TOWNSHIP OF MATTESON

BRANCH COUNTY, MICHIGAN

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2006

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	Matteson Township	Branch

Fiscal Year End	Opinion Date	Date Audit Report Submitted to State
March 31, 2006	August 8, 2006	8/29/06

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	☐	n/a
Other (Describe)	☐	

Certified Public Accountant (Firm Name)	Telephone Number		
Angle & Steffes, P.C.	269-686-9050		
Street Address	**City**	**State**	**Zip**
430 Western Ave, Suite B	Allegan	MI	49010

Authorizing CPA Signature	Printed Name	License Number
Steven K. Angle CPA	Steven K. Angle, CPA	14653

TOWNSHIP OF MATTESON

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INDEPENDENT AUDITOR'S REPORT

August 8, 2006

To the Township Board
Township of Matteson
Branch County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Matteson, Branch County, Michigan as of and for the year ended March 31, 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Matteson Township, Branch County, Michigan management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Matteson as of March 31, 2006, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Township has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis- for State and Local Governments, as of March 31, 2005.

The management's discussion and analysis and budgetary comparison information on pages 2 and 17 through 18 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Respectfully submitted,

Angle & Steffes P.C.

Angle & Steffes, P.C.
Certified Public Accountants

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Township As A Whole

The financial position of the Township has remained steady over the 2005/2006 year. The number of new residences based on building permits has increased in the Township, with an increase in property tax revenue. State revenue sharing has stabilized for now, with a two percent increase in funding each year.

Governmental Activities

The Township has two major funds: General and Fire Equipment. The General Fund supports most of the Township's governmental services as well as supplementing fire protection. The fire equipment millage of .25 of a mill supports the purchase of new fire equipment every seven years within the Bronson Rural Fire Association group. General funds have supported the expansion of the Matteson Township Cemetery.

General Fund Budgetary Highlights

Our State Revenue did change appreciably, therefore the Board has remained cautious in regards to spending. There has been a reduction in spending on roads to cover the cost of maintaining the Township Hall, a new furnace and air conditioning. Some fund balance was also used for the project.

Outlook for the Coming Year

There has been a small increase in State revenue sharing for the Township (approximately 2%) for the coming year. The Township was able to complete road projects that were started for 2006. Future projects will be reduced in cost due to increases in general cost for the Township as a whole; energy, fire protection and road.

Contacting the Township's Management

To review or assess the Township's financial accountability, copies of the financial report may be obtained by contacting Karon Fisher, Clerk.

TOWNSHIP OF MATTESON
GOVERNMENT WIDE STATEMENT OF NET ASSETS
MARCH 31, 2006

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and cash equivalents	$ 123,828	$ 123,828
Investments	0	0
Receivables - net	19,166	19,166
Prepaids	6,690	6,690
Capital assets - net	34,932	34,932
Total Assets	184,616	184,616
LIABILITIES		
Accounts payable	8,248	8,248
Accrued and other liabilities	820	820
Noncurrent Liabilities		
Due within one year	0	0
Due in more than one year	0	0
Total Liabilities	9,068	9,068
NET ASSETS		
Invested in Capital Assets		
Net of related debt	34,932	34,932
Restricted For		
Streets and highways	6,818	6,818
Public safety	30,892	30,892
Unrestricted	102,906	102,906
Total Net Assets	$ 175,548	$ 175,548

The Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF MATTESON
GOVERNMENT WIDE STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2006

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets Primary Government: Governmental Activities	Business-Type Activities	Total
Primary Government							
General government	67,850	3,950	0	0	(63,900)	0	(63,900)
Public safety	22,220	0	0	0	(22,220)	0	(22,220)
Public works	46,142	0	0	0	(46,142)	0	(46,142)
Community/Economic development	8,339	2,945	0	0	(5,394)	0	(5,394)
Total Governmental Activities	144,551	6,895	0	0	(137,656)	0	(137,656)
Total Primary Government	$ 144,551	$ 6,895	$ 0	$ 0	(137,656)	0	(137,656)
General Revenues							
Property taxes					46,739	0	46,739
State-shared revenues					90,800	0	90,800
Unrestricted investment earnings					1,163	0	1,163
Rental revenues					890	0	890
Misc, Special assessments					4,601	0	4,601
Transfers					0	0	0
Total General Revenues-Special Items and Transfers					144,193	0	144,193
Change in Net Assets					6,537	0	6,537
Net Assets-Beginning					169,011	0	169,011
Net Assets-Ending					$ 175,548	$ 0	$ 175,548

The Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF MATTESON
GOVERNMENTAL FUND BALANCE SHEET
March 31, 2006

	General Fund	Fire Equipment Fund	Non-Major Governmental Fund	Total Governmental Fund
ASSETS				
Cash and cash equivalents	$ 87,846	$ 30,275	$ 5,707	$ 123,828
Investments	0	0	0	0
Receivables - net	17,425	617	291	18,333
Due from other funds	13	0	820	833
Prepaids	6,690	0	0	6,690
Total Assets	111,974	30,892	6,818	149,684
LIABILITIES				
Accounts payable	8,248	0	0	8,248
Due to other funds	820	0	0	820
Total Liabilities	9,068	0	0	9,068
FUND BALANCES				
Reserved for				
Road projects	0	0	6,818	6,818
Public safety	0	30,892	0	30,892
Unreserved	102,906	0	0	102,906
Total Fund Balances	$ 102,906	$ 30,892	$ 6,818	$ 140,616

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	34,932
Net Assets of Governmental Activities	$ 175,548

The Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF MATTESON
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
March 31, 2006

	General Fund	Fire Equipment Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Taxes and penalties	39,235	7,504	0	46,739
Licenses and permits	0	0	0	0
State aid	90,800	0	0	90,800
Charges for services	6,895	0	0	6,895
Interest and rentals	1,580	473	0	2,053
Other revenue	377	0	4,224	4,601
Total Revenues	138,887	7,977	4,224	151,088
Expenditures				
Current				
General government	66,421	0	0	66,421
Public safety	22,220	0	0	22,220
Public works	42,400	0	3,742	46,142
Health and welfare	0	0	0	0
Recreation and cultural	0	0	0	0
Community/Economic development	8,339	0	0	8,339
Capital outlay	12,417	0	0	12,417
Total Expenditures	151,797	0	3,742	155,539
Excess of Revenues Over (Under) Expenditures	(12,910)	7,977	482	(4,451)
Other Financing Sources (Uses)				
Transfers in	0	0	0	0
Transfers (out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	(12,910)	7,977	482	(4,451)
Fund Balance-April 1, 2005	115,816	22,915	6,336	145,067
Fund Balance-March 31, 2006	$ 102,906	$ 30,892	$ 6,818	$ 140,616

The Notes to Financial Statements are an integral part of this financial statement.

TOWNSHIP OF MATTESON
FIDUCIARY FUNDS-STATEMENT OF NET ASSETS
MARCH 31, 2006

	Trust & Agency (Trailer Tax Fund)	Trust & Agency (Property Tax Collection Fund)
ASSETS		
Cash and cash equivalents	$ 0	$ 13
Due from other funds	$ 45	$ 0
Total Assets	$ 45	$ 13
LIABILITIES		
Accounts payable	$ 0	$ 0
Due to other funds	45	13
Total Liabilities	$ 45	$ 13
NET ASSETS	$ 0	$ 0

The trailer tax fund cash is held by and due from the General Fund, but is also due to the General Fund. The net effect of zero.

The Notes to Financial Statements are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Township of Matteson, Branch County, Michigan is a general law Township. The Township operates under an elected Board/Supervisor form of government and provides the following services as authorized by its charter: public safety, highways and street, public improvements, cultural recreation, planning and zoning, and administrative services.

The accounting policies of the Township of Matteson conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

A. The 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.

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 primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are 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.

Property taxes, state-shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current period. All other revenue items are considered to be available only when cash is received by the government.

The government reports the following major governmental funds:

The General Fund is the government'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 Fire Equipment Fund is a Special Revenue Fund of the Township. The Fire Equipment Fund is used to account for the proceeds of specific revenue tax millages that are legally restricted to expenditures for equipment purchase for the Bronson Rural Fire Association purposes.

Additionally, the government reports the following non-major fund types:

The Special Assessment Fund is a Special Revenue Fund of the Township. The Special Assessment Fund is used to account for all resources of the Township's five districts: Fischers Hideaway, Werners Road South, Werners Road North, Indian Cove #1 and Indian Cove #2.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule would be charges between the government's enterprise funds and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned. The Township of Matteson does not have enterprise funds.

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

Finally, the government reports the following fund types:

The Trailer Tax and Tax Collection Funds are Fiduciary Funds accountable for assets held by the Township in a trustee or agency capacity for individuals, private organizations, other governments, and/or other funds.

D. Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments-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. Investments are stated at fair value.

