of Canton Wayne County, Michigan

**Comprehensive Annual
Financial Report
December 31, 2001**

Charter Township of Canton

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Charter Township of Canton

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Charter Township of Canton

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March 28, 2002



GENERAL OFFICES

1150 Canton Center S.
Canton, MI 48188-1699
734/394-5100
734/394-5128 FAX

Thomas J. Yack
Supervisor
394-5185
394-5234 FAX

Terry G. Bennett
Clerk
394-5120
394-5128 FAX

Elaine J. Kirchgatter
Treasurer
394-5130
394-5139 FAX

John M. Burdziak
Philip J. LaJoy
Melissa McLaughlin
Robert J. Shefferly
Trustees

To the Board of Trustees
and the Citizens
Charter Township of Canton
Wayne County, Michigan

This letter serves as an introduction to the Comprehensive Annual Financial Report for the 2001 fiscal year. The purpose of this letter is to highlight the significant achievements of 2001 and to provide a look into our future opportunities.

Business, Industry, and Commercial

2001 saw a softening of retail and industrial activity. The general national downturn has resulted in a number of industrial vacancies and very few new facility leases. Canton is well-positioned to take advantage of the upturn that is now under way. The retail sector continues to see the construction of new centers and stand-alone buildings. Getting under way in 2001 was Wal-Mart and Sam's Club. The Michigan Avenue corridor continues to see new projects: two banks, a restaurant, and grocery store. A number of other projects have been approved and should be under way in 2002.

Canton also welcomed two additions to Canton Softball Center: High Velocity Soccer and Arctic Edge Ice Arena. These \$16 million recreation facilities will provide Canton residents with new sports opportunities.

Public Facilities

2001 saw the completion of a number of public facilities: Vehicle Service Center, Summit Expansion, and restroom/concession buildings at Independence Park and Canton Softball Center. Also completed was Pheasant Run Golf Club's new nine holes. Construction has begun on an expansion and renovation of the Department of Public Works and construction of a new Human Services Center. Plans are under way to expand the administration building and construction of a theater and a fire station.

Residential Development

Canton remains a very desirable community and, as a result, continues to attract new residents. The innovative Cherry Hill Village development is under way with more than 100 homes in some form of construction. Cherry Hill represents one of the Midwest's most unique and interesting traditional neighborhood developments. Central Park, a 600+ acre development, is now 50 percent completed. Hampton Ridge, Pheasant Ridge, and Cobblestone are nearly completed. The Geddes Road corridor is seeing a tremendous amount of single-family, condominium, and arrangement development. Condominium construction remains strong throughout the community.

To the Board of Trustees
and the Citizens
Charter Township of Canton

Conclusion

Canton enjoyed one of its strongest years ever. The community's valuation increased by \$330 million (14 percent) to \$2.8 billion. Canton's continued economic strength and its positive financial position have yielded one of Michigan's highest municipal credit ratings.

Our financial condition remains positive and will serve the community well.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas J. Yack". The signature is fluid and cursive, with a large initial "T" and "Y".

Thomas J. Yack
Canton Supervisor



March 28, 2002



GENERAL OFFICES

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Canton, MI 48188-1699
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Treasurer
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John M. Burdziak
Philip J. LaJoy
Melissa McLaughlin
Robert J. Shefferly
Trustees

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

The Comprehensive Annual Financial Report of the Charter Township of Canton for the fiscal year ended December 31, 2001 is hereby submitted. This report was prepared by the Finance and Budget Department. Responsibility for the accuracy, completeness, and fairness of the financial data herein, including all disclosures, rests with the Township.

All funds and account groups of the Township are included in this report. These include the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Trust and Agency Funds. The Township does not currently use any Internal Service Funds.

The Comprehensive Annual Financial Report is divided into three sections:

Introductory Section - This section introduces the reader to the report through this transmittal letter, an organizational chart of Canton Township, a list of the Township's principal officials, and a fund organization chart.

Financial Section - The accounting firm of Plante & Moran, LLP has performed an independent audit of Canton Township. This section includes their report as well as the combined financial statements and the notes to the financial statements. This section, along with the additional information, comprises the financial section of this report.

Statistical Information - This section contains additional information about Canton Township that is not always financial in nature. The information provided gives the reader an overview of the Township through demographic statistics as well as comparative 10-year data.

The Canton Board of Trustees adopts an annual budget in accordance with the State of Michigan Uniform Budgeting Act, P.A. 621 of 1978. The Township's fiscal year is January through December. The annual budget is adopted each October for the subsequent year. Budgetary controls include the fact that expenditures cannot exceed revenues for the year plus beginning fund balance. An encumbrance system is in place to ensure that this control is not violated. In addition, the Board of Trustees must approve all budget amendments made throughout the fiscal year. Transfers within a fund may be approved by the Township Supervisor, except for changes to capital or personnel. These changes require Board approval regardless of the amount.

Adequate internal controls are an important aspect of the financial system for the Township. An Internal Control Committee is comprised of the Treasurer, the Director of Finance and Budget, both Finance and Budget Accountants, and the Deputy Treasurer. This committee establishes and reviews internal controls to ensure accountability, reliability, and accuracy.

General Governmental Functions

The General Fund accounts for all of the Township's activities that are not accounted for in another fund. Revenues for the General Fund come from state-shared revenue, general property taxes, fees, and other sources. A summary of the 2001 General Fund revenues is outlined below:

Revenue Sources	Amount	Percent of Total	Increase (Decrease) from December 31, 2000
Property taxes	\$ 2,426,040	12.4	\$ 141,406
Licenses and permits	2,526,109	12.9	121,093
Federal sources	26,450	0.1	26,450
State sources	7,795,954	39.9	974,366
Charges for services	1,572,477	8.1	150,406
Court fees	1,693,792	8.7	871,223
Administration charges	1,656,446	8.5	282,272
Special assessments	25,430	0.1	25,430
Other revenues	925,238	4.8	(308,490)
Subtotal	18,647,936	95.5	2,284,156
Transfers in	879,479	4.5	560,609
Total	<u>\$ 19,527,415</u>	<u>100.0</u>	<u>\$ 2,844,765</u>

Revenues were up 17 percent from 2000. Revenues from state sources make up the greatest percentage of the General Fund revenues. These amounts increased approximately 14 percent due to the effect of population growth reflected in the 2000 federal census. Court fees reflect the reinstatement of revenues from the Court. Due to a fire, revenues in 1999 were held to assist in funding a new court facility.

General Governmental Functions
(Continued)

The following is an outline of the 2001 General Fund expenditures:

Expenditures	Amount	Percent of Total	Increase (Decrease) from December 31, 2000
General government	\$ 7,795,598	37.4	\$ 701,965
Public safety	56,219	0.3	2,042
Public services	5,106,697	24.5	1,149,003
Recreation	1,486,814	7.1	204,316
Sanitation	<u>2,171,248</u>	<u>10.5</u>	<u>208,908</u>
Subtotal	16,616,576	79.8	2,266,234
Transfers out	<u>4,224,506</u>	<u>20.2</u>	<u>2,507,587</u>
Total	<u>\$ 20,841,082</u>	<u>100.0</u>	<u>\$ 4,773,821</u>

General Fund expenditures increased by approximately \$4,775,000 from the previous year. This was due to significant capital projects undertaken in 2001 including the paving of Denton Road south of Cherry Hill. Otherwise, expenditures were primarily routine in nature and any increase was due primarily to inflation.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. Canton Township has 12 Special Revenue Funds that are accounted for separately. The Fire and Police Funds are the two major Special Revenue Funds for the Township. Each of the 12 funds is explained below.

Police Fund

The Police Department reports to the Public Safety Director. This is a full-service department consisting of 74 sworn personnel and 30 civilian employees.

Special Revenue Funds
(Continued)

The main source of revenues for the Police Department comes from a voter-approved special assessment on all real property. This assessment is levied according to Michigan Public Act 181 of 1951 for townships. This millage was reduced in 2001 from 4.80 to 4.40. The following outlines the revenues and expenditures for the Police Fund:

Revenue Sources	Amount	Percent of Total	Increase (Decrease) from December 31, 2000
Special assessments	\$ 9,819,396	92.4	\$ 737,643
Licenses and permits	60,961	0.6	23,566
Federal sources	214,299	2.0	5,376
State sources	15,297	0.1	15,297
Charges for services	110,989	1.0	(4,412)
Other revenues	<u>419,244</u>	<u>3.9</u>	<u>(102,931)</u>
Total	<u>\$ 10,640,186</u>	<u>100.0</u>	<u>\$ 674,539</u>
<u>Expenditures</u>			
Public safety	\$ 10,155,159	94.1	\$ 1,867,915
Transfers out	<u>642,350</u>	<u>5.9</u>	<u>375,343</u>
Total	<u>\$ 10,797,509</u>	<u>100.0</u>	<u>\$ 2,243,258</u>

Fire Fund

Canton Township has a full-service fire department with 51 firefighters and two civilian employees. The department provides fire suppression, fire prevention, and emergency medical service at the advanced life support level. The Fire Chief reports to the Public Safety Director, who also oversees the Police Department.

Special Revenue Funds
(Continued)

The main source of revenues for the Fire Department comes from a voter-approved special assessment on real property. The special assessment millage for fire operations remained at 2.94 in 2001. This assessment is levied according to Michigan Public Act 33 of 1951 for townships. The following outlines the revenues and expenditures for the Fire Fund:

Revenue Sources	Amount	Percent of Total	Increase (Decrease) from December 31, 2000
Special assessments	\$ 6,014,626	88.5	\$ 452,054
Federal sources	12,767	0.2	2,036
State sources	12,576	0.2	10,276
Charges for services	430,236	6.3	(11,157)
Other revenues	<u>323,534</u>	<u>4.8</u>	<u>(17,462)</u>
Total	<u>\$ 6,793,739</u>	<u>100.0</u>	<u>\$ 435,747</u>
<hr/>			
Expenditures			
Public safety	\$ 5,791,759	92.1	\$ 1,205,643
Transfers out	<u>498,729</u>	<u>7.9</u>	<u>206,545</u>
Total	<u>\$ 6,290,488</u>	<u>100.0</u>	<u>\$ 1,412,188</u>

Public Improvement Fund

This fund was set up in 1982 for special community projects such as road improvements and building construction. Revenues have been generated from property sales and General Fund contributions. There were land sales in 2001 totaling just under \$1.4 million.

Community Improvement Fund

This fund was established in 1990 to account for royalty payments for solid waste deposited in two privately owned landfills in the Township, although only one remains open at this time. This is part of an agreement the Township entered into with the landfills for construction and expansion of their facilities. The money from this fund is used for community improvements and recreation projects, but not for operating purposes. Projects for 2001 included improvements to Victory Park, a.k.a. the Canton Softball Center, and work on the sidewalk gap program.

Special Revenue Funds (Continued)

Golf Course Fund

This fund accounts for the activities of both the Fellows Creek Golf Course and the Pheasant Run Golf Course. Revenue from both courses is combined to fund overall golf operations.

Fellows Creek Golf Club, while owned by Canton, is operated by Fellows Creek Golf Club of Canton, Inc. through a lease agreement with the Township. Approximately 50 percent of the golf course operating revenues accrues to the Township to fund shared operating expenses and debt service on the golf course and clubhouse. Revenues for Fellows Creek were approximately \$668,000 in 2001. This fund is paying the Building Authority for the issuance of four limited tax bonds, one in 1978, one in 1985 (which was refinanced in 1995), one in 1993, and a new issue in 2001 to expand the Pheasant Run Golf Course by nine holes.

Pheasant Run Golf Course was constructed on Township-owned property in 1994-1995 and opened July 1, 1995. The course is operated by Canton Township. Revenues for Pheasant Run's golf operations were approximately \$1,336,000.

Special Investigation Fund

There are three funds associated with the Western Wayne County Narcotics and Auto Theft Prevention Consortium, which consists of several local communities. Two funds are associated with the Auto Theft Unit. The first fund accounts for the proceeds derived from forfeitures resulting from auto theft unit investigations. The second fund accounts for the funds received through a state grant. The third fund is used to record the financial activity of the narcotics unit.

Community Center Fund

This fund was created in 1994 to record the activity of Canton's Summit on the Park community center operations. The complex opened in January 1996. Revenues consist primarily of user charges associated with the athletic center and rentals from the banquet facility. It is our goal that revenues from these sources will meet the community center's current operating costs, excluding the depreciation of the facility. Bonds were issued in 2000 to expand the fitness center. The expansion opened in late 2001 and has significantly improved the functionality of the building.

Street Lighting Fund

This fund accounts for the assessments and expenditures for residential street lighting within the Township. Districts are established by the Township Board upon petition from residential subdivision property owners. Residents are assessed annually for the costs of the lights and maintenance.

Special Revenue Funds (Continued)

Community Development Block Grant

Canton Township receives direct funding from the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG). Funds are expended on such programs as housing rehabilitation, social service agencies, and restoration of historical sites.

Cable TV Fund

This fund was established in 1993 to account for royalty revenues and expenditures related to cable TV operations. Franchise fee revenues are paid to the Township based on a percentage of cable TV subscriber fees. Expenditures are to provide for local cable TV programming services, as well as Township communication efforts.

911 Service Fund

An Emergency 911 utility surcharge is imposed on all telephone customers in Wayne County. Money collected is distributed to local communities. Expenditure of these funds is restricted to qualifying expenses as defined by the State of Michigan. This fund was created to account for the receipt and expenditure of these Emergency 911 utility surcharge funds.

Postemployment Benefit Fund

This fund was created in 1997 to account for retiree health insurance premium costs. It is anticipated that the investments in this fund will provide for future health care benefit costs for retired Township employees.

Debt Service Funds

There are eight Debt Service Funds. One fund is for the payment of four golf course bonds and two library bonds through the Building Authority. The remaining funds account for the special assessment collections and debt service payments of various paving and storm drain special assessment bond issues.

Capital Projects Funds

There are seven Capital Projects Funds within the Township's financial statements. Four of these funds account for road and storm sewer projects. The Building Authority Construction Fund was added in 1992 for the construction of the Pheasant Run Golf Course, and is currently being used to account for the construction of the library addition, community center, and golf course expansion. In 1994, the Capital Projects Building Construction Fund was established to account for the construction of the new community center, Summit on the Park, and in 2001, was used to account for the construction of the new Human Services Center.

Enterprise Fund

The Water and Sewer Fund accounts for the activities of the Department of Public Works. It is separated into five major divisions - Water, Sewer, Special Projects, Equipment Maintenance, and Billing, and has 35 full-time employees. The Fund also accounts for water and sanitary sewer construction projects that are funded by the Township or through special assessments on the benefiting property owners.

The following is a comparison of net income and retained earnings from 2000 to 2001:

	Year Ended December 31		Increase
	2001	2000	
Operating revenues	\$ 15,974,827	\$ 13,777,118	\$ 2,197,709
Operating expenses	<u>18,299,795</u>	<u>16,681,295</u>	<u>1,618,500</u>
Operating loss	(2,324,968)	(2,904,177)	579,209
Other income - Net*	<u>10,428,724</u>	<u>574,522</u>	<u>9,854,202</u>
Net income (loss)	<u>\$ 8,103,756</u>	<u>\$ (2,329,655)</u>	<u>\$ 10,433,411</u>

* Governmental Accounting Standards Board Statement Number 33 was implemented this year. See Footnote 17 to the financial statements.

Trust and Agency Funds

Trust and Agency Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Canton Township has several of these types of funds, including the Cemetery Trust Fund, Escrow Deposit Fund, and the Tax Collection Fund.

Our pension program is administered and handled by a private insurance company, Retirement Funding/Schwab. The Township's pension plan is a defined contribution plan. It is mandatory for employees to contribute 5 percent of their base pay and, beginning in July 1993, the Township matches it with 15 percent. There is a pension committee comprised of the Treasurer, Administrative Services Director, an accountant from the Finance and Budget department, and one member of each of the union and nonunion groups.

Component Units

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

Component Units

(Continued)

Included in the financial statements are the Township's two (2) discretely presented component units, the Downtown Development Authority (DDA), and the Economic Development Corporation (EDC). The DDA captures tax revenues that are used to fund improvements to the downtown area. The EDC assists businesses with the financing of industrial construction projects.

Cash Management

The Township's investment policies follow the legal requirements of municipalities covered under Michigan Public Act No. 20 of 1943, as amended December 1997. We maximize the use of funds and ultimately try to increase the return on our dollars while minimizing risk. Investments are placed with institutions that are deemed to provide minimal risk to Township assets. Our investment portfolio consists of U.S. Treasuries and other obligations of the U.S. and its agencies, certificates of deposit, commercial paper, and authorized pooled funds, in compliance with the Township's investment policy and Public Act 20 as amended.

Risk Management

Canton Township is a member of the Michigan Municipal Risk Management Authority (MMRMA). The MMRMA is a self-insured association with a membership of approximately 1,170 Michigan local governmental units. It provides risk management, claims administration, legal defense, and reinsurance services for its members. As a member of MMRMA, Canton has liability coverage of up to \$15,000,000 per occurrence. Our self-insured retention for liability is \$250,000 per occurrence. We are actively involved in risk control through supervisory and employee training, facilities inspections, and utilization of the MMRMA Risk Control staff.

The Township is also self-insured for our workers' compensation coverage. We utilize Alexis as a third-party administrator of our workers' compensation program. Working with the Alexis professional staff, we conduct an active risk management program with regard to reducing on-the-job injuries. This program includes safety training, employee safety committees, wellness programs, employee fitness programs, safety inspections, and aggressive claims management.

Independent Audit

State law requires an annual audit of the Township's financial records and transactions by an independent certified accountant. This has been done for Canton Township by Plante & Moran, LLP. They have given the Township an "unqualified opinion," which is the best opinion an organization can receive on its financial statements. This indicates that Plante & Moran, LLP has found nothing to cause them to believe that the financial statements are not fairly stated in all material respects.

A single audit was also performed by Plante & Moran, LLP and is under separate cover.

Department Initiatives

The finance department continued to improve financial systems in 2001. These projects included completion of our budget system, which is now fully automated. We also began work on an automated time sheet and cost accounting system. Both systems should be completed in 2002. These systems are expected to significantly improve the management information available.

Acknowledgments

I would like to take this opportunity to thank all those who assisted in the preparation of this document, especially the Finance and Budget staff. Its completion represents the hard work of many individuals, without whom it would not be possible to present this report. Given the extraordinary growth in Canton, the demands placed on our finance department have increased dramatically, but we have continued to provide an extremely high level of service. I would also like to express my appreciation to the Township Board for their continued support of the Finance and Budget Department.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony J. Minghine". The signature is fluid and cursive, with a long horizontal stroke at the end.

Anthony J. Minghine
Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Charter Township of
Canton, Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2000

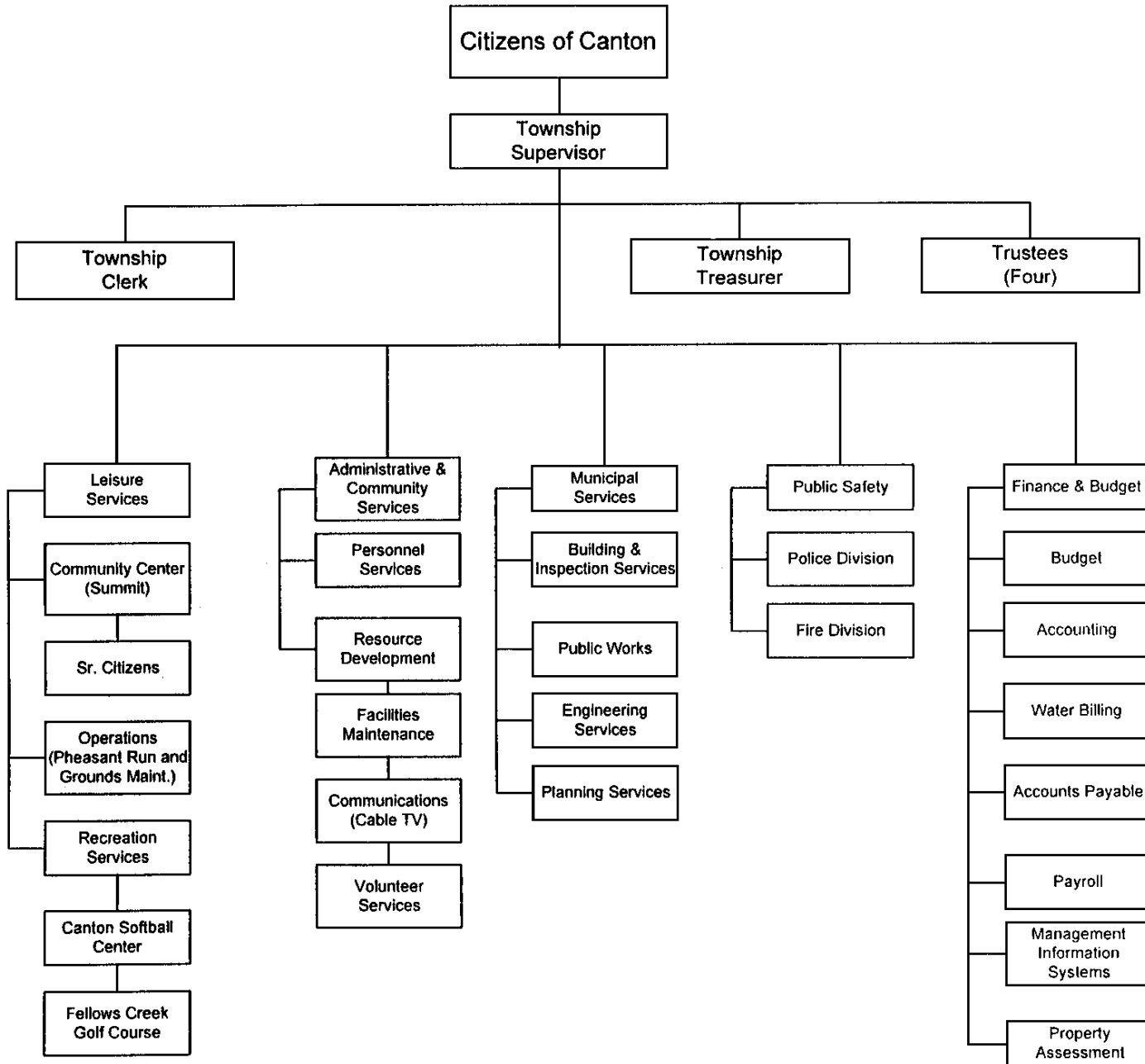
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



Imelda Aru
President

Jeffrey L. Esser
Executive Director

CHARTER TOWNSHIP OF CANTON



Charter Township of Canton

List of Principal Officials as of December 31, 2001

Supervisor's Office

Supervisor Thomas Yack

Clerk's Office

Clerk Terry G. Bennett
Deputy Clerk Anna Stump

Treasurer's Office

Treasurer Elaine Kirchgatter
Assistant Deputy Treasurer Mary L. Siefert

Finance and Budget Division

Director Anthony J. Minghine
Finance and Budget Accountant Karen H. Fox
Finance and Budget Accountant John Spencer
MIS Manager Bradford Thompson

Administrative and Community Services Division

Director Daniel Durack
Personnel Manager David Medley
Resource Development Manager Michael Ager
Maintenance Foreman Bob Jenkins

Municipal Services Department

Director Aaron Machnik
Building Official John Weyer
Township Engineer Thomas Casari
Community Planner Jeffrey Goulet
Public Works Superintendent Jake Dingeldey

Leisure Services Department

Director Ann Conklin
Chief of Recreation and Facilities Debra Bilbrey-Honsowetz
Chief of Parks Kevin Mill
Chief of Golf Operations David Horstman

