

Tyrone Township, Livingston County Michigan

**Financial Report
with Supplemental Information
March 31, 2011**

Tyrone Township

List of Elected Officials

Supervisor	Mike Cunningham
Clerk	Keith Kremer
Treasurer	David Kurtz
Trustee	Don Peitz
Trustee	Jim Kolhoff
Trustee	Steve Hasbrouck
Trustee	Colleen Ameel

Tyrone Township

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Plante & Moran, PLLC

Suite 1A

111 E. Court St.

Flint, MI 48502

Tel: 810.767.5350

Fax: 810.767.8150

plantemoran.com

Independent Auditor's Report

To the Honorable Members of the Township Board of
Tyrone Township
Livingston County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Tyrone Township (the Township) as of and for the year ended March 31, 2011, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township, as of March 31, 2011 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

To the Honorable Members of the Township Board
of Tyrone Township

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Plante & Moran, PLLC

September 6, 2011

Tyrone Township

Management's Discussion and Analysis

Our discussion and analysis of the Tyrone Township, Michigan's financial performance provides an overview of the Township's financial activities for the fiscal year ended March 31, 2011. Please read it in conjunction with the Township's financial statements.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended March 31, 2011:

- The Township's total net assets are \$13.4 million
- During the year, the Township's total net assets increased \$142,000. Governmental activities realized a \$348,000 increase in net assets. Business activities realized a decrease of \$205,000 in net assets
- General Fund revenues exceeded expenditures by \$209,000 leaving a fund balance of \$1,054,000

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements by providing information about the Township's most significant funds. The fiduciary fund statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside of the government.

Tyrone Township, Michigan

Management's Discussion and Analysis (Continued)

Governmental Activities

The following table shows, in a condensed format, the current year's net assets and changes in net assets, compared to the prior two years:

	Governmental Activities				Percent
	2009	2010	2011	Change	Change
Other assets	\$ 1,827,490	\$ 1,834,913	\$ 3,150,996	\$ 1,316,083	72%
Capital assets	<u>181,419</u>	<u>168,056</u>	<u>195,208</u>	<u>27,152</u>	16%
Total assets	2,008,909	2,002,969	3,346,204	1,343,235	67%
Current liabilities	103,315	92,520	680,091	587,571	635%
Long-term liabilities	<u>312,000</u>	<u>220,000</u>	<u>628,000</u>	<u>408,000</u>	185%
Total liabilities	<u>415,315</u>	<u>312,520</u>	<u>1,308,091</u>	<u>995,571</u>	319%
Net assets:					
Invested in capital assets, net of related debt	181,419	168,056	195,208	27,152	16%
Restricted	280,174	233,204	717,811	484,607	208%
Unrestricted	<u>1,132,001</u>	<u>1,289,189</u>	<u>1,125,094</u>	<u>(164,095)</u>	-13%
Total net assets	<u>\$ 1,593,594</u>	<u>\$ 1,690,449</u>	<u>\$ 2,038,113</u>	<u>\$ 347,664</u>	21%

Tyrone Township, Michigan

Management's Discussion and Analysis (Continued)

	Governmental Activities				Percent
	2009	2010	2011	Change	Change
Revenue					
Program revenue:					
Charges for services	\$ 297,797	\$ 322,708	\$ 883,651	\$ 560,943	174%
Capital grants	-	-	53,969	53,969	100%
General revenue:					
Property taxes	428,186	406,196	378,934	(27,262)	-7%
State-shared revenue	586,982	508,511	560,212	51,701	10%
Investment earnings	47,557	19,288	22,027	2,739	14%
Other revenue	82,157	94,563	104,103	9,540	10%
Total revenue	<u>1,442,679</u>	<u>1,351,266</u>	<u>2,002,896</u>	<u>651,630</u>	48%
Program Expenses					
General government	708,060	694,568	604,567	(90,001)	-13%
Public safety	453,913	461,182	511,640	50,458	11%
Public works	108,060	89,167	519,681	430,514	483%
Health and welfare	4,210	4,035	4,000	(35)	-1%
Interest on long-term debt	5,827	5,459	15,344	9,885	181%
Total expenses	<u>1,280,070</u>	<u>1,254,411</u>	<u>1,655,232</u>	<u>400,821</u>	32%
Change in Net Assets	<u>\$ 162,609</u>	<u>\$ 96,855</u>	<u>\$ 347,664</u>	<u>\$ 250,809</u>	259%

The governmental net assets increased 21 percent from a year ago - increasing from \$1,690,449 to \$2,038,113. In contrast, last year's net assets increased by 6 percent.

Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations - decreased by \$164,095 for the governmental activities. This represents a decrease of approximately 13 percent. The current level of unrestricted net assets for our governmental activities stands at \$1,125,094, or about 69 percent of expenditures.

The Township's total governmental revenues increased by approximately \$651,630. The increase, which represents 48 percent, was primarily due to an increase in charges for service.

Expenses increased by about \$401,000 during the year.

Tyrone Township, Michigan

Management's Discussion and Analysis (Continued)

Business-type Activities

The following table shows, in a condensed format, the current year's net assets and changes in net assets, compared to the prior two years:

	Business-Type Activities				
	2009	2010	2011	Change	Percent Change
Other assets	\$ 10,958,908	\$ 9,827,554	\$ 9,419,954	\$ (407,600)	-4%
Capital assets	16,066,603	15,917,080	15,415,696	(501,384)	-3%
Total assets	27,025,511	25,744,634	24,835,650	(908,984)	-4%
Current liabilities	228,811	1,223,528	1,249,019	25,491	2%
Long-term liabilities	13,710,840	12,986,851	12,257,864	(728,987)	-6%
Total liabilities	13,939,651	14,210,379	13,506,883	(703,496)	-5%
Net assets:					
Invested in capital assets, net of related debt	3,171,200	3,390,620	3,623,031	232,411	7%
Restricted	8,259,966	7,445,655	6,774,329	(671,326)	-9%
Unrestricted	1,654,694	697,980	931,407	233,427	33%
Total net assets	<u>\$ 13,085,860</u>	<u>\$ 11,534,255</u>	<u>\$ 11,328,767</u>	<u>\$ (205,488)</u>	-2%
Operating revenue	\$ 404,341	\$ 283,287	\$ 388,310	\$ 105,023	37%
Operating expenses, other than depreciation	222,744	190,206	222,174	31,968	17%
Nonoperating expense	-	1,004,022	-	(1,004,022)	100%
Depreciation and amortization	536,351	549,455	501,384	(48,071)	-9%
Operating loss	(354,754)	(1,460,396)	(335,248)	1,125,148	
Interest income	47,733	22,955	12,526	(10,429)	-45%
Interest expense	494,662	538,376	510,511	(27,865)	-5%
Nonoperating expenses	-	-	3,800	3,800	100%
Gain on sale of assets	-	-	72,300	72,300	100%
Capital contributions	503,974	424,212	559,245	135,033	32%
Change in Net Assets	<u>\$ (297,709)</u>	<u>\$ (1,551,605)</u>	<u>\$ (205,488)</u>	<u>\$ 1,346,117</u>	-87%

Tyrone Township, Michigan

Management's Discussion and Analysis (Continued)

The Township's business-type activities consist of the Sewer Fund.

The net assets of business type activities decreased 2 percent from a year ago - decreasing from \$11,534,255 to \$11,328,767. In contrast, last year's net assets decreased by 12 percent.

Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations - increased by \$233,427.

The Township's Funds

Our analysis of the Township's major funds begins on page 11, following the government-wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Township's major funds for 2011 include the General Fund and the Police Fund.

General Fund Budgetary Highlights

Over the course of the year, the Township amended the budget to take into account events during the year. Over the past year, with a few exceptions, Township departments overall stayed below budget, resulting in total expenditures \$70,000 below budget and actual revenues being \$134,000 greater than budget. This allowed the General Fund's fund balance to increase from \$845,000 a year ago to \$1,054,000 at March 31, 2011.

