

CHARTER TOWNSHIP OF BRIGHTON

REPORT ON AUDIT OF
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2008

CHARTER TOWNSHIP OF BRIGHTON

TOWNSHIP OFFICIALS

Supervisor - H.E. "Bud" Prine
Clerk - Ann Bollin
Treasurer - Geri Harmon

BOARD OF TRUSTEES

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Geri Harmon
Thomas Murphy
H.E. "Bud" Prine
J. Michael Slaton
Timothy Winship

TOWNSHIP ATTORNEY

John K. Harris
Harris & Literski

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

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July 15, 2008

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

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Brighton, as of and for the year ended March 31, 2008, which collectively comprise the Charter Township of Brighton's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Brighton's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Charter Township of Brighton, as of March 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information on pages 9 through 13 and 44 through 46 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

As discussed in Note 15, the Township's sewer special assessments are considerably less than the debt obligation. The financial statements do not include any adjustments relating to the amounts and classification of liabilities that might be necessary if the Charter Township of Brighton is not able to meet its obligations as they come due.

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

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT DISCUSSION
AND
ANALYSIS

Management Discussion and Analysis
March 31, 2008

Within this section of the Charter Township of Brighton's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended March 31, 2008. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

The Township has three kinds of funds:

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

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

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

Notes to the financial statements

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

Other information

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

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

Financial Analysis of the Township as a Whole

The Township's net assets at the end of the fiscal year were \$28,929,323. This is a \$1,358,475 decrease over last year's net assets of \$30,287,798.

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

	Summary of Net Assets					
	Governmental Activities		Business-type Activities		Totals	
	<u>3/31/2008</u>	<u>3/31/2007</u>	<u>3/31/2008</u>	<u>3/31/2007</u>	<u>3/31/2008</u>	<u>3/31/2007</u>
Current and other assets	\$ 13,020,754	\$ 12,484,929	\$ 15,278,322	\$ 16,512,885	\$ 28,299,076	\$ 28,997,814
Capital assets	<u>4,225,150</u>	<u>4,318,467</u>	<u>27,600,159</u>	<u>28,499,246</u>	<u>31,825,309</u>	<u>32,817,713</u>
Total assets	<u>17,245,904</u>	<u>16,803,396</u>	<u>42,878,481</u>	<u>45,012,131</u>	<u>60,124,385</u>	<u>61,815,527</u>
Other liabilities	4,770,384	3,413,509	1,589,678	3,279,220	6,360,062	6,692,729
Long-term liabilities	<u>3,335,000</u>	<u>3,335,000</u>	<u>21,500,000</u>	<u>21,500,000</u>	<u>24,835,000</u>	<u>24,835,000</u>
Total liabilities	<u>8,105,384</u>	<u>6,748,509</u>	<u>23,089,678</u>	<u>24,779,220</u>	<u>31,195,062</u>	<u>31,527,729</u>
Net assets:						
Invested in capital assets, net of related debt	2,545,150	2,418,467	5,443,023	4,742,721	7,988,173	7,161,188
Unrestricted	<u>6,595,370</u>	<u>7,636,420</u>	<u>14,345,780</u>	<u>15,490,190</u>	<u>20,941,150</u>	<u>23,126,610</u>
Total net assets	<u>\$ 9,140,520</u>	<u>\$ 10,054,887</u>	<u>\$ 19,788,803</u>	<u>\$ 20,232,911</u>	<u>\$ 28,929,323</u>	<u>\$ 30,287,798</u>

Summary of Changes in Net Assets

	Governmental Activities		Business-type Activities		Totals	
	3/31/2008	3/31/2007	3/31/2008	3/31/2007	3/31/2008	3/31/2007
REVENUES						
Program revenues						
Charges for services	\$ 928,695	\$ 1,292,969	\$ 913,248	\$ 864,981	\$ 1,841,943	\$ 2,157,950
Operating contributions	1,800	846,190			1,800	846,190
Capital contributions			78,073	269,490	78,073	269,490
General revenues						
State shared revenues	1,208,398	1,200,487			1,208,398	1,200,487
Property taxes	975,059	925,306			975,059	925,306
Interest	596,347	570,315	863,552	955,529	1,459,899	1,525,844
Other	365,339	317,675	246,220		611,559	317,675
Total revenues	<u>4,075,638</u>	<u>5,152,942</u>	<u>2,101,093</u>	<u>2,090,000</u>	<u>6,176,731</u>	<u>7,242,942</u>
EXPENSES						
General government	1,957,472	1,911,181			1,957,472	1,911,181
Public safety	217,555	154,937			217,555	154,937
Recreation	60,459	59,129			60,459	59,129
Public works/roads	705,430	2,114,337			705,430	2,114,337
Interest on long-term debt	125,835	159,120			125,835	159,120
Water and sewer system			2,545,201	2,565,100	2,545,201	2,565,100
Total expenses	<u>3,066,751</u>	<u>4,398,704</u>	<u>2,545,201</u>	<u>2,565,100</u>	<u>5,611,952</u>	<u>6,963,804</u>
Changes in net assets before special item	1,008,887	754,238	(444,108)	(475,100)	564,779	279,138
Special item - contingent liability	1,923,254	400,000			1,923,254	400,000
Changes in net assets and special item	(914,367)	354,238	(444,108)	(475,100)	(1,358,475)	(120,862)
Beginning net assets	10,054,887	9,700,649	20,232,911	20,708,011	30,287,798	30,408,660
Ending net assets	<u>\$ 9,140,520</u>	<u>\$ 10,054,887</u>	<u>\$ 19,788,803</u>	<u>\$ 20,232,911</u>	<u>\$ 28,929,323</u>	<u>\$ 30,287,798</u>

While the governmental funds experienced an increase in cash and other current assets, the Township also accrued an additional liability for anticipated environmental cleanup. Despite the increased current assets, the net assets of the governmental funds still decreased by \$914,367.

The business-type activities showed a decrease in net assets of \$444,108. Although the Township managed to decrease expenses slightly from the prior fiscal year, it also experienced significantly decreased revenue due to decreasing capital contributions from new connections and assessments.

Financial Analysis of the Township's Major Funds

The Township's General Fund increased cash and cash equivalents by \$601,117. This year the Township reported expenditures over revenues of \$367,512 which was a significant decrease over the prior year. The decrease is primarily due to the increased accrual for the unpaid contingent liability.

In the Township's other major fund, the Future Road Improvement Fund, revenues of the project exceeded expenditures by \$54,906. Transfers of \$383,696 were made to this fund to provide for future road projects.

The Township's only major business-type fund, the Sewer Fund, reported a decrease in net assets of \$390,827 and a decrease in cash and equivalents of \$150,996. This system is fairly new in operations and is still adding users to its system.

General Fund Budgetary Highlights

The General Fund adopted its budget prior to the fiscal year in accordance with Public Act 493 of 2000. Actual excess of expenditures over revenues exceeded that of the budget by \$1,089,181. This is due to the Township having to accrue the large environmental liability. Several immaterial budget amendments were made during the year to bring the budget closer to economic reality.

Capital Asset and Debt Administration

The governmental funds issued no debt during the year, but paid \$155,000 of principal on the bonds associated with the Township hall and other capital improvements. A total of \$3,220,000 remains for all governmental fund debt.

The business-type activities made no capital acquisitions during the year ended March 31, 2008. However, the water fund has turned control of its system to an area water authority to manage. Thus, there is loss on disposal of \$36,695 for these assets.

Total debt outstanding at the beginning of the year on business-type activities totaled \$23,025,000. During the year, the Township retired \$1,525,000 of debt, leaving \$21,500,000 at fiscal year end.

Economic Conditions and Future Activities

The Township anticipates some resolution or progress to be made in regards to the environmental remediation project with the State of Michigan.

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

Contacting the Township's Financial Management

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

BASIC
FINANCIAL
STATEMENTS

GOVERNMENT - WIDE
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF NET ASSETS
MARCH 31, 2008

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 10,607,810	\$ 2,745,951	\$ 13,353,761
Receivables			
Grant - state			
Taxes	83,443		83,443
State shared revenues	189,880		189,880
Intergovernmental	1,489,002		1,489,002
Accounts	235,173	764,512	999,685
Special assessments	366,373	11,250,584	11,616,957
Prepaid expenses	49,073	5,970	55,043
Inventory		73,268	73,268
Bonds issuance - net of amortization		438,037	438,037
Capital assets - net of depreciation	4,225,150	27,600,159	31,825,309
Total assets	17,245,904	42,878,481	60,124,385
<u>LIABILITIES</u>			
LIABILITIES			
Accounts payable	71,739	104,878	176,617
Accrued wages/taxes	39,512		39,512
Accrued interest payable	35,879		35,879
Intergovernmental payable		1,484,800	1,484,800
Contingent liability	4,623,254		4,623,254
Bonds payable			
Current	160,000	3,025,000	3,185,000
Noncurrent	3,175,000	18,475,000	21,650,000
Total liabilities	8,105,384	23,089,678	31,195,062
<u>NET ASSETS</u>			
NET ASSETS			
Invested in capital assets, net of related debt	2,545,150	5,443,023	7,988,173
Unrestricted	6,595,370	14,345,780	20,941,150
Total net assets	\$ 9,140,520	\$ 19,788,803	\$ 28,929,323

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

Functions/Programs	Expenses	Programs Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General government	\$ (1,957,472)	\$ 629,076	\$	\$
Public works	(610,112)	174,485	1,800	
Recreation	(60,459)			
Roads	(87,559)	118,367		
Public safety	(217,555)	6,767		
Cemetery	(7,759)			
Interest on long-term debt	(125,835)			
Total governmental activities	(3,066,751)	928,695	1,800	
Business-type activities				
Sewer system	(2,408,742)	849,804		78,073
Water system	(136,459)	63,444		
Total business-type activities	(2,545,201)	913,248		78,073
Total	\$ (5,611,952)	\$ 1,841,943	\$ 1,800	\$ 78,073

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

Total general revenues

Changes in net assets
before special item

Special item - contingent liability

Changes in net assets
and special item

Net assets, April 1, 2007

Net assets, March 31, 2008

The notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes
in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (1,328,396)	\$	\$ (1,328,396)
(433,827)		(433,827)
(60,459)		(60,459)
30,808		30,808
(210,788)		(210,788)
(7,759)		(7,759)
(125,835)		(125,835)
(2,136,256)		(2,136,256)
	(1,480,865)	(1,480,865)
	(73,015)	(73,015)
	(1,553,880)	(1,553,880)
(2,136,256)	(1,553,880)	(3,690,136)
975,059		975,059
1,208,398		1,208,398
596,347	863,552	1,459,899
107,590		107,590
206,687		206,687
51,062	282,915	333,977
	(36,695)	(36,695)
3,145,143	1,109,772	4,254,915
1,008,887	(444,108)	564,779
(1,923,254)		(1,923,254)
(914,367)	(444,108)	(1,358,475)
10,054,887	20,232,911	30,287,798
\$ 9,140,520	\$ 19,788,803	\$ 28,929,323

FUND
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2008

<u>ASSETS</u>	<u>General</u>	<u>Future Road Improvement Fund</u>	<u>Other Nonmajor Funds</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 6,992,817	\$ 1,471,654	\$ 2,143,339	\$ 10,607,810
Receivables				
Taxes	83,443			83,443
Special assessments			366,373	366,373
State shared revenues	189,880			189,880
Accounts	71,850		163,323	235,173
Due from other funds	2,060,648		48,734	2,109,382
Prepaid expenditures	38,632		10,441	49,073
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 9,437,270</u>	<u>\$ 1,471,654</u>	<u>\$ 2,732,210</u>	<u>\$ 13,641,134</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
LIABILITIES				
Accounts payable	\$ 68,625	\$	\$ 3,114	\$ 71,739
Accrued interest payable			35,879	35,879
Accrued wages and absences	30,652		8,860	39,512
Matured bonds payable			115,000	115,000
Due to other funds	47,601		572,779	620,380
Contingent liability	4,623,254			4,623,254
Deferred revenues			332,909	332,909
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>4,770,132</u>	<u> </u>	<u>1,068,541</u>	<u>5,838,673</u>
 FUND BALANCES				
Unreserved	4,667,138		397,813	5,064,951
Reserved				
Parks and recreation			347,659	347,659
Debt service			29,115	29,115
Public works		1,471,654	889,082	2,360,736
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>4,667,138</u>	<u>1,471,654</u>	<u>1,663,669</u>	<u>7,802,461</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 9,437,270</u>	<u>\$ 1,471,654</u>	<u>\$ 2,732,210</u>	<u>\$ 13,641,134</u>

The notes are an integral part of the financial statements.

