

PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
ANNUAL FINANCIAL REPORT
YEAR ENDED MARCH 31, 2010

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Management's Discussion and Analysis

As management of Park Township, Michigan, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2010. We encourage readers to consider the information presented here in conjunction with the Township's financial statements that follow this section.

Financial Highlights

- The assets of Park Township exceeded its liabilities at the close of the most recent fiscal year by \$25,130,730 (*net assets*). Of this amount, \$5,516,682 (*unrestricted net assets*) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net assets decreased by \$39,547. Net investment in capital assets decreased by \$271,014, while restricted net assets increased by \$280,857, and unrestricted net assets decreased by \$49,390.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$8,783,429, an increase of \$229,847 in comparison with the prior year. Approximately 57% of this total amount, \$5,043,492 is *available for spending* at the Township's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$4,165,547 or 154.9% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements are comprised of three components (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Township's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Park Township is improving or deteriorating.

The statement of activities presents information showing how the Township's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and accrued interest payable).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Township include general government, public safety, public works, community and economic development, and recreation and culture. The business-type activities of the Township include water supply operations.

The government-wide financial statements can be found on pages 1-2 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be divided into three categories, governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Following the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances, reconciliations are provided to facilitate this comparison between *governmental funds* and *governmental activities*.

The Township maintains six (6) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Police, Park/Recreation, Bike Path, Sewer Distribution, and Township Improvement Funds. Each of these funds is considered to be a major fund.

The Township adopts an annual appropriated budget for its General, Police, Park/Recreation and Bike Path Funds. Budgetary comparison statements have been provided herein to demonstrate compliance with those budgets.

The basic governmental fund financial statements can be found on pages 3-5 of this report.

Proprietary funds. The Township maintains one type of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Township uses enterprise funds to account for its water supply operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water Fund, which is considered to be a major fund of the Township.

The basic proprietary fund financial statements can be found on pages 6-8 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for the proprietary funds. The Township accounts for one type of fiduciary funds – agency funds.

One agency fund is maintained to account for tax collections and payments.

The basic fiduciary fund financial statements can be found on page 9 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10-21 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* presenting budgetary comparison schedules for the Township's General Fund and major special revenue funds (Police Fund, Park/Recreation Fund and Bike Path Fund) and information concerning Park Township's progress in funding its obligation to provide other post employment benefits to its employees. Required supplementary information can be found on pages 22-27 of this report.

Government-wide Financial Analysis

Net Assets - As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Park Township, assets exceeded liabilities by \$25,130,730 at the close of the most recent fiscal year.

The largest portion of the Township's net assets (62.0%) reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Township's net assets (16.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$5,516,682) may be used to meet the Township's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Township is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

The following table shows, in a condensed format, the net assets of Park Township as of March 31, 2010 and 2009.

Park Township's Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 9,389,767	\$ 9,056,164	\$ 561,342	\$ 522,016	\$ 9,951,109	\$ 9,578,180
Capital assets	9,741,196	9,756,290	5,831,233	6,087,153	15,572,429	15,843,443
Total assets	19,130,963	18,812,454	6,392,575	6,609,169	25,523,538	25,421,623
Long-term debt outstanding	39,396	-	-	-	39,396	-
Other liabilities	256,849	139,740	96,563	111,606	353,412	251,346
Total liabilities	296,245	139,740	96,563	111,606	392,808	251,346
Net assets:						
Invested in capital assets, net of related debt	9,741,196	9,756,290	5,831,233	6,087,153	15,572,429	15,843,443
Restricted	4,041,619	3,760,762	-	-	4,041,619	3,760,762
Unrestricted	5,051,903	5,155,662	464,779	410,410	5,516,682	5,566,072
	<u>\$ 18,834,718</u>	<u>\$ 18,672,714</u>	<u>\$ 6,296,012</u>	<u>\$ 6,497,563</u>	<u>\$ 25,130,730</u>	<u>\$ 25,170,277</u>

Change in Net Assets – Park Township’s net assets decreased by \$39,547 during the current fiscal year. This decrease is caused by a \$162,004 increase in net assets of governmental activities and a \$201,551 decrease in net assets of business-type activities.