Capital Asset and Debt Administration

At the end of 2011, the Township had \$16 million invested in a broad range of capital assets, including buildings, equipment, and sewer lines. The Township has \$628,000 in governmental activities debt and \$12,262,863 in business type activities debt (substantially for sewer improvement bonds).

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Clerk's office.

Tyrone Township

Statement of Net Assets March 31, 2011

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 1,548,701	\$ 294,833	\$ 1,843,534
Investments	777,072	-	777,072
Receivables (Note 4)	810,187	7,086,257	7,896,444
Internal balances	12,066	(12,066)	-
Prepaid expenses and other	2,970	-	2,970
Capital assets:			
Assets not subject to depreciation	7,500	-	7,500
Assets subject to depreciation (net of depreciation)	187,708	15,415,696	15,603,404
Cash and equivalents - Restricted	-	1,456,208	1,456,208
Cash held with agent - Restricted	-	522,861	522,861
Bond issuance cost	-	71,861	71,861
Total assets	3,346,204	24,835,650	28,181,854
Liabilities			
Accounts payable	82,177	23,882	106,059
Due to other governmental units	-	1,008,947	1,008,947
Refundable deposits, bonds, etc.	-	39,862	39,862
Accrued liabilities and other	15,489	176,328	191,817
Deferred revenue (Note 4)	582,425	-	582,425
Unamortized bond premium and loss on refinancing (Note 7)	-	(72,136)	(72,136)
Noncurrent liabilities:			
Due within one year (Note 7)	56,800	750,000	806,800
Due in more than one year (Note 7)	571,200	11,580,000	12,151,200
Total liabilities	1,308,091	13,506,883	14,814,974
Net Assets			
Invested in capital assets - Net of related debt	195,208	3,623,031	3,818,239
Restricted for:			
Debt service	657,595	6,774,329	7,431,924
Streets and right of way	17,839	-	17,839
Other purpose	42,377	-	42,377
Unrestricted	1,125,094	931,407	2,056,501
Total net assets	\$ 2,038,113	\$ 11,328,767	\$ 13,366,880

Tyrone Township

Functions/Programs	Program Revenues		
	Expenses	Charges for Services	Capital Grants and Contributions
Primary government:			
Governmental activities:			
General government	\$ 604,567	\$ 229,535	\$ 53,969
Public safety	511,640	116,265	-
Public works	519,681	537,851	-
Health and welfare - Seniors	4,000	-	-
Interest on long-term debt	15,344	-	-
Total governmental activities	1,655,232	883,651	53,969
Business-type activities	1,237,869	388,310	559,245
Total primary government	\$ 2,893,101	\$ 1,271,961	\$ 613,214
General revenues:			
Property taxes			
State-shared revenue			
Investment income			
Cable franchise fees			
Other miscellaneous income			
Gain on sale of fixed assets			
Total general revenues			
Change in Net Assets			
Net Assets - Beginning of year			
Net Assets - End of year			

Statement of Activities
Year Ended March 31, 2011

Net (Expense) Revenue and Changes in Net Assets

Primary Government

<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
\$ (321,063)	\$ -	\$ (321,063)
(395,375)	-	(395,375)
18,170	-	18,170
(4,000)	-	(4,000)
<u>(15,344)</u>	<u>-</u>	<u>(15,344)</u>
(717,612)	-	(717,612)
-	(290,314)	(290,314)
(717,612)	(290,314)	(1,007,926)
378,934	-	378,934
560,212	-	560,212
22,027	12,526	34,553
96,511	-	96,511
7,592	-	7,592
<u>-</u>	<u>72,300</u>	<u>72,300</u>
<u>1,065,276</u>	<u>84,826</u>	<u>1,150,102</u>
347,664	(205,488)	142,176
<u>1,690,449</u>	<u>11,534,255</u>	<u>13,224,704</u>
<u>\$ 2,038,113</u>	<u>\$ 11,328,767</u>	<u>\$ 13,366,880</u>

Tyrone Township

Governmental Funds Balance Sheet March 31, 2011

	General Fund	Public Safety Fund	Non-Major Funds	Total
Assets				
Cash and cash equivalents	\$ 1,006,485	\$ 178,428	\$ 363,788	\$ 1,548,701
Investments	-	356,854	420,218	777,072
Receivables:				
Property taxes receivable	13,593	-	-	13,593
Special assessments receivable	-	-	483,314	483,314
Other receivables	21,484	-	75,366	96,850
Due from other governmental units	120,536	47,143	48,751	216,430
Due from other funds	22,104	-	34,835	56,939
Prepaid expenses	2,970	-	-	2,970
Total assets	\$ 1,187,172	\$ 582,425	\$ 1,426,272	\$ 3,195,869
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 81,629	\$ -	\$ 548	\$ 82,177
Due to other funds	30,835	-	14,038	44,873
Accrued liabilities and other	7,457	-	-	7,457
Deferred revenue	13,593	582,425	483,314	1,079,332
Total liabilities	133,514	582,425	497,900	1,213,839
Fund Balances				
Reserved for:				
Prepaid expenses	2,970	-	-	2,970
Debt service	-	-	177,568	177,568
Other purposes	-	-	117,743	117,743
Unreserved, reported in:				
General Fund:				
Designated:				
General Fund - Technology	15,000	-	-	15,000
General Fund - Building and Site	20,000	-	-	20,000
General Fund - Roads	109,000	-	-	109,000
Undesignated	906,688	-	-	906,688
Special Revenue Funds	-	-	633,061	633,061
Total fund balances	1,053,658	-	928,372	1,982,030
Total liabilities and fund balances	\$ 1,187,172	\$ 582,425	\$ 1,426,272	\$ 3,195,869

Tyrone Township

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Assets

Year Ended March 31, 2011

Fund Balance Reported in Governmental Funds	\$ 1,982,030
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	195,208
Special assessment receivables are expected to be collected over several years and are not available to pay for current year expenditures	483,314
Property tax receivables that are collected after year end, such that they are not available to pay bills outstanding as of year end, are not recognized in the funds	13,593
Bonds payable are not due and payable in the current period and are not reported in the funds	(628,000)
Accrued interest is not due and payable in the current period and is not reported in the funds	<u>(8,032)</u>
Net Assets of Governmental Activities	<u>\$ 2,038,113</u>

Tyrone Township

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended March 31, 2011

	General Fund	Public Safety Fund	Non-major Funds	Total
Revenue				
Property taxes	\$ 365,341	\$ -	\$ -	\$ 365,341
Licenses and permits	12,326	-	-	12,326
Federal grants	-	-	53,969	53,969
State-shared revenue	560,212	-	-	560,212
Charges for services	132,923	-	19,285	152,208
Interest	18,776	-	3,251	22,027
Other revenue:				
Special assessments	-	-	125,283	125,283
Cable franchise fees	96,511	-	-	96,511
Fees	140,313	-	-	140,313
Other miscellaneous income	28,443	-	2,713	31,156
Total revenue	<u>1,354,845</u>	<u>-</u>	<u>204,501</u>	<u>1,559,346</u>
Expenditures - Current				
General government	565,353	-	53,985	619,338
Public safety	509,744	-	1,896	511,640
Public works	11,939	-	507,742	519,681
Health and welfare - Seniors	4,000	-	-	4,000
Capital outlay	-	-	12,381	12,381
Debt service	39,000	-	64,695	103,695
Total expenditures	<u>1,130,036</u>	<u>-</u>	<u>640,699</u>	<u>1,770,735</u>
Excess of Revenue Over (Under) Expenditures	224,809	-	(436,198)	(211,389)
Other Financing Sources (Uses)				
Face value of debt issue	-	-	500,000	500,000
Transfers in	-	-	15,850	15,850
Transfers out	(15,850)	-	-	(15,850)
Total other financing sources (uses)	<u>(15,850)</u>	<u>-</u>	<u>515,850</u>	<u>500,000</u>
Net Change in Fund Balances	208,959	-	79,652	288,611
Fund Balances - Beginning of year	<u>844,699</u>	<u>-</u>	<u>848,720</u>	<u>1,693,419</u>
Fund Balances - End of year	<u>\$ 1,053,658</u>	<u>\$ -</u>	<u>\$ 928,372</u>	<u>\$ 1,982,030</u>

