TOWNSHIP OF CASEVILLE
COUNTY OF HURON
CASEVILLE, MICHIGAN
FINANCIAL REPORT
MARCH 31, 2005

Michigan Dept. of Treasury, Local Audit & Finance Division
496 (3-98), Formerly L-3147

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

RECEIVED DEPT OF TREASURY JUL 01 2005 LOCAL AUDIT & FINANCE DIV.

Local Government Type	Local Government Name	County
☐ City ☒ Township ☐ Village ☐ Other	TOWNSHIP OF CASEVILLE	HURON

Audit Date	Opinion Date	Date Accountant Report Submitted to State:
03-31-2005	07-01-2005	07-01-2005

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.

☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).

☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).

☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.

☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).

☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.

☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).

☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).

☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	x		
Reports on individual federal financial assistance programs (program audits).			x
Single Audit Reports (ASLGU).			x

Certified Public Accountant (Firm Name)			
PAUL A SMIHAL CPA			
Street Address	City	State	ZIP
6916 NORTH CASEVILLE ROAD	CASEVILLE	MI	48725
Accountant Signature Paul A. Smihal CPA			

TOWNSHIP OF CASEVILLE
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PAUL A SMIHAL
CERTIFIED PUBLIC ACCOUNTANT
6915 N. CASEVILLE ROAD
CASEVILLE, MICHIGAN 48725

07/01/2005

State Treasurer
Local Audit Division
Treasury Building
Lansing, Michigan 48922

Re: Township of Caseville
Audit as of March 31. 2005

Dear Sir:

This report if being written pursuant to section 7 (2) of the Public Act 2, P.A. of 1968 as amended. I have made an examination of the financial statements of the above mentioned local unit of government. My opinion dated 07/15/2004 with respect to these statements is included in my accountant's report submitted to you under date of July 1, 2005.

In accordance with the foregoing examination, I have complied with the minimum requirements as outlined in "Bulletin for the Audits of Local Units of Government in Michigan" (BUFALUG), as revised.

In accordance with the provisions of P.A. 275 of 1980, as amended, there are no accumulated deficits in the various fund balances of the above local unit, other than as disclosed in the financial statement including the notes thereto, or as described in the report of comments and recommendations. In addition, we found no substantive instances of noncompliance with the provision of P.A. 2 of 1968 (The Uniform Accounting and Budgeting Act) as amended, other than as disclosed in the financial statements including the notes thereto, or as described in the report of comments and recommendations as prescribed by the report guidelines for instances of non-compliance including in appendix B of the BULFALUG MANUAL.

I hereby state and affirm that I am a Certified Public Accountant registered to practice in the State of Michigan and am independent insofar as that term is defined by my profession.

A copy of my report of comments and recommendations, which has been forwarded to the aforementioned local unit of government, is enclosed.

In my report for the above-mentioned period, I have expressed an unqualified opinion with respect to the financial statements contained in this report.

In the last previous report by the local unit's independent Certified Public Accountant which covered the Period April 1, 2003 to March 31. 2004, an unqualified opinion was expressed.

Very truly yours

Paul A. Smihal

Paul A Smihal
Certified Public Accountant

PAUL A SMIHAL
CERTIFIED PUBLIC ACCOUNTANT
6915 N. CASEVILLE ROAD
CASEVILLE, MICHIGAN 48725

07/1/2005

Honorable supervisor and
Members of Township Board
Township of Caseville
Caseville, MI 48725

I have examined the combined financial statements of the Township of Caseville, Caseville, MI, and the combined individual fund, and account group financial statements of the Township as of and for the year ended March 31, 2005, as listed in the table of contents. My examination was made in accordance with generally accepted auditing standards and accordingly, included such test of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

In my opinion, the combined financial statements referred to above present fairly the financial position of the Township of Caseville, Caseville, MI, at March 31, 2005, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Also in my opinion, the combining individual fund, and the account group financial statements referred to above present fairly the financial position of the individual funds and account groups of individual proprietary funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

My examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining, individual fund, and account group statements. The accompanying financial information listed as supporting schedules in the table of contents is presented for purpose of additional analysis and is not a required part of the combined financial statements of the Township of Caseville, Caseville, MI. The information has been subjected to the auditing procedures applied in the examination of the combined, combining, individual fund, and account groups financial statements and in my opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Very truly yours,

Paul A Smihal

FINANCIAL SECTION

TOWNSHIP OF CASEVILLE
COMBINED BALANCE STATEMENT
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
'MARCH 31, 2005

	GOVERNMENTAL FUND TYPES		SPECIAL ASSESSMENTS		PROPRIETARY FUND TYPES	TOTAL MEMORANDUM ONLY
	GENERAL	SPECIAL	ROADS	CANAL/CHANNEL DREDGING	ENTERPRISES	
ASSETS						
Cash in bank	$ 20,085	$ 795,159	$ 193,928	$ 125,538	$ 1,486,564	$ 2,621,274
ACCOUNTS REVEIVABLE						
Taxes	11,814	25,713	3,083	1,953	26,493	69,056
Other	69,166	0	0	0	0	69,166
Interest (Special Assessment)	0	0	0	0	24,834	24,834
Adminstration fees & cost	0	0	0	0	14,770	14,770
Water	0	0	0	0	26,584	26,584
Tower debt	0	0	0	0	67,718	67,718
Prepaid expenses	9,040	0	0	0	0	9,040
Due from other funds	14,000	0	0	0	18,079	32,079
RESTRICTED ASSETS:						
Cash in bank - savings & investment	591,493	0	0	0	87,085	678,578
Special assessments receivable	0	0	132,338	155,197	3,074,803	3,362,338
FIXED ASSETS						
Land	201,373	0	0	0	0	201,373
Building & equipment	234,763	8,420	0	0	0	243,183
Water system	0	0	0	0	9,072,986	9,072,986
Less accumulated depreciation (note 15)	(234,763)	0	0	0	(918,174)	(1,152,937)
Deferred charges - bond issue cost	0	0	0	0	110,844	110,844
Less amortization of bond issue cost	0	0	0	0	(38,272)	(38,272)
						0
OTHER ASSETS						0
Amount to be provided for retirement	0	0	0	0	0	0
of General Long Tern Debt	0	0	317,001	260,000	0	577,001
TOTAL ASSETS	916,971	829,292	646,350	542,688	13,054,314	15,989,615
	$'==========	$'==========	$'==========	$'==========	$'==========	$'==========

