

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 <i>Hennrich A. Berthiaume</i>	Printed Name	License Number

BLUMFIELD TOWNSHIP

Saginaw County, Michigan

FINANCIAL STATEMENTS

March 31, 2007

BLUMFIELD TOWNSHIP

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INDEPENDENT AUDITORS' REPORT

To the Township Board
Blumfield Township,
Saginaw County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Blumfield Township as of and for the year ended March 31, 2007, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Blumfield Township'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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Blumfield Township, as of March 31, 2007, and the respective changes in financial position, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison schedules as identified in the table of contents are not a required part of the basic financial statements but are supplemental information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplemental 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 Blumfield Township's basic financial statements. The accompanying other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying financial statements do not present a management's discussion and analysis, which would be an analysis of the financial performance for the year. The Governmental Accounting Standards Board has determined that this analysis is necessary to supplement, although not required to be part of, the basic financial statements.

Berthiaume & Co.

July 9, 2007

BASIC FINANCIAL STATEMENTS

BLUMFIELD TOWNSHIP

STATEMENT OF NET ASSETS

March 31, 2007

	<i><u>Governmental</u></i> <i><u>Activities</u></i>
Assets:	
Cash and investments	\$ 527,824
Receivables	112,786
Prepaid expenses	6,222
Special assessments receivable - net of current portion	408,968
Capital assets:	
Nondepreciable capital assets	51,500
Depreciable capital assets, net	<u>502,825</u>
Total assets	<u>1,610,125</u>
Liabilities:	
Accounts payable and accrued expenses	21,025
Long-term liabilities:	
Due within one year	109,050
Due in more than one year	<u>619,344</u>
Total liabilities	<u>749,419</u>
Net assets:	
Invested in capital assets, net of related debt	393,159
Restricted for:	
Debt service	(10,095)
Nonexpendable cemetery principal	79,736
Street improvements	36,221
Unrestricted net assets	<u>361,685</u>
Total net assets	<u>\$ 860,706</u>

The accompanying notes are an integral part of these financial statements.

BLUMFIELD TOWNSHIP

STATEMENT OF ACTIVITIES

Year Ended March 31, 2007

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<i>Governmental activities:</i>					
General government	\$ 132,481	\$ 25,166	\$ 3,475	\$ 6,850	\$ (96,990)
Public safety	67,619	-	1,186	-	(66,433)
Public works	184,331	82,197	3,001	-	(99,133)
Community and economic development	5,163	1,320	-	-	(3,843)
Recreation and culture	8,500	-	-	-	(8,500)
Interest on long-term debt	33,635	-	-	-	(33,635)
Total governmental activities	<u>431,729</u>	<u>108,683</u>	<u>7,662</u>	<u>6,850</u>	<u>(308,534)</u>
 General revenues:					
Taxes:					
Property taxes, levied for general purpose					72,045
Property taxes, levied for road improvements					113,012
Grants and contributions not restricted to specific programs					137,009
Unrestricted investment earnings					52,571
Contributions to principal of permanent funds					1,350
Net contribution to Water Authority for debt service payments					<u>8,218</u>
Total general revenues and contributions					<u>384,205</u>
Change in net assets					75,671
Net assets, beginning of year					<u>785,035</u>
Net assets, end of year					<u>\$ 860,706</u>

The accompanying notes are an integral part of these financial statements.

BLUMFIELD TOWNSHIP

GOVERNMENTAL FUNDS

BALANCE SHEET

March 31, 2007

		<i>1999</i>	<i>2002</i>	<i>2004</i>
		<i>Janes Rd. Beyer Road Water District Debt Service #11</i>	<i>N. Gera Rd. M-15 Water District Debt Service #12</i>	<i>W. Haack Rd. Reese Rd. Water District Debt Service #14</i>
	<i>General Fund</i>	<i>Debt Service #11</i>	<i>Debt Service #12</i>	<i>Debt Service #14</i>
Assets:				
Cash and investments	\$ 355,494	\$ 17,776	\$ 48,041	\$ 26,777
Taxes receivable	8,178	-	-	-
Accounts receivable	4,361	-	-	-
Special assessments receivable	-	108,979	185,327	96,627
Accrued interest receivable	-	615	3,810	760
Due from other governmental units	22,494	-	-	-
Due from other funds	-	1,974	-	2,663
Prepaid expenditures	6,222	-	-	-
Total assets	<u>\$ 396,749</u>	<u>\$ 129,344</u>	<u>\$ 237,178</u>	<u>\$ 126,827</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 14,958	\$ -	\$ -	\$ -
Due to other funds	4,637	-	-	-
Deposits payable	1,100	-	-	-
Deferred revenue	-	107,697	185,327	94,700
Total liabilities	<u>20,695</u>	<u>107,697</u>	<u>185,327</u>	<u>94,700</u>
Fund balances:				
Reserved for:				
Prepaid expenditures	6,222	-	-	-
Debt service	-	21,647	51,851	32,127
Nonexpendable cemetery principal	-	-	-	-
Street improvements	36,221	-	-	-
Unreserved:				
General fund	<u>333,611</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>376,054</u>	<u>21,647</u>	<u>51,851</u>	<u>32,127</u>
Total liabilities and fund balances	<u>\$ 396,749</u>	<u>\$ 129,344</u>	<u>\$ 237,178</u>	<u>\$ 126,827</u>

The accompanying notes are an integral part of these financial statements.

