

**CHARTER TOWNSHIP OF BRIGHTON**  
**Report on Audit of Financial Statements and  
Supplementary Information**  
**For the Year Ended March 31, 2011**

**CHARTER TOWNSHIP OF BRIGHTON**

**TOWNSHIP OFFICIALS**

Supervisor - Thomas Murphy  
Clerk - Ann Bollin  
Treasurer - Lana Theis

**BOARD OF TRUSTEES**

Ann Bollin  
Cathy Doughty  
Lana Theis  
Thomas Murphy  
Jim Kovitz  
John Rogers  
J. Michael Slaton

**TOWNSHIP ATTORNEY**

John K. Harris  
Harris & Leterski

**TOWNSHIP AUDITORS**

Pfeffer, Hanniford & Palka  
Certified Public Accountants

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**PFEFFER ■ HANNIFORD ■ PALKA**  
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*MACPA*

June 27, 2011

Board of Trustees  
Charter Township of Brighton  
4363 Buno Road  
Brighton, Michigan 48114

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Brighton, as of and for the year ended March 31, 2011, which collectively comprise the Charter Township of Brighton's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Brighton's management. Our responsibility is to express opinions 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 Charter Township of Brighton, as of March 31, 2011, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8 through 12 and 45 and 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

As discussed in Note 13, the Township's sewer special assessments are considerably less than the debt obligation. The financial statements do not include any adjustments relating to the amounts and classification of liabilities that might be necessary if the Charter Township of Brighton is not able to meet its obligations as they come due.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Brighton'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 has 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**

## **Management Discussion and Analysis March 31, 2011**

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Within this section of the Charter Township of Brighton'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 March 31, 2011. 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.

Both government-wide financial statements distinguish governmental activities of the Township that are principally supported by taxes and revenue sharing from the business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include such activities as general government, public safety, and planning and zoning departments. Business-type activities include water & sewer system operations. 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 three 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 spendable 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 its relation to net assets.

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

***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

The Township's net assets at the end of the fiscal year were \$33,240,940. This is a \$789,028 decrease over last year's net assets of \$32,451,912.

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

	<b>Summary of Net Assets</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Totals</b>	
	<u>3/31/2011</u>	<u>3/31/2010</u>	<u>3/31/2011</u>	<u>3/31/2010</u>	<u>3/31/2011</u>	<u>3/31/2010</u>
Current and other assets	\$ 13,246,684	\$ 13,604,171	\$ 9,883,816	\$ 10,996,009	\$ 23,130,500	\$ 24,600,180
Capital assets	3,976,642	4,070,421	25,044,965	25,904,323	29,021,607	29,974,744
<b>Total assets</b>	<u>17,223,326</u>	<u>17,674,592</u>	<u>34,928,781</u>	<u>36,900,332</u>	<u>52,152,107</u>	<u>54,574,924</u>
Other liabilities	87,798	680,918	58,369	52,094	146,167	733,012
Long-term liabilities	1,970,000	3,015,000	16,795,000	18,375,000	18,765,000	21,390,000
<b>Total liabilities</b>	<u>2,057,798</u>	<u>3,695,918</u>	<u>16,853,369</u>	<u>18,427,094</u>	<u>18,911,167</u>	<u>22,123,012</u>
Net assets:						
Invested in capital assets, net of related debt	3,976,642	2,505,421	8,249,965	7,529,323	12,226,607	10,034,744
Unrestricted	11,188,886	11,473,253	9,825,447	10,943,915	21,014,333	22,417,168
<b>Total net assets</b>	<u>\$ 15,165,528</u>	<u>\$ 13,978,674</u>	<u>\$ 18,075,412</u>	<u>\$ 18,473,238</u>	<u>\$ 33,240,940</u>	<u>\$ 32,451,912</u>

**Summary of Changes in Net Assets**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Totals</b>	
	<u>3/31/2011</u>	<u>3/31/2010</u>	<u>3/31/2011</u>	<u>3/31/2010</u>	<u>3/31/2011</u>	<u>3/31/2010</u>
<b>REVENUES</b>						
Program revenues						
Charges for services	\$ 605,155	\$ 675,832	\$ 1,153,099	\$ 961,405	\$ 1,758,254	\$ 1,637,237
Operating grants and contributions	1,300	177,096			1,300	177,096
Capital contributions			123,120	52,380	123,120	52,380
General revenues						
State shared revenues	1,161,139	1,097,036			1,161,139	1,097,036
Property taxes	885,731	951,381			885,731	951,381
Interest	101,747	177,135	509,368	573,837	611,115	750,972
Other	345,095	(409,769)			345,095	(409,769)
<b>Total revenues</b>	<u>3,100,167</u>	<u>2,668,711</u>	<u>1,785,587</u>	<u>1,587,622</u>	<u>4,885,754</u>	<u>4,256,333</u>
<b>EXPENSES</b>						
General government	1,385,605	1,526,114			1,385,605	1,526,114
Public safety	80,619	82,067			80,619	82,067
Recreation	45,226	60,903			45,226	60,903
Public works/roads	263,862	307,564			263,862	307,564
Interest on long-term debt	101,458	143,360			101,458	143,360
Water and sewer system			2,183,413	2,231,292	2,183,413	2,231,292
<b>Total expenses</b>	<u>1,876,770</u>	<u>2,120,008</u>	<u>2,183,413</u>	<u>2,231,292</u>	<u>4,060,183</u>	<u>4,351,300</u>
Changes in net assets	1,223,397	548,703	(397,826)	(643,670)	825,571	(94,967)
Beginning net assets	13,978,674	13,429,971	18,473,238	19,116,908	32,451,912	32,546,879
Prior period adjustment	(36,543)				(36,543)	
<b>Ending net assets</b>	<u>\$ 15,165,528</u>	<u>\$ 13,978,674</u>	<u>\$ 18,075,412</u>	<u>\$ 18,473,238</u>	<u>\$ 33,240,940</u>	<u>\$ 32,451,912</u>

The governmental funds experienced an increase in equity due to reversal of litigation accruals.

The business-type activities showed a decrease in net assets of \$397,826. The Township managed to keep expenses similar to the prior fiscal year, but the new users are not forthcoming for the waste water treatment plant. Additional users will be needed to remedy these losses.

### **Financial Analysis of the Township's Major Funds**

The Township's General Fund increased its fund balance by \$1,702,726, due to the general decrease in activity and reversal of environmental remediation liability.

The Township's only major business-type fund, the Sewer Fund, reported a decrease in net assets of \$397,826 and a decrease in cash and equivalents of \$221,036. This system is fairly new in operations and is still adding users to its system.

### **General Fund Budgetary Highlights**

The General Fund adopted its budget prior to the fiscal year in accordance with Public Act 493 of 2000. Actual excess of revenues over expenditures exceeded that of the budget by \$889,413. This is due to the Township having to reverse the large environmental liability. Several immaterial budget amendments were made during the year to bring the budget closer to economic reality.

### **Capital Asset and Debt Administration**

The Township acquired \$26,433 of new capital assets during the year. These were mainly a new emergency siren and some small building improvements.

The governmental funds issued no debt during the year, but paid \$1,643,680 of principal on the bonds associated with the Township hall and other capital improvements. A total of \$1,970,000 remains for all governmental fund debt. The building authority bonds were paid off early during this fiscal year.

The business-type activities made no capital acquisitions during the year ended March 31, 2011.

Total debt outstanding at the beginning of the year on business-type activities totaled \$18,375,000. During the year, the Township retired \$1,580,000 of debt, leaving \$16,795,000 at fiscal year end.

### **Economic Conditions and Future Activities**

In April 2010 the Township extinguished its Building Authority bond debt early. Low interest rates and ample cash reserves made this possible to reduce future debt requirements.

The Township is also continuing its efforts to add new users onto its sewage treatment facility. Currently, the business-type funds are not self-sufficient. However, by adding new users onto its system, future borrowings from the General Fund may not be necessary.

### **Contacting the Township's Financial Management**

This report is designed to provide a general overview of the Township's financial position and to comply with finance-related regulations. If you have any further questions about this report or require additional information, please contact the Township manager at (810) 229-0550 or visit the Township Hall located at 4363 Buno Road, Brighton, Michigan 48114.

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

CHARTER TOWNSHIP OF BRIGHTON

STATEMENT OF NET ASSETS  
MARCH 31, 2011

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
<b><u>ASSETS</u></b>			
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 11,366,742	\$ 1,880,418	\$ 13,247,160
Receivables			
Taxes	79,770		79,770
State shared revenues	181,214		181,214
Intergovernmental	645,832	(645,832)	
Accounts	132,808	360,531	493,339
Special assessments	816,359	7,881,532	8,697,891
Prepaid expenses	23,959	7,322	31,281
Inventory		62,893	62,893
Bonds issuance - net of amortization		336,952	336,952
Capital assets			
Non-depreciable	684,734	1,395,224	2,079,958
Depreciable - net of accumulated depreciation	3,291,908	23,649,741	26,941,649
	<u>17,223,326</u>	<u>34,928,781</u>	<u>52,152,107</u>
<b>Total assets</b>			
<b><u>LIABILITIES</u></b>			
<b>LIABILITIES</b>			
Accounts payable	45,194	58,369	103,563
Accrued wages/taxes	42,604		42,604
Pollution remediation obligation			
Current	40,000		40,000
Non-current	525,000		525,000
Bonds payable			
Current	50,000	1,580,000	1,630,000
Non-current	1,355,000	15,215,000	16,570,000
	<u>2,057,798</u>	<u>16,853,369</u>	<u>18,911,167</u>
<b>Total liabilities</b>			
<b><u>NET ASSETS</u></b>			
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	3,976,642	8,249,965	12,226,607
Unrestricted	11,188,886	9,825,447	21,014,333
	<u>\$ 15,165,528</u>	<u>\$ 18,075,412</u>	<u>\$ 33,240,940</u>
<b>Total net assets</b>			

The notes are an integral part of the financial statements.

**CHARTER TOWNSHIP OF BRIGHTON**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED MARCH 31, 2011**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Programs Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Contributions</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
General government	\$ (1,385,605)	\$ 361,533	\$	\$
Public works	(202,697)	209,199		
Recreation	(45,226)		1,300	
Roads	(53,387)	26,706		
Public safety	(80,619)	7,717		
Cemetery	(7,778)			
Interest on long-term debt	(101,458)			
<b>Total governmental activities</b>	<b>(1,876,770)</b>	<b>605,155</b>	<b>1,300</b>	
Business-type activities				
Sewer system	(2,183,413)	1,153,099		123,120
<b>Total</b>	<b>\$ (4,060,183)</b>	<b>\$ 1,758,254</b>	<b>\$ 1,300</b>	<b>\$ 123,120</b>

General revenues  
Property taxes  
State shared revenues  
Interest income  
Rental income  
Franchise fees  
Other income

**Total general revenues**

**Changes in net assets**

Net assets, April 1, 2010  
Prior period adjustment  
**Net assets, March 31, 2011**

The notes are an integral part of the financial statements.

