

CHARTER TOWNSHIP OF BRIGHTON

REPORT ON AUDIT OF
GENERAL PURPOSE FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2004

CHARTER TOWNSHIP OF BRIGHTON

TOWNSHIP OFFICIALS

Supervisor - John Rogers
Clerk - Ann Bollin
Treasurer - Geri Harmon

BOARD OF TRUSTEES

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Geri Harmon
H.E. "Bud" Prine
John Rogers
J. Michael Slaton
Mary Sullivan
Kendal Wilkinson

TOWNSHIP ATTORNEY

John K. Harris
Harris & Leterski

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

TABLE OF CONTENTS

PAGE NUMBER

INDEPENDENT AUDITORS' REPORT

GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED FINANCIAL STATEMENTS

All Fund Types and Account Groups - Combined Balance Sheet	10
All Governmental Fund Types - Combined Statement of Revenues, Expenditures and Changes in Fund Balances	12
General and Special Revenue Fund Types - Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	13

ALL ENTERPRISE FUNDS - COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS	15
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ALL ENTERPRISE FUNDS - COMBINED STATEMENT OF CASH FLOWS	17
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NOTES TO FINANCIAL STATEMENTS	19
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SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

All Special Revenue Funds - Combining Balance Sheet	38
All Debt Service Funds - Combining Balance Sheet	40
All Capital Project Funds - Combining Balance Sheet	41
All Enterprise Funds - Combining Balance Sheet	42
All Agency Funds - Combining Balance Sheet	43
All Special Revenue Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	44
All Debt Service Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	46
All Capital Project Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	47
All Enterprise Funds - Combining Statement of Revenues, Expenses and Changes in Retained Earnings	48
All Enterprise Funds - Combining Statement of Cash Flows	49

INDIVIDUAL FUNDS

GENERAL FUND

Balance Sheet	52
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	53
Statement of Revenues - Budget and Actual	54
Statement of Expenditures - Budget and Actual	55

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
BUILDING DEPARTMENT FUND	
Balance Sheet	62
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	63
Statement of Revenues - Budget and Actual	64
BUDGET STABILIZATION FUND	
Balance Sheet	66
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	67
LIQUOR LAW ENFORCEMENT FUND	
Balance Sheet	69
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	70
ROAD IMPROVEMENT FUND	
Balance Sheet	72
Statement of Revenues, Expenditures and Changes in Fund Balance	73
STREET IMPROVEMENT FUND	
Balance Sheet	75
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	76
WOODLAND LAKE AQUATICS FUND	
Balance Sheet	78
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	79
CLARK LAKE AQUATICS FUND	
Balance Sheet	81
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	82

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
SUBDIVISION PAVING FUND	
Balance Sheet	84
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	85
STREETLIGHT FUND	
Balance Sheet	87
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	88
SANITATION FUND	
Balance Sheet	90
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	91
TAYLOR ROAD DEBT SERVICE FUND	
Statement of Revenues, Expenditures and Changes in Fund Balance	93
WOODLAND LAKE DEBT SERVICE FUND	
Balance Sheet	95
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	96
WATER DEBT SERVICE FUND	
Balance Sheet	98
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)	99
BUILDING AUTHORITY FUND	
Balance Sheet	101
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	102
WATER AUTHORITY CAPITAL PROJECT FUND	
Balance Sheet	104
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)	105

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
WATER FUND	
Balance Sheet	107
Statement of Fund Equity	108
Statement of Revenues, Expenses and Changes in Retained Earnings	109
Statement of Cash Flows	110
SEWER FUND	
Balance Sheet	112
Statement of Fund Equity	113
Statement of Revenues and Expenses	114
Statement of Cash Flows	115
Schedule of Revenues and Expenditures - Budget and Actual	116
TRUST AND AGENCY FUND	
Balance Sheet	118
CURRENT TAX COLLECTION FUND	
Balance Sheet	120
CONSTRUCTION ESCROW FUND	
Balance Sheet	122

June 30, 2004

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

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying general purpose financial statements of Charter Township of Brighton as of and for the year ended March 31, 2004, as listed in the table of contents on pages 10 - 35. These general purpose financial statements are the responsibility of the Township board. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Charter Township of Brighton, as of March 31, 2004, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 17, the Township's sewer special assessments are considerably less than the debt obligation. The financial statements do not include any adjustment relating to the amounts and classification of liabilities that might be necessary if the Charter Township of Brighton is not able to meet its debts as they come due.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as supplementary information on pages 38 - 122 in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of Charter Township of Brighton. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
 ALL FUND TYPES AND ACCOUNT GROUPS
 COMBINED BALANCE SHEET
 MARCH 31, 2004

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<u>ASSETS</u>				
Assets				
Cash and cash equivalents of governmental funds	\$ 3,953,701	\$ 1,503,823	\$ 81,429	\$ 396,005
Cash and cash equivalents of proprietary funds				
Receivables				
Interest				
Special assessments		207,793	10,275	
Taxes	52,721			
State shared revenues	184,978			
Utility billings				
Other				
Due from other funds	1,726,935	76,297	315	
Prepaid expenditures/expenses	36,351	3,433		
Fixed assets, net of depreciation				
Amount available in debt service fund				
Amounts to be provided for retirement of general long-term debt				
	\$ 5,954,686	\$ 1,791,346	\$ 92,019	\$ 396,005
Total assets	\$ 5,954,686	\$ 1,791,346	\$ 92,019	\$ 396,005

The accompanying notes are an integral part of these financial statements

PROPRIETARY FUND TYPES	FIDUCIARY FUND TYPES	ACCOUNT GROUPS		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Debt	3-31-04	3-31-03
Enterprise	Agency				
\$	\$ 436,482	\$	\$	\$ 6,371,440	\$ 8,993,808
2,573,281				2,573,281	2,206,652
					52,971
15,002,924				15,220,992	17,109,958
				52,721	68,629
				184,978	189,813
177,785				177,785	115,350
409,101				409,101	10,914
1,363				1,804,910	2,285,818
11,869				51,653	55,430
29,538,704		6,235,954		35,774,658	39,277,122
					12,628
			81,429	81,429	
			3,783,571	3,783,571	2,507,372
<u>\$ 47,715,027</u>	<u>\$ 436,482</u>	<u>\$ 6,235,954</u>	<u>\$ 3,865,000</u>	<u>\$ 66,486,519</u>	<u>\$ 72,886,465</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL FUND TYPES AND ACCOUNT GROUPS
 COMBINED BALANCE SHEET (continued)
 MARCH 31, 2004

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES				
Accounts payable	\$ 37,937	\$ 8,664	\$	\$ 300
Accrued compensation	69,081	15,569		
Bonds and interest payable			28,810	275,000
Due to other funds	23,880	21,346	42,000	100,682
Due to others				
Deposits				
Contingent liabilities	293,000			
Deferred revenues		180,720		
Accrued interest payable				<u>48,430</u>
Total liabilities	<u>423,898</u>	<u>226,299</u>	<u>70,810</u>	<u>424,412</u>
FUND EQUITY				
Investment in general fixed assets				
Retained earnings - reserved				
Retained earnings - unreserved (deficit)				
Fund balances				
Unreserved (deficit)	4,480,788	1,565,047		(28,407)
Designated-future road improvement	1,050,000			
Reserved for debt service			<u>21,209</u>	
Total fund equity	<u>5,530,788</u>	<u>1,565,047</u>	<u>21,209</u>	<u>(28,407)</u>
Total liabilities and fund equity	<u>\$ 5,954,686</u>	<u>\$ 1,791,346</u>	<u>\$ 92,019</u>	<u>\$ 396,005</u>

The accompanying notes are an integral part of these financial statements

<u>PROPRIETARY FUND TYPE</u>	<u>FIDUCIARY FUND TYPE</u>	<u>ACCOUNT GROUPS</u>		<u>Totals (Memorandum Only)</u>	
		<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>3-31-04</u>	<u>3-31-03</u>
<u>Enterprise</u>	<u>Agency</u>				
\$ 28,929	\$	\$	\$	\$ 75,830	\$ 85,053
				84,650	68,415
26,125,000			3,865,000	30,293,810	30,265,000
1,607,485	9,517			1,804,910	2,285,818
	136,019			136,019	3,062,784
	290,946			290,946	228,548
				293,000	293,000
				180,720	234,000
				48,430	105,584
<u>27,761,414</u>	<u>436,482</u>		<u>3,865,000</u>	<u>33,208,315</u>	<u>36,628,202</u>
		6,235,954		6,235,954	6,249,750
20,012,686				20,012,686	23,201,932
(59,073)				(59,073)	(43,450)
				6,017,428	6,103,651
				1,050,000	700,000
				21,209	46,380
<u>19,953,613</u>		<u>6,235,954</u>		<u>33,278,204</u>	<u>36,258,263</u>
<u>\$ 47,715,027</u>	<u>\$ 436,482</u>	<u>\$ 6,235,954</u>	<u>\$ 3,865,000</u>	<u>\$ 66,486,519</u>	<u>\$ 72,886,465</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL GOVERNMENTAL FUND TYPES
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2004

	<u>General</u>	<u>Special Revenue</u>
REVENUES		
Taxes	\$ 776,875	\$ 188,707
Special assessments		188,707
Ordinance enforcement	2,400	
Inspection department		353,770
Planning commission	72,965	
Intergovernmental - state	1,209,275	5,799
Charges for services	237,269	43,092
Sale of assets	678,837	
Interest	106,835	36,670
Miscellaneous	<u>396,340</u>	<u> </u>
Total revenues	<u>3,480,796</u>	<u>628,038</u>
EXPENDITURES		
General government	1,514,176	275,786
Public safety	70,344	
Roads	1,061,096	45,420
Project costs		414,063
Sewer and water	28,682	
Debt service	<u> </u>	<u> </u>
Total expenditures	<u>2,674,298</u>	<u>735,269</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>806,498</u>	<u>(107,231)</u>
OTHER FINANCING SOURCES (USES)		
Bond proceeds		
Bond issuance costs		
Operating transfers in		
Operating transfers (out)	<u>(392,121)</u>	<u> </u>
Total other financing sources (uses)	<u>(392,121)</u>	<u> </u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	414,377	(107,231)
FUND BALANCE, APRIL 1, 2003	<u>5,116,411</u>	<u>1,672,278</u>
FUND BALANCE (DEFICIT), MARCH 31, 2004	<u>\$ 5,530,788</u>	<u>\$ 1,565,047</u>

