

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 <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name	County
Fiscal Year End	Opinion Date	Date Audit Report Submitted to State	

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	<input type="checkbox"/>			
The letter of Comments and Recommendations	<input type="checkbox"/>			
Other (Describe)	<input type="checkbox"/>			
Certified Public Accountant (Firm Name)		Telephone Number		
Street Address		City	State	Zip
Authorizing CPA Signature		Printed Name		License Number

CHARTER TOWNSHIP OF SPRINGFIELD

REPORT ON AUDIT OF
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2007

CHARTER TOWNSHIP OF SPRINGFIELD

TOWNSHIP OFFICIALS

Supervisor - Collin Walls
Clerk - Nancy Strole
Treasurer - Jamie Dubre

BOARD OF TRUSTEES

Jamie Dubre
Marc Cooper
David Hopper
Roger Lamont
Nancy Strole
Dennis Vallad
Collin Walls

LEGAL COUNSEL

Adkison, Need & Allen, P.L.L.C.

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

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PFEFFER ■ HANNIFORD ■ PALKA
Certified Public Accountants

John M. Pfeffer, C.P.A.
Patrick M. Hanniford, C.P.A.
Kenneth J. Palka, C.P.A.

Members:
AICPA Private Practice Companies Section
MACPA

225 E. Grand River - Suite 104
Brighton, Michigan 48116-1575
(810) 229-5550
FAX (810) 229-5578

February 15, 2008

Board of Trustees
Charter Township of Springfield
12000 Davisburg Road
Davisburg, Michigan 48350

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information including the discretely presented component units of the Charter Township of Springfield as of and for the year ended December 31, 2007, which collectively comprise the Charter Township of Springfield's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Springfield's 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 opinion.

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 including the discretely presented component units of the Charter Township of Springfield as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information on pages 8 through 13 and 38 through 41 are 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. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Springfield's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, such as the combining statements and individual fund statements, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Pfeffer, Hanniford & Palka, P.C.

Certified Public Accountants

MANAGEMENT
DISCUSSION
AND
ANALYSIS

Management Discussion and Analysis
December 31, 2007

Within this section of the Charter Township of Springfield's annual financial report, we are providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended December 31, 2007. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary functions and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

The Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. The Capital Assets (land, buildings, equipment, etc.) are reported at original cost less depreciation and therefore this figure does not necessarily reflect Market Value.

The second government-wide statement is the Statement of Activities which reports how the Township's net assets changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Governmental activities include such activities as general government, fire, police, parks, building and planning departments. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds the Township Board is responsible for and, additionally, funds which the Township handles but are not under the control or jurisdiction of the Township Board. These component units include certain Lake Boards (grouped as one fund) and the Library Fund. Parks and Recreation is not shown as a "Component Unit" because they receive the majority of their funding from the General Fund and State Law requires their budgets and budget amendments to be approved by the Township Board.

Fund Financial Statements

A fund is an accountability unit used to segregate resources for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has two kinds of funds:

Governmental funds such as General Fund, Fire Fund, Police Fund and others are reported in the financial statements. These statements report short-term fiscal conditions focusing on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net assets.

Fiduciary funds such as the tax fund are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

Notes to the financial statements

The accompanying notes to the financial statements provide information to assist with a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining, individual statements and schedules for non-major funds are presented in a subsequent section of this report.

Financial Analysis of the Township as a Whole

The Township had implemented the new financial reporting model used in this report beginning with the fiscal year ended December 31, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Township as a whole.

Under GASB 34 the assets of Springfield Township exceed its liabilities at the close of the fiscal year by \$9,773,218. Of this amount, \$4,427,439 is not invested in Capital Assets and may be used to meet the Township's ongoing obligations.

As of the close of the current fiscal year under governmental fund accounting the Township's governmental funds reported combined ending fund balances of \$4,305,788, an increase of \$110,500 in comparison with the prior year. Approximately 72% of the total amount, \$3,136,238 is available for spending at the Township's discretion (unreserved fund balance).

At the end of the current fiscal year under accounting standards prior to GASB 34, unreserved fund balances were; General Fund - \$1,324,540 Fire Fund - \$777,075 Police Fund - \$445,291 Parks and Recreation Funds - \$166,050.

The following tables provide a summary of the Township's financial activities and changes in net assets:

Summary of Net Assets

	Governmental Activities			Component Unit-Library			Component Unit-Lake Boards		
	12/31/06	12/31/07	Increase (Decrease)	12/31/06	12/31/07	Increase (Decrease)	12/31/06	12/31/07	Increase (Decrease)
Current and other assets	\$ 7,588,580	\$ 9,599,375	\$ 2,010,795	\$ 645,024	\$ 804,381	\$ 159,357	\$ 589,528	\$ 621,925	\$ 32,397
Capital assets, net of depreciation	<u>8,449,924</u>	<u>9,515,242</u>	<u>1,065,318</u>						
Total assets	<u>16,038,504</u>	<u>19,114,617</u>	<u>3,076,113</u>	<u>645,024</u>	<u>804,381</u>	<u>159,357</u>	<u>589,528</u>	<u>621,925</u>	<u>32,397</u>
Other liabilities	3,212,195	3,171,936	(40,259)	623,235	644,905	21,670	4,366		(4,366)
Long-term liabilities	<u>3,935,000</u>	<u>6,169,463</u>	<u>2,234,463</u>				<u>116,666</u>	<u>100,000</u>	<u>(16,666)</u>
Total liabilities	<u>7,147,195</u>	<u>9,341,399</u>	<u>2,194,204</u>	<u>623,235</u>	<u>644,905</u>	<u>21,670</u>	<u>121,032</u>	<u>100,000</u>	<u>(21,032)</u>
Net assets:									
Invested in capital assets, net of related debt	4,514,924	5,345,779	830,855						
Unrestricted	<u>4,376,385</u>	<u>4,427,439</u>	<u>51,054</u>	<u>21,789</u>	<u>159,476</u>	<u>137,687</u>	<u>468,496</u>	<u>521,925</u>	<u>53,429</u>
Total net assets	<u>\$ 8,891,309</u>	<u>\$ 9,773,218</u>	<u>\$ 881,909</u>	<u>\$ 21,789</u>	<u>\$ 159,476</u>	<u>\$ 137,687</u>	<u>\$ 468,496</u>	<u>\$ 521,925</u>	<u>\$ 53,429</u>

Notes:

1. Although books, periodicals, and other materials in the Library have an estimated cost exceeding \$100,000 they are not listed as an asset because the Township Library Board has adopted a capitalization policy of individual items costing under \$10,000 are not capitalized.
2. The Civic Center is reported as a Capital Asset as a Governmental Activity. Even though no division of the asset has been made for this audit report a major portion of the asset includes the Library Facility, furniture and equipment because it was part of the original construction project.

Summary of Changes In Net Assets

	Governmental Activities			Component Unit Library			Component Unit-Lake Boards		
	12/31/2006	12/31/2007	Increase (Decrease)	12/31/2006	12/31/2007	Increase (Decrease)	12/31/2006	12/31/2007	Increase (Decrease)
REVENUES									
Program revenues									
Charges for services	\$ 441,282	\$ 313,370	\$ (127,912)	\$ 16,199	\$ 26,381	\$ 10,182	\$	\$	\$
Operating grants and contributions	105,261	28,597	(76,664)	14,066	7,456	(6,610)			
Capital grants and contributions		2,090,421	2,090,421						
General revenues									
Special assessments	23,992	17,995	(5,997)				187,969	252,894	64,925
State shared revenues	909,422	911,960	2,538	10,281	647	(9,634)			
Property taxes	2,921,496	3,084,000	162,504	264,245	620,814	356,569			
Interest income	267,437	293,733	26,296	5,479	15,171	9,692	21,124	13,277	(7,847)
Other revenues	278,910	261,557	(17,353)	20,960	21,040	80	200	445	245
Total revenues	<u>4,947,800</u>	<u>7,001,633</u>	<u>2,053,833</u>	<u>331,230</u>	<u>691,509</u>	<u>360,279</u>	<u>209,293</u>	<u>266,616</u>	<u>57,323</u>
EXPENSES									
General government	1,629,195	1,358,604	(270,591)						
Library				345,628	553,822	208,194			
Fire protection	513,858	537,345	23,487						
Police protection	1,352,314	1,396,981	44,667						
Parks and recreation	500,720	510,072	9,352						
Public works	210,853	2,162,782	1,951,929						
Interest on long-term debt	211,186	153,940	(57,246)						
Lake boards							150,884	213,187	62,303
Total expenses	<u>4,418,126</u>	<u>6,119,724</u>	<u>1,701,598</u>	<u>345,628</u>	<u>553,822</u>	<u>208,194</u>	<u>150,884</u>	<u>213,187</u>	<u>62,303</u>
Transfers	<u>(15,000)</u>		15,000	15,000		(15,000)			
Change in net assets	514,674	881,909	367,235	602	137,687	137,085	58,409	53,429	(4,980)
Beginning net assets	<u>8,376,635</u>	<u>8,891,309</u>	<u>514,674</u>	<u>21,187</u>	<u>21,789</u>	<u>602</u>	<u>410,087</u>	<u>468,496</u>	<u>58,409</u>
Ending net assets	<u>\$ 8,891,309</u>	<u>\$ 9,773,218</u>	<u>\$ 881,909</u>	<u>\$ 21,789</u>	<u>\$ 159,476</u>	<u>\$ 137,687</u>	<u>\$ 468,496</u>	<u>\$ 521,925</u>	<u>\$ 53,429</u>

Component Units

Due to its autonomous nature, the Library Fund is reported as a separate component unit within the Charter Township of Springfield's financial statements.

Due to their autonomous nature, the Lake Boards within the Township are combined as a separate component unit within the Charter Township of Springfield's financial statements.

See Footnote #2 regarding the component units for more detail.

Financial Analysis of the Township's Funds

The Township has 5 major funds for the year ended December 31, 2007. These funds include:

- General Fund
- Fire Fund
- Police Fund
- Parks and Recreation Fund
- Softwater Sewer Debt Service Fund

The General Fund's fund balance increased \$429,639 during the year. The Township board has made various changes in operations to reduce expenditures and transfers to other funds.

The Fire Fund's fund balance decreased (\$445,962). This was mostly due to the expansion of fire station #2. The expansion was approximately 96% complete on December 31, 2007.

The Police Fund has very little activity because its sole function is paying for contracted police protection.

The fund balance for the Parks and Recreation Fund decreased slightly by (\$11,839). Operations remained relatively the same as the prior year.

The Softwater Sewer Debt Service Fund was created in 2007 to account for the collection of assessments and payment of debt related to a joint project between Oakland County, Independence Township and Springfield Township to connect a small area of Springfield Township to the sewer in Independence Township and eliminate a County owned sewage treatment plant. This fund acts much like a Fiduciary fund because its money is not available to fund Township activities except those related to the assessment district obligations. The fund balance was \$46,447 on December 31, 2007. Since assessment collections should equal debt payments over the next 20 years, the fund balance should not change much year to year.

General Fund Budgetary Highlights

The Township adopted its budget two months before the beginning of the fiscal year. Amendments were made during the year to adjust for changes. Budget appropriations were not exceeded by actual expenditures.

Capital Asset and Debt Administration

The Township sold \$2 million in special assessment bonds to finance the sewer project at Softwater Lake. The bonds were sold through Oakland County and are listed as a debt under "contracts payable". The bonds are covered by the Full Faith and Credit of Oakland County and are not a general obligation of the Township.

The Township also entered into an installment contract with Oxford Bank to assist with financing the expansion of Fire Station #2. The total amount of the agreement is \$500,000. The Township had sufficient reserves to cover the cost of the addition to Fire Station #2 but the interest rate charged for the installment contract was less than the interest rate earned on the investment of the reserves which allowed us maximum flexibility.

The Township made total principle payments of \$265,537 for 2007.

The Township deems all capital purchases of \$10,000 or greater as capital assets. During the year, total capital asset acquisitions totaled \$1,342,872. Capital purchases included \$975,729 for construction in progress related to the Fire Station No. 2; \$94,081 for new fire equipment; \$203,648 for a new fire tanker and \$69,414 for the Parks and Recreation's parking lot.

Economic Conditions and Future Activities

Economic conditions in Springfield Township like all other areas of the State are impacted significantly by the very poor economic condition of the State of Michigan. Historically the Township tax base had been stable and increasing. 2006 and 2007 saw a drastic reduction in the number of new residential building permits and applications for new commercial and industrial development. The reduction in number of new development plans and reduction in applications for new construction resulted in layoffs in both the Planning and Building Department staffs in 2005 and 2006, reduction in Building Department hours in mid 2007 and closure of the Building Department in late 2007. The Township outsourced Building Department administration and inspection service to a private contractor in December.

