



CASCADE CHARTER TOWNSHIP

KENT COUNTY, MICHIGAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015



Vredeveld Haefner LLC
CPA's

Cascade Charter Township

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Cascade Charter Township

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INDEPENDENT AUDITORS' REPORT

May 19, 2016

Township Board
Cascade Charter Township
Kent County, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cascade Charter Township (the Township), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Township'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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2015, and the respective changes in financial position 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 on pages 3 through 8 and the information on pages 37 through 46 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 Township's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 2015 balances in the combining and individual fund financial statements and schedules 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 2015 balances in the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Uredaxold Haefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of Cascade Charter Township (the Township), we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- The Township's net position increased through 2015 operations by \$1,772,367 (or 4.7%)
- Total expenses of the Township's programs were \$8,624,742.
- Total revenues, including all programs and general revenues, were \$10,397,109.
- At the close of the current year, the Township's governmental funds reported combined ending fund balances of \$20,167,548, an increase of \$1,027,373 from the previous year.
- At the end of the current year, the unassigned fund balance for the General Fund was \$7,929,939, or 179.8% of total General Fund expenditures and transfers out.
- Total long-term debt of the Township decreased by \$783,000 (or 15.6%) during the current year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Cascade Charter Township's financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Township's assets and liabilities, with the difference between the two 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 is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences, accrued interest, etc.).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Township include general government, public safety, public works, community and economic development, culture and recreation, and other township activities. The Township has no business-type activities.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term*

inflows and outflows of spendable resources, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Township maintains thirteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund, fire, police, improvement revolving, library, pathways, inspections, and open space funds which are considered major funds.

Data is combined into a single aggregated presentation for the other governmental funds. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements and schedules*.

The Township adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison schedules have been provided herein to demonstrate compliance with those budgets.

Proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Township has no proprietary funds.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resource of those funds are *not* available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in 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*. This consists of this management discussion and analysis, major fund budgetary schedules, and pension schedules.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets exceeded liabilities and deferred inflows by \$39,199,861 at the close of the most recent fiscal year. A summary of net position is as follows:

	<u>Governmental activities</u>	
	<u>2015</u>	<u>2014</u>
Current and other assets	\$29,824,123	\$28,920,551
Capital assets	20,816,821	20,365,543
Total assets	50,640,944	49,286,094
Deferred outflows of resources - pension	537,044	-
Long-term liabilities outstanding	5,707,980	4,348,938
Other liabilities	1,084,669	1,127,469
Total liabilities	6,792,649	5,476,407

	<u>Governmental activities</u>	
	<u>2015</u>	<u>2014</u>
Deferred inflows of resources-taxes	5,185,478	5,032,539
Net position:		
Net investment in capital assets	16,661,821	15,427,543
Restricted	15,436,358	15,071,170
Unrestricted	7,101,682	8,278,435
Total net position	<u>\$39,199,861</u>	<u>\$38,777,148</u>

A portion of the Township's net position (18 percent) reflects unrestricted net position which is available for future operations while the largest portion of net position is invested in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

The government's net position increased by \$1,772,367 during the current fiscal year.

Changes in Net Position

	<u>Governmental activities</u>	
	<u>2015</u>	<u>2014</u>
Revenue:		
Program revenue:		
Charges for services	\$ 2,369,973	\$ 2,623,363
Operating grants and contributions	94,433	24,500
Capital grants and contributions	4,002	-
General revenue:		
Property taxes	5,405,163	5,532,258
State sources	1,343,931	1,344,065
Intergovernmental	32,870	21,913
Unrestricted investment earnings	250,633	249,616
Other	896,104	834,480
Total revenue	<u>\$10,397,109</u>	<u>\$10,630,195</u>
Expenses:		
General government	\$1,916,278	\$1,535,203
Public safety	4,042,924	3,477,783
Public works	699,363	515,703
Community and economic development	227,592	154,567
Culture and recreation	837,108	846,609
Other township	729,237	405,669
Interest on long-term debt	172,240	196,578
Total expenses	<u>8,624,742</u>	<u>7,132,112</u>
Change in net position	<u>1,772,367</u>	<u>3,498,083</u>
Net position - beginning of year	<u>37,427,494</u>	<u>35,279,065</u>
Net position - end of year	<u>\$39,199,861</u>	<u>\$38,777,148</u>

Net position was reduced by \$1,349,654 at January 1, 2015 for the implementation of GASB Statement Number 68 (pension accounting).

Governmental Activities. During the year the Township invested \$4,042,924 or 47% of governmental activities expenses in public safety. General government expenses amounted to \$1,916,278 or 22% of governmental activities while public works, community and economic development, culture and recreation, interest on long-term debt, and other made up the remaining 31% of governmental activities expenses.

Financial Analysis of the Government's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Township's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Township's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$20,167,548, an increase of \$1,027,373 in comparison with the prior year. Of the \$20,167,548, \$8,527,111 is reported in the general fund.

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7,468,311. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 188% of total general fund expenditures. The fund balance of the Township's general fund increased by \$10,959 during the current fiscal year.

The fire fund is used to account for Fire Department operations of the Township. At the end of the current fiscal year, fund balance was \$2,431,700, an increase of \$139,066 over the prior year. The increase is primarily the result of lower capital purchases than anticipated during the year.

The police fund is used to account for the contract with the County Sheriff Department to provide police protection to the Township. At the end of the current fiscal year, fund balance was \$1,219,182, an increase of \$28,023 over the prior year.

The improvement revolving fund collects connection fees for sewer and water hookups to be used for the construction of extension to the utility systems benefiting Township residents. At the end of the current fiscal year, fund balance was \$1,822,858, an increase of \$641,365 over the prior year. The increase is primarily due to hookup fees received.

The library fund is used to account for the property tax millage and expenditures related to the Township library. At the end of the current fiscal year, fund balance was \$1,903,636, a decrease of \$67,285 over the prior year. The decrease is primarily the result of capital outlay.

The pathways fund is used to account for the property tax millage dedicated to the maintenance, operations and debt service related to the Townships pathway system. At the end of the current fiscal year, fund balance was \$707,925, a decrease of \$50,089 from the prior year. The decrease is due to required debt service principal and interest along with maintenance of the pathways.

The Inspections fund collects inspection (building, mechanical, electrical, plumbing) permits from Cascade Township and other customer community residents to be used for maintaining the operations of the Inspections Department. At the end of the current fiscal year, fund balance was \$2,128,897, an increase of \$330,616 over the prior year. The increase is primarily the result of significant building projects within the Township.

The open space fund is used to account for the property tax millage dedicated to the development of Township parks. At the end of the current fiscal year, fund balance was \$762,814, an increase of \$292,219 from the prior year. The increase is due to accumulating funds for future projects along with a transfer from the open space preservation (Homeyer) fund.

Capital Asset and Debt Administration

Capital assets. The Township's investment in capital assets for its governmental activities as of December 31, 2015, amounted to \$20,816,821 (net of accumulated depreciation).

The Township's capital assets (net of depreciation) are summarized as follows:

	2015	2014
Land	\$ 9,925,955	\$ 9,650,440
Land improvements	3,221,534	2,948,814
Infrastructure	560,000	588,000
Buildings and improvements	5,205,407	5,326,460
Furniture and equipment	456,132	314,466
Vehicles	1,447,793	1,537,363
Total	\$20,816,821	\$20,365,543

Additional information on the Township's capital assets can be found in the footnotes to the financial statements.

Debt. At the end of the current fiscal year, the Township had total debt outstanding as follows:

	2015	2014
Accrued employee benefits	\$ 80,309	\$ 73,938
Bonds payable	4,155,000	4,938,000
Total	\$4,235,309	\$5,011,938

Additional information on the Township's long-term debt can be found in the footnotes to the financial statements.

Budgetary Highlights

Over the course of the year, the Township revised the annual General and Special Revenue Funds operating budgets several times to comply with the Michigan Department of Treasury guidelines. The budget amendments were made to reflect changes in revenues and expenditures as they occurred during the year.

- In the General Fund, the final amended budget estimated a decrease in fund balance of \$392,228, which was lower than the original anticipated increase of \$93,726. The major amendments included:
 - Increase in Cable PEG revenues by \$24,000 to reflect higher PEG fee collections due to new Comcast franchise agreement.
 - Increase in Sewer & Water Implementation Fees of \$49,000 to reflect higher than anticipated water and sewer connections
 - Decrease the Park Donations line by \$150,000 to reflect that we did not receive the pledged Cascade Community Foundation grant.
 - Increase in Building Inspection Interfund Reimbursements of \$35,000 to reflect higher than anticipated building permit revenues.
 - Increase in Road Overlay expenditures of \$120,000 to reflect additional work approved by the Township Board.
 - Decrease the Drain Construction line by \$200,000 to reflect drain projects being moved to the FY 2016 budget
 - Increase the Land Acquisition line by \$278,000 to reflect the purchase of property on Thornapple River Drive, including associated studies.

- Decrease the Capital Outlay Land Improv – Parks line by \$100,000 to reflect the reduction in the scope of the project due to not receiving the pledged Community Foundation grant.
 - Increase in Pension Plan Benefits expenditures of \$307,752 to reflect the Township Board paying down a portion of the MERS DB plan unfunded liability.
- In the Cascade Charter Township Open Space Fund, revenues were increased by \$351,880. A majority of this increase came from the closure of the Homeyer Open Space fund and a transfer of the remaining funds to the CCT Open Space fund. Funds transferred from the Homeyer Fund to the Open Space Fund were committed for the purpose of acquiring open space in the Township in the future.
 - In the Pathway Fund, the final amended budget estimated a decrease in fund balance of \$180,923, which was lower than the original anticipated increase of \$49,546. The major amendments included:
 - Increase in Cap Imp Bond 2005/Principal expenditures by \$120,000 to reflect paying off a callable bond.
 - In the Improvements Revolving Fund, the final amended budget estimated an increase in fund balance of \$596,121, which was significantly higher than the original anticipated increase of \$26,946. The major amendments included:
 - Increase in Hook-Up Fee revenues of \$500,000 to reflect significantly higher water and sewer hook-up charges in the Township.
 - Decrease the Burton/Cascade PV project by \$140,000 to reflect that project being moved to FY 2016.
 - The Homeyer Fund was closed and all remaining funds were transferred to the Open Space Fund. By resolution the Township Board committed these funds for future Open Space acquisition.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Township's budget for the 2016 fiscal year:

- The FY2016 General and Special Funds budget was prepared utilizing identical millage rates from the FY2015 budget.
- For FY 2016, the Township's initial General Fund Budget anticipates a year-end fund balance decrease of \$82,934. The Township continues to see an increase in tax revenue growth (3.55%) and state shared-revenue growth (3.26%). For FY16 the Township budgeted significant capital improvement expenditures including upgrades at the Rec Park (\$300,000) and drain repairs (\$300,000). In addition, the Township initiated a new linehaul bus service in the Township. The 3-year pilot program is budgeted at \$400,000 per year, with 75% of the cost coming from the General Fund and 25% coming from the Downtown Development Authority.
- In the FY 2016 Special Revenue and component funds, all funds will continue to see an increase in fund balance, with the exception of the Open Space fund and the Improvements Revolving Fund. The Open Space fund will see a year-end decrease in fund balance of \$45,614 as part of a planned fund balance draw-down for the payment of debt obligation. The Improvements Revolving Fund will see a decrease in fund balance of \$272,395 from a planned capital improvement project.

