

Northfield Township

Audit Presentation

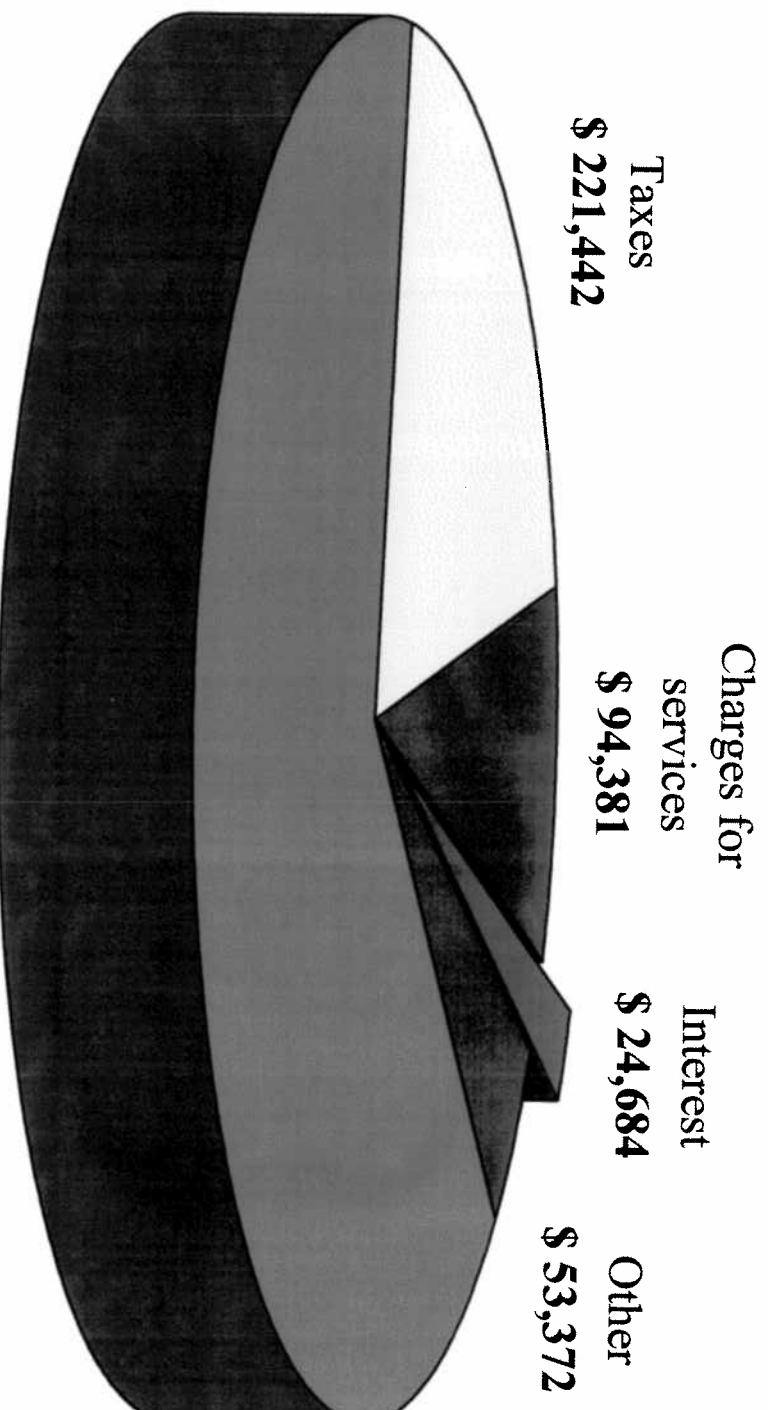
June 30, 2002



PFEIFFER, HANNIFORD & PALKA
Certified Public Accountants

EDUCATION AND JIGS

**Northfield Township
General Fund Revenues
For The Year Ended June 30, 2002**

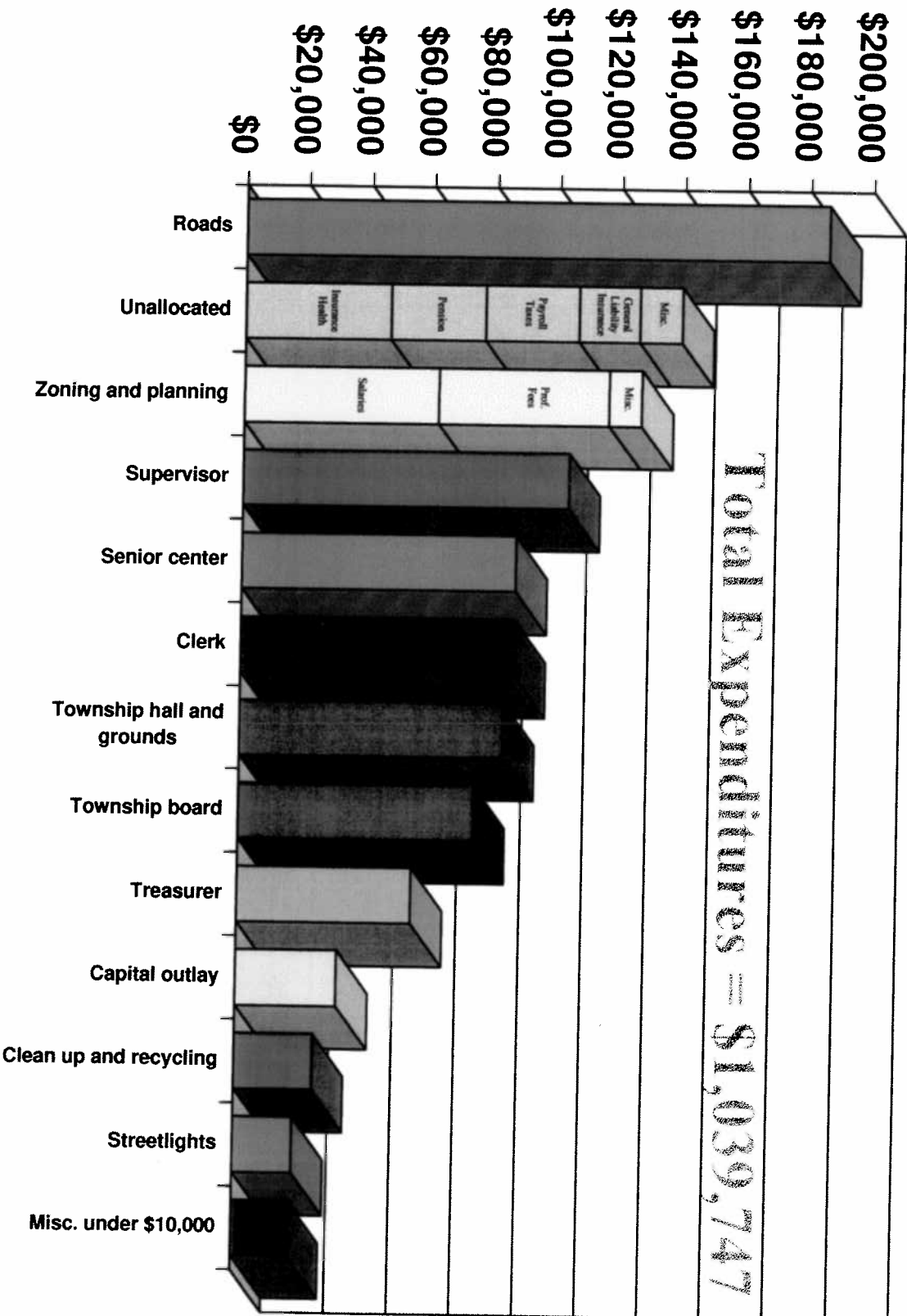


Total Revenues = \$ 1,117,449

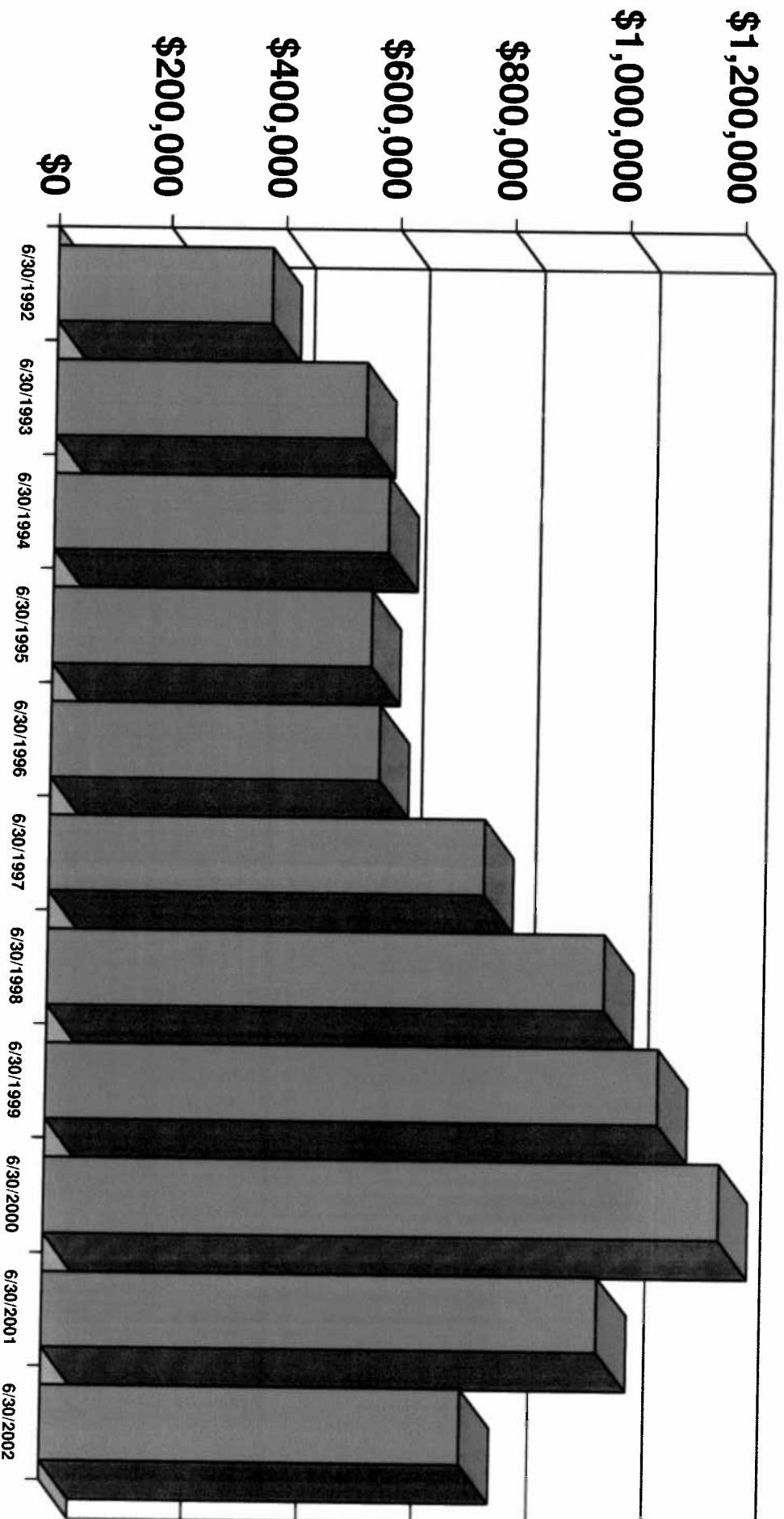
Northfield Township

General Fund Expenditures

For The Year Ended June 30, 2002



Northfield Township
General Fund
Fund Balance Comparison
June 30, 1992 - June 30, 2002



NORTHFIELD TOWNSHIP

2002

REPORT ON
AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2002

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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PFEFFER • HANNIFORD • PALKA

Certified Public Accountants

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MACPA

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September 16, 2002

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, 2002, 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, 2002, 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 - 101 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, 2002

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<u>ASSETS</u>				
ASSETS				
Cash and cash equivalents	\$ 371,025	\$ 946,596	\$ 129,658	\$ 3,994,592
Investments				
Cash and cash equivalents - restricted				
Investments - restricted				
Receivables				
Taxes	4,518	30,250	1,101	
Sewer billings				
Special assessment				
State shared revenues	217,136			
Land contract	5,600			
Other	64,083	2,950		
Prepaid expenditures/expenses	15,474	20,521		
Due from other funds	32	242		
Due from area library	80,356			
Fixed assets, net of depreciation				
Amount available in debt service fund				
Amount to be provided for general long-term debt				
Total assets	<u>\$ 758,224</u>	<u>\$ 1,000,559</u>	<u>\$ 130,759</u>	<u>\$ 3,994,592</u>

The accompanying notes are an integral part of these financial statements

<u>PROPRIETARY FUND TYPE</u>	<u>FIDUCIARY FUND TYPES</u> Trust and Agency	<u>ACCOUNT GROUPS</u>		<u>TOTALS</u> (Memorandum Only)	
		<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>2002</u>	<u>2001</u>
<u>Enterprise</u>					
\$ 1,617,550	\$ 118,035	\$	\$	\$ 7,177,456	\$ 2,142,942
514,623				514,623	500,441
703,526				703,526	212,088
653,785				653,785	665,206
				35,869	176,477
126,959				126,959	186,159
2,635,497				2,635,497	3,035,288
				217,136	286,362
				5,600	8,000
				67,033	431,688
4,269				40,264	6,366
23				297	200,476
				80,356	83,571
8,116,721		7,510,313		15,627,034	12,892,195
			129,658	129,658	
			7,585,134	7,585,134	974,268
<u>\$14,372,953</u>	<u>\$ 118,035</u>	<u>\$ 7,510,313</u>	<u>\$ 7,714,792</u>	<u>\$35,600,227</u>	<u>\$21,801,527</u>

NORTHFIELD TOWNSHIP
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS -continued
JUNE 30, 2002

	GOVERNMENTAL FUND TYPES			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES				
Accounts payable	\$ 24,558	\$ 45,439	\$ 6,596	\$ 922,841
Bonds payable				
Contracts payable				
Performance bonds				
Due to others	665			
Due to other funds	265			
Accrued compensated absences				
Total liabilities	<u>25,488</u>	<u>45,439</u>	<u>6,596</u>	<u>922,841</u>
FUND EQUITY				
Investment in general fixed assets				
Contributed capital				
Retained earnings				
Reserved				
