Michigan Department of Treasury
496 (02/06)

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type	Local Unit Name	County
☐County ☐City ☒Twp ☐Village ☐Other	Township of Salem	Allegan

Fiscal Year End	Opinion Date	Date Audit Report Submitted to State
06/30/2006	10/03/06	12/11/06

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

	YES	NO	**Check each applicable box below.** (See instructions for further detail.)
1.	☒	☐	All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2.	☒	☐	There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3.	☒	☐	The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4.	☒	☐	The local unit has adopted a budget for all required funds.
5.	☒	☐	A public hearing on the budget was held in accordance with State statute.
6.	☒	☐	The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7.	☒	☐	The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8.	☒	☐	The local unit only holds deposits/investments that comply with statutory requirements.
9.	☒	☐	The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan,* as revised (see Appendix H of Bulletin).
10.	☒	☐	There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11.	☒	☐	The local unit is free of repeated comments from previous years.
12.	☒	☐	The audit opinion is UNQUALIFIED.
13.	☒	☐	The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14.	☒	☐	The board or council approves all invoices prior to payment as required by charter or statute.
15.	☒	☐	To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)
Financial Statements	☒	
The letter of Comments and Recommendations	☐	Nothing to report
Other (Describe)	☐	No other documents required

Certified Public Accountant (Firm Name)	Telephone Number		
Siegfried Crandall P.C.	(269) 381-4970		
Street Address	**City**	**State**	**Zip**
246 East Kilgore Road	Kalamazoo	MI	49002
Authorizing CPA Signature	**Printed Name**	**License Number**	
	Joseph M. Walls	1101013696	

Township of Salem
Allegan County, Michigan

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

Year ended June 30, 2006

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SiegfriedCrandallPC
Certified Public Accountants & Advisors

246 E. Kilgore Road
Kalamazoo, MI 49002-5599
www.siegfriedcrandall.com

Telephone 269-381-4970
800-876-0979
Fax 269-349-1344

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Township of Salem, Michigan

We have audited the accompanying financial statements of the governmental activities and each major fund of the Township of Salem, Michigan, as of June 30, 2006, and for the year then ended, which collectively comprise the Township's basic financial statements, as listed in the contents. These financial statements are the responsibility of the Township of Salem, Michigan's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Township of Salem, Michigan, as of June 30, 2006, and the respective changes in financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The budgetary comparison information, on pages 15 through 19, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Township of Salem, Michigan, has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the financial statements.

Siegfried Crandall P.C.

October 3, 2006

BASIC FINANCIAL STATEMENTS

Township of Salem
STATEMENT OF NET ASSETS
June 30, 2006

	Governmental activities
ASSETS	
Current assets:	
Cash	$ 586,617
Receivables, net	114,617
Prepaid expenses	11,554
Total current assets	712,788
Noncurrent assets - capital assets, net of accumulated depreciation	2,530,062
Total assets	3,242,850
LIABILITIES	
Current liabilities - payables	39,814
NET ASSETS	
Invested in capital assets	2,530,062
Restricted for:	
Public safety	92,372
Public works	262,009
Recreation and culture	100,790
Unrestricted, unallocated	217,803
Total net assets	$ 3,203,036

See notes to financial statements

Township of Salem
STATEMENT OF ACTIVITIES
Year ended June 30, 2006

	Program revenues			Net (expenses) revenues and changes in net assets
	Expenses	*Charges for services*	*Operating grants and contributions*	*Governmental activities*
Functions /Programs:				
Governmental activities:				
Legislative	$ 5,901	$ -	$ -	$ (5,901)
General government	209,213	31,278	-	(177,935)
Public safety	245,494	94,831	-	(150,663)
Public works	124,275	9,972	5,365	(108,938)
Health and welfare	8,000	-	-	(8,000)
Community and economic development	42,416	8,457	-	(33,959)
Recreation and culture	117,554	32,168	2,518	(82,868)
Interest on long-term debt	432	-	-	(432)
Total governmental activities	$ 753,285	$ 176,706	$ 7,883	(568,696)
General revenues:				
Taxes				698,969
Franchise fees				7,515
State grants				269,323
Investment income				28,452
Other				5,389
Total general revenues				1,009,648
Change in net assets				440,952
Net assets - beginning				2,762,084
Net assets - ending				$ 3,203,036

