COMPREHENSIVE ANNUAL FINANCIAL REPORT

TOWNSHIP OF CHAPIN

SAGINAW COUNTY, MICHIGAN

MARCH 31, 2006

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.

Local Government Type	Local Government Name	County
☐ City ☒ Township ☐ Village ☐ Other	CHAPIN	SAGINAW

Audit Date	Opinion Date	Date Accountant Report Submitted to State:
3-31-2006	4-19-2006	6-6-2006

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.			+
Reports on individual federal financial assistance programs (program audits).			+
Single Audit Reports (ASLGU).			+

Certified Public Accountant (Firm Name)			
JAMES M. IRELAND, P.C.			
Street Address	City	State	ZIP
6920 S. CEDAR ST., SUITE #3	LANSING	MI	48911-6924
Accountant Signature James M. Ireland, CPA			

TOWNSHIP OF CHAPIN

TOWNSHIP BOARD

Robert Maynard	-	Supervisor
Virginia Leckenby	-	Clerk
Rebecca Bates	-	Treasurer - Past
Michelle Kettler	-	Treasurer - Current
David Arnst	-	Trustee
Dennis Coon	-	Trustee

TOWNSHIP OF CHAPIN

SAGINAW COUNTY, MICHIGAN

Table of Contents

	Page
Independent Auditor's Report	1
Combined Statement - Overview:	
Statement of Net Assets	2
Statement of Activities	3
Balance Sheet - Governmental Activities	4
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund	5
Statement of Net Assets - Fiduciary Funds	6
Notes to Financial Statements	7-11
Management's discussion and Analysis	12-14
Financial Statements of Individual Funds:	
General Fund:	
Balance Sheet	15
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	16-20
Trash Fund:	
Balance sheet	21
Statement of Revenues, Expenditures and Changes in Fund Balance	22
Fiduciary Fund:	
Current tax Fund:	
Statement of Changes in Assets and Liabilities	23
Statement of Cash Receipts and Disbursements	24

JAMES M. IRELAND, P.C.

CERTIFIED PUBLIC ACCOUNTANT
6920 S. CEDAR STREET, SUITE #3
LANSING, MI 48911-6924
(517) 699-5320

Independent Auditor's Report

Members of the Township Board
Township of Chapin
Saginaw County, Michigan

Board members:

We have audited the accompanying general purpose financial statements of the Township of Chapin as of and for the year ended March 31, 2006, as listed in the table of contents. These general purpose financial statements are the responsibility of the township's management. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Chapin as of March 31, 2006, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

James M. Ireland, P.C.
Certified Public Accountant

April 19, 2006

TOWNSHIP OF CHAPIN

STATEMENT OF NET ASSETS

March 31, 2006

		Governmental Activities
Assets		
Cash		$ 166,537
Investments		71,027
Receivables		13,035
Capital assets:		
Land	$ 2,000	
Other capital assets, net of depreciation	150,724	
Total Capital Assets		152,724
Total Assets		403,323
Liabilities		
Accounts payable		-
Net Assets		$ 403,323
Net Assets		
Invested in capital assets, net of any related debt		$ 152,724
Unrestricted		250,599
Total Net Assets		$ 403,323

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2006

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Assets Governmental Activities
Primary government:			
Governmental activities:			
General government	$ 52,325	$ 2,083	$ (50,242)
Public safety	32,942	8,747	(24,195)
Public works	116,363	45,999	(70,364)
Health and welfare	8,830	-	(8,830)
Total Governmental Activities	$ 210,460	$ 56,829	$ (153,631)
General Revenues:			
Taxes:			
Property taxes, levied for general purposes			50,385
State grants			76,663
Unrestricted investment earnings			3,876
Miscellaneous			3,100
Total General Revenues			134,024
Change in Net Assets			(19,607)
Net Assets - April 1, 2005			828,284
Net Assets - March 31, 2006			$ 808,677

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN

BALANCE SHEET - GOVERMENTAL FUNDS

For the Year Ended March 31, 2006

	General Fund	Trash Fund	Total Governmental General
Assets			
Cash	$ 126,255	$ 40,282	$ 166,537
Investments	71,027	-	71,027
Receivables	5,273	7,387	12,660
Due from other funds	375	-	375
Total Assets	$ 202,930	$ 47,669	$ 250,599
Liabilities			
Accounts payable	$ -	$ -	$ -
Fund balance:			
Unreserved	202,930	47,669	250,599
Total Liabilities and Fund Balance	$ 202,930	$ 47,669	$ 250,599