PFEFFER, HANNIFORD & PALKA

Certified Public Accountants

CHARTER TOWNSHIP OF BRIGHTON
RECONCILIATION OF STATEMENT OF NET ASSETS
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
MARCH 31, 2008

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

Total fund balance per balance sheet		\$ 7,802,461
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		
Historical cost	\$ 6,359,016	
Depreciation	<u>(2,133,866)</u>	
Capital assets net of depreciation		4,225,150
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Bonds payable		(3,220,000)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		
		<u>332,909</u>
Net assets of governmental activities		<u><u>\$ 9,140,520</u></u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	General Fund	Future Road Improvement Fund	Other Nonmajor Funds	Total
REVENUES				
Taxes	\$ 975,059	\$	\$	\$ 975,059
Special assessments			108,792	108,792
Intergovernmental - state	1,208,398		6,767	1,215,165
Licenses and permits	1,106		153,594	154,700
Rental income	107,590			107,590
Charges for services	474,376		208,996	683,372
Interest	449,941	54,906	71,742	576,589
Cable franchise fees	206,687			206,687
Grant - state	1,800			1,800
Miscellaneous	51,062			51,062
Total revenues	3,476,019	54,906	549,891	4,080,816
EXPENDITURES				
Current				
General government	1,623,971		247,861	1,871,832
Public works	29,213		580,899	610,112
Public safety	168,480		11,003	179,483
Recreation	60,459			60,459
Cemetery	6,094			6,094
Road improvements/maintenance			87,559	87,559
Contingency	1,923,254			1,923,254
Capital outlay				
General government	13,035			13,035
Parks and recreation	8,700			8,700
Public safety	10,325			10,325
Debt service				
Principal			155,000	155,000
Interest and fiscal charges			125,835	125,835
Total expenditures	3,843,531	54,906	1,208,157	5,051,688
Excess of revenues over (under) expenditures	(367,512)	54,906	(658,266)	(970,872)
OTHER FINANCING SOURCES (USES)				
Transfers in	143,438	383,696	1,066,133	1,593,267
Transfers (out)	(627,991)		(965,276)	(1,593,267)
Total other financing sources (uses)	(484,553)	383,696	100,857	(970,872)
Net changes in fund balances	(852,065)	438,602	(557,409)	(970,872)
FUND BALANCE, APRIL 1, 2007	5,519,203	1,033,052	2,221,078	8,773,333
FUND BALANCE, MARCH 31, 2008	\$ 4,667,138	\$ 1,471,654	\$ 1,663,669	\$ 7,802,461

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

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

Net change in fund balances - governmental funds \$ (970,872)

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

Capital outlay	\$	25,025
Depreciation expense		<u>(118,342)</u>

Total (93,317)

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

Repayment of bonds payable 155,000

Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities.

Special assessments levied		83,856
Principal collected on assessments		<u>(89,034)</u>

Total (5,178)

Change in net assets of governmental activities \$ (914,367)

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
MARCH 31, 2008

<u>ASSETS</u>	<u>Sewer Fund</u>	<u>Nonmajor Fund Water Fund</u>	<u>Total</u>
Cash and cash equivalents	\$ 2,706,730	\$ 39,221	\$ 2,745,951
Receivables			
Accounts	739,404	25,108	764,512
Special assessments	10,463,264	787,320	11,250,584
Due from other funds		349	349
Prepaid expenses	5,837	133	5,970
Inventory	73,268		73,268
Bond issuance costs - net of amortization of \$101,085	438,037		438,037
 Total assets	 <u>14,426,540</u>	 <u>852,131</u>	 <u>15,278,671</u>
Capital assets			
Land	1,395,155	617	1,395,772
Utility systems	30,897,372		30,897,372
 Total cost	 32,292,527	 617	 32,293,144
Less accumulated depreciation	<u>(4,692,985)</u>		<u>(4,692,985)</u>
 Capital assets, net	 <u>27,599,542</u>	 <u>617</u>	 <u>27,600,159</u>
 Total assets	 <u>42,026,082</u>	 <u>852,748</u>	 <u>42,878,830</u>
 <u>LIABILITIES</u>			
Accounts payable	13,130	22,352	35,482
Due to other funds	656,519	828,630	1,485,149
New connections - escrow funds	69,396		69,396
Bonds payable	21,500,000		21,500,000
 Total liabilities	 <u>22,239,045</u>	 <u>850,982</u>	 <u>23,090,027</u>
 <u>NET ASSETS</u>			
Net assets			
Invested in capital assets, net of related debt	5,443,023		5,443,023
Unrestricted	14,344,014	1,766	14,345,780
 Total net assets	 <u>\$ 19,787,037</u>	 <u>\$ 1,766</u>	 <u>\$ 19,788,803</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	Sewer Fund	Nonmajor Fund Water Fund	Total
OPERATING REVENUES			
Utility billings	\$ 831,733	\$ 63,444	\$ 895,177
Other revenues	18,071		18,071
Total operating revenues	<u>849,804</u>	<u>63,444</u>	<u>913,248</u>
OPERATING EXPENSES			
Connection fees		19,817	19,817
Administration	4,136	400	4,536
Sludge removal	30,140		30,140
Security	365		365
Telephone	1,038		1,038
Contracted services	217,919	10,146	228,065
Utilities	99,599		99,599
Water purchases		49,955	49,955
Depreciation	861,570	822	862,392
Amortization	33,695		33,695
Capital improvements	25,238		25,238
Repairs and maintenance	70,693	149	70,842
Supplies	30,375	27	30,402
Postage		214	214
Professional fees	11,351	603	11,954
Permit fees	3,374		3,374
Insurance	23,162	526	23,688
Total operating expenses	<u>1,412,655</u>	<u>82,659</u>	<u>1,495,314</u>
Operating income (loss)	<u>(562,851)</u>	<u>(19,215)</u>	<u>(582,066)</u>
NON-OPERATING REVENUES			
Loss on disposal of capital assets		(36,695)	(36,695)
Interest income - special assessments	694,449	53,800	748,249
Interest income - cash and equivalents	112,674	2,629	115,303
Interest (expense)	(996,087)	(53,800)	(1,049,887)
Litigation net proceeds	282,915		282,915
Total non-operating revenues (expenses)	<u>93,951</u>	<u>(34,066)</u>	<u>59,885</u>
Loss before capital contribution	(468,900)	(53,281)	(522,181)
CAPITAL CONTRIBUTIONS			
Tap-in fees collected	<u>78,073</u>		
Net income (loss)	(390,827)	(53,281)	(444,108)
NET ASSETS, APRIL 1, 2007	<u>20,177,864</u>	<u>55,047</u>	<u>20,232,911</u>
NET ASSETS, MARCH 31, 2008	<u>\$ 19,787,037</u>	<u>\$ 1,766</u>	<u>\$ 19,788,803</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	Sewer Fund	Nonmajor Fund Water Fund	Total
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
Cash received from customers	\$ 945,823	\$ 73,076	\$ 1,018,899
Cash payments to suppliers	(648,931)	(76,464)	(725,395)
Cash from interfund transactions	(6)	(112,434)	(112,440)
Net cash from (used in) operating activities	<u>296,886</u>	<u>(115,822)</u>	<u>181,064</u>
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES			
Payment on interfund loan		(53,800)	(53,800)
Proceeds from county - delinquents	317,300		317,300
Tap-in fees collected	78,073		78,073
Payment on bonds - principal	(1,525,000)		(1,525,000)
Special assessment collections	856,403	166,240	1,022,643
Reimbursements from county construction funds	14,306		14,306
Interest income - assessments	694,449		694,449
Interest expense and fees paid on debt	(996,087)		(996,087)
Net cash and cash equivalents from (used in) capital and related financing activities	<u>(560,556)</u>	<u>112,440</u>	<u>(448,116)</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Interest earned	112,674	2,629	115,303
Net increase (decrease) in cash and cash equivalents	(150,996)	(753)	(151,749)
CASH AND CASH EQUIVALENTS, APRIL 1, 2007	<u>2,857,726</u>	<u>39,974</u>	<u>2,897,700</u>
CASH AND CASH EQUIVALENTS, MARCH 31, 2008	<u>\$ 2,706,730</u>	<u>\$ 39,221</u>	<u>\$ 2,745,951</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (562,851)	\$ (19,215)	\$ (582,066)
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities			
Depreciation/amortization	895,265	822	896,087
Changes in assets and liabilities			
(Increase) decrease in accounts receivable	(44,119)	9,632	(34,487)
(Increase) decrease in due from other funds		6	6
Decrease in inventory	(9,093)		(9,093)
(Increase) in prepaid expenses	(185)	(5)	(190)
Increase in accounts payable/others	17,875	5,378	23,253
(Decrease) increase in due to other funds	(6)	(112,440)	(112,446)
Total adjustments	<u>859,737</u>	<u>(96,607)</u>	<u>763,130</u>
Net cash and cash equivalents from (used in) operating activities	<u>\$ 296,886</u>	<u>\$ (115,822)</u>	<u>\$ 181,064</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
MARCH 31, 2008

	Trust and Agency	Current Tax	Construction Escrow	Totals
<u>ASSETS</u>				
ASSETS				
Cash	\$ 43,006	\$ 4,218	\$ 28,902	\$ 76,126
Due from other funds	42,903	4,218	132	71,924
Total assets	\$ 43,006	\$ 4,218	\$ 29,034	\$ 76,258
<u>LIABILITIES</u>				
LIABILITIES				
Due to other funds	\$ 103	\$ 4,218	\$ 13	\$ 4,334
Due to others	42,903	4,218	29,021	71,924
Total liabilities	\$ 43,006	\$ 4,218	\$ 29,034	\$ 76,258

The notes are an integral part of the financial statements.

NOTES
TO
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. BASIC FINANCIAL STATEMENTS

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

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

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

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

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The Township reports the following major governmental funds:

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

The Future Road Improvement Fund accounts for the activities related to specific roads projects performed by the Township. These activities are funded through the collection of special assessments and operating transfers.

The Township reports the following major enterprise fund:

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

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

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

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

C. CAPITAL ASSETS

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

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

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

D. ACCRUED COMPENSATED ABSENCES

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

E. BUDGETARY DATA

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

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

For the year ended March 31, 2008, expenditures exceeded appropriations in the General Fund's contingency activity and the Sanitation Fund.

F. PROPERTY TAXES

The Township's property taxes are levied and become a lien on each December 1st based on the taxable valuation of property located in the Township as of the preceding December 31st. These taxes are due on February 14, with the final collection date of February 29. The Township recognized the amount levied December 1, 2007 as revenue for the year ended March 31, 2008.