Tyrone Township

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended March 31, 2011

Net Change in Fund Balances - Total Governmental Funds	\$ 288,611
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	53,969
Depreciation expense	(26,817)
Revenues are recorded in the statement of activities when earned; they are not reported in the funds until collected or collectible within 60 days of year end	443,550
Bond proceeds provide financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets	(500,000)
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	92,000
Change in accrued interest payable and other	<u>(3,649)</u>
Change in Net Assets of Governmental Activities	<u><u>\$ 347,664</u></u>

Tyrone Township

Proprietary Funds Statement of Net Assets March 31, 2011

	Enterprise Funds <u>Sewer Fund</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 294,833
Receivables:	
Special assessments receivable	78,857
Accounts receivable	62,892
Due from other governmental units	561,774
Tap in receivables	<u>4,700</u>
Total current assets	1,003,056
Noncurrent assets:	
Special assessment receivables	6,243,286
Tap in receivables	134,748
Capital assets	15,415,696
Restricted cash	1,456,208
Cash held by agent - Restricted	522,861
Bond issuance cost	<u>71,861</u>
Total noncurrent assets	<u>23,844,660</u>
Total assets	24,847,716
Liabilities	
Current liabilities:	
Accounts payable	23,882
Due to other governmental units	1,008,947
Due to other funds	12,066
Deposits	39,862
Accrued interest payable	176,328
Current portion of long-term debt	<u>750,000</u>
Total current liabilities	2,011,085
Noncurrent liabilities:	
Unamortized bond premium and loss on refinancing	(72,136)
Long-term debt - Net of current portion	<u>11,580,000</u>
Total noncurrent liabilities	<u>11,507,864</u>
Total liabilities	<u>13,518,949</u>
Net Assets	
Invested in capital assets - Net of related debt	3,623,031
Restricted:	
Debt service	6,774,329
Unrestricted	<u>931,407</u>
Total net assets	<u>\$11,328,767</u>

The Notes to Financial Statements are an
Integral Part of this Statement.

Tyrone Township

Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Assets Year Ended March 31, 2011

	Enterprise Funds
	<u>Sewer Fund</u>
Operating Revenue	
Charges for services	\$ 362,044
Interest and penalty charges	15,000
Other miscellaneous revenue	<u>11,266</u>
Total operating revenue	388,310
Operating Expenses	
Cost of sewage operations and maintenance	222,174
Depreciation	<u>501,384</u>
Total operating expenses	<u>723,558</u>
Operating Loss	(335,248)
Nonoperating Revenue (Expenses)	
Investment income	12,526
Interest expense	(510,511)
Other nonoperating expenses	(3,800)
Gain on sale of assets	<u>72,300</u>
Total nonoperating expenses	<u>(429,485)</u>
Loss - Before contributions	(764,733)
Capital Contributions	
Special assessments	411,429
Tap in fees	<u>147,816</u>
Total capital contributions	<u>559,245</u>
Change in Net Assets	(205,488)
Net Assets - Beginning of year	<u>11,534,255</u>
Net Assets - End of year	<u><u>\$ 11,328,767</u></u>

Tyrone Township

Proprietary Funds Statement of Cash Flows Year Ended March 31, 2011

	Enterprise Funds
	Sewer Fund
Cash Flow from Operating Activities	
Receipts from customers	\$ 385,946
Payments to suppliers	(185,937)
Internal activity - Payments to other funds	(6,260)
Other receipts	29,096
	<u>222,845</u>
Net cash provided by operating activities	222,845
Cash Flows from Capital and Related Financing Activities	
Special assessment collections	1,152,528
Tap in fees	8,368
Proceeds from sales of capital assets	72,300
Principal and interest paid on capital debt	(1,248,055)
	<u>(14,859)</u>
Net cash provided by capital and related financing activities	(14,859)
Cash Flows from Investment Activities	
Interest received on investments	12,526
Proceeds from sale and maturities of investment securities	393,853
	<u>406,379</u>
Net cash provided by investing activities	406,379
Net Increase in Cash and Cash Equivalents	614,365
Cash and Cash Equivalents - Beginning of year	<u>1,659,537</u>
Cash and Cash Equivalents - End of year	<u>\$ 2,273,902</u>
Balance Sheet Classification of Cash and Cash Equivalents	
Cash and investments	\$ 294,833
Restricted cash	1,456,208
Cash held with agent - Restricted	522,861
	<u>522,861</u>
Total cash and cash equivalents	<u>\$ 2,273,902</u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating loss	\$ (335,248)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation	501,384
Changes in assets and liabilities:	
Receivables	26,732
Accounts payable	36,237
Due to other funds	(6,260)
	<u>(6,260)</u>
Net cash provided by operating activities	<u>\$ 222,845</u>

Tyrone Township

Fiduciary Funds Statement of Fiduciary Net Assets March 31, 2011

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 158,096
Total assets	<u>\$ 158,096</u>
Liabilities	
Due to other governmental units	\$ 93,036
Due to primary government	20,009
Performance deposits	<u>45,051</u>
Total liabilities	<u>\$ 158,096</u>

Note 1 - Nature of Business and Significant Accounting Policies

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

Reporting Entity

Tyrone Township is governed by an elected seven-member council (board). The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the Township's operations. The Township has no component units.

Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

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

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

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The following major revenue sources meet the availability criterion: state-shared revenue, district court fines, and interest associated with the current fiscal period. Conversely, special assessments will be collected after the period of availability; receivables have been recorded for these, along with a "deferred revenue" liability.

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

The Township reports the following major governmental fund:

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

The Public Safety Fund is used to account for the Township's police and fire activities paid with extra voted special assessments.

The Township reports the following major proprietary fund:

The Sewer Disposal System Fund accounts for the operations of the sewage pumping and collection systems.

Additionally, the Township reports the following fiduciary activities:

The Agency Funds account for assets held by the Township as an agent for individuals, private organizations and other governments.

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

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

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

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

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

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relates to charges to customers for sales and services. The Sewer Fund recognizes tap fees as capital contributions. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Property Tax Revenue

The Township levies property taxes on December 1 of each year. These taxes become liens on the property at that date. Township taxes are collected without penalty from December 1 to February 28 each year.

The Township's 2010 tax is levied and collectible on December 1, 2010 and is recognized as revenue in the year ended March 31, 2011, when the proceeds of the levy are budgeted and available for the financing of operations.

The 2010 taxable valuation of the Township totaled \$427 million, on which taxes levied consisted of .9067 mills for operating purposes. This resulted in approximately \$378,000 for operating purposes recognized in the General Fund.

Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Certificates of deposit with a maturity date of greater than three months at time of purchase are recorded as investments on the financial statements.

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Restricted Cash and Cash Equivalents - The Township's Sewer Enterprise Fund has cash in the amount of \$1,456,208 that is restricted for debt service. The balance represents special assessments that have been collected and will be used to pay off the sewer bonds. The Sewer Fund has unspent bond proceeds, investment earnings and prepayments of \$522,861 on deposit with the Livingston County Water and Waste Services Division for the construction of sewer line improvements. The Division will hold these funds on behalf of the Township and expend the proceeds for allowable construction costs.

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds", activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

Prepaid Items - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets - Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current year, \$0 of interest expense was capitalized as part of the cost of assets under construction.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

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

Building	39 years
Building improvements	15 years
Vehicles	5 years
Office equipment	5 years
Furniture and fixtures	7 years
Sewer distribution system	39 years
Software	5 years

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

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

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

Tyrone Township

Notes to Financial Statements March 31, 2011

Note 2 - Stewardship, Compliance, and Accountability

Building Department Revenues and Expenses - The State Construction Code Act Michigan Public Act 245 of 1999, and rules promulgated by the Department of Treasury regarding that Act, requires that a local unit's fees collected from construction code permits be accounted for in a method which shows that all of these fees were used for expenditures related to the operations of the enforcing agency. The rules indicated that if the revenues exceeded the expenditures, the fees collected must be kept in a separate fund. The rules allowed for monitoring these funds in a separate activity center within the General Fund if the expenditures would normally exceed the revenues. The Township chose the latter. The activity related to construction code activities for the year ended March 31, 2011 is as follows:

Surplus (shortfall) at April 1, 2010	\$ (278,680)
Construction permit revenue	11,675
Related expenses:	
Building department expenditures	<u>30,023</u>
Current year shortfall	<u>(18,348)</u>
Cumulative surplus (shortfall) at March 31, 2011	<u>\$ (297,028)</u>

Fund Deficits - The Beautification Fund had a deficits of \$1,106. The outstanding assessment that will be collected in the future and recognized as revenue on the modified accrual basis of accounting will be adequate to eliminate the deficits.

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Township has designated several banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997. The Township's deposits and investment policies are in accordance with statutory authority.

Note 3 - Deposits and Investments (Continued)

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

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. At year end, the Township had \$1,435,589 of bank deposits (certificates of deposit and savings accounts) that were uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution it deposits funds with and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Custodial Credit Risk of Investments - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that in the possession of an outside party. The Township does not have a policy for custodial credit risk. At year end, \$315,623 of investment securities were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Township's name.

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

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
MBIA CLASS - Mutual fund	\$ 315,623	AAA	Fitch

Tyrone Township

Notes to Financial Statements March 31, 2011

Note 4 - Receivables and Deferred Revenue

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

	General Fund	Public Safety Fund	Non-Major Funds	Total
Receivables:				
Accounts	\$ 190,967	\$ -	\$ -	\$ 190,967
Property taxes	13,593	-	-	13,593
Special assessments	-	-	483,314	483,314
Other receivables	21,484	-	75,366	96,850
Due from other governmental units	120,536	47,143	48,751	216,430
Less allowance for uncollectibles	<u>(170,216)</u>	<u>-</u>	<u>-</u>	<u>(170,216)</u>
Net receivables	<u>\$ 176,364</u>	<u>\$ 47,143</u>	<u>\$ 607,431</u>	<u>\$ 830,938</u>

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

	Governmental Funds	
	Unavailable	Unearned
Delinquent property taxes	\$ 13,593	\$ -
Special assessments	483,314	-
Public safety special assessment	-	582,425
Total	<u>\$ 496,907</u>	<u>\$ 582,425</u>

Tyrone Township

Notes to Financial Statements March 31, 2011

Note 5 - Capital Assets

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

	Balance April 1, 2010	Additions	Disposals	Balance March 31, 2011
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 7,500	\$ -	\$ -	\$ 7,500
Capital assets being depreciated:				
Buildings	324,391	53,969	-	378,360
Land improvements	70,424	-	-	70,424
Machinery and equipment	150,380	-	-	150,380
Information technology	35,620	-	-	35,620
Subtotal	580,815	53,969	-	634,784
Accumulated depreciation:				
Buildings	198,942	13,249	-	212,191
Land improvements	65,307	4,419	-	69,726
Machinery and equipment	143,752	2,025	-	145,777
Information technology	12,258	7,124	-	19,382
Subtotal	420,259	26,817	-	447,076
Net capital assets being depreciated	160,556	27,152	-	187,708
Net capital assets	\$ 168,056	\$ 27,152	\$ -	\$ 195,208
Business-type Activities				
Capital assets being depreciated:				
Sewer system	\$ 19,418,713	\$ -	\$ -	\$ 19,418,713
Machinery and equipment	360,810	-	-	360,810
Subtotal	19,779,523	-	-	19,779,523
Accumulated depreciation:				
Sewer system	3,522,473	497,911	-	4,020,384
Machinery and equipment	339,970	3,473	-	343,443
Subtotal	3,862,443	501,384	-	4,363,827
Net capital assets being depreciated	15,917,080	(501,384)	-	15,415,696
Net capital assets	\$ 15,917,080	\$ (501,384)	\$ -	\$ 15,415,696

Tyrone Township

Notes to Financial Statements March 31, 2011

Note 5 - Capital Assets (Continued)

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

Governmental Activities		
General government		<u>\$ 26,817</u>
Business-type Activities		
Sewer		<u>\$ 501,384</u>

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of March 31, 2011 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Due to/from Other Funds		
General Fund	Building and Site	\$ 7,757
	Hill 1 & 2 Road Improvement Fund	101
	Jayne Hill Waste Removal Fund	54
	Liquor Enforcement Fund	1,896
	Beautification Fund	230
	Sewer Fund	<u>12,066</u>
	Total General Fund	22,104
Township Improvement Revolving Fund	Other governmental funds	4,000
	General Fund	<u>30,835</u>
	Total Township Improvement Revolving Fund	<u>34,835</u>
	Total	<u>\$ 56,939</u>

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

Tyrone Township

Notes to Financial Statements March 31, 2011

Note 6 - Interfund Receivables, Payables, and Transfers (Continued)

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

Fund Providing Resources	Fund Receiving Resources	Amount
General Fund	Technology Fund	\$ 15,850

The transfer from the General Fund represents the movement of resources to be used for future improvements, operation of the and technology needs.

Note 7 - Long-term Debt

The Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Township. County contractual agreements and installment purchase agreements are also general obligations of the government. Special assessment bonds provide for capital improvements that benefit specific properties, and will be repaid from amounts levied against those properties benefited from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the Township is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a re-assessment of the Township) are received. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Long-term debt activity can be summarized as follows:

	Interest Rate	Final Payment Due	Balance at March 31, 2010	Additions	Reductions	Balance at March 31, 2011	Due Within One Year
Governmental Activities							
Tyrone Fire Authority Contract	0%	January 15, 2012	\$ 78,000	\$ -	\$ 39,000	\$ 39,000	\$ 39,000
Jayne Hill No. 1 & 2 Road Improvement Project Special Assessment Bonds	3.7	April 1, 2015	106,800	-	17,800	89,000	17,800
Jayne Hill No. 4 Road Improvement Special Assessment Bonds	3.47	April 1, 2010	35,200	-	35,200	-	-
Parklin Lane Road Special Assessment Bond	3.00-4.95%	July 1, 2030	-	500,000	-	500,000	-
Total bonds payable			\$ 220,000	\$ 500,000	\$ 92,000	\$ 628,000	\$ 56,800

Tyrone Township

Notes to Financial Statements March 31, 2011

Note 7 - Long-term Debt (Continued)

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Reductions	Ending Balance	Due Within One Year
Business-type Activities						
Livingston County Sanitary Sewer Improvement Bonds Series 2007	4%	June 30, 2023	\$ 4,110,000	\$ 10,000	\$ 4,100,000	\$ 15,000
Less deferred amounts:						
Unamortized bond premium and loss on refinancing			(78,149)	(6,012)	(72,137)	-
Livingston County Sanitary Sewer Improvement Bonds Series 2005	3.375- 4.25%	May 1, 2028	7,125,000	375,000	6,750,000	375,000
Livingston County Sanitary Sewer Improvement Bonds Series 2003	3.25- 4.125%	June 30, 2014	<u>1,830,000</u>	<u>350,000</u>	<u>1,480,000</u>	<u>360,000</u>
Total bonds payable			<u>\$ 12,986,851</u>	<u>\$ 728,988</u>	<u>\$ 12,257,863</u>	<u>\$ 750,000</u>

Total interest expense for the year was approximately \$498,510. Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Year Ending March 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 56,800	\$ 24,315	\$ 81,115	\$ 750,000	\$ 481,027	\$ 1,231,027
2013	32,800	23,420	56,220	750,000	453,333	1,203,333
2014	32,800	22,301	55,101	765,000	424,475	1,189,475
2015	32,800	21,181	53,981	775,000	393,903	1,168,903
2016	37,800	19,986	57,786	775,000	362,663	1,137,663
2017-2021	105,000	87,367	192,367	4,035,000	1,338,913	5,373,913
2022-2026	140,000	63,331	203,331	3,355,000	526,144	3,881,144
2027-2031	190,000	24,150	214,150	1,125,000	71,719	1,196,719
Total	<u>\$ 628,000</u>	<u>\$ 286,051</u>	<u>\$ 914,051</u>	<u>\$ 12,330,000</u>	<u>\$ 4,052,177</u>	<u>\$ 16,382,177</u>

Note 7 - Long-term Debt (Continued)

Tyrone Township Jayne Hill Farms Subdivision 1 & 2 Road Improvement Special Assessment Bonds - Tyrone Township issued \$178,000 in Special Assessment Bonds. The Jayne Hill Farms Subdivision 1 & 2 Road Improvement Special Assessment Bonds were issued pursuant to Act 188, Michigan Public Acts of 1954, as amended. They are primarily payable from collections of special assessments levied against the benefited properties in the District. The bonds are dated August 30, 2005 with interest payable April 1, beginning on April 1, 2006. The Township's limited tax full faith and credit are pledged for the payment of the bonds if the special assessments are not adequate.

Parkin Lane Road Improvement Special Assessment Bonds - Tyrone Township issued \$500,000 in Special Assessment Bonds. The Parkin Lane Road Improvement Special Assessment Bonds were issued pursuant to Act 188, Michigan Public Acts of 1954, as amended. They are primarily payable from collections of special assessments levied against the benefited properties in the District. The bonds are dated September 9, 2010 with interest payable December 1, beginning in December 2010. The Township's limited tax full faith and credit are pledged for the payment of the bonds if the special assessments are not adequate.

Tyrone Township Fire Authority Contract - The Township entered into a settlement agreement contract because they opted out of the joint venture Hartland Deerfield Tyrone Fire Authority. The settlement requires five annual payments of \$39,000 each, commencing on January 15, 2008.

Tyrone Township Sewer Bonds - Series 2003 - Tyrone Township, through Livingston County, issued \$7,725,000 in Sanitary Sewer Improvement Bonds. The Livingston County Sanitary Sewer Improvement Bonds Series 2003 (Tyrone Township Sewer Bonds) were issued pursuant to Act 185 and 342, Michigan Public Acts of 1954, as amended. They are primarily payable from collections of special assessments levied against the benefited properties in the District and revenue expected to be generated by future sewer connections fees. The bonds are dated August 27, 2003 with interest payable November 1 and May 1, beginning on November 1, 2003. The Township's limited tax full faith and credit are pledged for the payment of the bonds if the special assessments are not adequate.

Note 7 - Long-term Debt (Continued)

Tyrone Township Sewer Bonds - Series 2005 - Tyrone Township, through Livingston County, issued \$8,640,000 in Sanitary Sewer Improvement Bonds. The Livingston County Sanitary Sewer Improvement Bonds Series 2005 (Tyrone Township Sewer Bonds) were issued pursuant to Act 185 and 342, Michigan Public Acts of 1954, as amended. They are primarily payable from revenue expected to be generated by future sewer connections fees. The bonds are dated June 22, 2005 with interest payable November 1 and May 1, beginning on May 1, 2007. The Township's limited tax full faith and credit are pledged for the payment of the bonds if the collection of revenues from the system are not adequate.

Tyrone Township Sewer Bonds - Series 2007 - Tyrone Township, through Livingston County, issued \$4,155,000 in Sanitary Sewer Improvement Refunding Bonds. The Livingston County Sanitary Sewer Improvement Refunding Bonds Series 2007 (Tyrone Township Sewer Bonds) were issued pursuant to Act 185 and 342, Michigan Public Acts of 1954, as amended. The Bonds were issued to refund a portion of the Tyrone Township Sewer Bonds - Series 2003. The bond proceeds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts' assets and liabilities for the defeased bonds are not included in the general purpose financial statements. At March 31, 2011, \$5,455,000 of bonds outstanding are considered defeased.

The bonds are primarily payable from collections of special assessments levied against the benefited properties in the District. The bonds are dated December 12, 2007 with interest payable June 30 and December 31, beginning on June 30, 2008. The Township's limited tax full faith and credit are pledged for the payment of the bonds if the special assessments are not adequate.

Act 359, Public Acts of State 1947, as amended, provides that net indebtedness of municipalities cannot exceed 10% of the assessed real and personal property in the Township. As of March 31, 2011, the Tyrone Township had not incurred any indebtedness which would be limited under Act 359. The Township's existing general long-term debt obligation contracts are specifically exempted from consideration in the 10% limit computation.

Note 8 - Pension

The Township has a qualified, contributory pension plan covering all elected officials established by Township Ordinance No. 31. The plan is administered by John Hancock. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan generally requires contributions of 10% of covered wages of participating employees. The employer contributes 75% and the employees contribute 25% of the required contribution. Benefits attributable to the employer contributions shall vest 100% upon the participants death, disability, normal retirement or upon the termination of the plan. Employee contributions are immediately 100% vested.

The Township's total payroll for the year ended March 31, 2011 was \$280,025. Contributions were based on the covered payroll (base salary) of \$63,260 during the plan period, which is April 1, 2010 through March 31, 2011. The Township and the covered employees made the required contributions of \$5,139 and \$1,956.

Note 9 - Risk Management and Contingent Liabilities

The Township is exposed to various risks of loss related to property loss, torts, errors and omission, and employee injuries. The Township has purchased commercial insurance for these claims. Settled claims for the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Livingston County purchases delinquent tax rolls from the County' local units. In the event that those taxes become uncollectible, the County charges those amounts back to the local units. Therefore, the Township is exposed to potential refunds to Livingston County for the amount of uncollectible taxes and special assessment that were purchased by the County. The County has purchased a significant amount of delinquent special assessments levied by the Sewer Fund over the past three years. As of the day of this report, the County has not been able to collect on a significant portion of those delinquent amounts. The Township estimates \$1,004,022 will be repaid to the County and thus a payable has been recorded in the Sewer Fund at year end.

Note 10 - Upcoming Accounting Pronouncements

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated and unreserved will be replaced with five new classifications: nonspendable, restricted, committed, assigned and unassigned. The Township is currently evaluating the impact this standard will have on the financial statements when adopted. The Township will implement Statement No. 54 beginning with the fiscal year ended March 31, 2012.

Required Supplemental Information

Tyrone Township

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended March 31, 2010

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 401,731	\$ 388,731	\$ 365,341	\$ (23,390)
Licenses and permits	7,125	7,125	12,326	5,201
State-shared revenue and grants	505,380	505,380	560,212	54,832
Charges for services	97,519	97,519	132,923	35,404
Investment income	8,633	8,633	18,776	10,143
Other revenue:				
Cable franchise fees	70,000	70,000	96,511	26,511
Fees	126,584	126,584	140,313	13,729
Other miscellaneous income	16,750	16,750	28,443	11,693
Total revenue	1,233,722	1,220,722	1,354,845	134,123
Expenditures - Current				
General Government:				
Township Board	121,776	105,226	91,675	13,551
Supervisor	26,280	28,930	29,277	(347)
Cemeteries	4,600	4,600	3,340	1,260
Zoning Administrator	26,372	29,872	30,023	(151)
Planning Commission	58,167	52,167	44,081	8,086
Zoning Board of Appeals	5,286	5,686	4,322	1,364
Treasurer	86,841	84,641	76,325	8,316
Assessing	45,300	45,300	43,922	1,378
Board of Review	1,155	1,155	1,148	7
Clerk	82,540	82,540	79,747	2,793
Elections	61,845	61,845	51,671	10,174
Buildings and grounds	31,005	29,755	23,747	6,008
Economic development	500	500	500	-
Other	12,203	14,053	12,554	1,499
Insurance, bond, and fringes	85,007	85,007	73,021	11,986
Total general government	648,877	631,277	565,353	65,924
Public Safety:				
Police	141,548	145,748	141,892	3,856
Fire	355,000	355,000	361,010	(6,010)
Ordinance enforcement	5,061	5,461	6,842	(1,381)
Total public safety	501,609	506,209	509,744	(3,535)
Public works	19,493	19,493	11,939	7,554
Health and welfare - Seniors	4,000	4,000	4,000	-
Debt service	39,000	39,000	39,000	-
Total expenditures	1,212,979	1,199,979	1,130,036	69,943

Tyrone Township

Required Supplemental Information Budgetary Comparison Schedule - General Fund (Continued) Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Excess of Revenue Over Expenditures	\$ 20,743	\$ 20,743	\$ 224,809	\$ 204,066
Other Financing Uses				
Transfers out	<u>(15,850)</u>	<u>(33,239)</u>	<u>(15,850)</u>	<u>17,389</u>
Net Change in Fund Balance	4,893	(12,496)	208,959	221,455
Fund Balance - Beginning of year	<u>844,699</u>	<u>844,699</u>	<u>844,699</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 849,592</u>	<u>\$ 832,203</u>	<u>\$ 1,053,658</u>	<u>\$ 221,455</u>

Tyrone Township

Required Supplemental Information Budgetary Comparison Schedule - Special Revenue Funds - Public Safety Fund Year Ended March 31, 2011

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Tyrone Township

Note to Required Supplemental Information Year Ended March 31, 2011

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all Special Revenue Funds, except that the Township does not budget for capital assets acquired through purchase with federal grants. All annual appropriations lapse at fiscal year end, except for, approved contracts which are appropriated on a contract (grant) length basis..

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the department level (i.e., the level at which expenditures may not legally exceed appropriations). The Supervisor is authorized to transfer budgeted amounts within departmental appropriation accounts. However, any revisions that alter the total expenditures of any department must be approved by the Township Board.

Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year.

Budgeted amounts are reported on the financial statements as originally adopted and as amended by the Township Board.

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

1. Prior to February 1, the supervisor submits to the Township Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them, for the General and Special Revenue Funds.
2. Public hearings are conducted at the Township Hall to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted on a departmental (activity) basis through passage of a resolution in accordance with Public Act 621 of the State of Michigan.

Excess of expenditures over appropriations in budgeted funds - The Township did not have significant expenditure budget variances.

Other Supplemental Information

Tyrone Township

Other Supplemental Information Nonmajor Governmental Funds Fund Descriptions

Liquor Law Enforcement - to account for funds received by the Township for liquor law enforcement.

Road Improvement - to account for funds transferred from the Township's General Fund for road improvement projects.

Building and Site - to account for funds transferred from the Township General Fund for various building and site improvements.

Improvement Revolving - to account for funds transferred from the Township's General Fund for various capital improvement projects.

Jayne Hill 1 & 2 Road Improvement - to account for the collection of special assessments levied on affected properties for road improvements.

Jayne Hill 4 Road Improvement - to account for the collection of special assessments levied on affected properties for road improvements.

Parkwood/Driftwood Maintenance - to account for the collection of special assessments levied on affected properties for road improvements.

Jayne Hill Lighting - to account for the collection of special assessments levied on affected properties for lighting improvements.

Walnut Drive Lighting - to account for the collection of special assessments levied on affected properties for lighting improvements.

Jayne Hill Waste Removal - to account for the collection of special assessments for waste disposal.

Technology - to account for purchases and maintenance of computer equipment.

Parkin Snow Removal – to account for the collection of special assessments levied on affected properties for snow removal.

Beautification Fund - To collect revenue and expenses associated with projects taken on by the Township to clean up or raze resident properties in order to make the Township more attractive. Funded by the property owner.

Parkin Lane Road Construction Maintenance - To account for the collection of special assessments levied on affected properties for road construction (fund currently is accumulating expenses associated with this project until special assessment is approved by affected parties).

Right of Way - To account for funds transferred from the Township's General Fund for right of way projects.

Tyrone Township

Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds March 31, 2011

	Special Revenue Funds					
	Liquor Law Enforcement	Road Improvement	Building and Site	Township		
				Improvement Revolving Fund	Jayne Hill 1 & 2 Road Improvement	Jayne Hill 4 Road Improvement
Assets						
Cash and cash equivalents	\$ 1,896	\$ 71,222	\$ 3,495	\$ 40,938	\$ 52,147	\$ -
Investments	-	241,089	-	179,129	-	-
Receivables:						
Special assessments receivable	-	-	-	-	39,814	-
Other receivables	-	-	-	75,366	-	-
Due from other governmental units	-	-	8,068	34,701	464	-
Due from other funds	-	-	-	34,835	-	-
Total assets	\$ 1,896	\$ 312,311	\$ 11,563	\$ 364,969	\$ 92,425	\$ -
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,896	-	7,757	-	101	-
Deferred revenue	-	-	-	-	39,814	-
Total liabilities	1,896	-	7,757	-	39,915	-
Fund Balances						
Reserved for:						
Debt service	-	-	-	-	52,510	-
Other purposes	-	-	-	75,366	-	-
Unreserved, reported in:						
Special Revenue Funds	-	312,311	3,806	289,603	-	-
Total fund balances	-	312,311	3,806	364,969	52,510	-
Total liabilities and fund balances	\$ 1,896	\$ 312,311	\$ 11,563	\$ 364,969	\$ 92,425	\$ -

Tyrone Township

Other Supplemental Information Combining Balance Sheet (Continued) Nonmajor Governmental Funds March 31, 2011

	Special Revenue Funds					
	Parkwood/ Driftwood Maintenance	Jayne Hill Lighting Assessment	Walnut Drive Lighting Assessment	Jayne Hill Waste Removal	Technology Fund	Snow Removal Fund
Assets						
Cash and cash equivalents	\$ 6,228	\$ 1,922	\$ 425	\$ 24,937	\$ 11,058	\$ 7,162
Investments	-	-	-	-	-	-
Receivables:						
Special assessments receivable	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other governmental units	-	135	-	795	-	1,375
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ 6,228</u>	<u>\$ 2,057</u>	<u>\$ 425</u>	<u>\$ 25,732</u>	<u>\$ 11,058</u>	<u>\$ 8,537</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ 392	\$ 40	\$ 116	\$ -	\$ -
Due to other funds	-	-	-	54	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	-	392	40	170	-	-
Fund Balances						
Reserved for:						
Debt service	-	-	-	-	-	-
Other purposes	6,228	1,665	385	25,562	-	8,537
Unreserved, reported in:						
Special Revenue Funds	-	-	-	-	11,058	-
Total fund balances	<u>6,228</u>	<u>1,665</u>	<u>385</u>	<u>25,562</u>	<u>11,058</u>	<u>8,537</u>
Total liabilities and fund balances	<u>\$ 6,228</u>	<u>\$ 2,057</u>	<u>\$ 425</u>	<u>\$ 25,732</u>	<u>\$ 11,058</u>	<u>\$ 8,537</u>

Tyrone Township

Other Supplemental Information Combining Balance Sheet (Continued) Nonmajor Governmental Funds March 31, 2011