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND

For the Year Ended March 31, 2006

	General Fund	Trash Fund	Total Governmental Funds
Revenues:			
Taxes	$ 50,385	$ -	$ 50,385
Licenses and permits	8,747	-	8,747
State grants	76,663	-	76,663
Charges for services	2,083	-	2,083
Miscellaneous	5,623	47,352	52,975
Total Revenues	143,501	47,352	190,853
Expenditures:			
General government	44,915	-	44,915
Public safety	32,942	-	32,942
Public works	73,100	43,263	116,363
Health and welfare	8,830	-	8,830
Capital outlay	2,824	-	2,824
Total Expenditures	162,611	43,263	205,874
Excess (Deficiency) of Revenues over Expenditures	(19,110)	4,089	(15,021)
Fund Balance, April 1	222,040	43,580	265,620
Fund Balances, March 31	$ 202,930	$ 47,669	$ 250,599

Net change in fund balances - total governmental funds, above.	(15,021)
Amounts reported for governmental activities in the statement of activities (Page 3) are difference because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($7,410) exceeded capital outlays ($2,824) in the current period.	(4,586)
Change in nets assets of governmental activities, Page 3.	$ (19,607)

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

March 31, 2006

	Agency Funds
Assets	
Cash	$ 375
Investments	-
Total Assets	375
Liabilities	
Due to general fund	375
Due to other other governmental units	-
Total Liabilities	375
Net Assets	$ -

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN

NOTES TO FINANCIAL STATEMENTS

March 31, 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", these financial statements present the Township of Chapin and its component units. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

Basis of Presentation

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The financial activities of the Township of Chapin are recorded in separate funds and account groups, categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of: (1) general governmental departments, boards and commissions; (2) law enforcement; and (3) health, welfare and medical assistance. The fund includes the general operating expenditures of the local unit.

Special Revenue Fund

These funds are used to account for specific revenue sources (other than expendable trusts or major capital projects), generally derived from State and Federal grants, General Fund appropriations and charges for services, which are to be expended for specific purposes as dictated by legal, regulatory, or administrative requirements.

FIDUCIARY FUNDS

Trust and Agency Funds

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds ©) Pension Trust Fund; and (d) Agency Funds.

TOWNSHIP OF CHAPIN

NOTES TO FINANCIAL STATEMENTS

March 31, 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CASH, CASH EQUIVALENTS, AND INVESTMENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

Investments are stated at cost.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is used by all Governmental Funds, Agency Funds and Expendable Trust Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual--that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

a. Property tax revenue is recognized in accordance with MCGAA Statement 3: Properties are assessed and leined as of December 31 and their related property taxes are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.

b. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.

c. Normally, expenditures are not divided between years by the recording of prepaid expenses.

Budgets and Budgetary Accounting:

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

1. Prior to December 1, the Supervisor submits to the 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. The budgets are adopted to the activity level.

2. Public hearings are conducted at the Township hall to obtain taxpayer comments.

3. Prior to February 1, the budget is legally enacted through passage of a resolution.

4. Budgets for the governmental fund types and the expendable trust funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

5. Budgeted amounts are as originally adopted, or as amended by the Township Board.

TOWNSHIP OF CHAPIN

NOTES TO FINANCIAL STATEMENTS

March 31, 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Comparative Data:
Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations.

Investments:
Investments are stated at cost.

Property Tax and Delinquent Taxes Receivable
Taxes are levied for the Township on December 1. The Township bills and collects its own property taxes. Property taxes not paid to the Township treasurer by the final due date in March are turned over to the County treasurer. The County purchases the delinquent taxes of the Township and normally remits the taxes to the Township the following year. The taxes paid by the county are included as revenue on the Township's books at the preceding March 31 date.

The 2005 Taxable valuation of the Township totaled $17,237,399 on which ad valorem taxes levied consisted of 0.8936 mills for operating purposes. These amounts are recognized in the general fund. The Township has a special assessment of 1.6671 mills on real property taxable values for fire and ambulance.

