

CHARTER TOWNSHIP OF BRIGHTON

Report on Audit of Financial Statements and Supplementary Information

For the Year Ended March 31, 2010

CHARTER TOWNSHIP OF BRIGHTON

TOWNSHIP OFFICIALS

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

BOARD OF TRUSTEES

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

TOWNSHIP ATTORNEY

John K. Harris
Harris & Leterski

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

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June 4, 2010

Board of Trustees
Charter Township of Brighton
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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, 2010, which collectively comprise the Charter Township of Brighton's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Brighton's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Charter Township of Brighton, as of March 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

As discussed in Note 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 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, 2010

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, 2010. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

Both government-wide financial statements distinguish governmental activities of the Township that are principally supported by taxes and revenue sharing from the business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include such activities as general government, public safety, and planning and zoning departments. Business-type activities include water & sewer system operations. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

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

Fund Financial Statements

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

The Township has three kinds of funds:

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

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

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

Notes to the financial statements

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

Other information

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

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

Financial Analysis of the Township as a Whole

The Township's net assets at the end of the fiscal year were \$32,451,912. This is a \$94,967 decrease over last year's net assets of \$32,546,879.

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

	Summary of Net Assets					
	Governmental Activities		Business-type Activities		Totals	
	<u>3/31/2010</u>	<u>3/31/2009</u>	<u>3/31/2010</u>	<u>3/31/2009</u>	<u>3/31/2010</u>	<u>3/31/2009</u>
Current and other assets	\$ 13,604,171	\$ 12,506,466	\$ 10,996,009	\$ 13,052,663	\$ 24,600,180	\$ 25,559,129
Capital assets	<u>4,070,421</u>	<u>4,889,636</u>	<u>25,904,323</u>	<u>26,763,681</u>	<u>29,974,744</u>	<u>31,653,317</u>
Total assets	<u>17,674,592</u>	<u>17,396,102</u>	<u>36,900,332</u>	<u>39,816,344</u>	<u>54,574,924</u>	<u>57,212,446</u>
Other liabilities	680,918	791,131	52,094	749,436	733,012	1,540,567
Long-term liabilities	<u>3,015,000</u>	<u>3,175,000</u>	<u>18,375,000</u>	<u>19,950,000</u>	<u>21,390,000</u>	<u>23,125,000</u>
Total liabilities	<u>3,695,918</u>	<u>3,966,131</u>	<u>18,427,094</u>	<u>20,699,436</u>	<u>22,123,012</u>	<u>24,665,567</u>
Net assets:						
Invested in capital assets, net of related debt	2,505,421	3,209,636	7,529,323	6,813,681	10,034,744	10,023,317
Unrestricted	<u>11,473,253</u>	<u>10,220,335</u>	<u>10,943,915</u>	<u>12,303,227</u>	<u>22,417,168</u>	<u>22,523,562</u>
Total net assets	<u>\$ 13,978,674</u>	<u>\$ 13,429,971</u>	<u>\$ 18,473,238</u>	<u>\$ 19,116,908</u>	<u>\$ 32,451,912</u>	<u>\$ 32,546,879</u>

Summary of Changes in Net Assets

	Governmental Activities		Business-type Activities		Totals	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009	3/31/2010	3/31/2009
REVENUES						
Program revenues						
Charges for services	\$ 675,832	\$ 924,316	\$ 961,405	\$ 881,094	\$ 1,637,237	\$ 1,805,410
Operating grants and contributions	177,096	312,917			177,096	312,917
Capital contributions		760,901	52,380	109,000	52,380	869,901
General revenues						
State shared revenues	1,097,036	1,215,903			1,097,036	1,215,903
Property taxes	951,381	961,003			951,381	961,003
Interest	177,135	375,752	573,837	672,251	750,972	1,048,003
Other	(409,769)	324,736			(409,769)	324,736
Transfers		1,766		(1,766)		
Total revenues	<u>2,668,711</u>	<u>4,877,294</u>	<u>1,587,622</u>	<u>1,660,579</u>	<u>4,256,333</u>	<u>6,537,873</u>
EXPENSES						
General government	1,526,114	1,852,920			1,526,114	1,852,920
Public safety	82,067	79,688			82,067	79,688
Recreation	60,903	62,403			60,903	62,403
Public works/roads	307,564	1,033,319			307,564	1,033,319
Interest on long-term debt	143,360	149,827			143,360	149,827
Water and sewer system			2,231,292	2,332,474	2,231,292	2,332,474
Total expenses	<u>2,120,008</u>	<u>3,178,157</u>	<u>2,231,292</u>	<u>2,332,474</u>	<u>4,351,300</u>	<u>5,510,631</u>
Changes in net assets before special item	548,703	1,699,137	(643,670)	(671,895)	(94,967)	1,027,242
Special item - contingent liability		2,573,254				2,573,254
Changes in net assets and special item	548,703	4,272,391	(643,670)	(671,895)	(94,967)	3,600,496
Beginning net assets	13,429,971	9,140,520	19,116,908	19,788,803	32,546,879	28,929,323
Prior period adjustment		17,060				17,060
Ending net assets	<u>\$ 13,978,674</u>	<u>\$ 13,429,971</u>	<u>\$ 18,473,238</u>	<u>\$ 19,116,908</u>	<u>\$ 32,451,912</u>	<u>\$ 32,546,879</u>

The governmental funds experienced a moderate increase in equity due to lessened amounts of litigation.

The business-type activities showed a decrease in net assets of \$643,670. The Township managed to keep expenses similar to the prior fiscal year, but the new users are not forthcoming for the waste water treatment plant. Additional users will be needed to remedy these losses.

Financial Analysis of the Township's Major Funds

The Township's General Fund increased its fund balance by \$775,800, due to the general decrease in activity and lack of litigation costs.

The Township's only major business-type fund, the Sewer Fund, reported a decrease in net assets of \$643,670 and a decrease in cash and equivalents of \$395,136. This system is fairly new in operations and is still adding users to its system.

General Fund Budgetary Highlights

The General Fund adopted its budget prior to the fiscal year in accordance with Public Act 493 of 2000. Actual excess of revenues over expenditures exceeded that of the budget by \$538,835. This is due to the Township having to reverse the large environmental liability. Several immaterial budget amendments were made during the year to bring the budget closer to economic reality.

Capital Asset and Debt Administration

The Township acquired \$69,000 of new streetlights during the year for its only capital assets acquired during the year.

The governmental funds issued no debt during the year, but paid \$160,000 of principal on the bonds associated with the Township hall and other capital improvements. A total of \$3,015,000 remains for all governmental fund debt.

The business-type activities made no capital acquisitions during the year ended March 31, 2010.

Total debt outstanding at the beginning of the year on business-type activities totaled \$19,950,000. During the year, the Township retired \$1,575,000 of debt, leaving \$18,375,000 at fiscal year end.

Economic Conditions and Future Activities

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

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

Contacting the Township's Financial Management

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

BASIC
FINANCIAL
STATEMENTS

GOVERNMENT - WIDE
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF NET ASSETS
MARCH 31, 2010

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
ASSETS			
Cash, cash equivalents and investments	\$ 11,408,033	\$ 2,101,454	\$ 13,509,487
Receivables			
Taxes	109,316		109,316
State shared revenues	166,529		166,529
Intergovernmental	649,027	(649,027)	
Accounts	171,614	302,593	474,207
Special assessments	1,060,407	8,815,454	9,875,861
Prepaid expenses	39,245	7,440	46,685
Inventory		47,448	47,448
Bonds issuance - net of amortization		370,647	370,647
Capital assets			
Non-depreciable	684,734	1,395,224	2,079,958
Depreciable - net of accumulated depreciation	3,385,687	24,509,099	27,894,786
Total assets	17,674,592	36,900,332	54,574,924
<u>LIABILITIES</u>			
LIABILITIES			
Accounts payable	44,577	52,094	96,671
Accrued wages/taxes	37,661		37,661
Pollution remediation obligation	598,680		598,680
Bonds payable			
Current	170,000	1,580,000	1,750,000
Non-current	2,845,000	16,795,000	19,640,000
Total liabilities	3,695,918	18,427,094	22,123,012
<u>NET ASSETS</u>			
NET ASSETS			
Invested in capital assets, net of related debt	2,505,421	7,529,323	10,034,744
Unrestricted	11,473,253	10,943,915	22,417,168
Total net assets	\$ 13,978,674	\$ 18,473,238	\$ 32,451,912

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Programs Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Contributions</u>
GOVERNMENTAL ACTIVITIES				
General government	\$ (1,526,114)	\$ 434,370	\$	\$
Public works	(257,060)	214,557	177,096	
Recreation	(60,903)	800		
Roads	(40,903)	25,030		
Public safety	(82,067)			
Cemetery	(9,601)	1,075		
Interest on long-term debt	(143,360)			
Total governmental activities	<u>(2,120,008)</u>	<u>675,832</u>	<u>177,096</u>	
Business-type activities				
Sewer system	(2,231,292)	961,405		52,380
Total	<u>\$ (4,351,300)</u>	<u>\$ 1,637,237</u>	<u>\$ 177,096</u>	<u>\$ 52,380</u>

General revenues
Property taxes
State shared revenues
Interest income
Rental income
Franchise fees
Other income
Loss on disposal of capital assets

