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

Auditing Procedures Report

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Issued under Public Act 2 of 1968, as amended.

Unit Name VILLAGE OF MAYVILLE	County TUSCOLA	Type VILLAGE	MuniCode 79-3-070
Opinion Date May 27, 2008	Audit Submitted Jun 19, 2008	Fiscal Year 2008	

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

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

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

General Fund Revenue:	$ 575,425.00	General Fund Balance:	$ 209,914.00
General Fund Expenditure:	$ 444,946.00	Governmental Activities Long-Term Debt (see instructions):	$ 1,195,930.00
Major Fund Deficit Amount:	$ 0.00		

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

CPA (First Name) HEATHER	Last Name THOMAS	Ten Digit License Number 1101024719		
CPA Street Address 4855 STATE STREET	City SAGINAW	State MI	Zip Code 48603	Telephone +1 (989) 790-3900
CPA Firm Name GARDNER, PROVENZANO, S	Unit's Street Address 297 E OHMER ROAD	City MAYVILLE		Zip Code 48744

Gardner | Provenzano
Schauman & Thomas

CERTIFIED PUBLIC ACCOUNTANTS

VILLAGE OF MAYVILLE

Mayville, Michigan

Financial Statements
March 31, 2008

VILLAGE OF MAYVILLE

MARCH 31, 2008

Officers

Clare Fryers	President
Judith Hartzell	Treasurer
James Welke	Clerk

Trustees

Sam Reece

Roxann Hiiter

Cecilia Kapcia

Ray Whitaker

Brian Stout

Cheryl Piche

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CERTIFIED PUBLIC ACCOUNTANTS

Frederick C. Gardner
Giacomo Provenzano
James R. Schauman
Heather A. Thomas

INDEPENDENT AUDITOR'S REPORT

May 27, 2008

Members of the Village Council
Village of Mayville, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mayville, Michigan, as of and for the year ended March 31, 2008, which collectively comprise the basic financial statements of the Village's primary government, as listed in the table of contents. These financial statements are the responsibility of the Village of Mayville, Michigan'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, standards prescribed by the State Treasurer, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mayville, Michigan, as of March 31, 2008, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America and with applicable rules and regulations of the State Treasurer.

4855 State Street | P.O. Box 6457 | Saginaw, Michigan 48608 | 989.790.3900 | Fax: 989.790.3155
526 West Genesee Street | Frankenmuth, Michigan 48734 | 989.652.6220 | Fax: 989.652.2245

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2008, on our consideration of the Village of Mayville, Michigan's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information (identified in the table of contents) are not a required part of the basic financial statements but is supplemental 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 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 the Village of Mayville, Michigan's basic financial statements. The other supplemental information have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Gardner, Provenzano, Schaeman & Thomas, P.C.

Certified Public Accountants

Overview of the Financial Statements

The Village of Mayville, Michigan's (the "Village") annual report consists of this analysis (management's discussion and analysis), government-wide financial statements, fund financial statements, notes to the financial statements, required supplemental information, and other supplemental information.

The adoption of Governmental Accounting Standards Board's (GASB) Statement No. 34, among other changes, adds government-wide financial statements, which were designed to provide a broad overview of the Village's finances. The government-wide statements are presented on a full accrual basis of accounting, with an emphasis on measuring all economic resources and not just current financial resources as measured in the individual fund statements. These statements make a distinction between governmental activities for example public safety and public works, and business-type activities such as the provision of water and sewer service.

As allowed by GASB 34 for phase three governments, the Village of Mayville did not recognize infrastructure assets retroactively.

One government-wide statement, the statement of net assets, presents information on all of the Village's assets and liabilities with the difference shown as net assets. Increases or decreases of net assets from period to period provide useful information on the direction of the Village's financial position over time.

The other government-wide statement, the statement of activities, provides information on how the government-wide net assets changed during the fiscal year. This statement provides information on income, expenses by function, and other increases or decreases in net assets.

Following the government-wide statements, individual fund financial statements are provided for the Village's major funds and financial information is provided for non-major funds. These statements are grouped into governmental funds, which account for the cost of providing governmental-type services and proprietary funds which account for business-type activities.

Reconciliations between the individual fund statements and the government-wide financial statements are provided following the individual fund statements. The differences are primarily related to inclusion of capital assets and recognition of certain receivables and long-term liabilities in the government-wide statement of net assets, which are not included in the fund balance sheets. Other differences relate to the timing of reporting capital outlays and debt principal repayment in the fund statements and the timing of the recognition of certain revenues and expenditures such as lease proceeds and accrued interest in the individual fund statements versus the government-wide statements.

Financial Position and Results of Operation for the Village as a Whole

Net assets may serve over time as a useful indicator of a government's financial position.

Investment in capital assets represents the cost of the assets, net of depreciation (e.g. land, building, machinery and equipment); less any related debt used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently these assets are not available for future spending.

Management believes the negative balance in investment in capital assets – net of related debt is mainly due to the Village not retroactively recognizing infrastructure assets.

In a condensed format, the table below shows the net assets as of March 31, 2008 and 2007.

	Government Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Assets						
Current assets	$ 481,130	$ 352,938	$ 642,642	$ 351,344	$ 1,123,772	$ 704,282
Noncurrent assets	306,258	314,379	2,257,803	1,502,924	2,564,061	1,817,303
Total Assets	$ 787,388	$ 667,317	$ 2,900,445	$ 1,854,268	$ 3,687,833	$ 667,317
Liabilities						
Current liabilities	$ 15,358	$ 28,801	$ 128,943	$ 61,816	$ 144,301	$ 90,617
Long-term liabilities	1,195,930	1,227,835	1,302,000	515,000	2,497,930	1,742,835
Total Liabilities	1,211,288	1,256,636	1,430,943	576,816	2,642,231	1,256,636
Net Assets						
Investment in capital assets-net of related debt	(885,742)	(910,561)	905,803	937,924	20,061	27,363
Restricted for debt service	-	-	50,000	50,000	50,000	50,000
Unrestricted	461,842	321,242	513,699	289,528	975,541	610,770
Total Net assets	$ (423,900)	$ (589,319)	$ 1,469,502	$ 1,277,452	$ 1,045,602	$ 688,133

Financial Position and Results of Operation for the Village as a Whole (cont.)

The table below presents the change in net assets for the years ended March 31, 2008 and 2007.

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program revenue						
Charges for services	$ 188,502	$ 173,056	$ 236,608	$ 223,337	$ 425,110	$ 396,393
Operating grants and contributions	152,157	33,556	150,000	-	302,157	33,556
General revenue						
Property taxes	247,164	221,192	-	-	247,164	221,192
State shared revenue	198,165	209,422	-	-	198,165	209,422
County shared revenue	26,073	23,313	-	-	26,073	23,313
Unrestricted investment earnings	6,187	4,233	14,904	14,351	21,091	18,584
Gain (loss) on sale of capital assets	-	1,080	-	-	-	1,080
Other revenues	10,892	25,040	-	-	10,892	25,040
Total Revenues	829,140	690,892	401,512	237,688	1,230,652	928,580
Program Expenses						
General government	80,466	118,341	-	-	80,466	118,341
Public safety	203,758	206,265	-	-	203,758	206,265
Highways and Streets	122,223	110,725	-	-	122,223	110,725
Public works	150,673	150,917	-	-	150,673	150,917
Recreation and culture	11,341	14,811	-	-	11,341	14,811
Economic development-DDA	34,468	4,585	-	-	34,468	4,585
Interest on long term debt	60,792	56,789	-	-	60,792	56,789
Water and sewer	-	-	209,462	219,078	209,462	219,078
Total Program Expenses	663,721	662,433	209,462	219,078	873,182	881,511
Change in Net Assets	165,419	28,459	192,050	18,610	357,469	47,069
Net Assets-Beginning	(589,319)	(617,778)	1,277,452	1,258,842	688,133	641,064
Net Assets-Ending	$ (423,900)	$ (589,319)	$ 1,469,502	$ 1,277,452	$ 1,045,602	$ 688,133

Governmental Activities

The Governmental activities of the Village had an increase of $169,419 in net assets. This increase was attributed to the Village reducing the overall expenditure level below the anticipated reduction of State shared revenues and significant contributions.

Business-type Activities

The Village operates a water department and a sewer treatment facility. These departments operate from fees charged to the Village residents. Rates for these services are set to provide operations, maintenance, and payment of bond requirements. The water fund was able to achieve a positive change in net assets this fiscal year from an increase in water usage. In addition, the Village

Financial Position and Results of Operation for the Village as a Whole (cont.)

Business-type Activities

received a $150,000 grant from the state for the Arsenic Project. The entire $150,000 was spent and added to capital assets as construction in progress. However, since the Arsenic Project was not completed at year end, no offsetting depreciation was expensed for that project. The sewer fund had a decrease in net assets of $3,059 due to the upgrade of the computer software and additional repairs and maintenance on the pump station.

Analysis of Individual Funds

The general fund had an increase in fund balance in the amount of $143,813 due to several factors. A contribution of $100,000 was received for the purchase of a fire truck but not expended in the current fiscal year. Health insurance expenditures were down from the previous year due a change in the plan and two Village positions vacant for part of the year. Finally, capital outlay expenditures budgeted were not purchased during the year.

Both the major street fund and the local street fund were impacted by heavy snow fall this past winter. Costs in the snow and ice removal were higher than the previous year in both funds. The result was a decrease in fund balance in the major street fund of $1,236 and a small increase in the local street fund of $1,044.

The DDA's fund balance increased $7,871. Revenue was approximately $25,000 higher than the previous year due to a grant for façade projects and increased property tax revenue as a result of rising taxable property values in the DDA district. Expenditures were also higher than the previous year by approximately $30,000 also due to the facade projects.

The debt service fund balance increased by $15,815. This fund is used to accumulate funds to pay the storm sewer debt.

General Operating Fund Budget Highlights

The original general fund budget was prepared based on actual results from the previous fiscal year.

The significant variances between the first and final budget are as follows:

Revenue

- Two significant contributions were made to the Village after the first budget had been adopted. A $100,000 contribution was given to purchase a fire truck. A $6,600 contribution was received from the Friends of Bodeis Park Committee to purchase playground equipment.

Expenditures

- The budget for general government expenditures was decreased by $21,528 due to the Village Manager position being vacant for part of the year.
- The budget for public safety was increased to accommodate an expected increase in salaries and benefits.

The significant variances between the final budget and actual results are as follows:

Revenue

- There were no significant variances in revenue.

Expenditures

- General government expenditures were $11,468 less than budgeted. This variance was mostly due to a change in the health insurance plan to reduce costs. The final budget did not take these savings into consideration.
- The variance in public safety of $11,909 is also due to the change in health insurance and due to a position vacant for part of the year.
- The variance in the capital outlay was simply due to lack of purchases.

Capital Asset and Debt Administration

The Village's investment in capital assets for its governmental and business-type activities as of March 31, 2008 amounted to $2,514,061 (net of depreciation), which is an increase of $746,758 or 4.2%. At the end of the current fiscal year, the Village had $2,497,930 in outstanding debt.

Significant capital outlay occurred in the water fund in the amount of $810,571 for the arsenic treatment project.

In the fiscal year 2008-2009, the Village plans to purchase a fire truck. At this time, it is anticipated that part of that purchase will be financed and therefore additional debt will be incurred.

More detailed information about capital assets and long-term debt is in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

Management is not aware of any currently known facts, decisions, or conditions expected to have a significant effect on next year.

Contacting the Village's Financial Management

This financial report is designed to provide accountability of our stewardship of the resources provided by our citizens, taxpayers, and customers and to provide financial information to the Village's investors and creditors. If you have any questions about this report or need additional financial information, contact the Village Clerk, P.O. Box 249, 297 E. Ohmer Road, Mayville, Michigan 48744-0249.

VILLAGE OF MAYVILLE
STATEMENT OF NET ASSETS
MARCH 31, 2008

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets			
Cash and investments	$ 377,261	$ 417,266	$ 794,527
Accounts receivable	4,210	101,228	105,438
Due from other funds	27,764	45,487	73,251
Due from other governmental units	62,156	76,406	138,562
Prepaid expenses	9,739	2,255	11,994
Total Current Assets	481,130	642,642	1,123,772
Noncurrent Assets			
Restricted assets-investment	-	50,000	50,000
Net capital assets	306,258	2,207,803	2,514,061
Total Noncurrent Assets	306,258	2,257,803	2,564,061
Total Assets	787,388	2,900,445	3,687,833
LIABILITIES			
Current Liabilities			
Accounts payable	11,969	55,692	67,661
Accrued expenses	3,389	-	3,389
Due to other funds	-	73,251	73,251
Total Current Liabilities	15,358	128,943	144,301
Noncurrent liabilities			
Due within one year	19,000	17,000	36,000
Due in more than one year	1,176,930	1,285,000	2,461,930
Total Noncurrent Liabilities	1,195,930	1,302,000	2,497,930
Total Liabilities	1,211,288	1,430,943	2,642,231
NET ASSETS			
Invested in capital assets, net of related debt	(885,742)	905,803	20,061
Restricted for debt service	-	50,000	50,000
Unrestricted	461,842	513,699	975,541
Total Net Assets	$ (423,900)	$ 1,469,502	$ 1,045,602

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

VILLAGE OF MAYVILLE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
					Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General Government	$ 80,466	$ -	$ 716	$ -	$ (79,750)	$ -	$ (79,750)
Public Safety	203,758	21,578	134,560	-	(47,620)	-	(47,620)
Highways & Streets	122,223	-	-	-	(122,223)	-	(122,223)
Public works	150,673	165,924	-	-	15,251	-	15,251
Recreation and culture	11,341	-	6,600	-	(4,741)	-	(4,741)
Economic Development - DDA	34,468	1,000	10,281	-	(23,187)	-	(23,187)
Interest on Long Term Debt	60,792	-	-	-	(60,792)	-	(60,792)
Total governmental activities	663,721	188,502	152,157	-	(323,062)	-	(323,062)
Business-type Activities:							
Sewer Fund	79,410	66,599	-	-	-	(12,811)	(12,811)
Water Fund	130,052	170,009	-	150,000	-	189,957	189,957
Total business-type activities	209,462	236,608	-	150,000	-	177,146	177,146
Total primary government	$ 873,183	$ 425,110	$ 152,157	$ 150,000	(323,062)	177,146	(145,916)
			General Revenues:				
			Property Taxes		247,164	-	247,164
			State Shared Revenue		198,165	-	198,165
			County Shared Revenue		26,073	-	26,073
			Unrestricted investment		6,187	14,904	21,091
			Other Revenues		10,892	-	10,892
			Total general revenues		488,481	14,904	503,385
			Change in net assets		165,419	192,050	357,469
			Net assets - beginning		(589,319)	1,277,452	688,133
			Net assets - ending		$ (423,900)	$ 1,469,502	$ 1,045,602

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

VILLAGE OF MAYVILLE
GOVERNMENTAL FUNDS BALANCE SHEET
MARCH 31, 2008

	Major Funds			Non-major Fund		
	General	Major Street	Debt Service	DDA Fund	Local Street	Total Governmental Funds
Assets						
Cash and investments	$ 165,685	$ 25,583	$ 140,194	$ 41,373	$ 4,426	$ 377,261
Receivables						
Accounts	4,210	-	-	-	-	4,210
Due from other funds	24,284	2,860	13,677	-	2,860	43,681
Due from other governmental units	22,396	27,022	-	-	12,738	62,156
Prepaids	8,697	574	-	-	468	9,739
Total	$ 225,272	$ 56,039	$ 153,871	$ 41,373	$ 20,492	$ 497,047
Liabilities						
Liabilities						
Accounts payable	$ 11,969	$ -	$ -	$ -	$ -	$ 11,969
Accruals	3,389	-	-	-	-	3,389
Due to other funds	-	5,382	5,720	-	4,815	15,917
Total Liabilities	15,358	5,382	5,720	-	4,815	31,275
Fund Balances						
Reserved for:						
Debt retirement	-	-	148,151	-	-	148,151
Designated						
Fire truck	100,000	-	-	-	-	100,000
Prepaid expenditures	8,697	574	-	-	468	9,739
Unreserved	101,217	50,083	-	41,373	15,209	207,882
Total Fund Equity	209,914	50,657	148,151	41,373	15,677	465,772
Total Liabilities and Fund Equity	$ 225,272	$ 56,039	$ 153,871	$ 41,373	$ 20,492	$ 497,047

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

VILLAGE OF MAYVILLE
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
MARCH 31, 2008

Fund balances of governmental funds	$	465,772
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources; and therefore, are not reported in the funds.		
Cost of the capital assets		1,008,683
Accumulated depreciation		(702,425)
Long-term liabilities, including bonds payable, are not due and payable in the current period; and therefore, are not reported in the funds.		
Contract payable		(1,192,000)
Compensated absences		(3,930)
Net assets of governmental activities	$	(423,900)

