

TAUBMAN CENTERS INC
Form 11-K
June 26, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

Annual Report Pursuant to Section 15(d) of the
Securities Exchange Act of 1934

(X) Annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934

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For the fiscal year ended December 31, 2001

Commission File Number 333-81577

- A. Full title of the plan and the address of the plan, if different from that of the issuer:
The Taubman Company and Related Entities Employee Retirement Savings Plan.
- B. Name of the issuer of the securities held pursuant to the plan and the address of its principal
executive office: Taubman Centers, Inc., 200 East Long Lake Road, Suite 300, P. O. Box 1000,
Farmington Hills, Michigan 48303-0200.

**THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN**

Financial Statements as of
December 31, 2001 and 2000, and
for the Year Ended December 31, 2001,
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December 31, 2001,
and Independent Auditors' Report

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Notes to Financial Statements

SUPPLEMENTAL SCHEDULE AS OF DECEMBER 31, 2001:

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Form 5500 Schedule H, Part IV, Line 4i - Schedule of Assets
(held at end of year)

INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Taubman Company and
Related Entities Employee
Retirement Savings Plan
Bloomfield Hills, Michigan

We have audited the accompanying statements of net assets available for benefits of The Taubman Company and Related Entities Employee Retirement Savings Plan (the "Plan") as of December 31, 2001 and 2000, and the statement of changes in net assets available for benefits for the year ended December 31, 2001. The financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material aspects, the net assets available for benefits of the Plan as of December 31, 2001 and 2000, and the changes in net assets available for benefits for the year ended December 31, 2001 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, listed in the Table of Contents, is presented for the purpose of providing additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in conjunction with the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP

Detroit, Michigan
June 11, 2002

THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31

2001

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ASSETS:	
Investments (Note 3)	\$ 103,708,258
Receivables from participant	317,523
Receivables from employer	240,943

 NET ASSETS AVAILABLE FOR BENEFITS	 \$ 104,266,724 =====

See notes to financial statements.

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2001**

NET ASSETS AVAILABLE FOR PLAN BENEFITS AT THE BEGINNING OF THE YEAR	\$ 113,444,694

ADDITIONS:	
Basic employee contributions	4,070,632
Employer contributions	2,751,980
Investment income:	
Interest and dividend	3,416,793
Net depreciation in fair value of investments (Note 3)	(8,560,046)
Loan interest income	254,762

Total additions	\$ 1,934,121
DEDUCTIONS -	
Benefit payments and withdrawals	\$ 11,112,091

NET ASSETS AVAILABLE FOR PLAN BENEFITS AT THE END OF THE YEAR	\$ 104,266,724 =====

See notes to financial statements.

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

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YEARS ENDED DECEMBER 31, 2001 AND 2000

1. THE PLAN

The Taubman Company (Company) and Related Entities Employee Retirement Savings Plan (Plan) enable certain employees of the participating companies to systematically save funds to receive retirement incomes through a salary reduction agreement. The Plan has been amended and restated several times, the latest amendment and restatement being January 1, 2001, to comply with tax laws and to enhance benefits.

Related Entities - These are affiliated companies which have approved the Plan and have elected to participate by the Company.

Participants - Employees of the Company and Related Entities become participants if they are covered by a collective bargaining agreement, are 21 years old, and have completed their probationary period. Contributions are permitted monthly on the first day of the month following the one-year probationary period. An employee who is employed as an on-call or temporary employee shall be eligible to participate in the Plan if the individual completes 1,000 hours of service in a Plan year. As of December 31, 2001 and 2000, there were 1,489 and 1,516 participants, respectively, in the Plan.

Basic Employee Contributions - A participant who elects to contribute to the Plan may contribute contributions from 3% to 14% of compensation, subject to the limitations specified in the Plan's regulations. The maximum contribution of 14% is subject to the results of the actual deferral test as defined in the Plan and, therefore, can vary from year to year. Voluntary contributions in excess of the basic contribution are not permitted. In addition, contributions may be made to other qualified pension or profit-sharing plans at the discretion of the Plan's administrator. No after-tax contributions are permitted except to recharacterize employee contributions in order to pass the nondiscrimination tests.