<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ 79,736	\$ 527,824
-	8,178
-	4,361
90,603	481,536
-	5,185
-	22,494
-	4,637
-	6,222
<u>\$ 170,339</u>	<u>\$ 1,060,437</u>

\$ -	\$ 14,958
-	4,637
-	1,100
<u>90,603</u>	<u>478,327</u>
<u>90,603</u>	<u>499,022</u>

-	6,222
-	105,625
79,736	79,736
-	36,221
<u>-</u>	<u>333,611</u>
<u>79,736</u>	<u>561,415</u>
<u>\$ 170,339</u>	<u>\$ 1,060,437</u>

BLUMFIELD TOWNSHIP

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO NET ASSETS OF GOVERNMENTAL ACTIVITIES

March 31, 2007

Total fund balances for governmental funds		\$ 561,415
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	768,926	
Less accumulated depreciation	<u>(214,601)</u>	554,325
Interest payable in the governmental activities are not payable from current resources and therefore are not reported in the governmental funds.		
		(4,967)
Deferred revenues reported in the governmental funds are recognized as revenues for the governmental activities.		
Special assessments receivable		478,327
Long-term liabilities are not due and payable in the current year and therefore are not reported in the governmental funds:		
Bonds payable	(375,000)	
Contracts payable	(210,100)	
Land contract payable	<u>(143,294)</u>	<u>(728,394)</u>
Net assets of governmental activities		<u>\$ 860,706</u>

The accompanying notes are an integral part of these financial statements.

BLUMFIELD TOWNSHIP

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended March 31, 2007

	<i>General Fund</i>	<i>1999 Janes Rd. Beyer Road Water District Debt Service #11</i>	<i>2002 N. Gera Rd. M-15 Water District Debt Service #12</i>	<i>2004 W. Haack Rd. Reese Rd. Water District Debt Service #14</i>
Revenues:				
Property taxes	\$ 207,820	\$ -	\$ -	\$ -
State grants	151,521	-	-	-
Charges for services	83,477	-	-	-
Interest and rents	20,948	7,529	12,712	5,751
Other revenue	838	15,384	17,938	13,528
Total revenues	<u>464,604</u>	<u>22,913</u>	<u>30,650</u>	<u>19,279</u>
Expenditures:				
Current				
General government	102,894	-	-	-
Public safety	54,680	-	-	-
Public works	184,331	-	-	-
Community and economic development	5,163	-	-	-
Recreation and culture	8,500	-	-	-
Other	18,699	-	-	-
Capital outlay	28,634	-	-	-
Debt service				
Principal	17,872	15,000	20,000	12,500
Interest and fees	5,898	7,768	10,792	4,208
Total expenditures	<u>426,671</u>	<u>22,768</u>	<u>30,792</u>	<u>16,708</u>
Excess (deficiency) of revenues over expenditures	<u>37,933</u>	<u>145</u>	<u>(142)</u>	<u>2,571</u>
Other financing sources (uses):				
Transfers in	1,412	-	-	-
Transfers out	-	-	-	-
Transfers to Water Authority	-	-	-	-
Total other financing sources (uses)	<u>1,412</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	39,345	145	(142)	2,571
Fund balances, beginning of year	<u>336,709</u>	<u>21,502</u>	<u>51,993</u>	<u>29,556</u>
Fund balances, end of year	<u>\$ 376,054</u>	<u>\$ 21,647</u>	<u>\$ 51,851</u>	<u>\$ 32,127</u>

The accompanying notes are an integral part of these financial statements.

<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
-	\$ 207,820
-	151,521
-	83,477
7,236	54,176
<u>30,567</u>	<u>78,255</u>
<u>37,803</u>	<u>575,249</u>

-	102,894
-	54,680
-	184,331
-	5,163
-	8,500
-	18,699
-	28,634
-	65,372
<u>-</u>	<u>28,666</u>
<u>-</u>	<u>496,939</u>
<u>37,803</u>	<u>78,310</u>

-	1,412
(1,412)	(1,412)
<u>(35,196)</u>	<u>(35,196)</u>
<u>(36,608)</u>	<u>(35,196)</u>
1,195	43,114
<u>78,541</u>	<u>518,301</u>
<u>\$ 79,736</u>	<u>\$ 561,415</u>

BLUMFIELD TOWNSHIP

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

March 31, 2007

Net change in fund balances - total governmental funds \$ 43,114

Total change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

Capital outlay	27,187	
Less depreciation expense	<u>(22,380)</u>	4,807

Collection of certain items recorded as deferred revenue are considered current financial resources in the governmental funds. In the statement of activities, these items have been recorded as revenue in previous years.

Special assessments receivable		(76,067)
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Repayments of principal on long-term obligations are expenditures in governmental but the payments reduce long-term liabilities in the statement of net assets.

Principal payments on land contract	17,872	
Principal payments on special assessment contracts	45,014	
Principal payments on special assessment bonds	<u>40,000</u>	102,886

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest on bonds and land contract payable		<u>931</u>
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Change in net assets of governmental activities \$ 75,671

The accompanying notes are an integral part of these financial statements.

BLUMFIELD TOWNSHIP

FIDUCIARY FUND
STATEMENT OF NET ASSETS
March 31, 2007

Assets:

Cash and cash equivalents	\$ 14,657
Total assets	<u>14,657</u>

Liabilities:

Accounts payable	294
Undistributed property tax collections	<u>14,363</u>
Total liabilities	<u>14,657</u>

Net Assets:

Unrestricted	<u>-</u>
Total net assets	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Blumfield Township conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies:

Reporting Entity:

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Township. In evaluating the Township as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the Township may be financially accountable and, as such, should be included within the Township's financial statements. The Township (the primary government) has no component units and accordingly, the Township has not consolidated any entities into its financial statements.