TOWNSHIP OF CASEVILLE
COMBINED BALANCE SHEET
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
'MARCH 31, 2005

	GOVERNMENTAL FUND TYPES		SPECIAL ASSESSMENTS		PROPRIETARY FUND TYPES	TOTAL MEMORANDUI ONLY
	GENERAL	SPECIAL	ROADS	CANAL/CHANNEL DREDGING	ENTERPRISES	
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accounts payable	$ 196	$ 18,024	$ 0	$ 0	$ 193	$ 18,413
Accrued payroll taxes	0	0	0	0	0	0
Due to other funds	0	0	14,000	0	18,079	32,079
Deferred revenue	0	0	135,421	157,149	3,074,805	3,367,375
Bonds payable	0	0	317,000	260,000	6,680,000	7,257,000
Current portion	0	0	0	0	435,000	435,000
Land contract payable - Kreh	83,234	0	0	0	0	83,234
Accrued bond interest	0	0	0	0	156,923	156,923
TOTAL LIABILITIES	83,430	18,024	466,421	417,149	10,365,000	11,350,024
FUND EQUITY						
Retained earnings:						
Reserved	0	0	0	0	0	0
Unreserved (deficit)	833,541	811,268	179,929	125,539	2,689,314	4,639,591
TOTAL FUND EQUITY	833,541	811,268	179,929	125,539	2,689,314	4,639,591
TOTAL LIABILITIES AND FUND EQUITY	$ 916,971	$ 829,292	$ 646,350	$ 542,688	$ 13,054,314	$ 15,989,615

TOWNSHIP OF CASEVILLE
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
'March 31, 2005

	GOVERNMENTAL FUND TYPES		SPECIAL ASSESSMENTS		PROPRIETARY FUND TYPES	TOTAL MEMORANDUM ONLY
	GENERAL	SPECIAL	ROADS	CANAL/CHANNEL DREDGING	ENTERPRISES	
REVENUE						
Operating Revenue:						
Taxes	$ 175,554	$ 296,845	$ 26,028	$ 51,324	$ 253,802	$ 803,553
State grants	124,435	0	0	0	0	124,435
Permits/site plan/inspection	28,879	0	0	0	0	28,879
Charge for services	73,567	13,987	0	0	202,196	289,750
Franchise fee	9,140	0	0	0	0	9,140
Special assessment interest	0	0	8,391	12,680	243,669	264,740
Special assessment revenue	0	0	0	0	482,872	482,872
Interest and penality	522	0	0	0	2,170	2,692
Interest	4,488	9,259	1,966	1,066	0	16,779
Deliquent garbage	5,349	0	0	0	0	5,349
Miscellaneous	8,481	42	0	0	7,207	15,730
TOTAL REVENUE	430,415	320,133	36,385	65,070	1,191,916	2,043,919
OPERATING EXPENSES:						
Legislative	3,293	0	0	0	0	3,293
Executive	28,465	0	0	0	0	28,465
General Service Administrative	230,156	0	0	0	0	230,156
DPW - building and grounds	18,202	0	0	0	0	18,202
Public works	820	406,354	0	0	0	407,174
Recreation	8,057	0	0	0	0	8,057
Planning and zoning	8,634	0	0	0	0	8,634
Special Assessments	0	0	88,473	55,300	0	143,773
Water System	0	0	0	0	0	0
Miscellaneous	27,093	0	0	0	188,499	215,592
Depreciation (Note 15)	0	0	0	0	236,388	236,388
TOTAL OPERATING EXPENSES	324,720	406,354	88,473	55,300	424,887	1,299,734
OTHER FINANCIAL SOURCES (USES)						
Transfers from other funds	41,414	18,313	0	0	267,361	327,088
Transfers to other funds	(15,000)	0	(41,414)	0	(267,361)	(323,775)
Interest income	0	0	0	0	10,723	10,723
Interest expense	(6,991)	0	0	(15,185)	(378,508)	(400,684)
Amortization of Bond Issue Cost	0	0	0	0	(6,362)	(6,362)
Bond proceeds	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	19,423	18,313	(41,414)	(15,185)	(374,147)	(393,010)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES	125,118	(67,908)	(93,502)	(5,415)	392,882	351,175
FUND BALANCE - APRIL 1, 2004	708,425	879,175	273,431	130,954	2,296,432	4,288,417
FUND BALANCE - MARCH 31, 2005	$ 833,543	$ 811,267	$ 179,929	$ 125,539	$ 2,689,314	$ 4,639,592

SUPPLEMENTAL DATA

AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

CASEVILLE TOWNSHIP

My examination of Caseville Township for the year ended March 31, 2005, was made primarily for the purpose of formulating on overall of the Township's combined balance sheet at March 31, 2005, and its combined statement of revenue, expenditures and changes in fund equity for the year then ended. The accompanying additional information has been compiled from the accounting applied in the examination of financial statements mentioned above. In my opinion, the supplemental statements presented for the year ended March 31, 2005 are fairly stated in all material respects in relation to the financial statement taken as a whole.

TOWNSHIP OF CASEVILLE
GENERAL FUND
COMPARATIVE BALANCE SHEET
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

ASSETS	March 31, 2005	March 31, 2004
CURRENT ASSETS		
Cash on hand and in bank	$ 20,085	$ 10,804
Cash in bank - Investment trust	591,493	468,240
Property taxes receivable	11,814	9,236
Other receivables	13,096	18,467
Due from other funds	14,000	28,618
Prepaid expenses	9,040	7,857
Lein receivable - McIntyre	56,070	56,070
Land	201,373	201,373
Building & equipment	234,763	234,763
Less Depreciation	(234,763)	(234,763)
Total Assets	$ 916,971	$ 800,665
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Due to other funds	0	1,223
Accrued payroll taxes	0	214
Accounts payable	196	0
Land Contract payable - Kreh	83,234	90,803
Total Liabilities	83,430	92,240
FUND EQUITY	833,541	708,425
Total Liabilities and Fund Equity	$ 916,971	$ 800,665

TOWNSHIP OF CASEVILLE
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND FUND EQUITY - BUDGET AND ACTUAL
FOR THE YEARS ENDED MARCH 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
LOCAL SOURCES				
Current property & other taxes	$ 168,553	$	$ 175,554	$
Penalty/interest on taxes	715		522	
Interest on investments	2,084		4,488	
Bldg permits/site plan/inspection	23,853		28,879	
Miscellaneous	19,156		8,481	
Tax Collection fees	64,139		73,567	
Franchise fees	9,874		9,140	
Transfer from other funds	0		41,414	
Deliquent garbage	8,481		5,349	
Total local sources	296,855	284,240	347,394	63,154
STATE SOURCES				
St of Michigan Maint Pymt	358		2,771	
Sales Tax	123,757		121,664	
Total State Sources	124,115	123,350	124,435	1,085
TOTAL REVENUES	$ 420,970	$ 407,590	$ 471,829	$ 64,239

TOWNSHIP OF CASEVILLE
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND FUND EQUITY - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
TOWNSHIP BOARD				
Salaries	$ 3,465	$	$ 2,735	$
Travel & lodging	0		0	
Insurance	121		170	
Supplies	0		8	
Education/training	150		100	
FICA expense	161		122	
Pension expense	162		158	
Total	4,059	4,600	3,293	1,307
TOWNSHIP SUPERVISOR				
Salaries	20,755		17,529	
Office supplies	0		0	
Operating supplies	47		63	
Travel & lodging	53		530	
Insurance	866		1,188	
Dues	50		125	
Education/Training	115		805	
Mileage	0		197	
Telephone	113		149	
FICA expense	355		780	
Pension expense	1,836		1,612	
Health insurance	3,726		5,487	
Total	27,916	29,950	28,465	1,485
ELECTIONS				
Election inspection	0		1,879	
Office supplies	0		363	
Contracted services	166		252	
Printing/publishing	0		117	
Travel	0		39	
Vote machine support	0		176	
Total	$ 166	$ 5,400	$ 2,826	$ 2,574