Delinquent Taxes Receivable

	Fire and Ambulance Assessments	Operating Taxes	PTAF	Total
2005 Tax Levy	$29,481	$15,052	$5,852	$50,385
2005 Taxes Collected	26,396	13,476	5,240	45,112
2005 Taxes Uncollected	3,085	1,576	612	5,273
Delinquent Taxes Receivable, April 1	3,237	1,743	630	5,610
Delinquent Taxes Collected	3,237	1,743	630	5,610
Delinquent Taxes Receivable, March 31	$ 3,085	$ 1,576	$ 612	$ 5,273
Summary by Year of Levy, 2005	$ 3,085	$ 1,576	$ 612	$ 5,273

TOWNSHIP OF CHAPIN

NOTES TO FINANCIAL STATEMENTS

March 31, 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Tax and Delinquent Taxes Receivable (cont'd)

Total Columns on Combined Statements - Overview:

Total Columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BALANCE SHEET--CASH AND INVESTMENTS

Deposits are carried at cost. Deposits are in one financial institution in the name of Chapin Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

Deposits	
Insured (FDIC)	$161,107
Uninsured	66,914
Total Deposits	$228,021

At year end, the balance sheet carrying amount of deposits was $228,021 .

In accordance with GASB Statement 3, investments are classified into three categories of credit risk as follows:

Category 1: Insured or collateralized with securities held by the Township or its agent in the Township's name.

TOWNSHIP OF CHAPIN

NOTES TO FINANCIAL STATEMENTS

March 31, 2006

BALANCE SHEET--CASH AND INVESTMENTS (cont'd)

Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.

Category 3: Uncollateralized (includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Township's name).

Investment Type	(1)	(2)	(3)	Carrying Amount	Market Value
Risk-Categorized					
Cash Equivalents	$9,920	$ -	$ -	$9,920	$9,920

Excess of Expenditures Over Appropriations in Budgeted Funds

The Uniform Budgeting and Accounting Act, PA 2 of 1968, as amended, (MCL 141.421 et seq.), provides that a local governmental unit shall not incur expenditures in excess of the amount appropriated. The Local Governmental Unit's actual expenditures and budgeted expenditures for the funds budgeted have been shown on a functional basis. The approved budgets of the Township for these budgeted funds were adopted to the departmental level. The general fund overexpended the amended budget by $31,431 due to decision to fix a bridge.

Interfund receivables and payables as of March 31, 2006 are as follows:

	Receivables	Payables
General	$375.01	$ -
Current Tax	-	375.01
Totals	$375.01	$375.01

New Financial Reporting

Starting with fiscal year 2005-2006 the Township of Chapin, Michigan (the "Township") has revised and improved its financial reporting document. These changes are a result of standards set by the Governmental Accounting Standards Board (GASB). The intent of these new standards is to provide citizens, taxpayers, customers, and investors with a better understanding of how the Township's money and other assets are managed.

The new standards set by GASB are intended to give the reader of this annual financial report a better understanding of the financial status of the Township. The new standards introduce accounting rules and systems that are common in the private sector. This report presents a much broader picture of the Township's financial status. Through this comprehensive reporting of assets and liabilities, the reader should have a greater understanding of the Township's financial health.

The discussion and analysis of the Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended March 31, 2006. 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, 2006:

Total fund balances related to the Township's governmental funds decreased by $15,021.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of new assets and the statement of activities provide information about the activities of the Township of Aurelius 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 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 operations of the Township of Aurelius 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 of Aurelius acts solely as a trustee or agent for the benefit of those outside the government.

The following table shows the changes in net assets during the current year.

Using this Annual Report (Continued)

Revenue	
Program revenue:	
Charges for services	$ 2,083
Licenses and permits	8,747
Special assessments	45,999
General revenue:	
Property taxes	50,385
State shared revenue	76,663
Investment earnings	3,876
Other revenue	3,100
Total revenue	190,853
Program Expenses	
General government	44,915
Public safety	32,942
Public works	116,363
Culture and recreation	8,830
Capital outlay	2,824
Total program expenses	205,874
Change in Net Assets	$ (15,021)

Governmental Activities

The Township's governmental revenues totaled $190,853 with the greatest revenue source being state revenue sharing. Property taxes make up approximately 26.4% percent of total governmental revenue. Over the past few years, state shared revenue and interest income have both declined.

