PUTNAM TOWNSHIP

Report on Audit of Financial Statements

For the Year Ended June 30, 2009

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

PUTNAM TOWNSHIP

TOWNSHIP OFFICIALS

Supervisor - Ronald F. Rau
Treasurer - Patrick Carney
Clerk - Sally Guyon

TOWNSHIP BOARD OF TRUSTEES

Ronald F. Rau
Patrick Carney
Sally Guyon
Kevin Dobis
Norman Klein
Keith Chambers
G. Richard McCloskey

TOWNSHIP ATTORNEY

Foster, Swift, Collins & Smith, P.C.

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

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PFEFFER ▪ HANNIFORD ▪ PALKA
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October 15, 2009

Board of Trustees
Putnam Township
3280 West M-36
Pinckney, Michigan 48169

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Putnam Township as of and for the year ended June 30, 2009, which collectively comprise Putnam Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Putnam Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Putnam Township as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and other required supplementary information on pages 7 through 10 and 32 through 34 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Putnam Township's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, such as the combining statements and individual fund statements, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT DISCUSSION

AND

ANALYSIS

Within this section of Putnam Township's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended June 30, 2009. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. Evaluation of the overall health of the Township may extend to various non-financial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net assets changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Governmental activities include such activities as general government, public safety, and planning and zoning departments. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units).

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has two kinds of funds:

Governmental funds are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of available resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail it's relation to net assets.

Fiduciary funds are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

Financial Analysis of the Township as a Whole Under GASB 34 Accounting Principles

The Township's net assets at the end of the fiscal year were $2,974,551. This is a $243,067 increase over last year's net assets of $2,731,484.

The following tables provide a summary of the Township's financial activities and changes in net assets:

Summary of Net Assets

	Governmental Activities		
	6/30/2009	6/30/2008	Increase (Decrease)
Current and other assets	$ 3,634,815	$ 3,433,991	$ (200,824)
Capital assets	1,422,852	1,500,647	77,795
Total assets	5,057,667	4,934,638	(123,029)
Other liabilities	78,588	198,626	120,038
Long-term liabilities	2,004,528	2,004,528	
Total liabilities	2,083,116	2,203,154	120,038
Net assets:			
Invested in capital assets, net of related debt	782,852	825,647	42,795
Restricted for debt service	454,429	484,985	30,556
Unrestricted	1,737,270	1,420,852	(316,418)
Total net assets	$ 2,974,551	$ 2,731,484	$ (243,067)

Summary of Changes in Net Assets

	Governmental Activities		
	6/30/2009	6/30/2008	Increase (Decrease)
REVENUES			
Program revenues			
Charges for services	$ 138,679	$ 138,843	$ 164
Operating grants and contributions	407	30,655	30,248
General revenues			
State shared revenues	351,418	372,343	20,925
Property taxes	880,111	875,254	(4,857)
Other	194,736	301,803	107,067
Total revenues	1,565,351	1,718,898	153,547
EXPENSES			
General government	576,177	463,450	(112,727)
Fire protection	496,571	486,896	(9,675)
Police protection	76,199	72,496	(3,703)
Parks and recreation	2,555	2,555	
Public works	71,283	68,311	(2,972)
Interest on long-term debt	99,499	111,838	12,339
Total expenses	1,322,284	1,205,546	(116,738)
CHANGES IN NET ASSETS	243,067	513,352	270,285
BEGINNING NET ASSETS	2,731,484	2,218,132	(513,352)
ENDING NET ASSETS	$ 2,974,551	$ 2,731,484	$ (243,067)

Financial Analysis of the Township's Funds

Putnam Township reported four (4) major funds for the year ended June 30, 2009. These funds included:

- General Fund
- Fire Capital Outlay Fund
- Fire Millage Fund
- Patterson Lake Sewer Fund

The General Fund increased its fund balance $38,600 during the year primarily due to the increased expenditures for legal services, election costs, and senior programs.

The Fire Capital Outlay Fund, Fire Millage Fund, Township Hall Construction Fund, and Patterson Lake Sewer Fund had little activity except the repayment on debt. The Fire Capital Outlay Fund increased its fund balance by $129,479 due to minimal purchases this year. The Fire Millage Fund increased its fund balance by $69,002. The Patterson Lake Sewer Fund decreased its fund balance by $36,845 to pay down sewer debt.

General Fund Budgetary Highlights

The Township approved a budget prior to the start of the fiscal year, and made an immaterial amendment during the year to bring it closer to economic reality. However, expenditures exceeded appropriations in the Township Board and Board of Review activities.

Capital Asset and Debt Administration

The Township paid $174,554 in principal and $99,499 in interest to service the long-term debt of the Township. The Township added no debt this year. Total debt service equaled $2,004,528 at June 30, 2009.

The Township purchased $26,502 of fire fighting equipment and $33,379 for Fire/Township Hall improvements. Total depreciation expense for all governmental activities totaled $137,676 for the year ended June 30, 2009.

Economic Conditions and Future Activities

As in other townships the economy has significantly slowed the building and growth activities in Putnam Township. This will affect the overall Township population growth and therefore, smaller increases in state shared revenues and taxes.

Contacting the Authority's Financial Management

This report is designed to provide a general overview of the Township's financial position and comply with finance-related regulations. If you have any further questions about this report or request additional information please contact Putnam Township at 3280 West M-36, Pinckney, MI 48169.