Total general revenues
and transfers

Changes in net assets

Net assets, April 1, 2009

Net assets, March 31, 2010

The notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes
in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (1,091,744)	\$	\$ (1,091,744)
134,593		134,593
(60,103)		(60,103)
(15,873)		(15,873)
(82,067)		(82,067)
(8,526)		(8,526)
(143,360)		(143,360)
<u>(1,267,080)</u>		<u>(1,267,080)</u>
	<u>(1,217,507)</u>	<u>(1,217,507)</u>
<u>(1,267,080)</u>	<u>(1,217,507)</u>	<u>(2,484,587)</u>
951,381		951,381
1,097,036		1,097,036
177,135	573,837	750,972
87,726		87,726
265,679		265,679
6,427		6,427
(769,601)		(769,601)
<u>1,815,783</u>	<u>573,837</u>	<u>2,389,620</u>
548,703	(643,670)	(94,967)
<u>13,429,971</u>	<u>19,116,908</u>	<u>32,546,879</u>
<u>\$ 13,978,674</u>	<u>\$ 18,473,238</u>	<u>\$ 32,451,912</u>

FUND
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2010

ASSETS

ASSETS

Cash, cash equivalents and investments	\$ 7,200,648	\$ 4,207,385	\$ 11,408,033
Receivables			
Taxes	109,316		109,316
Special assessments	577,080	483,327	1,060,407
State shared revenues	166,529		166,529
Accounts	56,781	113,050	169,831
Due from other funds/advances	1,359,314	199,697	1,559,011
Prepaid expenditures	32,487	6,758	39,245
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 9,502,155</u>	<u>\$ 5,010,217</u>	<u>\$ 14,512,372</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 35,361	\$ 9,216	\$ 44,577
Accrued wages and absences	37,661		37,661
Due to other funds/advances	44,518	863,683	908,201
Contingent liability	598,680		598,680
Deferred revenues	577,080	447,337	1,024,417
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>1,293,300</u>	<u>1,320,236</u>	<u>2,613,536</u>

FUND BALANCES

Unreserved			
Undesignated	4,281,550	281,979	4,563,529
Designated for sewer debt	2,573,254		2,573,254
Reserved			
Intergovernmental advances	1,354,051	155,121	1,509,172
Parks and recreation		832,261	832,261
Debt service		244,853	244,853
Public safety		60,825	60,825
Public works		2,114,942	2,114,942
	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>8,208,855</u>	<u>3,689,981</u>	<u>11,898,836</u>
	<u>\$ 9,502,155</u>	<u>\$ 5,010,217</u>	<u>\$ 14,512,372</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, 2010

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

Total fund balance per balance sheet		\$ 11,898,836
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		
Historical cost	\$ 6,433,289	
Depreciation	<u>(2,362,868)</u>	
Capital assets net of depreciation		4,070,421
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Bonds payable		(3,015,000)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements when they were assessed.		
		<u>1,024,417</u>
Net assets of governmental activities		<u><u>\$ 13,978,674</u></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, 2010

	<u>General Fund</u>	<u>Other Non-major Funds</u>	<u>Total</u>
REVENUES			
Taxes	\$ 951,381	\$	\$ 951,381
Special assessments	155,050	129,712	284,762
Intergovernmental - state	1,089,496	7,540	1,097,036
Licenses and permits	1,600	94,519	96,119
Rental income	87,726		87,726
Charges for services	339,326	240,387	579,713
Interest	74,449	26,934	101,383
Cable franchise fees	265,679		265,679
Grant - state	3,245		3,245
Grant - federal		173,851	173,851
Miscellaneous	6,377	50	6,427
	<u>2,974,329</u>	<u>672,993</u>	<u>3,647,322</u>
Total revenues			
EXPENDITURES			
Current			
General government	1,291,704	159,534	1,451,238
Public works	19,641	237,419	257,060
Public safety	22,464	18,470	40,934
Recreation	60,903		60,903
Cemetery	6,996		6,996
Road improvements/maintenance	24,704	16,199	40,903
Capital outlay			
Public safety		69,000	69,000
Debt service			
Principal		160,000	160,000
Interest and fiscal charges		143,360	143,360
	<u>1,426,412</u>	<u>803,982</u>	<u>2,230,394</u>
Total expenditures			
Excess of revenues over (under) expenditures	<u>1,547,917</u>	<u>(130,989)</u>	<u>1,416,928</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		911,134	911,134
Transfers (out)	(772,117)	(139,017)	(911,134)
	<u>(772,117)</u>	<u>772,117</u>	<u></u>
Total other financing sources (uses)			
Net changes in fund balances	775,800	641,128	1,416,928
FUND BALANCE, APRIL 1, 2009	<u>7,433,055</u>	<u>3,048,853</u>	<u>10,481,908</u>
FUND BALANCE, MARCH 31, 2010	<u>\$ 8,208,855</u>	<u>\$ 3,689,981</u>	<u>\$ 11,898,836</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, 2010

Net change in fund balances - governmental funds		\$ 1,416,928
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their useful lives as depreciation expense. The amount by which depreciation exceeded capital outlay is as follows:</p>		
Capital outlay	\$ 69,000	
Depreciation expense	<u>(118,614)</u>	
Total		(49,614)
<p>Abandonment of construction project previously included in construction in progress has no effect on the governmental funds, but is a gain/loss for the Statement of Activities</p>		
		(769,601)
<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		160,000
<p>Principal received on special assessments are income as they are levied annually for governmental funds, but they are income</p>		
Principal collected on assessments		<u>(209,010)</u>
Change in net assets of governmental activities		<u>\$ 548,703</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF NET ASSETS
PROPRIETARY FUND
MARCH 31, 2010

ASSETS

	<u>Sewer Fund</u>
Cash and cash equivalents	\$ 2,101,454
Receivables	
Accounts	302,593
Special assessments	8,815,454
Prepaid expenses	7,440
Inventory	47,448
Bond issuance costs - net of amortization of \$101,085	370,647
Total assets	11,645,036
Capital assets	
Land	1,395,224
Utility systems	30,920,452
Total cost	32,315,676
Less accumulated depreciation	(6,411,353)
Capital assets, net	25,904,323
Total assets	37,549,359

LIABILITIES

Accounts payable	6,319
Due to other funds	649,027
New connections - escrow funds	45,775
Bonds payable	18,375,000
Total liabilities	19,076,121

NET ASSETS

Net assets	
Invested in capital assets, net of related debt	7,529,323
Unrestricted	10,943,915
Total net assets	\$ 18,473,238

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, 2010

	<u>Sewer Fund</u>
OPERATING REVENUES	
Utility billings	\$ 950,827
Other revenues	<u>10,578</u>
Total operating revenues	961,405
OPERATING EXPENSES	<u>1,393,557</u>
Operating income (loss)	<u>(432,152)</u>
NON-OPERATING REVENUES	
Interest income - special assessments	565,032
Interest income - cash and equivalents	8,805
Interest (expense)	<u>(837,735)</u>
Total non-operating revenues (expenses)	<u>(263,898)</u>
Loss before capital contribution	(696,050)
CAPITAL CONTRIBUTIONS	
Tap-in fees collected	<u>52,380</u>
Net income (loss)	(643,670)
NET ASSETS, APRIL 1, 2009	<u>19,116,908</u>
NET ASSETS, MARCH 31, 2010	<u><u>\$ 18,473,238</u></u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2010

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Receipts from customers and users	\$ 916,701	
Other receipts	10,578	
Payments to suppliers and others	<u>(544,928)</u>	
Net cash from operating activities		382,351
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on bonds	(1,575,000)	
Interest paid on bonds and advances	(827,752)	
Collections of special assessment (principal and interest)	1,564,080	
Tap fees (new users)	<u>52,380</u>	
Net cash (used in) capital and related financing activities		(786,292)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Interest received on cash and cash equivalents		<u>8,805</u>
Net (decrease) in cash		(395,136)
CASH AND CASH EQUIVALENTS, APRIL 1, 2009		<u>2,496,590</u>
CASH AND CASH EQUIVALENTS, MARCH 31, 2010		<u><u>\$ 2,101,454</u></u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH		
FROM (USED IN) OPERATING ACTIVITIES		
Operating income (loss)		\$ (432,152)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities		
Depreciation/amortization	893,053	
(Increase) in accounts and delinquent receivable	(34,127)	
Changes in assets and liabilities		
Decrease in inventory	5,465	
(Increase) in prepaid insurance	(1,573)	
(Decrease) in accounts payable	(35,561)	
(Decrease) in new connection escrow	(4,225)	
(Decrease) in due to other funds	<u>(8,529)</u>	
Total adjustments		<u>814,503</u>
Net cash and cash equivalents from (used in) operating activities		<u><u>\$ 382,351</u></u>

Non-cash capital and related financing transactions did not occur during the year ended March 31, 2010

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
MARCH 31, 2010

	Trust and Agency	Current Tax	Construction Escrow	Totals
<u>ASSETS</u>				
ASSETS				
Cash	\$ 67,016	\$ 1,665	\$ 72,956	\$ 141,637
<u>LIABILITIES</u>				
LIABILITIES				
Due to other funds	\$ 104	\$ 1,665	\$ 13	\$ 1,782
Due to others	66,912		72,943	139,855
Total liabilities	\$ 67,016	\$ 1,665	\$ 72,956	\$ 141,637

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, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. BASIC FINANCIAL STATEMENTS

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

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

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

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The Township reports the following major governmental fund:

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

The Township reports the following major enterprise fund:

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

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

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

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs. The Township currently maintains an agency fund to account for the monies collected and paid on behalf of developer's escrow accounts.

C. CAPITAL ASSETS

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

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the Township) are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Real property is considered capital assets regardless of initial cost.

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

D. ACCRUED COMPENSATED ABSENCES

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

E. BUDGETARY DATA

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

The Township manager prepares the annual budgets through information received by the clerk. The proposed budget is then submitted for discussion and approved by the entire Township board. The budget is approved by activity rather than line item. If and when it becomes necessary to amend certain amounts in the budget, a proposal outlining the desired changes is made to and approved by the Township board at any of their regular meetings. Budget appropriations made, but not expended by year end, will lapse with the fiscal year end.

For the year ended March 31, 2010, expenditures did not exceed appropriations in any fund in which budgeting was required by law.