TOWNSHIP OF CASEVILLE
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND FUND EQUITY - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
ASSESSOR				
Salaries	$ 33,584	$	$ 38,200	$
Office supplies	9,859		9,989	
Computer support	1,055		1,055	
Legal fees	1,476		0	
Travel	0		0	
Insurance - Health	0		0	
Insurance	1,861		1,613	
Education/training	800		70	
Internet fees	0		179	
Telephone	114		153	
Capital outlay	0		1,121	
Pension expense	0		0	
FICA expense	635		2,738	
Miscellaneous	73		0	
Lodging/ meals	0		0	
Total	49,457	56,250	55,118	1,132
CLERK				
Salary	20,500		20,500	
Salary - assistant	17,290		19,439	
Office supplies	1,307		2,042	
Legal and audit	5,511		6,063	
Dues/subscriptions	3,586		3,489	
Telephone	1,970		2,813	
Travel/lodging	365		677	
Printing/publishing	1,631		1,800	
Miscellaneous	1,817		496	
Education/training	165		360	
Insurance - Health	21,922		23,863	
Insurance & bond	1,653		2,437	
Capital outlay	1,083		251	
Pension expense	4,837		2,547	
FICA expense	1,620		1,784	
Computer support	1,779		3,856	
Total	$ 87,036	$ 93,000	$ 92,417	$ 583

TOWNSHIP OF CASEVILLE
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENSITURES - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2003-04	ACTUAL 2003-04	VARIANCE FAVORABLE (UNFAVORABLE)
TREASURER				
Salaries	$ 19,750	$	$ 19,750	$
Salaries - assistant	8,606		6,921	
Office supplies	4,414		6,510	
Travel/lodging	254		75	
Print/publishing	4,302		2,087	
Insurance - Health	5,233		5,421	
Insurance - and bonds	1,139		1,586	
Education/training	140		70	
Telephone	174		162	
Pension expense	1,931		1,931	
FICA expense	945		816	
Capital outlay	628		276	
Total	47,516	58,200	45,605	12,595
BOARD OF REVIEW				
Salaries	1,300		1,350	
Office supplies	205		4	
Printing/publishing	322		378	
Education/training	120		220	
FICA expense	99		103	
Total	2,046	2,450	2,055	395
TOWNSHIP HALL AND GROUNDS				
Maintenance/copy & postage	2,975		2,188	
Salaries	1,716		3,331	
FICA expense	84		255	
Telephone	0		0	
Operating supplies	1,077		1,226	
Contract labor	2,200		2,400	
Insurance	133		85	
Utilities - Electric	1,736		1,799	
Heat	1,886		1,489	
Water	553		425	
Repairs/maintenance	793		2,750	
Miscellaneous	62		26	
D.P.W. - Wages	679		677	
Equipment rent	567		678	
Insurance	238		153	
Fica expense	1,218		0	
Parking improvement/lease	3,540		720	
Total	$ 19,457	$ 21,735	$ 18,202	$ 3,533

TOWNSHIP OF CASEVILLE
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2003-04	ACTUAL 2003-04	VARIANCE FAVORABLE (UNFAVORABLE
SAFETY COMMITTEE				
Salaries	$ 300	$	$ 840	$
FICA expense	23		64	
Total	323	1,050	904	146
BUILDING INSPECTOR				
Inspection fees	20,700		21,900	
Office supplies	401		817	
Education/training	505		258	
Insurance	270		1,032	
Dues	175		125	
Legal	400		413	
Zoning violations	0		275	
Miscellaneous	0		50	
Travel/lodging	349		593	
FICA expense	1,584		1,675	
Total	24,384	28,350	27,138	1,212
PUBLIC WORKS				
Drains - public benefits	892		820	
Total	892	575	820	(245)
MISCELLANEOUS				
Computer- solf/ware-hard/ware	4,939		0	
Cemetery land expense	294		4,040	
Taxes - TIFA/DDA/CANCEL	8,016		5,657	
Ambulance/Historical Soc	12,694		11,874	
Miscellaneous	454		200	
Newsletter	1,878		1,594	
Capital outlay (Phone Sys)	0		3728	
Land contract interest	7,571		6,991	
Total	35,846	45,010	34,084	10,926
STREET LIGHTING				
Street lights	579		742	0
Total	$ 579	$ 1,000	$ 742	$ 258

TOWNSHIP OF CASEVILLE
GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-2005	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
PLANNING COMMISSION				
Salaries	$ 9,250	$	$ 5,330	$
FICA expense	476		288	
Insurance	466		340	
Education	0		25	
Supplies	72		290	
Legal	0		270	
Printing/publishing	264		205	
Miscellaneous	15		480	
Ordinance review	13,482		1,406	
Total	24,025	15,160	8,634	6,526
ZOINING				
Salaries	2,240		1,520	
Printing/publishing	436		329	
Supplies	0		0	
Miscellaneous	0		120	
Insurance	67		85	
Postage lease	0		1,003	
Capital outlay	0		136	
FICA expense	266		158	
Total	3,009	5,275	3,351	1,924
PARK AND RECREATION				
Park project	11,958		8,057	
Total	11,958	11,100	8,057	3,043
TRANSFERS TO OTHER FUNDS				
Special Assmt Roads	0			
Water Dist #1	0			
Cemetery Opr Fund	5,000		15,000	
Total	5,000	15,000	15,000	0
TOTAL EXPENDITURES	$ 343,669	$ 394,105	$ 346,711	$ 47,394

TOWNSHIP OF CASEVILLE
GENERAL FUND
ANALYSIS OF CHANGES IN FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 2005

FUND EQUITY – beginning of year	$708,425
PLUS – EXCESS OF REVENUES OVER EXPENDITURES	
Revenues	471,829
Expenditures	346,711
Excess Revenues – (expenditures)	125,118
FUND EQUITY – end of year	$ 833,543

TOWNSHIP OF CASEVILLE
COMBINED BALANCE SHEETS - ALL SPECIAL REVENUE FUNDS
'MARCH 31, 2005

	GYPSY MOTH	CEMETERY TRUST	CEMETERY OPERATING	POLICE	ROAD FUND	TOTAL
ASSETS						
Cash	$ 155,930	$ 137,676	$ 6,231	$ 291,977	$ 203,345	$ 795,159
Receivables - other	0	0	0	0	0	0
Receivables - taxes current & deliquent	3,248	0	0	9,341	13,124	25,713
Due from other funds	0	0	0	0	0	0
Cemetery lots - land	0	0	8,420	0	0	8,420
TOTAL ASSETS	159,178	137,676	14,651	301,318	216,469	829,292
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	0	0	861	17,163	0	18,024
Due to other funds	0	0	0	0	0	0
Accrued payroll taxes	0	0	0	0	0	0
TOTAL LIABILITIES	0	0	861	17,163	0	18,024
FUND BALANCES	159,178	137,676	13,790	284,155	216,469	811,268
TOTAL LIABILITIES & FUND BALANCE	$ 159,178	$ 137,676	$ 14,651	$ 301,318	$ 216,469	$ 829,292

