

# Northfield Township

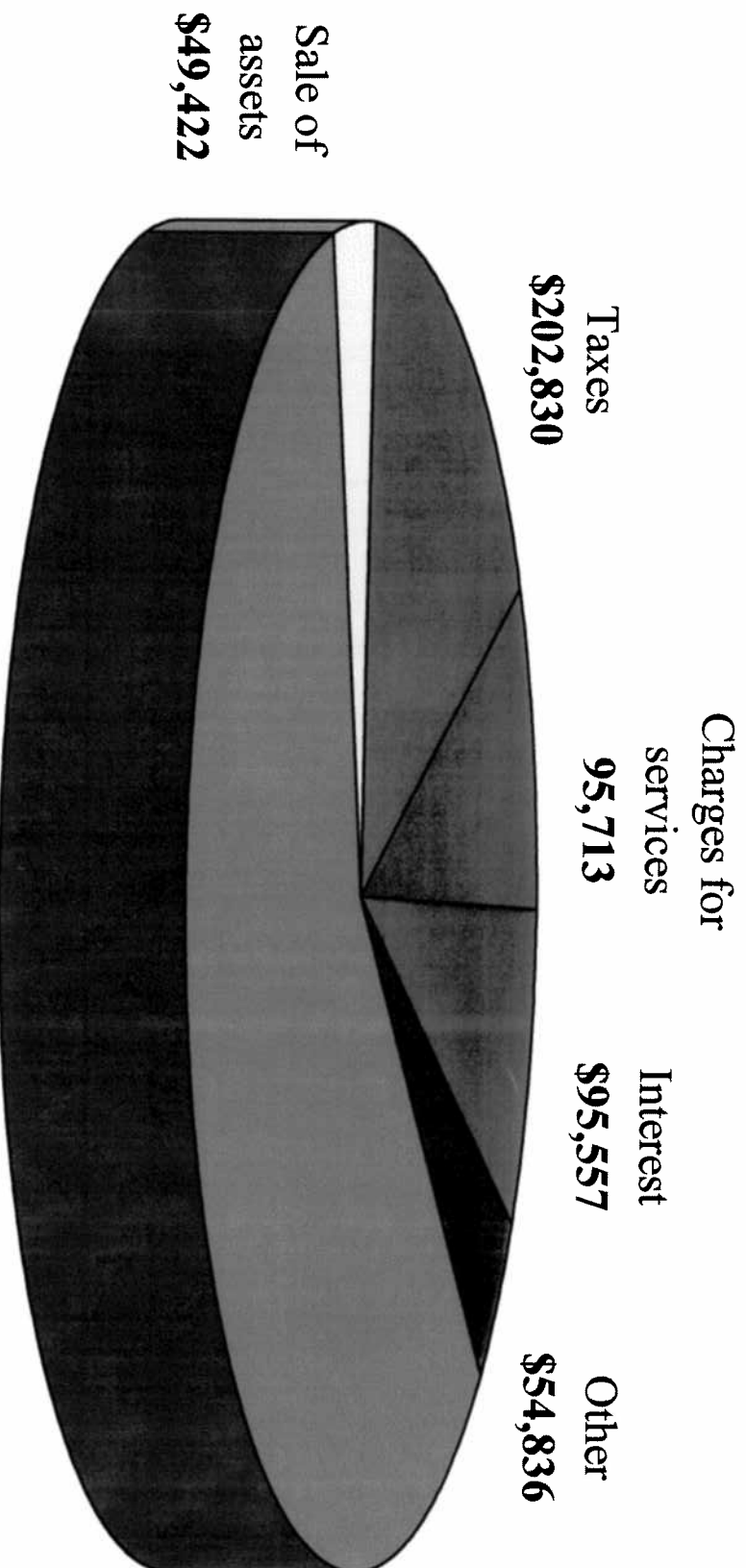
Audit Presentation  
June 30, 2001

**PHP**

PETER HANFORD & PALKA  
Certified Public Accountants

BRIGHTON, MICHIGAN

**Northfield Township**  
**General Fund Revenues**  
**For The Year Ended June 30, 2001**

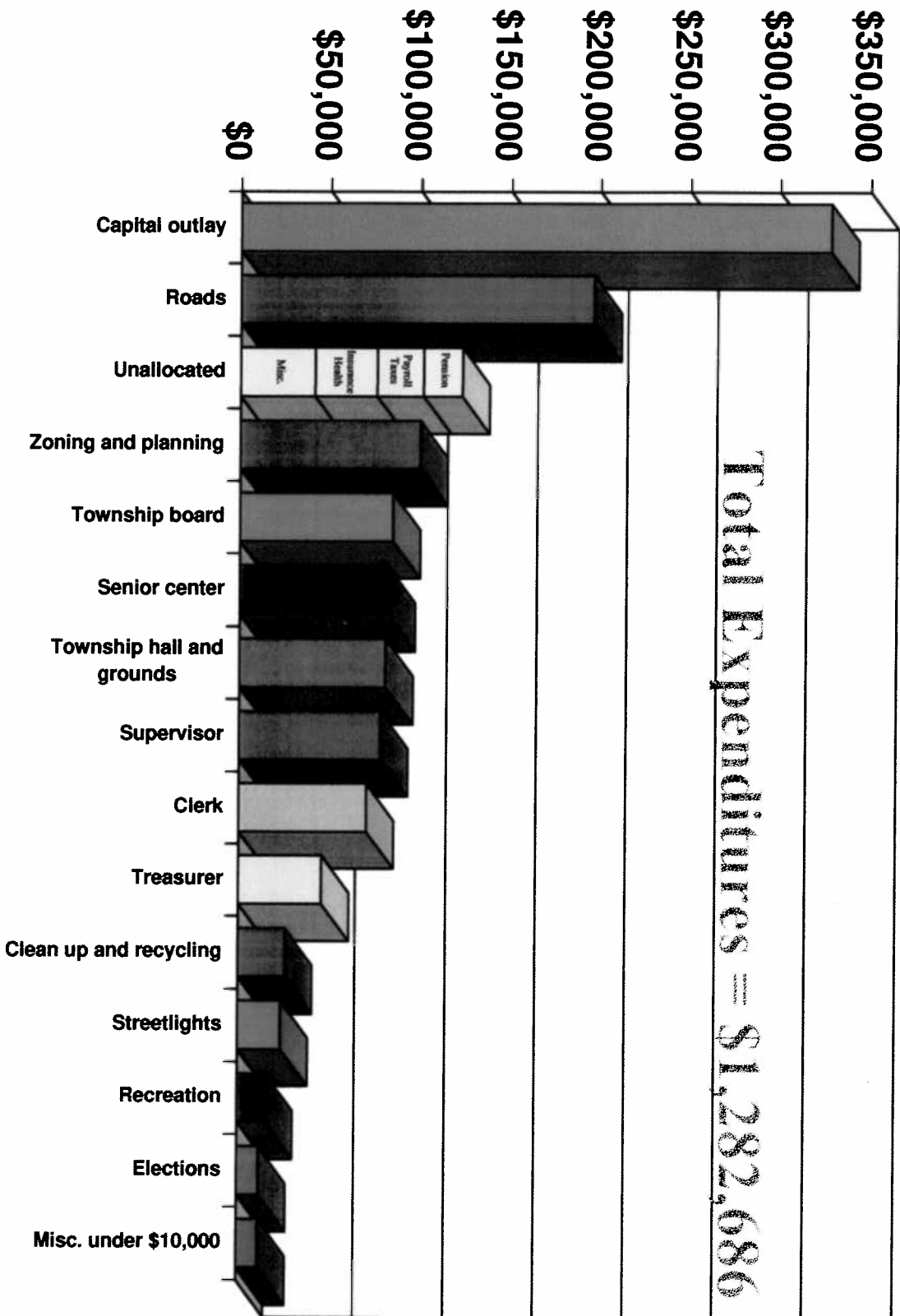


**Total Revenues = \$1,228,632**

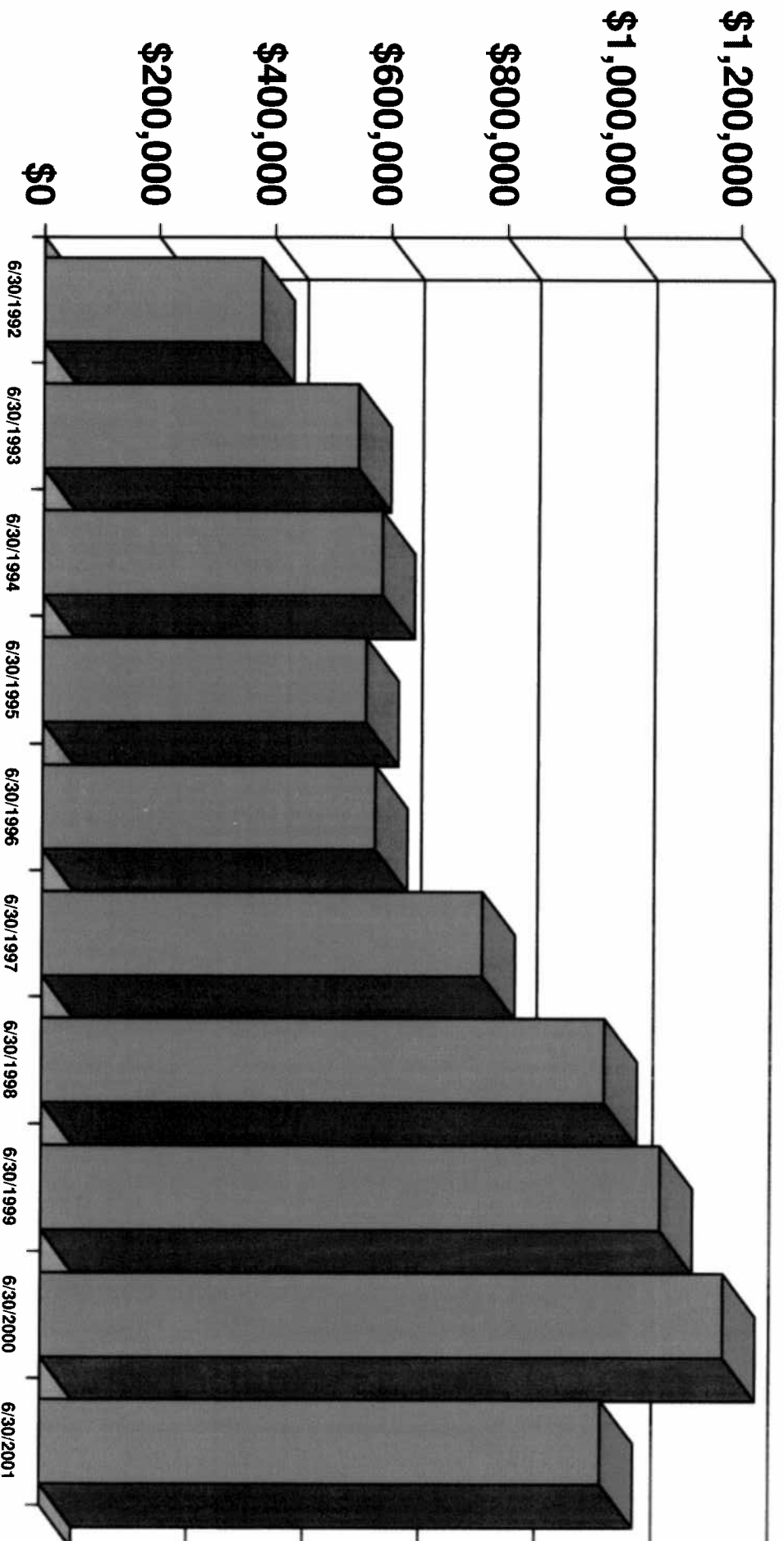
# Northfield Township

## General Fund Expenditures

### For The Year Ended June 30, 2001



**Northfield Township**  
**General Fund**  
**Fund Balance Comparison**  
**June 30, 1992 - June 30, 2001**



NORTHFIELD TOWNSHIP

6/30/2001

REPORT ON  
AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2001

Approved  
8/28/01  
Rowe  
Hanson  
7-0

## **NORTHFIELD TOWNSHIP**

### **TOWNSHIP OFFICIALS**

Supervisor - Michael McFarland  
Clerk - Michele Manning  
Treasurer - Cynthia Wilson

### **TOWNSHIP BOARD**

Robert Avey  
Marta Larson  
Linda Lupi  
Michele Manning  
Michael McFarland  
Daniel Rowe  
Cynthia Wilson

### **TOWNSHIP ATTORNEYS**

Bodman, Longley & Dahling

### **TOWNSHIP AUDITORS**

Pfeffer, Hanniford & Palka  
Certified Public Accountants

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August 24, 2001

Board of Trustees  
Northfield Township  
75 Barker Road  
Whitmore Lake, Michigan 48189

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying general purpose financial statements of Northfield Township as of and for the year ended June 30, 2001, as listed in the table of contents on pages 9 - 34. These general purpose financial statements are the responsibility of the township board. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Northfield Township as of June 30, 2001, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as supplementary information on pages 37 - 85 in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of Northfield Township. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Pfeffer, Hanniford & Palka*

PFEFFER, HANNIFORD & PALKA  
Certified Public Accountants

GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED  
FINANCIAL  
STATEMENTS

NORTHFIELD TOWNSHIP  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 2001

	GOVERNMENTAL FUND TYPES		
	General	Special Revenue	Capital Projects
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 71,702	\$ 635,861	\$
Investments			
Cash and cash equivalents - restricted			
Investments - restricted			
Receivables			
Taxes	21,311	155,166	
Sewer billings			
Special assessment			
State shared revenues	286,362		
Land contract	8,000		
Other	429,629	2,059	
Prepaid expenditures/expenses	3,174	3,005	
Due from other funds	96,218	30,155	
Due from area library	83,571		
Fixed assets, net of depreciation			
Amount to be provided for general long-term debt			
Total assets	<u>\$ 999,967</u>	<u>\$ 826,246</u>	<u>\$</u>

The accompanying notes are an integral part of these financial statements

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS	
		General Fixed Assets	General Long-Term Debt	(Memorandum Only)	
Enterprise	Trust and Agency			2001	2000
\$ 1,258,441	\$ 176,938	\$	\$	\$ 2,142,942	\$ 2,670,449
500,441				500,441	468,800
212,088				212,088	180,785
665,206				665,206	623,152
				176,477	27,954
186,159				186,159	130,924
3,035,288				3,035,288	3,102,080
				286,362	209,653
				8,000	10,400
				431,688	272,497
187				6,366	122,366
74,103				200,476	338,642
				83,571	86,785
8,297,140		4,595,055		12,892,195	12,139,547
			974,268	974,268	1,084,632
<u>\$14,229,053</u>	<u>\$ 176,938</u>	<u>\$ 4,595,055</u>	<u>\$ 974,268</u>	<u>\$21,801,527</u>	<u>\$21,468,666</u>

NORTHFIELD TOWNSHIP  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS -continued  