See notes to financial statements

Township of Salem
BALANCE SHEET - *governmental funds*
June 30, 2006

	General	*Road*	*Fire*	*Library*	*Total*
ASSETS					
Cash	$ 133,380	$ 262,009	$ 92,372	$ 98,856	$ 586,617
Receivables	111,259	-	-	3,358	114,617
Prepaid expenses	11,554	-	-	-	11,554
Total assets	$ 256,193	$ 262,009	$ 92,372	$ 102,214	$ 712,788
LIABILITIES AND FUND BALANCES					
Liabilities - payables	$ 38,390	$ -	$ -	$ 1,424	$ 39,814
Fund balances - unrestricted, undesignated	217,803	262,009	92,372	100,790	672,974
Total liabilities and fund balances	$ 256,193	$ 262,009	$ 92,372	$ 102,214	$ 712,788

Total fund balances - total governmental funds	$ 672,974
Amounts reported for *governmental activities* in the statement of net assets (page 5) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,530,062
Net assets of governmental funds	$3,203,036

See notes to financial statements

Township of Salem

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - *governmental funds*

Year ended June 30, 2006

	General	*Road*	*Fire*	*Library*	*Total*
REVENUES					
Taxes	$ 97,124	$ 493,792	$ 70,504	$ 37,549	$ 698,969
Licenses and permits	94,497	-	-	-	94,497
State grants	274,688	-	-	2,518	277,206
Charges for services	23,111	-	-	3,470	26,581
Fines and forfeitures	-	-	-	28,698	28,698
Interest and rentals	26,972	9,877	3,447	1,611	41,907
Other	38,493	-	-	1,205	39,698
Total revenues	554,885	503,669	73,951	75,051	1,207,556
EXPENDITURES					
Legislative	5,901	-	-	-	5,901
General government	176,511	-	-	-	176,511
Public safety	191,764	-	4,933	-	196,697
Public works	69,456	593,862	-	-	663,318
Health and welfare	8,000	-	-	-	8,000
Community and economic development	42,416	-	-	-	42,416
Recreation and culture	75,936	-	-	40,302	116,238
Capital outlay	25,798	-	158,144	-	183,942
Debt service:					
Principal	7,774	-	-	-	7,774
Interest	432	-	-	-	432
Total expenditures	603,988	593,862	163,077	40,302	1,401,229
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(49,103)	(90,193)	(89,126)	34,749	(193,673)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	5,000	-	5,000
Transfers to other funds	(5,000)	-	-	-	(5,000)
Total other financing sources (uses)	(5,000)	-	5,000	-	-
NET CHANGE IN FUND BALANCES	(54,103)	(90,193)	(84,126)	34,749	(193,673)
FUND BALANCES - BEGINNING	271,906	352,202	176,498	66,041	866,647
FUND BALANCES - ENDING	$ 217,803	$ 262,009	$ 92,372	$ 100,790	$ 672,974

Net change in fund balances - total governmental funds	$ (193,673)

Amounts reported for *governmental activities* in the statement of activities (page 6) are different because:

Capital assets:	
Assets acquired	776,826
Assets disposed	(13,319)
Provision for depreciation	(136,656)
Long-term debt - principal payments	7,774
Change in net assets of *governmental activities*	$ 440,952

See notes to financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Township of Salem, Michigan (the Township), conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant policies.

a) *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. 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. The Township has determined that no outside agency meets the above criteria and, therefore, no outside agency has been included as a blended or discretely-presented component unit in the Township's financial statements.

b) *Government-wide and fund financial statements*:
The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the Township. The effect of inter-fund activity has been removed from these statements.