BASIC

FINANCIAL

STATEMENTS

GOVERNMENT - WIDE

FINANCIAL

STATEMENTS

PUTNAM TOWNSHIP
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 2,634,415
Receivables	
Special assessments	945,549
State shared revenues	49,567
Accounts - other	5,284
Capital assets	
Non-depreciable	226,368
Depreciable, net of accumulated depreciation	1,196,484
Total current assets	5,057,667
LIABILITIES	
Accounts payable	78,588
Bonds payable	
Current	159,048
Non-current	1,845,480
Total liabilities	2,083,116
NET ASSETS	
Invested in capital assets, net of related debt	782,852
Restricted for debt service	454,429
Unrestricted	1,737,270
Total net assets	$ 2,974,551

The notes of the financial statements are an integral part of this statement.

PUTNAM TOWNSHIP
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Programs Revenues: Charges for Service	Programs Revenues: Operating Grants and Contributions	Net Expense Revenue and Change in Net Assets
GOVERNMENTAL ACTIVITIES				
General government	$ (576,177)	$ 109,261	$ 407	$ (466,509)
Fire protection	(496,571)	29,418		(467,153)
Police protection	(76,199)			(76,199)
Parks and recreation	(2,555)			(2,555)
Public works	(71,283)			(71,283)
Interest on long-term debt	(99,499)			(99,499)
Total governmental activities	$ (1,322,284)	$ 138,679	$ 407	(1,183,198)

General revenues	
Property taxes	880,111
State shared revenues	351,418
Gravel/Cable royalties	86,363
Interest income	
Cash and equivalents	33,581
Special assessments	59,390
Other income	15,402
Total general revenues	1,426,265
Change in net assets	243,067
Net assets, July 1, 2008	2,731,484
Net assets, June 30, 2009	$ 2,974,551

The notes of the financial statements are an integral part of this statement.

FUND FINANCIAL

STATEMENTS

PUTNAM TOWNSHIP
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General	Fire Capital Outlay	Fire Millage	Patterson Lake Sewer	Other Non-major Funds	Total
ASSETS						
ASSETS						
Cash and cash equivalents	$ 1,025,319	$ 515,326	$ 545,797	$ 386,687	$ 161,286	$ 2,634,415
Receivable						
Special assessments						
Current				85,959		85,959
Deferred				859,590		859,590
State shared revenues	49,567					49,567
Due from other funds	143,841					143,841
Total assets	$ 1,218,727	$ 515,326	$ 545,797	$ 1,332,236	$ 161,286	$ 3,773,372
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accounts payable	$ 78,588	$	$	$	$	$ 78,588
Due to other funds	1,800		136,757			138,557
Deferred revenues				945,549		945,549
Total liabilities	80,388		136,757	945,549		1,162,694
FUND BALANCES						
Unreserved	1,138,339					1,138,339
Designated		515,326	409,040		93,544	1,017,910
Reserved for debt service				386,687	67,742	454,429
Total fund balances	1,138,339	515,326	409,040	386,687	161,286	2,610,678
Total liabilities and fund balances	$ 1,218,727	$ 515,326	$ 545,797	$ 1,332,236	$ 161,286	$ 3,773,372

The notes to the financial statements are an integral part of this statement.

PUTNAM TOWNSHIP
RECONCILIATION OF FUND BALANCE TO NET ASSETS
OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2009

Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Total fund balance per balance sheet		$ 2,610,678
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	$ 2,584,962	
Depreciation	(1,162,110)	
Capital assets net of depreciation		1,422,852
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Bonds payable		(2,004,528)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		
Deferred income for Patterson Lake Sewer Fund		945,549
Net assets of governmental activities		$ 2,974,551

The notes of the financial statements are an integral part of this statement.

PUTNAM TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	General	Fire Capital Outlay	Fire Millage	Patterson Lake Sewer	Other Non-major Funds	Total
REVENUES						
Taxes	$ 307,644	$ 161,730	$ 410,737	$	$	$ 880,111
Licenses and permits	5,274					5,274
Special assessments - principal				106,603		106,603
Special assessments - interest				59,390		59,390
State shared revenues	351,418					351,418
Donations					407	407
Cablevision fees	73,525					73,525
Gravel pit royalties	12,838					12,838
Charges for services	133,405					133,405
Interest	11,983	7,512	6,575	6,460	1,051	33,581
Miscellaneous	12,844	500	2,058			15,402
Total revenues	908,931	169,742	419,370	172,453	1,458	1,671,954
EXPENDITURES						
Current:						
General government	510,655				225	510,880
Community development	53,925				378	54,303
Fire protection	344,761	15,946	3,611			364,318
Police protection	76,199					76,199
Public works	71,283					71,283
Capital outlay:						
General government	3,738				8,658	12,396
Fire protection	1,996	53,615				55,611
Debt service:						
Principal				139,554	35,000	174,554
Interest and fiscal charges				69,744	29,755	99,499
Total expenditures	1,062,557	69,561	3,611	209,298	74,016	1,419,043
Excess of revenues over (under) expenditures	(153,626)	100,181	415,759	(36,845)	(72,558)	252,911
OTHER FINANCING SOURCES (USES)						
Transfers in	353,304	29,298			131,780	514,382
Transfers (out)	(161,078)		(346,757)		(6,547)	(514,382)
Total other financing sources (uses)	192,226	29,298	(346,757)		125,233	
Net changes in fund balances	38,600	129,479	69,002	(36,845)	52,675	252,911
FUND BALANCE, JULY 1, 2008	1,099,739	385,847	340,038	423,532	108,611	2,357,767
FUND BALANCE, JUNE 30, 2009	$ 1,138,339	$ 515,326	$ 409,040	$ 386,687	$ 161,286	$ 2,610,678

The notes to the financial statements are an integral part of this statement.