JUNE 30, 2001

	GOVERNMENTAL FUND TYPES		
	General	Special Revenue	Capital Projects
<u>LIABILITIES AND FUND EQUITY</u>			
LIABILITIES			
Accounts payable	\$ 25,600	\$ 25,588	\$
Bonds payable			
Contracts payable			
Performance bonds			
Due to others	5,998		
Due to other funds		194,237	
Accrued compensated absences			
Total liabilities	<u>31,598</u>	<u>219,825</u>	
FUND EQUITY			
Investment in general fixed assets			
Contributed capital			
Retained earnings			
Reserved			
Unreserved			
Fund balances			
Reserved	83,571		
Unreserved - undesignated	<u>884,798</u>	<u>606,421</u>	
Total fund equity	<u>968,369</u>	<u>606,421</u>	
Total liabilities and fund equity	<u>\$ 999,967</u>	<u>\$ 826,246</u>	<u>\$</u>

The accompanying notes are an integral part of these financial statements

<u>PROPRIETARY FUND TYPE</u>	<u>FIDUCIARY FUND TYPE</u>	<u>ACCOUNT GROUPS</u>		<u>TOTALS</u> <u>(Memorandum Only)</u>	
		<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>2001</u>	<u>1999</u>
<u>Enterprise</u>	<u>Agency</u>				
\$ 5,729	\$	\$	\$	\$ 56,917	\$ 33,022
660,000				660,000	675,000
7,565,000			930,772	8,495,772	8,844,153
				100,500	121,200
				76,197	247,245
				200,476	338,642
			43,496	43,496	55,479
<u>8,230,729</u>	<u>176,938</u>		<u>974,268</u>	<u>9,633,358</u>	<u>10,314,741</u>
		4,595,055		4,595,055	3,696,134
3,318,097				3,318,097	3,196,713
1,261,245				1,261,245	1,177,916
1,418,982				1,418,982	1,336,463
				83,571	86,785
				<u>1,491,219</u>	<u>1,659,914</u>
<u>5,998,324</u>		<u>4,595,055</u>		<u>12,168,169</u>	<u>11,153,925</u>
<u>\$ 14,229,053</u>	<u>\$ 176,938</u>	<u>\$ 4,595,055</u>	<u>\$ 974,268</u>	<u>\$ 21,801,527</u>	<u>\$ 21,468,666</u>



NORTHFIELD TOWNSHIP  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
<b>REVENUES</b>			
Taxes	\$ 202,830	\$ 1,516,302	\$
Licenses and permits	2,225	157,388	
State shared revenue	730,274		
Grant revenue - federal			
Charges for services	95,713	23,297	
Fines and forfeits		32,117	
Interest	95,557	30,683	
Miscellaneous	<u>102,033</u>	<u>26,796</u>	
Total revenues	<u>1,228,632</u>	<u>1,786,583</u>	
<b>EXPENDITURES</b>			
Board and elected officials departments	281,393		
General operations	673,198	156,891	
Public safety		1,427,415	
Capital outlay	328,095	160,798	(400,997)
Debt service		<u>159,334</u>	
Total expenditures	<u>1,282,686</u>	<u>1,904,438</u>	<u>(400,997)</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(54,054)</u>	<u>(117,855)</u>	<u>(400,997)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in		154,525	
Operating transfers (out)	(154,525)		
Proceeds from loans/capitalized leases			<u>400,997</u>
Total other financing sources (uses)	<u>(154,525)</u>	<u>154,525</u>	<u>400,997</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(208,579)	36,670	
FUND BALANCE, JULY 1, 2000	<u>1,176,948</u>	<u>569,751</u>	
FUND BALANCE, JUNE 30, 2001	<u>\$ 968,369</u>	<u>\$ 606,421</u>	<u>\$</u>

The accompanying notes are an integral part of these financial statements

Totals (Memorandum Only)	
<u>2001</u>	<u>2000</u>
\$ 1,719,132	\$ 1,587,546
159,613	209,145
730,274	638,155
	69,021
119,010	114,611
32,117	28,554
126,240	127,596
<u>128,829</u>	<u>70,939</u>
<u>3,015,215</u>	<u>2,845,567</u>
281,393	254,718
830,089	776,267
1,427,415	1,330,165
889,890	1,097,245
<u>159,334</u>	<u>77,668</u>
<u>3,588,121</u>	<u>3,536,063</u>
<u>(572,906)</u>	<u>(690,496)</u>
154,525	96,600
(154,525)	(96,600)
<u>400,997</u>	<u>934,843</u>
<u>400,997</u>	<u>934,843</u>
(171,909)	244,347
<u>1,746,699</u>	<u>1,502,352</u>
<u>\$ 1,574,790</u>	<u>\$ 1,746,699</u>

NORTHFIELD TOWNSHIP  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL AND SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2001