The Township incurred expenses of $210,460 during the year.

General Fund Budgetary Highlights

Over the course of the fiscal year, the Township board made necessary budget adjustments to fund unanticipated expenditures during the year. Most departments came in under budget at year end, an overall unfavorable variance approximately $31,431 from budget of general fund.

Current Economic Factors

Revenue sharing is the most significant budgetary concern at this time. The State of Michigan is experiencing significant budget problems, and as they look for solutions, revenue sharing continues to be under attack.

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 demonstrate 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 Township Board.

TOWNSHIP OF CHAPIN
GENERAL FUND

BALANCE SHEET

March 31, 2006

Assets	
Cash in bank - checking	$ 126,255.57
Certificates of deposit	61,106.85
Investments	9,920.00
Delinquent taxes receivable	5,272.78
Due from tax fund	375.01
Total Assets	$ 202,930.21
Liabilities	
Accounts payable	$ -
Fund Balance	
Unreserved	202,930.21
Total Liabilities and Fund Balance	$ 202,930.21

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2006

	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Taxes:			
Current property taxes		$ 44,533.26	
Property tax administration fees		5,851.79	
Total Taxes	$ 41,000.00	50,385.05	$ 9,385.05
Licenses and permits:			
Building permits		6,533.00	
Metro authority fees		2,214.06	
Total Licenses and Permits	8,500.00	8,747.06	247.06
State grants:			
State revenue sharing		76,633.00	
Payments in lieu of taxes		30.00	
Total State Grants	77,030.00	76,663.00	(367.00)
Charges for services:			
Collection fees		1,722.50	
Land division fees		360.00	
Total Charges for Services	1,650.00	2,082.50	432.50
Miscellaneous:			
Interest earned		3,844.41	
Rents and royalties		1,720.00	
Other		58.78	
Total Miscellaneous	3,000.00	5,623.19	2,623.19
Total Revenues	$ 131,180.00	$ 143,500.80	$ 12,320.80

TOWNSHIP OF CHAPIN
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2006

	Budget	Actual	Variance - Favorable (Unfavorable)
Expenditures			
Township board:			
Salaries		$ 1,570.00	
Printing and publishing		177.22	
Dues and memberships		423.33	
Miscellaneous		271.64	
Total Township Board	$ 2,468.00	2,442.19	$ 25.81
Supervisor:			
Salaries		4,725.00	
Land division		270.00	
Supplies and postage		216.40	
Telephone		32.00	
Transportation		268.50	
Computer maintenance		803.56	
Miscellaneous		75.00	
Total Supervisor	7,215.00	6,390.46	824.54
Elections:			
Salaries		-	
Printing and publishing		-	
Total Elections	50.00	-	50.00
Assessor:			
Salaries	3,575.00	3,500.00	75.00
Forward	$13,308.00	$12,332.65	$975.35

TOWNSHIP OF CHAPIN
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2005

	Budget	Actual	Variance - Favorable (Unfavorable)
Forwarded	$ 13,308.00	$ 12,332.65	$ 975.35
Expenditures (cont'd)			
Attorney:			
Professional services	100.00	265.01	(165.01)
Clerk:			
Salaries		4,725.00	
Office supplies and postage		85.49	
Software support		600.00	
Accounting services		160.00	
Telephone		67.04	
Transportation		22.50	
Repairs and maintenance		259.00	
Miscellaneous		60.00	
Total Clerk	6,095.00	5,979.03	115.97
Board of review:			
Salaries	600.00	690.00	(90.00)
Treasurer:			
Salaries		5,310.00	
Office supplies and postage		781.70	
Tax roll preparation		2,523.28	
Telephone		109.59	
Transportation		274.89	
Miscellaneous		1,114.08	
Total Treasurer	11,071.25	10,113.54	957.71
Forward	$ 31,174.25	$ 29,380.23	$ 1,794.02