In addition to the drastic reduction in new construction and development activity the market value of property has been dropping. Although Proposal A has reduced the impact of this reduction the Township is experiencing a reduction in Taxable Value which will result in a reduction in tax revenue for all funds.

We anticipate no real improvement in the economic climate especially in new construction over the next year. Michigan's economy and the overall financial condition of the State is extremely discouraging. As a result the Township anticipates decreasing levels of State Shared Revenue, decrease in Taxable Value and property tax revenue. We will need to continue to explore cost reduction opportunities and practice conservative financial management. There is a caution, however, that staff reductions have begun to effect productivity which will make budgeting for 2009 and beyond a challenge.

In the past State Shared Revenue has been a major portion of our General Fund receipts. In 2001 we received \$1,143,518 in State Shared Revenue. By the end of 2006 our state shared revenue has been reduced to just over \$909,000. For 2007, the state shared revenues amounted to \$911,960 (approximately same as 2006). That reduction of over \$234,518 during a six (6) year period was anticipated. During that same six (6) year period the General Fund Property Tax Revenue only increased \$192,143 from \$480,300 to \$672,443. At this time it is not possible to accurately determine the impact of decreasing tax revenues or the exact amount of decrease.

The combination of projected further reductions in State Shared Revenue with no anticipated significant increase in development and the reduction in tax revenue over the next couple of years requires the Township to continue it's historical, conservative approach to budgeting. The Township has sufficient Fund Balance in the Fire Fund to maintain current levels of service. Police Fund reserves are sufficient to maintain current levels of service on the short term. Our current contract with the Sheriff Department expires at the end of 2008 which makes planning beyond the short term very difficult. Staff reductions, employee benefit reductions and other cost saving measures have been implemented by the Township Board. The Township must continue to explore intergovernmental cooperation, improved operating efficiencies, opportunities for cost reduction, grants and other new revenue sources. The financial picture is not bright for the Township but we are in much better shape than many municipalities in the State. We have reserves that will help maintain an acceptable level of service as long as Township finances are managed cautiously, conservatively and with consideration for long range planning.

Contacting the Township's Financial Management

This budget report is designed to provide a general overview of the Township's financial position and comply with finance-related recommendations. If you have any further questions about this report or request additional information please contact the Charter Township of Springfield at 12000 Davisburg Rd., Davisburg, Michigan, 48350.

The Management Discussion and Analysis was prepared by the Township Supervisor with assistance from the auditor. If you have any questions about the information or opinions contained in the Management Discussion please contact Collin W. Walls, Supervisor.

BASIC
FINANCIAL STATEMENTS

GOVERNMENT - WIDE
FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD
STATEMENT OF NET ASSETS
DECEMBER 31, 2007

	Governmental Activities	Component Unit Library	Component Unit Lake Boards
ASSETS			
Cash and cash equivalents	\$ 4,450,143	\$ 261,837	\$ 229,644
Receivables			
Special assessments	1,927,835		307,113
Taxes	1,680,822	363,670	
Intergovernmental	977,016	178,752	85,168
State shared revenues	309,243		
Accounts receivable - other	85,964		
Prepaid expenses	15,357	122	
Unamortized bond issuance costs and deferred amount	152,995		
Capital assets - net of depreciation	9,515,242		
Total assets	<u>19,114,617</u>	<u>804,381</u>	<u>621,925</u>
LIABILITIES			
Accounts payable - trade	182,606	1,218	
Deferred revenues	2,989,330	643,687	
Contract payable			
Current	158,908		16,666
Non-current	2,295,555		83,334
Bonds payable			
Current	220,000		
Non current	3,495,000		
Total liabilities	<u>9,341,399</u>	<u>644,905</u>	<u>100,000</u>
NET ASSETS			
Invested in capital assets, net of related debt	5,345,779		
Unrestricted	4,427,439	159,476	521,925
Total net assets	<u>\$ 9,773,218</u>	<u>\$ 159,476</u>	<u>\$ 521,925</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit Library	Component Unit Lake Boards
GOVERNMENTAL ACTIVITIES							
General government	\$ (1,358,604)	\$ 198,737	\$ 8,946	\$	\$ (1,150,921)	\$	\$
Fire protection	(537,345)	32,534		90,421	(414,390)		
Police protection	(1,396,981)	9,990			(1,386,991)		
Parks and recreation	(510,072)	72,109	19,651		(418,312)		
Public works	(2,162,782)			2,000,000	(162,782)		
Interest on long-term debt	(153,940)				(153,940)		
Total governmental activities	\$ (6,119,724)	\$ 313,370	\$ 28,597	\$ 2,090,421	(3,687,336)		
Component Units							
Library	\$ (553,822)	\$ 26,381	\$ 7,456	\$	\$	\$ (519,985)	
Lake boards	(213,187)						(213,187)
Total component units	\$ (767,009)	\$ 26,381	\$ 7,456	\$		(519,985)	(213,187)
General revenues							
					3,084,000	620,814	
					17,995		252,894
					911,960	647	
					293,733	15,171	13,277
						20,099	
					164,653		
					86,975		
					9,929	941	445
					4,569,245	657,672	266,616
					881,909	137,687	53,429
					8,891,309	21,789	468,496
					\$ 9,773,218	\$ 159,476	\$ 521,925

The notes are an integral part of the financial statements.

PFEFFER, HANNIFORD & PALKA

Certified Public Accountants

FUND
FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD
BALANCE SHEET
GOVERNMENTAL FUNDS AND COMPONENT UNITS
DECEMBER 31, 2007

	General Fund	Fire Fund	Police Fund	Parks and Recreation Fund	Softwater Sewer Fund	Other Non-major Funds	Totals	Component Units	
								Library Fund	Lake Boards Fund
<u>ASSETS</u>									
ASSETS									
Cash and cash equivalents	\$ 1,828,015	\$ 1,129,837	\$ 762,980	\$ 196,122	\$ 56,622	\$ 476,567	\$ 4,450,143	\$ 261,837	\$ 229,644
Receivables									
Fire runs		41,191					41,191		
Taxes	394,476	257,695	818,512			210,139	1,680,822	363,670	
Special assessments					1,917,016	10,819	1,927,835		307,113
State shared revenues	309,243						309,243		
Other	31,808			965		12,000	44,773		
Due from other funds	327,645	134,712	427,872		26,863	111,409	1,028,501	190,110	85,168
Prepaid expenditures	8,452	5,415		1,067		423	15,357	122	
Total assets	<u>\$ 2,899,639</u>	<u>\$ 1,568,850</u>	<u>\$ 2,009,364</u>	<u>\$ 198,154</u>	<u>\$ 2,000,501</u>	<u>\$ 821,357</u>	<u>\$ 9,497,865</u>	<u>\$ 815,739</u>	<u>\$ 621,925</u>
<u>LIABILITIES AND FUND BALANCE</u>									
LIABILITIES									
Accounts payable	\$ 20,084	\$ 22,912	\$ 115,337	\$ 17,354	\$	\$ 6,919	\$ 182,606	\$ 1,218	\$
Deferred revenue	698,214	456,114	1,448,736	14,366	1,954,054	386,502	4,957,986	643,687	434,271
Due to other funds				384		51,101	51,485	11,358	
Total liabilities	<u>718,298</u>	<u>479,026</u>	<u>1,564,073</u>	<u>32,104</u>	<u>1,954,054</u>	<u>444,522</u>	<u>5,192,077</u>	<u>656,263</u>	<u>434,271</u>
FUND BALANCE									
Unreserved	1,324,540	777,075	445,291	166,050	46,447	376,835	3,136,238	159,476	187,654
Reserved for road maintenance	368,956						368,956		
Reserved for building and equipment		312,749					312,749		
Reserved for Civic Center	487,845						487,845		
Total fund balance	<u>2,181,341</u>	<u>1,089,824</u>	<u>445,291</u>	<u>166,050</u>	<u>46,447</u>	<u>376,835</u>	<u>4,305,788</u>	<u>159,476</u>	<u>187,654</u>
Total liabilities and fund balance	<u>\$ 2,899,639</u>	<u>\$ 1,568,850</u>	<u>\$ 2,009,364</u>	<u>\$ 198,154</u>	<u>\$ 2,000,501</u>	<u>\$ 821,357</u>	<u>\$ 9,497,865</u>	<u>\$ 815,739</u>	<u>\$ 621,925</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD
RECONCILIATION OF STATEMENT OF NET ASSETS
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
DECEMBER 31, 2007

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

Total fund balance per balance sheet		\$ 4,305,788
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		
Cost of capital assets	\$ 11,852,026	
Depreciation	<u>(2,336,784)</u>	
Capital assets net of depreciation		9,515,242
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Contracts payable	(2,454,463)	
Bonds payable	<u>(3,715,000)</u>	
Total		(6,169,463)
Bond issuance costs, and deferred amount on refunding are reported as expenditures in the governmental funds:		
Issuance costs and deferred amount on refunding total		
\$166,495 and accumulated amortization is \$13,500		152,995
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		<u>1,968,656</u>
Net assets of governmental activities		<u><u>\$ 9,773,218</u></u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD
 RECONCILIATION OF STATEMENT OF NET ASSETS OF - LAKE BOARDS - COMPONENT UNIT
 TO THE BALANCE SHEET
 FOR THE YEAR ENDED DECEMBER 31, 2007

Amounts reported for Lake Boards - Component Unit Activities
 in the statement of net assets are different because:

Total fund balance per balance sheet	\$ 187,654
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:	
Contract payable - due to county	(100,000)
Deferred revenues on special assessments was recognized as revenue in the government - wide statements. Assessments are income as they are assessed.	434,271
Net assets per statement of net assets	\$ 521,925

There were no reconciling items for the component unit library.

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS AND COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2007

	General Fund	Fire Fund	Police Fund	Parks and Recreation Fund	Softwater Sewer Fund
REVENUES					
Taxes	\$ 709,438	\$ 603,949	\$ 1,390,615	\$	\$
Grant		90,421			
License permits	1,504				
State shared revenues	911,960				
Cable franchise fees	117,038				
Special assessments	986				45,946
Special assessment interest					10
Charges for services	53,996	32,534	9,990	72,109	
CDA reimbursement	8,946				
District courts	34,328				
Penal fines					
Rent	48,261	10,190		28,524	
Interest	126,404	87,428	48,487	7,781	491
Reimbursements				1,268	
Contributions - unrestricted				19,651	
Miscellaneous	3,130	3,069	1,983	276	
Total revenues	2,015,991	827,591	1,451,075	129,609	46,447
EXPENDITURES					
Elected officials	515,812				
General government	564,533				
Public works and contractual services	155,202				
Tax tribunal	1,406				
Debt service					
Parks				534,871	
Fire		1,773,553			
Police			1,396,981		
Building department					
Cable					
Library					
Total expenditures	1,236,953	1,773,553	1,396,981	534,871	
Excess (deficiency) of revenues over (under) expenditures	779,038	(945,962)	54,094	(405,262)	46,447
OTHER FINANCING SOURCES (USES)					
Bond proceeds		500,000			
Transfers (out)	(349,399)				
Transfers in				393,423	
Total other financing sources (uses)	(349,399)	500,000		393,423	
Net change in fund balance	429,639	(445,962)	54,094	(11,839)	46,447
FUND BALANCE, JANUARY 1, 2007	1,751,702	1,535,786	391,197	177,889	
FUND BALANCE, DECEMBER 31, 2007	\$ 2,181,341	\$ 1,089,824	\$ 445,291	\$ 166,050	\$ 46,447

The notes are an integral part of the financial statements.