Requests for Information

This financial report is designed to provide a general overview of Cascade Charter Township's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Benjamin Swayze, Township Manager, Cascade Charter Township, 2865 Thornhills SE, Grand Rapids, MI 49546-7140, (616) 949-1500, or by email at bswayze@cascadetwp.com.

BASIC FINANCIAL STATEMENTS

CASCADE CHARTER TOWNSHIP

STATEMENT OF NET POSITION

DECEMBER 31, 2015

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Downtown Development Authority</u>
Assets		
Cash and pooled investments	\$ 19,733,236	\$ 619,850
Receivables		
Accounts	2,871,759	14,095
Taxes	2,841,309	166,216
Due from other governments	512,924	14,980
Prepaid items	<u>4,357</u>	<u>-</u>
Total current assets	<u>25,963,585</u>	<u>815,141</u>
Noncurrent assets		
Special assessments receivable	3,860,538	-
Capital assets		
Non-depreciable	9,925,955	59,366
Depreciable capital assets, net	<u>10,890,866</u>	<u>4,986,950</u>
Total noncurrent assets	<u>24,677,359</u>	<u>5,046,316</u>
Total assets	<u>50,640,944</u>	<u>5,861,457</u>
Deferred outflows of resources		
Pension deficit investment returns	<u>537,044</u>	<u>-</u>
Liabilities		
Accounts payable	474,896	319,110
Accrued payroll and benefits	47,754	-
Accrued interest payable	26,019	3,945
Current portion of bonds and notes payable	<u>536,000</u>	<u>91,000</u>
Total current liabilities	<u>1,084,669</u>	<u>414,055</u>
Long-term liabilities		
Compensated absences	80,309	-
Net pension liability	2,008,671	-
Bonds and notes payable	<u>3,619,000</u>	<u>394,000</u>
Total long-term liabilities	<u>5,707,980</u>	<u>394,000</u>
Total liabilities	<u>6,792,649</u>	<u>808,055</u>
Deferred inflows of resources		
Unearned revenue	<u>5,185,478</u>	<u>166,216</u>
Net position		
Net investment in capital assets	16,661,821	4,561,316
Restricted for		
Public safety	5,779,779	-
Public works	6,194,690	-
Culture and recreation	3,374,375	-
Cemetery trust	87,514	-
Unrestricted	<u>7,101,682</u>	<u>325,870</u>
Total net position	<u>\$ 39,199,861</u>	<u>\$ 4,887,186</u>

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General government	\$ 2,543,806	\$ 489,820	\$ 94,340	\$ 4,002	\$ (1,955,644)
Public safety	4,042,924	1,806,956	-	-	(2,235,968)
Public works	699,363	39,485	-	-	(659,878)
Community and economic development	329,301	33,712	-	-	(295,589)
Culture and recreation	837,108	-	93	-	(837,015)
Interest on long-term debt	172,240	-	-	-	(172,240)
Total primary government	\$ 8,624,742	\$ 2,369,973	\$ 94,433	\$ 4,002	\$ (6,156,334)
Component unit					
Downtown Development Authority	\$ 633,723	-	-	-	\$ (633,723)

(Continued)

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Downtown Development Authority</u>
Changes in net position		
Net (expense) revenue	\$ (6,156,334)	\$ (633,723)
General revenues		
Property taxes		
General purpose	1,955,861	-
Specific purpose	3,449,302	546,637
State shared revenues	1,343,931	-
Intergovernmental revenues	32,870	-
Unrestricted interest	250,633	11,842
Miscellaneous	<u>896,104</u>	<u>10,048</u>
Total general revenues and transfers	<u>7,928,701</u>	<u>568,527</u>
Change in net position	1,772,367	(65,196)
Net position, beginning of year, as restated	<u>37,427,494</u>	<u>4,952,382</u>
Net position, end of year	<u>\$ 39,199,861</u>	<u>\$ 4,887,186</u>

(Concluded)

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

**GOVERNMENTAL FUNDS
BALANCE SHEET**

DECEMBER 31, 2015

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Improvement Revolving</u>
Assets				
Cash and pooled investments	\$ 7,897,619	\$ 2,462,772	\$ 1,299,082	\$ 1,802,949
Receivables				
Accounts	1,121,383	843,426	294,249	12,875
Taxes	893,642	1,003,465	350,269	-
Special assessments	-	-	-	3,860,538
Due from other funds	104	-	-	-
Due from other governments	512,924	-	-	-
Prepaid items	1,323	2,229	-	-
Total assets	<u>\$ 10,426,995</u>	<u>\$ 4,311,892</u>	<u>\$ 1,943,600</u>	<u>\$ 5,676,362</u>
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	\$ 275,491	\$ 17,139	\$ 79,900	\$ 5,683
Accrued payroll and benefits	22,913	16,602	-	-
Due to other funds	-	-	-	104
Total liabilities	<u>298,404</u>	<u>33,741</u>	<u>79,900</u>	<u>5,787</u>
Deferred inflows of resources				
Unearned/unavailable revenue	<u>1,601,480</u>	<u>1,846,451</u>	<u>644,518</u>	<u>3,847,717</u>
Fund balances				
Nonspendable				
Prepaid items	1,323	2,229	-	-
Cemetery trust	-	-	-	-
Restricted				
Dedicated millage	-	2,429,471	1,219,182	-
Inspection fees	-	-	-	-
Capital improvements	-	-	-	1,822,858
Committed				
Cemetery trust	-	-	-	-
Unfunded pension liability	499,543	-	-	-
Loss of personal property tax revenues	475,000	-	-	-
Assigned				
Future years expenditures	82,934	-	-	-
Special revenue funds	-	-	-	-
Unassigned	<u>7,468,311</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>8,527,111</u>	<u>2,431,700</u>	<u>1,219,182</u>	<u>1,822,858</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,426,995</u>	<u>\$ 4,311,892</u>	<u>\$ 1,943,600</u>	<u>\$ 5,676,362</u>

The accompanying notes are an integral part of these financial statements.

<u>Library</u>	<u>Pathways</u>	<u>Inspections</u>	<u>Open Space</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 1,945,329	\$ 721,881	\$ 2,160,644	\$ 777,142	\$ 665,818	\$ 19,733,236
96,288	255,406	-	147,402	-	2,771,029
114,432	304,031	-	175,470	-	2,841,309
-	-	-	-	-	3,860,538
-	-	-	-	-	104
-	-	-	-	-	512,924
-	-	805	-	-	4,357
<u>\$ 2,156,049</u>	<u>\$ 1,281,318</u>	<u>\$ 2,161,449</u>	<u>\$ 1,100,014</u>	<u>\$ 665,818</u>	<u>\$ 29,723,497</u>
\$ 41,693	\$ 13,956	\$ 24,313	\$ 14,328	\$ 2,393	\$ 474,896
-	-	8,239	-	-	47,754
-	-	-	-	-	104
<u>41,693</u>	<u>13,956</u>	<u>32,552</u>	<u>14,328</u>	<u>2,393</u>	<u>522,754</u>
<u>210,720</u>	<u>559,437</u>	<u>-</u>	<u>322,872</u>	<u>-</u>	<u>9,033,195</u>
-	-	805	-	-	4,357
-	-	-	-	87,514	87,514
1,903,636	707,925	-	762,814	-	7,023,028
-	-	2,128,092	-	-	2,128,092
-	-	-	-	524,115	2,346,973
-	-	-	-	5,721	5,721
-	-	-	-	-	499,543
-	-	-	-	-	475,000
-	-	-	-	-	82,934
-	-	-	-	46,075	46,075
-	-	-	-	-	7,468,311
<u>1,903,636</u>	<u>707,925</u>	<u>2,128,897</u>	<u>762,814</u>	<u>663,425</u>	<u>20,167,548</u>
<u>\$ 2,156,049</u>	<u>\$ 1,281,318</u>	<u>\$ 2,161,449</u>	<u>\$ 1,100,014</u>	<u>\$ 665,818</u>	<u>\$ 29,723,497</u>

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CASCADE CHARTER TOWNSHIP

RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

DECEMBER 31, 2015

Fund balances - total governmental funds	\$ 20,167,548
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	
Add - land	9,925,955
Add - capital assets (net of accumulated depreciation)	10,890,866
Certain assets are not due and receivable in the current period and therefore are offset with deferred revenue or not included in the funds.	
Add - special assessments deferred receivable	3,847,717
Add - accrued interest receivable	100,730
Deferred outflows reported on the statement of net position are recognized over future periods and therefore are not reported in the funds.	
Add - deferred outflows related to pensions	537,044
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	(80,309)
Deduct - net pension liability	(2,008,671)
Deduct - bonds and notes payable	(4,155,000)
Deduct - accrued interest on bonds and notes payable	(26,019)
Net position of governmental activities	<u>\$ 39,199,861</u>

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Improvement Revolving</u>
Revenues				
Property taxes	\$ 1,955,861	\$ 1,777,046	\$ 620,297	\$ -
Licenses and permits	407,123	-	-	-
State	1,368,616	-	-	-
Local	-	-	-	-
Charges for services	176,694	-	-	-
Interest	209,603	13,093	2,868	19,928
Miscellaneous	159,194	27,122	-	798,217
Total revenues	<u>4,277,091</u>	<u>1,817,261</u>	<u>623,165</u>	<u>818,145</u>
Expenditures				
Current				
General government	1,536,975	-	-	-
Public safety	-	1,852,531	595,142	-
Public works	640,744	-	-	-
Community and economic development	227,592	-	-	-
Culture and recreation	69,198	-	-	-
Other	729,237	-	-	-
Debt service				
Principal	-	-	-	74,000
Interest	-	-	-	5,298
Capital outlay	763,972	225,664	-	97,482
Total expenditures	<u>3,967,718</u>	<u>2,078,195</u>	<u>595,142</u>	<u>176,780</u>
Revenues over (under) expenditures	<u>309,373</u>	<u>(260,934)</u>	<u>28,023</u>	<u>641,365</u>
Other financing sources (uses)				
Transfers in	143,611	400,000	-	-
Transfers out	(442,025)	-	-	-
Total other financing sources (uses)	<u>(298,414)</u>	<u>400,000</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	10,959	139,066	28,023	641,365
Fund balances, beginning of year	<u>8,516,152</u>	<u>2,292,634</u>	<u>1,191,159</u>	<u>1,181,493</u>
Fund balances, end of year	<u>\$ 8,527,111</u>	<u>\$ 2,431,700</u>	<u>\$ 1,219,182</u>	<u>\$ 1,822,858</u>

The accompanying notes are an integral part of these financial statements.