The accompanying notes are an integral part of these financial statements

Debt Service	Capital Projects	Totals (Memorandum only)	
		3-31-04	3-31-03
\$ 1,836	\$	\$ 776,875	\$ 735,800
		190,543	160,142
		2,400	2,600
		353,770	200,921
		72,965	46,372
		1,215,074	899,988
		280,361	250,612
		678,837	
1,844	4,470	149,819	278,928
		396,340	191,142
<u>3,680</u>	<u>4,470</u>	<u>4,116,984</u>	<u>2,766,505</u>
		1,789,962	1,338,059
		70,344	75,822
		1,106,516	220,207
		414,063	55,706
	1,643,239	1,671,921	1,254,148
<u>28,851</u>	<u>392,421</u>	<u>421,272</u>	<u>396,435</u>
<u>28,851</u>	<u>2,035,660</u>	<u>5,474,078</u>	<u>3,340,377</u>
<u>(25,171)</u>	<u>(2,031,190)</u>	<u>(1,357,094)</u>	<u>(573,872)</u>
	1,620,000	1,620,000	
	(24,300)	(24,300)	
	392,121	392,121	1,419,806
		(392,121)	(1,419,806)
	<u>1,987,821</u>	<u>1,595,700</u>	
(25,171)	(43,369)	238,606	(573,872)
<u>46,380</u>	<u>14,962</u>	<u>6,850,031</u>	<u>7,423,903</u>
<u>\$ 21,209</u>	<u>\$ (28,407)</u>	<u>\$ 7,088,637</u>	<u>\$ 6,850,031</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL AND SPECIAL REVENUE FUND TYPES
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	GENERAL FUND		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$	\$ 776,875	\$
Special assessments			
Ordinance enforcement		2,400	
Inspection department			
Planning commission		72,965	
Intergovernmental - state		1,209,275	
Charges for services		237,269	
Sale of assets		678,837	
Interest		106,835	
Miscellaneous		396,340	
Total revenues	<u>2,959,800</u>	<u>3,480,796</u>	<u>520,996</u>
EXPENDITURES			
General government		1,514,176	
Public safety		70,344	
Roads		1,061,096	
Project costs			
Streetlights			
Sewer and water		28,682	
Total expenditures	<u>3,009,612</u>	<u>2,674,298</u>	<u>335,314</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(49,812)	806,498	856,310
OTHER FINANCING SOURCES (USES)			
Operating transfers (out)	<u>(1,424,565)</u>	<u>(392,121)</u>	<u>1,032,444</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(1,474,377)	414,377	1,888,754
FUND BALANCE, APRIL 1, 2003	5,116,411	5,116,411	
FUND BALANCE, MARCH 31, 2004	<u>\$ 3,642,034</u>	<u>\$ 5,530,788</u>	<u>\$ 1,888,754</u>

Budgets were prepared for all Special Revenue Funds except for the Road Improvement Fund.

The accompanying notes are an integral part of these financial statements

SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$	\$	\$	\$	\$	\$
	188,707			776,875	
	353,770			188,707	
	5,799			2,400	
	43,092			353,770	
	25,477			72,965	
				1,215,074	
				280,361	
				678,837	
				132,312	
				396,340	
<u>455,512</u>	<u>616,845</u>	<u>161,333</u>	<u>3,415,312</u>	<u>4,097,641</u>	<u>682,329</u>
	275,786			1,789,962	
	45,420			70,344	
	401,373			1,106,516	
	12,690			401,373	
				12,690	
				28,682	
<u>855,676</u>	<u>735,269</u>	<u>120,407</u>	<u>3,865,288</u>	<u>3,409,567</u>	<u>455,721</u>
(400,164)	(118,424)	281,740	(449,976)	688,074	1,138,050
			<u>(1,424,565)</u>	<u>(392,121)</u>	<u>1,032,444</u>
(400,164)	(118,424)	281,740	(1,874,541)	295,953	2,170,494
<u>1,017,602</u>	<u>1,017,602</u>		<u>6,134,013</u>	<u>6,134,013</u>	
<u>\$ 617,438</u>	<u>\$ 899,178</u>	<u>\$ 281,740</u>	<u>\$ 4,259,472</u>	<u>\$ 6,429,966</u>	<u>\$ 2,170,494</u>

ALL ENTERPRISE FUNDS
COMBINED STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN
RETAINED EARNINGS

CHARTER TOWNSHIP OF BRIGHTON
 ALL ENTERPRISE FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN RETAINED EARNINGS
 FOR THE YEAR ENDED MARCH 31, 2004

OPERATING REVENUES		
Utility billings	\$ 560,755	
Tap-in fees	588,682	
Other operating revenues	<u>84,805</u>	
Total operating revenues		\$ 1,234,242
OPERATING EXPENSES		
Wages and temporary services	5,611	
City connection charges	50,464	
Mss Dig	8,656	
Per diems	1,470	
Property owners expense - reimbursable	16,894	
Contracted services	241,586	
Utilities	116,861	
Water purchases	47,045	
Depreciation	820,540	
Repairs and maintenance	14,038	
Supplies	25,438	
Postage	236	
Miscellaneous	2,279	
Professional fees	9,555	
Dues and certifications	491	
Insurance	<u>46,541</u>	
Total operating expenses		<u>1,407,705</u>
Operating income		(173,463)
NON-OPERATING REVENUES (EXPENSES)		
Interest income	1,058,535	
Transfer to residents	(6,253)	
Interest (expense)	(1,400,940)	
Miscellaneous expense	<u>(192)</u>	
Total non-operating revenues (expenses)		<u>(348,850)</u>
Net (loss)		(522,313)
RETAINED EARNINGS, APRIL 1, 2003		23,158,482
PRIOR PERIOD ADJUSTMENT		<u>(2,682,556)</u>
RETAINED EARNINGS, MARCH 31, 2004		<u>\$ 19,953,613</u>

The accompanying notes are an integral part of these financial statements

ALL ENTERPRISE FUNDS
COMBINED STATEMENT OF CASH FLOWS

CHARTER TOWNSHIP OF BRIGHTON
ALL ENTERPRISE FUNDS
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2004

	Totals	
	3-31-04	3-31-03
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating (loss)	\$ (173,463)	\$ 899,195
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities		
Depreciation	820,540	408,782
Other income	83	1,259
Changes in assets and liabilities		
(Increase) in accounts receivable	(204,986)	(1,442,834)
(Increase) decrease in due from other funds	150,693	(24,956)
(Increase) decrease in prepaid expenses	11,262	(23,131)
Increase (decrease) in accounts payable	(27,629)	31,935
Increase (decrease) in accrued interest payable	(52,710)	52,710
Increase in due to other funds	90,294	1,513,532
(Decrease) in accrued interest payable	(83)	(357,328)
	787,464	159,969
Total adjustments		
Net cash and cash equivalents from operating activities	614,001	1,059,164
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Payment on bonds	(2,729,588)	(1,441,570)
Special assessment collections and tap in fees	1,465,989	736,192
Payment on interfund loan	(21,627)	
	(1,285,226)	(705,378)
Net cash and cash equivalents (used in) capital and related financing activities		
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Transfer to residents	(6,253)	(20,915)
Water/Sewer System Additions	(14,428)	(1,238,689)
Interest income	1,058,535	1,065,320
	1,037,854	(194,284)
Net cash and cash equivalents from (used in) investing activities		
Net increase in cash and cash equivalents	366,629	159,502
CASH AND CASH EQUIVALENTS, APRIL 1, 2003	2,206,652	2,047,150
CASH AND CASH EQUIVALENTS, MARCH 31, 2004	\$ 2,573,281	\$ 2,206,652

The accompanying notes are an integral part of these financial statements

NOTES
TO
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Charter Township of Brighton conform to generally accepted accounting principles as applicable to townships. The following is a summary of the more significant policies:

A. BASIS OF PRESENTATION

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that are comprised of assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Governmental Funds

General Fund - The general fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of special revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Project Funds - Capital project funds account for financial resources segregated for the acquisition of major capital facilities.

Proprietary Funds

Enterprise Funds - Enterprise funds 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.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Funds

Trust and Agency Funds - Trust and agency funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Account Groups

Account groups are used to establish accounting control and accountability for the Township's general fixed assets and general long-term debt obligations. The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

1. General Fixed Assets Account Group - This account group is established to account for all fixed assets of the Township, other than those assets accounted for in the Proprietary Funds. Capital outlays in funds other than Proprietary Funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group.
2. General Long-Term Debt Account Group - This account group is established to account for all of the Township's long-term debt and governmental fund compensated absences that will be financed from general governmental resources.

B. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenues when they are measurable and their validity seems certain.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

All proprietary funds and non-expendable trust and pension trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and expenses are recognized when incurred.

C. BUDGETARY DATA

The Township prepares and adopts an annual operating budget for most funds as a basis for control of operations during the fiscal year. The budgets for the various funds are prepared on a modified accrual basis of accounting in accordance with generally accepted accounting principles. The budget is maintained in a manner consistent with the presentation of the fund financial statements. Budgetary comparison to various actual operating results are reviewed at various interim dates by the township board. The Township exceeded budgeted appropriations in several functional activities. The Township did not adopt a budget for the Road Improvement Fund violating Public Act 493 of 2000.

D. FIXED ASSETS AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and expendable trust funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of available spendable resources.

Long-term liabilities expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with the measurement of results of operations.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Utility systems/Improvements	10 - 40 years
Equipment	3 - 10 years

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. PROPERTY TAXES

The Township's property taxes are levied and become a lien on each December 1st based on the taxable valuation of property located in the Township as of the preceding December 31st. These taxes are due on February 14, with the final collection date of February 28. The Township recognized the amount levied December 1, 2003 as revenue for the year ended March 31, 2004.

The 2003 adjusted taxable value totaled \$818,472,308. Taxes levied consisted of .9390 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.

F. PERSONAL PROPERTY TAX ASSESSMENTS AND APPEALS

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

G. TOTAL COLUMNS ON STATEMENTS - OVERVIEW

Total columns on the statements which combine more than one type of fund are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

H. MANAGEMENT ESTIMATES

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. 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.

J. INVESTMENTS

Investments are stated at lower of cost or market.

K. REPORTING MODEL

The reporting model used by the Township is the model in effect prior to the issuance of GASB statement number 34. The Township is a phase 3 government which is not required to adopt this statement until the fiscal year ending March 31, 2005.

L. REPORTING PERIOD

The Township had previously changed its Township status from general law to charter township. In accordance with state law, the Charter Township of Brighton has changed its fiscal year end to March 31st. The financial statement reported in the previous fiscal year represents only the activity for the nine months ended March 31, 2003.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

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.

The following 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.