Public Safety Department

Director John Santomauro
Police Captain Alexander Wilson
Police Captain Laura Golles MacDiarmid
Fire Chief Michael Rorabacher
Fire Marshal Frank Barrett

Charter Township of Canton

Labor Agreements as of December 31, 2001

<u>Bargaining Unit</u>	<u>Expiration Date</u>	<u>Number of Employees</u>
Police Officers Labor Council:		
Police captains	12/31/01	2
Sergeants and lieutenants	12/31/01	14
Police Officers Association of Michigan - Represents police officers and dispatchers	06/30/04	71
International Association of Firefighters - Represents firefighters	06/30/04	50
Technical, Professional, and Officeworkers Association of Michigan - Represents clerical employees	12/31/04	60
American Federation of State, County, and Municipal Employees - Represents public works employees, facilities maintenance employees, building inspectors, and ordinance officers	03/31/04	<u>61</u>
Total		<u><u>258</u></u>

Charter Township of Canton

Summary of Personnel Budgeted Positions as of December 31, 2001

	<u>Full-time</u>	<u>Part-time</u>
Supervisor's Office	3	-
Clerk's Office	6	-
Treasurer's Office	7	-
Finance and Budget:		
Finance	12	-
Utility Billing	4	-
Management Information Systems	8	-
Administrative Services:		
Director's Office	3	-
Personnel	4	1
Resource Development	4	1
Facilities Maintenance	11	5
Cable Television	3	2
Municipal Services:		
Director's Office	5	-
Building Services	20	-
Engineering Services	14	1
Planning Services	7	1
Public Works	31	3
Leisure Services:		
Director's Offices	2	-
Grounds Maintenance	12	-
Summit Community Center	10	-
Pheasant Run Golf Course	6	-
Parks and Recreation	4	1
Softball Center	3	-
Public Safety:		
Fire	57	-
Police	99	2
	<u>335</u>	<u>17</u>
Total budgeted employees		

Charter Township of Canton

Fund Organization Chart

<u>Fund Name</u>	<u>Fund Number</u>
Governmental Funds	
General Fund	101
Special Revenue Funds	
Police	207
Fire	206
Public Improvement	245
Community Improvement	246
Golf Course	211
Special Investigation	266, 267, & 289
Community Center	208
Street Lighting	219
Community Development Block Grant	274
Cable TV	230
911 Service	261
Postemployment Benefits	296
Debt Service Funds	
Palmer Road Paving	863
Building Authority	369
North Haggerty Storm	853
North Haggerty Paving	862
Beck Road Paving	864
South Haggerty Paving	865
Koppernick Corporate Park Sewer, Water Main, and Paving	852
Tonquish Creek Storm Sewer	854
Capital Projects Funds	
Road Paving	403
South Haggerty Paving	815
Building Authority Construction	469
Building Construction	402
Beck Road Paving	814
Tonquish Creek Storm Sewer	804
Koppernick Corporate Park Sewer, Water Main, and Paving	812

Charter Township of Canton

Fund Organization Chart (Continued)

<u>Fund Name</u>	<u>Fund Number</u>
Proprietary Fund	
Enterprise Fund - Water and Sewer	592
Fiduciary Funds	
Trust and Agency Funds	
Cemetery Trust	711
Tax Collections	703
Other Agency	701-702
Account Groups	
General Fixed Assets	901
General Long-term Debt	951

Independent Auditor's Report

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

We have audited the accompanying general purpose financial statements of the Charter Township of Canton as of December 31, 2001 and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Charter Township of Canton management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Charter Township of Canton as of December 31, 2001 and the results of its operations and cash flows of its proprietary fund type for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 17, during the current year, the Township adopted GASB Statement Number 33. As a result, all governmental fund revenue is recognized only when available to finance expenditures of the current period. In addition, capital contributions that result from nonexchange transactions are reported as income items, rather than as direct increases to contributed capital.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information listed in the financial section of the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Charter Township of Canton. This information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The statistical data listed in the statistical section of the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Charter Township of Canton. We did not examine this data and, accordingly, do not express an opinion thereon.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2002 on our consideration of the Charter Township of Canton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Plante & Moran, LLP

March 28, 2002

Charter Township of Canton

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits				
Cash and cash equivalents (Note 2)	\$ 9,122,687	\$ 19,045,766	\$ 1,708,819	\$ 4,692,765
Investments (Note 2)	-	-	-	-
Receivables:				
Property taxes	1,904,495	8,003,201	-	-
Customers	-	-	-	-
Special assessments:				
Property owners	8,471	34,961	3,648,773	-
Township	-	-	276,736	-
Accrued interest and other receivables	182,226	41,538	545,596	5,050
Other assets	66,186	503,957	-	-
Due from other funds (Note 3)	2,470,930	8,791,514	99,199	33,562
Due from other governmental units	1,474,490	476,494	-	-
Due from primary government	-	-	-	-
Due from component units	-	632	-	-
Inventories (Note 1)	-	-	-	-
Restricted assets (Notes 2 and 4)	-	-	-	-
Capital assets (Note 5)	-	-	-	-
Amount available in Debt Service Funds	-	-	-	-
Amount to be provided by Canton Public Library (Note 6)	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total assets and other debits	<u>\$ 15,229,485</u>	<u>\$ 36,898,063</u>	<u>\$ 6,279,123</u>	<u>\$ 4,731,377</u>

**Combined Balance Sheet - All Fund Types, Account Groups,
and Discretely Presented Component Units
December 31, 2001**

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Total Primary Government (Memorandum Only)	Component Units
Enterprise - Water and Sewer	Trust and Agency	General Fixed Assets	General Long-term Debt		
\$ 28,040,505	\$ 28,065,049	\$ -	\$ -	\$ 90,675,591	\$ 2,343,179
20,102,119	-	-	-	20,102,119	-
-	-	-	-	9,907,696	947,740
3,890,648	-	-	-	3,890,648	-
27,174	-	-	-	3,719,379	-
7,864	-	-	-	284,600	-
954,763	1,807	-	-	1,730,980	-
55,924	-	-	-	626,067	-
475,225	12,296	-	-	11,882,726	-
-	-	-	-	1,950,984	-
-	-	-	-	-	710
1,357	-	-	-	1,989	-
537,171	-	-	-	537,171	-
173,325	-	-	-	173,325	-
113,168,195	-	76,823,731	-	189,991,926	2,230,259
-	-	-	2,166,220	2,166,220	-
-	-	-	6,350,000	6,350,000	-
-	-	-	20,933,760	20,933,760	1,990,000
<u>\$ 167,434,270</u>	<u>\$ 28,079,152</u>	<u>\$ 76,823,731</u>	<u>\$ 29,449,980</u>	<u>\$ 364,925,181</u>	<u>\$ 7,511,888</u>

(Continued on next page)

Charter Township of Canton

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities, Fund Equity, and Other Credits				
Liabilities				
Accounts payable	\$ 470,055	\$ 1,702,162	\$ 10,121	\$ 654,039
Accrued liabilities and other	267,652	730,603	-	-
Due to other funds (Note 3)	583,519	1,153,235	535,419	1,937
Due to other governmental units	107,229	21,125	-	-
Due to primary government	-	-	-	-
Due to component units	710	-	-	-
Cash bonds and deposits	2,778,745	-	-	-
Current liabilities payable from restricted assets (Note 4)	-	-	-	-
Deferred revenues:				
Special assessments	-	91,502	3,567,363	-
Property taxes and other	3,694,712	16,827,692	-	-
Long-term obligations (Note 6)	-	-	-	-
Other	-	-	-	-
Total liabilities	7,902,622	20,526,319	4,112,903	655,976
Contingencies (Note 7)	-	-	-	-
Fund Equity and Other Credits				
Contributed capital (Note 13)	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Reserved for restricted assets (Note 4)	-	-	-	-
Unreserved	-	-	-	-
Fund balances:				
Reserved for encumbrances	545,652	1,157,350	-	1,437,631
Unreserved:				
Designated for:				
Retiree health benefits	-	1,397,705	-	-
Subsequent year's budget	986,761	452,355	245,877	1,027,332
Vested sick time	102,205	1,188,888	-	-
Debt service	-	-	1,920,343	-
Undesignated	5,692,245	12,175,446	-	1,610,438
Total fund equity and other credits	7,326,863	16,371,744	2,166,220	4,075,401
Total liabilities, fund equity, and other credits	\$ 15,229,485	\$ 36,898,063	\$ 6,279,123	\$ 4,731,377

**Combined Balance Sheet - All Fund Types, Account Groups,
and Discretely Presented Component Units (Continued)
December 31, 2001**

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Total Primary Government (Memorandum Only)	Component Units
Enterprise - Water and Sewer	Trust and Agency	General Fixed Assets	General Long-term Debt		
\$ 1,704,266	\$ -	\$ -	\$ -	\$ 4,540,643	\$ 86,662
386,675	-	-	-	1,384,930	-
53,603	9,555,013	-	-	11,882,726	-
-	17,641,340	-	-	17,769,694	-
-	-	-	-	-	1,989
-	-	-	-	710	-
1,451,841	861,863	-	-	5,092,449	-
153,142	-	-	-	153,142	-
-	-	-	-	3,658,865	-
272,025	-	-	-	20,794,429	947,740
30,282,486	-	-	29,449,980	59,732,466	1,990,000
-	20,936	-	-	20,936	-
<u>34,304,038</u>	<u>28,079,152</u>	<u>-</u>	<u>29,449,980</u>	<u>125,030,990</u>	<u>3,026,391</u>
-	-	-	-	-	-
120,548,107	-	-	-	120,548,107	-
-	-	76,823,731	-	76,823,731	2,230,259
20,183	-	-	-	20,183	-
12,561,942	-	-	-	12,561,942	-
-	-	-	-	3,140,633	-
-	-	-	-	1,397,705	-
-	-	-	-	2,712,325	486,062
-	-	-	-	1,291,093	-
-	-	-	-	1,920,343	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,478,129</u>	<u>1,769,176</u>
<u>133,130,232</u>	<u>-</u>	<u>76,823,731</u>	<u>-</u>	<u>239,894,191</u>	<u>4,485,497</u>
<u>\$ 167,434,270</u>	<u>\$ 28,079,152</u>	<u>\$ 76,823,731</u>	<u>\$ 29,449,980</u>	<u>\$ 364,925,181</u>	<u>\$ 7,511,888</u>

Charter Township of Canton

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues				
Property taxes	\$ 2,426,040	\$ 15,834,022	\$ -	\$ -
Licenses and permits	2,526,109	60,961	-	-
Federal sources	26,450	1,394,454	-	-
State sources	7,795,954	1,397,458	-	577,705
Charges for services	1,572,477	1,693,550	-	-
Court fees	1,693,792	-	-	-
Administration charges	1,656,446	-	-	-
Special assessments	25,430	200,548	683,305	-
Royalties	-	1,716,831	-	-
Contributions from other governmental units	-	-	399,800	-
Operating lease	-	667,763	-	-
Summit recreation fees	-	634,267	-	-
Interest, land sales, and other	925,238	4,943,282	284,282	623,627
Total revenues	18,647,936	28,543,136	1,367,387	1,201,332
Expenditures				
Current expenditures:				
General government	7,795,598	-	-	-
Public safety	56,219	17,361,618	-	-
Public services	5,106,697	2,765,447	-	-
Recreation	1,486,814	4,317,858	-	-
Sanitation	2,171,248	-	-	-
Other	-	375,655	-	-
Debt service	-	-	3,558,334	-
Capital outlay	-	-	-	7,414,246
Total expenditures	16,616,576	24,820,578	3,558,334	7,414,246
Excess of Revenues Over (Under) Expenditures	2,031,360	3,722,558	(2,190,947)	(6,212,914)
Other Financing Sources (Uses)				
Operating transfers in	879,479	3,827,577	2,428,362	5,108,296
Operating transfers out	(4,224,506)	(7,681,993)	-	(849,766)
Total other financing sources (uses)	(3,345,027)	(3,854,416)	2,428,362	4,258,530
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(1,313,667)	(131,858)	237,415	(1,954,384)
Fund Balances - January 1, 2001	8,640,530	16,503,602	1,928,805	6,029,785
Fund Balances - December 31, 2001	\$ 7,326,863	\$ 16,371,744	\$ 2,166,220	\$ 4,075,401

**Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - All Governmental Fund Types,
Expendable Trust Fund, and Discretely Presented Component Units
Year Ended December 31, 2001**

Fiduciary Fund Type	Total Primary Government (Memorandum Only)	Component Units
Expendable Trust - Cemetery Trust		
\$ -	\$ 18,260,062	\$ 955,262
-	2,587,070	-
-	1,420,904	-
-	9,771,117	-
-	3,266,027	-
-	1,693,792	-
-	1,656,446	-
-	909,283	-
-	1,716,831	-
-	399,800	-
-	667,763	-
-	634,267	-
<u>1,464</u>	<u>6,777,893</u>	<u>55,274</u>
<u>1,464</u>	<u>49,761,255</u>	<u>1,010,536</u>
-	7,795,598	-
-	17,417,837	-
48,072	7,920,216	441,668
-	5,804,672	-
-	2,171,248	-
-	375,655	-
-	3,558,334	196,378
<u>-</u>	<u>7,414,246</u>	<u>-</u>
<u>48,072</u>	<u>52,457,806</u>	<u>638,046</u>
<u>(46,608)</u>	<u>(2,696,551)</u>	<u>372,490</u>
-	12,243,714	-
<u>-</u>	<u>(12,756,265)</u>	<u>-</u>
<u>-</u>	<u>(512,551)</u>	<u>-</u>
<u>(46,608)</u>	<u>(3,209,102)</u>	<u>372,490</u>
<u>46,608</u>	<u>33,149,330</u>	<u>1,882,748</u>
<u>\$ -</u>	<u>\$ 29,940,228</u>	<u>\$ 2,255,238</u>

Charter Township of Canton

	General Fund			Special
	Budget	Actual	Variance Favorable (Unfavorable)	Budget
Revenues				
Property taxes	\$ 2,562,219	\$ 2,426,040	\$ (136,179)	\$ 16,055,564
Licenses and permits	2,724,850	2,526,109	(198,741)	41,300
Federal sources	11,000	26,450	15,450	1,677,856
State sources	7,555,397	7,795,954	240,557	444,792
Charges for services	2,323,563	1,572,477	(751,086)	1,958,555
Court fees	600,000	1,693,792	1,093,792	-
Administration charges	1,723,452	1,656,446	(67,006)	-
Special assessments	19,500	25,430	5,930	225,000
Royalties	-	-	-	1,980,000
Contributions from other governmental units	-	-	-	-
Operating lease	-	-	-	745,000
Summit recreation fees	-	-	-	685,000
Interest, land sales, and other	864,400	925,238	60,838	5,001,228
Total revenues	18,384,381	18,647,936	263,555	28,814,295
Expenditures				
Current expenditures:				
General government	8,442,769	7,795,598	647,171	-
Public safety	70,500	56,219	14,281	19,713,468
Public services	6,485,969	5,106,697	1,379,272	5,859,748
Recreation	1,887,860	1,486,814	401,046	5,215,962
Sanitation	2,329,500	2,171,248	158,252	-
Other	-	-	-	815,501
Debt service	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	19,216,598	16,616,576	2,600,022	31,604,679
Excess of Revenues Over (Under) Expenditures	(832,217)	2,031,360	2,863,577	(2,790,384)
Other Financing Sources (Uses)				
Operating transfers in	994,479	879,479	(115,000)	4,739,759
Operating transfers out	(4,840,883)	(4,224,506)	616,377	(7,700,185)
Proceeds of long-term debt issue	-	-	-	-
Total other financing sources (uses)	(3,846,404)	(3,345,027)	501,377	(2,960,426)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(4,678,621)	(1,313,667)	3,364,954	(5,750,810)
Fund Balances - January 1, 2001	8,640,530	8,640,530	-	16,503,602
Fund Balances - December 31, 2001	\$ 3,961,909	\$ 7,326,863	\$ 3,364,954	\$ 10,752,792

**Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
All Governmental Fund Types
Year Ended December 31, 2001**

Revenue Funds			Debt Service Funds			Capital Projects Funds		
Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	
\$ 15,834,022	\$ (221,542)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
60,961	19,661	-	-	-	-	-	-	
1,394,454	(283,402)	-	-	-	-	-	-	
1,397,458	952,666	-	-	-	-	577,705	577,705	
1,693,550	(265,005)	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
200,548	(24,452)	797,320	683,305	(114,015)	-	-	-	
1,716,831	(263,169)	-	-	-	-	-	-	
-	-	424,300	399,800	(24,500)	-	-	-	
667,763	(77,237)	-	-	-	-	-	-	
634,267	(50,733)	-	-	-	-	-	-	
4,943,282	(57,946)	281,724	284,282	2,558	160,000	623,627	463,627	
<u>28,543,136</u>	<u>(271,159)</u>	<u>1,503,344</u>	<u>1,367,387</u>	<u>(135,957)</u>	<u>160,000</u>	<u>1,201,332</u>	<u>1,041,332</u>	
-	-	-	-	-	-	-	-	
17,361,618	2,351,850	-	-	-	-	-	-	
2,765,447	3,094,301	-	-	-	-	-	-	
4,317,858	898,104	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
375,655	439,846	-	-	-	-	-	-	
-	-	3,208,482	3,558,334	(349,852)	-	-	-	
-	-	-	-	-	10,283,903	7,414,246	2,869,657	
<u>24,820,578</u>	<u>6,784,101</u>	<u>3,208,482</u>	<u>3,558,334</u>	<u>(349,852)</u>	<u>10,283,903</u>	<u>7,414,246</u>	<u>2,869,657</u>	
<u>3,722,558</u>	<u>6,512,942</u>	<u>(1,705,138)</u>	<u>(2,190,947)</u>	<u>(485,809)</u>	<u>(10,123,903)</u>	<u>(6,212,914)</u>	<u>3,910,989</u>	
3,827,577	(912,182)	1,927,715	2,428,362	500,647	5,508,028	5,108,296	(399,732)	
(7,681,993)	18,192	(5,680)	-	5,680	(344,800)	(849,766)	(504,966)	
-	-	-	-	-	1,650,000	-	(1,650,000)	
<u>(3,854,416)</u>	<u>(893,990)</u>	<u>1,922,035</u>	<u>2,428,362</u>	<u>506,327</u>	<u>6,813,228</u>	<u>4,258,530</u>	<u>(2,554,698)</u>	
(131,858)	5,618,952	216,897	237,415	20,518	(3,310,675)	(1,954,384)	1,356,291	
<u>16,503,602</u>	<u>-</u>	<u>1,928,805</u>	<u>1,928,805</u>	<u>-</u>	<u>6,248,430</u>	<u>6,029,785</u>	<u>(218,645)</u>	
<u>\$ 16,371,744</u>	<u>\$ 5,618,952</u>	<u>\$ 2,145,702</u>	<u>\$ 2,166,220</u>	<u>\$ 20,518</u>	<u>\$ 2,937,755</u>	<u>\$ 4,075,401</u>	<u>\$ 1,137,646</u>	

Charter Township of Canton

Statement of Revenues, Expenses, and Changes in Retained Earnings Proprietary Fund Type Year Ended December 31, 2001

	Enterprise - Water and Sewer
Operating Revenues	
Water sales	\$ 6,016,494
Sewage disposal revenues	8,416,855
Service charges	946,866
Other revenues	594,612
Total operating revenues	<u>15,974,827</u>
Operating Expenses	
Salaries and wages	1,566,822
Payroll taxes and fringe benefits	586,624
Insurance	49,764
Supplies	77,353
Engineering fees	63,654
Professional services	63,960
Vehicle expense	61,465
Water purchases	3,866,272
Sewage disposal charges	6,054,017
Maintenance	333,687
Depreciation	3,371,986
Other expenses	709,097
Administration charges	1,492,725
Sump pump - Pilot project	2,369
Total operating expenses	<u>18,299,795</u>
Operating Loss	(2,324,968)
Nonoperating Revenue (Expense)	
Interest income	2,533,500
Interest expense	<u>(2,633,969)</u>
Total nonoperating revenue	(100,469)
Developer Contributions	<u>10,016,642</u>
Income - Before operating transfers	7,591,205
Operating Transfers In	557,551
Operating Transfers Out	<u>(45,000)</u>
Total operating transfers	<u>512,551</u>
Net Income	8,103,756
Add Depreciation on Fixed Assets Acquired by Donations from Developers that Reduces Contributed Capital (Note 13)	<u>949,234</u>
Increase in Retained Earnings	9,052,990
Retained Earnings - January 1, 2001	<u>3,529,135</u>
Retained Earnings - December 31, 2001	<u><u>\$ 12,582,125</u></u>

Charter Township of Canton

Statement of Cash Flows Proprietary Fund Type Year Ended December 31, 2001

	Enterprise - Water and Sewer
Cash Flows from Operating Activities	
Operating loss	\$ (2,324,968)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation	3,371,986
Changes in assets and liabilities:	
Customer receivables	(462,227)
Due from other funds	(342,198)
Due from component units	3,361
Inventory	66,028
Other assets	434,073
Accounts payable	73,294
Accrued and other liabilities	(399,099)
Due to other funds	(358,485)
Net cash provided by operating activities	<u>61,765</u>
Cash Flows from Capital and Related Financing Activities	
Principal and interest paid on long-term debt	(3,500,356)
Purchase of capital assets	(3,232,721)
Connection fees and special assessments	<u>5,097,810</u>
Net cash used in capital and related financing activities	<u>(1,635,267)</u>
Cash Flows from Noncapital Financing Activities	
Operating transfers from other funds	557,551
Operating transfers to other funds	<u>(45,000)</u>
Net cash provided by noncapital financing activities	<u>512,551</u>
Cash Flows from Investing Activities	
Interest received on investments	2,157,619
Net proceeds from sale of investment securities	<u>(5,527,118)</u>
Net cash used in investing activities	<u>(3,369,499)</u>
Net Decrease in Cash and Cash Equivalents	(4,430,450)
Cash and Cash Equivalents - January 1, 2001	<u>32,644,280</u>
Cash and Cash Equivalents - December 31, 2001	<u>\$ 28,213,830</u>
Balance Sheet Classification of Cash and Cash Equivalents	
Cash and cash equivalents	\$ 28,040,505
Restricted assets (Notes 2 and 4)	<u>173,325</u>
Total	<u>\$ 28,213,830</u>

Noncash Investing, Capital, and Financing Activities - During the year ended December 31, 2001, developers constructed water and sewer lines with an estimated value of \$10,016,642 and donated them to the Charter Township's Water and Sewer Enterprise Fund. In addition, the Charter Township charged depreciation on contributed assets, which resulted in a noncash reduction in contributed capital of \$949,234.

Charter Township of Canton

**Notes to Financial Statements
December 31, 2001**

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Charter Township of Canton (the "Charter Township") conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies:

Reporting Entity

The Charter Township is governed by an elected seven-member Board of Trustees. As required by generally accepted accounting principles, these financial statements present the Charter Township of Canton and its component units. The individual component units discussed below are included in the Charter Township's reporting entity because of the significance of their operational or financial relationships with the Charter Township.

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

The following component units are reported within the component units column in the combined financial statements. They are reported in a separate column to emphasize that they are legally separate from the Charter Township. More detailed information on each component unit is disclosed in Note 15.

