

BIRCH RUN TOWNSHIP

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

March 31, 2007

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.

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 Water and Sewer System 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, 2007 is \$300,000.
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, 2007 was \$143,168.
3. \$75,000 of the \$175,000 Sewer System Improvement Bonds issued by Saginaw County in May, 1997. The March 31, 2007 total balance of these bonds is \$115,000.
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. The balance due on this debt as of March 31, 2007 is \$40,000.

During the year ended March 31, 2007 the Downtown Development Authority transferred \$93,049 to the Water and Sewer System Fund in connection with these agreements.

BIRCH RUN TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS

BALANCE SHEET

March 31, 2007

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Downtown Development Authority</u>	<u>Library</u>	<u>Library Debt</u>	<u>Cemetery Perpetual Care</u>	
Assets:					
Cash and cash equivalents	\$ 74,205	\$ 3,510	\$ 3,261	\$ 1,917	\$ 82,893
Taxes receivable	1,808	-	-	-	1,808
Accounts receivable	-	448	-	-	448
Total assets	<u>\$ 76,013</u>	<u>\$ 3,958</u>	<u>\$ 3,261</u>	<u>\$ 1,917</u>	<u>\$ 85,149</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ 2,920	\$ -	\$ -	\$ 2,920
Due to other funds	-	1,014	2,638	-	3,652
Total liabilities	-	3,934	2,638	-	6,572
Fund balances:					
Reserved for:					
Debt service	-	-	623	-	623
Nonexpendable cemetery principal	-	-	-	1,917	1,917
Unreserved:					
Special revenue funds	76,013	24	-	-	76,037
Total fund balances	<u>76,013</u>	<u>24</u>	<u>623</u>	<u>1,917</u>	<u>78,577</u>
Total liabilities and fund balances	<u>\$ 76,013</u>	<u>\$ 3,958</u>	<u>\$ 3,261</u>	<u>\$ 1,917</u>	<u>\$ 85,149</u>

BIRCH RUN TOWNSHIP

NONMAJOR GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended March 31, 2007

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Downtown Development Library</u>	<u>Library</u>	<u>Library Debt</u>	<u>Cemetery Perpetual Care</u>	
Revenues:					
Property taxes	\$ 105,938	\$ -	\$ 192	\$ -	\$ 106,130
Licenses and permits	-	16,703	-	-	16,703
State grants	-	4,472	-	-	4,472
Contributions from other units	-	26,407	-	-	26,407
Charges for services	-	925	-	-	925
Fines and forfeits	-	1,468	-	-	1,468
Interest and rents	769	1,596	-	54	2,419
Other revenue	-	1,688	-	-	1,688
Total revenues	<u>106,707</u>	<u>53,259</u>	<u>192</u>	<u>54</u>	<u>160,212</u>
Expenditures:					
Current					
Community and economic development	5,073	-	-	-	5,073
Recreation and culture	-	106,439	-	-	106,439
Capital outlay	-	1,907	-	-	1,907
Total expenditures	<u>5,073</u>	<u>108,346</u>	<u>-</u>	<u>-</u>	<u>113,419</u>
Excess (deficiency) of revenues over expenditures	<u>101,634</u>	<u>(55,087)</u>	<u>192</u>	<u>54</u>	<u>46,793</u>
Other financing sources (uses):					
Transfers in	-	55,000	-	-	55,000
Transfers out	(93,049)	-	-	-	(93,049)
Total other financing sources (uses)	<u>(93,049)</u>	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>(38,049)</u>
Net change in fund balance	8,585	(87)	192	54	8,744
Fund balances, beginning of year	<u>67,428</u>	<u>111</u>	<u>431</u>	<u>1,863</u>	<u>69,833</u>
Fund balances, end of year	<u>\$ 76,013</u>	<u>\$ 24</u>	<u>\$ 623</u>	<u>\$ 1,917</u>	<u>\$ 78,577</u>