

CHARTER TOWNSHIP OF GENOA

Report on Audit of Financial Statements

For the Year Ended March 31, 2016

CHARTER TOWNSHIP OF GENOA

TOWNSHIP OFFICIALS

Supervisor - Gary McCririe

Clerk - Paulette Skolarus

Treasurer - Robin Hunt

BOARD OF TRUSTEES

Gary McCririe

Paulette Skolarus

Robin Hunt

James Mortensen

Linda Rowell

Jean Ledford

Todd Smith

MANAGER

Michael Archinal

TOWNSHIP ATTORNEYS

Mancuso & Cameron, P.C.

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

August 5, 2016

Board of Trustees
Charter Township of Genoa
2911 Dorr Road
Brighton, Michigan 48116

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Genoa, Michigan as of and for the year ended March 31, 2016, which collectively comprise the Charter Township of Genoa, Michigan's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Genoa, Michigan as of March 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 10 - 14 and 59-61 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Genoa, Michigan's basic financial statements. The combining and individual fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

March 31, 2016

Within this section of the Charter Township of Genoa's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the year ended March 31, 2016. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the Township-wide statement of position presenting information that includes all the Township's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. Evaluation of the overall health of the Township may extend to various non-financial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net positions changed during the current fiscal period. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Both government-wide financial statements distinguish governmental activities of the Township that are principally supported by taxes and revenue sharing from the business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include such activities as general government, public safety, and planning and zoning departments. Business-type activities include water & sewer system operations. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units). The Township has no component units.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the combining statements and individual fund statements later in this report.

The Township has three kinds of funds:

Governmental funds are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of these resources available at the end of the period. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail it's relation to net positions.

Proprietary funds are reported in the fund financial statements and are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary funds are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for nonmajor funds are presented in a subsequent section of this report.

Financial Analysis of the Township as a Whole

The Township's overall net position at the end of the fiscal year was \$60,381,902. This is a \$998,962 increase compared to the net positions of \$33,794,697 as of March 31, 2015, with a prior period adjustment of \$25,588,243.

The following tables provide a summary of the Township's financial activities and changes in net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Totals	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015	3/31/2016	3/31/2015
Assets						
Current and other assets	\$ 39,400,214	\$ 12,921,983	\$ 5,598,536	\$ 8,080,950	\$ 44,998,750	\$ 21,002,933
Capital assets	<u>7,285,411</u>	<u>7,202,187</u>	<u>19,676,538</u>	<u>18,241,238</u>	<u>26,961,949</u>	<u>25,443,425</u>
Total assets	<u>46,685,625</u>	<u>20,124,170</u>	<u>25,275,074</u>	<u>26,322,188</u>	<u>71,960,699</u>	<u>46,446,358</u>
Deferred outflow of resources						
Pension activities	<u>41,540</u>				<u>41,540</u>	
Liabilities						
Other liabilities	1,218,668	987,523	131,012	878,129	1,349,680	1,865,652
Long-term liabilities	<u>1,598,750</u>	<u>2,018,750</u>	<u>8,671,907</u>	<u>8,767,259</u>	<u>10,270,657</u>	<u>10,786,009</u>
Total liabilities	<u>2,817,418</u>	<u>3,006,273</u>	<u>8,802,919</u>	<u>9,645,388</u>	<u>11,620,337</u>	<u>12,651,661</u>
Net Position:						
Invested in capital assets, net of related debt	6,624,723	7,202,187	11,004,631	9,473,979	17,629,354	16,676,166
Restricted	2,053,487	2,068,016	3,840,724	5,613,062	5,894,211	7,681,078
Unrestricted	<u>35,231,537</u>	<u>7,847,694</u>	<u>1,626,800</u>	<u>1,589,759</u>	<u>36,858,337</u>	<u>9,437,453</u>
Total net position	<u>\$ 43,909,747</u>	<u>\$ 17,117,897</u>	<u>\$ 16,472,155</u>	<u>\$ 16,676,800</u>	<u>\$ 60,381,902</u>	<u>\$ 33,794,697</u>

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Totals	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015	3/31/2016	3/31/2015
REVENUES						
Program revenues						
Charges for services	\$ 3,364,155	\$ 3,392,464	\$ 2,033,461	\$ 1,748,238	\$ 5,397,616	\$ 5,140,702
Operating grants and contributions		317,100				317,100
General revenues						
State shared revenues	1,575,600	1,571,139			1,575,600	1,571,139
Property taxes	1,176,429	1,277,262			1,176,429	1,277,262
Interest income	100,039	112,083	82,498	112,226	182,537	224,309
Change in investment joint ventures	819,484				819,484	
Other	542,522	468,546	150,495	(39,699)	693,017	428,847
Total revenues	7,578,229	7,138,594	2,266,454	1,820,765	9,844,683	8,959,359
EXPENSES						
General government	2,100,405	2,024,727			2,100,405	2,024,727
Public safety	42,756	42,756			42,756	42,756
Parks and recreation	365,284	320,618			365,284	320,618
Public works	2,799,706	2,432,152			2,799,706	2,432,152
Refuse collection	967,656	970,891			967,656	970,891
Interest on long-term debt	98,815	123,459	273,954		372,769	123,459
Water and sewer systems			2,197,145	2,041,632	2,197,145	2,041,632
Total expenses	6,374,622	5,914,603	2,471,099	2,041,632	8,845,721	7,956,235
Change in net position	1,203,607	1,223,991	(204,645)	(220,867)	998,962	1,003,124
Beginning net position	17,117,897	15,893,906	16,676,800	16,897,667	33,794,697	32,791,573
Prior period adjustment	25,588,243				25,588,243	
Ending net position	\$ 43,909,747	\$ 17,117,897	\$ 16,472,155	\$ 16,676,800	\$ 60,381,902	\$ 33,794,697

The Township's net position of governmental activities increased \$1,203,607 due mostly to a substantial increase in investment income from joint ventures.

The business-type funds reported a net loss of \$204,645. This is primarily due to depreciation expense of the respective infrastructure for the water and sewer systems.

Financial Analysis of the Township's Funds

The Township's General Fund had revenues over expenditures totaling \$1,110,627 before transfers out of \$1,468,500 were made. Thus, the Township's fund balance decreased by \$357,873 for the year ended March 31, 2016. Transfers were made to the Road Improvement Fund, Parks Fund, and Road Reimbursement Fund to finance expansions and improvements.

The Township had four (4) other major governmental funds besides the General Fund which were, Reimbursable Projects Fund, Grand River Water New User Capital Project Fund, Genoa-Oceola Sewer New User Capital Project Fund and Utilities/DPW fund.

The Township's two major business-type funds, Oak Pointe and Lake Edgewood, each had operating losses consistent with the prior year due to depreciation of the systems.

General Fund Budgetary Highlights

The General Fund adopted its budget prior to the fiscal period in accordance with Public Act 493 of 2000. Total budgeted appropriations exceeded actual expenditures by \$392,660. Expenditures are budgeted by line item, and several of these line items exceeded budgeted appropriations. The budget was amended during the year to account for economic reality.

Capital Asset and Debt Administration

The governmental activities of the Township constructed and purchased \$440,571 of new capital assets. This included Township building improvements of \$189,826, Parks and recreation improvements of \$172,654, DPW truck purchases totaling \$25,524, equipment totaling \$21,924, and \$30,643 for software.

For the year ended March 31, 2016, the governmental activities repaid \$420,000 of outstanding debt while the business-type activities repaid \$330,000 of debt. No new debt was issued.

Economic Conditions and Future Activities

The Grand River Corridor tax base continues to benefit the Township in comparison to surrounding municipalities even with declining taxable values. The adjustment in state shared revenues because of the population increase also benefitted the Township for the year ending March 31, 2016.

The building and development activity in the Township had increased moderately. Water and sewer rates have increased over the past few years to keep-up with aging systems (repairs and maintenance). Management understands that rates will need to be adjusted over the next few years to keep the aging infrastructure in the various districts in good condition.

Contacting the Township's Financial Management

This report is designed to provide a general overview of the Township's financial position and comply with finance-related regulations. If you have any further questions about this report or request additional information please contact the Charter Township of Genoa at 2911 Dorr Road, Brighton, MI 48116.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF GENOA

STATEMENT OF NET POSITION
MARCH 31, 2016

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 10,302,397	\$ 1,229,773	\$ 11,532,170
Cash and cash equivalents - restricted		2,572,209	2,572,209
Receivables			
Taxes	70,260		70,260
State shared revenues	401,896		401,896
Accounts	11,077	428,420	439,497
Intergovernmental receivables	1,947	10,475	12,422
Special assessments - restricted	1,741,553	1,195,549	2,937,102
City - restricted		17,200	17,200
Inventory	70,076	82,600	152,676
Due from others	82,699	62,310	145,009
Prepaid expenses	42,537		42,537
Capital assets			
Non-depreciable	1,868,156	618,864	2,487,020
Depreciable, net of accumulated depreciation	5,417,255	19,057,674	24,474,929
Notes receivable from other funds	1,207,468		1,207,468
Investment in joint ventures	25,468,304		25,468,304
Total assets	46,685,625	25,275,074	71,960,699
DEFERRED OUTFLOW OF RESOURCES			
Pension investment activities	18,856		18,856
Pension change in actuarial assumptions	5,245		5,245
Pension change in experience compared to actual	11,842		11,842
Pension contributions subsequent to measurement	5,597		5,597
Total deferred outflow of resources	41,540		41,540
LIABILITIES			
Accounts payable	155,181	85,365	240,546
Accrued wages and compensation	239,589		239,589
Due to others	41,612	34,100	75,712
Intergovernmental payables	10,475	1,947	12,422
Unearned revenues	693,562	9,600	703,162
Net pension liability	78,249		78,249
Notes payable to other funds		1,207,468	1,207,468
Bonds/contracts payable			
Current	113,750	480,000	593,750
Non-current	1,485,000	6,984,439	8,469,439
Total liabilities	2,817,418	8,802,919	11,620,337
NET POSITION			
Invested in capital assets, net of related debt	6,624,723	11,004,631	17,629,354
Restricted	2,053,487	3,840,724	5,894,211
Unrestricted	35,231,537	1,626,800	36,858,337
Total net position	\$ 43,909,747	\$ 16,472,155	\$ 60,381,902

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF GENOA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2016

Functions/Programs	Expenses	Net (Expenses) Revenue and Changes in Net Position		
		Program Revenues Charges for Services	Governmental Activities	Business-type Activities
Governmental activities				
General government	\$ (2,100,405)	\$ 284,529	\$ (1,815,876)	\$ (1,815,876)
Fire protection	(42,756)		(42,756)	(42,756)
Parks and recreation	(365,284)		(365,284)	(365,284)
Refuse collection	(967,656)	782,652	(185,004)	(185,004)
Public works/roads	(2,799,706)	2,296,974	(502,732)	(502,732)
Interest on long-term debt	(98,815)		(98,815)	(98,815)
Total governmental activities	(6,374,622)	3,364,155	(3,010,467)	(3,010,467)
Business-type activities				
Water and sewer systems	(2,197,145)	2,033,461		(163,684)
Total	\$ (8,571,767)	\$ 5,397,616	(3,010,467)	(163,684)
General revenues				
Property taxes			1,176,429	1,176,429
State shared revenues			1,575,600	1,575,600
Special assessments			24,641	24,641
Interest income			100,039	82,498
Franchise fees			409,556	409,556
Interest expense				(273,954)
Other income (expense)			108,325	150,495
Change in investment in joint ventures			819,484	819,484
Total general revenues			4,214,074	(40,961)
Changes in net position			1,203,607	(204,645)
Net position, April 1, 2015			17,117,897	16,676,800
Prior period adjustment			25,588,243	25,588,243
Net position, March 31, 2016			\$ 43,909,747	\$ 16,472,155

The notes are an integral part of the financial statements.

FUND FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF GENOA

BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2016

	General Fund	Reimbursable Road Projects Fund	Grand River Water New User Capital Project Fund	Genoa/Oceola Sewer New User Capital Project Fund	Utilities/DPW Fund	Nonmajor Funds	Totals
ASSETS							
Cash and cash equivalents	\$ 2,080,261	\$ 1,502,270	\$ 1,576,995	\$ 1,797,799	\$ 387,331	\$ 2,957,741	\$ 10,302,397
Receivables							
Special assessments		560,123	110,600	182,926		887,904	1,741,553
Taxes	64,524						64,524
State shared revenues	401,896						401,896
Accounts	9,580						9,580
Due from other funds	187,135		10,886	40,000	52,106	40,000	330,127
Due from others		16,562	14,257	21,823	22,149	7,908	82,699
Inventory	65,576				4,500		70,076
Prepaid expenditures	25,437				17,100		42,537
Total assets	\$ 2,834,409	\$ 2,078,955	\$ 1,712,738	\$ 2,042,548	\$ 483,186	\$ 3,893,553	\$ 13,045,389
LIABILITIES							
Accounts payable	\$ 55,194	\$	\$	\$	82,720	5,148	143,062
Accrued wages	31,096				45,702		76,798
Unearned revenue	693,562						693,562
Due to other funds	62,613				227,724	53,204	343,541
Due to others	41,612						41,612
Total liabilities	884,077				356,146	58,352	1,298,575
DEFERRED INFLOW OF RESOURCES							
Unavailable revenue		560,123	110,600	182,926		887,904	1,741,553
FUND BALANCE							
Nonspendable for prepaids	25,437				17,100		42,537
Restricted for:							
Road improvement						1,356,488	1,356,488
Debt service						696,999	696,999
Committed for:							
Recreation						793,045	793,045
Capital improvement	172,537		1,602,138	1,859,622			3,634,297
Public works		1,518,832			109,940	100,765	1,729,537
Unassigned	1,752,358						1,752,358
Total fund balance	1,950,332	1,518,832	1,602,138	1,859,622	127,040	2,947,297	10,005,261
Total liabilities, deferred inflow of resources and fund balance	\$ 2,834,409	\$ 2,078,955	\$ 1,712,738	\$ 2,042,548	\$ 483,186	\$ 3,893,553	\$ 13,045,389

CHARTER TOWNSHIP OF GENOA

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
MARCH 31, 2016**

Total fund balance per balance sheet		\$ 10,005,261
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		
Historical costs	\$ 10,109,085	
Depreciation	<u>(2,823,674)</u>	
Total		7,285,411
Investment in joint ventures are not current financial resources, and therefore, are not reported in the fund financial statements		25,468,304
Notes receivable are not due or receivable in the current period and therefore, are not reported in the fund financial statements		1,207,468
Accrued paid time off is not due in the current period, and therefore, not reported in the fund financial statements		(162,791)
Pension related activities are not a consumption of current resources and, therefore, are reported as deferred outflow of resources in the Statement of Net Position.		
Investments deficient (in excess) of projections	18,856	
Differences in actuarial assumptions	5,245	
Differences in actuarial experience to actual	11,842	
Contributions subsequent to measurement date	<u>5,597</u>	
Total		41,540
Pension liabilities, net of pension plan fiduciary net position are not due and payable in the current period and therefore, are not reported in the fund financial statements		(78,249)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Contracts payable	(113,750)	
Bonds payable	<u>(1,485,000)</u>	
Total		(1,598,750)
Unavailable revenues were fully recognized as revenue in the government-wide statements at time the original assessment was initiated. Assessments are income as they are assessed annually for fund accounting.		<u>1,741,553</u>
Net position of governmental activities		<u><u>\$ 43,909,747</u></u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF GENOA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2016

	<u>General Fund</u>	<u>Reimbursable Road Projects Fund</u>	<u>Grand River Water New User Capital Project Fund</u>	<u>Genoa-Oceola Sewer New User Capital Project Fund</u>	<u>Utilities/ DPW Fund</u>	<u>Nonmajor Funds</u>	<u>Totals</u>
REVENUES							
Taxes	\$ 1,176,429	\$	\$	\$	\$	\$	\$ 1,176,429
State shared revenues	1,575,600						1,575,600
Special assessments - principal		198,702	27,650	35,466		239,105	500,923
Special assessments - interest			3,854	4,619		70,769	79,242
Licenses and permits	68,666					13,661	82,327
Connection fees			35,240	20,090			55,330
Franchise fees	409,556						409,556
Charges for services	984,854				2,177,496		3,162,350
Interest	9,522	1,121	2,494	3,153		2,761	19,051
Repayment of advances				125,348			125,348
Miscellaneous	37,540			3,854	55,862	11,400	108,656
Total revenues	<u>4,262,167</u>	<u>199,823</u>	<u>69,238</u>	<u>192,530</u>	<u>2,233,358</u>	<u>337,696</u>	<u>7,294,812</u>
EXPENDITURES							
Current:							
General government	1,941,490					13,404	1,954,894
Refuse	967,656						967,656
Parks and recreation						216,504	216,504
Public works		119,478	7,000	7,092	2,213,891	258,216	2,605,677
Debt service:							
Principal						420,000	420,000
Interest/fees						98,815	98,815
Capital outlay:							
General government	68,108						68,108
Parks and recreation						172,654	172,654
Public works	174,286					25,523	199,809
Total expenditures	<u>3,151,540</u>	<u>119,478</u>	<u>7,000</u>	<u>7,092</u>	<u>2,213,891</u>	<u>1,205,116</u>	<u>6,704,117</u>
Excess of revenues over (under) expenditures	<u>1,110,627</u>	<u>80,345</u>	<u>62,238</u>	<u>185,438</u>	<u>19,467</u>	<u>(867,420)</u>	<u>590,695</u>
OTHER FINANCING SOURCES (USES)							
Advances to other funds				(300,000)			(300,000)
Transfers in		450,000				1,088,500	1,538,500
Transfers (out)	(1,468,500)			(30,000)	(40,000)		(1,538,500)
Total other financing sources (uses)	<u>(1,468,500)</u>	<u>450,000</u>		<u>(330,000)</u>	<u>(40,000)</u>	<u>1,088,500</u>	<u>(300,000)</u>
Net changes in fund balance	<u>(357,873)</u>	<u>530,345</u>	<u>62,238</u>	<u>(144,562)</u>	<u>(20,533)</u>	<u>221,080</u>	<u>290,695</u>
FUND BALANCE, APRIL 1, 2015	<u>2,308,205</u>	<u>988,487</u>	<u>1,539,900</u>	<u>2,004,184</u>	<u>147,573</u>	<u>2,726,217</u>	<u>9,714,566</u>
FUND BALANCE, MARCH 31, 2016	<u>\$ 1,950,332</u>	<u>\$ 1,518,832</u>	<u>\$ 1,602,138</u>	<u>\$ 1,859,622</u>	<u>\$ 127,040</u>	<u>\$ 2,947,297</u>	<u>\$ 10,005,261</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF GENOA