- a. The Downtown Development Authority was created to correct and prevent deterioration in the downtown district, encourage historical preservation, and to promote economic growth within the district. The Authority's governing body, which consists of 11 individuals, is selected by the Charter Township Supervisor. Although no separate financial statements are prepared for this component unit, all financial information can be obtained from the Charter Township's finance department.
- b. The Economic Development Corporation was created to provide means and methods for the encouragement and assistance of industrial and commercial enterprises in relocating, purchasing, constructing, improving, or expanding within the Charter Township so as to provide needed services and facilities of such enterprises to the residents of the Charter Township. The Corporation's governing body, which consists of six individuals, is selected by the Charter Township Supervisor. Although no separate financial statements are prepared for this component unit, all financial information can be obtained from the Charter Township's finance department.

Note I - Summary of Significant Accounting Policies (Continued)

Fund Accounting

The accounts of the Charter Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The various funds are grouped, in the combined financial statements in this report, into generic fund types in three broad fund categories as follows:

Governmental Funds

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 financed by revenues from general property taxes, state-shared revenues, and other sources.

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

Debt Service Funds - Debt Service Funds are used to account for the annual payment of principal, interest, and expenses in connection with certain long-term debt other than debt payable from the operations of an Enterprise Fund.

Capital Projects Funds - Capital Projects Funds are used to account for the development of capital facilities other than those financed by the operations of an Enterprise Fund.

Proprietary Fund

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

Fiduciary Funds

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the Charter Township in a trustee capacity or as an agent for individuals, organizations, other governments, or other funds. These include the Cemetery Trust Fund (an expendable trust) and the Agency Funds. The Cemetery Trust Fund is accounted for in the same manner as governmental funds. This fund was closed out during the year. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Note I - Summary of Significant Accounting Policies (Continued)

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds, Expendable Trust Funds, and component units are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The proprietary fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. Fund equity (i.e., the net total assets) is segregated into contributed capital and retained earnings components. The operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in retained earnings.

The accrual basis of accounting is used by the proprietary fund. Its revenues are recognized when they are earned and its expenses are recognized when they are incurred. The Charter Township applies all applicable FASB pronouncements issued prior to November 30, 1989 for its proprietary operations. All governmental funds, Agency Funds, Expendable Trust Funds, and component units utilize the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers revenues available if collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. Modifications in such method from the accrual basis are as follows:

- a. Property taxes and other revenues that are both measurable and available for use to finance operations of the Charter Township are recorded as revenues when earned. Other revenues are recorded when received.

Properties are assessed as of December 31. The related property taxes become a lien and are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county tax rolls.

Note 1 - Summary of Significant Accounting Policies (Continued)

Property taxes billed during the month of December will be used to finance the following year's operations. As such, these taxes are recorded as deferred revenues in each respective fund at December 31.

- b. Noncurrent receivables, such as special assessments, are recorded at full value and deferred revenues are recorded for the portion not currently available for use to finance operations as of year end.
- c. Interest income on special assessments receivable is not accrued until its due date.
- d. Interest on bonded indebtedness and other long-term debt is not recorded as an expenditure until its due date.
- e. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- f. Normally, expenditures are not divided between years by the recording of prepaid expenditures, except for certain insurance premiums.
- g. The current portion of accumulated compensated absences and provision for uninsured losses is recorded as accrued liabilities in each respective fund at December 31. The noncurrent portion is reflected in the General Long-term Debt Account Group.

Fixed Assets and Long-term Liabilities - Fixed assets used in governmental fund-type operations are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. Such assets, which are recorded as expenditures at the time of purchase, do not include certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks, and lighting systems. No depreciation has been provided on general fixed assets.

All fixed assets are recorded at cost or, if donated, at their estimated fair value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group, not in the governmental funds.

The General Fixed Assets Account Group and the General Long-term Debt Account Group are not funds and do not involve the measurement of results of operations.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 1 - Summary of Significant Accounting Policies (Continued)

Fixed assets and long-term liabilities relating to the proprietary fund are accounted for in that fund. Depreciation on such fixed assets is charged as an expense against the operations of the proprietary fund on a straight-line basis.

Cash Equivalents - The Charter Township considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. In addition, the statement of cash flows includes both restricted and unrestricted cash and cash equivalents.

Investments - Investments are recorded at fair value, based on quoted market prices.

Short-term Interfund Receivables/Payables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Inventories - Inventories in the Water and Sewer Fund are valued at cost on a first-in, first-out basis, which approximates market value.

Fund Equity - Prior to the implementation of GASB Statement Number 33, contributed capital was recorded in the proprietary fund for receipt of capital contributions from developers, customers, property owners, or other funds. Subsequently, only contributed capital that results from exchange transactions are recorded as a direct addition to contributed capital. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balance represents tentative plans for future use of financial resources.

Encumbrances - Budget appropriations not expended at year end, even though encumbered, lapse at year end. Any amounts encumbered at year end but expended in the subsequent year are rebudgeted in that year. Amounts encumbered but not expended at year end are not reflected in current year expenditures. At December 31, 2001, fund balance has been reserved for any outstanding encumbrances.

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 1 - Summary of Significant Accounting Policies (Continued)

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Compensated Absences - The Charter Township records the estimated liability to be paid governmental fund employees under the Township's sick and vacation policy in the General Long-term Debt Account Group, net of the portion that is estimated will be paid currently. Current amounts are recorded as liabilities in each respective fund.

Memorandum-only Totals - The total data presented is the aggregate of the fund types and account groups and is presented for analysis purposes only. No consolidations or other eliminations were made in arriving at the totals; therefore, they do not present consolidated information.

Other accounting policies are disclosed in other notes to financial statements.

Note 2 - Deposits and Investments

The Charter Township's deposits and investments at December 31, 2001 are included on the balance sheet under the following classifications:

	Balance Sheet Classifications			
	Cash and Cash Equivalents	Investments	Restricted Assets	Total
Deposits	\$ 44,042,614	\$ -	\$ 173,325	\$ 44,215,939
Investments	46,632,977	20,102,119	-	66,735,096
Total	<u>\$ 90,675,591</u>	<u>\$ 20,102,119</u>	<u>\$ 173,325</u>	<u>\$ 110,951,035</u>

Deposits

The above deposits were reflected in the accounts of the bank (without recognition of checks written but not yet cleared or of deposits in transit) at \$45,761,811. Of that amount, \$1,200,000 was covered by federal depository insurance and \$44,561,811 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 bank deposits. As a result, the Charter Township evaluates each financial institution it deposits Charter Township funds with and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 2 - Deposits and Investments (Continued)

Investments

The Charter Township is authorized by Michigan Public Act 20 of 1943 (as amended) to invest surplus monies (of nonpension funds) in U.S. bonds and notes, certain commercial paper, U.S. government repurchase agreements, bankers' acceptances and mutual funds, and investment pools that are composed of authorized investment vehicles.

The Charter Township's investments are categorized below to give an indication of the level of risk assumed by the entity at December 31, 2001. Risk Category 1 includes those investments that meet any one of the following criteria:

- a. Insured
- b. Registered
- c. Held by the Charter Township or its agent in the Charter Township's name

Risk Categories 2 and 3 include investments that are neither insured nor registered. Category 2 includes investments that are held by the counterparty's trust department (or agent) in the Charter Township's name. Category 3 includes investments held by:

- a. The counterparty
- b. The counterparty's trust department (or agent) but not in the Charter Township's name

	Category			Carrying Amount (Fair Value)
	1	2	3	
U.S. government securities	\$ -	\$ 20,102,119	\$ -	\$ 20,102,119
Commercial paper	-	<u>2,146,637</u>	-	<u>2,146,637</u>
Total	<u>\$ -</u>	<u>\$ 22,248,756</u>	<u>\$ -</u>	22,248,756
Bank investment pools				39,770,860
Interlocal agreement investment pool				<u>4,715,480</u>
Total investments				<u>\$ 66,735,096</u>

Note 2 - Deposits and Investments (Continued)

The bank investment pools consist of bank trust funds and are regulated by the Michigan Banking Act. Investments under the interlocal agreement are regulated by the Urban Cooperation Act. The fair value of the position in the bank investment pools and interlocal agreement pools is the same as the value of the pool shares. The bank investment pools and interlocal agreement investment pool are not categorized because they are not evidenced by securities that exist in physical or book entry form. Management believes that the investments in these funds comply with the investment authority noted above.

The component units' cash and cash equivalents of \$2,343,179 equal the deposits reflected in the accounts of the bank. The component units had no petty cash, mutual funds, or investments at year end. Of the amount reflected above, \$200,000 was covered by federal depository insurance and \$2,143,179 was uninsured and uncollateralized.

Included in the Township's investments at the balance sheet date are the following:

- Approximately \$6,690,000 of securities issued by the Federal National Mortgage Association (FNMA) and an additional \$13,412,000 of securities issued by the Federal Home Loan Bank or Federal Home Loan Mortgage Corp. These investments are usually not backed by the full faith and credit of the U.S. government, but are generally considered to offer modest credit risks. The yields provided by these mortgage-related securities historically have exceeded the yields on other types of U.S. government securities with comparable maturities, in large measure due to the potential for prepayment. Prepayment could result in difficulty in reinvesting the prepaid amounts in investments with comparable yields.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 3 - Interfund Receivables and Payables

The following are the interfund receivables of the Charter Township at December 31, 2001:

Fund Due To	Fund Due From	Amount
General Fund	Fire	\$ 717
	Police	43,902
	Golf Course	536,897
	Community Center	1,578
	Community Development Block Grant	75,000
	Cable TV	94
	911 Service	150,000
	Koppernick Corporate Park Paving	77
	Tonquish Creek Construction	98
	Enterprise - Water and Sewer	13,103
	Tax Collections	1,649,367
	Trust and Agency	97
Total General Fund		2,470,930
Special Revenue Funds:		
Police	Tax Collections	4,577,156
	Cable TV	85
Fire	General	500,000
	Tax Collections	3,074,528
Community Center	General	7,826
	Police	2,157
	Golf Course	3,828
	Cable TV	145
	Community Improvement	2,398
Golf Course	Community Center	1,030
	Building Authority	535,244
Street Lighting	Tax Collections	46,617
Postemployment Benefit	Enterprise - Water and Sewer	40,500
Total Special Revenue Funds		8,791,514
Debt Service Funds:		
North Haggerty Storm	Tax Collections	2,890
North Haggerty Paving	Tax Collections	5,184
Palmer Road Paving	Tax Collections	23,363
Beck Road Paving	Tax Collections	45,412
South Haggerty Paving	Tax Collections	22,350
Total Debt Service Funds		99,199

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 3 - Interfund Receivables and Payables (Continued)

Fund Due To	Fund Due From	Amount
Capital Projects Funds:		
Road Paving	General	\$ 28,500
	Building Construction	214
	Other Agency	4,848
Total Capital Projects Funds		33,562
Enterprise Fund - Water and Sewer		
	General	47,193
	Police	35,753
	Fire	20,774
	Golf Course	259,956
	Community Improvement	2,350
	Community Center	5,426
	Cable TV	573
	Other Agency	1,147
	Tax Collections	102,053
Total Enterprise Fund		475,225
Fiduciary Fund - Other Agency		
	Community Improvement	10,573
	Building Authority	1,723
Total Fiduciary Fund		12,296
Total interfund receivables		<u>\$ 11,882,726</u>

Note 4 - Restricted Assets

Restricted assets at December 31, 2001 consist of the following:

Cash and cash equivalents	\$ 173,325
Less current liabilities payable from restricted assets:	
Current maturities of long-term debt	\$ 130,000
Accrued interest payable	23,142
	<u>153,142</u>
Net restricted assets	<u>\$ 20,183</u>

Cash and cash equivalents are set aside for the payment of Water and Sewer Fund debt service obligations for the year ended December 31, 2001, as required by Charter Township ordinance.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 5 - Capital Assets

A summary of changes in general fixed assets follows:

Primary Government

	Balance January 1, 2001	Additions	Deletions	Balance December 31, 2001
Land and improvements	\$ 27,172,209	\$ 1,945,737	\$ 69,667	\$ 29,048,279
Buildings	27,157,740	5,021,921	-	32,179,661
Equipment	13,613,967	1,981,824	-	15,595,791
Total	<u>\$ 67,943,916</u>	<u>\$ 8,949,482</u>	<u>\$ 69,667</u>	<u>\$ 76,823,731</u>

Component Units

Equipment	<u>\$ 2,230,259</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,230,259</u>
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A summary of proprietary fund fixed assets at December 31, 2001 follows:

	Enterprise - Water and Sewer	Depreciable Life - Years
Land	\$ 1,553,908	-
Buildings	1,099,338	40
Utility system	97,921,956	37-50
Equipment	2,362,894	3-10
Construction in progress	1,478,528	-
Capacity in WTUA system (Note 12)	40,003,127	37
WTUA construction in progress	<u>4,836,240</u>	-
Total	149,255,991	
Less accumulated depreciation	<u>36,087,796</u>	
Net carrying amount	<u>\$ 113,168,195</u>	

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 6 - Long-term Obligations

Outstanding Debt

The following is a summary of the long-term obligations outstanding of the Charter Township as of December 31, 2001. All obligations are general obligation commitments of the Charter Township except for the property owner special assessment bonds.

	Number of Issues	Interest Rate	Maturing Through	Principal Outstanding
Primary Government				
General Long-term Debt Account Group:				
Building Authority bonds*	7	1.75% - 7.75%	2020	\$ 22,365,000
Special assessment bonds:				
Property owners' obligation	5	3.60% - 6.50%	2008	4,980,400
Charter Township obligation				284,600
Accumulated employee benefits	-	None	Various	1,291,092
Long-term portion of provision for uninsured losses	-	None	Various	<u>528,888</u>
Total General Long-term Debt Account Group				<u>\$ 29,449,980</u>
Enterprise - Water and Sewer Fund:				
Contractual obligations with				
Wayne County	2	4.25% - 5.00%	2007	\$ 824,996
Note payable	1	2.00%	2011	1,255,000
Contractual obligations with Western				
Townships Utilities Authority	2	5.10% - 7.90%	2018	<u>28,332,490</u>
Total Enterprise - Water and Sewer Fund				30,412,486
Less current portion payable from restricted assets				<u>(130,000)</u>
Total Enterprise long-term obligations				<u>\$ 30,282,486</u>
Component Units				
General Long-term Debt Account Group - Tax development bonds				<u>\$ 1,990,000</u>

* The Library Building Authority bonds debt service requirements are being provided by the Canton Township Library. The Charter Township and the Library have entered into an agreement that calls for annual payments from the Library equal to the debt service requirements on the bonds. The 2001 debt service requirements on the 1999 bond issuance were comprised solely of interest payments which were made by the Canton Township Building Authority using proceeds from the original bond issuance. The balance outstanding on the two bond issues is \$6,350,000.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 6 - Long-term Obligations (Continued)

The special assessment bonds represent the financing of public improvements that benefit specific districts; these districts are specially assessed, at least in part, for the cost of the improvements. Under Michigan law, the Charter Township is secondarily liable for payment of these bonds. At December 31, 2001, the Charter Township has approximately \$2,040,000 set aside in the Debt Service Funds for repayment of these bonds. In addition, there is approximately \$3,600,000 of special assessments receivable in the future; the amount of receivables delinquent at December 31, 2001 is not significant.

The accumulated employee benefits represent the estimated liability to be paid governmental fund-type employees under the Charter Township's sick and vacation pay policy, net of the portion that is estimated to be paid currently.

Changes in Long-term Debt

The following is a summary of long-term obligation transactions of the Charter Township for the year ended December 31, 2001:

	Primary Government				Component Units
	General Long-term Debt Account Group				
	Proprietary Funds	Special Assessment Debt	Other	Total	
Balance - January 1, 2001	\$ 31,278,873	\$ 6,220,000	\$ 25,220,823	\$ 62,719,696	\$ 2,090,000
Increase in obligation for employee benefits	-	-	99,157	99,157	-
Principal reductions	<u>(866,387)</u>	<u>(955,000)</u>	<u>(1,135,000)</u>	<u>(2,956,387)</u>	<u>(100,000)</u>
Balance - December 31, 2001	<u>\$ 30,412,486</u>	<u>\$ 5,265,000</u>	<u>\$ 24,184,980</u>	<u>\$ 59,862,466</u>	<u>\$ 1,990,000</u>

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 6 - Long-term Obligations (Continued)

Debt Service Requirements

The annual requirements to service all debt outstanding as of December 31, 2001 (excluding employee benefits and uninsured losses), including both principal and interest, are as follows:

Years Ending December 31	Primary Government					Total	Component Units
	Special Assessments	Other Governmental Fund Resources	Canton Public Library	Proprietary Funds			
2002	\$ 1,180,911	\$ 1,638,639	\$ 695,625	\$ 3,511,167	\$ 7,026,342	\$ 282,185	
2003	1,015,743	1,612,170	321,125	3,518,229	6,467,267	308,672	
2004	978,603	1,656,320	521,125	3,514,311	6,670,359	308,983	
2005	888,313	1,634,026	560,825	3,507,311	6,590,475	308,622	
2006	854,963	1,543,925	547,825	3,504,140	6,450,853	332,073	
Remaining years	<u>1,007,826</u>	<u>14,978,926</u>	<u>7,703,825</u>	<u>34,361,644</u>	<u>58,052,221</u>	<u>1,802,789</u>	
Total	<u>\$ 5,926,359</u>	<u>\$ 23,064,006</u>	<u>\$ 10,350,350</u>	<u>\$ 51,916,802</u>	<u>\$ 91,257,517</u>	<u>\$ 3,343,324</u>	

Interest

Total interest incurred for the Charter Township for the year approximated \$3,853,000.

Defeased Debt

In prior years, the Charter Township defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the general purpose financial statements. At December 31, 2001, \$490,000 of bonds outstanding are considered defeased.

Note 7 - 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 medical claims, and participates in the Michigan Municipal Risk Management Authority for claims relating to property and general liability. The Charter Township is uninsured for employee injuries (workers' compensation).

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 7 - Risk Management (Continued)

Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

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

The Charter Township estimates the liability for property loss, general liability, and employee injuries claims that have been incurred through the end of the fiscal year, including both those claims that have been reported as well as those that have not yet been reported. These estimates are recorded in the General Long-term Debt Account Group since the amount attributable to the current liability is immaterial.

Changes in the estimated liability for the past two fiscal years are as follows:

	<u>2001</u>	<u>2000</u>
Estimated liability - Beginning of year	\$ 528,888	\$ 528,888
Estimated claims incurred, including changes in estimates	483,710	435,551
Claim payments, administration fees, and excess payments	<u>(483,710)</u>	<u>(435,551)</u>
Estimated liability - End of year	<u>\$ 528,888</u>	<u>\$ 528,888</u>

Note 8 - Defined Contribution Retirement Plan

The Charter Township provides pension benefits to all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate as of the date of employment. As established by the Charter Township Board, the Charter Township contributes 15 percent of employees' gross earnings and employees contribute 5 percent of earnings. In accordance with these requirements, the Charter Township contributed approximately \$2,208,000 during the current year, and employees contributed approximately \$736,000.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 9 - Postemployment Benefits

The Charter Township provides health care benefits to certain full-time employees, based on age and years of service, upon retirement in accordance with labor contracts. Currently, 26 retirees are eligible. The Charter Township includes pre-Medicare retirees and their dependents in its insured health care plan, with no contributions required by the participants. The Charter Township purchases Medicare supplemental insurance for retirees eligible for Medicare. Expenditures for postemployment health care benefits are recognized as the insurance premiums become due. Postemployment benefits paid during the current year amounted to approximately \$160,000.

Note 10 - Budget Information

The annual budget is prepared by the Finance and Budget Department and adopted by the Charter Township Board. Annual appropriated budgets are adopted for the General, Special Revenue, Capital Projects, Debt Service, and Proprietary Fund types. The Board of Trustees must approve all budget amendments made throughout the year. Transfers within a fund may be approved by the Charter Township Supervisor. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. During the current year, the budget was amended in accordance with the Michigan Uniform Accounting and Budgeting Act. The budget for the Building Authority Construction Fund was amended subsequent to December 31, 2001.

The budget has been prepared in accordance with generally accepted accounting principles. The budgets for the Special Revenue Funds, Capital Projects Funds, and Debt Service Funds have been adopted on a fund basis; the budget for the General Fund has been adopted on an activity basis. Expenditures at these levels in excess of amounts budgeted are a violation of Michigan law. The budget to actual comparison found in the general purpose financial statements and in the additional information section of the report are prepared on a more detailed level than that adopted by the Charter Township Board. A comparison of the budget to actual amounts at the level adopted by the Township Board can be found in the additional information section of the report.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 10 - Budget Information (Continued)

The following unfavorable variances were caused by unanticipated expenditures that became necessary during the year and were offset, in part, by favorable variances in revenues and other expenditure accounts.

Fund	Budget	Actual	Variance
General Fund:			
Facilities maintenance	\$1,036,158	\$1,067,314	\$ (31,156)
Social services	403,873	465,929	(62,056)
Sanitation - Drains	224,500	230,258	(5,758)
Debt Service Funds - Building Authority	2,007,215	2,357,070	(349,855)

Note 11 - Operating Lease

The Charter Township has entered into a lease agreement through 2002 with Fellows Creek Golf Club of Canton, Inc. whereby the Charter Township leases the premises of the golf course to Fellows Creek. Each year, Fellows Creek shall pay to the Charter Township as rent the greater of \$150,000 or 45 percent of the greens fees and cart rentals collected by Fellows Creek plus the greater of a clubhouse rental fee of \$23,000 and 5 percent of greens fees and cart rentals or 8 percent of gross revenues from restaurant sales. Lease revenues were approximately \$668,000 in 2001. Fellows Creek is to operate, maintain, and repair the golf course. Fellows Creek must also provide general liability and workers' compensation insurance naming the Charter Township as the insured party.

Note 12 - Joint Ventures

The Charter Township is a member of the Western Townships Utilities Authority, which provides sewage disposal services to the residents of Canton, Northville, and Plymouth Townships. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed approximately \$8,600,000 for its operations (consisting principally of debt service). The Charter Township's equity interest is recorded within the water and sewer fund's fixed assets. In addition, the Charter Township's contractual obligation with the Western Townships Utilities Authority is recorded with the Water and Sewer Fund's long-term debt. 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 Western Townships Utilities Authority can be obtained from the administrative offices at 40905 Joy Road, Canton, Michigan 48187.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 12 - Joint Ventures (Continued)

The Charter Township is a member of the 35th District Court System (the "District Court"), which provides judicial services to the Charter Township and various other surrounding communities. The Charter Township appoints one member to the joint venture's board, which then approves the annual budget. The Charter Township and various other surrounding communities agreed to become guarantors of bonds issued by the District Court during 1999. There were bonds outstanding of \$4,050,000 at December 31, 2001, of which the Charter Township guarantees 47 percent, or \$1,903,500. Complete financial statements for the District Court can be obtained from the administrative offices at 660 Plymouth Road, Plymouth, MI.

Note 13 - Contributed Capital - Proprietary Fund

The following is an analysis of contributed capital of the Water and Sewer Enterprise Fund by source:

	Balance January 1, 2001	Current Year Additions	Balance December 31, 2001
Capital contributed from all sources prior to December 31, 1987	\$ 24,062,876	\$ -	\$ 24,062,876
Capital contributed since December 31, 1987 by source:			
Customer capital charges	53,424,279	5,081,441	58,505,720
Water and sewer lines contributed by developers and property owners	44,181,176	-	44,181,176
Special assessments	1,000,000	-	1,000,000
Transfer of depreciation	(6,252,431)	(949,234)	(7,201,665)
Total	<u>\$ 116,415,900</u>	<u>\$ 4,132,207</u>	<u>\$ 120,548,107</u>

In the current year, the Charter Township charged all depreciation related to contributed capital as a direct reduction to contributed capital.