Other Non-major Fund	Totals	Component Units	
		Library Fund	Lake Board Funds
\$ 379,998	\$ 3,084,000	\$ 620,814	\$
	90,421		
	1,504		
	911,960	647	
47,615	164,653		
17,009	63,941		234,330
	10		10,095
108,541	277,170	15,838	
	8,946	5,658	
	34,328		
		30,642	
	86,975		
23,132	293,723	15,171	13,277
	1,268		
	19,651	1,798	
571	9,029	941	445
<u>576,866</u>	<u>5,047,579</u>	<u>691,509</u>	<u>258,147</u>
	515,812		
	564,533		
7,580	162,782		229,853
	1,406		
360,440	360,440		
	534,871		
	1,773,553		
	1,396,981		
111,172	111,172		
15,529	15,529		
		553,822	
<u>494,721</u>	<u>5,437,079</u>	<u>553,822</u>	<u>229,853</u>
<u>82,145</u>	<u>(389,500)</u>	<u>137,687</u>	<u>28,294</u>
	500,000		
(48,423)	(397,822)		
4,399	397,822		
<u>(44,024)</u>	<u>500,000</u>		
38,121	110,500	137,687	28,294
338,714	4,195,288	21,789	159,360
<u>\$ 376,835</u>	<u>\$ 4,305,788</u>	<u>\$ 159,476</u>	<u>\$ 187,654</u>

CHARTER TOWNSHIP OF SPRINGFIELD
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

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

Net change in fund balances - governmental funds \$ 110,500

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlay exceeded depreciation is as follows:

Capital outlay	\$ 1,342,872	
Depreciation expense	<u>(277,554)</u>	
Net		1,065,318

Repayment of bond principal is an expenditure in the governmental funds, but the repayment deducts long-term liabilities in the Statement of Net Assets

Contracts payable	(2,000,000)	
Repayment of bonds payable	<u>265,538</u>	
Total		(1,734,462)

Proceeds from the issuance of bonds are recorded as other financing sources in the funds, however, bond obligations increase long-term liabilities in the statement of net assets (500,000)

Governmental funds report the effect of bond issuance costs as expenditures when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences follows:

Amortization of bond issuance costs	(9,950)	
Amortization of deferred amounts	<u>(3,550)</u>	
Total		(13,500)

Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities

New assessment levied	2,000,000	
Principal levied on assessments	<u>(45,947)</u>	
Total		<u>1,954,053</u>

Change in net assets of governmental activities \$ 881,909

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD
 RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE OF - LAKE BOARDS -
 COMPONENT UNIT TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2007

Amounts reported for Lake Boards - Component Unit Activities
 in the Statement of Activities are different because:

Net change in fund balance - Lake Boards Component Unit	\$ 28,294
Repayment of contract payable - Oakland County is an expenditure in the Governmental Funds, but the repayment deducts long-term liabilities in statement of net assets	16,666
Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities:	
Principal collect on assessments	<u>8,469</u>
Change in net assets of Lake Boards - Component Unit	<u><u>\$ 53,429</u></u>

There were no reconciling items for the Component Unit - Library

The notes are an integral part of the financial statements.

NOTES
TO
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Charter Township of Springfield was incorporated in 1836 and later became a Charter Township in 1986. The Township is located in southeast Michigan in North West Oakland County. The accounting policies of the Charter Township of Springfield conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental fund types are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The government-wide Statement of Net Assets reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are required to be displayed in three components: 1) invested in capital assets 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net assets are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expense between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Township reports the following major governmental funds:

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

The Fire Fund accounts for the activities related to operating fire protection services. This fund is primarily supported through the collection of property taxes.

The Police Fund accounts for the activities related to operating police protection services. This fund is primarily supported through the collection of property taxes.

The Parks and Recreation Fund accounts for the activities related to operating parks activities. This fund is primarily supported through transfers from the general fund.

The Softwater Sewer Debt Service Fund accounts for the activities surrounding the debt related to the sewer district. This fund is primarily supported through the collection of special assessments.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, licenses, fees and permits, intergovernmental revenues, charges for services and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balances as a measure of available spendable resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs.

CHARTER TOWNSHIP OF SPRINGFIELD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BUDGETARY DATA

The Township approves budgets for the general and special revenue funds. Amendments made during the fiscal year are reflected in the budget column of the appropriate financial statement. The budgets are prepared on a modified accrual basis

D. PROPERTY TAXES

The Township property tax is levied each December 1 on the taxable valuation of property located in the township as of the preceding December 31. Taxable values are established annually by the county and are equalized by the state. Real and personal property in the Township for the 2006 levy was assessed at an adjusted taxable value of \$674,972,814. Taxes are due and payable by February 28. Delinquent real and personal property taxes are returned to the County Treasurer for collection.

The Township levies the following millage:

General township operations	.9950
Police 1	.7056
Fire	.8920
Library	.9173
Police 2	1.3482
Civic Center Bond	<u>.5612</u>
Total millage	<u><u>5.4193</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. CAPITAL ASSETS

Under GASB Statement No. 34, all capital assets whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$10,000 and an estimated useful life greater than one year. Land is considered a capital asset regardless of initial cost. Capital assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at the 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 assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

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

Buildings, structures and improvements	10 to 50 years
Machinery, equipment, furniture	5 to 40 years

Any capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

F. MANAGEMENT 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. Accordingly, actual results could differ from those estimates.

G. 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; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

CHARTER TOWNSHIP OF SPRINGFIELD
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - DESCRIPTION OF REPORTING ENTITY

In accordance with Governmental Accounting Standards Board (GASB) statement number 39, all funds, agencies, and activities of Charter Township of Springfield as the primary government have been included in the financial statements.

Component Units

1. The Library operates under PA 164, thus the Library Board is independently elected, approves its own budget, maintains control over expenditures of all funds credited to the Library and has the responsibility to see that adequate funding is provided. The Township has chosen to report the Library Fund as a separate discretely presented component unit of the Township's audited financial statements.

2. The Township has several agreements with Lake Boards which are separate statutory Public Agencies originally established under Part 309 of the Michigan Natural Resources and Environmental Protection Act (PA 451 of 1994, as amended). The Lake Boards have authority to enter into contracts, borrow funds, determine special assessment districts, establish special assessment rolls and are authorized to direct the Township to collect special assessments. The Township only collects assessments and disburses funds on behalf of the Lake Boards. The Lake Boards administer and control the funds. Based on the above, management of the Township has classified the following Lake Boards as one combined fund and as a separate discretely presented component unit:
 1. Big Lake
 2. Dixie Lake
 3. Susin Lake
 4. Waumegah Lake

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

All interfund balances are short-term in character. Interfund transfers will be collected during the next reporting period. These amounts are reported as current assets in the governmental balance sheets. The amounts of interfund receivables and payables are as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 327,645	\$
Fire Fund	134,712	
Police Fund	427,872	
Lake Improvement Fund	85,168	
Library Fund	190,110	11,358
Civic Center Fund	109,816	
Parks and Recreation Fund		385
Current Tax Fund		1,239,494
Softwater Sewer	26,863	
Trust and Agency		1,441
Softwater Lake	1,593	
Cable Fund		1,101
Building Fund		50,000
Totals	\$ 1,303,779	\$ 1,303,779

CHARTER TOWNSHIP OF SPRINGFIELD
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS (continued)

<u>Fund Providing Resources</u>	<u>Fund Receiving Resources</u>	<u>Amount</u>
General Fund	Parks Fund	\$ 345,000
Shiawassee Basin Fund	Parks Fund	48,423
General Fund	Building Fund	4,399
		<u>\$ 397,822</u>

NOTE 4 - EMPLOYEE RETIREMENT PLAN

The Charter Township of Springfield has a salary reduction defined contribution plan. Eligible employees are defined as employees who have provided at least 1,000 hours of service in the previous twelve month period and have reached the age of twenty-one. Contributions to the plan are funded by both employer and employee.

Employee contributions must be a minimum of 2.5%. Employer contributions are fixed at 5% of compensation in 2007.

Total current year employee contributions	\$ 101,913
Total current year employer contributions	46,894
Total current year contributions	\$ 148,807
Total current covered payroll	\$ 939,911

These balances reflect contributions for the period from January 1, 2007 to December 31, 2007.

NOTE 5 - OTHER POST EMPLOYMENT BENEFITS

The Charter Township of Springfield has two retired employees that are receiving health insurance benefits from the Township. They will continue to receive these benefits until their death. Both are in their early 80's in age.

Under their current employment policies, there will not be other employees eligible to receive these types of benefits.

In 2007 the Township paid a total of \$4,652 in post employment benefits.

CHARTER TOWNSHIP OF SPRINGFIELD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2007 was as follows:

	Balance 1/1/07	Additions	Deletions	Balance 12/31/07
Township vehicles	\$ 38,114	\$	\$	\$ 38,114
Fire Department building	308,000			308,000
Fire Department construction in progress	40,504	975,729		1,016,233
Fire Department equipment	124,000	94,081		218,081
Fire Department land	177,000			177,000
Fire Department - vehicles	983,335	203,648		1,186,983
Township land	1			1
Township hall	6,629,841			6,629,841
Parks equipment	90,269			90,269
Parks vehicles	33,349			33,349
Parks buildings	1,017,714	69,414		1,087,128
Parks land	1,067,027			1,067,027
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets	10,509,154	1,342,872		11,852,026
Accumulated depreciation	<u>(2,059,230)</u>	<u>(277,554)</u>		<u>(2,336,784)</u>
Governmental activities capital asset, net	<u>\$ 8,449,924</u>	<u>\$ 1,065,318</u>	<u>\$</u>	<u>\$ 9,515,242</u>

Depreciation expense is being recorded in the government-wide statement of activities based upon the fund and activity utilizing the assets. The Township utilizes the straight line method to depreciate capital assets over their estimated useful lives. Depreciation expense was recorded in the general government expense portion of the Statement of Activities. There was \$3,715,000 debt related to these capital assets.

Depreciation expense is allocated to the following activities:

Parks and recreation	\$ 44,615
Fire protection	82,787
General township	<u>150,152</u>
	<u>\$ 277,554</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 7 - LONG-TERM DEBT

	Balance 1/1/2007	Additions	Deletions	Balance 12/31/2007	Current Portion
Bonds Payable					
The Township sold bonds to finance the construction of the Civic Center; principle is payable in annual installment of \$95,000 to \$385,000 starting May 1, 2002 to 2020; interest is charged at 4.875% to 5.125% payable semi-annually. This bond issue was partially defeased with the 2006 refunding bond issue.	\$ 795,000	\$	\$ 180,000	\$ 615,000	\$ 195,000
The Township sold bonds to advance refund a portion of the bonds issued to construct the Civic Center; principle is payable in annual installments of \$40,000 to \$360,000 starting May 1, 2007 to 2020; interest is charged at 3.900% payable semi-annually.	3,140,000		40,000	3,100,000	25,000
Total bonds payable	\$ 3,935,000	\$	\$ 220,000	\$ 3,715,000	\$ 220,000

Future principle and interest payments to service the Civic Center debt of the Township:

	Original Civic Center Bond		Civic Center Refunding Bond		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 195,000	\$ 25,497	\$ 25,000	\$ 120,412	\$ 220,000	\$ 145,909
2009	205,000	15,747	25,000	119,438	230,000	135,185
2010	215,000	5,375	25,000	118,462	240,000	123,837
2011			250,000	113,100	250,000	113,100
2012			260,000	103,156	260,000	103,156
2013 - 2017			1,480,000	350,416	1,480,000	350,416
2018 - 2020			1,035,000	61,717	1,035,000	61,717
	\$ 615,000	\$ 46,619	\$ 3,100,000	\$ 986,701	\$ 3,715,000	\$ 1,033,320

CHARTER TOWNSHIP OF SPRINGFIELD
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 7 - LONG-TERM DEBT (continued)

	<u>Balance 1/1/2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2007</u>	<u>Current Portion</u>
Contracts Payable					
The Township contracted with Oakland County to finance the sewage disposal system Software Lake extension, principal is payable in annual installments of \$65,000 to \$120,000 starting October 1, 2008 to 2027; interest is charged at 1.625% payable semi-annually.	\$	\$ 2,000,000	\$	\$ 2,000,000	\$ 65,000
The Township entered into an installment contract with Oxford Bank for the construction of a Fire Hall under Public Act 99 of 1933; principal and interest payable quarterly installments of \$27,777 starting July 2007 to April 2012; interest is 4.1%.		500,000	45,537	454,463	93,908
	<u>\$</u>	<u>\$ 2,500,000</u>	<u>\$ 45,537</u>	<u>\$ 2,454,463</u>	<u>\$ 158,908</u>

	<u>Sewer Line Extention</u>		<u>Fire Hall</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
<u>Bond payment Softwater Lake</u>						
2008	\$ 65,000	\$ 32,500	\$ 93,908	\$ 17,201	\$ 158,908	\$ 49,701
2009	85,000	31,444	97,818	13,292	182,818	44,736
2010	90,000	30,062	101,891	9,219	191,891	39,281
2011	90,000	28,600	106,133	4,977	196,133	33,577
2012	90,000	27,137	54,713	843	144,713	27,980
2013 - 2017	485,000	112,856			485,000	112,856
2018 - 2022	525,000	72,231			525,000	72,231
2023 - 2027	570,000	28,194			570,000	28,194
	<u>\$ 2,000,000</u>	<u>\$ 363,024</u>	<u>\$ 454,463</u>	<u>\$ 45,532</u>	<u>\$ 2,454,463</u>	<u>\$ 408,556</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 7 - LONG-TERM DEBT (continued)

	Balance 1/1/2007	Additions	Deletions	Balance 12/31/2007	Current Portion
The Waumegah Lake Board (included in Lake Board Funds - Component Unit) borrowed \$150,000 from Oakland County to finance project costs; principal is payable in annual installments of \$16,667; interest is charged at 1.73%; maturity date is March 1, 2013.	\$ 116,666	\$	\$ 16,666	\$ 100,000	\$ 16,666

Future principle and interest payments to service the debt between the Lake Board and Oakland County:

	Contract Payable	
	Principal	Interest
2008	\$ 16,667	\$ 1,514
2009	16,667	1,225
2010	16,667	937
2011	16,667	649
2012	16,666	360
2013	16,666	72
	\$ 100,000	\$ 4,757

CHARTER TOWNSHIP OF SPRINGFIELD
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 8 - DEPOSITS WITH FINANCIAL INSTITUTIONS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit union, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal Agency obligation repurchase agreements; bankers; acceptance of United States banks; commercial paper rated by two standard rating agencies 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 investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township's deposits and investments are in accordance with statutory authority. The Township maintains a \$900 petty cash account.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's deposits and investments are as follows:

<u>Deposits</u>	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Total</u>	<u>Bank Balance</u>
Insured	\$ 500,000	\$	\$ 500,000	\$ 500,000
Uninsured and uncollateralized	<u>4,440,725</u>	<u>1,436,322</u>	<u>5,877,047</u>	<u>6,268,058</u>
	<u>\$ 4,940,725</u>	<u>\$ 1,436,322</u>	<u>\$ 6,377,047</u>	<u>\$ 6,768,058</u>

The investment policy adopted by the board is in accordance with Act 196 PA 1997. The Township's deposits and investments are in accordance with statutory authority.