F. PROPERTY TAXES

The Township's property taxes are levied and become a lien on each December 1st based on the taxable valuation of property located in the Township as of the preceding December 31st. These taxes are due on February 14, with the final collection date of February 29. The Township recognized the amount levied December 1, 2009 as revenue for the year ended March 31, 2010.

The 2009 adjusted taxable value totaled \$ 1,042,314,557. Taxes levied consisted of .9073 mills for Township operating purposes. The delinquent real property taxes of Charter Township of Brighton are purchased by Livingston County. The county sells tax notes, the proceeds of which will be used to pay the Township for these property taxes.

G. MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. INVESTMENTS

Investments are stated at fair value.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. CASH EQUIVALENTS

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

J. RISK MANAGEMENT

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

K. INVENTORIES AND PREPAID ITEMS

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

L. CAPITALIZATION OF INTEREST

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

M. INCOME TAXES

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

NOTE 2 - DESCRIPTION OF REPORTING ENTITY

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 3 - INTERFUND TRANSACTIONS AND BALANCES

Interfund transfers for the year ended March 31, 2010 were as follows:

<u>Transfer in</u>	<u>Transfer out</u>	<u>Purpose</u>	<u>Amount</u>
Parks Fund	General Fund	Save funds for future capital improvements	\$ 150,000
Cemetery Fund	General Fund	Save funds for future capital improvements	10,000
Liquor Law Fund	General Fund	Provide for additional public safety funds	16,200
Building Authority Fund	General Fund	To provide for the debt service for the Township hall expansion project	193,676
Pathways Fund	General Fund	Save funds for future capital improvements	10,000
Municipal Water Fund	General Fund	Provide match for federal grant	142,241
Water Debt Service Fund	Municipal Water Fund	Municipal Water Fund is now provided the resources to service this debt	109,321
Conference Center Drive Water Construction Fund	Municipal Water Fund	Provide resources to close out project	19,718
Future Road Improvement Fund	Road Projects Fund	Repay prior years' resources for project costs	9,978
Future Road Improvement	General Fund	Provide current year resources for project costs	<u>250,000</u>
			<u><u>\$ 911,134</u></u>

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 3 - INTERFUND TRANSACTIONS AND BALANCES (continued)

Interfund balances between individual funds of the Township, as reported in the fund financial statements, as of March 31, 2010:

Receivable Fund	Payable Fund	Purpose	March 31, 2010 Balance
<u>Interfund balances due to/from</u>			
General Fund	Budget Stabilization	Reimbursement between funds	\$ 234
General Fund	Current Tax	Reimbursement between funds	1,665
General Fund	Trust and Agency	Reimbursement between funds	104
General Fund	Sewer	Reimbursement between funds	3,195
General Fund	Construction Escrow	Reimbursement between funds	13
Building Authority	General Fund	Reimbursement between funds	41,951
Municipal Water	Water Debt Service	Reimbursement between funds	58
Street Lighting	General Fund	Reimbursement between funds	2,567
General Fund	Building Department Fund	Reimbursement between funds	51
Total interfund balances due to/from			\$ 49,838
 <u>Interfund advances to/from</u>			
General Fund	Municipal Water	Finance project costs	\$ 525,600
General Fund	Sewer	Fund cash flow deficits	214,832
General Fund	Sewer	Fund debt service requirements	431,000
General Fund	Lakeshore SAD	Finance project costs	182,619
Future Road Improvement	Road Projects	Finance project costs	155,121
Total interfund advances to/from			\$ 1,509,172

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2010, was as follows:

	Balance 4/1/2009	Additions	Deletions	Balance 3/31/2010
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 684,734	\$	\$	\$ 684,734
Construction in progress	769,601		769,601	
Total capital assets not being depreciated	1,454,335		769,601	684,734
Other capital assets:				
Buildings and improvements	5,480,170			5,480,170
Vehicles and equipment	204,824	69,000	5,439	268,385
Total other capital assets at historical cost	5,684,994	69,000	5,439	5,748,555
Less accumulated depreciation for:				
Buildings and improvements	(2,069,306)	(111,476)		(2,180,782)
Vehicles and equipment	(180,387)	(7,138)	(5,439)	(182,086)
Total accumulated depreciation	(2,249,693)	(118,614)	(5,439)	(2,362,868)
Other capital assets, net	3,435,301	(49,614)		3,385,687
Governmental capital assets, net	\$ 4,889,636	\$ (49,614)	\$ 769,601	4,070,421
Related long-term debt outstanding at March 31, 2009				(1,565,000)
Governmental capital assets, net related long-term debt				\$ 2,505,421

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 74,876
Public safety	41,133
Cemetery	2,605
	\$ 118,614

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 4 - CAPITAL ASSETS (continued)

	Balance 4/1/2009	Additions	Deletions	Balance 3/31/2010
Business-type activities:				
Capital assets not being depreciated				
Land - sewer	\$ 1,395,224	\$	\$	\$ 1,395,224
Other capital assets:				
Plant and collection system - sewer	30,897,952			30,897,952
Furniture and fixtures - sewer	22,500			22,500
Total other capital assets at historical cost	30,920,452			30,920,452
Less accumulated depreciation for:				
Plant and collection system - sewer	(5,529,495)	(859,358)		(6,388,853)
Furniture and fixtures - sewer	(22,500)			(22,500)
Total accumulated depreciation	(5,551,995)	(859,358)		(6,411,353)
Other capital assets, net	25,368,457	(859,358)		24,509,099
Business-type capital assets, net	\$ 26,763,681	\$ (859,358)	\$	\$ 25,904,323
Related long-term debt outstanding at March 31, 2010				(18,375,000)
Governmental capital assets, net related long-term debt				\$ 7,529,323
Depreciation was charged to functions as follows:				
Business-type activities:				
Sewer service	\$ 859,358			

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2010

NOTE 5 - EMPLOYEES' RETIREMENT SYSTEM - DEFINED BENEFIT PLAN

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

Plan Description

The Township is in an agent multi-employer-defined benefit pension plan with the Municipal Employees' Retirement System (MERS), administered by the State of Michigan. Total Township payroll for the year ended March 31, 2010 was \$690,043.

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

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

Each member contributes five percent of his or her annual compensation. The percentage is selected by the member's municipality. 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, 2010 were \$44,228.

At December 31, 2008, the over-funded pension benefit obligation was \$79,421, determined as follows:

Actuarial Accrued Liability

Retirees and beneficiaries currently receiving benefits	\$ 430,877
Terminated employees not yet receiving benefits (vested and non-vested)	
Non-vested terming	316,698
Current employees -	
Accumulated employee contributions including allocated investment income	156,782
Employer financed	<u>444,385</u>
Total actuarial accrued liability	1,348,742
Net assets available for benefits at actuarial value	<u>1,428,163</u>
Over-funded actuarial accrued liability	<u>\$ 79,421</u>

The Township's annual required contribution was \$30,288 as of December 31, 2008. The combined change in the pension benefit obligation resulting from benefit changes, if any, and revisions in actuarial assumptions is 0.055889 for under funded liabilities. Total covered payroll for participants was \$491,956.

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2010

NOTE 6 - LONG-TERM DEBT

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

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.

The changes in the long-term debt of governmental activities are as follows:

	<u>Balance 4/01/2009</u>	<u>Additions</u>	<u>Payments & Deductions</u>	<u>Balance 3/31/2010</u>	<u>Due in one year</u>
BONDS PAYABLE					
Building Authority Bonds, Series 1999	\$ 1,680,000	\$	\$ 115,000	\$ 1,565,000	\$ 125,000
Capital Improvement Bonds Series 2003	<u>1,495,000</u>		<u>45,000</u>	<u>1,450,000</u>	<u>45,000</u>
Total bonds payable	<u>\$ 3,175,000</u>	<u>\$</u>	<u>\$ 160,000</u>	<u>\$ 3,015,000</u>	<u>\$ 170,000</u>

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

	<u>Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2010 - 2011	170,000	135,944
2011 - 2012	180,000	128,471
2012 - 2013	185,000	120,464
2013 - 2014	200,000	111,879
2014 - 2015	210,000	102,664
2015 - 2020	1,215,000	352,777
2020 - 2025	425,000	154,113
2025 - 2029	<u>430,000</u>	<u>42,038</u>
Totals	<u>\$ 3,015,000</u>	<u>\$ 1,148,350</u>

The following is a summary of the long-term debt for the year for the business-type activities:

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. In October 2005 these bonds were partially defeased in the amount of \$17,500,000 through a refunding bond issue. The remaining principal was paid during the fiscal year ended March 31, 2010. The interest rate was approximately 5.1%.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 6 - LONG-TERM DEBT (continued)

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 \$35,000 to \$40,000 which started in May of 2005. Interest is charged at 3.5% to 5.0% payable semi-annually.

3. On October 20, 2005 the Township and Livingston County sold \$17,900,000 of Limited Tax General Obligation Bonds (2005 Drain Refunding Bonds). \$17,500,000 of the bond proceeds were used to partially defease the original series 2000 bonds. The refunding bonds' principal are payable in annual installments starting October 1, 2008 to the Livingston County Drain Commission. The amounts payable start at \$35,000 and go up to \$1,650,000. The maturity date is October 1, 2020. Interest is paid semiannually and is charged at 3% up to 5%.