1. Fonda Island & Briggs Lake Joint Water Authority - Charter Township of Brighton appoints three members of the authority's six member board. The authority is fiscally independent from the Township. The authority is audited as an independent entity in compliance with Public Act 2.
2. South Eastern Livingston County Recreation Authority - (SELCRA) - SELCRA is an interlocal agreement which includes the City of Brighton, Brighton Area Schools, Genoa Township, Green Oak Township and Charter Township of Brighton. Charter Township of Brighton appoints one member to the board. SELCRA is a component unit of Brighton Area Schools and is included as part of its reporting entity.
3. Southeast Livingston Sewage Disposal and Water Supply Authority (SELSDWA) - The Township appoints two members to the eight commissioner board. The entity requires an audit as an independent in compliance with Public Act 2.
4. Brighton Area District Library - This unit is a separate legal entity with elected board members. A separate audit is conducted for the unit.
5. Southeast Michigan Council of Governments (SEMCOG) - SEMCOG is a regional organization of governments located in Livingston, Macomb and Monroe Counties. Charter Township of Brighton appoints one delegate of the nine representing Livingston County. A separate audit is conducted for this unit.
6. Fire Fighters Association of Brighton Township - The Fire Fighters Association of Charter Township of Brighton is an organization made up of Charter Township of Brighton fire fighters. The organization is a Michigan corporation formed by the fire fighters independent of the Township.
7. Brighton Area Fire Authority - Charter Township of Brighton appoints two members of the Authority's eight member board. The Authority was incorporated July 1, 2000 a separate audit is conducted for this unit.
8. Livingston Community Water Authority - Charter Township of Brighton appoints two members of the Authority's six (6) member board. The Authority was incorporated in 2002 and has a separate audit conducted.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 3 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets is as follows:

	<u>Balance 4/01/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/04</u>
Land and buildings	\$ 3,623,701	\$ 7,595	\$ 75,000	\$ 3,556,296
Office equipment and vehicles	184,404			184,404
Voting equipment	94,096			94,096
Tornado sirens	139,535			139,535
Computer equipment and software	327,113	31,882	15,000	343,995
Fire tower	16,175			16,175
Fire station	<u>1,864,726</u>	<u>36,727</u>	<u> </u>	<u>1,901,453</u>
Total	<u>\$ 6,249,750</u>	<u>\$ 76,204</u>	<u>\$ 90,000</u>	<u>\$ 6,235,954</u>

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 3 - CHANGES IN GENERAL FIXED ASSETS - continued

A summary of proprietary fund type property and equipment at March 31, 2004 is as follows:

	Water Fund				Sewer Fund			
	Balance 4/01/03	Additions	Retirements	Balance 3/31/04	Balance 4/01/03	Additions	Retirements	Balance 3/31/04
Improvements Plant and collection system	\$ 20,337	\$ 8,907	\$	\$ 29,244	\$	\$	\$	
					32,018,054	5,521	(2,616,835)	\$ 29,406,740
Less accumulated depreciation	(2,288)	(731)	_____	(3,019)	(469,483)	(819,809)	_____	(1,289,292)
Net	<u>\$ 18,049</u>	<u>\$ 8,176</u>	<u>\$ _____</u>	<u>\$ 26,225</u>	<u>\$ 31,548,571</u>	<u>\$ (814,288)</u>	<u>\$ (2,616,835)</u>	<u>\$ 28,117,448</u>
Land	<u>\$ 617</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 617</u>	<u>\$ 1,460,135</u>	<u>\$ _____</u>	<u>\$ (65,721)</u>	<u>\$ 1,394,414</u>
	<u>Total</u>							
	<u>Balance 4/01/03</u>	<u>Additions</u>	<u>Balance Retirements</u>	<u>3/31/04</u>				
Improvements Plant and collection system	\$ 20,337	\$ 8,907	\$	\$ 29,244				
	32,018,054	5,521	(2,616,835)	29,406,740				
Less accumulated depreciation	(471,771)	(820,540)	_____	(1,292,311)				
Net	<u>\$ 31,566,620</u>	<u>\$ (806,112)</u>	<u>\$ (2,616,835)</u>	<u>\$ 28,143,673</u>				
Land	<u>\$ 1,460,752</u>	<u>\$ _____</u>	<u>\$ (65,721)</u>	<u>\$ 1,395,031</u>				

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 4 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General	\$ 1,726,935	\$ 23,880
Road Improvement	42,000	19,850
Street Improvement	2,489	1,496
Water	132	1,377,029
Construction Escrow		180
Streetlights	7,829	
Building Department	4,315	
Woodland Lake Debt Service		42,000
Water Debt Service	315	
Subdivision Paving	19,664	
Water Authority		47,879
Building Authority		52,803
Sewer	1,231	230,456
Trust and Agency		4,673
Current Tax	<u> </u>	<u>4,664</u>
Totals	<u>\$ 1,804,910</u>	<u>\$ 1,804,910</u>

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

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, 2004 was \$702,502.

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

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

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

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

The Local Unit makes monthly contributions based on the annual actuarial valuations. Total contributions for the township for the year ended March 31, 2004 was \$71,714.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

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

At January 1, 2002, the unfunded pension benefit obligation was \$358,028, determined as follows:

Actuarial Accrued Liability

Retirees and beneficiaries currently receiving benefits	\$ 371,299
Terminated employees not yet receiving benefits	226,256
Current employees - Accumulated employee contributions including allocated investment income	84,631
Employer financed	<u>225,364</u>
Total actuarial accrued liability	907,550
Net assets available for benefits at actuarial value	<u>549,522</u>
Unfunded actuarial accrued liability	<u>\$ 358,028</u>

The Township's annual required contribution was \$52,284 as of December 31, 2003. The combined change in the pension benefit obligation resulting from benefit changes, if any, and revisions in actuarial assumptions is 0.050798. Total covered payroll for participants was \$527,293.

NOTE 6 - GENERAL LONG-TERM DEBT

The following is a summary of general long term debt for the year:

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 6 - GENERAL LONG-TERM DEBT - continued

The changes in general long-term debt are as follows:

	<u>Balance 4/01/03</u>	<u>Additions</u>	<u>Payments & Deductions</u>	<u>Balance 3/31/04</u>
<u>BONDS PAYABLE</u>				
Building Authority Bonds, Series 1999	\$ 2,520,000	\$	\$ 275,000	\$ 2,245,000
Capital Improvement Bonds, Series 2003	<u> </u>	<u>1,620,000</u>	<u> </u>	<u>1,620,000</u>
Total Bonds Payable	<u>\$ 2,520,000</u>	<u>\$ 1,620,000</u>	<u>\$ 275,000</u>	<u>\$ 3,865,000</u>

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

	<u>Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2004 - 2005	\$ 275,000	\$ 179,210
2005 - 2006	245,000	168,558
2006 - 2007	140,000	160,799
2007 - 2008	145,000	155,290
2008 - 2009	160,000	149,279
remaining	<u>3,175,000</u>	<u>1,291,157</u>
Totals	4,140,000	2,104,293
Less current portion recorded	<u>(275,000)</u>	<u>(76,990)</u>
	<u>\$ 3,865,000</u>	<u>\$ 2,027,303</u>

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2004

NOTE 7 - PROPRIETARY LONG-TERM DEBT

On October 1, 2000 Livingston County Drain Commission sold \$27,800,000 in bonds to finance the construction of a sewer system. Amounts are payable to Livingston County. Principal payable in annual installments of \$325,000 to \$1,626,000 starting October 2002. Interest is charged at 5.0% to 5.25% payable semi-annually.

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

	<u>Principal</u>	<u>Interest</u>
2004 - 2005	\$ 1,375,000	\$ 1,311,188
2005 - 2006	1,400,000	1,241,813
2006 - 2007	1,425,000	1,171,188
2007 - 2008	1,450,000	1,098,588
2008 - 2009	1,475,000	1,024,000
2009 and remaining	<u>19,000,000</u>	<u>6,090,128</u>
Totals	<u>\$ 26,125,000</u>	<u>\$ 11,936,903</u>

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2004

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.

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

<u>Deposits</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured	\$ 302,593	\$ 302,593
Uninsured and uncollateralized	<u>8,641,865</u>	<u>8,837,328</u>
	8,944,458	<u>\$ 9,139,921</u>
 Petty cash	 <u>263</u>	
 Total cash	 <u>\$ 8,944,721</u>	

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2004

NOTE 9 - SEGMENT INFORMATION - ENTERPRISE FUNDS

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

	<u>Water Fund</u>	<u>Sewer</u>	<u>Totals</u>
Operating revenues	\$ 69,093	\$ 1,165,149	\$ 1,234,242
Depreciation	731	819,809	820,540
Operating income (loss)	(49,709)	(123,754)	(173,463)
Net working capital	259,809	(92,873)	166,936
Total assets	1,507,223	46,207,804	47,715,027
Reserved retained earnings	48,090	19,964,596	20,012,686
Unreserved retained earnings (deficit)	68,873	(127,946)	(59,073)
Total fund equity	116,963	19,836,650	19,953,613

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

	<u>April 1, 2003</u>	<u>March 31, 2004</u>
Cash and cash equivalents	<u>\$ 2,206,652</u>	<u>\$ 2,573,281</u>

NOTE 11 - CONTINGENT LIABILITIES - LITIGATION

CONTAMINATION

There is an outstanding claim against the Township arising from the operation of a dump in the 1960's. The site of the dump apparently contains contamination and the MDNR is conducting testing to determine the amount of cost involved in cleaning up the site. The MDNR has contacted the Township and informed it that the Township is a "responsible party" pursuant to applicable statute. The Township has notified all insurers identified to date of the MDNR's actions in connection with the dump. All insurers have either denied, or reserved their rights to deny, coverage for the alleged environmental contamination at the dump. Potential exposure includes joint and several liability to the Township for all necessary remedial investigation and clean-up costs.

The Township has settled all claims with the EPA but have potential litigation with the MDNR.. A contingent liability has been recorded to account for this contingency totaling \$293,000. The lawsuit with the DNR is at the claim stage with the amount of the claim being approximately \$2,000,000. The Township does have potential exposure for this claim but cannot ascertain the likelihood of an unfavorable outcome.

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2004

NOTE 12 - OTHER FINANCING SOURCES (USES)

The transfers of cash between the various funds are budgeted but reported separate from revenues and expenditures as operating 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 13 - DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by Aetna Life Insurance and Annuity Company.

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

NOTE 14 - BUILDING AUTHORITY AGREEMENT

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004 - 2005	\$ 275,000	\$ 110,664	\$ 385,664
2005 - 2006	245,000	100,011	345,011
2006 - 2007	100,000	92,803	192,803
2006 and after	1,900,000	666,808	2,566,808
	<u>\$ 2,520,000</u>	<u>\$ 970,286</u>	<u>\$ 3,490,286</u>

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 15 - DEFICIT ELIMINATION PLAN

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

NOTE 16 - PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$2,682,556 was made in the Sewer Fund as part of reconciling amounts paid in the construction of the sewer system by the county and the township.

NOTE 17 - PROJECT UNCERTAINTIES

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

The Township had special assessments in the original district of approximately \$18 million to finance the debt. The Township believed there would be enough new sewer customers outside of the original sewer district to pay for the difference of approximately \$10 million. However, the new sewer customers are not forthcoming as originally planned.

Recent projections of the sewer debt service fund show cash flow deficits as high as \$14 million over the life of the debt obligation. The projections show cash deficits starting in the next two to three years ranging between \$400,000 - \$900,000 (depending on the assumptions) in the sewer debt service fund.