JOINT OPERATIONS:

Blumfield-Reese Water Authority - The Village of Reese and Blumfield Township jointly established the Blumfield-Reese Water Authority in 1968. The Authority was organized in order to construct, operate and maintain certain water storage, transmission and distribution facilities and to provide the two municipalities with water it purchases from the City of Saginaw. The Village and the Township have provided financial backing for various debt obligations of the Authority. Separate financial statements can be obtained by contacting the Blumfield-Reese Water Authority, 12810 East Washington, Reese, Michigan 48757.

Fire Agreement – In March 2000, the Township and Village of Reese entered into an operating agreement for the purpose of establishing a fire protection system. The expenses related to this agreement are to be shared by the Township and Village of Reese as designated by the agreement. This agreement shall continue in effect for three years and will automatically renew for successive one year periods. The Township's costs related to this fire agreement are accounted for in the General Fund.

Construction Code Group – In March 2004, Blumfield Township, Frankenmuth Township and the City of Frankenmuth entered into an operating agreement for the purpose of consolidating the protective inspections for the three units. The expenses related to this agreement are to be shared by the three units as designated by the agreement. The Township's costs related to this protective inspection agreement are accounted for in the General Fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The accounts of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Government-wide Financial Statements:

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

The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the Township.

The statement of net assets presents governmental activities on a consolidated basis, using the economic resources measurement focus and accrual basis of accounting. This method recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township's net assets are reported in three parts (1) invested in capital assets, net of related debt, (2) restricted net assets, and (3) unrestricted net assets. The Township first utilizes restricted resources to finance qualifying activities.

The statement of activities reports both the gross and net cost of each of the Township's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (property taxes, state sources and federal sources, interest income, etc.). The Township does not allocate indirect costs. In creating the government-wide financial statements the Township has eliminated interfund transactions.

The government-wide focus is on the sustainability of the Township as an entity and the change in the Township's net assets resulting from current year activities.

Fund Financial Statements:

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

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

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Property taxes, fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Fiduciary funds are accounted for on a spending or economic resources measurement focus and the accrual basis of accounting as are the proprietary funds.

The Township reports the following major governmental funds:

The **General Fund** is the primary operating fund of the Township. It is used to account for all financial resources, except for those required to be accounted for in another fund.

The **1999 Janes/Beyer Rd. Water District #11** is used to account for the revenues collected to retire special assessment debt.

The **2002 N. Gera Rd./ M-15 Water District #12** are used to account for the revenues collected to retire special assessment debt.

The **2004 W. Haack Rd./Reese Rd. Water District #14** is used to account for the revenues collected to retire special assessment debt.

Assets, Liabilities and Equity:

Deposits and Investments – Cash and cash equivalents include cash on hand, demand deposits, certificates of deposit and short term investments with a maturity of three months or less when acquired. Investments are stated at fair value. For purposes of the statement of cash flows, the Township considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

Interfund Receivables and Payables – Generally, outstanding amounts owed between funds are classified as “due from/to other funds”. These amounts are caused by transferring revenues and expenses between funds to get them into the proper reporting fund. These balances are paid back as cash flow permits.

Inventories and Prepaid Items – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Capital Assets – Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. The Township defines capital assets as assets with an initial individual cost in excess of \$5,000. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. Public domain (infrastructure) assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are capitalized if acquired after April 1, 2004. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	20-50 years
Equipment	5-25 years
Furniture and equipment	5-25 years
Site improvements	15-25 years
Vehicles	10-25 years

Compensated Absences – The Township does not allow the carryover of unused sick or vacation days.

Long-term Obligations – In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net assets.

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

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Eliminations and Reclassifications

In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

Property Taxes:

Property taxes are levied and attached as an enforceable lien on December 1 each year based upon the assessed taxable valuation of property as of the preceding December 31. Taxes are due without penalty on or before February 14.

The 2006 taxable valuation of the Township totaled \$77,985,464 on which ad valorem taxes levied consisted of .9513 mills for the Township's operating purposes and 1.4924 mills for road improvements.

The delinquent real property taxes of the Township are purchased by Saginaw County. The delinquent real property taxes are received soon enough after year end to be recorded as revenue in the current year.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information:

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

1. The Township Clerk submits to the Township Board a proposed operating budget by fund for each year. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted by adoption of the Township Board.
4. Any revision that alters the total expenditures of any fund must be approved by the Township.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Governmental fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the General Fund budget as originally adopted and amended by the Township Board is included in the required supplemental information.
7. All annual appropriations lapse at fiscal year end.

Excess of Expenditures over Appropriations in Budgeted Funds :

During the year, the Township did not incur expenditures that were materially in excess of the amounts budgeted.

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 3: DEPOSITS

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency of instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The investment policy adopted by the Township Board is in accordance with Public Act 196 of 1997. The Township's deposits and investments have been made in accordance with statutory authority.

The Township's deposits are subject to custodial risk, which is presented in more detail as follows:

Custodial Credit Risk of Bank Deposits:

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to them. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$583,791 of bank deposits (certificates of deposit, checking, and savings accounts), of which \$354,365 was covered by federal depository insurance and the remainder was uninsured and uncollateralized.

