

BIRCH RUN TOWNSHIP

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

March 31, 2009

NOTE 14: FUND EQUITY

Specific reservations of fund equity include:

Reserved for prepaid expenditures – This reserve was created to indicate that the portion of fund balance represented by prepaid expenditures is not available for appropriation.

Reserved for debt service – This reserve was created to indicate that the portion of fund balance represented by debt service is not available for appropriation.

Reserved for nonexpendable cemetery principal – This reserve was created to indicate that portion of fund balance representing the nonexpendable principal portion required to be retained in perpetuity for cemetery care.

Reserved for state construction code activity – This reserve was created to indicate that portion of fund balance representing the cumulative surplus of construction code fees charged in excess of construction code costs.

NOTE 15: 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, 2009 is \$240,000.
2. Contract Payable to Birch Run Village for 28.35% of the past and future payments due on the 1992, \$1.4 million, Sanitary Sewer System Bonds payable through Genesee County. These bonds were refunded in 2003. The balance due on these bonds at March 31, 2009 was \$86,468.
3. \$75,000 of the \$175,000 Sewer System Improvement Bonds issued by Saginaw County in May, 1997. The March 31, 2009 total balance of these bonds is \$95,000.
4. A pro-rata portion of the \$300,000 Sewer Judgment Bonds Payable. The amount is to be determined annually based on the DDA's use of the Township's sewer engineering plans. The balance of this debt has been paid off as of March 31, 2009.

During the year ended March 31, 2009 the Downtown Development Authority transferred \$86,885 to the Sewer Fund in connection with these agreements.

BIRCH RUN TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET

March 31, 2009

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Permanent Fund</u>	
	<u>Downtown Development Authority Fund</u>	<u>Library Fund</u>	<u>Library Debt Fund</u>	<u>Cemetery Perpetual Care Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Assets:					
Cash and cash equivalents	\$ 118,728	\$ 92,090	\$ 563	\$ 2,028	\$ 213,409
Taxes receivable	1,056	-	-	-	1,056
Total assets	<u>\$ 119,784</u>	<u>\$ 92,090</u>	<u>\$ 563</u>	<u>\$ 2,028</u>	<u>\$ 214,465</u>
Fund Balances:					
Liabilities:					
Accounts payable	\$ 2,688	\$ 4,542	\$ -	\$ -	\$ 7,230
Due to other funds	-	22,824	-	-	22,824
Total liabilities	<u>2,688</u>	<u>27,366</u>	<u>-</u>	<u>-</u>	<u>30,054</u>
Fund balances:					
Reserved for:					
Debt service	-	-	563	-	563
Nonexpendable cemetery principal	-	-	-	2,028	2,028
Unreserved:					
Special revenue funds	<u>117,096</u>	<u>64,724</u>	<u>-</u>	<u>-</u>	<u>181,820</u>
Total fund balances	<u>117,096</u>	<u>64,724</u>	<u>563</u>	<u>2,028</u>	<u>184,411</u>
Total liabilities and fund balances	<u>\$ 119,784</u>	<u>\$ 92,090</u>	<u>\$ 563</u>	<u>\$ 2,028</u>	<u>\$ 214,465</u>

BIRCH RUN TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended March 31, 2009

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Downtown Development Authority Fund</u>	<u>Library Fund</u>	<u>Library Debt Fund</u>	<u>Cemetery Perpetual Care Fund</u>	
Revenues:					
Property taxes	\$ 125,316	\$ -	\$ -	\$ -	\$ 125,316
Licenses and permits	-	55,415	-	-	55,415
State grants	-	2,032	-	-	2,032
Contributions from other units	-	20,947	-	-	20,947
Charges for services	-	846	-	-	846
Fines and forfeits	-	1,490	-	-	1,490
Interest and rents	1,046	2,574	-	48	3,668
Other revenue	-	2,607	-	-	2,607
Total revenues	<u>126,362</u>	<u>85,911</u>	<u>-</u>	<u>48</u>	<u>212,321</u>
Expenditures:					
Current					
Community and economic development	105,788	-	-	-	105,788
Recreation and culture	-	105,307	64	-	105,371
Capital outlay	-	2,484	-	-	2,484
Total expenditures	<u>105,788</u>	<u>107,791</u>	<u>64</u>	<u>-</u>	<u>213,643</u>
Excess (deficiency) of revenues over expenditures	20,574	(21,880)	(64)	48	(1,322)
Other financing sources (uses):					
Transfers from other funds	-	62,500	-	-	62,500
Net changes in fund balances	20,574	40,620	(64)	48	61,178
Fund balances, beginning of year	<u>96,522</u>	<u>24,104</u>	<u>627</u>	<u>1,980</u>	<u>123,233</u>
Fund balances, end of year	<u>\$ 117,096</u>	<u>\$ 64,724</u>	<u>\$ 563</u>	<u>\$ 2,028</u>	<u>\$ 184,411</u>