Note 14 - Industrial Development Revenue Bonds

Excluded from the General Long-term Debt Account Group are bonds issued under the Industrial Development Revenue Bond Act of 1963, as amended, which authorizes municipalities to acquire and lease industrial sites, buildings, and equipment. Under terms of the leases, the lessees are required to make payments to the bond paying agents equal to the bond principal and interest payments as they come due. The aggregate amount of all Industrial Development Revenue Bonds outstanding at December 31, 2001 was \$50,892. These bonds are not a liability of the municipality since they are payable solely from the net revenues derived from the respective leases. After these bonds are issued, all financial activity is taken over by the paying agent.

The bonds and related lease contracts are not reflected in the Charter Township's combined financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source.

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 15 - Component Unit Financial Information

Condensed financial statements for each of the discretely presented units are presented below. Financial statements of the individual component units are not published. The combining statements for the component units can be found in the additional information of this report.

	Balance Sheet		
	Economic Development Corporation	Downtown Development Authority	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Current assets	\$ 2,085	\$ 3,289,544	\$ 3,291,629
Capital assets	-	2,230,259	2,230,259
Amounts to be provided	<u>-</u>	<u>1,990,000</u>	<u>1,990,000</u>
Total assets	<u><u>\$ 2,085</u></u>	<u><u>\$ 7,509,803</u></u>	<u><u>\$ 7,511,888</u></u>
Liabilities and Equity			
Liabilities			
Current liabilities	\$ -	\$ 1,036,391	\$ 1,036,391
Long-term debt	<u>-</u>	<u>1,990,000</u>	<u>1,990,000</u>
Total liabilities	-	3,026,391	3,026,391
Equity			
Investment in general fixed assets	-	2,230,259	2,230,259
Fund balances	<u>2,085</u>	<u>2,253,153</u>	<u>2,255,238</u>
Total equity	<u>2,085</u>	<u>4,483,412</u>	<u>4,485,497</u>
Total liabilities and equity	<u><u>\$ 2,085</u></u>	<u><u>\$ 7,509,803</u></u>	<u><u>\$ 7,511,888</u></u>

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 15 - Component Unit Financial Information (Continued)

Statement of Revenues, Expenditures, and Changes in Fund Balances

	Economic Development Corporation	Downtown Development Authority	Total
Revenues	\$ -	\$ 1,010,536	\$ 1,010,536
Expenditures			
Public services	-	441,668	441,668
Debt service	-	196,378	196,378
Total expenditures	-	638,046	638,046
Excess of Revenues Over Expenditures	-	372,490	372,490
Fund Balances - Beginning of year	2,085	1,880,663	1,882,748
Fund Balances - End of year	\$ 2,085	\$ 2,253,153	\$ 2,255,238

Charter Township of Canton

Notes to Financial Statements December 31, 2001

Note 16 - 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. Beginning January 1, 2000, 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 cumulative shortfall since January 1, 2000 is as follows:

Cumulative shortfall at January 1, 2001		\$ (378,849)
Building permit revenue		2,505,852
Related expenses:		
Direct costs	\$ 1,516,109	
Estimated indirect costs	<u>1,035,749</u>	
Total construction code expenses		<u>2,551,858</u>
Cumulative shortfall at December 31, 2001		<u>\$ (424,855)</u>

Note 17 - Accounting Change

During the current year, the Charter Township adopted GASB Statement Number 33. Prior to this statement, all capital contributions were reported as direct increases to contributed capital. GASB Statement Number 33 now requires all capital contributions from nonexchange transactions to be reported as income items. Beginning retained earnings and contributed capital have not been restated for the cumulative effect of this change on prior periods in accordance with GASB Statement Number 33. The effect of this pronouncement was to increase net income in the Enterprise Fund in the current year by approximately \$10,017,000.

Note 18 - Upcoming Reporting Change

For the year beginning January 1, 2002, the Township plans to adopt GASB Statement Number 34. This will dramatically revise the information being reported in these financial statements. Governmental activities will report information by individually significant fund, as well as in total on the full accrual basis of accounting. Enterprise Funds will no longer report capital contributions as a direct increase to equity. Information is not available to present pro forma data that would show the effect of this future change.

Additional 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, fees, and other sources. The schedules comparing revenues and expenditures - budget to actual compare the activity budgets (the level on which expenditures may not legally exceed appropriations) to actual revenues and expenditures.

Charter Township of Canton

General Fund Comparative Balance Sheet

	December 31	
	2001	2000
Assets		
Cash and cash equivalents	\$ 9,122,687	\$ 10,208,994
Investments	-	1,010,928
Receivables:		
Property taxes	1,904,495	1,321,297
Special assessments - Property owners	8,471	41,644
Accrued interest and other receivables	182,226	131,208
Other assets	66,186	49,398
Due from other funds	2,470,930	1,890,165
Due from other governmental units	1,474,490	60,077
Total assets	<u>\$ 15,229,485</u>	<u>\$ 14,713,711</u>
Liabilities and Fund Equity		
Liabilities		
Accounts payable	\$ 470,055	\$ 507,613
Accrued liabilities and other	267,652	168,527
Due to other funds	583,519	296,530
Due to other governmental units	107,229	87,600
Due to component units	710	1,611
Cash bonds and deposits	2,778,745	2,508,041
Deferred revenues	3,694,712	2,503,259
Total liabilities	<u>7,902,622</u>	<u>6,073,181</u>
Fund Equity - Fund balances		
Reserved for encumbrances	545,652	585,215
Unreserved:		
Designated for:		
Subsequent year's budget	986,761	308,311
Vested sick time	102,205	114,477
Undesignated	5,692,245	7,632,527
Total fund equity	<u>7,326,863</u>	<u>8,640,530</u>
Total liabilities and fund equity	<u>\$ 15,229,485</u>	<u>\$ 14,713,711</u>

Charter Township of Canton

General Fund Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance

	Year Ended December 31	
	2001	2000
Revenues		
Property taxes	\$ 2,426,040	\$ 2,284,634
Licenses and permits	2,526,109	2,405,016
Federal sources	26,450	-
State sources	7,795,954	6,821,588
Charges for services	1,572,477	1,422,071
Court fees	1,693,792	822,569
Administration charges	1,656,446	1,374,174
Special assessments	25,430	-
Interest and other	925,238	1,233,728
	<u>18,647,936</u>	<u>16,363,780</u>
Total revenues		
Expenditures		
General government	7,795,598	7,093,633
Public safety	56,219	54,177
Public services	5,106,697	3,957,694
Recreation	1,486,814	1,282,498
Sanitation	2,171,248	1,962,340
	<u>16,616,576</u>	<u>14,350,342</u>
Total expenditures		
Excess of Revenues Over Expenditures	<u>2,031,360</u>	<u>2,013,438</u>
Other Financing Sources (Uses)		
Operating transfers in	879,479	318,870
Operating transfers out	(4,224,506)	(1,716,919)
	<u>(3,345,027)</u>	<u>(1,398,049)</u>
Total other financing sources (uses)		
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(1,313,667)</u>	<u>615,389</u>
Fund Balance - Beginning of year	<u>8,640,530</u>	<u>8,025,141</u>
Fund Balance - End of year	<u>\$ 7,326,863</u>	<u>\$ 8,640,530</u>

Charter Township of Canton

General Fund Schedule of Revenues and Expenditures Budget and Actual Year Ended December 31, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 2,562,219	\$ 2,426,040	\$ (136,179)
Licenses and permits	2,724,850	2,526,109	(198,741)
Federal sources	11,000	26,450	15,450
State sources	7,555,397	7,795,954	240,557
Charges for services	2,323,563	1,572,477	(751,086)
Court fees	600,000	1,693,792	1,093,792
Administration charges	1,723,452	1,656,446	(67,006)
Special assessments	19,500	25,430	5,930
Interest and other	864,400	925,238	60,838
Total revenues	18,384,381	18,647,936	263,555
Expenditures			
General government:			
Township Board	409,932	361,869	48,063
Supervisor	256,600	243,179	13,421
Administrative services	259,150	245,616	13,534
Elections	49,985	32,307	17,678
General government	890,509	796,512	93,997
Assessor	450,643	419,074	31,569
Clerk	424,259	360,787	63,472
Personnel	373,466	313,200	60,266
Finance	824,924	808,340	16,584
Tax Board of Review	4,150	1,131	3,019
Resource development	314,260	271,343	42,917
Treasurer	496,650	459,520	37,130
Management information systems	925,071	766,952	158,119
Facilities maintenance	1,036,158	1,067,314	(31,156)
Communications	209,586	181,029	28,557
Grounds maintenance	1,517,426	1,467,425	50,001
Total general government	8,442,769	7,795,598	647,171
Public safety	70,500	56,219	14,281

(Continued on next page)

Charter Township of Canton

General Fund Schedule of Revenues and Expenditures Budget and Actual (Continued) Year Ended December 31, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Expenditures (Continued)			
Public services:			
Cemetery	\$ 14,200	\$ 6,086	\$ 8,114
Economic development	275,375	258,294	17,081
Municipal services	415,558	404,852	10,706
Building services	1,601,520	1,519,755	81,765
Public works	1,215,477	622,792	592,685
Engineering services	1,274,163	917,900	356,263
Social services	403,873	465,929	(62,056)
Planning Commission	21,550	18,582	2,968
Historical Commission	223,862	105,399	118,463
Planning services	974,316	768,312	206,004
Emergency management	<u>66,075</u>	<u>18,796</u>	<u>47,279</u>
Total public services	<u>6,485,969</u>	<u>5,106,697</u>	<u>1,379,272</u>
Recreation	<u>1,887,860</u>	<u>1,486,814</u>	<u>401,046</u>
Sanitation:			
Drains	224,500	230,258	(5,758)
Sanitation	<u>2,105,000</u>	<u>1,940,990</u>	<u>164,010</u>
Total sanitation	<u>2,329,500</u>	<u>2,171,248</u>	<u>158,252</u>
Total expenditures	<u>19,216,598</u>	<u>16,616,576</u>	<u>2,600,022</u>
Excess of Revenues Over (Under)			
Expenditures	<u>(832,217)</u>	<u>2,031,360</u>	<u>2,863,577</u>
Other Financing Sources (Uses)			
Operating transfers in	994,479	879,479	(115,000)
Operating transfers out	<u>(4,840,883)</u>	<u>(4,224,506)</u>	<u>616,377</u>
Total other financing sources (uses)	<u>(3,846,404)</u>	<u>(3,345,027)</u>	<u>501,377</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ (4,678,621)</u>	<u>\$ (1,313,667)</u>	<u>\$ 3,364,954</u>

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. Canton Township has 12 Special Revenue Funds that are accounted for separately. A description of the Special Revenue Funds maintained by the Township is as follows:

Police Fund

This is a full-service department consisting of 74 sworn personnel and 30 civilian employees. The main source of revenue for the Police Department comes from a voter-approved special assessment on all real property.

Fire Fund

Canton Township has a full-service fire department consisting of 51 sworn fire personnel and 2 support personnel, which provides fire suppression, fire prevention, and emergency medical service. The main source of revenue for the Fire Department comes from a voter-approved special assessment on real property.

Public Improvement Fund

This fund was set up in 1982 for special community projects such as road improvements and building construction. Revenues come from property sales and General Fund contributions.

Community Improvement Fund

This fund was established in 1990 to account for royalty payments for solid waste deposited in two privately owned landfills in the Township, although only one remains open at this time. This is part of an agreement the Township entered into with the landfills for construction and expansion of their facilities. The money from this fund is used to fund community improvements and recreation projects, but not for operating purposes.

Golf Course Fund

This fund accounts for the activities of both the Fellows Creek Golf Course and the Pheasant Run Golf Course. Revenue from both courses is combined to fund overall golf operations.

Fellows Creek Golf Course is operated by Fellows Creek Golf Club, Inc. through a lease agreement with the Township. Approximately 50 percent of the golf course operating revenues accrue to the Township to fund-shared operating expenses and debt service on the golf course and clubhouse.

Pheasant Run Golf Course was constructed on Township-owned property in 1994-1995 and opened July 1, 1995. The course is operated by Canton Township.

Special Revenue Funds (Continued)

Special Investigation Fund

There are three funds associated with the Western Wayne County Narcotics and Auto Theft Consortium, which consists of several local communities. Two funds are associated with the Auto Theft unit. The first fund accounts for the proceeds derived from forfeitures resulting from auto theft unit investigations. The second fund accounts for funds received through a state grant. The third fund is used to record the financial activity of the narcotics unit.

Community Center Fund

This fund was created in 1994 to record the activity of Canton's new Summit on the Park Community Center operations. Construction began in 1994, and the complex opened in January 1996. Revenue consists primarily of user charges associated with the athletic center and rentals from the banquet facility.

Street Lighting Fund

This fund accounts for the assessments and expenditures for residential street lighting within the Township. Districts are established by the Charter Township Board upon petition from residential subdivision property owners. Residents are assessed annually for the costs of the lights and maintenance.

Community Development Block Grant Fund

This fund records direct funding received from the U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grants (CDBG). Funds are expended on such programs as housing rehabilitation, social service agencies, and restoration of historical sites.

Cable TV Fund

This fund was established in 1993 to account for royalty revenues and expenditures related to cable TV operations. Franchise fee revenues are paid to the Township based on a percentage of cable TV subscriber fees. Expenditures in this fund are to provide for local cable TV programming services.

911 Service Fund

An Emergency 911 utility surcharge is imposed on all telephone customers in Wayne County. Money collected is distributed to local communities. Expenditure of these funds is restricted to qualifying expenses as defined by the State of Michigan. This fund was created to account for the receipt and expenditure of these Emergency 911 utility surcharge funds.

Postemployment Benefit Fund

This fund was created in 1997 to account for retiree health insurance premium costs. It is anticipated that the investments in this fund will provide for future health care benefit costs for retired Charter Township employees.

Charter Township of Canton

	Police	Fire	Public Improvement	Community Improvement	Golf Course
Assets					
Cash and cash equivalents	\$ 4,750,107	\$ 5,071,694	\$ 27,730	\$ 3,229,014	\$ 403,347
Receivables:					
Property taxes	4,797,228	3,205,973	-	-	-
Special assessment	-	-	-	-	-
Accrued interest and other	11,229	823	-	-	-
Other assets	160,374	28,668	-	-	314,915
Due from other funds	4,577,241	3,574,528	-	-	536,274
Due from other governmental units	85,610	-	-	254,814	2,595
Due from component units	-	-	-	-	-
Total assets	\$ 14,381,789	\$ 11,881,686	\$ 27,730	\$ 3,483,828	\$ 1,257,131
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 119,856	\$ 708,887	\$ -	\$ 468,757	\$ 38,344
Accrued liabilities and other	364,655	322,134	-	-	17,621
Due to other funds	81,787	21,491	-	15,321	800,681
Due to other governmental units	7,897	-	-	-	431
Deferred revenues:					
Special assessment	-	-	-	-	-
Property taxes and other	10,111,403	6,716,289	-	-	-
Total liabilities	10,685,598	7,768,801	-	484,078	857,077
Fund Balances					
Reserved for encumbrances	155,531	29,861	-	765,322	4,912
Unreserved:					
Designated for:					
Retiree health benefits	-	-	-	-	-
Subsequent year's budget	-	-	-	-	-
Vested sick time	-	1,186,586	-	-	2,302
Undesignated	3,540,660	2,896,438	27,730	2,234,428	392,840
Total fund balances	3,696,191	4,112,885	27,730	2,999,750	400,054
Total liabilities and fund balances	\$ 14,381,789	\$ 11,881,686	\$ 27,730	\$ 3,483,828	\$ 1,257,131

**Special Revenue Funds
Combining Balance Sheet
December 31, 2001
(with comparative totals at December 31, 2000)**

Special Investigation	Community Center	Street Lighting	Community Development Block Grant	Cable TV	911 Service Fund	Post- employment Benefit Fund	Totals	
							2001	2000
\$ 976,309	\$ 475,908	\$ 173,145	\$ 20,441	\$ 1,788,880	\$ 787,615	\$ 1,341,576	\$ 19,045,766	\$ 22,034,703
-	-	-	-	-	-	-	8,003,201	7,786,508
-	-	34,961	-	-	-	-	34,961	79,694
552	-	-	-	9,670	3,635	15,629	41,538	115,609
-	-	-	-	-	-	-	503,957	169,446
-	16,354	46,617	-	-	-	40,500	8,791,514	4,425,218
76,019	347	-	57,109	-	-	-	476,494	733,385
-	632	-	-	-	-	-	632	-
\$ 1,052,880	\$ 493,241	\$ 254,723	\$ 77,550	\$ 1,798,550	\$ 791,250	\$ 1,397,705	\$ 36,898,063	\$ 35,344,563
\$ 38,793	\$ 54,408	\$ 15,750	\$ 2,550	\$ 35,139	\$ 219,678	\$ -	\$ 1,702,162	\$ 806,799
3,140	17,945	-	-	5,108	-	-	730,603	585,370
24	8,034	-	75,000	897	150,000	-	1,153,235	1,039,235
12,797	-	-	-	-	-	-	21,125	4,104
-	-	91,502	-	-	-	-	91,502	200,549
-	-	-	-	-	-	-	16,827,692	16,204,904
54,754	80,387	107,252	77,550	41,144	369,678	-	20,526,319	18,840,961
-	43,558	-	-	-	158,166	-	1,157,350	853,884
-	-	-	-	-	-	1,397,705	1,397,705	-
99,067	353,288	-	-	-	-	-	452,355	976,958
-	-	-	-	-	-	-	1,188,888	1,077,458
899,059	16,008	147,471	-	1,757,406	263,406	-	12,175,446	13,595,302
998,126	412,854	147,471	-	1,757,406	421,572	1,397,705	16,371,744	16,503,602
\$ 1,052,880	\$ 493,241	\$ 254,723	\$ 77,550	\$ 1,798,550	\$ 791,250	\$ 1,397,705	\$ 36,898,063	\$ 35,344,563

Charter Township of Canton

	Police	Fire	Public Improvement	Community Improvement	Golf Course
Revenues					
Property taxes	\$ 9,819,396	\$ 6,014,626	\$ -	\$ -	\$ -
Licenses and permits	60,961	-	-	-	-
Federal sources	214,299	12,767	-	-	-
State sources	15,297	12,576	-	963,686	-
Charges for services	110,989	430,236	-	-	935,711
Special assessments	-	-	-	-	-
Royalties	-	-	-	979,509	-
Summit recreation fees	-	-	-	-	-
Operating lease	-	-	-	-	667,763
Interest	419,244	311,507	88,095	95,644	15,838
Land sales and other	-	12,027	1,392,004	654	398,459
Total revenues	10,640,186	6,793,739	1,480,099	2,039,493	2,017,771
Expenditures					
Public safety	10,155,159	5,791,759	92,045	-	-
Public services	-	-	-	2,214,489	-
Recreation	-	-	-	-	1,487,055
Other	-	-	-	-	-
Total expenditures	10,155,159	5,791,759	92,045	2,214,489	1,487,055
Excess of Revenues Over (Under) Expenditures	485,027	1,001,980	1,388,054	(174,996)	530,716
Other Financing Sources (Uses)					
Operating transfers in	-	-	-	2,264,000	246,821
Operating transfers out	(642,350)	(498,729)	(3,999,086)	(500,000)	(928,617)
Total other financing sources (uses)	(642,350)	(498,729)	(3,999,086)	1,764,000	(681,796)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(157,323)	503,251	(2,611,032)	1,589,004	(151,080)
Fund Balances - Beginning of year	3,853,514	3,609,634	2,638,762	1,410,746	551,134
Fund Balances - End of year	\$ 3,696,191	\$ 4,112,885	\$ 27,730	\$ 2,999,750	\$ 400,054

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Year Ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

							Totals Year Ended	
							December 31	
Special Investigation	Community Center	Street Lighting	Community Development Block Grant	Cable TV	911 Service Fund	Post- employment Benefit Fund	2001	2000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,834,022	\$ 14,644,325
-	-	-	-	-	-	-	60,961	37,395
100,796	-	-	1,066,592	-	-	-	1,394,454	705,193
405,899	-	-	-	-	-	-	1,397,458	337,530
-	-	-	-	-	216,614	-	1,693,550	1,816,122
-	-	200,548	-	-	-	-	200,548	207,597
-	-	-	-	737,322	-	-	1,716,831	1,956,615
-	634,267	-	-	-	-	-	634,267	676,272
-	-	-	-	-	-	-	667,763	751,704
41,024	35,474	11,402	-	66,323	35,458	47,916	1,167,925	1,499,885
<u>248,808</u>	<u>1,723,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,775,357</u>	<u>3,014,352</u>
<u>796,527</u>	<u>2,393,146</u>	<u>211,950</u>	<u>1,066,592</u>	<u>803,645</u>	<u>252,072</u>	<u>47,916</u>	<u>28,543,136</u>	<u>25,646,990</u>
748,402	-	-	-	-	574,253	-	17,361,618	13,706,122
-	-	191,859	359,099	-	-	-	2,765,447	4,856,092
-	2,830,803	-	-	-	-	-	4,317,858	4,724,823
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>219,026</u>	<u>-</u>	<u>156,629</u>	<u>375,655</u>	<u>301,500</u>
<u>748,402</u>	<u>2,830,803</u>	<u>191,859</u>	<u>359,099</u>	<u>219,026</u>	<u>574,253</u>	<u>156,629</u>	<u>24,820,578</u>	<u>23,588,537</u>
<u>48,125</u>	<u>(437,657)</u>	<u>20,091</u>	<u>707,493</u>	<u>584,619</u>	<u>(322,181)</u>	<u>(108,713)</u>	<u>3,722,558</u>	<u>2,058,453</u>
-	895,506	-	-	-	-	421,250	3,827,577	4,123,264
<u>-</u>	<u>(362,923)</u>	<u>-</u>	<u>(707,493)</u>	<u>(42,795)</u>	<u>-</u>	<u>-</u>	<u>(7,681,993)</u>	<u>(4,429,933)</u>
<u>-</u>	<u>532,583</u>	<u>-</u>	<u>(707,493)</u>	<u>(42,795)</u>	<u>-</u>	<u>421,250</u>	<u>(3,854,416)</u>	<u>(306,669)</u>
48,125	94,926	20,091	-	541,824	(322,181)	312,537	(131,858)	1,751,784
<u>950,001</u>	<u>317,928</u>	<u>127,380</u>	<u>-</u>	<u>1,215,582</u>	<u>743,753</u>	<u>1,085,168</u>	<u>16,503,602</u>	<u>14,751,818</u>
<u>\$ 998,126</u>	<u>\$ 412,854</u>	<u>\$ 147,471</u>	<u>\$ -</u>	<u>\$ 1,757,406</u>	<u>\$ 421,572</u>	<u>\$ 1,397,705</u>	<u>\$ 16,371,744</u>	<u>\$ 16,503,602</u>