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

SUPPLEMENTARY
INFORMATION

COMBINING
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2004

<u>ASSETS</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>	<u>Road Improvement</u>	<u>Street Improvement</u>
ASSETS					
Cash and investments	\$ 67,718	\$ 354,773	\$ 48,755	\$ 643,719	\$ 39,010
Receivables					
Accrued interest					1,676
Special assessments					
Prepaid expenses	3,433				
Due from other funds	<u>4,315</u>			<u>42,000</u>	<u>2,489</u>
Total assets	<u>\$ 75,466</u>	<u>\$ 354,773</u>	<u>\$ 48,755</u>	<u>\$ 685,719</u>	<u>\$ 43,175</u>
<u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Accounts payable	\$ 823	\$	\$	\$	\$ 553
Accrued expenses	15,569				
Due to other funds				19,850	1,496
Deferred revenue					
Total liabilities	16,392			19,850	2,049
FUND BALANCE	<u>59,074</u>	<u>354,773</u>	<u>48,755</u>	<u>665,869</u>	<u>41,126</u>
Total liabilities and fund balance	<u>\$ 75,466</u>	<u>\$ 354,773</u>	<u>\$ 48,755</u>	<u>\$ 685,719</u>	<u>\$ 43,175</u>

<u>Woodland Lake Aquatics</u>	<u>Clark Lake Aquatics</u>	<u>Subdivision Paving</u>	<u>Street lights</u>	<u>Sanitation</u>
\$ 51,247	\$ 5,754	\$ 257,286	\$	\$ 35,561
5,116	750	185,602	13,110	1,539
		<u>19,664</u>	<u>7,829</u>	
<u>\$ 56,363</u>	<u>\$ 6,504</u>	<u>\$ 462,552</u>	<u>\$ 20,939</u>	<u>\$ 37,100</u>

\$	\$ 5,869	\$ 294	\$ 1,125	\$
		<u>180,720</u>		
	5,869	181,014	1,125	
<u>56,363</u>	<u>635</u>	<u>281,538</u>	<u>19,814</u>	<u>37,100</u>
<u>\$ 56,363</u>	<u>\$ 6,504</u>	<u>\$ 462,552</u>	<u>\$ 20,939</u>	<u>\$ 37,100</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET (continued)
 MARCH 31, 2004

	<u>3-31-04</u>	<u>3-31-03</u>
<u>ASSETS</u>		
ASSETS		
Cash and investments	\$ 1,503,823	\$ 1,311,590
Receivables		
Accrued interest		261
Special assessments	207,793	322,091
Prepaid expenses	3,433	2,658
Due from other funds	<u>76,297</u>	<u>330,592</u>
Total assets	<u>\$ 1,791,346</u>	<u>\$ 1,967,192</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES		
Accounts payable	\$ 8,664	\$ 2,172
Accrued expenses	15,569	17,237
Due to other funds	21,346	27,900
Deferred revenue	<u>180,720</u>	<u>247,605</u>
Total liabilities	226,299	294,914
FUND BALANCE	<u>1,565,047</u>	<u>1,672,278</u>
Total liabilities and fund balance	<u>\$ 1,791,346</u>	<u>\$ 1,967,192</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL DEBT SERVICE FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2004

	<u>Woodland Lake</u>	<u>Water</u>
<u>ASSETS</u>		
ASSETS,		
Cash	\$ 80,281	\$ 1,148
Due from other funds		315
Special assessment receivable	<u>10,275</u>	<u> </u>
Total assets	<u>\$ 90,556</u>	<u>\$ 1,463</u>
 <u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
LIABILITIES		
Accrued expenses	\$ 42,000	\$ 28,810
Due to other funds	<u> </u>	<u> </u>
Total liabilities	42,000	28,810
FUND BALANCE (DEFICIT)		
Reserved for debt service	<u>48,556</u>	<u>(27,347)</u>
Total liabilities and fund balance (deficit)	<u>\$ 90,556</u>	<u>\$ 1,463</u>

<u>Totals</u>	
<u>3-31-04</u>	<u>3-31-03</u>
\$ 81,429	\$ 12,628
315	33,273
10,275	52,404
\$ 92,019	\$ 98,305

\$ 28,810	\$
42,000	51,925
70,810	51,925
21,209	46,380
\$ 92,019	\$ 98,305

CHARTER TOWNSHIP OF BRIGHTON
 ALL CAPITAL PROJECT FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2004

	<u>Building Authority Fund</u>	<u>Water Authority Fund</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash	\$ 395,665	\$ 340	\$ 396,005
 <u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>			
LIABILITIES			
Accounts payable	\$ 300	\$	\$ 300
Due to other funds	52,803	47,879	100,682
Bond and interest payable	<u>323,430</u>	<u> </u>	<u>323,430</u>
Total liabilities	376,533	47,879	424,412
FUND BALANCE (DEFICIT)	<u>19,132</u>	<u>(47,539)</u>	<u>(28,407)</u>
Total liabilities and fund balance (deficit)	<u>\$ 395,665</u>	<u>\$ 340</u>	<u>\$ 396,005</u>

CHARTER TOWNSHIP OF BRIGHTON
ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
MARCH 31, 2004

	<u>Water Fund</u>	<u>Sewer Fund</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 235,445	\$
Accounts receivable	37,315	140,470
Prepaid expenses	289	11,580
Due from other funds	<u>132</u>	<u>1,231</u>
Total current assets	<u>273,181</u>	<u>153,281</u>
RESTRICTED ASSETS		
Cash and cash equivalents		2,337,836
Accounts receivable		409,101
Special assessments receivable	<u>1,207,200</u>	<u>13,795,724</u>
Total restricted assets	<u>1,207,200</u>	<u>16,542,661</u>
PROPERTY AND EQUIPMENT		
Land	617	1,394,414
Equipment, improvements and system	29,244	29,406,740
Less: accumulated depreciation	<u>(3,019)</u>	<u>(1,289,292)</u>
Net property and equipment	<u>26,842</u>	<u>29,511,862</u>
Total assets	<u>\$ 1,507,223</u>	<u>\$ 46,207,804</u>
<u>LIABILITIES AND FUND EQUITY</u>		
LIABILITIES		
Accounts payable	\$ 13,231	\$ 15,698
Bonds payable - special assessment - from restricted assets		26,125,000
Due to other funds	1,377,029	230,456
Accrued payroll/taxes		
Accrued interest payable		
Total liabilities	<u>1,390,260</u>	<u>26,371,154</u>
FUND EQUITY		
Contributed capital		
Retained earnings - reserved	48,090	19,964,596
Retained earnings - unreserved (deficit)	<u>68,873</u>	<u>(127,946)</u>
Total fund equity	<u>116,963</u>	<u>19,836,650</u>
Total liabilities and fund equity	<u>\$ 1,507,223</u>	<u>\$ 46,207,804</u>

Totals	
<u>3-31-04</u>	<u>3-31-03</u>
\$ 235,445	\$ 146,832
177,785	115,350
11,869	23,131
<u>1,363</u>	<u>152,056</u>
<u>426,462</u>	<u>437,369</u>
2,337,836	2,059,820
409,101	
<u>15,002,924</u>	<u>16,735,463</u>
<u>17,749,861</u>	<u>18,795,283</u>
1,395,031	1,460,752
29,435,984	32,038,391
<u>(1,292,311)</u>	<u>(471,771)</u>
<u>29,538,704</u>	<u>33,027,372</u>
<u>\$ 47,715,027</u>	<u>\$ 52,260,024</u>
\$ 28,929	\$ 56,558
26,125,000	27,475,000
1,607,485	1,517,191
	83
	<u>52,710</u>
<u>27,761,414</u>	<u>29,101,542</u>
20,012,686	23,201,932
<u>(59,073)</u>	<u>(43,450)</u>
<u>19,953,613</u>	<u>23,158,482</u>
<u>\$ 47,715,027</u>	<u>\$ 52,260,024</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL AGENCY FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2004

	<u>Trust and Agency</u>	<u>Current Tax</u>	<u>Construction Escrow</u>	<u>Totals</u>
 <u>ASSETS</u>				
Cash	<u>\$ 391,820</u>	<u>\$ 6,084</u>	<u>\$ 38,578</u>	<u>\$ 436,482</u>
 <u>LIABILITIES</u>				
LIABILITIES				
Performance deposits	\$ 252,548	\$	\$ 38,398	\$ 290,946
Due to other funds	4,673	4,664	180	9,517
Due to others	<u>134,599</u>	<u>1,420</u>	<u></u>	<u>136,019</u>
Total liabilities	<u>\$ 391,820</u>	<u>\$ 6,084</u>	<u>\$ 38,578</u>	<u>\$ 436,482</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2004

	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>	<u>Road Improvement</u>	<u>Street Improvement</u>
REVENUES					
Intergovernmental - State	\$	\$	\$ 5,799	\$	\$
Special assessment					18,785
Licenses and permits	353,770				
Charges for services					
Interest	<u>1,781</u>	<u>2,584</u>	<u>400</u>	<u>11,193</u>	<u>206</u>
Total revenues	<u>355,551</u>	<u>2,584</u>	<u>6,199</u>	<u>11,193</u>	<u>18,991</u>
EXPENDITURES					
Building department	275,786				
Contract expense			25,075		20,345
Utilities					
Project-costs	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>275,786</u>	<u> </u>	<u>25,075</u>	<u> </u>	<u>20,345</u>
Excess (deficiency) of revenues over expenditures	79,765	2,584	(18,876)	11,193	(1,354)
FUND BALANCE (DEFICIT), APRIL 1, 2003	<u>(20,691)</u>	<u>352,189</u>	<u>67,631</u>	<u>654,676</u>	<u>42,480</u>
FUND BALANCE, MARCH 31, 2004	<u>\$ 59,074</u>	<u>\$ 354,773</u>	<u>\$ 48,755</u>	<u>\$ 665,869</u>	<u>\$ 41,126</u>

Woodland Lake Aquatics	Clark Lake Aquatics	Subdivision Paving	Street Light	Sanitation
\$ 54,950	\$ 6,925	\$ 94,937	\$ 13,110	\$
447	39	19,976		43,092
<u>55,397</u>	<u>6,964</u>	<u>114,913</u>	<u>13,110</u>	<u>43,136</u>
94,289	18,660	248,105	12,690	40,319
<u>94,289</u>	<u>18,660</u>	<u>248,105</u>	<u>12,690</u>	<u>40,319</u>
(38,892)	(11,696)	(133,192)	420	2,817
<u>95,255</u>	<u>12,331</u>	<u>414,730</u>	<u>19,394</u>	<u>34,283</u>
<u>\$ 56,363</u>	<u>\$ 635</u>	<u>\$ 281,538</u>	<u>\$ 19,814</u>	<u>\$ 37,100</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (continued)
 FOR THE YEAR ENDED MARCH 31, 2004