NOTE 4: SPECIAL ASSESSMENTS RECEIVABLE

The Township has levied special assessments for the financing of water lines within the Township. These special assessments receivable balances as of March 31, 2007 are as follows:

DEBT SERVICE FUNDS:

1992 Issue - Water District # 4 - M-46/M-83	\$ 11,567
1994 Issue - Water District # 7 - Block Road/M-46/Reese Road	22,303
1994 Issue - Water District # 8 - Janes Road, East of Beyer	4,444
1997 Issue - Water District # 9 - Reese Road, M-15	26,017
1999 Issue - Water District # 10 - Bradley Road	26,272
1999 Issue - Water District # 11 - Janes Road, Beyer Road	108,979
2002 Issue - Water District # 12 - N. Gera Road, M-15	185,327
2004 Issue - Water District # 14 - West Haack Road/Reese Road	<u>96,627</u>
	<u>\$ 481,536</u>

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 5: CAPITAL ASSETS

Primary Government capital asset activity for the year ended March 31, 2007 was as follows:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Retirements</i>	<i>Ending Balance</i>
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 51,500	\$ -	\$ -	\$ 51,500
Depreciable capital assets:				
Buildings and improvements	375,000	6,017	-	381,017
Equipment	78,574	7,015	-	85,589
Furniture and equipment	30,000	6,850	-	36,850
Site improvements	9,287	7,305	-	16,592
Vehicles	197,378	-	-	197,378
	690,239	27,187	-	717,426
Accumulated depreciation	(192,221)	(22,380)	-	(214,601)
Total depreciable capital assets, net	498,018	4,807	-	502,825
Governmental activities, capital assets, net	\$ 549,518	\$ 4,807	\$ -	\$ 554,325

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 9,441
Public safety	12,939
Total governmental activities	\$ 22,380

NOTE 6: DEFERRED REVENUE IN GOVERNMENTAL FUNDS

Governmental funds report deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<i>Unavailable</i>	<i>Unearned</i>	<i>Total Deferred Revenue</i>
Special assessments receivable	\$ 478,327	\$ -	\$ 478,327

Only the unearned component of deferred revenue is carried forward to the government-wide statement of net assets.

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 7: LONG-TERM LIABILITIES

The Township has installment contracts with Saginaw County that were used to finance water line construction. Installment contracts are general obligations, which are direct obligations of the government and pledge the full faith and credit of the Township.

Long-term liabilities at March 31, 2007 consisted of the following:

<u>Types of Indebtedness</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Annual Principal Installments</u>	<u>Original Loan Amount</u>	<u>Outstanding at Year-End</u>
<u>Governmental Activities</u>					
<i>Special Assessment Bonds:</i>					
1992 Issue - Water Distric # 4	10/1/07-10/1/11	6.7-6.75%	5,000-10,000	105,000	35,000
1999 Issue - Water District # 11	10/1/07-10/1/13	5.55%	15,000-20,000	250,000	120,000
2002 Issue - Water District # 12	4/1/07-4/1/17	4.375%	20,000-25,000	320,000	220,000
<i>Special Assessment Contracts:</i>					
1994 Issue - Water District # 7	3/15/08-3/15/09	5.00%	16,333	245,000	32,666
1994 Issue - Water District # 8	3/15/08-3/15/09	5.00%	3,000	45,000	6,000
1997 Issue - Water District # 9	2/15/08-2/15/12	6.10%	8,824-11,194	114,414	49,870
1999 Issue - Water District # 10	12/1/07-12/1/13	4.85%	4,867	73,000	34,064
2004 Issue - Water District # 14	3/15/08-3/15/14	4.15%	12,500	125,000	87,500
<i>Installment Purchase Contracts:</i>					
2003 Issue - Town Hall Addition	5/1/07-5/1/13	3.66%	18,526-22,177	195,000	143,294

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

The following is a summary of long-term liabilities transactions for the year ended March 31, 2007:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Special Assessment Bonds:					
1992 Issue - Water Distric # 4	40,000	-	(5,000)	35,000	5,000
1999 Issue - Water District # 11	135,000	-	(15,000)	120,000	20,000
2002 Issue - Water District # 12	<u>240,000</u>	<u>-</u>	<u>(20,000)</u>	<u>220,000</u>	<u>20,000</u>
	<u>415,000</u>	<u>-</u>	<u>(40,000)</u>	<u>375,000</u>	<u>45,000</u>
Special Assessment Contracts:					
1994 Issue - Water District # 7	48,999	-	(16,333)	32,666	16,333
1994 Issue - Water District # 8	9,000	-	(3,000)	6,000	3,000
1997 Issue - Water District # 9	58,184	-	(8,314)	49,870	8,824
1999 Issue - Water District # 10	38,931	-	(4,867)	34,064	4,867
2004 Issue - Water District # 14	<u>100,000</u>	<u>-</u>	<u>(12,500)</u>	<u>87,500</u>	<u>12,500</u>
	<u>255,114</u>	<u>-</u>	<u>(45,014)</u>	<u>210,100</u>	<u>45,524</u>
Installment Purchase Contracts:					
2003 Issue - Town Hall Addition	<u>161,166</u>	<u>-</u>	<u>(17,872)</u>	<u>143,294</u>	<u>18,526</u>
	<u>161,166</u>	<u>-</u>	<u>(17,872)</u>	<u>143,294</u>	<u>18,526</u>
	<u>\$ 831,280</u>	<u>\$ -</u>	<u>\$ (102,886)</u>	<u>\$ 728,394</u>	<u>\$ 109,050</u>