PUTNAM TOWNSHIP
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - governmental funds		$ 252,911
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which depreciation exceeded capital outlay is as follows:		
Capital outlay	$ 59,881	
Depreciation expense	(137,676)	
Total		(77,795)
Repayment of bonds payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:		
Repayment of bonds payable		174,554
Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities.		
Principal collected on assessments		(106,603)
Change in net assets of governmental activities		$ 243,067

The notes to the financial statements are an integral part of this statement.

PUTNAM TOWNSHIP
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2009

	Trust and Agency	Current Tax	Totals
ASSETS			
ASSETS			
Cash	$ 12,268	$ 7,084	$ 19,352
Due from other funds	1,800		1,800
Total assets	$ 14,068	$ 7,084	$ 21,152
LIABILITIES			
LIABILITIES			
Due to others	$ 14,068	$	$ 14,068
Due to other funds		7,084	7,084
Total liabilities	$ 14,068	$ 7,084	$ 21,152

The notes to the financial statements are an integral part of this statement.

NOTES

TO

FINANCIAL

STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,* the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental fund types are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The government-wide Statement of Net Assets reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are required to be displayed in three components: 1) invested in capital assets 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net assets are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Fire Capital Outlay Fund accounts for the activity associated with the purchasing of capital assets for the fire department. This fund is supported by property taxes approved from a separately voted millage.

The Fire Millage Fund accounts for the activities related to the transfers made to the General Fund to finance the fire department operations. This fund is supported by property taxes approved by a separately voted millage.

Patterson Lake Sewer Fund accounts for the activities related to the special assessments collected and related debt service of the sewer project at Patterson Lake.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, licenses, fees and permits, intergovernmental revenues, charges for services and interest.

B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balances as a measure of available spendable resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. BUDGETARY DATA

The board of trustees follows 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 budget is approved by activity, rather than by line item. 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.

D. PROPERTY TAX REVENUE RECOGNITION

The Township property tax is levied each December 1 on the taxable valuation of property located in the Township as of the preceding December 31. Taxable values are established annually by the county and are equalized by the state at an estimated 50 percent of current market value. Real and personal property in the Township for the 2008 levy was assessed at adjusted taxable value of $342,856,168. The Township's general operating tax rate for the 2008 levy was .8915 mill and special fire millage was 1.6618. Taxes are due and payable by February 28. Delinquent real property taxes are returned to the County Treasurer for collection. In May 2009, the county revolving fund paid the Township for the delinquent real taxes.

E. CAPITAL ASSETS

Under GASB Statement No. 34, all capital assets whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than $5,000 and an estimated useful life greater than one year. Land is considered a capital asset regardless of initial cost. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures and improvements	10 to 50 years
Machinery and equipment	5 to 40 years

Any capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

F. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

G. OTHER FINANCING SOURCES (USES)

The transfers of cash between the various funds are budgeted but reported separate from revenues and expenditures as 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.

NOTE 2 - FINANCIAL REPORTING ENTITY

The criteria established by GASB Statement No. 39 for various governmental organizations to be included in the reporting entity's financial statements include accountability, control, and significant financial relationships.

In accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 39, certain other governmental organizations are not considered to be part of the reporting entity for financial statement purposes.

The accompanying financial statements of Putnam Township as of June 30, 2009, include any and all boards, agencies, funds and account groups under the jurisdiction of the Putnam Township Board. As further discussed in Note 7, Putnam Township is one of four governmental units that has formed the Portage Base Lakes Area Water & Sewer Authority and has joined Multi-Lakes Sewer and Water Authority. There are separate audits completed for these authorities.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance 7/1/2008	Additions	Deletions	Balance 6/30/2009
Non-depreciable capital assets				
Land	$ 226,368	$	$	$ 226,368
Depreciable capital assets				
Buildings and improvements	936,086	33,379		969,465
Machinery and equipment	1,362,627	26,502		1,389,129
Total depreciable capital assets	2,298,713	59,881		2,358,594
Total capital assets at historical cost	2,525,081	59,881		2,584,962
Accumulated depreciation				
Buildings and improvements	(152,797)	(21,883)		(174,680)
Machinery and equipment	(871,637)	(115,793)		(987,430)
Total accumulated depreciation	(1,024,434)	(137,676)		(1,162,110)
Governmental activities capital asset, net	$ 1,500,647	$ (77,795)	$	$ 1,422,852

The balance the Township has is $640,000 of debt outstanding for the financed construction of the Township Hall. The net investment in capital assets was $782,852 ($1,422,852 - $640,000) as of June 30, 2009.

NOTE 3 - CAPITAL ASSETS - continued

Depreciation expense is being recorded in the government-wide Statement of Activities based upon the fund and activity utilizing the assets. The Township utilizes the straight line method to depreciate capital assets over their estimated useful lives. Depreciation expense was allocated to the following activities:

Fire protection	$ 112,311
General government	22,810
Parks and recreation	2,555
	$ 137,676

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

The amounts of interfund receivables and payables are as follows:

Fund	Interfund Receivables	Fund	Interfund Payables
General Fund	$ 7,084	Current Tax Fund	$ 7,084
Trust and Agency Fund	1,800	General Fund	1,800
General Fund	136,757	Fire Millage Fund	136,757
	$ 145,641		$ 145,641

These are short term in nature.

NOTE 5 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2009, were as follows:

Fund Transferred Out	Fund Transferred In	Amount	Explanation
Fire Operating Millage	General Fund	$ 346,757	Fire expense reimbursement
General Fund	Fire-Capital Outlay	29,298	Fire run revenues
General Fund	Township Hall DSF	70,410	Contribution
General Fund	Township Improvement Fund	61,370	Contribution
Senior Citizens Fund	General Fund	6,547	Reimbursement
		$ 514,382	

NOTE 6 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit union, 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 maintains a $100 imprest petty cash account.

The Township has an investment policy and their deposits and investments are in accordance with statutory authority.

As of June 30, 2009 cash, cash equivalents and investments consist of the following:

Cash and cash equivalents	
Deposits with financial institutions	$ 2,438,537
Investment pools	215,130
Cash on hand	100
Total cash and cash equivalents	$ 2,653,767

Cash and investments are presented in the financial statements in the following areas:

Statement of Net Assets	
Cash and cash equivalents	$ 2,634,415
Fiduciary Funds	
Cash and cash equivalents	19,352
Total cash and investments	$ 2,653,767

The Township's cash and investments are subject to various types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Township's money may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had $682,142 of bank deposits (certificates of deposit, checking and savings accounts) that were uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

NOTE 6 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS - continued

Concentration of Credit Risk

The Township places no limit on the amount the Township may invest in any one issuer.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township investment policy limits investments to those authorized by Public Act 20 of 1943. Commercial paper must be rated within the two (2) highest classifications established by not less than two (2) standard ratings services. Ratings are not required for U.S. Treasuries and money market accounts. As of June 30, 2009, the Township's investments were exposed to credit risk as follows:

Investment Type	Rating by Standard & Poor's	Amount
MBIA Investment Pool	AAAm	$ 215,130

NOTE 7 - LONG-TERM OBLIGATIONS

DEBT RELATED TO MULTI-LAKES AREA SEWER AUTHORITY

Putnam Township residents on Patterson Lake connected to the sewer system maintained by the Multi-Lakes Authority. Putnam Township is also a member of the Multi-Lakes Authority.

Putnam Township created a special assessment district for purposes of constructing the sewer collection lines to serve the residents on Patterson Lake. Lyndon and Unadilla Townships also created special assessment districts to construct sewer collection lines to their residents.

Bonds were sold to finance the construction through the Washtenaw County Department of Public Works. The three Townships will repay the bonds (debt) through their special assessment districts. The three Townships share the debt obligation based on the proportion of REU's (residential equivalent units) it serves which are as follows:

Putnam Township	31.012
Lyndon Township	39.601
Unadilla Township	29.387
Total	100.000

The total bond proceeds were $7,850,000 of which Putnam Township is responsible for $2,434,442.

DEBT RELATED TO CONSTRUCTION OF NEW TOWNSHIP HALL

Bonds were sold through The Bank of New York Trust Company to finance the construction of a new Township Hall. Putnam Township is responsible for the bond proceeds of $700,000. General Fund monies will be used to repay the debt.

NOTE 7 - LONG-TERM OBLIGATIONS - continued

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

Loan payable to Washtenaw County for the Multi-Lakes Sanitary Sewer System Phase II Bonds, Series 2002; payable in annual principal payments in the range of $93,036 to $139,554, plus interest of 3% to 5% paid semi-annually, maturity date is May 1, 2020.

Loan payable to The Bank of New York Trust Company for the 2007 General Obligation Capital Improvement Bonds; payable in annual principal payments in the range of $25,000 to $65,000, plus interest of 4.25% to 4.5% paid semi-annually, maturity date is May 1, 2022.

A summary of the Township's long-term obligations as of June 30, 2009, and transactions during the year then ended are as follows:

	Balance at 7/1/2008	Additions	Principal Payments	Balance at 6/30/2009	Current Portion of Long-term Debt
Washtenaw County Sewage - Disposal System Bonds Multi-Lakes Phase II, Series 2002	$ 1,504,082	$	$ 139,554	$ 1,364,528	$ 124,048
2007 General Obligation Capital Improvement Bonds	675,000		35,000	640,000	35,000
	$ 2,179,082	$	$ 174,554	$ 2,004,528	$ 159,048

NOTE 7 - LONG-TERM OBLIGATIONS - continued

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

Year Ending June 30	Bonds Payable Multi-Lakes Principal	Bonds Payable Multi-Lakes Interest	Bonds Payable Capital Improvement Principal	Bonds Payable Capital Improvement Interest
2009 - 2010	$ 124,048	$ 63,668	$ 35,000	$ 27,750
2010 - 2011	124,048	58,241	35,000	26,263
2011 - 2012	124,048	52,813	40,000	24,775
2012 - 2013	124,048	47,386	40,000	23,075
2013 - 2018	620,240	151,525	245,000	89,237
2018 - 2022	248,096	18,607	245,000	33,520
	$ 1,364,528	$ 392,240	$ 640,000	$ 224,620

NOTE 8 - CONTINGENCIES AND COMMITMENTS

The Township is involved in various legal actions arising in the normal course of operations. There is one significant lawsuit, Hendee *v*. Putnam Township. The trial has been completed with the Court awarding judgment in favor of the plaintiffs. The Township must allow the plaintiffs development of a mobile home park. The Township is appealing to the Michigan Court of Appeals. Management believes the Township will pay approximately $50,000 for litigation expenses (expert witness fees) in the next year. The amount has been recorded as a liability in these financial statements (general fund).

NOTE 9 - 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.

NOTE 10 - GRANT ACTIVITIES

The Township had been a recipient of various federal grant funds. These funds may still be subject to federal grant audit requirements.

REQUIRED

SUPPLEMENTARY

INFORMATION

PUTNAM TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgets			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Taxes	$	$	$ 307,644	$
Licenses and permits			5,274	
State shared revenues			351,418	
Charges for services			133,405	
Miscellaneous			111,190	
Total revenues	884,170	884,170	908,931	24,761
EXPENDITURES				
Township board			149,148	
Supervisor			40,524	
Assessor			49,792	
Election			25,186	
Clerk			44,554	
Board of review			3,632	
Treasurer			57,603	
Cemetery			1,110	
Township hall			64,558	
Senior center and annex			25,917	
Town square			14,737	
Public safety-fire department			346,757	
Public safety-police			76,199	
Unallocated			30,920	
Highways, streets and bridges			70,173	
Zoning			29,552	
Planning commission			32,195	
Total expenditures	1,166,280	1,197,377	1,062,557	134,820
Excess of revenues over (under) expenditures	(282,110)	(313,207)	(153,626)	159,581
OTHER FINANCING SOURCES (USES)				
Transfer in	396,660	403,207	353,304	(49,903)
Transfer (out)		(151,370)	(161,078)	(9,708)
Total other financing sources (uses)	396,660	251,837	192,226	(59,611)
Net change in fund balance	114,550	(61,370)	38,600	99,970
FUND BALANCE, JULY 1, 2008	1,099,739	1,099,739	1,099,739	
FUND BALANCE, JUNE 30, 2009	$ 1,214,289	$ 1,038,369	$ 1,138,339	$ 99,970

PUTNAM TOWNSHIP
FIRE DEPARTMENT CAPITAL OUTLAY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgets			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Fire millage	$	$	$ 161,730	$
Other revenues			500	
Interest			7,512	
Total revenues	169,000	169,000	169,742	742
EXPENDITURES				
Fire protection			53,615	
Capital outlay			1,422	
Turn-out gear/uniforms			14,524	
Total expenditures	33,200	62,367	69,561	(7,194)
Excess of revenues over (under) expenditures	135,800	106,633	100,181	(6,452)
OTHER FINANCING (USES)				
Transfers in	20,000	20,000	29,298	9,298
Net change in fund balance	155,800	126,633	129,479	2,846
FUND BALANCE, JULY 1, 2008	385,847	385,847	385,847	
FUND BALANCE, JUNE 30, 2009	$ 541,647	$ 512,480	$ 515,326	$ 2,846

PUTNAM TOWNSHIP
FIRE MILLAGE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgets			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Fire millage	$	$	$ 410,737	$
Interest			6,575	
Other			2,058	
Total revenues	418,000	418,000	419,370	1,370
EXPENDITURES				
Project costs			3,611	(3,611)
Excess of revenues over (under) expenditures	418,000	418,000	415,759	(2,241)
OTHER FINANCING (USES)				
Transfers (out)	(396,660)	(396,660)	(346,757)	49,903
Net change in fund balance	21,340	21,340	69,002	47,662
FUND BALANCE, JULY 1, 2008	340,038	340,038	340,038	
FUND BALANCE, JUNE 30, 2009	$ 361,378	$ 361,378	$ 409,040	$ 47,662

S U P P L E M E N T A R Y

I N F O R M A T I O N

COMBINING

STATEMENTS

PUTNAM TOWNSHIP
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Township Hall Improvement Fund	Fire Capital Outlay Fund	Fire Millage Fund	Senior Citizens Fund	Total
ASSETS					
ASSETS					
Cash	$ 90,988	$ 515,326	$ 545,797	$ 535	$ 1,152,646
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Due to other funds	$	$	$ 136,757	$	$ 136,757
FUND BALANCE	90,988	515,326	409,040	535	1,015,889
Total liabilities and fund balance	$ 90,988	$ 515,326	$ 545,797	$ 535	$ 1,152,646

PUTNAM TOWNSHIP
COMBINING BALANCE SHEET
ALL DEBT SERVICE FUNDS
JUNE 30, 2009

	Patterson Lake Sewer Debt Service Fund	Township Hall Debt Service Fund	Total
ASSETS			
ASSETS			
Cash	$ 386,687	$ 67,742	$ 454,429
Special assessment receivable - current	85,959		85,959
Special assessment receivable - non-current	859,590		859,590
Total assets	$ 1,332,236	$ 67,742	$ 1,399,978
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Deferred revenue	$ 945,549	$	$ 945,549
FUND BALANCE	386,687	67,742	454,429
Total liabilities and fund balance	$ 1,332,236	$ 67,742	$ 1,399,978

PUTNAM TOWNSHIP
COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2009

	Trust and Agency	Current Tax	Totals
ASSETS			
ASSETS			
Cash	$ 12,268	$ 7,084	$ 19,352
Due from other funds	1,800		1,800
Total assets	$ 14,068	$ 7,084	$ 21,152
LIABILITIES			
LIABILITIES			
Due to others	$ 14,068	$	$ 14,068
Due to other funds		7,084	7,084
Total liabilities	$ 14,068	$ 7,084	$ 21,152

PUTNAM TOWNSHIP
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Township Hall Improvement Fund	Fire Capital Outlay Fund	Fire Millage	Senior Citizens Fund	Total
REVENUES					
Fire millage	$	$ 161,730	$ 410,737	$	$ 572,467
Interest income	389	7,512	6,575	11	14,487
Other		500	2,058	407	2,965
Total revenues	389	169,742	419,370	418	589,919
EXPENDITURES					
Tax chargebacks		1,422	3,611		5,033
Fire protection		14,524			14,524
Capital outlay		53,615			53,615
Other				378	378
Total expenditures		69,561	3,611	378	73,550
Excess of revenues over (under) expenditures	389	100,181	415,759	40	516,369
OTHER FINANCING SOURCES (USES)					
Transfers in	61,370	29,298			90,668
Transfers (out)			(346,757)	(6,547)	(353,304)
Total other financing sources (uses)	61,370	29,298	(346,757)	(6,547)	(262,636)
Net changes in fund balances	61,759	129,479	69,002	(6,507)	253,733
FUND BALANCE, JULY 1, 2008	29,229	385,847	340,038	7,042	762,156
FUND BALANCE JUNE 30, 2009	$ 90,988	$ 515,326	$ 409,040	$ 535	$ 1,015,889

PUTNAM TOWNSHIP
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Patterson Lake Sewer Debt Service Fund	Township Hall Debt Service Fund	Total
REVENUES			
Special assessment - principal	$ 106,603	$	$ 106,603
Special assessment - interest	59,390		59,390
Interest income	6,460	634	7,094
Total revenues	172,453	634	173,087
EXPENDITURES			
Bond - principal	139,554	35,000	174,554
Bond - interest	69,599	29,238	98,837
Miscellaneous	145	517	662
Total expenditures	209,298	64,755	274,053
Excess of revenue over (under) expenditures	(36,845)	(64,121)	(100,966)
OTHER FINANCING SOURCES (USES)			
Transfer in		70,410	70,410
Net change in fund balances	(36,845)	6,289	(30,556)
FUND BALANCE JULY 1, 2008	423,532	61,453	484,985
FUND BALANCE JUNE 30, 2009	$ 386,687	$ 67,742	$ 454,429

INDIVIDUAL

FUNDS

G E N E R A L

F U N D

PUTNAM TOWNSHIP
GENERAL FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS		
Cash and cash equivalents	$ 1,025,319	
State shared revenue receivable	49,567	
Due from other funds	143,841	
Total assets		$ 1,218,727

LIABILITIES AND FUND BALANCE

LIABILITIES		
Accounts payable	$ 28,588	
Due to other funds	1,800	
Accrued expenses	50,000	
Total liabilities		$ 80,388
FUND BALANCE		1,138,339
Total liabilities and fund balance		$ 1,218,727

PUTNAM TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	$ 303,320	$ 307,644	$ 4,324
Licenses and permits	3,800	5,274	1,474
State shared revenues	350,000	351,418	1,418
Charges for services	121,250	133,405	12,155
Miscellaneous	105,800	111,190	5,390
Total revenues	884,170	908,931	24,761
EXPENDITURES			
Township board	135,647	149,148	(13,501)
Supervisor	42,800	40,524	2,276
Assessor	76,820	49,792	27,028
Election	27,000	25,186	1,814
Clerk	47,500	44,554	2,946
Board of review	3,000	3,632	(632)
Treasurer	60,250	57,603	2,647
Cemetery	2,000	1,110	890
Township hall	85,800	64,558	21,242
Senior center & annex	36,500	25,917	10,583
Town square	15,000	14,737	263
Public safety-fire department	396,660	346,757	49,903
Public safety-police	80,000	76,199	3,801
Unallocated	31,000	30,920	80
Highways, streets and bridges	90,000	70,173	19,827
Zoning	32,100	29,552	2,548
Planning commission	35,300	32,195	3,105
Total expenditures	1,197,377	1,062,557	134,820
Excess of revenues over (under) expenditures	(313,207)	(153,626)	159,581
OTHER FINANCING SOURCES (USES)			
Transfers in	403,207	353,304	(49,903)
Transfers (out)	(151,370)	(161,078)	(9,708)
Total other financing sources (uses)	251,837	192,226	(59,611)
Net change in fund balance	(61,370)	38,600	99,970
FUND BALANCE, JULY 1, 2008	1,099,739	1,099,739	
FUND BALANCE, JUNE 30, 2009	$ 1,038,369	$ 1,138,339	$ 99,970

PUTNAM TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TAXES			
Current property taxes	$ 303,320	$ 307,644	$ 4,324
LICENSES AND PERMITS			
Land use permits		2,175	
Special use permits		1,500	
Trailer permits		200	
Dog licenses		1,199	
Other		200	
Total licenses and permits	3,800	5,274	1,474
STATE SHARED REVENUES	350,000	351,418	1,418
CHARGES FOR SERVICES			
Tax administration fees		92,342	
Tax collection fees		10,645	
Board of appeals		100	
Fire runs		29,418	
Wetland applications		100	
Land splits		200	
Special meetings		600	
Total charges for services	121,250	133,405	12,155
MISCELLANEOUS REVENUES			
Metro act		8,425	
Miscellaneous		4,267	
Printed material		152	
Interest		11,983	
Cablevision fees		73,525	
Gravel pit		12,838	
Total miscellaneous revenues	105,800	111,190	5,390
Total revenues	$ 884,170	$ 908,931	$ 24,761