TOWNSHIP OF CHAPIN
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2006

	Budget	Actual	Variance - Favorable (Unfavorable)
Forwarded	$ 31,174.25	$ 29,380.23	$ 1,794.02
Hall and grounds:			
Salaries		950.00	
Supplies		374.93	
Telephone		139.84	
Utilities		1,054.62	
Repairs and maintenance		671.07	
Total Hall and Grounds	4,030.00	3,190.46	839.54
Fire:			
Contracted services	27,000.00	25,950.37	1,049.63
Building inspection:			
Salaries		5,150.00	
Supplies and postage		125.94	
Telephone		62.40	
Transportation		1,165.08	
Miscellaneous		488.33	
Total Building Inspection	7,274.00	6,991.75	282.25
Drain:			
County drain tax	100.00	1,212.41	(1,112.41)
Highways and streets:			
Contracted services	37,095.75	71,887.19	(34,791.44)
Forward	$ 106,674.00	$ 138,612.41	$ (31,938.41)

TOWNSHIP OF CHAPIN
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2006

	Budget	Actual	Variance - Favorable (Unfavorable)
Forwarded	$ 106,674.00	$ 138,612.41	$ (31,938.41)
Expenditures (cont'd)			
Health:			
Ambulance service		8,360.00	
Professional services		470.00	
Total Health	8,900.00	8,830.00	70.00
Other functions:			
Insurance and bonds		9,391.00	
Pension plan		824.56	
Social security and medicare		2,128.76	
Total Other Functions	15,606.00	12,344.32	3,261.68
Capital outlay:			
Office equipment	-	2,824.28	(2,824.28)
Total Expenditures	131,180.00	162,611.01	(31,431.01)
Excess (Deficiency) of Revenues over Expenditures	-	(19,110.21)	(19,110.21)
Fund Balance, April 1	222,040.42	222,040.42	-
Fund Balance, March 31	$ 222,040.42	$ 202,930.21	$ (19,110.21)

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN
TRASH FUND

BALANCE SHEET

March 31, 2006

Assets	
Cash in bank	$ 40,282.67
Delinquent assessments receivable	7,386.72
Total Assets	$ 47,669.39
Fund Balance	
Unreserved	$ 47,669.39

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN
TRASH FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Year Ended March 31, 2006

	Budget	Actual	Variance-Favorable (Unfavorable)
Revenues			
Miscellaneous:			
Interest earned	$ -	$ 32.04	$ 32.04
Special assessments	53,000.00	45,999.12	(7,000.88)
Recycling rebate	-	1,320.96	1,320.96
Total Revenues	$ 53,000.00	$ 47,352.12	$ (5,647.88)
Expenditures			
Sanitation:			
Contracted services		43,217.05	
Miscellaneous		46.35	
Total Expenditures	53,000.00	43,263.40	9,736.60
Excess of Revenues over Expenditures	-	4,088.72	4,088.72
Fund Balance, April 1	43,580.67	43,580.67	-
Fund Balance, March 31	$ 43,580.67	$ 47,669.39	$ 4,088.72

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS

Year Ended March 31, 2006

	Balance 4/1/05	Additions	Deductions	Balance 3/31/06
Current Tax Fund				
Assets:				
Cash	$ 339.66	$ 529,735.31	$ 529,699.96	$ 375.01
Liabilities:				
Due to state	$ -	$ 95,152.16	$ 95,152.16	$ -
Due to county	-	119,944.14	119,944.14	-
Due to schools	-	229,858.82	229,858.82	-
Due to general fund	339.66	46,167.79	46,132.44	375.01
Due to garbage fund	-	38,612.40	38,612.40	-
Total Liabilities	$ 339.66	$ 529,735.31	$ 529,699.96	$ 375.01

See accompanying notes to financial statements.

TOWNSHIP OF CHAPIN
CURRENT TAX FUND

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2006

Balance, April 1, 2005		$ 339.66
Receipts		
Current tax and assessments	$ 524,096.47	
Property tax administration fees	5,240.19	
Interest earned	48.65	
Dog license fees	350.00	
Total Receipts		529,735.31
Total Receipts and Balance, April 1, 2005		530,074.97
Disbursements		
Saginaw County	119,944.34	
State of Michigan	95,152.16	
Ashley schools	54,233.78	
Chesaning schools	32,869.44	
Ovid-Elsie schools	57,759.90	
Clinton Intermediate	22,970.02	
Gratiot Intermediate	21,209.02	
Saginaw Intermediate	9,273.24	
Delta Community College	31,543.22	
General fund	46,132.44	
Garbage and Refuse Collection Fund	38,612.40	
Total Disbursements		529,699.96
Balance, March 31, 2006		$ 375.01

See accompanying notes to financial statements.