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." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied each July for State Education Tax, and on each December 1 on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent in the following September and March of the following respective period, at which time penalties and interest are assessed.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Inventories and Prepaid Items-Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. 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.

Capital Assets-Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than $500 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.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Buildings	30 to 40 years
Building Improvements	15 to 30 years
Roads	10 to 30 years
Fire Equipment	07 to 25 years
Vehicles	03 to 05 years
Office Equipment	05 to 07 years
Computer Equipment	03 to 07 years

Compensated Absences (Vacation and Sick Leave)-It is the government's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year-end.

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.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Government-wide financial statements differ from the Governmental fund financial statements only for the effect of the inclusion of capital assets.

Capitalized Asset Costs	$ 56,677
Less Accumulated Depreciation	(21,745)
Capital Assets, net	34,932
Governmental Fund Balances	140,616
Net Assets of Governmental Activities	$ 175,548

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

1. Formal budgetary integration is employed as a management control device during the year. These budgets are adopted on a basis consistent with generally accepted accounting principles.

2. The Township Board approves, by ordinance, total budget appropriations only. Any revisions that alter the total appropriations of any fund must be approved by the Township Board, therefore, the level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis (General Government, Public Safety, Roads etc.).

3. Unused appropriations for all of the above annually budgeted funds lapse at the end of the year.

4. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

Excess of Expenditures Over Appropriations in Budgeted Funds-During the year, the Local Governmental Unit did not incur expenditures in budgeted funds which were in excess of the amounts appropriated.

Fund Deficits-The Local Governmental Unit has no accumulated fund balance deficits at this time.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

The Local Governmental Unit Board has designated several banks for the deposit of Local Unit funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of State statutory authority as listed above.

The Local Governmental Unit's deposits and investment policy are in accordance with statutory authority.

At year-end, the Local Unit's deposits and investments were reported in the basic financial statements in the following categories:

	Governmental Activities	Business Activities	Total Primary Government
Cash and Cash Equivalents	$ 123,828	$ 0	$ 123,828

The breakdown between deposits and investments is as follows:

	Primary Government
Bank Deposits (checking and savings accounts, certificates of deposit)	$ 123,828
Investments in Securities, Mutual Funds and Similar Vehicles	-
Petty Cash and Cash on Hand	-
Total	$ 123,828

The bank balance of the primary government's deposits is $123,828, of which $123,828 is covered by federal depository insurance.

NOTE 5 - RECEIVABLES

Receivables as of year-end for the government's individual major, nonmajor funds and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are reported in the Government Wide Statement of Net Assets as follows:

	Major Funds		Non-Major and Other Funds	Total
	General Fund	Fire Equipment Fund		
Taxes receivable	$ 2,812	$ 617	$ 291	$ 3,720
State share revenues receivable	14,613	0	0	14,613
Due from other funds	13	0	820	833
Less: allowance for uncollectible	0	0	0	0
Net Receivables	$ 17,438	617	$ 1,111	$ 19,166

NOTE 6 - CAPITAL ASSETS

Capital asset activity of the primary government for the current year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	$ 19,768	0	0	$ 19,768
Construction in Progress	0	4,169	0	4,169
Subtotal	19,768	4,169	0	23,937
Capital Assets Being Depreciated				
Buildings	19,590	8,248	0	27,838
Improvements other than buildings	0	0	0	0
Machinery and equipment	4,902	0	0	4,902
Infrastructure	0	0	0	0
Subtotal	24,492	8,248	0	32,740
Less Accumulated Depreciation for				
Buildings	16,305	1,220	0	17,525
Improvements other than buildings	0	0	0	0
Machinery and equipment	4,011	209	0	4,220
Infrastructure	0	0	0	0
Subtotal	20,316	1,429	0	21,745
Net Capital Assets Being Depreciated	4,176	6,819	0	10,995
Governmental Activities Capital Total Capital Assets-Net of Depreciation	$ 23,944	$ 10,988	$ 0	$ 34,932

The Township assets have been evaluated according to GASB 34 guidelines. The Township owns older land and cemetery parcels, cemetery and township hall buildings, and equipment whose historical cost values were estimated. Many assets are fully depreciated, as applicable, with unknown salvage values. The most recent asset acquisitions are recorded and depreciated. The Township recently purchased land for cemetery expansion. The Township has expended capital improvements to this land (Construction in progress), preparing it to be placed in service in a coming fiscal period.