<u>Library</u>	<u>Pathways</u>	<u>Inspections</u>	<u>Open Space</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 202,925	\$ 538,408	\$ -	\$ 310,626	\$ -	\$ 5,405,163
-	-	1,715,417	-	-	2,122,540
-	-	-	-	-	1,368,616
32,870	-	-	-	-	32,870
-	-	-	-	14,620	191,314
1,427	13,021	11,580	347	2,787	274,654
290	-	21	93	6,000	990,937
<u>237,512</u>	<u>551,429</u>	<u>1,727,018</u>	<u>311,066</u>	<u>23,407</u>	<u>10,386,094</u>
-	-	-	-	2,412	1,539,387
-	-	1,227,978	-	377	3,676,028
-	-	-	-	-	640,744
-	-	-	-	-	227,592
177,726	9,583	-	19,125	-	275,632
-	-	-	-	-	729,237
-	504,000	-	-	205,000	783,000
-	23,976	-	-	146,446	175,720
<u>110,735</u>	<u>63,959</u>	<u>41,149</u>	<u>-</u>	<u>8,420</u>	<u>1,311,381</u>
<u>288,461</u>	<u>601,518</u>	<u>1,269,127</u>	<u>19,125</u>	<u>362,655</u>	<u>9,358,721</u>
<u>(50,949)</u>	<u>(50,089)</u>	<u>457,891</u>	<u>291,941</u>	<u>(339,248)</u>	<u>1,027,373</u>
-	-	-	351,724	393,471	1,288,806
<u>(16,336)</u>	<u>-</u>	<u>(127,275)</u>	<u>(351,446)</u>	<u>(351,724)</u>	<u>(1,288,806)</u>
<u>(16,336)</u>	<u>-</u>	<u>(127,275)</u>	<u>278</u>	<u>41,747</u>	<u>-</u>
(67,285)	(50,089)	330,616	292,219	(297,501)	1,027,373
<u>1,970,921</u>	<u>758,014</u>	<u>1,798,281</u>	<u>470,595</u>	<u>960,926</u>	<u>19,140,175</u>
<u>\$ 1,903,636</u>	<u>\$ 707,925</u>	<u>\$ 2,128,897</u>	<u>\$ 762,814</u>	<u>\$ 663,425</u>	<u>\$ 20,167,548</u>

CASCADE CHARTER TOWNSHIP

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

Net changes in fund balances - total governmental funds	\$ 1,027,373
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Amounts reported for *governmental activities* in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Add - capital outlay	1,344,225
Deduct - depreciation expense	(830,447)
Deduct - net book value of disposed capital assets	(62,500)

Special assessments receivable are long-term in nature and are collectable over several years. However the current receipts are reflected as revenues on the fund statements.

Deduct - net decrease in special assessments	(35,820)
--	----------

Interest receivable is recognized when earned in the statement of activities but is reflected as revenue on the fund statement when it is paid.

Add - increase in accrued interest receivable	46,835
---	--------

The additional pension payment is expensed when due on the statement of activities but recognized as a current expenditure on the fund statements

Deduct - decrease in net pension asset	(375,435)
--	-----------

Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Add - principal payments on debt	783,000
----------------------------------	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Deduct - increase in net pension liability	(659,017)
Add - increase in deferred inflows related to pension	537,044
Deduct - increase in compensated absences	(6,371)
Add - decrease in accrued interest	3,480

Change in net position of governmental activities	<u>\$ 1,772,367</u>
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The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP
AGENCY FUNDS
STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2015

	Agency Funds
Assets	
Cash and pooled investments	\$ <u>5,666,776</u>
Liabilities	
Accounts payable	\$ 2,375,003
Escrow deposits	181,267
Due to other governmental units	<u>3,110,506</u>
	<u>\$ 5,666,776</u>
Total liabilities	

The accompanying notes are an integral part of these financial statements.

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CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Cascade Charter Township (the "Township") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

These financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Township's operations, so data from these units are combined with data of the primary government. Discretely presented component units are reported in separate columns in the financial statements to emphasize they are legally separate from the Township.

Blended Component Unit

The Building Authority (the "Authority") serves all the citizens of the Township and is governed by a Board appointed by the Township's Board. The primary purpose of the Authority is to acquire and construct Township public buildings. The Authority issues bonds that are approved by the Township Board, and the legal liability for the Authority's debt remains with the Township. The Authority then leases the assets to the Township to finance the repayment of the bonds. The Authority is reported as a debt service fund.

Discretely Presented Component Unit

The Downtown Development Authority (the "DDA") was created to correct and prevent deterioration in the downtown area and promote economic growth within downtown. The DDA governing body consists of individuals that are appointed by the Township's Board. The Township's Board approves the DDA's budget and has the ability to significantly influence operations of the DDA. Financial statements are not separately issued for the DDA.

This component unit provides services to the businesses located within the district. It is reported in a separate column to emphasize they are legally separate from the Township.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues are reported in total. The Township had no business-type activities. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, except for agency funds which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for state shared revenue and reimbursement-based grants which use a one year collection period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability and claims and judgments, are recorded only when payment is due. Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

The Township reports the following major governmental funds:

The *General Fund* is the general operating fund of the Township. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *Fire Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain the operations and debt service of the Township Fire Department.

The *Police Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain law enforcement activities in the Township.

The *Improvement Revolving Special Revenue Fund* is used to account for a special assessment and fees used to construct and improve the sewer sanitation and water supply systems in the Township.

The *Library Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain operations and debt service of the Township library.

The *Pathways Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain operations and debt service of the Township pedestrian pathways system.

The *Inspections Special Revenue Fund* is used to account for permit fees collected to maintain the operations of the Township inspections department.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

The *Open Space Special Revenue Fund* is used to account for a special tax millage levied by the Township purchase land needed for township park development.

Additionally, the Township reports the following fund types:

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than permanent trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The *Capital Projects Fund* is used for the accumulation and disbursement of resources for the construction of various capital items.

The *Debt Service Fund* is used to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs.

The *Permanent Fund* accounts for fees collected to be used for cemetery improvements.

The *Agency Funds* are used to account for the collection and disbursement of funds that are collected on behalf of outside governments or other parties.

Budgets and Budgetary Accounting

Comparisons to budget are presented for the general and special revenue funds. General and special revenue funds adopt a legal budget with remaining funds maintaining budgets as a management control device. The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Township Manager submits to the Township Board a proposed operating budget for the fiscal year commencing the following January 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted through passage of a resolution.
4. Budgets for the general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets lapse at fiscal year-end.
5. Supplemental appropriations, when required to provide for appropriate expenditures are matched by additional anticipated revenues or an appropriation of available fund balance and must be approved by the Township Board. All appropriations lapse at year-end.

The appropriated budget is prepared by fund, function and department. The legal level of budgetary control is the department level. Supplemental appropriations were made during the year.

Cash and Pooled Investments

The Township's cash and pooled investments are considered to be cash equivalents because the balances are pooled and readily available similar to a demand deposit account.

CASCADE CHARTER TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Investments

Investments are stated at fair value at the balance sheet date.

State statutes and Township policy authorize the Township to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers' acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase that are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Prepaid Items

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, land improvements, infrastructure, buildings and improvements, vehicles, and furniture and equipment, are reported in the in the government-wide financial statements.

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	15-30
Infrastructure	50
Buildings and improvements	25-40
Vehicles	5-20
Furniture and equipment	5-15

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government has items that qualify for reporting in this category related to the net pension liability that is discussed in Note 7.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and governmental activities report unearned revenues from property taxes levied for the following year. Additionally the governmental funds report unavailable revenue related to special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements, the long-term debt and other long-term obligations are reported as liabilities in the statement of net position. For new bond issuances after the implementation of GASB Statement No. 34, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Compensated Absences

Under contracts negotiated with employee groups, individual employees have a vested right to receive payments for unused vacation and sick leave under formulas and conditions specified in the contracts. Accumulated compensated absences of governmental funds are recorded on the statement of net position and not on the governmental fund balance sheets because the balance is not expected to be liquidated with expendable available financial resources.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense; information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position and Fund Balance Reporting

Governmental funds report fund balance in the following five categories:

1. Non-spendable - the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted - the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed - the related assets can only be spent for a specific purpose identified by formal resolution of the governing board.
4. Assigned - the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
5. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications.

Net Position and Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Property Taxes

Township property taxes attach as an enforceable lien on property as of December 1 of each year and are due without penalty on or before February 14. Tax bills include the Township's own property taxes and taxes billed on behalf of other taxing units. Real property taxes not collected as of March 1 are turned over to the county for collection, which advances the Township 100% of the delinquent real property taxes. Collection of delinquent personal property taxes remains the responsibility of the Township Treasurer. The December 1 levy is offset with unearned revenue at the end of the year because it is intended to fund expenditures of the following year.

Interfund Transactions

During the course of normal operations, the Township has numerous transactions between funds. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. Remaining transactions are generally reflected as transfers.

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. During the year ended December 31, 2015, the Township carried commercial insurance to cover risks of losses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

2. STATUTORY COMPLIANCE

Michigan law provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgeted funds have been shown on a departmental basis. The approved budgets of the Township for these budgeted funds were adopted at the department level.

During the year ended December 31, 2015, the Township incurred expenditures in excess of the amount appropriated as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
General government			
Manager	\$104,550	\$105,634	\$ 1,084
Administration	575,053	581,616	6,563
Transfers out	441,500	442,025	525
Improvement Revolving Special Revenue Fund			
Capital outlay	67,325	97,482	30,157

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

3. CASH AND INVESTMENTS

The captions on the financial statements relating to cash and pooled investments and investments are as follows:

	<u>Primary Government</u>	<u>Component Unit</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and pooled investments	\$19,733,236	\$619,850	\$5,666,776	\$26,019,862

The cash and investments making up the above balances are as follows:

Deposits	\$22,587,147
Petty cash	606
Investments	3,432,109
Total	\$26,019,862

The deposits are in financial institutions located in Michigan in varying amounts. State policy limits the Treasurer's investing options to financial institutions located in Michigan, with some exception. All accounts except as noted are in the name of the Township and a specific fund or common account. They are recorded in Township records at fair value. Interest is recorded when earned.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. State law does not require, and the Township does not have, a policy for deposit custodial credit risk. As of year-end, \$16,732,309 of the Township's bank balance of \$22,743,453 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

Investments

The Township chooses to disclose its investments by specifically identifying each. As of year-end, the Township had the following investments:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Investment pool accounts			
Kent County Investment Pool	N/A	3,432,109	Unrated
Total		\$3,432,109	

Investment and deposit risk

Interest Rate Risk. State law and Township policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity date for each investment is identified above for investments held at year-end. There is no stated maturity date for the Township's investment in the Kent County Public Funds Investment Pool identified above.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

At December 31, 2015 the balance of the Kent County Public Funds Investment Pool consisted of the following:

<u>Investment</u>	<u>Percentage of pool total</u>	<u>Maturity in years</u>
Government agency securities	23.4%	0-3
Certificates of deposits	59.3%	0-3
Money market accounts	17.3%	Not applicable