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

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

c) *Measurement focus, basis of accounting, and financial statement presentation*:
The government-wide financial statements are reported using the economic resources, measurement focus, and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources, measurement focus, and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township generally considers revenues to be available if they are expected to be collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

c) *Measurement focus, basis of accounting, and financial statement presentation* (continued):
State grants, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the government.

The Township reports the following major governmental funds:

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

The Road Fund accounts for the construction and maintenance of Township roads.

The Fire Fund accounts for the purchase and acquisition of fire department equipment.

The Library Fund accounts for the activities of the Township's public library.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in the government-wide financial statements to the extent that those standards do no conflict with the standards of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector standards.

Amounts reported as program revenue include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes and interest income.

d) Assets, liabilities, and net assets or equity:

i) *Bank deposits* - Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

ii) *Receivables and payables* - In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds."

All receivables are considered to be fully collectible.

iii) *Prepaid items* - Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

d) Assets, liabilities, and net assets or equity (continued):

iv) Capital assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., shared road costs and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Township as assets, other than infrastructure, with an initial individual cost of more than $2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The Township has the option of accounting for infrastructure assets retroactively to June 30, 1980, or prospectively beginning July 1, 2003. The Township has elected to account for infrastructure assets on the prospective basis. The Township includes shared road costs in its infrastructure. These costs represent the Township's portion of public road improvements for roads within the Township, which are owned by the County of Allegan.

Capital assets are depreciated using the straight-line method over the following useful lives:

Land improvements	40 years
Buildings and improvements	40 years
Equipment	5 - 10 years
Vehicles	5 - 20 years
Shared road costs	20 years

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

vi) Property tax revenue recognition - Property taxes are levied as of December 1 on property values assessed as of December 31 of the prior year. The billings are due on or before February 14, after which time the bill becomes delinquent and penalties and interest may be assessed by the Township. Property tax revenue is recognized in the year for which taxes have been levied and become available. The Township levy date is December 1, and, accordingly, the total levy is recognized as revenue in the current year.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The budget document presents information by fund, function, department and line items. The legal level of budgetary control adopted by the governing body is the function level. Amounts encumbered for purchase orders, contracts, etc., are tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued):

The following schedule sets forth significant budget variations:

Fund	*Function*	*Budget*	*Actual*	*Variance*
General	Capital outlay	$ 13,850	$ 25,798	$ (11,948)
	Other financing uses	-	5,000	(5,000)
Road	Public works	535,570	593,862	(58,292)

NOTE 3 - DEPOSITS:

State statutes and the Township's investment policy authorize the Township to make deposits in the accounts of federally-insured banks, credit unions, and savings and loan associations. The Township's deposits are in accordance with statutory authority.

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Township will not be able to recover its deposits. Deposits are exposed to custodial credit risk if they are not covered by federal depository insurance and are uncollateralized. At June 30, 2006, $481,382 of the Township's bank balances of $603,368 was exposed to custodial credit risk because it was uninsured and uncollateralized.

The Township believes that it is impractical to insure all bank deposits due to the amounts of the deposits and the limits of FDIC insurance. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the risk level of each institution. Only the institutions with an acceptable estimated risk level are used as depositories.

NOTE 4 - RECEIVABLES:

Receivables as of year end for the government's individual major funds are as follows:

Fund	*Accounts*	*Inter-governmental*	*Total*
General	$ 12,710	$ 98,549	$ 111,259
Library	2,094	1,264	3,358
Totals	$ 14,804	$ 99,813	$ 114,617

All receivables are due within one year.