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Beautification Fund	Parkin Lane Road Maintenance	Right of way	
	Fund	Maintenance	Right of way	
Assets				
Cash and cash equivalents	\$ 3,124	\$ 121,845	\$ 17,389	\$ 363,788
Investments	-	-	-	420,218
Receivables:				
Special assessments receivable	3,287	440,213	-	483,314
Other receivables	-	-	-	75,366
Due from other governmental units	-	3,213	-	48,751
Due from other funds	-	-	-	34,835
	\$ 6,411	\$ 565,271	\$ 17,389	\$ 1,426,272
Total assets				
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 548
Due to other funds	4,230	-	-	14,038
Deferred revenue	3,287	440,213	-	483,314
Total liabilities	7,517	440,213	-	497,900
Fund Balances				
Reserved for:				
Debt service	-	125,058	-	177,568
Other purposes	-	-	-	117,743
Unreserved, reported in:				
Special Revenue Funds	(1,106)	-	17,389	633,061
Total fund balances	(1,106)	125,058	17,389	928,372
Total liabilities and fund balances	\$ 6,411	\$ 565,271	\$ 17,389	\$ 1,426,272

Tyrone Township

Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds Year Ended March 31, 2011

	Special Revenue Funds					
	Liquor Law Enforcement	Road Improvement	Building and Site	Township	Jayne Hill 1 &	Jayne Hill 4
				Improvement Revolving Fund	2 Road Improvement	Road Improvement
Revenue						
Federal grants	\$ -	\$ -	\$ 53,969	\$ -	\$ -	\$ -
Charges for services	1,896	-	-	-	-	-
Investment income	-	953	-	2,089	204	5
Other revenue:						
Special assessments	-	-	-	-	13,326	-
Other miscellaneous income	-	-	-	-	-	-
Total revenue	<u>1,896</u>	<u>953</u>	<u>53,969</u>	<u>2,089</u>	<u>13,530</u>	<u>5</u>
Expenditures - Current						
General government:						
Buildings and grounds	-	-	53,985	-	-	-
Public safety:						
Combined public safety department	1,896	-	-	-	-	-
Public works:						
Street construction	-	25,400	-	-	-	-
Routine maintenance	-	-	-	-	-	-
Winter maintenance	-	-	-	-	-	-
Administration	-	-	-	-	4,967	5,620
Rubbish disposal	-	-	-	-	-	-
Street lighting	-	-	-	-	-	-
Other public works activities	-	-	-	665	-	-
Recreation and culture:						
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	17,800	35,200
Interest on long-term debt	-	-	-	-	3,952	1,221
Total expenditures	<u>1,896</u>	<u>25,400</u>	<u>53,985</u>	<u>665</u>	<u>26,719</u>	<u>42,041</u>
Excess of Revenue Over (Under) Expenditures	-	(24,447)	(16)	1,424	(13,189)	(42,036)
Other Financing Sources (Uses)						
Face value of debt issue	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(24,447)	(16)	1,424	(13,189)	(42,036)
Fund Balances (Deficit) - Beginning of year	<u>-</u>	<u>336,758</u>	<u>3,822</u>	<u>363,545</u>	<u>65,699</u>	<u>42,036</u>
Fund Balances (Deficit) - End of year	<u>\$ -</u>	<u>\$ 312,311</u>	<u>\$ 3,806</u>	<u>\$ 364,969</u>	<u>\$ 52,510</u>	<u>\$ -</u>

Tyrone Township

Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Continued) Nonmajor Governmental Funds Year Ended March 31, 2011

	Special Revenue Funds					
	Parkwood/ Driftwood Maintenance	Jayne Hill Lighting Assessment	Walnut Drive Lighting Assessment	Jayne Hill Waste Removal	Technology Fund	Snow Removal Fund
Revenue						
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Other revenue:						
Special assessments	500	2,340	450	19,239	-	8,525
Other miscellaneous income	-	-	-	-	-	-
Total revenue	500	2,340	450	19,239	-	8,525
Expenditures - Current						
General government:						
Buildings and grounds	-	-	-	-	-	-
Public safety:						
Combined public safety department	-	-	-	-	-	-
Public works:						
Street construction	-	-	-	-	-	-
Routine maintenance	-	-	-	-	-	-
Winter maintenance	-	-	-	-	-	3,762
Administration	-	-	-	-	-	-
Rubbish disposal	-	-	-	19,058	-	-
Street lighting	-	1,758	179	-	-	-
Other public works activities	-	-	-	-	-	-
Recreation and culture:						
Capital outlay	-	-	-	-	12,381	-
Debt service:						
Principal	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-
Total expenditures	-	1,758	179	19,058	12,381	3,762
Excess of Revenue Over (Under) Expenditures	500	582	271	181	(12,381)	4,763
Other Financing Sources (Uses)						
Face value of debt issue	-	-	-	-	-	-
Transfers in	-	-	-	-	15,850	-
Total other financing sources (uses)	-	-	-	-	15,850	-
Net Change in Fund Balances	500	582	271	181	3,469	4,763
Fund Balances (Deficit) - Beginning of year	5,728	1,083	114	25,381	7,589	3,774
Fund Balances (Deficit) - End of year	\$ 6,228	\$ 1,665	\$ 385	\$ 25,562	\$ 11,058	\$ 8,537

Tyrone Township

Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Continued) Nonmajor Governmental Funds Year Ended March 31, 2011

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Beautification Fund	Parkin Lane Road Maintenance	Right of way	
	Fund	Maintenance	Right of way	
Revenue				
Federal grants	\$ -	\$ -	\$ -	\$ 53,969
Charges for services	-	-	17,389	19,285
Investment income	-	-	-	3,251
Other revenue:				
Special assessments	-	80,903	-	125,283
Other miscellaneous income	2,713	-	-	2,713
	<u>2,713</u>	<u>80,903</u>	<u>17,389</u>	<u>204,501</u>
Total revenue	2,713	80,903	17,389	204,501
Expenditures - Current				
General government:				
Buildings and grounds	-	-	-	53,985
Public safety:				
Combined public safety department	-	-	-	1,896
Public works:				
Street construction	-	445,983	-	471,383
Routine maintenance	350	-	-	350
Winter maintenance	-	-	-	3,762
Administration	-	-	-	10,587
Rubbish disposal	-	-	-	19,058
Street lighting	-	-	-	1,937
Other public works activities	-	-	-	665
Recreation and culture:				
Capital outlay	-	-	-	12,381
Debt service:				
Principal	-	-	-	53,000
Interest on long-term debt	-	6,522	-	11,695
	<u>350</u>	<u>452,505</u>	<u>-</u>	<u>640,699</u>
Total expenditures	350	452,505	-	640,699
Excess of Revenue Over (Under) Expenditures	2,363	(371,602)	17,389	(436,198)
Other Financing Sources (Uses)				
Face value of debt issue	-	500,000	-	500,000
Transfers in	-	-	-	15,850
	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>515,850</u>
Total other financing sources (uses)	-	500,000	-	515,850
Net Change in Fund Balances	2,363	128,398	17,389	79,652
Fund Balances (Deficit) - Beginning of year	<u>(3,469)</u>	<u>(3,340)</u>	<u>-</u>	<u>848,720</u>
Fund Balances (Deficit) - End of year	<u>\$ (1,106)</u>	<u>\$ 125,058</u>	<u>\$ 17,389</u>	<u>\$ 928,372</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Liquor Law Enforcement Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Charges for services	\$ 1,864	\$ 1,864	\$ 1,896	\$ 32
Expenditures - Current				
Public safety	<u>1,864</u>	<u>1,864</u>	<u>1,896</u>	<u>(32)</u>
Fund Balance - Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Road Improvement Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Investment income	\$ 3,523	\$ 3,523	\$ 953	\$ (2,570)
Expenditures - Current				
Public works - streets	<u>75,798</u>	<u>75,798</u>	<u>25,400</u>	<u>50,398</u>
Net Change in Fund Balance	(72,275)	(72,275)	(24,447)	47,828
Fund Balance - Beginning of year	<u>336,758</u>	<u>336,758</u>	<u>336,758</u>	-
Fund Balance - End of year	<u>\$ 264,483</u>	<u>\$ 264,483</u>	<u>\$ 312,311</u>	<u>\$ 47,828</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Building and Site Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Federal grants	\$ -	\$ -	\$ 53,969	\$ 53,969
Expenditures - Current				
General government - Buildings and grounds	-	-	53,985	(53,985)
Net Change in Fund Balance	-	-	(16)	(16)
Fund Balance - Beginning of year	<u>3,822</u>	<u>3,822</u>	<u>3,822</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 3,822</u></u>	<u><u>\$ 3,822</u></u>	<u><u>\$ 3,806</u></u>	<u><u>\$ (16)</u></u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Township Improvement Revolving Fund Budgetary Comparison Year Ended March 31, 2011