Annual debt service requirements to maturity for the above contractual obligations are as follows:

<u>Year Ended March 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 109,050	\$ 34,026	\$ 143,076
2009	105,269	28,748	134,017
2010	87,213	23,691	110,904
2011	98,550	19,386	117,936
2012	94,952	14,569	109,521
2013	74,541	10,298	84,839
2014	83,819	7,025	90,844
2015	25,000	3,281	28,281
2016	25,000	2,188	27,188
2017	<u>25,000</u>	<u>1,094</u>	<u>26,094</u>
	<u>\$ 728,394</u>	<u>\$ 144,306</u>	<u>\$ 872,700</u>

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 8: BLUMFIELD-REESE WATER AUTHORITY

As discussed in Note #1 concerning the reporting entity, the Township is a participant in the Blumfield-Reese Water Authority. In this connection, Blumfield Township has pledged its financial support and backing for various liabilities of the Authority.

Also, the Township incurred special assessment debt issues #3 through #14 in connection with water system construction activities of the Authority. Annual debt payments on issues #4 through #10 are handled by the Water Authority.

NOTE 9: RESTRICTED MILLAGE

The Township levies an approved road millage of 1.5 mills (1.4924 for 2006) for road construction and road repair and maintenance. A summary of the millage levied and spent, for the year, is as follows:

Balance - March 31, 2006	\$	-
Current property taxes collected		113,012
Expenditures		<u>(76,791)</u>
Balance - March 31, 2007	\$	<u>36,221</u>

NOTE 10: INTERFUND BALANCES

The composition of interfund receivable and payable balances at March 31, 2007 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
1999 Janes Rd./ Beyer Road Water District Debt Service # 11	General Fund	\$ 1,974
2004 W. Haack Rd./Reese Rd. Water District Debt Service # 14	General Fund	<u>2,663</u>
	Total	<u>\$ 4,637</u>

Management does not anticipate individual interfund balances to remain outstanding for periods in excess of one year. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 11: INTERFUND TRANSFERS

Interfund transfers reported in the fund statements were as follows:

<u>Funds Transferred From</u>	<u>Funds Transferred To</u>	<u>Amount</u>
<i>Capital Project Fund:</i>	<i>Major Governmental Fund:</i>	
Township Hall Addition Construction Fund	General Fund	\$ <u>1,412</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the various funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 12: DISAGGREGATED RECEIVABLE AND PAYABLE BALANCES

Receivables and payables as of year end for the Township's governmental and business-type activities in the aggregate are as follows:

	<u>Governmental Activities</u>
Receivables:	
Taxes	\$ 8,178
Accounts	4,361
Special assessments	72,568
Interest	5,185
Intergovernmental	<u>22,494</u>
Total receivables	\$ <u>112,786</u>
Accounts payable and accrued expenses:	
Accounts	\$ 14,958
Interest	4,967
Deposits payable	<u>1,100</u>
Total accounts payable and accrued expenses	\$ <u>21,025</u>

BLUMFIELD TOWNSHIP

NOTES TO FINANCIAL STATEMENTS, CONTINUED

March 31, 2007

NOTE 13: 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 manages its liability and property risk and worker's compensation insurance by participating in Michigan Township Participating Plan, a public entity risk pool providing property and liability coverage to its participating members. The Township pays an annual premium to Michigan Township Participating Plan for its insurance coverage. The Michigan Township Participating Plan is self-sustaining through member premiums and provides, subject to certain deductibles, occurrence-based casualty coverage for each incident and occurrence-based property coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Various deductibles are maintained to place the responsibility for small charges with the insured. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 14: FUND EQUITY

Specific reservations of fund equity include:

Reserved for prepaid expenditures – This reserve was created to indicate that the portion of fund balance represented by prepaid expenditures is not available for appropriation.

Reserved for debt service – This reserve was created to indicate that the portion of fund balance represented by debt service is not available for appropriation.

Reserved for nonexpendable cemetery principal – This reserve was created to indicate that portion of fund balance representing the nonexpendable principal portion required to be retained in perpetuity for cemetery care.

Reserved for street improvements – This reserve was created to indicate that the portion of fund balance represented by the excess of tax levy collections over expenditures for street repairs and improvements is not available for appropriation.

REQUIRED SUPPLEMENTAL INFORMATION

BLUMFIELD TOWNSHIP

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

Year Ended March 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Actual</i>
	<u>Original</u>	<u>Final</u>		<i>Over (Under)</i>
				<u>Final Budget</u>
Revenues:				
Property taxes	\$ 210,200	\$ 210,200	\$ 207,820	\$ (2,380)
State grants	145,200	152,050	151,521	(529)
Charges for services	87,104	87,104	83,477	(3,627)
Interest and rents	6,000	6,000	20,948	14,948
Other revenue	5,700	5,700	838	(4,862)
	<u>454,204</u>	<u>461,054</u>	<u>464,604</u>	<u>3,550</u>
Total revenues				
Expenditures:				
Current				
General government	111,450	105,750	102,894	(2,856)
Public safety	56,092	55,692	54,680	(1,012)
Public works	185,225	185,225	184,331	(894)
Community and economic development	5,500	5,500	5,163	(337)
Recreation	9,100	9,100	8,500	(600)
Other	21,000	21,000	18,699	(2,301)
Capital outlay	20,400	29,250	28,634	(616)
Debt service				
Principal	17,872	17,872	17,872	-
Interest and fees	5,928	5,928	5,898	(30)
	<u>432,567</u>	<u>435,317</u>	<u>426,671</u>	<u>(8,646)</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>21,637</u>	<u>25,737</u>	<u>37,933</u>	<u>12,196</u>
Other financing sources (uses):				
Transfers in	<u>1,200</u>	<u>1,200</u>	<u>1,412</u>	<u>212</u>
Total other financing sources (uses)	<u>1,200</u>	<u>1,200</u>	<u>1,412</u>	<u>212</u>
Net change in fund balance	22,837	26,937	39,345	12,408
Fund balance, beginning of year	<u>336,709</u>	<u>336,709</u>	<u>336,709</u>	<u>-</u>
Fund balance, end of year	<u>\$ 359,546</u>	<u>\$ 363,646</u>	<u>\$ 376,054</u>	<u>\$ 12,408</u>