TOWNSHIP OF CASEVILLE
COMBINE BALANCE SHEETS
SPECIAL ASSESSMENT FUNDS
'MARCH 31, 2005

ASSETS		KATHLEEN	HARTSHORN	GAGETOWN	MICHAEL	TOTALS
Cash in bank - checking	$	1	1	0	1	3
MIF - savings		7,528	17,736	161,127	7,534	193,925
Receivable - special assessment		0	0	0	0	0
Current		0	1,616	0	1,467	3,083
deferred		7,477	50,074	17,772	33,244	108,567
interest		0	9,890	3,409	10,472	23,771
reserved for other funds		0	73,046	201,955	42,000	317,001
Due to other funds		0	0	0	0	0
TOTAL ASSETS	$	15,006	152,363	384,263	94,718	646,350

LIABILITIES AND FUND BALANCES

LIABILITIES						
Due to other funds	$	14,000	0	0	0	14,000
Accounts payable - bond		0	73,045	201,955	42,000	317,000
Deferred revenue		7,477	61,581	21,181	45,182	135,421
TOTAL LIABILITIES	$	21,477	134,626	223,136	87,182	466,421
FUND BALANCES		(6,471)	17,737	161,127	7,536	179,929
TOTAL LIABILITIES AND FUND BALANCE	$	15,006	152,363	384,263	94,718	646,350

TOWNSHIP OF CASEVILLE
COMBINED BALANCE SHEET
SPECIAL DREDGING ASSESSMENT
March 31, 2005

	SAND POINT CANAL	SANDY ISLE CHANNEL	TOTALS
ASSETS			
Cash in bank - ck and MIF	$ 29,718	$ 95,820	$ 125,538
Special Assessment rec'ble			
current	599	1,354	1,953
deferred	23,195	108,735	131,930
interest	2,724	20,543	23,267
Reserved for other funds	60,000	200,000	260,000
Total Assets	$ 116,236	$ 426,452	$ 542,688
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Accounts payable	$ 60,000	$ 200,000	$ 260,000
Deferred Revenue	26,517	130,632	157,149
Total Liabilities	86,517	$ 330,632	$ 417,149
FUND EQUITY	29,719	95,820	125,539
Total Liabilities and Fund Equity	$ 116,236	$ 426,452	$ 542,688

TOWNSHIP OF CASEVILLE
GYPSY MOTH FUND
COMPARATIVE BALANCE SHEET
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

ASSETS	March 31, 2005	March 31, 2004
CURRENT ASSETS		
Cash in bank	$ 155,930	$ 187,005
Taxes receivable	3,248	3,483
Total Assets	$ 159,178	$ 190,488

LIABILITIES AND FUND EQUITY		
LIABILITIES	$	$ 0
FUND EQUITY	159,178	190,488
Total Liabilities and Fund Equity	$ 159,178	$ 190,488

TOWNSHIP OF CASEVILLE
CEMETERY OPERATING FUND
COMPARATIVE BALANCE SHEET
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

ASSETS	March 31, 2005	March 31, 2004
CURRENT ASSETS		
Cash in bank	$ 6,231	$ 7,079
Due from General Fund	0	1,123
Due from Cemetery Care Fund	0	991
Cemetery lots	8,420	8,420
Total Assets	$ 14,651	$ 17,613

LIABILITIES AND FUND EQUITY		
LIABILITIES		
Due to Cemetery Opr Fund	$ 0	$ 0
Due to General Fund	0	5,917
Accounts Payable	861	595
Accrued FICA	0	0
FUND EQUITY	$ 13,790	$ 11,101
Total Liabilities and Fund Equity	$ 14,651	$ 17,613

TOWNSHIP OF CASEVILLE
CEMETERY PERPETUAL CARE FUND
COMPARATIVE BALANCE SHEET
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

ASSETS	March 31, 2005	March 31, 2004
CURRENT ASSETS		
Cash in bank	$ 137,676	$ 135,524
Due from Cemetery Opr Fund	0	0
Total Assets	$ 137,676	$ 135,524
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Due to Cemetery Opr Fund	$ 0	$ 991
FUND EQUITY	$ 137,676	$ 134,533
Total Liabilities and Fund Equity	$ 137,676	$ 135,524

TOWNSHIP OF CASEVILLE
POLICE FUND
COMPARATIVE BALANCE SHEET
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

ASSETS	March 31, 2005	March 31, 2004
CURRENT ASSETS		
Cash in bank	$ 291,977	$ 361,906
Taxes receivable - current	9,341	11,226
Taxes receivable - deliquent	0	242
Total Assets	$ 301,318	$ 373,374

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	$ 17,163	$ 10,038
FUND EQUITY	284,155	363,336
Total Liabilities and Fund Equity	$ 301,318	$ 373,374

TOWNSHIP OF CASEVILLE
ROAD FUND
COMPARATIVE BALANCE SHEET
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

ASSETS	March 31, 2005	March 31, 2004
CURRENT ASSETS		
Cash in Bank	$ 203,345	$ 178,157
Taxes receivable - current	13,124	12,201
personal prop	0	554
deliquent	0	396
Accounts receivable-Road Com	0	0
Due from General Fund	0	1,913
Total Assets	216,469	193,221
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Due to General Fund	0	13,503
FUND EQUITY	216,469	179,718
Total Liabilities and Fund Equity	$ 216,469	$ 193,221

TOWNSHIP OF CASEVILLE
PROPRIETARY FUND
COMPARITIVE BALANCE SHEET
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

ASSETS	**March 31, 2004**	**March 31, 2005**
CURRENT ASSETS		
Cash in bank	$ 1,271,983	$ 1,486,564
Accounts Receivable:		
Taxes	31,114	26,493
Interest (Special Assessments)	31,016	24,834
Administration fees	14,820	14,770
Water	20,054	26,584
Tower Debt	66,825	67,718
Other	0	0
Due from other funds	10,338	18,079
Total Current Assets	1,446,150	1,665,042
Other Assets:		
Restricted cash in bank	86,273	87,085
Special Assessment rec'ble	3,557,675	3,074,803
Total Other Assets	3,643,948	3,161,888
FIXED ASSETS		
Water distribution system	8,390,863	8,390,863
Water Plant	553,400	553,400
Equipment	126,182	126,182
Landscaping	2,541	2,541
Bond expense	110,844	110,844
	9,183,830	9,183,830
Less accumulated depreciation	(681,786)	(918,174)
Less accumulated amortization	(31,910)	(38,272)
Net Fixed Assets	8,470,134	8,227,384
TOTAL ASSETS	$ 13,560,232	$ 13,054,314
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES:		
Accounts payable other	$ 6,867	$ 193
Accrued bond interest	174,019	156,923
Due to other funds	10,239	18,079
Maturing bonds payable	400,000	435,000
Total current liabilities	591,125	610,195
Other liabilities:		
Deferred revenue	3,557,675	3,074,805
Bond payable	7,115,000	6,680,000
Total other liabilities	10,672,675	9,754,805
Total Liabilities	11,263,800	10,365,000
Fund Equity:		
Retained earnings:		
Reserved	0	0
Unreserved (deficit)	2,296,432	2,689,314
Total Fund Equity	2,296,432	2,689,314
TOTAL LIABILITIES AND FUND EQUITY	$ 13,560,232	$ 13,054,314