	Totals	
	3-31-04	3-31-03
REVENUES		
Intergovernmental - State	\$ 5,799	\$ 5,329
Special assessments	188,707	156,038
Licenses and permits	353,770	200,921
Charges for services	43,092	41,415
Interest	36,670	32,072
Total revenues	628,038	435,775
EXPENDITURES		
Building department	275,786	260,963
Contract expense	45,420	8,409
Utilities	12,690	9,446
Project-costs	401,373	46,260
Total expenditures	735,269	325,078
Excess (deficiency) of revenues over expenditures	(107,231)	110,697
FUND BALANCE, APRIL 1, 2003	1,672,278	1,561,581
FUND BALANCE, MARCH 31, 2004	\$ 1,565,047	\$ 1,672,278

CHARTER TOWNSHIP OF BRIGHTON
 ALL DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2004

	<u>Taylor Road</u>	<u>Woodland Lake</u>	<u>Water</u>
REVENUES			
Interest	\$	\$ 351	\$ 1,493
Special assessment		<u>1,836</u>	
Total revenues		2,187	1,493
EXPENDITURES	<u>11</u>		<u>28,840</u>
Excess (deficiency) of revenues over expenditures	(11)	2,187	(27,347)
FUND BALANCE, APRIL 1, 2003	<u>11</u>	<u>46,369</u>	
FUND BALANCE (DEFICIT), MARCH 31, 2004	<u>\$</u>	<u>\$ 48,556</u>	<u>\$ (27,347)</u>

<u>Totals</u>	
<u>3-31-04</u>	<u>3-31-03</u>
\$ 1,844	\$ 47
<u>1,836</u>	<u>4,104</u>
3,680	4,151
<u>28,851</u>	<u>9,962</u>
(25,171)	(5,811)
<u>46,380</u>	<u>52,191</u>
<u>\$ 21,209</u>	<u>\$ 46,380</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, 2004

	<u>Building Authority</u>	<u>Water Authority</u>	<u>Total</u>
REVENUES			
Interest	\$ 4,470	\$	\$ 4,470
EXPENDITURES			
Debt service - payments	392,421		392,421
Water project costs		<u>1,643,239</u>	<u>1,643,239</u>
Total expenditures	<u>392,421</u>	<u>1,643,239</u>	<u>2,035,660</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(387,951)	(1,643,239)	(2,031,190)
OTHER FINANCING SOURCES (USES)			
Operating transfer in	392,121		392,121
Bond proceeds		1,620,000	1,620,000
Bond issuance costs		<u>(24,300)</u>	<u>(24,300)</u>
Total other financing sources (uses)	<u>392,121</u>	<u>1,595,700</u>	<u>1,987,821</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	4,170	(47,539)	(43,369)
FUND BALANCE, APRIL 1, 2003	<u>14,962</u>		<u>14,962</u>
FUND BALANCE (DEFICIT), MARCH 31, 2004	<u>\$ 19,132</u>	<u>\$ (47,539)</u>	<u>\$ (28,407)</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL ENTERPRISE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 FOR THE YEAR ENDED MARCH 31, 2004

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
OPERATING REVENUES			
Utility billings	\$ 69,093	\$ 491,662	\$ 560,755
Tap-in fees		588,682	588,682
Other revenues		<u>84,805</u>	<u>84,805</u>
Total operating revenues	<u>69,093</u>	<u>1,165,149</u>	<u>1,234,242</u>
OPERATING EXPENSES			
Wages and temporary services		5,611	5,611
City connection charges	50,464		50,464
Miss Dig		8,656	8,656
Per diems		1,470	1,470
Property owners expense - reimbursable		16,894	16,894
Contracted services	14,932	226,654	241,586
Utilities	241	116,620	116,861
Water purchases	47,045		47,045
Depreciation	731	819,809	820,540
Repairs and maintenance	715	13,323	14,038
Supplies	172	25,266	25,438
Postage	236		236
Miscellaneous	615	1,664	2,279
Professional fees	1,624	7,931	9,555
Dues and certifications	491		491
Insurance	<u>1,536</u>	<u>45,005</u>	<u>46,541</u>
Total operating expenses	<u>118,802</u>	<u>1,288,903</u>	<u>1,407,705</u>
Operating income (loss)	<u>(49,709)</u>	<u>(123,754)</u>	<u>(173,463)</u>
NON-OPERATING REVENUES			
Interest income	87,514	971,021	1,058,535
Transfer to residents	(6,253)		(6,253)
Interest (expense)	(21,627)	(1,379,313)	(1,400,940)
Miscellaneous income (expense)	<u>83</u>	<u>(275)</u>	<u>(192)</u>
Total non-operating revenues (expenses)	<u>59,717</u>	<u>(408,567)</u>	<u>(348,850)</u>
Net income (loss)	10,008	(532,321)	(522,313)
RETAINED EARNINGS, APRIL 1, 2003	106,955	23,051,527	23,158,482
PRIOR PERIOD ADJUSTMENT		<u>(2,682,556)</u>	<u>(2,682,556)</u>
RETAINED EARNINGS, MARCH 31, 2004	<u>\$ 116,963</u>	<u>\$ 19,836,650</u>	<u>\$ 19,953,613</u>

CHARTER TOWNSHIP OF BRIGHTON
ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2004

	Water Fund	Sewer Fund
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating income (loss)	\$ (49,709)	\$ (123,754)
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities		
Depreciation	731	819,809
Other income	83	
Changes in assets and liabilities		
(Increase) in accounts receivable	(12,350)	(192,636)
Decrease (increase) in due from other funds	151,924	(1,231)
Decrease in prepaid expenses	381	10,881
(Decrease) increase in accounts payable	430	(28,059)
(Decrease) in accrual interest	(52,710)	
(Decrease) increase in due to other funds	(128,971)	219,265
(Decrease) in accrued wages	(83)	
Total adjustments	(40,565)	828,029
Net cash and cash equivalents from (used in) operating activities	(90,274)	704,275
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Payment on bonds		(2,729,588)
Special assessment collections and tap in fees	128,160	1,337,829
Payment on interfund loan	(21,627)	
Net cash and cash equivalents from (used in) capital and related financing activities	106,533	(1,391,759)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Transfer to residents	(6,253)	
Water/sewer system construction costs	(8,907)	(5,521)
Interest earned on operating fund	87,514	971,021
Net cash and cash equivalents from (used in) investing activities	72,354	965,500
Net increase in cash and cash equivalents	88,613	278,016
CASH AND CASH EQUIVALENTS, APRIL 1, 2003	146,832	2,059,820
CASH AND CASH EQUIVALENTS, MARCH 31, 2004	\$ 235,445	\$ 2,337,836

Totals

\$ (173,463)

820,540
83

(204,986)
150,693
11,262
(27,629)
(52,710)
90,294
(83)

787,464

614,001

(2,729,588)
1,465,989
(21,627)

(1,285,226)

(6,253)
(14,428)
1,058,535

1,037,854

366,629

2,206,652

\$ 2,573,281

INDIVIDUAL
FUNDS

GENERAL
FUND

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash and equivalents	\$ 3,953,701
Delinquent taxes receivable	52,721
State shared revenues receivable	184,978
Due from other funds	1,726,935
Prepaid expenditures	<u>36,351</u>

Total assets

\$ 5,954,686

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 37,937
Accrued wages and vacation	66,105
Payroll taxes withholding and payable	2,976
Due to other funds	23,880
Contingent liabilities	<u>293,000</u>