The 2007 adjusted taxable value totaled \$ 1,068,641,145. Taxes levied consisted of .9073 mills for Township operating purposes. The delinquent real property taxes of Charter Township of Brighton are purchased by Livingston County. The county sells tax notes, the proceeds of which will be used to pay the Township for these property taxes.

G. MANAGEMENT ESTIMATES

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

H. INVESTMENTS

Investments are stated at lower of cost or market.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. CASH EQUIVALENTS

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

J. RISK MANAGEMENT

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

K. INVENTORIES AND PREPAID ITEMS

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

L. CAPITALIZATION OF INTEREST

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

M. INCOME TAXES

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

NOTE 2 - DESCRIPTION OF REPORTING ENTITY

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 3 - INTERFUND TRANSACTIONS AND BALANCES

Interfund transfers for the year ended March 31, 2008 were as follows:

<u>Transfer in</u>	<u>Transfer out</u>	<u>Purpose</u>	<u>Amount</u>
Parks Fund	General Fund	Save funds for future capital improvements	\$ 100,000
Cemetery Fund	General Fund	Save funds for future capital improvements	10,000
Liquor Law Fund	General Fund	Provide for additional public safety funds	16,200
Building Authority Fund	General Fund	To provide for the debt service for the Township hall expansion project	201,791
Pathways Fund	General Fund	Save funds for future capital improvements	50,000
Future Road Improvement Fund	General Fund	Save funds for future capital improvements	250,000
General Fund	Budget Stabilization Fund	Transfer over interest portion of fund's activities	143,438
Water Debt Service Fund	Municipal Water Fund	Municipal Water Fund is now provided the resources to service this debt	677,350
Municipal Water Fund	Whitmore Lake/Grand River Construction Fund	Close fund	89
Municipal Water Fund	Weber/Grand River Water Construction Fund	Close fund	55
Weber/Grand River Water Construction Fund	Municipal Water Fund	Provide current year resources for project costs	10,648
Road Projects Fund	Future Road Improvement	Provide current year resources for project costs	<u>133,696</u>
			<u><u>\$ 1,593,267</u></u>

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 4 - CHANGES IN CAPITAL ASSETS

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

	Balance 4/1/2007	Additions	Deletions	Balance 3/31/2008
Land	\$ 684,117	\$	\$	\$ 684,117
Buildings and improvements	5,451,050	10,325		5,461,375
Vehicles and equipment	198,824	6,000		204,824
Construction in progress		8,700		8,700
 Total	 6,333,991	 25,025		 6,359,016
Accumulated depreciation	<u>(2,015,524)</u>	<u>(118,342)</u>		<u>(2,133,866)</u>
 Net book value	 <u>\$ 4,318,467</u>	 <u>\$ (93,317)</u>	 <u>\$</u>	 4,225,150
Related debt				<u>(1,680,000)</u>
Investment in capital assets net of related debt				<u>\$ 2,545,150</u>

Depreciation expense is charged to the following activities in the governmental fund portion of Statement of Activities as follows:

General government	\$ 78,605
Public safety (fire)	38,072
Cemetery	<u>1,665</u>
	<u>\$ 118,342</u>

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2008

NOTE 4 - CHANGES IN CAPITAL ASSETS (continued)

A summary of proprietary fund type property and equipment at March 31, 2008 is as follows:

	Water Fund			Balance 3/31/2008
	Balance 4/1/2007	Additions	Retirements	
Improvements Plant and collection system	\$ 43,824	\$	\$ 43,824	\$
Less accumulated depreciation	<u>(6,307)</u>	<u>(822)</u>	<u>7,129</u>	
Net	<u>\$ 37,517</u>	<u>\$ (822)</u>	<u>\$ 36,695</u>	<u>\$</u>
Land	<u>\$ 617</u>	<u>\$</u>	<u>\$</u>	<u>\$ 617</u>

NOTE 5 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

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

All other interfund receivable/payables are expected to be collected during the next fiscal year.

NOTE 6 - 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, 2008 was \$701,371.

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, 2008 were \$69,832.

Sewer Fund				Total			
Balance 4/1/2007	Additions	Retirements	Balance 3/31/2008	Balance 4/1/2007	Additions	Retirements	Balance 3/31/2008
\$ 30,897,372	\$	\$	\$ 30,897,372	\$ 43,824 30,897,372	\$	\$ 43,824	\$ 30,897,372
(3,831,415)	(861,570)		(4,692,985)	(3,837,722)	(862,392)	7,129	(4,692,985)
<u>\$ 27,065,957</u>	<u>\$ (861,570)</u>	<u>\$</u>	<u>\$ 26,204,387</u>	<u>\$ 27,103,474</u>	<u>\$ (862,392)</u>	<u>\$ 36,695</u>	<u>\$ 26,204,387</u>
<u>\$ 1,395,155</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,395,155</u>	<u>\$ 1,395,772</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,395,772</u>

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2008

NOTE 6 - EMPLOYEES' RETIREMENT SYSTEM - DEFINED BENEFIT PLAN (continued)

At January 1, 2007, the unfunded pension benefit obligation was \$52,018, determined as follows:

Actuarial Accrued Liability

Retirees and beneficiaries currently receiving benefits	\$	300,765
Terminated employees not yet receiving benefits (vested and non-vested) Non-vested terming		307,912
Current employees - Accumulated employee contributions including allocated investment income		163,095
Employer financed		<u>433,971</u>
Total actuarial accrued liability		1,205,743
Net assets available for benefits at actuarial value		<u>1,153,725</u>
Unfunded actuarial accrued liability	\$	<u><u>52,018</u></u>

The Township's annual required contribution was \$48,792 as of December 31, 2006. The combined change in the pension benefit obligation resulting from benefit changes, if any, and revisions in actuarial assumptions is 0.054719 for underfunded liabilities. Total covered payroll for participants was \$660,951.

NOTE 7 - LONG-TERM DEBT

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

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

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

	<u>Balance 4/1/2007</u>	<u>Additions</u>	<u>Payments & Deductions</u>	<u>Balance 3/31/2008</u>	<u>Due in one year</u>
BONDS PAYABLE					
Building Authority Bonds, Series 1999	\$ 1,795,000	\$	\$ 115,000	\$ 1,680,000	\$ 120,000
Capital Improvement Bonds Series 2003	<u>1,580,000</u>	<u></u>	<u>40,000</u>	<u>1,540,000</u>	<u>40,000</u>
Total bonds payable	<u><u>\$ 3,375,000</u></u>	<u><u>\$</u></u>	<u><u>\$ 155,000</u></u>	<u><u>\$ 3,220,000</u></u>	<u><u>\$ 160,000</u></u>

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2008

NOTE 7 - LONG-TERM DEBT (continued)

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

	Bonds Payable	
	Principal	Interest
2008 - 2009	\$ 160,000	\$ 149,279
2009 - 2010	160,000	142,810
2010 - 2011	170,000	135,944
2011 - 2012	180,000	128,471
2012 - 2013	185,000	120,464
2013 - 2018	1,100,000	460,932
2018 - 2023	765,000	210,801
2023 - 2028	500,000	89,006
2028 - 2029	115,000	2,731
Totals	3,335,000	1,440,438
Less current portion recorded	(115,000)	(35,879)
	\$ 3,220,000	\$ 1,404,559

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

- On October 1, 2000 Livingston County Drain Commission sold \$27,800,000 in bonds to finance the construction of a sewer system. Amounts are payable to Livingston County. In October 2005 these bonds were partially defeased in the amount of \$17,500,000 through a refunding bond issue. The remaining principal to be paid is \$4,425,000 over the next three years as follows:

Year	Principal	Interest	Total
4-01-08 thru 3-31-09	\$ 1,475,000	\$ 114,113	\$ 1,589,113
4-01-09 thru 3-31-10	1,500,000	38,250	1,538,250
Totals	\$ 2,975,000	\$ 152,363	\$ 3,127,363

Principal is paid annually and interest is paid semiannually. The interest rate is approximately 5.1%.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 7 - LONG-TERM DEBT (continued)

2. On May 1, 2004 Livingston County Drain Commission sold \$760,000 in bonds to finance the Spencer Road sewage drainage district. Amounts are payable to Livingston County. Principal is payable in annual installments of \$35,000 to \$40,000 which started in May of 2005. Interest is charged at 3.5% to 5.0% payable semi-annually. The following illustrates the future debt payment schedule related to the Spencer Road sewage district:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
4-01-08 thru 3-31-09	\$ 40,000	\$ 28,540	\$ 68,540
4-01-09 thru 3-31-10	40,000	27,060	67,060
4-01-10 thru 3-31-11	40,000	25,560	65,560
4-01-11 thru 3-31-12	35,000	24,118	59,118
4-01-12 thru 3-31-13	40,000	22,636	62,636
4-01-13 thru 3-31-18	195,000	87,916	282,916
4-01-18 thru 3-31-23	195,000	42,595	237,595
4-01-23 thru 3-31-25	75,000	3,625	78,625
	<u>\$ 660,000</u>	<u>\$ 262,050</u>	<u>\$ 922,050</u>
Totals			

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

The following illustrates the future debt payment schedule related to the series 2005 refunding bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
4-01-08 thru 3-31-09	\$ 35,000	\$ 762,675	\$ 797,675
4-01-09 thru 3-31-10	35,000	761,581	796,581
4-01-10 thru 3-31-11	1,540,000	734,063	2,274,063
4-01-11 thru 3-31-12	1,545,000	676,212	2,221,212
4-01-12 thru 3-31-13	1,575,000	613,812	2,188,812
4-01-13 thru 3-31-18	8,190,000	2,047,260	10,237,260
4-01-18 thru 3-31-23	4,945,000	319,980	5,264,980
	<u>\$ 17,865,000</u>	<u>\$ 5,915,583</u>	<u>\$ 23,780,583</u>
Totals			

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 7 - LONG-TERM DEBT (continued)

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
4-01-08 thru 3-31-09	\$ 1,550,000	\$ 905,328	\$ 2,455,328
4-01-09 thru 3-31-10	1,575,000	826,891	2,401,891
4-01-10 thru 3-31-11	1,580,000	759,623	2,339,623
4-01-11 thru 3-31-12	1,580,000	700,330	2,280,330
4-01-12 thru 3-31-13	1,615,000	636,448	2,251,448
4-01-13 thru 3-31-18	8,385,000	2,135,176	10,520,176
4-01-18 thru 3-31-23	5,140,000	362,575	5,502,575
4-01-23 thru 3-31-25	75,000	3,625	78,625
Totals	<u>\$ 21,500,000</u>	<u>\$ 6,329,996</u>	<u>\$ 27,829,996</u>

The following schedule is a summary of the long-term debt activity for the sewer fund for the year ending March 31, 2008:

	<u>Balance 4/1/2007</u>	<u>Additions</u>	<u>Payments & Deductions</u>	<u>Balance 3/31/2008</u>	<u>Due in one year</u>
BONDS PAYABLE					
Original Series 2000	\$ 4,425,000	\$	\$ 1,450,000	\$ 2,975,000	\$ 1,475,000
Spencer Series 2005	700,000		40,000	660,000	40,000
Refunding Series 2005	17,900,000		35,000	17,865,000	35,000
Total bonds payable	<u>\$ 23,025,000</u>	<u>\$</u>	<u>\$ 1,525,000</u>	<u>\$ 21,500,000</u>	<u>\$ 1,550,000</u>

NOTE 8 - DEFINED CONTRIBUTION PLAN

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

TOTAL CURRENT YEAR EMPLOYER CONTRIBUTIONS \$ 9,759

This balance reflects contributions for the period from April 1, 2007 to March 31, 2008.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

NOTE 9 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

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

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

<u>Deposits</u>	<u>Fiduciary Funds</u>	<u>Primary Government</u>	<u>Total</u>	<u>Bank Balance</u>
Insured	\$	\$ 600,000	\$ 600,000	\$ 600,000
Uninsured and uncollateralized	76,126	12,753,498	12,829,624	12,910,729
	76,126	13,353,498	13,429,624	<u>\$ 13,510,729</u>
Petty cash		263	263	
Total cash	<u>\$ 76,126</u>	<u>\$ 13,353,761</u>	<u>\$ 13,429,887</u>	

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$12,829,624 of bank deposits (certificated of deposit, checking, and savings accounts) that were uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Concentration of Credit Risk

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

CHARTER TOWNSHIP OF BRIGHTON
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED MARCH 31, 2008

NOTE 10 - 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	\$ 63,444	\$ 849,804	\$ 913,248
Depreciation	822	861,570	862,392
Operating (loss)	(19,215)	(562,851)	(582,066)
Net working capital	42,459	221,745	264,204
Total assets	852,748	42,026,082	42,878,830
Reserved retained earnings		19,719,334	19,719,334
Unreserved retained earnings	1,766	67,703	69,469
Total fund equity	1,766	19,787,037	19,788,803

NOTE 11 - STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS

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

	<u>April 1, 2007</u>	<u>March 31, 2008</u>
Cash and cash equivalents	<u>\$ 2,897,700</u>	<u>\$ 2,745,951</u>

NOTE 12 - OTHER FINANCING SOURCES (USES)

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

NOTE 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 the ING Company.