OTHER SUPPLEMENTAL INFORMATION

BLUMFIELD TOWNSHIP

GENERAL FUND

DETAILED SCHEDULE OF REVENUES

Year Ended March 31, 2007

Current Taxes:

Property taxes	\$ 185,057
Administration fees	<u>22,763</u>
	<u>207,820</u>

State Grants:

Liquor license fees	1,186
State revenue sharing - sales tax	137,009
Metro Act	3,001
State grant - election equipment	6,850
State property tax collection reimbursement	<u>3,475</u>
	<u>151,521</u>

Charges for services:

Refuse collection fees	82,157
Zoning/Variance/Appeals fees	<u>1,320</u>
	<u>83,477</u>

Interest and rents:

Interest	19,343
Rents	<u>1,605</u>
	<u>20,948</u>

Other Revenue:

Cemetery lots/perpetual care	300
Refunds and rebates	40
Other	<u>498</u>
	<u>838</u>

Total revenues	<u>\$ 464,604</u>
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BLUMFIELD TOWNSHIP

GENERAL FUND

DETAILED SCHEDULE OF EXPENDITURES

Year Ended March 31, 2007

General Government:

Board:

Personnel \$ 2,100

Supervisor:

Personnel 7,700

Clerk:

Personnel 12,400

Audit:

Contracted services 4,000

Board of Review:

Contracted services 900

Treasurer:

Personnel 12,400

Contracted services 5,775

18,175

Assessor:

Personnel 10,200

Supplies 1,191

11,391

Elections:

Contracted services 2,897

Hall and Grounds:

Contracted services 1,858

Utilities 3,400

Repairs and maintenance 4,963

10,221

Attorney:

Contracted services 6,418

Cemetery:

Contracted services 6,170

Utilities 142

Repairs and maintenance 1,082

Other 2,464

9,858

BLUMFIELD TOWNSHIP

GENERAL FUND

DETAILED SCHEDULE OF EXPENDITURES (CONTINUED)

Year Ended March 31, 2007

General Government (continued):

Other Unallocated General Government:

Supplies	6,983
Contracted services	317
Telephone	1,331
Mileage	225
Dues and memberships	2,978
Education and training	422
Printing and publications	3,908
Other	670
	<u>16,834</u>

Total general government 102,894

Public Safety:

Police:

Telephone	<u>492</u>
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Liquor Law Enforcement:

Contracted services	<u>1,000</u>
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Fire protection:

Personnel	2,000
Supplies	5,879
Contracted services	25,273
Telephone	1,656
Dues and memberships	275
Education and training	3,448
Insurance	2,341
Utilities	3,127
Repairs and maintenance	9,189
	<u>53,188</u>

Total public safety 54,680

Public Works:

Drains-Public Benefit:

Contracted services	<u>35,540</u>
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Roads:

Contracted services	<u>76,791</u>
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Street Lights:

Utilities	<u>688</u>
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Refuse:

Contracted services	<u>71,312</u>
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Total public works 184,331

BLUMFIELD TOWNSHIP

GENERAL FUND

DETAILED SCHEDULE OF EXPENDITURES (CONTINUED)

Year Ended March 31, 2007

Community and Economic Development:

Planning and Zoning:

Contracted services 3,739

Economic Development:

Contracted services 1,424

Total community and economic development 5,163

Recreation and Culture:

Parks and Recreation:

Contracted services 6,000

Library:

Contracted services 2,500

Total recreation and culture 8,500

Other:

Insurance and bonds 15,017

Payroll taxes 3,682

Total other 18,699

Capital Outlay:

General government 21,619

Public safety 7,015

Total capital outlay 28,634

Debt Service:

Principal 17,872

Interest and fees 5,898

Total debt service 23,770

Total expenditures \$ 426,671

BLUMFIELD TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

March 31, 2007

	<i>Debt Service Funds</i>			
	<i>1992</i>	<i>1994</i>	<i>1994</i>	<i>1997</i>
	<i>M-46</i>	<i>Block / M-46</i>	<i>Janes</i>	<i>Reese Rd</i>
	<i>M-83</i>	<i>Reese Rd</i>	<i>East of Beyer</i>	<i>M-15</i>
	<i>Water District</i>	<i>Water District</i>	<i>Water District</i>	<i>Water District</i>
	<i>#4</i>	<i>#7</i>	<i>#8</i>	<i>#9</i>
Assets:				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Special assessments receivable	11,567	22,303	4,444	26,017
Total assets	<u>\$ 11,567</u>	<u>\$ 22,303</u>	<u>\$ 4,444</u>	<u>\$ 26,017</u>
Liabilities and Fund Balances:				
Liabilities:				
Deferred revenue	\$ 11,567	\$ 22,303	\$ 4,444	\$ 26,017
Total liabilities	<u>11,567</u>	<u>22,303</u>	<u>4,444</u>	<u>26,017</u>
Fund balances:				
Reserved for:				
Nonexpendable cemetery principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 11,567</u>	<u>\$ 22,303</u>	<u>\$ 4,444</u>	<u>\$ 26,017</u>