Employer Contributions - A monthly employer contribution, subject to the limitations specified in the Plan and by tax regulations, is made by the applicable participating company. The amount of the contribution is the following percentage of compensation:

Basic Contribution Percentage	Employer Contribution Percentage
0%	2%
3	3
4	4
5	5
6	6
7 or more	7

The Company also makes a supplemental employer contribution subject to limitations specified in the Plan and by tax regulations.

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

Vesting - Other than company contributions, participant account balances are 100% vested in the Plan's assets. Vesting of contributions are vested as follows:

Full Years of Service	Vesting Percentage
1	10%
2	30

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3	50
4	70
5 or more	100

Participants receive a year of vesting service as of each anniversary of their hire date. Participants become fully vested at retirement age, defined by the Plan as 65, or upon death or termination of employment.

Forfeitures - Nonvested contributions become forfeitures at the point the participant terminates employment. Forfeitures reduce the cash required by the participating companies to fund the plan.

Allocations - Participants' accounts are valued daily.

Participant Loans - A participant may have a maximum of two loans, one obtained during an active employment period and one obtained during a non-employment period, at rates so stipulated by the Plan's administrative committee. The sum of all loans to a participant may not exceed the lesser of 50 percent of the total vested accrued benefits of the participant or the amount of the highest outstanding balance of loans during the one-year period ending on the day the loan is granted. Plan earnings are not allocated to the portion of the participant's account that is used for a loan. However, interest paid by the participant is credited to the individual participant's account.

Withdrawals - A participant may withdraw an amount from his voluntary contribution balance or from his prior Trust balance. A participant who has attained age 65 may also withdraw an amount from his Elective Deferral Account, Employer Matching Contribution Account, and Supplemental Employee Savings Account.

Once during any 12 month period, a participant may request a hardship withdrawal from his voluntary contribution account or, if fully vested, his employer contribution accounts as defined in the Plan. A hardship withdrawal must be approved by the administrative committee and, once permitted, the participant cannot contribute to the Plan during the following 12 months.

Benefit Payments - A participant's account becomes payable as soon as the paperwork is processed by the record keeper. Retirement benefits are payable in a lump-sum, fixed periodic payments, or annuity, selected by the participant. Other benefit payments are made in lump-sum distribution. Retirement benefits transfer to beneficiaries upon death of the participant.

For a complete description of vesting and benefit provisions, reference should be made to the Plan document which is available to all participants.

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting.

Investments - The investments of the Plan are stated at fair value, as determined by quoted market prices.

Net Appreciation/Depreciation on Investments includes net unrealized gains and losses in a portfolio of investments. The Plan has a policy of stating investments at fair values.

Payment of Benefits - Benefits are recorded when paid.

Security Transactions - Purchases and sales are accounted for on the trade date. Interest and dividends income are reported as earned on an accrual basis. Net gains and losses are computed using the cost method.

Administrative Expenses - All administrative expenses of the Plan are currently borne by the participating companies.

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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 that affect the reported amounts of net assets available for benefits and changes therein. The Plan utilizes various investment instruments. Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market movements. To the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes will affect the amounts reported in the financial statements.

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

3. INVESTMENTS

Vanguard Fiduciary Trust Company is the Plan Trustee. Vanguard Group of Investment Companies is the Plan Trustee, is the recordkeeper and provider of investment funds for the Plan. The Plan has transactions with parties-in-interest such as trustees or fund managers. With the exception of the investment in Taubman Centers, Inc. - a company stock fund and the Participant Loans, all other investments are held by Vanguard, the fund manager and trustee. Investments are summarized below, with investments representing 5% or more of the Plan's net assets at the beginning of the year separately identified.

	December 31
	----- 2001 ----
Investments at fair value -	
Retirement Savings Trust	\$ 24,789,036 *
Company Stock Fund -Taubman Centers, Inc.	\$ 1,448,991
Registered Investment Companies:	
Money Market Fund -	
Prime Portfolio	\$ 3,178,336
Bond Fund -	
Long-Term Corporate Portfolio	2,805,173
Balanced Fund -	
Wellington	11,568,500 *
Domestic Equity Funds -	
Explorer	5,950,553 *
500 Portfolio Index Trust	35,681,693 *
Growth Index	3,849,479
U.S. Growth	3,739,440
Small-Cap Index	1,499,416
Extended Market Index	956,484
Value Index	786,006
Foreign Equity Fund -	
International Growth	2,078,872
REIT Index Portfolio	2,726,314
Total Registered Investment Companies	----- \$ 74,820,266
Participant Loans	2,649,965
	----- \$ 103,708,258 =====

* Represents 5% or more of net assets available for benefits.

THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

3. INVESTMENTS - CONTINUED

Net Appreciation (Depreciation) in fair value of Investments for the year ended December follows:

Bond Fund -		
Long-Term Corporate Portfolio	\$	48,896
Balanced Fund -		
Wellington		(387,393)
Domestic Equity Funds -		
Explorer		(25,769)
500 Portfolio Index Trust		(5,460,017)
Growth Index		(677,036)
U.S. Growth		(1,724,317)
Small-Cap Index		13,662
Extended Market Index		(117,283)
Value Index		(179,663)
Foreign Equity Fund -		
International Growth		(642,919)
REIT Index Portfolio		98,182
Company Stock Fund		493,611

	\$	(8,560,046)
		=====

4. TERMINATION OF THE PLAN

In accordance with the Plan, if a participating company withdraws from or terminates the Plan, the assets of such company will become fully vested in their contribution account balances. Upon termination, the administrative committee, in its sole discretion, may direct payment of cash, in assets of the Plan, or in the form of immediate or deferred payment annuity contract.

5. INTERNAL REVENUE SERVICE STATUS

The Internal Revenue Service has determined and informed the Company by letter dated February 1, 1994, that the Plan, as amended and restated on January 1, 1994, meets the requirements of Sections 401(a) and 408(a) of the Internal Revenue Code and is exempt from federal income tax under Section 501(a) of the Code.

The Company has applied to the Internal Revenue Service for a determination letter as to whether the Plan, as amended and restated on January 1, 2001, meets the requirements of Sections 401(a) and 408(a) of the Internal Revenue Code, and whether the Plan is exempt from federal income tax under Section 501(a) of the Code. In management's opinion, the Plan continues to be administered in accordance with the requirements of such sections.

6. RELATED-PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Vanguard Fiduciary Trust. Vanguard Fiduciary Trust is the trustee as defined by the Plan and, therefore, these transactions qualify as related-party transactions.

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD at end of year)
FORM 5500 SCHEDULE H, Part IV, Line 4i
AS OF DECEMBER 31, 2001

Emplo
Plan

NAME OF ISSUER	DESCRIPTION OF INVESTMENTS
* Vanguard	500 Portfolio Index Trust Stock Fund
* Vanguard	Retirement Savings Trust
* Vanguard	Wellington, Stock and Bond Balanced Fund
* Vanguard	Explorer, Stock Fund
* Vanguard	Extended Market Index Trust, Stock Fund
* Vanguard	Growth Index Trust, Stock Fund
* Vanguard	Prime Portfolio, Money Market Fund
* Vanguard	Long-Term Corporate Portfolio Bond Fund
* Taubman Centers, Inc.	Company Stock Fund
* Vanguard	International Growth, Stock Fund
* Vanguard	U.S. Growth, Stock Fund
* Vanguard	Small Cap, Stock Fund
* Vanguard	REIT Index Portfolio, Real Estate Fund
* Vanguard	Value Index Trust Stock Fund
* Loans to 308 participants	Participant borrowings against their individual account balances, interest rates from 5.75% to 10.5% and maturing through July 2011
Total	

* Denotes party-in-interest

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustee has duly caused report to be signed on its behalf by the undersigned hereunto duly authorized on the 26th day of

THE TAUBMAN COMPANY AND RELATED
ENTITIES EMPLOYEE RETIREMENT
SAVINGS PLAN

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By: Vanguard Fiduciary Trust Company
as Trustee:

By: /s/ Dennis Simmons

Its: Principal

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THE TAUBMAN COMPANY AND RELATED ENTITIES
EMPLOYEE RETIREMENT SAVINGS PLAN

EXHIBIT INDEX

Exhibit Number	Description
23	-- Consent of Deloitte & Touche LLP

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