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

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

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>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008 thru 2009	\$ 115,000	\$ 83,551	\$ 198,551
2009 thru 2010	115,000	78,376	193,376
2010 thru 2011	125,000	72,916	197,916
2011 and after	<u>1,440,000</u>	<u>343,572</u>	<u>1,783,572</u>
Totals	<u>\$ 1,795,000</u>	<u>\$ 578,415</u>	<u>\$ 2,373,415</u>

NOTE 15 - PROJECT UNCERTAINTIES

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

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

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

NOTE 16 - CONTINGENT LIABILITY

The State of Michigan has made a claim for approximately \$4,623,254 of reimbursement from the Township for past environmental cleanup expenses it incurred at the Collett dump site. The State of Michigan is also seeking to have the Township assume responsibility for further cleanup and maintenance at the site. The State is currently in the process of determining the extent of the contamination and likely cost of future maintenance and monitoring. The Township is negotiating a possible settlement to this litigation. A contingent liability has been accrued in the Township's General Fund for \$4,623,254 to account for this litigation. Last year's estimated liability for this cleanup was \$2,700,000, so the Township accrued an additional \$1,923,254 this year to cover the claim.

NOTE 17 - MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

The Township was a recipient of a grant by the Michigan Department of Environmental Quality in the previous fiscal year. The grant funds were used to construct and provide taps for residents along Whitmore Lake and Grand River. The grant was completed during the previous fiscal year, but remains open for state compliance audits. All funds received were state funds.

REQUIRED
SUPPLEMENTARY
INFORMATION

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	Budget Amount		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$	\$	\$ 975,059	\$
Treasurer			770,487	
Planning and zoning			96,938	
State shared revenue			1,208,398	
Miscellaneous revenue			425,137	
Total revenues	2,926,096	3,052,990	3,476,019	423,029
EXPENDITURES	2,515,064	2,331,321	3,843,531	(1,512,210)
Excess of revenues over (under) expenditures	411,032	721,669	(367,512)	(1,089,181)
OTHER FINANCING SOURCES (USES)				
Transfers in			143,438	143,438
Transfers (out)	(859,303)	(925,567)	(627,991)	297,576
Total other financing sources (uses)	(859,303)	(925,567)	(484,553)	441,014
Net change in fund balance	(448,271)	(203,898)	(852,065)	(648,167)
FUND BALANCE, APRIL 1, 2007	5,519,203	5,519,203	5,519,203	
FUND BALANCE, MARCH 31, 2008	\$ 5,070,932	\$ 5,315,305	\$ 4,667,138	\$ (648,167)

CHARTER TOWNSHIP OF BRIGHTON
 FUTURE ROAD IMPROVEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	Budget Amount		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Interest	\$	\$ 8,000	\$ 54,906	\$ 46,906
EXPENDITURES				
Project costs	<u>247,000</u>			
Excess of revenues over (under) expenditures	<u>(247,000)</u>		<u>54,906</u>	<u>46,906</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	475,000	673,293	383,696	(289,597)
Transfers (out)	<u>(262,350)</u>	<u>(39,464)</u>		<u>39,464</u>
Total other financing sources (uses)	<u>212,650</u>	<u>633,829</u>	<u>383,696</u>	<u>(250,133)</u>
Net change in fund balance	(34,350)	633,829	438,602	(203,227)
FUND BALANCE, APRIL 1, 2007	<u>1,033,052</u>	<u>1,033,052</u>	<u>1,033,052</u>	
FUND BALANCE, MARCH 31, 2008	<u>\$ 998,702</u>	<u>\$ 1,666,881</u>	<u>\$ 1,471,654</u>	<u>\$ (203,227)</u>

CHARTER TOWNSHIP OF BRIGHTON
 SCHEDULES OF PENSION FUNDING PROGRESS (UNAUDITED)
 MARCH 31, 2008

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

Analysis of Funding Progress

Valuation Date <u>December 31</u>	Net Assets Available for <u>Benefits</u>	Pension Benefit Obligation <u>(PBO)</u>	Percent Funded <u>(1)/(2)</u>	Unfunded (Overfunded) PBO <u>(2)-(1)</u>	Annual Covered <u>Payroll</u>
2002	\$ 549,522	\$ 907,550	60.6	\$ 358,028	\$ 454,270
2003	664,283	1,040,455	63.8	376,172	524,319
2004	828,858	974,987	85.0	146,129	571,292
2005	988,980	1,099,007	90.0	110,027	620,343
2006	1,153,725	1,205,743	95.7	52,018	660,951

SUPPLEMENTARY
INFORMATION

COMBINING
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2008

<u>ASSETS</u>	<u>Parks</u>	<u>Cemetery</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>
ASSETS					
Cash and cash equivalents	\$ 347,659	\$ 10,004	\$ 100,644	\$ 272,840	\$ 40,845
Receivables					
Special assessments					
Prepaid expenses			3,709		
Due from other funds			13		
	<u>347,659</u>	<u>10,004</u>	<u>104,366</u>	<u>272,840</u>	<u>40,845</u>
Total assets	<u>\$ 347,659</u>	<u>\$ 10,004</u>	<u>\$ 104,366</u>	<u>\$ 272,840</u>	<u>\$ 40,845</u>
 LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$	\$	622	\$	\$
Accrued expenses			9,012		
Due to other funds			30	10,574	
Deferred revenue					
	<u></u>	<u></u>	<u>9,664</u>	<u>10,574</u>	<u></u>
Total liabilities			9,664	10,574	
FUND BALANCE	<u>347,659</u>	<u>10,004</u>	<u>94,702</u>	<u>262,266</u>	<u>40,845</u>
Total liabilities and fund balance	<u>\$ 347,659</u>	<u>\$ 10,004</u>	<u>\$ 104,366</u>	<u>\$ 272,840</u>	<u>\$ 40,845</u>

<u>Future Road Improvement</u>	<u>SAD Road Maintenance</u>	<u>Aquatics</u>	<u>Road Projects</u>	<u>Street lights</u>	<u>Municipal Refuse</u>	<u>Pathways</u>
\$ 1,471,654	\$ 58,378	\$ 107,063	\$ 70,434	\$	\$ 69,546	\$ 67,123
	901	7,650	339,934	13,910	3,978	
				801	6,732	
<u>\$ 1,471,654</u>	<u>\$ 59,279</u>	<u>\$ 114,713</u>	<u>\$ 410,368</u>	<u>\$ 14,711</u>	<u>\$ 80,256</u>	<u>\$ 67,123</u>
\$	\$ 750	\$ 422	\$	\$ 1,168	\$	\$
			332,909			
	750	422	332,909	1,168		
<u>1,471,654</u>	<u>58,529</u>	<u>114,291</u>	<u>77,459</u>	<u>13,543</u>	<u>80,256</u>	<u>67,123</u>
<u>\$ 1,471,654</u>	<u>\$ 59,279</u>	<u>\$ 114,713</u>	<u>\$ 410,368</u>	<u>\$ 14,711</u>	<u>\$ 80,256</u>	<u>\$ 67,123</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET (continued)
 MARCH 31, 2008

<u>ASSETS</u>	<u>3/31/08</u>	<u>3/31/07</u>
ASSETS		
Cash and cash equivalents	\$ 2,616,190	\$ 2,277,316
Receivables		
Special assessments	366,373	371,206
Prepaid expenses	10,441	10,054
Due from other funds	814	277,367
	<hr/>	<hr/>
Total assets	<u>\$ 2,993,818</u>	<u>\$ 2,935,943</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 2,962	\$ 3,307
Accrued expenses	9,012	9,383
Due to other funds	10,604	276,341
Deferred revenue	332,909	338,087
	<hr/>	<hr/>
Total liabilities	355,487	627,118
FUND BALANCE	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 2,993,818</u>	<u>\$ 2,935,943</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL CAPITAL PROJECT FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2008

	Building Authority Fund	Municipal Water Fund	Totals
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 133,326	\$ 864,225	\$ 997,551
Accounts receivable		163,323	163,323
Due from other funds	46,668	1,252	47,920
Total assets	\$ 179,994	\$ 1,028,800	\$ 1,208,794
<u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Accrued interest payable	\$ 35,879	\$	\$ 35,879
Matured bonds payable	115,000		115,000
Due to other funds		560,923	560,923
Total liabilities	150,879	560,923	711,802
FUND BALANCE	29,115	467,877	496,992
Total liabilities and fund balance	\$ 179,994	\$ 1,028,800	\$ 1,208,794

CHARTER TOWNSHIP OF BRIGHTON
ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
MARCH 31, 2008

<u>ASSETS</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>	
			<u>3/31/08</u>	<u>3/31/07</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 39,221	\$ 102,900	\$ 142,121	\$ 121,479
Accounts receivable	25,108	199,375	224,483	214,587
Inventory		73,268	73,268	64,175
Prepaid expenses	133	5,837	5,970	5,780
Due from other funds	349		349	355
Total current assets	<u>64,811</u>	<u>381,380</u>	<u>446,191</u>	<u>406,376</u>
RESTRICTED ASSETS				
Cash and cash equivalents		2,603,830	2,603,830	2,776,221
Accounts receivable		540,029	540,029	417,572
Bond issuance costs, net of amortization		438,037	438,037	471,732
Special assessments receivable	787,320	10,463,264	11,250,584	12,440,984
Total restricted assets	<u>787,320</u>	<u>14,045,160</u>	<u>14,832,480</u>	<u>16,106,509</u>
PROPERTY AND EQUIPMENT				
Land	617	1,395,155	1,395,772	1,395,772
Equipment, improvements and system		30,897,372	30,897,372	30,941,196
Less: accumulated depreciation		(4,692,985)	(4,692,985)	(3,837,722)
Net property and equipment	<u>617</u>	<u>27,599,542</u>	<u>27,600,159</u>	<u>28,499,246</u>
Total assets	<u>\$ 852,748</u>	<u>\$ 42,026,082</u>	<u>\$ 42,878,830</u>	<u>\$ 45,012,131</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES				
Accounts payable	\$ 22,352	\$ 13,130	\$ 35,482	\$ 26,104
Due to others - escrow		69,396	69,396	55,521
Note payable - county				75,000
Bonds payable - special assessment from restricted assets		21,500,000	21,500,000	23,025,000
Due to other funds	828,630	656,519	1,485,149	1,597,595
Total liabilities	<u>850,982</u>	<u>22,239,045</u>	<u>23,090,027</u>	<u>24,779,220</u>
FUND EQUITY				
Retained earnings - reserved		19,719,334	19,719,334	20,145,367
Retained earnings - unreserved	1,766	67,703	69,469	87,544
Total fund equity	<u>1,766</u>	<u>19,787,037</u>	<u>19,788,803</u>	<u>20,232,911</u>
Total liabilities and fund equity	<u>\$ 852,748</u>	<u>\$ 42,026,082</u>	<u>\$ 42,878,830</u>	<u>\$ 45,012,131</u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL AGENCY FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2008