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

VILLAGE OF MAYVILLE
GOVERNMENTAL FUNDS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2008

	Major Funds			Non-major Fund		
	General	Major Street	Debt Service	DDA	Local Street	Total Governmental Funds
Revenue						
Taxes	$ 167,640	$ 17,637	$ -	$ 44,250	$ 17,637	$ 247,164
Licenses and permits	810	-	-	-	-	810
Grants	716	-	-	-	-	716
Intergovernmental	148,135	72,304	-	-	31,923	252,362
Charges for services	132,795	-	54,708	-	-	187,503
Fines and forfeits	5,625	-	-	-	-	5,625
Other revenues	119,704	-	3,833	11,423	-	134,960
Total Revenue	575,425	89,941	58,541	55,673	49,560	829,140
Expenditures						
General government	75,754	-	-	-	-	75,754
Public safety	183,105	-	-	-	-	183,105
Highways and streets	17,804	63,540	-	-	40,879	122,223
Sanitation	43,850	-	-	-	-	43,850
Village Property, Other	92,462	-	-	-	-	92,462
Parks	9,639	-	-	-	-	9,639
Other	-	-	-	34,468	-	34,468
Capital outlay	6,600	-	-	-	-	6,600
Debt service	15,732	-	78,000	-	-	93,732
Total Expenditures	444,946	63,540	78,000	34,468	40,879	661,833
Excess (Deficiency) of Revenues over Expenditures	130,479	26,401	(19,459)	21,205	8,681	167,307
Other Financing Sources (Uses)						
Operating transfers in	-	-	35,274	-	10,000	45,274
Operating transfers (out)	13,334	(27,637)	-	(13,334)	(17,637)	(45,274)
Total Other Financing Sources (Uses)	13,334	(27,637)	35,274	(13,334)	(7,637)	-
Excess (deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	143,813	(1,236)	15,815	7,871	1,044	167,307
Fund Balances, Beginning	66,101	51,893	132,336	33,502	14,633	298,465
Fund Balances, Ending	$ 209,914	$ 50,657	$ 148,151	$ 41,373	$ 15,677	$ 465,772

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

VILLAGE OF MAYVILLE
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

Net change in fund balances --total governmental funds	$	167,307
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay 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.		
Depreciation expense		(40,393)
Capital outlay		6,600
Repayments of principal on capital leases and contracts payable are expenditures in governmental funds, but the payments reduce-long-term liabilities in the statement of activities		
Repayment of contract principal		18,000
Repayment of capital lease principal		14,940
Expenses are recorded as incurred in the statement of activities		
Compensated absences		(1,035)
Change in net assets of governmental activities	$	165,419

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

VILLAGE OF MAYVILLE
PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
MARCH 31, 2008

	Sewer	Water	Total
Assets			
Cash and investments	$161,851	$ 255,415	$ 417,266
Accounts receivable	101,228	-	101,228
Due from other governments	-	76,406	76,406
Due from other funds	-	45,487	45,487
Prepaids	1,205	1,050	2,255
Restricted assets Investment	-	50,000	50,000
Fixed assets, net of accumulated depreciation	503,564	1,704,239	2,207,803
Total Assets	$767,848	$2,132,597	$2,900,445
Liabilities and Net Assets			
Current liabilities			
Accounts payable	$ 140	$ 55,552	$ 55,692
Due to other funds	71,449	1,802	73,251
Current portion of noncurrent liabilities	-	17,000	17,000
Total Current Liabilities	71,589	74,354	145,943
Noncurrent Liabilities			
Revenue bonds (net of current portion)	-	1,285,000	1,285,000
Total Liabilities	71,589	1,359,354	1,430,943
Net Assets			
Investment in capital assets- net of related debt	503,564	402,239	905,803
Restricted for debt service	-	50,000	50,000
Unrestricted	192,695	321,004	513,699
Total Net Assets	696,259	773,243	1,469,502
Total Liabilities and Net Assets	$767,848	$2,132,597	$2,900,445

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

VILLAGE OF MAYVILLE
PROPRIETARY FUNDS
STATEMENT OF REVENUE, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2008

	Sewer	Water	Total
Operating Revenues			
Charges for services	$ 66,599	$ 170,009	$ 236,608
Total Operating Revenues	66,599	170,009	236,608
Operating Expenses			
Personal services	16,787	26,979	43,766
Contractual services	6,142	4,273	10,415
Supplies	4,068	6,964	11,032
Utilities	1,590	10,325	11,915
Depreciation	29,428	31,844	61,272
Insurance	2,866	2,764	5,630
Licenses	-	2,961	2,961
Dues	793	930	1,722
Miscellaneous	13,846	16,845	30,691
Equipment rental	3,890	6,962	10,853
Total Operating Expenses	79,410	110,847	190,257
Operating Income (Loss)	(12,811)	59,162	46,351
Non-operating Revenues (Expenses)			
Governmental grant	-	150,000	150,000
Interest revenue	9,752	5,152	14,904
Interest and fiscal charges	-	(19,205)	(19,205)
Total Non-operating Revenues (Expenses)	9,752	135,947	145,699
Change in Net Assets	(3,059)	195,109	192,050
Net assets, beginning of year	699,318	578,134	1,277,452
Net assets, end of year	$ 696,259	$ 773,243	$ 1,469,502

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

VILLAGE OF MAYVILLE
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2008

	Sewer Fund	Water Fund	Enterprise Totals
Cash Flows From Operating Activities			
Receipts from customers	$ 52,971	$ 170,009	$ 222,980
Payments to suppliers	(19,487)	(7,003)	(26,490)
Payments to employees	(16,787)	(26,979)	(43,766)
Net cash provided by (used in) operating activities	16,697	136,027	152,724
Cash Flows from Capital and Related Financing Activities			
Purchase of capital assets	-	(816,151)	(816,151)
Proceeds from bonds	-	1,302,000	1,302,000
Principal payments	-	(515,000)	(515,000)
Interest paid	-	(19,205)	(19,205)
Governmental grant	-	73,594	73,594
Net cash (provided by) capital and related financing activities	-	25,238	25,238
Cash Flows from Investing Activities			
Interest received	9,752	5,152	14,904
Net cash provided by (used in) investing activities	9,752	5,152	14,904
Net Increase (Decrease) in Cash and cash equivalents	26,449	166,417	192,866
Cash and cash equivalents - Beginning of year	135,402	138,998	274,400
Cash and cash equivalents - End of year	$ 161,851	$ 305,415	$ 467,266
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities			
Operating Income (Loss)	$ (12,811)	$ 59,162	$ 46,350
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	29,428	31,844	61,273
Changes in assets and liabilities			
Receivables	(13,628)	-	(13,628)
Due from other funds	-	(6,143)	(6,143)
Prepaid expense	(1,205)	(1,050)	(2,255)
Accounts payable	(1,998)	53,837	51,839
Due to other funds	16,911	(1,623)	15,288
Net Cash provided by (used in) operating activities	$ 16,697	$ 136,027	$ 152,724

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

NOTE 1--Summary of Significant Accounting Policies

The Village of Mayville, located in Tuscola County, Michigan, was incorporated as a general law village under the provisions of Act 3 of 1895, as amended. The Village operates under elected Village Council to provide municipal services to approximately 1,055 residents.

The criteria established by the National Council on Governmental Accounting (NCGA) for determining the various governmental organizations to be included in the reporting entity's financial statements include oversight responsibility, scope of public service, and special financial relationships. On this basis, the financial statements of certain other governmental organizations are not included in the financial statements of the Village. Educational services are provided through a local school district, which is a separate governmental entity, and therefore, it is not represented in the financial statements included herein. In addition, this report does not include the financial statements of the Mayville Public Library or Mayville Area Ambulance Service, which operate autonomously under intergovernmental service agreements.

The financial statements of the Village of Mayville are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Village reporting entity applies all relevant Government Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the governmental and business-type activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds.

NOTE 1--Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village 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 and expenditures relating to compensated absences are recorded only when payment is due.

Property taxes and State-shared revenues are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

A fund is defined as a fiscal and accounting entity with self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The Village uses the following fund types:

Governmental Funds

General Fund–The General Fund is the general operating fund of the Village. It is used to account for all financial resources, except those required to use another fund.