Charter Township of Canton

	Police		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 9,959,420	\$ 9,819,396	\$ (140,024)
Licenses and permits	41,300	60,961	19,661
Federal sources	198,078	214,299	16,221
State sources	15,000	15,297	297
Charges for services	92,500	110,989	18,489
Special assessments	-	-	-
Royalties	-	-	-
Summit recreation fees	-	-	-
Operating lease	-	-	-
Interest and other	340,000	419,244	79,244
Total revenues	<u>10,646,298</u>	<u>10,640,186</u>	<u>(6,112)</u>
Expenditures			
Public safety	11,287,033	10,155,159	1,131,874
Public services	-	-	-
Recreation	-	-	-
Other	-	-	-
Total expenditures	<u>11,287,033</u>	<u>10,155,159</u>	<u>1,131,874</u>
Excess of Revenues Over (Under) Expenditures	<u>(640,735)</u>	<u>485,027</u>	<u>1,125,762</u>
Other Financing Sources (Uses)			
Operating transfers in	-	-	-
Operating transfers out	(622,790)	(642,350)	(19,560)
Total other financing sources (uses)	<u>(622,790)</u>	<u>(642,350)</u>	<u>(19,560)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(1,263,525)	(157,323)	1,106,202
Fund Balances - January 1, 2001	<u>3,853,514</u>	<u>3,853,514</u>	<u>-</u>
Fund Balances - December 31, 2001	<u><u>\$ 2,589,989</u></u>	<u><u>\$ 3,696,191</u></u>	<u><u>\$ 1,106,202</u></u>

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2001

Fire			Public Improvement		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 6,096,144	\$ 6,014,626	\$ (81,518)	\$ -	\$ -	\$ -
-	-	-	-	-	-
5,000	12,767	7,767	-	-	-
2,300	12,576	10,276	-	-	-
420,000	430,236	10,236	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
188,924	323,534	134,610	1,466,555	1,480,099	13,544
6,712,368	6,793,739	81,371	1,466,555	1,480,099	13,544
6,815,406	5,791,759	1,023,647	92,045	92,045	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,815,406	5,791,759	1,023,647	92,045	92,045	-
(103,038)	1,001,980	1,105,018	1,374,510	1,388,054	13,544
-	-	-	-	-	-
(487,602)	(498,729)	(11,127)	(3,999,034)	(3,999,086)	(52)
(487,602)	(498,729)	(11,127)	(3,999,034)	(3,999,086)	(52)
(590,640)	503,251	1,093,891	(2,624,524)	(2,611,032)	13,492
3,609,634	3,609,634	-	2,638,762	2,638,762	-
\$ 3,018,994	\$ 4,112,885	\$ 1,093,891	\$ 14,238	\$ 27,730	\$ 13,492

(Continued on next page)

Charter Township of Canton

	Community Improvement		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Federal sources	-	-	-
State sources	-	963,686	963,686
Charges for services	-	-	-
Special assessments	-	-	-
Royalties	1,350,000	979,509	(370,491)
Summit recreation fees	-	-	-
Operating lease	-	-	-
Interest and other	90,500	96,298	5,798
Total revenues	<u>1,440,500</u>	<u>2,039,493</u>	<u>598,993</u>
Expenditures			
Public safety	-	-	-
Public services	4,932,951	2,214,489	2,718,462
Recreation	-	-	-
Other	-	-	-
Total expenditures	<u>4,932,951</u>	<u>2,214,489</u>	<u>2,718,462</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,492,451)</u>	<u>(174,996)</u>	<u>3,317,455</u>
Other Financing Sources (Uses)			
Operating transfers in	3,131,952	2,264,000	(867,952)
Operating transfers out	(500,000)	(500,000)	-
Total other financing sources (uses)	<u>2,631,952</u>	<u>1,764,000</u>	<u>(867,952)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(860,499)</u>	<u>1,589,004</u>	<u>2,449,503</u>
Fund Balances - January 1, 2001	<u>1,410,746</u>	<u>1,410,746</u>	<u>-</u>
Fund Balances - December 31, 2001	<u>\$ 550,247</u>	<u>\$ 2,999,750</u>	<u>\$ 2,449,503</u>

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2001

Golf Course			Special Investigation		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	76,520	100,796	24,276
-	-	-	427,492	405,899	(21,593)
1,250,862	935,711	(315,151)	10,193	-	(10,193)
-	-	-	-	-	-
-	-	-	-	-	-
745,000	667,763	(77,237)	-	-	-
<u>626,647</u>	<u>414,297</u>	<u>(212,350)</u>	<u>160,510</u>	<u>289,832</u>	<u>129,322</u>
<u>2,622,509</u>	<u>2,017,771</u>	<u>(604,738)</u>	<u>674,715</u>	<u>796,527</u>	<u>121,812</u>
-	-	-	794,987	748,402	46,585
-	-	-	-	-	-
1,927,476	1,487,055	440,421	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,927,476</u>	<u>1,487,055</u>	<u>440,421</u>	<u>794,987</u>	<u>748,402</u>	<u>46,585</u>
<u>695,033</u>	<u>530,716</u>	<u>(164,317)</u>	<u>(120,272)</u>	<u>48,125</u>	<u>168,397</u>
242,755	246,821	4,066	43,004	-	(43,004)
<u>(936,752)</u>	<u>(928,617)</u>	<u>8,135</u>	<u>(43,004)</u>	<u>-</u>	<u>43,004</u>
<u>(693,997)</u>	<u>(681,796)</u>	<u>12,201</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,036	(151,080)	(152,116)	(120,272)	48,125	168,397
<u>551,134</u>	<u>551,134</u>	<u>-</u>	<u>950,001</u>	<u>950,001</u>	<u>-</u>
<u>\$ 552,170</u>	<u>\$ 400,054</u>	<u>\$ (152,116)</u>	<u>\$ 829,729</u>	<u>\$ 998,126</u>	<u>\$ 168,397</u>

(Continued on next page)

Charter Township of Canton

	Community Center		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Federal sources	-	-	-
State sources	-	-	-
Charges for services	-	-	-
Special assessments	-	-	-
Royalties	-	-	-
Summit recreation fees	685,000	634,267	(50,733)
Operating lease	-	-	-
Interest and other	<u>2,044,560</u>	<u>1,758,879</u>	<u>(285,681)</u>
Total revenues	<u>2,729,560</u>	<u>2,393,146</u>	<u>(336,414)</u>
Expenditures			
Public safety	-	-	-
Public services	-	-	-
Recreation	3,288,486	2,830,803	457,683
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,288,486</u>	<u>2,830,803</u>	<u>457,683</u>
Excess of Revenues Over (Under) Expenditures	<u>(558,926)</u>	<u>(437,657)</u>	<u>121,269</u>
Other Financing Sources (Uses)			
Operating transfers in	893,298	895,506	2,208
Operating transfers out	<u>(360,715)</u>	<u>(362,923)</u>	<u>(2,208)</u>
Total other financing sources (uses)	<u>532,583</u>	<u>532,583</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(26,343)	94,926	121,269
Fund Balances - January 1, 2001	<u>317,928</u>	<u>317,928</u>	<u>-</u>
Fund Balances - December 31, 2001	<u><u>\$ 291,585</u></u>	<u><u>\$ 412,854</u></u>	<u><u>\$ 121,269</u></u>

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2001

Street Lighting			Community Development Block Grant		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	1,398,258	1,066,592	(331,666)
-	-	-	-	-	-
-	-	-	-	-	-
225,000	200,548	(24,452)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>11,032</u>	<u>11,402</u>	<u>370</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>236,032</u>	<u>211,950</u>	<u>(24,082)</u>	<u>1,398,258</u>	<u>1,066,592</u>	<u>(331,666)</u>
-	-	-	-	-	-
236,032	191,859	44,173	690,765	359,099	331,666
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>236,032</u>	<u>191,859</u>	<u>44,173</u>	<u>690,765</u>	<u>359,099</u>	<u>331,666</u>
<u>-</u>	<u>20,091</u>	<u>20,091</u>	<u>707,493</u>	<u>707,493</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	(707,493)	(707,493)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(707,493)</u>	<u>(707,493)</u>	<u>-</u>
-	20,091	20,091	-	-	-
<u>127,380</u>	<u>127,380</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 127,380</u>	<u>\$ 147,471</u>	<u>\$ 20,091</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued on next page)

Charter Township of Canton

	Cable TV			Budget
	Budget	Actual	Variance Favorable (Unfavorable)	
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Federal sources	-	-	-	-
State sources	-	-	-	-
Charges for services	-	-	-	185,000
Special assessments	-	-	-	-
Royalties	630,000	737,322	107,322	-
Summit recreation fees	-	-	-	-
Operating lease	-	-	-	-
Interest and other	30,000	66,323	36,323	12,500
Total revenues	<u>660,000</u>	<u>803,645</u>	<u>143,645</u>	<u>197,500</u>
Expenditures				
Public safety	-	-	-	723,997
Public services	-	-	-	-
Recreation	-	-	-	-
Other	665,501	219,026	446,475	-
Total expenditures	<u>665,501</u>	<u>219,026</u>	<u>446,475</u>	<u>723,997</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,501)</u>	<u>584,619</u>	<u>590,120</u>	<u>(526,497)</u>
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out	(42,795)	(42,795)	-	-
Total other financing sources (uses)	<u>(42,795)</u>	<u>(42,795)</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(48,296)</u>	<u>541,824</u>	<u>590,120</u>	<u>(526,497)</u>
Fund Balances - January 1, 2001	<u>1,215,582</u>	<u>1,215,582</u>	<u>-</u>	<u>743,753</u>
Fund Balances - December 31, 2001	<u>\$ 1,167,286</u>	<u>\$ 1,757,406</u>	<u>\$ 590,120</u>	<u>\$ 217,256</u>

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2001

911 Service		Postemployment Benefits			Total Special Revenue Funds		
Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,055,564	\$ 15,834,022	\$ (221,542)
-	-	-	-	-	41,300	60,961	19,661
-	-	-	-	-	1,677,856	1,394,454	(283,402)
-	-	-	-	-	444,792	1,397,458	952,666
216,614	31,614	-	-	-	1,958,555	1,693,550	(265,005)
-	-	-	-	-	225,000	200,548	(24,452)
-	-	-	-	-	1,980,000	1,716,831	(263,169)
-	-	-	-	-	685,000	634,267	(50,733)
-	-	-	-	-	745,000	667,763	(77,237)
<u>35,458</u>	<u>22,958</u>	<u>30,000</u>	<u>47,916</u>	<u>17,916</u>	<u>5,001,228</u>	<u>4,943,282</u>	<u>(57,946)</u>
<u>252,072</u>	<u>54,572</u>	<u>30,000</u>	<u>47,916</u>	<u>17,916</u>	<u>28,814,295</u>	<u>28,543,136</u>	<u>(271,159)</u>
574,253	149,744	-	-	-	19,713,468	17,361,618	2,351,850
-	-	-	-	-	5,859,748	2,765,447	3,094,301
-	-	-	-	-	5,215,962	4,317,858	898,104
-	-	150,000	156,629	(6,629)	815,501	375,655	439,846
<u>574,253</u>	<u>149,744</u>	<u>150,000</u>	<u>156,629</u>	<u>(6,629)</u>	<u>31,604,679</u>	<u>24,820,578</u>	<u>6,784,101</u>
<u>(322,181)</u>	<u>204,316</u>	<u>(120,000)</u>	<u>(108,713)</u>	<u>11,287</u>	<u>(2,790,384)</u>	<u>3,722,558</u>	<u>6,512,942</u>
-	-	428,750	421,250	(7,500)	4,739,759	3,827,577	(912,182)
-	-	-	-	-	(7,700,185)	(7,681,993)	18,192
-	-	428,750	421,250	(7,500)	(2,960,426)	(3,854,416)	(893,990)
(322,181)	204,316	308,750	312,537	3,787	(5,750,810)	(131,858)	5,618,952
<u>743,753</u>	<u>-</u>	<u>1,085,168</u>	<u>1,085,168</u>	<u>-</u>	<u>16,503,602</u>	<u>16,503,602</u>	<u>-</u>
<u>\$ 421,572</u>	<u>\$ 204,316</u>	<u>\$ 1,393,918</u>	<u>\$ 1,397,705</u>	<u>\$ 3,787</u>	<u>\$ 10,752,792</u>	<u>\$ 16,371,744</u>	<u>\$ 5,618,952</u>

Debt Service Funds

A description of the Debt Service Funds maintained by the Township is as follows:

Building Authority Fund

This fund is used to accumulate monies for payment of the 1987 and 1999 Library Bonds, the 1992 and 1993 Golf Course Bonds, the 1997 Fire Headquarters & Police Additions Bonds, the 1998 Canton Softball Center Bonds, and the 2000 Community Center and Golf Course Expansion Bonds. Financing is provided by transfers from the Canton Public Library, the Golf Course Fund, Public Safety, and the General Fund.

Palmer Road Paving Fund

This fund is used to accumulate monies for payment of the 1994 Special Assessment Bond. Financing is provided by special assessment collections.

North Haggerty Storm Fund

This fund is used to accumulate monies for payment of the 1994 Special Assessment Bonds. Financing is provided by special assessment collections.

North Haggerty Paving Fund

This fund is used to accumulate monies for payment of the 1994 Special Assessment Bond. Financing is provided by special assessment collections.

Beck Road Paving Fund

This fund is used to accumulate monies for payment of the 1996 Special Assessment Bond. Financing is provided by special assessment collections.

South Haggerty Paving Fund

This fund is used to accumulate monies for payment of the 1997 Special Assessment Bond. Financing is provided by special assessment collections.

Koppernick Corporate Park Sewer, Water Main, and Paving Fund

This fund is used to accumulate monies for payment of the 1998 Special Assessment Bond. Financing is provided by special assessment collections.

Tonquish Creek Storm Sewer Fund

This fund is used to accumulate monies for payment of the 1998 Special Assessment Bond. Financing is provided by special assessment collections.

Charter Township of Canton

	Building Authority	Palmer Road Paving	North Haggerty Storm	North Haggerty Paving
Assets				
Cash and cash equivalents	\$ 126,477	\$ 173,842	\$ 67,574	\$ 124,382
Accounts receivable - Special assessments:				
Property owners	-	-	52,709	61,862
Township	-	42,833	-	-
Accrued interest and other receivables	-	1,515	505	1,010
Deposits with paying agent	535,244	-	-	-
Due from other funds	-	23,363	2,890	5,184
Total assets	\$ 661,721	\$ 241,553	\$ 123,678	\$ 192,438
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deferred revenues	-	42,833	39,941	40,849
Due to other funds	535,244	-	-	-
Total liabilities	535,244	42,833	39,941	40,849
Fund Balances - Unreserved - Designated for debt service	126,477	198,720	83,737	151,589
Total liabilities and fund balances	\$ 661,721	\$ 241,553	\$ 123,678	\$ 192,438

**Debt Service Funds
Combining Balance Sheet
December 31, 2001
(with comparative totals at December 31, 2000)**

Special Assessments				Totals	
				December 31	
Beck Road Paving	South Haggerty Paving	Koppernick Corporate Park	Tonquish Creek Storm Sewer	2001	2000
\$ 501,522	\$ 390,761	\$ 135,703	\$ 188,558	\$ 1,708,819	\$ 1,426,572
205,835	890,408	1,060,870	1,377,089	3,648,773	4,152,343
159,226	74,677	-	-	276,736	478,032
4,545	252	1,010	1,515	10,352	10,660
-	-	-	-	535,244	-
<u>45,412</u>	<u>22,350</u>	<u>-</u>	<u>-</u>	<u>99,199</u>	<u>121,987</u>
<u>\$ 916,540</u>	<u>\$ 1,378,448</u>	<u>\$ 1,197,583</u>	<u>\$ 1,567,162</u>	<u>\$ 6,279,123</u>	<u>\$ 6,189,594</u>
\$ 10,121	\$ -	\$ -	\$ -	\$ 10,121	\$ 10,121
340,363	853,665	974,275	1,275,437	3,567,363	4,250,668
-	-	77	98	535,419	-
<u>350,484</u>	<u>853,665</u>	<u>974,352</u>	<u>1,275,535</u>	<u>4,112,903</u>	<u>4,260,789</u>
566,056	524,783	223,231	291,627	2,166,220	1,928,805
<u>\$ 916,540</u>	<u>\$ 1,378,448</u>	<u>\$ 1,197,583</u>	<u>\$ 1,567,162</u>	<u>\$ 6,279,123</u>	<u>\$ 6,189,594</u>

Charter Township of Canton

	Building Authority	Palmer Road Paving	North Haggerty Storm	North Haggerty Paving
Revenues				
Special assessments	\$ -	\$ 19,616	\$ 44,134	\$ 19,813
Contributions from other governmental units	399,800	-	-	-
Interest and other	-	11,806	9,381	13,165
Total revenues	<u>399,800</u>	<u>31,422</u>	<u>53,515</u>	<u>32,978</u>
Expenditures				
Debt principal payments	1,135,000	55,000	63,045	86,955
Interest and fiscal charges	1,222,070	12,995	4,981	6,869
Total expenditures	<u>2,357,070</u>	<u>67,995</u>	<u>68,026</u>	<u>93,824</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,957,270)</u>	<u>(36,573)</u>	<u>(14,511)</u>	<u>(60,846)</u>
Other Financing Sources - Operating transfers in	<u>2,083,247</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	125,977	(36,573)	(14,511)	(60,846)
Fund Balances - Beginning of year	<u>500</u>	<u>235,293</u>	<u>98,248</u>	<u>212,435</u>
Fund Balances - End of year	<u>\$ 126,477</u>	<u>\$ 198,720</u>	<u>\$ 83,737</u>	<u>\$ 151,589</u>

Debt Service Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Year Ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

Special Assessments				Totals Year Ended	
				December 31	
Beck Road Paving	South Haggerty Paving	Koppernick Corporate Park	Tonquish Creek Storm Sewer	2001	2000
\$ 94,438	\$ 167,384	\$ 151,553	\$ 186,367	\$ 683,305	\$ 825,665
-	-	-	-	399,800	423,950
45,448	60,224	62,761	81,497	284,282	396,028
139,886	227,608	214,314	267,864	1,367,387	1,645,643
150,000	250,000	154,000	196,000	2,090,000	1,510,001
42,681	74,100	46,041	58,597	1,468,334	1,047,786
192,681	324,100	200,041	254,597	3,558,334	2,557,787
(52,795)	(96,492)	14,273	13,267	(2,190,947)	(912,144)
-	345,115	-	-	2,428,362	988,337
(52,795)	248,623	14,273	13,267	237,415	76,193
618,851	276,160	208,958	278,360	1,928,805	1,852,612
\$ 566,056	\$ 524,783	\$ 223,231	\$ 291,627	\$ 2,166,220	\$ 1,928,805

Charter Township of Canton

	Building Authority		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Special assessments	\$ -	\$ -	\$ -
Contributions from other governmental units	424,300	399,800	(24,500)
Interest and other	-	-	-
Total revenues	<u>424,300</u>	<u>399,800</u>	<u>(24,500)</u>
Expenditures			
Debt principal payments	1,075,000	1,135,000	(60,000)
Interest and fiscal charges	932,215	1,222,070	(289,855)
Total expenditures	<u>2,007,215</u>	<u>2,357,070</u>	<u>(349,855)</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,582,915)</u>	<u>(1,957,270)</u>	<u>(374,355)</u>
Other Financing Sources (Uses)			
Operating transfers in	1,582,915	2,083,247	500,332
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>1,582,915</u>	<u>2,083,247</u>	<u>500,332</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	-	125,977	125,977
Fund Balances - January 1, 2001	<u>500</u>	<u>500</u>	<u>-</u>
Fund Balances - December 31, 2001	<u>\$ 500</u>	<u>\$ 126,477</u>	<u>\$ 125,977</u>

Debt Service Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2001

Palmer Road Paving			North Haggerty Storm		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 38,675	\$ 19,616	\$ (19,059)	\$ 55,000	\$ 44,134	\$ (10,866)
-	-	-	-	-	-
<u>15,250</u>	<u>11,806</u>	<u>(3,444)</u>	<u>14,500</u>	<u>9,381</u>	<u>(5,119)</u>
<u>53,925</u>	<u>31,422</u>	<u>(22,503)</u>	<u>69,500</u>	<u>53,515</u>	<u>(15,985)</u>
55,000	55,000	-	63,045	63,045	-
<u>12,995</u>	<u>12,995</u>	<u>-</u>	<u>4,981</u>	<u>4,981</u>	<u>-</u>
<u>67,995</u>	<u>67,995</u>	<u>-</u>	<u>68,026</u>	<u>68,026</u>	<u>-</u>
<u>(14,070)</u>	<u>(36,573)</u>	<u>(22,503)</u>	<u>1,474</u>	<u>(14,511)</u>	<u>(15,985)</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(14,070)	(36,573)	(22,503)	1,474	(14,511)	(15,985)
<u>235,293</u>	<u>235,293</u>	<u>-</u>	<u>98,248</u>	<u>98,248</u>	<u>-</u>
<u>\$ 221,223</u>	<u>\$ 198,720</u>	<u>\$ (22,503)</u>	<u>\$ 99,722</u>	<u>\$ 83,737</u>	<u>\$ (15,985)</u>

(Continued on next page)

Charter Township of Canton

	North Haggerty Paving		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Special assessments	\$ 30,320	\$ 19,813	\$ (10,507)
Contributions from other governmental units	-	-	-
Interest and other	15,000	13,165	(1,835)
Total revenues	<u>45,320</u>	<u>32,978</u>	<u>(12,342)</u>
Expenditures			
Debt principal payments	86,955	86,955	-
Interest and fiscal charges	6,871	6,869	2
Total expenditures	<u>93,826</u>	<u>93,824</u>	<u>2</u>
Excess of Revenues Over (Under) Expenditures	<u>(48,506)</u>	<u>(60,846)</u>	<u>(12,340)</u>
Other Financing Sources (Uses)			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(48,506)	(60,846)	(12,340)
Fund Balances - January 1, 2001	<u>212,435</u>	<u>212,435</u>	<u>-</u>
Fund Balances - December 31, 2001	<u>\$ 163,929</u>	<u>\$ 151,589</u>	<u>\$ (12,340)</u>

Debt Service Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2001

Beck Road Paving			South Haggerty Paving		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 111,040	\$ 94,438	\$ (16,602)	\$ 214,000	\$ 167,384	\$ (46,616)
-	-	-	-	-	-
39,994	45,448	5,454	85,040	60,224	(24,816)
<u>151,034</u>	<u>139,886</u>	<u>(11,148)</u>	<u>299,040</u>	<u>227,608</u>	<u>(71,432)</u>
150,000	150,000	-	250,000	250,000	-
42,682	42,681	1	74,100	74,100	-
<u>192,682</u>	<u>192,681</u>	<u>1</u>	<u>324,100</u>	<u>324,100</u>	<u>-</u>
<u>(41,648)</u>	<u>(52,795)</u>	<u>(11,147)</u>	<u>(25,060)</u>	<u>(96,492)</u>	<u>(71,432)</u>
-	-	-	344,800	345,115	315
(2,900)	-	2,900	(2,780)	-	2,780
<u>(2,900)</u>	<u>-</u>	<u>2,900</u>	<u>342,020</u>	<u>345,115</u>	<u>3,095</u>
(44,548)	(52,795)	(8,247)	316,960	248,623	(68,337)
<u>618,851</u>	<u>618,851</u>	<u>-</u>	<u>276,160</u>	<u>276,160</u>	<u>-</u>
<u>\$ 574,303</u>	<u>\$ 566,056</u>	<u>\$ (8,247)</u>	<u>\$ 593,120</u>	<u>\$ 524,783</u>	<u>\$ (68,337)</u>

(Continued on next page)

Charter Township of Canton

	Koppernick Corporate Park		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Special assessments	\$ 152,000	\$ 151,553	\$ (447)
Contributions from other governmental units	-	-	-
Interest and other	22,000	62,761	40,761
Total revenues	<u>174,000</u>	<u>214,314</u>	<u>40,314</u>
Expenditures			
Debt principal payments	154,000	154,000	-
Interest and fiscal charges	46,041	46,041	-
Total expenditures	<u>200,041</u>	<u>200,041</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(26,041)</u>	<u>14,273</u>	<u>40,314</u>
Other Financing Sources (Uses)			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(26,041)</u>	<u>14,273</u>	<u>40,314</u>
Fund Balances - January 1, 2001	<u>208,958</u>	<u>208,958</u>	<u>-</u>
Fund Balances - December 31, 2001	<u><u>\$ 182,917</u></u>	<u><u>\$ 223,231</u></u>	<u><u>\$ 40,314</u></u>

Debt Service Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2001

Tonquish Creek Storm Sewer			Total Debt Service Funds		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 196,285	\$ 186,367	\$ (9,918)	\$ 797,320	\$ 683,305	\$ (114,015)
-	-	-	424,300	399,800	(24,500)
<u>89,940</u>	<u>81,497</u>	<u>(8,443)</u>	<u>281,724</u>	<u>284,282</u>	<u>2,558</u>
<u>286,225</u>	<u>267,864</u>	<u>(18,361)</u>	<u>1,503,344</u>	<u>1,367,387</u>	<u>(135,957)</u>
196,000	196,000	-	2,030,000	2,090,000	(60,000)
<u>58,597</u>	<u>58,597</u>	<u>-</u>	<u>1,178,482</u>	<u>1,468,334</u>	<u>(289,852)</u>
<u>254,597</u>	<u>254,597</u>	<u>-</u>	<u>3,208,482</u>	<u>3,558,334</u>	<u>(349,852)</u>
<u>31,628</u>	<u>13,267</u>	<u>(18,361)</u>	<u>(1,705,138)</u>	<u>(2,190,947)</u>	<u>(485,809)</u>
-	-	-	1,927,715	2,428,362	500,647
<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,680)</u>	<u>-</u>	<u>5,680</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,922,035</u>	<u>2,428,362</u>	<u>506,327</u>
31,628	13,267	(18,361)	216,897	237,415	20,518
<u>278,360</u>	<u>278,360</u>	<u>-</u>	<u>1,928,805</u>	<u>1,928,805</u>	<u>-</u>
<u>\$ 309,988</u>	<u>\$ 291,627</u>	<u>\$ (18,361)</u>	<u>\$ 2,145,702</u>	<u>\$ 2,166,220</u>	<u>\$ 20,518</u>

Capital Projects Funds

A description of the Capital Projects Funds maintained by the Township is as follows:

Road Paving Fund

This fund is used to account for road paving projects financed by transfers from the Public Improvement Fund, contributions from the county, and property developer contributions.