The following is a recap summarization schedule of principal and interest payments to service the long-term debt of business-type activities:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010 - 2011	\$ 1,580,000	\$ 759,623	\$ 2,339,623
2011 - 2012	1,580,000	700,330	2,280,330
2012 - 2013	1,615,000	636,448	2,251,448
2013 - 2014	1,645,000	571,208	2,216,208
2014 - 2015	1,675,000	504,708	2,179,708
2015 - 2020	8,445,000	1,367,025	9,812,025
2020 - 2025	1,835,000	58,436	1,893,436
Totals	<u>\$ 18,375,000</u>	<u>\$ 4,597,778</u>	<u>\$ 22,972,778</u>

The following schedule is a summary of the long-term debt activity of the business-type activities for the year ending March 31, 2010:

	<u>Balance 4/01/2009</u>	<u>Additions</u>	<u>Payments & Deductions</u>	<u>Balance 3/31/2010</u>	<u>Due in one year</u>
BONDS PAYABLE					
Original Series 2000	\$ 1,500,000	\$	\$ 1,500,000	\$	\$
Spencer Series 2005	620,000		40,000	580,000	40,000
Refunding Series 2005	17,830,000		35,000	17,795,000	1,540,000
Total bonds payable	<u>\$ 19,950,000</u>	<u>\$</u>	<u>\$ 1,575,000</u>	<u>\$ 18,375,000</u>	<u>\$ 1,580,000</u>

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 7 - DEFINED CONTRIBUTION PLAN

The Township participates in the John Hancock Defined Contribution Pension Plan Group No. VK0782 for Michigan Township Employees. This is a single-employer plan. All township trustees and the township supervisor are eligible to participate in the plan. The Township contributes 10% of the supervisor's compensation and 25% of the trustees compensation, while an employee may contribute 1% to 10% of compensation. Annual compensation used to determine the current year contribution is as of April 1, preceding the year. Contribution information is as follows:

TOTAL CURRENT YEAR EMPLOYER CONTRIBUTIONS \$ 9,688

This balance reflects contributions for the period from April 1, 2009 to March 31, 2010.

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

TOTAL CURRENT YEAR CONTRIBUTIONS \$ 10,614

NOTE 8 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township deposits are in accordance with statutory authority.

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2010

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

As of March 31, 2010 cash, cash equivalents and investments consist of the following:

Cash and cash equivalents	
Deposits with financial institutions	\$ 13,167,315
Money market accounts	229,013
Investment pools	<u>104,795</u>
Total cash and cash equivalents	13,501,123
Investments	
Government Bonds	<u>150,000</u>
Total cash, cash equivalents and investments	<u><u>\$ 13,651,123</u></u>

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

Statement of Net Assets	
Cash and cash equivalents	\$ 13,381,941
Investments	<u>150,000</u>
Total	13,531,941
Fiduciary Funds	
Cash and cash equivalents	<u>119,182</u>
Total cash and investments	<u><u>\$ 13,651,123</u></u>

Custodial Credit Risk

Deposits - This is the risk that in the event of a bank failure, the Township will not be able to recover its deposits. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had no deposits with financial institutions (checking and savings accounts and certificates of deposits) that were uninsured and uncollateralized. The Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Investments - This is the risk that in the event of the failure of a counterparty to a transaction, the Township will not be able to recover the value of its investments. The Township does not have a policy to cover custodial credit risk of investments. At the year end, the Township had \$486,161 of investments that were uninsured and uncollateralized. The Township evaluates each financial institution with which it invests and assesses the level of risk of each institution. Investments are made only those institutions with an acceptable estimated risk level.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

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

Concentration of Credit Risk

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

Investment Type	Issuer	Percent of Portfolio
US Agencies	Federal National Mortgage Assoc	1%

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair values of investments and cash deposits. The Township's investment policy requires this risk to be minimized by investing primarily in short-term deposits and investments thus avoiding the need to sell prior to maturity. As of March 31, 2010, the maturities of the investments held were less than 90 days. As a result, management does not believe the Township is significantly exposed to interest rate risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township investment policy limits investments to those authorized by Public Act 20 of 1943. Commercial paper must be rated within the two (2) highest classifications established by not less than two (2) standard ratings services. Ratings are not required for US Treasuries and money market accounts. As of March 31, 2009, the Township's investments were exposed to credit risk as follows:

Investment Type	Rating by Standard & Poor	Amount
MBIA Investment Pool	AAA / V1	\$ 104,795
Money Market Funds	Unrated	229,013
Government Bonds	AAA/Stable	150,000
		\$ 483,808

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2010

NOTE 9 - SEGMENT INFORMATION - ENTERPRISE FUNDS

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

Operating revenues	\$ 961,405
Depreciation and amortization	893,053
Operating (loss)	(432,152)
Net working capital	2,608,077
Total assets	37,549,359
Reserved retained earnings	18,368,210
Unreserved retained earnings	105,028
Total fund equity	18,473,238

NOTE 10 - STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS

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

	<u>April 1, 2009</u>	<u>March 31, 2010</u>
Cash and cash equivalents	\$ <u>2,496,590</u>	\$ <u>2,101,454</u>

NOTE 11 - OTHER FINANCING SOURCES (USES)

The transfers of cash between the various funds are budgeted but reported separate from revenues and expenditures as transfers in or (out) unless they represent temporary advances that are to be repaid in which case they are carried as assets or liabilities of the advancing or borrowing fund.

NOTE 12 - DEFERRED COMPENSATION PLAN

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

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2010

NOTE 13 - PROJECT UNCERTAINTIES

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

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

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

NOTE 14 - POLLUTION REMEDIATION OBLIGATIONS

On January 15, 2009 a consent order was issued to conclude the litigation between the Township and the State of Michigan over the clean up of the former Collett dump site. In the order the Township agreed to immediately pay \$1,350,000 to the State of Michigan and monitor the site and nearby groundwater for a period of up to ten (10) years. The Township has adopted GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, to account for its future obligation related to the consent order. As of March 31, 2010 the future monitoring costs to be borne by the Township were estimated at \$598,680. The estimate may change in the future due to unanticipated price increases, developments in technology or changes in existing laws and regulations.

NOTE 15 - ENVIRONMENTAL PROTECTION AGENCY

The Township was a recipient of a grant by the Environmental Protection Agency during the fiscal year. The grant funds were used to construct and provide water for residents along Conference Center Drive and Grand River. The grant was completed during fiscal year, but remains open for compliance audits. All funds received were federal funds. A total revenue for the year ended March 31, 2010 was \$173,851 of which the Township matched \$142,241.

NOTE 16 - SUBSEQUENT EVENT

On April 19, 2010 the Township called the remaining bonds for the Building Authority. The total amount of bond principal which was collected at that date was \$1,565,000. Previously this debt was repaid with transfers made by the General Fund to the Building Authority Fund.

REQUIRED
SUPPLEMENTARY
INFORMATION

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	Budget Amount		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$	\$	\$ 951,381	\$
Treasurer			361,871	
Licenses and permits			467	
Ordinance enforcement			1,247	
Planning and zoning			11,570	
State shared revenue			1,089,496	
Special assessments			155,050	
Miscellaneous			403,247	
Total revenues	2,845,504	2,845,504	2,974,329	128,825
EXPENDITURES	1,834,831	1,835,022	1,426,412	408,610
Excess of revenues over (under) expenditures	1,010,673	1,010,482	1,547,917	537,435
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(742,304)	(773,517)	(772,117)	1,400
Net change in fund balance	268,369	236,965	775,800	538,835
FUND BALANCE, APRIL 1, 2009	7,433,055	7,433,055	7,433,055	
FUND BALANCE, MARCH 31, 2010	\$ 7,701,424	\$ 7,670,020	\$ 8,208,855	\$ 538,835

CHARTER TOWNSHIP OF BRIGHTON
 SCHEDULES OF PENSION FUNDING PROGRESS (UNAUDITED)
 MARCH 31, 2010

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
2005	988,980	1,099,007	90.0	110,027	620,343
2006	1,153,725	1,205,743	95.7	52,018	660,951
2007	1,316,536	1,268,746	103.8	(47,790)	616,210
2008	1,428,163	1,348,742	105.9	(79,421)	491,956

SUPPLEMENTARY
INFORMATION

COMBINING
FINANCIAL
STATEMENTS

<u>SAD Road Maintenance</u>	<u>Aquatics</u>	<u>Road Projects</u>	<u>Lakeshore Water Improvement</u>	<u>Street Lights</u>	<u>Municipal Refuse</u>	<u>Pathways</u>
\$ 62,904	\$ 131,306	\$ 48,765	\$ 108	\$	\$ 72,708	\$ 169,304
2,785	5,670	208,598	243,603	18,845	3,826 6,732	
				2,567		
<u>\$ 65,689</u>	<u>\$ 136,976</u>	<u>\$ 257,363</u>	<u>\$ 243,711</u>	<u>\$ 21,412</u>	<u>\$ 83,266</u>	<u>\$ 169,304</u>
\$	\$	\$	\$	\$ 1,339	\$	\$
		155,121 203,734	182,619 243,603			
		358,855	426,222	1,339		
<u>65,689</u>	<u>136,976</u>	<u>(101,492)</u>	<u>(182,511)</u>	<u>20,073</u>	<u>83,266</u>	<u>169,304</u>
<u>\$ 65,689</u>	<u>\$ 136,976</u>	<u>\$ 257,363</u>	<u>\$ 243,711</u>	<u>\$ 21,412</u>	<u>\$ 83,266</u>	<u>\$ 169,304</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET (continued)
 MARCH 31, 2010

	<u>3/31/2010</u>	<u>3/31/2009</u>
<u>ASSETS</u>		
ASSETS		
Cash and cash equivalents	\$ 3,337,410	\$ 2,924,230
Receivables		
Special assessments	483,327	581,482
Prepaid expenses	6,732	9,748
Due from other funds	<u>157,714</u>	<u>333,162</u>
Total assets	<u>\$ 3,985,183</u>	<u>\$ 3,848,622</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES		
Accounts payable	\$ 9,216	\$ 22,039
Accrued expenses		7,429
Advance/due to other funds	338,025	527,014
Deferred revenue	<u>447,337</u>	<u>542,227</u>
Total liabilities	794,578	1,098,709
FUND BALANCE (DEFICIT)	<u>3,190,605</u>	<u>2,638,331</u>
Total liabilities and fund balance (deficit)	<u>\$ 3,985,183</u>	<u>\$ 3,737,040</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL CAPITAL PROJECT FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2010

	Building Authority Fund	Municipal Water Fund	Totals
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 138,585	\$ 667,015	\$ 805,600
Accounts receivable		113,050	113,050
Due from other funds	41,951	58	42,009
Total assets	\$ 180,536	\$ 780,123	\$ 960,659
 <u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Due to other funds	\$	\$ 525,600	\$ 525,600
FUND BALANCE	180,536	254,523	435,059
Total liabilities and fund balance	\$ 180,536	\$ 780,123	\$ 960,659

CHARTER TOWNSHIP OF BRIGHTON
 ALL AGENCY FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2010

	Trust and Agency	Current Tax	Construction Escrow	Totals
<u>ASSETS</u>				
ASSETS				
Cash	\$ 67,016	\$ 1,665	\$ 72,956	\$ 141,637
<u>LIABILITIES</u>				
LIABILITIES				
Due to other funds	\$ 104	\$ 1,665	\$ 13	\$ 1,782
Due to others	66,912		72,943	139,855
Total liabilities	\$ 67,016	\$ 1,665	\$ 72,956	\$ 141,637

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2010

	<u>Parks</u>	<u>Cemetery</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>	<u>Future Road Improvement</u>
REVENUES						
Intergovernmental - State	\$	\$	\$	\$	\$ 7,540	\$
Special assessment			94,569			
Licenses and permits						
Charges for services						
Interest	4,014	51	125	2,301	122	9,334
Total revenues	<u>4,014</u>	<u>51</u>	<u>94,694</u>	<u>2,301</u>	<u>7,662</u>	<u>9,334</u>
EXPENDITURES						
Building department			159,534			
Public safety					18,470	
Utilities						
Project-costs						69,000
Total expenditures			<u>159,534</u>		<u>18,470</u>	<u>69,000</u>
Excess of revenues over (under) expenditures	<u>4,014</u>	<u>51</u>	<u>(64,840)</u>	<u>2,301</u>	<u>(10,808)</u>	<u>(59,666)</u>
OTHER FINANCING SOURCES(USES)						
Transfers in	150,000	10,000			16,200	259,978
Transfers (out)						
Total other financing sources (uses)	<u>150,000</u>	<u>10,000</u>			<u>16,200</u>	<u>259,978</u>
Net changes in fund balances	154,014	10,051	(64,840)	2,301	5,392	200,312
FUND BALANCE, APRIL 1, 2009 (DEFICIT)	<u>508,943</u>	<u>20,153</u>	<u>82,203</u>	<u>262,315</u>	<u>55,433</u>	<u>1,763,023</u>
FUND BALANCE, (DEFICIT) MARCH 31, 2010	<u>\$ 662,957</u>	<u>\$ 30,204</u>	<u>\$ 17,363</u>	<u>\$ 264,616</u>	<u>\$ 60,825</u>	<u>\$ 1,963,335</u>

<u>SAD Road Maintenance</u>	<u>Aquatics</u>	<u>Road Projects</u>	<u>Lakeshore Water Improvement</u>	<u>Street lights</u>	<u>Municipal Refuse</u>	<u>Pathways</u>	<u>Totals</u>
\$	\$	\$	\$	\$	\$	\$	\$ 7,540
		80,078	49,634				129,712
25,030	80,227			21,837	95,393	800	94,569
102	193	105	19		86	1,998	223,287
<u>25,132</u>	<u>80,420</u>	<u>80,183</u>	<u>49,653</u>	<u>21,837</u>	<u>95,479</u>	<u>2,798</u>	<u>473,558</u>
							159,534
							18,470
16,199	62,216		35,278	15,121	93,248		15,121
<u>16,199</u>	<u>62,216</u>		<u>35,278</u>	<u>15,121</u>	<u>93,248</u>		<u>275,941</u>
							469,066
<u>8,933</u>	<u>18,204</u>	<u>80,183</u>	<u>14,375</u>	<u>6,716</u>	<u>2,231</u>	<u>2,798</u>	<u>4,492</u>
						10,000	446,178
		<u>(9,978)</u>					<u>(9,978)</u>
		<u>(9,978)</u>				10,000	436,200
8,933	18,204	70,205	14,375	6,716	2,231	12,798	440,692
<u>56,756</u>	<u>118,772</u>	<u>(171,697)</u>	<u>(196,886)</u>	<u>13,357</u>	<u>81,035</u>	<u>156,506</u>	<u>2,749,913</u>
<u>\$ 65,689</u>	<u>\$ 136,976</u>	<u>\$ (101,492)</u>	<u>\$ (182,511)</u>	<u>\$ 20,073</u>	<u>\$ 83,266</u>	<u>\$ 169,304</u>	<u>\$ 3,190,605</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL CAPITAL PROJECT FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2010

	Building Authority Fund	Municipal Water Fund	Conference Center Drive Water Construction Fund	Totals
REVENUES				
Grant - federal	\$	\$ 173,851	\$	\$ 173,851
Connection fees		17,100		17,100
Interest	89	8,395		8,484
Total revenues	<u>89</u>	<u>199,346</u>		<u>199,435</u>
EXPENDITURES				
Debt service	193,676			193,676
Project costs		11,520	20,036	31,556
Total expenditures	<u>193,676</u>	<u>11,520</u>	<u>20,036</u>	<u>225,232</u>
Excess of revenues over (under) expenditures	<u>(193,587)</u>	<u>187,826</u>	<u>(20,036)</u>	<u>(25,797)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	193,676	142,241	19,718	355,635
Transfers (out)		(129,039)		(129,039)
Total other financing sources (uses)	<u>193,676</u>	<u>13,202</u>	<u>19,718</u>	<u>226,596</u>
Net changes in fund balances	89	201,028	(318)	200,799
FUND BALANCE, APRIL 1, 2009	<u>180,447</u>	<u>53,495</u>	<u>318</u>	<u>234,260</u>
FUND BALANCE, MARCH 31, 2010	<u><u>\$ 180,536</u></u>	<u><u>\$ 254,523</u></u>	<u><u>\$</u></u>	<u><u>\$ 435,059</u></u>

INDIVIDUAL
FUNDS

GENERAL
FUND

CHARTER TOWNSHIP OF BRIGHTON
 GENERAL FUND
 BALANCE SHEET
 MARCH 31, 2010

ASSETS

ASSETS

Cash and equivalents	\$	7,200,648
Delinquent taxes receivable		109,316
State shared revenues receivable		166,529
Special assessment receivables		577,080
Accounts receivable		56,781
Due from other funds and interfund advances		1,359,314
Prepaid expenditures		32,487

Total assets		\$ 9,502,155
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$	34,069
Accrued wages and vacation		37,661
Payroll taxes withholding and payable		1,292
Due to other funds		44,518
Deferred revenues		577,080
Contingent liability		598,680

Total liabilities		\$ 1,293,300
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FUND BALANCE

Unreserved		
Undesignated		4,281,550
Designated for debt		2,573,254
Reserved for interfund advances		
Sewer advances		645,832
Water advances		525,600
Project advances		182,619

Total fund balance		8,208,855
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Total liabilities and fund balance		\$ 9,502,155
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CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 922,066	\$ 951,381	\$ 29,315
Treasurer	455,717	361,871	(93,846)
Licenses and permits	25	467	442
Ordinance enforcement	200	1,247	1,047
Planning and zoning	70,000	11,570	(58,430)
State shared revenue	1,100,000	1,089,496	(10,504)
Special assessments		155,050	155,050
Miscellaneous	297,496	403,247	105,751
	2,845,504	2,974,329	128,825
Total revenues			
	1,835,022	1,426,412	408,610
EXPENDITURES			
Excess of revenues over (under) expenditures	1,010,482	1,547,917	537,435
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(773,517)	(772,117)	1,400
	236,965	775,800	538,835
Net change in fund balance			
	7,433,055	7,433,055	
FUND BALANCE, APRIL 1, 2009			
	\$ 7,670,020	\$ 8,208,855	\$ 538,835
FUND BALANCE, MARCH 31, 2010			

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TAXES			
Current property taxes	\$	\$ 950,148	\$
Penalties/interest - delinquent taxes		955	
Trailer park fees		278	
	<u>922,066</u>	<u>951,381</u>	<u>29,315</u>
TREASURER			
Property tax administration fee		286,289	
Interest		74,449	
Dog licenses		1,133	
	<u>455,717</u>	<u>361,871</u>	<u>(93,846)</u>
LICENSES AND PERMITS			
	<u>25</u>	<u>467</u>	<u>442</u>
ORDINANCE ENFORCEMENT			
Soil removal fees	<u>200</u>	<u>1,247</u>	<u>1,047</u>
PLANNING AND ZONING			
	<u>70,000</u>	<u>11,570</u>	<u>(58,430)</u>
STATE SHARED REVENUE			
	<u>1,100,000</u>	<u>1,089,496</u>	<u>(10,504)</u>
SPECIAL ASSESSMENTS			
Principal		114,120	114,120
Interest		40,930	40,930
		<u>155,050</u>	<u>155,050</u>
MISCELLANEOUS REVENUES			
Grant		3,245	
Election reimbursement		16,557	
Metro Act fees		13,137	
Cable TV fees		265,679	
Printed material and duplicating		1,766	
Fines		400	
Rental income		87,726	
Reimbursement/refunds		3,025	
Utilities administration fee		4,260	
Cemetery lot sales		1,075	
Other revenue		6,377	
	<u>297,496</u>	<u>403,247</u>	<u>105,751</u>
Total revenues	<u>\$ 2,845,504</u>	<u>\$ 2,974,329</u>	<u>\$ 128,825</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TOWNSHIP BOARD			
Wages, salaries and per diems	\$	\$ 36,740	\$
Ordinance codification		6,291	
Printing and publishing		5,878	
Payroll taxes		2,782	
Insurance - benefits		1,298	
Insurance - liability		75	
Pension		7,395	
Consulting		400	
Engineering services		16,047	
Education		1,000	
Mileage		127	
Dues		10,433	
	<u>98,282</u>	<u>88,466</u>	<u>9,816</u>
TOTAL township board			
SUPERVISOR			
Wages, salaries and per diems		34,155	
Pension		3,406	
Payroll taxes		2,644	
Insurance - benefits		222	
Insurance - liability		70	
Education		762	
Dues		110	
Capital outlay		1,947	
	<u>46,255</u>	<u>43,316</u>	<u>2,939</u>
TOTAL supervisor			