Special Revenue Funds--Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds–Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

NOTE 1--Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(continued)

Proprietary Funds

Enterprise Funds–Enterprise Funds report operations that provide services to citizens financed primarily by a user charge or activities where the periodic measurement of net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Village's governmental and proprietary funds. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relates to charges to customers for sales and services.

Operating expenses for proprietary funds include the cost of source of supply, transmission and distribution maintenance, and administrative and general expenses, including depreciation and capital assets.

All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash

Cash includes cash on hand and demand deposits. For the purpose of cash flows, the Village considers all short-term debt securities purchased with maturity of three months or less to be cash equivalents.

Investments

Investments include certificates of deposit and are stated at fair value.

NOTE 1–Summary of Significant Accounting Policies (continued)

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

Receivables

Receivables consist of all revenues earned at year-end but not yet received. Outstanding balances between funds are reported as "due to/from other funds".

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

Inventories

Inventories, which are immaterial in amount, are not recognized as an asset in the Enterprise Funds. Supplies, which are also immaterial in amount, are treated as expenditures at the time of purchase in the Governmental Fund types.

Prepaid

Prepaid amounts consist of payments for which the Village will have a future benefit and will be used up at a date beyond the current year-end.

Capital Assets and Depreciation

Capital assets purchased or acquired with an original cost of $1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized.

Other costs incurred for repairs and maintenance are expensed as incurred. The Village owns infrastructure assets such as water and sewer systems and roads and sidewalks. Depreciation on all assets is provided on the straight-line method over the following estimated useful lives:

Equipment and other	3-10 years
Vehicles	6 years
Buildings	50 years
Water and sewer mains	30-50 years
Water Towers	50 years
Water Meters	10 years
Other equipment	5-12 years
Infrastructure	5-50 years

The Village elected not to retroactively report some infrastructure assets, which is allowable under the provisions of GASB 34.

NOTE 1--Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(continued)

Accounts Payable

Accounts payable consist of items from which the Village benefited during the current fiscal year but has not yet paid.

Accrued Compensated Absences

Accumulated and unused sick leave at year end is recognized as a liability of the respective funds in which each employee's wages are reported. The liability is calculated based upon various labor terms. Total accrued sick leave at March 31, 2008, was $3,930.

Deferred Revenue

Deferred revenue represents amounts for which the Village has received or is due to receive but has not yet earned. The revenues are deferred until the proceeds have been fully expensed/expended.

Long-term Obligations

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

Inter-fund Activity

Inter-fund activity is reported as payables and transfers.

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.

Property Taxes

Property taxes are levied each July 1 on property located within the Village based on state equalized valuation. Real property taxes not collected by October 1 are turned over to Tuscola County for collection. The county reimburses the Village 100% for the delinquent real property taxes.

NOTE 1–Summary of Significant Accounting Policies (continued)

Property Taxes (continued)

For the year ended March 31, 2008, the Village assessed mills adjusted for Headlee rollback as follows: general operation 10.5055 and streets 2.2257, as adjusted by Public Act 5 of 1982 based on taxable valuation of $18,237,845. The Downtown Development Authority captures property taxes based on taxable value increases in the district determined from the base year.

NOTE 2--Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

The Village employs the following procedures in establishing budgetary data reflected in the financial statements:

a. Prior to April 1 of each year, the Village Manager submits a budget for the ensuing fiscal year to the Council for review and possible revision.
b. Prior to April 1 of each year, a public hearing is conducted to obtain taxpayers' comments.
c. Prior to April 1 of each year, the budget is approved.
d. Budget amounts as originally adopted are amended by the Village Council as necessary throughout the year.

NOTE 3--Cash and Investments

The Village is authorized by the State of Michigan to deposit its funds in banks, savings and loan associations, or credit unions having a principal office in Michigan. The Village is also authorized to invest in direct bonds and obligations of the U.S. or agency or instrumentality, CDs, savings accounts with banks, savings and loan associations, or credit unions which are insured with the applicable federal agency, commercial paper – within three highest rate classifications by at least two rating services, maturing not later than 270 days after the date of purchase. Not more than 50% of any fund may be invested in commercial paper at any time, U.S. or agency repurchase agreements, bankers' acceptance of U.S. banks, and mutual funds – investments which local unit can make directly.

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

The FDIC insures up to $100,000 per demand deposit and $100,000 in time deposits. The Village of Mayville has assigned custodial responsibility to various Trustees in such a way that all deposits of the Village of Mayville are insured.

NOTE 3--Cash and Investments (continued)

Investments consist of certificates of deposit. A summary of cash and investments follow:

	Insured	Collateralized	Uninsured Uncollateralized	Total
Governmental Activities				
Cash	$ 179,919	$ -	$ -	$ 179,919
Investments	202,749	-	-	202,749
Business-type Activities				
Cash	301,416	-	-	301,416
Investments	179,000	-	-	179,000
Total Deposits & Investments	$ 863,084	$ -	$ -	$ 863,084

NOTE 4--Interfund Receivables and Payables

The composition of inter-fund balances as of March 31, 2008, is as follows:

	Receivable		Payable	
General	$ 5,382	Major Street	$ 5,382	
	4,815	Local Street	4,815	
	12,285	Sewer	12,285	
	1,802	Water	1,802	
	24,284		24,284	
Water	45,487	Sewer	45,487	
Storm Sewer	13,677	Sewer	13,677	
	59,164		59,164	
Major Street	2,860	Storm sewer	2,860	
Local Street	2,860	Storm sewer	2,860	
	5,720		5,720	
	$ 77,728		$ 77,728	

The outstanding balances between funds results mainly from the time lag between 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.

The composition of inter-fund transfers as of March 31, 2008 is as follows:

Transfers To	Transfers From	
Local Street	Major Street	$ 10,000
Debt Service	Major Street	17,637
Debt Service	Local Street	17,637
General Fund	DDA	13,334
	Total	$ 58,608

NOTE 4--Interfund Receivables and Payables (continued)

The transfer from the major street to the local street is for the purpose of funding maintenance on local streets.

The transfers from the street funds to the debt service fund were to pay storm sewer debt service.

The transfer from the DDA to the general fund was to compensate for administrative costs.

NOTE 5--Capital Assets

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

	Beginning Balance	Additions	Disposals	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not subject to depreciation				
Land	$ 80,794	$ -	$ -	$ 80,794
Subtotal	80,794	-	-	80,794
Capital assets subject to depreciation				
Land Improvements	26,379	-	-	26,379
Buildings	173,493	-	-	173,493
Equipment	254,112	-	-	254,112
Vehicles	467,305	6,600	-	473,905
Subtotal	921,289	6,600	-	927,889
Accumulated Depreciation	(662,032)	(40,393)	-	(702,425)
Depreciable assets, net	259,257	(33,793)	-	225,464
Net governmental capital assets	$ 340,051	$ (33,793)	$ -	$ 306,258

NOTE 5--Capital Assets (continued)

	Beginning Balance	Additions	Disposals	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital assets not subject to depreciation				
Land	$ 30,500	$ -	$ -	$ 30,500
Construction in progress	41,298	810,571	-	851,869
Subtotal	71,798	810,571	-	882,369
Capital assets subject to depreciation				
Buildings	9,874	-	-	9,874
Water towers	256,409	-	-	256,409
Distribution systems	1,185,782	-	-	1,185,782
Collection systems	1,339,762	5,580	-	1,345,342
Machinery & equipment	18,413	-	-	18,413
Meters & boxes	52,944	-	-	52,944
Subtotal	2,863,184	5,580	-	2,868,764
Accumulated Depreciation	(1,482,058)	(61,272)	-	(1,543,330)
Depreciable assets, net	1,381,126	(55,692)	-	1,325,434
Net Business-type capital assets	$ 1,452,924	$ 754,879	$ -	$ 2,207,803

Depreciation expense was charged to the primary government as follows: general government $3,677, parks and recreation $1,702, public safety $20,653, public works $14,361, sewer $29,428 and water $31,844.

NOTE 6--Long-Term Debt

Long-term liabilities at March 31, 2008 consists of the following:

Types of Indebtedness	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at Year-End
Governmental Activities					
1996 Contract-Storm Water System	9/1/1996	5.125%	$18,000-74,000	$ 1,350,000	$ 1,191,000
2006 Contract-Ambulance building	1/6/2008	0.00%	$1,000-1,500	$ 2,500	$ 1,000
Business-type Activities					
Capital Improvement Bonds	8/7/2007	4%	$17,000-58,000	$ 17,120,000	$ 1,302,000

The 1981 issue for the water system was paid with proceeds from the capital improvement bonds. The amount available from the capital improvement bonds was $1,712,000. However, at March 31, 2008 only $1,302,000 had been drawn upon.