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1, the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and the Township does not have, a policy for investment custodial credit risk. Of the above investments in pools and mutual funds, the Township's custodial credit risk exposure cannot be determined because the mutual funds and the investment pools do not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance</u> <u>January 1,</u> <u>2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31,</u> <u>2015</u>
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 9,650,440	\$ 275,515	\$ -	\$ 9,925,955
Capital assets, being depreciated				
Land improvements	7,533,035	680,528	-	8,213,563
Infrastructure	1,400,000	-	-	1,400,000
Buildings and improvements	8,372,466	99,556	-	8,472,022
Furniture and equipment	1,141,997	243,466	-	1,385,463
Vehicles	2,313,268	45,160	250,000	2,108,428
Total capital assets, being depreciated	20,760,766	1,068,710	250,000	21,579,476
Less accumulated depreciation for				
Land improvements	4,584,221	407,808	-	4,992,029
Infrastructure	812,000	28,000	-	840,000
Buildings and improvements	3,046,006	220,609	-	3,266,615
Furniture and equipment	827,531	101,801	-	929,332
Vehicles	775,905	72,229	187,500	660,634
Total accumulated depreciation	10,045,663	830,447	187,500	10,688,610
Net capital assets, being depreciated	10,715,103	238,263	62,500	10,890,866
Governmental Activities capital assets, net	\$20,365,543	\$513,778	\$ 62,500	\$20,816,821
 Component Unit				
Capital assets, not being depreciated				
Land	\$ 59,366	\$ -	\$ -	\$ 59,366
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	59,366	-	-	59,366
Capital assets being depreciated				
Land improvements	5,663,304	1,750,109	-	7,413,413
Vehicles	46,528	-	-	46,528
Total capital assets, being depreciated	5,709,832	1,750,109	-	7,459,941
Less accumulated depreciation for				
Land improvements	2,139,233	296,534	-	2,435,767
Vehicles	27,918	9,306	-	37,224
Total accumulated depreciation	2,167,151	305,840	-	2,472,991
Net capital assets, being depreciated	3,542,681	1,444,269	-	4,986,950
Component Unit capital assets, net	\$3,602,047	\$1,444,269	\$ -	\$5,046,316

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	\$114,495
Public safety	151,456
Recreation and cultural	564,496
Total depreciation expense - governmental activities	\$830,447

CASCADE CHARTER TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

5. INTERFUND TRANSACTIONS

Transfers in and out for the year are as follows:

Transfers out	Transfers in				Total
	General fund	Fire fund	Open Space fund	Non-major funds	
General fund	\$ -	\$400,000	\$ -	\$ 42,025	\$ 442,025
Library fund	16,336	-	-	-	16,336
Inspections fund	127,275	-	-	-	127,275
Open space fund	-	-	-	351,446	351,446
Non-major funds	-	-	351,724	-	351,724
	\$143,611	\$400,000	\$351,724	\$393,471	\$1,288,806

Transfers are used to (1) move unrestricted revenues collected in the general fund to finance capital and other various programs accounted for in other funds in accordance with budgetary authorizations and (2) move funds as provided for in the budget.

Interfund receivables and payables of individual funds at December 31, 2015 were as follows:

Receivable Fund	Payable Fund
	Improvement Revolving
General fund	\$104

Interfund balances reflect loans made from funds with cash and pooled investments to those funds requiring temporary cash flow

6. LONG-TERM DEBT

The following is a summary of the debt transactions of the Township for the year ended December 31, 2015:

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015	Due Within One Year
Governmental Activities					
\$560,000 General Obligation Bonds of 2005; due in annual installments of \$55,000 to \$60,000 plus interest at 3.65% - 4.10% through Nov. 2017 (called 2015)	\$ 175,000	\$ -	\$175,000	\$ -	\$ -

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Balance January 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2015</u>	<u>Due Within One Year</u>
\$1,285,000 General Obligation Refunding Bonds of 2012; due in annual installments of \$200,000 to \$364,000 plus interest at 1.40-2.05% through Nov. 2017	\$ 963,000	\$ -	\$273,000	\$ 690,000	\$326,000
\$4,430,000 Building Authority Bonds of 2009; due in annual installments of \$195,000 to \$340,000 plus interest at 2.65-4.50% through May 2028	3,670,000	-	205,000	3,465,000	210,000
\$1,205,000 Municipal Purchase Refunding Notes of 2010; due in annual installments of \$130,000 to \$275,000 plus interest at 2.05-2.45% through Nov. 2015	130,000	-	130,000	-	-
Total Long-Term Debt	4,938,000	-	783,000	4,155,000	536,000
Accrued compensated absences	73,938	42,109	35,738	80,309	37,953
Total Governmental Activities	\$5,011,938	\$42,109	\$818,738	\$4,235,309	\$573,953
Component Unit					
Downtown Development Authority					
\$912,000 Development Refunding Notes of 2010; due in annual installments of \$88,000 to \$103,000 plus interest at 1.90-3.65% through Oct. 2020	\$574,000	\$ -	\$89,000	\$485,000	\$91,000

The annual requirements to amortize all debt outstanding (excluding issuance discount, bond issuance, other post-employment benefits and accrued compensated absences) as of December 31, 2015 are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Component Units</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 536,000	\$ 152,702	\$ 91,000	\$ 15,777
2017	579,000	139,496	94,000	13,229
2018	225,000	124,193	97,000	10,362
2019	230,000	115,745	100,000	7,210
2020	240,000	106,575	103,000	3,760
2021-2025	1,370,000	368,663	-	-
2026-2028	975,000	66,520	-	-
Total	\$4,155,000	\$1,073,894	\$485,000	\$50,338

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

7. PENSION PLANS

Defined Benefit Pension Plan

The Township participates in the Municipal Employees Retirement System of Michigan (MERS). 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 publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided

Only full-time employees participate in the plan. Benefits provided include a multiplier of 2.0 times final average compensation with a vesting period of 8 years. Normal retirement age is 60 with early retirement at 55 with 25 years of service with various benefits. Benefits are calculated using final average compensation of 5 years.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are 2.5%.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2014):

Active plan members	35
Inactive employees entitled but not yet receiving benefits	5
Inactive employees or beneficiaries currently receiving benefits	<u>18</u>
Total	<u><u>58</u></u>

Contributions

The Township is required to contribute at an actuarially determined rate, which for the current year was 11.34% of annual covered payroll. Contributions are determined based on participating employees. Participating employees are required to contribute 5.04% percent of gross wages to the Plan. The contribution requirements of the Township are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net Pension Liability

The employer's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of December 31, 2014.

The total pension liability calculated in the December 31, 2014 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 3%-4%

Salary Increases: 4.5% in the long-term (1%, 2% and 3% for calendar years 2014, 2015 and 2016, respectively)

Investment rate of return: 8.0%, net of investment expense, including inflation

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Mortality rates used were based on the 1994 Group Annuity Mortality Table of 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.

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 weighting 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	57.5%	5.02%
Global Fixed Income	20.0%	2.18%
Real Assets	12.5%	4.23%
Diversifying Strategies	10.0%	6.56%

Discount rate. The discount rate used to measure the total pension liability is 8.25%. The projection of cash flows 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 the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balance at 12/31/14	\$8,209,563	\$6,859,910	\$1,349,653
Changes for the Year:			
Service cost	232,044	-	232,044
Interest	672,517	-	672,517
Change in benefits	-	-	-
Change in assumptions	-	-	-
Contributions: employer	-	232,013	(232,013)
Contributions: employee	-	117,128	(117,128)
Net investment Income	-	(105,931)	105,931
Benefit payments, including refunds	(347,736)	(347,736)	-
Administrative expense	-	(15,175)	15,175
Other changes	(17,508)	-	(17,508)
Net changes	539,317	(119,701)	659,018
Balance at 12/31/15	\$8,748,880	\$6,740,209	\$2,008,671

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

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 8.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (7.25%) or 1% higher (9.25%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total Pension Liability	\$9,858,452	\$8,748,880	\$7,829,413
Fiduciary Net Position	6,740,209	6,740,209	6,740,209
Net Pension Liability	<u>\$3,118,243</u>	<u>\$2,008,671</u>	<u>\$1,089,204</u>

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2015 the employer recognized pension expense of \$497,408. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>
Differences in experience	\$ -
Differences in assumptions	-
Excess (deficit) investment returns	537,044
Contributions subsequent to the measurement date	-
Total	<u>\$537,044</u>

* Any amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending 2016.

Amounts reported as deferred outflows of resources from deficit investment returns related to pensions will be recognized in pension expense as follows:

2016	\$134,261
2017	134,261
2018	134,261
2019	134,261
2020	-
Thereafter	-
Total	<u>\$537,044</u>

Defined Contribution Pension Plan

The Township maintains a defined contribution plan administered by an insurance company. The Township contributes 10 percent of each eligible employee's salary to the plan. Employees are also able to make additional voluntary contributions. Plan provision and contribution requirements are established and may be amended by the Board. The Township's contribution for 2015 was \$9,788.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

8. LEASE AGREEMENT

The township renewed an agreement in 2005, which provides for the leasing of the Cascade Dam to a private company for the purpose of generating and selling hydroelectric power. The lease term is fourteen years (through 2018) with an annual base rental of \$70,416 plus an annual maintenance reserve fee of \$5,000 which is collected by the Township General Fund; \$40,000 plus the \$5,000 maintenance reserve fee is set aside each year in the Cascade Dam Major Repair Fund. At December 31, 2015 the Cascade Dam Major Repair Fund has accumulated \$524,115.

9. CONTINGENT LIABILITIES

In the normal course of its operations, the Township has become a party in various legal actions, including property tax appeals. Management of the Township is of the opinion that the outcome of such actions will not have a material effect on the financial position of the Township.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability to the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Township expects such amounts, if any, to be immaterial.

10. PRIOR PERIOD ADJUSTMENT

Beginning net position of the Township's governmental activities was decreased \$1,349,654 to record the net pension liability in accordance with the implementation of *Governmental Accounting Standards Board Statement No. 68*.