PUTNAM TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Fees	$	$ 13,245	$
Audit		7,650	
Legal and settlement		100,449	
Bank fees		1,536	
Website/newsletter		2,420	
Publications		3,655	
Dues		6,372	
Data processing		3,767	
Tax chargebacks		4,491	
DDA		3,965	
Miscellaneous		1,598	
Total township board	135,647	149,148	(13,501)
SUPERVISOR			
Salary		25,500	
Mileage		1,200	
Clerical		12,376	
Conference		1,270	
Miscellaneous		178	
Total supervisor	42,800	40,524	2,276
ASSESSOR			
Contract		44,400	
Data processing		1,360	
Postage		1,970	
Supplies		567	
Legal		1,495	
Total assessor	76,820	49,792	27,028
ELECTION			
Fees		17,430	
Clerical		2,038	
Publications		99	
Supplies		2,323	
Small equipment		2,978	
Miscellaneous		318	
Total election	27,000	25,186	1,814

PUTNAM TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued
FOR THE YEAR ENDED JUNE 30, 2009

	Amended Budget	Actual	Variance Favorable (Unfavorable)
CLERK			
Salary		25,500	
Clerical		16,301	
Mileage		574	
Conference		1,592	
Supplies		186	
Miscellaneous		401	
Total clerk	47,500	44,554	2,946
BOARD OF REVIEW	3,000	3,632	(632)
TREASURER			
Salary		21,942	
Tax statement preparation		4,021	
Deputy		27,293	
Supplies		1,005	
Data processing		1,196	
Mileage		328	
Conference		1,607	
Miscellaneous		211	
Total treasurer	60,250	57,603	2,647
CEMETERY			
Maintenance	2,000	1,110	890
TOWNSHIP HALL			
Ground maintenance		6,660	
Hall maintenance		2,025	
Copy maintenance		1,642	
Cleaning services		6,469	
Supplies		3,586	
Internet		1,650	
Telephone		3,346	
Utilities		4,236	
Dedication - senior center		480	
Insurance		18,920	
Postage		7,556	
Miscellaneous		4,250	
Capital outlay		3,738	
Total township hall	85,800	64,558	21,242

PUTNAM TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued
FOR THE YEAR ENDED JUNE 30, 2009

	Amended Budget	Actual	Variance Favorable (Unfavorable)
SENIOR CENTER AND ANNEX			
Maintenance		2,311	
Renovation		16,179	
Internet and phone		1,214	
Utilities		5,033	
Miscellaneous		1,180	
Total senior center and annex	36,500	25,917	10,583
TOWN SQUARE			
Ground maintenance		8,858	
Portable toilets		1,255	
Gazebo		211	
Improvements		1,475	
Miscellaneous		2,809	
Unity Park		129	
Total Town Square	15,000	14,737	263
PUBLIC SAFETY - FIRE DEPARTMENT			
Fire person fees		223,313	
Payroll taxes		17,051	
Telephone		5,536	
Insurance		28,239	
Utilities		11,522	
EMS fees		673	
Radios		1,093	
Gas and oil		8,142	
Ground maintenance		4,509	
Dues and subscriptions		5,075	
Training		11,967	
Uniforms		1,179	
Equipment maintenance		18,158	
Building maintenance		3,581	
Operating supplies and parts		885	
Capital outlay		1,996	
Miscellaneous		3,838	
Total public safety - fire department	396,660	346,757	49,903

PUTNAM TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued
FOR THE YEAR ENDED JUNE 30, 2009

	Amended Budget	Actual	Variance Favorable (Unfavorable)
PUBLIC SAFETY - POLICE			
Contracted services	80,000	76,199	3,801
UNALLOCATED			
Small equipment		2,389	
Township - FICA, Medicare and unemployment		14,484	
Gazebo and town square maintenance		555	
Miscellaneous		221	
Senior citizens coordinator		13,271	
Total unallocated	31,000	30,920	80
HIGHWAYS, STREETS, BRIDGES			
Road maintenance	90,000	70,173	19,827
ZONING			
Fees		1,050	
Administrator fees		16,651	
Printing and publications		79	
Supplies		181	
Planning consultant		2,190	
Legal		8,278	
Mileage		563	
Miscellaneous		200	
Conferences		360	
Total zoning	32,100	29,552	2,548
PLANNING COMMISSION			
Legal		289	
Fees		8,295	
Planning consultant		20,842	
Printing and publications		1,823	
Conferences		796	
Miscellaneous		150	
Total planning commission	35,300	32,195	3,105
Total expenditures	$ 1,197,377	$ 1,062,557	$ 134,820

TOWNSHIP

HALL

IMPROVEMENT

FUND

PUTNAM TOWNSHIP
TOWNSHIP HALL IMPROVEMENT FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS	
Cash	$ 90,988

FUND BALANCE

FUND BALANCE	$ 90,988

PUTNAM TOWNSHIP
TOWNSHIP HALL IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	$ 300	$ 389	$ 89
EXPENDITURES			
Excess of revenues over (under) expenditures	300	389	89
OTHER FINANCING SOURCES (USES)			
Transfers in	61,370	61,370	
Net change in fund balance	61,670	61,759	89
FUND BALANCE, JULY 1, 2008	29,229	29,229	
FUND BALANCE, JUNE 30, 2009	$ 90,899	$ 90,988	$ 89

FIRE DEPARTMENT

CAPITAL OUTLAY

FUND

PUTNAM TOWNSHIP
FIRE DEPARTMENT CAPITAL OUTLAY FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS	
Cash	$ 515,326

FUND BALANCE

FUND BALANCE	$ 515,326

PUTNAM TOWNSHIP
FIRE DEPARTMENT CAPITAL OUTLAY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fire millage	$	$ 161,730	$
Other revenue		500	
Interest		7,512	
Total revenues	169,000	169,742	742
EXPENDITURES			
Capital outlay		53,615	
Tax chargebacks		1,422	
Turn-out gear and uniforms		14,524	
Total expenditures	62,367	69,561	(7,194)
Excess of revenues over (under) expenditures	106,633	100,181	(6,452)
OTHER FINANCING SOURCES (USES)			
Transfer in	20,000	29,298	9,298
Net change in fund balance	126,633	129,479	2,846
FUND BALANCE, JULY 1, 2008	385,847	385,847	
FUND BALANCE, JUNE 30, 2009	$ 512,480	$ 515,326	$ 2,846

FIRE MILLAGE

FUND

PUTNAM TOWNSHIP
FIRE MILLAGE FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS	
Cash	$ 545,797

LIABILITIES AND FUND BALANCE

LIABILITIES	
Due to other funds	$ 136,757
FUND BALANCE	409,040
Total liabilities and fund balance	$ 545,797

PUTNAM TOWNSHIP
FIRE MILLAGE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fire millage	$	$ 410,737	$
Interest		6,575	
Other revenue		2,058	
Total revenues	418,000	419,370	1,370
EXPENDITURES			
Tax chargebacks		3,611	(3,611)
Excess of revenues over (under) expenditures	418,000	415,759	(2,241)
OTHER FINANCING (USES)			
Transfers (out)	(396,660)	(346,757)	49,903
Net change in fund balance	21,340	69,002	47,662
FUND BALANCE, JULY 1, 2008	340,038	340,038	
FUND BALANCE, JUNE 30, 2009	$ 361,378	$ 409,040	$ 47,662

SENIOR CITIZENS

FUND

PUTNAM TOWNSHIP
SENIOR CITIZENS FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS	
Cash	$ 535

FUND BALANCE

FUND BALANCE	$ 535

PUTNAM TOWNSHIP
SENIOR CITIZENS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2009

REVENUES	
Interest	$ 11
Donations	407
Total revenue	418
EXPENDITURES	
Project costs	378
Excess of revenues over (under) expenditures	40
OTHER FINANCING SOURCES (USES)	
Transfers (out)	(6,547)
Net change in fund balance	(6,507)
FUND BALANCE, JULY 1, 2008	7,042
FUND BALANCE, JUNE 30, 2009	$ 535

PATTERSON LAKE SEWER

DEBT SERVICE FUND

PUTNAM TOWNSHIP
PATTERSON LAKE SEWER DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS		
Cash	$ 386,687	
Special assessment receivable - current	85,959	
Deferred special assessments receivable	859,590	
Total assets		$ 1,332,236

LIABILITIES AND FUND BALANCE

LIABILITIES	
Deferred revenues	$ 945,549
FUND BALANCE	386,687
Total liabilities and fund balance	$ 1,332,236

PUTNAM TOWNSHIP
PATTERSON LAKE SEWER DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments - principal	$	$ 106,603	$
Special assessments - interest		59,390	
Interest income		6,460	
Total revenues	147,000	172,453	25,453
EXPENDITURES			
Bond - principal		139,554	
Bond - interest		69,599	
Miscellaneous		145	
Total expenditures	206,227	209,298	(3,071)
Net change in fund balance	(59,227)	(36,845)	22,382
FUND BALANCE, JULY 1, 2008	423,532	423,532	
FUND BALANCE, JUNE 30, 2009	$ 364,305	$ 386,687	$ 22,382

TOWNSHIP HALL

DEBT SERVICE

FUND

PUTNAM TOWNSHIP
TOWNSHIP HALL DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS	
Cash	$ 67,742

FUND BALANCE

FUND BALANCE	$ 67,742

PUTNAM TOWNSHIP
TOWNSHIP HALL DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest income	$ 3,000	$ 634	$ (2,366)
EXPENDITURES			
Debt			
Principal		35,000	
Interest		29,238	
Fees		517	
Total expenditures	64,275	64,755	(480)
Excess of revenues over (under) expenditures	(61,275)	(64,121)	(2,846)
OTHER FINANCING SOURCES			
Transfers in	70,000	70,410	410
Net change in fund balance	8,725	6,289	(2,436)
FUND BALANCE, JULY 1, 2008	61,453	61,453	
FUND BALANCE, JUNE 30, 2009	$ 70,178	$ 67,742	$ (2,436)

TOWNSHIP HALL

CONSTRUCTION

FUND

PUTNAM TOWNSHIP
TOWNSHIP HALL CONSTRUCTION FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS	
Cash	$ 2,021

FUND BALANCE

FUND BALANCE	$ 2,021

PUTNAM TOWNSHIP
TOWNSHIP HALL CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2009

REVENUES	
Interest	$ 17
EXPENDITURES	
Construction costs	8,658
Bank fees	225
Total expenditures	8,883
Net change in fund balance	(8,866)
FUND BALANCE, JULY 1, 2008	10,887
FUND BALANCE, JUNE 30, 2009	$ 2,021

TRUST

AND

AGENCY

FUND

PUTNAM TOWNSHIP
TRUST AND AGENCY FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS		
Cash	$ 12,268	
Due from other funds	1,800	
Total assets		$ 14,068

LIABILITIES

LIABILITIES	
Due to other funds	$ 14,068

CURRENT

TAX

COLLECTION

FUND

PUTNAM TOWNSHIP
CURRENT TAX COLLECTION FUND
BALANCE SHEET
JUNE 30, 2009

ASSETS

ASSETS	
Cash	$ 7,084

LIABILITIES

LIABILITIES	
Due to other funds	$ 7,084