NOTE 6--Long-Term Debt (continued)

Changes in long-term debt are as follows:

	March 31, 2007	Additions	Retirements	March 31, 2008	Current Portion
Governmental Activities					
Accrued compensated absences	$ 2,895	$ 1,035	$ -	$ 3,930	$ -
Capital leases					
2005 Lease	6,725	-	6,725	-	-
2003 Lease	8,215	-	8,215	-	-
Contracts payable					
1996 Contract	1,209,000	-	18,000	1,191,000	19,000
2006 Contract	1,000	-	-	1,000	1,000
Total Governmental activities	$ 1,227,835	$ 1,035	$ 32,940	$ 1,195,930	$ 20,000
Business-type Activities					
Revenue Bonds: 1981 Issue	$ 515,000	$ -	$ 515,000	$ -	$ -
Capital Improvement bonds	-	1,302,000	-	1,302,000	17,000
	$ 515,000	$ 1,302,000	$ 515,000	$ 1,302,000	$ 17,000

Annual debt service requirements to maturity for the above governmental and business-type bonds and contracts are as follows:

Business-type Activities

Fiscal Year Ending	Principal	Interest	Total
2009	$ 17,000	$ 72,760	$ 89,760
2010	18,000	72,038	90,038
2011	18,000	71,272	89,272
2012	19,000	70,508	89,508
2013	20,000	49,700	69,700
2014-2018	115,000	334,902	449,902
2019-2023	140,000	308,338	448,338
2024-2028	172,000	275,996	447,996
2029-2033	212,000	236,216	448,216
2034-2038	261,000	187,212	448,212
2039-2043	310,000	111,818	421,818
Totals	$ 1,302,000	$ 1,790,760	$ 3,092,760

Governmental Activities

	Principal	Interest	Total
2009	$ 20,000	$ 60,552	$ 80,552
2010	20,000	59,553	79,553
2011	21,000	58,502	79,502
2012	22,000	57,400	79,400
2013	23,000	56,247	79,247
2014-2018	135,000	261,710	396,710
2019-2023	172,000	222,537	394,537
2024-2028	220,000	172,456	392,456
2029-2033	281,000	108,676	389,676
2034-2038	278,000	29,264	307,264
Compensated absences	3,930	-	3,930
	$ 1,195,930	$ 1,086,897	$ 2,282,827

For the year ended March 31, 2008, the total interest paid on debt was $60,792.

NOTE 7--Restricted Cash

The amount of $50,000 in the Enterprise Fund is restricted by a bond agreement.

NOTE 8--Risk Management

The Village is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village Council participates in the Michigan Municipal League Workers Compensation Fund Self Insurance Pool (SIP), a public entity risk pool currently operating as a common risk management program for public entities in the State of Michigan. The MML Workers' Compensation fund serves more than 800 cities, villages, townships, and other governmental agencies. The Village pays an annual premium to SIP for its worker's compensation coverage. The SIP is self-sustaining through member premiums.

In the event of unusually high claims, the SIP has the authority to bill the Village retroactively. The Village continues to carry commercial insurance for other risks of loss, including employee health and accident insurance.

NOTE 9--Storm Sewer Construction and Financing Contract

The Village of Mayville has entered into a contract with the County of Tuscola dated December 1, 1996, and amended January 1, 1999. The contract provides for the construction and financing of improvements to existing storm sewer systems of the Village of Mayville. It is the intent of the parties that the County of Tuscola issue bonds to pay the cost of construction of $1,350,000. The bonds, known as Tuscola County Limited Tax General Obligation Bonds (Village of Mayville Storm Water System), were issued April 18, 1999, and bear interest at the rate of 5.125%. Semi-annual payments sufficient to pay interest and principal will be made to the County of Tuscola from the Village of Mayville for a period of forty years or until such times as all bonds issued by the County to finance this project are paid in full.

NOTE 10--Defined Contribution Money Purchase Plan

The Village provides pension benefits for all eligible employees through the Village of Mayville's Money Purchase Plan. The Village contributes based upon contracts. Contributions for any year may not exceed the Internal Revenue Service's threshold.

During the year ended March 31, 2008, contributions of $10,223 were made on behalf of the covered employees. Employees contributed $1,862 to the plan.

NOTE 11--Prior Period Adjustment

During the year ended March 31, 2006, the DDA fund purchased property with the intent to resell that property. The property was recorded as an asset held as inventory for resale. During the year ended March 31, 2008, the DDA decided to keep the property, rent it out, and eventually demolish the building.

The effect of the change on DDA fund balance is as follows:

Fund balance as previously stated March 31, 2006	$ 28,019
Subtract: Expenditures for capital assets	(25,672)
Fund balance, restated, as of March 31, 2006	$ 2,347

NOTE 12--Designated Fund Balance

The designated fund balance in the general fund is for the purchase of a fire truck.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF MAYVILLE
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED MARCH 31, 2008

	Original Budget	Amended Budget	Revenue and Expenditures Actual
Revenues			
Taxes	$ 159,000	$ 161,920	$ 167,640
Licenses and permits	600	810	810
Grants	500	717	716
Intergovernmental	156,450	147,506	148,135
Charges for services	119,000	125,931	132,795
Fines and forfeits	5,000	5,152	5,625
Other revenues	15,350	114,537	119,704
Total Revenues	455,900	556,573	575,425
Expenditures			
General government	108,750	87,222	75,754
Public Safety	170,684	195,014	183,105
Highways and streets	19,000	19,000	17,804
Sanitation	44,000	44,000	43,850
Village Property, Other	86,751	95,975	92,462
Parks	7,920	10,370	9,639
Capital outlay	14,908	21,508	6,600
Debt service	8,641	8,641	15,732
Total Expenditures	460,654	481,730	444,946
Excess (Deficiency) of Revenues over Expenditures	(4,754)	74,843	130,479
Other Financing Sources (Uses)			
Operating Transfers In (Out)	20,000	6,667	13,334
Total Other Financing Sources (Uses)	20,000	6,667	13,334
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	15,246	81,510	143,813
Fund Balances, Beginning	66,101	66,101	66,101
Fund Balances, Ending	$ 81,347	$ 147,611	$ 209,914

See independent auditor's report.

VILLAGE OF MAYVILLE
MAJOR STREET FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED MARCH 31, 2008

	Original	Amended	Revenues and Expenditures Actual
Major Street Fund			
Revenues			
Taxes	$ 18,900	$ 20,498	$ 17,637
Intergovernmental	72,000	72,000	72,305
Total Revenues	90,900	92,498	89,942
Expenditures			
Highways and streets	84,470	69,887	63,540
Excess (Deficiency) of Revenues over Expenditures	6,430	22,611	26,402
Other Financing Sources (Uses)			
Operating Transfers In (Out)	-	(30,500)	(27,637)
Total Other Financing Sources (Uses)	-	(30,500)	(27,637)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	6,430	(7,889)	(1,235)
Fund Balances, Beginning	51,893	51,893	51,893
Fund Balances, Ending	$ 58,323	$ 44,004	$ 50,658

See independent auditor's report.

The debt service fund was determined to be a major fund within the governmental activities of the Village. As required by GASB Statement 34, governments should report budgetary comparison schedules for each major governmental fund that is required by law to adopt a budget. The Village of Mayville was not legally required to adopt a budget for the debt service fund, thus eliminating the requirement to present budgetary comparison information.

OTHER SUPPLEMENTAL INFORMATION

VILLAGE OF MAYVILLE
GENERAL FUND

Village of Mayville
General Fund
Comparative Balance Sheets
March 31, 2008 and 2007

Assets	2008	2007
Cash and investments	$ 165,685	$ 34,712
Accounts receivable	4,210	7,480
Due from other governmental units	22,396	23,069
Due from other funds	24,284	16,137
Prepaids	8,697	10,272
Total Assets	$ 225,272	$ 91,670
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$ 11,969	$ 8,689
Accruals	3,389	3,506
Deferred revenue	-	13,374
Total Liabilities	15,358	25,569
Fund Balance		
Reserved for prepaid expenditures	8,697	10,272
Designated	100,000	-
Undesignated	101,217	55,829
Total Fund Balance	209,914	66,101
Total Liabilities and Fund Balance	$ 225,272	$ 91,670

See independent auditor's report.