Total liabilities

\$ 423,898

FUND BALANCE

Undesignated	4,480,788
Designated - future road improvement	<u>1,050,000</u>

Total

5,530,788

Total liabilities and fund balance

\$ 5,954,686

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Taxes	\$ 777,000	\$ 776,875	\$ (125)
Treasurer	466,300	345,261	(121,039)
Ordinance enforcement	2,500	2,400	(100)
Planning commission	50,000	72,965	22,965
State shared revenue	1,400,000	1,209,275	(190,725)
Sale of assets		678,837	678,837
Miscellaneous revenue	<u>264,000</u>	<u>395,183</u>	<u>131,183</u>
Total revenues	2,959,800	3,480,796	520,996
EXPENDITURES			
	<u>3,009,612</u>	<u>2,674,298</u>	<u>335,314</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(49,812)	806,498	856,310
OTHER FINANCING SOURCES (USES)			
Operating transfers (out)	<u>(1,424,565)</u>	<u>(392,121)</u>	<u>1,032,444</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(1,474,377)	414,377	1,888,754
FUND BALANCE, APRIL 1, 2003	<u>5,116,411</u>	<u>5,116,411</u>	<u> </u>
FUND BALANCE, MARCH 31, 2004	<u>\$ 3,642,034</u>	<u>\$ 5,530,788</u>	<u>\$ 1,888,754</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TAXES			
Current property taxes	\$	\$ 776,246	\$
Penalties/interest - delinquent taxes		36	
Trailer park fees		<u>593</u>	
Total taxes	<u>777,000</u>	<u>776,875</u>	<u>(125)</u>
TREASURER			
Property tax administration fee		237,269	
Interest		106,835	
Dog licenses		<u>1,157</u>	
Total treasurer	<u>466,300</u>	<u>345,261</u>	<u>(121,039)</u>
ORDINANCE ENFORCEMENT			
Soil removing fees	<u>2,500</u>	<u>2,400</u>	<u>(100)</u>
PLANNING COMMISSION			
Site plan fees	<u>50,000</u>	<u>72,965</u>	<u>22,965</u>
STATE SHARED REVENUE			
	<u>1,400,000</u>	<u>1,209,275</u>	<u>(190,725)</u>
SALE OF LAND			
		<u>678,837</u>	<u>678,837</u>
MISCELLANEOUS REVENUES			
Cable TV fees		149,771	
Printed material and duplicating		4,556	
Rental income		65,429	
Reimbursement		167,732	
Other revenue		<u>7,695</u>	
Total miscellaneous revenues	<u>264,000</u>	<u>395,183</u>	<u>131,183</u>
Total revenues	<u>\$ 2,959,800</u>	<u>\$ 3,480,796</u>	<u>\$ 520,996</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Fees	\$	\$ 38,102	\$
Legal		29,097	
Printing and publication		23,568	
Payroll taxes		2,941	
Hospitalization insurance		16,694	
Life insurance		1,212	
Pension		10,621	
Liability insurance		10,219	
Meetings and conventions		560	
Planning consultant		750	
Engineering services		4,800	
Dues and subscriptions		8,950	
Miscellaneous		300	
Supplies		364	
Mileage		<u>237</u>	
Total township board	<u>168,161</u>	<u>148,415</u>	<u>19,746</u>
SUPERVISOR			
Salary		33,280	
Assistant salary		20,249	
Pension		5,999	
Payroll taxes		3,955	
Liability insurance		2,487	
Life insurance		375	
Disability insurance		517	
Temporary employment services		858	
Meetings and conventions		231	
Repairs and maintenance		259	
Miscellaneous		180	
Capital outlay		<u>360</u>	
Total supervisor	<u>64,512</u>	<u>68,750</u>	<u>(4,238)</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
MANAGER			
Salary		81,187	
Wages - clerical		9,328	
Temporary employment services		5,359	
Pension		9,642	
Payroll taxes		6,779	
Liability insurance		2,867	
Life insurance		399	
Disability insurance		1,184	
Meetings and conventions		956	
Mileage		468	
Dues and subscriptions		736	
Repairs and maintenance		968	
Capital outlay		1,080	
Supplies		1,241	
	<u> </u>	<u> </u>	<u> </u>
Total manager	<u>133,660</u>	<u>122,194</u>	<u>11,466</u>
ELECTIONS			
Wages - deputy official		16,076	
Wages - clerical		3,609	
Pension		2,333	
Payroll taxes		1,581	
Hospitalization insurance		5,484	
Insurance		191	
Telephone		168	
Small equipment		1,358	
Supplies and postage		336	
	<u> </u>	<u> </u>	<u> </u>
Total elections	<u>55,960</u>	<u>31,136</u>	<u>24,824</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
ASSESSOR			
Wages		131,321	
Pension		17,105	
Payroll taxes		9,754	
Insurance		24,834	
Small equipment		3,508	
Contracted services		224	
Education		1,625	
Computer support		4,642	
Supplies		1,502	
Postage		4,865	
Mileage		2,403	
Memberships and dues		225	
Printing and publishing		663	
Legal		8,908	
Telephone		1,698	
Equipment maintenance		1,228	
Capital outlay		<u>5,583</u>	
Total assessor	<u>242,755</u>	<u>220,088</u>	<u>22,667</u>
CLERK			
Salary		48,107	
Wages - deputy clerk		15,987	
Wages - other		33,523	
Temporary employment services		12,519	
Legal fees		17	
Pension		12,105	
Payroll taxes		7,284	
General liability insurance		5,032	
Insurance - benefits		28,958	
Postage		1,717	
Small equipment		192	
Audit fees		5,180	
Supplies		1,295	
Consultant		390	
Meetings and conventions		1,813	
Printing and publishing		86	
Mileage		661	
Memberships and dues		490	
Miscellaneous		55	
Capital outlay		7,185	
Computer support		4,081	
Telephone		<u>413</u>	
Total clerk	<u>203,387</u>	<u>187,090</u>	<u>16,297</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
TREASURER			
Salary		48,107	
Wages - deputy treasurer		35,964	
Wages - clerical assistant		27,587	
Temporary employment services		452	
Pension		14,269	
Payroll taxes		8,525	
General liability insurance		4,956	
Insurance - benefits		28,614	
Audit fees		5,180	
Consultants		3,095	
Supplies		1,072	
Tax forms		1,591	
Postage		7,770	
Computer support		5,872	
Legal		382	
Telephone		414	
Conventions and meetings		3,600	
Mileage and expenses		1,027	
Memberships and dues		375	
Capital outlay		3,742	
Miscellaneous		118	
	<u>201,400</u>	<u>202,712</u>	<u>(1,312)</u>
SEWER AND WATER			
Legal		2,573	
Engineering		26,109	
	<u>89,790</u>	<u>28,682</u>	<u>61,108</u>
ROADS			
Per diem		405	
Payroll taxes		31	
Dust control		49,467	
Construction maintenance		1,011,193	
	<u>1,243,871</u>	<u>1,061,096</u>	<u>182,775</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
PLANNING COMMISSION			
Fees		76,187	
Per diem		14,830	
Pension		9,843	
Payroll taxes		7,040	
Planning consultant		71,083	
General liability insurance		2,209	
Insurance - benefits		12,905	
Enforcement officer		5,000	
Small equipment		4,770	
Supplies		2,816	
Contracted services		10,448	
Engineering services		44,994	
Printing and publications		8,382	
Miscellaneous		69	
Economic development		4,000	
Legal		35,162	
Telephone		604	
Education and mileage		295	
Capital outlay		2,966	
Total planning commission	<u>307,826</u>	<u>313,603</u>	<u>(5,777)</u>
TOWNSHIP HALL			
Wages		3,975	
Cleaning custodian		3,104	
Supplies		13,194	
Postage		402	
Payroll taxes		304	
Telephone		13,994	
Insurance		3,136	
Street lighting		3,225	
Small equipment		1,537	
Equipment maintenance and repairs		10,139	
Grounds maintenance and repairs		5,493	
Building maintenance and repairs		16,841	
Utilities		15,799	
Drains		1,283	
Capital outlay/improvement		49,761	
Miscellaneous		235	
Total township hall	<u>121,550</u>	<u>142,422</u>	<u>(20,872)</u>
CEMETERY			
	<u>5,700</u>	<u>6,139</u>	<u>(439)</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
FIRE PROTECTION			
Administration			
Insurance		10,321	
Equipment			
Leased equipment		37,809	
Equipment maintenance and repair		600	
Building			
Drain assessment		1,961	
Outside overhead light		138	
Building maintenance and repair		11,945	
Grounds maintenance and repair		<u>6,037</u>	
Total fire department	<u>64,440</u>	<u>68,811</u>	<u>(4,371)</u>
EMERGENCY PREPAREDNESS			
Electricity		363	
Equipment maintenance and Repair		<u>1,170</u>	
Total emergency preparedness	<u>1,800</u>	<u>1,533</u>	<u>267</u>
CONTINGENCY		<u>1,561</u>	<u>(1,561)</u>
REFUSE COLLECTION	<u>12,800</u>	<u>3,685</u>	<u>9,115</u>
RECREATION	<u>82,000</u>	<u>62,948</u>	<u>19,052</u>
DRAINS	<u>10,000</u>	<u>3,433</u>	<u>6,567</u>
Total expenditures	<u>\$ 3,009,612</u>	<u>\$ 2,674,298</u>	<u>\$ 335,314</u>

BUILDING
DEPARTMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUILDING DEPARTMENT FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 67,718
Due from other funds	4,315
Prepaid expenses	<u>3,433</u>

Total assets		<u>\$ 75,466</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 823
Accrued wages and vacation	15,107
Payroll taxes withholding and payable	<u>462</u>

Total liabilities		16,392
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FUND BALANCE

	<u>59,074</u>
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Total liabilities and fund balance		<u>\$ 75,466</u>
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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, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES	<u>\$ 338,400</u>	<u>\$ 355,551</u>	<u>\$ 17,151</u>
EXPENDITURES			
Wages		77,496	
Payroll taxes		7,319	
Insurance - benefits		30,168	
Pension		11,506	
Electrical inspector		28,346	
Plumbing inspector		15,189	
Mechanical inspector		27,096	
Building official		35,622	
General liability insurance		6,659	
Supplies and postage		1,745	
Printing materials		1,640	
Audit fees		1,400	
Consulting		2,186	
Record retention		4,257	
Bank fees		85	
Telephone		1,651	
Meetings and conventions		2,628	
Fuels and lubricants		1,272	
Mileage		91	
Rent		13,675	
Repairs and maintenance		126	
Membership and dues		100	
Capital outlay		5,529	
	<u>320,689</u>	<u>275,786</u>	<u>44,903</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	17,711	79,765	62,054
FUND BALANCE (DEFICIT), APRIL 1, 2003	<u>(20,691)</u>	<u>(20,691)</u>	
FUND BALANCE (DEFICIT) JUNE 30, 2004	<u><u>\$ (2,980)</u></u>	<u><u>\$ 59,074</u></u>	<u><u>\$ 62,054</u></u>

CHARTER TOWNSHIP OF BRIGHTON
 BUILDING DEPARTMENT FUND
 STATEMENT OF REVENUES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
License registration	\$	\$ 814	\$
Building permits		199,945	
Electrical permits		42,963	
Plumbing permits		23,839	
Mechanical permits		45,888	
Miscellaneous		1,763	
Grading and land use permits		11,720	
Zoning review		9,865	
Plan review fee		16,283	
Addressing		690	
Interest		1,781	
Total revenues	\$ 338,400	\$ 355,551	\$ 17,151

BUDGET
STABILIZATION
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUDGET STABILIZATION FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash and investments

\$ 354,773

FUND BALANCE

FUND BALANCE

\$ 354,773

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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest	\$ 14,000	\$ 2,584	\$ (11,416)
EXPENDITURES			
Excess (deficiency) of revenues over expenditures	14,000	2,584	(11,416)
FUND BALANCE, APRIL 1, 2003	<u>352,189</u>	<u>352,189</u>	
FUND BALANCE, MARCH 31, 2004	<u>\$ 366,189</u>	<u>\$ 354,773</u>	<u>\$ (11,416)</u>

LIQUOR LAW
ENFORCEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
LIQUOR LAW ENFORCEMENT FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS
Cash

\$ 48,755

FUND BALANCE

FUND BALANCE

\$ 48,755

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, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
State shared revenues - liquor licenses	\$	\$ 5,799	\$
Interest		400	
Total revenues	6,200	6,199	(1)
EXPENDITURES			
Contracted services	25,700	25,075	625
Excess (deficiency) of revenues over expenditures	(19,500)	(18,876)	624
FUND BALANCE, APRIL 1, 2003	67,631	67,631	
FUND BALANCE, MARCH 31, 2004	\$ 48,131	\$ 48,755	\$ 624

ROAD
IMPROVEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
ROAD IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash	\$ 643,719
Due from other funds	<u>42,000</u>
Total assets	<u>\$ 685,719</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds	\$ 19,850
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FUND BALANCE

665,869

Total liabilities and fund balance	<u>\$ 685,719</u>
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CHARTER TOWNSHIP OF BRIGHTON
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2004

REVENUES	
Interest	\$ 11,193
EXPENDITURES	
Project costs	<u> </u>
Excess (deficiency) of revenues over expenditures	11,193
FUND BALANCE, APRIL 1, 2003	<u>654,676</u>
FUND BALANCE, MARCH 31, 2004	<u><u>\$ 665,869</u></u>

STREET IMPROVEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
STREET IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash	\$ 39,010
Due from other funds	2,489
Due from county	<u>1,676</u>

Total assets

\$ 43,175

LIABILITES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 553
Due to other funds	<u>1,496</u>

Total liabilities

\$ 2,049

FUND BALANCE

41,126

Total liabilities and fund balance

\$ 43,175

CHARTER TOWNSHIP OF BRIGHTON
STREET IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessment	\$	\$ 18,785	\$
Interest income		<u>206</u>	
Total revenues	<u>17,712</u>	<u>18,991</u>	<u>1,279</u>
EXPENDITURES			
Contract expense	<u>25,311</u>	<u>20,345</u>	<u>4,966</u>
Excess (deficiency) of revenues over expenditures	(7,599)	(1,354)	6,245
FUND BALANCE, APRIL 1, 2003	<u>42,480</u>	<u>42,480</u>	
FUND BALANCE, MARCH 31, 2004	<u>\$ 34,881</u>	<u>\$ 41,126</u>	<u>\$ 6,245</u>