NOTE 9 - CONTINGENT LIABILITIES

The Township is involved in various legal actions arising in the normal course of business. In the opinion of management, such matters will not have a material effect upon the financial position of the Township.

NOTE 10 - FEDERAL GRANT ACTIVITIES

The Township participates in a Community Development Block Grant (CDBG) consortium passed through Oakland County. The CDBG fiscal period is from May 1 to April 30. The County performs a full compliance audit on the Township's program performance. The most recent audit has been completed for the period dated May 1, 2006 to April 30, 2007.

The fire department received a FEMA Grant for an exhaust system and air compressors. The total grant was \$95,180 which required a 5% match.

Funds received from FEMA	\$ 90,421
Match by Township	<u>4,759</u>
	<u>\$ 95,180</u>

REQUIRED
SUPPLEMENTARY
INFORMATION

CHARTER TOWNSHIP OF SPRINGFIELD
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 677,000	\$ 705,400	\$ 709,438	\$ 4,038
Business license permits	1,000	1,300	1,504	204
State shared revenues	906,000	845,400	911,960	66,560
CDA reimbursement	20,000	20,000	8,946	(11,054)
Other local revenue	293,000	265,350	280,979	15,629
District courts	30,000	30,000	34,328	4,328
Civic center	100,000	73,000	68,836	(4,164)
Total revenues	<u>2,027,000</u>	<u>1,940,450</u>	<u>2,015,991</u>	<u>75,541</u>
EXPENDITURES				
Trustees	16,850	16,850	12,788	4,062
Supervisor	144,850	142,850	138,489	4,361
Elections	7,000	7,000	1,359	5,641
Assessor	181,000	185,550	180,717	4,833
Clerk	215,100	218,750	212,320	6,430
Board of review	2,600	4,000	3,762	238
Treasurer	154,200	156,000	152,215	3,785
Cemetery	9,450	9,450	9,279	171
Web site	8,000	7,000	5,876	1,124
General services	241,800	212,800	182,525	30,275
Civic center operations	196,100	167,000	117,698	49,302
Planning commission	15,100	14,900	12,414	2,486
Contingency	25,000	12,500		12,500
Zoning board of appeals	5,050	5,050	4,302	748
Consultants	116,000	68,800	46,601	22,199
Public works	542,500	427,250	155,202	272,048
Capital outlay	20,000	10,000		10,000
Tax tribunal	1,000	2,000	1,406	594
Shiawassee Basin	20,000			
Total expenditures	<u>1,921,600</u>	<u>1,667,750</u>	<u>1,236,953</u>	<u>430,797</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>105,400</u>	<u>272,700</u>	<u>779,038</u>	<u>506,338</u>
OTHER FINANCING SOURCES (USES)				
Appropriation of prior year fund balance - general	300,000	300,000		(300,000)
Transfers (out)	(397,800)	(355,000)	(349,399)	5,601
Total other financing sources (uses)	<u>(97,800)</u>	<u>(55,000)</u>	<u>(349,399)</u>	<u>(294,399)</u>
Net change in fund balance	<u>7,600</u>	<u>217,700</u>	<u>429,639</u>	<u>211,939</u>
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	1,751,702	1,751,702	1,751,702	
PRIOR PERIOD ADJUSTMENT Budget appropriations	<u>(300,000)</u>	<u>(300,000)</u>		<u>300,000</u>
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	<u>1,451,702</u>	<u>1,451,702</u>	<u>1,751,702</u>	<u>300,000</u>
FUND BALANCE DECEMBER 31, 2007	<u>\$ 1,459,302</u>	<u>\$ 1,669,402</u>	<u>\$ 2,181,341</u>	<u>\$ 511,939</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 FIRE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 579,800	\$ 604,400	\$ 603,949	\$ (451)
FEMA Grant	90,900	85,000	90,421	5,421
Court collection fees	1,000	300	516	216
Fire runs	28,500	28,000	31,868	3,868
Civil infractions		150	150	
Interest	33,500	90,000	87,428	(2,572)
Miscellaneous	500	800	3,069	2,269
Rent	10,000	10,000	10,190	190
	<u>744,200</u>	<u>818,650</u>	<u>827,591</u>	<u>8,941</u>
EXPENDITURES				
Buildings and grounds	31,100	23,100	21,678	1,422
Station #3 site	6,500	8,500	1,230	7,270
Capital outlay	1,080,000	1,500,000	1,273,008	226,992
Personnel	327,050	341,450	324,761	16,689
General expenses	74,800	72,600	56,502	16,098
Equipment	54,400	52,900	39,537	13,363
Debt service		55,700	55,555	145
Tax tribunal		2,000	1,282	718
Contingency	10,000			
	<u>1,583,850</u>	<u>2,056,250</u>	<u>1,773,553</u>	<u>282,697</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(839,650)</u>	<u>(1,237,600)</u>	<u>(945,962)</u>	<u>291,638</u>
OTHER FINANCING SOURCES (USES)				
Appropriation of prior year fund balance	340,000	737,600		(737,600)
Bond proceeds	500,000	500,000	500,000	
	<u>840,000</u>	<u>1,237,600</u>	<u>500,000</u>	<u>(737,600)</u>
Net change in fund balance	<u>350</u>	<u></u>	<u>(445,962)</u>	<u>(445,962)</u>
FUND BALANCE, JANUARY 1, 2007				
BEFORE PRIOR PERIOD ADJUSTMENTS	1,535,786	1,535,786	1,535,786	
PRIOR PERIOD ADJUSTMENT				
Budget appropriations	<u>(340,000)</u>	<u>(737,600)</u>		<u>737,600</u>
FUND BALANCE, JANUARY 1, 2007				
AFTER PRIOR PERIOD ADJUSTMENTS	<u>1,195,786</u>	<u>798,186</u>	<u>1,535,786</u>	<u>737,600</u>
FUND BALANCE DECEMBER 31, 2007	<u><u>\$ 1,196,136</u></u>	<u><u>\$ 798,186</u></u>	<u><u>\$ 1,089,824</u></u>	<u><u>\$ 291,638</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD
POLICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,340,700	\$ 1,350,700	\$ 1,390,615	\$ 39,915
Liquor license fees	5,000	5,000	5,763	763
Interest	30,000	30,000	48,487	18,487
Mini contracts	11,000	11,000	4,227	(6,773)
Fine and forfeits	1,000	1,000	1,983	983
Total revenues	1,387,700	1,397,700	1,451,075	53,375
EXPENDITURES				
Contracted services	1,383,400	1,383,400	1,383,354	46
Mini contracts	11,000	10,500	3,014	7,486
Audit			915	(915)
Repairs and maintenance	500	500	1,561	(1,061)
Refund	1,000	3,000	2,686	314
Miscellaneous	3,000	3,000	5,451	(2,451)
Total expenditures	1,398,900	1,400,400	1,396,981	3,419
Excess (Deficiency) of revenues over (under) expenditures	(11,200)	(2,700)	54,094	56,794
OTHER FINANCING SOURCES (USES)				
Appropriation of prior year fund balance	11,200	11,200		(11,200)
Total other financing sources (uses)	11,200	11,200		(11,200)
Net change in fund balance		8,500	54,094	45,594
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	391,197	391,197	391,197	
PRIOR PERIOD ADJUSTMENT				
Budget appropriations	(11,200)	(11,200)		11,200
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	379,997	379,997	391,197	11,200
FUND BALANCE DECEMBER 31, 2007	\$ 379,997	\$ 388,497	\$ 445,291	\$ 56,794

CHARTER TOWNSHIP OF SPRINGFIELD
PARKS AND RECREATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Programs	\$ 37,500	\$ 35,800	\$ 24,009	\$ (11,791)
Fees for services	34,435	34,435	40,664	6,229
Rental property	8,400	8,600	8,445	(155)
Concession stand		1,172	1,352	180
Interest income	4,000	4,000	7,781	3,781
Pavilion rent	1,900	1,900	2,040	140
Ticket sales	10,000	10,000	6,084	(3,916)
Contributions	8,900	10,900	13,743	2,843
Miscellaneous	700	500	276	(224)
Contributions other	5,400	5,400	5,908	508
Community room rent	11,500	11,500	12,269	769
Reimbursement	600	600	1,268	668
Community room non profit	3,000	3,000	5,770	2,770
	<u>126,335</u>	<u>127,807</u>	<u>129,609</u>	<u>1,802</u>
EXPENDITURES				
Personnel	307,409	323,876	305,732	18,144
Operating	104,161	75,831	59,880	15,951
Utilities	18,000	16,400	12,410	3,990
Repairs and maintenance	21,675	21,675	11,558	10,117
Other expenses	74,568	82,855	64,340	18,515
Supplies and equipment	4,960	11,560	11,537	23
Capital outlay	60,000	69,414	69,414	
	<u>590,773</u>	<u>601,611</u>	<u>534,871</u>	<u>66,740</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(464,438)</u>	<u>(473,804)</u>	<u>(405,262)</u>	<u>68,542</u>
OTHER FINANCING SOURCES (USES)				
Appropriation of prior year fund balance	119,438	128,852		(128,852)
Transfers in	345,000	345,000	393,423	48,423
	<u>464,438</u>	<u>473,852</u>	<u>393,423</u>	<u>(80,429)</u>
Net change in fund balance		<u>48</u>	<u>(11,839)</u>	<u>(11,887)</u>
FUND BALANCE, JANUARY 1, 2007				
BEFORE PRIOR PERIOD ADJUSTMENTS	177,889	177,889	177,889	
PRIOR PERIOD ADJUSTMENT				
Budget appropriations	(128,852)	(128,852)		128,852
FUND BALANCE, JANUARY 1, 2007				
AFTER PRIOR PERIOD ADJUSTMENTS	<u>49,037</u>	<u>49,037</u>	<u>177,889</u>	<u>128,852</u>
FUND BALANCE DECEMBER 31, 2007				
	<u>\$ 49,037</u>	<u>\$ 49,085</u>	<u>\$ 166,050</u>	<u>\$ 116,965</u>

SUPPLEMENTARY
INFORMATION

COMBINING
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 2007

	Fire Fund	Police Fund	Cemetery Fund	Parks and Recreation Fund
<u>ASSETS</u>				
ASSETS				
Cash and cash equivalents	\$ 1,129,837	\$ 762,980	37,042	\$ 196,122
Taxes receivable	257,695	818,512		
Special assessments receivable				
Accounts receivable				965
Due from other funds	134,712	427,872		
Accrued receivable - fire runs	41,191			
Prepaid insurance	5,415			1,067
Total assets	\$ 1,568,850	\$ 2,009,364	\$ 37,042	\$ 198,154
 <u>LIABILITIES AND FUND BALANCE</u>				
LIABILITIES				
Accounts payable	\$ 22,912	\$ 115,337	\$	\$ 17,354
Deferred revenue	456,114	1,448,736		14,366
Due to other funds				384
Total liabilities	479,026	1,564,073		32,104
FUND BALANCE	1,089,824	445,291	37,042	166,050
Total liabilities and fund balance	\$ 1,568,850	\$ 2,009,364	\$ 37,042	\$ 198,154