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
MANAGER			
Wages, salaries and per diems		81,084	
Wages, salaries and per diems - clerical		39,822	
Insurance - benefits		1,506	
Pension		8,755	
Payroll taxes		8,998	
Consulting services		1,784	
Insurance - liability		439	
Dues		640	
Supplies		192	
Postage		455	
	<hr/>	<hr/>	<hr/>
Total manager	155,390	143,675	11,715
ELECTIONS			
Wages, salaries and per diems - Clerk		13,592	
Wages, salaries and per diems - Deputy officials		16,495	
Election workers		9,844	
Pension		240	
Payroll taxes		2,388	
Insurance - benefits		6,507	
Insurance - liability		93	
Accuracy consulting		468	
Education		250	
Mileage		235	
Printing and publishing		1,221	
Miscellaneous		1,454	
Equipment rental		251	
Postage		5,018	
Supplies		2,080	
Capital outlay		2,658	
	<hr/>	<hr/>	<hr/>
Total elections	67,269	62,794	4,475

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
ASSESSOR			
Wages, salaries and per diems		111,112	
Pension		11,709	
Payroll taxes		8,130	
Insurance - benefits		27,872	
Insurance - liability		671	
Temporary employment services		26,831	
Education		424	
Supplies		409	
Postage		5,055	
Mileage		101	
Dues		400	
Printing and publishing		2,036	
Vehicle		1,028	
Capital outlay		854	
	<u>203,174</u>	<u>196,632</u>	<u>6,542</u>
CLERK			
Wages, salaries and per diems - Clerk		40,314	
Wages, salaries and per diems - Deputy Clerk		35,439	
Wages, salaries and per diems - other		48,885	
Pension		8,672	
Payroll taxes		9,413	
Insurance - liability		341	
Insurance - benefits		55,051	
Postage		201	
Professional fees		8,251	
Supplies		766	
Education		995	
Newsletter		2,726	
Mileage		754	
Dues		581	
Record retention		532	
Capital outlay		722	
	<u>232,699</u>	<u>213,643</u>	<u>19,056</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TREASURER			
Wages, salaries and per diems - Treasurer		53,905	
Wages, salaries and per diems - Deputy Treasurer		31,413	
Wages , salaries and per diems - other		19,660	
Pension		3,880	
Payroll taxes		8,017	
Insurance - benefits		33,391	
Insurance - liability		187	
Bank fees		41	
Professional fees		8,334	
Temporary employment services		718	
Supplies		751	
Tax forms		2,748	
Postage		8,855	
Small equipment		2,100	
Education		3,490	
Mileage		304	
Dues		185	
Capital outlay		1,079	
	<u>226,201</u>	<u>179,058</u>	<u>47,143</u>
SEWER AND WATER			
Per diems		1,275	
Engineering/consulting		3,298	
	<u>21,700</u>	<u>4,573</u>	<u>17,127</u>
ROADS			
	<u>60,000</u>	<u>24,704</u>	<u>35,296</u>
UNALLOCATED			
Insurance - liability		27,331	
Computer support		27,571	
Legal fees		86,041	
Telephone		8,626	
Equipment repair		5,369	
Equipment rental		2,100	
Capital outlay		2,384	
	<u>200,800</u>	<u>159,422</u>	<u>41,378</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
PLANNING			
Wages, salaries and per diems		72,543	
Pension		7,740	
Payroll taxes		4,919	
Insurance - liability		763	
Insurance - benefits		22,357	
Supplies		426	
Postage		116	
Engineering services		2,798	
Printing and publishing		3,020	
Economic development		2,000	
Education		375	
Mileage		230	
Dues		60	
Special projects		234	
Capital outlay		1,000	
Total planning commission	218,644	118,581	100,063
TOWNSHIP HALL/GROUNDS			
Wages, salaries and per diems		3,316	
Cleaning maintenance		2,014	
Supplies		10,790	
Payroll taxes		251	
Insurance - liability		134	
Consulting		1,125	
Street lighting		7,680	
Equipment maintenance and repairs		5,699	
Grounds maintenance and repairs		7,983	
Building maintenance and repairs		8,478	
Utilities		16,480	
Tax chargebacks		4,616	
Capital improvements		4,220	
Total township hall	128,005	72,786	55,219
CEMETERY			
	9,000	6,996	2,004

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
FIRE PROTECTION			
Equipment			
Equipment maintenance and repair		1,626	
Building			
Utilities		1,493	
Building maintenance and repair		7,755	
Grounds maintenance and repair		10,129	
Total fire protection	56,000	21,003	34,997
EMERGENCY PREPAREDNESS			
Utilities		409	
Equipment maintenance and repair		1,052	
Total emergency preparedness	4,800	1,461	3,339
MUNICIPAL REFUSE COLLECTION			
	10,000	4,060	5,940
PARKS AND RECREATION			
	65,000	60,903	4,097
DRAINS			
	12,700	11,008	1,692
CODE ENFORCEMENT			
Wages, salaries and per diems		7,863	
Pension		1,011	
Payroll taxes		770	
Insurance - benefits		3,349	
Insurance - liability		59	
Supplies		200	
Capital outlay		79	
Total code enforcement	19,103	13,331	5,772
Total expenditures			
	<u>\$ 1,835,022</u>	<u>\$ 1,426,412</u>	<u>\$ 408,610</u>

PARKS
FUND

CHARTER TOWNSHIP OF BRIGHTON
PARKS FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash and cash equivalents

\$ 662,957

FUND BALANCE

FUND BALANCE

Reserved for parks and recreation

\$ 662,957

CHARTER TOWNSHIP OF BRIGHTON
PARKS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$ 2,500	\$ 4,014	\$ 1,514
EXPENDITURES			
Excess of revenues over (under) expenditures	2,500	4,014	1,514
OTHER FINANCING SOURCES			
Transfers in	<u>150,000</u>	<u>150,000</u>	
Net change in fund balance	152,500	154,014	1,514
FUND BALANCE, APRIL 1, 2009	<u>508,943</u>	<u>508,943</u>	
FUND BALANCE, MARCH 31, 2010	<u><u>\$ 661,443</u></u>	<u><u>\$ 662,957</u></u>	<u><u>\$ 1,514</u></u>

CEMETERY
FUND

CHARTER TOWNSHIP OF BRIGHTON
CEMETERY FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash and cash equivalents

\$ 30,204

FUND BALANCE

FUND BALANCE

\$ 30,204

CHARTER TOWNSHIP OF BRIGHTON
 CEMETERY FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$ 100	\$ 51	\$ (49)
EXPENDITURES			
Excess of revenues over (under) expenditures	100	51	(49)
OTHER FINANCING SOURCES			
Transfers in	<u>10,000</u>	<u>10,000</u>	
Net change in fund balance	10,100	10,051	(49)
FUND BALANCE, APRIL 1, 2009	<u>20,153</u>	<u>20,153</u>	
FUND BALANCE, MARCH 31, 2010	<u><u>\$ 30,253</u></u>	<u><u>\$ 30,204</u></u>	<u><u>\$ (49)</u></u>

BUILDING
DEPARTMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUILDING DEPARTMENT FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash and equivalents
Prepaid expenditures

\$ 20,429
26

Total assets

\$ 20,455

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable
Due to other funds

\$ 3,041
51

Total liabilities

\$ 3,092

FUND BALANCE

17,363

Total liabilities and fund balance

\$ 20,455

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, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES	<u>\$ 169,100</u>	<u>\$ 94,694</u>	<u>\$ (74,406)</u>
EXPENDITURES			
Wages, salaries and per diems		54,448	
Payroll taxes		4,559	
Insurance - benefits		20,922	
Pension		7,137	
Electrical inspector		11,637	
Plumbing inspector		5,447	
Mechanical inspector		16,325	
Building official		7,640	
County inspections		2,641	
Insurance - liability		3,855	
Supplies and postage		1,001	
Printed materials		397	
Professional fees		2,200	
Plan review fees		480	
Legal		775	
Telephone		161	
Education		150	
Gas and oil		1,192	
Rent		14,428	
Repairs and maintenance		1,387	
Dues		450	
Refunds		2,302	
	<u>198,814</u>	<u>159,534</u>	<u>39,280</u>
Total expenditures			
Net change in fund balance	(29,714)	(64,840)	(35,126)
FUND BALANCE, APRIL 1, 2009	<u>82,203</u>	<u>82,203</u>	
FUND BALANCE, MARCH 31, 2010	<u><u>\$ 52,489</u></u>	<u><u>\$ 17,363</u></u>	<u><u>\$ (35,126)</u></u>

CHARTER TOWNSHIP OF BRIGHTON
 BUILDING DEPARTMENT FUND
 STATEMENT OF REVENUES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
License registration	\$	\$ 785	\$
Building permits		40,747	
Electrical permits		14,700	
Plumbing permits		6,680	
Mechanical permits		23,021	
Tenant occupancy permit		3,460	
Miscellaneous		50	
Grading and land use permits		1,985	
NSF fees		140	
Plan review fee		2,961	
Addressing		40	
Interest		125	
	<u>\$ 169,100</u>	<u>\$ 94,694</u>	<u>\$ (74,406)</u>
Total revenues			