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2016**

Net change in fund balances - governmental funds		\$ 290,695
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures.		
However, in the Statement of Activities the cost of those assets are allocated over their useful lives as depreciation expense.		
Capital outlay	\$ 440,571	
Depreciation expense	(357,016)	
Loss on disposal of assets	<u>(331)</u>	
Total		83,224
Investments in joint ventures used in governmental activities are not current financial resources, and therefore are not reported in the funds.		819,484
Note receivable activities are recorded as revenues and expenditures in the fund financial statements, but effect the long term receivables in the Statement of Net Position.		
Loans (to)/from other funds		238,800
Repayment of bond and contracts payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		420,000
Changes in accrued sick and vacation time are not a consumption of current resources, and therefore, are reported only on the Statement of Net Position		(162,791)
Pension related activities are not a consumption of current resources, and therefore, are reported as deferred outflow of resources in the Statement of Net Position.		
Change in net pension liability	(49,004)	
Change in deferred outflow of resources		
Investments deficient (in excess) of projections	18,856	
Differences in actuarial assumptions	5,245	
Differences in actuarial experiences to actual	11,842	
Contributions subsequent to pension liability measurement date	<u>5,597</u>	
Total		(7,464)
Principal received on special assessments are income as they are received annually for governmental funds, but they are income when they are originally levied for the Statement of Activities:		
Principal collected on assessments		<u>(478,341)</u>
Change in net position of governmental activities		<u>\$ 1,203,607</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF GENOA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 MARCH 31, 2016

	Major Funds		Nonmajor Fund	Total
	Oak Pointe Water and Sewer Systems Fund	Lake Edgewood Water and Sewer Systems Fund	Pine Creek Water and Sewer Systems Fund	
CURRENT ASSETS				
Cash and cash equivalents	\$ 599,249	\$ 373,654	\$ 256,870	\$ 1,229,773
Accounts receivable	276,675	99,466	52,279	428,420
Due from other funds	9,514	27,514	7,643	44,671
Due from others	6,544			6,544
Inventory	64,500	10,000	8,100	82,600
Total current assets	956,482	510,634	324,892	1,792,008
RESTRICTED ASSETS				
Cash and cash equivalents	1,425,933	1,146,276		2,572,209
Special assessments	246,042	949,507		1,195,549
Contract receivable - City of Brighton		17,200		17,200
Due from county	45,169	10,597		55,766
Total restricted assets	1,717,144	2,123,580		3,840,724
CAPITAL ASSETS				
Land	358,855	260,009		618,864
Water and sewer systems	20,421,556	8,035,050		28,456,606
	20,780,411	8,295,059		29,075,470
Less accumulated depreciation	(6,542,859)	(2,856,073)		(9,398,932)
Capital assets, net	14,237,552	5,438,986		19,676,538
Total assets	16,911,178	8,073,200	324,892	25,309,270
CURRENT LIABILITIES				
Accounts payable	25,231	24,102	36,032	85,365
Due to other funds	26,896	9,196	51	36,143
Due to others	34,100			34,100
Unearned revenues	9,600			9,600
Total current liabilities	95,827	33,298	36,083	165,208
CURRENT LIABILITIES (FROM RESTRICTED ASSETS)				
Contracts payable, current portion		290,000		290,000
Bonds payable, current portion	190,000			190,000
Total current liabilities (from restricted assets)	190,000	290,000		480,000
LONG-TERM LIABILITIES (FROM NON-RESTRICTED ASSETS)				
Contracts payable		1,090,000		1,090,000
Bonds payable	5,894,439			5,894,439
Notes payable - other funds	1,207,468			1,207,468
Total long-term liabilities (from non-restricted assets)	7,101,907	1,090,000		8,191,907
Total liabilities	7,387,734	1,413,298	36,083	8,837,115
NET POSITION				
Invested in capital assets, net of related debt	6,945,645	4,058,986		11,004,631
Restricted	1,717,144	2,123,580		3,840,724
Unrestricted	860,655	477,336	288,809	1,626,800
Total net position	\$ 9,523,444	\$ 6,659,902	\$ 288,809	\$ 16,472,155

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF GENOA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED MARCH 31, 2016

	Major Funds		Nonmajor Fund	Total
	Oak Pointe Water and Sewer Systems Fund	Lake Edgewood Water and Sewer Systems Fund	Pine Creek Water and Sewer Systems Fund	
OPERATING REVENUES				
User charges	\$ 1,372,674	\$ 421,488	\$ 239,299	\$ 2,033,461
OPERATING EXPENSES	<u>1,371,632</u>	<u>583,131</u>	<u>242,382</u>	<u>2,197,145</u>
Operating income (loss)	<u>1,042</u>	<u>(161,643)</u>	<u>(3,083)</u>	<u>(163,684)</u>
NON-OPERATING REVENUES AND (EXPENSES)				
Connection fees - assessments		30,232		30,232
Interest income - special assessments and reserves	18,383	64,115		82,498
Interest expense - bonds	(190,725)	(87,381)		(278,106)
Other revenue (expense), net	105,891	13,972	400	120,263
Bond premium amortization	<u>4,152</u>			<u>4,152</u>
Total non-operating revenues and (expenses)	<u>(62,299)</u>	<u>20,938</u>	<u>400</u>	<u>(40,961)</u>
Net income (loss)	<u>(61,257)</u>	<u>(140,705)</u>	<u>(2,683)</u>	<u>(204,645)</u>
NET POSITION APRIL 1, 2015	<u>9,584,701</u>	<u>6,800,607</u>	<u>291,492</u>	<u>16,676,800</u>
NET POSITION MARCH 31, 2016	<u>\$ 9,523,444</u>	<u>\$ 6,659,902</u>	<u>\$ 288,809</u>	<u>\$ 16,472,155</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF GENOA

STATEMENT OF CASH FLOW
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED MARCH 31, 2016

	Major Funds		Nonmajor Fund	Total
	Oak Pointe Water and Sewer Systems Fund	Lake Edgewood Water and Sewer Systems Fund	Pine Creek Water and Sewer Systems Fund	
CASH FLOW FROM (USED IN)				
OPERATING ACTIVITIES				
Receipts from customers	\$ 1,590,097	\$ 555,139	\$ 241,534	\$ 2,386,770
Payments to vendors	(1,786,144)	(400,644)	(222,755)	(2,409,543)
Net cash from (used in) operating activities	<u>(196,047)</u>	<u>154,495</u>	<u>18,779</u>	<u>(22,773)</u>
CASH FLOW FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital outlay	(1,819,279)	(126,144)		(1,945,423)
Connection fees		30,232		30,232
Repayment of principal on bonds	(40,000)	(290,000)		(330,000)
Special assessment collections	34,166	226,550		260,716
Collections City of Brighton - contract receivable		17,200		17,200
Interest received from special assessments and reserved accounts	18,383	64,115		82,498
Interest paid on bonds	(190,725)	(87,381)		(278,106)
Other revenue (expense)	105,891	13,972	400	120,263
Loans to/from other funds	238,800		5,490	244,290
Net cash from (used in) capital and related financing activities	<u>(1,652,764)</u>	<u>(151,456)</u>	<u>5,890</u>	<u>(1,798,330)</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,848,811)</u>	<u>3,039</u>	<u>24,669</u>	<u>(1,821,103)</u>
CASH AND CASH EQUIVALENTS AT APRIL 1, 2015	<u>3,873,993</u>	<u>1,516,891</u>	<u>232,201</u>	<u>5,623,085</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2016	<u>\$ 2,025,182</u>	<u>\$ 1,519,930</u>	<u>\$ 256,870</u>	<u>\$ 3,801,982</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,042	\$ (161,643)	\$ (3,083)	\$ (163,684)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES				
Depreciation expense	335,684	174,439		510,123
Changes in assets and liabilities				
Receivables, net	(18,149)	68,718	2,235	52,804
Payables, net	(708,752)	1,337	19,627	(687,788)
Due to other funds	194,128	64,933		259,061
Due from other funds		6,711		6,711
Net cash from (used in) operating activities	<u>\$ (196,047)</u>	<u>\$ 154,495</u>	<u>\$ 18,779</u>	<u>\$ (22,773)</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF GENOA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 69,669
Due from other funds	12,119
Due from others	<u>850</u>
Total assets	<u><u>\$ 82,638</u></u>

LIABILITIES

Deposits - escrows	\$ 60,435
Due to others	14,970
Due to other funds	<u>7,233</u>
Total liabilities	<u><u>\$ 82,638</u></u>

The notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Township relating to the funds and account groups included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. The more significant accounting policies of the Township are described below.

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Standards, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

The government-wide Statement of Net Position reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets plus deferred outflows of resources, less liabilities and deferred inflows of resources equals net position, with the assets and liabilities shown in order of their relative liquidity. Net positions are required to be displayed in three components: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net positions are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations or other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net positions not otherwise classified as restricted, are shown as unrestricted. Generally the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

The Government-Wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Also, part of the basic financial statements are fund financial statements for governmental funds and proprietary funds. The focus of the fund financial statements is on major funds, as defined by GASB standards. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), it also gives governments the option of displaying other funds as major funds. Other nonmajor funds, are combined in a single column on the fund financial statements.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Utilities/DPW Special Revenue Fund. It accounts for Township sewer/water utility activities.

The Grand River Water New User Capital Projects Fund accounts for the Township's collection of connection fees and special assessments to an area utility district.

The Genoa-Oceola Sewer New User Capital Project Fund accounts for the Township's collection of connection fees and payments to an area utility authority.

The Reimbursable Projects Fund accounts for the activity of township construction and maintenance projects in which the costs are partially or fully reimbursed by the residents benefitting.

The Township reports the following major enterprise funds.

Oak Pointe Water and Sewer System Fund accounts for the activity associated with operating the utility system at the Oak Pointe development.

The Lake Edgewood Water and Sewer Fund accounts for the activities associated with operating the utility system at the Lake Edgewood development.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, transient occupancy taxes, licenses, fees and permits, intergovernmental revenues, charges for services, fines, forfeits and penalties, and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

The proprietary funds' financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial statements. Therefore, most lines for the total enterprise funds on the proprietary funds financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the Proprietary Funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds are eliminated in the consolidation for the government-wide financial statements, but are included in the fund columns in the proprietary funds financial statements.

Enterprise funds (a type of Proprietary Fund) account for operations where the intent of the Township is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for any activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges of the activity, or 3) it is the policy of the Township to establish activity fees or charges to recover the cost of providing services, including capital costs.

On the Enterprise Funds' financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

Private-sector standards of accounting issued prior to December 1, 1989 are generally followed in financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The government has elected not to follow private-sector standards issued after November 30, 1989 for its business-type activities.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs. The Township currently maintains an agency fund to account for the monies collected and paid on behalf of developer's escrow accounts.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. CAPITAL ASSETS

Under GASB standards, all capital assets, whether owned by governmental activities or business-type activities are recorded and depreciated in the government-wide financial statements. No capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the Township) are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Real property is considered capital assets regardless of initial cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures and improvements	5 to 50 years
Utility plant	5 to 50 years
Machinery and equipment	2 to 40 years
Infrastructure	25 to 50 years

Capital assets transferred between activities are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

D. ACCRUED COMPENSATED ABSENCES

The Township has recorded a liability for compensated absences of its employees. The liability is based on the number of hours outstanding owed to each employee times the applicable rate of pay.

E. BUDGETARY DATA

The board of trustees follows the procedures as outlined in the Uniform Budgeting Manual for Local Units of Government in Michigan in the establishment of the various annual budgets.

The clerk and treasurer prepare the annual budgets. The proposed budgets are then submitted for discussion and approved by the Township board. The budgets for the general, special revenue and debt service funds are approved by line item. If and when it becomes necessary to amend certain amounts in the budget, a proposal outlining the desired changes is made to and approved by the Township board at any of their regular meetings. Budget appropriations made, but not expended by year end, lapse with the fiscal year end.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. PROPERTY TAXES

The Township's property taxes are levied and become a lien on December 1st based on the taxable valuation of property located in the Township as of the preceding December 31st. These taxes are due on February 14th, with the final collection date of February 28th before they are added to the county delinquent tax rolls.

For the year ended March 31, 2016, the Township recognized the property taxes levied December 1, 2015 as revenue.

Taxable Value:	\$ 1,044,482,616
Township Millage Rate:	0.8146

G. INVESTMENTS

Investments are stated at market value.

H. CASH EQUIVALENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

I. FUND EQUITY

Under GASB standards, in the fund financial statements, governmental funds report the following components of fund balance:

- Nonspendable - Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- Restricted - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.
- Committed - Amounts that have been formally set aside by the Township board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the Township board.
- Assigned - Intent to spend resources on specific purposes expressed by the Township Board; or Supervisor, Clerk, and Treasurer; who are authorized by policy approved by the Township Board to make assignments. All current year assignments have been made by the Township Board.
- Unassigned - Amounts that do not fall into any other aforementioned category. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. DEFERRED OUTFLOW AND DEFERRED INFLOW

Under GASB standards, the Township is reporting two new sections in the Statement of Net Position (Government Wide Statements) and in the Balance Sheet (Fund Statements) which are called Deferred Outflow (previously called assets) and Deferred Inflow (previously called liabilities).

These separate financial statement elements which meet the definition of deferred outflow and inflow are no longer considered assets or liabilities.

Deferred outflow of resources represent a consumption of net position that applies to a future period. The element will not be recognized as an expense and (or) expenditure until the time restriction is met.

For the year ended March 31, 2016 the Township records deferred outflow of resources on the Statement of Net Position relating to pension differences from expected investment returns compared to actual, changes in experience, differences in actuarial assumptions and contributions made subsequent to the Net Pension Liability measurement date.

Deferred outflow of resources as of March 31, 2016 are as follows:

Deferred Outflow of Resources	
Differences in experience	\$ 11,842
Differences in actuarial assumptions	5,245
Differences in investment expectations versus actual	18,856
Contributions subsequent to measurement date	5,597
Totals	\$ 41,540

Deferred inflow of resources represent an acquisition of net position that applies to a future period. The element will not be recognized as revenue until the time restriction is met. The Township has one transaction type which consist of elements considered a deferred inflow of resources listed on the balance sheets of various funds and the Statement of Net Position.

The transaction type listed as deferred inflow of resources is special assessment receivables generally collected over a 20 year period. Since the revenues are unavailable (not collectable within 60 days of the end of the year) until a future period they are considered deferred inflow of resources on the Balance Sheets under Fund Accounting as of March 31, 2016.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 2 - DESCRIPTION OF REPORTING ENTITY

In accordance with GASB standards, all funds, agencies, and activities of the Charter Township of Genoa as the primary government have been included in the financial statements.

The following potential component units have been evaluated under the criteria established by GASB standards and determined not to be component units based on financial independence and accountability.

1. **Genoa-Oceola Sewer and Water Authority** - Charter Township of Genoa appoints two members of the authority's five member board. The authority is fiscally independent from the Township. The authority is audited as an independent entity in compliance with Public Act 2.
2. **Brighton Area District Library** - This unit is an interlocal agreement between the Charter Township of Brighton, City of Brighton and Charter Township of Genoa. A separate audit is conducted for this unit.
3. **Southeast Michigan Council of Governments (SEMCOG)** - SEMCOG is a regional organization of governments located in Livingston, Macomb and Monroe Counties. A separate audit is conducted for this unit.
4. **Marion, Howell, Oceola, Genoa Sewer and Water Authority (MHOG)** - Charter Township of Genoa appoints two members of the Authority's eight member board. The authority is fiscally independent from the Township. The Authority is audited as an independent entity in compliance with Public Act 2.
5. **Brighton Area Fire Authority** - Charter Township of Genoa appoints two members of the Authority's seven member board. The Authority was incorporated July 1, 2000 and is audited as an independent entity in compliance with Public Act 2.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 3 - INVESTMENT IN JOINT VENTURES

As of March 31, 2016 the Township has investments in four joint ventures as follows:

Marion, Howell, Oceola, Genoa Joint Sewer and Water Authority

The Township is a member of the Marion, Howell, Oceola, Genoa Joint Sewer and Water Authority (hereinafter "MHOG"). As the name implies MHOG was incorporated by the Townships of Marion, Howell, Oceola and Genoa. MHOG was formed to operate and maintain a joint water system that serves residents in each member township. Genoa Township holds a 25% share of the equity in this joint venture which amounted to \$10,447,446 as of March 31, 2016. Such amount is recorded in the government-wide statement of net position as total investments in joint ventures.

The Township is unaware of any circumstances that would cause additional benefit or burden to the participating governments of the joint venture in the foreseeable future. Complete financial statements of MHOG can be obtained from the administrative offices of MHOG at 2911 Dorr Road, Brighton, Michigan. Selected financial information of MHOG as of and for the fiscal year ended September 30, 2015 (the date financial information was last available) was as follows:

Total assets	\$ 45,700,919
Total liabilities	\$ 3,911,135
Total net assets	\$ 41,789,784
Total revenues	\$ 2,926,191
Total expenses	\$ 3,502,240

Brighton Area Fire Authority

The Township is a member of the Brighton Area Fire Authority (hereinafter "Fire Authority"). The Fire Authority was incorporated by the City of Brighton and the Townships of Brighton and Genoa. The Fire Authority was formed for the purpose of providing fire protection and safety services to the residents of its incorporating members. The Fire Authority operations are funded through a voter approved millage. Genoa Township holds a 33% share of the equity in this joint venture which amounted to \$2,649,462 as of March 31, 2016. Such amount is recorded in the government-wide statement of net position as total investments in joint ventures.

The Township is unaware of any circumstances that would cause additional benefit or burden to the participating governments of the joint venture in the foreseeable future. Complete financial statements for the Fire Authority can be obtained from the administrative offices of the Authority at 615 W Grand River Ave, Brighton, Michigan. Selected financial information of the Fire Authority as of and for the fiscal year ended June 30, 2015 (the date financial information was last available) was as follows:

Total assets	\$ 8,108,764
Total liabilities	\$ 160,378
Total net assets	\$ 7,948,386
Total revenues	\$ 3,122,958
Total expenditures	\$ 3,076,784

GENOA TOWNSHIP

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 3 - INVESTMENT IN JOINT VENTURES (continued)

Genoa-Oceola Sewer and Water Authority

The Township is a member of the Genoa-Oceola Sewer and Water Authority (hereinafter "G/O S&W"). G/O S&W was established by the Livingston County Drain Commission and Townships of Genoa and Oceola. G/O S&W was formed to acquire, own, improve, enlarge, extend, operate, maintain, manage and administer sewage disposal systems, water supply systems, or both. Genoa Township holds a 50% share of the equity in this joint venture which amounted to \$12,371,396 as of March 31, 2016. Such amount is recorded in the government-wide statement of net position as total investments in joint ventures.

The Township is unaware of any circumstances that would cause additional benefit or burden to the participating governments of the joint venture in the foreseeable future. Complete financial statements for G/O S&W can be obtained from the administrative offices of the Authority at 2911 Dorr Road, Brighton, Michigan. Selected financial information of G/O S&W as of and for the fiscal year ended September 30, 2015 (the date financial information was last available) was as follows:

Total assets	\$	23,020,075
Total liabilities	\$	173,498
Total net assets	\$	22,846,577
Total revenues	\$	2,065,150
Total expenditures	\$	2,460,784

Howell Area Parks and Recreation Authority

The Township is a member of the Howell Area Parks and Recreation Authority (hereinafter "Recreation Authority"). The Recreation Authority was incorporated by the City of Howell and the Townships of Marion, Oceola and Genoa. The Recreation Authority was formed for the purpose of providing recreational opportunities for the citizens of the member governments. The Recreation Authority began operating on July 1, 2008. The Township appoints one member to the five member Recreation Authority board. The Township's equity interest in the joint venture was insignificant at March 31, 2016 and is therefore not recorded within the governmental activities portion of the Statement of Net Position.

The Township is also responsible to contribute a certain amount of cash each year to subsidize the Recreation Authority's operating costs. Such contributions are calculated annually based upon budgeted needs. The Township is unaware of any circumstances that would cause an additional burden or benefit to the participating governments in the near future. Complete financial statements for the Recreation Authority can be obtained from the administrative offices at 935 West Grand River, Howell, Michigan. The Authority converted to a fiscal year end of December 31, 2015, previously June 30, 2015. Selected financial information of the Recreation Authority as of and for the six months ended December 31, 2015 (the date financial information was last available) was as follows:

Total assets	\$	108,182
Total liabilities	\$	159,522
Total net assets	\$	(51,040)
Total revenues	\$	771,693
Total expenditures	\$	682,283

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 4 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan.

The Township board has designated thirteen banks for the deposit of Township funds. The investment policy adopted by the board is in accordance with Act 196 PA 1997.

As of March 31, 2016, cash and investments consist of the following:

Cash and cash equivalents	
Deposits with financial institutions	\$ 14,126,766
External investment pools and funds	<u>576,467</u>
Total cash and cash equivalents	<u><u>\$ 14,703,233</u></u>

Cash and investments are presented in the financial statements in the following areas:

Statement of Net Position	
Cash and cash equivalents	\$ 14,104,379
Fiduciary Funds	
Cash and cash equivalents	<u>69,669</u>
	<u><u>\$ 14,174,048</u></u>

The carrying amounts of cash and cash equivalents is stated at \$14,174,048 for the Township as of March 31, 2016. The difference between the carrying amounts and amounts mentioned above stem from cash on hand of \$300 and outstanding items.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. As of March 31, 2016, the Township had \$5,019,255 of bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and collateralized and \$3,451,596 of bank deposits that were uninsured and uncollateralized and \$5,655,915 that were FDIC insured. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with an acceptable estimated risk level are used as depositories. The Township's investment policy does not address this risk.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 4 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Township does not have a policy for custodial credit risk of investments.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township has no policy regarding credit risk. As of March 31, 2016, the Township's investments were exposed to credit risk as follows:

Investment Type	Rating by S & P	Amount
MBIA investment pool	AAA/M	\$ <u>576,467</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Township's investment policy requires diversification with a primary focus on safety. However, the policy does not place a fixed percentage limit for any one issuer. As of March 31, 2016, the Township did not have any concentration of credit risk as all amounts were invested in external investment pools and money market type funds.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair values of investments. The Township's investment policy does not limit investment maturities as a means of managing its exposure to losses in fair value resulting from a rise in interest rates. As of March 31, 2016, the weighted average maturity of the underlying investments in the external investment pool and money market type funds were less than 60 days. As a result, management does not believe the Township is significantly exposed to interest rate risk.

CHARTER TOWNSHIP OF GENOA

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the governmental funds for the year ended March 31, 2016 was as follows:

	Balance 4/1/2015	Additions	Deletions	Reclassification	Balance 3/31/2016
Capital assets not being depreciated					
Land	\$ 1,837,844	\$	\$ (331)	\$	\$ 1,837,513
Construction in Progress	30,281	30,643		(30,281)	30,643
Total capital assets not being depreciated	1,868,125	30,643	(331)	(30,281)	1,868,156
Capital assets being depreciated					
Buildings - Township	1,928,846	189,826			2,118,672
Buildings - Fire	2,202,604				2,202,604
Parks	2,746,995	172,654		30,281	2,949,930
Equipment/vehicles - DPW	531,157	25,524			556,681
Equipment - Township	372,210	21,924			394,134
Vehicles - Township	18,908				18,908
Total cost of other capital assets	7,800,720	409,928		30,281	8,240,929
Accumulated depreciation					
Buildings - Township	(664,733)	(49,308)			(714,041)
Buildings - Fire	(440,649)	(42,756)			(483,405)
Parks	(716,491)	(148,780)			(865,271)
Equipment	(252,708)	(21,067)			(273,775)
Equipment/vehicles - DPW	(373,169)	(95,105)			(468,274)
Vehicles	(18,908)				(18,908)
Total accumulated depreciation of other capital assets	(2,466,658)	(357,016)			(2,823,674)
Net capital assets being depreciated	5,334,062	52,912		30,281	5,417,255
Governmental activities capital asset, net	\$ 7,202,187	\$ 83,555	\$ (331)	\$	\$ 7,285,411

Depreciation expense is being recorded in the government-wide statement of activities based upon the fund and activity utilizing the assets. The Township utilizes the straight line method to depreciate capital assets over their estimated useful lives. Depreciation expense was allocated to the following activities:

General government	\$ 70,375
Public works	95,105
Fire protection	42,756
Parks and recreation	<u>148,780</u>
	<u>\$ 357,016</u>

As of March 31, 2016 there was no debt outstanding that was related to the Township's governmental capital assets.

CHARTER TOWNSHIP OF GENOA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 5 - CAPITAL ASSETS (continued)

A summary of proprietary fund type property and equipment as of March 31, 2016, is as follows:

OAK POINTE WATER AND SEWER SYSTEMS				
	Balance 4/1/2015	Additions	Deletions	Balance 3/31/2016
Non-depreciable assets				
Land	\$ 358,855	\$	\$	\$ 358,855
Construction in progress	4,817,267	1,521,536		6,338,803
Total non-depreciable assets	5,176,122	1,521,536		6,697,658
Depreciable assets				
Water system	4,838,684	297,743		5,136,427
Sewer system	8,946,326			8,946,326
Total depreciable assets	13,785,010	297,743		14,082,753
Less				
Accumulated depreciation	(6,207,175)	(335,684)		(6,542,859)
Total	\$ 12,753,957	\$ 1,483,595	\$	\$ 14,237,552
LAKE EDGEWOOD SEWER SYSTEM				
	Balance 4/1/2015	Additions	Deletions	Balance 3/31/2016
Non-depreciable assets				
Land	\$ 260,009	\$	\$	\$ 260,009
Depreciable assets				
Sewer system	7,908,906	126,144		8,035,050
Total	8,168,915	126,144		8,295,059
Less				
Accumulated depreciation	(2,681,634)	(174,439)		(2,856,073)
Total	\$ 5,487,281	\$ (48,295)	\$	\$ 5,438,986

CHARTER TOWNSHIP OF GENOA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 5 - CAPITAL ASSETS (continued)

	TOTAL ALL ENTERPRISE FUNDS			Balance 3/31/2016
	Balance 4/1/2015	Additions	Deletions	
Non-depreciable assets				
Land	\$ 618,864	\$	\$	\$ 618,864
Construction in progress	4,817,267	1,521,536		6,338,803
Total non-depreciable assets	<u>5,436,131</u>	<u>1,521,536</u>		<u>6,957,667</u>
Depreciable assets				
Water system	4,838,684	297,743		5,136,427
Sewer system	16,855,232	126,144		16,981,376
Total depreciable assets	<u>21,693,916</u>	<u>423,887</u>		<u>22,117,803</u>
Less				
Accumulated depreciation	<u>(8,888,809)</u>	<u>(510,123)</u>		<u>(9,398,932)</u>
Total assets	<u>\$ 18,241,238</u>	<u>\$ 1,435,300</u>	<u>\$</u>	<u>\$ 19,676,538</u>

CHARTER TOWNSHIP OF GENOA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 6 - LONG-TERM DEBT

The following is a summary of the Township's debt categorized for governmental and proprietary funds for the year ended March 31, 2016:

Governmental Fund Long-Term Debt - Contracts Payable

	<u>Balance 4/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/2016</u>	<u>Current Portion</u>
1. Payable to Livingston County Department of Public Works, Joint Water Treatment Plant construction; contract with Marion, Howell and Oceola Townships; principal is payable in annual installments of \$80,000 to \$113,750 starting June 1, 2003 to 2016, interest at 2.8% to 4.6% payable semi-annually.	\$ 223,750	\$	\$ 110,000	\$ 113,750	\$ 113,750

CHARTER TOWNSHIP OF GENOA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 6 - LONG-TERM DEBT (continued)

<u>Governmental Fund Long-Term Debt - Bonds Payable</u>	<u>Balance 4/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/2016</u>	<u>Current Portion</u>
1. Payable to Michigan Municipal Bond Authority, Grand Oaks Industrial Park Water System Improvement Project, Special assessment bonds, dated December 9, 1998, payable in annual installments of \$25,000 and \$30,000 through November 1, 2018, interest is charged at 3.65% to 5% semi-annually.	\$ 110,000	\$	\$ 25,000	\$ 85,000	\$ 30,000
2. Payable to Michigan Municipal Bond Authority, Grand River Road Improvement Project, special assessment bonds, dated June 23, 2003, payable in annual installments of \$75,000 and \$80,000 through November 1, 2019, interest is charged at 4.50% to 6.35% semi-annually.	375,000		75,000	300,000	75,000
3. Payable to National City Bank, special assessment bonds, Series 2001; Dorr Road Water and Sewer Improvement Project; Genoa-Oceola Sanitary Sewer; dated October 1, 2001, payable in annual installments of \$35,000 and \$170,000 through November 1, 2021, interest varying from 4% to 5%.	1,020,000		170,000	850,000	170,000
4. Payable to Fifth Third Bank, special assessments bonds, Series 2001; Dorr Road Water and Sewer Improvement Project; Genoa - Oceola Sanitary Sewer; dated October 1, 2001, payable in annual installments of \$40,000 and \$45,000 through November 1, 2021, interest varying from 4% to 5%.	290,000		40,000	250,000	40,000
Total governmental fund long-term debt - bonds payable	<u>\$ 1,795,000</u>	<u>\$</u>	<u>\$ 310,000</u>	<u>\$ 1,485,000</u>	<u>\$ 315,000</u>
Total governmental fund long-term debt	<u>\$ 2,018,750</u>	<u>\$</u>	<u>\$ 420,000</u>	<u>\$ 1,598,750</u>	<u>\$ 428,750</u>

CHARTER TOWNSHIP OF GENOA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 6 - LONG-TERM DEBT (continued)

	<u>Balance 4/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/2016</u>	<u>Current Portion</u>
<u>Proprietary Long-Term Debt - Contracts Payable</u>					
1. Payable to Livingston County Department of Public Works, Lake Edgewood Water Expansion, principal is payable in annual installments of \$25,000 to \$30,000 through May 1, 2017, interest is charged at 4.3% to 5.4% payable semi-annually.	\$ 80,000	\$	\$ 25,000	\$ 55,000	\$ 25,000
2. Payable to Livingston County Department of Public Works, Lake Edgewood West Sewer Expansion, principal is payable in annual installments of \$110,000 to \$265,000 through May 1, 2020, interest is charged at 5.0% to 5.75% semi-annually.	<u>1,590,000</u>	<u></u>	<u>265,000</u>	<u>1,325,000</u>	<u>265,000</u>
Total proprietary long-term debt - contracts payable	<u>\$ 1,670,000</u>	<u>\$</u>	<u>\$ 290,000</u>	<u>\$ 1,380,000</u>	<u>\$ 290,000</u>
<u>Proprietary Long-Term Debt - Bonds Payable</u>					
1. Payable to Michigan Municipal Bond Authority, special assessment bonds, Series 1995, (Northeast Tri-Lakes Sewer Systems, payable in annual installments of, \$20,000 to \$40,000 through 2015, interest varying from 5.0% to 7%.	\$ 40,000	\$	\$ 40,000	\$	\$
3. Payable to US Bank, Oak Pointe Sewer System Project, Series 2014, Principal is payable in annual installments of \$190,000 to \$400,000 through November 1, 2036, interest is charged at 2.0% to 4.0% annually.	<u>6,000,000</u>	<u></u>	<u></u>	<u>6,000,000</u>	<u>190,000</u>
Total proprietary long-term debt - bonds payable	<u>\$ 6,040,000</u>	<u>\$</u>	<u>\$ 40,000</u>	<u>\$ 6,000,000</u>	<u>\$ 190,000</u>

CHARTER TOWNSHIP OF GENOA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 6 - LONG-TERM DEBT (continued)

	<u>Balance 4/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/2016</u>	<u>Current Portion</u>
<u>Unamortized Bond Discounts and Premiums</u>					
1. Bond premium, amortized over 22 years, at a rate of \$4,153 annually to coincide with the US Bank Bond Payable for the Oak Pointe Sewer System Project, Series 2014.	\$ 88,591	\$	\$ 4,152	\$ 84,439	\$ 4,153
Total proprietary long-term debt	<u>\$ 7,798,591</u>	<u>\$</u>	<u>\$ 334,152</u>	<u>\$ 7,464,439</u>	<u>\$ 484,153</u>
Total debt	<u>\$ 9,817,341</u>	<u>\$</u>	<u>\$ 754,152</u>	<u>\$ 9,063,189</u>	<u>\$ 912,903</u>

CHARTER TOWNSHIP OF GENOA

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 6 - LONG-TERM DEBT (continued)

The following is a schedule of principal and interest payments to service the long-term debt of the Township:

Fiscal Years Ending	Contracts Payable			Bonds Payable		
	Principal	Interest	Total	Principal	Interest	Total
3/31/2017	\$ 403,750	\$ 72,628	\$ 476,378	\$ 505,000	\$ 260,793	\$ 765,793
3/31/2018	295,000	54,126	349,126	505,000	240,323	745,323
3/31/2019	265,000	38,094	303,094	520,000	219,613	739,613
3/31/2020	265,000	22,857	287,857	500,000	199,508	699,508
3/31/2021	265,000	7,619	272,619	435,000	181,603	616,603
3/31/2022 - 2026				1,295,000	783,450	2,078,450
3/31/2027 - 2031				1,510,000	581,188	2,091,188
3/31/2032 - 2036				1,815,000	301,525	2,116,525
3/31/2037				400,000	16,000	416,000
Total	\$ 1,493,750	\$ 195,324	\$ 1,689,074	\$ 7,485,000	\$ 2,784,003	\$ 10,269,003

Fiscal Years Ending	Totals		
	Principal	Interest	Total
3/31/2017	\$ 908,750	\$ 333,421	\$ 1,242,171
3/31/2018	800,000	294,449	1,094,449
3/31/2019	785,000	257,707	1,042,707
3/31/2020	765,000	222,365	987,365
3/31/2021	700,000	189,222	889,222
3/31/2022 - 2026	1,295,000	783,450	2,078,450
3/31/2027 - 2031	1,510,000	581,188	2,091,188
3/31/2032 - 2036	1,815,000	301,525	2,116,525
3/31/2037	400,000	16,000	416,000
Total	\$ 8,978,750	\$ 2,979,327	\$ 11,958,077

CHARTER TOWNSHIP OF GENOA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 7 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at March 31, 2016 represent short-term borrowings and amounts owed for reimbursements between other funds. The total interfund receivable and payable at March 31, 2016 is \$386,917.

Fund	Interfund Receivable	Fund	Interfund Payable	Purpose
General Fund	\$ 13,204	Liquor Law	\$ 13,204	Short term loan
General Fund	168,104	Utilities/DPW Fund	168,104	Compensation for DPW labor
General Fund	91	Trust and Agency Fund	91	Interest
General Fund	5,736	Current tax	5,736	Interest and tax collections
Utility Escrow	1,969	General Fund	1,969	Deposits
Utility Escrow	10,150	Utilities/DPW Fund	10,150	Credit card fees
Grand River Water New User Fund	1,406	Utility Escrow	1,406	Utility billings
Grand River Water New User Fund	9,480	Meter Fund	9,480	Reimbursement of revenue
Genoa Oceola New User Fund	40,000	Grand River Road Debt Service Fund	40,000	Short term loan
Utilities/DPW Fund	50,159	Meter Fund	50,159	Meter sales
Utilities/DPW Fund	1,896	Oak Pointe O & M	1,896	Common costs shared
Utilities/DPW Fund	51	Pine Creek	51	Common costs shared
Utilities/DPW Reserve Fund	40,000	Utilities/DPW Fund	40,000	Short term advance
Oak Pointe O & M	318	Meter Fund	318	Meter sales
Oak Pointe O & M	9,196	Lake Edgewood O & M	9,196	Reimbursement
Lake Edgewood O & M	2,514	Utilities/DPW Fund	2,514	Reimbursement
Lake Edgewood New User Fund	25,000	Oak Pointe O & M	25,000	Short term advance
Pine Creek	6,956	Utilities/DPW Fund	6,956	Reimbursement
Pine Creek	687	Meter Fund	687	Meter sales
TOTAL	\$ 386,917		TOTAL	\$ 386,917

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 7 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

Interfund transfers for the year ended March 31, 2016 were as follows:

Fund Providing Resources	Fund Receiving Resources	Purpose	Amount
General Fund	Road Improvement Fund	Funds for road improvements	\$ 426,000
General Fund	Reimbursable Project Fund	Start-up funds for road and lake projects	450,000
General Fund	Future Development Parks, Paths and Recreation Fund	Funds for recreation projects, expansions and improvements	592,500
Utilities/DPW Fund	Utilities/DPW Reserve Fund	Funds for capital asset acquisition and personnel	40,000
Genoa Oceola Sewer New User Fund	Dorr Road Debt Service Fund	Debt service	<u>30,000</u>
			<u>\$ 1,538,500</u>

CHARTER TOWNSHIP OF GENOA

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 8 - SEGMENT INFORMATION - ENTERPRISE FUNDS

Selected financial information with respect to the three enterprise funds maintained by the Township for water and sewer service is as follows:

	Oak Pointe	Lake Edgewood	Pine Creek	Total
Operating revenues	\$ 1,095,353	\$ 422,142	\$ 230,743	\$ 1,748,238
Depreciation	321,157	172,599		493,756
Operating income (loss)	(147,157)	(155,750)	9,513	(293,394)
Net working capital	887,637	459,018	281,217	1,627,872
Total assets	17,518,383	8,495,857	307,948	26,322,188
Retained earnings	9,584,701	6,800,607	291,492	16,676,800

NOTE 9 - STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS

Pursuant to the GASB standards, a statement of cash flows is presented. The purpose of the statement of cash flows is to explain the change in cash and cash equivalents during the period. The direct method was utilized to present cash flows from operations.

The following is a summary of beginning and ending cash and cash equivalents:

	<u>3/31/2015</u>	<u>3/31/2016</u>
Current assets		
Cash and cash equivalents	<u>\$ 1,017,646</u>	<u>\$ 1,229,773</u>
Restricted assets		
Cash and cash equivalents	<u>\$ 4,605,439</u>	<u>\$ 2,572,209</u>

NOTE 10 - PENSION - DEFINED CONTRIBUTION PLAN

The Township of Genoa has adopted the Principal Financial Group Money Purchase Pension Plan, a defined contribution plan with an effective date of July 1, 1991. The Township is making contributions to the plan on behalf of all eligible employees. Eligible employees are employees who have been employed for one whole year with a minimum of 1,000 hours of service. The Township's payroll for employees covered by the plan for the year ended March 31, 2016 was \$2,015,009, the Township's total payroll was \$2,124,635. The Township contributed \$189,479 to the plan.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participants account. Contributions, required solely by the Township vest 100% after four years of service. An employee who leaves the employment of the Township for reasons other than death, total disability or normal retirement is entitled to the Township's contributions if vesting requirements are satisfied. The Township is required to contribute an amount equal to 10% of the employee's annual compensation.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 11 – PENSION - DEFINED BENEFIT PLAN

Plan Description

The employer’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.com and is available to the public.

Benefits Provided

The defined benefit plan is comprised of two divisions. Division 01 is for the Township Manager while Division 10 is for the Utilities Director.

Both divisions remain open, with benefits to be paid as 1.30% of the final average compensation for Division 01, and 2.00% for Division 10 with no maximum for either division. Final average compensation is calculated based on the employee's final 5 years wages for all divisions.

Both divisions have a plan vesting period of 10 years, with normal retirement at age 60. Early retirement is available with unreduced benefits at age 55 with 25 years or service, or with reduced benefits at age 50 with 25 years of service or age 55 with 15 years of service.

Employees covered by benefit terms

At the December 31, 2015 valuation date, the following employees were covered by the benefit terms:

	Division 01	Division 10
Inactive employees or beneficiaries currently receiving benefits	0	0
Inactive employees entitled to but not yet receiving benefits.	0	0
Active employees	1	1
	1	1

Contributions

The Township is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The actuarially determined rates for the year ended March 31, 2016 were 8.63% of eligible wages for Division 01, and 10.18% of eligible wages for Division 10. The Township does not require employees to contribute to the plan.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 11 - PENSION - DEFINED BENEFIT PLAN (continued)

Net Pension Liability

The Total Pension Liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of December 31, 2015.

Actuarial assumptions

The total pension liability in the December 31, 2015 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary Increase: 3.75% in the long term.

Investment rate of return: 7.75%, net of investment expense, including inflation.

Although no specific price inflation assumptions are needed for the valuation, the 2.5% long-term wage inflation assumption would be consistent with price inflation of 3.75%.

Mortality rates used were based on the 2014 Healthy Annuitant Annuity Mortality Table, Employee Mortality Table and Juvenile Mortality Table with a 50% Male and 50% Female blend. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

The actuarial assumptions used in the valuation were based on the results of the most recent actuarial experience study in 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment, and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	57.50%	5.02%
Global Fixed Income	20.00%	2.18%
Real Assets	12.50%	4.23%
Diversifying Strategies	10.00%	6.56%

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 11 -PENSION - DEFINED BENEFIT PLAN (continued)

Discount Rate

The discount rate used to measure the total pension liability is 8.00% for 2015. The projection of cash flow used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/2014	\$ 264,443	\$ 229,966	\$ 34,477
Changes for the year			
Service cost	17,922		17,922
Interest on total pension liability	22,556		22,556
Changes in benefits			
Difference between expected and actual experience	5,769		5,769
Changes in assumptions	13,026		13,026
Employer contributions		19,836	(19,836)
Employee contributions			
Net investment income		(3,802)	3,802
Benefit payments, including employee refunds			
Administrative expense		(533)	533
Other changes			
Net changes	<u>59,273</u>	<u>15,501</u>	<u>43,772</u>
Balances as of 12/31/15	<u>\$ 323,716</u>	<u>\$ 245,467</u>	<u>\$ 78,249</u>

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 11 - PENSION - DEFINED BENEFIT PLAN (continued)

Sensitivity of the Net Pension Liability to changes in the discount rate

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 8.00%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (7.00%) or 1% higher (9.00%) than the current rate.

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Net Pension Liability at 12/31/15	\$ 78,249	\$ 78,249	\$ 78,249
Change in Net Pension Liability (NPL) from change in discount rate	56,617		(47,100)
Calculated NPL	\$ 134,866	\$ 78,249	\$ 31,149

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

Pension Expense and Deferred Outflow/Inflow of Resources Related to Pension

For the year ended March 31, 2016, the Township recognized pension expense of \$27,665. The Township reported deferred outflow and inflow of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences in experience	\$ 11,842	\$
Differences in assumptions	5,245	
Excess (Deficit) of Investment Returns	18,856	
Contributions subsequent to the measurement date	5,597	
Totals	\$ 41,540	\$

The amount reported as deferred outflow of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending March 31, 2017.

Amounts reported as deferred outflow and inflow of resources related to other pension activities will be recognized in pension expense as follows:

<u>Year Ended</u>	<u>Expense</u>
2017	\$ 6,422
2018	6,422
2019	6,422
2020	6,422
2021	1,708
2022-2027	8,547
Total	\$ 35,943

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 12 - CONTINGENT LIABILITIES

A. Wastewater Treatment System - Lake Edgewood

The Township entered into a Consent Order with the Michigan Department of Environmental Quality (MDEQ) to complete an investigation of the sodium and chloride plume leaving the Wastewater Treatment Plant (WWTP) and to evaluate remedial measures.

A remedial investigation that delineated the extent of the plume was completed in 2002. The plume extends approximately ¼ mile southeast of the Wastewater Treatment Plant and discharges in Brighton Township to Woodland Lake. Since 2002 the Township has completed annual groundwater monitoring and corrective action activities to protect drinking water sources. In January 2016 the Township submitted a No Further Action Report to the MDEQ which summarized interim remedial actions completed by the Township to reduce the sodium and chloride concentrations in the local aquifer. The MDEQ approved the No Further Action Report and termination of the annual groundwater sampling in an April 29, 2016 correspondence.

In the year ending March 31, 2016, the Township spent approximately \$17,043, to complete the annual groundwater sampling event, and to prepare the No Further Action Report. The amount of additional costs for April 1, 2016 - March 31, 2017 is estimated to be minimal. At this time the state has requested we do not abandon any onsite wells. Future expenditures associated with this site will include well abandonment.

B. Wastewater Treatment System - Oak Pointe

The Township entered into a Consent Order with the Michigan Department of Environmental Quality (MDEQ) to complete an investigation of the sodium and chloride plume leaving the Wastewater Treatment Plant (WWTP) and to evaluate remedial measures. The Consent Order requires a discharge from the plant's effluent of 150 mg/l for sodium and 250 mg/l for chlorides. The plant has not met this limit in over ten years, and in January 2015 the plant was taken offline, permanently eliminating the source of sodium and chloride at this site.

The MDEQ approved Interim Response Activities Designed to Meet Criteria Report (IRDC) in 2005 which requires annual groundwater monitoring and corrective action activities to protect drinking water sources. The Township completed a baseline sampling event in 2015 to document site conditions when the source was eliminated. The MDEQ has required the Township maintain the annual frequency of sampling until this is a clear trend of decreasing concentrations in the local aquifer.

In the year ending March 31, 2016, the Township spent approximately \$17,120 to complete groundwater and residential sampling events, and to provide and maintain reverse osmosis systems. The amount of additional costs for April 1, 2016 - March 31, 2017 is estimated to be \$20,000. This cost includes annual monitoring and corrective action activities.

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 13 - MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 14 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 15 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 5, 2016 the date the financial statements were available to be issued.

NOTE 16 - STATEMENT OF NET POSITION - RESTRICTED NET POSITION

In the Statement of Net position, the restricted net position consists of the following:

	Governmental Activities	Business-Type Activities
Public Works - water/sewer	\$	\$ 3,840,724
Capital Improvements	1,356,488	
Debt Service	696,999	
Total	\$ 2,053,487	\$ 3,840,724

CHARTER TOWNSHIP OF GENOA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 17 - PRIOR PERIOD ADJUSTMENTS AND CHANGE IN ACCOUNTING

Charter Township of Genoa implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, during the year ended March 31, 2016. As a result, the government wide statements will record a liability for Net Pension Liabilities (NPL) and Deferred Outflow of Resources related to pension activities. The current year change in NPL and deferred outflow of resources will be recognized as pension expenditures during the current year, while a portion will be deferred and recognized over futures years.

The Township also began recording investments in joint ventures, which had not been previously recorded. See Note 3, Investments in Joint Ventures for further details.

The Township has recorded a note payable to other funds within the proprietary funds. A corresponding note receivable from other funds had not been previously recorded on the governmental funds. A prior period adjustment has been recorded to add the note receivable from other funds on the governmental fund financial statements.

The net position for the year ended March 31, 2015 will be re-stated as follows

		<u>Activities</u>
Net Position, 3/31/15 (as previously stated)		\$ 17,117,897
Prior period adjustments for:		
Investments in joint ventures	24,648,820	
Notes receivable from other funds	968,668	
Net Pension Liability	<u>(29,245)</u>	
Total prior period adjustments		<u>25,588,243</u>
Net Position, 3/31/15 as restated		<u><u>\$ 42,706,140</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

CHARTER TOWNSHIP OF GENOA

GENERAL FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016**

	<u>Budget Amount</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
REVENUES	\$ 4,303,800	\$ 4,358,800	\$ 4,262,167	\$ (96,633)
EXPENDITURES	<u>3,529,450</u>	<u>3,544,200</u>	<u>3,151,540</u>	<u>392,660</u>
Excess of revenues over (under) expenditures	774,350	814,600	1,110,627	296,027
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(1,000,000)</u>	<u>(1,468,500)</u>	<u>(1,468,500)</u>	
Net change in fund balance	(225,650)	(653,900)	(357,873)	296,027
FUND BALANCE, APRIL 1, 2015	<u>2,308,205</u>	<u>2,308,205</u>	<u>2,308,205</u>	
FUND BALANCE, MARCH 31, 2016	<u>\$ 2,082,555</u>	<u>\$ 1,654,305</u>	<u>\$ 1,950,332</u>	<u>\$ 296,027</u>

CHARTER TOWNSHIP OF GENOA

REIMBURSABLE PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	Budgeted Amount		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
Special assessments	\$ 227,300	\$ 196,300	\$ 198,702	\$ 2,402
Interest	1,000	1,000	1,121	121
Total revenues	<u>228,300</u>	<u>197,300</u>	<u>199,823</u>	<u>2,523</u>
EXPENDITURES				
Road, lake, and utility projects				
Lake Chemung weed	60,000	60,000	52,169	7,831
Pardee Lake weed	30,000	30,000	21,456	8,544
Crooked Lake weed	50,000	50,000	12,851	37,149
Timberview roads	305,000			
White Pines streetlights	800	800	661	139
North Shore roads		24,000	22,197	1,803
Grand Oaks roads		2,000	1,980	20
Sunrise Park roads		5,000	4,415	585
Homestead Drive roads		2,000	1,320	680
Sundance Trail roads			1,700	(1,700)
Other	3,000	3,000	729	2,271
Total expenditures	<u>448,800</u>	<u>176,800</u>	<u>119,478</u>	<u>57,322</u>
Excess revenues over (under) expenditures	(220,500)	20,500	80,345	59,845
OTHER FINANCING SOURCES (USES)				
Transfer in	250,000	450,000	450,000	
Net change in fund balance	29,500	470,500	530,345	59,845
FUND BALANCE, APRIL 1, 2015	<u>988,487</u>	<u>988,487</u>	<u>988,487</u>	
FUND BALANCE, MARCH 31, 2016	<u>\$ 1,017,987</u>	<u>\$ 1,458,987</u>	<u>\$ 1,518,832</u>	<u>\$ 59,845</u>

CHARTER TOWNSHIP OF GENOA

UTILITIES/DPW FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	<u>Original/ Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES	\$ 2,189,841	\$ 2,233,358	\$ 43,517
EXPENDITURES	<u>2,247,414</u>	<u>2,213,891</u>	<u>33,523</u>
Excess of revenues over (under) expenditures	(57,573)	19,467	77,040
OTHER FINANCING (USES)			
Transfers (out)	<u>(40,000)</u>	<u>(40,000)</u>	
Net change in fund balance	(97,573)	(20,533)	77,040
FUND BALANCE, APRIL 1, 2015	<u>147,573</u>	<u>147,573</u>	
FUND BALANCE, MARCH 31, 2016	<u><u>\$ 50,000</u></u>	<u><u>\$ 127,040</u></u>	<u><u>\$ 77,040</u></u>

CHARTER TOWNSHIP OF GENOA
REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED MARCH 31, 2016

Schedule of Employer Contributions

	For the Plan Year Ended December 31, 2015
Actuarial determined contributions	\$ 19,836
Contributions in relation to the actuarial determined contribution	19,836
Contribution (deficiency) excess	\$
Covered employee payroll	\$ 215,494
Contributions as a percentage of covered payroll	9.20%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available will be presented.

Notes to the Schedule of Employer Contributions (All divisions)

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	23 years
Asset valuation method	5 year smoothing
Inflation	2.50%
Salary increases	3.75%
Investment rate of return	7.75%
Retirement age	Age 60, early retirement at age 55 with 25 years of service. Early retirement with reduced benefits at age 50 with 25 years of service or 55 with 15 years of service.
	50% Female/50% Male 2014 Healthy Annuitant Annuity Mortality Table, Employee Mortality Table, and Juvenile Mortality Table
Mortality	Mortality Table

Previous Actuarial Methods and Assumptions

A seven year smoothed asset valuation method was used for the time period of 2005 through 2013, and a 10- year smoothed asset valuation method was used through 2015. Inflation was previously assumed to be 3.5%, with salary increases of 4.5%

CHARTER TOWNSHIP OF GENOA

**REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR MARCH 31, 2016**

	For the Plan Year Ended December 31, 2015
TOTAL PENSION LIABILITY	
Service cost	\$ 17,922
Interest	22,556
Changes in benefit terms	
Differences between expected and actual experience	5,769
Changes of assumptions	13,026
Benefit payments, including refunds of employee contributions	
Other changes	
	<hr/>
Net change in total pension liability	59,273
TOTAL PENSION LIABILITY - BEGINNING	<hr/> 264,443
TOTAL PENSION LIABILITY - ENDING	<hr/> <u>\$ 323,716</u>
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 19,836
Contributions - employee	
Net investment income	(3,802)
Benefit payments, including refunds of employee contributions	
Administrative Expenses	(533)
	<hr/>
Net change in plan fiduciary net position	15,501
PLAN FIDUCIARY NET POSITION, BEGINNING	<hr/> 229,966
PLAN FIDUCIARY NET POSITION, ENDING	<hr/> <u>\$ 245,467</u>
NET PENSION LIABILITY (TOTAL PENSION LIABILITY - PLAN FIDUCIARY NET POSITION)	<hr/> <u>\$ 78,249</u>
Plan fiduciary net position as a percentage of the total pension liability	<hr/> <u>75.83%</u>
Covered employee payroll	<hr/> <u>\$ 215,494</u>
Net pension liability as a percentage of covered employee payroll	<hr/> <u>36.31%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available will be presented.

SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF GENOA

ALL FUNDS INCLUDED IN GASB 54 GENERAL FUND CONSOLIDATION
 COMBINING BALANCE SHEET
 MARCH 31, 2016

	General Fund Pre - GASB 54 Consolidation	Buildings & Grounds Reserve	Totals Restated General Fund
ASSETS			
Cash and investments	\$ 1,906,724	\$ 173,537	\$ 2,080,261
Accounts receivable	74,104		74,104
State shared revenue receivable	401,896		401,896
Inventory	65,576		65,576
Prepaid expenditures	25,437		25,437
Due from other funds	187,135		187,135
Total assets	<u>\$ 2,660,872</u>	<u>\$ 173,537</u>	<u>\$ 2,834,409</u>
LIABILITIES			
Accounts payable	\$ 54,194	\$ 1,000	\$ 55,194
Accrued payroll and compensated absences	31,096		31,096
Unearned revenues	693,562		693,562
Due to others	6,649		6,649
Due to area utilities	34,963		34,963
Due to other funds	62,613		62,613
Total liabilities	<u>883,077</u>	<u>1,000</u>	<u>884,077</u>
FUND BALANCES			
Committed - Buildings and grounds		172,537	172,537
Unassigned	1,777,795		1,777,795
Total fund balance	<u>1,777,795</u>	<u>172,537</u>	<u>1,950,332</u>
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 2,660,872</u>	<u>\$ 173,537</u>	<u>\$ 2,834,409</u>

CHARTER TOWNSHIP OF GENOA

ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
MARCH 31, 2016

	Liquor Law Enforcement Fund	Reimbursable Projects Fund	Utilities/DPW Fund	Utilities/DPW Reserve Fund	Total
ASSETS					
Cash and cash equivalents	\$ 13,875	\$ 1,502,270	\$ 387,331	\$ 60,094	\$ 1,963,570
Special assessments receivable		560,123			560,123
Due from others		16,562	22,149		38,711
Due from other funds			52,106	40,000	92,106
Inventory			4,500		4,500
Prepaid expenditures			17,100		17,100
	<u>13,875</u>	<u>1,502,270</u>	<u>387,331</u>	<u>60,094</u>	<u>1,963,570</u>
Total assets	<u>\$ 13,875</u>	<u>\$ 2,078,955</u>	<u>\$ 483,186</u>	<u>\$ 100,094</u>	<u>\$ 2,676,110</u>
LIABILITIES					
Accounts payable	\$	\$	\$ 82,720	\$	\$ 82,720
Due to other funds	13,204		227,724		240,928
Accrued wages			45,702		45,702
	<u>13,204</u>		<u>356,146</u>		<u>369,350</u>
Total liabilities	<u>13,204</u>		<u>356,146</u>		<u>369,350</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue		560,123			560,123
	<u>671</u>	<u>1,518,832</u>	<u>127,040</u>	<u>100,094</u>	<u>1,746,637</u>
FUND BALANCE	<u>671</u>	<u>1,518,832</u>	<u>127,040</u>	<u>100,094</u>	<u>1,746,637</u>
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 13,875</u>	<u>\$ 2,078,955</u>	<u>\$ 483,186</u>	<u>\$ 100,094</u>	<u>\$ 2,676,110</u>

CHARTER TOWNSHIP OF GENOA

ALL DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
MARCH 31, 2016

	Dorr Road Water and Sewer Fund	Grand Oaks Water Fund	Grand River Road Fund	Lake Edgewood West Water Fund	MHOG Plant Expansion Fund	Totals
ASSETS						
Cash and cash equivalents	\$ 37,026	\$ 139,020	\$ 94,808	\$ 410,844	\$ 47,393	\$ 729,091
Accounts receivable			2,075	5,833		7,908
Special assessments receivable	105,625	53,150	180,451	548,678		887,904
Total assets	<u>\$ 142,651</u>	<u>\$ 192,170</u>	<u>\$ 277,334</u>	<u>\$ 965,355</u>	<u>\$ 47,393</u>	<u>\$ 1,624,903</u>
LIABILITIES						
Due to other funds	\$	\$	\$ 40,000	\$	\$	\$ 40,000
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue	105,625	53,150	180,451	548,678		887,904
FUND BALANCE	<u>37,026</u>	<u>139,020</u>	<u>56,883</u>	<u>416,677</u>	<u>47,393</u>	<u>696,999</u>
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 142,651</u>	<u>\$ 192,170</u>	<u>\$ 277,334</u>	<u>\$ 965,355</u>	<u>\$ 47,393</u>	<u>\$ 1,624,903</u>

CHARTER TOWNSHIP OF GENOA

ALL CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
MARCH 31, 2016

	Road Improvement Fund	Future Development Parks, Paths and Recreation Fund	Grand River Water New User Fund	Genoa - Oceola Sewer New User Fund	Total
ASSETS					
Cash and cash equivalents	\$ 1,356,488	\$ 798,193	\$ 1,576,995	\$ 1,797,799	\$ 5,529,475
Special assessments receivable			110,600	182,926	293,526
Due from other funds			10,886	40,000	50,886
Other receivable			14,257	21,823	36,080
Total assets	<u>\$ 1,356,488</u>	<u>\$ 798,193</u>	<u>\$ 1,712,738</u>	<u>\$ 2,042,548</u>	<u>\$ 5,909,967</u>
LIABILITIES					
Accounts payable	\$	\$ 5,148	\$	\$	\$ 5,148
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue			110,600	182,926	293,526
FUND BALANCE	<u>1,356,488</u>	<u>793,045</u>	<u>1,602,138</u>	<u>1,859,622</u>	<u>5,611,293</u>
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 1,356,488</u>	<u>\$ 798,193</u>	<u>\$ 1,712,738</u>	<u>\$ 2,042,548</u>	<u>\$ 5,909,967</u>

CHARTER TOWNSHIP OF GENOA

**ALL NON MAJOR FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED MARCH 31, 2016**

	Liquor Law Enforcement Fund	Road Improvement Fund	Future Development Parks, Paths and Recreation Fund	Utilities/ DPW Reserve Fund	Dorr Road Water and Sewer Debt Service Fund	Grand Oaks Water Debt Service Fund	Grand River Road Debt Service Fund	Lake Edgewood West Water Debt Service Fund	MHOG Plant Expansion Debt Service Fund	Total
ASSETS										
Cash and cash equivalents	\$ 13,875	\$ 1,356,488	\$ 798,193	\$ 60,094	\$ 37,026	\$ 139,020	\$ 94,808	\$ 410,844	\$ 47,393	\$ 2,957,741
Special assessments receivable					105,625	53,150	180,451	548,678		887,904
Due from other funds				40,000						40,000
Other receivable							2,075	5,833		7,908
Total assets	<u>\$ 13,875</u>	<u>\$ 1,356,488</u>	<u>\$ 798,193</u>	<u>\$ 100,094</u>	<u>\$ 142,651</u>	<u>\$ 192,170</u>	<u>\$ 277,334</u>	<u>\$ 965,355</u>	<u>\$ 47,393</u>	<u>\$ 3,893,553</u>
LIABILITIES										
Accounts payable	\$	\$	\$ 5,148	\$	\$	\$	\$	\$	\$	\$ 5,148
Due to other funds	13,204						40,000			53,204
Total liabilities	13,204		5,148				40,000			58,352
DEFERRED INFLOW OF RESOURCES										
Unavailable revenue					105,625	53,150	180,451	548,678		887,904
FUND BALANCE	<u>671</u>	<u>1,356,488</u>	<u>793,045</u>	<u>100,094</u>	<u>37,026</u>	<u>139,020</u>	<u>56,883</u>	<u>416,677</u>	<u>47,393</u>	<u>2,947,297</u>
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 13,875</u>	<u>\$ 1,356,488</u>	<u>\$ 798,193</u>	<u>\$ 100,094</u>	<u>\$ 142,651</u>	<u>\$ 192,170</u>	<u>\$ 277,334</u>	<u>\$ 965,355</u>	<u>\$ 47,393</u>	<u>\$ 3,893,553</u>

CHARTER TOWNSHIP OF GENOA

ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
MARCH 31, 2016

	Oak Pointe Water and and Sewer Systems Fund	Lake Edgewood Water and Sewer Systems Fund	Pine Creek Water and Sewer Systems Fund	Totals
Current Assets				
Cash and cash equivalents	\$ 599,249	\$ 373,654	\$ 256,870	\$ 1,229,773
Accounts receivable	276,675	99,466	52,279	428,420
Due from others	6,544			6,544
Due from other funds	9,514	27,514	7,643	44,671
Inventory	64,500	10,000	8,100	82,600
Total current assets	956,482	510,634	324,892	1,792,008
Restricted Assets				
Cash and cash equivalents				
Future improvements	897,631	508,357		1,405,988
Debt service	528,302	637,919		1,166,221
Special assessments receivable	246,042	949,507		1,195,549
Contract receivable - City of Brighton		17,200		17,200
Due from county	45,169	10,597		55,766
Total restricted assets	1,717,144	2,123,580		3,840,724
Property, Plant and Equipment				
Land	358,855	260,009		618,864
Water and sewer systems	20,421,556	8,035,050		28,456,606
	20,780,411	8,295,059		29,075,470
Less accumulated depreciation	(6,542,859)	(2,856,073)		(9,398,932)
Net property, plant and equipment	14,237,552	5,438,986		19,676,538
Total assets	\$ 16,911,178	\$ 8,073,200	\$ 324,892	\$ 25,309,270
Current Liabilities				
Accounts payable	\$ 25,231	\$ 24,102	\$ 36,032	\$ 85,365
Due to other funds	26,896	9,196	51	36,143
Due to other governments	34,100			34,100
Unearned revenues	9,600			9,600
Current liabilities	95,827	33,298	36,083	165,208
Current Liabilities (from restricted assets)				
Special assessment bonds	190,000			190,000
Contracts payable		290,000		290,000
Current liabilities (from restricted assets)	190,000	290,000		480,000
Long-Term Liabilities(from restricted assets)				
Bonds payable	5,894,439			5,894,439
Contracts payable (from non-restricted assets)		1,090,000		1,090,000
Notes payable - other funds	1,207,468			1,207,468
Total long-term liabilities (from restricted assets) and (non-restricted assets)	7,101,907	1,090,000		8,191,907
Total liabilities	7,387,734	1,413,298	36,083	8,837,115
Equity				
Retained earnings	9,523,444	6,659,902	288,809	16,472,155
Total liabilities and equity	\$ 16,911,178	\$ 8,073,200	\$ 324,892	\$ 25,309,270

CHARTER TOWNSHIP OF GENOA

ALL TRUST AND AGENCY FUNDS
 COMBINING BALANCE SHEET
 MARCH 31, 2016

	<u>Utility Escrow Fund</u>	<u>Deposit Trust Fund</u>	<u>Current Tax Fund</u>	<u>Trust and Agency Fund</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$	\$ 60,435	\$ 6,338	\$ 2,896	\$ 69,669
Due from other funds	12,119				12,119
Due from others			850		850
Total assets	<u>\$ 12,119</u>	<u>\$ 60,435</u>	<u>\$ 7,188</u>	<u>\$ 2,896</u>	<u>\$ 82,638</u>
LIABILITIES					
Deposits - escrows	\$	\$ 60,435	\$	\$	\$ 60,435
Due to other funds	1,406		5,736	91	7,233
Due to others	10,713		1,452	2,805	14,970
Total liabilities	<u>\$ 12,119</u>	<u>\$ 60,435</u>	<u>\$ 7,188</u>	<u>\$ 2,896</u>	<u>\$ 82,638</u>

CHARTER TOWNSHIP OF GENOA

ALL FUNDS INCLUDED IN GASB 54 GENERAL FUND CONSOLIDATION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2016

	General Fund -			Totals
	Pre GASB 54 Consolidation	Buildings & Grounds Reserve	Eliminations	Restated General Fund
REVENUES				
Taxes	\$ 1,176,429	\$	\$	\$ 1,176,429
Licenses and permits	68,666			68,666
State shared revenues	1,575,600			1,575,600
Charges for services	984,854			984,854
Interest	9,444	78		9,522
Cable and Metro Act fees	409,556			409,556
Miscellaneous	37,540			37,540
Total revenues	4,262,089	78		4,262,167
EXPENDITURES				
Application fees	59,987			59,987
Dues	17,124			17,124
Insurance	248,964			248,964
Office supplies	83,863			83,863
Payroll taxes	68,190			68,190
Professional fees	143,728			143,728
Public utilities	20,314			20,314
Regional meetings	20,944			20,944
Refunds and tax chargebacks	4,090			4,090
Refuse	967,656			967,656
Repairs and maintenance	100,754			100,754
Retirement/pension	87,850			87,850
Salaries	975,060			975,060
Telephone	19,452			19,452
Travel	12,269			12,269
Fire substation	1,435			1,435
Economic development	21,500			21,500
Drain at large	30,055			30,055
Capital outlay	94,019	174,286		268,305
Total expenditures	2,977,254	174,286		3,151,540
Excess of revenues over (under) expenditures	1,284,835	(174,208)		1,110,627
OTHER FINANCING SOURCES (USES)				
Transfers in		75,000	(75,000)	
Transfers (out)	(1,543,500)		75,000	(1,468,500)
Total other financing sources (uses)	(1,543,500)	75,000		(1,468,500)
Net changes in fund balances	(258,665)	(99,208)		(357,873)
FUND BALANCE, April 1, 2015	2,036,460	271,745		2,308,205
FUND BALANCE, March 31, 2016	\$ 1,777,795	\$ 172,537	\$	\$ 1,950,332

CHARTER TOWNSHIP OF GENOA

ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2016

	Liquor Law Enforcement Fund	Reimbursable Projects Fund	Utilities/DPW Fund	Utilities/DPW Reserve Fund	Total
REVENUES					
Special assessments	\$	\$ 198,702	\$	\$	\$ 198,702
Intergovernmental - state	13,661				13,661
Administration fees			2,177,496		2,177,496
Interest		1,121		130	1,251
Miscellaneous			55,862		55,862
Total revenues	<u>13,661</u>	<u>199,823</u>	<u>2,233,358</u>	<u>130</u>	<u>2,446,972</u>
EXPENDITURES					
Public works and roads		118,749	2,213,891		2,332,640
Inspection fees	8,240				8,240
Payroll taxes	640				640
Capital outlay				25,523	25,523
Miscellaneous	4,524	729			5,253
Total expenditures	<u>13,404</u>	<u>119,478</u>	<u>2,213,891</u>	<u>25,523</u>	<u>2,372,296</u>
Excess of revenues over (under) expenditures	<u>257</u>	<u>80,345</u>	<u>19,467</u>	<u>(25,393)</u>	<u>74,676</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		450,000		40,000	490,000
Transfers (out)			(40,000)		(40,000)
Total other financing sources (uses)		<u>450,000</u>	<u>(40,000)</u>	<u>40,000</u>	<u>450,000</u>
Net changes in fund balances	257	530,345	(20,533)	14,607	524,676
FUND BALANCE, APRIL 1, 2015	<u>414</u>	<u>988,487</u>	<u>147,573</u>	<u>85,487</u>	<u>1,221,961</u>
FUND BALANCE, MARCH 31, 2016	<u>\$ 671</u>	<u>\$ 1,518,832</u>	<u>\$ 127,040</u>	<u>\$ 100,094</u>	<u>\$ 1,746,637</u>

CHARTER TOWNSHIP OF GENOA

ALL DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2016

	<u>Dorr Road Water and Sewer Fund</u>	<u>Grand Oaks Water Fund</u>	<u>Grand River Road Fund</u>	<u>Lake Edgewood West Water Fund</u>	<u>MHOG Plant Expansion Fund</u>	<u>Totals</u>
REVENUES						
Special assessments - principal	\$ 21,125	\$ 17,716	\$ 60,880	\$ 139,384	\$	\$ 239,105
Special assessments - interest	7,339	4,103	14,777	44,550		70,769
Interest	4	235	10	354	140	743
Total revenues	<u>28,468</u>	<u>22,054</u>	<u>75,667</u>	<u>184,288</u>	<u>140</u>	<u>310,617</u>
EXPENDITURES						
Debt repayment						
Principal	40,000	25,000	75,000	170,000	110,000	420,000
Interest	13,320	4,875	16,875	52,827	7,816	95,713
Miscellaneous	750	350	1,310	493	199	3,102
Total expenditures	<u>54,070</u>	<u>30,225</u>	<u>93,185</u>	<u>223,320</u>	<u>118,015</u>	<u>518,815</u>
Excess of revenues over (under) expenditures	(25,602)	(8,171)	(17,518)	(39,032)	(117,875)	(208,198)
OTHER FINANCING SOURCES (USES)						
Transfers in	<u>30,000</u>					<u>30,000</u>
Net changes in fund balances	4,398	(8,171)	(17,518)	(39,032)	(117,875)	(178,198)
FUND BALANCE, APRIL 1, 2015	<u>32,628</u>	<u>147,191</u>	<u>74,401</u>	<u>455,709</u>	<u>165,268</u>	<u>875,197</u>
FUND BALANCE, MARCH 31, 2016	<u>\$ 37,026</u>	<u>\$ 139,020</u>	<u>\$ 56,883</u>	<u>\$ 416,677</u>	<u>\$ 47,393</u>	<u>\$ 696,999</u>

CHARTER TOWNSHIP OF GENOA

ALL CAPITAL PROJECT FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 2016

	Road Improvement Fund	Future Development - Parks, Paths and Recreation Fund	Grand River Water New User Fund	Genoa-Oceola Sewer New User Fund	Total
REVENUES					
New user tap-in fees	\$	\$	\$ 35,240	\$ 20,090	\$ 55,330
Special assessments - principal			27,650	35,466	63,116
Special assessments - interest			3,854	4,619	8,473
Interest	612	1,276	2,494	3,153	7,535
Miscellaneous		11,400		3,854	15,254
Repayment of advances				125,348	125,348
Total revenues	<u>612</u>	<u>12,676</u>	<u>69,238</u>	<u>192,530</u>	<u>275,056</u>
EXPENDITURES					
Professional services	624		7,000	7,000	14,624
Project costs	257,592	389,158			646,750
Miscellaneous				92	92
Total expenditures	<u>258,216</u>	<u>389,158</u>	<u>7,000</u>	<u>7,092</u>	<u>661,466</u>
Excess of revenues over (under) expenditures	<u>(257,604)</u>	<u>(376,482)</u>	<u>62,238</u>	<u>185,438</u>	<u>(386,410)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	426,000	592,500			1,018,500
Transfers (out)				(30,000)	(30,000)
Advances to other funds				(300,000)	
Total other financing sources (uses)	<u>426,000</u>	<u>592,500</u>		<u>(330,000)</u>	<u>988,500</u>
Net change in fund balance	168,396	216,018	62,238	(144,562)	602,090
FUND BALANCE, APRIL 1, 2015	<u>1,188,092</u>	<u>577,027</u>	<u>1,539,900</u>	<u>2,004,184</u>	<u>5,309,203</u>
FUND BALANCE, MARCH 31, 2016	<u>\$ 1,356,488</u>	<u>\$ 793,045</u>	<u>\$ 1,602,138</u>	<u>\$ 1,859,622</u>	<u>\$ 5,911,293</u>

CHARTER TOWNSHIP OF GENOA
ALL NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

	Liquor Law Enforcement Fund	Road Improvement Fund	Future Development - Parks, Paths and Recreation Fund	Utilities/DPW Reserve Fund	Dorr Road Water and Sewer Debt Service Fund	Grand Oaks Water Debt Service Fund	Grand River Road Debt Service Fund	Lake Edgewood West Water Debt Service Fund	MHOG Plant Expansion Debt Service Fund
REVENUES									
Special assessments - principal	\$	\$	\$	\$	\$ 21,125	\$ 17,716	\$ 60,880	\$ 139,384	\$
Special assessments - interest					7,339	4,103	14,777	44,550	
Liquor license fees	13,661								
Interest		612	1,276	130	4	235	10	354	140
Miscellaneous			11,400						
Total revenues	13,661	612	12,676	130	28,468	22,054	75,667	184,288	140
EXPENDITURES									
Professional services		624							
Project cost		257,592	216,504						
Miscellaneous	13,404				750	350	1,310	493	199
Debt service									
Principal					40,000	25,000	75,000	170,000	110,000
Interest					13,320	4,875	16,875	52,827	7,816
Capital outlay			172,654	25,523					
Total expenditures	13,404	258,216	389,158	25,523	54,070	30,225	93,185	223,320	118,015
Excess of revenues over (under) expenditures	257	(257,604)	(376,482)	(25,393)	(25,602)	(8,171)	(17,518)	(39,032)	(117,875)
OTHER FINANCING SOURCES (USES)									
Transfers in		426,000	592,500	40,000	30,000				
Net changes in fund balances	257	168,396	216,018	14,607	4,398	(8,171)	(17,518)	(39,032)	(117,875)
FUND BALANCE, APRIL 1, 2015	414	1,188,092	577,027	85,487	32,628	147,191	74,401	455,709	165,268
FUND BALANCE, MARCH 31, 2016	\$ 671	\$ 1,356,488	\$ 793,045	\$ 100,094	\$ 37,026	\$ 139,020	\$ 56,883	\$ 416,677	\$ 47,393

CHARTER TOWNSHIP OF GENOA
ALL NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (continued)
FOR THE YEAR ENDED MARCH 31, 2016

	Totals
REVENUES	
Special assessments - principal	\$ 239,105
Special assessments - interest	70,769
Liquor license fees	13,661
Interest	2,761
Miscellaneous	11,400
Total revenues	337,696
EXPENDITURES	
Professional services	624
Project cost	474,096
Miscellaneous	16,506
Debt service	
Principal	420,000
Interest	95,713
Capital outlay	198,177
Total expenditures	1,205,116
Excess of revenues over (under) expenditures	(867,420)
OTHER FINANCING SOURCES (USES)	
Transfers in	1,088,500
Net changes in fund balances	221,080
FUND BALANCE, APRIL 1, 2015	2,726,217
FUND BALANCE, MARCH 31, 2016	\$ 2,947,297

CHARTER TOWNSHIP OF GENOA

**ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2016**

	Oak Pointe Water and Sewer Systems Fund	Lake Edgewood Water and Sewer Systems Fund	Pine Creek Water and Sewer Systems Fund	Totals
OPERATING REVENUES				
User charges	\$ 1,372,674	\$ 421,488	\$ 239,299	\$ 2,033,461
OPERATING EXPENSES	1,371,632	583,131	242,382	2,197,145
Operating income (loss)	1,042	(161,643)	(3,083)	(163,684)
NON-OPERATING REVENUES AND (EXPENSES)				
Connection fees - assessments		30,232		30,232
Interest income - special assessments and reserves	18,383	64,115		82,498
Interest (expense) - bonds	(190,725)	(87,381)		(278,106)
Bond premium amortization	4,152			4,152
Other revenue (expense), net	105,891	13,972	400	120,263
Total non-operating revenues and (expenses)	(62,299)	20,938	400	(40,961)
Net income (loss)	(61,257)	(140,705)	(2,683)	(204,645)
RETAINED EARNINGS, APRIL 1, 2015	9,584,701	6,800,607	291,492	16,676,800
RETAINED EARNINGS, MARCH 31, 2016	\$ 9,523,444	\$ 6,659,902	\$ 288,809	\$ 16,472,155

CHARTER TOWNSHIP OF GENOA

ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2016

	Major Funds		Nonmajor Fund	Total
	Oak Pointe Water and Sewer Systems Fund	Lake Edgewood Water and Sewer Systems Fund	Pine Creek Water and Sewer Systems Fund	
CASH FLOW FROM (USED IN)				
OPERATING ACTIVITIES				
Receipts from customers	\$ 1,590,097	\$ 555,139	\$ 241,534	\$ 2,386,770
Payments to vendors	(1,786,144)	(400,644)	(222,755)	(2,409,543)
Net cash from (used in) operating activities	<u>(196,047)</u>	<u>154,495</u>	<u>18,779</u>	<u>(22,773)</u>
CASH FLOW FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection fees		30,232		30,232
Special assessment collections	34,166	226,550		260,716
Collections City of Brighton - contract receivable		17,200		17,200
Interest received from special assessments and reserved accounts	18,383	64,115		82,498
Capital outlay	(1,819,279)	(126,144)		(1,945,423)
Repayment of principal on bonds	(40,000)	(290,000)		(330,000)
Interest paid on bonds	(190,725)	(87,381)		(278,106)
Other revenue (expense)	105,891	13,972	400	120,263
Loans to/from other funds	238,800		5,490	244,290
Net cash from (used in) capital and related financing activities	<u>(1,652,764)</u>	<u>(151,456)</u>	<u>5,890</u>	<u>(1,798,330)</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,848,811)</u>	<u>3,039</u>	<u>24,669</u>	<u>(1,821,103)</u>
CASH AND CASH EQUIVALENTS AT APRIL 1, 2015	<u>3,873,993</u>	<u>1,516,891</u>	<u>232,201</u>	<u>5,623,085</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2016	<u>\$ 2,025,182</u>	<u>\$ 1,519,930</u>	<u>\$ 256,870</u>	<u>\$ 3,801,982</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,042	\$ (161,643)	\$ (3,083)	\$ (163,684)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES				
Depreciation expense	335,684	174,439		510,123
Changes in assets and liabilities				
Receivables, net	(18,149)	68,718	2,235	52,804
Payables, net	(708,752)	1,337	19,627	(687,788)
Due from other funds	194,128	64,933		259,061
Due to other funds		6,711		6,711
Net cash from (used in) operating activities	<u>\$ (196,047)</u>	<u>\$ 154,495</u>	<u>\$ 18,779</u>	<u>\$ (22,773)</u>

INDIVIDUAL FUNDS

GENERAL FUND

CHARTER TOWNSHIP OF GENOA
GENERAL FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 1,906,724
State shared revenue receivable	401,896
Taxes receivable	64,524
Other receivables	9,580
Due from other funds	187,135
Prepaid expenditures	25,437
Inventory	<u>65,576</u>
 Total assets	 <u><u>\$ 2,660,872</u></u>

LIABILITIES

Accounts payable	54,194
Accrued payroll and compensated absences	31,096
Due to others	6,649
Due to area utilities	34,963
Due to other funds	62,613
Unearned revenue	<u>693,562</u>
 Total liabilities	 883,077

FUND BALANCE

Total liabilities and fund balance

<u>1,777,795</u>
 <u><u>\$ 2,660,872</u></u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF GENOA

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016**

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ 4,358,500	\$ 4,262,089	\$ (96,411)
EXPENDITURES	3,333,200	2,977,254	355,946
Excess of revenues over (under) expenditures	1,025,300	1,284,835	259,535
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,543,500)	(1,543,500)	
Net changes in fund balance	(518,200)	(258,665)	259,535
FUND BALANCE, APRIL 1, 2015	2,036,460	2,036,460	
FUND BALANCE, MARCH 31, 2016	\$ 1,518,260	\$ 1,777,795	\$ 259,535

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF GENOA
GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 845,000	\$ 852,203	\$ 7,203
Tax collection fees	350,000	324,226	(25,774)
Cable franchise fees, licenses, permits	380,000	399,976	19,976
Trailer fees	3,500	3,003	(497)
State shared revenues	1,650,000	1,575,600	(74,400)
Application fees	50,000	68,666	18,666
Refuse collection fees	800,000	782,652	(17,348)
DPW Administration fees	52,500	53,000	500
Liquor law administration fees	3,500	3,500	
Land transfer - taxes	140,000	142,699	2,699
Metro Act	13,000	9,580	(3,420)
Interest - banks	6,000	9,444	3,444
Miscellaneous	65,000	37,540	(27,460)
	<u>65,000</u>	<u>37,540</u>	<u>(27,460)</u>
Total revenues	<u>\$ 4,358,500</u>	<u>\$ 4,262,089</u>	<u>\$ (96,411)</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF GENOA
GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES			
Salaries - trustees	\$ 35,000	\$ 26,766	\$ 8,234
Salary - supervisor	53,400	53,400	
Salaries - elections	70,000	69,749	251
Salaries - contractual	345,000	357,790	(12,790)
Professional services - legal	150,000	99,355	50,645
Salary - clerk	52,400	52,400	
Professional services - auditor	22,500	22,375	125
Professional services - engineers	80,000	21,998	58,002
Salaries - board of review	10,000	2,000	8,000
Refunds and tax charge backs	20,000	4,090	15,910
Salary - treasurer	52,400	52,400	
Repairs and maintenance - Town hall	125,000	100,754	24,246
Insurance	300,000	248,964	51,036
Public utilities	20,000	20,314	(314)
Salaries - other	355,000	260,546	94,454
Retirement - pensions	105,000	87,850	17,150
Payroll taxes	95,000	68,190	26,810
Office supplies	85,000	83,863	1,137
Economic development	21,500	21,500	
Telephone	25,000	19,452	5,548
Travel	20,000	12,269	7,731
Dues	25,000	17,124	7,876
Regional meeting fees	25,000	20,944	4,056
Application fees	75,000	59,987	15,013
Salaries - planning/zoning	32,000	31,437	563
Salary - ordinance enforcement	50,000	68,572	(18,572)
Fire substation	2,000	1,435	565
Refuse	962,000	967,656	(5,656)
Drain at large	30,000	30,055	(55)
Capital outlay	90,000	94,019	(4,019)
Total expenditures	<u><u>\$ 3,333,200</u></u>	<u><u>\$ 2,977,254</u></u>	<u><u>\$ 355,946</u></u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

LIQUOR LAW ENFORCEMENT FUND

CHARTER TOWNSHIP OF GENOA
LIQUOR LAW ENFORCEMENT FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	<u>\$ 13,875</u>
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LIABILITIES

Due to other funds	\$ 13,204
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FUND BALANCE

	<u>671</u>
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Total liabilities and fund balance	<u>\$ 13,875</u>
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CHARTER TOWNSHIP OF GENOA

LIQUOR LAW ENFORCEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Liquor license fees	\$ 13,564	\$ 13,661	\$ 97
EXPENDITURES			
Inspection fees	8,240	8,240	
Payroll taxes	640	640	
Administration	3,500	3,500	
Retirement	824	824	
Professional fees	200	200	
Total expenditures	<u>13,404</u>	<u>13,404</u>	
Net change in fund balance	160	257	97
FUND BALANCE, APRIL 1, 2015	<u>414</u>	<u>414</u>	
FUND BALANCE, MARCH 31, 2016	<u>\$ 574</u>	<u>\$ 671</u>	<u>\$ 97</u>

ROAD IMPROVEMENT FUND

CHARTER TOWNSHIP OF GENOA

**ROAD IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2016**

ASSETS

Cash and cash equivalents

\$ 1,356,488

FUND BALANCE

\$ 1,356,488

CHARTER TOWNSHIP OF GENOA

ROAD IMPROVEMENT FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016**

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest - banks	\$ 1,000	\$ 612	\$ (388)
EXPENDITURES			
Road improvements			
North Shore	14,000	14,000	
Golf Club	50,500	33,116	17,384
McClements	18,000	14,268	3,732
Dust control	75,000	59,209	15,791
Mt Brighton	5,000		5,000
Red Oaks	10,000		10,000
Tri-Lakes	139,416	136,999	2,417
Professional fees	2,000	624	1,376
	313,916	258,216	55,700
Excess revenues over (under) expenditures	(312,916)	(257,604)	55,312
OTHER FINANCING SOURCES (USES)			
Transfers in	426,000	426,000	
Net change in fund balance	113,084	168,396	55,312
FUND BALANCE, APRIL 1, 2015	1,188,092	1,188,092	
FUND BALANCE, MARCH 31, 2016	\$ 1,301,176	\$ 1,356,488	\$ 55,312

REIMBURSABLE PROJECTS FUND

CHARTER TOWNSHIP OF GENOA

REIMBURSABLE PROJECTS FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 1,502,270
Due from county	16,562
Special assessments receivable	<u>560,123</u>
Total assets	<u><u>\$ 2,078,955</u></u>

DEFERRED INFLOW OF RESOURCES

Unavailable revenue	\$ 560,123
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FUND BALANCE

1,518,832

**Total deferred inflow of resources
and fund balance**

\$ 2,078,955

CHARTER TOWNSHIP OF GENOA

REIMBURSABLE PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessments	\$ 196,300	\$ 198,702	\$ 2,402
Interest - banks	1,000	1,121	121
Total revenues	<u>197,300</u>	<u>199,823</u>	<u>2,523</u>
EXPENDITURES			
Road, lake and utility projects			
Lake Chemung weed	60,000	52,169	7,831
Pardee Lake weed	30,000	21,456	8,544
Crooked Lake weed	50,000	12,851	37,149
White Pines streetlights	800	661	139
North Shore roads	24,000	22,197	1,803
Grand Oaks roads	2,000	1,980	20
Sunrise Park roads	5,000	4,415	585
Homestead Drive roads	2,000	1,320	680
Sundance Trail roads		1,700	(1,700)
Other	3,000	729	2,271
Total expenditures	<u>176,800</u>	<u>119,478</u>	<u>57,322</u>
Excess revenues over (under) expenditures	20,500	80,345	59,845
OTHER FINANCING SOURCES (USES)			
Transfers in	450,000	450,000	
Net change in fund balance	470,500	530,345	59,845
FUND BALANCE, APRIL 1, 2015	<u>988,487</u>	<u>988,487</u>	
FUND BALANCE, MARCH 31, 2016	<u>\$ 1,458,987</u>	<u>\$ 1,518,832</u>	<u>\$ 59,845</u>

FUTURE DEVELOPMENT - PARKS PATHS AND RECREATION FUND

CHARTER TOWNSHIP OF GENOA

FUTURE DEVELOPMENT - PARKS, PATHS AND RECREATION FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents \$ 798,193

LIABILITIES

Accounts payable \$ 5,148

FUND BALANCE

793,045

Total liabilities and fund balance

\$ 798,193

CHARTER TOWNSHIP OF GENOA

FUTURE DEVELOPMENT - PARKS, PATHS AND RECREATION FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED MARCH 31, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Rental income	\$ 11,400	\$ 11,400	\$
Interest - banks	2,000	1,276	(724)
Total revenues	<u>13,400</u>	<u>12,676</u>	<u>(724)</u>
EXPENDITURES			
Rental expenses	2,000	847	1,153
Professional fees	61,500	24,921	36,579
Project costs	326,500	311,507	14,993
Maintenance	50,000	51,883	(1,883)
Utilities	1,000		1,000
Total expenditures	<u>441,000</u>	<u>389,158</u>	<u>51,842</u>
Excess of revenues over (under) expenditures	(427,600)	(376,482)	51,118
OTHER FINANCING SOURCES			
Transfers in	<u>592,500</u>	<u>592,500</u>	
Net change in fund balance	164,900	216,018	51,118
FUND BALANCE, APRIL 1, 2015	<u>577,027</u>	<u>577,027</u>	
FUND BALANCE, MARCH 31, 2016	<u>\$ 741,927</u>	<u>\$ 793,045</u>	<u>\$ 51,118</u>

BUILDING AND GROUNDS RESERVE FUND

CHARTER TOWNSHIP OF GENOA

BUILDING AND GROUNDS RESERVE FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents \$ 173,537

LIABILITIES

Accounts payable \$ 1,000

FUND BALANCE

172,537

Total liabilities and fund balance

\$ 173,537

This supplementary information shows the Building and Grounds Reserve Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF GENOA

**BUILDINGS AND GROUNDS RESERVE FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016**

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest - banks	\$ 300	\$ 78	\$ (222)
EXPENDITURES			
Capital outlay	175,000	174,286	714
Other	1,000		1,000
Total expenditures	176,000	174,286	1,714
Excess of revenues over (under) expenditures	(175,700)	(174,208)	1,492
OTHER FINANCING SOURCES (USES)			
Transfers in	75,000	75,000	
Net change in fund balance	(100,700)	(99,208)	1,492
FUND BALANCE, APRIL 1, 2015	271,745	271,745	
FUND BALANCE, MARCH 31, 2016	\$ 171,045	\$ 172,537	\$ 1,492

This supplementary information shows the Building and Grounds Reserve Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

UTILITIES/DPW FUND

CHARTER TOWNSHIP OF GENOA

UTILITIES/DPW FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash	\$ 387,331
Due from others	22,149
Due from other funds	52,106
Inventory	4,500
Prepaid expenditures	<u>17,100</u>
Total assets	<u><u>\$ 483,186</u></u>

LIABILITIES

Accounts payable	\$ 82,720
Accrued wages	45,702
Due to other funds	<u>227,724</u>
Total liabilities	356,146

FUND BALANCE

	<u>127,040</u>
Total liabilities and fund balance	<u><u>\$ 483,186</u></u>

CHARTER TOWNSHIP OF GENOA

UTILITIES/DPW FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Administration fees	\$ 2,173,841	\$ 2,177,496	\$ 3,655
Construction fees	15,500	29,893	14,393
Miscellaneous	500	25,969	25,469
Total revenues	<u>2,189,841</u>	<u>2,233,358</u>	<u>43,517</u>
EXPENDITURES			
Reimbursements to water-sewer districts	97,573	97,573	
Salaries	1,244,297	1,201,046	43,251
Auto reimbursement/truck expense	91,776	54,305	37,471
Professional services	7,500	8,394	(894)
Other	6,000		6,000
Insurance	349,123	346,565	2,558
Pension	124,374	123,072	1,302
Payroll taxes	96,848	93,705	3,143
Office supplies and postage	12,000	16,599	(4,599)
Computer and software	19,500	77,736	(58,236)
Tools	4,000	6,772	(2,772)
Employee recruiting/professional development	12,775	16,667	(3,892)
Telephone	22,500	20,756	1,744
Uniforms	12,000	11,632	368
Administration	53,000	53,000	
Debt	64,148	64,148	
Credit card fees	20,000	16,091	3,909
GIS consulting	10,000	5,830	4,170
Total expenditures	<u>2,247,414</u>	<u>2,213,891</u>	<u>33,523</u>
Excess of revenues over (under) expenditures	(57,573)	19,467	77,040
OTHER FINANCING (USES)			
Transfers (out)	(40,000)	(40,000)	
Net change in fund balance	(97,573)	(20,533)	77,040
FUND BALANCE, APRIL 1, 2015	<u>147,573</u>	<u>147,573</u>	
FUND BALANCE, MARCH 31, 2016	<u>\$ 50,000</u>	<u>\$ 127,040</u>	<u>\$ 77,040</u>

UTILITIES/DPW RESERVE FUND

CHARTER TOWNSHIP OF GENOA

UTILITIES/DPW RESERVE FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash	\$ 60,094
Due from other funds	<u>40,000</u>
Total assets	<u><u>\$ 100,094</u></u>

FUND BALANCE

Personnel	\$ 32,499
Equipment	<u>67,595</u>
Total fund balance	<u><u>\$ 100,094</u></u>

CHARTER TOWNSHIP OF GENOA

UTILITIES/DPW RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest - banks	\$	\$ 130	\$ 130
EXPENDITURES			
Capital outlay	<u>25,000</u>	<u>25,523</u>	<u>(523)</u>
Excess of revenues over (under) expenditures	(25,000)	(25,393)	(393)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>40,000</u>	<u>40,000</u>	<u></u>
Net change in fund balance	15,000	14,607	(393)
FUND BALANCE, APRIL 1, 2015	<u>85,487</u>	<u>85,487</u>	<u></u>
FUND BALANCE, MARCH 31, 2016	<u><u>\$ 100,487</u></u>	<u><u>\$ 100,094</u></u>	<u><u>\$ (393)</u></u>

DORR ROAD WATER AND SEWER DEBT SERVICE FUND

CHARTER TOWNSHIP OF GENOA

DORR ROAD WATER AND SEWER DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 37,026
Special assessments receivable	<u>105,625</u>

Total assets	<u><u>\$ 142,651</u></u>
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DEFERRED INFLOW OF RESOURCES

Unavailable revenue	\$ 105,625
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FUND BALANCE	<u>37,026</u>
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Total deferred inflow of resources and fund balance	<u><u>\$ 142,651</u></u>
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CHARTER TOWNSHIP OF GENOA

DORR ROAD WATER AND SEWER DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

REVENUES

Special assessments - principal	\$ 21,125
Special assessments - interest	7,339
Interest - banks	<u>4</u>

Total revenues 28,468

EXPENDITURES

Debt - principal	40,000
Debt - interest	13,320
Miscellaneous	<u>750</u>

Total expenditures 54,070

**Excess revenues over (under)
expenditures** (25,602)

OTHER FINANCING SOURCES (USES)

Transfers in	<u>30,000</u>
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Net change in fund balance 4,398

FUND BALANCE, APRIL 1, 2015 32,628

FUND BALANCE, MARCH 31, 2016 \$ 37,026

GRAND OAKS WATER DEBT SERVICE FUND

CHARTER TOWNSHIP OF GENOA
GRAND OAKS WATER DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 139,020
Special assessments receivable	<u>53,150</u>

Total assets	<u><u>\$ 192,170</u></u>
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DEFERRED INFLOW OF RESOURCES

Unavailable revenues	\$ 53,150
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FUND BALANCE

	<u>139,020</u>
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Total deferred inflow of resources and fund balance	<u><u>\$ 192,170</u></u>
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CHARTER TOWNSHIP OF GENOA

GRAND OAKS WATER DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

REVENUES

Special assessments - principal	\$ 17,716
Special assessments - interest	4,103
Interest - banks	235

Total revenues 22,054

EXPENDITURES

Debt - principal	25,000
Debt - interest	4,875
Miscellaneous	350

Total expenditures 30,225

Net change in fund balance (8,171)

FUND BALANCE, APRIL 1, 2015 147,191

FUND BALANCE, MARCH 31, 2016 \$ 139,020

GRAND RIVER ROAD DEBT SERVICE FUND

CHARTER TOWNSHIP OF GENOA
GRAND RIVER ROAD DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 94,808
Special assessments receivable	180,451
Due from County	<u>2,075</u>

Total assets	<u><u>\$ 277,334</u></u>
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LIABILITIES

Due to other funds	\$ 40,000
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DEFERRED INFLOW OF RESOURCES

Unavailable revenue	180,451
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FUND BALANCE

	<u>56,883</u>
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Total liabilities, deferred inflow of resources and fund balance	<u><u>\$ 277,334</u></u>
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CHARTER TOWNSHIP OF GENOA

GRAND RIVER ROAD DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

REVENUES

Special assessments - principal	\$ 60,880
Special assessments - interest	14,777
Interest - banks	<u>10</u>

Total revenues

75,667

EXPENDITURES

Debt - principal	75,000
Debt - interest	16,875
Miscellaneous	<u>1,310</u>

Total expenditures

93,185

Net change in fund balance

(17,518)

FUND BALANCE, APRIL 1, 2015

74,401

FUND BALANCE, MARCH 31, 2016

\$ 56,883

LAKE EDGEWOOD - WEST WATER DEBT SERVICE FUND

CHARTER TOWNSHIP OF GENOA
LAKE EDGEWOOD - WEST WATER DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 410,844
Special assessments receivable	548,678
Due from County	<u>5,833</u>

Total assets	<u><u>\$ 965,355</u></u>
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DEFERRED INFLOW OF RESOURCES

Unavailable revenues	\$ 548,678
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FUND BALANCE

<u>416,677</u>

Total deferred inflow of resources and fund balance	<u><u>\$ 965,355</u></u>
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CHARTER TOWNSHIP OF GENOA

LAKE EDGEWOOD - WEST WATER DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

REVENUES

Special assessments - principal	\$ 139,384
Special assessments - interest	44,550
Interest - banks	354

Total revenues 184,288

EXPENDITURES

Debt - principal	170,000
Debt - interest	52,827
Miscellaneous	493

Total expenditures 223,320

Net change in fund balance (39,032)

FUND BALANCE, APRIL 1, 2015 455,709

FUND BALANCE, MARCH 31, 2016 \$ 416,677

MARION HOWELL OCEOLA GENOA PLANT EXPANSION DEBT SERVICE FUND

CHARTER TOWNSHIP OF GENOA

MARION HOWELL OCEOLA GENOA PLANT EXPANSION DEBT SERVICE FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents

\$ 47,393

FUND BALANCE

\$ 47,393

CHARTER TOWNSHIP OF GENOA

MARION HOWELL OCEOLA GENOA PLANT EXPANSION DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

REVENUES

Interest - banks \$ 140

EXPENDITURES

Debt - principal 110,000

Debt - interest 7,816

Miscellaneous 199

Total expenditures 118,015

Net change in fund balance (117,875)

FUND BALANCE, APRIL 1, 2015 165,268

FUND BALANCE, MARCH 31, 2016 \$ 47,393

GRAND RIVER WATER NEW USER CAPITAL PROJECT FUND

CHARTER TOWNSHIP OF GENOA

GRAND RIVER WATER NEW USER CAPITAL PROJECT FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 1,576,995
Special assessments receivable	110,600
Due from other funds	10,886
Due from other governments	14,257

Total assets \$ 1,712,738

DEFERRED INFLOW OF RESOURCES

Unavailable revenue	110,600
---------------------	---------

FUND BALANCE 1,602,138

Total deferred inflow of resources and fund balance \$ 1,712,738

CHARTER TOWNSHIP OF GENOA

GRAND RIVER WATER NEW USER CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

REVENUES

New user tap - in fees	\$ 35,240
Special assessments - principal	27,650
Special assessments - interest	3,854
Interest - banks	<u>2,494</u>

Total revenues

69,238

EXPENDITURES

Audit, consulting and legal	<u>7,000</u>
-----------------------------	--------------

Net change in fund balance

62,238

FUND BALANCE, APRIL 1, 2015

1,539,900

FUND BALANCE, MARCH 31, 2016

\$ 1,602,138

GENOA-OCEOLA SEWER NEW USER CAPITAL PROJECT FUND

CHARTER TOWNSHIP OF GENOA

GENOA - OCEOLA SEWER NEW USER CAPITAL PROJECT FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 1,797,799
Special assessments receivable	182,926
Other receivables	21,823
Due from other funds	<u>40,000</u>
Total assets	<u><u>\$ 2,042,548</u></u>

DEFERRED INFLOW OF RESOURCES

Unavailable revenue	\$ 182,926
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FUND BALANCE

1,859,622

Total deferred inflow of resources and fund balance	<u><u>\$ 2,042,548</u></u>
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CHARTER TOWNSHIP OF GENOA

GENOA - OCEOLA SEWER NEW USER CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED MARCH 31, 2016

REVENUES

Repayment of advances	\$ 125,348
New user tap - in fees	20,090
Special assessments - principal	35,466
Special assessments - interest	4,619
Interest - banks	3,153
Miscellaneous revenue	3,854
	<hr/>
Total revenues	192,530

EXPENDITURES

Professional services	7,000
Miscellaneous	92
	<hr/>
Total expenditures	7,092

Excess revenues over (under) expenditures 185,438

OTHER FINANCING SOURCES (USES)

Advances to other funds	(300,000)
Transfers (out)	(30,000)
	<hr/>
Total other financing sources (uses)	(330,000)

Net change in fund balance (144,562)

FUND BALANCE, APRIL 1, 2015 2,004,184

FUND BALANCE, MARCH 31, 2016 \$ 1,859,622

OAK POINTE - WATER AND SEWER SYSTEMS FUND

CHARTER TOWNSHIP OF GENOA

**OAK POINTE - WATER AND SEWER SYSTEMS FUND
BALANCE SHEET
MARCH 31, 2016**

CURRENT ASSETS		
Cash and cash equivalents	\$	599,249
Accounts receivable - operations		276,675
Due from others		6,544
Due from other funds		9,514
Inventory		<u>64,500</u>
Total current assets		\$ 956,482
RESTRICTED ASSETS		
Cash and cash equivalents - future improvements		897,631
Cash and cash equivalents - debt service		528,302
Special assessments receivable		246,042
Due from County		<u>45,169</u>
Total restricted assets		1,717,144
PROPERTY, PLANT AND EQUIPMENT		
Land		358,855
Water system		5,136,426
Sewer system		8,946,327
Construction in progress - sewer system		<u>6,338,803</u>
		20,780,411
Less accumulated depreciation		<u>(6,542,859)</u>
Net property, plant and equipment		<u>14,237,552</u>
Total assets		<u><u>\$ 16,911,178</u></u>
CURRENT LIABILITIES		
Accounts payable	\$	25,231
Due to other governments		34,100
Due to other funds		26,896
Unearned revenue		<u>9,600</u>
Total current liabilities		\$ 95,827
CURRENT LIABILITIES (from restricted assets)		
Special assessment bonds - NE Tri-Lakes		190,000
LONG-TERM LIABILITIES (from restricted assets)		
Capital improvement bonds - sewer plant conversion		5,810,000
Bond premium payable - sewer plant conversion		<u>84,439</u>
Total long-term liabilities (from restricted assets)		5,894,439
LONG-TERM LIABILITY (from non-restricted assets)		
Notes payable - other funds		<u>1,207,468</u>
Total liabilities		7,387,734
EQUITY		
Retained earnings		<u>9,523,444</u>
Total liabilities and equity		<u><u>\$ 16,911,178</u></u>

CHARTER TOWNSHIP OF GENOA

**OAK POINTE - WATER AND SEWER SYSTEMS FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2016**

OPERATING REVENUE	
User charges	<u>\$ 1,372,674</u>
OPERATING EXPENSES	
Audit, consulting and legal	6,425
Capital projects	24,322
Chemicals	10,073
Depreciation expense	335,684
Engineering	2,300
Grinder pumps	16,786
Groundwater exceedence expenses	17,120
Insurance	6,878
Labor, equipment and materials	473,960
Laboratory costs	2,106
Licenses, fees and permits	1,940
Meters	950
Miss Dig	595
MXU program	1,712
Office	1,614
Repairs and maintenance	247,796
Sludge disposal	5,129
Supplies and perishable tools	9,722
Sewer treatment - G/O plant	136,485
Telephone	6,427
Utilities - electric	59,811
Utilities - gas	<u>3,797</u>
Total operating expenses	<u>1,371,632</u>
Operating income (loss)	<u>1,042</u>
NON-OPERATING REVENUES AND (EXPENSES)	
Grinder pump reimbursements	56,995
Interest income - special assessments	14,444
Interest income - reserved accounts	3,939
Rental income	19,200
Interest expense - bonds	(190,725)
Bond premium amortization	4,152
Other income	<u>29,696</u>
Total net non-operating revenue (expense)	<u>(62,299)</u>
Net income (loss)	<u>(61,257)</u>
BEGINNING RETAINED EARNINGS	<u>9,584,701</u>
ENDING RETAINED EARNINGS	<u><u>\$ 9,523,444</u></u>

CHARTER TOWNSHIP OF GENOA
OAK POINTE - WATER AND SEWER SYSTEMS FUND
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2016

CASH FLOW FROM (USED IN)		
OPERATING ACTIVITIES		
Receipts from customers	\$ 1,590,097	
Payments to vendors	<u>(1,786,144)</u>	
Net cash from (used in) operating activities		\$ (196,047)
CASH FLOW FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Special assessment collections	34,166	
Interest received from special assessments, reserved accounts, and operations	18,383	
Net other revenue (expense)	105,891	
Loans (to)/from other funds	238,800	
Capital outlay	(1,819,279)	
Interest paid on bonds	(190,725)	
Principal paid on debt	<u>(40,000)</u>	
Net cash from (used in) capital and related financing activities		<u>(1,652,764)</u>
Net decrease in cash and cash equivalents		(1,848,811)
CASH AND CASH EQUIVALENTS AT APRIL 1, 2015		<u>3,873,993</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2016		<u><u>\$ 2,025,182</u></u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES		
Operating income (loss)		\$ 1,042
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities		
Depreciation expense		335,684
Changes in assets and liabilities		
Receivables, net		(18,149)
Payables, net		(708,752)
Due to other funds, net		<u>194,128</u>
Net cash from (used in) operating activities		<u><u>\$ (196,047)</u></u>

CHARTER TOWNSHIP OF GENOA

**OAK POINTE - WATER AND SEWER SYSTEMS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN EQUITY - OPERATIONS FUND ONLY
FOR THE YEAR ENDED MARCH 31, 2016**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
REVENUES			
Billings - operations	\$ 354,830	\$ 661,483	\$ 1,016,313
Billings - debt service		413,674	413,674
Income - other	19,200	7,775	26,975
Trans-in other funds	309,592	12,011	321,603
Total income	<u>683,622</u>	<u>1,094,943</u>	<u>1,778,565</u>
EXPENSES			
Auditing and consulting	2,500	3,100	5,600
Chemicals	9,191	882	10,073
Consent order - ground water sodium		17,120	17,120
Engineering	2,300		2,300
Insurance	2,270	4,608	6,878
Labor, equipment and materials	230,250	243,710	473,960
Laboratory costs	311	1,795	2,106
Licenses fees, permits	1,940		1,940
Meter costs	950		950
Miss Dig expenses	595		595
MXU program	1,712		1,712
Office expenses	1,114		1,114
Project costs	297,743		297,743
Repairs and maintenance	93,363	154,433	247,796
Sludge disposal		5,129	5,129
Telephone	4,749	1,678	6,427
Tools and supplies	5,159	4,563	9,722
Transfers to reserves		25,000	25,000
Transfer to debt service		413,674	413,674
Utilities - electric	22,559	37,252	59,811
Utilities - gas	1,536	2,261	3,797
Sewer treatment - G/O plant		136,485	136,485
Debt	61,200		61,200
Total expenses	<u>739,442</u>	<u>1,051,690</u>	<u>1,791,132</u>
Net revenues over (under) expenses	(55,820)	43,253	(12,567)
BEGINNING EQUITY	<u>112,425</u>	<u>714,580</u>	<u>827,005</u>
ENDING EQUITY	<u>\$ 56,605</u>	<u>\$ 757,833</u>	<u>\$ 814,438</u>

This schedule is prepared to present revenues and expenses related to current operations only (excludes tap-in fees and depreciation) and as such does not present the results of operations on the basis of generally accepted accounting principles but is presented for supplemental information.

LAKE EDGEWOOD - WATER AND SEWER SYSTEMS FUND

CHARTER TOWNSHIP OF GENOA

LAKE EDGEWOOD - WATER AND SEWER SYSTEMS FUND
BALANCE SHEET
MARCH 31, 2016

CURRENT ASSETS

Cash and cash equivalents	\$ 373,654	
Accounts receivable - operations	99,466	
Due from other funds	27,514	
Inventory	<u>10,000</u>	
Total current assets		\$ 510,634

RESTRICTED ASSETS

Cash and cash equivalents - debt service	637,919	
Cash and cash equivalents - future improvements	508,357	
Special assessments receivable	949,507	
Contract receivable - City of Brighton	17,200	
Due from County	<u>10,597</u>	
Total restricted assets		2,123,580

PROPERTY, PLANT AND EQUIPMENT

Land	260,009	
Sewer system	<u>8,035,050</u>	
	8,295,059	
Less accumulated depreciation	<u>(2,856,073)</u>	
Net property, plant and equipment		<u>5,438,986</u>
Total assets		<u><u>\$ 8,073,200</u></u>

CURRENT LIABILITIES

Accounts payable	\$ 24,102	
Due to other funds	<u>9,196</u>	
Total current liabilities		\$ 33,298

CURRENT LIABILITIES (from restricted assets)

Contract payable (Liv. Cty.) - extension of water	25,000	
Contract payable (Liv. Cty.) sewer west extension	<u>265,000</u>	
Total current liabilities (from restricted assets)		290,000

LONG-TERM LIABILITIES (from restricted assets)

Contract payable (Liv. Cty.) - extension of water	30,000	
Contract payable (Liv. Cty.) - sewer west extension	<u>1,060,000</u>	
Total long-term liabilities (from restricted assets)		<u>1,090,000</u>
Total liabilities		1,413,298

EQUITY

Retained earnings		<u>6,659,902</u>
Total liabilities and equity		<u><u>\$ 8,073,200</u></u>

CHARTER TOWNSHIP OF GENOA

**LAKE EDGEWOOD - WATER AND SEWER SYSTEMS FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2016**

OPERATING REVENUE	
User charges	<u>\$ 421,488</u>
OPERATING EXPENSES	
Administration expenses	4,122
Audit, consulting and legal	4,325
Chemicals	6,129
Depreciation expense	174,439
Engineering	3,589
Groundwater exceedence expenses	17,043
Insurance	2,452
Labor, equipment and materials	119,729
Laboratory costs	8,165
Licenses, fees and permits	4,569
Meters	150
Miscellaneous	343
Miss Dig	198
Office	415
Repairs and maintenance	79,495
Sludge disposal	14,771
Supplies and perishable tools	3,669
Telephone	3,610
Utilities - electric	47,703
Utilities - gas	2,347
Utilities - other	2,782
Water purchases	<u>83,086</u>
Total operating expenses	<u>583,131</u>
Operating (loss)	<u>(161,643)</u>
NON-OPERATING REVENUES AND (EXPENSES)	
Tap-in fees	30,232
Interest income - special assessments and reserves	64,115
Interest expense - bonds	(86,781)
Bond fees	(600)
Other income	<u>13,972</u>
Total net non-operating revenues	<u>20,938</u>
Net (loss)	(140,705)
BEGINNING RETAINED EARNINGS	<u>6,800,607</u>
ENDING RETAINED EARNINGS	<u><u>\$ 6,659,902</u></u>

CHARTER TOWNSHIP OF GENOA
LAKE EDGEWOOD - WATER AND SEWER SYSTEMS FUND
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2016

CASH FLOW FROM (USED IN) OPERATING ACTIVITIES		
Cash from users	\$ 555,139	
Cash paid to vendors and other funds	<u>(400,644)</u>	
Net cash from (used in) operating activities		\$ 154,495
CASH FLOW FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Special assessment collections - principal	226,550	
Collections City of Brighton - contract receivables	17,200	
Interest received from special assessments and reserved accounts	64,115	
Tap-in fees received	30,232	
Capital outlay	(126,144)	
Principal paid on debt	(290,000)	
Interest and fees paid on bonds	(87,381)	
Other income	<u>13,972</u>	
Net cash from (used in) capital and related financing activities		<u>(151,456)</u>
Net increase in cash and cash equivalents		3,039
CASH AND CASH EQUIVALENTS AT APRIL 1, 2015		<u>1,516,891</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2016		<u><u>\$ 1,519,930</u></u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES		
Operating (loss)		\$ (161,643)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities		
Depreciation expense		174,439
Change in assets and liabilities		
Receivables, decrease		68,718
Payables, increase		1,337
Due from other funds, decrease		64,933
Due to other funds, increase		<u>6,711</u>
Net cash from (used in) operating activities		<u><u>\$ 154,495</u></u>

CHARTER TOWNSHIP OF GENOA

LAKE EDGEWOOD - WATER AND SEWER SYSTEMS FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN EQUITY - OPERATIONS FUND ONLY
 FOR THE YEAR ENDED MARCH 31, 2016

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
REVENUES			
Billings - operations	\$ 80,897	\$ 340,591	\$ 421,488
Income - other	51	7,651	7,702
Transfer in from DPW fund		5,718	5,718
	<u>80,948</u>	<u>353,960</u>	<u>434,908</u>
EXPENSES			
Auditing, consulting and legal	500	3,000	3,500
Administration - billings/meters	4,122		4,122
Chemicals		6,129	6,129
Consent order - ground water sodium		17,043	17,043
Engineering		3,589	3,589
Insurance		2,452	2,452
Labor, equipment and materials		125,447	125,447
Laboratory costs		8,165	8,165
Licenses, fees, permits		4,569	4,569
Miss Dig		198	198
Meters	150		150
Office	237	178	415
Repairs and maintenance		79,494	79,494
Sludge disposal		14,771	14,771
Telephone		3,610	3,610
Tools and supplies	268	3,400	3,668
Transfers to reserves		5,000	5,000
Utilities - electric		47,703	47,703
Utilities - gas		2,347	2,347
Utilities - other		2,782	2,782
Water purchases	83,087		83,087
	<u>88,364</u>	<u>329,877</u>	<u>418,241</u>
Total expenses	<u>88,364</u>	<u>329,877</u>	<u>418,241</u>
Net revenues over (under) expenses	(7,416)	24,083	16,667
BEGINNING EQUITY	<u>40,026</u>	<u>431,236</u>	<u>471,262</u>
ENDING EQUITY	<u>\$ 32,610</u>	<u>\$ 455,319</u>	<u>\$ 487,929</u>

This schedule is prepared to present revenues and expenses related to current operations only (excludes tap-in fees and depreciation) and as such does not present the results of operations on the basis of generally accepted accounting principles but is presented for supplemental information.

PINE CREEK - WATER AND SEWER SYSTEMS FUND

CHARTER TOWNSHIP OF GENOA
PINE CREEK - WATER AND SEWER SYSTEMS FUND
BALANCE SHEET
MARCH 31, 2016

CURRENT ASSETS

Cash and cash equivalents	\$ 256,870
Accounts receivable - operations	52,279
Due from other funds	7,643
Inventory	<u>8,100</u>

Total assets \$ 324,892

CURRENT LIABILITIES

Accounts payable	\$ 36,032
Due to other funds	<u>51</u>

Total liabilities \$ 36,083

EQUITY

Retained earnings	<u>288,809</u>
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Total liabilities and equity \$ 324,892

CHARTER TOWNSHIP OF GENOA

PINE CREEK - WATER AND SEWER SYSTEMS FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2016

OPERATING REVENUE	
User charges	<u>\$ 239,299</u>
OPERATING EXPENSES	
Water - sewer usage	226,799
Administration	13,872
Professional fees	1,100
Miscellaneous	<u>611</u>
Total operating expenses	<u>242,382</u>
Operating income (loss)	(3,083)
NON-OPERATING REVENUES AND (EXPENSES)	
Other revenue	<u>400</u>
Net income (loss)	(2,683)
BEGINNING RETAINED EARNINGS	<u>291,492</u>
ENDING RETAINED EARNINGS	<u><u>\$ 288,809</u></u>

CHARTER TOWNSHIP OF GENOA
PINE CREEK - WATER AND SEWER SYSTEMS FUND
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2016

CASH FLOW FROM (USED IN) OPERATING ACTIVITIES

Cash from - customers	\$	241,534
Cash paid to vendors, others		<u>(222,755)</u>
Net cash from operating activities	\$	18,779

CASH FLOW FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES

Other income		400
Repayment of loans from other funds		<u>5,490</u>
Net cash flow from capital and related financing activities		<u>5,890</u>

Net increase in cash and cash equivalents 24,669

CASH AND CASH EQUIVALENTS AT APRIL 1, 2015 232,201

CASH AND CASH EQUIVALENTS AT MARCH 31, 2016 \$ 256,870

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES

Operating income (loss)	\$	(3,083)
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities		
Change in assets and liabilities		
Receivables, net		2,235
Payables, net		<u>19,627</u>
Net cash from operating activities	\$	<u><u>18,779</u></u>

DEPOSIT TRUST FUND

CHARTER TOWNSHIP OF GENOA

**DEPOSIT TRUST FUND
BALANCE SHEET
MARCH 31, 2016**

ASSETS

Cash and cash equivalents

\$ 60,435

LIABILITIES

Deposits - escrows

\$ 60,435

CURRENT TAX FUND

CHARTER TOWNSHIP OF GENOA

CURRENT TAX FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	\$ 6,338
Due from others	<u>850</u>

Total assets	<u><u>\$ 7,188</u></u>
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LIABILITIES

Due to other funds	\$ 5,736
Due to others	<u>1,452</u>

Total liabilities	<u><u>\$ 7,188</u></u>
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TRUST AND AGENCY FUND

CHARTER TOWNSHIP OF GENOA

TRUST AND AGENCY FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Cash and cash equivalents	<u>\$ 2,896</u>
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LIABILITIES

Due to other funds	\$ 91
Due to others	<u>2,805</u>

Total liabilities	<u>\$ 2,896</u>
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UTILITY ESCROW FUND

CHARTER TOWNSHIP OF GENOA

UTILITY ESCROW FUND
BALANCE SHEET
MARCH 31, 2016

ASSETS

Due from other funds	<u>\$ 12,119</u>
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LIABILITIES

Due to other funds	\$ 1,406
Due to others	<u>10,713</u>

Total liabilities	<u>\$ 12,119</u>
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