Unreserved				
Fund balances				
Reserved	80,356		124,163	
Unreserved - undesignated	<u>652,380</u>	<u>955,120</u>		<u>3,071,751</u>
Total fund equity	<u>732,736</u>	<u>955,120</u>	<u>124,163</u>	<u>3,071,751</u>
Total liabilities and fund equity	<u>\$ 758,224</u>	<u>\$ 1,000,559</u>	<u>\$ 130,759</u>	<u>\$ 3,994,592</u>

The accompanying notes are an integral part of these financial statements

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (Memorandum Only)	
		General Fixed Assets	General Long-Term Debt	2002	2001
Enterprise	Agency				
\$ 28,695	\$	\$	\$	\$ 1,028,129	\$ 56,917
645,000				645,000	660,000
7,275,000			7,668,026	14,943,026	8,495,772
	76,000			76,000	100,500
	42,003			42,668	76,197
	32			297	200,476
			46,766	46,766	43,496
<u>7,948,695</u>	<u>118,035</u>		<u>7,714,792</u>	<u>16,781,886</u>	<u>9,633,358</u>
		7,510,313		7,510,313	4,595,055
3,807,404				3,807,404	3,318,097
943,597				943,597	1,261,245
1,673,257				1,673,257	1,418,982
				204,519	83,571
				<u>4,679,251</u>	<u>1,491,219</u>
<u>6,424,258</u>		<u>7,510,313</u>		<u>18,818,341</u>	<u>12,168,169</u>
<u>\$ 14,372,953</u>	<u>\$ 118,035</u>	<u>\$ 7,510,313</u>	<u>\$ 7,714,792</u>	<u>\$ 35,600,227</u>	<u>\$ 21,801,527</u>

NORTHFIELD TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2002

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
REVENUES				
Taxes	\$ 221,442	\$ 1,689,380	\$ 184,565	\$
Licenses and permits	1,011	144,950		
State shared revenue	723,570			
Charges for services	94,381	17,516		200,000
Fines and forfeits		27,124		
Interest	24,684	13,080	887	35,258
Miscellaneous	<u>52,361</u>	<u>29,390</u>		
Total revenues	<u>1,117,449</u>	<u>1,921,440</u>	<u>185,452</u>	<u>235,258</u>
EXPENDITURES				
Board and elected officials departments	322,041			
General operations	685,557	166,899		203,504
Public safety		1,503,974		
Capital outlay	32,149	99,721		3,760,003
Debt service		<u>144,958</u>	<u>61,289</u>	
Total expenditures	<u>1,039,747</u>	<u>1,915,552</u>	<u>61,289</u>	<u>3,963,507</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>77,702</u>	<u>5,888</u>	<u>124,163</u>	<u>(3,728,249)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in		328,335		
Operating transfers (out)	(313,335)	(15,000)		
Proceeds from loans/capitalized leases		<u>29,476</u>		<u>6,800,000</u>
Total other financing sources (uses)	<u>(313,335)</u>	<u>342,811</u>		<u>6,800,000</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(235,633)	348,699	124,163	3,071,751
FUND BALANCE, JULY 1, 2001	<u>968,369</u>	<u>606,421</u>		
FUND BALANCE, JUNE 30, 2002	<u>\$ 732,736</u>	<u>\$ 955,120</u>	<u>\$ 124,163</u>	<u>\$ 3,071,751</u>

The accompanying notes are an integral part of these financial statements

Totals (Memorandum Only)	
<u>2002</u>	<u>2001</u>
\$ 2,095,387	\$ 1,719,132
145,961	159,613
723,570	730,274
311,897	119,010
27,124	32,117
73,909	126,240
<u>81,751</u>	<u>128,829</u>
<u>3,459,599</u>	<u>3,015,215</u>
322,041	281,393
1,055,960	830,089
1,503,974	1,427,415
3,891,873	889,890
<u>206,247</u>	<u>159,334</u>
<u>6,980,095</u>	<u>3,588,121</u>
<u>(3,520,496)</u>	<u>(572,906)</u>
328,335	154,525
(328,335)	(154,525)
<u>6,829,476</u>	<u>400,997</u>
<u>6,829,476</u>	<u>400,997</u>
3,308,980	(171,909)
<u>1,574,790</u>	<u>1,746,699</u>
<u>\$ 4,883,770</u>	<u>\$ 1,574,790</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, 2002

	GENERAL FUND		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 221,442	\$
Licenses and permits		1,011	
State shared revenue		723,570	
Charges for services		94,381	
Interest		24,684	
Miscellaneous		52,361	
Total revenues	<u>1,168,080</u>	<u>1,117,449</u>	<u>(50,631)</u>
EXPENDITURES			
Board and elected officials departments		322,041	
General operations		685,557	
Public safety			
Capital outlay		32,149	
Debt service			
Total expenditures	<u>1,217,156</u>	<u>1,039,747</u>	<u>177,409</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(49,076)</u>	<u>77,702</u>	<u>126,778</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in			
Operating transfers (out)	(263,335)	(313,335)	(50,000)
Proceeds from capitalized leases			
Total other financing sources (uses)	<u>(263,335)</u>	<u>(313,335)</u>	<u>(50,000)</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(312,411)	(235,633)	76,778
FUND BALANCE, JULY 1, 2001	<u>968,369</u>	<u>968,369</u>	
FUND BALANCE, JUNE 30, 2002	<u>\$ 655,958</u>	<u>\$ 732,736</u>	<u>\$ 76,778</u>

The accompanying notes are an integral part of these financial statements

SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$	\$ 1,689,380	\$	\$	\$ 1,910,822	\$
	144,950			145,961	
				723,570	
	17,516			111,897	
	13,080			37,764	
	56,514			108,875	
<u>2,013,600</u>	<u>1,921,440</u>	<u>(92,160)</u>	<u>3,181,680</u>	<u>3,038,889</u>	<u>(142,791)</u>
				322,041	
	166,899			852,456	
	1,503,974			1,503,974	
	99,721			131,870	
	144,958			144,958	
<u>2,190,628</u>	<u>1,915,552</u>	<u>275,076</u>	<u>3,407,784</u>	<u>2,955,299</u>	<u>452,485</u>
<u>(177,028)</u>	<u>5,888</u>	<u>182,916</u>	<u>(226,104)</u>	<u>83,590</u>	<u>309,694</u>
268,335	328,335	60,000	268,335	328,335	60,000
(15,000)	(15,000)		(278,335)	(328,335)	(50,000)
	29,476	29,476		29,476	29,476
<u>253,335</u>	<u>342,811</u>	<u>89,476</u>	<u>(10,000)</u>	<u>29,476</u>	<u>39,476</u>
76,307	348,699	272,392	(236,104)	113,066	349,170
<u>606,421</u>	<u>606,421</u>		<u>1,574,790</u>	<u>1,574,790</u>	
<u>\$ 682,728</u>	<u>\$ 955,120</u>	<u>\$ 272,392</u>	<u>\$ 1,338,686</u>	<u>\$ 1,687,856</u>	<u>\$ 349,170</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, 2002

OPERATING REVENUES		
User charges		\$ 1,037,894
OPERATING EXPENSES		
Salaries and wages	\$ 245,677	
Payroll taxes	18,760	
Hospitalization	52,149	
Life insurance	3,425	
Pension	22,364	
Training and development	5,070	
Office supplies	2,274	
Operating supplies	38,419	
Uniforms	3,782	
Professional services	6,893	
Membership and dues	1,245	
Contracted services	46,201	
Administration fees	35,000	
Telephone	7,931	
Transportation	1,884	
Printing and postage	13,585	
Insurance and bonds	30,576	
Utilities	91,798	
Repairs and maintenance	135,688	
Depreciation	<u>123,567</u>	
Total operating expenses		<u>886,288</u>
Operating income		151,606
NON-OPERATING REVENUES AND (EXPENSES)		
Other income	4,232	
Loss on sale of fixed assets	(34,052)	
Interest income - cash equivalents	71,691	
Interest income - special assessments	200,616	
Interest expense	(456,316)	
Bond fees	<u>(1,150)</u>	
Total non-operating revenues and (expenses)		<u>(214,979)</u>
Net (loss)		(63,373)
RETAINED EARNINGS, JULY 1, 2001		<u>2,680,227</u>
RETAINED EARNINGS, JUNE 30, 2002		<u><u>\$ 2,616,854</u></u>

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, 2002

CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income		\$ 151,606
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation	\$ 123,567	
Other income	4,232	
Changes in assets and liabilities		
Decrease in sewer billings	59,200	
Decrease in due from other funds	74,080	
(Increase) in prepaid expenses	(4,082)	
Increase in accounts payable	<u>22,966</u>	
Total adjustments		<u>279,963</u>
Net cash provided by operating activities		431,569
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		
Special assessments collected	600,407	
Purchase of equipment/system	(97,433)	
Proceeds on sale of fixed assets	3,040	
Interest on long-term bonds	(456,316)	
Bond fees	(1,150)	
Repayment of principal on bonds/contracts	(305,000)	
Tap-in and capital improvement fees	<u>606,500</u>	
Net cash provided by capital and related financing activities		350,048
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		
Interest on cash and cash equivalents		<u>71,691</u>
Net increase in cash and cash equivalents		853,308
CASH AND CASH EQUIVALENTS AT JULY 1, 2001		<u>2,636,176</u>
CASH AND CASH EQUIVALENTS AT JUNE 30, 2002		<u>\$3,489,484</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, 2002

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.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. There are two debt service funds which are: The Building Authority, and Public Safety Building debt service funds.

Capital Project Funds - These funds account for financial resources segregated for the acquisition of major capital facilities. There are three capital project funds: Seven Mile Road Construction, Building Authority Construction, and the Public Safety Building Construction Funds.

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

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 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, 2002

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 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 compensated absences 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, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For the year ended June 30, 2002, expenditures exceeded appropriations in the following activity:

	<u>Budget</u>	<u>Actual</u>	<u>Expenditures in Excess of Budget Appropriations</u>
GENERAL FUND			
Capital outlay	\$ 29,155	\$ 32,149	\$ 2,994

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, 2002

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 2002. The 2001 adjusted taxable value of the Township totaled \$255,215,151. The township levies the following millage:

General township	.8562
Fire	.9698
Fire truck	.2783
Medical rescue	.9657
Police	4.3099
Police safety building	.7136
Library	<u>1.3640</u>
Total millage	<u>9.4575</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, 2002

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 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, 2002

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, 2002 was \$80,356.

NOTE 4 - CHANGES IN FIXED ASSETS

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

	Balance 7/01/01	Additions	Deletions	Balance 6/30/02
Land	\$ 85,525	\$	\$	\$ 85,525
Fire vehicles	1,397,923	16,747		1,414,670
Fire equipment	277,799	2,101		279,900
Rescue vehicles	207,837	16,202		224,039
Rescue equipment	124,092	21,579		145,671
Office equipment	233,931	34,769		268,700
Township vehicles		3,000		3,000
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
Parking lot	12,571			12,571
Senior center	420,720			420,720
Fire/police	838,840	2,839,876		3,678,716
Law enforcement	460,053	46,663	65,679	441,037
Signs	6,410			6,410
	<u>6,410</u>	<u>2,839,876</u>	<u>65,679</u>	<u>6,410</u>
Total	<u>\$4,595,055</u>	<u>\$2,980,937</u>	<u>\$ 65,679</u>	<u>\$7,510,313</u>

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 4 - CHANGES IN FIXED ASSETS - continued

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

	<u>Balance 7/1/01</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/02</u>
FIXED ASSETS				
Land	\$ 214,918	\$	\$	\$ 214,918
Plant	2,187,357			2,187,357
Plant expansion	5,602,691	1,805,551		7,408,242
Equipment	493,957	97,433	235,921	355,469
Construction in progress	<u>1,805,551</u>	<u></u>	<u>1,805,551</u>	<u></u>
Totals	<u>\$ 10,304,474</u>	<u>\$ 1,902,984</u>	<u>\$ 2,041,472</u>	<u>\$ 10,165,986</u>
	<u>Balance 7/1/01</u>	<u>Depreciation</u>	<u>Deductions</u>	<u>Balance 6/30/02</u>
ACCUMULATED DEPRECIATION	<u>\$ 2,007,334</u>	<u>\$ 240,760</u>	<u>\$ 198,829</u>	<u>\$ 2,049,265</u>

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 5 - GENERAL LONG-TERM DEBT

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

Capital Lease

1. On July 13, 2001 the Township entered into a lease agreement with Ford Motor Company to purchase a vehicle for \$23,146. The Township is required to make annual payments of \$8,261.20 until the lease matures in July 2003. The outstanding principal balance was \$14,885.
2. On October 11, 2001 the Township entered into a lease agreement with Ervin Leasing to purchase a copier for \$6,330. The Township is required to make monthly payments of \$166.50 until the lease matures in November 2006. The outstanding principal balance was \$5,868 on June 30, 2002.

Notes Payable

1. Note payable to National City Bank for the financing of the construction costs for the new public safety building. Principal payments ranging from \$50,000 to \$275,000 are due annually on April 1 and maturing on April 1, 2022. Interest is charged at 6.0% to 4.8%, payable semi-annually. The outstanding balance of the note at June 30, 2002 was \$3,800,000.
2. Note payable to National City Bank for the financing of the construction costs for the new public safety building. Principal payments ranging from \$75,000 to \$250,000 are due annually on April 1 and maturing on April 1, 2022. Interest is charged at 3.25% to 5.0%, payable semi-annually. The outstanding balance of the note at June 30, 2002 was \$3,000,000.
3. 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, 2002 was \$15,452.
4. 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, 2002 was \$6,978.
5. 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, 2002 was \$215,886.
6. 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, 2002 was \$608,957.

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 5 - GENERAL LONG-TERM DEBT - continued

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

	Balance 7/1/01	Additions	Payments	Balance 6/30/02
Capitalized Lease				
Ervin Leasing	\$ 1,068	\$	\$ 1,068	\$
Ford Motor Company		23,146	8,261	14,885
Ervin Leasing		6,330	462	5,868
Total capitalized leases	<u>1,068</u>	<u>29,476</u>	<u>9,791</u>	<u>20,753</u>
Notes Payable				
National City		3,800,000		3,800,000
National City		3,000,000		3,000,000
National City	30,904		15,452	15,452
National City	13,957		6,979	6,978
Bank One	235,886		20,000	215,886
Bank One	648,957		40,000	608,957
Total notes payable	<u>929,704</u>	<u>6,800,000</u>	<u>82,431</u>	<u>7,647,273</u>
Compensated absences	<u>43,496</u>	<u>3,270</u>		<u>46,766</u>
Total general long-term debt	<u>\$ 974,268</u>	<u>\$ 6,832,746</u>	<u>\$ 92,222</u>	<u>\$ 7,714,792</u>

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

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
2002 - 2003	\$ 8,107	\$ 2,152	\$ 215,430	\$ 364,485	\$ 223,537	\$ 366,637
2003 - 2004	8,827	1,432	258,000	344,590	266,827	346,022
2004 - 2005	1,366	632	268,000	331,973	269,366	332,605
2005 - 2006	1,660	338	353,000	318,651	354,660	318,989
2006 - 2007	793	39	363,000	301,909	363,793	301,948
2007 and after			6,189,843	1,427,205	6,189,843	1,427,205
Totals	<u>\$ 20,753</u>	<u>\$ 4,593</u>	<u>\$ 7,647,273</u>	<u>\$ 3,088,813</u>	<u>\$ 7,668,026</u>	<u>\$ 3,093,406</u>

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 6 - BONDS PAYABLE

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

	Balance 7-1-01	Additions	Payments	Balance 6-30-02	Interest Expense	Current Portion	Long-Term Portion
1992 Junior Lien Revenue Bonds (General Obligation Limited Tax)	\$ <u>660,000</u>	\$ _____	\$ <u>15,000</u>	\$ <u>645,000</u>	\$ <u>44,078</u>	\$ <u>15,000</u>	\$ <u>630,000</u>

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

1992 Junior Lien Revenue Bonds (General Obligation Limited Tax)			
<u>Year Ending June 30,</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>
2003	5.9	\$ 15,000	\$ 43,177
2004	6.0	15,000	42,255
2005	6.15	20,000	41,318
2006	6.25	20,000	39,988
2007	6.65	20,000	38,658
2007 - 2022	6.65 to 6.75	<u>555,000</u>	<u>338,430</u>
		\$ <u>645,000</u>	\$ <u>543,826</u>

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 7 - CONTRACTS PAYABLE

The following is a summary of contract payable debt for the proprietary fund for the year ending June 30, 2002:

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 \$3,025,000 at June 30, 2002. A portion of sewer billings are used to finance the debt service of these bonds.
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, 2002, interest is charged at 5.3% to 5.9%, payable semi-annually. The outstanding balance as of June 30, 2002 was \$1,300,000.
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, 2002, interest is charged at 6.01%, payable semi-annually. The outstanding balance as of June 30, 2002 was \$2,950,000.

	1997 - Wastewater System Improvements		2001 - 8 Mile Pump Station	
	Principal	Interest	Principal	Interest
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>\$ 3,025,000</u>	<u>\$ 1,407,725</u>	<u>\$ 1,300,000</u>	<u>\$ 755,315</u>

2001 - North Territorial Sewer Expansion		TOTAL	
<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
\$ 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>\$ 2,950,000</u>	<u>\$ 1,569,457</u>	<u>\$ 7,275,000</u>	<u>\$ 3,732,497</u>

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

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.

No current year pension plan activity could be made available.

A contribution of \$209,268, was made in the fiscal year ended June 30, 2002.

Total payroll was \$1,851,828, for the fiscal year ended June 30, 2002.

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 9 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

	<u>Interfund Receivable</u>		<u>Interfund Payable</u>
General Fund	\$ 7	Current Tax Collection Fund	\$ 7
General Fund	25	Trust and Agency Fund	25
Law Enforcement Fund	242	General Fund	242
Sewage Disposal System Fund	<u>23</u>	General Fund	<u>23</u>
	<u>\$ 297</u>		<u>\$ 297</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	\$ 1,037,894
Depreciation	240,760
Operating income	151,606
Net working capital	4,530,226
Total assets	14,372,953
Unreserved retained earnings	1,673,257
Total fund equity	6,424,258
Contributed capital	3,807,404

NORTHFIELD TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

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 \$550 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	\$ 223,066	\$ 223,066
Uninsured and uncollateralized	<u>8,825,774</u>	<u>9,456,816</u>
	<u>\$ 9,048,840</u>	<u>\$ 9,679,882</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, 2002

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, 2001</u>	<u>June 30, 2002</u>
Current assets		
Cash and cash equivalents	\$ 1,758,882	\$ 2,132,173
Restricted assets		
Cash and cash equivalents	<u>877,294</u>	<u>1,357,311</u>
Total cash and cash equivalents	<u>\$ 2,636,176</u>	<u>\$ 3,489,484</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.

NOTE 15 - GASBS NO. 34

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. Certain of the significant changes in the statement include the following:

1. For the first time the financial statements will include:
 - A Management Discussion and Analysis (MD&A) section providing an analysis of the Township's overall financial position and results of operations.
 - Financial statements prepared using full accrual accounting for all of the Township's activities, including reporting infrastructure assets (roads, bridges, etc.).
2. A change in the fund financial statements to focus on the major funds.

The general provisions of GASBS No. 34 must be implemented by Northfield Township no later than the fiscal year ending June 30, 2004.

SUPPLEMENTARY
INFORMATION

COMBINING
FINANCIAL
STATEMENTS

NORTHFIELD TOWNSHIP
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2002

	General Capital Outlay and Improvement Fund	Building Department Fund	Fire Protection Fund
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 116,225	\$ 19,424	\$ 147,098
Taxes receivable			4,874
Due from other funds			
Accounts receivable - other			
Prepaid expenditures		1,061	2,871
Total assets	<u>\$ 116,225</u>	<u>\$ 20,485</u>	<u>\$ 154,843</u>
<u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Accounts payable	\$	\$ 157	\$ 4,452
FUND BALANCE	<u>116,225</u>	<u>20,328</u>	<u>150,391</u>
Total liabilities and fund balance	<u>\$ 116,225</u>	<u>\$ 20,485</u>	<u>\$ 154,843</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>
\$ 55,755	\$ 86,745 980	\$ 226,367 5,333	\$ 280,872 19,063 242 2,950 9,890	\$ 14,110	\$ 946,596 30,250 242 2,950 20,521
<u>\$ 55,755</u>	<u>\$ 87,725</u>	<u>\$ 238,399</u>	<u>\$ 313,017</u>	<u>\$ 14,110</u>	<u>\$ 1,000,559</u>
\$	\$	\$ 9,091	\$ 31,739	\$	\$ 45,439
<u>55,755</u>	<u>87,725</u>	<u>229,308</u>	<u>281,278</u>	<u>14,110</u>	<u>955,120</u>
<u>\$ 55,755</u>	<u>\$ 87,725</u>	<u>\$ 238,399</u>	<u>\$ 313,017</u>	<u>\$ 14,110</u>	<u>\$ 1,000,559</u>

NORTHFIELD TOWNSHIP
COMBINING BALANCE SHEET
ALL DEBT SERVICE FUNDS
JUNE 30, 2002

	<u>Building Authority</u>	<u>Public Safety Building</u>	<u>Totals</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 6,625	\$ 123,033	\$ 129,658
Taxes receivable	<u> </u>	<u>1,101</u>	<u>1,101</u>
Total assets	<u>\$ 6,625</u>	<u>\$ 124,134</u>	<u>\$ 130,759</u>
<u>LIABILITIES</u>			
LIABILITIES			
Accrued interest payable	\$ 6,596	\$	\$ 6,596
FUND BALANCE - RESERVED FOR DEBT SERVICE	<u>29</u>	<u>124,134</u>	<u>124,163</u>
Total liabilities	<u>\$ 6,625</u>	<u>\$ 124,134</u>	<u>\$ 130,759</u>

NORTHFIELD TOWNSHIP
COMBINING BALANCE SHEET
ALL CAPITAL PROJECT FUND
JUNE 30, 2002

	<u>Building Authority Construction</u>	<u>Public Safety Building Construction</u>	<u>Totals</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	<u>\$ 2,925,685</u>	<u>\$1,068,907</u>	<u>\$ 3,994,592</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Accounts payable	\$ 4,813	\$ 918,028	\$ 922,841
FUND BALANCE	<u>2,920,872</u>	<u>150,879</u>	<u>3,071,751</u>
Total liabilities	<u>\$ 2,925,685</u>	<u>\$1,068,907</u>	<u>\$ 3,994,592</u>

NORTHFIELD TOWNSHIP
COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2002

	<u>Current Tax Collection Fund</u>	<u>Trust and Agency Fund</u>	<u>Totals</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ <u>7</u>	\$ <u>118,028</u>	\$ <u>118,035</u>
 <u>LIABILITIES</u>			
LIABILITIES			
Due to other funds	\$ 7	\$ 25	\$ 32
Due to others		42,003	42,003
Performance bonds		<u>76,000</u>	<u>76,000</u>
Total liabilities	<u>\$ 7</u>	<u>\$ 118,028</u>	<u>\$ 118,035</u>

NORTHFIELD TOWNSHIP
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	General Capital Outlay and Improvement Fund	- Building Department Fund	Fire Protection Fund
REVENUES			
Taxes	\$	\$	\$ 251,152
Fines and forfeits			
Charges for services			3,588
Licenses and permits		142,614	
Interest	2,139	582	1,716
Other revenue		46	3,557
Total revenues	<u>2,139</u>	<u>143,242</u>	<u>260,013</u>
EXPENDITURES			
General government		166,899	
Public safety			130,156
Principal			44,909
Interest			14,515
Capital outlay			16,747
Total expenditures		<u>166,899</u>	<u>206,327</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>2,139</u>	<u>(23,657)</u>	<u>53,686</u>
OTHER FINANCING SOURCES (USES)			
Lease proceeds			6,944
Operating transfers in		30,000	22,000
Operating transfers (out)			(15,000)
Total other financing sources (uses)		<u>30,000</u>	<u>13,944</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	2,139	6,343	67,630
FUND BALANCE, JULY 1, 2001	<u>114,086</u>	<u>13,985</u>	<u>82,761</u>
FUND BALANCE, JUNE 30, 2002	<u>\$ 116,225</u>	<u>\$ 20,328</u>	<u>\$ 150,391</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>
\$	\$ 71,969	\$ 250,102	\$ 1,116,157	\$	\$1,689,380
		13,928	24,351	2,773	27,124
			2,336		17,516
681	1,493	3,526	2,800	143	144,950
		1,889	23,898		13,080
					29,390
<u>681</u>	<u>73,462</u>	<u>269,445</u>	<u>1,169,542</u>	<u>2,916</u>	<u>1,921,440</u>
					166,899
		254,992	1,117,355	1,471	1,503,974
	40,000	5,783	1,530		92,222
	33,885		4,336		52,736
		37,781	45,193		99,721
	<u>73,885</u>	<u>298,556</u>	<u>1,168,414</u>	<u>1,471</u>	<u>1,915,552</u>
<u>681</u>	<u>(423)</u>	<u>(29,111)</u>	<u>1,128</u>	<u>1,445</u>	<u>5,888</u>
		16,202	6,330		29,476
15,000		20,000	241,335		328,335
					(15,000)
<u>15,000</u>		<u>36,202</u>	<u>247,665</u>		<u>342,811</u>
15,681	(423)	7,091	248,793	1,445	348,699
<u>40,074</u>	<u>88,148</u>	<u>222,217</u>	<u>32,485</u>	<u>12,665</u>	<u>606,421</u>
<u>\$ 55,755</u>	<u>\$ 87,725</u>	<u>\$ 229,308</u>	<u>\$ 281,278</u>	<u>\$ 14,110</u>	<u>\$ 955,120</u>

NORTHFIELD TOWNSHIP
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL DEBT SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2002

	<u>Building Authority</u>	<u>Public Safety Building</u>	<u>Total</u>
REVENUES			
Property taxes	\$	\$ 184,565	\$ 184,565
Interest	<u>29</u>	<u>858</u>	<u>887</u>
Total revenues	<u>29</u>	<u>185,423</u>	<u>185,452</u>
EXPENDITURES			
Loan - interest		60,863	60,863
Loan - agent fees		<u>426</u>	<u>426</u>
Total expenditures		<u>61,289</u>	<u>61,289</u>
Excess (deficiency) of revenues over expenditures	29	124,134	124,163
FUND BALANCE, JULY 1, 2001			
FUND BALANCE, JUNE 30, 2002	<u>\$ 29</u>	<u>\$ 124,134</u>	<u>\$ 124,163</u>

NORTHFIELD TOWNSHIP
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Seven Mile Road Construction</u>	<u>Building Authority Construction</u>	<u>Public Safety Building Construction</u>	<u>Totals</u>
REVENUES				
Charges for services	\$ 200,000	\$	\$	\$ 200,000
Interest	<u>3,504</u>	<u>13,084</u>	<u>18,670</u>	<u>35,258</u>
Total	<u>203,504</u>	<u>13,084</u>	<u>18,670</u>	<u>235,258</u>
EXPENDITURES				
Road improvements	203,504			203,504
Project costs - construction	<u></u>	<u>92,212</u>	<u>3,667,791</u>	<u>3,760,003</u>
Total expenditures	<u>203,504</u>	<u>92,212</u>	<u>3,667,791</u>	<u>3,963,507</u>
Excess (deficiency) of revenues over expenditures before other financing source		(79,128)	(3,649,121)	(3,728,249)
OTHER FINANCING SOURCE				
Bond proceeds	<u></u>	<u>3,000,000</u>	<u>3,800,000</u>	<u>6,800,000</u>
Excess (deficiency) of revenues over expenditures after other financing source		2,920,872	150,879	3,071,751
FUND BALANCE, JULY 1, 2001	<u></u>	<u></u>	<u></u>	<u></u>
FUND BALANCE, JUNE 30, 2002	<u>\$</u>	<u>\$ 2,920,872</u>	<u>\$ 150,879</u>	<u>\$ 3,071,751</u>

INDIVIDUAL FUNDS

GENERAL
FUND

NORTHFIELD TOWNSHIP
GENERAL FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents	\$ 371,025
Taxes receivable	4,518
State shared revenue receivable	217,136
Accounts receivable - fire/police building	29,164
Accounts receivable - other	34,919
Due from other funds	32
Due from township area library	80,356
Land contract receivable	5,600
Prepaid expenditures	<u>15,474</u>

Total assets		\$ <u>758,224</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 24,558
Due to other funds	265
Due to others	<u>665</u>

Total liabilities		\$ 25,488
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FUND BALANCE

Reserved	80,356
Unreserved	<u>652,380</u>

Total fund balance		<u>732,736</u>
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Total liabilities and fund balance		<u>\$ 758,224</u>
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NORTHFIELD TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 219,755	\$ 221,442	\$ 1,687
Licenses and permits	1,715	1,011	(704)
State shared revenues	750,000	723,570	(26,430)
Charges for services	111,146	94,381	(16,765)
Interest	19,000	24,684	5,684
Miscellaneous revenue	66,464	52,361	(14,103)
Total revenues	<u>1,168,080</u>	<u>1,117,449</u>	<u>(50,631)</u>
EXPENDITURES			
Township board	85,000	75,084	9,916
Supervisor	114,433	104,149	10,284
Elections	6,600	4,104	2,496
Clerk	92,283	87,285	4,998
Board of review	8,100	3,675	4,425
Treasurer	56,890	55,523	1,367
Township hall and grounds	85,400	84,043	1,357
Zoning and planning departments	144,270	127,093	17,177
Unallocated	144,925	139,535	5,390
Human services contract	7,500	7,500	
Roads	185,900	185,899	1
Street lights	19,000	18,877	123
Capital outlay	29,155	32,149	(2,994)
Clean up and recycling	27,000	24,857	2,143
Recreation	10,000	2,516	7,484
Senior Center	200,700	87,458	113,242
Total expenditures	<u>1,217,156</u>	<u>1,039,747</u>	<u>177,409</u>
Excess (deficiency) of revenues over expenditures before other financing (uses)	<u>(49,076)</u>	<u>77,702</u>	<u>126,778</u>
OTHER FINANCING (USES)			
Operating transfers (out)	<u>(263,335)</u>	<u>(313,335)</u>	<u>(50,000)</u>
Excess (deficiency) of revenues over expenditures after other financing (uses)	<u>(312,411)</u>	<u>(235,633)</u>	<u>76,778</u>
FUND BALANCE, JULY 1, 2001	<u>968,369</u>	<u>968,369</u>	
FUND BALANCE, JUNE 30, 2001	<u>\$ 655,958</u>	<u>\$ 732,736</u>	<u>\$ 76,778</u>

NORTHFIELD TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TAXES	\$ 219,755	\$ 221,442	\$ 1,687
LICENSES AND PERMITS			
Sign permits		96	
Peddler licenses		65	
Private road permits		850	
Total licenses and permits	<u>1,715</u>	<u>1,011</u>	<u>(704)</u>
STATE SHARED REVENUES	<u>750,000</u>	<u>723,570</u>	<u>(26,430)</u>
CHARGES FOR SERVICES			
Cablevision franchise fees		55,957	
Zoning fees		7,175	
Board of appeals		2,675	
May clean up		11,424	
Site plan reviews		5,000	
Split applications		920	
Mobile home park fees		3,816	
Summer tax collection fees		3,790	
Duplicating		3,624	
Total charges for services	<u>111,146</u>	<u>94,381</u>	<u>(16,765)</u>
INTEREST	<u>19,000</u>	<u>24,684</u>	<u>5,684</u>
MISCELLANEOUS REVENUE			
Sewer administration reimbursement		35,000	
Rental income		4,350	
Senior citizens		9,900	
Contributions		1,128	
Other revenue		1,983	
Total miscellaneous revenue	<u>66,464</u>	<u>52,361</u>	<u>(14,103)</u>
Total revenues	<u>\$ 1,168,080</u>	<u>\$ 1,117,449</u>	<u>\$ (50,631)</u>