Village of Mayville
General Fund
Statement of Revenues - Budget and Actual
For the Year Ended March 31, 2008
(With Comparative Actual Amounts for the Year Ended March 31, 2007)

	2008			2007
	Budget	Actual	Over (Under) Budget	Actual
Revenues				
Property taxes	$ 161,920	$ 167,640	$ 5,720	$ 157,733
Licenses and permits	810	810	-	625
Community policing grant	717	716	(1)	379
Intergovernmental Revenues				
State revenue sharing	117,630	118,759	1,129	128,619
Liquor license	1,251	1,251	-	1,739
Fire protection contracts	28,625	28,125	(500)	27,375
Charges for Services				
Equipment rental	64,653	67,564	2,911	49,405
Garbage collection	44,000	43,653	(347)	43,793
Fire protection	17,278	21,578	4,300	25,150
Traffic Fines	5,152	5,625	473	4,816
Other Revenues				
Interest	990	2,212	1,222	697
Refunds	3,440	4,623	1,183	4,864
Miscellaneous	3,507	6,269	2,762	20,178
Contributions	106,600	106,600	-	-
Total Revenues	$ 556,573	$ 575,425	$ 18,852	$ 465,373

See independent auditor's report.

Village of Mayville
General Fund
Statement of Expenditures-Budget and Actual
For the Year Ended March 31, 2008
(With Comparative Actual Amounts for the Year Ended March 31, 2007)

	2008			2007
	Budget	Actual	Over (Under) Budget	Actual
Expenditures				
General Government				
Manager				
Salary	$ 5,500	$ 5,332	$ (168)	$ 20,250
Employee benefits	1,870	959	(911)	1,629
Payroll taxes	1,870	893	(977)	1,474
Education and training	1,500	1,530	30	1,253
Office supplies	1,600	838	(762)	1,183
Insurance	4,000	3,734	(266)	12,994
Telephone	450	238	(212)	778
Dues	100	-	(100)	444
Travel	50	15	(35)	2,102
Total Manager	16,940	13,539	(3,401)	42,107
Administration				
Salaries and wages	25,000	24,045	(955)	17,559
Employee benefits	3,000	2,820	(180)	1,728
Payroll taxes	2,750	2,394	(356)	2,312
Office supplies	3,650	3,230	(420)	7,317
Professional Services	6,067	5,985	(82)	7,566
Insurance	21,000	15,365	(5,635)	19,771
Membership dues	1,150	1,038	(112)	1,812
Elections	1,273	1,273	-	60
Ambulance	2,110	2,110	-	2,110
Planning and zoning	127	127	-	11,177
Miscellaneous	4,155	3,828	(327)	1,348
Total Administration	70,282	62,215	(8,067)	72,760
Public Safety				
Police Department				
Salaries and wages	77,700	76,133	(1,567)	67,836
Employee benefits	4,500	4,795	295	4,351
Payroll taxes	7,800	6,855	(945)	7,743
Supplies	2,600	2,475	(125)	2,326
Telephone	1,000	899	(101)	896
Insurance	24,000	13,527	(10,473)	16,731
Maintenance	1,050	1,300	250	8,561
Gas and oil	5,500	5,819	319	4,835
Miscellaneous	7,100	7,549	449	3,243
Total Police Department	131,250	119,352	(11,898)	116,522

See independent auditor's report.

Village of Mayville
General Fund
Statement of Expenditures-Budget and Actual
For the Year Ended March 31, 2008
(With Comparative Actual Amounts for the Year Ended March 31, 2007)

	2008			2007
	Budget	Actual	Over (Under) Budget	Actual
Fire Department				
Salaries and wages	$ 32,323	$ 32,123	$ (200)	$ 28,712
Supplies	3,600	4,890	1,290	4,611
Telephone	600	367	(233)	2,931
Insurance	9,000	6,708	(2,292)	7,867
Membership dues	425	125	(300)	300
Gas and oil	3,000	3,387	387	2,492
Repairs and maintenance	6,500	6,089	(411)	5,613
Utilities	3,000	3,884	884	5,012
Payroll taxes	2,276	2,276	-	2,024
Miscellaneous	3,040	3,904	864	2,098
Total Fire Department	63,764	63,753	(11)	61,660
Highways and Streets-Utilities	19,000	17,804	(1,196)	18,832
Sanitation Contracted Services	44,000	43,850	(150)	43,789
Village Property, Other				
Salaries and wages	5,025	4,836	(189)	5,574
Employee benefits	7,700	8,258	558	5,794
Insurance	28,000	17,548	(10,452)	27,647
Maintenance	400	109	(291)	28
Gas and oil	7,600	8,957	1,357	6,529
Maintenance, buildings	3,000	2,920	(80)	4,212
Maintenance, equipment	21,200	25,061	3,861	22,320
Utilities	4,400	5,494	1,094	5,207
Operating supplies	3,800	3,594	(206)	3,421
Telephone	2,200	2,346	146	1,740
Sidewalk repair	1,350	1,342	(8)	326
Storm sewer	3,000	2,943	(57)	3,235
Miscellaneous	8,300	9,054	754	6,735
Total Village Property, Other	95,975	92,462	(3,513)	92,768

See independent auditor's report.

Village of Mayville
General Fund
Statement of Expenditures-Budget and Actual
For the Year Ended March 31, 2008
(With Comparative Actual Amounts for the Year Ended March 31, 2007)

	2008			2007
	Budget	Actual	Over (Under) Budget	Actual
Parks				
Salaries and wages	$ 5,200	$ 4,761	$ (439)	$ 5,550
Supplies	2,600	2,530	(70)	5,357
Insurance	170	164	(6)	120
Utilities	1,600	1,391	(209)	1,805
Maintenance	800	793	(7)	689
Total Parks	10,370	9,639	(731)	13,521
Capital Outlay				
Police	8,508	-	(8,508)	-
Fire department	6,400	-	(6,400)	-
Parks	6,600	6,600	-	-
Total Capital Outlay	21,508	6,600	(14,908)	-
Debt Service				
Principal retirement	8,641	14,940	6,299	15,686
Interest	-	792	792	1,547
Total Debt Service	8,641	15,732	7,091	17,233
Total Expenditures	481,730	444,946	(36,784)	479,192
Excess (Deficiency) of Revenue over Expenditures	74,843	130,479	55,636	(13,819)
Other Financing Sources (Uses)				
Operating transfers (out)	-	-	-	(25,000)
Operating transfers in	6,667	13,334	6,667	20,000
Gain on sale of asset	-	-	-	26,080
Total Other Financing Sources (Uses)	6,667	13,334	6,667	21,080
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	81,510	143,813	62,303	7,261
Fund Balance, Beginning	66,101	66,101	-	58,840
Fund Balance, Ending	$ 147,611	$ 209,914	$ 62,303	$ 66,101

See independent auditor's report.

VILLAGE OF MAYVILLE
SPECIAL REVENUE FUNDS

Major Street Fund

Local Street Fund

DDA

Village of Mayville
Major Street Fund
Comparative Balance Sheets
March 31, 2008 and 2007

Assets	2008	2007
Cash	$ 25,583	$ 38,082
Due from other governmental units	27,022	25,464
Due from other funds	2,860	1,795
Prepaid insurance	574	-
Total Assets	$ 56,039	$ 65,341
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$ -	$ 1,533
Due to other funds	5,382	11,915
Total Liabilities	5,382	13,448
Fund Balance		
Reserved for prepaid expenditures	574	-
Fund balance	50,083	51,893
Total Fund Balance	50,657	51,893
Total Liabilities and Fund Balance	$ 56,039	$ 65,341

See independent auditor's report.

Village of Mayville
Major Street Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2008
(With Comparative Actual Amounts for the Year Ended March 31, 2007)

	2008			2007
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Taxes	$ 20,498	$ 17,637	$ (2,861)	$ 16,595
Intergovernmental				
State fuel tax	56,000	54,860	(1,140)	55,492
County road improvement	16,000	17,444	1,444	15,535
Total Revenue	92,498	89,941	(2,557)	87,622
Expenditures				
Preservation				
Salaries & wages	9,800	8,099	(1,701)	9,040
Materials & supplies	2,000	816	(1,184)	8,451
Equipment rental	17,000	16,297	(703)	14,071
Insurance	3,000	1,653	(1,347)	2,008
Traffic signs	300	-	(300)	-
Contracted services	300	-	(300)	817
Snow and ice removal				
Salaries & wages	7,000	6,208	(792)	2,893
Materials & supplies	6,500	7,531	1,031	3,962
Equipment rental	19,000	19,404	404	7,197
Administration				
Salaries & wages	4,200	2,965	(1,235)	5,048
Supplies	20	-	(20)	-
Equipment rental	200	-	(200)	8
Contracted services	567	567	-	450
Total Expenditures	69,887	63,540	(6,347)	53,945
Excess (Deficiency) of Revenues Over Expenditures	22,611	26,401	3,790	33,677
Other Financing Sources (Uses)				
Operating transfers out	(30,500)	(27,637)	2,863	(22,595)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	(7,889)	(1,236)	6,653	11,082
Fund Balance, Beginning	51,893	51,893	-	40,811
Fund Balance, Ending	$ 44,004	$ 50,657	$ 6,653	$ 51,893

See independent auditor's report.