**Net (Expense) Revenue and Changes  
in Net Assets**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (1,024,072)	\$	\$ (1,024,072)
6,502		6,502
(43,926)		(43,926)
(26,681)		(26,681)
(72,902)		(72,902)
(7,778)		(7,778)
(101,458)		(101,458)
<u>(1,270,315)</u>		<u>(1,270,315)</u>
	(907,194)	(907,194)
<u>(1,270,315)</u>	<u>(907,194)</u>	<u>(2,177,509)</u>
885,731		885,731
1,161,139		1,161,139
101,747	509,368	611,115
74,175		74,175
268,563		268,563
2,357		2,357
<u>2,493,712</u>	<u>509,368</u>	<u>3,003,080</u>
1,223,397	(397,826)	825,571
13,978,674	18,473,238	32,451,912
<u>(36,543)</u>		<u>(36,543)</u>
<u>\$ 15,165,528</u>	<u>\$ 18,075,412</u>	<u>\$ 33,240,940</u>

**FUND FINANCIAL STATEMENTS**



CHARTER TOWNSHIP OF BRIGHTON

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
MARCH 31, 2011

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total fund balance per balance sheet		\$ 12,357,431
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		
Historical cost	\$ 6,459,722	
Depreciation	<u>(2,483,080)</u>	
Capital assets net of depreciation		3,976,642
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Bonds payable	(1,405,000)	
Pollution remediation liability	<u>(565,000)</u>	
Total liabilities recorded		(1,970,000)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements when they were assessed.		<u>801,455</u>
Net assets of governmental activities		<u>\$ 15,165,528</u>

The notes are an integral part of the financial statements.

**CHARTER TOWNSHIP OF BRIGHTON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>General Fund</u>	<u>Building Authority Fund</u>	<u>Other Non-major Funds</u>	<u>Total</u>
<b>REVENUES</b>				
Taxes	\$ 885,731	\$	\$	\$ 885,731
Special assessments	188,343		75,900	264,243
Intergovernmental - state	1,161,139		7,717	1,168,856
Licenses and permits	12,145		3,015	15,160
Rental income	74,175			74,175
Charges for services	346,373		237,205	583,578
Interest	47,102	23	13,341	60,466
Cable franchise fees	268,563			268,563
Miscellaneous	2,357			2,357
<b>Total revenues</b>	<u>2,985,928</u>	<u>23</u>	<u>337,178</u>	<u>3,323,129</u>
<b>EXPENDITURES</b>				
Current				
General government	1,298,016		12,671	1,310,687
Public works	16,932		219,445	236,377
Public safety	32,578		5,355	37,933
Recreation	45,226			45,226
Cemetery	5,173			5,173
Road improvements/maintenance	26,193		27,194	53,387
Capital outlay				
General government	6,530			6,530
Public safety	19,900			19,900
Debt service				
Principal		1,565,000	45,000	1,610,000
Interest and fiscal charges		38,180	63,278	101,458
<b>Total expenditures</b>	<u>1,450,548</u>	<u>1,603,180</u>	<u>372,943</u>	<u>3,426,671</u>
<b>Excess of revenues over (under) expenditures</b>	<u>1,535,380</u>	<u>(1,603,157)</u>	<u>(35,765)</u>	<u>(103,542)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	20,461	1,440,000	527,028	1,987,489
Transfers (out)	(415,252)	(17,379)	(1,554,858)	(1,987,489)
<b>Total other financing sources (uses)</b>	<u>(394,791)</u>	<u>1,422,621</u>	<u>(1,027,830)</u>	
<b>Net changes in fund balances</b>	<u>1,140,589</u>	<u>(180,536)</u>	<u>(1,063,595)</u>	<u>(103,542)</u>
<b>FUND BALANCE, APRIL 1, 2010</b>	8,208,855	180,536	3,509,445	11,898,836
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>562,137</u>			<u>562,137</u>
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 9,911,581</u>	<u>\$</u>	<u>\$ 2,445,850</u>	<u>\$ 12,357,431</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MARCH 31, 2011

Amounts reported for governmental activities in the Statement  
of Activities are different because:

Net change in fund balances - governmental funds \$ (103,542)

Governmental funds report capital outlay as expenditures.  
However, in the Statement of Activities the cost of those  
assets are allocated over their useful lives as depreciation  
expense. The amount by which depreciation exceeded  
capital outlay is as follows:

Capital outlay	\$ 26,433
Depreciation expense	<u>(120,212)</u>

Total (93,779)

Repayment of long-term liabilities is an expenditure in the governmental  
funds, but the repayment reduces long-term liabilities in the Statement  
of Net Assets

Repayment of	
Bonds payable	1,610,000
Pollution remediation costs incurred	<u>33,680</u>

Total long-term debt 1,643,680

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 (222,962)

Change in net assets of governmental activities \$ 1,223,397

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 MARCH 31, 2011

ASSETS

Sewer Fund

**Assets**

Cash and cash equivalents	\$ 1,880,418
Receivables	
Accounts	360,531
Special assessments	7,881,532
Prepaid expenses	7,322
Inventory	62,893
Bond issuance costs - net of amortization of \$202,170	<u>336,952</u>

**Total assets** 10,529,648

**Capital assets**

Land	1,395,224
Utility systems	<u>30,920,452</u>

**Total cost** 32,315,676

Less accumulated depreciation (7,270,711)

**Capital assets, net** 25,044,965

**Total assets** 35,574,613

LIABILITIES

**LIABILITIES**

Accounts payable	8,535
Due to other funds	645,832
New connections - escrow funds	49,834
Bonds payable	<u>16,795,000</u>

**Total liabilities** 17,499,201

NET ASSETS

**Net assets**

Invested in capital assets, net of related debt	8,249,965
Unrestricted	<u>9,825,447</u>

**Total net assets** \$ 18,075,412

The notes are an integral part of the financial statements.

**CHARTER TOWNSHIP OF BRIGHTON**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED MARCH 31, 2011**

	<b>Sewer Fund</b>
<b>OPERATING REVENUES</b>	
Utility billings	\$ 1,135,518
Other revenues	17,581
<b>Total operating revenues</b>	1,153,099
<b>OPERATING EXPENSES</b>	1,410,423
<b>Operating income (loss)</b>	(257,324)
<b>NON-OPERATING REVENUES</b>	
Interest income - special assessments	505,336
Interest income - cash and equivalents	4,032
Interest (expense)	(772,990)
<b>Total non-operating revenues (expenses)</b>	(263,622)
<b>Loss before capital contribution</b>	(520,946)
<b>CAPITAL CONTRIBUTIONS</b>	
Tap-in fees collected	123,120
<b>Net income (loss)</b>	(397,826)
<b>NET ASSETS, APRIL 1, 2010</b>	18,473,238
<b>NET ASSETS, MARCH 31, 2011</b>	\$ 18,075,412

The notes are an integral part of the financial statements.

**CHARTER TOWNSHIP OF BRIGHTON**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Receipts from customers and users	\$ 1,092,430	
Other receipts	21,641	
Payments to suppliers and others	<u>(533,677)</u>	
<b>Net cash from operating activities</b>		<b>\$ 580,394</b>
<b>CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal paid on bonds	(1,580,000)	
Interest paid on bonds and advances	(772,990)	
Collections of special assessment (principal and interest)	1,434,668	
Tap fees (new users)	<u>112,860</u>	
<b>Net cash (used in) capital and related financing activities</b>		<b>(805,462)</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		
Interest received on cash and cash equivalents		<u>4,032</u>
<b>Net (decrease) in cash</b>		<b>(221,036)</b>
<b>CASH AND CASH EQUIVALENTS, APRIL 1, 2010</b>		<u>2,101,454</u>
<b>CASH AND CASH EQUIVALENTS, MARCH 31, 2011</b>		<u><u>\$ 1,880,418</u></u>
<b>RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>		
Operating income (loss)		\$ (257,324)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities		
Depreciation/amortization	\$ 893,053	
(Increase) in accounts and delinquent receivable	(43,088)	
Changes in assets and liabilities		
(Increase) in inventory	(15,445)	
Decrease in prepaid insurance	118	
Increase in accounts payable	2,216	
Increase in new connection escrow	4,059	
(Decrease) in due to other funds	<u>(3,195)</u>	
<b>Total adjustments</b>		<u>837,718</u>
<b>Net cash and cash equivalents from (used in) operating activities</b>		<u><u>\$ 580,394</u></u>

Non-cash capital and related financing transactions did not occur during the year ended March 31, 2011

The notes are an integral part of the financial statements.

**CHARTER TOWNSHIP OF BRIGHTON**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**MARCH 31, 2011**

	<b>Trust and Agency</b>	<b>Current Tax</b>	<b>Construction Escrow</b>	<b>Totals</b>
<b><u>ASSETS</u></b>				
<b>ASSETS</b>				
Cash	\$ 245,933	\$ 179	\$ 71,626	\$ 317,738
<b><u>LIABILITIES</u></b>				
<b>LIABILITIES</b>				
Due to other funds	\$ 137	\$ 179	\$ 11	\$ 327
Due to others	245,796		71,615	317,411
<b>Total liabilities</b>	\$ 245,933	\$ 179	\$ 71,626	\$ 317,738

The notes are an integral part of the financial statements.

**NOTES TO FINANCIAL STATEMENTS**

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the Township conform to generally accepted accounting principles applicable to state and local governments. The more significant accounting policies of the Township are described below.

**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 activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, 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. Net interfund activity and balances between governmental activities and business-type activities are shown in 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, net of related debt, 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 or 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.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Also, part of the basic financial statements are fund financial statements for governmental funds and proprietary 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/expenses of fund category and of the governmental and enterprise 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.

The Township reports the following major governmental fund:

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 Building Authority Fund accounts for the debt service related to the improvements made at the Township Hall.

The Township reports the following major enterprise fund:

The Sewer Fund accounts for the activities associated with operating the Township's sewage treatment facility.

**B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The governmental fund financial statements are prepared on a current financial resources measurement focus and 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:

1. 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, transient occupancy taxes, licenses, fees and permits, intergovernmental revenues, charges for services, fines, forfeits and penalties, and interest.
2. 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.
3. 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 balance as a measure of available 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.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The proprietary funds financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial statements. Therefore, most lines for the total enterprise funds on the proprietary funds financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the enterprise funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds are eliminated in the consolidation for the government-wide financial statements, but are included in the fund columns in the proprietary funds financial statements.

Enterprise funds account for operations where the intent of the Township is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for any activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges of the activity, or 3) it is the policy of the Township to establish activity fees or charges to recover the cost of providing services, including capital costs.

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

Under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Township has elected for proprietary funds not to apply Financial Accounting Standards Board statements issued after November 30, 1989.

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. 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. The Township currently maintains an agency fund to account for the monies collected and paid on behalf of developer's escrow accounts.

**C. 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, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the Township) are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. 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. Real property is considered capital assets regardless of initial cost.

The cost 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.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

Buildings, structures and improvements	5 to 50 years
Utility plant	5 to 50 years
Machinery and equipment	2 to 40 years
Infrastructure	25 to 50 years

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

**D. ACCRUED COMPENSATED ABSENCES**

The Township has recorded a liability for compensated absences of its employees. The policies regarding compensated absences are outlined in the Township's "Personnel Policies".

**E. BUDGETARY DATA**

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

The Township manager prepares the annual budgets through information received by the clerk. The proposed budget is then submitted for discussion and approved by the entire Township board. The budget is approved by activity rather than 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.

For the year ended March 31, 2011, expenditures did not exceed appropriations in any fund in which budgeting was required by law.