Softwater Lake Improvement Fund	Cable Television Funds	Building Department Fund	Totals	Component Units	
				Library Fund	Lake Board Funds
\$ 19,262	\$ 220,528	\$ 30,980	\$ 2,396,751	\$ 261,837	\$ 229,644
			1,076,207	363,670	
10,819			10,819		307,113
	12,000		12,965		
1,593			564,177	190,110	85,168
			41,191		
		423	6,905	122	
<u>\$ 31,674</u>	<u>\$ 232,528</u>	<u>\$ 31,403</u>	<u>\$ 4,109,015</u>	<u>\$ 815,739</u>	<u>\$ 621,925</u>
\$ 14,602	\$	\$ 6,919	\$ 162,522	\$ 1,218	\$
			1,933,818	643,687	434,271
	1,101	50,000	51,485	11,358	
14,602	1,101	56,919	2,147,825	656,263	434,271
17,072	231,427	(25,516)	1,961,190	159,476	187,654
<u>\$ 31,674</u>	<u>\$ 232,528</u>	<u>\$ 31,403</u>	<u>\$ 4,109,015</u>	<u>\$ 815,739</u>	<u>\$ 621,925</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 ALL DEBT SERVICE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 2007

	<u>Softwater Sewer Fund</u>	<u>Civic Center Fund</u>	<u>Bridge Lake Fund</u>	<u>Totals</u>
<u>ASSETS</u>				
ASSETS				
Cash and cash equivalents	\$ 56,622	\$ 79,062	\$ 89,693	\$ 225,377
Taxes receivable		210,139		210,139
Special assessment receivable	1,917,016			1,917,016
Due from other funds	<u>26,863</u>	<u>109,816</u>		<u>136,679</u>
Total assets	<u><u>\$ 2,000,501</u></u>	<u><u>\$ 399,017</u></u>	<u><u>\$ 89,693</u></u>	<u><u>\$ 2,489,211</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>				
LIABILITIES				
Deferred revenue	\$ 1,954,054	\$ 371,900	\$	\$ 2,325,954
FUND BALANCE	<u>46,447</u>	<u>27,117</u>	<u>89,693</u>	<u>163,257</u>
Total liabilities	<u><u>\$ 2,000,501</u></u>	<u><u>\$ 399,017</u></u>	<u><u>\$ 89,693</u></u>	<u><u>\$ 2,489,211</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD
 ALL TRUST AND AGENCY FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 2007

	<u>Trust and Agency Fund</u>	<u>Current Tax Fund</u>	<u>Totals</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 38,365	\$ 1,397,958	\$ 1,436,323
	<u> </u>	<u> </u>	<u> </u>
<u>LIABILITIES</u>			
LIABILITIES			
Due to others	\$ 36,924	\$ 158,463	\$ 195,387
Due to other funds	1,441	1,239,495	1,240,936
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$ 38,365</u>	<u>\$ 1,397,958</u>	<u>\$ 1,436,323</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Fire Fund</u>	<u>Police Fund</u>	<u>Cemetery Fund</u>	<u>Parks and Recreation Fund</u>
REVENUES				
Taxes	\$ 603,949	\$ 1,390,615	\$	\$
Grant	90,421			
Cable fees				
State revenue sharing				
Special assessments				
Special assessment interest				
State Aid				
Fees	516	5,763		
Charges for services	31,868	4,227	900	72,109
Civil infractions	150			
Penal fines				
Reimbursements				1,268
CDBG reimbursement				
Rent	10,190			28,524
Interest	87,428	48,487	1,597	7,781
Contributions				19,651
Miscellaneous	3,069	1,983		276
	<u>827,591</u>	<u>1,451,075</u>	<u>2,497</u>	<u>129,609</u>
Total revenues				
EXPENDITURES				
Parks				534,871
Fire	1,773,553			
Police		1,396,981		
Contractual services				
Building department				
Cable				
Library				
	<u>1,773,553</u>	<u>1,396,981</u>	<u></u>	<u>534,871</u>
Total expenditures				
Excess (Deficiency)of revenues over (under) expenditures	<u>(945,962)</u>	<u>54,094</u>	<u>2,497</u>	<u>(405,262)</u>
OTHER FINANCING SOURCES (USES)				
Bond proceeds	500,000			
Transfers in				393,423
Transfers (out)				
	<u>500,000</u>	<u></u>	<u></u>	<u>393,423</u>
Total other financing sources (uses)				
Net change in fund balance	(445,962)	54,094	2,497	(11,839)
FUND BALANCE, JANUARY 1, 2007	<u>1,535,786</u>	<u>391,197</u>	<u>34,545</u>	<u>177,889</u>
FUND BALANCE, (DEFICIT) DECEMBER 31, 2007	<u>\$ 1,089,824</u>	<u>\$ 445,291</u>	<u>\$ 37,042</u>	<u>\$ 166,050</u>

Softwater Lake Improvement Fund	Cable Television Funds	Building Department Fund	Shiawassee Basin Fund	Totals	Component Units	
					Library Fund	Lake Board Funds
\$	\$	\$	\$	\$ 1,994,564	\$ 620,814	\$
	47,615			90,421		
14,602				47,615	647	
				14,602		234,330
						10,095
					10,543	
				6,279	2,375	
		107,641		216,745	13,463	
				150		
					20,099	
				1,268		
					5,658	
				38,714		
967	8,617	1,120		155,997	15,171	13,277
				19,651	1,798	
		339		5,667	941	445
<u>15,569</u>	<u>56,232</u>	<u>109,100</u>		<u>2,591,673</u>	<u>691,509</u>	<u>258,147</u>
				534,871		
				1,773,553		
				1,396,981		
7,580				7,580		229,853
		111,172		111,172		
	15,529			15,529		
					553,822	
<u>7,580</u>	<u>15,529</u>	<u>111,172</u>		<u>3,839,686</u>	<u>553,822</u>	<u>229,853</u>
<u>7,989</u>	<u>40,703</u>	<u>(2,072)</u>		<u>(1,248,013)</u>	<u>137,687</u>	<u>28,294</u>
				500,000		
		4,399		397,822		
			(48,423)	(48,423)		
		4,399	(48,423)	849,399		
7,989	40,703	2,327	(48,423)	(398,614)	137,687	28,294
<u>9,083</u>	<u>190,724</u>	<u>(27,843)</u>	<u>48,423</u>	<u>2,359,804</u>	<u>21,789</u>	<u>159,360</u>
<u>\$ 17,072</u>	<u>\$ 231,427</u>	<u>\$ (25,516)</u>	<u>\$</u>	<u>\$ 1,961,190</u>	<u>\$ 159,476</u>	<u>\$ 187,654</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 ALL DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 DECEMBER 31, 2007

	Softwater Sewer Fund	Civic Center Fund	Bridge Lake Road Fund	Totals
REVENUES				
Property taxes	\$	\$ 379,998	\$	\$ 379,998
Special assessments	45,946		2,407	48,353
Special assessments - interest	10			10
Interest	491	6,608	4,223	11,322
Miscellaneous		232		232
Total revenues	46,447	386,838	6,630	439,915
EXPENDITURES				
Bond repayment				
Principal		220,000		220,000
Interest		139,309		139,309
Fees		1,131		1,131
Total expenditures		360,440		360,440
Net change in fund balance	46,447	26,398	6,630	79,475
FUND BALANCE, JANUARY 1, 2007		719	83,063	83,782
FUND BALANCE, DECEMBER 31, 2007	\$ 46,447	\$ 27,117	\$ 89,693	\$ 163,257

INDIVIDUAL
FUNDS

GENERAL
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
 GENERAL FUND
 BALANCE SHEET
 DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents		\$ 1,828,015
Taxes receivable		394,476
State shared revenue receivable		309,243
Accounts receivable - other		31,808
Due from other funds		327,645
Prepaid expenditures		<u>8,452</u>
 Total assets		 <u><u>\$ 2,899,639</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 20,084	
Deferred revenue		<u>698,214</u>
 Total liabilities		 \$ 718,298

FUND BALANCE

Reserved - Roads	368,956	
Reserved - Civic Center		487,845
Unreserved		<u>1,324,540</u>
 Total fund balance		 <u>2,181,341</u>
 Total liabilities and fund balance		 <u><u>\$ 2,899,639</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 705,400	\$ 709,438	\$ 4,038
Business license permits	1,300	1,504	204
State shared revenues	845,400	911,960	66,560
CDA reimbursement	20,000	8,946	(11,054)
Other local revenue	265,350	280,979	15,629
District courts	30,000	34,328	4,328
Civic center	73,000	68,836	(4,164)
Total revenues	1,940,450	2,015,991	75,541
EXPENDITURES			
Trustees	16,850	12,788	4,062
Supervisor	142,850	138,489	4,361
Elections	7,000	1,359	5,641
Assessor	185,550	180,717	4,833
Clerk	218,750	212,320	6,430
Board of review	4,000	3,762	238
Treasurer	156,000	152,215	3,785
Cemetery	9,450	9,279	171
Web site	7,000	5,876	1,124
General services	212,800	182,525	30,275
Civic center operations	167,000	117,698	49,302
Planning commission	14,900	12,414	2,486
Contingency	12,500		12,500
Zoning Board of Appeals	5,050	4,302	748
Consultants	68,800	46,601	22,199
Public works	427,250	155,202	272,048
Capital outlay	10,000		10,000
Tax tribunal	2,000	1,406	594
Total expenditures	1,667,750	1,236,953	430,797
Excess (Deficiency) of revenues over (under) expenditures	272,700	779,038	506,338
OTHER FINANCING SOURCES (USES)			
Appropriation of prior year fund balance - general	300,000		(300,000)
Transfers (out)	(355,000)	(349,399)	5,601
Total other financing sources (uses)	(55,000)	(349,399)	(294,399)
Net change in fund balance	217,700	429,639	211,939
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	1,751,702	1,751,702	
PRIOR PERIOD ADJUSTMENT			
Budget appropriations	(300,000)		300,000
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	1,451,702	1,751,702	300,000
FUND BALANCE, DECEMBER 31, 2007	\$ 1,669,402	\$ 2,181,341	\$ 511,939

CHARTER TOWNSHIP OF SPRINGFIELD
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
TAXES			
Current tax collection	\$ 674,000	\$ 672,443	\$ (1,557)
Delinquent personal property tax	200	1,248	1,048
Mobile home fees	2,200	2,362	162
Penalties and collection	29,000	33,385	4,385
Total tax	705,400	709,438	4,038
BUSINESS LICENSE PERMITS	1,300	1,504	204
STATE SHARED REVENUES	845,400	911,960	66,560
CDA REIMBURSEMENT	20,000	8,946	(11,054)
OTHER LOCAL REVENUE			
Cable franchise fees	105,600	117,038	11,438
Charge for services	2,000	3,521	1,521
Charge for services - telephone	4,000	3,765	(235)
Board of appeals	2,700	4,200	1,500
Plan review charges	50,000	26,965	(23,035)
Phase II project	5,000	741	(4,259)
West Nile virus	1,000	1,500	500
Cemetery lots	200	900	700
Civil infractions	150	150	
Interest and dividends	80,000	105,829	25,829
Right-of-Way fee	5,000	11,283	6,283
Miscellaneous	650	251	(399)
Sundry receipts	1,000	2,879	1,879
Lighting special assessment	1,000	986	(14)
No Haz Program	50	100	50
Election reimbursement	7,000	862	(6,138)
Coffee fund		9	9
Total other local revenues	265,350	280,979	15,629
DISTRICT COURTS	30,000	34,328	4,328
CIVIC CENTER			
Interest - Civic Center	18,000	20,575	2,575
Charge for service - library facility operating	50,000	42,398	(7,602)
Charge for service - rent and facility	5,000	5,863	863
Total Civic Center	73,000	68,836	(4,164)
Total revenues	\$ 1,940,450	\$ 2,015,991	\$ 75,541