	Trust and Agency	Current Tax	Construction Escrow	Totals
<u>ASSETS</u>				
ASSETS				
Cash	\$ 43,006	\$ 4,218	\$ 28,902	\$ 76,126
Due from other funds	42,903	4,218	132	71,924
Total assets	\$ 43,006	\$ 4,218	\$ 29,034	\$ 76,258
<u>LIABILITIES</u>				
LIABILITIES				
Due to other funds	\$ 103	\$ 4,218	\$ 13	\$ 4,334
Due to others	42,903	4,218	29,021	71,924
Total liabilities	\$ 43,006	\$ 4,218	\$ 29,034	\$ 76,258

CHARTER TOWNSHIP OF BRIGHTON
 ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2008

	<u>Parks</u>	<u>Cemetery</u>	<u>Building Department</u>	<u>Budget Stabilization</u>	<u>Liquor Law</u>
REVENUES					
Intergovernmental - State	\$	\$	\$	\$	\$ 6,767
Special assessment					
Licenses and permits			161,182		
Charges for services					
Interest	<u>13,696</u>	<u>4</u>			<u>1,618</u>
Total revenues	<u>13,696</u>	<u>4</u>	<u>161,182</u>		<u>8,385</u>
EXPENDITURES					
Building department			247,861		
Public safety					11,003
Utilities					
Project-costs					
Total expenditures			<u>247,861</u>		<u>11,003</u>
Excess of revenues over (under) expenditures	13,696	4	(86,679)		(2,618)
OTHER FINANCING SOURCES(USES)					
Transfers in	100,000	10,000			16,200
Transfers (out)				<u>(143,438)</u>	
Total other financing sources (uses)	<u>100,000</u>	<u>10,000</u>		<u>(143,438)</u>	<u>16,200</u>
Net changes in fund balances	113,696	10,004	(86,679)	(143,438)	13,582
FUND BALANCE, APRIL 1, 2007	<u>233,963</u>		<u>181,381</u>	<u>405,704</u>	<u>27,263</u>
FUND BALANCE, MARCH 31, 2008	<u>\$ 347,659</u>	<u>\$ 10,004</u>	<u>\$ 94,702</u>	<u>\$ 262,266</u>	<u>\$ 40,845</u>

<u>Future Road Improvement</u>	<u>SAD Road Maintenance</u>	<u>Aquatics</u>	<u>Road Projects</u>	<u>Street lights</u>	<u>Municipal Refuse</u>	<u>Pathways</u>	<u>Totals</u>
\$	\$	\$	\$	\$	\$	\$	\$ 6,767
			108,792				108,792
	30,461	68,125		13,767	92,593	4,050	161,182
<u>54,906</u>	<u>2,062</u>	<u>3,198</u>	<u>70</u>		<u>1,911</u>	<u>1,264</u>	<u>208,996</u>
<u>54,906</u>	<u>32,523</u>	<u>71,323</u>	<u>108,862</u>	<u>13,767</u>	<u>94,504</u>	<u>5,314</u>	<u>564,466</u>
							247,861
							11,003
				13,919			13,919
	<u>34,358</u>	<u>64,787</u>	<u>53,201</u>		<u>92,593</u>		<u>244,939</u>
	<u>34,358</u>	<u>64,787</u>	<u>53,201</u>	<u>13,919</u>	<u>92,593</u>		<u>517,722</u>
54,906	(1,835)	6,536	55,661	(152)	1,911	5,314	46,744
383,696			(133,696)			50,000	559,896
							(277,134)
<u>383,696</u>			<u>(133,696)</u>			<u>50,000</u>	<u>282,762</u>
438,602	(1,835)	6,536	(78,035)	(152)	1,911	55,314	329,506
<u>1,033,052</u>	<u>60,364</u>	<u>107,755</u>	<u>155,494</u>	<u>13,695</u>	<u>78,345</u>	<u>11,809</u>	<u>2,308,825</u>
<u>\$ 1,471,654</u>	<u>\$ 58,529</u>	<u>\$ 114,291</u>	<u>\$ 77,459</u>	<u>\$ 13,543</u>	<u>\$ 80,256</u>	<u>\$ 67,123</u>	<u>\$ 2,638,331</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, 2008

	Building Authority Fund	Municipal Water Fund	Whitmore/Lake Grand River Water Construction Fund
REVENUES			
Interest	\$ 1,613	\$ 38,718	\$
EXPENDITURES			
Debt service	201,791		
Project costs		398,952	
Total expenditures	201,791	398,952	
Excess of revenues over (under) expenditures	(200,178)	(360,234)	
OTHER FINANCING SOURCES (USES)			
Transfers in	201,791	677,494	
Transfers (out)		(10,648)	(89)
Total other financing sources (uses)	201,791	666,846	(89)
Net changes in fund balances	1,613	306,612	(89)
FUND BALANCE, APRIL 1, 2007	27,502	161,265	89
FUND BALANCE, MARCH 31, 2008	\$ 29,115	\$ 467,877	\$

Weber/ Grand River Water Construction Fund	<u>Totals</u>
<u>\$</u>	<u>\$ 40,331</u>
	201,791
<u>10,648</u>	<u>409,600</u>
<u>10,648</u>	<u>611,391</u>
(10,648)	(571,060)
10,648	889,933
<u>(55)</u>	<u>(10,792)</u>
<u>10,593</u>	<u>879,141</u>
(55)	308,081
<u>55</u>	<u>188,911</u>
<u><u>\$</u></u>	<u><u>\$ 496,992</u></u>

CHARTER TOWNSHIP OF BRIGHTON
 ALL ENTERPRISE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
 FOR THE YEAR ENDED MARCH 31, 2008

	Water Fund	Sewer Fund	Total
OPERATING REVENUES			
Utility billings	\$ 63,444	\$ 831,733	\$ 895,177
Other revenues		18,071	18,071
Total operating revenues	<u>63,444</u>	<u>849,804</u>	<u>913,248</u>
OPERATING EXPENSES			
Connection fees	19,817		19,817
Administration	400	4,136	4,536
Sludge removal		30,140	30,140
Security		365	365
Telephone		1,038	1,038
Contracted services	10,146	217,919	228,065
Utilities		99,599	99,599
Water purchases	49,955		49,955
Depreciation	822	861,570	862,392
Amortization		33,695	33,695
Capital improvements		25,238	25,238
Repairs and maintenance	149	70,693	70,842
Supplies	27	30,375	30,402
Postage	214		214
Professional fees	603	11,351	11,954
Permit fees		3,374	3,374
Insurance	526	23,162	23,688
Total operating expenses	<u>82,659</u>	<u>1,412,655</u>	<u>1,495,314</u>
Operating income (loss)	<u>(19,215)</u>	<u>(562,851)</u>	<u>(582,066)</u>
NON-OPERATING REVENUES			
Loss on disposal of capital assets	(36,695)		(36,695)
Interest income - special assessments	53,800	694,449	748,249
Interest income - cash and equivalents	2,629	112,674	115,303
Interest (expense)	(53,800)	(996,087)	(1,049,887)
Litigation net proceeds		282,915	282,915
Total non-operating revenues (expenses)	<u>(34,066)</u>	<u>93,951</u>	<u>59,885</u>
(Loss) before capital contribution	<u>(53,281)</u>	<u>(468,900)</u>	<u>(522,181)</u>
CAPITAL CONTRIBUTIONS			
Tap-in fees collected		78,073	78,073
Net (loss)	<u>(53,281)</u>	<u>(390,827)</u>	<u>(444,108)</u>
NET ASSETS, APRIL 1, 2007	<u>55,047</u>	<u>20,177,864</u>	<u>20,232,911</u>
NET ASSETS, MARCH 31, 2008	<u>\$ 1,766</u>	<u>\$ 19,787,037</u>	<u>\$ 19,788,803</u>

CHARTER TOWNSHIP OF BRIGHTON
ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2008

	Water Fund	Sewer Fund	Total
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (19,215)	\$ (562,851)	\$ (582,066)
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities			
Depreciation/amortization	822	895,265	896,087
Changes in assets and liabilities			
(Increase)/decrease in accounts receivable	9,632	(44,119)	(34,487)
(Increase) in inventory		(9,093)	(9,093)
Decrease in due from other funds	6		6
(Increase) in prepaid expenses	(5)	(185)	(190)
Increase in accounts payable/others	5,378	17,875	23,253
(Decrease) in due to other funds	(112,440)	(6)	(112,446)
Total adjustments	(96,607)	859,737	763,130
Net cash and cash equivalents from (used in) operating activities	(115,822)	296,886	181,064
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES			
Tap-in fees collected		78,073	78,073
Reimbursement for county construction		14,306	14,306
Proceeds from county - delinquent assessments		317,300	317,300
Payment on bonds		(2,508,170)	(2,508,170)
Special assessment collections	166,240	1,550,852	1,717,092
Interest payment on interfund loan	(53,800)	(12,917)	(66,717)
Net cash and cash equivalents from (used in) capital and related financing activities	112,440	(560,556)	(448,116)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Interest earned	2,629	112,674	115,303
Net (decrease) in cash and cash equivalents	(753)	(150,996)	(151,749)
CASH AND CASH EQUIVALENTS, APRIL 1, 2007	39,974	2,857,726	2,897,700
CASH AND CASH EQUIVALENTS, MARCH 31, 2008	\$ 39,221	\$ 2,706,730	\$ 2,745,951

INDIVIDUAL
FUNDS

GENERAL
FUND

CHARTER TOWNSHIP OF BRIGHTON
 GENERAL FUND
 BALANCE SHEET
 MARCH 31, 2008

ASSETS

ASSETS

Cash and equivalents	\$ 6,992,817	
Delinquent taxes receivable	83,443	
State shared revenues receivable	189,880	
Accounts receivable	71,850	
Due from other funds	2,060,648	
Prepaid expenditures	<u>38,632</u>	
 Total assets		 <u><u>\$ 9,437,270</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 61,042	
Accrued wages and vacation	30,652	
Payroll taxes withholding and payable	1,045	
Due to others	6,538	
Due to other funds	47,601	
Contingent liability	<u>4,623,254</u>	
 Total liabilities		 \$ 4,770,132