Village of Mayville
Local Street Fund
Comparative Balance Sheets
March 31, 2008 and 2007

Assets	2008	2007
Cash	$ 4,426	$ 1,822
Due from other governmental units	12,738	11,995
Due from other funds	2,860	7,795
Prepaid insurance	468	-
Total Assets	$ 20,492	$ 21,612
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$ -	$ 1,699
Due to other funds	4,815	5,280
Total Liabilities	4,815	6,979
Fund Balance		
Reserved for prepaid expenditures	468	-
Fund balance	15,209	14,633
Total Fund Balance	15,677	14,633
Total Liabilities and Fund Balance	$ 20,492	$ 21,612

See independent auditor's report.

Village of Mayville
Local Street Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2008
(With Comparative Actual Totals for the Year Ended March 31, 2007)

	2008			2007
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Taxes	$ 20,497	$ 17,637	$ (2,860)	$ 16,595
Intergovernmental				
State fuel tax	24,000	23,295	(705)	23,572
County bridge tax	8,000	8,628	628	7,778
Total Revenue	52,497	49,560	(2,937)	47,945
Expenditures				
Preservation				
Salaries & wages	7,200	6,516	(684)	6,634
Materials & supplies	2,000	1,736	(264)	2,402
Equipment rental	16,000	15,916	(84)	14,020
Insurance	2,500	1,401	(1,099)	1,545
Traffic Signs	250	-	(250)	-
Contracted services	500	-	(500)	1,333
Snow and ice removal				
Salaries & wages	2,500	2,232	(268)	1,260
Materials & supplies	4,000	5,238	1,238	3,349
Equipment rental	5,100	5,096	(4)	3,326
Administration				
Salaries & wages	2,663	2,177	(486)	3,595
Equipment rental	34	-	(34)	34
Contracted services	567	567	-	450
Total Expenditures	43,314	40,879	(2,435)	37,948
Excess (Deficiency) of Revenues Over Expenditures	9,183	8,681	(502)	9,997
Other Financing Sources (Uses)				
Operating transfer in	10,000	10,000	-	6,000
Operating transfers (out)	(20,500)	(17,637)	2,863	(16,595)
Other Financing Sources (Uses)	(10,500)	(7,637)	2,863	(10,595)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	(1,317)	1,044	2,361	(598)
Fund Balance, Beginning	14,633	14,633	-	15,231
Fund Balance, Ending	$ 13,316	$ 15,677	$ 2,361	$ 14,633

See independent auditor's report.

Village of Mayville
DDA
Comparative Balance Sheets
March 31, 2008 and 2007

Assets	2008	2007
Cash and investments	$ 41,373	$ 23,356
Due from other governments	-	10,146
Total Assets	$ 41,373	$ 33,502
Fund Balance		
Fund balance	$ 41,373	$ 33,502
Total Fund Balance	$ 41,373	$ 33,502

See independent auditor's report.

Village of Mayville
DDA Fund
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2008
(With Comparative Actual Amounts for the Year Ended March 31, 2007)

	2008			2007
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Taxes	$ 42,936	$ 44,250	$ 1,314	$ 30,268
Fundraising	366	366	-	276
Interest	99	142	43	111
Donations	-	-	-	50
Rental income	300	1,000	700	-
Miscellaneous	35	9,915	9,880	35
Total Revenue	43,736	55,673	11,937	30,740
Expenditures				
Supplies	100	9	(91)	29
Projects	19,000	28,880	9,880	214
Special events	1,600	800	(800)	1,834
Training	788	25	(763)	788
Dues	100	100	-	100
Interest	-	-	-	231
Professional fees	160	422	262	252
Utilities	700	401	(299)	637
Miscellaneous	4,000	3,831	(169)	500
Total Expenditures	26,448	34,468	8,020	4,585
Excess (Deficiency) of Revenues Over Expenditures	17,288	21,205	3,917	26,155
Other Financing Sources (Uses)				
Operating transfer in	-	-	-	25,000
Operating transfers (out)	(6,667)	(13,334)	(6,667)	(20,000)
Other Financing Sources (Uses)	(6,667)	(13,334)	(6,667)	5,000
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	10,621	7,871	(2,750)	31,155
Fund Balance, Beginning	33,502	33,502	-	2,347
Fund Balance, Ending	$ 44,123	$ 41,373	$ (2,750)	$ 33,502

See independent auditor's report.

VILLAGE OF MAYVILLE
DEBT SERVICE FUND

Storm Sewer

Village of Mayville
Debt Service Fund
Comparative Balance Sheets
March 31, 2008 and 2007

Assets	2008	2007
Cash and investments	$ 140,194	$ 122,249
Due from other funds	13,677	13,677
Total Assets	$ 153,871	$ 135,926
Liabilities and Fund Balance		
Due to other funds	$ 5,720	$ 3,590
Fund Balance	148,151	132,336
Total Liabilities and Fund Balance	$ 153,871	$ 135,926

See independent auditor's report.

Village of Mayville
Debt Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Years Ended March 31, 2008 and 2007

	2008	2007
Revenue		
User fees	$ 54,708	$ 54,708
Interest	3,833	3,425
Total Revenue	58,541	58,133
Expenditures		
Debt Service		
Principal retirement	18,000	18,000
Interest and fiscal charges	60,000	60,900
Total Expenditures	78,000	78,900
Excess (Deficiency) of Revenues Over Expenditures	(19,459)	(20,767)
Other Financing Sources (Uses)		
Operating transfers in	35,274	33,190
Total Other Financing Sources (Uses)	35,274	33,190
Excess (Deficiency) of Revenue Over Expenditures and Other Financing Sources	15,815	12,423
Fund Balances, Beginning	132,336	119,913
Fund Balances, Ending	$ 148,151	$ 132,336

See independent auditor's report.

VILLAGE OF MAYVILLE
ENTERPRISE FUNDS

Sewer Fund

Water Fund

Village of Mayville
Enterprise Funds
Combining Statements of Net Assets
March 31, 2008
(With Comparative Totals at March 31, 2007)

	Sewer	Water	Total	2007
Assets				
Cash and investments	$ 161,851	$ 255,415	$ 417,266	$ 224,400
Accounts receivable	101,228	-	101,228	87,600
Due from other governments	-	76,406	76,406	-
Due from other funds	-	45,487	45,487	39,344
Prepaids	1,205	1,050	2,255	-
Restricted assets Investment	-	50,000	50,000	50,000
Fixed assets, net of accumulated depreciation	503,564	1,704,239	2,207,803	1,452,924
Total Assets	$ 767,848	$ 2,132,597	$ 2,900,445	$ 1,854,268
Liabilities and Net Assets				
Current liabilities				
Accounts payable	$ 140	$ 55,552	$ 55,692	$ 3,853
Due to other funds	71,449	1,802	73,251	57,963
Current portion of noncurrent liabilities	-	17,000	17,000	30,000
Total Current Liabilities	71,589	74,354	145,943	91,816
Noncurrent Liabilities				
Revenue bonds (net of current portion)	-	1,285,000	1,285,000	485,000
Total Liabilities	71,589	1,359,354	1,430,943	576,816
Net Assets				
Investment in capital assets- net of related debt	503,564	402,239	905,803	937,924
Restricted for debt service	-	50,000	50,000	50,000
Unrestricted	192,695	321,004	513,699	289,528
Total Net Assets	696,259	773,243	1,469,502	1,277,452
Total Liabilities and Net Assets	$ 767,848	$ 2,132,597	$ 2,900,445	$ 1,854,268

See independent auditor's report.