TOWNSHIP OF CASEVILLE
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL SPECIAL FUNDS
'MARCH 31, 2005

	GYPSY MOTH	CEMETERY TRUST	CEMETERY OPERATING	POLICE	ROAD FUND	TOTAL
REVENUE						
Property tax	$ 35,627	$ 0	$ 0	$ 118,630	$ 142,588	$ 296,845
Interest income	1,399	3,706	13	2,905	1,236	9,259
Tranfers from other funds	0	0	18,313	0	0	18,313
Charge for services	45	2,750	9,582	1,604	6	13,987
Revised taxes	9	0	0	22	11	42
TOTAL REVENUE	37,080	6,456	27,908	123,161	143,841	338,446
OPERATING EXPENSES:						
Miscellaneous	67,260	0	0	0	107,090	174,350
Public safety	0	0	0	193,184	0	193,184
Cemetery	0	0	24,214	0	0	24,214
Transfers to other funds	0	3,313	0	0	0	3,313
TIFA Taxes	1,130					
Capital outlay	0	0	1,005	9,158	0	10,163
TOTAL OPERATING EXPENSES	68,390	3,313	25,219	202,342	107,090	406,354
EXCESS OF REVENUES (EXPENDITURES)	(31,310)	3,143	2,689	(79,181)	36,751	(67,908)
FUND BALANCE - MARCH 31, 2004	190,488	134,533	11,101	363,336	179,717	879,175
FUND BALANCE - MARCH 31, 2005	$ 159,178	$ 137,676	$ 13,790	$ 284,155	$ 216,468	$ 811,267

CASEVILLE TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
SPECIAL ASSESSMENT FUNDS
'MARCH 31, 2005

		SAND POINTE	PT CHARITY #1	PT CHARITY #2	SANDY ISLE #1
REVENUE					
Interest - savings	$	37	20	28	14
Interest - from revenue		0	0	0	0
Assessment revenue		0	0	0	0
TOTAL REVENUES	$	37	20	28	14
EXPENDITURES					
Transfer to General Fund		11,119	5,847	8,035	1,956
Road Construction		0	0	0	0
Bond fees		0	0	0	0
Bond payments		0	0	0	0
Bond interest		0	0	0	0
Print/Publishing		0	0	0	0
TOTAL EXPENDITURES	$	11,119	5,847	8,035	1,956
EXCESS OF REVENUES (EXPENDITURES)		(11,082)	(5,827)	(8,007)	(1,942)
FUND BALANCE - MARCH 31, 2004		11,082	5,827	8,007	1,942
FUND BALANCE - MARCH 31, 2005	$	0	0	0	0

(CONTINUED)

CASEVILLE TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
SPECIAL ASSESSMENT FUNDS
'MARCH 31, 2005

		SUGAR MAPLE	BEACH HEIGHTS	SANDY ISLES #2	HAPPY LANES
REVENUE					
Interest - savings	$	17	28	0	12
Interest - from revenue		0	104	0	96
Assessment revenue		0	1,548	0	1,368
TOTAL REVENUES	$	17	1,680	0	1,476
EXPENDITURES					
Transfer to General Fund		4,855	3,161	5,859	582
Road Construction		0	0	0	0
Bond fees		0	0	0	0
Bond payments		0	0	0	2,000
Bond interest		0	0	0	120
Print/Publishing		0	0	0	0
TOTAL EXPENDITURES	$	4,855	3,161	5,859	2,702
EXCESS OF REVENUES (EXPENDITURES)		(4,838)	(1,481)	(5,859)	(1,226)
FUND BALANCE - MARCH 31, 2004		4,838	1,481	5,859	1,226
FUND BALANCE - MARCH 31, 2005	$	0	0	0	0

(CONTINUED)

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL ASSESSMENT FUNDS
March 31, 2005

		KATHLEEN	HARTSHORN	GAGETOWN	MICHAEL	TOTALS
REVENUE						
Interest - savings	$	34	114	1,630	32	1,966
Interest - from revenue		103	3,706	1,364	3,018	8,391
Assessment revenue		3,523	9,435	3,554	6,600	26,028
TOTAL REVENUES	$	3,660	13,255	6,548	9,650	36,385
EXPENDITURES						
Transfer to General Fund		0	0	0	0	41,414
Road Construction		9,328	0	0	0	9,328
Bond fees		0	0	0	100	100
Bond payments		0	11,534	38,467	2,580	54,581
Bond interest		0	4,172	17,369	2,000	23,661
Print/Publishing		803	0	0	0	803
TOTAL EXPENDITURES	$	10,131	15,706	55,836	4,680	129,887
EXCESS OF REVENUES (EXPENDITURES)		(6,471)	(2,451)	(49,288)	4,970	(93,502)
FUND BALANCE - MARCH 31, 2004		0	20,188	210,415	2,566	273,431
FUND BALANCE - MARCH 31, 2005	$	(6,471)	17,737	161,127	7,536	179,929

(CONTINUED)

TOWNSHIP OF CASEVILLE
COMBINED STATEMENT OF REVENUE AND EXPENDITURES
SPECIAL DREDGING ASSESSMENT
March 31, 2005

	SAND POINT CANAL	SANDY ISLE CHANNEL	TOTALS
REVENUES			
Interest - savings	$ 407	$ 659	$ 1,066
Interest - assessment	1,969	10,711	12,680
Revenue - assessment	8,932	42,392	51,324
Total Revenues	$ 11,308	$ 53,762	$ 65,070
EXPENDITURES			
Bond payment	$ 20,000	$ 35,000	$ 55,000
Bond interest	3,730	11,455	15,185
Bond fees	300	0	300
Total Expenditures	$ 24,030	$ 46,455	$ 70,485
EXCESS OF REVENUE (EXPENSE)	-12722	7307	-5415
FUND BALANCE APRIL 1, 2004	42,441	88,513	130,954
FUND BALANCE MARCH 31, 2005	$ 29,719	$ 95,820	$ 125,539

TOWNSHIP OF CASEVILLE
PROPRIETARY FUND
COMPARITIVE STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

REVENUES	March 31, 2005	March 31, 2004
OPERATING REVENUES:		
Debt retirement taxes	$ 253,802	$ 250,862
Water administration	54,440	53,694
Water operating and maintenance	147,756	91,884
Special assessment revenue	482,872	475,790
Special assessment interest	243,669	268,246
Interest and penalties	2,170	4,453
Miscellaneous	7,207	127
TOTAL REVENUE	1,191,916	1,145,056
OPERATING EXPENSES:		
Distribution cost	39,145	26,086
Village Administration	36,103	30,320
Water	67,001	52,232
Salaries	22,450	21,100
Other	23,800	32,330
TOTAL OPERATING EXPENSES	188,499	162,068
Operating income - before depreciation	1,003,417	982,988
Less depreciation	(236,388)	(236,380)
OPERATING INCOME (LOSS)	767,029	746,608
OTHER FINANCIAL SOURCES (USES)		
Transfers from other funds	267,361	546,529
Transfers to other funds	(267,361)	(546,528)
Interest income	10,723	1,817
Interest expense	(378,508)	(420,059)
Amortization of bond issue cost	(6,362)	(6,362)
TOTAL OTHER FINANCING SOURCES (USES)	(374,147)	(424,603)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES	392,882	322,005
FUND BALANCE - APRIL 1, 2004	2,296,432	1,974,427
FUND BALANCE - MARCH 31, 2005	$ 2,689,314	$ 2,296,432