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

Governmental Activities	
General government	$ 1,429
Public safety	0
Public works	0
Economic development	0
Recreation and culture	0
Total Governmental Activities	$ 1,429

NOTE 7 - INTERFUND RECEIVABLES, PAYABLE AND TRANSFERS

The composition of interfund balances is as follows:

Due To/From Other Funds

Receivable Fund		Payable Fund	Amount
General	$ 13	Tax Collection	$ 13
Special Assessment Fund	820	General	820
Total	$ 833		$ 833

Interfund Transfers

	Transfers (Out)		
Transfers In	General Fund	Non-Major Governmental Funds	Total
Fire Equipment Fund	$ 0	$ 0	$ 0
Non-Major Governmental Fund	0	0	0
Total	$ 0	$ 0	$ 0

REQUIRED SUPPLEMENTAL INFORMATION

TOWNSHIP OF MATTESON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED MARCH 31, 2006

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Beginning of Year Fund Balance	115,771	115,771	115,816	45
Resources (Inflows)				
Property taxes	42,500	42,500	39,235	(3,265)
State aid	80,000	80,000	90,800	10,800
Licenses and permits	0	0	0	0
Charges for services	8,500	8,500	6,895	(1,605)
Interest and rentals	1,275	1,275	1,580	305
Miscellaneous revenues	2,554	2,554	377	(2,177)
Transfers from other funds	0	0	0	0
Amounts Available for Appropriation	250,600	250,600	254,703	4,103
Charges to Appropriations (Outflows)				
General Government				
Township board	13,923	13,923	11,807	2,116
Supervisor	7,936	7,936	7,715	221
Finance	1,950	1,950	1,905	46
Treasurer	13,986	13,986	13,104	882
Assessing	9,425	9,425	9,361	64
Clerk	8,686	8,686	8,154	532
Elections	2,665	2,665	21	2,644
Other General Government				
Building and grounds	3,915	3,940	3,513	427
Cemetery	14,300	14,300	10,841	3,459
Public Safety				
Fire	22,002	22,222	22,220	3
Public Works				
Roads	55,800	53,411	42,400	11,011
Community/Economic development	17,480	17,480	8,339	9,141
Capital outlay	15,600	17,019	12,417	4,602
Total Charges to Appropriations	187,668	186,943	151,797	35,146
Budgetary Fund Balance-March 31	$ 62,932	$ 63,657	$ 102,906	$ 39,249

TOWNSHIP OF MATTESON
BUDGETARY COMPARISON SCHEDULE
MAJOR FIRE EQUIPMENT FUND
YEAR ENDED MARCH 31, 2006

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Beginning of Year Fund Balance	$ 22,915	$ 22,915	$ 22,915	$ 0
Resources (Inflows)				
Taxes and penalties	7,103	7,103	7,504	401
Interest income	250	250	473	223
Transfers from other funds	0	0	0	0
Amounts Available for Appropriation	30,268	30,268	30,892	624
Charges to Appropriations (Outflows)				
Public Safety				
Fire Equipment	0	0	0	0
Budgetary Fund Balance-March 31	$ 30,268	$ 30,268	$ 30,892	$ 624

ADDITIONAL INFORMATION

TOWNSHIP OF MATTESON
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED MARCH 31, 2006

	Special Revenue Funds	Total Non-Major Governmental Funds
	Special Assessment	
Assets		
Cash and cash equivalents	$ 5,707	$ 5,707
Investments	0	0
Receivables - net	291	291
Due from other funds	820	820
Total Assets	$ 6,818	$ 6,818
Liabilities and Fund Equity		
Liabilities		
Accounts payable	$ 0	$ 0
Due to other funds	0	0
Total Liabilities	0	0
Fund Balance		
Reserved	6,818	6,818
Unreserved	0	0
Total Fund Equity	6,818	6,818
Total Liabilities and Fund Equity	$ 6,818	$ 6,818

The Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF MATTESON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS

	Special Revenue Funds	Total Non-Major Governmental Funds
	Special Assessments	
Revenues		
Taxes and penalties	0	0
Other revenue - special assessments	4,224	4,224
Total Revenues	4,224	4,224
Expenditures		
Current		
Public works	3,742	3,742
Total Expenditures	3,742	3,742
Excess of Revenues Over (Under) Expenditure	482	482
Other Financing Sources (Uses)		
Operating transfers in	0	0
Operating transfers (out)	0	0
Total Other Financing Sources (Uses)	0	0
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	482	482
Fund Balance-April 1, 2005	6,336	6,336
Fund Balance-March 31, 2006	$ 6,818	$ 6,818

The Notes to Financial Statements are an integral part of this statement.