**F. PROPERTY TAXES**

The Township's property taxes are levied and become a lien on each December 1st based on the taxable valuation of property located in the Township as of the preceding December 31st. These taxes are due on February 14, with the final collection date of February 29. The Township recognized the amount levied December 1, 2010 as revenue for the year ended March 31, 2011.

The 2010 adjusted taxable value totaled \$ 971,646,739. Taxes levied consisted of .9073 mills for Township operating purposes. The delinquent real property taxes of Charter Township of Brighton are purchased by Livingston County. The county sells tax notes, the proceeds of which will be used to pay the Township for these property taxes.

**G. 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.

**H. INVESTMENTS**

Investments are stated at fair value.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. CASH EQUIVALENTS**

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

**J. RISK MANAGEMENT**

The Township is exposed to various risks of loss pertaining to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for these claims. Settled claims related to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**K. INVENTORIES AND PREPAID ITEMS**

Inventories are valued at cost. Cost is determined using the first-in, first-out method. Inventory consists of expendable supplies held for consumption. Inventories are capitalized under the consumption method, whereby expenditures are capitalized as inventory until used.

**L. CAPITALIZATION OF INTEREST**

A portion of the interest cost incurred on capital projects is capitalized on assets that require a period of time for construction or to otherwise prepare them for their intended use. Such amounts are amortized over the useful lives of the assets.

**M. INCOME TAXES**

As a governmental agency, the Township is exempt from both federal income taxes and Michigan Business Tax.

**NOTE 2 - DESCRIPTION OF REPORTING ENTITY**

In accordance with Governmental Accounting Standards Board (GASB) statement number 39, all funds, agencies, and activities of Charter Township of Brighton as the primary government have been included in the financial statements. Several potential component units have been evaluated under the criteria established by GASB statement number 39 and determined not to be component units based on financial independence and accountability.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 3 - INTERFUND TRANSACTIONS AND BALANCES**

Interfund transfers for the year ended March 31, 2011 were as follows:

<u>Transfer in</u>	<u>Transfer out</u>	<u>Purpose</u>	<u>Amount</u>
Parks Fund	General Fund	Save funds for future capital improvements	\$ 50,000
Cemetery Fund	General Fund	Save funds for future capital improvements	10,000
Budget Stabilization	General Fund	Save fund for future possible budget shortfalls	3,316
Building Authority Fund	Future Road Improvement	Pay off bonds	1,440,000
Water Debt Service Fund	Municipal Water Fund	Municipal Water Fund is now provided the resources to service this debt	111,776
Future Road Improvement Fund	General Fund	Provide current year resources for project costs	150,000
General Fund	Budget Stabilization	Transfer out interest earned in this fund	3,082
Lakeshore Water Improvement	General Fund	To close out fund	201,936
General Fund	Building Authority	To close out fund	<u>17,379</u>
			<u><u>\$ 1,987,489</u></u>

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 3 - INTERFUND TRANSACTIONS AND BALANCES (continued)**

Interfund balances between individual funds of the Township, as reported in the fund financial statements, as of March 31, 2011:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Purpose</u>	<u>March 31, 2011 Balance</u>
<b><u>Interfund balances due to/from</u></b>			
General Fund	Current Tax	Reimbursement between funds	\$ 179
General Fund	Trust and Agency	Reimbursement between funds	137
General Fund	Construction Escrow	Reimbursement between funds	11
Street Lighting	General Fund	Reimbursement between funds	<u>6,171</u>
<b>Total interfund balances due to/from</b>			<b><u><u>\$ 6,498</u></u></b>
 <b><u>Interfund advances to/from</u></b>			
General Fund	Municipal Water	Finance project costs	\$ 525,600
General Fund	Sewer	Fund cash flow deficits	214,832
General Fund	Sewer	Fund debt service requirements	431,000
Future Road Improvement	Road Projects	Finance project costs	<u>81,650</u>
<b>Total interfund advances to/from</b>			<b><u><u>\$ 1,253,082</u></u></b>

Interfund balances were eliminated between non-major funds on the fund financial statement balance sheet presentation.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the year ended March 31, 2011, was as follows:

	<b>Balance 4/1/2010</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 3/31/2011</b>
<b>Governmental activities:</b>				
Capital assets not being depreciated				
Land	\$ 684,734	\$	\$	\$ 684,734
<b>Other capital assets:</b>				
Buildings and improvements	5,480,170	6,533		5,486,703
Vehicles and equipment	268,385	19,900		288,285
<b>Total other capital assets at historical cost</b>	<b>5,748,555</b>	<b>26,433</b>		<b>5,774,988</b>
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	(2,180,782)	(111,521)		(2,292,303)
Vehicles and equipment	(182,086)	(8,691)		(190,777)
<b>Total accumulated depreciation</b>	<b>(2,362,868)</b>	<b>(120,212)</b>		<b>(2,483,080)</b>
<b>Other capital assets, net</b>	<b>3,385,687</b>	<b>(93,779)</b>		<b>3,291,908</b>
<b>Governmental capital assets, net</b>	<b>\$ 4,070,421</b>	<b>\$ (93,779)</b>	<b>\$</b>	<b>\$ 3,976,642</b>

There is no related debt to these fixed assets

Depreciation was charged to functions as follows:

<b>Governmental activities:</b>	
General government	\$ 74,921
Public safety	42,686
Cemetery	2,605
	<b>\$ 120,212</b>

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 4 - CAPITAL ASSETS (continued)**

	<b>Balance 4/1/2010</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 3/31/2011</b>
<b>Business-type activities:</b>				
Capital assets not being depreciated				
Land - sewer	\$ 1,395,224	\$	\$	\$ 1,395,224
<b>Other capital assets:</b>				
Plant and collection system - sewer	30,897,952			30,897,952
Furniture and fixtures - sewer	22,500			22,500
<b>Total other capital assets at historical cost</b>	<b>30,920,452</b>			<b>30,920,452</b>
<b>Less accumulated depreciation for:</b>				
Plant and collection system - sewer	(6,388,853)	(859,358)		(7,248,211)
Furniture and fixtures - sewer	(22,500)			(22,500)
<b>Total accumulated depreciation</b>	<b>(6,411,353)</b>	<b>(859,358)</b>		<b>(7,270,711)</b>
<b>Other capital assets, net</b>	<b>24,509,099</b>	<b>(859,358)</b>		<b>23,649,741</b>
Business-type capital assets, net	<b>\$ 25,904,323</b>	<b>\$ (859,358)</b>	<b>\$</b>	<b>25,044,965</b>
Related long-term debt outstanding at March 31, 2011				<b>(16,795,000)</b>
<b>Governmental capital assets, net related long-term debt</b>				<b>\$ 8,249,965</b>

Depreciation was charged to functions as follows:

Business-type activities:	
Sewer service	\$ 859,358

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 5 - EMPLOYEES' RETIREMENT SYSTEM - DEFINED BENEFIT PLAN**

The Township switched pension plans from Manulife (a defined contribution plan) to the Municipal Employee's Retirement System (MERS) (a defined benefit plan) effective March 15, 1998. The Township transferred \$107,975 from Manulife to MERS. The following describes the MERS plan:

**Plan Description**

The Township is in an agent multi-employer-defined benefit pension plan with the Municipal Employees' Retirement System (MERS), administered by the State of Michigan. Total Township payroll for the year ended March 31, 2010 was \$604,861.

MERS was organized pursuant to Section 12a of Act No. 156, Public Acts of 1851, (MSA 5.333(a); MCLA 46.12a), as amended, State of Michigan. MERS is regulated under Act No. 220 of the Public Acts of 1996, applicable sections of which have been approved by the State Pension Commission.

The Township Treasurer, Township Clerk, and full-time employees are eligible members of this plan.

Each member contributes five percent of his or her annual compensation. The percentage is selected by the member's municipality.

If a member leaves the employ of the municipality, or dies, without a retirement allowance or other benefit payable on his or her account, his or her accumulated contributions will be refunded to same, if living, or to the nominated beneficiary.

Benefits vest after 6 or more years of service, with rights to a deferred benefit commencing at age 60 (age 50 or 55 in certain cases).

The Local Unit makes monthly contributions based on the annual actuarial valuations. Total contributions for the Township for the year ended March 31, 2011 were \$33,959.

At December 31, 2009, the over-funded pension benefit obligation was \$160,146, determined as follows:

<b>ACTUARIAL ACCRUED LIABILITY</b>	
<b>Retirees and beneficiaries currently receiving benefits</b>	\$ 661,339
<b>Terminated employees not yet receiving benefits (vested and non-vested)</b>	
Non-vested terminated	217,218
<b>Current employees -</b>	
Accumulated employee contributions including allocated investment income	146,434
Employer financed	<u>346,535</u>
<b>Total actuarial accrued liability</b>	1,371,526
<b>Net assets available for benefits at actuarial value</b>	<u>1,531,672</u>
<b>Over-funded actuarial accrued liability</b>	<u>\$ 160,146</u>

The Township's annual required contribution was \$14,496 as of December 31, 2009. The combined change in the pension benefit obligation resulting from benefit changes, if any, and revisions in actuarial assumptions is 0.055889 for under funded liabilities. Total covered payroll for participants was \$434,403.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 6 - LONG-TERM DEBT OBLIGATIONS**

**Contracts Payable**

The Township entered into a contract to repay bonds issued by Livingston County Drain Commission in which the proceeds of such bonds were used to construct and expand a sewer system. Currently, contracts payable are outstanding for business-type activities only.

Contracts payable currently outstanding are as follows:

<u>Purpose</u>	<u>Issuance Amount</u>	<u>Principal Installments</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Debt Outstanding</u>
<b>Business-type activities:</b>					
Livingston County Drain Commission					
Spencer Extension, 2005	\$ 760,000	\$ 35,000 — \$ 40,000	5/1/2024	3.50 — 5.00%	\$ 540,000
Livingston County Drain Commission					
Sewer Refunding, 2005	\$ 17,900,000	\$ 1,545,000 — \$ 1,645,000	10/1/2020	3.00 — 5.00%	<u>16,255,000</u>
<b>Total contracts payable outstanding</b>					<u><u>\$ 16,795,000</u></u>

**General Obligation Bonds**

The Township issued general obligation bonds to provide funds to advance refund bonds. General obligation bonds are outstanding for general government and business-type activities.

