

TOWNSHIP OF BIRCH RUN

NOTES TO FINANCIAL STATEMENTS, continued

March 31, 2003

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, 2003 is \$420,000.
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, 2003 was \$265,073.
3. \$75,000 of the \$175,000 Sewer System Improvement Bonds issued by Saginaw County in May, 1997. The March 31, 2003 total balance of these bonds is \$150,000.
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. This amount was repaid in 2002.

During the year ended March 31, 2003 the Downtown Development Authority transferred \$50,493 to the Water and Sewer Fund in connection with these agreements. This amount is net of a refund from Saginaw County for unspent construction funds of \$96,755.

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, 2003

	<i>Library</i>	<i>Downtown Development Authority</i>	<i>Totals</i>
ASSETS:			
Cash and equivalents	\$ 6,324	\$ 120,590	\$ 126,914
Taxes receivable	-	1,699	1,699
Due from other funds	2,309	-	2,309
Total assets	<u>\$ 8,633</u>	<u>\$ 122,289</u>	<u>\$ 130,922</u>
LIABILITIES:			
Accounts payable	\$ 4,473	\$ -	\$ 4,473
Due to other funds	-	7,878	7,878
Total liabilities	<u>4,473</u>	<u>7,878</u>	<u>12,351</u>
FUND EQUITY:			
Fund Balance:			
Unreserved – Undesignated	4,160	114,411	118,571
Total fund equity	<u>4,160</u>	<u>114,411</u>	<u>118,571</u>
Total liabilities and fund equity	<u>\$ 8,633</u>	<u>\$ 122,289</u>	<u>\$ 130,922</u>

TOWNSHIP OF BIRCH RUN

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended March 31, 2003

	<i>Library</i>	<i>Downtown Development Authority</i>	<i>Totals</i>
REVENUES:			
Property taxes	\$ -	\$ 84,005	\$ 84,005
Intergovernmental:			
States grants	5,426	-	5,426
Contributions from local units	29,017	-	29,017
Charges for services	679	-	679
Fines and forfeitures	653	-	653
Interest and rentals	925	821	1,746
Other revenue	1,184	-	1,184
Total revenues	<u>37,884</u>	<u>84,826</u>	<u>122,710</u>
EXPENDITURES:			
Community and economic development	-	50	50
Recreation and culture	85,582	-	85,582
Capital outlay	3,092	-	3,092
Total expenditures	<u>88,674</u>	<u>50</u>	<u>88,724</u>
Excess of revenues over (under) expenditures	<u>(50,790)</u>	<u>84,776</u>	<u>33,986</u>
OTHER FINANCING SOURCES (USES):			
Transfer from other funds	54,700	-	54,700
Transfer to other funds	-	(50,493)	(50,493)
Total other financing sources (uses)	<u>54,700</u>	<u>(50,493)</u>	<u>4,207</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	3,910	34,283	38,193
Fund balances, beginning of year	250	80,128	80,378
Fund balances, end of year	<u>\$ 4,160</u>	<u>\$ 114,411</u>	<u>\$ 118,571</u>