TOWNSHIP OF CASEVILLE
GYPSY MOTH FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND FUND EQUITY - BUDGET AND ACTUAL
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:	$	$	$	$
Current tax collections	34,205		35,627	
Interest	955		1,399	
Revised Tax	7		9	
Penality & Interest	0		45	
Total Revenues	$ 35,167	$ 35,000	$ 37,080	$ 2,080
EXPENDITURES				
Postage	0		0	
Contract spray	0		67,260	
Taxes - TIFA	447		1,130	
Taxes - cancellation	0		0	
Miscelleanous	0		0	
Total Expenditures	447	68,500	68,390	110
EXCESS OF REVENUES (EXPENDITURES)	$ 34,720	$	(31,310)	$ 1,970
FUND BALANCE				
Beginning of year			190,488	
FUND BALANCE				
End of year			$ 159,178	

TOWNSHIP OF CASEVILLE
CEMETERY OPERATING FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND FUND EQUITY - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:	$	$	$	$
Markers/Foundations	1,827		932	
Grave openings	6,775		6,100	
Sale of lots	4,100		2,550	
Miscelleaneous	0		0	
Interest	15		13	
Transfer from Cemetery Care	5,253		3,313	
Transfer from General Fund	5,000		15,000	
Transfer from Road Fund	0		0	
Total Revenues	$ 22,970	$ 29,050	$ 27,908	$ (1,142)
EXPENDITURES				
Salaries & Wages	12,000		12,600	
Contr Service-Grave Openings	6,450		6,675	
Foundation Marker	1,031		693	
Supplies for care of grounds	178		384	
Maintenance & Repair	1,112		766	
Water	340		340	
Electricity	109		131	
Equipment purchased	0		0	
Miscelleaneous	0		145	
Gas & Oil	337		268	
Insurance	445		553	
Improvements	0		0	
Trash Removal/recycle	438		384	
Travel	27		75	
Pension Plan	900		956	
Payroll taxes	132		183	
Print/Publishing	30		61	
Capital outlay	0		1,005	
Total Expenditures	23,529	$ 27,600	$ 25,219	$ 2,381
EXCESS OF REVENUES (EXPENDITURES)	$ (559)	$	2,689	$ 1,239
FUND BALANCE				
Beginning of year			11,101	
FUND BALANCE				
End of year			$ 13,790	

TOWNSHIP OF CASEVILLE
CEMETERY PERPETUAL CARE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND FUND EQUITY - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 AND 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:	$	$	$	$
Perpetual care receipts	6,250		2,750	
Interest on investments	4,717		3,706	
Total Revenues	$ 10,967	$ 10,000	$ 6,456	$ (3,544)
EXPENDITURES				
Transfers to Cem Opr Fund	5,253		3,313	
Total Expenditures	5,253	6000	3,313	2,687
EXCESS OF REVENUES (EXPENDITURES)	$ 5,714	$	3,143	$ (857)
FUND BALANCE Beginning of year			134,533	
FUND BALANCE End of year			$ 137,676	

TOWNSHIP OF CASEVILLE
POLICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND FUND EQUITY - BUDGET AND ACTUAL
FOR YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:	$	$	$	$
Current tax collections	141,741		118,630	
Interest	1,929		2,905	
Fines & Misc	1,015		193	
Liquor license rebate	1,327		1,323	
Miscellaneous	0		87	
Revised taxes	3		22	
Total Revenues	$ 146,015	$ 146,000	$ 123,160	$ (22,840)
EXPENDITURES				
Capital outlay	0		9,158	
Contracted services	111,277		172,988	
Repairs & maintenance	0		0	
Supplies & postage	360		274	
Telephone	183		368	
Dry cleaning	98		290	
County vehicle use	14,175		18,640	
Legal	1,146		623	
Miscelleaneous	600		0	
Tax cancellation	0		0	
Capital Outlay	0		0	
Total Expenditures	127,839	196,000	202,341	(6,341)
EXCESS OF REVENUES (EXPENDITURES)	$ 18,176	$	(79,181)	$ (16,499)
FUND BALANCE Beginning of year			363,336	
FUND BALANCE End of year			$ 284,155	

TOWNSHIP OF CASEVILLE
ROAD FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND FUND EQUITY - BUDGET AND ACTUAL
FOR THE YEARS ENDED MARCH 31, 2004 & 2005

	PRIOR YEAR ACTUAL	BUDGET 2004-05	ACTUAL 2004-05	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:	$	$	$	$
Current tax collections	136,900		142,588	
Interest	700		1,236	
miscellaneous	169		6	
revised tax	25		11	
Total Revenues	$ 137,794	$ 136,550	$ 143,841	$ 7,291
EXPENDITURES				
Transfer to other funds	0		0	
Repairs	125,156		103,692	
Miscelleaneous	0		0	
Brush spray	448		247	
Taxes - TIFA DDA	1,790		3,152	
Total Expenditures	127,394	146,500	107,091	39,409
EXCESS OF REVENUES (EXPENDITURES)	$ 10,400	$	36,750	$ 46,700
FUND BALANCE				
Beginning of year			179,718	
FUND BALANCE				
End of year			$ 216,468	

TOWNSHIP OF CASEVILLE
COMBINED STATEMENT OF CASH FLOWS
WATER FUND
FOR FISCAL YEARS ENDED MARCH 31, 2004 & 2005

		March 31, 2005	March 31, 2004
Cash flows from operating activities:			
Operating income (loss)			
Adjustments to reconcile operating income (loss) to net cash provided by operations:	$	767,029	746,608
Depreciation - Amortization		236,388	236,380
Increase (decrease) in assets & liabilities			
Accounts receivable		486,704	493,982
Accounts payable - Bond		(400,000)	(370,000)
Accounts payable - Other		(6,674)	(7,790)
Net cash provided (used) for operating activities		80,030	116,192
Deffered Revenue		(482,870)	(506,890)
Cash flows from non-capital financing activities:			
Transfers from (to) other funds		0	0
Net cash provided (used) for non-capital financing activities		0	0
Cash flows from capital and related financing activities			
Interest paid on bonds		(395,906)	(420,059)
Net cash provided (used) for capital and related financing activitie		(395,906)	(420,059)
Cash flows from investing activities:			
Interest income		10,723	1,817
Purchase of assets		0	(7,586)
Net cash provided (used) for investing activities		10,723	(5,769)
Net increase (decrease) in cash and cash equivalents			
Cash and cash equivalents, beginning of year		1,358,255	1,191,793
Cash and cash equivalents, end of year	$	1,573,649	1,358,255

NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

ACCOUNTIN FOR CAPITAL EXPENDITURES:

Generally accepted accounting principles applicable to governmental units as promulgated in the American Institute of Certified Public Accountants industry audit guide titles "Audit of State and Local Government Units" provide for differing accounting treatment for capital expenditures dependent upon the category of the funds from which the expenditures are made. In enterprise, intergovernmental service and certain trust funds, capital expenditures are capitalized in the fund and depreciated in all other funds, including the General Fund, capital expenditures are treated in the same manner as other current expenditures in the fund and are then to be capitalized in a "general fixed asset" group of accounts, which is located on page seven.

EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS:

P.A. 621 of 1978, section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adapted to the (functional) level.

During the year ended March 31, 2005, the Township had expenditures in certain budgetary funds which were in excess of amounts appropriated.

FUND	Total Appropriations	Amount of Expenditures	Budget Variance
POLICE	196,000	202,341	(16,499)

RESTRICTED ASSETS

Certain proprietary fund assets are restricted for making principal and interest payments on bonds, making repairs and replacement to the existing water system, or making additions, improvements, enlargements or extensions to the existing water system. These assets are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenant and Michigan law.

TOWNSHIP OF CASEVILLE
NOTES TO FINANCIAL STATEMENTS
'MARCH 31, 2005

NOTE 1 - The General fixed asset Group of Accounts is maintained on a cost basis. Additions and deletions are cecorded throughout the year to maintain an accurate listing of assets, and are checked to correspond with ledger transactions.

	TOTALS 3/31/2003	ADDITIONS 2004-05	DELETIONS 2004-05	TOTALS 3/31/2004
EQUIPMENT (COST)				
Cemetery	$ 49,700	$ 1,005	$ 0	$ 50,705
Vault, meeting room & lobby	2,223	0	0	2,223
Police	24,363	9,158	0	33,521
Assessor's office	7,388	1,121	0	8,509
Community room	1,603	0	0	1,603
Supervisors office	491	0	0	491
Clerk & Treasurer's office	33,359	527	0	33,886
Miscellaneous	7,796	3,864	0	11,660
Elections	3,150	0	0	3,150
Total Equipment	130,073	15,675	0	145,748
LAND (COST)	201,373	0	0	201,373
PARKING LOT	3,054	0	0	3,054
BUILDING (COST)	182,025	0	0	182,025
Total Land & Buildings	386,452	0	0	386,452
WATER DISTRIBUTION SYSTEM				
Water system	8,390,863	0	0	8,390,863
Water plant	553,400	0	0	553,400
Equipment	126,182	0	0	126,182
Landscaping	2,541	0	0	2,541
Bond issuance expense	110,844	0	0	110,844
Total	9,183,830	0	0	9,183,830
GRAND TOTAL	9,700,355	15,675	0	9,716,030

NOTE 2 - Property taxes are recorded when taxes are levied. This annual levy was made on December 1, 2004 and is for the year April 1, 2004 thru March 31, 2005

	MILLAGE	TAX LEVY	COLLECTED	UNCOLLECTED
Taxable vale of $183,642,131	.95600	175,554	161,597	13,957
Police Fund	.80000	118,630	110,485	8,146
Road Fund	.17760	142,588	131,252	11,336
Gypsy Moth	.19410	35,627	32,795	2,832

NOTE 3 – DESCRIPTION OF REPORTING ENTITY

Caseville Township is located in Huron County and has a population of approximately 2,000. The Village of Caseville is located within Caseville Township with the remainder being shoreline resort and rural farming. All funds in the Township are controlled by the Township Board and are included in the audit.

NOTE 4 – BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the balance sheet. Fund equity (i.e. net total assets) is segregated into contributed capital and retained earnings compo9nents. Proprietary fund-type operating statements presented increases (i.e. revenues) and decreases (i.e. expenses) in net total assets.

All proprietary funds and nonexpendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the balance sheet. Fund equity (i.e. net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increase (i.e.revenues) and decrease (i.e. expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other government fund revenues susceptible to accrual. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues susceptible to accrual are property taxes, federal and state grants, special assessments, license, interest revenue and charges for services. Fines, permits and sales tax and other state revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

NOTE 5 – BUDGET

The Township adopted their budget on functional level totals, using the modified accrual basis of accounting.

NOTE 6 – BASIS OF PRESENTATION

The financial activities of the Township of Caseville are recorded in separate funds and are categorized as follows:

GENERAL FUND – The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS – Cemetery Fund, Cemetery Care Fund, Road Fund, Police Fund, Gypsy Moth Fund, and Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

ROAD AND CANAL IMPROVEMENT SPECIAL ASSESSMENT BOND FUNDS – Special assessment districts were set up to finance private road and canal improvements.

NOTE 7 – MEMORANDUM ONLY

The 'MEMORANDUM ONLY' total column represents the aggregated total of the various columnar statements by fund types. This total column is not comparable to a consolidation and, therefore, does not present consolidated information.

NOTE 8 – CONTINGENT LIABILITIES

The Township has elected to be treated as a reimbursing employer for unemployment compensations purposes. Any unemployment benefits paid to Township employees by the Michigan unemployment fund must be reimbursed by the Township on dollar for dollar basis. The Contingent liability for unemployment benefits is not reflected in the accompanying financial statement. The expenses are recognized at the time the Township becomes liable to the state of Michigan for unemployment paid.

NOTE 9 – BALANCE SHEET CASH AND INTEREST BEARING DEPOSITS

Deposits are carried at cost. Deposits of the Township are at one bank. Act 217, P.A. 1982, authorizes the Township to deposit and invest in the accounts of federally insured bank, insured credit unions, and savings and loan association; bonds and other direct obligations of the United States, or an agency or instrumentality of the United States; United States government or federal agency obligation repurchase agreements; banker's acceptance of the United States banks; commercial paper rated within the three highest classification but not less than two standard rating services, which mature not more than 270 days after the date of purchase, and which involves no more than 50percent of any one fund; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government of Michigan law prohibits security in the form of collateral, surety bond, or other form for the deposit of public money. An attorney General's opinion states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board statement No. 3 risk disclosures for the Township's cash deposits are as follows:

DEPOSITS		CARRING AMOUNT
Insured		$ 100,000
Uninsured		3,129,852
	Total Deposits	$3,229,852

NOTE 10 – ADJUSTMENT TO FUND BALANCE AT MARCH 31, 2003.

The adjustment was setting up fixed assets and land that was fully depreciated over the years.

Land was recorded at $14,970 and Building and Equipment was Recorded at $234.763.

NOTE 11 – LAND CONTRACT AGREEMENT

The Township of Caseville holds a Land Contract with James and Priscilla Kreh for a parcel of land known as Parcel B on North Caseville Road The purchase price was $110,000 of which a down payment was made for $10,000 and monthly payments will be made starting January 01, 2003 in the amount of $1.213.28. The interest rate is eight (8%) percent per annum. All sums, including interest, shall be paid in full on or before ten (10) years from the date of the signed Land Contract.

NOTE 12 - AMORTIZATION SCHEDULE FOR WATER DISTRICT #1

Improvement bonds for District #1 water lines and hookup. This is to be collected on the Tax Roll.