CHARTER TOWNSHIP OF SPRINGFIELD
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
TRUSTEES			
Salaries	\$ 14,000	\$ 10,900	\$ 3,100
Payroll taxes	1,100	834	266
Life insurance	250	162	88
Conferences	1,500	892	608
	<u>16,850</u>	<u>12,788</u>	<u>4,062</u>
TOTAL TRUSTEES			
SUPERVISOR			
Supervisor's salary	63,800	63,800	
Administrative assistant	33,500	33,500	
Payroll taxes	7,500	7,339	161
Retirement	5,000	4,865	135
Life/disability insurance	1,750	1,147	603
Hospitalization	30,600	27,234	3,366
Office supplies	200	73	127
Conferences - dues	250	170	80
Mileage	250	361	(111)
	<u>142,850</u>	<u>138,489</u>	<u>4,361</u>
TOTAL SUPERVISOR			
ELECTIONS			
Salaries	3,400	91	3,309
Payroll taxes	100	7	93
Office supplies	500	628	(128)
Postage	1,000	267	733
Contractual services	1,200	298	902
Mileage	100	15	85
Maintenance/licensing	400		400
Printing and publishing	300	53	247
	<u>7,000</u>	<u>1,359</u>	<u>5,641</u>
TOTAL ELECTIONS			
ASSESSOR			
Chief assessor salary	51,500	51,500	
Assistant assessor	37,000	37,000	
Clerk	28,500	28,275	225
Payroll taxes	8,900	8,694	206
Retirement	6,000	5,839	161
Life/disability insurance	1,500	1,418	82
Hospitalization	44,900	40,851	4,049
Office supplies	1,500	608	892
Postage	3,000	2,743	257
Computer consultants	1,200	2,255	(1,055)
Conferences	1,000	880	120
Mileage	250	414	(164)
Printing and publishing	300	240	60
	<u>185,550</u>	<u>180,717</u>	<u>4,833</u>
TOTAL ASSESSOR			

CHARTER TOWNSHIP OF SPRINGFIELD
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
CLERK			
Clerk's salary	54,700	54,700	
Deputy clerk salary	35,000	35,000	
Clerical-voter registration	31,000	29,708	1,292
Clerical	27,600	27,600	
Payroll taxes	11,400	11,074	326
Retirement	7,500	7,350	150
Life/disability insurance	2,000	1,768	232
Hospitalization	44,900	40,851	4,049
Office supplies	1,500	1,559	(59)
Computer consultants	2,800	2,505	295
Conferences	250	85	165
Mileage	100	120	(20)
	<u>218,750</u>	<u>212,320</u>	<u>6,430</u>
BOARD OF REVIEW			
Salaries	3,580	3,000	580
Payroll taxes	220	229	(9)
Conferences		388	(388)
Printing and publishing	200	145	55
	<u>4,000</u>	<u>3,762</u>	<u>238</u>
TREASURER			
Treasurer's salary	54,700	54,700	
Deputy treasurer	35,000	35,000	
Clerical	28,500	28,500	
Payroll taxes	9,100	9,007	93
Retirement	6,000	5,910	90
Life/disability insurance	1,600	1,422	178
Hospitalization	6,000	6,493	(493)
Office supplies	2,150	1,566	584
Postage	8,000	5,796	2,204
License and support	4,600	3,798	802
Conferences	250		250
Mileage	100	23	77
	<u>156,000</u>	<u>152,215</u>	<u>3,785</u>
CEMETERY			
Supplies	200		200
Software	750	718	32
Repairs and maintenance	5,500	5,561	(61)
Anderson cemetery donation	3,000	3,000	
	<u>9,450</u>	<u>9,279</u>	<u>171</u>

CHARTER TOWNSHIP OF SPRINGFIELD
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
WEB SITE			
Personnel	5,750	5,273	477
Social security	400	403	(3)
Supplies	100		100
Consultants	250		250
Web host	400	200	200
Miscellaneous	100		100
	<u>7,000</u>	<u>5,876</u>	<u>1,124</u>
GENERAL SERVICES			
Office supplies	8,000	6,840	1,160
Operating supplies	3,000	671	2,329
postage	8,500	7,624	876
Accounting and auditing	11,000	11,380	(380)
Recording secretary services	3,000	2,714	286
Attorney fees	50,000	48,003	1,997
Computer service	9,000	6,042	2,958
Computer license and support	2,000	1,555	445
Community development expense	20,000	9,012	10,988
Dues and subscriptions	7,800	7,923	(123)
Telephone	17,000	15,402	1,598
Cleanup - fall and spring	9,000	8,816	184
No Haz expense	2,500	280	2,220
Youth activities	7,000	7,000	
Printing and publishing	6,000	8,211	(2,211)
Insurance and bonds	40,000	36,533	3,467
Repair and maintenance	5,000	2,808	2,192
Refund		300	(300)
Miscellaneous	1,000	1,111	(111)
Computer equipment	2,000	300	1,700
Phase II	1,000		1,000
	<u>212,800</u>	<u>182,525</u>	<u>30,275</u>
CIVIC CENTER OPERATIONS			
Maintenance supplies	3,000	3,555	(555)
Equipment under \$10,000	1,000	6	994
Contract services/building management	16,000	14,400	1,600
Consultants	12,000	10,350	1,650
Custodial services	33,000	33,808	(808)
Snow removal	10,000	10,961	(961)
Lawn and grounds keeping	7,000	1,167	5,833
Insurance and bond	4,500	3,186	1,314
Electric	26,000	16,962	9,038
Heat	24,000	13,936	10,064
Repair and maintenance	30,000	9,244	20,756
Miscellaneous	500	123	377
	<u>167,000</u>	<u>117,698</u>	<u>49,302</u>

CHARTER TOWNSHIP OF SPRINGFIELD
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
PLANNING COMMISSION			
Salaries	7,500	5,220	2,280
Payroll taxes	400	399	1
Recording secretary services	2,000	2,031	(31)
Conferences	2,000	3,326	(1,326)
Printing and publishing	3,000	1,438	1,562
	<u>14,900</u>	<u>12,414</u>	<u>2,486</u>
ZONING BOARD OF APPEALS			
Salaries	3,200	3,015	185
Payroll taxes	250	231	19
Recording secretary	750	618	132
Conferences	350		350
Printing and publishing	500	438	62
	<u>5,050</u>	<u>4,302</u>	<u>748</u>
CONSULTANTS			
Engineers	3,000	1,155	1,845
Planner	25,000	18,601	6,399
Plan review fees	35,000	23,720	11,280
Contract services	2,800	2,750	50
Phase II project	3,000	375	2,625
	<u>68,800</u>	<u>46,601</u>	<u>22,199</u>
PUBLIC WORKS			
Road matching	300,000	16,312	283,688
Chloride	55,000	67,420	(12,420)
Graveling	50,000	50,000	
Street lighting	22,000	21,115	885
Miscellaneous	250	355	(105)
	<u>427,250</u>	<u>155,202</u>	<u>272,048</u>
CAPITAL OUTLAY			
	<u>10,000</u>		<u>10,000</u>
CONTINGENCY			
	<u>12,500</u>		<u>12,500</u>
TAX TRIBUNAL			
	<u>2,000</u>	1,406	594
Total expenditures	<u>\$ 1,667,750</u>	<u>\$ 1,236,953</u>	<u>\$ 430,797</u>

FIRE
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
 FIRE FUND
 BALANCE SHEET
 DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents		\$ 1,129,837
Taxes receivable		257,695
Due from other funds		134,712
Prepaid insurance		5,415
Accrued receivable - fire runs		<u>41,191</u>
Total assets		<u><u>\$ 1,568,850</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 22,912	
Deferred revenue	<u>456,114</u>	
Total liabilities		\$ 479,026

FUND BALANCE

Reserved - Buildings	312,749	
Unreserved	<u>777,075</u>	
Total fund balance		<u>1,089,824</u>
Total liabilities and fund balance		<u><u>\$ 1,568,850</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD
 FIRE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 604,400	\$ 603,949	\$ (451)
FEMA Grant	85,000	90,421	5,421
Court collection fees	300	516	216
Fire runs	28,000	31,868	3,868
Civil infractions	150	150	
Interest	90,000	87,428	(2,572)
Miscellaneous	800	3,069	2,269
Rent	10,000	10,190	190
	818,650	827,591	8,941
EXPENDITURES			
Buildings and grounds	23,100	21,678	1,422
Station #3 site	8,500	1,230	7,270
Capital outlay	1,500,000	1,273,008	226,992
Personnel	341,450	324,761	16,689
General expenses	72,600	56,502	16,098
Equipment	52,900	39,537	13,363
Debt service	55,700	55,555	145
Tax tribunal	2,000	1,282	718
	2,056,250	1,773,553	282,697
Excess (Deficiency) of revenues over (under) expenditures	(1,237,600)	(945,962)	291,638
OTHER FINANCING SOURCES (USES)			
Appropriation of prior year fund balance	737,600		(737,600)
Bond proceeds	500,000	500,000	
	1,237,600	500,000	(737,600)
Net change in fund balance	(445,962)	(445,962)	(445,962)
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	1,535,786	1,535,786	
PRIOR PERIOD ADJUSTMENT Budget appropriations	(737,600)		737,600
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	798,186	1,535,786	737,600
FUND BALANCE DECEMBER 31, 2007	\$ 798,186	\$ 1,089,824	\$ 291,638

CHARTER TOWNSHIP OF SPRINGFIELD
 FIRE FUND
 STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
BUILDING AND GROUNDS			
Operating supplies	\$ 1,100	\$ 840	\$ 260
Electric	6,000	4,401	1,599
Heat	9,000	5,309	3,691
Repairs and maintenance	7,000	11,128	(4,128)
Total building and grounds	<u>23,100</u>	<u>21,678</u>	<u>1,422</u>
STATION #3 SITE			
Electric	400	9	391
Heat	600	55	545
Repairs and maintenance	7,500	1,166	6,334
Total Station #3 site	<u>8,500</u>	<u>1,230</u>	<u>7,270</u>
CAPITAL OUTLAY			
Equipment	300,000	306,117	(6,117)
Buildings and grounds	1,200,000	966,891	233,109
Total capital outlay	<u>1,500,000</u>	<u>1,273,008</u>	<u>226,992</u>
PERSONNEL			
Salaries	105,000	90,944	14,056
Chief and assistant	58,500	58,467	33
Clerical	23,000	22,853	147
Inspection		162	(162)
Day time firefighters	72,000	72,000	
Education/training	15,900	18,255	(2,355)
Transport	1,000		1,000
Medical	200	193	7
Payroll taxes	21,000	19,648	1,352
Retirement	6,300	6,287	13
Life insurance	800	572	228
Hospitalization	32,500	29,641	2,859
Disability insurance	750	947	(197)
Tuition and training	3,000	4,742	(1,742)
Conference dues	1,000	50	950
Mileage	500		500
Total personnel	<u>341,450</u>	<u>324,761</u>	<u>16,689</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 FIRE FUND
 STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL EXPENSES			
Office supplies	1,500	919	581
Operating supplies	1,200	754	446
Education supplies	200		200
Fire prevention	500	643	(143)
Audit	2,800	2,745	55
No haz-contract services	3,000		3,000
Attorney fees	500		500
Court fees	2,000	1,859	141
Dues and subscription	400	3,343	(2,943)
Telephone	5,200	6,471	(1,271)
Dispatch	17,500	15,516	1,984
Printing and publishing	300		300
Insurance and bond	36,000	23,515	12,485
Office repairs and maintenance	500		500
Miscellaneous	1,000	737	263
	<u>72,600</u>	<u>56,502</u>	<u>16,098</u>
EQUIPMENT			
Equipment under \$10,000	10,000	3,942	6,058
Personnel supplies	1,500	2,172	(672)
Medical supplies	2,200	1,436	764
Radio maintenance	3,000	2,525	475
Gas and oil	10,500	8,486	2,014
Truck repairs and maintenance	15,000	16,736	(1,736)
Equipment maintenance	2,500	2,823	(323)
Miscellaneous	1,000	1,026	(26)
Turn out gear	7,200	391	6,809
	<u>52,900</u>	<u>39,537</u>	<u>13,363</u>
DEBT SERVICE			
Debt service - principal	45,600	45,572	28
Debt service - interest	10,100	9,983	117
	<u>55,700</u>	<u>55,555</u>	<u>145</u>
TAX TRIBUNAL			
	<u>2,000</u>	<u>1,282</u>	<u>718</u>
Total expenditures	<u>\$ 2,056,250</u>	<u>\$ 1,773,553</u>	<u>\$ 282,697</u>

POLICE
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
POLICE FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents	\$	762,980
Taxes receivable		818,512
Due from other funds		<u>427,872</u>
Total assets	\$	<u><u>2,009,364</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$	115,337
Deferred revenue		<u>1,448,736</u>

