Charter Township of Green

(Mecosta)

FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

RECEIVED
DEPT. OF TREASURY
JUN 23 2004

March 31, 2004

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

AUDITING PROCEDURES REPORT

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

Local Government Type	Local Government Name	County
☐ City ☒ Township ☐ Village ☐ Other	CHARTER TOWNSHIP OF GREEN	MECOSTA

Audit Date	Opinion Date	Date Accountant Report Submitted to State:
March 31, 2004	June 7, 2004	June 21, 2004

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

RECEIVED
DEPT. OF TREASURY
JUN 23 2004
LOCAL AUDIT & FINANCE DIV.

We affirm that:

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

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

You must check the applicable box for each item below.

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

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

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

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

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

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

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

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

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

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

Certified Public Accountant (Firm Name)			
BRICKLEY DELONG, PLC			
Street Address	City	State	ZIP
500 TERRACE PLAZA, P.O. BOX 999	Muskegon	Michigan	49443
Accountant Signature			

Timothy J. Ritter, C.P.A. for Brickley DeLong, PLC

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BRICKLEY DELONG
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

June 7, 2004

Township Board
Charter Township of Green
Paris, Michigan

We have audited the accompanying general purpose financial statements of Charter Township of Green as of and for the year ended March 31, 2004 as listed in the table of contents. These general purpose financial statements are the responsibility of Charter Township of Green's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Charter Township of Green as of March 31, 2004 and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules, as provided on pages 21 through 27, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Charter Township of Green. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Brickley DeLong PLC

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Charter Township of Green

COMBINED BALANCE SHEET—ALL FUND TYPES AND ACCOUNT GROUP

March 31, 2004

ASSETS

	Governmental Fund Type	Proprietary Fund Type	Fiduciary Fund Type	Account Group
	General	Enterprise	Trust and Agency	General fixed assets
Cash and investments	$ 660,879	$ 344,020	$ 190,714	$ -
Receivables				
Taxes	6,394	-	-	-
Accounts	39	20,129	-	-
Due from other funds	3,000	-	-	-
Due from other governmental units	30,071	-	-	-
Restricted assets	-	25,439	-	-
Property, plant and equipment—at cost net of accumulated depreciation	-	654,512	-	304,588
	$ 700,383	$ 1,044,100	$ 190,714	$ 304,588

LIABILITIES AND FUND EQUITY

LIABILITIES				
Accounts payable	$ 1,196	$ 11,345	$ -	$ -
Due to other funds	-	-	3,000	-
Due to other governmental units	-	-	200	-
	1,196	11,345	3,200	-
FUND EQUITY				
Investment in general fixed assets	-	-	-	304,588
Contributed capital	-	810,260	-	-
Retained earnings				
Reserved	-	25,439	-	-
Unreserved	-	197,056	-	-
Fund balances				
Reserved for pension benefit	-	-	187,514	-
Undesignated	699,187	-	-	-
	699,187	1,032,755	187,514	304,588
	$ 700,383	$ 1,044,100	$ 190,714	$ 304,588

The accompanying notes are an integral part of this statement.

Charter Township of Green

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

Year ended March 31, 2004

Revenues	
Taxes	$ 77,646
Licenses and permits	161
Intergovernmental revenues—state	261,443
Charges for services	5,131
Investment income	6,872
Other	11,487
	362,740
Expenditures	
Current	
Legislative	29,004
General government	121,165
Public safety	58,350
Public works	41,438
Culture and recreation	7,811
Capital outlay	9,597
	267,365
Excess of revenues over expenditures	95,375
Fund balance at April 1, 2003	603,812
Fund balance at March 31, 2004	$ 699,187

The accompanying notes are an integral part of this statement.

Charter Township of Green

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

Year ended March 31, 2004

	Amended budget	Actual	Over (under) amended budget
Revenues			
Taxes	$ 72,873	$ 77,646	$ 4,773
Licenses and permits	200	161	(39)
Intergovernmental revenues—state	220,000	261,443	41,443
Charges for services	4,004	5,131	1,127
Investment income	8,000	6,872	(1,128)
Other	3,223	11,487	8,264
	308,300	362,740	54,440
Expenditures			
Current			
Legislative	33,858	29,004	(4,854)
General government	150,540	121,165	(29,375)
Public safety	58,350	58,350	-
Public works	48,000	41,438	(6,562)
Culture and recreation	10,950	7,811	(3,139)
Capital outlay	28,430	9,597	(18,833)
	330,128	267,365	(62,763)
Excess of revenues over (under) expenditures	$ (21,828)	95,375	$ 117,203
Fund balance at April 1, 2003		603,812	
Fund balance at March 31, 2004		$ 699,187	

The accompanying notes are an integral part of this statement.