FISCAL YEAR ENDING	PRINCIPAL DUE MAY 1ST	INTEREST DUE MAY 1ST	INTEREST DUE NOV 1ST	FISCAL TOTAL
2,005	200,000	77,250	72,450	2,800,000
2,006	200,000	72,450	67,600	2,600,000
2,007	200,000	67,600	62,700	2,400,000
2,008	200,000	62,700	57,750	2,200,000
2,009	200,000	57,750	52,500	2,000,000
2,010	200,000	52,500	47,250	1,800,000
2,011	200,000	47,250	42,000	1,600,000
2,012	200,000	42,000	36,750	1,400,000
2,013	200,000	36,750	31,500	1,200,000
2,014	200,000	31,500	26,250	1,000,000
2,015	200,000	26,250	21,000	800,000
2,016	200,000	21,000	15,750	600,000
2,017	200,000	15,750	10,500	400,000
2,018	200,000	10,500	5,250	200,000
2,019	200,000	5,250	0	0
TOTALS	3,000,000	626,500	549,250	

NOTE 13 - AMORTIZATION SCHEDULE FOR WATER DISTRICT #2

Improvement bonds for District #1 water lines and hookup. This is to be collected on the Tax Roll.

FISCAL YEAR ENDING	PRINCIPAL DUE MAY 1ST	INTEREST DUE MAY 1ST	INTEREST DUE NOV 1ST	FISCAL TOTAL
2005	15,000	8,400	8,025	300,000
2006	20,000	8,025	7,525	280,000
2007	20,000	7,525	7,025	260,000
2008	20,000	7,025	6,520	240,000
2009	20,000	6,520	6,010	220,000
2010	20,000	6,010	5,495	200,000
2011	20,000	5,495	4,975	180,000
2012	20,000	4,975	4,450	150,000
2013	20,000	4,450	3,920	140,000
2014	20,000	3,920	3,380	120,000
2015	20,000	3,380	2,830	100,000
2016	20,000	2,830	2,270	80,000
2017	20,000	2,270	1,710	60,000
2018	20,000	1,710	1,145	40,000
2019	20,000	1,145	575	20,000
2020	20,000	575	0	0
TOTALS	315,000	74,255	65,855	

NOTE 14 - AMORTIZATION SCHEDULE FOR THE WATER TOWER EXPANSION PROJECT

To be collected from water bills over the next twenty years.

FISCAL YEAR ENDING	PRINCIPAL DUE MAY 1ST	INTEREST DUE MAY 1ST	INTEREST DUE NOV 1ST	FISCAL TOTAL
2005	200,000	99,603	94,603	2,800,000
2006	200,000	94,603	89,503	2,600,000
2007	200,000	89,503	84,303	2,400,000
2008	200,000	84,303	79,003	2,200,000
2009	200,000	79,003	73,603	2,000,000
2010	200,000	73,603	68,103	1,800,000
2011	200,000	68,103	62,503	1,600,000
2012	200,000	62,503	56,803	1,400,000
2013	225,000	56,803	50,278	1,200,000
2014	225,000	50,278	43,641	1,000,000
2015	225,000	43,641	36,750	800,000
2016	300,000	36,750	27,563	600,000
2017	300,000	27,563	18,375	400,000
2018	300,000	18,375	9,188	200,000
2019	300,000	9,188	0	0
TOTALS	3,475,000	893,822	794,219	

NOTE 15 – FIXED ASSETS (PROPRIETARY FUNDS)

Fixed assets are stated at cost. Depreciation of all exhaustible fixed assets used by the proprietary fund is charges as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the useful lives of the respective classes of assets using the straight-line method. The estimated useful lives are a follows:

Buildings	30 years
Land Improvements	10-15 years
Machinery and equipment	5 – 50 years

NOTE 16 – BASIS OF PRESENTATION

Proprietary Fund: Enterprise Fund – The financial activities of the Caseville Township water system is recorded in one fund categorized as an Enterprise Fund. Enterprise Funds are of the Proprietary Fund Type and are used to account for operations

(a) That are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expense, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or

(b) Where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

NOTE 17 - AMORTIZATION SCHEDULE FOR WATER DIST #3

To be collected on the Tax Roll.

FISCAL YEAR ENDING	PRINCIPAL DUE MAY 1ST	INTEREST DUE MAY 1ST	INTEREST DUE NOV 1ST	FISCAL TOTAL
2005	15,000.00	7,900.00	7,543.75	310,000.00
2006	20,000.00	7,543.75	7,068.75	290,000.00
2007	20,000.00	7,068.75	6,593.75	270,000.00
2008	20,000.00	6,593.75	6,118.75	250,000.00
2009	20,000.00	6,118.75	5,643.75	230,000.00
2010	20,000.00	5,643.75	5,168.75	210,000.00
2011	20,000.00	5,168.75	4,693.75	190,000.00
2012	20,000.00	4,693.75	4,218.75	170,000.00
2013	20,000.00	4,218.75	3,743.75	150,000.00
2014	20,000.00	3,743.75	3,268.75	130,000.00
2015	20,000.00	3,268.75	2,788.75	110,000.00
2016	20,000.00	2,788.75	2,298.75	90,000.00
2017	15,000.00	2,298.75	1,923.75	75,000.00
2018	15,000.00	1,923.75	1,545.00	60,000.00
2019	20,000.00	1,545.00	1,035.00	40,000.00
2020	20,000.00	1,035.00	520.00	20,000.00
2021	20,000.00	520.00	0.00	0.00
TOTALS	325,000.00	72,073.75	64,173.75	

PAUL A SMIHAL
CERTIFIED PUBLIC ACCOUNTANT
6915 N. CASEVILLE ROAD
CASEVILLE, MICHIGAN 48725

07/01/2005

Honorable Supervisor and
Members of Township Board
Township of Caseville
Caseville, MI 48725

Gentlemen:

I have recently concluded my examination of the accounting records of the Township of Caseville for the year ended March 31, 2005. In connection with that examination, I wish to make the following comments and recommendations.

GENERAL FIXED ASSET GROUP OF ACCOUNTS

Generally accepted accounting principles require that a general fixed asset group of accounts be maintained by all governmental units. I was pleased to see that the Township has a list on file, and that it was reviewed before the audit.

INVESTMENTS

I was pleased to see that the Township invested excess money into savings resulting in a total of $ 24,618 interest income for all funds combined.

BUDGET

P.A. 621 of 1978, section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the township for these budgetary funds were adapted to the (functional) level.

RECOMMENDATIONS

In our review we noted that dates on deposits don't match the dates used on the Clerks records. This should be corrected. This results in receipt numbers and dates being out of order.

Also when recording special assessment principal and interest payments, the principal and interest needs to be recorded in the accounts set up on the records

Hard copies of all special assessments which record tax roll numbers of property owners along with assessment fees should be kept until the project is completely paid off and the debt is cancelled.

When selecting new account numbers caution should be used to make sure the new numbers comply with the uniform chart of accounts.

The Gypsy Moth Fund also has revenue of $ 35,627 and expenses of $67,260 there is an accumulated fund balance of $ 159,178. It appears the tax levy could be reduced

OTHER

I wish to Thank the Officials of the Township of Caseville for their cooperation during the course of my examination

Very truly yours,

Paul A. Smihal

Paul A Smihal
Certified Public Accountant