Koppernick Corporate Park Paving Fund

This fund is used to account for the construction of a sanitary sewer, water main, and paving in the Koppernick Corporate Park industrial site. The project is to be financed with local assessments.

South Haggerty Paving Fund

This fund is used to account for the paving of South Haggerty Road and is to be financed with local assessments.

Building Authority Construction Fund

This fund was created in 1985 to account for Township construction activity funded by Building Authority Bonds. Past projects include improvements at Fellows Creek Golf Club, construction of the Canton Public Library, Pheasant Run Golf Club, and the new Fire Headquarters and Public Safety Building addition. The fund is currently being used to account for the Community Center and Pheasant Run Golf Club expansion.

Building Construction Fund

This fund was used to account for the building of a new Community Center. Construction began in 1994 and the center became operational in January 1996. Since then, the Township has not engaged in another construction project requiring the use of this fund. The fund is currently being used to account for the construction of the Human Services Center.

Beck Road Paving Fund

This fund is used to account for the paving of Beck Road and is to be financed with local assessments.

Tonquish Creek Construction

This fund is used to account for the construction of storm drain improvements. The project is to be financed with local assessments.

Charter Township of Canton

	Road Paving	Koppernick Corporate Park Paving
Assets		
Cash and cash equivalents	\$ 901,683	\$ 205,461
Investments	-	-
Accrued interest and other receivables	-	-
Due from other funds	33,562	-
Due from other governmental units	-	-
	<u> </u>	<u> </u>
Total assets	<u>\$ 935,245</u>	<u>\$ 205,461</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 209,061	\$ -
Due to other funds	-	-
Due to other governmental units	-	-
	<u> </u>	<u> </u>
Total liabilities	<u>209,061</u>	<u>-</u>
Fund Balances		
Reserved for encumbrances	812,582	72,521
Unreserved:		
Designated for - Subsequent year's budget	48,800	-
Undesignated	<u>(135,198)</u>	<u>132,940</u>
	<u> </u>	<u> </u>
Total fund balances	<u>726,184</u>	<u>205,461</u>
	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 935,245</u>	<u>\$ 205,461</u>

**Capital Projects Funds
Combining Balance Sheet
December 31, 2001
(with comparative totals at December 31, 2000)**

	South Haggerty Paving	Building Authority Construction	Building Construction	Beck Road Paving	Tonquish Creek Construction	Totals	
						2001	2000
	\$ -	\$ 1,405,757	\$ 1,119,624	\$ 473,881	\$ 586,359	\$ 4,692,765	\$ 5,374,587
	-	-	-	-	-	-	1,482,842
	-	5,050	-	-	-	5,050	31,778
	-	-	-	-	-	33,562	388,603
	-	-	-	-	-	-	12,594
	<u>\$ -</u>	<u>\$ 1,410,807</u>	<u>\$ 1,119,624</u>	<u>\$ 473,881</u>	<u>\$ 586,359</u>	<u>\$ 4,731,377</u>	<u>\$ 7,290,404</u>
	\$ -	\$ 320,656	\$ 124,322	\$ -	\$ -	\$ 654,039	\$ 936,119
	-	1,723	214	-	-	1,937	8,414
	-	-	-	-	-	-	316,086
	-	<u>322,379</u>	<u>124,536</u>	-	-	<u>655,976</u>	<u>1,260,619</u>
	-	552,528	-	-	-	1,437,631	3,705,557
	-	-	978,532	-	-	1,027,332	-
	-	<u>535,900</u>	<u>16,556</u>	<u>473,881</u>	<u>586,359</u>	<u>1,610,438</u>	<u>2,324,228</u>
	-	<u>1,088,428</u>	<u>995,088</u>	<u>473,881</u>	<u>586,359</u>	<u>4,075,401</u>	<u>6,029,785</u>
	<u>\$ -</u>	<u>\$ 1,410,807</u>	<u>\$ 1,119,624</u>	<u>\$ 473,881</u>	<u>\$ 586,359</u>	<u>\$ 4,731,377</u>	<u>\$ 7,290,404</u>

Charter Township of Canton

	Road Paving	Koppernick Corporate Park Paving
Revenues		
Interest and other	\$ 340,366	\$ 8,238
State grants	<u>-</u>	<u>-</u>
Total revenues	<u>340,366</u>	<u>8,238</u>
Expenditures - Public services - Construction costs	<u>2,235,210</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,894,844)</u>	<u>8,238</u>
Other Financing Sources (Uses)		
Proceeds from long-term debt issue	-	-
Operating transfers in	2,537,486	-
Operating transfers out	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>2,537,486</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	642,642	8,238
Fund Balances - Beginning of year	<u>83,542</u>	<u>197,223</u>
Fund Balances - End of year	<u><u>\$ 726,184</u></u>	<u><u>\$ 205,461</u></u>

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Year Ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	South Haggerty Paving	Building Authority Construction	Building Construction	Beck Road Paving	Tonquish Creek Construction	Totals Year Ended	
						2001	2000
	\$ 19,142	\$ 209,102	\$ 2,853	\$ 20,104	\$ 23,822	\$ 623,627	\$ 400,334
	-	577,705	-	-	-	577,705	-
	<u>19,142</u>	<u>786,807</u>	<u>2,853</u>	<u>20,104</u>	<u>23,822</u>	<u>1,201,332</u>	<u>400,334</u>
	<u>81,651</u>	<u>3,508,858</u>	<u>1,577,405</u>	<u>-</u>	<u>11,122</u>	<u>7,414,246</u>	<u>8,249,627</u>
	<u>(62,509)</u>	<u>(2,722,051)</u>	<u>(1,574,552)</u>	<u>20,104</u>	<u>12,700</u>	<u>(6,212,914)</u>	<u>(7,849,293)</u>
	-	-	-	-	-	-	6,000,000
	-	-	2,570,810	-	-	5,108,296	545,217
	<u>(345,115)</u>	<u>(447,102)</u>	<u>(57,549)</u>	<u>-</u>	<u>-</u>	<u>(849,766)</u>	<u>(286,336)</u>
	<u>(345,115)</u>	<u>(447,102)</u>	<u>2,513,261</u>	<u>-</u>	<u>-</u>	<u>4,258,530</u>	<u>6,258,881</u>
	<u>(407,624)</u>	<u>(3,169,153)</u>	<u>938,709</u>	<u>20,104</u>	<u>12,700</u>	<u>(1,954,384)</u>	<u>(1,590,412)</u>
	<u>407,624</u>	<u>4,257,581</u>	<u>56,379</u>	<u>453,777</u>	<u>573,659</u>	<u>6,029,785</u>	<u>7,620,197</u>
	<u>\$ -</u>	<u>\$ 1,088,428</u>	<u>\$ 995,088</u>	<u>\$ 473,881</u>	<u>\$ 586,359</u>	<u>\$ 4,075,401</u>	<u>\$ 6,029,785</u>

Charter Township of Canton

	Road Paving		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Interest and other	\$ 10,000	\$ 340,366	\$ 330,366
State grants	-	-	-
Contributions from other governmental units	-	-	-
Total revenues	<u>10,000</u>	<u>340,366</u>	<u>330,366</u>
Expenditures - Public services - Construction costs	<u>3,230,577</u>	<u>2,235,210</u>	<u>995,367</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,220,577)</u>	<u>(1,894,844)</u>	<u>1,325,733</u>
Other Financing Sources (Uses)			
Proceeds from long-term debt issue - Net of issuance costs	-	-	-
Operating transfers in	2,937,218	2,537,486	(399,732)
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>2,937,218</u>	<u>2,537,486</u>	<u>(399,732)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(283,359)	642,642	926,001
Fund Balances - January 1, 2001	<u>283,359</u>	<u>83,542</u>	<u>(199,817)</u>
Fund Balances - December 31, 2001	<u>\$ -</u>	<u>\$ 726,184</u>	<u>\$ 726,184</u>

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2001

Koppernick Corporate Park Paving			South Haggerty Paving		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ 8,238	\$ 8,238	\$ -	\$ 19,142	\$ 19,142
-	-	-	-	-	-
-	-	-	-	-	-
-	8,238	8,238	-	19,142	19,142
72,520	-	72,520	81,652	81,651	1
(72,520)	8,238	80,758	(81,652)	(62,509)	19,143
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(344,800)	(345,115)	(315)
-	-	-	(344,800)	(345,115)	(315)
(72,520)	8,238	80,758	(426,452)	(407,624)	18,828
197,223	197,223	-	426,452	407,624	(18,828)
\$ 124,703	\$ 205,461	\$ 80,758	\$ -	\$ -	\$ -

(Continued on next page)

Charter Township of Canton

	Building Authority Construction		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Interest and other	\$ 150,000	\$ 209,102	\$ 59,102
State grants	-	577,705	577,705
Contributions from other governmental units	-	-	-
Total revenues	<u>150,000</u>	<u>786,807</u>	<u>636,807</u>
Expenditures - Public services - Construction costs	<u>4,064,395</u>	<u>3,508,858</u>	<u>555,537</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,914,395)</u>	<u>(2,722,051)</u>	<u>1,192,344</u>
Other Financing Sources (Uses)			
Proceeds from long-term debt issue - Net of issuance costs	1,650,000	-	(1,650,000)
Operating transfers in	-	-	-
Operating transfers out	-	(447,102)	(447,102)
Total other financing sources (uses)	<u>1,650,000</u>	<u>(447,102)</u>	<u>(2,097,102)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(2,264,395)</u>	<u>(3,169,153)</u>	<u>(904,758)</u>
Fund Balances - January 1, 2001	<u>4,257,581</u>	<u>4,257,581</u>	<u>-</u>
Fund Balances - December 31, 2001	<u>\$ 1,993,186</u>	<u>\$ 1,088,428</u>	<u>\$ (904,758)</u>

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2001

Building Construction			Beck Road Paving		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ 2,853	\$ 2,853	\$ -	\$ 20,104	\$ 20,104
-	-	-	-	-	-
-	-	-	-	-	-
-	2,853	2,853	-	20,104	20,104
2,570,810	1,577,405	993,405	9,057	-	9,057
(2,570,810)	(1,574,552)	996,258	(9,057)	20,104	29,161
-	-	-	-	-	-
2,570,810	2,570,810	-	-	-	-
-	(57,549)	(57,549)	-	-	-
2,570,810	2,513,261	(57,549)	-	-	-
-	938,709	938,709	(9,057)	20,104	29,161
56,379	56,379	-	453,777	453,777	-
\$ 56,379	\$ 995,088	\$ 938,709	\$ 444,720	\$ 473,881	\$ 29,161

(Continued on next page)

Charter Township of Canton

	Tonquish Creek Construction		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Interest and other	\$ -	\$ 23,822	\$ 23,822
State grants	-	-	-
Contributions from other governmental units	-	-	-
Total revenues	-	23,822	23,822
Expenditures - Public services - Construction costs	254,892	11,122	243,770
Excess of Revenues Over (Under) Expenditures	(254,892)	12,700	267,592
Other Financing Sources (Uses)			
Proceeds from long-term debt issue - Net of issuance costs	-	-	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(254,892)	12,700	267,592
Fund Balances - January 1, 2001	573,659	573,659	-
Fund Balances - December 31, 2001	\$ 318,767	\$ 586,359	\$ 267,592

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2001

Total Capital Projects Funds		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 160,000	\$ 623,627	\$ 463,627
-	577,705	577,705
-	-	-
<u>160,000</u>	<u>1,201,332</u>	<u>1,041,332</u>
<u>10,283,903</u>	<u>7,414,246</u>	<u>2,869,657</u>
<u>(10,123,903)</u>	<u>(6,212,914)</u>	<u>3,910,989</u>
1,650,000	-	(1,650,000)
5,508,028	5,108,296	(399,732)
<u>(344,800)</u>	<u>(849,766)</u>	<u>(504,966)</u>
<u>6,813,228</u>	<u>4,258,530</u>	<u>(2,554,698)</u>
<u>(3,310,675)</u>	<u>(1,954,384)</u>	<u>1,356,291</u>
<u>6,248,430</u>	<u>6,029,785</u>	<u>(218,645)</u>
<u>\$ 2,937,755</u>	<u>\$ 4,075,401</u>	<u>\$ 1,137,646</u>

Enterprise Fund

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

Charter Township of Canton

Enterprise Fund - Water and Sewer Fund Comparative Balance Sheet

	December 31	
	2001	2000
Assets		
Current Assets		
Cash and cash equivalents	\$ 28,040,505	\$ 32,441,985
Investments	20,102,119	14,575,001
Receivables:		
Customers	3,890,648	3,428,421
Special assessments:		
Property owners	27,174	33,192
Township	7,864	18,215
Accrued interest and other receivables	954,763	578,882
Due from other funds	475,225	133,027
Other assets	55,924	489,997
Inventories	537,171	603,199
Due from component units	1,357	4,718
	<u>54,092,750</u>	<u>52,306,637</u>
Long-term Assets		
Restricted assets	173,325	202,295
Capital assets	<u>113,168,195</u>	<u>103,290,818</u>
Total long-term assets	<u>113,341,520</u>	<u>103,493,113</u>
Total assets	<u>\$ 167,434,270</u>	<u>\$ 155,799,750</u>
Liabilities and Fund Equity		
Current Liabilities		
Accounts payable	\$ 1,704,266	\$ 1,630,972
Accrued liabilities and other	386,675	460,941
Due to other funds	53,603	412,088
Cash bonds and deposits	1,451,841	1,898,274
Current portion of long-term obligations	<u>105,000</u>	<u>110,000</u>
Total current liabilities	<u>3,701,385</u>	<u>4,512,275</u>
Current Liabilities Payable from Restricted Assets	153,142	181,528
Long-term Obligations - Net of current portion	30,177,486	31,010,487
Deferred Revenues - Connection fees	<u>272,025</u>	<u>150,425</u>
Total liabilities	<u>34,304,038</u>	<u>35,854,715</u>
Fund Equity		
Contributed capital	120,548,107	116,415,900
Retained earnings:		
Reserved for restricted assets	20,183	20,767
Unreserved	<u>12,561,942</u>	<u>3,508,368</u>
Total fund equity	<u>133,130,232</u>	<u>119,945,035</u>
Total liabilities and fund equity	<u>\$ 167,434,270</u>	<u>\$ 155,799,750</u>

Charter Township of Canton

Enterprise Fund - Water and Sewer Fund Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings

	Year Ended December 31	
	2001	2000
Operating Revenues		
Water sales	\$ 6,016,494	\$ 5,313,222
Sewage disposal revenues	8,416,855	7,139,072
Service charges	946,866	797,446
Other revenues	594,612	527,378
Total operating revenues	15,974,827	13,777,118
Operating Expenses		
Salaries and wages	1,566,822	1,473,977
Payroll taxes and fringe benefits	586,624	566,192
Insurance	49,764	66,346
Supplies	77,353	67,298
Engineering fees	63,654	47,184
Professional services	63,960	35,648
Vehicle expense	61,465	65,786
Water purchases	3,866,272	3,509,333
Sewage disposal charges	6,054,017	5,305,485
Maintenance	333,687	282,357
Depreciation	3,371,986	3,096,970
Other expenses	709,097	874,901
Administrative charges	1,492,725	1,250,000
Sump pump - Pilot project	2,369	39,818
Total operating expenses	18,299,795	16,681,295
Operating Loss	(2,324,968)	(2,904,177)
Nonoperating Revenues (Expense)		
Interest income	2,533,500	2,730,646
Interest expense	(2,633,969)	(2,613,624)
Total nonoperating revenues (expense)	(100,469)	117,022
Developer Contributions	10,016,642	-
Income (Loss) - Before operating transfers	7,591,205	(2,787,155)
Operating Transfers In	557,551	500,000
Operating Transfers Out	(45,000)	(42,500)
Total operating transfers	512,551	457,500
Net Income (Loss)	8,103,756	(2,329,655)
Add Depreciation on Fixed Assets Acquired by Donations from Developers that Reduces Contributed Capital	949,234	949,234
Increase (Decrease) in Retained Earnings	9,052,990	(1,380,421)
Retained Earnings - Beginning of year	3,529,135	4,909,556
Retained Earnings - End of year	\$ 12,582,125	\$ 3,529,135

Charter Township of Canton

Enterprise Fund - Water and Sewer Fund Comparative Statement of Cash Flows

	Year Ended December 31	
	2001	2000
Cash Flows from Operating Activities		
Operating loss	\$ (2,324,968)	\$ (2,904,177)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation	3,371,986	3,096,970
Changes in assets and liabilities:		
Customer receivables	(462,227)	343,611
Due from other funds	(342,198)	517,865
Due from component units	3,361	(3,636)
Inventory	66,028	(192,602)
Other assets	434,073	(116,969)
Accounts payable	73,294	510,753
Accrued liabilities and other	(399,099)	705,072
Due to other funds	(358,485)	(819,328)
Net cash provided by operating activities	<u>61,765</u>	<u>1,137,559</u>
Cash Flows from Capital and Related Financing Activities		
Principal and interest paid on long-term debt	(3,500,356)	(3,779,973)
Purchase of capital assets	(3,232,721)	(1,927,883)
Connection fees and special assessments	<u>5,097,810</u>	<u>6,033,921</u>
Net cash provided by (used in) capital and related financing activities	<u>(1,635,267)</u>	<u>326,065</u>
Cash Flows from Noncapital Financing Activities		
Operating transfers from other funds	557,551	500,000
Operating transfers to other funds	<u>(45,000)</u>	<u>(42,500)</u>
Net cash provided by noncapital financing activities	<u>512,551</u>	<u>457,500</u>
Cash Flows from Investing Activities		
Interest received on investments	2,157,619	2,699,963
Net proceeds from (purchase of) investments	<u>(5,527,118)</u>	<u>6,210,037</u>
Net cash provided by (used in) investing activities	<u>(3,369,499)</u>	<u>8,910,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,430,450)	10,831,124
Cash and Cash Equivalents - Beginning of year	<u>32,644,280</u>	<u>21,813,156</u>
Cash and Cash Equivalents - End of year	<u>\$ 28,213,830</u>	<u>\$ 32,644,280</u>
Balance Sheet Classification of Cash and Cash Equivalents		
Cash and cash equivalents	\$ 28,040,505	\$ 32,441,985
Restricted assets	<u>173,325</u>	<u>202,295</u>
Total	<u>\$ 28,213,830</u>	<u>\$ 32,644,280</u>

Noncash Investing, Capital, and Financing Activities - During the year ended December 31, 2001, developers constructed water and sewer lines with an estimated value of \$10,016,642 and donated them to the Charter Township's Water and Sewer Enterprise Fund. In addition, the Charter Township charged depreciation on contributed assets, which resulted in a noncash reduction in contributed capital of \$949,234.