NORTHFIELD TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Fees	\$	\$ 15,500	\$
Audit		7,500	
Legal		41,813	
Printing and publishing		8,157	
Training and development		2,114	
	<u>85,000</u>	<u>75,084</u>	<u>9,916</u>
SUPERVISOR			
Supervisor's salary		38,033	
Assessor		39,883	
Clerical		19,492	
Dues and subscriptions		93	
Training and development		2,765	
Transportation		2,019	
Miscellaneous		55	
Postage		1,809	
	<u>114,433</u>	<u>104,149</u>	<u>10,284</u>
ELECTIONS			
Fees		1,815	
Office supplies		508	
Postage		800	
Printing and publishing		981	
	<u>6,600</u>	<u>4,104</u>	<u>2,496</u>
CLERK			
Clerk's salary		38,033	
Recording secretary		3,235	
Deputy clerk's salary		7,539	
Accountant's salary		36,653	
Transportation		326	
Training and development		1,409	
Dues and subscriptions		90	
	<u>92,283</u>	<u>87,285</u>	<u>4,998</u>

NORTHFIELD TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
BOARD OF REVIEW			
Fees		1,588	
Tax tribunal and drains		1,609	
Training and development		225	
Miscellaneous		253	
	<u>8,100</u>	<u>3,675</u>	<u>4,425</u>
Total board of review			
TREASURER			
Treasurer's salary		38,033	
Summer tax collection		1,000	
Deputy treasurer's salary		2,552	
Sewer billing clerk		4,259	
Legal fees		5,432	
Tax statement preparation		440	
Transportation		353	
Dues and subscriptions		75	
Training and development		1,379	
Postage		2,000	
	<u>56,890</u>	<u>55,523</u>	<u>1,367</u>
Total treasurer			
TOWNSHIP HALL AND GROUNDS			
Clerical salary		25,934	
Janitor fees		6,120	
Office supplies		13,522	
Telephone		7,256	
Postage		969	
Utilities		6,171	
Repairs and maintenance		19,173	
Equipment rental		2,486	
Miscellaneous		2,412	
	<u>85,400</u>	<u>84,043</u>	<u>1,357</u>
Total township hall and grounds			

NORTHFIELD TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
ZONING AND PLANNING DEPARTMENTS			
Salaries - director		13,957	
Salaries - recording secretary		3,355	
Salaries - zoning administrator		28,788	
Planning commission fees		12,900	
Board of appeals fees		3,000	
Office supplies		127	
Printing and publications		4,215	
Planning consultant		34,035	
Legal fees		20,681	
Training and development		4,054	
Transportation		1,247	
Miscellaneous		34	
Postage		700	
	<u>144,270</u>	<u>127,093</u>	<u>17,177</u>
Total zoning and planning departments			
UNALLOCATED			
Insurance - health		46,283	
Insurance - life		4,535	
Employer's social security		30,068	
Pension		30,253	
Insurance - general and bonds		19,397	
Membership dues		7,000	
Interest on loans		1,999	
	<u>144,925</u>	<u>139,535</u>	<u>5,390</u>
Total unallocated			
HUMAN SERVICES CONTRACT	<u>7,500</u>	<u>7,500</u>	
ROADS	<u>185,900</u>	<u>185,899</u>	<u>1</u>
STREET LIGHTS	<u>19,000</u>	<u>18,877</u>	<u>123</u>
CAPITAL OUTLAY	<u>29,155</u>	<u>32,149</u>	<u>(2,994)</u>
CLEAN UP AND RECYCLING	<u>27,000</u>	<u>24,857</u>	<u>2,143</u>
RECREATION	<u>10,000</u>	<u>2,516</u>	<u>7,484</u>
SENIOR CENTER	<u>200,700</u>	<u>87,458</u>	<u>113,242</u>
Total expenditures	<u>\$ 1,217,156</u>	<u>\$ 1,039,747</u>	<u>\$ 177,409</u>

GENERAL CAPITAL
OUTLAY AND
IMPROVEMENT FUND

NORTHFIELD TOWNSHIP
GENERAL CAPITAL OUTLAY AND IMPROVEMENT FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 116,225

FUND BALANCE

FUND BALANCE

\$ 116,225

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, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 3,000	\$ 2,139	\$ (861)
EXPENDITURES			
Excess (deficiency) of revenues over expenditures	3,000	2,139	(861)
FUND BALANCE, JULY 1, 2001	<u>114,086</u>	<u>114,086</u>	
FUND BALANCE, JUNE 30, 2002	<u>\$ 117,086</u>	<u>\$ 116,225</u>	<u>\$ (861)</u>

BUILDING
DEPARTMENT
FUND

NORTHFIELD TOWNSHIP
BUILDING DEPARTMENT FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash	\$ 19,424
Prepaid expenditures	<u>1,061</u>

Total assets		<u>\$ 20,485</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 157
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FUND BALANCE

	<u>20,328</u>
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Total liabilities and fund balance		<u>\$ 20,485</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, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variable Favorable (Unfavorable)</u>
REVENUES			
Building permit fees	\$	\$ 138,340	\$
Contractor's registration		4,274	
Interest income		582	
Other income		46	
Total revenues	<u>225,150</u>	<u>143,242</u>	<u>(81,908)</u>
EXPENDITURES			
Salaries - director		51,413	
Salary - administrative		28,413	
Payroll taxes		6,132	
Hospitalization		16,311	
Life insurance		1,157	
Pension		7,999	
Inspections		35,774	
Supplies		1,437	
Membership dues		340	
Telephone		2,680	
Postage		228	
Printing and publishing		1,215	
Utilities		980	
Insurance - general and bonds		7,862	
Repairs and maintenance		931	
Training and development		1,542	
Transportation		603	
Miscellaneous		42	
Capital outlay		1,840	
Total expenditures	<u>198,405</u>	<u>166,899</u>	<u>31,506</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	26,745	(23,657)	(50,402)
OTHER FINANCING SOURCES (USES)			
Operating transfer in		30,000	30,000
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	26,745	6,343	(20,402)
FUND BALANCE, JULY 1, 2001	<u>13,985</u>	<u>13,985</u>	
FUND BALANCE, JUNE 30, 2002	<u>\$ 40,730</u>	<u>\$ 20,328</u>	<u>\$ (20,402)</u>

FIRE
PROTECTION
FUND

NORTHFIELD TOWNSHIP
FIRE PROTECTION FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents	\$ 147,098
Taxes receivable	4,874
Prepaid expenditures	<u>2,871</u>

Total assets	<u>\$ 154,843</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 4,452
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FUND BALANCE	<u>150,391</u>
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Total liabilities and fund balance	<u>\$ 154,843</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, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 251,152	\$
Charges for services		3,588	
Interest		1,716	
Other revenue		<u>3,557</u>	
Total revenues	<u>271,024</u>	<u>260,013</u>	<u>(11,011)</u>
EXPENDITURES			
Salary			
Chief		15,157	
Administrative assistant		5,317	
Officers		1,432	
Payroll taxes		7,088	
Firemen fees		45,119	
Hospitalization insurance		561	
Life insurance		230	
Pension		1,789	
Training and development		1,349	
Contractual services		3,382	
Telephone		3,185	
Printing and postage		493	
Transportation		1,831	
Supplies		4,527	
Insurance and bonds		22,257	
Utilities		2,506	
Miscellaneous		1,347	
Professional services		101	
Repairs and maintenance		9,225	
Uniforms		3,260	
Capital outlay		16,747	
Loan principal		44,909	
Loan interest		<u>14,515</u>	
Total expenditures	<u>304,326</u>	<u>206,327</u>	<u>97,999</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(33,302)</u>	<u>53,686</u>	<u>86,988</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, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES			
Loan proceeds	\$	\$ 6,944	\$ 6,944
Operating transfers in	22,000	22,000	
Operating transfers (out)	<u>(15,000)</u>	<u>(15,000)</u>	
Total other financing sources (uses)	<u>7,000</u>	<u>13,944</u>	<u>6,944</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(26,302)	67,630	93,932
FUND BALANCE, JULY 1, 2001	<u>82,761</u>	<u>82,761</u>	
FUND BALANCE, JUNE 30, 2002	<u>\$ 56,459</u>	<u>\$ 150,391</u>	<u>\$ 93,932</u>

FIRE
CAPITAL OUTLAY
FUND

NORTHFIELD TOWNSHIP
FIRE CAPITAL OUTLAY FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 55,755

FUND BALANCE

FUND BALANCE

\$ 55,755

NORTHFIELD TOWNSHIP
FIRE CAPITAL OUTLAY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 1,000	\$ 681	\$ (319)
EXPENDITURES			
Excess (deficiency) of revenues over expenditures before other financing source	1,000	681	(319)
OTHER FINANCING SOURCE			
Operating transfer in	5,000	15,000	10,000
Excess (deficiency) of revenues over expenditures after other financing source	6,000	15,681	9,681
FUND BALANCE, JULY 1, 2001	40,074	40,074	
FUND BALANCE, JUNE 30, 2002	<u>\$ 46,074</u>	<u>\$ 55,755</u>	<u>\$ 9,681</u>

FIRE TRUCK
FUND

NORTHFIELD TOWNSHIP
FIRE TRUCK FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash	\$ 86,745
Taxes receivable	<u>980</u>

Total assets		<u>\$ 87,725</u>
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FUND BALANCE

FUND BALANCE		<u>\$ 87,725</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, 2002