FUND BALANCE

		<u>4,667,138</u>
 Total liabilities and fund balance		 <u><u>\$ 9,437,270</u></u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Taxes	\$ 900,600	\$ 975,059	\$ 74,459
Treasurer	572,117	770,487	198,370
Ordinance enforcement	2,600		(2,600)
Planning and zoning	59,000	96,938	37,938
State shared revenue	1,205,850	1,208,398	2,548
Miscellaneous	<u>312,823</u>	<u>425,137</u>	<u>112,314</u>
Total revenues	3,052,990	3,476,019	423,029
EXPENDITURES	<u>2,331,321</u>	<u>3,843,531</u>	<u>(1,512,210)</u>
Excess of revenues over (under) expenditures	721,669	(367,512)	(1,089,181)
OTHER FINANCING SOURCES (USES)			
Transfers in		143,438	143,438
Transfers (out)	<u>(925,567)</u>	<u>(627,991)</u>	<u>297,576</u>
Total other financing sources (uses)	<u>(925,567)</u>	<u>(484,553)</u>	<u>441,014</u>
Net change in fund balance	(203,898)	(852,065)	(648,167)
FUND BALANCE, APRIL 1, 2007	<u>5,519,203</u>	<u>5,519,203</u>	
FUND BALANCE, MARCH 31, 2008	<u>\$ 5,315,305</u>	<u>\$ 4,667,138</u>	<u>\$ (648,167)</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TAXES			
Current property taxes	\$	\$ 974,221	\$
Penalties/interest - delinquent taxes		549	
Trailer park fees		289	
	<u>900,600</u>	<u>975,059</u>	<u>74,459</u>
TREASURER			
Property tax administration fee		319,440	
Interest		449,941	
Dog licenses		1,106	
	<u>572,117</u>	<u>770,487</u>	<u>198,370</u>
ORDINANCE ENFORCEMENT			
Soil removing fees	<u>2,600</u>		<u>(2,600)</u>
PLANNING AND ZONING			
	<u>59,000</u>	<u>96,938</u>	<u>37,938</u>
STATE SHARED REVENUE			
	<u>1,205,850</u>	<u>1,208,398</u>	<u>2,548</u>
MISCELLANEOUS REVENUES			
Solid waste grant		1,800	
Election reimbursement		38,096	
Right of way fees		12,971	
Cable TV fees		206,687	
Printed material and duplicating		2,195	
Fines		200	
Rental income		107,590	
Reimbursement/refunds		37,827	
Utilities administration fee		4,536	
Other revenue		13,235	
	<u>312,823</u>	<u>425,137</u>	<u>112,314</u>
Total miscellaneous revenues			
	<u>312,823</u>	<u>425,137</u>	<u>112,314</u>
Total revenues	<u>\$ 3,052,990</u>	<u>\$ 3,476,019</u>	<u>\$ 423,029</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Wages, salaries and per diems	\$	\$ 28,408	\$
Ordinance codification		425	
Printing and publishing		7,982	
Payroll taxes		2,172	
Insurance benefits		372	
Insurance liability		72	
Pension		7,503	
Communication		390	
Consulting		4,870	
Engineering services		11,334	
Education		105	
Dues		10,062	
Supplies		1,426	
	<u>127,245</u>	<u>75,121</u>	<u>52,124</u>
Total township board			
SUPERVISOR			
Wages, salaries and per diems		45,296	
Pension		5,024	
Payroll taxes		3,717	
Insurance benefits		15,440	
Liability insurance		150	
Mileage		65	
Education		507	
Dues		150	
Supplies		206	
Postage		114	
Capital outlay		436	
	<u>74,555</u>	<u>71,105</u>	<u>3,450</u>
Total supervisor			

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
MANAGER			
Wages, salaries and per diems		79,610	
Wages, salaries and per diems - clerical		38,397	
Insurance - benefits		22,404	
Pension		13,060	
Payroll taxes		9,307	
Insurance - liability		492	
Insurance - benefits		1,504	
Education		817	
Mileage		426	
Dues		914	
Capital outlay		1,153	
Supplies		1,350	
	<u>176,072</u>	<u>169,434</u>	<u>6,638</u>
ELECTIONS			
Wages, salaries and per diems - Clerk		12,445	
Wages, salaries and per diems - Deputy officials		17,805	
Election workers		19,597	
Pension		645	
Payroll taxes		2,434	
Insurance - benefits		6,367	
Insurance - liability		158	
Accuracy consulting		1,040	
Education		584	
Printing		3,498	
Miscellaneous		117	
Equipment rental		199	
Postage		7,093	
Supplies		4,164	
Capital outlay		1,450	
	<u>90,877</u>	<u>77,596</u>	<u>13,281</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
ASSESSOR			
Wages, salaries and per diems		144,706	
Pension		18,174	
Payroll taxes		11,098	
Insurance - benefits		29,161	
Insurance - liability		1,673	
Education		1,719	
Supplies		553	
Postage		4,129	
Mileage		53	
Dues		315	
Printing and publishing		1,981	
Vehicle		1,294	
Capital outlay		227	
	<u>224,215</u>	<u>215,083</u>	<u>9,132</u>
CLERK			
Wages, salaries and per diems - Clerk		41,367	
Wages, salaries and per diems - Deputy Clerk		33,371	
Wages, salaries and per diems - other		40,531	
Pension		9,498	
Payroll taxes		8,901	
Insurance - liability		436	
Insurance - benefits		55,043	
Postage		1,229	
Audit fees		7,236	
Supplies		1,340	
Education		941	
Newsletter		2,843	
Mileage		546	
Dues		870	
Record retention		135	
Capital outlay		2,098	
	<u>219,382</u>	<u>206,385</u>	<u>12,997</u>

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TREASURER			
Wages, salaries and per diems - Treasurer		53,812	
Wages, salaries and per diems - Deputy Treasurer		33,818	
Wages , salaries and per diems - other		5,755	
Pension		5,145	
Payroll taxes		7,205	
Consulting		209	
Insurance - liability		403	
Insurance - benefits		36,026	
Audit fees		7,236	
Temporary employment services		17,730	
Supplies		1,251	
Tax forms		2,418	
Postage		8,132	
Small equipment		180	
Education		952	
Mileage		1,032	
Dues		320	
Capital outlay		826	
Total treasurer	211,440	182,450	28,990
SEWER AND WATER			
Wages, salaries and per diems		1,330	
Payroll taxes		102	
Project costs		90	
Engineering/consulting		14,283	
Total sewer and water	37,905	15,805	22,100
ROADS			
Total roads	74,000	44,971	29,029
UNALLOCATED			
Small equipment		649	
Insurance - liability		25,793	
Computer support		28,711	
Legal fees		218,886	
Telephone		11,665	
Equipment repair		4,030	
Equipment rental		2,625	
Capital outlay		6,000	
Total unallocated	361,725	298,359	63,366

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2008

	Amended Budget	Actual	Variance Favorable (Unfavorable)
PLANNING			
Wages, salaries and per diems		70,409	
Pension		8,012	
Payroll taxes		5,687	
Consulting		224	
Insurance - liability		409	
Insurance - benefits		20,613	
Supplies		721	
Engineering services		72,614	
Printing and publishing		5,402	
Economic development		4,000	
Education		1,204	
Special projects		12,218	
Total planning commission	260,190	201,513	58,677
TOWNSHIP HALL/GROUNDS			
Wages, salaries and per diems		3,751	
Cleaning maintenance		3,365	
Supplies		13,221	
Payroll taxes		286	
Insurance - liability		258	
Street lighting		3,227	
Equipment maintenance and repairs		7,444	
Grounds maintenance and repairs		11,188	
Building maintenance and repairs		11,586	
Utilities		17,209	
Tax chargebacks		9,008	
Capital improvements		845	
Miscellaneous		185	
Total township hall	114,100	81,573	32,527
CEMETERY	12,000	6,094	5,906
FIRE DEPARTMENT			
Equipment			
Leased equipment		138,705	
Equipment maintenance and repair		1,279	
Building			
Utilities		991	
Building maintenance and repair		24,265	
Grounds maintenance and repair		9,770	
Total fire protection	195,545	175,010	20,535

CHARTER TOWNSHIP OF BRIGHTON
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EMERGENCY PREPAREDNESS			
Utilities		405	
Equipment maintenance and repair		3,390	
Total emergency preparedness	<u>4,000</u>	<u>3,795</u>	<u>205</u>
MUNICIPAL REFUSE COLLECTION	<u>8,500</u>	<u>6,386</u>	<u>2,114</u>
PARKS AND RECREATION	<u>91,000</u>	<u>69,159</u>	<u>21,841</u>
DRAINS	<u>29,500</u>	<u>7,022</u>	<u>22,478</u>
CONTINGENCY		<u>1,923,254</u>	<u>(1,923,254)</u>
CODE ENFORCEMENT			
Wages, salaries and per diems		4,622	
Pension		611	
Payroll taxes		355	
Insurance - benefits		2,541	
Enforcement officer		5,238	
Insurance - liability		49	
Total code enforcement	<u>19,070</u>	<u>13,416</u>	<u>5,654</u>
Total expenditures	<u>\$ 2,331,321</u>	<u>\$ 3,843,531</u>	<u>\$ (1,512,210)</u>

PARKS

FUND

CHARTER TOWNSHIP OF BRIGHTON
PARKS FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash and cash equivalents

\$ 347,659

FUND BALANCE

FUND BALANCE

Reserved for parks and recreation

\$ 347,659

CHARTER TOWNSHIP OF BRIGHTON
PARKS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$ 5,000	\$ 13,696	\$ 8,696
EXPENDITURES			
Excess of revenues over (under) expenditures	5,000	13,696	8,696
OTHER FINANCING SOURCES			
Transfers in	<u>100,000</u>	<u>100,000</u>	
Net change in fund balance	105,000	113,696	8,696
FUND BALANCE, APRIL 1, 2007	<u>233,963</u>	<u>233,963</u>	
FUND BALANCE, MARCH 31, 2008	<u><u>\$ 338,963</u></u>	<u><u>\$ 347,659</u></u>	<u><u>\$ 8,696</u></u>

CEMETERY
FUND

CHARTER TOWNSHIP OF BRIGHTON
CEMETERY FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash and cash equivalents

\$ 10,004

FUND BALANCE

FUND BALANCE

\$ 10,004

CHARTER TOWNSHIP OF BRIGHTON
 CEMETERY FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest income	\$	\$ 4	\$ 4
EXPENDITURES			
Excess of revenues over (under) expenditures		4	4
OTHER FINANCING SOURCES			
Transfers in	10,000	10,000	
Net change in fund balance	10,000	10,004	4
FUND BALANCE, APRIL 1, 2007			
FUND BALANCE, MARCH 31, 2008	\$ 10,000	\$ 10,004	\$ 4

BUILDING
DEPARTMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
 BUILDING DEPARTMENT FUND
 BALANCE SHEET
 MARCH 31, 2008

ASSETS

ASSETS

Cash and equivalents	\$ 100,644	
Due from other funds	13	
Prepaid expenditures	<u>3,709</u>	
 Total assets		 <u><u>\$ 104,366</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 622	
Accrued wages and vacation	8,860	
Payroll taxes withholding and payable	152	
Due to other funds	<u>30</u>	
 Total liabilities		 \$ 9,664

FUND BALANCE

Total liabilities and fund balance		<u><u>\$ 104,366</u></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, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES	<u>\$ 262,550</u>	<u>\$ 161,182</u>	<u>\$ (101,368)</u>
EXPENDITURES			
Wages, salaries and per diems		94,484	
Payroll taxes		7,246	
Insurance - benefits		31,847	
Pension		12,413	
Electrical inspector		18,157	
Plumbing inspector		9,052	
Mechanical inspector		21,170	
Building official		15,525	
Plan review		220	
Consulting		3,907	
Insurance - liability		4,102	
Supplies and postage		1,048	
Printed materials		1,409	
Audit fees		2,010	
Computer support		1,585	
Legal		729	
Bank fees		100	
Telephone		547	
Education		759	
Gas and oil		2,721	
Rent		14,474	
Repairs and maintenance		3,879	
Dues		250	
Refunds		227	
	<u>296,149</u>	<u>247,861</u>	<u>48,288</u>
Total expenditures			
Net change in fund balance	(33,599)	(86,679)	(53,080)
FUND BALANCE, APRIL 1, 2007	<u>181,381</u>	<u>181,381</u>	
FUND BALANCE, MARCH 31, 2008	<u><u>\$ 147,782</u></u>	<u><u>\$ 94,702</u></u>	<u><u>\$ (53,080)</u></u>

