

BIRCH RUN TOWNSHIP

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

March 31, 2006

NOTE 14: 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, 2006 is \$330,000.
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. These bonds were refunded in 2003. The balance due on these bonds at March 31, 2006 was \$172,935.
3. \$75,000 of the \$175,000 Sewer System Improvement Bonds issued by Saginaw County in May, 1997. The March 31, 2004 total balance of these bonds is \$125,000.
4. A pro-rata portion of the \$300,000 Judgment Bonds Payable. The amount is to be determined annually based on the DDA's use of the Township's sewer engineering plans.

During the year ended March 31, 2006 the Downtown Development Authority transferred \$94,927 to the Water and Sewer System Fund in connection with these agreements.

BIRCH RUN TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS

BALANCE SHEET

March 31, 2006

	Special Revenue Fund	Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
	Downtown Development Authority	Library Debt	Cemetery Perpetual Care Fund	
Assets:				
Cash and cash equivalents	\$ 112,594	\$ 3,948	\$ 1,863	\$ 118,405
Taxes receivable	867	-	-	867
Total assets	<u>\$ 113,461</u>	<u>\$ 3,948</u>	<u>\$ 1,863</u>	<u>\$ 119,272</u>
Liabilities and Fund Balances:				
<i>Liabilities:</i>				
Due to other funds	\$ 46,033	\$ 3,517	\$ -	\$ 49,550
Total liabilities	<u>46,033</u>	<u>3,517</u>	<u>-</u>	<u>49,550</u>
<i>Liabilities:</i>				
Reserved for:				
Debt service	-	431	-	431
Nonexpendable cemetery principal	-	-	1,863	1,863
Unreserved:				
Special revenue funds	67,428	-	-	67,428
Total fund balances	<u>67,428</u>	<u>431</u>	<u>1,863</u>	<u>69,722</u>
Total liabilities and fund balances	<u>\$ 113,461</u>	<u>\$ 3,948</u>	<u>\$ 1,863</u>	<u>\$ 119,272</u>

BIRCH RUN TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended March 31, 2006

	Special Revenue Fund	Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
	Downtown Development Authority	Library Debt	Cemetery Perpetual Care Fund	
Revenues:				
Property taxes	\$ 91,030	\$ 312	\$ -	\$ 91,342
Interest earned	300	4	33	337
Total revenues	<u>91,330</u>	<u>316</u>	<u>33</u>	<u>91,679</u>
Expenditures:				
<i>Current:</i>				
Community and economic development	5,166	-	-	5,166
Debt service:				
Principal	-	70,000	-	70,000
Interest and fees	-	1,841	-	1,841
Total expenditures	<u>5,166</u>	<u>71,841</u>	<u>-</u>	<u>77,007</u>
Excess (deficiency) of revenues over expenditures	<u>86,164</u>	<u>(71,525)</u>	<u>33</u>	<u>14,672</u>
Other financing sources (uses):				
Transfers out	<u>(94,627)</u>	<u>-</u>	<u>-</u>	<u>(94,627)</u>
Net change in fund balances	(8,463)	(71,525)	33	(79,955)
Fund balances, beginning of year	<u>75,891</u>	<u>71,956</u>	<u>1,830</u>	<u>149,677</u>
Fund balances, end of year	<u>\$ 67,428</u>	<u>\$ 431</u>	<u>\$ 1,863</u>	<u>\$ 69,722</u>