

TOWNSHIP OF BIRCH RUN

NOTES TO FINANCIAL STATEMENTS, continued

March 31, 2002

NOTE 11: TOTAL COLUMN ON COMBINED STATEMENTS - OVERVIEW

The total column on the Combined Statements - Overview is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 12: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with IRC Section 457. The plan, available to all employees, permits them to defer a portion of their current salary until future years. Participation in the plan is optional.

NOTE 13: DOWNTOWN DEVELOPMENT AUTHORITY AGREEMENTS

To the extent that future DDA captured tax revenues are available, the Township DDA has made agreements to be obligated to the Township Sewer Fund for repayment of the following debts:

1. \$575,000 Sanitary Sewer System Improvement Bonds issued by Saginaw County December 5, 1996. The balance due on these bonds at March 31, 2002 is \$450,000.
2. Contract Payable to Birch Run Village for 28.35% of the past and future payments due on the 1992, \$1.4 million, Village Sanitary Sewer System Bonds payable through Genesee County. The balance due on these bonds at March 31, 2002 was \$262,238.
3. \$75,000 of the \$175,000 Sewer System Improvement Bonds issued by Saginaw County in May, 1997. The March 31, 2002 total balance of these bonds is \$155,000.
4. A pro-rata portion of the \$300,000 Judgement Bonds Payable. The amount is to be determined annually based on the DDA's use of the Township's sewer engineering plans.
5. \$31,473 due to the Township General Fund for previous fees paid to Genesee County for the Sewer Force Main.

During the year ended March 31, 2002 the Downtown Development Authority transferred \$151,000 to the Water and Sewer Fund in connection with these agreements.

NOTE 14: POST EMPLOYMENT BENEFITS

At this time the Township does not provide any post employment benefits to its employees other than the Deferred Compensation Plan.

TOWNSHIP OF BIRCH RUN

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

March 31, 2002

	<i>Library</i>	<i>Downtown Development Authority</i>	<i>Total</i>
ASSETS:			
Cash and cash equivalents	\$ 4,271	\$ 86,887	\$ 91,158
Taxes receivable	-	1,119	1,119
Total assets	\$ 4,271	\$ 88,006	\$ 92,277
LIABILITIES AND FUND BALANCE:			
<i>Liabilities:</i>			
Accounts payable	\$ 2,641	\$ -	\$ 2,641
Accrued expenses	929	-	929
Due to other funds	451	7,878	8,329
Total liabilities	4,021	7,878	11,899
<i>Fund Balance</i>	250	80,128	80,378
Total liabilities and fund balance	\$ 4,271	\$ 88,006	\$ 92,277

TOWNSHIP OF BIRCH RUN

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended March 31, 2002

	<i>Library</i>	<i>Downtown Development Authority</i>	<i>Total</i>
REVENUES:			
Taxes	\$ -	\$ 75,341	\$ 75,341
States grants	1,071	-	1,071
County - penal fines	26,069	-	26,069
Overdue fees	1,145	-	1,145
Copies and faxes	50	-	50
Interest	649	2,613	3,262
Rents	76	-	76
Contributions	1,063	-	1,063
Reimbursements	374	-	374
Total revenues	<u>30,497</u>	<u>77,954</u>	<u>108,451</u>
EXPENDITURES:			
Recreation and cultural	85,796	-	85,796
Capital outlay	10,986	-	10,986
Total expenditures	<u>96,782</u>	<u>-</u>	<u>96,782</u>
Excess of revenues over (under) expenditures	(66,285)	77,954	11,669
OTHER FINANCING SOURCES:			
Transfer from other funds	47,000	-	47,000
Transfer to other funds	-	(151,000)	(151,000)
Total other financing sources	<u>47,000</u>	<u>(151,000)</u>	<u>(104,000)</u>
Excess of revenues and other sources over (under) expenditures	(19,285)	(73,046)	(92,331)
Fund balance, beginning of year	19,535	153,174	172,709
Fund balance, end of year	<u>\$ 250</u>	<u>\$ 80,128</u>	<u>\$ 80,378</u>