Charter Township of Green

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS—ENTERPRISE FUND

Year ended March 31, 2004

Operating revenues	
Charges for services	$ 76,824
Operating expenses	
Operations	74,496
Depreciation	19,736
	94,232
Operating loss	(17,408)
Non-operating revenues	
Investment income	7,377
Net loss	(10,031)
Depreciation charged to contributed capital	13,661
Retained earnings at April 1, 2003	218,865
Retained earnings at March 31, 2004	$ 222,495

The accompanying notes are an integral part of this statement.

Charter Township of Green

STATEMENT OF CASH FLOWS—ENTERPRISE FUND

Year ended March 31, 2004

Operating activities	
Operating loss	$ (17,408)
Adjustments to reconcile operating loss to net cash used for operating activities	
Depreciation	19,736
Funds from operations	2,328
Decrease in operating assets	
Accounts receivable	(18,565)
Increase in operating liabilities	
Accounts payable	2,510
Net cash used for operating activities	(13,727)
Investing activities	
Investment income	7,377
DECREASE IN CASH	(6,350)
Cash and investments at April 1, 2003	375,809
Cash and investments at March 31, 2004	$ 369,459
Cash and investments at March 31, 2004 consists of:	
Cash and investments	$ 344,020
Restricted assets	25,439
	$ 369,459

The accompanying notes are an integral part of this statement.

Charter Township of Green
Pension Trust Fund
STATEMENT OF CHANGES IN PLAN NET ASSETS
Year ended March 31, 2004

ADDITIONS		
Contributions		
Employer contributions	$ 17,428	
Employee contributions	996	
Total contributions		$ 18,424
Investment income		
Net appreciation in fair value		41,251
		59,675
DEDUCTIONS		
Benefits		6,003
Investment fees		2,398
		8,401
NET INCREASE FOR THE YEAR		51,274
Net assets held in trust for pension benefits at April 1, 2003		136,240
Net assets held in trust for pension benefits at March 31, 2004		$ 187,514

The accompanying notes are an integral part of this statement.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Charter Township of Green (Township) are prepared in accordance with generally accepted accounting principles. The Township's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

1. Reporting Entity

The Township is a charter township governed by an elected seven-member board.

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. Since no organizations meet this criteria, none are included in the financial statements.

2. Fund Accounting

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

The following fund categories (further divided by fund type) and account groups are used by the Township:

Governmental Funds
Governmental funds are used to account for the Township's general government activities. 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 special revenue funds account for revenue sources that are legally restricted to expenditure for specific purposes (not including major capital projects). The capital projects funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or trust funds.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

2. Fund Accounting—Continued

Proprietary Funds
Proprietary funds account for activities of the Township similar to those found in the private sector, where cost recovery and determination of net income is useful or necessary for sound fiscal management. Enterprise funds are used to account for those operations that provide services to the public.

Fiduciary Funds
Fiduciary funds account for assets held by the Township on behalf of others in a fiduciary capacity. Expendable and nonexpendable trust funds account for assets held by the Township under the terms of a formal trust agreement and are differentiated based on the Township's obligation to maintain the trust principal. Pension trust funds account for assets held in a fiduciary capacity for employee retirement benefits. Agency funds account for assets the Township holds on behalf of others.

Account Group
The general fixed assets account group is used to account for fixed assets not accounted for in proprietary or nonexpendable trust funds.

3. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types and expendable trust funds are presented using the flow of current financial resources measurement focus. With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available spendable resources.

The governmental fund types use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Township considers all tax revenues available if they are collected within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

3. Measurement Focus and Basis of Accounting—Continued

Property taxes, franchise taxes, licenses, interest, and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the Township and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Proprietary funds are accounted for on the flow of economic resources measurement focus. This measurement focus emphasizes the determination of net income. The accrual basis of accounting is used for proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Pension trust funds are custodial in nature and utilize accrual accounting. Agency funds are custodial in nature and do not measure results of operations or have a measurement focus.

4. Assets, Liabilities and Equity

a. Deposits and investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. All short-term cash surpluses are maintained in a cash pool and allocated to each fund based on month-end deposit balances.

The Township has adopted an investment policy in compliance with State of Michigan statutes. Those statutes authorize the Township to invest in obligations of the United States, certificates of deposit, prime commercial paper, securities guaranteed by United States agencies or instrumentalities, United States government or federal agency obligation repurchase agreements, bankers acceptances, state-approved investment pools, and certain mutual funds.