Park Township's Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Program revenues						
Charges for services	\$ 341,344	\$ 289,114	\$ 972,318	\$ 903,514	\$ 1,313,662	\$ 1,192,628
Operating grants and contributions	-	139,239	-	-	-	139,239
Capital grants and contributions	67,479	129,266	117,500	49,170	184,979	178,436
General revenues						
Property taxes	2,560,677	2,389,130	-	-	2,560,677	2,389,130
State shared revenues	1,111,936	1,191,399	-	-	1,111,936	1,191,399
Interest	120,001	212,040	12,393	15,129	132,394	227,169
Other	18,039	69,915	-	-	18,039	69,915
Total revenues	<u>4,219,476</u>	<u>4,420,103</u>	<u>1,102,211</u>	<u>967,813</u>	<u>5,321,687</u>	<u>5,387,916</u>
Program expenses						
General government	1,142,777	1,244,346	-	-	1,142,777	1,244,346
Public safety	1,261,359	1,255,722	-	-	1,261,359	1,255,722
Public works	943,131	327,249	-	-	943,131	327,249
Community and economic development	255,418	194,842	-	-	255,418	194,842
Recreation and culture	505,787	508,029	-	-	505,787	508,029
Water supply	-	-	1,252,762	1,202,430	1,252,762	1,202,430
Total expenses	<u>4,108,472</u>	<u>3,530,188</u>	<u>1,252,762</u>	<u>1,202,430</u>	<u>5,361,234</u>	<u>4,732,618</u>
Change before transfers	111,004	889,915	(150,551)	(234,617)	(39,547)	655,298
Transfers in (out)	<u>51,000</u>	<u>(501,051)</u>	<u>(51,000)</u>	<u>501,051</u>	<u>-</u>	<u>-</u>
Change in Net Assets	<u>\$ 162,004</u>	<u>\$ 388,864</u>	<u>\$ (201,551)</u>	<u>\$ 266,434</u>	<u>\$ (39,547)</u>	<u>\$ 655,298</u>

Governmental activities. Governmental activities increased the Township’s net assets by \$162,004, accounting for 409.6% of the total growth in the net assets of the Township. Total revenues decreased by \$200,627 compared to the prior year, mostly due to a decrease in operating grants and contributions and decreased interest earnings. Total expenses increased by \$578,284 compared to the prior year, mostly due to an increase in costs for Public Works (drains and bike paths).

Business-type activities. Business-type activities decreased Park Township’s net assets by \$201,551 (-509.7%). Operating revenues increased by \$68,804 due mostly to an increase in water sales. Operating expenses increased by \$50,332 from the prior year, mainly due to increases in purchased water costs.

Financial Analysis of the Government's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Township's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$8,783,429, an increase of \$229,847 from the prior year. Approximately 57% of this fund balance amount (\$5,043,492) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed for police services (\$929,310), for parks/recreation (\$526,585), for bike paths (\$1,394,345), and for sewers (\$889,697).

The General Fund is the chief operating fund of the Township. At the end of the current fiscal year the fund balance of the General Fund was \$4,165,547, all of which is unreserved. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance (\$4,165,547) represents 155.0% of total General Fund expenditures (\$2,688,899).

Effective April 1, 2009, the General Fund transferred \$2,584,030 of restricted fund balance to establish separate special revenue funds for resources restricted for police services, parks/recreation, and bike paths. The General Fund transferred \$865,711 to the Police Fund, \$502,104 to the Park/Recreation Fund, and \$1,216,155 to the Bike Path Fund for unexpended restricted amounts previously included in the General Fund.