BUDGET
STABILIZATION
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUDGET STABILIZATION FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash and cash equivalents

\$ 264,850

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds

\$ 234

FUND BALANCE

264,616

Total liabilities and fund balance

\$ 264,850

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, 2010

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$ 1,400	\$ 2,301	\$ 901
EXPENDITURES			
Net change in fund balance	1,400	2,301	901
FUND BALANCE, APRIL 1, 2009	<u>262,315</u>	<u>262,315</u>	
FUND BALANCE, MARCH 31, 2010	<u><u>\$ 263,715</u></u>	<u><u>\$ 264,616</u></u>	<u><u>\$ 901</u></u>

LIQUOR LAW
ENFORCEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
LIQUOR LAW ENFORCEMENT FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash

\$ 65,661

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 4,836

FUND BALANCE

60,825

\$ 65,661

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, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
State shared revenues - liquor licenses	\$	\$ 7,540	\$
Interest		122	
Total revenues	7,400	7,662	262
EXPENDITURES			
Enforcement expenditures	20,300	18,470	1,830
Excess of revenues over (under) expenditures	(12,900)	(10,808)	2,092
OTHER FINANCING SOURCES			
Transfers in	16,200	16,200	
Net change in fund balance	3,300	5,392	2,092
FUND BALANCE, APRIL 1, 2009	55,433	55,433	
FUND BALANCE, MARCH 31, 2010	\$ 58,733	\$ 60,825	\$ 2,092

FUTURE ROAD
IMPROVEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
FUTURE ROAD IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash	\$ 1,808,214
Advance to other funds	<u>155,121</u>
	<u><u>\$ 1,963,335</u></u>

FUND BALANCE

FUND BALANCE

Unreserved	\$ 1,808,214
Reserved for interfund advances	<u>155,121</u>
	<u><u>\$ 1,963,335</u></u>

CHARTER TOWNSHIP OF BRIGHTON
 FUTURE ROAD IMPROVEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 42,480	\$ 9,334	\$ (33,146)
EXPENDITURES			
Capital outlay	150,000	69,000	81,000
Excess of revenues over (under) expenditures	(107,520)	(59,666)	47,854
OTHER FINANCING SOURCES (USES)			
Transfers in	250,000	259,978	9,978
Net change in fund balance	142,480	200,312	57,832
FUND BALANCE, APRIL 1, 2009	1,763,023	1,763,023	
FUND BALANCE, MARCH 31, 2010	\$ 1,905,503	\$ 1,963,335	\$ 57,832

SAD ROAD MAINTENANCE
FUND

CHARTER TOWNSHIP OF BRIGHTON
SAD ROAD MAINTENANCE FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash	\$ 62,904
Due from county	<u>2,785</u>
Total assets	<u>\$ 65,689</u>

FUND BALANCE

FUND BALANCE	<u>\$ 65,689</u>
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CHARTER TOWNSHIP OF BRIGHTON
 SAD ROAD MAINTENANCE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$	\$ 25,030	\$
Interest		102	
Total revenues	25,331	25,132	(199)
EXPENDITURES			
Contract expense	73,125	16,199	56,926
Net change in fund balance	(47,794)	8,933	56,727
FUND BALANCE, APRIL 1, 2009	56,756	56,756	
FUND BALANCE, MARCH 31, 2010	\$ 8,962	\$ 65,689	\$ 56,727

AQUATICS
FUND

CHARTER TOWNSHIP OF BRIGHTON
AQUATICS FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash and cash equivalents
Due from county

\$ 131,306
5,670

Total assets

\$ 136,976

FUND BALANCE

FUND BALANCE

136,976

CHARTER TOWNSHIP OF BRIGHTON
AQUATICS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessments	\$	\$ 80,227	\$
Interest income		193	
	<u>68,125</u>	<u>80,420</u>	<u>12,295</u>
Total revenues			
EXPENDITURES			
Project costs	<u>155,859</u>	<u>62,216</u>	<u>93,643</u>
	<u>(87,734)</u>	<u>18,204</u>	<u>105,938</u>
Net change in fund balance			
FUND BALANCE, APRIL 1, 2009	<u>118,772</u>	<u>118,772</u>	
FUND BALANCE, MARCH 31, 2010	<u>\$ 31,038</u>	<u>\$ 136,976</u>	<u>\$ 105,938</u>

ROAD PROJECTS
FUND

CHARTER TOWNSHIP OF BRIGHTON
ROAD PROJECTS FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash and cash equivalents	\$	48,765
Due from county		4,864
Special assessment receivable		<u>203,734</u>
 Total assets	 \$	 <u><u>257,363</u></u>

LIABILITIES AND FUND BALANCE (DEFICIT)

LIABILITIES

Advance from other funds	\$	155,121
Deferred revenue		<u>203,734</u>
 Total liabilities		 358,855

FUND BALANCE (DEFICIT)		<u>(101,492)</u>
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Total liabilities and fund balance (deficit)	\$	<u><u>257,363</u></u>
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CHARTER TOWNSHIP OF BRIGHTON
ROAD PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments - principal	\$	\$ 64,440	\$
Special assessments - interest		15,638	
Interest Income		105	
Total revenues	77,749	80,183	2,434
EXPENDITURES			
Excess of revenues over (under) expenditures	77,749	80,183	2,434
OTHER FINANCING SOURCES (USES)			
Transfers (out)		(9,978)	(9,978)
Net change in fund balance	77,749	70,205	(7,544)
FUND BALANCE (DEFICIT), APRIL 1, 2009	(171,697)	(171,697)	
FUND BALANCE (DEFICIT), MARCH 31, 2010	\$ (93,948)	\$ (101,492)	\$ (7,544)

LAKESHORE WATER IMPROVEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
LAKESHORE WATER IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash and cash equivalents	\$ 108
Special assessment receivable	<u>243,603</u>
Total assets	<u>\$ 243,711</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Advance from other funds	182,619
Deferred revenue	<u>243,603</u>
Total liabilities	426,222

FUND BALANCE (DEFICIT)	<u>(182,511)</u>
Total liabilities and fund balance (deficit)	<u>\$ 243,711</u>

CHARTER TOWNSHIP OF BRIGHTON
 LAKESHORE WATER IMPROVEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$	\$ 49,634	\$
Interest income		19	
Total revenues	50,646	49,653	(993)
EXPENDITURES			
Project costs	201,384	35,278	166,106
Net change in fund balance	(150,738)	14,375	165,113
FUND BALANCE (DEFICIT), APRIL 1, 2009	(196,886)	(196,886)	
FUND BALANCE (DEFICIT), MARCH 31, 2010	\$ (347,624)	\$ (182,511)	\$ 165,113

STREETLIGHT
FUND

CHARTER TOWNSHIP OF BRIGHTON
STREETLIGHT FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Special assessment receivable	\$ 18,845
Due from other funds	<u>2,567</u>
Total assets	<u>\$ 21,412</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 1,339
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FUND BALANCE

	<u>20,073</u>
Total liabilities and fund balance	<u>\$ 21,412</u>

CHARTER TOWNSHIP OF BRIGHTON
 STREETLIGHT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 13,912	\$ 21,837	\$ 7,925
EXPENDITURES			
Utilities	13,912	15,121	(1,209)
Net change in fund balance		6,716	6,716
FUND BALANCE, APRIL 1, 2009	13,357	13,357	
FUND BALANCE, MARCH 31, 2010	\$ 13,357	\$ 20,073	\$ 6,716

MUNICIPAL REFUSE
FUND

CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL REFUSE FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash	\$	72,708
Due from county		3,826
Prepaid expenditures		<u>6,732</u>
Total assets	\$	<u><u>83,266</u></u>

FUND BALANCE

FUND BALANCE	\$	<u><u>83,266</u></u>
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CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL REFUSE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$	\$ 95,393	\$
Interest		86	
Total revenues	106,518	95,479	(11,039)
EXPENDITURES			
Project costs	106,518	93,248	13,270
Net change in fund balance		2,231	2,231
FUND BALANCE, APRIL 1, 2009	81,035	81,035	
FUND BALANCE, MARCH 31, 2010	\$ 81,035	\$ 83,266	\$ 2,231

PATHWAYS
FUND

CHARTER TOWNSHIP OF BRIGHTON
PATHWAYS FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS
Cash

\$ 169,304

FUND BALANCE

FUND BALANCE

\$ 169,304

CHARTER TOWNSHIP OF BRIGHTON
 PATHWAYS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Deposits on projects	\$	\$ 800	\$
Interest		1,998	
		<u>2,798</u>	<u>2,798</u>
EXPENDITURES			
Excess of revenues over (under) expenditures		2,798	2,798
OTHER FINANCING SOURCES			
Transfers in	<u>10,000</u>	<u>10,000</u>	
Net change in fund balance	10,000	12,798	2,798
FUND BALANCE, APRIL 1, 2009	<u>156,506</u>	<u>156,506</u>	
FUND BALANCE, MARCH 31, 2010	<u>\$ 166,506</u>	<u>\$ 169,304</u>	<u>\$ 2,798</u>

WATER
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS
Cash

\$ 64,375

LIABILITIES AND FUND BALANCE

LIABILITIES
Due to other funds

\$ 58

FUND BALANCE

64,317

Total liabilities and fund balance

\$ 64,375

CHARTER TOWNSHIP OF BRIGHTON
 WATER DEBT SERVICE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2010

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 200	\$	\$ (200)
EXPENDITURES			
Debt service			
Principal		45,000	
Fees		250	
Interest		64,434	
Total expenditures	109,734	109,684	50
Excess of revenues over (under) expenditures	(109,534)	(109,684)	(150)
OTHER FINANCING SOURCES (USES)			
Transfers in	109,734	109,321	(413)
Net change in fund balance	200	(363)	(563)
FUND BALANCE, APRIL 1, 2009	64,680	64,680	
FUND BALANCE, MARCH 31, 2010	\$ 64,880	\$ 64,317	\$ (563)