CHARTER TOWNSHIP OF BRIGHTON
 BUILDING DEPARTMENT FUND
 STATEMENT OF REVENUES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
License registration	\$	\$ 1,300	\$
Building permits		78,387	
Electrical permits		20,861	
Plumbing permits		9,328	
Mechanical permits		27,537	
Tenant occupancy permit		770	
Miscellaneous		1,669	
Grading and land use permits		2,630	
NSF fees		175	
Plan review fee		10,792	
Addressing		145	
Interest		7,588	
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 262,550</u>	<u>\$ 161,182</u>	<u>\$ (101,368)</u>

BUDGET
STABILIZATION
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUDGET STABILIZATION FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash and investments

\$ 272,840

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds

\$ 10,574

FUND BALANCE

262,266

Total liabilities and fund balance

\$ 272,840

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, 2008

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$ 20,000	\$	\$ (20,000)
EXPENDITURES			
Excess of revenues over (under) expenditures	20,000		(20,000)
OTHER FINANCING SOURCES (USES)			
Transfers (out)		<u>(143,438)</u>	<u>(143,438)</u>
Net change in fund balance	20,000	(143,438)	(163,438)
FUND BALANCE, APRIL 1, 2007	<u>405,704</u>	<u>405,704</u>	
FUND BALANCE, MARCH 31, 2008	<u>\$ 425,704</u>	<u>\$ 262,266</u>	<u>\$ (163,438)</u>

LIQUOR LAW
ENFORCEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
LIQUOR LAW ENFORCEMENT FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS
Cash

\$ 40,845

FUND BALANCE

FUND BALANCE

\$ 40,845

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, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
State shared revenues - liquor licenses	\$	\$ 6,767	\$
Interest		1,618	
Total revenues	6,500	8,385	1,885
EXPENDITURES			
Enforcement officer		1,900	
Contracted services		9,103	
Total expenditures	15,000	11,003	3,997
Excess of revenues over (under) expenditures	(8,500)	(2,618)	5,882
OTHER FINANCING SOURCES			
Transfers in	16,200	16,200	
Net change in fund balance	7,700	13,582	5,882
FUND BALANCE, APRIL 1, 2007	27,263	27,263	
FUND BALANCE, MARCH 31, 2008	\$ 34,963	\$ 40,845	\$ 5,882

FUTURE ROAD
IMPROVEMENT
FUND

CHARTER TOWNSHIP OF BRIGHTON
FUTURE ROAD IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS
Cash

\$ 1,471,654

FUND BALANCE

FUND BALANCE

\$ 1,471,654

CHARTER TOWNSHIP OF BRIGHTON
 FUTURE ROAD IMPROVEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 8,000	\$ 54,906	\$ 46,906
EXPENDITURES			
Excess of revenues over (under) expenditures	8,000	54,906	46,906
OTHER FINANCING SOURCES (USES)			
Transfers in	673,293	383,696	(289,597)
Transfers (out)	(39,464)		39,464
Total other financing sources (uses)	633,829	383,696	(250,133)
Net change in fund balance	641,829	438,602	(203,227)
FUND BALANCE, APRIL 1, 2007	1,033,052	1,033,052	
FUND BALANCE, MARCH 31, 2008	\$ 1,674,881	\$ 1,471,654	\$ (203,227)

SAD ROAD MAINTENANCE
FUND

CHARTER TOWNSHIP OF BRIGHTON
SAD ROAD MAINTENANCE FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash	\$	58,378
Due from county		901
		<hr/>
Total assets	\$	59,279
		<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$	750
------------------	----	-----

FUND BALANCE

		<hr/>
		58,529
		<hr/>
Total liabilities and fund balance	\$	59,279
		<hr/> <hr/>

CHARTER TOWNSHIP OF BRIGHTON
 SAD ROAD MAINTENANCE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$	\$ 30,461	\$
Interest		2,062	
Total revenues	24,901	32,523	7,622
EXPENDITURES			
Contract expense	48,028	34,358	13,670
Net change in fund balance	(23,127)	(1,835)	21,292
FUND BALANCE, APRIL 1, 2007	60,364	60,364	
FUND BALANCE, MARCH 31, 2008	\$ 37,237	\$ 58,529	\$ 21,292

AQUATICS
FUND

CHARTER TOWNSHIP OF BRIGHTON
AQUATICS FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash and cash equivalents
Due from county

\$ 107,063
7,650

Total assets

\$ 114,713

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 422

FUND BALANCE

114,291

Total liabilities and fund balance

\$ 114,713

CHARTER TOWNSHIP OF BRIGHTON
 AQUATICS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$	\$ 68,125	\$
Interest income		3,198	
	70,700	71,323	623
EXPENDITURES			
Project costs	103,562	64,787	38,775
Net change in fund balance	(32,862)	6,536	39,398
FUND BALANCE, APRIL 1, 2007	107,755	107,755	
FUND BALANCE, MARCH 31, 2008	\$ 74,893	\$ 114,291	\$ 39,398

ROAD PROJECTS
FUND

CHARTER TOWNSHIP OF BRIGHTON
ROAD PROJECTS FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash and cash equivalents	\$ 70,434
Due from county	7,025
Special assessment receivable	<u>332,909</u>
Total assets	<u>\$ 410,368</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenue	\$ 332,909
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FUND BALANCE

	<u>77,459</u>
Total liabilities and fund balance	<u>\$ 410,368</u>

CHARTER TOWNSHIP OF BRIGHTON
ROAD PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$	\$ 108,792	\$
Interest income		70	
Total revenues	90,268	108,862	18,594
EXPENDITURES			
Project costs	53,026	53,201	(175)
Excess of revenues over (under) expenditures	37,242	55,661	18,419
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(344,365)	(133,696)	210,669
Net change in fund balance	(307,123)	(78,035)	229,088
FUND BALANCE, APRIL 1, 2007	155,494	155,494	
FUND BALANCE, MARCH 31, 2008	\$ (151,629)	\$ 77,459	\$ 229,088

STREETLIGHT
FUND

CHARTER TOWNSHIP OF BRIGHTON
STREETLIGHT FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Special assessment receivable	\$ 13,910
Due from other funds	801
	<hr/>
Total assets	<u>\$ 14,711</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 1,168
------------------	----------

FUND BALANCE

	<hr/>
	13,543
	<hr/>
Total liabilities and fund balance	<u>\$ 14,711</u>

CHARTER TOWNSHIP OF BRIGHTON
STREETLIGHT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessments	\$ 14,135	\$ 13,767	\$ (368)
EXPENDITURES			
Utilities	<u>14,135</u>	<u>13,919</u>	<u>216</u>
Net change in fund balance		(152)	(152)
FUND BALANCE, APRIL 1, 2007	<u>13,695</u>	<u>13,695</u>	<u> </u>
FUND BALANCE, MARCH 31, 2008	<u><u>\$ 13,695</u></u>	<u><u>\$ 13,543</u></u>	<u><u>\$ (152)</u></u>

MUNICIPAL REFUSE
FUND

CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL REFUSE FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash	\$ 69,546
Due from county	3,978
Prepaid expenditures	<u>6,732</u>
Total assets	<u>\$ 80,256</u>

FUND BALANCE

FUND BALANCE	<u>\$ 80,256</u>
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CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL REFUSE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessment	\$	\$ 92,593	\$
Interest		1,911	
	<u>93,494</u>	<u>94,504</u>	<u>1,010</u>
Total revenues			
EXPENDITURES			
Project costs	<u>92,594</u>	<u>92,593</u>	<u>1</u>
Net change in fund balance	900	1,911	1,011
FUND BALANCE, APRIL 1, 2007	<u>78,345</u>	<u>78,345</u>	
FUND BALANCE, MARCH 31, 2008	<u>\$ 79,245</u>	<u>\$ 80,256</u>	<u>\$ 1,011</u>

PATHWAYS
FUND

CHARTER TOWNSHIP OF BRIGHTON
PATHWAYS FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS
Cash

\$ 67,123

FUND BALANCE

FUND BALANCE

\$ 67,123

CHARTER TOWNSHIP OF BRIGHTON
 PATHWAYS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Deposits on projects	\$	\$ 4,050	\$
Interest		1,264	
Total revenues		5,314	5,314
EXPENDITURES			
Excess of revenues over (under) expenditures		5,314	5,314
OTHER FINANCING SOURCES			
Transfers in	50,000	50,000	
Net change in fund balance	50,000	55,314	5,314
FUND BALANCE, APRIL 1, 2007	11,809	11,809	
FUND BALANCE, MARCH 31, 2008	\$ 61,809	\$ 67,123	\$ 5,314

WATER
DEBT SERVICE
FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash

\$ 1,252

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds

\$ 1,252

FUND BALANCE

Total liabilities and fund balance

\$ 1,252

CHARTER TOWNSHIP OF BRIGHTON
 WATER DEBT SERVICE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 30,000	\$	\$ (30,000)
EXPENDITURES			
Debt service			
Principal		40,000	
Fees		250	
Interest		38,794	
Total expenditures	107,197	79,044	28,153
Excess of revenues over (under) expenditures	(77,197)	(79,044)	(1,847)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(706,045)	(677,350)	28,695
Net change in fund balance	(783,242)	(756,394)	(26,848)
FUND BALANCE, APRIL 1, 2007	756,394	756,394	
FUND BALANCE, MARCH 31, 2008	\$ (26,848)	\$	\$ (26,848)

BUILDING
AUTHORITY
FUND

CHARTER TOWNSHIP OF BRIGHTON
BUILDING AUTHORITY FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash		\$	133,326
Due from other funds			<u>46,668</u>
Total assets		\$	<u>179,994</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$	35,879	
Bonds payable		<u>115,000</u>	
Total liabilities	\$		150,879

FUND BALANCE

			<u>29,115</u>
Total liabilities and fund balance	\$		<u>179,994</u>

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, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 1,000	\$ 1,613	\$ 613
EXPENDITURES			
Bond payment - principal		115,000	
Bond payment - interest		86,491	
Agent fees		300	
Total expenditures	193,694	201,791	(8,097)
Excess of revenues over (under) expenditures	(192,694)	(200,178)	(7,484)
OTHER FINANCING SOURCES			
Transfers in	193,694	201,791	8,097
Net change in fund balance	1,000	1,613	613
FUND BALANCE, APRIL 1, 2007	27,502	27,502	
FUND BALANCE, MARCH 31, 2008	\$ 28,502	\$ 29,115	\$ 613

MUNICIPAL
WATER
FUND

CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL WATER FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash	\$ 864,225
Due from other funds	1,252
Due from others	<u>163,323</u>

Total assets		<u>\$ 1,028,800</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds	\$ 560,923
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FUND BALANCE

<u>467,877</u>

Total liabilities and fund balance		<u>\$ 1,028,800</u>
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CHARTER TOWNSHIP OF BRIGHTON
MUNICIPAL WATER FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2008