General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Issuance Amount</u>	<u>Principal Installments</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Debt Outstanding</u>
<b>Governmental activities:</b>					
2003 Capital Improvement Bonds	\$ 1,620,000	\$ 40,000 — \$ 115,000	11/1/2028	2.75 — 4.75%	\$ 1,405,000
1999 Building Authority Bonds	\$ 3,150,000	\$ 100,000 — \$ 270,000	11/1/2019	3.75 — 5.00%	<u>                    </u>
<b>Total general obligation bonds</b>					<u><u>\$ 1,405,000</u></u>

The 1999 Building Authority Bonds were called in April 2010.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 6 - LONG-TERM DEBT OBLIGATIONS (continued)**

Annual debt service requirements to maturity for the long-term debt of the Township are as follows:

<u>Year Ending March 31</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 50,000	\$ 61,421	\$ 1,580,000	\$ 700,330
2013	50,000	59,609	1,615,000	636,448
2014	55,000	57,640	1,645,000	571,208
2015	60,000	55,469	1,675,000	504,708
2016	60,000	53,099	1,690,000	429,018
2017 - 2021	350,000	223,911	8,440,000	981,444
2022 - 2026	450,000	133,697	150,000	15,000
2027 - 2030	330,000	23,988		
	<u>\$ 1,405,000</u>	<u>\$ 668,834</u>	<u>\$ 16,795,000</u>	<u>\$ 3,838,156</u>

**Pollution Remediation Obligation**

On January 15, 2009 a consent order was issued to conclude the litigation between the Township and the State of Michigan over the clean-up of the former Collett Road dump site. In the order the Township agreed to immediately pay \$1,350,000 to the State of Michigan and monitor the site and nearby groundwater for a period of up to ten (10) years. The Township has adopted GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, to account for its future obligation related to the consent order. As of March 31, 2011 the future monitoring costs to be borne by the Township were estimated at \$562,137. The estimate may change in the future due to unanticipated price increases, developments in technology or changes in existing laws and regulations.

**Changes in Long-Term Liabilities**

The following is a summary of changes in long-term liabilities of the Township for the year ended March 31, 2011:

	<u>Balance 4/1/2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 3/31/2011</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
General obligation bonds	\$ 3,015,000	\$	\$ 1,610,000	\$ 1,405,000	\$ 50,000
Pollution remediation obligation	598,680		33,680	565,000	40,000
<b>Governmental activity long-term liabilities</b>	3,613,680		1,643,680	1,970,000	90,000
<b>Business-type activities:</b>					
Contracts payable	18,375,000		1,580,000	16,795,000	1,580,000
<b>Total long-term liabilities</b>	<u>\$ 21,988,680</u>	<u>\$</u>	<u>\$ 3,223,680</u>	<u>\$ 18,765,000</u>	<u>\$ 1,670,000</u>

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 7 - DEFINED CONTRIBUTION PLAN**

The Township participates in the John Hancock Defined Contribution Pension Plan for Michigan Township Employees. This is a single-employer plan. All township trustees and the township supervisor are eligible to participate in the plan. The Township contributes 10% of the supervisor's compensation and 25% of the trustees compensation, while an employee may contribute 1% to 10% of compensation. Annual compensation used to determine the current year contribution is as of April 1, preceding the year. Contribution information is as follows:

TOTAL CURRENT YEAR EMPLOYER CONTRIBUTIONS      \$ 9,487

This balance reflects contributions for the period from April 1, 2010 to March 31, 2011.

Effective April 1, 2009 the Township adopted a MERS Uniform Defined Contribution Program. The Township contributed 8% of the manager's compensation and the manager contributed 7% of compensation. The manager is the only participant in this program.

TOTAL CURRENT YEAR CONTRIBUTIONS      \$ 11,771

**NOTE 8 - 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 unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township deposits are in accordance with statutory authority.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 8 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)**

As of March 31, 2011 cash, cash equivalents and investments consist of the following:

<b>Cash and cash equivalents</b>	
Deposits with financial institutions	\$ 13,069,527
Money market fund	229,221
	13,298,748
 <b>Investments</b>	
External Investment Pool	104,948
Government Bonds	150,000
	254,948
 <b>Total cash, cash equivalents and investments</b>	
	\$ 13,553,696

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

<b>Statement of Net Assets</b>	
Cash and cash equivalents	\$ 12,981,010
Investments	254,948
	13,235,958
 <b>Fiduciary Funds</b>	
Cash and cash equivalents	317,738
	317,738
 <b>Total cash and investments</b>	
	\$ 13,553,696

**Custodial Credit Risk**

**Deposits** - This is the risk that in the event of a bank failure, the Township will not be able to recover its deposits. The Township does not have a deposit policy for custodial credit risk. 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.

As of March 31, 2011 deposits in banks totaled \$13,122,570 which was exposed to custodial credit risk as follows:

Insured by FDIC	\$ 3,407,989
Uninsured and collateralized	928,432
Uninsured and collateralized	8,786,412
	13,122,833
	\$ 13,122,833

**Investments** - This is the risk that in the event of the failure of a counterparty to a transaction, the Township will not be able to recover the value of its investments. The Township does not have a policy to cover custodial credit risk of investments. At the year end, the Township had \$484,169 of investments that were uninsured and uncollateralized. The Township evaluates each financial institution with which it invests and assesses the level of risk of each institution. Investments are made only those institutions with an acceptable estimated risk level.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 8 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)**

**Concentration of Credit Risk**

Concentration of credit risk is the risk attributed to the magnitude of a Township's investment in a single issuer. The Township's investment policy requires diversification with a primary focus on safety. However, the policy does not place a fixed percentage limit for any one issuer.

<u>Investment Type</u>	<u>Issuer</u>	<u>Percent of Portfolio</u>
US Agencies	Federal National Mortgage Assoc	1%

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair values of investments and cash deposits. The Township's investment policy requires this risk to be minimized by investing primarily in short-term deposits and investments thus avoiding the need to sell prior to maturity. As of March 31, 2011, the maturities of the investments held were less than 90 days. As a result, management does not believe the Township is significantly exposed to interest rate risk.

**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 US Treasuries and money market accounts. As of March 31, 2011, the Township's investments were exposed to credit risk as follows:

<u>Investment Type</u>	<u>Rating by Standard &amp; Poor</u>	<u>Amount</u>
MBIA Investment Pool	AAA / V1	\$ 104,948
Money Market Funds	Unrated	229,221
Government Bonds	AAA/Stable	150,000
		<u>\$ 484,169</u>

The \$150,000 investment in Government Bonds could be considered high risk as it is a mortgage backed security. The Township would incur a significant loss if this investment were to fail. However, the Township feels the risk and the low percentage of investment in these bonds is acceptable.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 9 - SEGMENT INFORMATION - ENTERPRISE FUNDS**

Selected financial information with respect to the Enterprise Fund maintained by the Township for sewer service is as follows:

Operating revenues	\$ 1,153,099
Depreciation and amortization	893,053
Operating (loss)	(257,324)
Net working capital	2,431,923
Total assets	35,574,613
Reserved retained earnings	17,910,066
Unreserved retained earnings	165,346
Total fund equity	18,075,412

**NOTE 10 - STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS**

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

	<u>April 1, 2010</u>	<u>March 31, 2011</u>
Cash and cash equivalents	<u>\$ 2,101,454</u>	<u>\$ 1,880,418</u>

**NOTE 11 - 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 12 - DEFERRED COMPENSATION PLAN**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the ING Company.

The Township had amended the plan to be in compliance with the Small Business Job Protection Act of 1996. The assets of the plan have been moved to a trust to be held for the exclusive benefit of the participants and their beneficiaries. Prior to June 30, 1998 the assets of the plan have been reported in an agency fund.

**CHARTER TOWNSHIP OF BRIGHTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**NOTE 13 - PROJECT UNCERTAINTIES**

In the year 2000 the Township entered into an agreement with the Livingston County Drain Commission in which the county sold bonds for approximately \$28 million on behalf of the Township to finance the construction of a sewer system. The bonds are payable over 20 years.

The Township had special assessments in the original district of approximately \$18 million to finance the debt. The Township believed there would be enough new sewer customers outside of the original sewer district to pay for the difference of approximately \$10 million. However, the new sewer customers are not forthcoming as originally planned. Recent projections of the sewer debt service fund show cash flow deficits over the life of the debt obligation.

The Township is considering various options to remedy the above problem.

**NOTE 14 - ENVIRONMENTAL PROTECTION AGENCY**

The Township was a recipient of a grant by the Environmental Protection Agency during the previous fiscal year. The grant funds were used to construct and provide water for residents along Conference Center Drive and Grand River. The grant was completed during fiscal year, but remains open for compliance audits. All funds received were federal funds.

**NOTE 15 - PRIOR PERIOD ADJUSTMENT**

A prior period adjustment was made in both the governmental funds and in the government-wide financial statements. In previous years, the Township had recorded amounts expected to be owed for pollution remediation as a liability on the General Fund. The amounts the Township anticipates to pay for these activities are not a current liability, and will be recorded as a long-term liability in only the government-wide financial statements.

The liability of \$562,137 was reversed in the government-wide statements, while a liability of \$565,000 was recorded in the government-wide statements.

Balance of liability at March 31, 2010	\$ 598,680
Prior period adjustment to reclass liability from the fund statements	<u>(562,137)</u>
Prior period adjustment in the government-wide financial statements	<u>\$ 36,543</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**CHARTER TOWNSHIP OF BRIGHTON**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Budget Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$	\$	\$ 885,731	\$
Treasurer			320,481	
Licenses and permits			12,145	
Ordinance enforcement			100	
Planning and zoning			34,591	
State shared revenue			1,161,139	
Special assessments			188,343	
Miscellaneous			383,398	
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total revenues</b>	2,631,819	2,631,819	2,985,928	354,109
<b>EXPENDITURES</b>	<hr/>	<hr/>	<hr/>	<hr/>
	2,165,856	2,089,785	1,450,548	639,237
<b>Excess of revenues over (under) expenditures</b>	<hr/>	<hr/>	<hr/>	<hr/>
	465,963	542,034	1,535,380	993,346
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in			20,461	20,461
Transfers (out)	<hr/>	<hr/>	<hr/>	<hr/>
	(290,858)	(290,858)	(415,252)	(124,394)
<b>Total other financing sources (uses)</b>	<hr/>	<hr/>	<hr/>	<hr/>
	(290,858)	(290,858)	(394,791)	(103,933)
<b>Net change in fund balance</b>	175,105	251,176	1,140,589	889,413
<b>FUND BALANCE, APRIL 1, 2010</b>	8,208,855	8,208,855	8,208,855	
<b>PRIOR PERIOD ADJUSTMENT</b>	<hr/>	<hr/>	<hr/>	<hr/>
			562,137	562,137
<b>FUND BALANCE, MARCH 31, 2011</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 8,383,960	\$ 8,460,031	\$ 9,911,581	\$ 1,451,550

**CHARTER TOWNSHIP OF BRIGHTON**  
**SCHEDULES OF PENSION FUNDING PROGRESS (UNAUDITED)**  
**MARCH 31, 2011**

In accordance with the Governmental Accounting Standards Board Statements No. 25 and 27, the following information is a required part of the basic financial statements.

**Analysis of Funding Progress**

<b>Valuation Date <u>December 31</u></b>	<b>Net Assets Available for <u>Benefits</u></b>	<b>Pension Benefit Obligation <u>(PBO)</u></b>	<b>Percent Funded <u>(1)/(2)</u></b>	<b>Unfunded (Overfunded) PBO <u>(2)-(1)</u></b>	<b>Annual Covered Payroll</b>
2002	\$ 549,522	\$ 907,550	60.6	\$ 358,028	\$ 454,270
2003	664,283	1,040,455	63.8	376,172	524,319
2004	828,858	974,987	85.0	146,129	571,292
2005	988,980	1,099,007	90.0	110,027	620,343
2006	1,153,725	1,205,743	95.7	52,018	660,951
2007	1,316,536	1,268,746	103.8	(47,790)	616,210
2008	1,428,163	1,348,742	105.9	(79,421)	491,956
2009	1,531,572	1,371,526	111.7	(160,146)	434,403

**SUPPLEMENTARY INFORMATION**

**COMBINING FINANCIAL STATEMENTS**

**CHARTER TOWNSHIP OF BRIGHTON**

**ALL SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
MARCH 31, 2011**

<u>ASSETS</u>	<u>Parks</u>	<u>Cemetery</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>	<u>Future Road Improvement</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 714,810	\$ 40,264	\$ 20,788	\$ 265,631	\$ 63,315	\$ 588,704
Receivables						
Special assessments						
Prepaid expenses						
Due from other funds						81,650
<b>Total assets</b>	<u>\$ 714,810</u>	<u>\$ 40,264</u>	<u>\$ 20,788</u>	<u>\$ 265,631</u>	<u>\$ 63,315</u>	<u>\$ 670,354</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES</b>						
Accounts payable	\$	\$	\$ 13,061	\$	\$	\$
Advance/due to other funds						
Deferred revenue						
<b>Total liabilities</b>			13,061			
<b>FUND BALANCE (DEFICIT)</b>	<u>714,810</u>	<u>40,264</u>	<u>7,727</u>	<u>265,631</u>	<u>63,315</u>	<u>670,354</u>
<b>Total liabilities and fund balance (deficit)</b>	<u>\$ 714,810</u>	<u>\$ 40,264</u>	<u>\$ 20,788</u>	<u>\$ 265,631</u>	<u>\$ 63,315</u>	<u>\$ 670,354</u>

<u>SAD Road Maintenance</u>	<u>Aquatics</u>	<u>Road Projects</u>	<u>Street Lights</u>	<u>Municipal Refuse</u>	<u>Pathways</u>	<u>3/31/2011</u>	<u>3/31/2010</u>
\$ 68,978	\$ 119,508	\$ 51,546	\$	\$ 74,195	\$ 170,931	\$ 2,178,670	\$ 3,337,410
1,582	6,033	144,534	11,203	2,776		166,128	483,327
			6,171	6,732		6,732	6,732
						87,821	157,714
<u>\$ 70,560</u>	<u>\$ 125,541</u>	<u>\$ 196,080</u>	<u>\$ 17,374</u>	<u>\$ 83,703</u>	<u>\$ 170,931</u>	<u>\$ 2,439,351</u>	<u>\$ 3,985,183</u>
\$	\$	\$	\$ 1,403	\$	\$	\$ 14,464	\$ 9,216
		81,650				81,650	338,025
		140,021				140,021	447,337
		221,671	1,403			236,135	794,578
<u>70,560</u>	<u>125,541</u>	<u>(25,591)</u>	<u>15,971</u>	<u>83,703</u>	<u>170,931</u>	<u>2,203,216</u>	<u>3,190,605</u>
<u>\$ 70,560</u>	<u>\$ 125,541</u>	<u>\$ 196,080</u>	<u>\$ 17,374</u>	<u>\$ 83,703</u>	<u>\$ 170,931</u>	<u>\$ 2,439,351</u>	<u>\$ 3,985,183</u>

**CHARTER TOWNSHIP OF BRIGHTON**

**ALL AGENCY FUNDS  
COMBINING BALANCE SHEET  
MARCH 31, 2011**

	<u>Trust and Agency</u>	<u>Current Tax</u>	<u>Construction Escrow</u>	<u>Totals</u>
<b><u>ASSETS</u></b>				
<b>ASSETS</b>				
Cash	<u>\$ 245,933</u>	<u>\$ 179</u>	<u>\$ 71,626</u>	<u>\$ 317,738</u>
<b><u>LIABILITIES</u></b>				
<b>LIABILITIES</b>				
Due to other funds	\$ 137	\$ 179	\$ 11	\$ 327
Due to others	<u>245,796</u>	<u></u>	<u>71,615</u>	<u>317,411</u>
<b>Total liabilities</b>	<u>\$ 245,933</u>	<u>\$ 179</u>	<u>\$ 71,626</u>	<u>\$ 317,738</u>

**CHARTER TOWNSHIP OF BRIGHTON**

**ALL SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Parks</u>	<u>Cemetery</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>	<u>Future Road Improvement</u>
<b>REVENUES</b>						
Intergovernmental - State	\$	\$	\$	\$	\$ 7,717	\$
Special assessment						
Licenses and permits			3,015			
Charges for services						
Interest	1,853	60	20	781	128	2,268
<b>Total revenues</b>	<u>1,853</u>	<u>60</u>	<u>3,035</u>	<u>781</u>	<u>7,845</u>	<u>2,268</u>
<b>EXPENDITURES</b>						
Building department			12,671			
Public safety					5,355	
Utilities						
Project-costs						5,249
<b>Total expenditures</b>			<u>12,671</u>		<u>5,355</u>	<u>5,249</u>
<b>Excess of revenues over (under) expenditures</b>	<u>1,853</u>	<u>60</u>	<u>(9,636)</u>	<u>781</u>	<u>2,490</u>	<u>(2,981)</u>
<b>OTHER FINANCING SOURCES(USES)</b>						
Transfers in	50,000	10,000		3,316		150,000
Transfers (out)				(3,082)		(1,440,000)
<b>Total other financing sources (uses)</b>	<u>50,000</u>	<u>10,000</u>		<u>234</u>		<u>(1,290,000)</u>
<b>Net changes in fund balances</b>	51,853	10,060	(9,636)	1,015	2,490	(1,292,981)
<b>FUND BALANCE, APRIL 1, 2010 (DEFICIT)</b>	<u>662,957</u>	<u>30,204</u>	<u>17,363</u>	<u>264,616</u>	<u>60,825</u>	<u>1,963,335</u>
<b>FUND BALANCE, (DEFICIT) MARCH 31, 2011</b>	<u>\$ 714,810</u>	<u>\$ 40,264</u>	<u>\$ 7,727</u>	<u>\$ 265,631</u>	<u>\$ 63,315</u>	<u>\$ 670,354</u>

<u>SAD Road Maintenance</u>	<u>Aquatics</u>	<u>Road Projects</u>	<u>Lakeshore Water Improvement</u>	<u>Street lights</u>	<u>Municipal Refuse</u>	<u>Pathways</u>	<u>Totals</u>
\$	\$	\$	\$	\$	\$	\$	\$ 7,717
		75,900					75,900
26,706	72,554			11,961	95,618	1,300	208,139
110	179	1			94	327	5,821
<u>26,816</u>	<u>72,733</u>	<u>75,901</u>		<u>11,961</u>	<u>95,712</u>	<u>1,627</u>	<u>300,592</u>
							12,671
							5,355
21,945	84,168		19,425	16,063	95,275		16,063
<u>21,945</u>	<u>84,168</u>		<u>19,425</u>	<u>16,063</u>	<u>95,275</u>		<u>226,062</u>
							260,151
<u>4,871</u>	<u>(11,435)</u>	<u>75,901</u>	<u>(19,425)</u>	<u>(4,102)</u>	<u>437</u>	<u>1,627</u>	<u>40,441</u>
			201,936				415,252
							(1,443,082)
			201,936				(1,027,830)
4,871	(11,435)	75,901	182,511	(4,102)	437	1,627	(987,389)
<u>65,689</u>	<u>136,976</u>	<u>(101,492)</u>	<u>(182,511)</u>	<u>20,073</u>	<u>83,266</u>	<u>169,304</u>	<u>3,190,605</u>
<u>\$ 70,560</u>	<u>\$ 125,541</u>	<u>\$ (25,591)</u>	<u>\$</u>	<u>\$ 15,971</u>	<u>\$ 83,703</u>	<u>\$ 170,931</u>	<u>\$ 2,203,216</u>

**CHARTER TOWNSHIP OF BRIGHTON**

**ALL CAPITAL PROJECT FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED MARCH 31, 2011**

	<b>Building Authority Fund</b>	<b>Municipal Water Fund</b>	<b>Totals</b>
<b>REVENUES</b>			
Connection fees	\$	\$ 29,066	\$ 29,066
Interest	23	7,481	7,504
	<b>23</b>	<b>36,547</b>	<b>36,570</b>
<b>EXPENDITURES</b>			
Debt service	1,603,180		1,603,180
Project costs		4,514	4,514
	<b>1,603,180</b>	<b>4,514</b>	<b>1,607,694</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(1,603,157)</b>	<b>32,033</b>	<b>(1,571,124)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,440,000		1,440,000
Transfers (out)	(17,379)	(111,776)	(129,155)
	<b>1,422,621</b>	<b>(111,776)</b>	<b>1,310,845</b>
<b>Net changes in fund balances</b>	<b>(180,536)</b>	<b>(79,743)</b>	<b>(260,279)</b>
<b>FUND BALANCE, APRIL 1, 2010</b>	<b>180,536</b>	<b>254,523</b>	<b>435,059</b>
<b>FUND BALANCE, MARCH 31, 2011</b>	<b>\$</b>	<b>\$ 174,780</b>	<b>\$ 174,780</b>

**INDIVIDUAL FUNDS**

**GENERAL FUND**

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash and equivalents	\$ 8,482,793
Delinquent taxes receivable	79,770
State shared revenues receivable	181,214
Special assessment receivables	661,434
Accounts receivable	58,323
Due from other funds and interfund advances	1,171,759
Prepaid expenditures	17,227

**Total assets**

\$ 10,652,520

LIABILITIES AND FUND BALANCE

**LIABILITIES**

Accounts payable	\$ 29,210
Accrued wages and vacation	42,604
Payroll taxes withholding and payable	1,520
Due to other funds	6,171
Deferred revenues	661,434

**Total liabilities**

\$ 740,939

**FUND BALANCE**

Unreserved	
Undesignated	5,604,758
Designated for debt/environmental remediation	3,135,391
Reserved for interfund advances	
Sewer advances	645,832
Water advances	525,600

**Total fund balance**

9,911,581

**Total liabilities and fund balance**

\$ 10,652,520

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Taxes	\$ 783,809	\$ 885,731	\$ 101,922
Treasurer	355,640	320,481	(35,159)
Licenses and permits	7,025	12,145	5,120
Ordinance enforcement	150	100	(50)
Planning and zoning	7,000	34,591	27,591
State shared revenue	1,045,000	1,161,139	116,139
Special assessments	115,927	188,343	72,416
Miscellaneous	317,268	383,398	66,130
<b>Total revenues</b>	<b>2,631,819</b>	<b>2,985,928</b>	<b>354,109</b>
<b>EXPENDITURES</b>	<b>2,089,785</b>	<b>1,450,548</b>	<b>639,237</b>
<b>Excess of revenues over (under) expenditures</b>	<b>542,034</b>	<b>1,535,380</b>	<b>993,346</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in		20,461	20,461
Transfers (out)	(290,858)	(415,252)	(124,394)
<b>Total other financing sources (uses)</b>	<b>(290,858)</b>	<b>(394,791)</b>	<b>(103,933)</b>
<b>Net change in fund balance</b>	<b>251,176</b>	<b>1,140,589</b>	<b>889,413</b>
<b>FUND BALANCE, APRIL 1, 2010</b>	<b>8,208,855</b>	<b>8,208,855</b>	
<b>PRIOR PERIOD ADJUSTMENT</b>		<b>562,137</b>	<b>562,137</b>
<b>FUND BALANCE, MARCH 31, 2011</b>	<b>\$ 8,460,031</b>	<b>\$ 9,911,581</b>	<b>\$ 1,451,550</b>

**CHARTER TOWNSHIP OF BRIGHTON**  
**GENERAL FUND**  
**STATEMENT OF REVENUES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TAXES</b>			
Current property taxes	\$	\$ 885,071	\$
Penalties/interest - delinquent taxes		390	
Trailer park fees		270	
<b>Total taxes</b>	<u>783,809</u>	<u>885,731</u>	<u>101,922</u>
<b>TREASURER</b>			
Property tax administration fee		272,917	
Interest		47,102	
Dog licenses		462	
<b>Total treasurer</b>	<u>355,640</u>	<u>320,481</u>	<u>(35,159)</u>
<b>LICENSES AND PERMITS</b>	<u>7,025</u>	<u>12,145</u>	<u>5,120</u>
<b>ORDINANCE ENFORCEMENT</b>			
Soil removal fees	<u>150</u>	<u>100</u>	<u>(50)</u>
<b>PLANNING AND ZONING</b>	<u>7,000</u>	<u>34,591</u>	<u>27,591</u>
<b>STATE SHARED REVENUE</b>	<u>1,045,000</u>	<u>1,161,139</u>	<u>116,139</u>
<b>SPECIAL ASSESSMENTS</b>			
Principal		153,949	
Interest		34,394	
<b>Total special assessments revenue</b>	<u>115,927</u>	<u>188,343</u>	<u>72,416</u>
<b>MISCELLANEOUS REVENUES</b>			
Election reimbursement		11,286	
Metro Act fees		13,473	
Cable TV fees		268,563	
Printed material and duplicating		3,153	
Rental income		74,175	
Reimbursement/refunds		5,943	
Utilities administration fee		4,448	
Other revenue		2,357	
<b>Total miscellaneous revenues</b>	<u>317,268</u>	<u>383,398</u>	<u>66,130</u>
<b>Total revenues</b>	<u>\$ 2,631,819</u>	<u>\$ 2,985,928</u>	<u>\$ 354,109</u>

**CHARTER TOWNSHIP OF BRIGHTON**  
**GENERAL FUND**  
**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TOWNSHIP BOARD</b>			
Wages, salaries and per diems	\$	\$ 26,979	\$
Ordinance codification		400	
Printing and publishing		4,628	
Payroll taxes		2,064	
Insurance - benefits		1,076	
Insurance - liability		47	
Pension		7,260	
Supplies		221	
Consulting		5,350	
Engineering services		9,690	
Education		5	
Transportation		880	
Dues		8,611	
	<hr/>	<hr/>	<hr/>
<b>Total township board</b>	<b>83,783</b>	<b>67,211</b>	<b>16,572</b>
	<hr/>	<hr/>	<hr/>
<b>SUPERVISOR</b>			
Wages, salaries and per diems		27,902	
Pension		2,966	
Payroll taxes		2,107	
Insurance - benefits		121	
Insurance - liability		41	
Supplies		45	
Education		556	
Dues		110	
	<hr/>	<hr/>	<hr/>
<b>Total supervisor</b>	<b>36,579</b>	<b>33,848</b>	<b>2,731</b>
	<hr/>	<hr/>	<hr/>

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>MANAGER</b>			
Wages, salaries and per diems		83,086	
Wages, salaries and per diems - clerical		35,018	
Insurance - benefits		1,943	
Pension		9,337	
Payroll taxes		8,910	
Consulting services		20	
Temporary employment services		7,343	
Insurance - liability		536	
Education		89	
Dues		646	
Supplies		138	
Postage		251	
	<hr/>	<hr/>	<hr/>
<b>Total manager</b>	<u>181,086</u>	<u>147,317</u>	<u>33,769</u>
<b>ELECTIONS</b>			
Wages, salaries and per diems - Clerk		15,615	
Wages, salaries and per diems - Deputy officials		29,893	
Election workers		32,869	
Pension		427	
Payroll taxes		3,434	
Insurance - benefits		7,604	
Insurance - liability		108	
Accuracy consulting		7,266	
Education		8	
Mileage		538	
Printing and publishing		231	
Equipment rental		287	
Postage		4,823	
Supplies		3,803	
Dues		75	
	<hr/>	<hr/>	<hr/>
<b>Total elections</b>	<u>154,597</u>	<u>106,981</u>	<u>47,616</u>

**CHARTER TOWNSHIP OF BRIGHTON**  
**GENERAL FUND**  
**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)**  
**FOR THE YEAR ENDED MARCH 31, 2011**

	<b>Amended Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>ASSESSOR</b>			
Wages, salaries and per diems		110,140	
Pension		11,499	
Payroll taxes		8,066	
Insurance - benefits		21,258	
Insurance - liability		872	
Education		1,315	
Supplies		733	
Postage		4,505	
Mileage		120	
Dues		210	
Printing and publishing		2,148	
Vehicle		860	
Capital outlay		979	
<b>Total assessor</b>	<b>175,447</b>	<b>162,705</b>	<b>12,742</b>
<b>CLERK</b>			
Wages, salaries and per diems - Clerk		36,699	
Wages, salaries and per diems - Deputy Clerk		32,441	
Wages, salaries and per diems - other		48,319	
Pension		8,424	
Payroll taxes		9,077	
Insurance - liability		322	
Insurance - benefits		47,972	
Postage		440	
Professional fees		8,438	
Supplies		1,453	
Education		1,388	
Newsletter		2,590	
Mileage		600	
Dues		375	
Record retention		322	
<b>Total clerk</b>	<b>218,297</b>	<b>198,860</b>	<b>19,437</b>

**CHARTER TOWNSHIP OF BRIGHTON**

**GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TREASURER</b>			
Wages, salaries and per diems - Treasurer		52,314	
Wages, salaries and per diems - Deputy Treasurer		33,573	
Wages , salaries and per diems - other		19,641	
Pension		3,707	
Payroll taxes		8,298	
Unemployment benefits		18,824	
Insurance - benefits		33,717	
Insurance - liability		216	
Bank fees		197	
Professional fees		8,619	
Supplies		788	
Tax forms		2,852	
Postage		9,038	
Education		3,329	
Mileage		188	
Dues		195	
Capital outlay		929	
	<u>210,691</u>	<u>196,425</u>	<u>14,266</u>
<b>SEWER AND WATER</b>			
Per diems		1,200	
Professional fees		1,620	
	<u>20,629</u>	<u>2,820</u>	<u>17,809</u>
<b>ROADS</b>			
	<u>60,000</u>	<u>26,193</u>	<u>33,807</u>
<b>UNALLOCATED</b>			
Insurance - liability		29,316	
Computer support		47,075	
Legal fees		91,595	
Telephone		9,951	
Equipment repair		6,454	
Equipment rental		1,464	
	<u>212,874</u>	<u>185,855</u>	<u>27,019</u>

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND  
 STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)  
 FOR THE YEAR ENDED MARCH 31, 2011

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>PLANNING</b>			
Wages, salaries and per diems		61,354	
Pension		6,158	
Payroll taxes		4,077	
Insurance - liability		477	
Insurance - benefits		15,538	
Supplies		726	
Postage		331	
Engineering services		19,190	
Printing and publishing		2,130	
Education		192	
Dues		90	
	<hr/>	<hr/>	<hr/>
<b>Total planning</b>	<u>118,591</u>	<u>110,263</u>	<u>8,328</u>
<b>TOWNSHIP HALL/GROUNDS</b>			
Wages, salaries and per diems		1,971	
Cleaning maintenance		1,368	
Supplies		10,015	
Payroll taxes		151	
Insurance - liability		107	
Street lighting		8,134	
Equipment maintenance and repairs		7,723	
Grounds maintenance and repairs		8,265	
Building maintenance and repairs		7,339	
Utilities		16,753	
Tax chargebacks		16,495	
Capital improvements		6,530	
	<hr/>	<hr/>	<hr/>
<b>Total township hall/grounds</b>	<u>145,580</u>	<u>84,851</u>	<u>60,729</u>
<b>CEMETERY</b>	<u>8,000</u>	<u>5,173</u>	<u>2,827</u>

**CHARTER TOWNSHIP OF BRIGHTON**

**GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>FIRE PROTECTION</b>			
Equipment			
Equipment maintenance and repair		360	
Building			
Utilities		1,699	
Building maintenance and repair		18,682	
Grounds maintenance and repair		11,425	
	<u>57,150</u>	<u>32,166</u>	<u>24,984</u>
<b>EMERGENCY PREPAREDNESS</b>			
Utilities		412	
Capital outlay		19,900	
	<u>24,600</u>	<u>20,312</u>	<u>4,288</u>
<b>MUNICIPAL REFUSE COLLECTION</b>	<u>5,367</u>	<u>5,366</u>	<u>1</u>
<b>PARKS AND RECREATION</b>	<u>60,000</u>	<u>45,226</u>	<u>14,774</u>
<b>DRAINS</b>	<u>16,700</u>	<u>8,746</u>	<u>7,954</u>
<b>CODE ENFORCEMENT</b>			
Wages, salaries and per diems		6,228	
Pension		653	
Payroll taxes		453	
Insurance - benefits		1,478	
Insurance - liability		26	
Unemployment		1,392	
	<u>14,814</u>	<u>10,230</u>	<u>4,584</u>
<b>CONTINGENCY</b>	<u>285,000</u>		<u>285,000</u>
<b>Total expenditures</b>	<u><u>\$ 2,089,785</u></u>	<u><u>\$ 1,450,548</u></u>	<u><u>\$ 639,237</u></u>

**PARKS FUND**

CHARTER TOWNSHIP OF BRIGHTON

PARKS FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash and cash equivalents

\$ 714,810

FUND BALANCE

**FUND BALANCE**

Reserved for parks and recreation

\$ 714,810

**CHARTER TOWNSHIP OF BRIGHTON**

**PARKS FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Interest income	\$ 3,307	\$ 1,853	\$ (1,454)
<b>EXPENDITURES</b>			
Excess of revenues over (under) expenditures	3,307	1,853	(1,454)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>50,000</u>	<u>50,000</u>	
Net change in fund balance	53,307	51,853	(1,454)
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>662,957</u>	<u>662,957</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u><u>\$ 716,264</u></u>	<u><u>\$ 714,810</u></u>	<u><u>\$ (1,454)</u></u>

**CEMETERY FUND**

CHARTER TOWNSHIP OF BRIGHTON

CEMETERY FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash and cash equivalents

\$ 40,264

FUND BALANCE

**FUND BALANCE**

\$ 40,264

**CHARTER TOWNSHIP OF BRIGHTON**

**CEMETERY FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Interest income	\$ 151	\$ 60	\$ (91)
<b>EXPENDITURES</b>			
Excess of revenues over (under) expenditures	151	60	(91)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>10,000</u>	<u>10,000</u>	
Net change in fund balance	10,151	10,060	(91)
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>30,204</u>	<u>30,204</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u><u>\$ 40,355</u></u>	<u><u>\$ 40,264</u></u>	<u><u>\$ (91)</u></u>

**BUILDING DEPARTMENT FUND**

CHARTER TOWNSHIP OF BRIGHTON

BUILDING DEPARTMENT FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash and equivalents

\$ 20,788

LIABILITIES AND FUND BALANCE

**LIABILITIES**

Accounts payable

\$ 13,061

**FUND BALANCE**

7,727

**Total liabilities and fund balance**

\$ 20,788

CHARTER TOWNSHIP OF BRIGHTON

BUILDING DEPARTMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Permits	\$	\$ 35	\$
Refunds and reimbursements		2,980	
Interest		20	
	<hr/>	<hr/>	<hr/>
<b>Total revenues</b>		3,035	3,035
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Unemployment insurance		10,421	
Professional fees		2,250	
	<hr/>	<hr/>	<hr/>
<b>Total expenditures</b>	54,840	12,671	42,169
	<hr/>	<hr/>	<hr/>
Excess of revenues over (under) expenditures	(54,840)	(9,636)	45,204
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	54,840		(54,840)
	<hr/>	<hr/>	<hr/>
<b>Net change in fund balance</b>		(9,636)	(9,636)
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, APRIL 1, 2010</b>	17,363	17,363	
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 17,363</u>	<u>\$ 7,727</u>	<u>\$ (9,636)</u>

**BUDGET STABILIZATION FUND**

CHARTER TOWNSHIP OF BRIGHTON

BUDGET STABILIZATION FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash and cash equivalents

\$ 265,631

FUND BALANCE

**FUND BALANCE**

\$ 265,631

**CHARTER TOWNSHIP OF BRIGHTON**

**BUDGET STABILIZATION FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Interest income	\$ 1,318	\$ 781	\$ (537)
<b>EXPENDITURES</b>			
<b>Excess of revenues over (under) expenditures</b>	1,318	781	(537)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	1,318	3,316	1,998
Transfers (out)	<u>(1,318)</u>	<u>(3,082)</u>	<u>(1,764)</u>
<b>Total other financing services (uses)</b>		<u>234</u>	<u>234</u>
<b>Net change in fund balance</b>	1,318	1,015	(303)
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>264,616</u>	<u>264,616</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u><u>\$ 265,934</u></u>	<u><u>\$ 265,631</u></u>	<u><u>\$ (303)</u></u>

**LIQUOR LAW ENFORCEMENT FUND**

CHARTER TOWNSHIP OF BRIGHTON  
LIQUOR LAW ENFORCEMENT FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

ASSETS  
Cash

\$ 63,315

FUND BALANCE

FUND BALANCE

\$ 63,315

CHARTER TOWNSHIP OF BRIGHTON

LIQUOR LAW ENFORCEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State shared revenues - liquor licenses	\$	\$ 7,717	\$
Interest		128	
<b>Total revenues</b>	7,522	7,845	323
<b>EXPENDITURES</b>			
Enforcement expenditures	18,000	5,355	12,645
<b>Net change in fund balance</b>	(10,478)	2,490	12,968
<b>FUND BALANCE, APRIL 1, 2010</b>	60,825	60,825	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 50,347</u>	<u>\$ 63,315</u>	<u>\$ 12,968</u>

**FUTURE ROAD IMPROVEMENT FUND**

**CHARTER TOWNSHIP OF BRIGHTON**  
**FUTURE ROAD IMPROVEMENT FUND**  
**BALANCE SHEET**  
**MARCH 31, 2011**

**ASSETS**

**ASSETS**

Cash	\$ 588,704
Advance to other funds	<u>81,650</u>
<b>Total assets</b>	<b><u><u>\$ 670,354</u></u></b>

**FUND BALANCE**

**FUND BALANCE**

Unreserved	\$ 588,704
Reserved for interfund advances	<u>81,650</u>
<b>Total fund balance</b>	<b><u><u>\$ 670,354</u></u></b>

**CHARTER TOWNSHIP OF BRIGHTON**

**FUTURE ROAD IMPROVEMENT FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Interest	\$ 31,500	\$ 2,268	\$ (29,232)
<b>EXPENDITURES</b>			
Capital outlay	<u>250,000</u>	<u>5,249</u>	<u>244,751</u>
<b>Excess of revenues over (under) expenditures</b>	(218,500)	(2,981)	215,519
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	300,000	150,000	(150,000)
Transfers (out)	<u>(1,440,000)</u>	<u>(1,440,000)</u>	
<b>Total other financing sources (uses)</b>	<u>(1,140,000)</u>	<u>(1,290,000)</u>	<u>(150,000)</u>
<b>Net change in fund balance</b>	(1,358,500)	(1,292,981)	65,519
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>1,963,335</u>	<u>1,963,335</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u><u>\$ 604,835</u></u>	<u><u>\$ 670,354</u></u>	<u><u>\$ 65,519</u></u>

**SAD ROAD MAINTENANCE FUND**

CHARTER TOWNSHIP OF BRIGHTON

SAD ROAD MAINTENANCE FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash	\$ 68,978
Due from county	<u>1,582</u>
<b>Total assets</b>	<u><u>\$ 70,560</u></u>

FUND BALANCE

<b>FUND BALANCE</b>	<u><u>\$ 70,560</u></u>
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**CHARTER TOWNSHIP OF BRIGHTON**

**SAD ROAD MAINTENANCE FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Special assessments	\$	\$ 26,706	\$
Interest		110	
	<hr/>	<hr/>	<hr/>
<b>Total revenues</b>	26,706	26,816	110
<b>EXPENDITURES</b>			
Contract expense	84,427	21,945	62,482
	<hr/>	<hr/>	<hr/>
<b>Net change in fund balance</b>	(57,721)	4,871	62,592
<b>FUND BALANCE, APRIL 1, 2010</b>	65,689	65,689	
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 7,968</u>	<u>\$ 70,560</u>	<u>\$ 62,592</u>

**AQUATICS FUND**

CHARTER TOWNSHIP OF BRIGHTON

AQUATICS FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash and cash equivalents  
Due from county

\$ 119,508  
6,033

**Total assets**

\$ 125,541

FUND BALANCE

**FUND BALANCE**

\$ 125,541

CHARTER TOWNSHIP OF BRIGHTON

AQUATICS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Special assessments	\$	\$ 72,554	\$
Interest income		179	
	<u>70,969</u>	<u>72,733</u>	<u>1,764</u>
<b>Total revenues</b>			
<b>EXPENDITURES</b>			
Project costs	<u>179,756</u>	<u>84,168</u>	<u>95,588</u>
	<u>(108,787)</u>	<u>(11,435)</u>	<u>97,352</u>
<b>Net change in fund balance</b>			
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>136,976</u>	<u>136,976</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 28,189</u>	<u>\$ 125,541</u>	<u>\$ 97,352</u>

**ROAD PROJECTS FUND**

CHARTER TOWNSHIP OF BRIGHTON

ROAD PROJECTS FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash and cash equivalents	\$ 51,546
Due from county	4,513
Special assessment receivable	<u>140,021</u>

**Total assets**

\$ 196,080

LIABILITIES AND FUND BALANCE (DEFICIT)

**LIABILITIES**

Advance from other funds	\$ 81,650
Deferred revenue	<u>140,021</u>

**Total liabilities**

221,671

**FUND BALANCE (DEFICIT)**

(25,591)

**Total liabilities and fund balance (deficit)**

\$ 196,080

**CHARTER TOWNSHIP OF BRIGHTON**

**ROAD PROJECTS FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Special assessments - principal	\$	\$ 63,713	\$
Special assessments - interest		12,187	
Interest Income		1	
	<hr/>	<hr/>	<hr/>
<b>Total revenues</b>	74,078	75,901	1,823
<b>EXPENDITURES</b>			
	<hr/>	<hr/>	<hr/>
<b>Net change in fund balance</b>	74,078	75,901	1,823
<b>FUND BALANCE (DEFICIT), APRIL 1, 2010</b>	<hr/> (101,492)	<hr/> (101,492)	<hr/>
<b>FUND BALANCE (DEFICIT), MARCH 31, 2011</b>	<u><u>\$ (27,414)</u></u>	<u><u>\$ (25,591)</u></u>	<u><u>\$ 1,823</u></u>

**LAKESHORE WATER IMPROVEMENT FUND**

**CHARTER TOWNSHIP OF BRIGHTON**

**LAKESHORE WATER IMPROVEMENT FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>	\$ 47,502	\$	\$ (47,502)
<b>EXPENDITURES</b>			
Project costs	<u>17,052</u>	<u>19,425</u>	<u>(2,373)</u>
<b>Excess of revenues over     (under) expenditures</b>	30,450	(19,425)	(49,875)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u></u>	<u>201,936</u>	<u>201,936</u>
<b>Net change in fund balance</b>	30,450	182,511	152,061
<b>FUND BALANCE (DEFICIT), APRIL 1, 2010</b>	<u>(182,511)</u>	<u>(182,511)</u>	<u></u>
<b>FUND BALANCE (DEFICIT), MARCH 31, 2011</b>	<u><u>\$ (152,061)</u></u>	<u><u>\$</u></u>	<u><u>\$ 152,061</u></u>

**STREETLIGHT FUND**

CHARTER TOWNSHIP OF BRIGHTON

STREETLIGHT FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Special assessment receivable	\$ 11,203
Due from other funds	<u>6,171</u>

**Total assets**

\$ 17,374

LIABILITIES AND FUND BALANCE

**LIABILITIES**

Accounts payable	\$ 1,403
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**FUND BALANCE**

15,971

**Total liabilities and fund balance**

\$ 17,374

**CHARTER TOWNSHIP OF BRIGHTON**

**STREETLIGHT FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Special assessments	\$ 16,919	\$ 11,961	\$ (4,958)
<b>EXPENDITURES</b>			
Utilities	<u>16,919</u>	<u>16,063</u>	<u>856</u>
<b>Net change in fund balance</b>		(4,102)	(4,102)
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>20,073</u>	<u>20,073</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u><u>\$ 20,073</u></u>	<u><u>\$ 15,971</u></u>	<u><u>\$ (4,102)</u></u>

**MUNICIPAL REFUSE FUND**

CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL REFUSE FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash	\$	74,195
Due from county		2,776
Prepaid expenditures		6,732

<b>Total assets</b>	<b>\$</b>	<b>83,703</b>
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FUND BALANCE

<b>FUND BALANCE</b>	<b>\$</b>	<b>83,703</b>
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CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL REFUSE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Special assessment	\$	\$ 95,618	\$
Interest		94	
	<u>95,393</u>	<u>95,712</u>	<u>319</u>
<b>Total revenues</b>			
<b>EXPENDITURES</b>			
Project costs	<u>95,393</u>	<u>95,275</u>	<u>118</u>
		437	437
<b>Net change in fund balance</b>			
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>83,266</u>	<u>83,266</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 83,266</u>	<u>\$ 83,703</u>	<u>\$ 437</u>

**PATHWAYS FUND**

CHARTER TOWNSHIP OF BRIGHTON

PATHWAYS FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash

\$ 170,931

FUND BALANCE

**FUND BALANCE**

\$ 170,931

**CHARTER TOWNSHIP OF BRIGHTON**

**PATHWAYS FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Deposits on projects	\$	\$ 1,300	\$
Interest		327	
<b>Total revenues</b>	1,300	1,627	327
<b>EXPENDITURES</b>			
<b>Excess of revenues over (under) expenditures</b>	1,300	1,627	327
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(150,000)		150,000
<b>Net change in fund balance</b>	(148,700)	1,627	150,327
<b>FUND BALANCE, APRIL 1, 2010</b>	169,304	169,304	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 20,604</u>	<u>\$ 170,931</u>	<u>\$ 150,327</u>

**WATER DEBT SERVICE FUND**

CHARTER TOWNSHIP OF BRIGHTON

WATER DEBT SERVICE FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash

\$ 67,854

FUND BALANCE

**FUND BALANCE**

\$ 67,854

CHARTER TOWNSHIP OF BRIGHTON

WATER DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Interest	\$ 133	\$ 39	\$ (94)
<b>EXPENDITURES</b>			
Debt service			
Principal		45,000	
Fees		250	
Interest		63,028	
<b>Total expenditures</b>	<u>108,328</u>	<u>108,278</u>	<u>50</u>
<b>Excess of revenues over (under) expenditures</b>	(108,195)	(108,239)	(44)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>108,328</u>	<u>111,776</u>	<u>3,448</u>
<b>Net change in fund balance</b>	133	3,537	3,404
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>64,317</u>	<u>64,317</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u><u>\$ 64,450</u></u>	<u><u>\$ 67,854</u></u>	<u><u>\$ 3,404</u></u>

**BUILDING AUTHORITY FUND**

CHARTER TOWNSHIP OF BRIGHTON

BUILDING AUTHORITY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Interest	\$ 145	\$ 23	\$ (122)
<b>EXPENDITURES</b>			
Bond payment - principal		1,565,000	
Bond payment - interest		37,880	
Agent fees		300	
<b>Total expenditures</b>	<u>1,638,180</u>	<u>1,603,180</u>	<u>35,000</u>
<b>Excess of revenues over (under) expenditures</b>	(1,638,035)	(1,603,157)	34,878
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,464,700	1,440,000	(24,700)
Transfers (out)		<u>(17,379)</u>	<u>(17,379)</u>
<b>Total other financing sources (uses)</b>	<u>1,464,700</u>	<u>1,422,621</u>	<u>(42,079)</u>
<b>Net change in fund balance</b>	(173,335)	(180,536)	(7,201)
<b>FUND BALANCE, APRIL 1, 2010</b>	<u>180,536</u>	<u>180,536</u>	
<b>FUND BALANCE, MARCH 31, 2011</b>	<u>\$ 7,201</u>	<u>\$</u>	<u>\$ (7,201)</u>

**MUNICIPAL WATER FUND**

CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL WATER FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash	\$ 626,222
Due from others	74,158
	<hr/>
<b>Total assets</b>	<b>\$ 700,380</b>

LIABILITIES AND FUND BALANCE

**LIABILITIES**

Advance from other funds	\$ 525,600
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**FUND BALANCE**

**Total liabilities and fund balance**

174,780
<hr/>
<b>\$ 700,380</b>

**CHARTER TOWNSHIP OF BRIGHTON**  
**MUNICIPAL WATER FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED MARCH 31, 2011**

<b>REVENUES</b>		
Connection fees	\$ 29,066	
Interest income	<u>7,481</u>	
<b>Total revenues</b>		<b>\$ 36,547</b>
<b>EXPENDITURES</b>		
Project costs		<u>4,514</u>
<b>Excess of revenues over (under) expenditures</b>		<b>32,033</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers (out)		<u>(111,776)</u>
<b>Net change in fund balance</b>		<b>(79,743)</b>
<b>FUND BALANCE, APRIL 1, 2010</b>		<u>254,523</u>
<b>FUND BALANCE, MARCH 31, 2011</b>		<u><u>\$ 174,780</u></u>

**SEWER FUND**

CHARTER TOWNSHIP OF BRIGHTON

SEWER FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**CURRENT ASSETS**

Cash and cash equivalents	\$ 162,503
Accounts receivable - usage	158,604
Accounts receivable - other	32,263
Prepaid expenses - insurance	7,322
Inventory - pumps and parts	62,893
Due from county - delinquents	<u>14,997</u>

**Total current assets**

\$ 438,582

**RESTRICTED ASSETS**

Cash and cash equivalents - debt service	1,410,633
Cash and cash equivalents - replacement	307,282
Accounts receivable - capital charge (usage)	154,667
Bond issuance costs - net of amortization of \$202,170	336,952
Special assessments receivable	7,537,406
Due from county - delinquents (SAD)	<u>344,126</u>

**Total restricted assets**

10,091,066

**CAPITAL ASSETS**

Land	1,395,224
Sewer plant	9,728,042
Sewer collection system	17,693,541
Pumps and equipment	3,476,369
Office furniture and equipment	<u>22,500</u>
	<u>32,315,676</u>
<b>Less: accumulated depreciation</b>	<u>(7,270,711)</u>

**Net capital assets**

25,044,965

**Total assets**

\$ 35,574,613

**LIABILITIES AND FUND EQUITY**

**CURRENT LIABILITIES (from unrestricted assets)**

Accounts payable	\$ 8,535
Advance from general fund - operating loan	<u>214,832</u>

**Total current liabilities (from unrestricted assets)** \$ 223,367

**CURRENT LIABILITIES (from restricted assets)**

Bonds payable	1,580,000
Advance from general fund	431,000
New connections - escrow funds	<u>49,834</u>

**Total current liabilities (from restricted assets)** 2,060,834

**LONG-TERM LIABILITIES (from restricted assets)**

Bonds payable	<u>15,215,000</u>
---------------	-------------------

**Total liabilities** 17,499,201

**FUND EQUITY**

Retained earnings - reserved	17,910,066
Retained earnings - unreserved	<u>165,346</u>

**Total fund equity** 18,075,412

**Total liabilities and fund equity** \$ 35,574,613

**CHARTER TOWNSHIP OF BRIGHTON**  
**SEWER FUND**  
**STATEMENT OF FUND EQUITY**  
**FOR THE YEAR ENDED MARCH 31, 2011**

	<b>Unreserved Retained Earnings</b>	<b>Reserved Retained Earnings</b>	<b>Total Fund Equity</b>
<b>BEGINNING BALANCES APRIL 1, 2010</b>	\$ 105,028	\$ 18,368,210	\$ 18,473,238
<b>OPERATING (LOSS)</b>	(257,324)		(257,324)
<b>ADJUSTMENTS</b>			
Sewer usage - capital charges	(508,742)	508,742	
Depreciation expense	859,358	(859,358)	
Amortization (expense)	33,695	(33,695)	
Legal	7,428	(7,428)	
<b>INTEREST INCOME - BANKS</b>	200	3,832	4,032
<b>TRANSFER TO REPLACEMENT RESERVES</b>	(70,000)	70,000	
<b>INTEREST INCOME - SPECIAL ASSESSMENTS</b>		505,336	505,336
<b>CAPITAL CONTRIBUTIONS</b>		123,120	123,120
<b>INTEREST EXPENSE - GENERAL FUND LOAN</b>	(4,297)	(8,620)	(12,917)
<b>INTEREST EXPENSE - BONDS</b>		(759,623)	(759,623)
<b>AGENT FEES - BONDS</b>		(450)	(450)
<b>BALANCES, MARCH 31, 2011</b>	\$ 165,346	\$ 17,910,066	\$ 18,075,412

**CHARTER TOWNSHIP OF BRIGHTON**  
**SEWER FUND**  
**STATEMENT OF REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**OPERATING REVENUES**

Sewer usage	\$ 626,776	
Sewer usage - capital charges	508,742	
Other revenue	17,581	
<b>Total operating revenues</b>		<b>\$ 1,153,099</b>

**OPERATING EXPENSES**

Administration	4,448	
Alarm maintenance	517	
Amortization expense	33,695	
Audit services	3,375	
Capital improvements	1,792	
Computer services	1,573	
Consulting	7,347	
Contracted services - operators	209,238	
Depreciation expense	859,358	
Legal	17,472	
Liability insurance	29,407	
Office expenses	1,878	
Permit fees	2,112	
Repairs and maintenance - building	1,543	
Repairs and maintenance - collection system	79,627	
Repairs and maintenance - equipment	15,571	
Repairs and maintenance - grounds	9,596	
Sludge removal	20,346	
Supplies	17,449	
Telephone	1,212	
Utilities	92,867	
<b>Total operating expenses</b>		<b>1,410,423</b>
<b>Operating (loss)</b>		<b>(257,324)</b>

**NON-OPERATING REVENUES (EXPENSES)**

Interest income - banks	4,032	
Interest income - special assessment	505,336	
Interest (expense) - general fund advance	(12,917)	
Interest (expense) - bonds	(759,623)	
Agent fees - bonds	(450)	
<b>Total non-operating (expenses)</b>		<b>(263,622)</b>

**CAPITAL CONTRIBUTIONS**

Tap-in fees (new users)		123,120
<b>Net (loss)</b>		<b>(397,826)</b>

<b>RETAINED EARNINGS, APRIL 1, 2010</b>		<b>19,116,908</b>

<b>RETAINED EARNINGS, MARCH 31, 2011</b>		<b>\$ 18,719,082</b>

**CHARTER TOWNSHIP OF BRIGHTON**  
**SEWER FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2011**

**CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES**

Receipts from customers and users	\$ 1,092,430	
Other receipts	21,641	
Payments to suppliers and others	(533,677)	

**Net cash from operating activities** \$ 580,394

**CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES**

Principal paid on bonds	(1,580,000)	
Interest paid on bonds and advances	(772,990)	
Collections of special assessment (principal and interest)	1,434,668	
Tap fees (new users)	112,860	

**Net cash (used in) capital and related financing activities** (805,462)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received on cash and cash equivalents		4,032
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**Net (decrease) in cash** (221,036)

**CASH AND CASH EQUIVALENTS AT APRIL 1, 2010**

2,101,454

**CASH AND CASH EQUIVALENTS AT MARCH 31, 2011**

\$ 1,880,418

**RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES**

Operating (loss) \$ (257,324)

Adjustments to reconcile operating (loss) to net cash from (used in) operating activities

Depreciation and amortization	\$ 893,053	
(Increase) in accounts and delinquent receivable	(43,088)	
Increase in accounts payable	2,216	
(Increase) in inventory	(15,445)	
Decrease in prepaid insurance	118	
Increase in new connection escrow	4,059	
(Decrease) in due to other funds	(3,195)	

**Total adjustments** 837,718

**Net cash from operating activities** \$ 580,394

Non-cash capital and related financing transactions did not occur during the year ended March 31, 2011.

**TRUST AND AGENCY FUND**

CHARTER TOWNSHIP OF BRIGHTON

TRUST AND AGENCY FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash

\$ 245,933

LIABILITIES

**LIABILITIES**

Due to other funds

\$ 137

Due to others

245,796

**Total liabilities**

\$ 245,933

**CURRENT TAX COLLECTION FUND**

CHARTER TOWNSHIP OF BRIGHTON

CURRENT TAX COLLECTION FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash

\$ 179

LIABILITIES

**LIABILITIES**

Due to other funds

\$ 179

**CONSTRUCTION ESCROW FUND**

CHARTER TOWNSHIP OF BRIGHTON

CONSTRUCTION ESCROW FUND  
BALANCE SHEET  
MARCH 31, 2011

ASSETS

**ASSETS**

Cash

\$ 71,626

LIABILITIES

**LIABILITIES**

Performance deposits

\$ 71,615

Due to other funds

11

**Total liabilities**

\$ 71,626