WOODLAND
LAKE AQUATICS
FUND

CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE AQUATICS FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash and cash equivalents
Due from others

\$ 51,247
5,116

Total assets

\$ 56,363

FUND BALANCE

FUND BALANCE

\$ 56,363

CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE AQUATICS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$	\$ 54,950	
Interest income		447	
Total revenues	55,900	55,397	(503)
EXPENDITURES			
Project costs	94,300	94,289	11
Excess (deficiency) of revenues over expenditures	(38,400)	(38,892)	(492)
FUND BALANCE, APRIL 1, 2003	95,255	95,255	
FUND BALANCE, MARCH 31, 2004	\$ 56,855	\$ 56,363	\$ (492)

CLARK LAKE
AQUATICS
FUND

CHARTER TOWNSHIP OF BRIGHTON
CLARK LAKE AQUATICS FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash and cash equivalents
Due from others

\$ 5,754
750

Total assets

\$ 6,504

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 5,869

FUND BALANCE

635

Total liabilities and fund balance

\$ 6,504

CHARTER TOWNSHIP OF BRIGHTON
 CLARK LAKE AQUATICS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessment	\$	\$ 6,925	\$
Interest income		39	
Total revenues	<u>6,400</u>	<u>6,964</u>	<u>564</u>
EXPENDITURES			
Project costs	<u>12,850</u>	<u>18,660</u>	<u>(5,810)</u>
Excess (deficiency) of revenues over expenditures	(6,450)	(11,696)	(5,246)
FUND BALANCE, APRIL 1, 2003	<u>12,331</u>	<u>12,331</u>	
FUND BALANCE, MARCH 31, 2004	<u>\$ 5,881</u>	<u>\$ 635</u>	<u>\$ (5,246)</u>

SUBDIVISION
PAVING
FUND

CHARTER TOWNSHIP OF BRIGHTON
SUBDIVISION PAVING FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 257,286
Due from other funds	19,664
Due from county	4,882
Special assessment receivable	<u>180,720</u>
Total assets	<u>\$ 462,552</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 294
Deferred revenue	<u>180,720</u>

Total liabilities \$ 181,014

FUND BALANCE

281,538

Total liabilities and fund balance \$ 462,552

CHARTER TOWNSHIP OF BRIGHTON
SUBDIVISION PAVING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$	\$ 94,937	\$
Interest income		19,976	
Total revenues	4,500	114,913	110,413
EXPENDITURES			
Project costs	322,776	248,105	74,671
Excess (deficiency) of revenues over expenditures	(318,276)	(133,192)	185,084
FUND BALANCE, APRIL 1, 2003	414,730	414,730	
FUND BALANCE, MARCH 31, 2004	\$ 96,454	\$ 281,538	\$ 185,084

STREETLIGHT
FUND

CHARTER TOWNSHIP OF BRIGHTON
STREETLIGHT FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Special assessment receivable
Due from other funds

\$ 13,110
7,829

Total assets

\$ 20,939

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 1,125

FUND BALANCE

19,814

Total liabilities and fund balance

\$ 20,939

CHARTER TOWNSHIP OF BRIGHTON
STREETLIGHT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 12,400	\$ 13,110	\$ 710
EXPENDITURES			
Utilities	12,650	12,690	(40)
Excess (deficiency) of revenues over expenditures	(250)	420	670
FUND BALANCE, APRIL 1, 2003	19,394	19,394	
FUND BALANCE, MARCH 31, 2004	\$ 19,144	\$ 19,814	\$ 670

SANITATION
FUND

CHARTER TOWNSHIP OF BRIGHTON
SANITATION FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash

\$ 35,561

Due from county

1,539

Total assets

\$ 37,100

FUND BALANCE

FUND BALANCE

\$ 37,100

CHARTER TOWNSHIP OF BRIGHTON
SANITATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessment	\$	\$ 43,092	\$
Interest		<u>44</u>	
Total revenues		<u>43,136</u>	<u>43,136</u>
EXPENDITURES			
Project costs	<u>41,400</u>	<u>40,319</u>	<u>1,081</u>
Excess (deficiency) of revenues over expenditures	(41,400)	2,817	44,217
FUND BALANCE, APRIL 1, 2003	<u>34,283</u>	<u>34,283</u>	
FUND BALANCE, (DEFICIT) MARCH 31, 2004	<u>\$ (7,117)</u>	<u>\$ 37,100</u>	<u>\$ 44,217</u>

TAYLOR ROAD
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF BRIGHTON
 TAYLOR ROAD DEBT SERVICE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED MARCH 31, 2004

REVENUES	\$ _____
EXPENDITURES	
Miscellaneous	11
Excess (deficiency) of revenues over expenditures	(11)
FUND BALANCE, APRIL 1, 2003	_____ 11
FUND BALANCE, MARCH 31, 2004	\$ _____

WOODLAND LAKE
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 80,281
Due from county	<u>10,275</u>
Total assets	<u>\$ 90,556</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds	\$ 42,000
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FUND BALANCE

Reserved for debt service	<u>48,556</u>
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Total liabilities and fund balance	<u>\$ 90,556</u>
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CHARTER TOWNSHIP OF BRIGHTON
WOODLAND LAKE DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUE			
Special assessment - interest	\$	\$ 1,836	\$
Interest		<u>351</u>	
Total revenues	100	2,187	2,087
EXPENDITURES			
Miscellaneous			
Excess (deficiency) of revenues over expenditures	100	2,187	2,087
FUND BALANCE, APRIL 1, 2003	<u>46,369</u>	<u>46,369</u>	
FUND BALANCE, MARCH 31, 2004	<u>\$ 46,469</u>	<u>\$ 48,556</u>	<u>\$ 2,087</u>

WATER
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash	\$ 1,148	
Due from other funds	<u>315</u>	
Total assets		<u>\$ 1,463</u>

LIABILITIES AND FUND BALANCE (DEFICIT)

LIABILITIES

Accounts payable	\$ 250	
Accrued interest - bonds	<u>28,560</u>	
Total liabilities		\$ 28,810

FUND BALANCE (DEFICIT)

Total liabilities and fund balance (deficit)		<u>\$ 1,463</u>
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CHARTER TOWNSHIP OF BRIGHTON
WATER DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE (DEFICIT)
FOR THE YEAR ENDED MARCH 31, 2004

REVENUE		
Interest		\$ 1,493
 EXPENDITURES		
Interest - bond	\$ 28,560	
Bank fees	<u>280</u>	
 Total expenditures		<u>28,840</u>
 Excess (deficiency) of revenues over expenditures		 (27,347)
 FUND BALANCE, APRIL 1, 2003		 <u> </u>
 FUND BALANCE (DEFICIT), MARCH 31, 2004		 <u><u>\$ (27,347)</u></u>

BUILDING
AUTHORITY
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUILDING AUTHORITY FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash

\$ 395,665

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 300

Accrued interest payable

48,430

Bonds payable

275,000

Due to other funds

52,803

Total liabilities

\$ 376,533

FUND BALANCE

19,132

Total liabilities and fund balance

\$ 395,665

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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE			
Interest	\$ <u>1,200</u>	\$ <u>4,470</u>	\$ <u>3,270</u>
EXPENDITURES			
Bond payment - principal		275,000	
Bond payment - interest		117,121	
Bond payment - agent fees		<u>300</u>	
Total expenditures	<u>391,532</u>	<u>392,421</u>	<u>(889)</u>
Excess (deficiency) of revenues over expenditures before other financing source	(390,332)	(387,951)	2,381
OTHER FINANCING SOURCE			
Operating transfer in	<u>391,232</u>	<u>392,121</u>	<u>889</u>
Excess (deficiency) of revenues over expenditures after other financing source	900	4,170	3,270
FUND BALANCE, APRIL 1, 2003	<u>14,962</u>	<u>14,962</u>	
FUND BALANCE, MARCH 31, 2004	<u>\$ 15,862</u>	<u>\$ 19,132</u>	<u>\$ 3,270</u>

WATER AUTHORITY
CAPITAL PROJECT
FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER AUTHORITY CAPITAL PROJECT FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS
Cash

\$ 340

LIABILITIES AND FUND BALANCE (DEFICIT)

LIABILITIES
Due to other funds

\$ 47,879

FUND BALANCE (DEFICIT)

(47,539)

Total liabilities and fund balance (deficit)

\$ 340

CHARTER TOWNSHIP OF BRIGHTON
WATER AUTHORITY CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE (DEFICIT)
FOR THE YEAR ENDED MARCH 31, 2004

REVENUES		\$
EXPENDITURES		
Water project costs		<u>1,643,239</u>
Excess (deficiency) of revenues over expenditures before other financing sources		(1,643,239)
OTHER FINANCING SOURCES (USES)		
Bonds proceeds	\$ 1,620,000	
Bond issuance costs	<u>(24,300)</u>	
Total other financing sources (uses)		<u>1,595,700</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)		(47,539)
FUND BALANCE, APRIL 1, 2003		<u> </u>
FUND BALANCE (DEFICIT), MARCH 31, 2004		<u>\$ (47,539)</u>

WATER FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 235,445	
Accounts receivable - water billings	16,812	
Due from other funds	132	
Due from county	20,503	
Prepaid expenses	<u>289</u>	
Total current assets		\$ 273,181

RESTRICTED ASSETS

Special assessment receivable		1,207,200
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PROPERTY AND EQUIPMENT

Land	617	
Equipment, improvements and system	<u>29,244</u>	
	29,861	
Less: accumulated depreciation	<u>(3,019)</u>	
Net property and equipment		<u>26,842</u>
Total assets		<u>\$ 1,507,223</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 13,231	
Due to other funds (from restricted assets)	<u>1,377,029</u>	
Total liabilities		\$ 1,390,260

FUND EQUITY

Retained earnings - reserved	48,090	
Retained earnings - unreserved	<u>68,873</u>	
Total fund equity		<u>116,963</u>
Total liabilities and fund equity		<u>\$ 1,507,223</u>

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
STATEMENT OF FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Reserved Retained Earnings</u>	<u>Unreserved Retained Earnings</u>	<u>Total</u>
BALANCE AT APRIL 1, 2003	\$ 35,573	\$ 71,382	\$ 106,955
Interest income	84,608	2,906	87,514
Interest expense	(21,627)		(21,627)
Connection to City of Brighton	(50,464)		(50,464)
Operating (loss) excluding City of Brighton activity		755	755
Other revenues		83	83
Transfer to residents		<u>(6,253)</u>	<u>(6,253)</u>
BALANCE AT MARCH 31, 2004	<u>\$ 48,090</u>	<u>\$ 68,873</u>	<u>\$ 116,963</u>