REVENUES	
Interest income	\$ 38,718
EXPENDITURES	
Project costs	<u>398,952</u>
Excess of revenues over (under) expenditures	(360,234)
OTHER FINANCING SOURCES (USES)	
Transfers in	677,494
Transfers (out)	<u>(10,648)</u>
Total other financing sources (uses)	<u>666,846</u>
Net change in fund balance	306,612
FUND BALANCE, APRIL 1, 2007	<u>161,265</u>
FUND BALANCE, MARCH 31, 2008	<u><u>\$ 467,877</u></u>

WHITMORE LAKE/
GRAND RIVER
WATER
CONSTRUCTION
FUND

CHARTER TOWNSHIP OF BRIGHTON
 WHITMORE LAKE/GRAND RIVER WATER CONSTRUCTION FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED MARCH 31, 2008

REVENUES	\$
EXPENDITURES	<hr/>
Excess of revenues over (under) expenditures	
OTHER FINANCING SOURCES (USES)	
Transfers (out)	<hr/> (89)
Net change in fund balance	(89)
FUND BALANCE, APRIL 1, 2007	<hr/> 89
FUND BALANCE, MARCH 31, 2008	<hr/> <hr/> \$

WEBER/GRAND RIVER
WATER
CONSTRUCTION
FUND

CHARTER TOWNSHIP OF BRIGHTON
 WEBER/GRAND RIVER WATER CONSTRUCTION FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED MARCH 31, 2008

REVENUES		\$
EXPENDITURES		
Project costs		<u>10,648</u>
Excess of revenues over (under) expenditures		(10,648)
OTHER FINANCING SOURCES (USES)		
Transfers in	\$ 10,648	
Transfers (out)	<u>(55)</u>	
Total other financing sources (uses)		10,593
Net change in fund balance		(55)
FUND BALANCE, APRIL 1, 2007		<u>55</u>
FUND BALANCE, MARCH 31, 2008		<u><u>\$</u></u>

WATER FUND

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 39,221	
Accounts receivable - water billings	9,051	
Due from other funds	349	
Due from county	16,057	
Inventory	133	
	64,811	
Total current assets		\$ 64,811

RESTRICTED ASSETS

Special assessments receivable		787,320
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PROPERTY, PLANT AND EQUIPMENT

Land		617
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Total assets		\$ 852,748
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LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 22,352	
Due to other funds (from restricted assets)	828,630	
	850,982	
Total liabilities		\$ 850,982

FUND EQUITY

Retained earnings - unreserved		1,766
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Total liabilities and fund equity		\$ 852,748
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CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2008

OPERATING REVENUE	
Water billings and late charges	<u>\$ 63,444</u>
OPERATING EXPENSES	
Project cost - utility connection	19,817
Audit fees	603
Contracted services	10,146
Water purchases	49,955
Depreciation	822
Repairs and maintenance	149
Supplies	27
Postage	214
Administration	400
Insurance	<u>526</u>
Total operating expenses	<u>82,659</u>
Operating (loss)	<u>(19,215)</u>
NON-OPERATING REVENUES AND (EXPENSES)	
Interest income - cash and cash equivalents	2,629
Interest income - special assessments	53,800
Interest expense	(53,800)
Loss on disposal of capital assets	<u>(36,695)</u>
Total non-operating revenues (expense)	<u>(34,066)</u>
Net (loss)	(53,281)
RETAINED EARNINGS, APRIL 1, 2007	<u>55,047</u>
RETAINED EARNINGS, MARCH 31, 2008	<u><u>\$ 1,766</u></u>

CHARTER TOWNSHIP OF BRIGHTON
WATER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2008

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Operating (loss)	<u>\$ (19,215)</u>
Adjustments to reconcile operating income to net cash from (used in) operating activities	
Depreciation	822
Changes in assets and liabilities	
Decrease in accounts receivable	9,632
(Increase) in prepaid expenses	(5)
Increase in accounts payable	5,378
Decrease in due from other funds	6
(Decrease) in due to other fund	<u>(112,440)</u>
Total adjustments	<u>(96,607)</u>
Net cash (used in) operating activities	(115,822)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Special assessments collected	166,240
Interest paid on interfund loan	<u>(53,800)</u>
Net cash from capital and related financing activities	112,440
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	
Interest	<u>2,629</u>
Net (decrease) in cash and cash equivalents	(753)
CASH AND CASH EQUIVALENTS AT APRIL 1, 2007	<u>39,974</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2008	<u><u>\$ 39,221</u></u>

SEWER
FUND

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 102,900
Accounts receivable - usage	154,671
Accounts receivable - other	29,030
Prepaid expenses - insurance	5,837
Inventory - pumps and parts	73,268
Due from county - delinquents	<u>15,674</u>

Total current assets \$ 381,380

RESTRICTED ASSETS

Cash and cash equivalents - debt service	2,476,209
Cash and cash equivalents - replacement	127,621
Accounts receivable - capital charge (usage)	79,014
Bond issuance costs - net of amortization of \$101,085	438,037
Special assessments receivable	10,463,264
Due from county - delinquents (SAD)	221,556
Due from county - construction funds	<u>239,459</u>

Total restricted assets 14,045,160

FIXED ASSETS

Land	1,395,155
Sewer plant	9,728,042
Sewer collection system	17,687,541
Pumps and equipment	3,459,289
Office furniture and equipment	<u>22,500</u>
	32,292,527
Less: accumulated depreciation	<u>(4,692,985)</u>

Net fixed assets 27,599,542

Total assets \$ 42,026,082

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES (from restricted assets)

Accounts payable	\$ 8,706
Due to general fund - property deferrals	10,338
Due to general fund - operating loan	214,832
Due to water fund	349
Due to Livingston County	<u>4,424</u>

Total current liabilities (from unrestricted assets) \$ 238,649

CURRENT LIABILITIES (from restricted assets)

Bonds payable	3,025,000
Due to general fund	431,000
New connections - escrow funds	<u>69,396</u>

Total current liabilities (from restricted assets) 3,525,396

LONG-TERM LIABILITIES (from restricted assets)

Bonds payable	<u>18,475,000</u>
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Total liabilities 22,239,045

FUND EQUITY

Retained earnings - reserved	19,719,334
Retained earnings - unreserved	<u>67,703</u>

Total fund equity 19,787,037

Total liabilities and fund equity \$ 42,026,082

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Unreserved Retained Earnings</u>	<u>Reserved Retained Earnings</u>	<u>Total Fund Equity</u>
BEGINNING BALANCES APRIL 1, 2007	\$ 32,497	\$ 20,145,367	\$ 20,177,864
OPERATING (LOSS)	(562,851)		(562,851)
ADJUSTMENTS			
Sewer usage - capital charges	(277,630)	277,630	
Depreciation expense	861,570	(861,570)	
Other Income (expenses)	3,278	(3,278)	
Amortization (expense)	33,695	(33,695)	
Refund - tap fee			
Capital improvements	8,172	(8,172)	
Legal	7,905	(7,905)	
Bank fees (included in office expense)			
INTEREST INCOME - BANKS	5,364	107,310	112,674
TRANSFER TO REPLACEMENT RESERVES	(40,000)	40,000	
INTEREST INCOME - SPECIAL ASSESSMENTS		694,449	694,449
CAPITAL CONTRIBUTIONS		78,073	78,073
INTEREST EXPENSE - GENERAL FUND LOAN	(4,297)	(8,620)	(12,917)
INTEREST EXPENSE - BONDS		(982,445)	(982,445)
LITIGATION - NET PROCEEDS		282,915	282,915
AGENT FEES - BONDS		(725)	(725)
BALANCES, MARCH 31, 2008	<u>\$ 67,703</u>	<u>\$ 19,719,334</u>	<u>\$ 19,787,037</u>

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2008

OPERATING REVENUES		
Sewer usage	\$ 554,103	
Sewer usage - capital charges	277,630	
Other revenue	18,071	
	<hr/>	
Total operating revenues		\$ 849,804
OPERATING EXPENSES		
Administration	4,136	
Amortization expense	33,695	
Audit services	3,015	
Alarm maintenance	365	
Computer services	341	
Consulting	7,686	
Capital improvements	25,238	
Contracted services - operators	209,892	
Depreciation expense	861,570	
Permit fees	3,374	
Legal	8,336	
Liability insurance	23,162	
Office expenses	1,957	
Repairs and maintenance - equipment	18,869	
Repairs and maintenance - grounds	10,264	
Repairs and maintenance - building	3,106	
Repairs and maintenance - collection system	38,454	
Sluge removal	30,140	
Supplies	28,418	
Telephone	1,038	
Utilities	99,599	
	<hr/>	
Total operating expenses		<hr/> 1,412,655
Operating (loss)		(562,851)
NON-OPERATING REVENUES (EXPENSES)		
Interest income - banks	112,674	
Interest income - special assessment	694,449	
Interest (expense) - general fund loan	(12,917)	
Interest (expense) - bonds	(982,445)	
Agent fees - bonds	(725)	
Litigation - net proceeds	282,915	
	<hr/>	
Total non-operating (expenses)		93,951
CAPITAL CONTRIBUTIONS		
Tap-in fees (new users)		<hr/> 78,073
Net (loss)		(390,827)
RETAINED EARNINGS, APRIL 1, 2007		<hr/> 20,177,864
RETAINED EARNINGS, MARCH 31, 2008		<hr/> <hr/> \$ 19,787,037

CHARTER TOWNSHIP OF BRIGHTON
SEWER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 945,823	
Payments to suppliers and others	(648,937)	
Net cash from operating activities		\$ 296,886
CASH FLOWS (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on bonds	(1,525,000)	
Interest expense paid on bonds	(982,445)	
Collections of principal from assessments	856,403	
Proceeds from County - delinquent assessments	317,300	
Interest expense paid to general fund	(12,917)	
Tap fees (new users)	78,073	
Agent fees	(725)	
Net cash (used in) capital and related financing activities		(1,269,311)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	807,123	
Reimbursement from County Construction Fund	14,306	
Net cash from investing activities		821,429
Net (decrease) in cash		(150,996)
CASH AND CASH EQUIVALENTS AT APRIL 1, 2007		2,857,726
CASH AND CASH EQUIVALENTS AT MARCH 31, 2008		\$ 2,706,730
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES		
Operating (loss)		\$ (562,851)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities		
Amortization expense	\$ 33,695	
Depreciation expense	861,570	
(Increase) in accounts and delinquent receivable	(44,119)	
(Decrease) in accounts payable	(424)	
(Increase) in inventory	(9,093)	
(Increase) in prepaid insurance	(185)	
Increase in new connection escrow	13,875	
(Decrease) in due to water fund	(6)	
Increase in due to Livingston County - other	4,424	
Total adjustments		859,737
Net cash from operating activities		\$ 296,886

TRUST
AND
AGENCY
FUND

CHARTER TOWNSHIP OF BRIGHTON
TRUST AND AGENCY FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS
Cash

\$ 43,006

LIABILITIES

LIABILITIES
Due to other funds
Due to others

\$ 103
42,903

Total liabilities

\$ 43,006

CURRENT
TAX
COLLECTION
FUND

CHARTER TOWNSHIP OF BRIGHTON
CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS
Cash

\$ 4,218

LIABILITIES

LIABILITIES
Due to other funds

\$ 4,218

CONSTRUCTION
ESCROW
FUND

CHARTER TOWNSHIP OF BRIGHTON
CONSTRUCTION ESCROW FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS

ASSETS

Cash	\$ 28,902
Due from other funds	132
	<hr/>
Total assets	\$ 29,034
	<hr/> <hr/>

LIABILITIES

LIABILITIES

Performance deposits	\$ 29,021
Due to other funds	13
	<hr/>
Total liabilities	\$ 29,034
	<hr/> <hr/>