Village of Mayville
Enterprise Funds
Combining Statements of Revenues, Expenses and Changes in Net Assets
For the Year Ended March 31, 2008
(With Comparative Totals for the Year Ended March 31, 2007)

	Sewer	Water	Total	2007
Operating Revenues				
Charges for services	$ 66,599	$ 170,009	$ 236,608	$ 223,337
Total Operating Revenues	66,599	170,009	236,608	223,337
Operating Expenses				
Personal services	16,787	26,979	43,766	46,696
Contractual services	6,142	4,273	10,415	33,669
Supplies	4,068	6,964	11,032	4,526
Utilities	1,590	10,325	11,915	9,327
Depreciation	29,428	31,844	61,272	62,644
Insurance	2,866	2,764	5,630	9,845
Licenses	-	2,961	2,961	3,459
Dues	793	930	1,722	1,175
Miscellaneous	13,846	16,845	30,691	10,544
Equipment rental	3,890	6,962	10,853	10,818
Total Operating Expenses	79,410	110,847	190,257	192,703
Operating Income (Loss)	(12,811)	59,162	46,351	30,634
Non-operating Revenues (Expenses)				
Governmental grant	-	150,000	150,000	-
Interest revenue	9,752	5,152	14,904	14,351
Interest and fiscal charges	-	(19,205)	(19,205)	(26,375)
Total Non-operating Revenues (Expenses)	9,752	135,947	145,699	(12,024)
Change in Net Assets	(3,059)	195,109	192,050	18,610
Net assets, beginning of year	699,318	578,134	1,277,452	1,258,842
Net assets, end of year	$ 696,259	$ 773,243	$ 1,469,502	$ 1,277,452

See independent auditor's report.

Village of Mayville
Enterprise Funds
Combining Statements of Cash Flows
For the Year Ended March 31, 2008
(With Comparative Totals for March 31, 2007)

	Sewer	Water	Total	2007
Cash Flows From Operating Activities				
Increase (decrease) in Net Assets	$ (3,059)	$ 195,109	$ 192,050	$ 18,610
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	29,428	31,844	61,272	62,644
Decrease (increase) in				
Accounts receivable	(13,628)	-	(13,628)	(3,769)
Due from other governments	-	(76,406)	(76,406)	
Due from other funds	-	(6,143)	(6,143)	(5,769)
Prepaid expense	(1,205)	(1,050)	(2,255)	5,677
Increase (decrease) in				
Accounts payable	(1,998)	53,837	51,839	(2,319)
Due to other funds	16,911	(1,623)	15,288	(6,452)
Net Cash Provided by Operating Activities	26,449	195,568	222,017	68,622
Cash Flows From Investing Activities				
Purchased fixed assets	-	(816,151)	(816,151)	(37,697)
Net Cash Provided by Investing Activities	-	(816,151)	(816,151)	(37,697)
Cash Flows From Financing Activities				
Proceeds from bonds	-	1,302,000	1,302,000	-
Payment on bonds	-	(515,000)	(515,000)	(25,000)
Net Cash Provided by Financing Activities	-	787,000	787,000	(25,000)
Net Increase (Decrease) in Cash	26,449	166,417	192,866	5,925
Cash and Cash Equivalents, Beginning	135,402	138,998	274,400	268,475
Cash and Cash Equivalents, Ending	$ 161,851	$ 305,415	$ 467,266	$ 274,400

See independent auditor's report.

Village of Mayville
Schedule of Indebtedness
March 31, 2008

Governmental Activities

Contract Payable - Storm Sewer System Project

Interest Rate 5.125%

For the Fiscal Year Ending	Date of Issue	Amount of Issue	Annual Principal 1-Sep	Semiannual Interest Payment 1-Sep	1-Mar	Total Fiscal Year Requirement
	12/1/1996	$ 1,350,000				
2009			$ 19,000	$ 30,519	$ 30,033	$ 79,552
2010			20,000	30,033	29,520	79,553
2011			21,000	29,520	28,982	79,502
2012			22,000	28,982	28,418	79,400
2013			23,000	28,418	27,829	79,247
2014			24,000	27,829	27,214	79,043
2015			26,000	27,214	26,548	79,762
2016			27,000	26,548	25,856	79,404
2017			28,000	25,856	25,138	78,994
2018			30,000	25,138	24,369	79,507
2019			31,000	24,369	23,575	78,944
2020			33,000	23,575	22,729	79,304
2021			34,000	22,729	21,858	78,587
2022			36,000	21,858	20,936	78,794
2023			38,000	20,936	19,962	78,898
2024			40,000	19,962	18,937	78,899
2025			42,000	18,937	17,861	78,798
2026			44,000	17,861	16,733	78,594
2027			46,000	16,733	15,554	78,287
2028			48,000	15,554	14,324	77,878
2029			51,000	14,324	13,018	78,342
2030			53,000	13,018	11,659	77,677
2031			56,000	11,659	10,224	77,883
2032			59,000	10,224	8,713	77,937
2033			62,000	8,713	7,124	77,837
2034			65,000	7,124	5,458	77,582
2035			68,000	5,458	3,716	77,174
2036			71,000	3,716	1,896	76,612
2037			74,000	1,896	-	75,896
			$ 1,191,000	$ 558,703	$ 528,184	$ 2,277,887

Leases and Other Contracts

	Rate	Year Ended	Principal	Interest	Total Fiscal Year Requirement
Building	0.00%	2008	$ 1,000	$ -	$ 1,000
			$ 1,000	$ -	$ 1,000

See independent auditor's report.

Village of Mayville
Schedule of Indebtedness
March 31, 2008

Business-type Activities
General Obligation Bonds-2007 Capital Improvement Bonds
Interest Rate 4.25%
Amount Drawn upon at March 31, 2008: $1,302,000

For the Fiscal Year Ending	Date of Issue	Amount of Issue	Annual Principal 1-Jun	Semiannual Interest Payment 1-Jun	Semiannual Interest Payment 1-Dec	Total Fiscal Year Requirement
	8/7/2007	$ 1,712,000				
2009			$ 17,000	$ 36,380	$ 36,380	$ 89,760
2010			18,000	36,019	36,019	90,038
2011			18,000	35,636	35,636	89,272
2012			19,000	35,254	35,254	89,508
2013			20,000	24,850	24,850	69,700
2014			21,000	34,425	34,425	89,850
2015			22,000	33,979	33,979	89,958
2016			23,000	33,511	33,511	90,022
2017			24,000	33,023	33,023	90,046
2018			25,000	32,513	32,513	90,026
2019			26,000	31,981	31,981	89,962
2020			27,000	31,429	31,429	89,858
2021			28,000	30,855	30,855	89,710
2022			29,000	30,260	30,260	89,520
2023			30,000	29,644	29,644	89,288
2024			32,000	29,006	29,006	90,012
2025			33,000	28,326	28,326	89,652
2026			34,000	27,625	27,625	89,250
2027			36,000	26,903	26,903	89,806
2028			37,000	26,138	26,138	89,276
2029			39,000	25,351	25,351	89,702
2030			41,000	24,523	24,523	90,046
2031			42,000	23,651	23,651	89,302
2032			44,000	22,759	22,759	89,518
2033			46,000	21,824	21,824	89,648
2034			48,000	20,846	20,846	89,692
2035			50,000	19,826	19,826	89,652
2036			52,000	18,764	18,764	89,528
2037			54,000	17,659	17,659	89,318
2038			57,000	16,511	16,511	90,022
2039			59,000	15,300	15,300	89,600
2040			62,000	14,046	14,046	90,092
2041			64,000	12,729	12,729	89,458
2042			67,000	11,369	11,369	89,738
2043			58,000	2,465	2,465	62,930
			$ 1,302,000	$ 895,380	$ 895,380	$ 3,092,760

Gardner | Provenzano
Schauman & Thomas

CERTIFIED PUBLIC ACCOUNTANTS

Frederick C. Gardner
Giacomo Provenzano
James R. Schauman
Heather A. Thomas

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

May 27, 2008

Members of the Village Council
Village of Mayville, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mayville as of and for the year ended March 31, 2008, and have issued our report thereon dated May 27, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village of Mayville's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of Mayville's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Village of Mayville's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Village of Mayville's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Village of Mayville's financial statements that is more than inconsequential will not be prevented or detected by Village of Mayville's internal control.

4855 State Street | P.O. Box 6457 | Saginaw, Michigan 48608 | 989.790.3900 | Fax: 989.790.3155
526 West Genesee Street | Frankenmuth, Michigan 48734 | 989.652.6220 | Fax: 989.652.2245

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 Village of Mayville's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we considered to be a material weakness as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Mayville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and the Village Council and is not intended and should not be used by anyone other than these specified parties.

Gardner, Provenzano, Schaunaman & Thomas, P.C.

Certified Public Accountants