Total liabilities \$ 1,564,073

FUND BALANCE

445,291

Total liabilities and fund balance \$ 2,009,364

CHARTER TOWNSHIP OF SPRINGFIELD
POLICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,350,700	\$ 1,390,615	\$ 39,915
Liquor license fees	5,000	5,763	763
Interest	30,000	48,487	18,487
Mini contracts	11,000	4,227	(6,773)
Fine and forfeits	1,000	1,983	983
Total revenues	1,397,700	1,451,075	53,375
EXPENDITURES			
Contracted services	1,383,400	1,383,354	46
Mini contracts	10,500	3,014	7,486
Audit		915	(915)
Repairs and maintenance	500	1,561	(1,061)
Refund	3,000	2,686	314
Miscellaneous	3,000	5,451	(2,451)
Total expenditures	1,400,400	1,396,981	3,419
Excess (Deficiency) of revenues over (under) expenditures	(2,700)	54,094	56,794
OTHER FINANCING SOURCES (USES)			
Appropriation of prior year fund balance	11,200		(11,200)
Total other financing sources (uses)	11,200		(11,200)
Net change in fund balance	8,500	54,094	45,594
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	391,197	391,197	
PRIOR PERIOD ADJUSTMENT			
Budget appropriations	(11,200)		11,200
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	379,997	391,197	11,200
FUND BALANCE DECEMBER 31, 2007	\$ 388,497	\$ 445,291	\$ 56,794

PARKS
AND
RECREATION
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
 PARKS AND RECREATION FUND
 BALANCE SHEET
 DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents		\$ 196,122
Accounts receivable - other		965
Prepaid insurance		<u>1,067</u>
 Total assets		 <u><u>\$ 198,154</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable		\$ 17,354
Due to other funds		384
Deferred revenue		<u>14,366</u>

Total liabilities		\$ 32,104
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FUND BALANCE

		<u>166,050</u>
Total liabilities and fund balance		<u><u>\$ 198,154</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD
PARKS AND RECREATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Programs	\$ 35,800	\$ 24,009	\$ (11,791)
Fees for services	34,435	40,664	6,229
Rental property	8,600	8,445	(155)
Concession stand	1,172	1,352	180
Interest income	4,000	7,781	3,781
Pavilion rent	1,900	2,040	140
Ticket sales	10,000	6,084	(3,916)
Contributions	10,900	13,743	2,843
Miscellaneous	500	276	(224)
Contributions other	5,400	5,908	508
Community room rent	11,500	12,269	769
Reimbursements	600	1,268	668
Community room - non profit	3,000	5,770	2,770
	<u>127,807</u>	<u>129,609</u>	<u>1,802</u>
EXPENDITURES			
Personnel	323,876	305,732	18,144
Operating	75,831	59,880	15,951
Utilities	16,400	12,410	3,990
Repairs and maintenance	21,675	11,558	10,117
Other expenses	82,855	64,340	18,515
Supplies and equipment	11,560	11,537	23
Capital outlay	69,414	69,414	
	<u>601,611</u>	<u>534,871</u>	<u>66,740</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(473,804)</u>	<u>(405,262)</u>	<u>68,542</u>
OTHER FINANCING SOURCES (USES)			
Appropriation of prior year fund balance	128,852		(128,852)
Transfers in	345,000	393,423	48,423
	<u>473,852</u>	<u>393,423</u>	<u>(80,429)</u>
Net change in fund balance	<u>48</u>	<u>(11,839)</u>	<u>(11,887)</u>
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	177,889	177,889	
PRIOR PERIOD ADJUSTMENT Budget appropriations	<u>(128,852)</u>		<u>128,852</u>
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	<u>49,037</u>	<u>177,889</u>	<u>128,852</u>
FUND BALANCE DECEMBER 31, 2007	<u>\$ 49,085</u>	<u>\$ 166,050</u>	<u>\$ 116,965</u>

CHARTER TOWNSHIP OF SPRINGFIELD
PARKS AND RECREATION FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Personnel			
Salaries	\$ 250,874	\$ 238,036	\$ 12,838
Payroll taxes	20,328	18,033	2,295
Retirement	7,031	6,652	379
Life/disability insurance	1,767	1,895	(128)
Hospitalization	26,186	25,284	902
Mileage	1,500	695	805
Instructor	13,320	12,589	731
Conference, dues	2,870	2,167	703
Unemployment		381	(381)
Total personnel	<u>323,876</u>	<u>305,732</u>	<u>18,144</u>
Operating			
Office supplies	3,400	2,646	754
Operating supply	9,350	5,359	3,991
Program/events supplies	22,750	15,344	7,406
Insurance	16,000	10,845	5,155
Gas and oil	1,600	2,677	(1,077)
Printing and publishing	22,731	23,009	(278)
Total operating	<u>75,831</u>	<u>59,880</u>	<u>15,951</u>
Utilities			
Telephone	4,000	2,209	1,791
Electric	6,400	4,754	1,646
Heat	3,000	2,833	167
Mobile communications	3,000	2,614	386
Total utilities	<u>16,400</u>	<u>12,410</u>	<u>3,990</u>
Repairs and maintenance			
Community center	1,600	1,964	(364)
Parks	17,075	7,281	9,794
Equipment	3,000	2,313	687
Total repairs and maintenance	<u>21,675</u>	<u>11,558</u>	<u>10,117</u>
Other Expenses			
Youth activities	9,455	9,295	160
Senior citizen programs	8,000	4,103	3,897
Contractual service	64,150	50,897	13,253
Miscellaneous	1,250	45	1,205
Total other expenses	<u>82,855</u>	<u>64,340</u>	<u>18,515</u>
CAPITAL OUTLAY	<u>69,414</u>	<u>69,414</u>	
SUPPLIES AND EQUIPMENT	<u>11,560</u>	<u>11,537</u>	<u>23</u>
Total expenditures	<u>\$ 601,611</u>	<u>\$ 534,871</u>	<u>\$ 66,740</u>

CEMETERY
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
CEMETERY FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents

\$ 37,042

FUND BALANCE

FUND BALANCE

\$ 37,042

CHARTER TOWNSHIP OF SPRINGFIELD
 CEMETERY FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 100	\$ 1,597	\$ 1,497
Sale of cemetery lots	500	900	400
Total revenues	600	2,497	1,897
EXPENDITURES			
Net change in fund balance	600	2,497	1,897
FUND BALANCE, JANUARY 1, 2007	34,545	34,545	
FUND BALANCE, DECEMBER 31, 2007	\$ 35,145	\$ 37,042	\$ 1,897

SOFTWATER
LAKE
IMPROVEMENT
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
SOFTWATER LAKE IMPROVEMENT FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents	\$	19,262
Special assessment receivable		10,819
Due from other funds		<u>1,593</u>
Total assets	\$	<u><u>31,674</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenue	\$	14,602
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FUND BALANCE

		<u>17,072</u>
Total liabilities and fund balance	\$	<u><u>31,674</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD
 SOFTWATER LAKE IMPROVEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 15,000	\$ 14,602	\$ (398)
Interest		967	967
Total revenues	15,000	15,569	569
EXPENDITURES			
Contractual services	15,000	7,580	7,420
Net change in fund balance		7,989	7,989
FUND BALANCE, JANUARY 1, 2007	9,083	9,083	
FUND BALANCE, DECEMBER 31, 2007	\$ 9,083	\$ 17,072	\$ 7,989

CABLE TELEVISION
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
CABLE TELEVISION FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents
Fees receivable

\$ 220,528
12,000

Total assets

\$ 232,528

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds

\$ 1,101

FUND BALANCE

231,427

Total liabilities and fund balance

\$ 232,528

CHARTER TOWNSHIP OF SPRINGFIELD
CABLE TELEVISION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fees	\$ 26,400	\$ 47,615	\$ 21,215
Interest	5,000	8,617	3,617
Total revenues	31,400	56,232	24,832
EXPENDITURES			
Supplies	2,850	1,090	1,760
Salary	9,500	8,843	657
Payroll taxes	750	676	74
Consultants	1,500	345	1,155
Attorney fees	200	148	52
Telephone	100	8	92
Office rent	3,500	4,383	(883)
Miscellaneous	600	36	564
Total expenditures	19,000	15,529	3,471
Excess (Deficiency) of revenues over (under) expenditures	12,400	40,703	28,303
OTHER FINANCING SOURCES (USES)			
Appropriation of prior year fund balance	5,600		(5,600)
Total other financing sources (uses)	5,600		(5,600)
Net change in fund balance	18,000	40,703	22,703
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	190,724	190,724	
PRIOR PERIOD ADJUSTMENT			
Budget appropriations	(5,600)		5,600
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	185,124	190,724	5,600
FUND BALANCE DECEMBER 31, 2007	\$ 203,124	\$ 231,427	\$ 28,303

BUILDING
DEPARTMENT
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
 BUILDING DEPARTMENT FUND
 BALANCE SHEET
 DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents	\$	30,980
Prepaid insurance		<u>423</u>
 Total assets		 <u><u>\$ 31,403</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$	6,919
Due to other funds		<u>50,000</u>

Total liabilities	\$	56,919
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FUND BALANCE (DEFICIT)		<u>(25,516)</u>
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Total liabilities and fund balance (deficit)	\$	<u><u>31,403</u></u>
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CHARTER TOWNSHIP OF SPRINGFIELD
BUILDING DEPARTMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Filing fees	\$ 3,000	\$ 5,000	\$ 2,000
Building permits	50,000	48,964	(1,036)
Electrical permits	18,000	18,612	612
Plumbing permits	10,000	11,267	1,267
Mechanical permits	18,000	18,832	832
Plan review fees	3,000	1,895	(1,105)
Interest	1,000	1,120	120
Miscellaneous income	200	339	139
Escrow administration	3,000	3,071	71
Total revenues	<u>106,200</u>	<u>109,100</u>	<u>2,900</u>
EXPENDITURES			
Personnel			
Building director	47,000	47,098	(98)
Clerical - part time	6,000	5,558	442
Ordinance officer	6,000	4,640	1,360
Payroll taxes	6,800	4,383	2,417
Retirement	2,800	2,238	562
Life/disability insurance	1,000	585	415
Hospitalization	3,600	3,820	(220)
Conferences - dues	1,000	450	550
Mileage	300	105	195
Refunds		730	(730)
MESC	2,400	1,448	952
Total personnel	<u>76,900</u>	<u>71,055</u>	<u>5,845</u>
Contract services			
Electrical inspector	12,600	11,298	1,302
Plumbing inspector	7,000	7,191	(191)
Mechanical inspector	12,600	10,035	2,565
Substitute inspector	1,000	360	640
Administration and inspections	9,000	3,500	5,500
Total contracted services	<u>42,200</u>	<u>32,384</u>	<u>9,816</u>
Operating expenditures			
Office supplies	1,500	265	1,235
Operating supplies	500		500
Telephone	2,500	1,597	903
Gas and oil	1,200	1,626	(426)
Computer equipment	500		500
Software and support	600	575	25
Insurance and bonds	3,000	3,670	(670)
Miscellaneous	500		500
Total operating expenditures	<u>10,300</u>	<u>7,733</u>	<u>2,567</u>
Support and service			
Fire inspections	250		250
Legal	1,000		1,000
Total support and service	<u>1,250</u>	<u></u>	<u>1,250</u>
Total expenditures	<u>130,650</u>	<u>111,172</u>	<u>19,478</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(24,450)</u>	<u>(2,072)</u>	<u>(22,378)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	4,399	(5,601)
Total other financing sources (uses)	<u>10,000</u>	<u>4,399</u>	<u>(5,601)</u>
Net change in fund balance	(14,450)	2,327	16,777
FUND BALANCE, JANUARY 1, 2007 (DEFICIT)	<u>(27,843)</u>	<u>(27,843)</u>	<u></u>
FUND BALANCE, DECEMBER 31, 2007 (DEFICIT)	<u>\$ (42,293)</u>	<u>\$ (25,516)</u>	<u>\$ 16,777</u>

LIBRARY
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
LIBRARY FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents		\$ 261,837
Taxes receivable		363,670
Prepaid insurance		122
Due from other funds		<u>190,110</u>
 Total assets		 <u><u>\$ 815,739</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable		\$ 1,218
Deferred revenue		643,687
Due to other funds		<u>11,358</u>