REQUIRED SUPPLEMENTARY INFORMATION

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 1,952,032	\$ 1,959,632	\$ 1,955,861	\$ (3,771)
Licenses and permits	362,000	386,000	407,123	21,123
State	1,395,308	1,395,308	1,368,616	(26,692)
Charges for services	99,400	167,400	176,694	9,294
Interest	201,900	208,005	209,603	1,598
Miscellaneous	281,040	142,582	159,194	16,612
Total revenues	<u>4,291,680</u>	<u>4,258,927</u>	<u>4,277,091</u>	<u>18,164</u>
Expenditures				
Current				
General government				
Township board	45,953	46,753	42,906	3,847
Supervisor	31,770	32,270	24,244	8,026
Manager	100,518	104,550	105,634	(1,084)
Clerk	80,520	80,920	77,989	2,931
Treasurer	123,242	124,442	122,053	2,389
Assessor	206,599	210,799	189,997	20,802
Elections	7,300	9,800	8,090	1,710
Buildings and grounds	409,864	422,364	374,888	47,476
Cemetery	24,500	25,250	9,558	15,692
Administration	466,286	575,053	581,616	(6,563)
Public works				
Drains	241,200	63,200	49,146	14,054
Road construction and maintenance	354,000	474,000	434,914	39,086
Street lighting	128,000	128,000	113,704	14,296
Waste collection	54,600	54,600	42,980	11,620
Community and economic development				
Planning commission	238,815	239,215	225,757	13,458
Building and zoning	2,100	2,100	1,835	265
Culture and recreation				
Parks and recreation	80,100	80,100	60,950	19,150
Historical	7,400	9,900	8,248	1,652
Other	424,423	732,675	729,237	3,438
Capital outlay	826,600	926,000	763,972	162,028
Total expenditures	<u>3,853,790</u>	<u>4,341,991</u>	<u>3,967,718</u>	<u>374,273</u>
Revenues over (under) expenditures	<u>437,890</u>	<u>(83,064)</u>	<u>309,373</u>	<u>392,437</u>
Other financing sources (uses)				
Transfers in	97,336	132,336	143,611	11,275
Transfers out	(441,500)	(441,500)	(442,025)	(525)
Total other financing sources (uses)	<u>(344,164)</u>	<u>(309,164)</u>	<u>(298,414)</u>	<u>10,750</u>
Net changes in fund balances	93,726	(392,228)	10,959	403,187
Fund balances, beginning of year	<u>8,516,152</u>	<u>8,516,152</u>	<u>8,516,152</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,609,878</u>	<u>\$ 8,123,924</u>	<u>\$ 8,527,111</u>	<u>\$ 403,187</u>

CASCADE CHARTER TOWNSHIP

FIRE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 1,784,000	\$ 1,790,900	\$ 1,777,046	\$ (13,854)
Interest	15,000	15,000	13,093	(1,907)
Miscellaneous	2,250	28,864	27,122	(1,742)
Total revenues	<u>1,801,250</u>	<u>1,834,764</u>	<u>1,817,261</u>	<u>(17,503)</u>
Expenditures				
Current				
Public safety	1,872,232	1,893,784	1,852,531	41,253
Capital outlay	322,000	325,600	225,664	99,936
Total expenditures	<u>2,194,232</u>	<u>2,219,384</u>	<u>2,078,195</u>	<u>141,189</u>
Revenues over (under) expenditures	(392,982)	(384,620)	(260,934)	123,686
Other financing sources (uses)				
Transfers in	400,000	400,000	400,000	-
Net changes in fund balances	7,018	15,380	139,066	123,686
Fund balances, beginning of year	<u>2,292,634</u>	<u>2,292,634</u>	<u>2,292,634</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,299,652</u>	<u>\$ 2,308,014</u>	<u>\$ 2,431,700</u>	<u>\$ 123,686</u>

CASCADE CHARTER TOWNSHIP

POLICE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 622,200	\$ 625,200	\$ 620,297	\$ (4,903)
Interest	<u>2,000</u>	<u>2,000</u>	<u>2,868</u>	<u>868</u>
Total revenues	624,200	627,200	623,165	(4,035)
Expenditures				
Current				
Public safety	<u>587,165</u>	<u>644,522</u>	<u>595,142</u>	<u>49,380</u>
Net changes in fund balances	37,035	(17,322)	28,023	45,345
Fund balances, beginning of year	<u>1,191,159</u>	<u>1,191,159</u>	<u>1,191,159</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,228,194</u>	<u>\$ 1,173,837</u>	<u>\$ 1,219,182</u>	<u>\$ 45,345</u>

CASCADE CHARTER TOWNSHIP

**IMPROVEMENT REVOLVING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 14,600	\$ 14,600	\$ 19,928	\$ 5,328
Miscellaneous	<u>298,145</u>	<u>728,145</u>	<u>798,217</u>	<u>70,072</u>
Total revenues	<u>312,745</u>	<u>742,745</u>	<u>818,145</u>	<u>75,400</u>
Expenditures				
Debt service				
Principal	74,000	74,000	74,000	-
Interest	5,299	5,299	5,298	1
Capital outlay	<u>206,500</u>	<u>67,325</u>	<u>97,482</u>	<u>(30,157)</u>
Total expenditures	<u>285,799</u>	<u>146,624</u>	<u>176,780</u>	<u>(30,156)</u>
Net changes in fund balances	26,946	596,121	641,365	45,244
Fund balances, beginning of year	<u>1,181,493</u>	<u>1,181,493</u>	<u>1,181,493</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,208,439</u>	<u>\$ 1,777,614</u>	<u>\$ 1,822,858</u>	<u>\$ 45,244</u>

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 203,805	\$ 204,680	\$ 202,925	\$ (1,755)
Local	32,869	32,869	32,870	1
Interest	1,200	1,200	1,427	227
Miscellaneous	-	290	290	-
Total revenues	<u>237,874</u>	<u>239,039</u>	<u>237,512</u>	<u>(1,527)</u>
Expenditures				
Current				
Culture and recreation	188,219	188,219	177,726	10,493
Capital outlay	95,000	114,360	110,735	3,625
Total expenditures	<u>283,219</u>	<u>302,579</u>	<u>288,461</u>	<u>14,118</u>
Revenues over (under) expenditures	(45,345)	(63,540)	(50,949)	12,591
Other financing sources (uses)				
Transfers out	(16,336)	(16,336)	(16,336)	-
Net changes in fund balances	(61,681)	(79,876)	(67,285)	12,591
Fund balances, beginning of year	<u>1,970,921</u>	<u>1,970,921</u>	<u>1,970,921</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,909,240</u>	<u>\$ 1,891,045</u>	<u>\$ 1,903,636</u>	<u>\$ 12,591</u>

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 540,250	\$ 542,650	\$ 538,408	\$ (4,242)
Interest	13,500	13,500	13,021	(479)
Miscellaneous	-	7,934	-	(7,934)
Total revenues	<u>553,750</u>	<u>564,084</u>	<u>551,429</u>	<u>(12,655)</u>
Expenditures				
Current				
Culture and recreation	26,500	26,500	9,583	16,917
Debt service				
Principal	384,000	624,000	504,000	120,000
Interest	23,704	24,507	23,976	531
Capital outlay	<u>70,000</u>	<u>70,000</u>	<u>63,959</u>	<u>6,041</u>
Total expenditures	<u>504,204</u>	<u>745,007</u>	<u>601,518</u>	<u>143,489</u>
Net changes in fund balances	49,546	(180,923)	(50,089)	130,834
Fund balances, beginning of year	<u>758,014</u>	<u>758,014</u>	<u>758,014</u>	<u>-</u>
Fund balances, end of year	<u>\$ 807,560</u>	<u>\$ 577,091</u>	<u>\$ 707,925</u>	<u>\$ 130,834</u>

CASCADE CHARTER TOWNSHIP

INSPECTIONS SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ 1,331,000	\$ 1,578,300	\$ 1,715,417	\$ 137,117
Interest	11,700	11,700	11,580	(120)
Miscellaneous	1,000	1,000	21	(979)
Total revenues	<u>1,343,700</u>	<u>1,591,000</u>	<u>1,727,018</u>	<u>136,018</u>
Expenditures				
Current				
Public safety	1,058,938	1,248,504	1,227,978	20,526
Capital outlay	149,300	66,300	41,149	25,151
Total expenditures	<u>1,208,238</u>	<u>1,314,804</u>	<u>1,269,127</u>	<u>45,677</u>
Revenues over (under) expenditures	135,462	276,196	457,891	181,695
Other financing sources (uses)				
Transfers out	(80,000)	(115,000)	(127,275)	(12,275)
Net changes in fund balances	55,462	161,196	330,616	169,420
Fund balances, beginning of year	<u>1,798,281</u>	<u>1,798,281</u>	<u>1,798,281</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,853,743</u>	<u>\$ 1,959,477</u>	<u>\$ 2,128,897</u>	<u>\$ 169,420</u>

CASCADE CHARTER TOWNSHIP

OPEN SPACE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 312,000	\$ 313,150	\$ 310,626	\$ (2,524)
Interest	400	400	347	(53)
Miscellaneous	1,000	1,000	93	(907)
Total revenues	313,400	314,550	311,066	(3,484)
Expenditures				
Current				
Culture and recreation	18,200	24,200	19,125	5,075
Revenues over (under) expenditures	295,200	290,350	291,941	1,591
Other financing sources (uses)				
Transfers in	-	350,730	351,724	994
Transfers out	(351,447)	(351,447)	(351,446)	1
Total other financing sources (uses)	(351,447)	(717)	278	995
Net changes in fund balances	(56,247)	289,633	292,219	2,586
Fund balances, beginning of year	470,595	470,595	470,595	-
Fund balances, end of year	\$ 414,348	\$ 760,228	\$ 762,814	\$ 2,586

CASCADE CHARTER TOWNSHIP

DEFINED BENEFIT PENSION PLAN SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u>
Total pension liability	
Service cost	\$ 232,044
Interest	672,517
Changes in benefit terms	-
Difference between expected and actual experience	-
Changes in assumptions	-
Benefit payments including employee refunds	(347,736)
Other	<u>(17,508)</u>
Net change in total pension liability	<u>539,317</u>
Total pension liability, beginning of year	<u>8,209,563</u>
Total pension liability, ending of year	<u><u>\$ 8,748,880</u></u>
Plan fiduciary net position	
Contributions-employer	\$ 232,013
Contributions-employee	117,128
Net investment income	(105,931)
Benefit payments including employee refunds	(347,736)
Administrative expense	<u>(15,175)</u>
Net change in plan fiduciary net position	<u>(119,701)</u>
Plan fiduciary net position, beginning of year	<u>6,859,910</u>
Plan fiduciary net position, ending of year	<u><u>\$ 6,740,209</u></u>
Employer net pension liability	<u><u>\$ 2,008,671</u></u>
Plan fiduciary net position as a percentage of the total pension liability	77%
Covered employee payroll	\$ 2,047,653
Employer's net pension liability as a percentage of covered employee payroll	98%

Notes to schedule:

Above data is based on a measurement date of December 31.