Summary results (excluding the transfers mentioned above) for the Township's six major governmental funds for the year ended March 31, 2010 are as follows:

	General Fund	Police Fund	Park/ Recreation Fund	Bike Path Fund	Sewer Distribution Fund	Township Improvement Fund
Total revenues	\$ 2,399,773	\$ 620,358	\$ 599,057	\$ 502,828	\$ 107,317	\$ 10,333
Total expenditures	(2,688,899)	(545,819)	(522,776)	(297,138)	(6,039)	(148)
Transfers in	599,350	-	-	-	-	-
Transfers out	-	(11,000)	(51,800)	(27,500)	(51,000)	(407,050)
Net change in fund balance	<u>\$ 310,224</u>	<u>\$ 63,539</u>	<u>\$ 24,481</u>	<u>\$ 178,190</u>	<u>\$ 50,278</u>	<u>\$ (396,865)</u>
Fund balance 3-31-10	<u>\$ 4,165,547</u>	<u>\$ 929,310</u>	<u>\$ 526,585</u>	<u>\$ 1,394,345</u>	<u>\$ 889,697</u>	<u>\$ 877,945</u>
Fund balance as a % of expenditures and transfers out	<u>154.9%</u>	<u>166.9%</u>	<u>91.6%</u>	<u>429.5%</u>	<u>1559.8%</u>	<u>215.6%</u>

Proprietary funds. The Township's proprietary funds provide the same type of information found in the government-wide financial statements (business-type activities), but in more detail. The Township's proprietary funds are comprised of the Water Fund.

Unrestricted net assets of the Water Fund were \$464,779 at March 31, 2010. Operating revenues for the Water Fund increased in fiscal year 2009-10 by \$68,804 from \$903,514 to \$972,318. Operating expenses, including depreciation, increased in fiscal year 2009-10 by \$50,332 from \$1,202,430 to \$1,252,762.

General Fund Budgetary Highlights

Over the course of the year, the Township Board amended the budget to take into account events during the year resulting in an overall decrease in budgeted expenditures of \$105,491. Township operational departments stayed below budget overall, resulting in total expenditures \$324,298 below the final budget.

Capital Assets and Debt Administration

Capital assets. The Township's investment in capital assets for its governmental and business-type activities as of March 31, 2010, amounted to \$15,572,429 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, the water system, and streets, sidewalks and bike paths. The total decrease in the Township's investment in capital assets for the current fiscal year was \$15,094 (.2%) for governmental activities. The Township's investment in capital assets for the current fiscal year decreased by \$255,920 (4.4%) for business-type activities.

Major capital asset events during the current fiscal year included the following:

- \$146,391 expended for drain improvements
- \$39,550 expended for accounting, assessing and tax software
- \$38,457 expended for fire station back-up generators
- \$246,174 expended for skatepark improvements

Additional information on the Township's capital assets can be found in note 3C on pages 17-18 of this report.

Park Township's Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 2,229,554	\$ 2,229,554	\$ -	\$ -	\$ 2,229,554	\$ 2,229,554
Construction in progress	-	68,051	-	-	-	68,051
Buildings	1,989,508	2,055,999	-	-	1,989,508	2,055,999
Improvements other than bulidings	1,577,194	1,433,447	-	-	1,577,194	1,433,447
Machinery and equipment	1,380,480	1,397,369	-	-	1,380,480	1,397,369
Infrastructure	2,564,460	2,571,870	-	-	2,564,460	2,571,870
Water system	-	-	5,831,233	6,087,153	5,831,233	6,087,153
Total	\$ 9,741,196	\$ 9,756,290	\$ 5,831,233	\$ 6,087,153	\$ 15,572,429	\$ 15,843,443

Long-term debt. At the end of the current fiscal year, the Township had no long-term debt obligations.

Economic Factors and Next Year's Budgets and Rates

The State of Michigan's economy continues to dominate the financial picture for most townships including Park Township. Revenue sharing, declining taxable values, and an uncertain economy will provide significant uncertainty in projecting revenues.

The Township's budget for 2010-11 calls for no change in the overall property tax rate for Township services. Because of declines in the taxable value of property in the Township, property tax revenues for 2010-11 are anticipated to be approximately 2% less than 2009-10. In addition, state shared revenues for 2010-11 are anticipated to be approximately 10% less than 2009-10.

The Township has adopted a budget that calls for slight reductions in both revenues and expenditures as compared to 2009-10 actual amounts.

Water rates were increased approximately 15% effective January 2010.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Township.