REVENUES			
Taxes	\$	\$ 71,969	\$
Interest		1,493	
Total revenues	72,967	73,462	495
EXPENDITURES			
Loan - principal		40,000	
Loan - interest		33,885	
Total expenditures	73,885	73,885	
Excess (deficiency) of revenues over expenditures	(918)	(423)	495
FUND BALANCE, JULY 1, 2001	88,148	88,148	
FUND BALANCE, JUNE 30, 2001	\$ 87,230	\$ 87,725	\$ 495

MEDICAL
RESCUE
FUND

NORTHFIELD TOWNSHIP
MEDICAL RESCUE FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents	\$ 226,367
Taxes receivable	5,333
Prepaid expenditures	<u>6,699</u>

Total assets	<u>\$ 238,399</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 9,091
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FUND BALANCE

<u>229,308</u>

Total liabilities and fund balance	<u>\$ 238,399</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, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 250,102	\$
Charges for services		13,928	
Interest		3,526	
Miscellaneous		<u>1,889</u>	
Total revenues	<u>272,661</u>	<u>269,445</u>	<u>(3,216)</u>
EXPENDITURES			
Salaries		156,394	
Payroll taxes		12,071	
Employee benefits		1,826	
Uniforms and gear		7,607	
Transportation		4,273	
Training and development		3,155	
Professional fees		235	
Contractual dispatch		7,892	
Telephone		6,911	
Supplies		8,866	
Printing and postage		1,134	
Insurance and bonds		11,939	
Pension		3,374	
Utilities		5,404	
Miscellaneous		2,949	
Repairs and maintenance		20,962	
Capital outlay		37,781	
Loan principal		<u>5,783</u>	
Total expenditures	<u>328,166</u>	<u>298,556</u>	<u>29,610</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(55,505)	(29,111)	26,394
OTHER FINANCING SOURCES (USES)			
Loan proceeds		16,202	16,202
Operating transfers in		<u>20,000</u>	<u>20,000</u>
Total other financing sources (uses)		<u>36,202</u>	<u>36,202</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(55,505)	7,091	62,596
FUND BALANCE, JULY 1, 2001	<u>222,217</u>	<u>222,217</u>	
FUND BALANCE, JUNE 30, 2001	<u>\$ 166,712</u>	<u>\$ 229,308</u>	<u>\$ 62,596</u>

LAW
ENFORCEMENT
FUND

NORTHFIELD TOWNSHIP
LAW ENFORCEMENT FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents	\$ 280,872
Taxes receivable	19,063
Accounts receivable - other	2,950
Due from other funds	242
Prepaid expenditure	<u>9,890</u>

Total assets

\$ 313,017

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 31,739
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FUND BALANCE

281,278

Total liabilities and fund balance

\$ 313,017

NORTHFIELD TOWNSHIP
LAW ENFORCEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 1,116,157	\$
Fines and court fees		23,486	
Traffic tickets and impound fees		865	
Liquor law license fees		2,336	
Justice training fund		2,985	
Interest		2,800	
Contributions		102	
Charges for services		2,590	
Sale of assets		8,650	
Other income		9,571	
Total revenues	<u>1,164,868</u>	<u>1,169,542</u>	<u>4,674</u>
EXPENDITURES	<u>1,281,442</u>	<u>1,168,414</u>	<u>113,028</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(116,574)	1,128	117,702
OTHER FINANCING SOURCES (USES)			
Loan proceeds		6,330	
Operating transfers in	<u>241,335</u>	<u>241,335</u>	
Total other financing sources	<u>241,335</u>	<u>247,665</u>	<u>6,330</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	124,761	248,793	124,032
FUND BALANCE, JULY 1, 2001	<u>32,485</u>	<u>32,485</u>	
FUND BALANCE, JUNE 30, 2002	<u>\$ 157,246</u>	<u>\$ 281,278</u>	<u>\$ 124,032</u>

NORTHFIELD TOWNSHIP
LAW ENFORCEMENT FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Salaries	\$	\$ 712,649	\$
Payroll taxes		53,613	
Life insurance		7,226	
Professional fees		29,426	
Pension		50,421	
Insurance - health		82,265	
Uniforms and gear		11,012	
Membership dues		3,425	
Printing and publishing		3,020	
Transportation		15,058	
Insurance and bonds		27,365	
Repairs and maintenance - equipment		3,011	
Repairs and maintenance - vehicle		12,202	
Miscellaneous		1,205	
Capital outlay		45,193	
Telephone		25,290	
Office expense		9,491	
Postage		435	
Training and development		8,256	
Utilities		4,711	
Equipment rental		2,153	
Contractual services - dispatch		55,121	
Loan - principal		1,530	
Loan interest		4,336	
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$1,281,442</u>	<u>\$1,168,414</u>	<u>\$ 113,028</u>

NARCOTICS
FUND

NORTHFIELD TOWNSHIP
NARCOTICS FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 14,110

FUND BALANCE

FUND BALANCE

\$ 14,110

NORTHFIELD TOWNSHIP
NARCOTICS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Forfeitures	\$	\$ 2,773	\$
Interest		143	
Total revenues	2,930	2,916	(14)
EXPENDITURES			
Small equipment	<u>4,404</u>	<u>1,471</u>	<u>2,933</u>
Excess (deficiency) of revenues over expenditures	(1,474)	1,445	2,919
FUND BALANCE, JULY 1, 2001	<u>12,665</u>	<u>12,665</u>	
FUND BALANCE, JUNE 30, 2002	<u>\$ 11,191</u>	<u>\$ 14,110</u>	<u>\$ 2,919</u>

BUILDING AUTHORITY
DEBT SERVICE FUND

NORTHFIELD TOWNSHIP
BUILDING AUTHORITY DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 6,625

LIABILITIES AND FUND BALANCE

LIABILITIES

Accrued interest payable

\$ 6,596

FUND BALANCE - RESERVED FOR DEBT SERVICE

29

Total liabilities and fund balance

\$ 6,625

NORTHFIELD TOWNSHIP
BUILDING AUTHORITY DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest income	\$ 6,000	\$ 29	\$ (5,971)
EXPENDITURES			
Excess (deficiency) of revenues over expenditures	6,000	29	(5,971)
FUND BALANCE, JULY 1, 2001			
FUND BALANCE, JUNE 30, 2002	<u>\$ 6,000</u>	<u>\$ 29</u>	<u>\$ (5,971)</u>

PUBLIC SAFETY BUILDING
DEBT SERVICE FUND

NORTHFIELD TOWNSHIP
PUBLIC SAFETY BUILDING DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 123,033

Taxes receivable

1,101

Total assets

\$ 124,134

FUND BALANCE

FUND BALANCE

\$ 124,134

NORTHFIELD TOWNSHIP
PUBLIC SAFETY BUILDING DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	\$	\$ 184,565	\$
Interest income		858	
Total revenues	<u>184,152</u>	<u>185,423</u>	<u>1,271</u>
EXPENDITURES			
Loan - interest		60,863	
Loan - agent fees		426	
Total expenditures	<u>168,925</u>	<u>61,289</u>	<u>107,636</u>
Excess (deficiency) of revenues over expenditures	15,227	124,134	108,907
FUND BALANCE, JULY 1, 2001			
FUND BALANCE, JUNE 30, 2002	<u>\$ 15,227</u>	<u>\$ 124,134</u>	<u>\$ 108,907</u>

SEVEN MILE ROAD
CONSTRUCTION CAPITAL PROJECT
FUND

NORTHFIELD TOWNSHIP
SEVEN MILE ROAD CONSTRUCTION CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$	\$ 200,000	\$
Interest income		3,504	
Total revenues	<u>203,800</u>	<u>203,504</u>	<u>(296)</u>
EXPENDITURES			
Project costs - road		199,743	
Legal fees		3,761	
Total expenditures	<u>203,800</u>	<u>203,504</u>	<u>296</u>
Excess (deficiency) of revenue over expenditures			
FUND BALANCE, JULY 1, 2001			
FUND BALANCE, JUNE 30, 2002	<u>\$</u>	<u>\$</u>	<u>\$</u>

BUILDING AUTHORITY
CONSTRUCTION CAPITAL PROJECT
FUND

NORTHFIELD TOWNSHIP
BUILDING AUTHORITY CONSTRUCTION CAPITAL PROJECT FUND
BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 2,925,685

Total assets

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 4,813

FUND BALANCE

2,920,872

Total liabilities and fund balance

\$ 2,925,685

NORTHFIELD TOWNSHIP
BUILDING AUTHORITY CONSTRUCTION CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest income	\$ 10,000	\$ 13,084	\$ 3,084
EXPENDITURES			
Bond discount		45,000	
Professional fees		<u>47,212</u>	
Total expenditures	<u>203,800</u>	<u>92,212</u>	<u>111,588</u>
Excess (deficiency) of revenues over expenditures before other financing source	(193,800)	(79,128)	114,672
OTHER FINANCING SOURCE			
Bond proceeds	<u>3,000,000</u>	<u>3,000,000</u>	
Excess (deficiency) of revenues over expenditures after other financing source	2,806,200	2,920,872	114,672
FUND BALANCE, JULY 1, 2001			
FUND BALANCE, JUNE 30, 2002	<u>\$ 2,806,200</u>	<u>\$ 2,920,872</u>	<u>\$ 114,672</u>