NOTE 5 - CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2006, was as follows:

	Beginning balance	*Increases*	*Decreases*	*Ending balance*
Governmental activities:				
Capital assets not being depreciated - land	$ 95,800	$ -	$ -	$ 95,800
Capital assets being depreciated:				
Land improvements	94,094	3,940	-	98,034
Buildings and improvements	956,419	-	-	956,419
Equipment	309,498	28,619	36,324	301,793
Vehicles	491,935	155,690	40,000	607,625
Roads	797,476	588,577	-	1,386,053
Subtotal	2,649,422	776,826	76,324	3,349,924
Less accumulated depreciation for:				
Land improvements	7,057	4,831	-	11,888
Buildings and improvements	369,971	24,021	-	393,992
Equipment	102,866	29,191	23,005	109,052
Vehicles	318,281	29,079	40,000	307,360
Roads	43,836	49,534	-	93,370
Subtotal	842,011	136,656	63,005	915,662
Total capital assets being depreciated, net	1,807,411	640,170	13,319	2,434,262
Governmental activities capital assets, net	$ 1,903,211	$ 640,170	$ 13,319	$ 2,530,062

Depreciation expense was charged to functions of the Township as follows:

Governmental activities:	
General government	$ 26,714
Public safety	39,532
Public works	49,534
Recreation and culture	20,876
Total governmental activities	$ 136,656

NOTE 6 - PAYABLES:

Payables as of year end for the government's individual major are as follows:

Fund	*Accounts*	*Payroll*	*Inter-governmental*	*Total*
General	$ 8,769	$ 25,717	$ 3,904	$ 38,390
Library	-	-	1,424	1,424
Totals	$ 8,769	$ 25,717	$ 5,328	$ 39,814

NOTE 7 - LONG-TERM DEBT:

Long-term liability activity for the year ended June 30, 2006, was as follows:

	Beginning balance	*Additions*	*Reductions*	*Ending balance*	*Amounts due within one year*
Commercial loan - tractor	$ 7,774	$ -	$ 7,774	$ -	$ -

NOTE 8 - RISK MANAGEMENT:

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation). The Township has purchased commercial insurance for each of these claims and is neither self-insured, nor participates in a shared-risk pool. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

NOTE 9 - CONSTRUCTION CODE ACT:

A summary of construction code enforcement transactions for the year ended June 30, 2006, is as follows:

Revenues	$ 68,677
Expenses	68,795
Deficiency of revenues over expenses	$ (118)

REQUIRED SUPPLEMENTARY INFORMATION

Township of Salem
BUDGETARY COMPARISON SCHEDULE - *General Fund*
Year ended June 30, 2006

	Original budget	*Amended budget*	*Actual*	*Variance favorable (unfavorable)*
REVENUES				
Taxes	$ 92,000	$ 95,205	$ 97,124	$ 1,919
Licenses and permits	80,000	76,000	94,497	18,497
State grants	272,149	275,500	274,688	(812)
Charges for services	43,900	43,900	23,111	(20,789)
Interest and rentals	-	-	26,972	26,972
Other	60,650	60,650	38,493	(22,157)
Total revenues	548,699	551,255	554,885	3,630
EXPENDITURES				
Legislative	6,300	5,908	5,901	7
General government:				
Supervisor	17,768	18,768	18,937	(169)
Election	5,650	2,450	2,412	38
Assessor	10,934	12,000	11,624	376
Clerk	14,800	14,250	14,248	2
Board of review	900	700	685	15
Treasurer	14,800	14,550	14,715	(165)
Hall and grounds	36,000	36,000	32,626	3,374
Cemetery	16,000	12,000	11,445	555
Other	54,200	70,200	69,819	381
Total general government	171,052	180,918	176,511	4,407
Public safety:				
Police	51,550	63,500	63,281	219
Fire	73,100	66,700	59,688	7,012
Building inspections	80,000	69,000	68,795	205
Total public safety	204,650	199,200	191,764	7,436
Public works:				
Highways and streets	40,500	43,450	39,295	4,155
Street lights	3,000	3,000	2,630	370
Transfer station	27,000	22,000	23,755	(1,755)
Drains	10,000	4,000	3,776	224
Total public works	80,500	72,450	69,456	2,994

Township of Salem
BUDGETARY COMPARISON SCHEDULE - *General Fund* (Continued)
Year ended June 30, 2006

	Original budget	*Amended budget*	*Actual*	*Variance favorable (unfavorable)*
EXPENDITURES (Continued)				
Health and welfare - ambulance	$ 8,000	$ 8,000	$ 8,000	$ -
Community and economic development - community planning and development	35,000	44,000	42,416	1,584
Recreation and culture:				
Library	68,000	68,000	69,137	(1,137)
Parks and recreation	8,000	8,000	6,799	1,201
Total recreation and culture	76,000	76,000	75,936	64
Capital outlay	13,850	13,850	25,798	(11,948)
Debt service:				
Principal	8,000	8,000	7,774	226
Interest	500	500	432	68
Total expenditures	603,852	608,826	603,988	4,838
DEFICIENCY OF REVENUES OVER EXPENDITURES	(55,153)	(57,571)	(49,103)	8,468
OTHER FINANCING USES				
Transfer to Fire Fund	-	-	(5,000)	(5,000)
NET CHANGE IN FUND BALANCES	(55,153)	(57,571)	(54,103)	3,468
FUND BALANCES - BEGINNING	271,906	271,906	271,906	-
FUND BALANCES - ENDING	$ 216,753	$ 214,335	$ 217,803	$ 3,468

Township of Salem
BUDGETARY COMPARISON SCHEDULE - *Road Fund*
Year ended June 30, 2006

	Original budget	*Amended budget*	*Actual*	*Variance favorable (unfavorable)*
REVENUES				
Taxes	$ 486,895	$ 486,895	$ 493,792	$ 6,897
Interest	-	-	9,877	9,877
Total revenues	486,895	486,895	503,669	16,774
EXPENDITURES				
Public works	535,570	535,570	593,862	(58,292)
NET CHANGE IN FUND BALANCES	(48,675)	(48,675)	(90,193)	(41,518)
FUND BALANCES - BEGINNING	352,202	352,202	352,202	-
FUND BALANCES - ENDING	$ 303,527	$ 303,527	$ 262,009	$ (41,518)

Township of Salem
BUDGETARY COMPARISON SCHEDULE - *Fire Fund*
Year ended June 30, 2006

	Original budget	*Amended budget*	*Actual*	*Variance favorable (unfavorable)*
REVENUES				
Taxes	$ 69,528	$ 69,528	$ 70,504	$ 976
Federal grants	3,663	3,663	-	(3,663)
Interest	-	-	3,447	3,447
Total revenues	73,191	73,191	73,951	760
EXPENDITURES				
Public safety	5,000	5,000	4,933	67
Capital outlay	162,896	162,896	158,144	4,752
Total expenditures	167,896	167,896	163,077	4,819
DEFICIENCY OF REVENUES OVER EXPENDITURES	(94,705)	(94,705)	(89,126)	5,579
OTHER FINANCING USES				
Transfer from General Fund	-	-	5,000	5,000
NET CHANGE IN FUND BALANCES	(94,705)	(94,705)	(84,126)	10,579
FUND BALANCES - BEGINNING	176,498	176,498	176,498	-
FUND BALANCES - ENDING	$ 81,793	$ 81,793	$ 92,372	$ 10,579

Township of Salem

BUDGETARY COMPARISON SCHEDULE - *Library Fund*

Year ended June 30, 2006

	Original budget	*Amended budget*	*Actual*	*Variance favorable (unfavorable)*
REVENUES				
Taxes	$ 37,000	$ 38,000	$ 37,549	$ (451)
State grants	2,500	2,800	2,518	(282)
Charges for services	3,150	3,550	3,470	(80)
Fines and forfeitures	27,700	29,600	28,698	(902)
Interest and rentals	300	1,700	1,611	(89)
Other	2,650	2,800	1,205	(1,595)
Total revenues	73,300	78,450	75,051	(3,399)
EXPENDITURES				
Recreation and culture	44,500	45,950	40,302	5,648
NET CHANGE IN FUND BALANCES	28,800	32,500	34,749	2,249
FUND BALANCES - BEGINNING	66,041	66,041	66,041	-
FUND BALANCES - ENDING	$ 94,841	$ 98,541	$ 100,790	$ 2,249