Trust and Agency Funds

A description of the Trust and Agency Funds maintained by the Township is as follows:

Trust Fund

Cemetery Trust Fund - To account for cemetery maintenance

Agency Funds

Tax Collections Fund - To account for the collection and disbursement of property taxes by the Charter Township on behalf of other governmental units

Other Agency Funds - To account for deposits relating to construction projects and trailer park fees

Charter Township of Canton

Trust and Agency Funds Combining Balance Sheet December 31, 2001

(with comparative totals at December 31, 2000)

	Trust Fund	Agency Funds		Totals	
				December 31	
	Cemetery			2001	2000
	Trust	Tax Collections	Other Agency		
Assets					
Cash and cash equivalents	\$ -	\$ 27,190,261	\$ 874,788	\$ 28,065,049	\$ 14,947,403
Due from other funds	-	-	12,296	12,296	28,563
Accrued interest and other receivables	-	-	1,807	1,807	-
Total assets	\$ -	\$ 27,190,261	\$ 888,891	\$ 28,079,152	\$ 14,975,966
Liabilities and Fund Balances					
Liabilities					
Due to other funds	\$ -	\$ 9,548,921	\$ 6,092	\$ 9,555,013	\$ 5,231,296
Due to other governmental units	-	17,641,340	-	17,641,340	9,296,045
Cash bonds and deposits	-	-	861,863	861,863	379,978
Other	-	-	20,936	20,936	22,039
Total liabilities	-	27,190,261	888,891	28,079,152	14,929,358
Fund Balances	-	-	-	-	46,608
Total liabilities and fund balances	\$ -	\$ 27,190,261	\$ 888,891	\$ 28,079,152	\$ 14,975,966

Charter Township of Canton

Agency Funds Combining Statement of Changes in Assets and Liabilities Year Ended December 31, 2001

	Balance January 1, 2001	Additions	Deletions	Balance December 31, 2001
Tax Collections				
Assets - Cash and cash equivalents	<u>\$ 14,527,217</u>	<u>\$ 88,292,504</u>	<u>\$ 75,629,460</u>	<u>\$ 27,190,261</u>
Liabilities				
Due to other funds	\$ 5,231,172	\$ 22,112,844	\$ 17,795,095	\$ 9,548,921
Due to other governmental units	<u>9,296,045</u>	<u>66,179,660</u>	<u>57,834,365</u>	<u>17,641,340</u>
Total liabilities	<u>\$ 14,527,217</u>	<u>\$ 88,292,504</u>	<u>\$ 75,629,460</u>	<u>\$ 27,190,261</u>
Other Agency Funds				
Assets				
Cash and cash equivalents	\$ 373,578	\$ 709,244	\$ 208,034	\$ 874,788
Due from other funds	28,563	12,296	28,563	12,296
Accrued interest and other receivables	<u>-</u>	<u>1,807</u>	<u>-</u>	<u>1,807</u>
Total assets	<u>\$ 402,141</u>	<u>\$ 723,347</u>	<u>\$ 236,597</u>	<u>\$ 888,891</u>
Liabilities				
Other	\$ 22,039	\$ 72,912	\$ 74,015	\$ 20,936
Due to other funds	124	6,092	124	6,092
Deposits	<u>379,978</u>	<u>644,343</u>	<u>162,458</u>	<u>861,863</u>
Total liabilities	<u>\$ 402,141</u>	<u>\$ 723,347</u>	<u>\$ 236,597</u>	<u>\$ 888,891</u>
Total - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 14,900,795	\$ 89,001,748	\$ 75,837,494	\$ 28,065,049
Due from other funds	28,563	12,296	28,563	12,296
Accrued interest and other receivables	<u>-</u>	<u>1,807</u>	<u>-</u>	<u>1,807</u>
Total assets	<u>\$ 14,929,358</u>	<u>\$ 89,015,851</u>	<u>\$ 75,866,057</u>	<u>\$ 28,079,152</u>
Liabilities				
Other	\$ 22,039	\$ 72,912	\$ 74,015	\$ 20,936
Due to other funds	5,231,296	22,118,936	17,795,219	9,555,013
Due to other governmental units	9,296,045	66,179,660	57,834,365	17,641,340
Deposits	<u>379,978</u>	<u>644,343</u>	<u>162,458</u>	<u>861,863</u>
Total liabilities	<u>\$ 14,929,358</u>	<u>\$ 89,015,851</u>	<u>\$ 75,866,057</u>	<u>\$ 28,079,152</u>

General Fixed Assets Account Group

Charter Township of Canton

Schedule of General Fixed Assets by Source December 31, 2001

General Fixed Assets

Land and improvements	\$ 29,048,279
Buildings	32,179,661
Equipment	<u>15,595,791</u>

Total general fixed assets **\$ 76,823,731**

Investment in General Fixed Assets

Assets acquired prior to January 1, 1990	\$ 16,910,147
Assets acquired subsequent to January 1, 1990:	
Federal revenues	813,657
State grants	1,463,143
General Fund	11,168,972
Special Revenue Funds	<u>46,467,812</u>

Total investment in general fixed assets at
December 31, 2001 **\$ 76,823,731**

Charter Township of Canton

Schedule of General Fixed Assets by Function and Activity December 31, 2001

Function and Activity	Land and Improvements	Buildings	Equipment	Total
General fixed assets acquired prior to January 1, 1990 (date prior to which function and activity were not separately tracked)	\$ 5,436,882	\$ 8,265,453	\$ 3,207,812	\$ 16,910,147
General fixed assets acquired subsequent to January 1, 1990:				
General Fund:				
General government:				
Supervisor	81,000	870	26,027	107,897
Administrative services	-	-	27,540	27,540
General government	798,098	-	117,581	915,679
Elections	-	-	32,923	32,923
Assessor	-	-	27,114	27,114
Clerk	-	700	13,858	14,558
Personnel	-	-	13,806	13,806
Finance	-	-	75,291	75,291
Communications	-	-	28,782	28,782
Resource development	-	63,864	21,823	85,687
Management information systems	-	-	535,258	535,258
Treasurer	-	-	52,937	52,937
Buildings and grounds	659,261	578,092	922,989	2,160,342
Total general government	1,538,359	643,526	1,895,929	4,077,814
Public services:				
Municipal services	-	-	62,972	62,972
Building services	67,359	-	333,909	401,268
Engineering services	-	-	116,006	116,006
Planning services	-	-	18,933	18,933
Grants	46,448	130,486	59,568	236,502
Total public services	113,807	130,486	591,388	835,681
Recreation	1,045,186	167,718	418,634	1,631,538
Public safety	-	209,000	14,168	223,168
Canton Softball Center	3,849,206	1,453,583	342,226	5,645,015
Total General Fund	6,546,558	2,604,313	3,262,345	12,413,216
Special Revenue Funds:				
Fire	233,517	1,719,610	2,762,021	4,715,148
Police	947,479	696,991	2,940,267	4,584,737
Community Center	514,847	14,236,884	583,419	15,335,150
Golf Course	7,425,294	1,375,267	1,648,298	10,448,859
Cable Television	-	311,110	520,373	831,483
Building Construction	-	1,577,101	-	1,577,101
Community Improvement	7,943,702	799,755	511,653	9,255,110
911 Service	-	537,763	82,146	619,909
Special Investigation	-	-	77,457	77,457
Community Development Block Grant	-	55,414	-	55,414
Total Special Revenue Funds	17,064,839	21,309,895	9,125,634	47,500,368
Total general fixed assets	\$ 29,048,279	\$ 32,179,661	\$ 15,595,791	\$ 76,823,731

Charter Township of Canton

Schedule of Changes in General Fixed Assets by Function and Activity Year Ended December 31, 2001

	General Fixed Assets			General Fixed Assets
	January 1, 2001	Additions	Deletions	December 31, 2001
General Fund:				
General government:				
Supervisor	\$ 146,428	\$ -	\$ -	\$ 146,428
Administrative services	33,412	-	-	33,412
General government	1,531,027	19,048	-	1,550,075
Elections	117,273	153,999	-	271,272
Assessor	33,203	-	-	33,203
Clerk	35,670	6,333	-	42,003
Personnel	27,790	-	-	27,790
Finance	90,420	15,957	-	106,377
Communications	28,782	-	-	28,782
Resource development	92,106	5,708	-	97,814
Treasurer	58,483	41,000	-	99,483
Management information systems	528,505	6,898	-	535,403
Buildings and grounds	16,462,623	76,647	-	16,539,270
Total general government	19,185,722	325,590	-	19,511,312
Public services:				
Municipal services	63,458	-	-	63,458
Building services	428,259	88,152	-	516,411
Engineering services	49,909	66,097	-	116,006
Planning services	18,932	-	-	18,932
Grants	392,655	-	-	392,655
Total public services	953,213	154,249	-	1,107,462
Recreation	1,577,391	43,672	-	1,621,063
Public safety	223,168	-	-	223,168
Canton Softball Center	5,077,760	636,922	69,667	5,645,015
Total General Fund	27,017,254	1,160,433	69,667	28,108,020
Special Revenue Funds:				
Fire	4,592,230	805,279	-	5,397,509
Police	3,750,759	1,249,621	-	5,000,380
Community Center	12,469,981	2,402,561	-	14,872,542
Golf Course	9,863,439	707,763	-	10,571,202
Cable Television	802,865	28,618	-	831,483
Building Construction	-	1,577,101	-	1,577,101
Community Improvement	9,252,855	462,607	-	9,715,462
911 Service	82,146	537,763	-	619,909
Special Investigation	56,973	17,736	-	74,709
Community Development Block Grant	55,414	-	-	55,414
Total Special Revenue Funds	40,926,662	7,789,049	-	48,715,711
Total general fixed assets	\$ 67,943,916	\$ 8,949,482	\$ 69,667	\$ 76,823,731

Schedule of Bonded Indebtedness

Charter Township of Canton

Schedule of Bonded Indebtedness December 31, 2001

Description	Interest Rate (Percent)	Date of Maturity	Amount of Annual Maturity	Principal Outstanding	
				December 31 2001	2000
General Long-term Debt Account Group					
Building Authority Bonds:					
Golf Course					
Date of issue - October 1, 1992					
Amount of issue - \$1,525,000					
	5.000	01/01/01	\$ 135,000	\$ -	\$ 135,000
	5.125	01/01/02-03	150,000	300,000	300,000
	5.125	01/01/04	170,000	170,000	170,000
	1.750	01/01/05	170,000	170,000	170,000
				<u>640,000</u>	<u>775,000</u>
Library					
Date of issue - June 1, 1987					
Amount of issue - \$3,800,000					
	7.000	10/01/02	350,000	350,000	700,000
Golf Course					
Date of issue - April 1, 1993					
Amount of issue - \$5,700,000					
	7.750	01/01/02-03	250,000	500,000	750,000
	5.300	01/01/04	275,000	275,000	275,000
	5.400	01/01/05	275,000	275,000	275,000
	5.500	01/01/06-09	300,000	1,200,000	1,200,000
	4.750	01/01/10	400,000	400,000	400,000
	4.750	01/01/11-12	450,000	900,000	900,000
	4.750	01/01/13-14	500,000	1,000,000	1,000,000
				<u>4,550,000</u>	<u>4,800,000</u>

Charter Township of Canton

Schedule of Bonded Indebtedness (Continued) December 31, 2001

Description	Interest Rate (Percent)	Date of Maturity	Amount of Annual Maturity	Principal Outstanding	
				2001	2000
General Long-term Debt Account Group (Continued)					
Building Authority Bonds (Continued):					
Fire Headquarters and Police Additions					
Date of issue - October 1, 1997					
Amount of issue - \$3,500,000					
	7.0000	04/01/01	\$ 125,000	\$ -	\$ 125,000
	7.0000	04/01/02	125,000	125,000	125,000
	7.0000	04/01/03	125,000	125,000	125,000
	6.9000	04/01/04	150,000	150,000	150,000
	5.0000	04/01/05	150,000	150,000	150,000
	5.0000	04/01/06	150,000	150,000	150,000
	5.0000	04/01/07	175,000	175,000	175,000
	5.0000	04/01/08	175,000	175,000	175,000
	5.0000	04/01/09	200,000	200,000	200,000
	5.0000	04/01/10	200,000	200,000	200,000
	5.0000	04/01/11	200,000	200,000	200,000
	5.0000	04/01/12	250,000	250,000	250,000
	5.0000	04/01/13	250,000	250,000	250,000
	5.0000	04/01/14	250,000	250,000	250,000
	5.0000	04/01/15	300,000	300,000	300,000
	5.0000	04/01/16	300,000	300,000	300,000
				<u>3,000,000</u>	<u>3,125,000</u>
Canton Softball Center					
Date of issue - November 1, 1998					
Amount of issue - \$2,500,000					
	3.7500	04/01/01	225,000	-	225,000
	3.7500	04/01/02	225,000	225,000	225,000
	3.7500	04/01/03	250,000	250,000	250,000
	3.7500	04/01/04	250,000	250,000	250,000
	3.7500	04/01/05	250,000	250,000	250,000
	3.7500	04/01/06	300,000	300,000	300,000
	3.7500	04/01/07	300,000	300,000	300,000
	3.7500	04/01/08	300,000	300,000	300,000
				<u>1,875,000</u>	<u>2,100,000</u>

Charter Township of Canton

Schedule of Bonded Indebtedness (Continued) December 31, 2001

Description	Interest Rate (Percent)	Date of Maturity	Amount of Annual Maturity	Principal Outstanding	
				2001	2000
General Long-term Debt Account Group (Continued)					
Building Authority Bonds (Continued):					
Library addition					
Date of issue - April 1, 1999					
Amount of issue - \$6,000,000					
	5.5000	10/01/04	\$ 200,000	\$ 200,000	\$ 200,000
	5.5000	10/01/05-08	250,000	1,000,000	1,000,000
	5.5000	10/01/09-10	300,000	600,000	600,000
	5.5000	10/01/11-13	350,000	1,050,000	1,050,000
	5.5000	10/1/14-15	400,000	800,000	800,000
	5.5000	10/1/16-18	450,000	1,350,000	1,350,000
	5.5000	10/1/19-20	500,000	1,000,000	1,000,000
				<u>6,000,000</u>	<u>6,000,000</u>
Recreation projects					
Date of issue - September 1, 2000					
Amount of issue - \$6,000,000					
	5.0000	10/01/01	50,000	-	50,000
	6.7500	10/01/02-03	100,000	200,000	200,000
	6.7500	10/01/04	125,000	125,000	125,000
	6.7500	10/01/05	150,000	150,000	150,000
	6.7500	10/01/06-07	200,000	400,000	400,000
	6.6000	10/01/08	250,000	250,000	250,000
	4.7500	10/01/09	250,000	250,000	250,000
	4.7500	10/01/10	300,000	300,000	300,000
	4.8500	10/01/11	300,000	300,000	300,000
	4.9500	10/01/12	350,000	350,000	350,000
	5.0500	10/01/13	350,000	350,000	350,000
	5.0000	10/01/14	350,000	350,000	350,000
	5.0000	10/01/15	400,000	400,000	400,000
	5.0000	10/01/16	425,000	425,000	425,000
	5.0000	10/01/17	450,000	450,000	450,000
	5.0000	10/01/18	500,000	500,000	500,000
	4.7500	10/01/19	550,000	550,000	550,000
	4.7500	10/01/20	600,000	600,000	600,000
				<u>5,950,000</u>	<u>6,000,000</u>
Total Building Authority Bonds				<u><u>\$ 22,365,000</u></u>	<u><u>\$ 23,500,000</u></u>

Charter Township of Canton

Schedule of Bonded Indebtedness (Continued) December 31, 2001

Description	Interest Rate (Percent)	Date of Maturity	Amount of Annual Maturity	Principal Outstanding	
				2001	2000
General Long-term Debt Account Group (Continued)					
Special Assessment Bonds					
Date of issue - July 1, 1995					
Amount of issue - \$1,035,000					
	4.900	04/01/01	\$ 150,000	\$ -	\$ 150,000
	5.000	04/01/02	150,000	<u>150,000</u>	<u>150,000</u>
				<u>150,000</u>	<u>300,000</u>
Special Assessment Bonds					
Date of issue - November 1, 1995					
Amount of issue - \$535,000					
	6.300	04/01/01	55,000	-	55,000
	6.350	04/01/02	55,000	55,000	55,000
	6.400	04/01/03	55,000	55,000	55,000
	6.500	04/01/04	55,000	<u>55,000</u>	<u>55,000</u>
				<u>165,000</u>	<u>220,000</u>
Special Assessment Bonds					
Date of issue - February 1, 1996					
Amount of issue - \$1,590,000					
	4.100	04/01/01	150,000	-	150,000
	4.200	04/01/02	150,000	150,000	150,000
	4.300	04/01/03	175,000	175,000	175,000
	4.375	04/01/04	175,000	175,000	175,000
	4.375	04/01/05	200,000	200,000	200,000
	4.375	04/01/06	200,000	<u>200,000</u>	<u>200,000</u>
				<u>900,000</u>	<u>1,050,000</u>

Charter Township of Canton

Schedule of Bonded Indebtedness (Continued) December 31, 2001

Description	Interest Rate (Percent)	Date of Maturity	Amount of Annual Maturity	Principal Outstanding	
				2001	2000
General Long-term Debt Account Group (Continued)					
Special Assessment Bonds					
Date of issue - March 1, 1997					
Amount of issue - \$2,140,000					
	5.000	04/01/02-04	\$ 250,000	\$ 750,000	\$ 1,000,000
	5.000	04/01/05-07	200,000	<u>600,000</u>	<u>600,000</u>
				<u>1,350,000</u>	<u>1,600,000</u>
Special Assessment Bonds					
Date of issue - October 1, 1998					
Amount of issue - \$3,480,000					
	3.6000	04/01/01	350,000	-	350,000
	3.6000	04/01/02	375,000	375,000	375,000
	3.6000	04/01/03	375,000	375,000	375,000
	3.6000	04/01/04	375,000	375,000	375,000
	3.6500	04/01/05	400,000	400,000	400,000
	3.6500	04/01/06	400,000	400,000	400,000
	3.6500	04/01/07	400,000	400,000	400,000
	3.6500	04/01/08	375,000	<u>375,000</u>	<u>375,000</u>
				<u>2,700,000</u>	<u>3,050,000</u>
Total Special Assessment Bonds				<u>\$ 5,265,000</u>	<u>\$ 6,220,000</u>

Component Units

A description of the Township's component units is as follows:

Economic Development Corporation (EDC) Fund

The EDC is allowed, by state law, to assist with the financing of construction projects for industrial and nonprofit corporations in the Charter Township. Canton Township maintains the financial records for the EDC in cooperation with the EDC Treasurer.

Downtown Development Authority (DDA) Fund

The DDA was established in 1984 to capture tax revenues for development of a downtown area for the community. A plan was developed that same year for this purpose. Canton Township maintains the financial records for the DDA in cooperation with the DDA Treasurer.

The EDC consists solely of a single fund for general operations. The DDA consists of a fund for general operations, an account group for general fixed assets, and an account group for general long-term debt.

Charter Township of Canton

Component Units Combining Balance Sheet December 31, 2001

	Economic Development Corporation	Downtown Development Authority	Total
Assets and Other Debits			
Cash and cash equivalents	\$ 2,085	\$ 2,341,094	\$ 2,343,179
Taxes receivable	-	947,740	947,740
Due from primary government	-	710	710
Capital assets	-	2,230,259	2,230,259
Amount to be provided for retirement of general long-term obligations	-	1,990,000	1,990,000
Total assets and other debits	<u>\$ 2,085</u>	<u>\$ 7,509,803</u>	<u>\$ 7,511,888</u>
Liabilities, Fund Equity, and Other Credits			
Liabilities			
Accounts payable	\$ -	\$ 86,662	\$ 86,662
Deferred revenue	-	947,740	947,740
Due to primary government	-	1,989	1,989
Long-term obligations	-	1,990,000	1,990,000
Total liabilities	<u>-</u>	<u>3,026,391</u>	<u>3,026,391</u>
Fund Equity and Other Credits			
Investments in general fixed assets	-	2,230,259	2,230,259
Fund balances - Unreserved:			
Designated for subsequent year's budget	-	486,062	486,062
Undesignated	2,085	1,767,091	1,769,176
Total fund equity and other credits	<u>2,085</u>	<u>4,483,412</u>	<u>4,485,497</u>
Total liabilities, fund equity, and other credits	<u>\$ 2,085</u>	<u>\$ 7,509,803</u>	<u>\$ 7,511,888</u>

Charter Township of Canton

Component Units Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended December 31, 2001

	Economic Development Corporation	Downtown Development Authority	Total
Revenues			
Property taxes	\$ -	\$ 955,262	\$ 955,262
Interest and other	-	55,274	55,274
	-	1,010,536	1,010,536
Total revenues	-	1,010,536	1,010,536
Expenditures - Public services			
Public services	-	441,668	441,668
Debt service	-	196,378	196,378
	-	638,046	638,046
Total expenditures	-	638,046	638,046
Excess of Revenues Over Expenditures	-	372,490	372,490
Fund Balances - January 1, 2001	2,085	1,880,663	1,882,748
Fund Balances - December 31, 2001	\$ 2,085	\$ 2,253,153	\$ 2,255,238

Charter Township of Canton

Component Unit - Downtown Development Authority Combining Balance Sheet December 31, 2001

	Account Groups			Total
	General Fund	General Fixed Assets	General Long-term Debt	
Assets				
Cash and cash equivalents	\$ 2,343,179	\$ -	\$ -	\$ 2,343,179
Taxes receivable	947,740	-	-	947,740
Due from primary government	710	-	-	710
Capital assets	-	2,230,259	-	2,230,259
Amount to be provided for retirement of general long-term obligations	-	-	1,990,000	1,990,000
Total assets	<u>\$ 3,291,629</u>	<u>\$ 2,230,259</u>	<u>\$ 1,990,000</u>	<u>\$ 7,511,888</u>
Liabilities, Fund Equity, and Other Credits				
Liabilities				
Accounts payable	\$ 86,662	\$ -	\$ -	\$ 86,662
Deferred revenue	947,740	-	-	947,740
Due to primary government	1,989	-	-	1,989
Long-term obligations	-	-	1,990,000	1,990,000
Total liabilities	<u>1,036,391</u>	<u>-</u>	<u>1,990,000</u>	<u>3,026,391</u>
Fund Equity and Other Credits				
Investments in general fixed assets	-	2,230,259	-	2,230,259
Fund balances - Unreserved:				
Designated for subsequent year's budget	486,062	-	-	486,062
Undesignated	1,769,176	-	-	1,769,176
Total fund equity and other credits	<u>2,255,238</u>	<u>2,230,259</u>	<u>-</u>	<u>4,485,497</u>
Total liabilities, fund equity, and other credits	<u>\$ 3,291,629</u>	<u>\$ 2,230,259</u>	<u>\$ 1,990,000</u>	<u>\$ 7,511,888</u>

Statistical Section

Charter Township of Canton

Fiscal Year	Property Taxes	Licenses and Permits	State Sources	Federal Sources	Charges for Services
1992	\$ 8,479,708	\$ 740,548	\$ 4,401,936	\$ 241,538	\$ 642,336
1993 (1)	8,395,559	995,057	4,195,075	294,536	691,190
1994	9,577,760	1,223,968	4,543,177	592,667	815,961
1995	10,745,990	1,885,000	4,864,915	523,241	653,191
1996	11,622,160	2,133,573	5,598,101	443,329	1,697,905
1997	13,102,303	2,485,544	6,109,169	604,857	1,998,427
1998	14,337,246	2,702,634	6,431,656	431,936	2,214,667
1999	15,393,566	2,657,891	6,726,315	583,893	2,951,991
2000	16,928,959	2,442,411	7,159,118	705,193	3,238,193
2001	18,260,062	2,587,070	9,193,412	1,420,904	3,266,027

- (1) Beginning in 1993, the operations of the Economic Development Corporation and the Downtown Development Authority were excluded from the governmental funds (Special Revenue Funds) because they have been recorded as separate component units of Canton Township. Prior years have not been adjusted to reflect this change.
- (2) Beginning in 1996, charges for services include revenues from the “recreation center,” which began operations in 1996.
- (3) In 1996, the Charter Township had a large increase in revenues from land sales in comparison to prior years. The Charter Township’s land sales in 1996 were greater than \$4,000,000.
- (4) In 1997, the courthouse was destroyed in a fire. The majority of court fees were retained by the Court to fund the rebuilding effort in 1997 and 1998. In 1999, the courthouse was again operational and court fees were distributed to the participating communities.
- (5) In 1997, there was a new special assessment (South Haggerty Paving) and many collections of prior special assessments.
- (6) In 1999, Canton Township began accounting for the Western Wayne Narcotics Consortium in a Special Revenue Fund. An initial transfer of approximately \$900,000 was made to this fund. In addition, the Township took over the food service contracts at both the Summit on the Park as well as Pheasant Run Golf Course.

General Revenues by Source
General, Special Revenue, and Debt Service Funds
(Unaudited)

Court Fees	Administrative Charges	Special Assessments	Contributions from Other Governmental Units	Other Revenues	Total
\$ 555,999	\$ 526,404	\$ 390,577	\$ 419,760	\$ 2,929,831	\$ 19,328,637
448,779	559,342	656,028	458,375	3,867,272	20,561,213
451,896	684,790	536,792	452,701	3,795,260	22,674,972
627,910	619,110	610,767	478,750	4,513,004	25,521,878
680,741	880,086	479,069	460,150	9,789,913 (2) (3)	33,785,027
198,757 (4)	930,846	1,101,840 (5)	440,875	6,510,689	33,483,307
5,278 (4)	987,129	873,560	471,250	7,906,869	36,362,225
408,822 (4)	1,314,373	1,154,957	456,313	9,688,650 (6)	41,336,771
822,569	1,374,174	1,033,262	423,950	9,528,584 (6)	43,656,413
1,693,792	1,656,446	909,283	399,800	9,171,663 (6)	48,558,459

Charter Township of Canton

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Services</u>	<u>Recreation</u>
1992	\$ 3,471,465	\$ 7,960,179	\$ 2,396,095	\$ 994,960
1993 (1)	3,913,688	8,894,257	2,334,598	1,706,675
1994	3,599,940	9,076,125	2,437,043	998,047
1995	4,725,838	10,452,164	2,762,892	1,803,222
1996	5,784,092	10,628,289	3,342,035	3,380,887
1997	5,596,024	11,406,335	4,711,869	3,333,733
1998	5,908,351	12,273,979	4,581,140	3,460,918
1999	6,815,285	13,592,109	4,723,662	5,324,020 (2)
2000	7,093,633	13,760,299	8,813,786 (3)	6,007,321 (4)
2001	7,795,598	17,417,837	7,872,144	5,804,672

(1) Beginning in 1993, the operations of the Economic Development Corporation and the Downtown Development Authority were excluded from the governmental funds (Special Revenue Funds) because they have been recorded as separate component units of Canton Township. Prior years have not been adjusted to reflect this change.

(2) In 1999, the Charter Township purchased the Canton Softball Center and the expenditures related to operations are recorded in the General Fund.

(3) In 2000, the Charter Township purchased land to be used for future parks.

(4) In 2000, the Charter Township made various capital improvements to Fellows Creek Golf Club, which are recorded in the Golf Course Fund.

General Governmental Expenditures by Function
General, Special Revenue, and Debt Service Funds
(Unaudited)

Sanitation	Debt Service	Other Expenditures	Total
\$ 969,011	\$ 1,792,400	\$ -	\$ 17,584,110
1,150,702	1,718,595	11,658	19,730,173
1,326,133	1,698,155	113,774	19,249,217
1,445,917	1,623,422	189,024	23,002,479
1,474,134	1,651,519	548,681	26,809,637
1,699,962	1,854,884	355,121	28,957,928
1,600,619	2,148,437	275,300	30,248,744
1,895,826	2,583,909	317,224	35,252,035
1,962,340	2,557,787	301,500	40,496,666
2,171,248	3,558,334	375,655	44,995,488

Charter Township of Canton

General Fund Balance Compared to Annual Expenditures (Unaudited)

<u>Fiscal Year</u>	<u>Reserved Fund Balance</u>	<u>Unreserved Fund Balance</u>	<u>Annual Expenditures</u>	<u>Unreserved Fund Balance as a Percent of Expenditures</u>
1992	\$ 190,478	\$ 3,154,040	\$ 7,378,981	42.74
1993	176,371	2,996,354	7,780,595	38.51
1994	279,524	3,751,119	7,620,320	49.23
1995	67,158	3,854,769	9,310,535	41.40
1996	309,001	4,871,820	10,124,629	48.12
1997	177,534	6,815,696	10,333,311	65.96
1998	262,547	8,327,176	10,984,802	75.81
1999	347,189	7,677,952	13,687,691	56.09
2000	585,215	8,055,315	14,350,342	56.13
2001	545,652	6,781,211	16,616,576	40.81

Charter Township of Canton

General Government State Revenues by Source General, Special Revenue, and Debt Service Funds (Unaudited)

Fiscal Year	State Income Tax	State Sales Tax	State Business Tax	State Intangibles Tax	Public Grants	Total
1992	\$ 747,864	\$ 2,649,414	\$ 578,182	\$ 67,881	\$ 358,595	\$ 4,401,936
1993	709,723	2,730,220	499,052	-	256,080	4,195,075
1994	755,378	2,892,555	553,596	-	341,648	4,543,177
1995	950,393	3,008,404	478,832	-	427,286	4,864,915
1996	568,618	4,034,948	524,565	-	469,970	5,598,101
1997	-	4,902,553	2,379	-	1,204,237	6,109,169
1998	-	5,973,581	2,379	-	455,696	6,431,656
1999	-	6,315,230	-	-	411,085	6,726,315
2000	-	6,726,868	-	-	432,250	7,159,118
2001	-	7,740,557	-	-	1,452,855	9,193,412

Charter Township of Canton

Computation of Legal Debt Margin December 31, 2001 (Unaudited)

Debt Limit		
2001 taxable value		<u>\$2,465,889,990</u>
Debt limit (10 percent of equalized valuation)		\$ 246,588,999
Debt Applicable to Debt Limit	\$ 29,620,000	
Less special assessment bonds	<u>5,265,000</u>	
Total debt applicable to limitation		<u>24,355,000</u>
Legal Debt Margin		<u>\$ 222,233,999</u>

Charter Township of Canton

Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures Last Ten Fiscal Years (Unaudited)

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to General Expenditures
1992	\$ 693,506	\$ 81,879	\$ 775,385	\$ 17,584,110	4.41
1993	419,932	63,388	483,320	19,730,173	2.45
1994	59,478	40,146	99,624	19,249,217	0.52
1995	423,860	37,681	461,541	23,002,479	2.01
1996	81,241	61,910	143,151	26,809,637	0.53
1997	99,631	59,205	158,836	28,957,928	0.55
1998	121,168	63,212	184,380	30,248,744	0.61
1999	375,285	62,795	438,080	35,252,035	1.24
2000	195,655	34,200	229,855	40,496,666	0.57
2001	91,569	31,540	123,109	44,995,488	0.27

(1) Includes General, Special Revenue, and Debt Service Funds. Beginning in 1993, the operations of the Economic Development Corporation and the Downtown Development Authority were excluded from the governmental funds (Special Revenue Funds) because they have been recorded as separate component units of Canton Township. Prior years have not been adjusted to reflect this change.

Charter Township of Canton

Revenue Bond Coverage Water and Sewer Bonds Last Ten Fiscal Years (Unaudited)

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1992	\$ 7,708,269	\$ 5,832,020	\$ 1,876,249	\$ 123,385	\$ 100,452	\$ 223,837	8.38
1993	8,787,578	6,826,368	1,961,210	128,586	94,673	223,259	8.78
1994	9,856,428	8,518,552	1,337,876	93,214	89,457	182,671	7.32
1995	10,798,097	8,810,140	1,987,957	128,385	84,190	212,575	9.35
1996	11,848,513	10,480,883	1,367,630	133,386	78,076	211,462	6.47
1997	12,384,370	10,526,198	1,858,172	138,385	71,667	210,052	8.85
1998	15,530,830	10,311,149	5,219,681	143,385	65,040	208,425	25.04
1999	16,950,484	12,701,906	4,248,578	148,386	58,246	206,632	20.56
2000	16,507,764	13,584,325	2,923,439	153,386	51,203	204,589	14.29
2001	18,508,327	14,927,809	3,580,518	158,386	49,909	208,295	17.19

- (1) Total revenues including interest income
(2) Excludes depreciation, interest, and sales of capital assets

Charter Township of Canton

Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita (1) Last Ten Fiscal Years (Unaudited)

Fiscal Year	Assessed Value (2)	Estimated Population	General Bonded Debt Outstanding	Percent of General Bonded Debt to Assessed Value	General Bonded Debt Per Capita
1992	\$ 979,069,175	59,900	\$ 450,556	0.05	7.52
1993	1,107,857,327	61,300	537,551	0.05	8.77
1994	1,207,313,910	62,700	614,285	0.05	9.80
1995	1,318,659,160	66,100	190,425	0.01	2.88
1996	1,470,814,152	69,000	499,677	0.03	7.24
1997	1,623,155,252	69,000	735,291	0.05	10.66
1998	1,807,347,573	72,000	898,495	0.05	12.48
1999	2,013,647,997	75,000	531,294	0.03	7.08
2000	2,208,749,763	76,366 (3)	444,382	0.02	5.82
2001	2,465,889,990	76,366 (3)	352,813	0.01	4.62

(1) General obligation bonds reported in the Enterprise Fund with government commitment and Building Authority bonds have been excluded.

(2) From page 106 - Assessed Valuation History Table

(3) Population is from 2000 U.S. Census.

Charter Township of Canton

Computation of Direct and Overlapping Debt December 31, 2001 (Unaudited)

	Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percent Applicable to Canton	Amount Applicable to Canton
Direct:	Canton Township	\$ 352,813	100.00	\$ 352,813
	Canton Library	<u>6,350,000</u>	100.00	<u>6,350,000</u>
	Total Direct	6,702,813		6,702,813
Overlapping:	County of Wayne	128,855,233	6.21	8,001,910
	Wayne County Community College	14,470,000	1.33	192,451
	Plymouth-Canton Schools	171,143,000	49.66	84,989,614
	Wayne-Westland Schools	118,255,000	11.33	13,398,292
	Court Facilities	4,050,000	47.00	1,903,500
	Van Buren Schools	<u>15,105,000</u>	9.09	<u>1,373,045</u>
	Total Overlapping	<u>451,878,233</u>		<u>109,858,812</u>
	Total	<u>\$ 458,581,046</u>		<u>\$ 116,561,625</u>

Charter Township of Canton

Assessed Valuation History (Unaudited)

Fiscal Year	Real Assessed Valuation	Personal Assessed Valuation	Total Assessed Valuation (1)	Estimated Actual Value of Taxable Property	State-equalized Valuation
1992	\$ 916,208,005	\$ 62,861,170	\$ 979,069,175	\$ 1,958,138,350	\$ 979,069,175
1993	1,038,653,347	69,203,980	1,107,857,327	2,215,714,654	1,107,857,327
1994	1,126,158,230	81,155,680	1,207,313,910	2,414,627,820	1,207,313,910
1995	1,223,365,870	95,293,290	1,318,659,160	2,709,759,520	1,354,879,760
1996	1,364,208,772	106,605,380	1,470,814,152	3,058,353,834	1,529,176,917
1997	1,503,014,992	120,140,260	1,623,155,252	3,427,727,714	1,713,863,857
1998	1,677,090,903	130,256,670	1,807,347,573	3,902,850,500	1,951,425,250
1999	1,866,351,037	147,296,960	2,013,647,997	4,407,796,310	2,203,898,155
2000	2,058,212,403	150,537,360	2,208,749,763	4,959,742,740	2,479,871,370
2001	2,295,327,510	170,562,480	2,465,889,990	5,634,672,700	2,817,336,350

Tax assessment day - December 31

- (1) Total values prior to 1995 were assessed at 50 percent of true cash value. Beginning with the 1995 assessments, the taxable value is limited by the lesser of inflation, growth in true cash value, or 5 percent.

Charter Township of Canton

Special Assessment Collections (Unaudited)

Fiscal Year	Current Special Assessment Installment Due	Increase in Special Assessment	Current Special Assessment Collection	Ratio of Collections to Amount Due	Total Outstanding Special Assessments
1992	\$ 585,950	\$ 1,468,191	\$ 210,255	35.9	\$ 2,509,101
1993	485,448	960,009	731,532	150.7	2,737,578
1994	410,273	421,714	470,276	114.6	2,689,163
1995	377,775	219,000	1,273,719	337.2	1,634,297
1996	284,579	1,900,986	506,165	177.9	3,070,503
1997	441,163	2,387,285	1,364,022	309.2	4,160,715
1998	798,670	3,719,844	968,358	121.2	6,877,355
1999	795,441	507,641	1,235,561	155.3	6,135,797
2000	723,368	76,084	1,428,605	197.5	4,723,426
2001	729,607	347,516	1,124,373	154.1	3,969,018

Note: Delinquent special assessments are transferred to the Charter Township tax rolls in the following year. The County Delinquent Tax Revolving Fund reimburses the Charter Township 100 percent of delinquent special assessments. The amounts reported above exclude special assessments for street lighting.

Charter Township of Canton

Property Tax Levies Direct and Overlapping Governments (Unaudited)

Fiscal Year	Township Tax (1)	County Tax	School Tax (2)	Community Colleges (3)	Library	Total
1992	\$ 9,172,115	\$ 10,066,512	\$ 37,245,148	\$ 1,788,047	\$ 1,704,173	\$ 59,975,995
1993	10,363,282	11,094,355	40,494,429	2,059,125	1,837,861	65,849,052
1994	11,574,096	19,287,710	10,410,141	2,215,682	1,996,780	45,484,409
1995	12,394,801	21,071,777	11,128,716	2,391,635	2,180,007	49,166,936
1996	13,855,759	23,621,539	10,924,764	2,665,740	2,441,423	53,509,225
1997	15,107,040	26,059,318	12,218,335	2,934,049	2,690,266	59,009,008
1998	16,913,703	29,547,511	14,180,133	3,258,827	2,998,765	66,898,939
1999	18,470,753	33,209,749	18,102,913	3,584,162	3,337,812	76,705,389
2000	20,110,183	36,251,705	18,899,550	3,890,850	3,632,780	82,785,068
2001	22,119,165	40,383,938	21,897,170	4,802,730	3,932,108	93,135,111

(1) Includes general operating, fire, and police taxes

(2) Includes the Plymouth-Canton, Wayne-Westland, and Van Buren school districts

(3) Represents taxes levied for Schoolcraft College and Wayne County Community College

Charter Township of Canton

Township Tax Collection History (Unaudited)

Fiscal Year	Tax Levy (1)	Current Tax Collections	Percent of		Total Tax Collections	Percent of Total Tax Collections to Total Tax Levy
			Current Taxes Collected	Delinquent Tax Collections		
1992	\$ 9,172,115	\$ 8,604,273	93.81	\$ 560,562	\$ 9,164,835	99.92
1993	10,363,282	9,816,227	94.72	540,170	10,356,397	99.93
1994	11,574,096	11,086,056	95.78	481,056	11,567,112	99.94
1995	12,394,801	11,897,321	95.99	493,462	12,390,783	99.97
1996	13,855,759	13,169,981	95.05	680,757	13,850,738	99.96
1997	15,107,040	14,425,962	95.49	673,957	15,099,919	99.95
1998	16,913,703	15,915,798	94.10	993,722	16,909,520	99.98
1999	18,470,753	17,449,828	94.47	1,020,925	18,470,753	100.00
2000	20,110,183	18,939,449	94.18	1,160,679	20,100,128	99.95
2001	22,119,165	19,613,982	88.67	2,228,018	21,842,000	98.75

(1) Includes general operating, fire, and police taxes. Does not include penalty and interest on late payment of taxes.

Charter Township of Canton

	1992	1993	1994	1995
Wayne County	6.93	6.71	6.73	6.73
Canton Township	1.11	1.11	1.11	1.11
Schools (by district):				
Plymouth-Canton	36.18	35.62	5.30	5.08
Wayne-Westland	50.13	40.05	5.85	5.38
School enhancement - Wayne-Westland	-	-	-	3.00
Van Buren	47.00	45.33	4.75	4.75
Community colleges (by district):				
Plymouth-Canton	1.95	1.89	1.88	1.86
Wayne-Westland	0.55	1.37	1.28	1.28
Van Buren	0.55	1.37	1.28	1.28
Huron-Clinton Metro Parks	0.24	0.23	0.23	0.23
Wayne County Parks	-	-	-	-
Jail	0.99	0.96	0.96	0.96
Intermediate School District/Special Education	2.00	2.00	2.00	2.00
Library	1.72	1.64	1.64	1.64
Police	4.96	4.96	5.16	5.16
Fire	2.94	2.94	3.10	3.10
State education tax	-	-	6.00	6.00
Total millage for year (by school district):				
Plymouth-Canton	59.02	58.06	31.11	30.87 (1)
Wayne-Westland	71.57	61.97	31.06	33.59 (1)
Van Buren	68.44	67.25	29.96	29.96 (1)

Notes: All rates are expressed in dollars per \$1,000 of taxable value.

Canton Township general operating tax rate charter limit equals \$10.00 per \$1,000 of taxable value. See property tax levies on page 108.

(1) All based on homesteads; nonhomestead additional 18.00 mills

Tax Rate History
Direct and Overlapping Governments
(Unaudited)

1996	1997	1998	1999	2000	2001
6.73	6.73	6.73	6.71	6.67	6.66
1.11	1.11	1.11	1.11	1.11	1.51
5.18	5.18	5.18	6.47	6.15	6.49
5.10	4.52	8.14	8.14	8.14	8.00
3.00	-	-	-	-	-
3.00	3.18	4.30	4.30	4.29	4.27
1.86	1.86	1.86	1.84	1.83	1.82
1.21	1.20	1.15	1.02	1.00	2.50
1.21	1.20	1.15	1.02	1.00	2.50
0.23	0.23	0.23	-	0.22	0.22
0.25	0.25	0.25	0.25	0.25	0.25
0.96	0.96	0.96	0.95	0.94	0.94
2.00	2.00	2.00	1.99	1.98	1.98
1.64	1.64	1.64	1.63	1.61	1.59
5.16	5.16	5.00	4.80	4.80	4.40
3.10	3.10	2.94	2.94	2.94	2.94
6.00	6.00	6.00	6.00	6.00	3.00
31.22 (1)	31.22 (1)	30.90 (1)	31.91 (1)	31.50 (1)	31.80 (1)
33.49 (1)	29.90 (1)	33.15 (1)	32.76 (1)	32.66 (1)	33.99 (1)
28.39 (1)	28.56 (1)	29.31 (1)	28.92 (1)	28.81 (1)	30.26 (1)

Charter Township of Canton

Principal Taxpayers December 31, 2001 (Unaudited)

Taxpayer	Real Assessed Valuation	Personal Property Assessed Valuation	Industrial and Commercial Facilities Tax Valuation	Total Assessed Valuation	Percentage of Total Township Assessed Valuation
American Yazaki Corporation	\$ 16,890,415	\$ 11,654,030	\$ -	\$ 28,544,445	1.16
Detroit Edison Company	1,593,070	25,210,570	-	26,803,640	1.09
Kmart Corporation	11,320,909	6,811,530	-	18,132,439	0.74
Michigan Consolidated Gas	-	16,819,990	-	16,819,990	0.68
Crossings of Canton	10,289,648	-	-	10,289,648	0.42
Meisel-Sysco Corporation	7,572,127	1,725,840	-	9,297,967	0.38
Steel Technologies	1,214,109	5,621,380	2,455,110	9,290,599	0.38
Procoil Corporation	2,581,634	1,189,960	4,318,900	8,090,494	0.33
Village Squire Apartments	7,742,055	-	-	7,742,055	0.31
Pilgram Village	6,277,088	-	-	6,277,088	0.25
Total	<u>\$ 65,481,055</u>	<u>\$ 69,033,300</u>	<u>\$ 6,774,010</u>	<u>\$ 141,288,365</u>	<u>5.74</u>

Charter Township of Canton

Fiscal Year	Construction		Bank Deposits	Commercial	Industrial
	Number of Permits (1)	Construction Value			
1992	477	\$ 73,403,129	\$ 1,015,338,000 (2)	\$ 146,889,262	\$ 58,316,400
1993	618	92,790,115	1,036,469,000 (2)	155,125,080	66,065,240
1994	849	112,864,797	11,581,022,000 (3)	162,426,380	69,420,480
1995	973	130,869,958	11,323,124,000 (3)	161,878,260	71,939,620
1996	771	150,863,759	10,355,166,000 (3)	169,455,330	77,075,140
1997	856	184,905,790	68,489,000,000 (4)	172,421,330	83,789,320
1998	985	198,941,152	150,247,000,000 (4)	187,880,043	98,452,973
1999	758	199,165,050	157,619,000,000 (4)	199,860,214	110,139,639
2000	560	181,804,433	167,077,000,000 (4)	217,391,941	111,263,567
2001	613	212,606,453	167,530,000,000 (4)	238,431,201	126,293,992

- (1) New construction permits issued for commercial, industrial, and residential. Construction value based on these as well as all other permits issued
- (2) Bank deposits of First of America Bank - Ann Arbor reported on a calendar year basis
- (3) Bank deposits of First of America Bank - Michigan reported on a calendar year basis
- (4) Bank deposits of Bank One - Michigan reported on a calendar year basis

**Construction, Bank Deposits, and Assessed Property Value
Last Ten Fiscal Years
(Unaudited)**

Assessed Property Value

Residential	Agricultural	Developmental	Total
\$ 706,854,753	\$ 4,109,570	\$ 38,020	\$ 916,208,005
816,745,687	717,340	-	1,038,653,347
894,035,690	275,680	-	1,126,158,230
989,269,170	278,820	-	1,223,365,870
1,117,008,342	669,960	-	1,364,208,772
1,246,123,452	680,890	-	1,503,014,992
1,390,068,311	689,576	-	1,677,090,903
1,555,657,654	693,530	-	1,866,351,037
1,728,853,394	703,501	-	2,058,212,403
1,929,949,340	652,977	-	2,295,327,510

Charter Township of Canton

Fiscal Year	Population	Per Capital Income	Median Age	Education Level in Years of Formal Schooling
1992	59,900 (3)	(4)	(4)	(4)
1993	61,300 (3)	(4)	(4)	(4)
1994	62,700 (3)	(4)	(4)	(4)
1995	66,100 (3)	(4)	(4)	(4)
1996	69,000 (3)	(4)	(4)	(4)
1997	69,000 (3)	(4)	(4)	(4)
1998	72,000 (3)	(4)	(4)	(4)
1999	75,000 (3)	(4)	(4)	(4)
2000	76,366 (5)	(4)	(4)	(4)
2001	76,366 (5)	(4)	(4)	(4)

(1) Plymouth-Canton Community Schools
Wayne-Westland Community Schools
Van Buren Public Schools

(2) Michigan Employment Security Commission

(3) Estimated population

(4) Not available

(5) 2000 population from U.S. Census.

Demographic Statistics
(Unaudited)

School Enrollment (1)

Plymouth- Canton	Wayne- Westland	Van Buren	Unemployment Rate (2)
14,998	15,400	6,147	3.80%
14,884	15,351	6,176	2.90%
14,956	14,841	6,159	2.40%
15,352	14,850	6,059	2.10%
15,720	14,915	6,153	1.90%
15,746	14,735	6,200	1.70%
16,033	14,682	6,268	1.50%
16,276	14,675	6,269	1.50%
16,333	14,392	6,263	2.10%
16,581	14,225	6,185	2.00%

Charter Township of Canton

Miscellaneous Statistical Data (Unaudited)

Established	March 7, 1834
Current charter date	1961
Form of government	Charter Township
Number of employees (excluding police and fire):	
Classified	80
Exempt	104
Area in square miles	36

Streets

Miles of streets	375
Street lights	705

Recreation

Community centers	1
Parks:	
Township-owned parks	10
County-owned parks	2
Private subdivision parks	35
Golf courses	1-27 holes
	1-18 holes

Public Safety

Public safety headquarters	1
Sworn police personnel	74
Support services (civilian)	30
Number of patrol units:	
Cars and jeep	39
Prisoner van	1
Motorcycles	4
Number of violations:	
Physical arrests	2,294
Traffic violations	14,652
Parking violations	403
Fire stations	2
Firefighters	51
Support services (civilian)	2
Number of calls answered	4,848

Election Data

November 2000 election:	
Registered voters	47,797
Voters at polls	24,982
Absentee ballots	7,207
Percent voting	67.00

Population Data

1960 federal census	5,313
1970 federal census	11,026
1980 federal census	48,616
1990 federal census	57,040
2000 federal census	76,366

Library

Registered patrons	61,715
Items circulated	945,464
Book collections	210,708
Internet access available -	
www.metronet.lib.mi.us/canton	

Water Department

Miles of water mains	265
Number of customers	20,300
Number of fire hydrants	3,493
Rates:	
Minimum - 5,000 gallons	9.75
Additional usage billed at \$1.95 per 1,000 gallons	

Sewerage System

Miles of sanitary sewers	250
Number of customers	19,990
Rates:	
Minimum - 5,000 gallons	14.05
Additional usage billed at \$2.81 per 1,000 gallons	
Sewer only:	
Quarterly billing	30.00
Bi-monthly billing	20.00