PUBLIC SAFETY BUILDING
CONSTRUCTION CAPITAL PROJECT
FUND

NORTHFIELD TOWNSHIP
PUBLIC SAFETY BUILDING CONSTRUCTION CAPITAL PROJECT FUND
BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 1,068,907

Total assets

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 918,028

FUND BALANCE

150,879

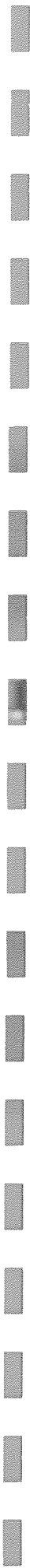
Total liabilities and fund balance

\$ 1,068,907

NORTHFIELD TOWNSHIP
PUBLIC SAFETY BUILDING CONSTRUCTION CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest income	\$ 18,670	\$ 18,670	\$
EXPENDITURES			
Construction costs		3,565,888	
Bond discount		55,898	
Professional fees		46,005	
Total expenditures	<u>3,802,898</u>	<u>3,667,791</u>	<u>135,107</u>
Excess (deficiency) of revenues over expenditures before other financing source	(3,784,228)	(3,649,121)	135,107
OTHER FINANCING SOURCE			
Bond proceeds	<u>3,800,000</u>	<u>3,800,000</u>	
Excess (deficiency) of revenues over expenditures after other financing source	15,772	150,879	135,107
FUND BALANCE, JULY 1, 2001	<u> </u>	<u> </u>	<u> </u>
FUND BALANCE, JUNE 30, 2002	<u>\$ 15,772</u>	<u>\$ 150,879</u>	<u>\$ 135,107</u>

SEWAGE DISPOSAL
SYSTEM
FUND



LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 28,695
Bonds payable - current portion	15,000
Contract payable - current portion	<u>325,000</u>

Total current liabilities \$ 368,695

LONG-TERM LIABILITIES

Bonds payable - less current portion	630,000
Contract payable - less current portion	<u>6,950,000</u>

Total long-term liabilities 7,580,000

Total liabilities 7,948,695

FUND EQUITY

Contributed capital	3,807,404
Retained earnings	
Reserved	\$ 943,597
Unreserved	<u>1,673,257</u>

Total retained earnings 2,616,854

Total fund equity 6,424,258

Total liabilities and fund equity \$ 14,372,953

NORTHFIELD TOWNSHIP
SEWAGE DISPOSAL SYSTEM FUND
STATEMENT OF CHANGES IN FUND EQUITY
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Contributed Capital</u>	<u>Retained Earnings Reserved</u>	<u>Retained Earnings Unreserved</u>	<u>Total Fund Equity</u>
BEGINNING BALANCE, July 1, 2001	\$ 3,318,097	\$ 1,261,245	\$ 1,418,982	\$ 5,998,324
ADDITIONS				
Tap-in fees	606,500			606,500
Operating income (loss)		(87,748)	239,354	151,606
Other income		1,470	2,762	4,232
Interest income - cash and equivalents		25,480	46,211	71,691
Interest income - special assessment		200,616		200,616
DEDUCTIONS				
Interest expense		(456,316)		(456,316)
Loss on sale of fixed assets			(34,052)	(34,052)
Bond fees		(1,150)		(1,150)
Depreciation	<u>(117,193)</u>			<u>(117,193)</u>
ENDING BALANCE, JUNE 30, 2002	<u>\$ 3,807,404</u>	<u>\$ 943,597</u>	<u>\$ 1,673,257</u>	<u>\$ 6,424,258</u>

NORTHFIELD TOWNSHIP
SEWAGE DISPOSAL SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2002

OPERATING REVENUES

User charges	\$1,037,894
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OPERATING EXPENSES

Salaries and wages	\$ 245,677
Payroll taxes	18,760
Hospitalization	52,149
Life insurance	3,425
Pension	22,364
Training and development	5,070
Office supplies	2,274
Operating supplies	38,419
Uniforms	3,782
Professional services	6,893
Membership and dues	1,245
Contracted services	46,201
Administration fees	35,000
Telephone	7,931
Transportation	1,884
Printing and postage	13,585
Insurance and bonds	30,576
Utilities	91,798
Repairs and maintenance	135,688
Depreciation	<u>123,567</u>

Total operating expenses	<u>886,288</u>
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Operating income	151,606
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NON-OPERATING REVENUES AND (EXPENSES)

Other income	4,232
Loss on sale of fixed assets	(34,052)
Interest income - cash and equivalents	71,691
Interest - special assessments	200,616
Interest expense	(456,316)
Bond fees	<u>(1,150)</u>

Total non-operating revenues and (expenses)	<u>(214,979)</u>
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Net (loss)	<u>\$ (63,373)</u>
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NORTHFIELD TOWNSHIP
SEWAGE DISPOSAL SYSTEM FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2002

CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income		\$ 151,606
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation	\$ 123,567	
Other income	4,232	
Changes in assets and liabilities		
Decrease in sewer billings receivable	59,200	
Decrease in due from other funds	74,080	
(Increase) in prepaid expenses	(4,082)	
Increase in accounts payable	<u>22,966</u>	
Total adjustments		<u>279,963</u>
Net cash provided by operating activities		431,569

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

Special assessments received sewer expansion	600,407	
Purchase of equipment/system	(97,433)	
Sale of fixed assets	3,040	
Interest paid on long-term bonds	(456,316)	
Bond fees	(1,150)	
Repayment of principal on bonds/contracts	(305,000)	
Tap-in and capital improvement fees	<u>606,500</u>	
Net cash provided by capital and related financing activities		350,048

CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES

Interest on cash and cash equivalents	<u>71,691</u>	
Net increase in cash and cash equivalents		853,308

CASH AND CASH EQUIVALENTS AT JULY 1, 2001	<u>2,636,176</u>
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CASH AND CASH EQUIVALENTS AT JUNE 30, 2002	<u><u>\$ 3,489,484</u></u>
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NORTHFIELD TOWNSHIP
SEWAGE DISPOSAL SYSTEM FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING REVENUES			
User charges	<u>\$ 1,035,000</u>	<u>\$ 1,037,894</u>	<u>\$ 2,894</u>
EXPENSES			
Salaries	\$ 339,500	\$ 245,677	\$ 93,823
Payroll taxes	26,000	18,760	7,240
Insurance - health and life	55,710	55,574	136
Pension	17,860	22,364	(4,504)
Depreciation		123,567	(123,567)
Training and education	7,500	5,070	2,430
Office supplies	2,500	2,274	226
Operating supplies	45,000	38,419	6,581
Transportation & fuel	3,500	1,884	1,616
Professional services	60,000	6,893	53,107
Membership and dues	1,245	1,245	
Contractual services and administrative fees	105,000	81,201	23,799
Communications	14,995	7,931	7,064
Printing, publications and postage	22,000	13,585	8,415
Insurance and bonds	50,000	30,576	19,424
Utilities	150,000	91,798	58,202
Repairs and maintenance	219,000	135,688	83,312
Uniforms and rentals	5,000	3,782	1,218
Miscellaneous	<u>13,000</u>		<u>13,000</u>
Total expenses	<u>\$ 1,137,810</u>	<u>\$ 886,288</u>	<u>\$ 251,522</u>
NON-OPERATING INCOME (EXPENSE)			
Tap-ins	480,000	606,500	126,500
Interest income - cash and equivalents	160,000	71,691	(88,309)
Interest income - special assessments	200,000	200,616	616
Other revenue (expense)	17,040	(29,820)	(46,860)
Agent fees	<u>(2,500)</u>	<u>(1,150)</u>	<u>1,350</u>
Total non-operating income	<u>\$ 854,540</u>	<u>\$ 847,837</u>	<u>\$ (6,703)</u>
OTHER USES			
Renovations and equipment	\$ 692,000	\$ 97,433	\$ 594,567
Bond payments and interest	<u>763,725</u>	<u>761,316</u>	<u>2,409</u>
Total other uses	<u>\$ 1,455,725</u>	<u>\$ 858,749</u>	<u>\$ 596,976</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, 2002

ASSETS

ASSETS

Cash

\$ 7

LIABILITIES

LIABILITIES

Due to other funds

\$ 7

TRUST
AND
AGENCY
FUND

NORTHFIELD TOWNSHIP
TRUST AND AGENCY FUND
BALANCE SHEET
JUNE 30, 2002

ASSETS

ASSETS

Cash and cash equivalents

\$ 118,028

LIABILITIES

LIABILITIES

Performance bonds

\$ 76,000

Due to other funds

25

Due to others

42,003

Total liabilities

\$ 118,028

NORTHFIELD TOWNSHIP

Comments
6/30/02

COMMENTS
AND
RECOMMENDATIONS

FOR THE YEAR ENDED JUNE 30, 2002

PFEFFER • HANNIFORD • PALKA
Certified Public Accountants

John M. Pfeffer, C.P.A.
Patrick M. Hanniford, C.P.A.
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September 16, 2002

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, 2002, 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

The current personal time off policy is not clearly defined.

RECOMMENDATION

The township should review the personal time off policy when it is updating its policy manual.

2. COMMENT

The Township is currently monitoring construction costs in relation to budgets for the new Public Safety Buildings.

RECOMMENDATION

The construction costs incurred on behalf of the Public Safety Building must be monitored closely in relation to cash available.

*Cash flow
monthly*

3. COMMENT

At year-end there were interfund receivables and payables.

RECOMMENDATION

These amounts should be paid as soon as possible.

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This letter does not affect our report dated September 16, 2002, 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

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants