

**Charter Township of Oakland
Oakland County, Michigan**

**Financial Report
with Supplemental Information
March 31, 2015**

Charter Township of Oakland

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Independent Auditor's Report

To the Township Board of Trustees
Charter Township of Oakland

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Oakland (the "Township") as of and for the year ended March 31, 2015 and the related notes to the financial statements, which collectively comprise the Charter Township of Oakland'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 an opinion 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 opinion.

To the Township Board of Trustees
Charter Township of Oakland

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Oakland as of March 31, 2015 and the respective changes in its financial position and, where applicable, cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedules, as identified in the table of contents, 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, which 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 supplemental 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 an opinion on the financial statements that collectively comprise the Charter Township of Oakland's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates 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 other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plante & Moran, PLLC

August 5, 2015

Charter Township of Oakland

Management's Discussion and Analysis

Overview of the Financial Statements

The Charter Township of Oakland's (the "Township") 2015 annual report is presented in conformity with the requirements of GASB Statement No. 34. This annual report consists of four parts - management's discussion and analysis, the basic financial statements, required supplemental information, and other supplemental information, which presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the Township. The first two statements are government-wide financial statements that provide both long- and short-term information about the Township's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the Township's government, reporting the Township's operations in more detail than the government-wide statements.

Government-wide Statements

The government-wide statements report information about the Township as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid (full accrual).

The two government-wide statements report the Township's net position and how it has changed. Net position, the difference between the Township's assets and liabilities, is one way to measure the Township's financial health.

The government-wide financial statements of the Township are divided into two categories:

- **Governmental Activities** - Most of the Township's basic services are included here, such as public safety, public works, and general administration. Property taxes, state-shared revenue, and charges for services provide most of the funding.
- **Business-type Activities** - The Township charges fees to customers to help it cover the costs of certain services it provides. The Township's water and sewer system and building inspection services are treated as business-type activities. Not all water-related activity is recorded by the Township as the majority of the system is owned by Oakland County.

Fund Financial Statements

The fund financial statements provide more detailed information about the Township's most significant funds - not the Township as a whole. Funds are accounting devices the Township uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law and bond covenants. The Township board establishes other funds to control and manage money for particular purposes.

Charter Township of Oakland

Management's Discussion and Analysis (Continued)

The Township has three types of funds:

Governmental Funds - Most of the Township's basic services are included in governmental funds, which focus on how cash and other financial assets that can readily be converted to cash flow in and out, and the balances left at year end that are available for spending. The governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs.

Proprietary Funds - Services for which the Township charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide statements, provide both long-term and short-term financial information.

Fiduciary Funds - The Township is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Township's fiduciary activities are reported in a separate statement of net position. We exclude these activities from the Township's government-wide financial statements because the Township cannot use these assets to finance its operations.

Financial Overview

The Township has total net position of \$57.3 million, comprised of \$39.0 million from governmental activities and \$18.3 million from business-type activities. In a condensed format, the table below shows a comparison of the net position as of the current date to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Assets						
Other assets	\$ 17,154,362	\$ 18,319,044	\$ 15,560,132	\$ 11,428,079	\$ 32,714,494	\$ 29,747,123
Capital assets	<u>24,351,014</u>	<u>24,138,969</u>	<u>8,914,062</u>	<u>9,694,156</u>	<u>33,265,076</u>	<u>33,833,125</u>
Total assets	41,505,376	42,458,013	24,474,194	21,122,235	65,979,570	63,580,248
Liabilities						
Current liabilities	693,757	864,833	5,309,469	723,861	6,003,226	1,588,694
Long-term liabilities	<u>2,987,845</u>	<u>2,608,282</u>	<u>1,302,276</u>	<u>2,045,788</u>	<u>4,290,121</u>	<u>4,654,070</u>
Total liabilities	<u>3,681,602</u>	<u>3,473,115</u>	<u>6,611,745</u>	<u>2,769,649</u>	<u>10,293,347</u>	<u>6,242,764</u>
Net Position						
Net investment in capital assets	21,531,014	21,703,969	7,611,786	7,648,368	29,142,800	29,352,337
Restricted	11,005,020	11,076,832	-	-	11,005,020	11,076,832
Unrestricted	<u>5,287,740</u>	<u>6,204,097</u>	<u>10,250,663</u>	<u>10,704,218</u>	<u>15,538,403</u>	<u>16,908,315</u>
Total net position	<u>\$ 37,823,774</u>	<u>\$ 38,984,898</u>	<u>\$ 17,862,449</u>	<u>\$ 18,352,586</u>	<u>\$ 55,686,223</u>	<u>\$ 57,337,484</u>

The Township experienced increases in the net position of the governmental activities and business-type activities as revenue exceeded expenses.

Charter Township of Oakland

Management's Discussion and Analysis (Continued)

Governmental Activities

The following table shows the changes in net position compared to the prior year for the governmental activities:

	Governmental Activities			
	2014	2015	Change	Percent Change
Revenue				
Program revenue:				
Charges for services	\$ 363,659	\$ 394,855	\$ 31,196	9%
Operating grants	254,112	117,216	(136,896)	-54%
Capital grants	-	129,593	129,593	0%
General revenue:				
Property taxes	6,613,003	6,805,281	192,278	3%
State-shared revenue	1,539,509	1,336,643	(202,866)	-13%
Investment income	105,056	115,326	10,270	10%
Cable franchise fees	323,038	438,717	115,679	36%
Other revenue	79,831	59,188	(20,643)	-26%
Gain on sale of capital assets	-	2,447	2,447	0%
Total revenue	<u>9,278,208</u>	<u>9,399,266</u>	<u>121,058</u>	<u>1%</u>
Program Expenses				
General government	1,779,739	1,380,232	(399,507)	-22%
Public safety	3,283,731	3,655,656	371,925	11%
Public works	327,924	281,555	(46,369)	-14%
Community and economic development	199,633	266,290	66,657	33%
Recreation and culture	2,365,235	2,557,598	192,363	8%
Interest on long-term debt	<u>151,357</u>	<u>96,811</u>	<u>(54,546)</u>	<u>-36%</u>
Total expenses	<u>8,107,619</u>	<u>8,238,142</u>	<u>130,523</u>	<u>1.6%</u>
Change in Net Position	<u>\$ 1,170,589</u>	<u>\$ 1,161,124</u>	<u>\$ (9,465)</u>	<u>-1%</u>

Revenue for governmental activities totaled \$9.4 million in 2015. A total of \$6.8 million, or approximately 72 percent, of all revenue received by the Township was in the form of property tax collections. Property taxes as a whole increased 3 percent in 2015 due to an increase in taxable values, despite a reduction in the general fund operating millage of approximately 20 percent. The decrease in state-shared revenue and increase in cable franchise fees is the result of changing the method for accruing fiscal year-end revenues in both the prior and current fiscal years. Actual revenues for these items were consistent with the prior fiscal year.

Charter Township of Oakland

Management's Discussion and Analysis (Continued)

While governmental activities revenue increased by approximately \$121,000, expenses increased by approximately \$131,000. The decrease in general government expenditures is attributable to asset disposals recorded in the prior fiscal year, a decrease in the amount accrued for compensated absences, and a reduction in general fund expenditures for amounts reimbursed by the building department for administrative expenses. Increases in public safety expenditures are primarily due to an increase in fire department payroll and payroll-related expenditures, as well as an increase in contracted police services from Oakland County. Increases in recreation and culture are primarily due to increases in professional services within the parks and land preservation funds.