Pension plan investments are reported at fair value. The Township's pension trust investments are held in trust by the investment fiduciary, The Manufacturers Life Insurance Company. Michigan Compiled Laws, Section 38.1132, authorizes the Township's plan to invest in a wide variety of investments including stocks, bonds, certificates of deposit, real estate, annuity contracts obligations of a specified nature, and real or personal property.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

4. Assets, Liabilities and Equity—Continued

b. Restricted assets

Township Board actions and bond covenants of the Township's Enterprise Fund require portions of the debt proceeds as well as other resources to be set aside for various purposes. These amounts are reported as restricted assets.

c. Receivables and payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Delinquent utility billings are placed on the tax roll and are therefore considered to be ultimately collectible.

The Township bills and collects its own property taxes. Taxes are levied on December 1 and are due without penalty on or before February 14. The property taxes attach as an enforceable lien on property as of December 1. Uncollected real property taxes as of the following March 1 are turned over by the Township to the County for collection. The County advances the Township all of these delinquent real property taxes. Collection of delinquent personal property taxes as of February 14 remain the responsibility of the Township Treasurer. Since substantially all Township property taxes levied are current receivables, tax revenues are recognized when levied.

The 2003 State taxable value for real/personal property of the Township totaled $59,657,697 on which ad valorem taxes levied consisted of 1.1899 mills for operating purposes. This amount is recognized in the General Fund.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

4. Assets, Liabilities and Equity—Continued

d. Property, plant and equipment

Property, plant and equipment used in governmental fund types of the Township are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks, and other assets that are immovable and of value only to the government) are not capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group or capitalized in the proprietary funds.

Property, plant and equipment in the proprietary funds of the Township are recorded at cost. Property, plant and equipment donated to these proprietary fund type operations are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, and equipment are depreciated in the proprietary fund of the Township utilizing the straight-line method over the following estimated useful lives:

Assets	Years
System infrastructure	40-100
Equipment	5-10

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

4. Assets, Liabilities and Equity—Continued

e. Fund equity

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The proprietary funds' contributed capital represents equity acquired through capital grants and capital contributions from developers, customers, or other funds.

f. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures.

NOTE B—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information
Annual budgets, as required by state statutes, are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except capital projects funds. Capital projects funds adopt project-length budgets. All annual appropriations lapse at fiscal year end.

The Township follows these procedures in establishing the budgetary information provided in the financial statements:

a. In January, the Township Supervisor submits to the Township Board a proposed operating budget for the year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.

b. Public hearings are conducted at the Township Hall to obtain taxpayer comments.

c. Not later than the first Tuesday in March, the budget is legally enacted through passage of a resolution.

d. Supplemental appropriations, when required to provide for additional expenditures, are matched by additional anticipated revenues or an appropriation of available fund balance and must be approved by the Township Board. All appropriations lapse at year end.

NOTE B—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY—Continued

Budgetary Information—Continued
The appropriated budget is prepared by fund, function, and department. The Township's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Township Board. The legal level of budgetary control is the department level. The Township Board made several supplemental budgetary appropriations throughout the year. Other supplemental budgetary appropriations in other funds were not considered material.

NOTE C—DEPOSITS AND INVESTMENTS

1. Deposits

The Township's deposits are categorized to give an indication of the level of risk assumed by the entity at year end. Category 1 includes deposits insured or collateralized with securities held by the entity or its agent in the entity's name. Category 2 includes deposits collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name. Category 3 includes deposits which are uncollateralized.

As of March 31, 2004, the Township's carrying amount of deposits was $119,431 and the bank balance was $120,171. Of the bank balance, $120,171 was covered by federal depository insurance.

2. Investments

As of March 31, 2004, the Township's investments represented holdings in investment pools, certificates of deposit with original maturities of longer than three months and mutual funds. During the year ended March 31, 2004, the Township's investments were only in these types of investments.

The Township's investments are categorized below to give an indication of the level of risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or the securities held by the Township or its agent in the Township's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Township's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the Township's name. The state-approved investment pools are not categorized as they are synonymous with mutual funds. As of March 31, 2004, the Township's carrying amount and market value in those mutual funds was $902,848.

	Category			Carrying	Market
	1	2	3	amount	value
Certificates of Deposit	$ 100,000	$ 98,773	$ -	$ 198,773	$ 198,773

NOTE C—DEPOSITS AND INVESTMENTS—Continued

2. Investments—Continued

The composition of pension trust fund investments at fair value is included in the previous paragraph and shown as follows:

Stock mutual funds	$ 187,514

NOTE D—RESTRICTED ASSETS

Restrictions are placed on assets by bond ordinance and Township Board action. At March 31, 2004, restricted cash of $25,439 in the Green Charter Sewer Fund represents funds set aside for equipment replacement of $25,439.