<u>1999</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Bradley Road Water District #10</u>	<u>Township Hall Addition Construction Fund</u>	<u>Cemetery Perpetual Care Fund</u>	
\$ -	\$ -	\$ 79,736	\$ 79,736
<u>26,272</u>	<u>-</u>	<u>-</u>	<u>90,603</u>
<u>\$ 26,272</u>	<u>\$ -</u>	<u>\$ 79,736</u>	<u>\$ 170,339</u>
<u>\$ 26,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,603</u>
<u>26,272</u>	<u>-</u>	<u>-</u>	<u>90,603</u>
<u>-</u>	<u>-</u>	<u>79,736</u>	<u>79,736</u>
<u>-</u>	<u>-</u>	<u>79,736</u>	<u>79,736</u>
<u>\$ 26,272</u>	<u>\$ -</u>	<u>\$ 79,736</u>	<u>\$ 170,339</u>

BLUMFIELD TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended March 31, 2007

	<i>Debt Service Funds</i>			
	<i>1992</i>	<i>1994</i>	<i>1994</i>	<i>1997</i>
	<i>M-46</i>	<i>Block / M-46</i>	<i>Janes</i>	<i>Reese Rd</i>
	<i>M-83</i>	<i>Reese Rd</i>	<i>East of Beyer</i>	<i>M-15</i>
	<i>Water District</i>	<i>Water District</i>	<i>Water District</i>	<i>Water District</i>
	<i>#4</i>	<i>#7</i>	<i>#8</i>	<i>#9</i>
Revenues:				
Interest and rents	\$ 1,309	\$ 1,065	\$ 205	\$ 1,913
Other revenue	<u>4,552</u>	<u>12,862</u>	<u>2,222</u>	<u>5,203</u>
Total revenues	<u>5,861</u>	<u>13,927</u>	<u>2,427</u>	<u>7,116</u>
Other financing sources (uses):				
Transfers out	-	-	-	-
Transfers to Water Authority	<u>(5,861)</u>	<u>(13,927)</u>	<u>(2,427)</u>	<u>(7,116)</u>
Total other financing sources (uses)	<u>(5,861)</u>	<u>(13,927)</u>	<u>(2,427)</u>	<u>(7,116)</u>
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	
<i>1999</i>			
<i>Bradley Road Water District #10</i>	<i>Township Hall Addition Construction Fund</i>	<i>Cemetery Perpetual Care Fund</i>	<i>Total Nonmajor Governmental Funds</i>
\$ 1,487	\$ -	\$ 1,257	\$ 7,236
4,378	-	1,350	30,567
<u>5,865</u>	<u>-</u>	<u>2,607</u>	<u>37,803</u>
-	(1,412)	-	(1,412)
<u>(5,865)</u>	<u>-</u>	<u>-</u>	<u>(35,196)</u>
<u>(5,865)</u>	<u>(1,412)</u>	<u>-</u>	<u>(36,608)</u>
-	(1,412)	2,607	1,195
-	1,412	77,129	78,541
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,736</u>	<u>\$ 79,736</u>

BLUMFIELD TOWNSHIP

FIDUCIARY FUNDS – AGENCY FUND
**STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES**

March 31, 2007

<u><i>CURRENT TAX COLLECTION</i></u>	<u><i>April 1, 2006</i></u>	<u><i>Additions</i></u>	<u><i>Deductions</i></u>	<u><i>March 31, 2007</i></u>
Assets:				
Cash and cash equivalents	\$ 3,805	\$ 2,477,053	\$ 2,466,201	\$ 14,657
Liabilities:				
Accounts payable	\$ 3,805	\$ -	\$ 3,511	\$ 294
Undistributed property tax collections	-	2,477,053	2,462,690	14,363
	<u>\$ 3,805</u>	<u>\$ 2,477,053</u>	<u>\$ 2,466,201</u>	<u>\$ 14,657</u>

BLUMFIELD TOWNSHIP

SCHEDULES OF INDEBTEDNESS

March 31, 2007

1992 Contract Payable to Water Authority for Special Assessment Bonds Issued in Name of Water Authority (M-46/M-83 Water District #4):

Interest Rate	Fiscal Year	Semi-Annual Interest Payments		Annual Maturity	Total Fiscal Year Requirements
		October 1	April 1		
6.7	2008	\$ 1,179	\$ 1,011	\$ 5,000	\$ 7,190
6.7	2009	1,011	844	5,000	6,855
6.75	2010	844	675	5,000	6,519
6.75	2011	675	338	10,000	11,013
6.75	2012	338	-	10,000	10,338
		<u>\$ 4,047</u>	<u>\$ 2,868</u>	<u>\$ 35,000</u>	<u>\$ 41,915</u>