	GENERAL FUND		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES			
Taxes	\$	\$ 202,830	\$
Licenses and permits		2,225	
State shared revenue		730,274	
Charges for services		95,713	
Interest		95,557	
Miscellaneous		102,033	
Total revenues	<u>1,216,396</u>	<u>1,228,632</u>	<u>12,236</u>
EXPENDITURES			
Board and elected officials departments		281,393	
General operations		673,198	
Public safety			
Capital outlay		328,095	
Debt service			
Total expenditures	<u>3,614,838</u>	<u>1,282,686</u>	<u>2,332,152</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(2,398,442)</u>	<u>(54,054)</u>	<u>2,344,388</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in			
Operating transfers (out)	(194,525)	(154,525)	40,000
Proceeds from loans	<u>1,600,000</u>		<u>(1,600,000)</u>
Total other financing sources (uses)	<u>1,405,475</u>	<u>(154,525)</u>	<u>(1,560,000)</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(992,967)	(208,579)	784,388
FUND BALANCE, JULY 1, 2000	<u>1,176,948</u>	<u>1,176,948</u>	
FUND BALANCE, JUNE 30, 2001	<u>\$ 183,981</u>	<u>\$ 968,369</u>	<u>\$ 784,388</u>

The accompanying notes are an integral part of these financial statements

SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$	\$ 1,516,302	\$	\$	\$ 1,719,132	\$
	157,388			159,613	
	23,297			730,274	
	30,683			119,010	
	58,913			126,240	
				160,946	
<u>2,014,900</u>	<u>1,786,583</u>	<u>(228,317)</u>	<u>3,231,296</u>	<u>3,015,215</u>	<u>(216,081)</u>
	156,891			281,393	
	1,427,415			830,089	
	160,798			1,427,415	
	159,334			488,893	
				159,334	
<u>2,317,422</u>	<u>1,904,438</u>	<u>412,984</u>	<u>5,932,260</u>	<u>3,187,124</u>	<u>2,745,136</u>
<u>(302,522)</u>	<u>(117,855)</u>	<u>184,667</u>	<u>(2,700,964)</u>	<u>(171,909)</u>	<u>2,529,055</u>
154,525	154,525		154,525	154,525	
			(194,525)	(154,525)	40,000
			<u>1,600,000</u>		<u>(1,600,000)</u>
<u>154,525</u>	<u>154,525</u>		<u>1,560,000</u>		<u>(1,560,000)</u>
(147,997)	36,670	184,667	(1,140,964)	(171,909)	969,055
<u>569,751</u>	<u>569,751</u>		<u>1,746,699</u>	<u>1,746,699</u>	
<u>\$ 421,754</u>	<u>\$ 606,421</u>	<u>\$ 184,667</u>	<u>\$ 605,735</u>	<u>\$ 1,574,790</u>	<u>\$ 969,055</u>

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

NORTHFIELD TOWNSHIP  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2001

OPERATING REVENUES

User charges	\$ 1,056,134
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OPERATING EXPENSES

Salaries and wages	\$ 228,552
Payroll taxes	17,803
Hospitalization	44,832
Life insurance	2,675
Pension	21,447
Longevity	4,500
Training and development	893
Office supplies	1,539
Operating supplies	47,334
Uniforms	2,266
Professional services	18,408
Membership and dues	799
Contracted services	20,574
Administration fees	26,000
Telephone	7,000
Transportation	2,957
Printing and postage	4,885
Insurance and bonds	21,335
Utilities	97,918
Repairs and maintenance	108,374
Rentals	1,975
Miscellaneous	281
Depreciation	<u>163,977</u>

Total operating expenses	<u>846,324</u>
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Operating income	209,810
------------------	---------

NON-OPERATING REVENUES AND (EXPENSES)

Other income	7,807
Gain on sale of fixed assets	8,601
Interest income - cash equivalents	154,661
Interest income - special assessments	241,125
Interest expense	(455,306)
Bond fees	<u>(850)</u>

Total non-operating revenues and (expenses)	<u>(43,962)</u>
---	-----------------

Net income	165,848
------------	---------

RETAINED EARNINGS, JULY 1, 2000	<u>2,514,379</u>
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RETAINED EARNINGS, JUNE 30, 2001	<u>\$ 2,680,227</u>
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The accompanying notes are an integral part of these financial statements

STATEMENT OF CASH FLOWS  
ENTERPRISE FUND

NORTHFIELD TOWNSHIP  
STATEMENT OF CASH FLOWS  
ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2001

CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income		\$ 209,810
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation	\$ 163,977	
Other income	7,807	
Changes in assets and liabilities		
(Increase) in sewer billings	(55,235)	
(Increase) in due from other funds	(52,423)	
Decrease in prepaid expenses	21,148	
Increase in accounts payable	154	
(Decrease) in deposits	(3,000)	
(Decrease) in due to other funds	<u>(40,186)</u>	
Total adjustments		<u>42,242</u>
Net cash provided (used) by operating activities		252,052

CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED  
FINANCING ACTIVITIES

Special assessments collected	307,917	
Purchase of equipment/system	(53,820)	
Gain on sale of fixed assets	8,601	
Interest on long-term bonds	(455,306)	
Bond fees	(850)	
Repayment of principal on bonds	(265,000)	
Tap-in and capital improvement fees	<u>157,500</u>	
Net cash provided (used) by capital and related financing activities		(300,958)

CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES

Interest on cash and cash equivalents	<u>154,661</u>	
Net increase in cash and cash equivalents		105,755
CASH AND CASH EQUIVALENTS AT JULY 1, 2000		<u>2,530,421</u>
CASH AND CASH EQUIVALENTS AT JUNE 30, 2001		<u>\$ 2,636,176</u>

The accompanying notes are an integral part of these financial statements



NOTES  
TO  
FINANCIAL  
STATEMENTS

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Northfield Township conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies:

A. BASIS OF PRESENTATION

The accounts of the Township are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The transactions of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenses/expenditures. Funds within each major category are grouped by fund type in the combined financial statements. The funds and account groups used by the Township are as follows:

GOVERNMENTAL FUNDS

Governmental Funds are those through which general governmental functions of the Township are financed. The acquisition, use and balances of the Township's expendable financial resources and the related liabilities (except those accounted for in Proprietary Funds) are accounted for through Governmental Funds. The following are the Township's Governmental Fund types:

General Fund - The General Fund is the main operating fund of the Township. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue resources (other than assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. There are eight special revenue funds: General Capital Outlay and Improvement, Building Department, Fire Protection, Fire Truck, Fire Capital Outlay, Medical Rescue, Law Enforcement, and Narcotics.

Capital Project Funds - This fund accounts for financial resources segregated for the acquisition of major capital facilities. The Township has created a capital project fund, the Fire and Police Hall Capital Projects Fund, for the purpose of accounting for the construction costs of a new fire and police station.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PROPRIETARY FUND TYPES

Proprietary Funds are accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a Proprietary Fund's activities are included on its balance sheet. The Township has one Proprietary Fund type, the Sewage Disposal System Fund.

Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. There is one enterprise fund: Sewage Disposal System Fund.

FIDUCIARY FUNDS

Fiduciary Fund types are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. There are two Agency funds: Current Tax Collection and Trust and Agency.

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the Township's general fixed assets and general long-term debt obligations. The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

1. General Fixed Assets Account Group - This account group is established to account for all fixed assets of the Township, other than those assets accounted for in the Proprietary Funds. Capital outlays in funds other than Proprietary Funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group.
2. General Long-Term Debt Account Group - This account group is established to account for all of the Township's long-term debt and governmental fund compensated absences that will be financed from general governmental resources. Long-term liabilities of all Proprietary Funds are accounted for in those funds.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Governmental Fund Types (General and Special Revenue), use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recorded as fund liabilities when due and accrued vacation and sick leave which is recorded when payable from current available financial resources.

The revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, charges for service, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

The Proprietary Fund Types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned, including unbilled sewer services which are accrued. Expenses are recorded at the time liabilities are incurred.

C. BUDGETARY DATA

The board of trustees follow the procedures as outlined in the Uniform Budgeting Manual for Local Units of Government in Michigan in the establishment of the various annual budgets.

The supervisor prepares the annual budgets through information received by the clerk. The proposed budget is then submitted for discussion and approval by the entire township board. The budget is approved by activity, rather than line by line. If and when it becomes necessary to amend certain amounts in the budget, a proposal outlining the desired changes is made to and approved by the township board at any of their regular meetings. Budget appropriations made but not expended by year end will lapse with the fiscal year end. Budgets were prepared for all funds required under Public Act 493 of 2000.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For the year ended June 30, 2001, expenditures exceeded appropriations in the following activity:

	<u>Budget</u>	<u>Actual</u>	<u>Expenditures in Excess of Budget Appropriations</u>
GENERAL FUND			
Clean up and recycling	\$ 26,000	\$ 26,066	\$ 66

D. MANAGEMENT ESTIMATES

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

E. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

F. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. PROPERTY TAXES

Property tax revenues are recognized in the fiscal year for which the taxes are levied. Property taxes are levied on December 1 each year. These taxes become liens on the property at that date. These taxes are due on February 14, with the final collection date of February 28. The delinquent real property taxes of Northfield Township are purchased by Washtenaw County. The county sold tax notes, the proceeds of which were used to pay the township for these property taxes. This took place in August 2001. The 2000 adjusted taxable value of the Township totaled \$231,368,352. The township levies the following millage:

General township	.8617
Fire	.9760
Fire truck	.3448
Medical rescue	.9719
Police	4.1287
Library	<u>1.3727</u>
Total millage	<u>8.6558</u>

Michigan personal property tax assessments have been based, since the 1960's, on the use of one or more of several different multiplier tables formulated by the State Tax Commission against taxpayer reported original cost, depending on the assessor's view of the average life of the personal property. The State Tax Commission has indicated that it plans to reformulate the multipliers. The State Tax Tribunal has informally indicated that once the new multipliers are approved, it may allow them to be applied retroactively in pending personal property tax appeals.

H. OTHER FINANCING SOURCES (USES)

The transfers of cash between the various funds are budgeted but reported separate from revenues and expenditures as operating transfers in or (out) unless they represent temporary advances that are to be repaid, in which case they are carried as assets or liabilities of the advancing or borrowing fund.

I. PROPERTY, PLANT AND EQUIPMENT

Fixed assets used in Governmental Fund Type operations are accounted for in the General Fixed Assets Account Group, rather than in Governmental Funds and interest has not been capitalized on fixed assets in the Governmental Fund Type operations.

All fixed assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Assets capitalized have an original cost of \$1,000 or more and an estimated life of over three years.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Fund Type - Property, plant and equipment owned by the Proprietary Fund are recorded at cost or, if contributed property, at their fair market value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations or as a reduction of contributed capital. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	10 - 50 years
Sewer System	50 years
Equipment	5 years
Improvements	10 - 50 years

J. INVESTMENTS

Investments are stated at lower of cost or market.

NOTE 2 - DESCRIPTION OF REPORTING ENTITY

In accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, certain other governmental organizations are not considered to be part of the reporting entity for financial statement purposes.

The criteria established by GASB Statement No. 14 for various governmental organizations to be included in the reporting entity's financial statements include accountability, control, and significant financial relationships.

Based upon the criteria discussed above, the following unit has been evaluated for inclusion into the township financial statements and has been determined not to be a component unit.

Northfield Township Area Library - Pursuant to Public Act 164, the library maintains a separately elected board of six members. A separate audit is performed with respect to this unit.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 3 - DUE FROM NORTHFIELD TOWNSHIP AREA LIBRARY

On May 15, 1989, the township entered into a land contract with the Northfield Township Library Board for the purchase of property commonly known as the "Dodge House". This transaction, which represents monies expended from the Northfield Township general fund, was in the original amount of \$112,500, and is to be amortized over thirty-five (35) years, without interest. Annual installments of \$3,215 started on February 22, 1993. The total outstanding balance at June 30, 2001 was \$83,571.

NOTE 4 - CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets is as follows:

	Balance <u>7/01/00</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/01</u>
Land	\$ 85,525	\$	\$	\$ 85,525
Fire vehicles	1,397,923			1,397,923
Fire equipment	261,496	16,303		277,799
Rescue vehicles	207,837	19,941		227,778
Rescue equipment	104,151			104,151
Office equipment	208,027	25,904		233,931
Voting equipment	26,435			26,435
Buildings				
Township hall	94,778			94,778
Fire station	268,286			268,286
Law enforcement	9,717			9,717
Township hall additions	130,138			130,138
Paving	12,571			12,571
Senior center	420,720			420,720
Fire/police	76,295	762,545		838,840
Law enforcement	385,825	109,228	35,000	460,053
Signs	6,410			6,410
	<u>6,410</u>	<u>          </u>	<u>          </u>	<u>6,410</u>
Total	<u>\$ 3,696,134</u>	<u>\$ 933,921</u>	<u>\$ 35,000</u>	<u>\$ 4,595,055</u>



NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 4 - CHANGES IN FIXED ASSETS - continued

A summary of changes in proprietary fixed assets and accumulated depreciation is as follows:

	<u>Balance 7/1/00</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/01</u>
<b>FIXED ASSETS</b>				
Land	\$ 214,918	\$	\$	\$ 214,918
Plant	2,202,957		15,600	2,187,357
Plant expansion	5,602,691			5,602,691
Equipment	440,137	53,820		493,957
Construction in progress	<u>1,805,551</u>			<u>1,805,551</u>
Totals	<u>\$ 10,266,254</u>	<u>\$ 53,820</u>	<u>\$ 15,600</u>	<u>\$ 10,304,474</u>
	<u>Balance 7/1/00</u>	<u>Depreciation</u>	<u>Deductions</u>	<u>Balance 6/30/01</u>
<b>ACCUMULATED DEPRECIATION</b>	<u>\$ 1,822,841</u>	<u>\$ 200,093</u>	<u>\$ 15,600</u>	<u>\$ 2,007,334</u>

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 5 - GENERAL LONG-TERM DEBT

The following is a summary of the Township's general long-term debt:

Capital Lease

On December 15, 1996 the Township entered into a lease agreement with Ervin Leasing to purchase a copier for \$6,900. The Township is required to make monthly payments of \$190 until the lease matures in December 2001. The outstanding principal balance was \$1,068 on June 30, 2001.

Notes Payable

1. Note payable to National City Bank for the financing of a fire tanker. Principal payment of \$6,978 is due annually on June 1 and maturing June 1, 2003. Interest is charged at 5.0%, payable annually. The outstanding balance of the note at June 30, 2001 was \$13,957.
2. Note payable to National City Bank for the financing of a fire tanker. Principal payment of \$15,453 is due annually on June 1 and maturing June 1, 2003. Interest is charged at 5.0%, payable annually. The outstanding balance of the note at June 30, 2001 was \$30,904.
3. Note payable to Bank One for the financing of a pumper truck. Principal payments ranging from \$15,000 to \$24,886 are due annually on December 1 and mature December 2009. Interest is charged at 5.15%, payable annually. The outstanding balance of the note at June 30, 2001 was \$235,886.
4. Note payable to Bank One for the financing of a platform truck. Principal payments ranging from \$35,000 to \$98,957 are due annually on December 1 and mature December 2009. Interest is charged at 5.15%, payable annually. The outstanding balance of the note at June 30, 2001 was \$648,957.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 5 - GENERAL LONG-TERM DEBT - continued

The following is a schedule of changes in general long-term debt:

	Balance <u>7/1/00</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>6/30/01</u>
Capitalized Lease				
Ervin Leasing	\$ 2,889	\$	\$ 1,821	\$ 1,068
Notes Payable				
National City	24,129		24,129	
National City	46,357		15,453	30,904
National City	20,935		6,978	13,957
Bank One	250,886		15,000	235,886
Bank One	<u>683,957</u>		<u>35,000</u>	<u>648,957</u>
Total notes payable	<u>1,026,264</u>		<u>96,560</u>	<u>929,704</u>
Compensated absences	<u>55,479</u>		<u>11,983</u>	<u>43,496</u>
Total general long-term debt	<u>\$ 1,084,632</u>	<u>\$</u>	<u>\$ 110,364</u>	<u>\$ 974,268</u>

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 5 - GENERAL LONG-TERM DEBT - continued

The following is a schedule of principal and interest payments to service the general long-term obligations of the Township:

Year Ending:	Capitalized Leases		Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2001 - 2002	\$ 1,068	\$ 69	\$ 82,431	\$ 47,812	\$ 83,499	\$ 47,881
2002 - 2003			90,430	43,601	90,430	43,601
2003 - 2004			83,000	38,977	83,000	38,977
2004 - 2005			93,000	34,798	93,000	34,798
2005 - 2006			103,000	29,913	103,000	29,913
2006 and after			477,843	62,524	477,843	62,524
Totals	<u>\$ 1,068</u>	<u>\$ 69</u>	<u>\$ 929,704</u>	<u>\$ 257,625</u>	<u>\$ 930,772</u>	<u>\$ 257,694</u>

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 6 - BONDS PAYABLE

Bonds payable in the proprietary fund, maturing in May 2022, are made up of the following:

	Balance 7-1-00	Additions	Payments	Balance 6-30-01	Interest Expense	Current Portion	Long-Term Portion
1992 Junior Lien Revenue Bonds (General Obligation Limited Tax)	\$ 675,000	\$	\$ 15,000	\$ 660,000	\$ 44,963	\$ 15,000	\$ 645,000

The summary of future years payments of bond interest and principal is as follows:

1992 Junior Lien Revenue Bonds (General Obligation Limited Tax)			
Year Ending June 30,	Interest Rate	Principal	Interest
2002	5.9	\$ 15,000	\$ 44,078
2003	6.0	15,000	43,177
2004	6.15	15,000	42,255
2005	6.25	20,000	41,318
2006	6.65	20,000	39,988
2006 - 2022	6.65 to 6.75	575,000	377,088
		\$ 660,000	\$ 587,904

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 7 - CONTRACTS PAYABLE

The following is a summary of contract payable debt for the proprietary fund for the year ending June 30, 2001:

1. Loan payable to Washtenaw County for the financing of the wastewater system expansion project. Principal payable in annual installments ranging from \$100,000 to \$275,000 starting November 1, 1997, interest is charged at 4.7% to 7.625%, payable semi-annually. Outstanding balance of the contract was \$3,150,000 at June 30, 2001.
2. Loan payable to Washtenaw County to finance the construction costs of the 8 Mile Road Pump Station. Principal payable in annual installments ranging from \$25,000 to \$100,000 starting May 1, 2001, interest is charged at 5.3% to 5.9%, payable semi-annually. The outstanding balance as of June 30, 2001 was \$1,340,000.
3. Loan payable to Washtenaw County to finance the sanitary sewer system expansion at North Territorial Road. Principal payable in annual installments ranging from \$125,000 to \$200,000 starting May 1, 2001, interest is charged at 6.01%, payable semi-annually. The outstanding balance as of June 30, 2001 was \$3,075,000.

	1997 - Wastewater System Improvements		2001 - 8 Mile Pump Station	
	Principal	Interest	Principal	Interest
2001 - 2002	\$ 125,000	\$ 163,906	\$ 40,000	\$ 74,608
2002 - 2003	125,000	154,375	50,000	72,488
2003 - 2004	150,000	148,500	50,000	69,838
2004 - 2005	150,000	141,300	50,000	67,188
2005 - 2006	150,000	134,100	50,000	64,538
2006 - 2007	175,000	126,825	50,000	61,888
2007 - and thereafter	<u>2,275,000</u>	<u>702,625</u>	<u>1,050,000</u>	<u>419,375</u>
	<u>\$3,150,000</u>	<u>\$1,571,631</u>	<u>\$1,340,000</u>	<u>\$ 829,923</u>

2001 - North Territorial Sewer Expansion		TOTAL	
Principal	Interest	Principal	Interest
\$ 125,000	\$ 173,725	\$ 290,000	\$ 412,239
150,000	166,225	325,000	393,088
150,000	157,600	350,000	375,938
150,000	148,975	350,000	357,463
150,000	140,538	350,000	339,176
175,000	132,100	400,000	320,813
<u>2,175,000</u>	<u>824,019</u>	<u>5,500,000</u>	<u>1,946,019</u>
<u>\$3,075,000</u>	<u>\$1,743,182</u>	<u>\$7,565,000</u>	<u>\$4,144,736</u>

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 8 - PENSION PLAN - DEFINED CONTRIBUTION PLAN

The defined contribution plan of Northfield Township is a fully insured plan funded by both employer (2/3) and employee (1/3) contributions. An employee may make voluntary contributions of up to 10% of their annual compensation. All participants are vested 100% immediately.