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Investment income	\$ 3,510	\$ 3,510	\$ 2,089	\$ (1,421)
Expenditures - Current				
Public works	-	-	665	(665)
Net Change in Fund Balance	3,510	3,510	1,424	(2,086)
Fund Balance - Beginning of year	363,545	363,545	363,545	-
Fund Balance - End of year	<u>\$ 367,055</u>	<u>\$ 367,055</u>	<u>\$ 364,969</u>	<u>\$ (2,086)</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Jayne Hill 1 & 2 Road Improvement Budgetary Comparison Year Ended March 31, 2011

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Investment income	\$ 375	\$ 375	\$ 204	\$ (171)
Other revenue - Special assessments	<u>12,440</u>	<u>12,440</u>	<u>13,326</u>	<u>886</u>
Total revenue	12,815	12,815	13,530	715
Expenditures - Current				
Public works - Streets	-	-	4,967	(4,967)
Debt service:				
Principal	17,800	17,800	17,800	-
Interest on long-term debt	<u>4,610</u>	<u>4,610</u>	<u>3,952</u>	<u>658</u>
Total expenditures	<u>22,410</u>	<u>22,410</u>	<u>26,719</u>	<u>(4,309)</u>
Net Change in Fund Balance	(9,595)	(9,595)	(13,189)	(3,594)
Fund Balance - Beginning of year	<u>65,699</u>	<u>65,699</u>	<u>65,699</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 56,104</u></u>	<u><u>\$ 56,104</u></u>	<u><u>\$ 52,510</u></u>	<u><u>\$ (3,594)</u></u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Jayne Hill 4 Road Improvement Budgetary Comparison Year Ended March 31, 2011

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Investment income	\$ 142	\$ 142	\$ 5	\$ (137)
Other revenue - Special assessments	20,969	20,969	-	(20,969)
Total revenue	21,111	21,111	5	(21,106)
Expenditures - Current				
Public works - Streets	-	-	5,620	(5,620)
Debt service:				
Principal	35,200	35,200	35,200	-
Interest on long-term debt	2,561	2,561	1,221	1,340
Total expenditures	37,761	37,761	42,041	(4,280)
Net Change in Fund Balance	(16,650)	(16,650)	(42,036)	(25,386)
Fund Balance - Beginning of year	42,036	42,036	42,036	-
Fund Balance - End of year	\$ 25,386	\$ 25,386	\$ -	\$ (25,386)

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Parkwood/Driftwood Maintenance Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Other revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 500</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
Fund Balance - Beginning of year	<u>5,728</u>	<u>5,728</u>	<u>5,728</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 5,728</u></u>	<u><u>\$ 5,728</u></u>	<u><u>\$ 6,228</u></u>	<u><u>\$ 500</u></u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Jayne Hill Lighting Assessment Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Other revenue - Special assessments	\$ 1,612	\$ 1,612	\$ 2,340	\$ 728
Expenditures - Current				
Public works - Street lighting	<u>1,660</u>	<u>1,660</u>	<u>1,758</u>	<u>(98)</u>
Net Change in Fund Balance	(48)	(48)	582	630
Fund Balance - Beginning of year	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 1,035</u></u>	<u><u>\$ 1,035</u></u>	<u><u>\$ 1,665</u></u>	<u><u>\$ 630</u></u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Walnut Drive Lighting Assessment Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Other revenue:				
Special assessments	\$ 165	\$ 165	\$ 450	\$ 285
Expenditures - Current				
Public works - Street lighting	<u>161</u>	<u>161</u>	<u>179</u>	<u>(18)</u>
Net Change in Fund Balance	4	4	271	267
Fund Balance - Beginning of year	<u>114</u>	<u>114</u>	<u>114</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 118</u></u>	<u><u>\$ 118</u></u>	<u><u>\$ 385</u></u>	<u><u>\$ 267</u></u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Jayne Hill Waste Removal Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Other revenue - Special assessments	\$ 19,239	\$ 19,239	\$ 19,239	\$ -
Expenditures - Current				
Public works - Rubbish disposal	<u>19,188</u>	<u>19,188</u>	<u>19,058</u>	<u>130</u>
Net Change in Fund Balance	51	51	181	130
Fund Balance - Beginning of year	<u>25,381</u>	<u>25,381</u>	<u>25,381</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 25,432</u>	<u>\$ 25,432</u>	<u>\$ 25,562</u>	<u>\$ 130</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Technology Fund Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Expenditures - Current				
Capital outlay	\$ 14,350	\$ 14,350	\$ 12,381	\$ 1,969
Excess of Revenue Over (Under)				
Expenditures	(14,350)	(14,350)	(12,381)	1,969
Other Financing Sources (Uses)				
Transfers in	15,850	15,850	15,850	-
Net Change in Fund Balance	1,500	1,500	3,469	1,969
Fund Balance - Beginning of year	7,589	7,589	7,589	-
Fund Balance - End of year	\$ 9,089	\$ 9,089	\$ 11,058	\$ 1,969

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Snow Removal Fund Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Other revenue - special assessments	\$ 18,600	\$ 18,600	\$ 8,525	\$ (10,075)
Expenditures - Current				
Public works	5,000	5,000	3,762	1,238
Net Change in Fund Balance	13,600	13,600	4,763	(8,837)
Fund Balance - Beginning of year	3,774	3,774	3,774	-
Fund Balance - End of year	<u>\$ 17,374</u>	<u>\$ 17,374</u>	<u>\$ 8,537</u>	<u>\$ (8,837)</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Beautification Fund Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Other miscellaneous income	\$ 3,731	\$ 3,731	\$ 2,713	\$ (1,018)
Expenditures - Current				
Public works	-	-	350	(350)
Net Change in Fund Balance	3,731	3,731	2,363	(1,368)
Fund Balance - Beginning of year	<u>(3,469)</u>	<u>(3,469)</u>	<u>(3,469)</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 262</u>	<u>\$ 262</u>	<u>\$ (1,106)</u>	<u>\$ (1,368)</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Parkin Lane Road Maintenance Budgetary Comparison Year Ended March 31, 2011

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Other revenue	\$ -	\$ 61,609	\$ 80,903	\$ 19,294
Expenditures				
Current:				
Public works	-	452,767	445,983	6,784
Debt service	-	6,522	6,522	-
Total expenditures	-	459,289	452,505	6,784
Excess of Revenue Over (Under)				
Expenditures	-	(397,680)	(371,602)	26,078
Other Financing Sources (Uses)				
Face value of debt issue	-	503,000	500,000	(3,000)
Net Change in Fund Balance	-	105,320	128,398	23,078
Fund Balance - Beginning of year	(3,340)	(3,340)	(3,340)	-
Fund Balance - End of year	<u>\$ (3,340)</u>	<u>\$ 101,980</u>	<u>\$ 125,058</u>	<u>\$ 23,078</u>

Tyrone Township

Other Supplemental Information Nonmajor Governmental Fund - Right of way Budgetary Comparison Year Ended March 31, 2011

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
Revenue				
Charges for services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,389</u>	<u>\$ 17,389</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>17,389</u>	<u>17,389</u>
Fund Balance - Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 17,389</u></u>	<u><u>\$ 17,389</u></u>