1999 Water Special Assessment Bonds in the Name of the Township (Janes Road, Beyer Road, Water District #11):

Interest Rate	Fiscal Year	Semi-Annual Interest Payments		Annual Maturity	Total Fiscal Year Requirements
		October 1	April 1		
5.55	2007	\$ 3,747	\$ 3,746	\$ 15,000	\$ 22,493
5.55	2008	3,330	3,330	20,000	26,660
5.55	2009	2,775	2,775	15,000	20,550
5.55	2010	2,359	2,359	15,000	19,718
5.55	2011	1,942	1,943	20,000	23,885
5.55	2012	1,388	1,387	15,000	17,775
5.52	2013	971	971	15,000	16,942
5.55	2014	555	555	20,000	21,110
		<u>\$ 13,320</u>	<u>\$ 13,320</u>	<u>\$ 120,000</u>	<u>\$ 146,640</u>

2002 Water Special Assessment Bonds in the Name of the Township (N. Gera Rd., M-15, Water District #12):

Interest Rate	Fiscal Year	Semi-Annual Interest Payments		Annual Maturity	Total Fiscal Year Requirements
		October 1	April 1		
4.375	2008	\$ 4,813	\$ 4,812	\$ 20,000	\$ 29,625
4.375	2009	4,375	4,375	20,000	28,750
4.375	2010	3,937	3,938	20,000	27,875
4.375	2011	3,500	3,500	20,000	27,000
4.375	2012	3,063	3,062	20,000	26,125
4.375	2013	2,625	2,625	20,000	25,250
4.375	2014	2,187	2,188	25,000	29,375
4.375	2015	1,640	1,641	25,000	28,281
4.375	2016	1,094	1,094	25,000	27,188
4.375	2017	547	547	25,000	26,094
		<u>\$ 27,781</u>	<u>\$ 27,782</u>	<u>\$ 220,000</u>	<u>\$ 275,563</u>

BLUMFIELD TOWNSHIP

SCHEDULES OF INDEBTEDNESS

March 31, 2007

1994 Installment Purchase Contract Payable to First of America Bank for Special Assessment Water Project (Block, M-46, Reese Road, Water District #7):

<i>Payment Number</i>	<i>Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
14	15-Mar-08	\$ 16,333	\$ 1,661	\$ 17,994
15	15-Mar-09	16,333	829	17,162
		<u>\$ 32,666</u>	<u>\$ 2,490</u>	<u>\$ 35,156</u>

Interest rate - 5.0%

1994 Installment Purchase Contract Payable to National City Bank for Special Assessment Water Project (Janes, East of Beyer, Water District #8):

<i>Payment Number</i>	<i>Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
14	15-Mar-08	\$ 3,000	\$ 305	\$ 3,305
15	15-Mar-09	3,000	152	3,152
		<u>\$ 6,000</u>	<u>\$ 457</u>	<u>\$ 6,457</u>

Interest rate - 5.0%

1997 Installment Purchase Contract Payable to Citizens Bank for Special Assessment Water Project (Reese Road - M-15, Water District #9):

<i>Payment Number</i>	<i>Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
11	2-15-08	\$ 8,824	\$ 3,057	\$ 11,881
12	2-15-09	9,365	2,516	11,881
13	2-15-10	9,939	1,942	11,881
14	2-15-11	10,548	1,333	11,881
15	2-15-12	11,194	687	11,881
		<u>\$ 49,870</u>	<u>\$ 9,535</u>	<u>\$ 59,405</u>

Interest rate - 6.1%

BLUMFIELD TOWNSHIP

SCHEDULES OF INDEBTEDNESS

March 31, 2007

1999 Installment Purchase Contract Payable to National City Bank for Special Assessment Water Project (Bradley Road, Water District #10):

<i>Payment Number</i>	<i>Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
9	12-1-07	\$ 4,867	\$ 1,652	\$ 6,519
10	12-1-08	4,867	1,416	6,283
11	12-1-09	4,867	1,180	6,047
12	12-1-10	4,867	944	5,811
13	12-1-11	4,867	708	5,575
14	12-1-12	4,867	472	5,339
15	12-1-13	4,862	236	5,098
		<u>\$ 34,064</u>	<u>\$ 6,608</u>	<u>\$ 40,672</u>

Interest rate - 4.85%

2004 Installment Purchase Contract Payable to National City Bank for Special Assessment Water Project (W. Haack Rd./Reese Rd., Water District #14):

<i>Interest Rate</i>	<i>Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
4.150	3-15-08	\$ 12,500	\$ 3,631	\$ 16,131
4.150	3-15-09	12,500	3,113	15,613
4.150	3-15-10	12,500	2,594	15,094
4.150	3-15-11	12,500	2,075	14,575
4.150	3-15-12	12,500	1,556	14,056
4.150	3-15-13	12,500	1,038	13,538
4.150	3-15-14	12,500	519	13,019
		<u>\$ 87,500</u>	<u>\$ 14,526</u>	<u>\$ 102,026</u>

2003 Installment Purchase Contract to National City Bank for Construction of Township Hall Addition.

<i>Payment Number</i>	<i>Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
4	05-01-07	\$ 18,526	\$ 5,245	\$ 23,771
5	05-01-08	19,204	4,567	23,771
6	05-01-09	19,907	3,863	23,770
7	05-01-10	20,635	3,136	23,771
8	05-01-11	21,391	2,380	23,771
9	05-01-12	22,174	1,596	23,770
10	05-01-13	21,457	785	22,242
		<u>\$ 143,294</u>	<u>\$ 21,572</u>	<u>\$ 164,866</u>

Interest rate – 3.66%