Total liabilities \$ 656,263

FUND BALANCE

159,476

Total liabilities and fund balance \$ 815,739

CHARTER TOWNSHIP OF SPRINGFIELD
LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 620,000	\$ 620,814	\$ 814
State aid	10,000	10,543	543
State revenue sharing	645	647	2
Penal fines - state	20,000	20,099	99
CDBG reimbursement	5,643	5,658	15
Overdue fines	14,000	13,463	(537)
Interest	14,000	15,171	1,171
Contract fees	1,500	2,375	875
Miscellaneous	900	941	41
Contributions	900	1,798	898
	<u>687,588</u>	<u>691,509</u>	<u>3,921</u>
EXPENDITURES			
Personnel			
Library director	67,500	67,500	
Librarian I	41,000	41,000	
Librarian II	22,100	22,413	(313)
Library tech	16,050	15,972	78
Circulation head	28,000	27,929	71
Library assistant I	11,660	10,341	1,319
Library assistant II	11,180	11,363	(183)
Library assistant III	13,365	11,764	1,601
Library assistant IV	13,450	12,215	1,235
Library assistant V	24,000	24,000	
Student assistant I	6,150	6,066	84
Library assistant V	9,360	9,108	252
Library Tech III	23,500	22,355	1,145
Student assistant II	3,650	2,317	1,333
Payroll taxes	21,500	22,333	(833)
Retirement	8,050	7,751	299
Life/disability insurance	2,600	2,029	571
Hospitalization	26,000	25,655	345
Mileage	1,700	1,019	681
Tuition	1,000	656	344
	<u>351,815</u>	<u>343,786</u>	<u>8,029</u>
Operating expenditures			
Office supplies	10,000	8,814	1,186
Equipment under \$10,000	19,000	16,678	2,322
Operating supplies	6,000	4,156	1,844
Professional service	4,300	3,991	309
Shared automations system	35,000	32,252	2,748
Conferences	3,000	2,687	313
Telephone	1,000	1,383	(383)
Printing and publishing	2,000	1,905	95
	<u>80,300</u>	<u>71,866</u>	<u>8,434</u>

CHARTER TOWNSHIP OF SPRINGFIELD
LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Utilities			
Insurance and bonds	3,500	3,419	81
Civic center costs	51,000	42,398	8,602
Repairs and maintenance	2,000	2,446	(446)
Miscellaneous	1,500	1,238	262
Total utilities	58,000	49,501	8,499
Collections			
Books	80,000	74,245	5,755
Subscriptions	9,000	6,610	2,390
CDBG expense	5,787	5,802	(15)
Programs	3,000	1,593	1,407
Total collections	97,787	88,250	9,537
CONTINGENCY	100,000		100,000
TAX TRIBUNAL	1,000	419	581
Total expenditures	688,902	553,822	135,080
Excess (Deficiency) of revenues over (under) expenditures	(1,314)	137,687	139,001
OTHER FINANCING SOURCES (USES)			
Appropriation of prior year fund balance	21,789		(21,789)
Total other financing sources (uses)	21,789		(21,789)
Net change in fund balance	20,475	137,687	117,212
FUND BALANCE JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENT	21,789	21,789	
PRIOR PERIOD ADJUSTMENT			
Budget appropriation	(21,789)		21,789
FUND BALANCE JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENT		21,789	21,789
FUND BALANCE DECEMBER 31, 2007	\$ 20,475	\$ 159,476	\$ 139,001

LAKE BOARDS
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
LAKE BOARDS FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents	\$ 229,644
Special assessment receivable	307,113
Due from other funds	<u>85,168</u>
Total assets	<u>\$ 621,925</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenue	\$ 434,271
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FUND BALANCE

187,654

Total liabilities and fund balance	<u>\$ 621,925</u>
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CHARTER TOWNSHIP OF SPRINGFIELD
LAKE BOARDS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$	\$ 13,277	\$ 13,277
Interest special assessment		10,095	10,095
Revenue - Big Lake	40,000	88,963	48,963
Revenue - Dixie Lake	30,000	44,000	14,000
Revenue - Susin Lake	20,000	16,325	(3,675)
Revenue - Waumegah Lake weed	20,000	23,000	3,000
Revenue - Waumegah Lake berm and well	120,000	44,104	(75,896)
Revenue - Waumegah legal	15,000	17,938	2,938
Revenue - Boat - Launch fees		445	445
	<u>245,000</u>	<u>258,147</u>	<u>13,147</u>
EXPENDITURES			
Contractual services - Big Lake	40,000	65,858	(25,858)
Contractual services - Dixie Lake	30,000	43,197	(13,197)
Contractual services - Susin Lake	20,000	19,430	570
Contractual services - Waumegah weed	20,000	21,750	(1,750)
Contractual services - Waumegah berm	120,000	52,561	67,439
Contractual services - Waumegah legal	15,000	8,589	6,411
Waumegah Lake loan principle		16,666	(16,666)
Waumegah Lake loan interest		1,802	(1,802)
	<u>245,000</u>	<u>229,853</u>	<u>15,147</u>
Net change in fund balance		28,294	28,294
FUND BALANCE, JANUARY 1, 2007	<u>159,360</u>	<u>159,360</u>	
FUND BALANCE, DECEMBER 31, 2007	<u>\$ 159,360</u>	<u>\$ 187,654</u>	<u>\$ 28,294</u>

SHIAWASSEE
BASIN
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
 SHIAWASSEE BASIN FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES	<u>\$</u>	<u>\$</u>	<u>\$</u>
EXPENDITURES			
Programs	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u> </u>	<u> </u>	<u> </u>
Excess (Deficiency) of revenues over (under) expenditures	<u> </u>	<u> </u>	<u> </u>
OTHER FINANCING SOURCES (USES)			
Appropriation of prior year fund balance - general	50,000		(50,000)
Transfers (out)	<u>(50,000)</u>	<u>(48,423)</u>	<u>1,577</u>
Total other financing sources (uses)	<u> </u>	<u>(48,423)</u>	<u>(48,423)</u>
Net change in fund balance	<u> </u>	<u>(48,423)</u>	<u>(48,423)</u>
FUND BALANCE, JANUARY 1, 2007 BEFORE PRIOR PERIOD ADJUSTMENTS	48,423	48,423	
PRIOR PERIOD ADJUSTMENT			
Budget appropriations	<u>(50,000)</u>	<u> </u>	<u>50,000</u>
FUND BALANCE, JANUARY 1, 2007 AFTER PRIOR PERIOD ADJUSTMENTS	<u>(1,577)</u>	<u>48,423</u>	<u>50,000</u>
FUND BALANCE DECEMBER 31, 2007	<u>\$ (1,577)</u>	<u>\$</u>	<u>\$ 1,577</u>

CIVIC CENTER
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
CIVIC CENTER DEBT SERVICE FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents	\$ 79,062
Taxes receivable	210,139
Due from other funds	<u>109,816</u>
Total assets	<u>\$ 399,017</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenue	\$ 371,900
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FUND BALANCE

27,117

Total liabilities and fund balance	<u>\$ 399,017</u>
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CHARTER TOWNSHIP OF SPRINGFIELD
 CIVIC CENTER DEBT SERVICE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 375,300	\$ 379,998	\$ 4,698
Miscellaneous income		232	232
Interest	4,500	6,608	2,108
Total revenues	379,800	386,838	7,038
EXPENDITURES			
Debt service			
Principal	180,000	220,000	(40,000)
Interest	188,300	139,309	48,991
Miscellaneous	2,000	1,131	869
Total expenditures	370,300	360,440	9,860
Net change in fund balance	9,500	26,398	16,898
FUND BALANCE, JANUARY 1, 2007	719	719	
FUND BALANCE DECEMBER 31, 2007	\$ 10,219	\$ 27,117	\$ 16,898

BRIDGE LAKE
ROAD
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
BRIDGE LAKE ROAD FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents

\$ 89,693

FUND BALANCE

FUND BALANCE

\$ 89,693

CHARTER TOWNSHIP OF SPRINGFIELD
 BRIDGE LAKE ROAD FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$ 13,000	\$ 2,407	\$ (10,593)
Interest	2,000	4,223	2,223
Total revenues	15,000	6,630	(8,370)
EXPENDITURES	15,000		15,000
Net change in fund balance		6,630	6,630
FUND BALANCE, JANUARY 1, 2007	83,063	83,063	
FUND BALANCE DECEMBER 31, 2007	\$ 83,063	\$ 89,693	\$ 6,630

SOFTWATER
SEWER DEBT SERVICE
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
SOFTWATER SEWER DEBT SERVICE
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents	\$ 56,622
Special assessment receivable	1,917,016
Due from other funds	<u>26,863</u>
Total assets	<u>\$ 2,000,501</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenue	\$ 1,954,054
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FUND BALANCE

	<u>46,447</u>
Total liabilities and fund balance	<u>\$ 2,000,501</u>

CHARTER TOWNSHIP OF SPRINGFIELD
 SOFTWATER SEWER DEBT SERVICE
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED DECEMBER 31, 2007

REVENUES	
Special assessment - Principal	\$ 45,946
Special assessment - Interest	10
Interest	491
	46,447
EXPENDITURES	
Debt service	46,447
Net change in fund balance	46,447
FUND BALANCE, JANUARY 1, 2007	46,447
FUND BALANCE, DECEMBER 31, 2007	\$ 46,447

TRUST
AND
AGENCY
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
TRUST AND AGENCY FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash and cash equivalents

\$ 38,365

LIABILITIES

LIABILITIES

Due to other funds

\$ 1,441

Due to others - escrow deposits

36,924

Total liabilities

\$ 38,365

CURRENT TAX
COLLECTION
FUND

CHARTER TOWNSHIP OF SPRINGFIELD
CURRENT TAX COLLECTION FUND
BALANCE SHEET
DECEMBER 31, 2007

ASSETS

ASSETS

Cash

\$ 1,397,958

LIABILITIES

LIABILITIES

Due to other funds

\$ 1,239,495

Due to others

158,463

Total liabilities

\$ 1,397,958



PFEFFER ■ HANNIFORD ■ PALKA
Certified Public Accountants

John M. Pfeffer, C.P.A.
Patrick M. Hanniford, C.P.A.
Kenneth J. Palka, C.P.A.

Members:
AICPA Private Practice Companies Section
MACPA

225 E. Grand River - Suite 104
Brighton, Michigan 48116-1575
(810) 229-5550
FAX (810) 229-5578

February 15, 2008

Charter Township of Springfield
Honorable Board of Trustees
12000 Davisburg Road
Davisburg, Michigan 48350

Dear Honorable Board of Trustees:

During our audit of the Charter Township of Springfield we came across the following matters that we would like to discuss with you as part of our audit presentation for the year ending December 31, 2007. As you know the audit included all funds of the Township. The audit also included the Library Fund which is shown as a separate component unit of the Township in the financial statements because they have a separate elected board and funding.

The matters which we would like to discuss with you are as follows:

1. There is a new auditing standard (SAS #112) which we are required to follow as your auditing firm. This new standard relates to more formal communications by us to you regarding significant deficiencies in your internal controls and accounting procedures.

There are certain issues (deficiencies) which were previously considered general comments but under the new standard are now considered significant deficiencies.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's or detected by the entity's internal control.

We consider the following to be a material weakness of the Township.

- Journal entries were required during the audit to ensure the financial statement presentation was in conformity with generally accepted accounting principles. It should be noted that a number of these journal entries were related to transactions that were unusual and infrequent in nature. The entries also include those required for the full-accrual presentation of the government-wide statements.

The following are other comments and recommendations relating to the Township's accounting and recordkeeping procedures:

1. As in prior years' audits we are mentioning the issue of cash receipting in various areas of the Township.
 - The Parks and Recreation Department receipts monies and passes the amounts to the Treasurer with supporting documentation. The Treasurer's office makes the bank deposit.
 - The Fire Department receipts monies and passes the amounts to the Treasurer with supporting documentation. The Treasurer's office makes the bank deposit.
 - The Building Department has been contracted-out to an outside vendor which is operated at a separate location from the Township Hall. Monies are receipted by the outside vendor and deposited daily into the Township bank accounts by personnel from the Treasurer's department.

Based on our observations it appears the Township is striving to increase controls over the receipting process.

However, because of the lack of segregation of duties we are still recommending the monies be receipted at the Treasurer's office.

Since the Building Department is now operated by an outside vendor, there are issues at hand for not receipting monies at the Treasurer's office for related monies. However, we do recommend the Township require the outside vendor operating the building department to not accept cash (checks made out to the Township only).

2. The Township's Building Department Fund Balance was in a deficit position as of December 31, 2007. The Township's Board must compile a deficit elimination plan which needs to be approved by a Board resolution and sent to the State of Michigan Department of Treasury - Audit Division.
3. The Bridge Lake Road Debt Service Fund had over \$89,000 of cash remaining in the fund as of December 31, 2007. The related debt has been paid-off. All assessments have been collected. The Township Board needs to approve a plan on what to do with the surplus funds.
4. We noted an instance where sales tax was being paid by the Township. The Township should be careful as to not pay sales tax since it is exempt.

We would like to thank the Township officials and employees that assisted us during the audit process for their cooperation.

If you should have any questions, comments or concerns please do not hesitate to call us.

This report is intended solely for the information and use of the Board of Trustees and management of the Charter Township of Springfield and is not intended to be and should not be used by anyone other than the specified parties.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants