

CHARTER TOWNSHIP OF BRIGHTON

REPORT ON AUDIT OF
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2005

CHARTER TOWNSHIP OF BRIGHTON

TOWNSHIP OFFICIALS

Supervisor – H.E. “Bud” Prine
Clerk - Ann Bollin
Treasurer - Geri Harmon

BOARD OF TRUSTEES

Ann Bollin
Cathy Doughty
Geri Harmon
Thomas Murphy
H.E. “Bud” Prine
J. Michael Slaton
Timothy Winship

TOWNSHIP ATTORNEY

John K. Harris
Harris & Literski

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
INDEPENDENT AUDITORS' REPORT	
MANAGEMENT DISCUSSION AND ANALYSIS	10
BASIC FINANCIAL STATEMENTS	
GOVERNMENT - WIDE FINANCIAL STATEMENTS	
Statement of Net Assets	18
Statement of Activities	19
FUND FINANCIAL STATEMENTS	
Balance Sheet - Governmental Funds	21
Reconciliation of Statement of Net Assets of Governmental Funds to the Balance Sheet	22
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	23
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Net Assets - Proprietary Funds	25
Statement of Revenue, Expenses and Changes in Fund Net Assets - Proprietary Funds	26
Statement of Cash Flows - Proprietary Funds	27
Statement of Assets and Liabilities - Fiduciary Funds	28
NOTES TO FINANCIAL STATEMENTS	30
REQUIRED SUPPLEMENTARY INFORMATION	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -General Fund	48
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual –Building Department Fund	49
Schedule of Pension Funding Progress (Unaudited)	50

TABLE OF CONTENTS

PAGE NUMBER

SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

All Special Revenue Funds - Combining Balance Sheet	53
All Debt Service Funds - Combining Balance Sheet	55
All Enterprise Funds - Combining Balance Sheet	56
All Agency Funds - Combining Balance Sheet	57
All Special Revenue Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	58
All Debt Service Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	59
All Capital Project Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	60
All Enterprise Funds - Combining Statement of Revenues, Expenses and Changes in Retained Earnings	61
All Enterprise Funds - Combining Statement of Cash Flows	62

INDIVIDUAL FUNDS

GENERAL FUND

Balance Sheet	65
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	66
Statement of Revenues - Budget and Actual	67
Statement of Expenditures - Budget and Actual	68

PARKS AND RECREATION FUND

Balance Sheet	75
Statement of Revenues, Expenditures and Changes in Fund Balance	76

BUILDING DEPARTMENT FUND

Balance Sheet	78
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	79
Statement of Revenues - Budget and Actual	80

BUDGET STABILIZATION FUND

Balance Sheet	82
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	83

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
LIQUOR LAW ENFORCEMENT FUND	
Balance Sheet	85
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	86
ROAD IMPROVEMENT FUND	
Balance Sheet	88
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	89
STREET IMPROVEMENT FUND	
Balance Sheet	91
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	92
WOODLAND LAKE AQUATICS FUND	
Balance Sheet	94
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	95
CLARK LAKE AQUATICS FUND	
Balance Sheet	97
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	98
SUBDIVISION PAVING FUND	
Balance Sheet	100
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	101
STREETLIGHT FUND	
Balance Sheet	103
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	104
SANITATION FUND	
Balance Sheet	106
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	107

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
WOODLAND LAKE DEBT SERVICE FUND	
Balance Sheet	109
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	110
WATER DEBT SERVICE FUND	
Balance Sheet	112
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual	113
BUILDING AUTHORITY FUND	
Balance Sheet	115
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	116
WATER AUTHORITY CAPITAL PROJECT FUND	
Statement of Revenues, Expenditures and Changes in Fund Balance	118
WATER FUND	
Balance Sheet	120
Statement of Revenues, Expenses and Changes in Retained Earnings	121
Statement of Cash Flows	122
SEWER FUND	
Balance Sheet	124
Statement of Fund Equity	125
Statement of Revenues and Expenses	126
Statement of Cash Flows	127
TRUST AND AGENCY FUND	
Balance Sheet	129
CURRENT TAX COLLECTION FUND	
Balance Sheet	131
CONSTRUCTION ESCROW FUND	
Balance Sheet	133



PFEFFER ■ HANNIFORD ■ PALKA
Certified Public Accountants

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

Members:
AICPA Private Practice Companies Section
MACPA

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

July 15, 2005

Board of Trustees
Charter Township of Brighton
4363 Buno Road
Brighton, Michigan 48116

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, 2005, 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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, 2005, 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.

As described in Note 1, the Township has implemented a new financial reporting model as required by the provisions of the Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as of March 31, 2005.

The Management's Discussion and Analysis and other required supplementary information on pages 10 through 15 and 48 through 50 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

As discussed in Note 14, 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, such as the combining and individual fund statements, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. 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, 2005

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, 2005. 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 has implemented the new financial reporting model used in this report beginning with the current fiscal year ended March 31, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Township as a whole.

The Township's net assets at the end of the fiscal year were \$30,395,129. This is a \$2,437,319 increase over last year's net assets of \$27,957,810.

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

Summary of Net Assets

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current and other assets	\$ 9,096,682	\$ 18,758,563	\$ 27,855,245
Capital assets	<u>4,565,892</u>	<u>29,669,663</u>	<u>34,235,555</u>
Total assets	<u>13,662,574</u>	<u>48,428,226</u>	<u>62,090,800</u>
Other liabilities	409,789	1,910,882	2,320,671
Long-term liabilities	<u>3,865,000</u>	<u>25,510,000</u>	<u>29,375,000</u>
Total liabilities	<u>4,274,789</u>	<u>27,420,882</u>	<u>31,695,671</u>
Net assets:			
Invested in capital assets, net of related debt	2,320,892	4,159,663	6,480,555
Unrestricted	<u>7,066,893</u>	<u>16,847,681</u>	<u>23,914,574</u>
Total net assets	<u>9,387,785</u>	<u>21,007,344</u>	<u>30,395,129</u>

Summary of Changes in Net Assets

	Governmental Activities	Business-Type Activities	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Program revenues			
Charges for services	\$ 979,986	\$ 751,534	\$ 1,731,520
Operating contributions	134,390		134,390
Capital contributions		2,068,332	2,068,332
General revenues			
State shared revenues	1,178,380		1,178,380
Property taxes	815,501		815,501
Interest	334,261	1,022,468	1,356,729
Other	269,062	387	269,449
Total revenues	<u>3,711,580</u>	<u>3,842,721</u>	<u>7,554,301</u>
Expenses			
General government	1,833,913		1,833,913
Public safety	131,732		131,732
Recreation	59,403		59,403
Public works	421,348		421,348
Interest on long-term debt	174,596		174,596
Water and sewer systems		2,788,990	2,788,990
Total expenses	<u>2,620,992</u>	<u>2,788,990</u>	<u>5,409,982</u>
Changes in net assets before special item	1,090,588	1,053,731	2,144,319
Special item - contingent liability reversal	<u>293,000</u>		<u>293,000</u>
Changes in net assets and special item	1,383,588	1,053,731	2,437,319
Beginning net assets	<u>8,004,197</u>	<u>19,953,613</u>	<u>27,957,810</u>
Ending net assets	<u>\$ 9,387,785</u>	<u>\$ 21,007,344</u>	<u>\$ 30,395,129</u>

This year the Township saw a significant increase in cash and cash equivalents in the governmental funds due to the completion of the significant road projects and increased revenues. Governmental funds have increased its net assets by \$1,383,588 in the current year in large part due to the reversal of a contingent liability booked in prior years, and decreased expenses.

The business-type funds reported an increase in net assets of \$1,053,731 while expenses have remained constant. This is primarily due to the \$2,068,332 of new connection fees and assessments levied during the year.

Financial Analysis of the Township's Major Funds

The Township's General Fund had revenues over expenditures totaling \$1,370,159 before its net transfers of \$351,024 were made. Thus, the Township's fund balance increased by \$1,019,135 for the fiscal year ended March 31, 2005. There was a substantial decrease in road project expenditures by \$930,991 while a contingent liability of \$293,000 from prior periods was reversed. The contingent liability was an estimate made to account for estimated settlement on outstanding litigation.

The Building Department Fund had revenues over expenditures totaling \$169,572 for the year ended March 31, 2005. This fund's activity is very cyclical in nature. The current year had increased revenues due to the value of building permits issued, but was running at a deficit not less than two years ago.

The remaining major fund of the Township is the Building Authority Fund. This fund's sole purpose is to account for the debt related to the remodeling of the Township hall. This fund is financed solely upon the operating transfers made by the general fund which totaled \$351,024 for the fiscal year.

The Township's only major business-type fund the Sewer Fund had increased activity from the prior year. The system itself is fairly new in operations with an increase in charges for services increasing by 36% from the prior year. The net income for this fund was \$1,107,427 largely due to the \$968,612 of new connection fees and \$1,081,992 of assessments levied during the year. Assessments are income in the year they are levied with no direct expenses offsetting this income.

General Fund Budgetary Highlights

The General Fund adopted its budget prior to the fiscal year in accordance with Public Act 493 of 2000. Total budgeted appropriations exceeded actual expenditures by \$605,595. The disparity between the budget and actual is due in large part because of the contingent liability reversal of \$293,000 and interfund loan interest revenues that were not budgeted. Expenditures are budgeted by activity and exceeded appropriations in several of these activities. The budget was amended during the year to bring the budget closer to economic reality. Material amendments were made to reduce the contingency expense due to finished litigation and increased expenditures for anticipated road projects.

Capital Asset and Debt Administration

The governmental funds of the Township purchased \$15,000 of new capital assets this year. This included \$10,000 towards the construction of a cemetery fence and \$5,000 for building improvements to facilitate the handicapped.

The governmental funds issued no debt during the year, but paid \$245,000 of principal on the bonds associated with the Township hall. No payments were required during the year for the bonds outstanding for the Township's participation with the Livingston Community Water Authority. A total of \$3,865,000 remains for all governmental fund debt.

The business-type activities made \$960,980 of improvements to their utility systems (\$946,400 sewer and \$14,580 water system). The sewage treatment facility is virtually complete and expects a tapering off of construction in future periods.

The business-type activities also issued \$760,000 of bonds to finance the construction of the Spencer Road extension for the sewage treatment facility. The business-type funds also paid \$1,375,000 of principal on their debt. A loan had to be made from the general fund to the business-type funds to fulfill their debt obligations. Total loans made to the business-type funds from the general fund were \$444,720 for the year.

Economic Conditions and Future Activities

The Township is anticipating a further drop in state revenue sharing for its general fund to continue into next year due to the declining economic environment.

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 comply with finance-related regulations. If you have any further questions about this report or request additional information please contact the township manager at 810-229-0550 or 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, 2005

	Primary Government		
<u>ASSETS</u>	Governmental Activities	Business- type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 6,600,899	\$ 52,808	\$ 6,653,707
Cash and cash equivalents - restricted		3,112,547	3,112,547
Receivables			
Taxes	57,487		57,487
State shared revenues	186,620		186,620
Intergovernmental	2,083,786	1,926	2,085,712
Accounts		669,144	669,144
Special assessments	124,631	14,909,728	15,034,359
Prepaid expenditures	43,259	12,410	55,669
Capital assets:			
Land	733,097	1,395,031	2,128,128
Buildings and improvements	5,422,748		5,422,748
Water and sewer systems		30,396,964	30,396,964
Machinery and equipment	169,324		169,324
Construction in progress	10,000		10,000
Less accumulated depreciation	(1,769,277)	(2,122,332)	(3,891,609)
Total assets	13,662,574	48,428,226	62,090,800
 LIABILITIES			
LIABILITIES			
Accounts payable	42,833	84,396	127,229
Accrued wages/taxes	63,904		63,904
Accrued interest payable	72,350		72,350
Intergovernmental payable	230,702	1,826,486	2,057,188
Bonds payable	3,865,000	25,510,000	29,375,000
Total liabilities	4,274,789	27,420,882	31,695,671
 NET ASSETS			
NET ASSETS			
Invested in capital assets, net of related debt	2,320,892	4,159,663	6,480,555
Unrestricted	7,066,893	16,847,681	23,914,574
Total net assets	\$ 9,387,785	\$ 21,007,344	\$ 30,395,129

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2005

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions</u>	<u>Capital Contributions</u>
Governmental activities				
General government	\$ (1,833,913)	\$ 845,164	\$	\$
Public works	(199,988)	113,466		
Recreation	(59,403)		75,000	
Roads	(211,060)	18,656	59,390	
Public safety	(131,732)			
Cemetery	(10,300)	2,700		
Interest on long-term debt	<u>(174,596)</u>			
Total governmental activities	<u>(2,620,992)</u>	<u>979,986</u>	<u>134,390</u>	
Business-type activities				
Sewer system	(2,573,031)	681,730		2,050,604
Water system	<u>(215,959)</u>	<u>69,804</u>		<u>17,728</u>
Total business-type activities	<u>(2,788,990)</u>	<u>751,534</u>		<u>2,068,332</u>
Total	<u>\$ (5,409,982)</u>	<u>\$ 1,731,520</u>	<u>\$ 134,390</u>	<u>\$ 2,068,332</u>

General revenues

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

Total general revenues

Changes in net assets before special item

Special item – Contingent liability reversal

Changes in net assets and special item

Net assets, April 1, 2004

Net assets, March 31, 2005

The notes are an integral part of the financial statements.

Net (Expenses) Revenues and Changes in Net Assets		
Governmental Activities	Business- type Activities	Total
\$ (988,749)	\$	\$ (988,749)
(86,522)		(86,522)
15,597		15,597
(133,014)		(133,014)
(131,732)		(131,732)
(7,600)		(7,600)
<u>(174,596)</u>		<u>(174,596)</u>
<u>(1,506,616)</u>		<u>(1,506,616)</u>
	159,303	159,303
	<u>(128,427)</u>	<u>(128,427)</u>
	30,876	30,876
815,501		815,501
1,178,380		1,178,380
334,261	1,022,468	1,356,729
99,128		99,128
157,752		157,752
<u>12,182</u>	<u>387</u>	<u>12,569</u>
<u>2,597,204</u>	<u>1,022,855</u>	<u>3,620,059</u>
1,090,588	1,053,731	2,144,319
<u>293,000</u>		<u>293,000</u>
1,383,588	1,053,731	2,437,319
<u>8,004,197</u>	<u>19,953,613</u>	<u>27,957,810</u>
<u>\$ 9,387,785</u>	<u>\$21,007,344</u>	<u>\$30,395,129</u>

FUND
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2005

<u>ASSETS</u>	<u>General</u>	<u>Building Department Fund</u>	<u>Building Authority Fund</u>	<u>Other Non- major Funds</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 4,434,543	\$ 234,095	\$ 317,148	\$ 1,615,113	\$ 6,600,899
Receivables					
Taxes	57,487				57,487
Special assessments				124,631	124,631
State shared revenues	186,620				186,620
Due from other funds	2,004,264	224		79,298	2,083,786
Prepaid expenditures	<u>39,715</u>	<u>3,544</u>	<u> </u>	<u> </u>	<u>43,259</u>
Total assets	<u>\$ 6,722,629</u>	<u>\$ 237,863</u>	<u>\$ 317,148</u>	<u>\$ 1,819,042</u>	<u>\$ 9,096,682</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Accounts payable	\$ 36,718	\$ 269	\$	\$ 5,846	\$ 42,833
Accrued interest payable			43,790	28,560	72,350
Accrued wages and absences	56,466	7,438			63,904
Matured bonds payable			245,000		245,000
Due to other funds	79,522	1,510	4,999	144,671	230,702
Deferred revenues				<u>102,528</u>	<u>102,528</u>
Total liabilities	172,706	9,217	293,789	281,605	757,317
 FUND BALANCES					
Unreserved	<u>6,549,923</u>	<u>228,646</u>	<u>23,359</u>	<u>1,537,437</u>	<u>8,339,365</u>
Total liabilities and fund balances	<u>\$ 6,722,629</u>	<u>\$ 237,863</u>	<u>\$ 317,148</u>	<u>\$ 1,819,042</u>	<u>\$ 9,096,682</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
 RECONCILIATION OF STATEMENT OF NET ASSETS
 OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
 MARCH 31, 2005

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

Total fund balance per balance sheet		\$ 8,339,365
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Historical cost	\$ 6,335,169	
Depreciation	<u>(1,769,277)</u>	
Capital assets, net of depreciation		4,565,892
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Bonds payable (long-term portion)		(3,620,000)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		<u>102,528</u>
Net assets of governmental activities		<u>\$ 9,387,785</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, 2005

<u>REVENUES</u>	<u>General</u>	<u>Building Department Fund</u>	<u>Building Authority Fund</u>	<u>Other Non-major Funds</u>	<u>Total</u>
REVENUES					
Taxes	\$ 815,501	\$	\$	\$	\$ 815,501
Special assessments				68,175	68,175
Intergovernmental – state	1,172,484			5,896	1,178,380
Licenses and permits	1,063	481,468			482,531
Donations				75,000	75,000
Rental income	99,128				99,128
Charges for services	365,333			132,122	497,455
Interest	275,763	3,391	4,227	43,155	326,536
Cable franchise fees	157,752				157,752
Contingent liability	293,000				293,000
Miscellaneous	12,182				12,182
Total revenues	<u>3,192,206</u>	<u>484,859</u>	<u>4,227</u>	<u>324,348</u>	<u>4,005,640</u>
EXPENDITURES					
General government	1,435,575	315,287			1,750,862
Public works	94,287			105,701	199,988
Public safety	82,377			11,326	93,703
Recreation	59,403				59,403
Cemetery	20,300				20,300
Road improvements	130,105			80,955	211,060
Debt service			351,024	68,572	419,596
Total expenditures	<u>1,822,047</u>	<u>315,287</u>	<u>351,024</u>	<u>266,554</u>	<u>2,754,912</u>
Excess of revenues over (under) expenditures	<u>1,370,159</u>	<u>169,572</u>	<u>(346,797)</u>	<u>57,794</u>	<u>1,250,728</u>
OTHER FINANCING SOURCES (USES)					
Transfers in			351,024	47,564	398,588
Transfers (out)	(351,024)			(47,564)	(398,588)
Total other financing sources (uses)	<u>(351,024)</u>		<u>351,024</u>		
Excess of revenues over (under) expenditures and other financing sources (uses)	1,019,135	169,572	4,227	57,794	1,250,728
FUND BALANCE, APRIL 1, 2004	<u>5,530,788</u>	<u>59,074</u>	<u>19,132</u>	<u>1,479,643</u>	<u>7,088,637</u>
FUND BALANCE, MARCH 31, 2005	<u>\$ 6,549,923</u>	<u>\$ 228,646</u>	<u>\$ 23,359</u>	<u>\$ 1,537,437</u>	<u>\$ 8,339,365</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, 2005

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

Net change in fund balances - governmental funds		\$ 1,250,728
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:</p>		
Capital outlay	\$ 15,000	
Depreciation expense	<u>(126,080)</u>	
Net capital assets		(111,080)
<p>Repayment of bond and contracts payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets</p>		
Repayment of:		
Bonds payable		245,000
<p>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.</p>		
Special assessments levied	59,390	
Principal collected on assessments	<u>(60,450)</u>	
Net		<u>(1,060)</u>
Change in net assets of governmental activities		<u>\$ 1,383,588</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
MARCH 31, 2005

<u>ASSETS</u>	<u>Sewer Fund</u>	<u>Non - major Fund Water Fund</u>	<u>Total</u>
Current assets			
Cash and cash equivalents	\$ 3,122,185	\$ 43,170	\$ 3,165,355
Receivables			
Accounts	638,044	31,100	669,144
Special assessments	13,799,728	1,110,000	14,909,728
Due from other funds	1,510	416	1,926
Prepaid expenses	<u>12,070</u>	<u>340</u>	<u>12,410</u>
Total assets	<u>17,573,537</u>	<u>1,185,026</u>	<u>18,758,563</u>
Capital assets			
Land	1,394,414	617	1,395,031
Utility systems	<u>30,353,140</u>	<u>43,824</u>	<u>30,396,964</u>
Net	31,747,554	44,441	31,791,995
Less accumulated depreciation	<u>(2,118,217)</u>	<u>(4,115)</u>	<u>(2,122,332)</u>
Capital assets, net	<u>29,629,337</u>	<u>40,326</u>	<u>29,669,663</u>
Total assets	<u>47,202,874</u>	<u>1,225,352</u>	<u>48,428,226</u>
<u>LIABILITIES</u>			
Current liabilities			
Accounts payable	73,621	10,775	84,396
Due to other funds	675,176	1,151,310	1,826,486
Bonds payable	<u>25,510,000</u>	<u> </u>	<u>25,510,000</u>
Total liabilities	<u>26,258,797</u>	<u>1,162,085</u>	<u>27,420,882</u>
<u>NET ASSETS</u>			
Net assets			
Invested in capital assets	4,119,337	40,326	4,159,663
Unrestricted	<u>16,824,740</u>	<u>22,941</u>	<u>16,847,681</u>
Total net assets	<u>\$ 20,944,077</u>	<u>\$ 63,267</u>	<u>\$ 21,007,344</u>

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, 2005

	Sewer Fund	Non – major Fund Water Fund	Total
OPERATING REVENUES			
Utility billings	\$ 666,792	\$ 69,804	\$ 736,596
Other revenues	14,938		14,938
Total operating revenues	681,730	69,804	751,534
OPERATING EXPENSES			
Personnel and temporary services	12,152		12,707
Telephone	19,361	555	19,361
Per diems	700		700
Contracted services	210,549	9,870	220,419
Utilities	71,282		71,282
Water purchases		46,151	46,151
Depreciation	828,925	1,096	830,021
Repairs and maintenance	25,743	3,588	29,331
Supplies	21,583	92	21,675
Postage		289	289
Miscellaneous	3,341	528	3,869
Professional fees	2,501	552	3,053
Permit fees	6,075		6,075
Insurance	46,326	1,309	47,635
Total operating expenses	1,248,538	64,030	1,312,568
Operating income (loss)	(566,808)	5,774	(561,034)
NON-OPERATING REVENUES			
Interest income	948,124	74,344	1,022,468
Interest (expense)	(1,324,493)	(151,929)	(1,476,422)
Miscellaneous income (expense)		387	387
Total non-operating revenues (expenses)	(376,369)	(77,198)	(453,567)
CAPITAL CONTRIBUTIONS			
Tap-in fees collected	968,612	17,728	986,340
Special assessments levied	1,081,992		1,081,992
Total capital contributions	2,050,604	17,728	2,068,332
Net income (loss)	1,107,427	(53,696)	1,053,731
NET ASSETS, APRIL 1, 2004	19,836,650	116,963	19,953,613
NET ASSETS, MARCH 31, 2005	\$ 20,944,077	\$ 63,267	\$ 21,007,344

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2005

	Sewer Fund	Non – major Fund Water Fund
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Cash received from customers	\$ 674,718	\$ 68,677
Cash payments to suppliers	(432,047)	(57,157)
Cash payments to employees/temporary services	(12,152)	(555)
Cash from interfund transactions	<u>444,999</u>	<u>(226,003)</u>
Net cash provided by (used in) operating activities	<u>675,518</u>	<u>(215,038)</u>
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Additions to system	(946,400)	(14,580)
Tap-in fees collected	968,612	17,728
Bond proceeds	760,000	
Payment on bonds	(2,699,493)	
Special assessment collections	1,077,988	97,200
Payment on interfund loan		<u>(151,929)</u>
Net cash and cash equivalents from (used in) capital and related financing activities	<u>(839,293)</u>	<u>(51,581)</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Interest earned	<u>948,124</u>	<u>74,344</u>
Net increase (decrease) in cash and cash equivalents	784,349	(192,275)
CASH AND CASH EQUIVALENTS, APRIL 1, 2004	<u>2,337,836</u>	<u>235,445</u>
CASH AND CASH EQUIVALENTS, MARCH 31, 2005	<u>\$ 3,122,185</u>	<u>\$ 43,170</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	\$ (566,808)	\$ 5,774
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities		
Depreciation	828,925	1,096
Other income		387
Changes in assets and liabilities		
Decrease (Increase) in accounts receivable	(88,473)	6,215
(Increase) in due from other funds	(279)	(284)
Decrease in prepaid expenses	(490)	(51)
(Decrease) increase in accounts payable	57,923	(2,456)
(Decrease) increase in due to other funds	<u>444,720</u>	<u>(225,719)</u>
Total adjustments	<u>1,242,326</u>	<u>(220,812)</u>
Net cash and cash equivalents from (used in) operating activities	<u>\$ 675,518</u>	<u>\$ (215,038)</u>

The notes are an integral part of the financial statements.

Totals

\$ 743,395
(489,204)
(12,707)
218,996

460,480

(960,980)
986,340
760,000
(2,699,493)
1,175,188
(151,929)

(890,874)

1,022,468

592,074

2,573,281

\$ 3,165,355

\$ (561,034)

830,021
387

(82,258)
(563)
(541)
55,467
219,001

1,021,514

\$ 460,480

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
MARCH 31, 2005

	<u>Trust and Agency</u>	<u>Current Tax</u>	<u>Construction Escrow</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash	\$ <u>298,727</u>	\$ <u>28,624</u>	\$ <u>46,267</u>	\$ <u>373,618</u>
<u>LIABILITIES</u>				
LIABILITIES				
Due to other funds	\$ 5,104	\$ 21,971	\$ 518	\$ 27,593
Due to others	<u>293,623</u>	<u>6,653</u>	<u>45,749</u>	<u>346,025</u>
Total liabilities	<u>\$ 298,727</u>	<u>\$ 28,624</u>	<u>\$ 46,267</u>	<u>\$ 373,618</u>

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, 2005

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.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Also, part of the basic financial statements are fund financial statements for 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 funds:

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

The Building Department Fund accounts for the operations of the Township's building department. This fund's primary support is derived from revenues for licenses and permits issued.

The Building Authority Fund accounts for the operating transfers in and payment of debt service for 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.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, transient occupancy taxes, licenses, fees and permits, intergovernmental revenues, charges for services, fines, forfeits and penalties, and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund 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, 2005

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.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 are 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.

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 "Rules of Employment".

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 supervisor 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, 2005, expenditures exceeded appropriations in several line items.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 28. The Township recognized the amount levied December 1, 2004 as revenue for the year ended March 31, 2005.

The 2004 adjusted taxable value totaled \$ 875,514,966. Taxes levied consisted of .9210 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. PERSONAL PROPERTY TAX ASSESSMENTS AND APPEALS

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

H. 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.

I. INVESTMENTS

Investments are stated at lower of cost or market.

J. 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.

K. 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.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. 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.

M. 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.

N. INCOME TAXES

As a governmental agency, the Township is exempt from both federal income taxes and Michigan Single 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, 2005

NOTE 3 - CHANGES IN CAPITAL ASSETS

A summary of changes in governmental fund capital assets is as follows:

	<u>Balance 4/01/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/05</u>
Land and buildings	\$ 733,097	\$	\$	\$ 733,097
Buildings and improvements	5,417,748			5,417,748
Vehicles and equipment	169,324			169,324
Construction in progress	<u> </u>	<u>10,000</u>	<u> </u>	<u>10,000</u>
	6,320,169	10,000		6,330,169
Accumulated depreciation	<u>(1,643,197)</u>	<u>(126,080)</u>	<u> </u>	<u>(1,769,277)</u>
Net book value	<u>\$ 4,676,972</u>	<u>\$ (116,080)</u>	<u>\$</u>	4,560,892
Related debt				<u>(2,245,000)</u>
Investment in capital assets net of related debt				<u>\$ 2,315,892</u>

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

NOTE 4 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

Interfund balances are generally short-term loans in nature. However, on August 28, 2002 the Township's General Fund loaned the Water Fund \$1,506,000 in order to hook up water services with the City of Brighton's water system. This 15 year loan is being charged 6% with no debt service requirements until its maturity in 2017. The Water Fund will repay the loan to the general fund with special assessments collected and monies from water system operations.

All other interfund transfers are expected to be collected during the next fiscal year.

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, 2005 was \$718,838.

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.

Each member contributes five percent of his or her annual compensation. The percentage is selected by the member's municipality. Any percent from 0 percent to 10 percent, in 0.1 percent increments, may be selected.

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, 2005 was \$89,810.

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2005

NOTE 5 - EMPLOYEES' RETIREMENT SYSTEM - DEFINED BENEFIT PLAN (continued)

At January 1, 2004, the unfunded pension benefit obligation was \$146,129, determined as follows:

Actuarial Accrued Liability

Retirees and beneficiaries currently receiving benefits	\$ 334,970
Terminated employees not yet receiving benefits (vested and non-vested)	282,284
Current employees - Accumulated employee contributions including allocated investment income	95,549
Employer financed	<u>262,184</u>
Total actuarial accrued liability	974,987
Net assets available for benefits at actuarial value	<u>828,858</u>
Unfunded actuarial accrued liability	<u>\$ 146,129</u>

The Township's annual required contribution was \$43,412 as of December 31, 2004. The combined change in the pension benefit obligation resulting from benefit changes, if any, and revisions in actuarial assumptions is 0.053632. Total covered payroll for participants was \$571,292.

NOTE 6 - LONG-TERM DEBT

The following is a summary of the governmental fund long-term debt for the year:

1. Building Authority Bonds Payable, dated May 1, 1999, to finance construction costs of new fire station and the remodeling of township hall. Payable in annual installments ranging from \$110,000 to \$195,000 at its maturity in 2019, plus interest in semi-annual installments of 3.75% graduating to 5.00% at maturity.
2. Capital Improvement Bonds payable, dated November 1, 2003, to finance construction costs related to the new water distribution system. payable in annual installments ranging from \$40,000 to \$115,000 at its maturity in 2028, plus interest in semi-annual installments of 2.75% graduating to 4.75% at maturity.

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2005

NOTE 6 - LONG-TERM DEBT (continued)

The changes in governmental fund long-term debt are as follows:

	<u>Balance 4/01/04</u>	<u>Additions</u>	<u>Payments & Deductions</u>	<u>Balance 3/31/05</u>
<u>BONDS PAYABLE</u>				
Building Authority Bonds, Series 1999	\$ 2,245,000	\$	\$ 245,000	\$ 2,000,000
Capital Improvement Bonds, Series 2003	<u>1,620,000</u>	<u> </u>	<u> </u>	<u>1,620,000</u>
Total Bonds Payable	<u>\$ 3,865,000</u>	<u>\$</u>	<u>\$ 245,000</u>	<u>\$ 3,620,000</u>

The following is a schedule of principal and interest payments to service the governmental fund long-term debt of the Township:

	<u>Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2005 - 2006	\$ 245,000	\$ 168,557
2006 - 2007	140,000	160,799
2007 - 2008	145,000	155,290
2008 - 2009	160,000	149,279
2009 - 2010	160,000	142,809
remaining	<u>3,015,000</u>	<u>1,120,050</u>
Totals	3,865,000	1,896,784
Less current portion recorded	<u>(245,000)</u>	<u>(72,050)</u>
	<u>\$ 3,620,000</u>	<u>\$ 1,824,734</u>

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2005

NOTE 6 - LONG-TERM DEBT (continued)

1. On October 1, 2000 Livingston County Drain Commission sold \$27,800,000 in bonds to finance the construction of a sewer system. Amounts are payable to Livingston County. Principal payable in annual installments of \$325,000 to \$1,626,000 starting October 2002. Interest is charged at 5.0% to 5.25% payable semi-annually.
2. On May 1, 2004 Livingston County Drain Commission sold \$760,000 in bonds to finance the Spencer Road sewage drainage district. Amounts are payable to Livingston County. Principal is payable in annual installments of \$20,000 to \$40,000 starting in May of 2005. Interest is charged at 3.5% to 5.0% payable semi-annually.

The following is a schedule of principal and interest payments to service the sewer proprietary long-term debt:

	<u>Principal</u>	<u>Interest</u>
2005 - 2006	\$ 1,420,000	\$ 1,274,403
2006 - 2007	1,465,000	1,202,687
2007 - 2008	1,490,000	1,128,607
2008 - 2008	1,515,000	1,052,540
2009 - 2010	1,540,000	975,198
2010 and remaining	<u>18,080,000</u>	<u>5,348,435</u>
Totals	<u>\$ 25,510,000</u>	<u>\$ 10,981,870</u>

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2005

NOTE 7 - 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.

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

<u>Deposits</u>	<u>Fiduciary Funds</u>	<u>Primary Government</u>	<u>Total</u>	<u>Bank Balance</u>
Insured	\$	\$ 300,000	\$ 300,000	\$ 300,000
Uninsured and uncollateralized	<u>373,618</u>	<u>6,300,636</u>	<u>6,674,254</u>	<u>10,155,622</u>
	373,618	6,600,636	6,974,254	<u>\$ 10,455,622</u>
Petty cash	<u> </u>	<u>263</u>	<u>263</u>	
Total cash	<u>\$ 373,618</u>	<u>\$ 6,600,899</u>	<u>\$ 6,974,517</u>	

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2005

NOTE 8 - SEGMENT INFORMATION - ENTERPRISE FUNDS

Selected financial information with respect to the two enterprise funds maintained by the Township for water and sewer service is as follows:

	<u>Water Fund</u>	<u>Sewer</u>	<u>Totals</u>
Operating revenues	\$ 69,804	\$ 681,730	\$ 751,534
Depreciation	1,096	828,925	830,021
Operating income (loss)	5,774	(566,808)	(561,034)
Net working capital	64,251	86,421	150,672
Total assets	1,225,352	47,202,874	48,428,226
Reserved retained earnings		21,023,211	21,023,211
Unreserved retained earnings (deficit)	63,267	(79,134)	(15,867)
Total fund equity	63,267	20,944,077	21,007,344

NOTE 9 - 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 indirect method was utilized to present cash flows from operations. The following summarizes beginning and ending cash and cash equivalents:

	<u>April 1, 2004</u>	<u>March 31, 2005</u>
Cash and cash equivalents	<u>\$ 2,573,281</u>	<u>\$ 3,165,355</u>

NOTE 10 - 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 11 - 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 Aetna Life Insurance and Annuity 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, 2005

NOTE 12 - BUILDING AUTHORITY AGREEMENT

On May 1, 1999 the Charter Township of Brighton Building Authority sold \$3,160,000 in general obligation limited tax bonds to finance the construction of the new fire station and remodeling of the township hall. The Charter Township of Brighton general fund and building department fund will make an annual payment to the building authority fund in the amount of the debt service requirements. The general fund, building department fund and building authority fund will record these amounts as operating transfers as they are paid. The following is a schedule of operating transfers the general fund and building department fund must make to the building authority fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005 - 2006	\$ 245,000	\$ 100,011	\$ 345,011
2006 - 2007	100,000	92,803	192,803
2007 - 2008	105,000	88,394	193,394
2008 and after	1,795,000	578,414	2,373,414
	\$ 2,245,000	\$ 859,622	\$ 3,104,622

NOTE 13 - DEFICIT ELIMINATION PLAN

A deficit occurred in the Water Debt Service's and fund balances and the Sewer Fund's unreserved retained earnings for the year ended March 31, 2004. A deficit elimination plan will be filed with the State of Michigan detailing the Township's plan to remedy the deficits in these funds.

NOTE 14 - 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 as high as \$14 million over the life of the debt obligation.

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

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2005

NOTE 15 – RECONCILIATION OF FUND FINANCIAL STATEMENTS
TO GOVERNMENT – WIDE FINANCIAL STATEMENTS

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

Total fund balance per balance sheet		\$ 8,339,365
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Historical cost	\$ 6,335,169	
Depreciation	<u>(1,769,277)</u>	
Capital assets, net of depreciation		4,565,892
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Bonds payable		(3,620,000)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		<u>102,528</u>
Net assets of governmental activities		<u>\$ 9,387,785</u>

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

Net change in fund balances - governmental funds		\$ 1,250,728
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:		
Capital outlay	\$ 15,000	
Depreciation expense	<u>(126,080)</u>	
Net capital assets		(111,080)
Repayment of bond and contracts payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets		
Repayment of:		
Bonds payable		245,000
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.		
Special assessments levied	59,390	
Principal collected on assessments	<u>(60,450)</u>	
Net		<u>(1,060)</u>
Change in net assets of governmental activities		<u>\$ 1,383,588</u>

REQUIRED
SUPPLEMENTARY
INFORMATION

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2005

	Budgets		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$	\$	\$ 815,501	\$
Treasurer			533,958	
Ordinance enforcement			2,600	
Planning commission			86,358	
State shared revenue			1,172,484	
Contingent liability			293,000	
Miscellaneous revenue			<u>288,305</u>	
Total revenues	<u>2,772,950</u>	<u>2,772,950</u>	3,192,206	419,256
EXPENDITURES	<u>1,895,002</u>	<u>1,973,747</u>	<u>1,822,047</u>	<u>151,700</u>
Excess of revenues over (under) expenditures	877,948	799,203	1,370,159	570,956
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(385,663)</u>	<u>(385,663)</u>	<u>(351,024)</u>	<u>34,639</u>
Excess of revenues over (under) expenditures other financing sources (uses)	492,285	413,540	1,019,135	605,595
FUND BALANCE, APRIL 1, 2004	<u>5,530,788</u>	<u>5,530,788</u>	<u>5,530,788</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 6,023,073</u>	<u>\$ 5,944,328</u>	<u>\$ 6,549,923</u>	<u>\$ 605,595</u>

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
BUILDING DEPARTMENT FUND
FOR THE YEAR ENDED MARCH 31, 2005

	Budgets		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES	\$ 254,350	\$ 254,350	\$ 484,859	\$ 230,509
EXPENDITURES				
Wages			84,842	
Payroll taxes			5,528	
Insurance - benefits			24,711	
Pension			10,589	
Electrical inspector			37,778	
Plumbing inspector			24,086	
Mechanical inspector			41,992	
Building official			23,323	
Plan review fee			13,925	
General liability insurance			6,073	
Supplies and postage			2,634	
Printing materials			3,069	
Small equipment			855	
Audit fees			1,840	
Consulting			3,098	
Legal			956	
Bank fees			301	
Telephone			679	
Meetings and conventions			2,333	
Fuels and lubricants			1,925	
Mileage			141	
Rent			13,325	
Repairs and maintenance			1,007	
Membership and dues			225	
Miscellaneous			707	
Capital outlay			9,345	
Total expenditures	239,735	338,873	315,287	23,586
Excess of revenues over (under) expenditures	14,615	(84,523)	169,572	254,095
FUND BALANCE, APRIL 1, 2004	59,074	59,074	59,074	
FUND BALANCE (DEFICIT) MARCH 31, 2005	\$ 73,689	\$ (25,449)	\$ 228,646	\$ 254,095

CHARTER TOWNSHIP OF BRIGHTON
 SCHEDULES OF PENSION FUNDING PROGRESS (UNAUDITED)
 MARCH 31, 2005

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

Valuation Date <u>December 31</u>	Net Assets Available for <u>Benefits</u>	Pension Benefit Obligation <u>(PBO)</u>	Percent Funded <u>(1)/(2)</u>	Unfunded (Overfunded) PBO <u>(2)-(1)</u>	Annual Covered <u>Payroll</u>
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

SUPPLEMENTARY
INFORMATION

COMBINING
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2005

<u>ASSETS</u>	<u>Parks and Recreation</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>	<u>Road Improvement</u>
ASSETS					
Cash and investments	\$	\$ 234,095	\$ 365,592	\$ 43,849	\$ 691,850
Receivables					
Special assessments					
Prepaid expenses		3,544			
Due from other funds	<u>75,000</u>	<u>224</u>			
Total assets	<u>\$ 75,000</u>	<u>\$ 237,863</u>	<u>\$ 365,592</u>	<u>\$ 43,849</u>	<u>\$ 691,850</u>
<u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Accounts payable	\$	\$ 269	\$	\$	\$
Accrued expenses		7,438			
Due to other funds		1,510			
Deferred revenue					
Total liabilities		9,217			
FUND BALANCE	<u>75,000</u>	<u>228,646</u>	<u>365,592</u>	<u>43,849</u>	<u>691,850</u>
Total liabilities and fund balance	<u>\$ 75,000</u>	<u>\$ 237,863</u>	<u>\$ 365,592</u>	<u>\$ 43,849</u>	<u>\$ 691,850</u>

<u>Street Improvement</u>	<u>Woodland Lake Aquatics</u>	<u>Clark Lake Aquatics</u>	<u>Subdivision Paving</u>	<u>Street lights</u>	<u>Sanitation</u>
\$ 37,768	\$ 63,183	\$ 5,607	\$ 292,375	\$	\$ 35,644
1,043	4,397	425	105,203	11,457	2,106
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>4,298</u>	<u> </u>
<u>\$ 38,811</u>	<u>\$ 67,580</u>	<u>\$ 6,032</u>	<u>\$ 397,578</u>	<u>\$ 15,755</u>	<u>\$ 37,750</u>

\$ 200	\$	\$ 3,539	\$ 931	\$ 1,176	\$
<u> </u>	<u> </u>	<u> </u>	<u>102,528</u>	<u> </u>	<u> </u>
200		3,539	103,459	1,176	
<u>38,611</u>	<u>67,580</u>	<u>2,493</u>	<u>294,119</u>	<u>14,579</u>	<u>37,750</u>
<u>\$ 38,811</u>	<u>\$ 67,580</u>	<u>\$ 6,032</u>	<u>\$ 397,578</u>	<u>\$ 15,755</u>	<u>\$ 37,750</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET (continued)
 MARCH 31, 2005

	<u>3-31-05</u>	<u>3-31-04</u>
<u>ASSETS</u>		
ASSETS		
Cash and investments	\$ 1,769,963	\$ 1,503,823
Receivables		
Special assessments	124,631	207,793
Prepaid expenses	3,544	3,433
Due from other funds	<u>79,522</u>	<u>76,297</u>
Total assets	<u>\$ 1,977,660</u>	<u>\$ 1,791,346</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES		
Accounts payable	\$ 6,115	\$ 8,664
Accrued expenses	7,438	15,569
Due to other funds	1,510	21,346
Deferred revenue	<u>102,528</u>	<u>180,720</u>
Total liabilities	117,591	226,299
FUND BALANCE	<u>1,860,069</u>	<u>1,565,047</u>
Total liabilities and fund balance	<u>\$ 1,977,660</u>	<u>\$ 1,791,346</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL DEBT SERVICE FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2005

	Woodland Lake	Water
<u>ASSETS</u>		
ASSETS,		
Cash	\$ 49,243	\$ 30,002
Due from other funds		
Special assessment receivable		
Total assets	\$ 49,243	\$ 30,002
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
LIABILITIES		
Accrued expenses	\$	\$ 28,560
Due to other funds		144,671
Total liabilities		173,231
FUND BALANCE (DEFICIT)		
Reserved for debt service	49,243	(143,229)
Total liabilities and fund balance (deficit)	\$ 49,243	\$ 30,002

<u>Totals</u>	
<u>3-31-05</u>	<u>3-31-04</u>
\$ 79,245	\$ 81,429
	315
	<u>10,275</u>
<u>\$ 79,245</u>	<u>\$ 92,019</u>

\$ 28,560	\$ 28,810
<u>144,671</u>	<u>42,000</u>
173,231	70,810
<u>(93,986)</u>	<u>21,209</u>
<u>\$ 79,245</u>	<u>\$ 92,019</u>

CHARTER TOWNSHIP OF BRIGHTON
ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
MARCH 31, 2005

	<u>Water Fund</u>	<u>Sewer Fund</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 43,170	\$ 9,638
Accounts receivable	31,100	136,824
Prepaid expenses	340	12,070
Due from other funds	<u>416</u>	<u>1,510</u>
Total current assets	<u>75,026</u>	<u>160,042</u>
RESTRICTED ASSETS		
Cash and cash equivalents		3,112,547
Accounts receivable		501,220
Special assessments receivable	<u>1,110,000</u>	<u>13,799,728</u>
Total restricted assets	<u>1,110,000</u>	<u>17,413,495</u>
PROPERTY AND EQUIPMENT		
Land	617	1,394,414
Equipment, improvements and system	43,824	30,353,140
Less: accumulated depreciation	<u>(4,115)</u>	<u>(2,118,217)</u>
Net property and equipment	<u>40,326</u>	<u>29,629,337</u>
Total assets	<u>\$ 1,225,352</u>	<u>\$ 47,202,874</u>
<u>LIABILITIES AND FUND EQUITY</u>		
LIABILITIES		
Accounts payable	\$ 10,775	\$ 73,621
Bonds payable - special assessment - from restricted assets		25,510,000
Due to other funds	<u>1,151,310</u>	<u>675,176</u>
Total liabilities	<u>1,162,085</u>	<u>26,258,797</u>
FUND EQUITY		
Retained earnings - reserved		21,034,912
Retained earnings - unreserved (deficit)	<u>63,267</u>	<u>(90,835)</u>
Total fund equity	<u>63,267</u>	<u>20,944,077</u>
Total liabilities and fund equity	<u>\$ 1,225,352</u>	<u>\$ 47,202,874</u>

Totals	
<u>3-31-05</u>	<u>3-31-04</u>
\$ 52,808	\$ 235,445
167,924	177,785
12,410	11,869
<u>1,926</u>	<u>1,363</u>
<u>235,068</u>	<u>426,462</u>
3,112,547	2,337,836
501,220	409,101
<u>14,909,728</u>	<u>15,002,924</u>
<u>18,523,495</u>	<u>17,749,861</u>
1,395,031	1,395,031
30,396,964	29,435,984
<u>(2,122,332)</u>	<u>(1,292,311)</u>
<u>29,669,663</u>	<u>29,538,704</u>
<u>\$ 48,428,226</u>	<u>\$ 47,715,027</u>
\$ 84,396	\$ 28,929
25,510,000	26,125,000
<u>1,826,486</u>	<u>1,607,485</u>
<u>27,420,882</u>	<u>27,761,414</u>
21,034,912	20,012,686
<u>(27,568)</u>	<u>(59,073)</u>
<u>21,007,344</u>	<u>19,953,613</u>
<u>\$ 48,428,226</u>	<u>\$ 47,715,027</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL AGENCY FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2005

	<u>Trust and Agency</u>	<u>Current Tax</u>	<u>Construction Escrow</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash	<u>\$ 298,727</u>	<u>\$ 28,624</u>	<u>\$ 46,267</u>	<u>\$ 373,618</u>
<u>LIABILITIES</u>				
LIABILITIES				
Due to other funds	\$ 5,104	\$ 21,971	\$ 518	\$ 27,593
Due to others	<u>293,623</u>	<u>6,653</u>	<u>45,749</u>	<u>346,025</u>
Total liabilities	<u>\$ 298,727</u>	<u>\$ 28,624</u>	<u>\$ 46,267</u>	<u>\$ 373,618</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, 2005

	<u>Parks and Recreation</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>	<u>Road Improvement</u>
REVENUES					
Intergovernmental - State Donation	\$ 75,000	\$	\$	\$ 5,896	\$
Special assessment Licenses and permits		481,468			
Charges for services Interest		<u>3,391</u>	<u>10,819</u>	<u>524</u>	<u>25,981</u>
Total revenues	<u>75,000</u>	<u>484,859</u>	<u>10,819</u>	<u>6,420</u>	<u>25,981</u>
EXPENDITURES					
Building department Public safety		315,287		11,326	
Utilities Project-costs					
Total expenditures		<u>315,287</u>		<u>11,326</u>	
Excess of revenues over (under) expenditures	75,000	169,572	10,819	(4,906)	25,981
FUND BALANCE, APRIL 1, 2004		<u>59,074</u>	<u>354,773</u>	<u>48,755</u>	<u>665,869</u>
FUND BALANCE, MARCH 31, 2005	<u>\$ 75,000</u>	<u>\$ 228,646</u>	<u>\$ 365,592</u>	<u>\$ 43,849</u>	<u>\$ 691,850</u>

<u>Street Improvement</u>	<u>Woodland Lake Aquatics</u>	<u>Clark Lake Aquatics</u>	<u>Subdivision Paving</u>	<u>Street Light</u>	<u>Sanitation</u>	<u>Total</u>
\$	\$	\$	\$	\$	\$	\$ 5,896
						75,000
			68,175			68,175
						481,468
18,656	54,600	6,100		11,456	41,310	132,122
<u>625</u>	<u>426</u>	<u>14</u>	<u>3,565</u>		<u>285</u>	<u>45,630</u>
<u>19,281</u>	<u>55,026</u>	<u>6,114</u>	<u>71,740</u>	<u>11,456</u>	<u>41,595</u>	<u>808,291</u>
						315,287
						11,326
				16,691		16,691
<u>21,796</u>	<u>43,809</u>	<u>4,256</u>	<u>59,159</u>		<u>40,945</u>	<u>169,965</u>
<u>21,796</u>	<u>43,809</u>	<u>4,256</u>	<u>59,159</u>	<u>16,691</u>	<u>40,945</u>	<u>513,269</u>
(2,515)	11,217	1,858	12,581	(5,235)	650	295,022
<u>41,126</u>	<u>56,363</u>	<u>635</u>	<u>281,538</u>	<u>19,814</u>	<u>37,100</u>	<u>1,565,047</u>
<u>\$ 38,611</u>	<u>\$ 67,580</u>	<u>\$ 2,493</u>	<u>\$ 294,119</u>	<u>\$ 14,579</u>	<u>\$ 37,750</u>	<u>\$ 1,860,069</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2005

	Woodland Lake	Water	<u>Total</u>	
			<u>3-31-05</u>	<u>3-31-04</u>
REVENUES				
Interest	\$ 687	\$ 228	\$ 915	\$ 1,844
Special assessment				<u>1,836</u>
Total revenues	<u>687</u>	<u>228</u>	<u>915</u>	<u>3,680</u>
EXPENDITURES				
Debt service		<u>68,546</u>	<u>68,546</u>	<u>28,851</u>
Excess of revenues over (under) expenditures	687	(68,318)	(67,631)	(25,171)
OTHER FINANCING (USES)				
Transfers out		<u>(47,564)</u>	<u>(47,564)</u>	
Excess of revenues over (under) expenditures and other financing (uses)	687	(115,882)	(115,195)	(25,171)
FUND BALANCE (DEFICIT), APRIL 1, 2004	<u>48,556</u>	<u>(27,347)</u>	<u>21,209</u>	<u>46,380</u>
FUND BALANCE (DEFICIT), MARCH 31, 2005	<u>\$ 49,243</u>	<u>\$ (143,229)</u>	<u>\$ (93,986)</u>	<u>\$ 21,209</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, 2005

	<u>Building Authority</u>	<u>Water Authority</u>	<u>Total</u>
REVENUES			
Interest	\$ 4,227	\$ 1	\$ 4,228
EXPENDITURES			
Debt service - payments	<u>351,024</u>	<u>26</u>	<u>351,050</u>
Excess of revenues Over (under) expenditures	(346,797)	(25)	(346,822)
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>351,024</u>	<u>47,564</u>	<u>398,588</u>
Excess of revenues over (under) expenditures and other financing sources (uses)	4,227	(47,539)	51,766
FUND BALANCE (DEFICIT), APRIL 1, 2004	<u>19,132</u>	<u>(47,539)</u>	<u>(28,407)</u>
FUND BALANCE, MARCH 31, 2005	<u>\$ 23,359</u>	<u>\$</u>	<u>\$ 23,359</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL ENTERPRISE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 FOR THE YEAR ENDED MARCH 31, 2005

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
OPERATING REVENUES			
Utility billings	\$ 69,804	\$ 666,792	\$ 736,596
Other revenues		<u>14,938</u>	<u>14,938</u>
Total operating revenues	<u>69,804</u>	<u>681,730</u>	<u>751,534</u>
OPERATING EXPENSES			
Personnel and temporary services		12,152	12,707
Telephone	555	19,361	19,361
Per diems		700	700
Contracted services	9,870	210,549	220,419
Utilities		71,282	71,282
Water purchases	46,151		46,151
Depreciation	1,096	828,925	830,021
Repairs and maintenance	3,588	25,743	29,331
Supplies	92	21,583	21,675
Postage	289		289
Miscellaneous	528	3,341	3,869
Professional fees	552	2,501	3,053
Permit fees		6,075	6,075
Insurance	<u>1,309</u>	<u>46,326</u>	<u>47,635</u>
Total operating expenses	<u>64,030</u>	<u>1,248,538</u>	<u>1,312,568</u>
Operating income (loss)	<u>5,774</u>	<u>(566,808)</u>	<u>(561,034)</u>
NON-OPERATING REVENUES			
Interest income	74,344	948,124	1,022,468
Interest (expense)	(151,929)	(1,324,493)	(1,476,422)
Miscellaneous income (expense)	<u>387</u>		<u>387</u>
Total non-operating revenues (expenses)	<u>(77,198)</u>	<u>(376,369)</u>	<u>(453,567)</u>
CAPITAL CONTRIBUTIONS			
Tap-in fees collected	17,728	968,612	986,340
Special assessments levied		<u>1,081,992</u>	<u>1,081,992</u>
Total capital contributions	<u>17,728</u>	<u>2,050,604</u>	<u>2,068,332</u>
Net income (loss)	(53,696)	1,107,427	1,053,731
RETAINED EARNINGS, APRIL 1, 2004	<u>116,963</u>	<u>19,836,650</u>	<u>19,953,613</u>
RETAINED EARNINGS, MARCH 31, 2005	<u>\$ 63,267</u>	<u>\$ 20,944,077</u>	<u>\$ 21,007,344</u>

CHARTER TOWNSHIP OF BRIGHTON
ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Water Fund</u>	<u>Sewer Fund</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating income (loss)	\$ 5,774	\$ (566,808)
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities		
Depreciation	1,096	828,925
Other income	387	
Changes in assets and liabilities		
(Increase) in accounts receivable	6,215	(88,473)
(Increase) in due from other funds	(284)	(279)
(Increase) in prepaid expenses	(51)	(490)
(Decrease) increase in accounts payable	(2,456)	57,923
(Decrease) increase in due to other funds	<u>(225,719)</u>	<u>444,720</u>
Total adjustments	<u>(220,812)</u>	<u>1,242,326</u>
Net cash and cash equivalents from (used in) operating activities	<u>(215,038)</u>	<u>675,518</u>
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Additions to system	(14,580)	(946,400)
Tap-in fees collected	17,728	968,612
Bond proceeds		760,000
Payment on bonds		(2,699,493)
Special assessment collections	97,200	1,077,988
Payment on interfund loan	<u>(151,929)</u>	<u> </u>
Net cash and cash equivalents from (used in) capital and related financing activities	<u>(51,581)</u>	<u>(839,293)</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Interest earned	<u>74,344</u>	<u>948,124</u>
Net increase (decrease) in cash and cash equivalents	(192,275)	784,349
CASH AND CASH EQUIVALENTS, APRIL 1, 2004	<u>235,445</u>	<u>2,337,836</u>
CASH AND CASH EQUIVALENTS, MARCH 31, 2005	<u>\$ 43,170</u>	<u>\$ 3,122,185</u>

Totals

\$ (561,034)

830,021
387

(82,258)
(563)
(541)

55,467
219,001

1,021,514

460,480

(960,980)
986,340
760,000
(2,699,493)
1,175,188
(151,929)

(890,874)

1,022,468

592,074

2,573,281

\$ 3,165,355

INDIVIDUAL
FUNDS

GENERAL
FUND

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash and equivalents	\$ 4,434,543
Delinquent taxes receivable	57,487
State shared revenues receivable	186,620
Due from other funds	2,004,264
Prepaid expenditures	<u>39,715</u>

Total assets

\$ 6,722,629

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 36,718
Accrued wages and vacation	54,132
Payroll taxes withholding and payable	2,334
Due to other funds	<u>79,522</u>

Total liabilities

\$ 172,706

FUND BALANCE

6,549,923

Total liabilities and fund balance

\$ 6,722,629

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 775,050	\$ 815,501	\$ 40,451
Treasurer	480,300	533,958	53,658
Ordinance enforcement	2,500	2,600	100
Planning and zoning	50,000	86,358	36,358
State shared revenue	1,189,400	1,172,484	(16,916)
Contingent liability		293,000	293,000
Miscellaneous revenue	<u>275,700</u>	<u>288,305</u>	<u>12,605</u>
Total revenues	2,772,950	3,192,206	419,256
EXPENDITURES	<u>1,973,747</u>	<u>1,822,047</u>	<u>151,700</u>
Excess of revenues over (under) expenditures	799,203	1,370,159	570,956
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(385,663)</u>	<u>(351,024)</u>	<u>34,639</u>
Excess of revenues over (under) expenditures and other financing sources (uses)	413,540	1,019,135	605,595
FUND BALANCE, APRIL 1, 2004	<u>5,530,788</u>	<u>5,530,788</u>	<u> </u>
FUND BALANCE, MARCH 31, 2005	<u>\$ 5,944,328</u>	<u>\$ 6,549,923</u>	<u>\$ 605,595</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TAXES			
Current property taxes	\$	\$ 811,194	\$
Penalties/interest - delinquent taxes		3,961	
Trailer park fees		<u>346</u>	
Total taxes	<u>775,050</u>	<u>815,501</u>	<u>40,451</u>
TREASURER			
Property tax administration fee		257,132	
Interest		275,763	
Dog licenses		<u>1,063</u>	
Total treasurer	<u>480,300</u>	<u>533,958</u>	<u>53,658</u>
ORDINANCE ENFORCEMENT			
Soil removing fees	<u>2,500</u>	<u>2,600</u>	<u>100</u>
PLANNING AND ZONING			
	<u>50,000</u>	<u>86,358</u>	<u>36,358</u>
STATE SHARED REVENUE			
	<u>1,189,400</u>	<u>1,172,484</u>	<u>(16,916)</u>
CONTINGENT LIABILITY			
		<u>293,000</u>	<u>293,000</u>
MISCELLANEOUS REVENUES			
Right of way fees		12,293	
Cable TV fees		157,752	
Printed material and duplicating		4,250	
Cemetery lots		2,700	
Rental income		99,128	
Reimbursement/refunds		5,246	
Other revenue		<u>6,936</u>	
Total miscellaneous revenues	<u>275,700</u>	<u>288,305</u>	<u>12,605</u>
Total revenues	<u>\$ 2,772,950</u>	<u>\$ 3,192,206</u>	<u>\$ 419,256</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Fees	\$	\$ 30,994	\$
Legal		22,368	
Printing and publication		17,693	
Payroll taxes		2,371	
Hospitalization insurance		9,460	
Life insurance		1,028	
Pension		9,341	
Liability insurance		14,044	
Communication		420	
Meetings and conventions		1,153	
Planning consultant		4,466	
Engineering services		2,550	
Dues and subscriptions		9,111	
Miscellaneous		420	
Supplies		1,171	
Mileage		73	
	<u> </u>	<u> </u>	<u> </u>
Total township board	<u>168,994</u>	<u>126,663</u>	<u>42,331</u>
SUPERVISOR			
Salary		29,480	
Assistant salary		18,137	
Pension		5,198	
Payroll taxes		2,516	
Health insurance		514	
Liability insurance		2,312	
Life insurance		335	
Disability insurance		259	
Temporary employment services		1,153	
Meetings and conventions		389	
Repairs and maintenance		83	
Dues		150	
Supplies		427	
Capital outlay		3,054	
	<u> </u>	<u> </u>	<u> </u>
Total supervisor	<u>70,039</u>	<u>64,007</u>	<u>6,032</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
MANAGER			
Salary		48,337	
Wages - clerical		12,230	
Temporary employment services		23,662	
Hospitalization insurance		514	
Pension		10,349	
Payroll taxes		6,313	
Liability insurance		2,564	
Life insurance		572	
Disability insurance		1,098	
Legal fees		96	
Meetings and conventions		207	
Mileage		277	
Dues and subscriptions		202	
Repairs and maintenance		3,243	
Capital outlay		2,156	
Supplies		1,446	
Total manager	<u>131,328</u>	<u>113,266</u>	<u>18,062</u>
ELECTIONS			
Wages		33,370	
Election workers		31,301	
Pension		2,514	
Payroll taxes		2,771	
Hospitalization insurance		7,685	
Disability insurance		12	
Insurance		90	
Telephone		21	
Accuracy consulting		2,765	
Computer support		200	
Education and milage		465	
Printing and publishing		669	
Miscellaneous		164	
Small equipment		782	
Election recount		1,005	
Supplies and postage		15,559	
Total elections	<u>119,650</u>	<u>99,373</u>	<u>20,277</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
ASSESSOR			
Wages		128,416	
Pension		18,598	
Payroll taxes		10,039	
Insurance		27,817	
Contracted services		23,971	
Education		1,365	
Computer support		4,780	
Supplies		2,143	
Postage		4,146	
Mileage		1,955	
Memberships and dues		530	
Printing and publishing		873	
Legal		593	
Telephone		1,508	
Equipment maintenance		480	
Capital outlay		<u>3,664</u>	
Total assessor	<u>245,150</u>	<u>230,878</u>	<u>14,272</u>
CLERK			
Salary		47,924	
Wages - deputy clerk		19,732	
Wages – other		35,993	
Temporary employment services		8,447	
Pension		17,532	
Payroll taxes		7,930	
General liability insurance		4,714	
Insurance - benefits		38,560	
Postage		2,547	
Audit fees		6,808	
Supplies		934	
Consultant		1,108	
Meetings and conventions		3,016	
Printing/newsletter		2,722	
Mileage		996	
Memberships and dues		451	
Miscellaneous		90	
Capital outlay		1,392	
Record retention		567	
Computer support		2,866	
Telephone		<u>380</u>	
Total clerk	<u>232,911</u>	<u>204,709</u>	<u>28,202</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TREASURER			
Salary		47,924	
Wages - deputy treasurer		33,538	
Wages - clerical assistant		30,416	
Pension		19,300	
Payroll taxes		8,651	
General liability insurance		4,759	
Insurance - benefits		34,321	
Audit fees		6,808	
Consultants		5,130	
Supplies		1,569	
Tax forms		1,656	
Postage		7,756	
Small equipment		544	
Computer support		4,638	
Legal		390	
Telephone		436	
Conventions and meetings		2,122	
Mileage and expenses		909	
Memberships and dues		395	
Miscellaneous		280	
Total treasurer	<u>219,096</u>	<u>211,542</u>	<u>7,554</u>
SEWER AND WATER			
Supplies		4,299	
Legal		664	
Engineering		68,775	
Total sewer and water	<u>83,990</u>	<u>73,738</u>	<u>10,252</u>
ROADS			
Per diem		1,230	
Payroll taxes		94	
Dust control		48,746	
Construction maintenance		80,035	
Total roads	<u>133,260</u>	<u>130,105</u>	<u>3,155</u>
UNALLOCATED			
Legal fees		7,134	
Telephone		123	
Total unallocated	<u>7,257</u>	<u>7,257</u>	<u>(7,257)</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
PLANNING COMMISSION			
Wages		73,831	
Per diem		12,725	
Pension		11,781	
Payroll taxes		7,621	
Planning consultant		31,736	
General liability insurance		2,147	
Insurance - benefits		17,265	
Supplies		2,650	
Engineering services		39,073	
Printing and publications		11,659	
Equipment maintenance		29	
Economic development		4,000	
Legal		21,637	
Telephone		720	
Education and mileage		326	
Capital outlay		2,913	
Total planning commission	<u>241,101</u>	<u>240,113</u>	<u>988</u>
TOWNSHIP HALL			
Wages		5,231	
Cleaning custodian		3,855	
Supplies		13,700	
Postage		804	
Payroll taxes		400	
Telephone		16,603	
Insurance		3,540	
Street lighting		3,319	
Small equipment		1,718	
Equipment maintenance and repairs		10,843	
Grounds maintenance and repairs		13,327	
Building maintenance and repairs		13,569	
Utilities		17,609	
Tax chargebacks		887	
Capital outlay/improvement		8,067	
Miscellaneous		9	
Total township hall	<u>111,555</u>	<u>113,481</u>	<u>(1,926)</u>
CEMETERY	<u>23,535</u>	<u>20,300</u>	<u>3,235</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
FIRE PROTECTION			
Administration			
Insurance		10,856	
Equipment			
Leased equipment		37,809	
Equipment maintenance and repair		322	
Building			
Drain assessment		1,903	
Utilities		868	
Building maintenance and repair		11,188	
Grounds maintenance and repair		17,457	
	<u>79,845</u>	<u>80,403</u>	<u>(558)</u>
EMERGENCY PREPAREDNESS			
Electricity		414	
Equipment maintenance and Repair		1,560	
	<u>2,000</u>	<u>1,974</u>	<u>26</u>
REFUSE COLLECTION			
	<u>6,000</u>	<u>3,575</u>	<u>2,425</u>
RECREATION			
	<u>61,138</u>	<u>59,403</u>	<u>1,735</u>
DRAINS			
	<u>20,625</u>	<u>16,974</u>	<u>3,651</u>
CODE ENFORCEMENT			
Wages		18,130	
Pension		1,293	
Payroll taxes		1,149	
Insurance – benefits		1,654	
General liability insurance		94	
Supplies		128	
Legal		673	
Mileage		1,098	
Miscellaneous		67	
	<u>23,530</u>	<u>24,286</u>	<u>(756)</u>
Total expenditures	<u>\$ 1,973,747</u>	<u>\$ 1,822,047</u>	<u>\$ 151,700</u>

PARKS
AND
RECREATION
FUND

CHARTER TOWNSHIP OF BRIGHTON
PARKS AND RECREATION FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Due from other funds

\$ 75,000

FUND BALANCE

FUND BALANCE – RESERVED FOR PARKS AND RECREATION

\$ 75,000

CHARTER TOWNSHIP OF BRIGHTON
PARKS AND RECREATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2005

REVENUES	\$ 75,000
EXPENDITURES	<hr/>
Excess of revenues over expenditures	75,000
FUND BALANCE, APRIL 1, 2004	<hr/>
FUND BALANCE, MARCH 31, 2005	<u>\$ 75,000</u>

BUILDING
DEPARTMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUILDING DEPARTMENT FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 234,095
Due from other funds	224
Prepaid expenses	<u>3,544</u>

Total assets		<u>\$ 237,863</u>
--------------	--	-------------------

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 269
Accrued wages and vacation	7,062
Due to other funds	1,510
Payroll taxes withholding and payable	<u>376</u>