CASCADE CHARTER TOWNSHIP
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015
Actuarial determined contributions	\$ 232,013
Contributions in relation to the actuarially determined contribution	232,013
Contribution deficiency (excess)	\$ -
Covered employee payroll	\$ 2,047,653
Contributions as a percentage of covered employee payroll	11.3%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	25 years
Asset valuation method	10 year smoothed
Inflation	3.50%
Salary increases	4.50%
Investment rate of return	8.00%
Retirement age	Varies depending on plan adoption
Mortality	50% female/ 50% male 1994 group annuity mortality table

Note to required supplementary information

Budgets and Budgetary Accounting

The Township adopts annual budgets for the general and special revenue funds fund following the GAAP basis of accounting. Unexpended appropriations lapse at year-end.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CASCADE CHARTER TOWNSHIP

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

DECEMBER 31, 2015

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects</u>	<u>Permanent</u>	
	<u>Cascade Dam Major Repair</u>	<u>Hazmat</u>	<u>Building Authority</u>	<u>Open Space Preservation</u>	<u>Cemetery Perpetual Care</u>	<u>Total</u>
Assets						
Cash and pooled investment:	\$ 524,115	\$ 48,388	\$ -	\$ -	\$ 93,315	\$ 665,818
Total assets	<u>\$ 524,115</u>	<u>\$ 48,388</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,315</u>	<u>\$ 665,818</u>
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ -	\$ 2,313	\$ -	\$ -	\$ 80	\$ 2,393
Total liabilities	<u>-</u>	<u>2,313</u>	<u>-</u>	<u>-</u>	<u>80</u>	<u>2,393</u>
Fund balances						
Nonspendable						
Cemetery trust	-	-	-	-	87,514	87,514
Restricted						
Capital improvements	524,115	-	-	-	-	524,115
Committed						
Cemetery trust	-	-	-	-	5,721	5,721
Assigned						
Special revenue funds:	<u>-</u>	<u>46,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,075</u>
Total fund balances	<u>524,115</u>	<u>46,075</u>	<u>-</u>	<u>-</u>	<u>93,235</u>	<u>663,425</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 524,115</u>	<u>\$ 48,388</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,315</u>	<u>\$ 665,818</u>

CASCADE CHARTER TOWNSHIP
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue Funds		Debt Service Fund	Capital Projects	Permanent	
	Cascade Dam Major Repair	Hazmat	Building Authority	Open Space Preservation	Cemetery Perpetual Care	Total
Revenues						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 14,620	\$ 14,620
Interest	948	195	-	1,598	46	2,787
Miscellaneous	5,000	-	-	1,000	-	6,000
Total revenues	<u>5,948</u>	<u>195</u>	<u>-</u>	<u>2,598</u>	<u>14,666</u>	<u>23,407</u>
Expenditures						
Current						
General government	-	-	-	-	2,412	2,412
Public safety	-	377	-	-	-	377
Debt service						
Principal	-	-	205,000	-	-	205,000
Interest	-	-	146,446	-	-	146,446
Capital outlay	-	8,420	-	-	-	8,420
Total expenditures	<u>-</u>	<u>8,797</u>	<u>351,446</u>	<u>-</u>	<u>2,412</u>	<u>362,655</u>
Revenues over (under) expenditure	<u>5,948</u>	<u>(8,602)</u>	<u>(351,446)</u>	<u>2,598</u>	<u>12,254</u>	<u>(339,248)</u>
Other financing sources (uses)						
Transfers in	40,000	-	351,446	-	2,025	393,471
Transfers out	-	-	-	(351,724)	-	(351,724)
Total other financing sources (uses)	<u>40,000</u>	<u>-</u>	<u>351,446</u>	<u>(351,724)</u>	<u>2,025</u>	<u>41,747</u>
Net changes in fund balances	45,948	(8,602)	-	(349,126)	14,279	(297,501)
Fund balances, beginning of year	<u>478,167</u>	<u>54,677</u>	<u>-</u>	<u>349,126</u>	<u>78,956</u>	<u>960,926</u>
Fund balances, end of year	<u>\$ 524,115</u>	<u>\$ 46,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,235</u>	<u>\$ 663,425</u>

CASCADE CHARTER TOWNSHIP

CASCADE DAM MAJOR REPAIR SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 500	\$ 500	\$ 948	\$ 448
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total revenues	5,500	5,500	5,948	448
Expenditures				
Current				
General government	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>
Revenues over (under) expenditures	<u>(39,500)</u>	<u>(39,500)</u>	<u>5,948</u>	<u>45,448</u>
Other financing sources (uses)				
Transfers in	40,000	40,000	40,000	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net changes in fund balances	500	500	45,948	45,448
Fund balances, beginning of year	<u>478,167</u>	<u>478,167</u>	<u>478,167</u>	<u>-</u>
Fund balances, end of year	<u>\$ 478,667</u>	<u>\$ 478,667</u>	<u>\$ 524,115</u>	<u>\$ 45,448</u>

CASCADE CHARTER TOWNSHIP

HAZMAT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 250	\$ 250	\$ 195	\$ (55)
Expenditures				
Current				
Public safety	5,000	5,000	377	4,623
Capital outlay	4,000	8,745	8,420	325
Total expenditures	<u>9,000</u>	<u>13,745</u>	<u>8,797</u>	<u>4,948</u>
Net changes in fund balances	(8,750)	(13,495)	(8,602)	4,893
Fund balances, beginning of year	<u>54,677</u>	<u>54,677</u>	<u>54,677</u>	<u>-</u>
Fund balances, end of year	<u>\$ 45,927</u>	<u>\$ 41,182</u>	<u>\$ 46,075</u>	<u>\$ 4,893</u>

CASCADE CHARTER TOWNSHIP

GENERAL FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 7,897,619	\$ 7,839,666
Receivables		
Accounts	1,121,383	814,039
Taxes	893,642	882,465
Due from other funds	104	70,333
Due from other governments	512,924	230,671
Prepaid items	<u>1,323</u>	<u>307,752</u>
Total assets	<u>\$ 10,426,995</u>	<u>\$ 10,144,926</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 275,491	\$ 29,623
Accrued payroll and benefits	<u>22,913</u>	<u>16,662</u>
Total liabilities	<u>298,404</u>	<u>46,285</u>
Deferred inflows of resources		
Unearned revenue	<u>1,601,480</u>	<u>1,582,489</u>
Fund balances		
Nonspendable		
Prepaid items	1,323	307,752
Committed		
Unfunded pension liability	499,543	499,543
Loss of personal property tax revenues	475,000	475,000
Assigned		
Future years expenditures	82,934	-
Unassigned	<u>7,468,311</u>	<u>7,233,857</u>
Total fund balances	<u>8,527,111</u>	<u>8,516,152</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,426,995</u>	<u>\$ 10,144,926</u>

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CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Property taxes		
Current property taxes	\$ 1,290,761	\$ 1,253,433
Hydrant rental assessment	39,921	39,922
Street lighting assessment	68,406	69,084
Delinquent property taxes	12,862	7,064
Industrial facilities taxes	12,244	7,139
Interest and penalties on taxes	14,719	11,662
Tax administration fees	516,948	504,991
Total property taxes	<u>1,955,861</u>	<u>1,893,295</u>
Licenses and permits		
Cablevision fees	406,050	383,974
Dog licenses	113	228
Other permits	960	4,785
Total licenses and permits	<u>407,123</u>	<u>388,987</u>
State		
Sales taxes	1,353,482	1,350,287
PA 48/Metro Authority	11,132	12,299
Other state grants	4,002	-
Total state	<u>1,368,616</u>	<u>1,362,586</u>
Charges for services		
Planning and zoning fees	33,712	26,218
Summer tax collection fees	25,533	25,477
P.A. 198 tax application fees	4,000	5,000
Yard waste bag fees	2,177	1,755
Sewer and water implementation fees	73,128	70,698
Grave openings	17,375	16,760
Passport application fees	20,625	15,925
Sale of printed materials	144	230
Total charges for services	<u>176,694</u>	<u>162,063</u>
Interest		
Interest on deposits and investments	41,703	38,107
Rental income	167,900	149,010
Total interest	<u>209,603</u>	<u>187,117</u>
Miscellaneous		
Sale of assets	-	110
Contributions	139,990	47,000
Park income	6,255	8,090
Reimbursements	8,042	6,414
Refunds and rebates	1,895	662
Other	3,012	846
Total miscellaneous	<u>159,194</u>	<u>63,122</u>
Total revenues	<u>\$ 4,277,091</u>	<u>\$ 4,057,170</u>

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Expenditures		
Current		
General government		
Township board		
Personnel services	\$ 22,208	\$ 21,807
Other services and charges	20,698	16,405
Total township board	<u>42,906</u>	<u>38,212</u>
Supervisor		
Personnel services	8,104	13,720
Other services and charges	14,923	19,957
Capital outlay	1,217	326
Total supervisor	<u>24,244</u>	<u>34,003</u>
Manager		
Personnel services	103,220	142,118
Other services and charges	2,414	1,728
Total manager	<u>105,634</u>	<u>143,846</u>
Clerk		
Personnel services	74,268	71,726
Other services and charges	3,721	1,738
Total clerk	<u>77,989</u>	<u>73,464</u>
Treasurer		
Personnel services	113,548	111,406
Other services and charges	6,881	4,370
Capital outlay	1,624	135
Total treasurer	<u>122,053</u>	<u>115,911</u>
Assessor		
Personnel services	172,826	177,208
Supplies	389	260
Other services and charges	16,405	12,074
Capital outlay	377	89
Total assessor	<u>189,997</u>	<u>189,631</u>
Elections		
Personnel services	5,793	19,065
Supplies	610	1,628
Other services and charges	1,687	3,311
Total elections	<u>8,090</u>	<u>24,004</u>
Buildings and grounds		
Personnel services	219,493	163,710
Supplies	1,530	1,167
Other services and charges	150,945	154,389
Capital outlay	2,920	158
Total buildings and grounds	<u>374,888</u>	<u>319,424</u>
Cemetery		
Other services and charges	<u>9,558</u>	<u>2,184</u>
Administration		
Personnel services	60,010	58,533
Supplies	22,689	25,153
Other services and charges	497,576	338,589
Capital outlay	1,341	359
Total administration	<u>581,616</u>	<u>422,634</u>
Total general government	<u>1,536,975</u>	<u>1,363,313</u>

(Continued)

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Public works		
Drains		
Other services and charges	\$ 6,564	\$ 5,341
Capital outlay	<u>42,582</u>	<u>25,551</u>
Total drains	<u>49,146</u>	<u>30,892</u>
Road construction and maintenance		
Capital outlay	<u>434,914</u>	<u>194,934</u>
Street lighting		
Other services and charges	112,985	116,073
Capital outlay	<u>719</u>	<u>2,549</u>
Total street lighting	<u>113,704</u>	<u>118,622</u>
Hydrant rental		
Other services and charges	<u>-</u>	<u>39,760</u>
Waste collection		
Other services and charges	<u>42,980</u>	<u>55,392</u>
Total public works	<u>640,744</u>	<u>439,600</u>
Community and economic development		
Planning commission		
Personnel services	193,265	121,266
Supplies	274	153
Other services and charges	<u>32,218</u>	<u>31,853</u>
Total planning commission	<u>225,757</u>	<u>153,272</u>
Building and zoning		
Personnel services	<u>1,835</u>	<u>1,295</u>
Total community and economic development	<u>227,592</u>	<u>154,567</u>
Culture and recreation		
Parks and recreation		
Supplies	3,395	2,019
Other services and charges	57,555	42,035
Capital outlay	<u>-</u>	<u>800</u>
Total parks and recreation	<u>60,950</u>	<u>44,854</u>
Historical		
Supplies	5,000	2,000
Other services and charges	<u>3,248</u>	<u>4,177</u>
Total historical	<u>8,248</u>	<u>6,177</u>
Total culture and recreation	<u>69,198</u>	<u>51,031</u>
Other		
Employee benefits	627,528	675,560
Transportation services	<u>101,709</u>	<u>105,544</u>
Total other	<u>729,237</u>	<u>781,104</u>
Capital outlay	<u>763,972</u>	<u>78,483</u>
Total expenditures	<u>\$ 3,967,718</u>	<u>\$ 2,868,098</u>

(Concluded)

CASCADE CHARTER TOWNSHIP

FIRE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 2,462,772	\$ 2,559,054
Receivables		
Accounts	843,426	821,135
Taxes	1,003,465	956,305
Prepaid items	<u>2,229</u>	<u>-</u>
Total assets	<u>\$ 4,311,892</u>	<u>\$ 4,336,494</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 17,139	\$ 259,260
Accrued payroll and benefits	<u>16,602</u>	<u>7,160</u>
Total liabilities	<u>33,741</u>	<u>266,420</u>
Deferred inflows of resources		
Unearned revenue	<u>1,846,451</u>	<u>1,777,440</u>
Fund balances		
Nonspendable		
Prepaid items	2,229	-
Restricted		
Dedicated millage	<u>2,429,471</u>	<u>2,292,634</u>
Total fund balances	<u>2,431,700</u>	<u>2,292,638</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,311,892</u>	<u>\$ 4,336,494</u>

CASCADE CHARTER TOWNSHIP

**FIRE SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Property taxes		
Current property taxes	\$ 1,747,247	\$ 1,696,718
Delinquent property taxes	12,866	8,004
Industrial facilities taxes	16,574	9,664
Interest and penalties on taxes	359	457
Total property taxes	<u>1,777,046</u>	<u>1,714,843</u>
Interest	13,093	26,247
Miscellaneous		
Other	26,392	58
Donations	730	1,000
Total miscellaneous	<u>27,122</u>	<u>1,058</u>
Total revenues	<u>1,817,261</u>	<u>1,742,148</u>
Expenditures		
Current		
Public safety		
Fire department		
Personnel services	1,624,902	1,549,019
Supplies	50,089	43,506
Other services and charges	177,540	159,121
Total public safety	<u>1,852,531</u>	<u>1,751,646</u>
Capital outlay	<u>225,664</u>	<u>471,222</u>
Total expenditures	<u>2,078,195</u>	<u>2,222,868</u>
Revenues over (under) expenditures	<u>(260,934)</u>	<u>(480,720)</u>
Other financing sources (uses)		
Transfers in	400,000	400,000
Transfers out	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>400,000</u>	<u>400,000</u>
Net changes in fund balances	139,066	(80,720)
Fund balances, beginning of year	<u>2,292,634</u>	<u>2,373,354</u>
Fund balances, end of year	<u>\$ 2,431,700</u>	<u>\$ 2,292,634</u>

CASCADE CHARTER TOWNSHIP

POLICE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 1,299,082	\$ 1,268,842
Receivables		
Accounts	294,249	286,621
Taxes	<u>350,269</u>	<u>333,807</u>
Total assets	<u>\$ 1,943,600</u>	<u>\$ 1,889,270</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 79,900</u>	<u>\$ 77,683</u>
Deferred inflows of resources		
Unearned revenue	<u>644,518</u>	<u>620,428</u>
Fund balances		
Restricted		
Dedicated millage	<u>1,219,182</u>	<u>1,191,159</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,943,600</u>	<u>\$ 1,889,270</u>

CASCADE CHARTER TOWNSHIP

POLICE SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Property taxes		
Current property taxes	\$ 609,888	\$ 592,249
Delinquent property taxes	4,499	2,794
Industrial facilities taxes	5,785	3,373
Interest and penalties on taxes	<u>125</u>	<u>159</u>
Total property taxes	620,297	598,575
Interest	<u>2,868</u>	<u>1,754</u>
Total revenues	<u>623,165</u>	<u>600,329</u>
Expenditures		
Current		
Public safety		
Law enforcement		
Other services and charges	<u>595,142</u>	<u>599,635</u>
Net changes in fund balances	28,023	694
Fund balances, beginning of year	<u>1,191,159</u>	<u>1,190,465</u>
Fund balances, end of year	<u>\$ 1,219,182</u>	<u>\$ 1,191,159</u>

CASCADE CHARTER TOWNSHIP

IMPROVEMENT REVOLVING SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 1,802,949	\$ 1,217,731
Receivables		
Accounts	12,875	34,020
Special assessments	<u>3,860,538</u>	<u>3,883,537</u>
Total assets	<u>\$ 5,676,362</u>	<u>\$ 5,135,288</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 5,683	\$ -
Due to other funds	<u>104</u>	<u>70,258</u>
Total liabilities	<u>5,787</u>	<u>70,258</u>
Deferred inflows of resources		
Unavailable revenue	<u>3,847,717</u>	<u>3,883,537</u>
Fund balances		
Restricted		
Water and sewer improvements	<u>1,822,858</u>	<u>1,181,493</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,676,362</u>	<u>\$ 5,135,288</u>

CASCADE CHARTER TOWNSHIP

IMPROVEMENT REVOLVING SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Interest		
Interest on deposits	\$ 11,515	\$ 244,850
Interest on special assessments	8,413	4,056
Total interest	<u>19,928</u>	<u>6,506</u>
Miscellaneous		
Special assessments	67,977	84,262
Hookup fees	730,240	702,581
Total miscellaneous	<u>798,217</u>	<u>786,843</u>
Total revenues	<u>818,145</u>	<u>793,349</u>
Expenditures		
Debt service		
Principal	74,000	261,000
Interest and fees	5,298	13,775
Total debt service	<u>79,298</u>	<u>274,775</u>
Capital outlay	<u>97,482</u>	<u>147,495</u>
Total expenditures	<u>176,780</u>	<u>422,270</u>
Revenues over (under) expenditures	<u>641,365</u>	<u>371,079</u>
Other financing sources (uses)		
Transfers in	-	-
Transfers out	-	(1,129)
Total other financing sources (uses)	<u>-</u>	<u>(1,129)</u>
Net changes in fund balances	641,365	369,950
Fund balances, beginning of year	<u>1,181,493</u>	<u>811,543</u>
Fund balances, end of year	<u>\$ 1,822,858</u>	<u>\$ 1,181,493</u>

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 1,945,329	\$ 1,973,106
Receivables		
Accounts	96,288	93,796
Taxes	<u>114,432</u>	<u>109,054</u>
Total assets	<u>\$ 2,156,049</u>	<u>\$ 2,175,956</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 41,693</u>	<u>\$ 2,185</u>
Deferred inflows of resources		
Unearned revenue	<u>210,720</u>	<u>202,850</u>
Fund balances		
Restricted		
Dedicated millage	<u>1,903,636</u>	<u>1,970,921</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,156,049</u>	<u>\$ 2,175,956</u>

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Property taxes		
Current property taxes	\$ 199,407	\$ 500,780
Delinquent property taxes	1,586	2,362
Industrial facilities taxes	1,890	2,852
Interest and penalties on taxes	42	135
Total property taxes	<u>202,925</u>	<u>506,129</u>
Local	32,870	21,913
Interest	1,427	28,077
Miscellaneous		
Donations	<u>290</u>	<u>431</u>
Total revenues	<u>237,512</u>	<u>556,550</u>
Expenditures		
Current		
Recreation and cultural		
Library		
Supplies	5,594	4,395
Other services and charges	172,132	164,126
Total recreation and cultural	<u>177,726</u>	<u>168,521</u>
Capital outlay	<u>110,735</u>	<u>1,257</u>
Total expenditures	<u>288,461</u>	<u>169,778</u>
Revenues over (under) expenditures	<u>(50,949)</u>	<u>386,772</u>
Other financing sources (uses)		
Transfers in	-	-
Transfers out	<u>(16,336)</u>	<u>(16,336)</u>
Total other financing sources (uses)	<u>(16,336)</u>	<u>(16,336)</u>
Net changes in fund balances	(67,285)	370,436
Fund balances, beginning of year	<u>1,970,921</u>	<u>1,600,485</u>
Fund balances, end of year	<u>\$ 1,903,636</u>	<u>\$ 1,970,921</u>

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 721,881	\$ 758,525
Receivables		
Accounts	255,406	248,785
Taxes	<u>304,031</u>	<u>289,743</u>
Total assets	<u>\$ 1,281,318</u>	<u>\$ 1,297,053</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 13,956</u>	<u>\$ 511</u>
Deferred inflows of resources		
Unearned revenue	<u>559,437</u>	<u>538,528</u>
Fund balances		
Restricted		
Dedicated millage	<u>707,925</u>	<u>758,014</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,281,318</u>	<u>\$ 1,297,053</u>

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Property taxes		
Current property taxes	\$ 529,379	\$ 514,068
Delinquent property taxes	3,898	2,425
Industrial facilities taxes	5,022	2,928
Interest and penalties on taxes	109	138
Total property taxes	<u>538,408</u>	<u>519,559</u>
Interest	<u>13,021</u>	<u>1,578</u>
Total revenues	<u>551,429</u>	<u>521,137</u>
Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Supplies	6,584	3,626
Other services and charges	2,999	9,300
Total recreation and cultural	<u>9,583</u>	<u>12,926</u>
Debt service		
Principal	504,000	456,000
Interest and fees	23,976	33,060
Total debt service	<u>527,976</u>	<u>489,060</u>
Capital outlay	<u>63,959</u>	<u>54,436</u>
Total expenditures	<u>601,518</u>	<u>556,422</u>
Net changes in fund balances	(50,089)	(35,285)
Fund balances, beginning of year	<u>758,014</u>	<u>793,299</u>
Fund balances, end of year	<u>\$ 707,925</u>	<u>\$ 758,014</u>

CASCADE CHARTER TOWNSHIP

**INSPECTIONS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 2,160,644	\$ 1,678,855
Prepaid items	<u>805</u>	<u>153,876</u>
Total assets	<u>\$ 2,161,449</u>	<u>\$ 1,832,731</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 24,313	\$ 26,469
Accrued payroll and benefits	8,239	7,906
Due to other funds	<u>-</u>	<u>75</u>
Total liabilities	<u>32,552</u>	<u>34,450</u>
Fund balances		
Nonspendable		
Prepaid items	805	153,876
Restricted		
Inspections	<u>2,128,092</u>	<u>1,644,405</u>
Total fund balances	<u>2,128,897</u>	<u>1,798,281</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,161,449</u>	<u>\$ 1,832,731</u>

CASCADE CHARTER TOWNSHIP

INSPECTIONS SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Licenses and permits		
Building permits	\$ 352,152	\$ 280,834
Electrical permits	105,856	81,232
Mechanical permits	116,960	99,061
Plumbing permits	61,509	53,549
Permits - other townships	961,346	972,806
Plan reviews	110,484	92,861
Contractor registration fees	7,110	9,895
Total licenses and permits	<u>1,715,417</u>	<u>1,590,238</u>
Interest	11,580	1,248
Miscellaneous	<u>21</u>	<u>2,026</u>
Total revenues	<u>1,727,018</u>	<u>1,593,512</u>
Expenditures		
Current		
Public safety		
Inspections		
Personnel services	927,500	688,832
Supplies	8,913	18,056
Other services and charges	291,565	279,368
Total public safety	<u>1,227,978</u>	<u>986,256</u>
Capital outlay	<u>41,149</u>	<u>6,053</u>
Total expenditures	<u>1,269,127</u>	<u>992,309</u>
Revenues over (under) expenditures	<u>457,891</u>	<u>601,203</u>
Other financing sources (uses)		
Transfers out	<u>(127,275)</u>	<u>(102,920)</u>
Net changes in fund balances	330,616	498,283
Fund balances, beginning of year	<u>1,798,281</u>	<u>1,299,998</u>
Fund balances, end of year	<u>\$ 2,128,897</u>	<u>\$ 1,798,281</u>

CASCADE CHARTER TOWNSHIP

**OPEN SPACE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 777,142	\$ 478,106
Receivables		
Accounts	147,402	143,582
Taxes	<u>175,470</u>	<u>167,222</u>
Total assets	<u>\$ 1,100,014</u>	<u>\$ 788,910</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 14,328</u>	<u>\$ 7,511</u>
Deferred inflows of resources		
Unearned revenue	<u>322,872</u>	<u>310,804</u>
Fund balances		
Restricted		
Dedicated millage	<u>762,814</u>	<u>470,595</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,100,014</u>	<u>\$ 788,910</u>

CASCADE CHARTER TOWNSHIP
OPEN SPACE SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Property taxes		
Current property taxes	\$ 305,524	\$ 296,687
Delinquent property taxes	2,141	1,400
Industrial facilities taxes	2,898	1,690
Interest and penalties on taxes	63	80
 Total property taxes	 310,626	 299,857
 Interest	 347	 6,183
Miscellaneous	93	-
 Total revenues	 311,066	 306,040
 Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Other services and charges	19,125	14,048
 Total expenditures	 19,125	 14,048
 Revenues over (under) expenditures	 291,941	 291,992
 Other financing sources (uses)		
Transfers in	351,724	-
Transfers out	(351,446)	(347,105)
 Total other financing sources (uses)	 278	 (347,105)
 Net changes in fund balances	 292,219	 (55,113)
 Fund balances, beginning of year	 470,595	 525,708
 Fund balances, end of year	 \$ 762,814	 \$ 470,595

CASCADE CHARTER TOWNSHIP

**CASCADE DAM MAJOR REPAIR SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 524,115	\$ 478,167
Due from other funds	<u>-</u>	<u>-</u>
Total assets	<u>\$ 524,115</u>	<u>\$ 478,167</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ <u>-</u>	\$ <u>-</u>
Deferred inflows of resources		
Unearned revenue	<u>-</u>	<u>-</u>
Fund balances		
Committed		
Dam repairs	<u>524,115</u>	<u>478,167</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 524,115</u>	<u>\$ 478,167</u>

CASCADE CHARTER TOWNSHIP

**CASCADE DAM MAJOR REPAIR SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Interest	\$ 948	\$ 8,023
Miscellaneous	5,000	5,000
Total revenues	<u>5,948</u>	<u>13,023</u>
Other financing sources (uses)		
Transfers in	<u>40,000</u>	<u>40,000</u>
Net changes in fund balances	45,948	53,023
Fund balances, beginning of year	<u>478,167</u>	<u>425,144</u>
Fund balances, end of year	<u>\$ 524,115</u>	<u>\$ 478,167</u>

CASCADE CHARTER TOWNSHIP

**HAZMAT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 48,388	\$ 54,677
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 2,313	\$ -
Deferred inflows of resources		
Unearned revenue	-	-
Fund balances		
Restricted HAZMAT	46,075	54,677
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 48,388</u>	<u>\$ 54,677</u>

CASCADE CHARTER TOWNSHIP

**HAZMAT SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Interest	\$ 195	\$ 221
Expenditures		
Current		
Public safety		
HAZMAT		
Other services and charges	377	-
Capital outlay	<u>8,420</u>	<u>1,457</u>
Total expenditures	<u>8,797</u>	<u>1,457</u>
Net changes in fund balances	(8,602)	(1,236)
Fund balances, beginning of year	<u>54,677</u>	<u>55,913</u>
Fund balances, end of year	<u>\$ 46,075</u>	<u>\$ 54,677</u>

CASCADE CHARTER TOWNSHIP

**BUILDING AUTHORITY DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ -	\$ -
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Deferred inflows of resources		
Unearned revenue	-	-
Fund balances		
Assigned		
Debt service	-	-
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ -

CASCADE CHARTER TOWNSHIP

**BUILDING AUTHORITY DEBT SERVICE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Expenditures		
Debt service		
Principal	205,000	195,000
Interest and fees	<u>146,446</u>	<u>152,105</u>
Total expenditures	<u>351,446</u>	<u>347,105</u>
Revenues over (under) expenditures	<u>(351,446)</u>	<u>(347,105)</u>
Other financing sources (uses)		
Transfers in	351,446	347,105
Transfers out	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>351,446</u>	<u>347,105</u>
Net changes in fund balances	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

**OPEN SPACE PRESERVATION CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ -	\$ 349,126
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Deferred inflows of resources		
Unearned revenue	-	-
Fund balances		
Restricted		
Capital projects	-	349,126
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 349,126</u>

CASCADE CHARTER TOWNSHIP

OPEN SPACE PRESERVATION CAPITAL PROJECTS FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Interest	\$ 1,598	\$ 1,735
Miscellaneous Contributions	<u>1,000</u>	<u>500</u>
Total revenues	2,598	2,235
Other financing sources (uses)		
Transfers out	<u>(351,724)</u>	<u>-</u>
Net changes in fund balances	(349,126)	2,235
Fund balances, beginning of year	<u>349,126</u>	<u>346,891</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 349,126</u>

CASCADE CHARTER TOWNSHIP

CEMETERY PERPETUAL CARE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and pooled investments	\$ 93,315	\$ 78,956
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 80	\$ -
Deferred inflows of resources		
Unearned revenue	-	-
Fund balances		
Nonspendable		
Cemetery trust	87,514	72,894
Committed		
Cemetery trust	5,721	6,062
Total fund balances	<u>93,235</u>	<u>78,956</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 93,315</u>	<u>\$ 78,956</u>

CASCADE CHARTER TOWNSHIP

**CEMETERY PERPETUAL CARE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Charges for services		
Cemetery care fees	\$ 14,620	\$ 120
Interest	<u>46</u>	<u>149</u>
Total revenues	14,666	269
Expenditures		
Current		
General government		
Cemetery	<u>2,412</u>	<u>1,337</u>
Revenues over (under) expenditures	12,254	(1,068)
Other financing sources (uses)		
Transfers in	<u>2,025</u>	<u>2,250</u>
Net changes in fund balances	14,279	1,182
Fund balances, beginning of year	<u>78,956</u>	<u>77,774</u>
Fund balances, end of year	<u>\$ 93,235</u>	<u>\$ 78,956</u>

CASCADE CHARTER TOWNSHIP
AGENCY FUNDS
STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2015

	Trust and Agency Fund	Tax Collection Fund	Total
Assets			
Cash and pooled investments	\$ 181,828	\$ 5,484,948	\$ 5,666,776
Liabilities			
Accounts payable	\$ 561	\$ 2,374,442	\$ 2,375,003
Escrow deposits	181,267	-	181,267
Due to other governments	-	3,110,506	3,110,506
Total liabilities	\$ 181,828	\$ 5,484,948	\$ 5,666,776

CASCADE CHARTER TOWNSHIP

**AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Trust and agency fund</u>			
	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
Assets				
Cash and pooled investments	\$ 163,234	\$ 149,844	\$ 131,250	\$ 181,828
Liabilities				
Accounts payable	\$ 2,801	\$ 128,976	\$ 131,216	\$ 561
Escrow deposits	160,433	66,826	45,992	181,267
Total liabilities	\$ 163,234	\$ 195,802	\$ 177,208	\$ 181,828

	<u>Tax collection fund</u>			
Assets				
Cash and pooled investments	\$ 5,234,070	\$ 52,138,041	\$ 51,887,163	\$ 5,484,948
Liabilities				
Accounts payable	\$ 2,332,470	\$ 5,838,968	\$ 5,796,996	\$ 2,374,442
Due to other governments	2,901,600	46,504,271	46,295,365	3,110,506
Total liabilities	\$ 5,234,070	\$ 52,343,239	\$ 52,092,361	\$ 5,484,948

	<u>Total agency funds</u>			
Assets				
Cash and pooled investments	\$ 5,397,304	\$ 52,287,885	\$ 52,018,413	\$ 5,666,776
Liabilities				
Accounts payable	\$ 2,335,271	\$ 5,967,944	\$ 5,928,212	\$ 2,375,003
Escrow deposits	160,433	66,826	45,992	181,267
Due to other governments	2,901,600	46,504,271	46,295,365	3,110,506
Total liabilities	\$ 5,397,304	\$ 52,539,041	\$ 52,269,569	\$ 5,666,776

CASCADE CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET/STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Governmental		Statement
	Fund Type		of
	General		Net Position
	Fund	Adjustments	
Assets			
Cash and pooled investments	\$ 619,850	\$ -	\$ 619,850
Receivables			
Accounts	14,095	-	14,095
Taxes	166,216	-	166,216
Due from other governments	14,980	-	14,980
Capital assets			
Non-depreciable	-	59,366	59,366
Depreciable capital assets, net	-	4,986,950	4,986,950
Total assets	\$ 815,141	\$ 5,046,316	\$ 5,861,457
Liabilities, deferred inflows of resources and fund balance			
Liabilities			
Accounts payable	\$ 319,110	\$ -	319,110
Accrued interest payable	-	3,945	3,945
Bonds and notes payable - current portion	-	91,000	91,000
Bonds and notes payable	-	394,000	394,000
Total liabilities	319,110	488,945	808,055
Deferred inflows of resources			
Unearned revenue	166,216	-	166,216
Fund balance			
Unassigned	329,815	\$ (329,815)	-
Total liabilities, deferred inflows of resources and fund balance	\$ 815,141		
Net position			
Net investment in capital assets			4,561,316
Unrestricted			325,870
Total net position			\$ 4,887,186
Reconciliation of fund balances to net position:			
Fund balance of governmental fund			\$ 329,815
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds			
Add - land			59,366
Add - capital assets (net of accumulated depreciation)			4,986,950
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Deduct - debt payable			(485,000)
Deduct - accrued interest on debt payable			(3,945)
Net position of governmental activities			\$ 4,887,186

CASCADE CHARTER TOWNSHIP

**DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED DECEMBER 31, 2015

	Governmental Fund Type		Statement of Activities
	General Fund	Adjustments	
Revenues			
Taxes	\$ 546,637	\$ -	\$ 546,637
Investment earnings	11,842	-	11,842
Miscellaneous	<u>10,048</u>	<u>-</u>	<u>10,048</u>
Total revenues	<u>568,527</u>	<u>-</u>	<u>568,527</u>
Expenditures			
Current			
General government	2,060,578	(1,444,269)	616,309
Debt service			
Principal	89,000	(89,000)	-
Interest	<u>17,958</u>	<u>(544)</u>	<u>17,414</u>
Total expenditures	<u>2,167,536</u>	<u>(1,533,813)</u>	<u>633,723</u>
Net changes in fund balance	(1,599,009)		
Change in net position			(65,196)
Fund balance/net position, beginning of year	<u>1,928,824</u>		<u>4,952,382</u>
Fund balance/net position, end of year	<u>\$ 329,815</u>		<u>\$ 4,887,186</u>
Reconciliation of change in fund balances to change in net position			
Net change in fund balance of governmental fund			\$ (1,599,009)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.			
Add - capital outlay			1,750,109
Deduct - depreciation expense			(305,840)
Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position.			
Add - principal payments on debt			89,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.			
Add - decrease in accrued interest			<u>544</u>
Change in net position of governmental activities			<u>\$ (65,196)</u>