BUILDING
AUTHORITY
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUILDING AUTHORITY FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash	\$ 138,585
Due from other funds	<u>41,951</u>
Total assets	<u>\$ 180,536</u>

FUND BALANCE

FUND BALANCE	<u>\$ 180,536</u>
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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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest	\$ 250	\$ 89	\$ (161)
EXPENDITURES			
Bond payment - principal		115,000	
Bond payment - interest		78,376	
Agent fees		300	
Total expenditures	<u>193,676</u>	<u>193,676</u>	
Excess of revenues over (under) expenditures	(193,426)	(193,587)	(161)
OTHER FINANCING SOURCES			
Transfers in	<u>193,676</u>	<u>193,676</u>	
Net change in fund balance	250	89	(161)
FUND BALANCE, APRIL 1, 2009	<u>180,447</u>	<u>180,447</u>	
FUND BALANCE, MARCH 31, 2010	<u><u>\$ 180,697</u></u>	<u><u>\$ 180,536</u></u>	<u><u>\$ (161)</u></u>

MUNICIPAL
WATER
FUND

CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL WATER FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash	\$ 667,015
Due from other funds	58
Due from others	<u>113,050</u>

Total assets		<u>\$ 780,123</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Advance from other funds	\$ 525,600
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FUND BALANCE

<u>254,523</u>

Total liabilities and fund balance		<u>\$ 780,123</u>
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CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL WATER FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2010

REVENUES		
Grant - Federal	\$ 173,851	
Connection fees	17,100	
Interest income	<u>8,395</u>	
Total revenues		\$ 199,346
EXPENDITURES		
Project costs		<u>11,520</u>
Excess of revenues over (under) expenditures		187,826
OTHER FINANCING SOURCES (USES)		
Transfers in	142,241	
Transfers (out)	<u>(129,039)</u>	
Total other financing sources (uses)		<u>13,202</u>
Net change in fund balance		201,028
FUND BALANCE, APRIL 1, 2009		<u>53,495</u>
FUND BALANCE, MARCH 31, 2010		<u><u>\$ 254,523</u></u>

CONFERENCE CENTER DRIVE
WATER CONSTRUCTION
FUND

CHARTER TOWNSHIP OF BRIGHTON
CONFERENCE CENTER DRIVE WATER CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2010

REVENUES	\$
EXPENDITURES	
Project costs	<u>20,036</u>
Excess of revenues over (under) expenditures	(20,036)
OTHER FINANCING SOURCES (USES)	
Transfers in	<u>19,718</u>
Net change in fund balance	(318)
FUND BALANCE, APRIL 1, 2009	<u> </u>
FUND BALANCE, MARCH 31, 2010	<u><u>\$ (318)</u></u>

SEWER
FUND

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$	151,462
Accounts receivable - usage		154,670
Accounts receivable - other		31,950
Prepaid expenses - insurance		7,440
Inventory - pumps and parts		47,448
Due from county - delinquents		14,850
		14,850

Total current assets \$ 407,820

RESTRICTED ASSETS

Cash and cash equivalents - debt service		1,713,218
Cash and cash equivalents - replacement		236,774
Accounts receivable - capital charge (usage)		115,973
Bond issuance costs - net of amortization of \$168,475		370,647
Special assessments receivable		8,441,966
Due from county - delinquents (SAD)		358,638
		358,638

Total restricted assets 11,237,216

CAPITAL ASSETS

Land		1,395,224
Sewer plant		9,728,042
Sewer collection system		17,693,541
Pumps and equipment		3,476,369
Office furniture and equipment		22,500
		32,315,676
Less: accumulated depreciation		(6,411,353)

Net capital assets 25,904,323

Total assets \$ 37,549,359

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES (from unrestricted assets)

Accounts payable	\$ 6,319
Due to general fund	3,195
Advance from general fund - operating loan	<u>214,832</u>

Total current liabilities (from unrestricted assets) \$ 224,346

CURRENT LIABILITIES (from restricted assets)

Bonds payable	1,580,000
Advance from general fund	431,000
New connections - escrow funds	<u>45,775</u>

Total current liabilities (from restricted assets) 2,056,775

LONG-TERM LIABILITIES (from restricted assets)

Bonds payable	<u>16,795,000</u>
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Total liabilities 19,076,121

FUND EQUITY

Retained earnings - reserved	18,368,210
Retained earnings - unreserved	<u>105,028</u>

Total fund equity 18,473,238

Total liabilities and fund equity \$ 37,549,359

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 2010

	<u>Unreserved Retained Earnings</u>	<u>Reserved Retained Earnings</u>	<u>Total Fund Equity</u>
BEGINNING BALANCES APRIL 1, 2009	\$ 53,802	\$ 19,063,106	\$ 19,116,908
OPERATING (LOSS)	(432,152)		(432,152)
ADJUSTMENTS			
Sewer usage - capital charges	(377,772)	377,772	
Depreciation expense	859,358	(859,358)	
Amortization (expense)	33,695	(33,695)	
Legal	8,842	(8,842)	
INTEREST INCOME - BANKS	317	8,488	8,805
TRANSFER TO REPLACEMENT RESERVES	(36,765)	36,765	
INTEREST INCOME - SPECIAL ASSESSMENTS		565,032	565,032
CAPITAL CONTRIBUTIONS		52,380	52,380
INTEREST EXPENSE - GENERAL FUND LOAN	(4,297)	(8,620)	(12,917)
INTEREST EXPENSE - BONDS		(824,230)	(824,230)
AGENT FEES - BONDS		(588)	(588)
BALANCES, MARCH 31, 2010	<u>\$ 105,028</u>	<u>\$ 18,368,210</u>	<u>\$ 18,473,238</u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2010

OPERATING REVENUES		
Sewer usage	\$ 573,055	
Sewer usage - capital charges	377,772	
Other revenue	10,578	
	<hr/>	
Total operating revenues		\$ 961,405
OPERATING EXPENSES		
Administration	4,260	
Alarm maintenance	335	
Amortization expense	33,695	
Audit services	3,299	
Capital improvements	9,634	
Computer services	1,561	
Consulting	14,029	
Contracted services - operators	207,486	
Depreciation expense	859,358	
Legal	9,913	
Liability insurance	28,187	
Office expenses	1,590	
Permit fees	3,026	
Repairs and maintenance - building	1,511	
Repairs and maintenance - collection system	32,159	
Repairs and maintenance - equipment	20,313	
Repairs and maintenance - grounds	7,674	
Sludge removal	26,876	
Supplies	30,505	
Telephone	1,136	
Utilities	97,010	
	<hr/>	
Total operating expenses		<u>1,393,557</u>
Operating (loss)		(432,152)
NON-OPERATING REVENUES (EXPENSES)		
Interest income - banks	8,805	
Interest income - special assessment	565,032	
Interest (expense) - general fund advance	(12,917)	
Interest (expense) - bonds	(824,230)	
Agent fees - bonds	(588)	
	<hr/>	
Total non-operating (expenses)		(263,898)
CAPITAL CONTRIBUTIONS		
Tap-in fees (new users)		<u>52,380</u>
Net (loss)		(643,670)
RETAINED EARNINGS, APRIL 1, 2009		<u>19,116,908</u>
RETAINED EARNINGS, MARCH 31, 2010		<u><u>\$ 18,473,238</u></u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2010

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Receipts from customers and users	\$ 916,701	
Other receipts	10,578	
Payments to suppliers and others	<u>(544,928)</u>	
Net cash from operating activities		\$ 382,351
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on bonds	(1,575,000)	
Interest paid on bonds and advances	(827,752)	
Collections of special assessment (principal and interest)	1,564,080	
Tap fees (new users)	<u>52,380</u>	
Net cash (used in) capital and related financing activities		(786,292)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on cash and cash equivalents		<u>8,805</u>
Net (decrease) in cash		(395,136)
CASH AND CASH EQUIVALENTS AT APRIL 1, 2009		<u>2,496,590</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2010		<u><u>\$ 2,101,454</u></u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES		
Operating (loss)		\$ (432,152)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities		
Depreciation and amortization	\$ 893,053	
(Increase) in accounts and delinquent receivable	(34,127)	
(Decrease) in accounts payable	(35,561)	
Decrease in inventory	5,465	
(Increase) in prepaid insurance	(1,573)	
(Decrease) in new connection escrow	(4,225)	
(Decrease) in due to other funds	<u>(8,529)</u>	
Total adjustments		<u>814,503</u>
Net cash from operating activities		<u><u>\$ 382,351</u></u>

Non-cash capital and related financing transactions did not occur during the year ended March 31, 2010.

TRUST
AND
AGENCY
FUND

CHARTER TOWNSHIP OF BRIGHTON
TRUST AND AGENCY FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS
Cash

\$ 67,016

LIABILITIES

LIABILITIES
Due to other funds
Due to others

\$ 104
66,912

Total liabilities

\$ 67,016

CURRENT
TAX
COLLECTION
FUND

CHARTER TOWNSHIP OF BRIGHTON
CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS
Cash

\$ 1,665

LIABILITIES

LIABILITIES
Due to other funds

\$ 1,665

CONSTRUCTION
ESCROW
FUND

CHARTER TOWNSHIP OF BRIGHTON
CONSTRUCTION ESCROW FUND
BALANCE SHEET
MARCH 31, 2010

ASSETS

ASSETS

Cash

\$ 72,956

LIABILITIES

LIABILITIES

Performance deposits

\$ 72,943

Due to other funds

13

Total liabilities

\$ 72,956