Business-type Activities

The following table shows the changes in net position compared to the prior year for the business-type activities:

	Business-type Activities			Percent Change
	2014	2015	Change	
Operating revenue	\$ 1,703,075	\$ 2,016,586	\$ 313,511	18%
Operating expenses other than depreciation	1,112,474	1,697,579	585,105	53%
Depreciation and amortization	<u>293,137</u>	<u>266,027</u>	<u>(27,110)</u>	-9%
Operating gain	297,464	52,980	(244,484)	-82%
Interest income	77,238	117,133	39,895	52%
Interest expense	(27,876)	(17,716)	10,160	-36%
Debt service charges and other nonoperating revenue	404,236	217,656	(186,580)	-46%
Other nonoperating expenses	(85,850)	(117,182)	(31,332)	36%
Capital grants and contributions	<u>323,746</u>	<u>237,266</u>	<u>(86,480)</u>	-27%
Change in Net Position	<u>\$ 988,958</u>	<u>\$ 490,137</u>	<u>\$ (498,821)</u>	-50%

Net income for the business-type activities decreased by \$499,000 from the prior year, mostly attributable to the building department activities. Permit revenues were \$275,000 lower in the current fiscal year while expenses were \$163,000 higher primarily due to an increase in allocated administrative expenses

Charter Township of Oakland

Management's Discussion and Analysis (Continued)

Current Economic Events

While much of southeastern Michigan is slowly climbing out of the historic slump in property values, Oakland Township realized a \$55 million increase in taxable values in fiscal year 2015 as compared to the previous year. For fiscal year 2016, taxable values have increased another \$86 million. Accelerating property values, along with new housing starts, continue to provide the Township with a steady stream of revenue. With a healthy General Fund balance, minimal debt, and no legacy costs, the Township is in an excellent economic position to: 1) maintain and improve services to its residents; 2) assess and meet its capital needs going forward; and 3) provide appropriate staffing levels within its departments. In recent years, these conditions have allowed the Township to advance refund a portion of its debt and lower its operating millage to essentially achieve revenue neutrality within the General Fund budget.

Aside from services provided through the General Fund millage, Oakland Township, through additional voter-approved millages, provides fire, police, senior citizen, safety path, trail system, parks, land preservation, library, and historic district preservation services and activities. The current economic outlook, combined with the excellent fiscal health of the Township, has once again earned the Township a "AAA" bond rating by Standard & Poor's credit rating agency, thus enabling the Township to maintain its exceptional quality of life for its residents.

Financial Analysis of Township Funds and Budgets

The General Fund ended 2015 with a total fund balance of \$6.0 million, representing an increase of \$639,000 from the previous year, with \$5.0 million being in unassigned fund balance. Total General Fund revenues exceeded the amended budget by \$14,000 or 0.5 percent. Property taxes were \$171,000 below budget due to the previously mentioned millage decrease. Cable franchise fees were \$119,000 above budget due to a change in accruing revenue at fiscal year end. Total expenditures before transfers were under the amended budget by \$506,000 or 20 percent. Assessing services were \$87,000 above budget, again due to year end accruals. Actual amounts paid to Oakland County Equalization for assessing services were consistent with the prior year. A number of public works and other capital expenditures were not started or completed at fiscal year end contributing to favorable budget variances of \$338,508 and \$114,020, respectively. These items were subsequently reappropriated in the fiscal year 2016 budget.

Besides the General Fund, the Township reports budgetary comparison schedules for each of its other major special revenue funds, those being: the Fire Fund, Police Fund, and Parks Fund. Both the Fire and Police Funds were in line with their amended budgets. The Parks Fund reported a favorable budget variance of \$939,000 due primarily to \$738,000 of capital items not being completed by the conclusion of the fiscal year.

Charter Township of Oakland

Management's Discussion and Analysis (Continued)

Capital Assets and Debt

At the end of 2015, the Township's governmental activities had approximately \$24.1 million of capital assets, net of depreciation, invested in buildings, land improvements, information technology, equipment, and vehicles. The governmental activities reported \$725,000 of additions for the year, with major acquisitions being for refurbishing two ambulances and the purchase of 26 self-contained breathing units for the fire department. The business-type activities reported approximately \$9.7 million of capital assets, net of depreciation, primarily invested in infrastructure assets. The business-type activities report \$1.0 million of additions for the year, almost exclusively due to the ongoing Oakland Macomb Interceptor Drainage project.

General obligation debt of \$2,435,000 is recorded as a liability on the governmental activities statement of net position. Debt relating to the Oakland Macomb Interceptor Drainage sewer system totaling \$2.0 million is recorded as a liability on the business-type activities statement of net position.

For more information on capital assets and debt, please see Notes 3 and 5, respectively.

Contact Us

This report is intended to aid our residents and other interested parties in understanding the Township's financial condition. Should you have further questions, we welcome you to contact the clerk's office.

Charter Township of Oakland

Statement of Net Position March 31, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments (Note 2)	\$ 17,547,987	\$ 10,874,373	\$ 28,422,360
Receivables:			
Property taxes receivable	213,370	-	213,370
Receivables from sales to customers on account	-	216,795	216,795
Accrued interest receivable	10,124	17,707	27,831
Other receivables	153,778	190,775	344,553
Due from other governmental units	337,110	5,640	342,750
Prepaid expenses and other assets	56,675	8,578	65,253
Restricted assets (Note 1)	-	114,211	114,211
Capital assets (Note 3):			
Assets not subject to depreciation	17,109,795	1,829,035	18,938,830
Assets subject to depreciation	7,029,174	7,865,121	14,894,295
Total assets	42,458,013	21,122,235	63,580,248
Liabilities			
Accounts payable	363,957	34,704	398,661
Due to other governmental units	20,328	129,155	149,483
Refundable deposits, bonds, etc.	299,252	247,650	546,902
Accrued liabilities and other	181,296	312,352	493,648
Noncurrent liabilities (Note 5):			
Due within one year	442,761	109,212	551,973
Due in more than one year	2,165,521	1,936,576	4,102,097
Total liabilities	3,473,115	2,769,649	6,242,764
Net Position			
Net investment in capital assets	21,703,969	7,648,368	29,352,337
Restricted for:			
Lake assessments	31,872	-	31,872
Police	3,252,735	-	3,252,735
Fire	1,008,722	-	1,008,722
Debt service	1,576	-	1,576
Cable	94,103	-	94,103
Parks	2,291,509	-	2,291,509
Trails	1,701,624	-	1,701,624
Older Persons' Commission	7,936	-	7,936
Historic District Commission	505,565	-	505,565
Library	864,444	-	864,444
OPC transportation	3,059	-	3,059
Land preservation	1,313,735	-	1,313,735
Unrestricted	6,204,049	10,704,218	16,908,267
Total net position	\$ 38,984,898	\$ 18,352,586	\$ 57,337,484

Charter Township of Oakland

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 1,380,232	\$ 69,541	\$ -	\$ -
Public safety	3,655,656	222,337	-	129,593
Public works	281,555	-	79,208	-
Community and economic development	266,290	-	3,331	-
Recreation and culture	2,557,598	102,977	34,677	-
Interest on long-term debt	96,811	-	-	-
Total governmental activities	8,238,142	394,855	117,216	129,593
Business-type activities:				
Sewer Fund	1,380,707	1,269,792	-	237,266
Water Fund	51,118	51,190	-	-
Building	666,679	913,260	-	-
Total business-type activities	2,098,504	2,234,242	-	237,266
Total primary government	\$ 10,336,646	\$ 2,629,097	\$ 117,216	\$ 366,859

General revenue:
 Property taxes
 State-shared revenue
 Investment income
 Cable franchise fees
 Other miscellaneous income
 Gain on sale of capital assets

Total general revenues

Change in Net Position

Net Position - Beginning of year

Net Position - End of year

**Statement of Activities
Year Ended March 31, 2015**

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (1,310,691)	\$ -	\$ (1,310,691)
(3,303,726)	-	(3,303,726)
(202,347)	-	(202,347)
(262,959)	-	(262,959)
(2,419,944)	-	(2,419,944)
(96,811)	-	(96,811)
(7,596,478)	-	(7,596,478)
-	126,351	126,351
-	72	72
-	246,581	246,581
-	373,004	373,004
(7,596,478)	373,004	(7,223,474)
6,805,281	-	6,805,281
1,336,643	-	1,336,643
115,326	117,133	232,459
438,717	-	438,717
59,188	-	59,188
2,447	-	2,447
8,757,602	117,133	8,874,735
1,161,124	490,137	1,651,261
37,823,774	17,862,449	55,686,223
\$ 38,984,898	\$ 18,352,586	\$ 57,337,484

Charter Township of Oakland

	General Fund	Fire Fund	Police Fund
Assets			
Cash and investments (Note 2)	\$ 6,132,946	\$ 1,423,822	\$ 3,358,984
Receivables:			
Property taxes receivable	25,682	34,013	60,018
Accrued interest receivable	6,051	-	1,526
Other receivables	113,317	40,461	-
Due from other governmental units	311,610	-	-
Prepaid expenses and other assets	22,159	26,683	48
	<u>6,611,765</u>	<u>1,524,979</u>	<u>3,420,576</u>
Total assets	\$ 6,611,765	\$ 1,524,979	\$ 3,420,576
Liabilities			
Accounts payable	\$ 138,246	\$ 16,474	\$ 167,467
Due to other governmental units	9,467	-	-
Refundable deposits, bonds, etc.	299,252	-	-
Accrued liabilities and other	42,247	87,526	374
	<u>489,212</u>	<u>104,000</u>	<u>167,841</u>
Total liabilities	489,212	104,000	167,841
Deferred Inflows of Resources -			
Unavailable revenue	120,543	-	-
Fund Balances			
Nonspendable - Prepaid expenses	22,159	26,683	48
Restricted:			
Lake assessments	31,872	-	-
Police	-	-	3,252,687
Fire	-	982,039	-
Debt service	-	-	-
Cable	94,103	-	-
Parks	-	-	-
Trails	-	-	-
Older Persons' Commission	-	-	-
Historic District Commission	-	-	-
Library	-	-	-
OPC transportation	-	-	-
Land preservation	-	-	-
Committed:			
Revenues for subsequent year	462,757	-	-
Fire	-	412,257	-
Assigned:			
Roads	169,000	-	-
Beautification	22,492	-	-
Bike path	181,109	-	-
Unassigned	5,018,518	-	-
	<u>6,002,010</u>	<u>1,420,979</u>	<u>3,252,735</u>
Total fund balances	6,002,010	1,420,979	3,252,735
Total liabilities, deferred inflows of resources, and fund balances	\$ 6,611,765	\$ 1,524,979	\$ 3,420,576

The Notes to Financial Statements are an Integral Part of this Statement.

**Governmental Funds
Balance Sheet
March 31, 2015**

<u>Parks Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
\$ 2,291,436	\$ 4,340,799	\$ 17,547,987
25,508	68,149	213,370
1,101	1,446	10,124
-	-	153,778
-	25,500	337,110
<u>5,409</u>	<u>2,376</u>	<u>56,675</u>
<u>\$ 2,323,454</u>	<u>\$ 4,438,270</u>	<u>\$ 18,319,044</u>
\$ 18,038	\$ 23,732	\$ 363,957
-	10,861	20,328
-	-	299,252
<u>13,907</u>	<u>5,738</u>	<u>149,792</u>
31,945	40,331	833,329
-	25,500	146,043
5,409	2,376	56,675
-	-	31,872
-	-	3,252,687
-	-	982,039
-	1,576	1,576
-	-	94,103
2,286,100	-	2,286,100
-	1,701,624	1,701,624
-	7,936	7,936
-	505,565	505,565
-	864,444	864,444
-	3,059	3,059
-	1,285,859	1,285,859
-	-	462,757
-	-	412,257
-	-	169,000
-	-	22,492
-	-	181,109
-	-	5,018,518
<u>2,291,509</u>	<u>4,372,439</u>	<u>17,339,672</u>
<u>\$ 2,323,454</u>	<u>\$ 4,438,270</u>	<u>\$ 18,319,044</u>

Charter Township of Oakland

Governmental Funds Reconciliation of the Balance Sheet to the Statement of Net Position March 31, 2015

Fund Balance Reported in Governmental Funds	\$ 17,339,672
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	24,138,969
Certain receivables were earned during the current fiscal year but are not available to pay for current year expenditures	146,043
Bonds payable are not due and payable in the current period and are not reported in the funds	(2,435,000)
Accrued interest is not due and payable in the current period and is not reported in the funds	(31,504)
Employee compensated absences are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities	<u>(173,282)</u>
Net Position of Governmental Activities	<u>\$ 38,984,898</u>

Charter Township of Oakland

	General Fund	Fire Fund	Police Fund
Revenue			
Property taxes	\$ 694,135	\$ 1,107,496	\$ 1,954,216
Licenses and permits	1,769	-	-
Federal grants	3,331	129,593	-
State-shared revenue and grants	1,343,851	-	-
Charges for services	176,669	222,337	-
Fines and forfeitures	36,103	-	-
Investment income	31,117	10,894	28,872
Rental income	24,000	-	-
Other revenue:			
Special assessments	79,208	-	-
Cable franchise fees	438,717	-	-
Other miscellaneous income	36,246	-	6,199
Total revenue	2,865,146	1,470,320	1,989,287
Expenditures			
Current:			
General government	1,269,567	-	-
Public safety	-	1,405,034	1,984,198
Public works	113,512	-	-
Community and economic development	266,290	-	-
Recreation and culture	-	-	-
Other functions - Fringe benefits, insurance, and bonds	187,434	-	-
Capital outlay	141,980	452,514	5,880
Debt service	-	-	-
Total expenditures	1,978,783	1,857,548	1,990,078
Excess of Revenue Over (Under) Expenditures	886,363	(387,228)	(791)
Other Financing Sources (Uses)			
Proceeds from sale of capital assets	2,447	-	-
Transfers in (Note 4)	-	250,000	-
Transfers out (Note 4)	(250,000)	-	-
Total other financing (uses) sources	(247,553)	250,000	-
Net Change in Fund Balances	638,810	(137,228)	(791)
Fund Balances - Beginning of year	5,363,200	1,558,207	3,253,526
Fund Balances - End of year	\$ 6,002,010	\$ 1,420,979	\$ 3,252,735

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances
Year Ended March 31, 2015

Parks Fund	Nonmajor Funds	Total
\$ 830,586	\$ 2,218,848	\$ 6,805,281
-	-	1,769
-	-	132,924
-	-	1,343,851
73,147	-	472,153
-	-	36,103
18,529	25,914	115,326
-	5,830	29,830
-	-	79,208
-	-	438,717
788	1,612	44,845
923,050	2,252,204	9,500,007
-	-	1,269,567
-	-	3,389,232
-	-	113,512
-	-	266,290
747,972	1,416,001	2,163,973
-	-	187,434
44,906	33,561	678,841
77,560	408,743	486,303
870,438	1,858,305	8,555,152
52,612	393,899	944,855
-	-	2,447
-	-	250,000
-	-	(250,000)
-	-	2,447
52,612	393,899	947,302
2,238,897	3,978,540	16,392,370
\$ 2,291,509	\$ 4,372,439	\$ 17,339,672

Charter Township of Oakland

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended March 31, 2015

Net Change in Fund Balances - Total Governmental Funds \$ 947,302

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, these costs are allocated over their estimated useful lives as depreciation:

Capital outlay	724,741
Depreciation expense	(874,471)
Net book value of assets disposed of	(62,315)

Revenues are recorded in the statement of activities when earned; they are not reported in the funds until collected or collectible within 60 days of year end	41,812
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Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	385,000
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Change in accrued interest payable and other	4,492
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Increase in accumulated employee sick and vacation pay reported in the statement of activities does not require the use of current resources, and therefore is not reported in the fund statements until it comes due for payment	<u>(5,437)</u>
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Change in Net Position of Governmental Activities **\$ 1,161,124**

Charter Township of Oakland

Proprietary Funds Statement of Net Position March 31, 2015

	Enterprise Funds			
	Water Fund	Sewer Fund	Building Fund	Total
Assets				
Current assets:				
Cash and investments (Note 2)	\$ 601,031	\$ 7,648,197	\$ 2,625,145	\$ 10,874,373
Receivables:				
Receivables from sales to customers on account	-	216,795	-	216,795
Accrued interest receivable	-	14,267	3,440	17,707
Other receivables	190,000	-	775	190,775
Due from other governmental units	-	5,640	-	5,640
Prepaid expenses and other assets	-	-	8,578	8,578
Total current assets	<u>791,031</u>	<u>7,884,899</u>	<u>2,637,938</u>	<u>11,313,868</u>
Noncurrent assets:				
Restricted assets (Note 1)	-	114,211	-	114,211
Capital assets (Note 3):				
Assets not subject to depreciation (Note 3)	-	1,829,035	-	1,829,035
Assets subject to depreciation (Note 3)	<u>806,364</u>	<u>7,028,511</u>	<u>30,246</u>	<u>7,865,121</u>
Total noncurrent assets	<u>806,364</u>	<u>8,971,757</u>	<u>30,246</u>	<u>9,808,367</u>
Total assets	<u>1,597,395</u>	<u>16,856,656</u>	<u>2,668,184</u>	<u>21,122,235</u>
Liabilities				
Current liabilities:				
Accounts payable	1,533	13,958	19,213	34,704
Due to other governmental units	-	129,155	-	129,155
Refundable deposits, bonds, etc.	-	-	247,650	247,650
Accrued liabilities and other	277,500	30,235	4,617	312,352
Current portion of long-term debt (Note 5)	-	109,212	-	109,212
Total current liabilities	<u>279,033</u>	<u>282,560</u>	<u>271,480</u>	<u>833,073</u>
Noncurrent liabilities - Long-term debt (Note 5)	-	<u>1,936,576</u>	-	<u>1,936,576</u>
Total liabilities	<u>279,033</u>	<u>2,219,136</u>	<u>271,480</u>	<u>2,769,649</u>
Net Position				
Net investment in capital assets	806,364	6,811,758	30,246	7,648,368
Unrestricted	<u>511,998</u>	<u>7,825,762</u>	<u>2,366,458</u>	<u>10,704,218</u>
Total net position	<u>\$ 1,318,362</u>	<u>\$ 14,637,520</u>	<u>\$ 2,396,704</u>	<u>\$ 18,352,586</u>

Charter Township of Oakland

Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Position Year Ended March 31, 2015

	Enterprise Funds			
	Water Fund	Sewer Fund	Building Fund	Total
Operating Revenue				
Sewage disposal charges	\$ -	\$ 1,029,637	\$ -	\$ 1,029,637
Permit revenue	-	-	913,260	913,260
Other operating revenue	51,190	22,499	-	73,689
Total operating revenue	51,190	1,052,136	913,260	2,016,586
Operating Expenses				
Cost of sewage treatment	-	727,697	-	727,697
Other operation and maintenance	-	60,685	-	60,685
Billing and administrative costs	25,213	83,883	-	109,096
Other operating expense	-	141,524	-	141,524
Building inspections and related activity	-	-	658,577	658,577
Depreciation	25,905	232,020	8,102	266,027
Total operating expenses	51,118	1,245,809	666,679	1,963,606
Operating Income (Loss)	72	(193,673)	246,581	52,980
Nonoperating Revenue (Expenses)				
Investment income	43,921	52,423	20,789	117,133
Interest expense	-	(17,716)	-	(17,716)
Other nonoperating expenses	-	(117,182)	-	(117,182)
Debt service charges and other	-	217,656	-	217,656
Total nonoperating revenue	43,921	135,181	20,789	199,891
Income (Loss) - Before contributions	43,993	(58,492)	267,370	252,871
Capital Contributions - Other capital contributions	-	237,266	-	237,266
Change in Net Position	43,993	178,774	267,370	490,137
Net Position - Beginning of year	1,274,369	14,458,746	2,129,334	17,862,449
Net Position - End of year	<u>\$ 1,318,362</u>	<u>\$ 14,637,520</u>	<u>\$ 2,396,704</u>	<u>\$ 18,352,586</u>

Charter Township of Oakland

Proprietary Funds Statement of Cash Flows Year Ended March 31, 2015

	Enterprise Funds			
	Water Fund	Sewer Fund	Building Fund	Total
Cash Flows from Operating Activities				
Receipts from customers	\$ 51,190	\$ 916,159	\$ 913,260	\$ 1,880,609
Payments to suppliers	(27,169)	(876,470)	(443,824)	(1,347,463)
Payments to employees	-	-	(210,974)	(210,974)
Claims paid	(4,732,690)	-	-	(4,732,690)
Other receipts	(190,000)	(716)	(775)	(191,491)
Net cash (used in) provided by operating activities	(4,898,669)	38,973	257,687	(4,602,009)
Cash Flows from Nonoperating Financing Activities -				
Nonoperating expenses charged by County	-	(117,182)	-	(117,182)
Cash Flows from Capital and Related Financing Activities				
Debt service charge	-	217,656	-	217,656
Purchase of capital assets	-	(4,419)	(9,766)	(14,185)
Principal and interest paid on capital debt	-	(69,512)	-	(69,512)
Net cash provided by (used in) capital and related financing activities	-	143,725	(9,766)	133,959
Cash Flows from Investing Activities				
Interest received on investments	43,921	38,156	17,349	99,426
Purchase of investment securities	-	(862,325)	(714,868)	(1,577,193)
Proceeds from sale and maturities of investment securities	4,009,529	-	-	4,009,529
Net cash provided by (used in) investing activities	4,053,450	(824,169)	(697,519)	2,531,762
Net Decrease in Cash and Cash Equivalents	(845,219)	(758,653)	(449,598)	(2,053,470)
Cash and Cash Equivalents - Beginning of year	1,145,302	7,063,256	1,932,887	10,141,445
Cash and Cash Equivalents - End of year	<u>\$ 300,083</u>	<u>\$ 6,304,603</u>	<u>\$ 1,483,289</u>	<u>\$ 8,087,975</u>
Balance Sheet Classification of Cash and Cash Equivalents				
Cash and investments	\$ 601,031	\$ 7,648,197	\$ 2,625,145	\$ 10,874,373
Less amounts classified as investments	(300,948)	(1,343,594)	(1,141,856)	(2,786,398)
Total cash and cash equivalents	<u>\$ 300,083</u>	<u>\$ 6,304,603</u>	<u>\$ 1,483,289</u>	<u>\$ 8,087,975</u>
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities				
Operating income (loss)	\$ 72	\$ (193,673)	\$ 246,581	\$ 52,980
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	25,905	232,020	8,102	266,027
Changes in assets and liabilities:				
Receivables	(190,000)	(136,693)	(775)	(327,468)
Prepaid and other assets	-	-	(8,578)	(8,578)
Accounts payable and other accrued liabilities	(1,956)	137,319	10,065	145,428
Claims paid	(4,732,690)	-	-	(4,732,690)
Accrued and other liabilities	-	-	2,292	2,292
Net cash (used in) provided by operating activities	<u>\$ (4,898,669)</u>	<u>\$ 38,973</u>	<u>\$ 257,687</u>	<u>\$ (4,602,009)</u>

Noncash Capital and Related Financing Activities - During the year ended March 31, 2015, Oakland County constructed approximately \$982,000 of sewer lines for the Oakland-Macomb Interceptor project, for which the Township incurred long-term debt.

Charter Township of Oakland

Fiduciary Funds Statement of Fiduciary Net Position March 31, 2015

	<u>Agency Funds</u>
Assets - Cash and cash equivalents	<u>\$ 4,216</u>
Liabilities	
Due to other governmental units	\$ 28
Accrued liabilities and other	<u>4,188</u>
Total liabilities	<u>\$ 4,216</u>

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note I - Nature of Business and Significant Accounting Policies

The following is a summary of the significant accounting policies used by the Charter Township of Oakland (the "Township"):

Reporting Entity

The Charter Township of Oakland is governed by an elected seven-member board of trustees. The accompanying financial statements present the financial operations of the Township. There are no component units that should be included in the Township's financial statements.

Jointly Governed Organizations

The Paint Creek Trailways Commission (the "Commission"), a joint venture agreement, effective December 23, 1981, was entered into by the Charter Township of Oakland, the Charter Township of Orion, the City of Rochester Hills, and the City of Rochester for the purpose of establishing and providing for the powers and duties of the Trailways Commission, pursuant to the Urban Cooperation Act (P.A. 7 of 1967). The Commission is a separate legal entity for the purpose of owning, exercising right of dominion over, developing, providing, maintaining, and operating certain nonmotorized public trails for recreational use within the jurisdictions of member governmental units. The Township appoints two commissioners to the governing board, which is responsible for approving the annual budget. Pursuant to the agreement, each member shall be responsible for an equal share of the Commission's budget. For the fiscal year ended March 31, 2015, the Charter Township of Oakland provided \$25,984 to the Commission. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. The Paint Creek Trailways Commission is not considered a part of the reporting entity of the Charter Township of Oakland. Separate financial statements of the joint venture may be obtained at Paint Creek Trailways Commission, 4393 Collins Road, Rochester, Michigan 48306.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note I - Nature of Business and Significant Accounting Policies (Continued)

The Older Persons' Commission, an interlocal agreement, effective March 28, 1985, and amended August 28, 1995, was entered into by the Charter Township of Oakland, City of Rochester Hills, and the City of Rochester for the purpose of establishing an older persons' commission pursuant to the Urban Cooperation Act (P.A. 7 of 1967). The Older Persons' Commission is a separate legal entity for the purpose of providing activities and services for older persons, defined as those individuals 60 years of age or older residing in the governmental units, which are parties to the agreement. The activities and services to be provided include, but are not limited to, the joint ownership and operation of an older persons' activity center and transportation. The Township appoints one member to the Older Persons' Commission. Pursuant to the agreement, each member shall be responsible for its pro-rata share of the budget based upon its assessed valuation of the property. During the fiscal year ended March 31, 2015, the Charter Township of Oakland provided \$369,304 to the Older Persons' Commission. The Older Persons' Commission is not considered a part of the reporting entity of the Charter Township of Oakland. Separate financial statements of the Older Persons' Commission may be obtained at Older Persons' Commission, 650 Letica Drive, Rochester, Michigan 48307.

Accounting and Reporting Principles

The Township follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. 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. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue 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. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenues are reported instead as general revenue.

For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the Township's water and sewer function and various other functions of the Township. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Fund Accounting

The Township accounts for its various activities in several different funds in order to demonstrate accountability for how we have spent certain resources - separate funds allow us to show the particular expenditures for which specific revenues were used. The various funds are aggregated into three broad fund types:

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, and debt service funds. The Township reports the following funds as "major" governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide general government services, other than those specifically assigned to another fund.
- The Fire Fund accounts for all revenue and expenditures for the Township's fire operations, including millage collection.
- The Police Fund accounts for the Township's police protection contracted with Oakland County. The protection is funded through a special millage.
- The Parks Fund accounts for all revenues and expenditures for the Township's public parks. The activities are funded through a millage collection.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Proprietary funds include enterprise funds, which provide goods or services to users in exchange for charges or fees. The Township reports the following funds as “major” enterprise funds:

- The Water Fund accounts for tap-in and inspection fees. The majority of the water system is owned by Oakland County.
- The Sewer Fund disposes of sanitary sewage in exchange for quarterly user charges.
- The Building Fund accounts for all revenues and expenditures related to building permits and inspections. The activities are funded through fees collected for the inspections.

Fiduciary funds include agency funds, which account for assets held by the Township in a trustee capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Interfund Activity - During the course of operations, the Township has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Township has spent its resources.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenues are not recognized until they are collected, or collected soon enough after the end of the year that they are available to pay for obligations outstanding at the end of the year. For this purpose, the Township considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: state-shared revenue, grant revenue, and interest associated with the current fiscal period. Conversely, a portion of state-shared revenue will be collected after the period of availability; a receivable has been recorded for this, along with a "deferred inflow."

Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Specific Balances and Transactions

Cash, Cash Equivalents, and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Pooled investment income is generally allocated to each fund using a weighted average.

Restricted Assets - Unspent bond proceeds held at the County for future construction are classified as restricted assets in the Sewer Fund.

Capital Assets - Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current year, \$56,854 of interest expense was capitalized as part of the cost of assets under construction.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Infrastructure, intangibles, buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

<u>Capital Asset Class</u>	<u>Lives (in Years)</u>
Land improvements	7
Buildings	15-39
Equipment	5-15
Sewer lines	40-50
Infrastructure	10-50
Intangible assets	30

Long-term Obligations - In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. The Parks and Land Preservation Funds are generally used to liquidate governmental long-term debt.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Township has one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in deferred inflows. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from state-shared revenue and grant revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note I - Nature of Business and Significant Accounting Policies (Continued)

Net Position Flow Assumption

Sometimes the Township 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 and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

Sometimes the Township will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, 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.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Township itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Township's highest level of decision-making authority. The Township board is the highest level of decision-making authority for the Township that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note I - Nature of Business and Significant Accounting Policies (Continued)

Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as committed. The Township board may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Property Tax Revenue

Property taxes are levied on each December 1 on the taxable valuation of property as of the preceding December 31. Taxes are due on February 28 of the following year and are considered delinquent on March 1, at which time penalties and interest are assessed.

The Township's 2014 tax is levied and collectible on December 1, 2014 and is recognized as revenue in the year ended March 31, 2015, when the proceeds of the levy are budgeted and available for the financing of operations.

The Township annually sells its delinquent real property taxes to Oakland County (the "County"), which then becomes responsible for collecting the taxes and taking any uncollected tax parcels through the tax reversion process. The County purchases these taxes at 100 percent of face value, and in return, the County is allowed to retain all interest and penalties it collects. The estimated present value of future delinquent collections to the Township is less than the face value that has been received because of the time value of money; however, the net present value to the County is greater than this amount because of the statutory provision that allows the County to retain all penalties and interest. During the current year, the Township received \$210,598 from this sale. At the end of the tax reversion process (approximately three years), the County charges the Township back for any uncollected taxes. Historically, this amount has not been significant.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

The 2014 taxable valuation of the Township totaled \$1.11 billion. Taxes were levied as follows:

<u>Purpose</u>	<u>Millage Rate</u>	<u>Revenue</u>
General operating	0.6252	\$ 694,125
Library	0.6195	687,796
Parks	0.7481	830,581
Fire	0.9975	1,107,490
Police	1.7601	1,954,205
Land acquisition	0.6898	765,850
Older Persons	0.2336	259,331
OPC transportation	0.0897	99,559
Trail system	0.2493	276,762
Historic District	0.1167	129,536

Compensated Absences (Vacation and Sick Leave) - It is the Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. All sick and vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only when they have matured or come due for payment. All other accrued compensated absences are reported in the government-wide financial statements. Generally, the funds that report each employee's compensation are used to liquidate the obligation.

Proprietary Funds Operating Classification - Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer Funds are charges to customers for sales and services. The Water and Sewer Funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 2 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Township has designated 15 banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in accordance with statutory authority.

The Township's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$12,330,933 of bank deposits (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Interest Rate Risk - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Township's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity.

At year end, the Township had the following investment:

Investment	Fair Value	Weighted Average Maturity (Years)
Primary Government		
Government Investment Pool	<u>\$ 8,314,405</u>	1.82

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 2 - Deposits and Investments (Continued)

Credit Risk - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Fair Value	Rating	Rating Organization
Primary Government			
Government Investment Pool	\$ 8,314,405	Not rated	N/A

Concentration of Credit Risk - The Township places no limit on the amount it may invest in any one issuer. More than 30 percent of the Township's investments are in the Oakland County Local Government Investment Pool (the "LGIP"). The LGIP is not registered with the SEC and does not issue a separate report. The LGIP is managed as a 2(a)7 fund with its net asset value maintained at \$1. Fair value of the position in the pool is the same as the value of the pool shares.

Note 3 - Capital Assets

Capital asset activity of the Township's governmental and business-type activities was as follows:

	Balance April 1, 2014	Additions	Disposals	Balance March 31, 2015
Governmental Activities				
Capital assets not being depreciated -				
Land	\$ 17,109,795	\$ -	\$ -	\$ 17,109,795
Capital assets being depreciated:				
Infrastructure	2,031,525	-	-	2,031,525
Buildings and improvements	10,210,384	191,181	-	10,401,565
Machinery and equipment	568,065	180,802	-	748,867
Vehicles	2,637,525	272,141	(134,434)	2,775,232
Office furnishings	458,725	9,704	-	468,429
Information technology	158,973	55,212	(7,573)	206,612
Land improvements	1,996,384	15,701	-	2,012,085
Subtotal	18,061,581	724,741	(142,007)	18,644,315
Accumulated depreciation:				
Infrastructure	1,751,842	131,388	-	1,883,230
Buildings and improvements	4,479,117	346,056	-	4,825,173
Machinery and equipment	539,547	32,822	-	572,369
Vehicles	2,040,211	177,078	(72,729)	2,144,560
Office furnishings	442,710	11,110	-	453,820
Information technology	87,813	27,230	(6,963)	108,080
Land improvements	1,479,122	148,787	-	1,627,909
Subtotal	10,820,362	874,471	(79,692)	11,615,141
Net capital assets being depreciated	7,241,219	(149,730)	(62,315)	7,029,174
Net capital assets	\$ 24,351,014	\$ (149,730)	\$ (62,315)	\$ 24,138,969

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 3 - Capital Assets (Continued)

Business-type Activities	Balance April 1, 2014	Additions	Disposals	Balance March 31, 2015
Capital assets not being depreciated - Construction in progress	\$ 847,168	\$ 981,867	\$ -	\$ 1,829,035
Capital assets being depreciated:				
Sewer system	11,277,329	54,488	-	11,331,817
Water lines	1,036,189	-	-	1,036,189
Buildings and improvements	-	6,775	-	6,775
Machinery and equipment	-	1,628	-	1,628
Vehicles	35,728	-	-	35,728
Information technology	-	1,363	-	1,363
Subtotal	12,349,246	64,254	-	12,413,500
Accumulated depreciation:				
Sewer system	4,071,286	232,020	-	4,303,306
Water lines	203,920	25,905	-	229,825
Buildings and improvements	-	452	-	452
Machinery and equipment	-	232	-	232
Vehicles	7,146	7,145	-	14,291
Information technology	-	273	-	273
Subtotal	4,282,352	266,027	-	4,548,379
Net capital assets being depreciated	8,066,894	(201,773)	-	7,865,121
Net capital assets	\$ 8,914,062	\$ 780,094	\$ -	\$ 9,694,156

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

Governmental activities:

General government	\$ 101,320
Public safety	275,659
Public works	131,388
Recreation and culture	366,104
Total governmental activities	<u>\$ 874,471</u>

Business-type activities:

Sewer	\$ 232,020
Water	25,905
Building department	8,102
Total business-type activities	<u>\$ 266,027</u>

Note 4 - Interfund Transfers

Interfund transfers reported in the fund financial statements are comprised of the following:

Fund Providing Resources	Fund Receiving Resources	Amount
General Fund	Fire Fund	<u>\$ 250,000</u>

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 4 - Interfund Transfers (Continued)

The transfer from the General Fund to the Fire Fund represents the use of unrestricted resources to finance operations of the fire department.

Note 5 - Long-term Debt

The Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Township. County contractual agreements and installment purchase agreements are also general obligations of the government.

Long-term debt activity can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities							
General Obligation Limited Tax Bonds, Series 2008:							
Amount of issue: \$4,100,000	3.5% -	\$320,000 -					
Maturing through 2022	4.0%	\$385,000	\$ 2,820,000	\$ -	\$ 385,000	\$ 2,435,000	\$ 385,000
Accumulated compensated absences			<u>167,845</u>	<u>61,386</u>	<u>55,949</u>	<u>173,282</u>	<u>57,761</u>
Total governmental activities			<u>\$ 2,987,845</u>	<u>\$ 61,386</u>	<u>\$ 440,949</u>	<u>\$ 2,608,282</u>	<u>\$ 442,761</u>
Business-type Activities							
Oakland Macomb Interceptor Drainage District Drain Bonds - Series, 2010A:							
Amount of issue - \$525,666		\$21,066 -					
Maturing through 2032	2.50%	\$32,960	\$ 484,118	\$ -	\$ 21,570	\$ 462,548	\$ 22,074
Oakland Macomb Interceptor Drainage District Drain Bonds - Series, 2010B:							
Amount of issue - \$135,065	1.15% -	\$4,636 -					
Maturing through 2031	5.90%	\$10,483	122,063	-	4,838	117,225	5,040
Oakland Macomb Interceptor Drainage District Drain Bonds - Series, 2011:							
Amount of issue - \$631,878		\$24,750 -					
Maturing through 2034	2.50%	\$39,477	459,327	91,366	24,750	525,943	25,369
Oakland Macomb Interceptor Drainage District Drain Bonds - Series, 2013A:							
Amount of issue - \$1,378,847		\$56,729 -					
Maturing through 2035	2.00%	\$82,659	<u>236,768</u>	<u>703,304</u>	<u>-</u>	<u>940,072</u>	<u>56,729</u>
Total bonds payable			<u>\$ 1,302,276</u>	<u>\$ 794,670</u>	<u>\$ 51,158</u>	<u>\$ 2,045,788</u>	<u>\$ 109,212</u>

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 5 - Long-term Debt (Continued)

Total interest expense for the year was approximately \$114,000. Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending March 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 385,000	\$ 87,294	\$ 472,294	\$ 109,212	\$ 60,109	\$ 169,321
2017	385,000	72,856	457,856	111,801	57,595	169,396
2018	385,000	58,419	443,419	114,391	55,009	169,400
2019	320,000	44,800	364,800	117,002	52,345	169,347
2020	320,000	32,000	352,000	119,693	49,593	169,286
2021-2025	640,000	25,600	665,600	643,352	203,632	846,984
2026-2030	-	-	-	683,462	116,583	800,045
2031-2035	-	-	-	146,875	8,652	155,527
Total	\$ 2,435,000	\$ 320,969	\$ 2,755,969	\$ 2,045,788	\$ 603,518	\$ 2,649,306

During 2009, Macomb and Oakland Counties jointly established the Oakland-Macomb Interceptor Drain - Drainage District (OMID), an intercounty drainage district, under Chapter 21 of the Drain Code. The OMID was created to acquire, operate, and maintain the Oakland-Macomb Interceptor (OMI); title to the OMI was transferred from the City of Detroit to the OMID as part of a settlement agreement with the City of Detroit reached in May 2009. The OMID apportioned the responsibility to pay the debt required to finance this project to the participating cities, townships, and villages located in the two counties. The Township has tentatively been advised that its assessments to pay the debt related to this project are \$660,731 for the Series 2010A and Series 2010B bonds, \$631,878 for the Series 2011 bonds, and \$1,378,847 for the Series 2013A bonds. To date, the Township has incurred \$2.2 million of debt and other liabilities related to the project. The Township prefunded the Series 2014 obligation; therefore, the Township will not have a share of the related debt. As the OMID project is not complete, future payment amounts for the Township's share of the Series 2011 and Series 2013A OMID debt are not yet finalized.

Note 6 - Defined Contribution Pension Plan

The Township provides pension benefits to its elected officials and other qualified employees through the Oakland Charter Township Governmental Non-ERISA Retirement Plan administered by John Hancock. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after one and one-half months from the date of employment. As established by board resolution, the Township contributes 12 percent of employees' gross earnings.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 6 - Defined Contribution Pension Plan (Continued)

The Township's contributions for each employee are fully vested after one and one-half months of continuous service. Employees may contribute to the plan on a voluntary basis. In accordance with these requirements, the Township contributed \$165,833 during the current year.

Note 7 - Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for medical and dental claims, participates in the Michigan Municipal Risk Management Authority risk pool for claims relating to property loss, torts, errors and omissions, and workers' compensation, and is uninsured for unemployment compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal Risk Management Authority's State Pool program operates as a common risk-sharing management program for local units of government in Michigan. Member premiums are used to purchase excess insurance coverage and to pay member claims in excess of deductible amounts. A portion of the excess insurance coverage is underwritten by the Authority itself.

Note 8 - Library Agreement

The Charter Township of Oakland Public Library Board has an agreement with the Rochester Hills Public Library Board for library services. In consideration for library services, the Township remits the two voter-approved library millages, as reduced by the Headlee Amendment, calculated using the previous year's taxable valuation of the Township. For the fiscal year ended March 31, 2015, the library millages totaled 0.6195 mills (2014 tax roll), which will be remitted to the Rochester Hills Public Library during the Township's 2015-2016 fiscal year, in the amount of approximately \$688,000.

Note 9 - Upcoming Accounting Pronouncements

In February 2015, the Governmental Accounting Standards Board issued GASB Statement No. 72, *Fair Value Measurement and Application*. The requirements of this statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and acceptable valuation techniques. This statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. GASB Statement No. 72 is required to be adopted for years beginning after June 15, 2015. The Township is currently evaluating the impact this standard will have on the financial statements when adopted, during the Township's 2016-2017 fiscal year.

Charter Township of Oakland

Notes to Financial Statements March 31, 2015

Note 10 - Contingent Liability

The Township has been named as a defendant in a lawsuit in which the amount in controversy has not been alleged or determined. The Michigan Municipal Risk Management Authority has assumed the defense and coverage of this claim. The likelihood of an unfavorable outcome and the full amount of potential loss or damages, including any potential amounts in excess of the Township's liability coverage, has not yet been determined.

Required Supplemental Information

Charter Township of Oakland

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended March 31, 2015

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 865,000	\$ 865,000	\$ 694,135	\$ (170,865)
Licenses and permits	1,750	1,750	1,769	19
Federal grants	3,000	3,331	3,331	-
State-shared revenue and grants	1,292,662	1,292,662	1,343,851	51,189
Charges for services	59,600	180,000	176,669	(3,331)
Fines and forfeitures	25,000	25,000	36,103	11,103
Investment income	15,000	15,000	31,117	16,117
Rental income	24,000	24,000	24,000	-
Other revenue:				
Special assessments	79,000	83,570	79,208	(4,362)
Cable franchise fees	320,000	320,000	438,717	118,717
Other miscellaneous income	40,500	40,500	36,246	(4,254)
Total revenue	<u>2,725,512</u>	<u>2,850,813</u>	<u>2,865,146</u>	<u>14,333</u>
Expenditures				
Current:				
General government:				
Township board	300,200	300,200	275,185	25,015
Township supervisor	15,210	15,210	14,957	253
Manager	139,400	139,400	117,834	21,566
Township treasurer	201,500	201,500	175,085	26,415
Assessor	123,600	123,600	210,695	(87,095)
Board of review	3,500	3,500	1,816	1,684
Township clerk	213,240	213,240	215,171	(1,931)
Elections	49,000	49,000	45,178	3,822
Buildings and grounds	255,000	255,000	210,572	44,428
Cemetery	5,000	5,000	3,074	1,926
Total general government	<u>1,305,650</u>	<u>1,305,650</u>	<u>1,269,567</u>	<u>36,083</u>
Public works:				
Roads and projects	446,000	446,000	107,492	338,508
Street lighting	6,000	6,000	6,020	(20)
Total public works	<u>452,000</u>	<u>452,000</u>	<u>113,512</u>	<u>338,488</u>
Community and economic development:				
Planning Commission	102,000	107,720	139,912	(32,192)
Community programs and development	94,100	107,001	126,378	(19,377)
Total community and economic development	<u>196,100</u>	<u>214,721</u>	<u>266,290</u>	<u>(51,569)</u>
Other functions - Fringe benefits, insurance, and bonds				
	251,000	256,000	187,434	68,566
Capital outlay	191,000	256,000	141,980	114,020
Total expenditures	<u>2,395,750</u>	<u>2,484,371</u>	<u>1,978,783</u>	<u>505,588</u>
Excess of Revenue Over Expenditures	329,762	366,442	886,363	519,921
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	820	2,447	1,627
Transfers in	-	25,000	-	(25,000)
Transfers out	(250,000)	(250,000)	(250,000)	-
Total other financing uses	<u>(250,000)</u>	<u>(224,180)</u>	<u>(247,553)</u>	<u>(23,373)</u>
Net Change in Fund Balance	79,762	142,262	638,810	496,548
Fund Balance - Beginning of year	<u>5,363,200</u>	<u>5,363,200</u>	<u>5,363,200</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 5,442,962</u>	<u>\$ 5,505,462</u>	<u>\$ 6,002,010</u>	<u>\$ 496,548</u>

Charter Township of Oakland

Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Funds Fire Fund Year Ended March 31, 2015

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 1,110,500	\$ 1,110,500	\$ 1,107,496	\$ (3,004)
Federal grants	136,000	136,000	129,593	(6,407)
Charges for services	145,000	227,771	222,337	(5,434)
Investment income	5,000	9,544	10,894	1,350
Total revenue	1,396,500	1,483,815	1,470,320	(13,495)
Expenditures				
Current - Public safety	1,287,200	1,389,575	1,405,034	(15,459)
Capital outlay	351,000	483,000	452,514	30,486
Total expenditures	1,638,200	1,872,575	1,857,548	15,027
Excess of Expenditures Over Revenue	(241,700)	(388,760)	(387,228)	1,532
Other Financing Sources -				
Transfers in	250,000	250,000	250,000	-
Net Change in Fund Balance	8,300	(138,760)	(137,228)	1,532
Fund Balance - Beginning of year	1,558,207	1,558,207	1,558,207	-
Fund Balance - End of year	<u>\$ 1,566,507</u>	<u>\$ 1,419,447</u>	<u>\$ 1,420,979</u>	<u>\$ 1,532</u>

Charter Township of Oakland

Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Funds Police Fund Year Ended March 31, 2015

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 1,959,000	\$ 1,959,000	\$ 1,954,216	\$ (4,784)
Investment income	2,500	2,500	28,872	26,372
Other revenue	-	-	6,199	6,199
Total revenue	1,961,500	1,961,500	1,989,287	27,787
Expenditures				
Current - Public safety	1,923,052	2,072,000	1,984,198	87,802
Capital outlay	21,000	21,000	5,880	15,120
Total expenditures	1,944,052	2,093,000	1,990,078	102,922
Net Change in Fund Balance	17,448	(131,500)	(791)	130,709
Fund Balance - Beginning of year	3,253,526	3,253,526	3,253,526	-
Fund Balance - End of year	\$ 3,270,974	\$ 3,122,026	\$ 3,252,735	\$ 130,709

Charter Township of Oakland

Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Funds Parks Fund Year Ended March 31, 2015

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 832,900	\$ 832,900	\$ 830,586	\$ (2,314)
Charges for services	76,800	76,800	73,147	(3,653)
Investment income	2,000	2,000	18,529	16,529
Other revenue	3,000	3,000	788	(2,212)
Total revenue	914,700	914,700	923,050	8,350
Expenditures				
Current - Recreation and culture	930,950	939,074	747,972	191,102
Capital outlay	782,600	782,600	44,906	737,694
Debt service	79,100	79,100	77,560	1,540
Total expenditures	1,792,650	1,800,774	870,438	930,336
Net Change in Fund Balance	(877,950)	(886,074)	52,612	938,686
Fund Balance - Beginning of year	2,238,897	2,238,897	2,238,897	-
Fund Balance - End of year	<u>\$ 1,360,947</u>	<u>\$ 1,352,823</u>	<u>\$ 2,291,509</u>	<u>\$ 938,686</u>

Charter Township of Oakland

Note to Required Supplemental Information Year Ended March 31, 2015

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end. During the year, the budget was amended in a legally permissible manner.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the department level (i.e., the level at which expenditures may not legally exceed appropriations). A comparison of actual results of operations to the General Fund and major special revenue fund budget as adopted by the Township board is included in the required supplemental information. A comparison of the actual results of operations to the nonmajor special revenue funds budget as adopted by the Township board is available at the clerk's office.

Excess of Expenditures Over Appropriations in Budgeted Funds - During the year, the Township incurred expenditures that were in excess of the amounts budgeted, as follows:

	Budget	Actual	Variance
General Fund - Assessor	\$ 123,600	\$ 210,695	\$ (87,095)
General Fund - Township clerk	213,240	215,171	(1,931)
General Fund - Planning Commission	107,720	139,912	(32,192)
General Fund - Public works - Street lighting	6,000	6,020	(20)
General Fund - Community and economic development - Community programs and development	107,001	126,378	(19,377)
Fire Fund - Public safety	1,389,575	1,405,034	(15,459)

Other Supplemental Information

Charter Township of Oakland

	Special Revenue Funds			
	Trails Improvement	Land Preservation	Older Persons' Commission	OPC Transportation
Assets				
Cash and investments	\$ 1,699,848	\$ 1,279,488	\$ 7,819	\$ 3,014
Receivables - Property taxes receivable:	8,499	23,520	7,965	3,058
Accrued interest receivable	1,388	29	-	-
Due from other governmental units	-	25,500	-	-
Prepaid expenses and other assets	-	2,376	-	-
Total assets	\$ 1,709,735	\$ 1,330,913	\$ 15,784	\$ 6,072
Liabilities				
Accounts payable	\$ 8,111	\$ 14,546	\$ -	\$ -
Due to other governmental units	-	-	7,848	3,013
Accrued liabilities and other	-	2,632	-	-
Total liabilities	8,111	17,178	7,848	3,013
Deferred Inflows of Resources -				
Unavailable revenue	-	25,500	-	-
Fund Balances				
Nonspendable - Prepaid expenses	-	2,376	-	-
Restricted:				
Debt service	-	-	-	-
Trails	1,701,624	-	-	-
Older Persons' Commission	-	-	7,936	-
Historic District Commission	-	-	-	-
Library	-	-	-	-
OPC Transportation	-	-	-	3,059
Land preservation	-	1,285,859	-	-
Total fund balances	1,701,624	1,288,235	7,936	3,059
Total liabilities and fund balances	\$ 1,709,735	\$ 1,330,913	\$ 15,784	\$ 6,072

**Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds
March 31, 2015**

Special Revenue Funds		Debt Service Funds			Total Nonmajor Governmental Funds
Library	Historic District Commission	Debt Service OPC New Bldg.	Debt Service Park/Land Preservation 2008		
\$ 843,321	\$ 505,739	\$ 1,570	\$ -	\$ 4,340,799	
21,123	3,978	6	-	68,149	
-	29	-	-	1,446	
-	-	-	-	25,500	
-	-	-	-	2,376	
\$ 864,444	\$ 509,746	\$ 1,576	\$ -	\$ 4,438,270	
\$ -	\$ 1,075	\$ -	\$ -	\$ 23,732	
-	-	-	-	10,861	
-	3,106	-	-	5,738	
-	4,181	-	-	40,331	
-	-	-	-	25,500	
-	-	-	-	2,376	
-	-	1,576	-	1,576	
-	-	-	-	1,701,624	
-	-	-	-	7,936	
-	505,565	-	-	505,565	
864,444	-	-	-	864,444	
-	-	-	-	3,059	
-	-	-	-	1,285,859	
864,444	505,565	1,576	-	4,372,439	
\$ 864,444	\$ 509,746	\$ 1,576	\$ -	\$ 4,438,270	

Charter Township of Oakland

	Special Revenue Funds			
	Trails Improvement	Land Preservation	Older Persons' Commission	OPC Transportation
Revenue				
Property taxes	\$ 276,764	\$ 765,854	\$ 259,333	\$ 99,560
Investment income	9,338	9,421	40	15
Rental income	-	4,080	-	-
Other revenue	173	477	163	63
Total revenue	286,275	779,832	259,536	99,638
Expenditures				
Current - Recreation and culture	16,981	255,861	267,262	102,607
Capital outlay	-	30,643	-	-
Debt service	-	377,415	-	-
Total expenditures	16,981	663,919	267,262	102,607
Net Change in Fund Balances	269,294	115,913	(7,726)	(2,969)
Fund Balances - Beginning of year	1,432,330	1,172,322	15,662	6,028
Fund Balances - End of year	\$ 1,701,624	\$ 1,288,235	\$ 7,936	\$ 3,059

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and Changes in
Fund Balances
Nonmajor Governmental Funds
Year Ended March 31, 2015

Special Revenue Funds		Debt Service Funds			Total Nonmajor Governmental Funds
Library	Historic District Commission	Debt Service OPC New Bldg.	Debt Service Park/Land Preservation 2008		
\$ 687,800	\$ 129,537	\$ -	\$ -	\$ 2,218,848	
3,067	3,940	6	87	25,914	
-	1,750	-	-	5,830	
429	258	49	-	1,612	
<u>691,296</u>	<u>135,485</u>	<u>55</u>	<u>87</u>	<u>2,252,204</u>	
656,399	116,891	-	-	1,416,001	
-	2,918	-	-	33,561	
-	-	53	31,275	408,743	
<u>656,399</u>	<u>119,809</u>	<u>53</u>	<u>31,275</u>	<u>1,858,305</u>	
34,897	15,676	2	(31,188)	393,899	
<u>829,547</u>	<u>489,889</u>	<u>1,574</u>	<u>31,188</u>	<u>3,978,540</u>	
<u>\$ 864,444</u>	<u>\$ 505,565</u>	<u>\$ 1,576</u>	<u>\$ -</u>	<u>\$ 4,372,439</u>	