NOTE E—INTERFUND RECEIVABLES AND PAYABLES

The interfund receivables and payables consisted of the following at March 31, 2004:

Fund	Interfund receivables	Interfund payables
Due from/to other funds		
General Fund	$ 3,000	$ -
Tax Collection Fund	-	3,000
	$ 3,000	$ 3,000

NOTE F—PROPERTY, PLANT AND EQUIPMENT

1. Summary of Property, Plant and Equipment

Property, plant and equipment consists of the following at March 31, 2004:

	Enterprise Fund	General Fixed Assets Account Group
Building and improvements	$ -	$ 163,735
Machinery and equipment	-	56,229
Land	-	84,624
Sewer system	1,079,701	-
	1,079,701	304,588
Less accumulated depreciation	(425,189)	-
Total	$ 654,512	$ 304,588

NOTE F—PROPERTY AND EQUIPMENT—Continued

2. Summary of Changes in General Fixed Assets Account Group

	Balance March 31, 2003	Additions	Deletions	Balance March 31, 2004
Buildings and improvements	$179,689	$ -	$15,954	$ 163,735
Machinery and equipment	67,992	2,037	13,800	56,229
Land	77,064	7,560	-	84,624
	$324,745	$ 9,597	$29,754	$ 304,588

NOTE G—OTHER INFORMATION

1. Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Township carries commercial insurance. Liabilities in excess of insurance coverage, if any, are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. There have been no losses in excess of insurance in the past three years.

2. Segment Information for Enterprise Fund

Charter Township of Green maintains a fund which provides sewer services. Segment information for the year ended March 31, 2004 is as follows:

Operating revenues	$ 76,824
Depreciation	19,736
Operating loss	(17,408)
Net loss	(10,031)
Net working capital	352,804
Total assets	1,044,100
Total equity	1,032,756

NOTE G—OTHER INFORMATION—Continued

3. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Township expects such amounts, if any, to be immaterial.

NOTE H—PENSION PLAN

The Township provides pension benefits for all of its board members and full-time employees through a money purchase plan. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. The Plan is administered through an independent third party, and contributions are based on annual earnings. For the year ended March 31, 2004, wages covered by the Plan were approximately $84,000. For the year ended March 31, 2004, the contribution to the Plan by the Township was approximately $17,400, which represents 20 percent of covered payroll.

NOTE I—ECONOMIC DEPENDENCY

State of Michigan shared revenues represent 72 percent of General Fund revenues.

COMBINING AND INDIVIDUAL FUND STATEMENTS

Charter Township of Green

General Fund

STATEMENT OF REVENUES—BUDGET AND ACTUAL

Year ended March 31, 2004

	Amended budget	Actual	Over (under) amended budget
Revenues			
Taxes	$ 72,873	$ 77,646	$ 4,773
Licenses and permits	200	161	(39)
Intergovernmental revenues—state	220,000	261,443	41,443
Charges for services			
Administrative fees	2,804	2,821	17
Rental income	1,200	2,310	1,110
	4,004	5,131	1,127
Investment income	8,000	6,872	(1,128)
Other			
Cemetery	1,501	5,386	3,885
Miscellaneous	1,722	6,101	4,379
	3,223	11,487	8,264
	$ 308,300	$ 362,740	$ 54,440

Charter Township of Green
General Fund
STATEMENT OF EXPENDITURES—BUDGET AND ACTUAL
Year ended March 31, 2004

	Amended budget	Actual	Over (under) amended budget
Expenditures			
Legislative			
Township Board			
Salaries and wages	$ 7,907	$ 6,981	$ (926)
Pension	13,000	11,511	(1,489)
Supplies	1,500	1,152	(348)
Professional services	600	360	(240)
Membership and dues	1,800	1,725	(75)
Community promotion	500	250	(250)
Publishing	4,200	4,183	(17)
Transportation and training	4,100	2,761	(1,339)
Other services and charges	251	81	(170)
	33,858	29,004	(4,854)
General government			
Supervisor			
Salaries and wages	8,394	8,393	(1)
Supplies	299	20	(279)
	8,693	8,413	(280)
Elections			
Salaries and wages	3,350	-	(3,350)
Supplies	125	-	(125)
Professional services	80	-	(80)
Publishing	423	-	(423)
Other services and charges	251	-	(251)
	4,229	-	(4,229)
Assessor			
Salaries and wages	20,063	20,062	(1)
Pension	4,013	4,013	-
Supplies	841	237	(604)
	24,917	24,312	(605)