Basic Financial Statements

Park Township, Michigan
STATEMENT OF NET ASSETS
March 31, 2010

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and investments	\$ 8,677,990	\$ 158,640	\$ 8,836,630
Receivables:			
Accounts	26,820	155,010	181,830
Interest	20,106	-	20,106
Special assessments	303,349	245,434	548,783
Due from other governments	340,534	2,258	342,792
Prepaid items	20,968	-	20,968
Capital assets not being depreciated	2,229,554	-	2,229,554
Capital assets (net of accumulated depreciation)	7,511,642	5,831,233	13,342,875
Total Assets	19,130,963	6,392,575	25,523,538
LIABILITIES			
Accounts payable	194,173	96,563	290,736
Compensated absences payable	49,050	-	49,050
Deferred revenue	13,626	-	13,626
Noncurrent liabilities:			
Net other post employment benefit obligation	39,396	-	39,396
Total Liabilities	296,245	96,563	392,808
NET ASSETS			
Invested in capital assets, net of related debt	9,741,196	5,831,233	15,572,429
Restricted for:			
Police services	929,310	-	929,310
Parks/recreation	526,585	-	526,585
Bike paths	1,394,345	-	1,394,345
Sewers	1,191,379	-	1,191,379
Unrestricted	5,051,903	464,779	5,516,682
Total Net Assets	\$ 18,834,718	\$ 6,296,012	\$ 25,130,730

Park Township, Michigan
STATEMENT OF ACTIVITIES
Year Ended March 31, 2010

	Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		Total
			Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	
Function/Programs:							
Primary Government:							
Governmental Activities:							
General government	\$ 1,142,777	\$ 73,733	\$ -	\$ -	\$ (1,069,044)	\$ -	\$ (1,069,044)
Public safety	1,261,359	110,800	-	5,050	(1,145,509)	-	(1,145,509)
Public works	943,131	-	-	62,429	(880,702)	-	(880,702)
Community and economic development	255,418	14,292	-	-	(241,126)	-	(241,126)
Recreation and culture	505,787	142,519	-	-	(363,268)	-	(363,268)
Total Governmental Activities	4,108,472	341,344	-	67,479	(3,699,649)	-	(3,699,649)
Business-type Activities:							
Water	1,252,762	972,318	-	117,500	-	(162,944)	(162,944)
Total Primary Government	\$ 5,361,234	\$ 1,313,662	\$ -	\$ 184,979	(3,699,649)	(162,944)	(3,862,593)
General revenues:							
Property taxes					2,560,677	-	2,560,677
State shared revenues					1,111,936	-	1,111,936
Interest					120,001	12,393	132,394
Other					18,039	-	18,039
Transfers					51,000	(51,000)	-
Total General Revenues and Transfers					3,861,653	(38,607)	3,823,046
Change in Net Assets					162,004	(201,551)	(39,547)
Net Assets - Beginning					18,672,714	6,497,563	25,170,277
Net Assets - Ending					\$ 18,834,718	\$ 6,296,012	\$ 25,130,730

**Park Township, Michigan
BALANCE SHEET
GOVERNMENTAL FUNDS
March 31, 2010**

	Special Revenue Funds				Capital Project Funds		Total Governmental Funds
	General Fund	Police Fund	Park/ Recreation Fund	Bike Path Fund	Sewer Distribution Fund	Township Improvement Fund	
ASSETS							
Cash and investments	\$ 4,013,379	\$ 998,540	\$ 535,335	\$ 1,380,820	\$ 886,860	\$ 863,056	\$ 8,677,990
Receivables:							
Accounts	11,511	420	-	-	-	14,889	26,820
Interest	20,106	-	-	-	-	-	20,106
Special assessments	1,667	-	-	-	301,682	-	303,349
Due from other governments	195,733	18,415	13,652	14,707	2,837	-	245,344
Prepaid items	18,070	-	2,171	727	-	-	20,968
Total Assets	<u>\$ 4,260,466</u>	<u>\$ 1,017,375</u>	<u>\$ 551,158</u>	<u>\$ 1,396,254</u>	<u>\$ 1,191,379</u>	<u>\$ 877,945</u>	<u>\$ 9,294,577</u>
LIABILITIES							
Accounts payable	\$ 93,252	\$ 88,065	\$ 10,947	\$ 1,909	\$ -	\$ -	\$ 194,173
Deferred revenue	1,667	-	13,626	-	301,682	-	316,975
Total Liabilities	<u>94,919</u>	<u>88,065</u>	<u>24,573</u>	<u>1,909</u>	<u>301,682</u>	<u>-</u>	<u>511,148</u>
FUND BALANCES							
Reserved for:							
Police services	-	929,310	-	-	-	-	929,310
Parks/recreation	-	-	526,585	-	-	-	526,585
Bike paths	-	-	-	1,394,345	-	-	1,394,345
Sewers	-	-	-	-	889,697	-	889,697
Unreserved-reported in:							
General Fund	4,165,547	-	-	-	-	-	4,165,547
Capital Projects Funds	-	-	-	-	-	877,945	877,945
Total Fund Balances	<u>4,165,547</u>	<u>929,310</u>	<u>526,585</u>	<u>1,394,345</u>	<u>889,697</u>	<u>877,945</u>	<u>8,783,429</u>
Total Liabilities and Fund Balances	<u>\$ 4,260,466</u>	<u>\$ 1,017,375</u>	<u>\$ 551,158</u>	<u>\$ 1,396,254</u>	<u>\$ 1,191,379</u>	<u>\$ 877,945</u>	

Amount reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds	9,741,196
State shared revenues (sales taxes) collected and held by the State at year end are not considered available to pay for current year expenditures	95,190
Special assessments receivable are expected to be collected over several years and are not available to pay for current year expenditures	303,349
Compensated absences are included as a liability in governmental activities	(49,050)
Net other post employment benefit obligations are included as a liability in governmental activities	(39,396)
Net Assets of Governmental Activities	<u>\$ 18,834,718</u>

Park Township, Michigan
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended March 31, 2010

	Special Revenue Funds				Capital Project Funds		Total Governmental Funds
	General Fund	Police Fund	Park/ Recreation Fund	Bike Path Fund	Sewer Distribution Fund	Township Improvement Fund	
Revenues:							
Taxes	\$ 1,003,271	\$ 612,108	\$ 456,538	\$ 488,760	\$ -	\$ -	\$ 2,560,677
Licenses and permits	131,719	-	-	-	-	-	131,719
State shared revenues	1,083,698	-	-	14,068	-	-	1,097,766
Charges for services	58,856	-	142,519	-	-	-	201,375
Fines and forfeitures	-	8,250	-	-	-	-	8,250
Interest	85,681	-	-	-	23,987	10,333	120,001
Special assessments	13,459	-	-	-	83,330	-	96,789
Other	23,089	-	-	-	-	-	23,089
Total Revenues	<u>2,399,773</u>	<u>620,358</u>	<u>599,057</u>	<u>502,828</u>	<u>107,317</u>	<u>10,333</u>	<u>4,239,666</u>
Expenditures:							
Current:							
General government	1,008,813	-	-	-	-	-	1,008,813
Public safety	563,744	545,819	-	-	-	-	1,109,563
Public works	607,781	-	-	297,138	6,039	148	911,106
Community and economic development	237,436	-	-	-	-	-	237,436
Recreation and culture	-	-	522,776	-	-	-	522,776
Insurance, bonds, and fringes	271,125	-	-	-	-	-	271,125
Total Expenditures	<u>2,688,899</u>	<u>545,819</u>	<u>522,776</u>	<u>297,138</u>	<u>6,039</u>	<u>148</u>	<u>4,060,819</u>
Excess of Revenues Over (Under) Expenditures	<u>(289,126)</u>	<u>74,539</u>	<u>76,281</u>	<u>205,690</u>	<u>101,278</u>	<u>10,185</u>	<u>178,847</u>
Other Financing Sources (Uses):							
Transfers in	599,350	865,771	502,104	1,216,155	-	-	3,183,380
Transfers out	(2,584,030)	(11,000)	(51,800)	(27,500)	(51,000)	(407,050)	(3,132,380)
Total Other Financing Sources (Uses)	<u>(1,984,680)</u>	<u>854,771</u>	<u>450,304</u>	<u>1,188,655</u>	<u>(51,000)</u>	<u>(407,050)</u>	<u>51,000</u>
Net Change in Fund Balances	<u>(2,273,806)</u>	<u>929,310</u>	<u>526,585</u>	<u>1,394,345</u>	<u>50,278</u>	<u>(396,865)</u>	<u>229,847</u>
Fund Balances - April 1	<u>6,439,353</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>839,419</u>	<u>1,274,810</u>	<u>8,553,582</u>
Fund Balances - March 31	<u>\$ 4,165,547</u>	<u>\$ 929,310</u>	<u>\$ 526,585</u>	<u>\$ 1,394,345</u>	<u>\$ 889,697</u>	<u>\$ 877,945</u>	<u>\$ 8,783,429</u>

Park Township, Michigan
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended March 31, 2010

Net change in fund balances-Total Governmental Funds	\$ 229,847
 Amounts reported for the governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; in the statement of activities these costs are allocated over their estimated useful lives as depreciation:	
Current year capital outlays capitalized - general capital assets	480,392
Current year depreciation expense on capitalized assets	(495,486)
 Timing of revenue recognition differs in the statement of activities versus the funds financial statements for certain revenues that do not provide current financial resources	
State shared revenues	14,170
Special assessment revenues	(34,360)
Change in compensated absences is recorded when earned in the statement of activities	6,837
Increase in net post employment benefit obligation	<u>(39,396)</u>
 Change in net assets of governmental activities	 <u><u>\$ 162,004</u></u>

Park Township, Michigan
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
March 31, 2010

	Enterprise
	Water Fund
ASSETS	
Current Assets:	
Cash	\$ 158,640
Accounts receivable	155,010
Special assessments receivable	245,434
Due from other governments	2,258
Total Current Assets	561,342
Capital assets (net of accumulated depreciation)	5,831,233
Total Assets	6,392,575
 LIABILITIES	
Current Liabilities:	
Accounts payable	96,563
Total Liabilities	96,563
 NET ASSETS	
Invested in capital assets, net of related debt	5,831,233
Unrestricted	464,779
Total Net Assets	\$ 6,296,012

Park Township, Michigan
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
Year Ended March 31, 2010

	Enterprise
	Water Fund
Operating Revenues:	
Water billings	911,488
Water connection charges	24,163
Hydrant rentals	35,000
Miscellaneous	1,667
Total Operating Revenues	972,318
Operating Expenses:	
Purchase of water	639,091
Hydrants	32,261
Utilities	4,007
Water connections, repairs and maintenance	73,359
Operating fees	200,964
Supplies	5,297
Professional services	22,182
Depreciation	255,920
Miscellaneous	19,681
Total Operating Expenses	1,252,762
Operating Income (Loss)	(280,444)
Nonoperating Revenues	
Interest income	12,393
Income Before Contributions and Transfers	(268,051)
Capital contributions	117,500
Transfers in	20,000
Transfers out	(71,000)
Change in Net Assets	(201,551)
Net Assets - April 1	6,497,563
Net Assets - March 31	\$ 6,296,012

Park Township, Michigan
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended March 31, 2010

	Enterprise
	Water Fund
Cash Flows From Operating Activities:	
Receipts from customers	\$ 934,255
Payments to suppliers	<u>(1,011,885)</u>
Net Cash Provided (Used) By Operating Activities	<u>(77,630)</u>
Cash Flows From Noncapital Financing Activities	
Transfers from other funds	20,000
Transfers to other funds	<u>(71,000)</u>
Net Cash Flows from Noncapital Financing Activities	<u>(51,000)</u>
Cash Flows From Capital & Related Financing Activities	
Capital contributions	<u>67,305</u>
Cash Flows From Investing Activities:	
Interest received on investments	<u>12,393</u>
Net Increase (Decrease) in Cash and Investments	(48,932)
Cash - April 1	<u>207,572</u>
Cash - March 31	<u><u>\$ 158,640</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:	
Operating income (loss)	\$ (280,444)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	255,920
Change in assets and liabilities:	
Receivables	(38,063)
Accounts payable	<u>(15,043)</u>
Net Cash Provided (Used) By Operating Activities	<u><u>\$ (77,630)</u></u>