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2004

OPERATING REVENUES	
Water billings and late charges	<u>\$ 69,093</u>
OPERATING EXPENSES	
City of Brighton connection expenses	50,464
Temporary employment services	1,821
Contracted services	9,284
Connection expenses	3,827
Telephone	241
Water purchases	47,045
Engineering fees	69
Depreciation	731
Grounds maintenance	715
Supplies	172
Postage	236
Miscellaneous	615
Professional fees	1,555
Education and training	291
Dues and certifications	200
Insurance	<u>1,536</u>
Total operating expenses	<u>118,802</u>
Operating (loss)	<u>(49,709)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest income - cash and cash equivalents	2,906
Interest income - special assessments	84,608
Interest expense	(21,627)
Miscellaneous income	83
Transfer to residents	<u>(6,253)</u>
Total non-operating revenues (expense)	<u>59,717</u>
Net income	10,008
RETAINED EARNINGS, APRIL 1, 2003	<u>106,955</u>
RETAINED EARNINGS, MARCH 31, 2004	<u>\$ 116,963</u>

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2004

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Operating (loss)	\$ <u>(49,709)</u>
Adjustments to reconcile operating income to net cash from (used in) operating activities	
Depreciation	731
Other income	83
Changes in assets and liabilities	
(Increase) in accounts receivable	(12,350)
Decrease in prepaid expenses	381
Increase in accounts payable	430
(Decrease) in accrued interest payable	(52,710)
Increase in due from other funds	151,924
(Decrease) in due to other fund	(128,971)
(Decrease) in accrued wages	<u>(83)</u>
Total adjustments	<u>(40,565)</u>
Net cash (used in) operating activities	<u>(90,274)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Special assessments collected	128,160
Interest paid on interfund loan	<u>(21,627)</u>
Net cash from capital and related financing activities	<u>106,533</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	
Additions to system	(8,907)
Interest	87,514
Transfer to residents	<u>(6,253)</u>
Net cash from investing activities	<u>72,354</u>
Net increase in cash and cash equivalents	88,613
CASH AND CASH EQUIVALENTS, APRIL 1, 2003	<u>146,832</u>
CASH AND CASH EQUIVALENTS, MARCH 31, 2004	<u>\$ 235,445</u>

SEWER
FUND

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

CURRENT ASSETS

Accounts receivable - usage	\$ 102,561
Accounts receivable - property owners reimbursement	15,414
Accounts receivable - property deferrals	15,624
Prepaid expenses - insurance	11,580
Due from county - delinquents	6,871
Due from other funds	<u>1,231</u>

Total current assets \$ 153,281

RESTRICTED ASSETS

Cash and cash equivalents	2,337,836
Accounts receivable - capital charge (usage)	46,281
Special assessments receivable	13,795,724
Due from county -delinquents (SAD)	259,679
Reimbursable costs - county and special project	<u>103,141</u>

Total restricted assets 16,542,661

FIXED ASSETS

Land	1,394,414
Sewer plant	9,728,042
Sewer collection system	16,376,639
Pumps and equipment	3,279,559
Office furniture and equipment	<u>22,500</u>
	30,801,154
Less: accumulated depreciation	<u>1,289,292</u>

Net fixed assets 29,511,862

Total assets \$ 46,207,804

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES (from unrestricted assets)

Accounts payable	\$ 9,766
Due to general fund - property deferrals	15,624
Due to general fund - operating loan	<u>214,832</u>

Total current liabilities (from unrestricted assets) \$ 240,222

CURRENT LIABILITIES (from restricted assets)

Accounts payable	5,932
Bonds payable	<u>1,375,000</u>

Total current liabilities (from restricted assets) 1,380,932

LONG-TERM LIABILITIES (from restricted assets)

Bonds payable	<u>24,750,000</u>
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Total liabilities 26,371,154

FUND EQUITY

Retained earnings - reserved	19,964,596
Retained earnings - unreserved (deficit)	<u>(127,946)</u>

Total fund equity 19,836,650

Total liabilities and fund equity \$ 46,207,804

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Unreserved Retained Earnings</u>	<u>Retained Earnings Reserved</u>	<u>Total Fund Equity</u>
BEGINNING BALANCES, APRIL 1, 2003 - before prior period adjustment	\$ (114,832)	\$ 23,166,359	\$ 23,051,527
PRIOR PERIOD ADJUSTMENT - FIXED ASSET REDUCTION	<u> </u>	<u>(2,682,556)</u>	<u>(2,682,556)</u>
BALANCES APRIL 1, 2003 - AFTER PRIOR PERIOD ADJUSTMENT	(114,832)	20,483,803	20,368,971
OPERATING (LOSS)	(123,754)		(123,754)
ADJUSTMENTS TO OPERATING (LOSS):			
Sewer usage - capital charges	(125,280)	125,280	
Tap-in fees (new users)	(588,682)	588,682	
Depreciation expense	819,809	(819,809)	
Other expenses	1,354	(1,354)	
INTEREST INCOME - BANKS	3,439	28,358	31,797
INTEREST INCOME - SPECIAL ASSESSMENTS		939,224	939,224
INTEREST EXPENSE - BONDS		(1,379,313)	(1,379,313)
AGENT FEES - BONDS	<u> </u>	<u>(275)</u>	<u>(275)</u>
BALANCES, MARCH 31, 2004	<u>\$ (127,946)</u>	<u>\$ 19,964,596</u>	<u>\$ 19,836,650</u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2004

OPERATING REVENUES

Sewer usage	\$ 366,382
Sewer usage - capital charges	125,280
Tap-in fees (new users)	588,682
Reimbursements from property owners	42,747
Other revenue	<u>42,058</u>

Total operating revenues \$ 1,165,149

OPERATING EXPENSES

Audit services	1,900
Consulting	19,614
Contracted connections -reimbursable	4,500
Contracted services	202,163
Depreciation expense	819,809
Education	256
Employment related expenses	377
Legal	6,031
Liability insurance	45,005
Mileage	54
Miss Dig	8,656
Miscellaneous expenses	2,853
Other expenses	1,354
Per diem - sewer committee	1,470
Property owners expense - reimbursable	16,894
Repairs and maintenance - equipment	4,343
Repairs and maintenance - grounds	7,894
Repairs and maintenance - plant	1,086
Supplies	22,413
Telephone	20,616
Utilities	96,004
Wages and temporary employment services	<u>5,611</u>

Total operating expenses 1,288,903

Operating (loss) (123,754)

NON-OPERATING REVENUES (EXPENSES)

Interest income - banks	31,797
Interest income - special assessment	939,224
Interest (expense) - bonds	(1,379,313)
Agent fees - bonds	<u>(275)</u>

Total non-operating (expenses) (408,567)

Net (loss) \$ (532,321)

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2004

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating (loss)		\$ (123,754)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities		
Depreciation expense	\$ 819,809	
Changes in assets and liabilities		
(Increase) in accounts receivable	(89,495)	
Decrease in prepaid expenses	10,881	
(Increase) in due from county	(103,141)	
(Increase) in due from other funds	(1,231)	
(Decrease) in accounts payable	(28,059)	
Increase in due to other funds	<u>219,265</u>	
Total adjustments		<u>828,029</u>
Net cash from operating activities		704,275
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Special assessment collections - principle	1,337,829	
Repayment of bonds payable principle	(1,350,000)	
Interest expense paid out - bonds	(1,379,313)	
Agent fees paid out - bonds	<u>(275)</u>	
Net cash (used in) capital and related financing activities		(1,391,759)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Purchase of grinder pump	(5,521)	
Interest income - received	<u>971,021</u>	
Net cash (used in) investing activities		<u>965,500</u>
Net increase in cash and cash equivalents		278,016
CASH AND CASH EQUIVALENTS, APRIL 1, 2003		<u>2,059,820</u>
CASH AND CASH EQUIVALENTS, MARCH 31, 2004		<u><u>\$ 2,337,836</u></u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES AND RECEIPTS			
Tap-in fees (new users)	\$ 150,000	\$ 588,682	\$ 438,682
Sewer usage	390,000	366,382	(23,618)
Sewer usage - capital charges	88,600	125,280	36,680
Reimbursements from property owners		42,747	42,747
Other revenue		42,058	42,058
Interest income - banks	18,000	31,797	13,797
Special assessments	<u>1,900,000</u>	<u>2,277,053</u>	<u>377,053</u>
Total revenues and receipts	<u>2,546,600</u>	<u>3,473,999</u>	<u>927,399</u>
EXPENSES AND DISBURSEMENTS			
Audit services	1,500	1,900	(400)
Consulting	1,000	19,614	(18,614)
Contracted connections - reimbursable	5,000	4,500	500
Contracted services	197,500	202,163	(4,663)
Depreciation expense	580,000	819,809	(239,809)
Education		256	(256)
Employment related expenses	3,830	377	3,453
Legal	5,000	6,031	(1,031)
Liability insurance	38,000	45,005	(7,005)
Mileage	100	54	46
Miss Dig	1,500	8,656	(7,156)
Office expenses	4,250	2,853	1,397
Other expenses		1,354	(1,354)
Per Diem - sewer committee	1,500	1,470	30
Property owners expense - reimbursable		16,894	(16,894)
Repairs and maintenance - equipment	5,000	4,343	657
Repairs and maintenance - grounds	4,000	7,894	(3,894)
Repairs and maintenance - plant	1,000	1,086	(86)
Supplies	15,000	22,413	(7,413)
Telephone	1,800	20,616	(18,816)
Utilities	96,000	96,004	(4)
Wages and temporary employment services	8,300	5,611	2,689
Poverty deferrals	10,000		10,000
Capital outlay and improvements	1,054,000	324,938	729,062
Debt service	<u>2,730,313</u>	<u>2,729,588</u>	<u>725</u>
Total expenses and disbursements	<u>\$ 4,764,593</u>	<u>\$4,343,429</u>	<u>\$ 421,164</u>

This schedule is prepared on a budgetary basis for the operating and debt service accounts of the enterprise fund and as such does not present the results of operations on the basis of generally accepted accounting principles but is presented for supplemental information.

TRUST
AND
AGENCY
FUND

CHARTER TOWNSHIP OF BRIGHTON
TRUST AND AGENCY FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS
Cash

\$ 391,820

LIABILITIES

LIABILITIES

Performance deposits
Due to other funds
Due to others

\$ 252,548
4,673
134,599

Total liabilities

\$ 391,820

CURRENT
TAX
COLLECTION
FUND

CHARTER TOWNSHIP OF BRIGHTON
CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS

Cash

\$ 6,084

LIABILITIES

LIABILITIES

Due to other funds

\$ 4,664

Due to others

1,420

Total liabilities

\$ 6,084

CONSTRUCTION
ESCROW
FUND

CHARTER TOWNSHIP OF BRIGHTON
CONSTRUCTION ESCROW FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

ASSETS
Cash

\$ 38,578

LIABILITIES

LIABILITIES

Performance deposits
Due to other funds

\$ 38,398
180

Total liabilities

\$ 38,578