Charter Township of Green
General Fund
STATEMENT OF EXPENDITURES—BUDGET AND ACTUAL—CONTINUED
Year ended March 31, 2004

	Amended budget	Actual	Over (under) amended budget
Expenditures—Continued			
General government—Continued			
Clerk			
Salaries and wages	$ 21,288	$ 21,287	$ (1)
Supplies	1,200	1,101	(99)
Other services and charges	99	24	(75)
	22,587	22,412	(175)
Board of review			
Salaries and wages	900	609	(291)
Other services and charges	175	34	(141)
	1,075	643	(432)
Treasurer			
Salaries and wages	19,258	19,257	(1)
Supplies	4,811	2,348	(2,463)
Other services and charges	100	22	(78)
	24,169	21,627	(2,542)
Township hall and grounds			
Salaries and wages	1,920	1,917	(3)
Supplies	900	827	(73)
Professional services	2,500	1,792	(708)
Utilities	8,580	5,644	(2,936)
	13,900	10,180	(3,720)
Cemetery			
Salaries and wages	10,306	10,246	(60)
Supplies	900	731	(169)
Professional services	3,670	3,670	-
Repairs and maintenance	500	175	(325)
Other services and charges	100	-	(100)
	15,476	14,822	(654)

Charter Township of Green
General Fund
STATEMENT OF EXPENDITURES—BUDGET AND ACTUAL—CONTINUED
Year ended March 31, 2004

	Amended budget	Actual	Over (under) amended budget
Expenditures—Continued			
General government—Continued			
Professional services			
Audit	$ 2,050	$ 2,050	$ -
Legal	15,000	1,893	(13,107)
Other	1,550	1,524	(26)
	18,600	5,467	(13,133)
Planning			
Salaries and wages	3,400	755	(2,645)
Supplies	603	-	(603)
	4,003	755	(3,248)
Other governmental functions			
Workers compensation	1,100	1,098	(2)
General insurance	3,928	3,927	(1)
Life insurance	1,000	648	(352)
Social security	5,560	5,560	-
Medicare	1,303	1,301	(2)
	12,891	12,534	(357)
	150,540	121,165	(29,375)
Public safety			
Fire	58,350	58,350	-
Public works			
Street signs	500	-	(500)
Township improvement	5,000	-	(5,000)
Contracted services	40,000	39,066	(934)
Street lights	2,500	2,372	(128)
	48,000	41,438	(6,562)

Charter Township of Green
General Fund
STATEMENT OF EXPENDITURES—BUDGET AND ACTUAL—CONTINUED
Year ended March 31, 2004

	Amended budget	Actual	Over (under) amended budget
Expenditures—Continued			
General government—Continued			
Culture and recreation			
Clean-up day	$ 7,500	$ 5,565	$ (1,935)
Recreation and parks			
Salaries and wages	100	-	(100)
Supplies	300	130	(170)
Professional services	3,000	2,116	(884)
Other	50	-	(50)
	3,450	2,246	(1,204)
	10,950	7,811	(3,139)
Capital outlay	28,430	9,597	(18,833)
	$ 330,128	$ 267,365	$ (62,763)

Charter Township of Green
Trust and Agency Funds
COMBINING BALANCE SHEET
March 31, 2004

ASSETS

	Combined	Pension Trust Fund	Tax Collection Fund
Cash and investments	$ 190,714	$ 187,514	$ 3,200
	$ 190,714	$ 187,514	$ 3,200

LIABILITIES AND FUND BALANCES

LIABILITIES			
Due to other funds	$ 3,000	$ -	$ 3,000
Due to other governmental units	200	-	200
	3,200	-	3,200
FUND BALANCES			
Reserved for pension benefits	187,514	187,514	-
	$ 190,714	$ 187,514	$ 3,200

Charter Township of Green

Agency Fund

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year ended March 31, 2004

TAX COLLECTION FUND

	April 1, 2003	Additions	Deductions	March 31, 2004
ASSETS				
Cash and investments	$ 3,013	$ 1,567,518	$ 1,567,331	$ 3,200
	$ 3,013	$ 1,567,518	$ 1,567,331	$ 3,200
LIABILITIES				
Due to other funds	$ 3,000	$ 77,646	$ 77,646	$ 3,000
Due to other governmental units	13	1,489,872	1,489,685	200
	$ 3,013	$ 1,567,518	$ 1,567,331	$ 3,200