Total liabilities		\$ 9,217
-------------------	--	----------

FUND BALANCE

228,646

Total liabilities and fund balance		<u>\$ 237,863</u>
------------------------------------	--	-------------------

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, 2005

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES	\$ 254,350	\$ 484,859	\$ 230,509
EXPENDITURES			
Wages		84,842	
Payroll taxes		5,528	
Insurance – benefits		24,711	
Pension		10,589	
Electrical inspector		37,778	
Plumbing inspector		24,086	
Mechanical inspector		41,992	
Building inspections		23,323	
Plan review		13,925	
General liability insurance		6,073	
Supplies and postage		2,634	
Printing materials		3,069	
Small equipment		855	
Audit fees		1,840	
Consulting		3,098	
Legal		956	
Bank fees		301	
Telephone		679	
Meetings and conventions		2,333	
Fuels and lubricants		1,925	
Mileage		141	
Rent		13,325	
Repairs and maintenance		1,007	
Membership and dues		225	
Miscellaneous		707	
Capital outlay		9,345	
	<u>338,873</u>	<u>315,287</u>	<u>23,586</u>
Total expenditures			
Excess of revenues over (under) expenditures	(84,523)	169,572	254,095
FUND BALANCE, APRIL 1, 2004	<u>59,074</u>	<u>59,074</u>	
FUND BALANCE (DEFICIT) MARCH 31, 2005	<u>\$ (25,449)</u>	<u>\$ 228,646</u>	<u>\$ 254,095</u>

CHARTER TOWNSHIP OF BRIGHTON
 BUILDING DEPARTMENT FUND
 STATEMENT OF REVENUES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
License registration	\$	\$ 4,360	\$
Building permits		241,012	
Electrical permits		59,969	
Plumbing permits		38,630	
Mechanical permits		70,365	
Tenant occupancy permit		1,770	
Miscellaneous		176	
Grading and land use permits		15,770	
Zoning review fees		16,450	
Plan review fee		31,116	
Addressing		1,850	
Interest		3,391	
Total revenues	\$ 254,350	\$ 484,859	\$ 230,509

BUDGET
STABILIZATION
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUDGET STABILIZATION FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash and investments

\$ 365,592

FUND BALANCE

FUND BALANCE

\$ 365,592

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, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 11,000	\$ 10,819	\$ (181)
EXPENDITURES			
Excess of revenues over (under) expenditures	11,000	10,819	(181)
FUND BALANCE, APRIL 1, 2004	<u>354,773</u>	<u>354,773</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 365,773</u>	<u>\$ 365,592</u>	<u>\$ (181)</u>

LIQUOR LAW
ENFORCEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
LIQUOR LAW ENFORCEMENT FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS	
Cash	<u>\$ 43,849</u>

FUND BALANCE

FUND BALANCE	<u>\$ 43,849</u>
--------------	------------------

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, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
State shared revenues - liquor licenses	\$	\$ 5,896	\$
Interest		<u>524</u>	
Total revenues	5,700	6,420	720
EXPENDITURES			
Contracted services	<u>17,100</u>	<u>11,326</u>	<u>5,774</u>
Excess of revenues over (under) expenditures	(11,400)	(4,906)	6,494
FUND BALANCE, APRIL 1, 2004	<u>48,755</u>	<u>48,755</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 37,355</u>	<u>\$ 43,849</u>	<u>\$ 6,494</u>

ROAD
IMPROVEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
ROAD IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS
Cash

\$ 691,850

FUND BALANCE

FUND BALANCE

\$ 691,850

CHARTER TOWNSHIP OF BRIGHTON
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest	\$ 7,500	\$ 25,981	\$ 18,481
EXPENDITURES			
Project costs	_____	_____	_____
Excess of revenues over expenditures	7,500	25,981	18,481
FUND BALANCE, APRIL 1, 2004	<u>665,869</u>	<u>665,869</u>	_____
FUND BALANCE, MARCH 31, 2005	<u>\$ 673,369</u>	<u>\$ 691,850</u>	<u>\$ 18,481</u>

STREET IMPROVEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
STREET IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash	\$ 37,768
Due from county	<u>1,043</u>

Total assets	<u>\$ 38,811</u>
--------------	------------------

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 200
------------------	--------

FUND BALANCE

<u>38,611</u>

Total liabilities and fund balance	<u>\$ 38,811</u>
------------------------------------	------------------

CHARTER TOWNSHIP OF BRIGHTON
STREET IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessment	\$	\$ 18,656	\$
Interest income		<u>625</u>	
Total revenues	18,160	19,281	1,121
EXPENDITURES			
Contract expense	<u>19,392</u>	<u>21,796</u>	<u>(2,404)</u>
Excess of revenues (under) expenditures	(1,232)	(2,515)	(1,283)
FUND BALANCE, APRIL 1, 2004	<u>41,126</u>	<u>41,126</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 39,894</u>	<u>\$ 38,611</u>	<u>\$ (1,283)</u>

WOODLAND
LAKE AQUATICS
FUND

CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE AQUATICS FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash and cash equivalents
Due from county

\$ 63,183
4,397

Total assets

\$ 67,580

FUND BALANCE

FUND BALANCE

\$ 67,580

CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE AQUATICS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$	\$ 54,600	
Interest income		<u>426</u>	
Total revenues	55,900	55,026	(874)
EXPENDITURES			
Project costs	<u>55,300</u>	<u>43,809</u>	<u>11,491</u>
Excess of revenues over expenditures	600	11,217	10,617
FUND BALANCE, APRIL 1, 2004	<u>56,363</u>	<u>56,363</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 56,963</u>	<u>\$ 67,580</u>	<u>\$ 10,617</u>

CLARK LAKE
AQUATICS
FUND

CHARTER TOWNSHIP OF BRIGHTON
CLARK LAKE AQUATICS FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash and cash equivalents
Due from county

\$ 5,607
425

Total assets

\$ 6,032

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 3,539

FUND BALANCE

2,493

Total liabilities and fund balance

\$ 6,032

CHARTER TOWNSHIP OF BRIGHTON
 CLARK LAKE AQUATICS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessment	\$	\$ 6,100	\$
Interest income		14	
	<u>6,400</u>	<u>6,114</u>	<u>(286)</u>
Total revenues			
EXPENDITURES			
Project costs	<u>6,250</u>	<u>4,256</u>	<u>1,994</u>
Excess of revenues over expenditures	150	1,858	1,708
FUND BALANCE, APRIL 1, 2004	<u>635</u>	<u>635</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 785</u>	<u>\$ 2,493</u>	<u>\$ 1,708</u>

SUBDIVISION
PAVING
FUND

CHARTER TOWNSHIP OF BRIGHTON
SUBDIVISION PAVING FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 292,375
Due from county	2,675
Special assessment receivable	<u>102,528</u>
Total assets	<u>\$ 397,578</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds	\$ 931
Deferred revenue	<u>102,528</u>

Total liabilities \$ 103,459

FUND BALANCE

294,119

Total liabilities and fund balance \$ 397,578

CHARTER TOWNSHIP OF BRIGHTON
SUBDIVISION PAVING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$	\$ 68,175	\$
Interest income		<u>3,565</u>	
Total revenues	3,000	71,740	68,740
EXPENDITURES			
Project costs		<u>59,159</u>	<u>(59,159)</u>
Excess of revenues over expenditures	3,000	12,581	9,581
FUND BALANCE, APRIL 1, 2004	<u>281,538</u>	<u>281,538</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 284,538</u>	<u>\$ 294,119</u>	<u>\$ 9,581</u>

STREETLIGHT
FUND

CHARTER TOWNSHIP OF BRIGHTON
STREETLIGHT FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Special assessment receivable
Due from other funds

\$ 11,457
4,298

Total assets

\$ 15,755

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 1,176

FUND BALANCE

14,579

Total liabilities and fund balance

\$ 15,755

CHARTER TOWNSHIP OF BRIGHTON
STREETLIGHT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessments	\$ 12,339	\$ 11,456	\$ (883)
EXPENDITURES			
Utilities	<u>12,339</u>	<u>16,691</u>	<u>(4,352)</u>
Excess of revenues over (under) expenditures		(5,235)	(5,235)
FUND BALANCE, APRIL 1, 2004	<u>19,814</u>	<u>19,814</u>	<u> </u>
FUND BALANCE, MARCH 31, 2005	<u><u>\$ 19,814</u></u>	<u><u>\$ 14,579</u></u>	<u><u>\$ (5,235)</u></u>

SANITATION
FUND

CHARTER TOWNSHIP OF BRIGHTON
SANITATION FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash

\$ 35,644

Due from county

2,106

Total assets

\$ 37,750

FUND BALANCE

FUND BALANCE

\$ 37,750

CHARTER TOWNSHIP OF BRIGHTON
SANITATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$	\$ 41,310	\$
Interest		285	
Total revenues	43,192	41,595	(1,597)
EXPENDITURES			
Project costs	43,092	40,945	2,147
Excess of revenues over expenditures	100	650	550
FUND BALANCE, APRIL 1, 2004	37,100	37,100	
FUND BALANCE, MARCH 31, 2005	\$ 37,200	\$ 37,750	\$ 550

WOODLAND LAKE
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash and cash equivalents

\$ 49,243

FUND BALANCE

FUND BALANCE

Reserved for debt service

\$ 49,243

CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUE			
Interest	\$ 100	\$ 687	\$ 587
EXPENDITURES			
Miscellaneous			
Excess of revenues over expenditures	100	687	587
FUND BALANCE, APRIL 1, 2004	48,556	48,556	
FUND BALANCE, MARCH 31, 2005	\$ 48,656	\$ 49,243	\$ 587

WATER
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash

\$ 30,002

LIABILITIES AND FUND BALANCE (DEFICIT)

LIABILITIES

Due to other funds

\$ 144,671

Accrued interest - bonds

28,560

Total liabilities

\$ 173,231

FUND BALANCE (DEFICIT)

(143,229)

Total liabilities and fund balance (deficit)

\$ 30,002

CHARTER TOWNSHIP OF BRIGHTON
WATER DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUE			
Interest	\$	\$ 228	\$ 228
EXPENDITURES			
Interest - bond	81,300	68,546	12,754
Excess of revenues over expenditures	(81,300)	(68,318)	12,982
OTHER FINANCING SOURCES (USES)			
Transfers in	80,200		(80,200)
Transfers (out)	(47,564)	(47,564)	(47,564)
Total other financing sources (uses)	80,200	(47,564)	(127,764)
Excess of revenues over (under) expenditures and other financing sources (uses)	(1,100)	(115,882)	(114,782)
FUND BALANCE (DEFICIT), APRIL 1, 2004	(27,347)	(27,347)	
FUND BALANCE (DEFICIT), MARCH 31, 2005	\$ (28,447)	\$ (143,229)	\$ (114,782)

BUILDING
AUTHORITY
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUILDING AUTHORITY FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash

\$ 317,148

LIABILITIES AND FUND BALANCE

LIABILITIES

Accrued interest payable
Bonds payable
Due to other funds

\$ 43,790
245,000
4,999

Total liabilities

\$ 293,789

FUND BALANCE

23,359

Total liabilities and fund balance

\$ 317,148

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, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUE			
Interest	\$ <u>3,000</u>	\$ <u>4,227</u>	\$ <u>1,227</u>
EXPENDITURES			
Bond payment - principal		245,000	
Bond payment - interest		<u>106,024</u>	
Total expenditures	<u>385,963</u>	<u>351,024</u>	<u>34,939</u>
Excess of revenues over (under) expenditures before other financing source	(382,963)	(346,797)	36,166
OTHER FINANCING SOURCE			
Transfer in	<u>385,663</u>	<u>351,024</u>	<u>(34,639)</u>
Excess of revenues over (under) expenditures and other financing source	2,700	4,227	1,527
FUND BALANCE, APRIL 1, 2004	<u>19,132</u>	<u>19,132</u>	
FUND BALANCE, MARCH 31, 2005	<u>\$ 21,832</u>	<u>\$ 23,359</u>	<u>\$ 1,527</u>

WATER AUTHORITY
CAPITAL PROJECT
FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER AUTHORITY CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2005

REVENUES		\$	
Interest			1
EXPENDITURES			
Bank charges			<u>26</u>
Excess of revenues over (under) expenditures			(25)
OTHER FINANCING SOURCES			
Transfers in			<u>47,564</u>
Excess of revenues over (under) expenditures after other financing sources			<u>47,539</u>
FUND BALANCE (DEFICIT), APRIL 1, 2004			<u>(47,539)</u>
FUND BALANCE, MARCH 31, 2005		\$	<u><u> </u></u>

WATER FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 43,170	
Accounts receivable - water billings	17,939	
Due from other funds	416	
Due from county	13,161	
Prepaid expenses	<u>340</u>	
Total current assets		\$ 75,026

RESTRICTED ASSETS

Special assessment receivable		1,110,000
-------------------------------	--	-----------

PROPERTY AND EQUIPMENT

Land	617	
Equipment, improvements and system	<u>43,824</u>	
	44,441	
Less: accumulated depreciation	<u>(4,115)</u>	
Net property and equipment		<u>40,326</u>
Total assets		<u>\$ 1,225,352</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 10,775	
Due to other funds (from restricted assets)	<u>1,151,310</u>	
Total liabilities		\$ 1,162,085

FUND EQUITY

Retained earnings - unreserved		<u>63,267</u>
Total liabilities and fund equity		<u>\$ 1,225,352</u>

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2005

OPERATING REVENUES	
Water billings and late charges	<u>\$ 69,804</u>
OPERATING EXPENSES	
Audit fees	552
Temporary employment services	555
Contracted services	9,699
Computer support	171
Water purchases	46,151
Depreciation	1,096
Repairs and maintenance	3,588
Supplies	92
Postage	289
Miscellaneous	528
Insurance	<u>1,309</u>
Total operating expenses	<u>64,030</u>
Operating income	<u>5,774</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest income - cash and cash equivalents	2,015
Interest income - special assessments	72,329
Interest expense	(151,929)
Miscellaneous income	<u>387</u>
Total non-operating revenues (expense)	<u>(77,198)</u>
CAPITAL CONTRIBUTIONS	
Tap-in fees	<u>17,728</u>
Net (loss)	(53,696)
RETAINED EARNINGS, APRIL 1, 2004	<u>116,963</u>
RETAINED EARNINGS, MARCH 31, 2005	<u><u>\$ 63,267</u></u>

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2005

CASH FLOWS FROM (USED IN) OPERATING
ACTIVITIES

Operating income	<u>\$ 5,774</u>
Adjustments to reconcile operating income to net cash from (used in) operating activities	
Depreciation	1,096
Other income	387
Changes in assets and liabilities	
Decrease in accounts receivable	6,215
(Increase) in prepaid expenses	(51)
(Decrease) in accounts payable	(2,456)
(Increase) in due from other funds	(284)
(Decrease) in due to other fund	<u>(225,719)</u>
Total adjustments	<u>(220,812)</u>
Net cash (used in) operating activities	<u>(215,038)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Addition to system	(14,580)
Special assessments collected	97,200
Tap-in fees collected	17,728
Interest paid on interfund loan	<u>(151,929)</u>
Net cash from (used in) capital and related financing activities	<u>(51,581)</u>

CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES

Interest	<u>74,344</u>
Net (decrease) in cash and cash equivalents	(192,275)

CASH AND CASH EQUIVALENTS, APRIL 1, 2004	<u>235,445</u>
--	----------------

CASH AND CASH EQUIVALENTS, MARCH 31, 2005	<u><u>\$ 43,170</u></u>
---	-------------------------

SEWER
FUND

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 9,638
Accounts receivable - usage	109,573
Accounts receivable - property owners reimbursement	1,299
Accounts receivable - property deferrals	17,695
Prepaid expenses - insurance	12,070
Due from county - delinquents	8,257
Due from other funds	<u>1,510</u>

Total current assets \$ 160,042

RESTRICTED ASSETS

Cash and cash equivalents	3,112,547
Accounts receivable - capital charge (usage)	54,899
Special assessments receivable	13,799,728
Due from county -delinquents (SAD)	<u>446,321</u>

Total restricted assets 17,413,495

FIXED ASSETS

Land	1,394,414
Sewer plant	9,728,042
Sewer collection system	17,181,047
Pumps and equipment	3,421,551
Office furniture and equipment	<u>22,500</u>
	31,747,554
Less: accumulated depreciation	<u>(2,118,217)</u>

Net fixed assets 29,629,337

Total assets \$ 47,202,874

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES (from unrestricted assets)		
Accounts payable	\$ 4,858	
Due to other funds	416	
Due to general fund - property deferrals	16,011	
Due to general fund - operating loan	<u>658,749</u>	
Total current liabilities (from unrestricted assets)		\$ 680,034
CURRENT LIABILITIES (from restricted assets)		
Accounts payable	68,763	
Bonds payable	<u>1,420,000</u>	
Total current liabilities (from restricted assets)		1,488,763
LONG-TERM LIABILITIES (from restricted assets)		
Bonds payable		<u>24,090,000</u>
Total liabilities		26,258,797
FUND EQUITY		
Retained earnings - reserved	21,034,912	
Retained earnings - unreserved (deficit)	<u>(90,835)</u>	
Total fund equity		<u>20,944,077</u>
Total liabilities and fund equity		<u>\$ 47,202,874</u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 2005

	<u>Unreserved Retained Earnings</u>	<u>Retained Earnings Reserved</u>	<u>Total Fund Equity</u>
BEGINNING BALANCES, APRIL 1, 2004 - before prior period adjustment	\$ (127,946)	\$ 19,964,596	\$ 19,836,650
OPERATING (LOSS)	(566,808)		(566,808)
ADJUSTMENTS			
Sewer usage - capital charges	(216,600)	216,600	
Tap-in fees (new users)		968,612	968,612
Depreciation expense	828,925	(828,925)	
Special assessments levied		1,081,992	1,081,992
Other Income (expenses)	(4,109)	4,109	
INTEREST INCOME - BANKS		42,767	42,767
INTEREST INCOME - SPECIAL ASSESSMENTS		905,357	905,357
INTEREST EXPENSE - GENERAL FUND LOAN	(4,297)	(8,620)	(12,917)
INTEREST EXPENSE - BONDS		(1,311,188)	(1,311,188)
AGENT FEES - BONDS	<u> </u>	<u>(388)</u>	<u>(388)</u>
BALANCES, MARCH 31, 2005	<u>\$ (90,835)</u>	<u>\$ 21,034,912</u>	<u>\$ 20,944,077</u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2005

OPERATING REVENUES		
Sewer usage	\$ 450,192	
Sewer usage - capital charges	216,600	
Other revenue	<u>14,938</u>	
Total operating revenues		\$ 681,730
OPERATING EXPENSES		
Audit services	2,392	
Computer services	1,713	
Consulting	12,994	
Miss Dig expenses	22,451	
Contracted services	173,391	
Depreciation expense	828,925	
Permit fees	6,075	
Legal	109	
Liability insurance	46,326	
Mileage	52	
Miscellaneous expenses	3,289	
Per diem - sewer committee	700	
Repairs and maintenance - equipment	7,745	
Repairs and maintenance - grounds	17,998	
Supplies	21,583	
Telephone	19,361	
Utilities	71,282	
Personnel and temporary employment services	<u>12,152</u>	
Total operating expenses		<u>1,248,538</u>
Operating (loss)		(566,808)
NON-OPERATING REVENUES (EXPENSES)		
Interest income - banks	42,767	
Interest income - special assessment	905,357	
Interest (expense) - general fund loan	(12,917)	
Interest (expense) - bonds	(1,311,188)	
Agent fees - bonds	<u>(388)</u>	
Total non-operating (expenses)		(376,369)
CAPITAL CONTRIBUTIONS		
Tap-in fees (new users)	968,612	
Special assessments levied	<u>1,081,992</u>	
Total capital contributions		<u>2,050,604</u>
Net income		1,107,427
RETAINED EARNINGS, APRIL 1, 2004		<u>19,836,650</u>
RETAINED EARNINGS, MARCH 31, 2005		<u>\$ 20,944,077</u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2005

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Operating (loss)	\$ (566,808)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities	
Depreciation expense	\$ 828,925
Changes in assets and liabilities	
(Increase) in accounts receivable	(3,586)
(Increase) in prepaid expenses	(490)
(Increase) in due from county	(84,887)
(Increase) in due from other funds	(279)
Increase in accounts payable	57,923
Increase in due to other funds	<u>444,720</u>
Total adjustments	<u>1,242,326</u>
Net cash from operating activities	675,518
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	
Additions to system	(946,400)
Tap-in fees collected	968,612
Special assessment collections - principle	1,077,988
Bond proceeds	760,000
Repayment of bonds payable principle	(1,375,000)
Interest expense paid out	(1,324,105)
Agent fees paid out - bonds	<u>(388)</u>
Net cash (used in) capital and related financing activities	(839,293)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	
Interest income - received	<u>948,124</u>
Net increase in cash and cash equivalents	784,349
CASH AND CASH EQUIVALENTS, APRIL 1, 2004	<u>2,337,836</u>
CASH AND CASH EQUIVALENTS, MARCH 31, 2005	<u><u>\$ 3,122,185</u></u>

TRUST
AND
AGENCY
FUND

CHARTER TOWNSHIP OF BRIGHTON
TRUST AND AGENCY FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash

\$ 298,727

LIABILITIES

LIABILITIES

Due to other funds

\$ 5,104

Due to others

293,623

Total liabilities

\$ 298,727

CURRENT
TAX
COLLECTION
FUND

CHARTER TOWNSHIP OF BRIGHTON
CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS

Cash

\$ 28,624

LIABILITIES

LIABILITIES

Due to other funds

\$ 21,971

Due to others

6,653

Total liabilities

\$ 28,624

CONSTRUCTION
ESCROW
FUND

CHARTER TOWNSHIP OF BRIGHTON
CONSTRUCTION ESCROW FUND
BALANCE SHEET
MARCH 31, 2005

ASSETS

ASSETS
Cash

\$ 46,267

LIABILITIES

LIABILITIES

Performance deposits
Due to other funds

\$ 45,749
518

Total liabilities

\$ 46,267