A participant includes all full-time employees as of the beginning of the anniversary date or June 1st of each year. The annual contributions are based on the following formula:

Employer contributes 10% of wages  
Employee contributes 5% of wages  
  
Annual contribution  
to pension plan 15% of wages

The plan name is "Group Pension Plan" #GN 53402 through Manulife. A summary of the plan's activity for the period July 1, 2000 to June 30, 2001, is as follows:

Balance in guaranteed account July 1, 2000		\$ 1,655,036
Current year contributions		
Township portion	\$ 111,088	
Employee portion	<u>70,154</u>	181,242
Distributions		(34,606)
Investment losses plus asset charges		<u>(341,731)</u>
Balance in guaranteed account June 30, 2001.		<u>\$ 1,459,941</u>
Interest has been credited to June 30, 2001.		

A contribution of \$181,242, was made in the fiscal year ended June 30, 2001.

Total payroll was \$1,657,585, for the fiscal year ended June 30, 2001.



NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 9 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

	<u>Interfund Receivable</u>		<u>Interfund Payable</u>
General Fund	\$ 85,000	Law Enforcement Fund	\$ 85,000
General Fund	6,239	Trust and Agency Fund	6,239
General Fund	4,979	Building Department Fund	4,979
Sewage Disposal System Fund	74,103	Fire Truck Fund	74,103
Fire Capital Outlay Fund	<u>30,155</u>	Fire Protection Fund	<u>30,155</u>
	<u>\$ 200,476</u>		<u>\$ 200,476</u>

NOTE 10 - SEGMENT INFORMATION - ENTERPRISE FUND

Selected financial information with respect to the enterprise fund maintained by the Township for sewage disposal service is as follows:

	<u>Sewage Disposal Fund</u>
Operating revenues	\$ 1,056,134
Depreciation	200,093
Operating income	209,810
Net working capital	4,743,890
Total assets	14,229,053
Unreserved retained earnings	1,418,982
Total fund equity	5,998,324
Contributed capital	3,318,097

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 11 - DEPOSITS WITH FINANCIAL INSTITUTIONS

Michigan Compiled Laws Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township deposits are in accordance with statutory authority. The Township maintains a \$475 petty cash fund.

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

<u>Deposits</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured	\$ 300,000	\$ 300,000
Uninsured and uncollateralized	<u>3,270,202</u>	<u>5,379,814</u>
	<u>\$ 3,520,202</u>	<u>\$ 5,679,814</u>

NOTE 12 - DEFERRED COMPENSATION PAYABLE

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the Aetna Life Insurance and Annuity Company. The assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

The Township had amended the plan to be in compliance with the Small Business Job Protection Act of 1996. The assets of the plan have been moved to a trust to be held for the exclusive benefit of the participants and their beneficiaries.

NORTHFIELD TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2001

NOTE 13 - STATEMENT OF CASH FLOWS

Pursuant to the Governmental Accounting Standards Board (GASB) statement number 9, a statement of cash flows is presented. The purpose of the statement of cash flows is to explain the change in cash and cash equivalents during the year. Cash equivalents are defined as short-term, highly liquid investments with original maturities of three months or less. The indirect method was utilized to represent cash flows from operations. The following is a schedule of beginning and ending cash and cash equivalents:

	<u>June 30, 2000</u>	<u>June 30, 2001</u>
Current assets		
Cash and cash equivalents	\$ 1,726,484	\$ 1,758,882
Restricted assets		
Cash and cash equivalents - special assessments	<u>803,937</u>	<u>877,294</u>
Total cash and cash equivalents	<u>\$ 2,530,421</u>	<u>\$ 2,636,176</u>

NOTE 14 - CONTINGENT LIABILITIES

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

SUPPLEMENTARY  
INFORMATION

COMBINING  
FINANCIAL  
STATEMENTS

NORTHFIELD TOWNSHIP  
COMBINING BALANCE SHEET  
ALL SPECIAL REVENUE FUNDS  
JUNE 30, 2001

	General Capital Outlay and Improvement Fund	Building Department Fund	Fire Protection Fund
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 114,086	\$ 19,507	\$ 91,474
Taxes receivable			23,894
Due from other funds			
Accounts receivable - other			
Prepaid expenditures			1,202
Total assets	<u>\$ 114,086</u>	<u>\$ 19,507</u>	<u>\$ 116,570</u>
<u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Accounts payable	\$	\$ 543	\$ 3,654
Due to other funds		4,979	30,155
Total liabilities		5,522	33,809
FUND BALANCE	<u>114,086</u>	<u>13,985</u>	<u>82,761</u>
Total liabilities and fund balance	<u>\$ 114,086</u>	<u>\$ 19,507</u>	<u>\$ 116,570</u>

<u>Fire Capital Outlay Fund</u>	<u>Fire Truck Fund</u>	<u>Medical Rescue Fund</u>	<u>Law Enforcement Fund</u>	<u>Narcotics Fund</u>	<u>Totals</u>
\$ 9,919	\$ 154,632	\$ 202,609	\$ 30,969	\$ 12,665	\$ 635,861
	7,619	23,365	100,288		155,166
30,155					30,155
			2,059		2,059
		1,803			3,005
<u>\$ 40,074</u>	<u>\$ 162,251</u>	<u>\$ 227,777</u>	<u>\$ 133,316</u>	<u>\$ 12,665</u>	<u>\$ 826,246</u>
\$	\$	\$	\$	\$	\$
	74,103	5,560	15,831		25,588
			85,000		194,237
	74,103	5,560	100,831		219,825
40,074	88,148	222,217	32,485	12,665	606,421
<u>\$ 40,074</u>	<u>\$ 162,251</u>	<u>\$ 227,277</u>	<u>\$ 133,316</u>	<u>\$ 12,665</u>	<u>\$ 826,246</u>

NORTHFIELD TOWNSHIP  
COMBINING BALANCE SHEET  
ALL AGENCY FUNDS  
JUNE 30, 2001

	<u>Current Tax Collection Fund</u>	<u>Trust and Agency Fund</u>	<u>Totals</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ <u>          </u>	\$ 176,938	\$ 176,938
 <u>LIABILITIES</u>			
LIABILITIES			
Due to other funds	\$	\$ 6,239	\$ 6,239
Due to others		70,199	70,199
Performance bonds	<u>          </u>	<u>100,500</u>	<u>100,500</u>
Total liabilities	\$ <u>          </u>	\$ 176,938	\$ 176,938



NORTHFIELD TOWNSHIP  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2001

	General Capital Outlay and Improvement Fund	Building Department Fund	Fire Protection Fund
REVENUES			
Taxes	\$	\$	\$ 231,061
Fines and forfeits			16,429
Charges for services		154,487	
Licenses and permits	5,908	718	2,410
Interest		231	4,420
Other revenue			
Total revenues	<u>5,908</u>	<u>155,436</u>	<u>254,320</u>
EXPENDITURES			
General government		156,891	
Public safety			176,442
Principal			37,431
Interest			17,256
Capital outlay			<u>19,503</u>
Total expenditures		<u>156,891</u>	<u>250,632</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>5,908</u>	<u>(1,455)</u>	<u>3,688</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in		<u>50,000</u>	<u>20,000</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	5,908	48,545	23,688
FUND BALANCE (DEFICIT), JULY 1, 2000	<u>108,178</u>	<u>(34,560)</u>	<u>59,073</u>
FUND BALANCE, JUNE 30, 2001	<u>\$ 114,086</u>	<u>\$ 13,985</u>	<u>\$ 82,761</u>

<u>Fire Capital Outlay Fund</u>	<u>Fire Truck Fund</u>	<u>Medical Rescue Fund</u>	<u>Law Enforcement Fund</u>	<u>Narcotics Fund</u>	<u>Totals</u>
\$	\$ 82,640	\$ 229,981	\$ 972,620	\$	\$1,516,302
			26,254	5,863	32,117
		6,868			23,297
			2,901		157,388
514	4,842	8,156	8,011	124	30,683
	<u>202</u>	<u>616</u>	<u>21,327</u>		<u>26,796</u>
<u>514</u>	<u>87,684</u>	<u>245,621</u>	<u>1,031,113</u>	<u>5,987</u>	<u>1,786,583</u>
					156,891
		174,707	1,075,832	434	1,427,415
	35,000	24,129			96,560
	35,809	1,198	8,511		62,774
	<u>12,125</u>	<u>19,942</u>	<u>109,228</u>		<u>160,798</u>
	<u>82,934</u>	<u>219,976</u>	<u>1,193,571</u>	<u>434</u>	<u>1,904,438</u>
<u>514</u>	<u>4,750</u>	<u>25,645</u>	<u>(162,458)</u>	<u>5,553</u>	<u>(117,855)</u>
		<u>20,000</u>	<u>64,525</u>		<u>154,525</u>
514	4,750	45,645	(97,933)	5,553	36,670
<u>39,560</u>	<u>83,398</u>	<u>176,572</u>	<u>130,418</u>	<u>7,112</u>	<u>569,751</u>
<u>\$ 40,074</u>	<u>\$ 88,148</u>	<u>\$ 222,217</u>	<u>\$ 32,485</u>	<u>\$ 12,665</u>	<u>\$ 606,421</u>

INDIVIDUAL FUNDS

GENERAL  
FUND

NORTHFIELD TOWNSHIP  
GENERAL FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents	\$ 71,702	
Taxes receivable	21,311	
State shared revenue receivable	286,362	
Accounts receivable - fire/police building	400,997	
Accounts receivable - other	28,632	
Due from other funds	96,218	
Due from township area library	83,571	
Land contract receivable	8,000	
Prepaid expenditures	<u>3,174</u>	
Total assets		<u>\$ 999,967</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 25,600	
Due to others	<u>5,998</u>	
Total liabilities		\$ 31,598

FUND BALANCE

Reserved	83,571	
Unreserved	<u>884,798</u>	
Total fund balance		<u>968,369</u>
Total liabilities and fund balance		<u>\$ 999,967</u>

NORTHFIELD TOWNSHIP  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 198,000	\$ 202,830	\$ 4,830
Licenses and permits	3,025	2,225	(800)
State shared revenues	725,000	730,274	5,274
Charges for services	107,571	95,713	(11,858)
Interest	71,600	95,557	23,957
Miscellaneous revenue	<u>111,200</u>	<u>102,033</u>	<u>(9,167)</u>
Total revenues	<u>1,216,396</u>	<u>1,228,632</u>	<u>12,236</u>
EXPENDITURES			
Township board	157,000	85,031	71,969
Supervisor	95,858	78,763	17,095
Elections	18,100	12,102	5,998
Clerk	91,196	71,173	20,023
Board of review	8,100	6,912	1,188
Treasurer	83,462	46,426	37,036
Township hall and grounds	87,984	81,268	6,716
Zoning and planning departments	154,623	100,048	54,575
Unallocated	150,200	123,323	26,877
Human services contract	5,000	5,000	
Roads	201,941	196,475	5,466
Street lights	25,000	23,951	1,049
Capital outlay	2,302,600	328,095	1,974,505
Clean up and recycling	26,000	26,066	(66)
Recreation	17,000	15,625	1,375
Senior Center	<u>190,774</u>	<u>82,428</u>	<u>108,346</u>
Total expenditures	<u>3,614,838</u>	<u>1,282,686</u>	<u>2,332,152</u>
Excess (deficiency) of revenues over expenditures before other financing (uses)	<u>(2,398,442)</u>	<u>(54,054)</u>	<u>2,344,388</u>
OTHER FINANCING SOURCES (USES)			
Loan proceeds	1,600,000		(1,600,000)
Operating transfers (out)	<u>(194,525)</u>	<u>(154,525)</u>	<u>40,000</u>
Total other financing sources (uses)	<u>1,405,475</u>	<u>(154,525)</u>	<u>(1,560,000)</u>
Excess (deficiency) of revenues over expenditures after other financing (uses)	(992,967)	(208,579)	784,388
FUND BALANCE, JULY 1, 2000	<u>1,176,948</u>	<u>1,176,948</u>	
FUND BALANCE, JUNE 30, 2001	<u>\$ 183,981</u>	<u>\$ 968,369</u>	<u>\$ 784,388</u>

NORTHFIELD TOWNSHIP  
GENERAL FUND  
STATEMENT OF REVENUES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TAXES	<u>\$ 198,000</u>	<u>\$ 202,830</u>	<u>\$ 4,830</u>
LICENSES AND PERMITS			
Junk yard permits		50	
Sign permits		50	
Private road permits		<u>2,125</u>	
Total licenses and permits	<u>3,025</u>	<u>2,225</u>	<u>(800)</u>
STATE SHARED REVENUES	<u>725,000</u>	<u>730,274</u>	<u>5,274</u>
CHARGES FOR SERVICES			
Cablevision franchise fees		45,392	
Telephone franchise fees		5,828	
Zoning fees		6,550	
Board of appeals		7,075	
May clean up		11,604	
Site plan reviews		7,350	
Split applications		1,070	
Mobile home park fees		3,816	
Summer tax collection fees		3,825	
Duplicating		<u>3,203</u>	
Total charges for services	<u>107,571</u>	<u>95,713</u>	<u>(11,858)</u>
INTEREST	<u>71,600</u>	<u>95,557</u>	<u>23,957</u>
MISCELLANEOUS REVENUE			
Sewer administration reimbursement		26,000	
Sale of assets		49,422	
Rental income		2,700	
Senior citizens		5,506	
Contributions		1,457	
Other revenue		<u>16,948</u>	
Total miscellaneous revenue	<u>111,200</u>	<u>102,033</u>	<u>(9,167)</u>
Total revenues	<u>\$ 1,216,396</u>	<u>\$ 1,228,632</u>	<u>\$ 12,236</u>

NORTHFIELD TOWNSHIP  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Fees	\$	\$ 18,125	\$
Audit		6,000	
Legal		49,600	
Printing and publishing		6,293	
Miscellaneous		711	
Training and development		<u>4,302</u>	
Total township board	<u>157,000</u>	<u>85,031</u>	<u>71,969</u>
SUPERVISOR			
Supervisor's salary		33,073	
Assessor		29,259	
Clerical		11,492	
Training and development		2,262	
Transportation		1,319	
Miscellaneous		265	
Postage		<u>1,093</u>	
Total supervisor	<u>95,858</u>	<u>78,763</u>	<u>17,095</u>
ELECTIONS			
Fees		5,720	
Office supplies		1,824	
Postage		1,204	
Printing and publishing		3,087	
Miscellaneous		<u>267</u>	
Total elections	<u>18,100</u>	<u>12,102</u>	<u>5,998</u>
CLERK			
Clerk's salary		33,073	
Recording secretary		2,589	
Deputy clerk's salary		8,862	
Bookkeeper's salary		23,542	
Transportation		336	
Training and development		2,723	
Dues and subscriptions		<u>48</u>	
Total clerk	<u>91,196</u>	<u>71,173</u>	<u>20,023</u>



NORTHFIELD TOWNSHIP  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
BOARD OF REVIEW			
Fees		1,988	
Tax tribunal and drains		4,180	
Miscellaneous		<u>744</u>	
Total board of review	<u>8,100</u>	<u>6,912</u>	<u>1,188</u>
TREASURER			
Treasurer's salary		33,073	
Summer tax collection		1,000	
Deputy treasurer's salary		3,444	
Sewer billing clerk		5,150	
Tax statement preparation		243	
Transportation		322	
Dues and subscriptions		75	
Training and development		1,604	
Postage		<u>1,515</u>	
Total treasurer	<u>83,462</u>	<u>46,426</u>	<u>37,036</u>
TOWNSHIP HALL AND GROUNDS			
Clerical salary		24,444	
Janitor fees		6,200	
Office supplies		14,683	
Telephone		7,020	
Postage		826	
Utilities		8,383	
Repairs and maintenance		13,127	
Equipment rental		3,606	
Miscellaneous		<u>2,979</u>	
Total township hall and grounds	<u>87,984</u>	<u>81,268</u>	<u>6,716</u>
ZONING AND PLANNING DEPARTMENTS			
Salaries - director		13,190	
Salaries - recording secretary		3,151	
Salaries - zoning administrator		22,929	
Planning commission fees		12,000	
Board of appeals fees		2,200	
Office supplies		155	
Printing and publications		6,105	
Professional fees		36,913	
Training and development		2,666	
Transportation		339	
Postage		<u>400</u>	
Total zoning and planning departments	<u>154,623</u>	<u>100,048</u>	<u>54,575</u>

NORTHFIELD TOWNSHIP  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
UNALLOCATED			
Insurance - health		34,614	
Insurance - life		3,588	
Employer's social security		25,783	
Pension		21,489	
Insurance - general and bonds		18,129	
Membership dues		9,594	
Miscellaneous		2,826	
Interest on loans		<u>7,300</u>	
Total unallocated	<u>150,200</u>	<u>123,323</u>	<u>26,877</u>
HUMAN SERVICES CONTRACT	<u>5,000</u>	<u>5,000</u>	
ROADS	<u>201,941</u>	<u>196,475</u>	<u>5,466</u>
STREET LIGHTS	<u>25,000</u>	<u>23,951</u>	<u>1,049</u>
CAPITAL OUTLAY	<u>2,302,600</u>	<u>328,095</u>	<u>1,974,505</u>
CLEAN UP AND RECYCLING	<u>26,000</u>	<u>26,066</u>	<u>(66)</u>
RECREATION	<u>17,000</u>	<u>15,625</u>	<u>1,375</u>
SENIOR CENTER	<u>190,774</u>	<u>82,428</u>	<u>108,346</u>
Total expenditures	<u>\$ 3,614,838</u>	<u>\$ 1,282,686</u>	<u>\$ 2,332,152</u>

GENERAL CAPITAL  
OUTLAY AND  
IMPROVEMENT FUND

NORTHFIELD TOWNSHIP  
GENERAL CAPITAL OUTLAY AND IMPROVEMENT FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents

\$ 114,086

FUND BALANCE

FUND BALANCE

\$ 114,086

NORTHFIELD TOWNSHIP  
GENERAL CAPITAL OUTLAY AND IMPROVEMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 8,000	\$ 5,908	\$ (2,092)
EXPENDITURES	<u>                    </u>	<u>                    </u>	<u>                    </u>
Excess (deficiency) of revenues over expenditures	8,000	5,908	(2,092)
FUND BALANCE, JULY 1, 2000	<u>108,178</u>	<u>108,178</u>	<u>                    </u>
FUND BALANCE, JUNE 30, 2001	<u>\$ 116,178</u>	<u>\$ 114,086</u>	<u>\$ (2,092)</u>

BUILDING  
DEPARTMENT  
FUND

NORTHFIELD TOWNSHIP  
BUILDING DEPARTMENT FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash	\$ 19,507
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 543
Due to other funds	<u>4,979</u>

Total liabilities	\$ 5,522
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FUND BALANCE

<u>13,985</u>
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Total liabilities and fund balance	<u>\$ 19,507</u>
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NORTHFIELD TOWNSHIP  
BUILDING DEPARTMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variable Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Building permit fees	\$	\$ 151,847	\$
Contractor's registration		2,640	
Interest income		718	
Other income		231	
	<u>304,200</u>	<u>155,436</u>	<u>(148,764)</u>
<b>EXPENDITURES</b>			
Salaries - director		49,934	
Salary - administrative		61,959	
Payroll taxes		5,054	
Hospitalization		9,181	
Life insurance		868	
Pension		5,763	
Supplies		1,825	
Legal fees		1,617	
Telephone		2,259	
Transportation		528	
Printing and publishing		1,866	
Utilities		1,415	
Insurance - general and bonds		9,499	
Repairs and maintenance		1,250	
Training and development		1,457	
Miscellaneous		502	
Capital outlay		1,914	
	<u>280,775</u>	<u>156,891</u>	<u>123,884</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	23,425	(1,455)	(24,880)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfer in	<u>50,000</u>	<u>50,000</u>	
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	73,425	48,545	(24,880)
<b>FUND BALANCE (DEFICIT), JULY 1, 2000</b>	<u>(34,560)</u>	<u>(34,560)</u>	
<b>FUND BALANCE, JUNE 30, 2001</b>	<u>\$ 38,865</u>	<u>\$ 13,985</u>	<u>\$ (24,880)</u>



FIRE  
PROTECTION  
FUND

NORTHFIELD TOWNSHIP  
FIRE PROTECTION FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents	\$ 91,474
Taxes receivable	23,894
Prepaid expenditures	<u>1,202</u>

Total assets		<u>\$ 116,570</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 3,654
Due to other funds	<u>30,155</u>

Total liabilities		\$ 33,809
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FUND BALANCE

82,761

Total liabilities and fund balance		<u>\$ 116,570</u>
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NORTHFIELD TOWNSHIP  
FIRE PROTECTION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 231,061	\$
Charges for services		16,429	
Interest		2,410	
Other revenue		<u>4,420</u>	
Total revenues	<u>251,215</u>	<u>254,320</u>	<u>3,105</u>
EXPENDITURES			
Salary			
Chief		18,581	
Officers		2,219	
Payroll taxes		7,417	
Firemen fees		77,909	
Hospitalization insurance		250	
Life insurance		260	
Pension		1,666	
Training and development		2,386	
Contractual services		4,315	
Telephone		3,420	
Printing and postage		1,172	
Transportation		4,656	
Supplies		5,225	
Insurance and bonds		27,254	
Utilities		3,258	
Miscellaneous		1,218	
Professional services		50	
Repairs and maintenance		10,881	
Uniforms		4,305	
Capital outlay		19,503	
Loan principal		37,431	
Loan interest		<u>17,256</u>	
Total expenditures	<u>310,121</u>	<u>250,632</u>	<u>59,489</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(58,906)</u>	<u>3,688</u>	<u>62,594</u>

NORTHFIELD TOWNSHIP  
FIRE PROTECTION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - continued  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 20,000	\$ 20,000	\$
Operating transfers (out)	<u>(5,000)</u>	<u></u>	<u>5,000</u>
Total other financing sources (uses)	<u>15,000</u>	<u>20,000</u>	<u>5,000</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(43,906)	23,688	67,594
FUND BALANCE, JULY 1, 2000	<u>59,073</u>	<u>59,073</u>	<u></u>
FUND BALANCE, JUNE 30, 2001	<u>\$ 15,167</u>	<u>\$ 82,761</u>	<u>\$ 67,594</u>

FIRE  
CAPITAL OUTLAY  
FUND

NORTHFIELD TOWNSHIP  
FIRE CAPITAL OUTLAY FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents  
Due from other fund

\$ 9,919  
30,155

Total assets

\$ 40,074

FUND BALANCE

FUND BALANCE

\$ 40,074

NORTHFIELD TOWNSHIP  
FIRE CAPITAL OUTLAY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 1,000	\$ 514	\$ (486)
EXPENDITURES	<u>20,000</u>	<u>          </u>	<u>20,000</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(19,000)	514	19,514
OTHER FINANCING SOURCES (USES)			
Operating transfers in	<u>5,000</u>	<u>          </u>	<u>(5,000)</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(14,000)	514	14,514
FUND BALANCE, JULY 1, 2000	<u>39,560</u>	<u>39,560</u>	<u>          </u>
FUND BALANCE, JUNE 30, 2001	<u>\$ 25,560</u>	<u>\$ 40,074</u>	<u>\$ 14,514</u>

FIRE TRUCK  
FUND



NORTHFIELD TOWNSHIP  
FIRE TRUCK FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash	\$ 154,632	
Taxes receivable	<u>7,619</u>	
Total assets		<u>\$ 162,251</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds	\$ 74,103
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FUND BALANCE

88,148

Total liabilities and fund balance	<u>\$ 162,251</u>
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NORTHFIELD TOWNSHIP  
FIRE TRUCK FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

REVENUES

Taxes	\$	\$ 82,640	\$
Interest		4,842	
Other income		<u>202</u>	<u></u>
Total revenues	<u>154,020</u>	<u>87,684</u>	<u>(66,336)</u>

EXPENDITURES

Capital outlay - vehicle		12,125	
Loan - principal		35,000	
Loan - interest		<u>35,809</u>	<u></u>
Total expenditures	<u>82,950</u>	<u>82,934</u>	<u>16</u>

Excess (deficiency) of revenues over expenditures	71,070	4,750	(66,320)
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FUND BALANCE, JULY 1, 2000	<u>83,398</u>	<u>83,398</u>	<u></u>
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FUND BALANCE, JUNE 30, 2001	<u>\$ 154,468</u>	<u>\$ 88,148</u>	<u>\$ (66,320)</u>
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MEDICAL  
RESCUE  
FUND

NORTHFIELD TOWNSHIP  
MEDICAL RESCUE FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents	\$ 202,609
Taxes receivable	23,365
Prepaid expenditures	<u>1,803</u>

Total assets		<u><u>\$ 227,777</u></u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable		\$ 5,560
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FUND BALANCE

222,217

Total liabilities and fund balance		<u><u>\$ 227,277</u></u>
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NORTHFIELD TOWNSHIP  
MEDICAL RESCUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 229,981	\$
Charges for services		6,868	
Interest		8,156	
Miscellaneous		<u>616</u>	
Total revenues	<u>242,605</u>	<u>245,621</u>	<u>3,016</u>
EXPENDITURES			
Salaries		105,945	
Payroll taxes		8,547	
Uniforms and gear		3,942	
Transportation		4,247	
Training and development		3,051	
Professional fees		126	
Contractual dispatch		5,770	
Telephone		5,231	
Supplies		6,857	
Insurance and bonds		12,432	
Pension		2,634	
Utilities		4,536	
Miscellaneous		1,869	
Repairs and maintenance		9,520	
Capital outlay		19,942	
Loan principal		24,129	
Loan interest		<u>1,198</u>	
Total expenditures	<u>294,012</u>	<u>219,976</u>	<u>74,036</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(51,407)	25,645	77,052
OTHER FINANCING SOURCES (USES)			
Operating transfers in	<u>20,000</u>	<u>20,000</u>	
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(31,407)	45,645	77,052
FUND BALANCE, JULY 1, 2000	<u>176,572</u>	<u>176,572</u>	
FUND BALANCE, JUNE 30, 2001	<u>\$ 145,165</u>	<u>\$ 222,217</u>	<u>\$ 77,052</u>

LAW  
ENFORCEMENT  
FUND

NORTHFIELD TOWNSHIP  
LAW ENFORCEMENT FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents	\$ 30,969	
Taxes receivable	100,288	
Accounts receivable - other	<u>2,059</u>	
Total assets		<u>\$ 133,316</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 15,831	
Due to other funds	<u>85,000</u>	
Total liabilities		\$ 100,831

FUND BALANCE

		<u>32,485</u>
Total liabilities and fund balance		<u>\$ 133,316</u>

NORTHFIELD TOWNSHIP  
LAW ENFORCEMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 972,620	\$
Fines and court fees		25,364	
Traffic tickets and impound fees		890	
Liquor law license fees		2,901	
Justice training fund		3,287	
Interest		8,011	
Contributions		1,795	
Charges for services		2,911	
Sale of assets		4,750	
Other income		8,584	
	<u>1,047,770</u>	<u>1,031,113</u>	<u>(16,557)</u>
Total revenues			
	<u>1,047,770</u>	<u>1,031,113</u>	<u>(16,557)</u>
EXPENDITURES			
	<u>1,325,060</u>	<u>1,193,571</u>	<u>131,489</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(277,290)	(162,458)	114,832
OTHER FINANCING SOURCES (USES)			
Operating transfers in	<u>64,525</u>	<u>64,525</u>	
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(212,765)	(97,933)	114,832
FUND BALANCE, JULY 1, 2000	<u>130,418</u>	<u>130,418</u>	
FUND BALANCE, JUNE 30, 2001	<u>\$ (82,347)</u>	<u>\$ 32,485</u>	<u>\$ 114,832</u>



NORTHFIELD TOWNSHIP  
LAW ENFORCEMENT FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Salaries	\$	\$ 643,147	\$
Payroll taxes		49,963	
Life insurance		6,289	
Professional fees		30,928	
Pension		48,472	
Insurance - health		73,301	
Uniforms and gear		13,783	
Printing and publishing		3,428	
Transportation		21,415	
Insurance and bonds		38,527	
Repairs and maintenance - equipment		7,159	
Repairs and maintenance - vehicle		25,551	
Miscellaneous		1,818	
Capital outlay		109,228	
Telephone		26,820	
Office expense		10,327	
Postage		350	
Training and development		11,580	
Utilities		5,211	
Equipment rental		4,255	
Contractual services - dispatch		53,508	
Interest on loan		8,511	
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total expenditures	<u>\$1,325,060</u>	<u>\$1,193,571</u>	<u>\$ 131,489</u>

NARCOTICS  
FUND

NORTHFIELD TOWNSHIP  
NARCOTICS FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents

\$ 12,665

FUND BALANCE

FUND BALANCE

\$ 12,665

NORTHFIELD TOWNSHIP  
NARCOTICS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Forfeitures	\$	\$ 5,863	\$
Interest	<u>          </u>	<u>124</u>	<u>          </u>
Total revenues	6,090	5,987	(103)
EXPENDITURES			
Small equipment	<u>4,504</u>	<u>434</u>	<u>4,070</u>
Excess (deficiency) of revenues over expenditures	1,586	5,553	3,967
FUND BALANCE, JULY 1, 2000	<u>7,112</u>	<u>7,112</u>	<u>          </u>
FUND BALANCE, JUNE 30, 2001	<u>\$ 8,698</u>	<u>\$ 12,665</u>	<u>\$ 3,967</u>

FIRE AND POLICE  
HALL  
CAPITAL PROJECTS  
FUND

NORTHFIELD TOWNSHIP  
FIRE AND POLICE HALL  
CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
JUNE 30, 2001

REVENUES	\$
EXPENDITURES	
Capital outlay - construction costs	<u>400,997</u>
Excess (deficiency) of revenue over expenditures before other financing sources (uses)	 (400,997)
OTHER FINANCING SOURCES (USES)	
Loan proceeds	<u>400,997</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	 
FUND BALANCE, JULY 1, 2000	<u>                    </u>
FUND BALANCE, JUNE 30, 2001	<u><u>\$</u></u>

SEWAGE DISPOSAL  
SYSTEM  
FUND

NORTHFIELD TOWNSHIP  
SEWAGE DISPOSAL SYSTEM FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,258,441
Certificate of deposit	500,441
Sewer billings receivable	186,159
Special assessment receivable	3,035,288
Due from other funds	74,103
Prepaid expenses	<u>187</u>

Total current assets

\$ 5,054,619

RESTRICTED ASSETS

Cash and cash equivalents - special assessments	212,088
Certificate of deposit - special assessments	<u>665,206</u>

Total restricted assets

877,294

PLANT, PROPERTY AND EQUIPMENT

Land	214,918
Plant	2,187,357
Plant expansion	5,602,691
Equipment	493,957
Construction in progress	<u>1,805,551</u>
	10,304,474

Less: accumulated depreciation

2,007,334

Net plant, property, and equipment

8,297,140

Total assets

\$ 14,229,053



LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts payable	\$	5,729	
Bonds payable - current portion		15,000	
Contract payable - current portion		<u>290,000</u>	
Total current liabilities	\$		310,729

LONG-TERM LIABILITIES

Bonds payable - less current portion		645,000	
Contract payable - less current portion		<u>7,275,000</u>	
Total long-term liabilities			<u>7,920,000</u>
Total liabilities			8,230,729

FUND EQUITY

Contributed capital		3,318,097	
Retained earnings			
Reserved	\$	1,261,245	
Unreserved		<u>1,418,982</u>	
Total retained earnings		<u>2,680,227</u>	
Total fund equity			<u>5,998,324</u>
Total liabilities and fund equity			<u>\$ 14,229,053</u>

NORTHFIELD TOWNSHIP  
SEWAGE DISPOSAL SYSTEM FUND  
STATEMENT OF CHANGES IN FUND EQUITY  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Contributed Capital</u>	<u>Retained Earnings Reserved</u>	<u>Retained Earnings Unreserved</u>	<u>Total Fund Equity</u>
BEGINNING BALANCE, July 1, 2000	\$ 3,196,713	\$ 1,177,916	\$ 1,336,463	\$ 5,711,092
ADDITIONS				
Tap-in fees	157,500			157,500
Operating income (loss)		242,911	(33,101)	209,810
Other income		2,374	14,034	16,408
Interest income - cash and equivalents		53,075	101,586	154,661
Interest income - special assessment		241,125		241,125
DEDUCTIONS				
Interest expense		(455,306)		(455,306)
Bond fees		(850)		(850)
Depreciation	<u>(36,116)</u>			<u>(36,116)</u>
ENDING BALANCE, JUNE 30, 2001	<u>\$ 3,318,097</u>	<u>\$ 1,261,245</u>	<u>\$ 1,418,982</u>	<u>\$ 5,998,324</u>

NORTHFIELD TOWNSHIP  
SEWAGE DISPOSAL SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2001

OPERATING REVENUES

User charges	\$1,056,134
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OPERATING EXPENSES

Salaries and wages	\$ 228,552
Payroll taxes	17,803
Hospitalization	44,832
Life insurance	2,675
Pension	21,447
Longevity	4,500
Training and development	893
Office supplies	1,539
Operating supplies	47,334
Uniforms	2,266
Professional services	18,408
Membership and dues	799
Contracted services	20,574
Administration fees	26,000
Telephone	7,000
Transportation	2,957
Printing and postage	4,885
Insurance and bonds	21,335
Utilities	97,918
Repairs and maintenance	108,374
Rentals	1,975
Miscellaneous	281
Depreciation	<u>163,977</u>

Total operating expenses	<u>846,324</u>
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Operating income	209,810
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NON-OPERATING REVENUES AND (EXPENSES)

Other income	7,807
Gain on sale of fixed assets	8,601
Interest income - cash and equivalents	154,661
Interest - special assessments	241,125
Interest expense	(455,306)
Bond fees	<u>(850)</u>

Total non-operating revenues and (expenses)	<u>(43,962)</u>
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Net income	<u>\$ 165,848</u>
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NORTHFIELD TOWNSHIP  
SEWAGE DISPOSAL SYSTEM FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2001

CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income		\$ 209,810
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation	\$ 163,977	
Other income	7,807	
Changes in assets and liabilities		
(Increase) in sewer billings receivable	(55,235)	
(Increase) in due from other funds	(52,423)	
Decrease in prepaid expenses	21,148	
Increase in accounts payable	154	
(Decrease) in deposits	(3,000)	
(Decrease) in due to other funds	<u>(40,186)</u>	
Total adjustments		<u>42,242</u>
Net cash provided (used) by operating activities		252,052

CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED  
FINANCING ACTIVITIES

Special assessments received sewer expansion	307,917	
Purchase of equipment/system	(53,820)	
Sale of fixed assets	8,601	
Interest paid on long-term bonds	(455,306)	
Bond fees	(850)	
Repayment of principal on bonds	(265,000)	
Tap-in and capital improvement fees	<u>157,500</u>	
Net cash provided (used) by capital and related financing activities		(300,958)

CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES

Interest on cash and cash equivalents	<u>154,661</u>
Net increase in cash and cash equivalents	105,755

CASH AND CASH EQUIVALENTS AT JULY 1, 2000	<u>2,530,421</u>
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CASH AND CASH EQUIVALENTS AT JUNE 30, 2001	<u><u>\$ 2,636,176</u></u>
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NORTHFIELD TOWNSHIP  
SEWAGE DISPOSAL SYSTEM FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING REVENUES			
User charges	<u>\$ 1,016,000</u>	<u>\$ 1,056,134</u>	<u>\$ 40,134</u>
EXPENSES			
Salaries	\$ 330,348	\$ 233,052	\$ 97,296
Payroll taxes	23,500	17,803	5,697
Insurance - health and life	48,000	47,507	493
Pension	27,600	21,447	6,153
Depreciation		163,977	(163,977)
Training and education	5,000	893	4,107
Office supplies	2,000	1,539	461
Operating supplies	37,000	47,334	(10,334)
Transportation & fuel	3,500	2,957	543
Professional services	60,000	18,408	41,592
Membership and dues	1,200	799	401
Contractual services and administrative fees	115,000	46,574	68,426
Communications	22,000	7,000	15,000
Printing, publications and postage	11,000	4,885	6,115
Insurance and bonds	50,000	21,335	28,665
Utilities	120,000	97,918	22,082
Repairs and maintenance	213,000	108,374	104,626
Uniforms and rentals	4,500	4,241	259
Miscellaneous	<u>21,000</u>	<u>281</u>	<u>20,719</u>
Total expenses	<u>\$ 1,094,648</u>	<u>\$ 846,324</u>	<u>\$ 248,324</u>
NON-OPERATING INCOME (EXPENSE)			
Tap-ins	450,000	157,500	(292,500)
Interest income - cash and equivalents	140,000	154,661	14,661
Interest income - special assessments	225,500	241,125	15,625
Other revenue	13,400	16,408	3,008
Agent fees	<u>(850)</u>	<u>(850)</u>	
Total non-operating income	<u>\$ 828,050</u>	<u>\$ 568,844</u>	<u>\$ (259,206)</u>
OTHER USES			
Renovations and equipment	\$ 202,000	\$ 53,820	\$ 148,180
Bond payments and interest	<u>931,500</u>	<u>720,306</u>	<u>211,194</u>
Total other uses	<u>\$ 1,133,500</u>	<u>\$ 774,126</u>	<u>\$ 359,374</u>

This schedule is prepared on a budgetary basis for the operating accounts of the enterprise fund and as such does not present the results of operations on the basis of generally accepted accounting principles but is presented for supplemental information.

CURRENT  
TAX  
COLLECTION  
FUND

NORTHFIELD TOWNSHIP  
CURRENT TAX COLLECTION FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

\$  
\_\_\_\_\_

LIABILITIES

LIABILITIES

\$  
\_\_\_\_\_

TRUST  
AND  
AGENCY  
FUND



NORTHFIELD TOWNSHIP  
TRUST AND AGENCY FUND  
BALANCE SHEET  
JUNE 30, 2001

ASSETS

ASSETS

Cash and cash equivalents	<u>\$ 176,938</u>
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LIABILITIES

LIABILITIES

Performance bonds	\$ 100,500
Due to other funds	6,239
Due to others	<u>70,199</u>

Total liabilities	<u>\$ 176,938</u>
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NORTHFIELD TOWNSHIP

2001

COMMENTS  
AND  
RECOMMENDATIONS

FOR THE YEAR ENDED JUNE 30, 2001

**PFEFFER • HANNIFORD • PALKA**  
*Certified Public Accountants*

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

*Members:*  
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*MACPA*

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

August 24, 2001

Board of Trustees  
Northfield Township  
75 Barker  
Whitmore Lake, Michigan 48189

Honorable Board of Trustees:

In planning and performing our audit of the general purpose financial statements of Northfield Township for the year ended June 30, 2001, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control.

We noted certain matters involving the internal control and its operation that we wish to communicate to the Northfield Township Board. Those matters are as follows:

1. COMMENT

Delinquent personal property taxes should be collected and disbursed timely.

RECOMMENDATION

More effort should be used to collect and disburse delinquent personal property taxes on a timely basis.

2. COMMENT

We found instances where an employee made capital purchases and was subsequently reimbursed by the Township. Some transactions included sales tax on purchases.

RECOMMENDATION

The Township should make all capital purchases using its own funds to avoid sales tax charges and utilizing the existing internal control structure.

This letter does not affect our report dated August 24, 2001, on the general purpose financial statements of Northfield Township.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and recommendations with various Township personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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



PFEFFER, HANNIFORD & PALKA  
Certified Public Accountants