SUNFIELD, SEBEWA AND DANBY
FIRE ASSOCIATION DISTRICT
COUNTIES OF EATON AND IONIA, MICHIGAN

REPORT ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

Michigan Department of Treasury
496 (Rev.06/08)

Auditing Procedures Report

Instructions and MuniCodes | *=Required Fields | Reset Form

Issued under Public Act 2 of 1968, as amended. (V1.06)

Unit Name* Sunfield, Sebewa and Danby Fire Associa	County* IONIA	Type* OTHER	MuniCode*
Opinion Date-Use Calendar* August 31, 20(	Audit Submitted-Use Calendar* September 2, 2008	Fiscal Year End Month* 03	Fiscal Year* 2008

If a local unit of government (authorities & 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, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No."

- [x] ? 1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
- [x] ? 2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
- [x] ? 3. Were the local unit's actual expenditures within the amounts authorized in the budget?
- [x] ? 4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
- [x] ? 5. Did the local unit adopt a budget for all required funds?
- [x] ? 6. Was a public hearing on the budget held in accordance with State statute?
- [x] ? 7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
- [x] ? 8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
- [x] ? 9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
- [x] 10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
- [x] ? 11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
- [x] ? 12. Is the local unit free of repeated reported deficiencies from previous years?
- [x] ? 13. Is the audit opinion unqualified? 14. If not, what type of opinion is it? NA
- [x] 15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
- [ ] ? 16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
- [x] ? 17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
- [ ] ? 18. Are there reported deficiencies? [x] 19. If so, was it attached to the audit report?

General Fund Revenue: ?	$210,057	General Fund Balance: ?	$335,887
General Fund Expenditure: ?	$171,190	Governmental Activities Long-Term Debt (see instructions): ?	
Major Fund Deficit Amount:			

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (reported deviations).

CPA (First Name)* Barry	Last Name* Gaudette	Ten Digit License Number* 1101011050			
CPA Street Address* 731 S. Garfield Avenue	City* Traverse City	State* MI	Zip Code* 49686	Telephone* 2319468930	
CPA Firm Name* Barry E. Gaudette, CPA, PC	Unit's Street Address* 162 Main Street	Unit's City* Sunfield	Unit's Zip* 48890		

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FINANCIAL SECTION

Barry E. Gaudette, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

731 South Garfield Avenue
Traverse City, Michigan 49686
(231) 946-8930
Fax (231) 946-1377

INDEPENDENT AUDITORS' REPORT

Members of the Fire Association District Board
Sunfield, Sebewa and Danby Fire Association District
Eaton and Ionia Counties, Michigan

I have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the Sunfield, Sebewa and Danby Fire Association District, Michigan, as of and for the year ended March 31, 2008, which collectively comprise the Fire Association District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Sunfield, Sebewa and Danby Fire Association District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

As discussed in Note I, the financial statements present only the Sunfield, Sebewa and Danby Fire Association District Fund (a special revenue fund) and is not intended to present fairly the financial position and results of operations of any of the participating municipality's, in conformity with accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the Sunfield, Sebewa and Danby Fire Association District, Eaton and Ionia Counties, Michigan, as of March 31, 2008, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison information on page 20, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I 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, I did not audit the information and express no opinion on it.

The financial statements referred to above do not include the Management Discussion and Analysis, which is required supplementary information and should be included in order to conform with accounting principles generally accepted in the United States of America.

Barry E. Tandrett, CPA, PC

August 31, 2008

BASIC FINANCIAL STATEMENTS

Sunfield, Sebewa and Danby Fire Association District
Statement of Net Assets
March 31, 2008

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 211,700
Investments	32,099
Taxes receivable	89,612
Prepaid insurance	2,477
Capital assets (net of accumulated depreciation):	
Land	5,000
Building & improvements	19,460
Major equipment	552,242
Minor equipment	83,173
Total Assets	995,763
NET ASSETS	
Invested in capital assets	659,875
Unrestricted	335,888
Total net assets	$ 995,763

See notes to financial statements

Sunfield, Sebewa and Danby Fire Association District
Government-Wide
Statement of Activities
For The Year Ended March 31, 2008

		Program Revenues		
Programs	**Expenses**	**Fees, Charges for Services**	**Operating Grants and Contrib.'s**	**Capital Grants and Contrib.'s**
Governmental activities:				
Public safety	$ 63,374	$ 2,512	$ 197,211	$
Other:				
Depreciation	66,647			
Total governmental activities	$130,021	$ 2,512	$ 197,211	$

General revenues:
Interest earnings
Reimbursements

Total general revenues

Change in net assets

Prior period adjustment

Net assets - beginning

Net assets - ending

See notes to financial statements

Net (Expenses) Revenues and Changes in Net Assets
$ 136,349
(66,647)
69,702
10,000
334
10,334
80,036
53,896
861,831
$ 995,763

Sunfield, Sebewa and Danby Fire Association District
Balance Sheet
Governmental Funds
March 31, 2008

	Special Revenue	Total Governmental Funds
ASSETS		
Cash and cash equivalents	$211,700	$ 211,700
Investments	32,099	32,099
Taxes receivable	89,612	89,612
Prepaid insurance	2,477	2,477
Total Assets	$335,888	$ 335,888
FUND BALANCES		
Fund balances:		
Unreserved	$335,888	$ 335,888
Total fund balances	$335,888	$ 335,888

See notes to financial statements

Sunfield, Sebewa and Danby Fire Association District
Reconciliation of the Governmental Funds
Balance Sheet
With the Statement of Net Assets
March 31, 2008

Amounts reported for governmental activities in the statement of net assets are different because:

Total Fund Balance - Governmental Funds	$ 335,888
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:	
Cost of capital assets	1,176,295
Accumulated depreciation	(516,420)
Total Net Assets - Governmental Activities	$ 995,763

See notes to financial statements

Sunfield, Sebewa and Danby Fire Association District
Statement of Revenues, Expenditures, and Changes
In Fund Balance
Governmental Funds
For The Year Ended March 31, 2008

	Special Revenue	Total Governmental Funds
REVENUES		
Local sources:		
Township and Village contributions	$ 193,711	$ 193,711
Charges for services	2,512	2,512
Interest	10,000	10,000
Other revenue:		
Private contributions	3,500	3,500
Reimbursements	334	334
Total revenues	210,057	210,057
EXPENDITURES		
Current:		
Public safety:		
Operating expenses	63,374	63,374
Capital outlay:		
Major equipment	95,177	95,177
Minor equipment	12,639	12,639
Total expenditures	171,190	171,190
Net change in fund balance	38,867	38,867
Fund balance-beginning	297,020	297,020
Fund balance-ending	$ 335,887	$ 335,887

See notes to financial statements

Sunfield, Sebewa and Danby Fire Association District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds
To the Statement of Activities
For the Year Ended March 31, 2008

Amounts reported for governmental activities in the statement of activities are different because:

Total net change in fund balances - governmental funds		$ 38,867
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.		
The amount by which capital outlays exceeded depreciation in the period.		
Capital outlays	$ 107,816	
Depreciation expense	(66,647)	41,169
Change in net assets of governmental activities		$ 80,036

See notes to financial statements

Sunfield, Sebewa and Danby Fire Association District
Notes to Financial Statements
March 31, 2008

I. Summary of significant accounting policies

The financial statements of the Sunfield, Sebewa and Danby Fire Association District (the Fire Association District) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Fire Association District's accounting policies are described below.

A. Reporting entity

The Townships of Sunfield, Sebewa and Danby organized the the volunteer fire department at a meeting on July 9, 1941. New by-laws were adopted and bound by a resolution signed by each municipality effective February 3, 1986. It is now called the Sunfield, Sebewa and Danby Fire Association District. It was established for the purpose of furnishing fire protection throughout the Township of Sunfield, including the Village of Sunfield, the Township of Sebewa, and a portion of the Township of Danby.

The Fire Association District's administrative board consists of five members who are appointed by the Townships and the Village of Sunfield; Sunfield and Sebewa each have two members, on a three year staggered term, a president and secretary/treasurer. This board appoints a fire chief for a term of three years staggered with the officers of the board.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Fire District. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are 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. The Fire Association District has no business-type activities.

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,

I. Summary of significant accounting policies (Continued)

B. Government-wide and fund financial statements (Continued)

use or directly benefit from the 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 the government-wide financial statements. The Fire Association District has no responsibility for any fiduciary funds. Major individual governmental funds are reported as separate columns in the 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*. 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 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 provided 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* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Fire Association District 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, as well as expenditures related to compensated absences are recorded only when a payment is due.

Property taxes, interest and charges for services are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the Fire Association District and are recognized as revenue at that time.

I. Summary of significant accounting policies (Continued)

C. Measurement focus, basis of accounting and financial statement presentation (Continued):

The Fire Association District reports the following major governmental fund:

> The *special revenue fund* is the Fire Association District's primary operating fund. It accounts for all financial resources of the Fire Association District.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* 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 revenues* rather than as program revenues. Likewise, general revenues include all taxes.

D. Assets, liabilities, and net assets

1. Deposits and investments

The Fire Association District's cash and cash equivalents are considered to be cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Fire Association District to invest in bonds and other direct and certain indirect obligations of the U.S. Treasury; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, saving and loan association, or credit union, which is a member of the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or Nation Credit Union Administration, respectively; in commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services and which mature not more than 270 days after the date of purchase. The Fire Association District is also authorized to invest in U.S. Government or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds composed of investments as outlined above.

The Fire Association District Board has designated one bank for the deposit of Fire Association District funds.

I. Summary of significant accounting policies (Continued)

D. Assets, liabilities, and net assets (Continued)

2. *Capital assets*

Capital assets, which include property, plant, and equipment are reported in the government-wide financial statements. Capital assets are defined by the Fire Association District as assets with an initial individual cost of more than $500 and an estimated useful life in excess of one year. Such assets are recorded as 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.

Property and equipment of the Fire Association District is depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Office equipment	5 years
Fire trucks, pumpers, trailers	20 years
Vehicles	5 years
Minor equipment	5 years

3. *Compensated absences*

The Fire Association District does not have a compensated absence policy.

4. *Long-term obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets.

In the fund financial statements, governmental fund types, recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

I. Summary of significant accounting policies (Continued)

D. Assets, liabilities, and net assets (Continued)

5. *Fund balance*

In the fund financial statements, the unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserved fund balances for governmental funds represent the amount that has been legally identified for specific purposes or indicates that a component of assets does not constitute "available spending resources". The designated fund balances for governmental funds represent tentative plans for future use of financial resources.

6. *Use of estimates*

The process of preparing general purpose financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

II. Stewardship, compliance and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

The Fire Association District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Management submits to the Fire Association District Board a proposed budget for the fiscal year commencing on April 1st. The operating budget includes proposed expenditures and the means of financing them. The level of control for the budgets is at the functional level as set forth in the combined statement of revenues, expenditures and changes in fund balances - budget and actual - GAAP basis - general funds.

2. Public hearings are conducted to obtain taxpayer comments.

II. Stewardship, compliance and accountability (Continued)

A. Budgetary information (Continued)

3. Prior to March 31st, the budget is legally adopted by the Fire Association District Board as a resolution pursuant to the Uniform Budgeting and Accounting Act (P.A. 621 of 1978). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, or in excess of the amount appropriated.

4. Management is authorized to transfer budgeted amounts between major expenditure functions within any fund; however, these transfers and any revisions that alter the total expenditures of any fund must be approved by the Fire Association District Board.

5. Formal budgetary integration is employed as a management control device during the year for the special revenue fund.

6. The budget as presented, has not been amended.

B. Excess of expenditures over appropriations

During the year ended March 31, 2008, the Fire Association District incurred expenditures in the capital outlay activity which was in excess of amounts appropriated by $11,551.

III. Detailed notes on all funds

A. Cash and Investments

Deposits

The Fire Association District's policies regarding deposits of cash are discussed in Note 1. The table presented below is designed to disclose the level of custody credit risk assumed by the Fire Association District based upon how its deposits were insured or secured with collateral at March 31, 2008. The categories of credit risk are defined as follows:

III. Detailed notes on all funds (Continued)

A. Cash and Investments (Continued)

Deposits (Continued)

Category 1 - Insured by FDIC or collateralized with securities held by the Fire Association District's (or public trust) or by its agent in its name.

Category 2 - Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Fire Association District's name.

Category 3 - Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Fire Association District's name; or collateralized with no written or approved collateral agreement.

		Custody Credit Risk			
	Total Bank Balance	Category 1	Category 2	Category 3	Total Carrying Value
Demand deposits	$ 5,126	$ 5,126	$	$	$ 4,927
Money market	206,773	100,000	106,773		206,773
Total deposits	$ 211,899	$105,126	$106,773	$	$211,700

Investments

The Fire Association District's policies and applicable laws regarding investments are discussed in Note 1. The table presented below is designed to disclose the level of market risk and custody credit risk assumed by the Fire Association District (or public trust) based upon whether the investments are insured or registered and upon who holds the security at March 31, 2008. The categories of credit risk are defined as follows:

Category 1 - Insured or registered with securities held by the Fire Association District's or its agent in the Fire Association District's name.

Category 2 - Uninsured and unregistered with securities held by counterparty's trust department or agent in the Fire Association District's name.

III. Detailed notes on all funds (Continued)

A. Cash and investments (Continued)

Investments (Continued)

Category 3 - Uninsured and unregistered with securities held by the counterparty or by its trust department or agent but not in the Fire Association District's name.

	Custody Credit Risk				
	Category 1	Category 2	Category 3	Carrying Amount	Fair Value
Certificate of deposits	$	$ 32,099	$	$ 32,099	$ 32,099

A reconciliation of cash as shown on the statements of net assets follows:

Carrying amount of deposits	$ 211,700
Investments	32,099
Total	$ 243,799
Cash and cash equivalents:	
Special revenue fund	$ 243,998
Checks written in excess of deposits	(199)
Total	$ 243,799

B. Capital assets

Capital asset activity for the year ended March 31, 2008 was as follows:

	Beginning Balance	Increases (Decreases)	Ending Balance
Governmental Activities:			
Capital assets, not being depreciated	$ 5,000	$	$ 5,000
Capital assets being depreciated:			
Building	40,000	11,754	51,754
Major Equipment:			
1975 Tanker	13,000		13,000
1979 Dodge Power Wagon	33,000		33,000
1984 Pumper	51,829		51,829
1990 Telephone Dispatch System	20,055		20,055

III. Detailed notes on all funds (Continued)

B. Capital assets (Continued)

	Beginning Balance	Increases (Decreases)	Ending Balance
1996 Fire Truck	82,558		82,558
1997 Surplus Tanker Truck	4,680		4,680
2000 GPM tanker/ pumper	265,062		265,062
2002 Gladiator Classic/ Evolution chassis	125,067		125,067
2004 Update 911 unit, turnout gear, tanks, radios, etc	56,366		56,366
2003 Spartan Fire Truck	170,212		170,212
2006 Chevy Truck	21,846		21,846
2006 Chevy 1 Ton Single Rear Wheel	35,992		35,992
2008 Trailer		16,303	16,303
2008 Breathing air storage system		7,320	7,320
2008 Repeater upgrades		12,251	12,251
2008 Apparatus for new unit 911		47,549	47,549
Minor equipment:			
1995	2,647	(2,647)	
1996	9,896		9,896
1997	16,872		16,872
1998	9,496		9,496
2001	15,502		15,502
2002	3,117		3,117
2003	9,317		9,317
2004	31,163		31,163
2005	13,330		13,330
2006	21,387		21,387
2007	13,732		13,732
2008		12,639	12,639
Total capital assets being depreciated	1,066,126	105,169	1,171,295

III. Detailed notes on all funds (Continued)

B. Capital assets (Continued)

	Beginning Balance	Increases (Decreases)	Ending Balance
Less accumulated depreciation for:			
Building	(30,400)	(1,894)	(32,294)
Fire trucks, pumpers, trailers	(296,593)	(35,612)	(332,205)
Other major equipment	(65,147)	(13,496)	(78,643)
Minor equipment	(114,175)	40,897	(73,278)
Total accumulated depreciation	(506,315)	(10,105)	(516,420)
Total capital assets, being depreciated, net	559,811	95,064	654,875
Governmental activities capital assets-net of depreciation	$ 564,811	$ 95,064	$ 659,875

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

Governmental activities:	
Public safety	$ 66,647
Total depreciation expense-governmental activities	$ 66,647

IV. Other information

A. Risk management

The Fire Association District is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers compensation). The Fire Association District has purchased commercial insurance for these types of claims. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three years.

B. Pension Plan

The Fire Association District does not provide a pension plan for its employees.

IV. Other information (Continued)

C. Prior period adjustment

The accumulated depreciation for minor equipment was corrected for the fiscal year ended March 31, 2007 by $53,896.

V. Subsequent Event

On May 6, 2008, the Fire Association District obtained a line of credit with First Bank-West Michigan for $200,000 to purchase a new Fire Truck. The terms of the loan are as follows: Interest rate of 3.365%, maturity date of May 16, 2013, payments of interest beginning May 6, 2009 and four payments of $40,000 for principal beginning May 6, 2009. There will, also, be a single payment of the entire unpaid balance of principal, earned fee and charges, and accrued unpaid interest on May 6, 2013.

Required Supplementary Information

Sunfield, Sebewa and Danby Fire Association District
Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual
For the Year Ended March 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Townships and Village of Sunfield contributions	$181,750	$181,750	$193,711	$ 11,961
Charges for services	500	500	2,512	2,012
Interest	3,150	3,150	10,000	6,850
Other revenue:				
Private contributions			3,500	3,500
Reimbursements			334	334
Total revenues	185,400	185,400	210,057	24,657
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	82,885	82,885	63,374	19,511
Capital outlay	96,265	96,265	107,816	(11,551)
Total expenditures	179,150	179,150	171,190	7,960
Net change in fund balance	6,250	6,250	38,867	32,617
Fund balance - beginning			297,020	297,020
Fund balance - ending	$ 6,250	$ 6,250	$335,887	$ 329,637

See notes to financial statements

COMMENTS AND RECOMMENDATIONS

Barry E. Gaudette, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

731 South Garfield Avenue
Traverse City, Michigan 49686
(231) 946-8930
Fax (231) 946-1377

Members of the Board of Directors
Sunfield, Sebewa and Danby Fire
Association District
Eaton and Ionia Counties, Michigan

My examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

Comments and Recommendations

In past years a detailed a detailed summary of expenditures for the fiscal year was provided, but this year there was a change in the Secretary/Treasurer position at year end and this summary was not available. The new Secretary/Treasurer has assured me that he will be providing the year to date summary of expenditures this year.

Also, the copy machine was not in working order this year. I recommend that the Fire Association District consider a new copy machine for the office.

This letter supplements the information in the Financial Statements and Notes to Financial Statements. It is intended solely for the use of management and the Fire Association District Board and should not be used for any other purpose.

Barry E. Gaudette, CPA, PC

August 31, 2008