



CASCADE CHARTER TOWNSHIP

KENT COUNTY, MICHIGAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016



Vredeveld Haefner LLC
CPA's

Cascade Charter Township

TABLE OF CONTENTS

FINANCIAL SECTION	<u>PAGE</u>
Independent Auditors' Report	1-2
Management's Discussion and Analysis	3-8
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10-11
Fund Financial Statements	
Balance Sheet - Governmental Funds	12-13
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to the Net Position of Governmental Activities on the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	16-17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Assets and Liabilities - Agency Funds	19
Notes to Financial Statements	21-36
Required Supplementary Information	
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	37
Fire Special Revenue Fund	38
Police Special Revenue Fund	39
Improvement Revolving Special Revenue Fund	40
Library Special Revenue Fund	41
Pathways Special Revenue Fund	42
Inspections Special Revenue Fund	43
Open Space Special Revenue Fund	44
Defined Benefit Pension Plan	
Schedule of Changes in Employers Net Pension Liability and Other Ratios	45
Schedule of Employer Contributions	46
Combining and Individual Fund Statements and Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet	47
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	48
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Cascade Dam Special Revenue Fund	49
HAZMAT Special Revenue Fund	50

Cascade Charter Township

TABLE OF CONTENTS

	<u>PAGE</u>
Comparative Fund Financial Statements	
General Fund	
Comparative Balance Sheet	51
Comparative Schedule of Revenues	53
Comparative Schedule of Expenditures	54-55
Fire Special Revenue Fund	
Comparative Balance Sheet	56
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	57
Police Special Revenue Fund	
Comparative Balance Sheet	58
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	59
Improvement Revolving Special Revenue Fund	
Comparative Balance Sheet	60
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	61
Library Special Revenue Fund	
Comparative Balance Sheet	62
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	63
Pathways Special Revenue Fund	
Comparative Balance Sheet	64
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	65
Inspections Special Revenue Fund	
Comparative Balance Sheet	66
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	67
Open Space Special Revenue Fund	
Comparative Balance Sheet	68
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	69
Cascade Dam Major Repair Special Revenue Fund	
Comparative Balance Sheet	70
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	71
HAZMAT Special Revenue Fund	
Comparative Balance Sheet	72
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	73
Building Authority Debt Service Fund	
Comparative Balance Sheet	74
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	75
Open Space Preservation Capital Projects Fund	
Comparative Balance Sheet	76
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	77
Cemetery Perpetual Care Fund	
Comparative Balance Sheet	78
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	79
Fiduciary Funds	
Combining Statement of Assets and Liabilities – Agency Funds	80
Combining Statement of Changes in Assets and Liabilities – Agency Funds	81
Component Units	
Downtown Development Authority	
Balance Sheet/Statement of Net Position	82
Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities	83



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INDEPENDENT AUDITORS' REPORT

May 10, 2017

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, 2016, 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, 2016, 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 2016 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 2016 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.

Wendyold 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, 2016. 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 2016 operations by \$1,096,305 (or 2.8%)
- Total expenses of the Township's programs were \$8,743,361.
- Total revenues, including all programs and general revenues, were \$9,839,666.
- At the close of the current year, the Township's governmental funds reported combined ending fund balances of \$21,415,077, an increase of \$1,247,529 from the previous year.
- At the end of the current year, the unassigned fund balance for the General Fund was \$8,104,592, or 205% of total General Fund expenditures and transfers out.
- Total long-term debt of the Township decreased by \$536,000 (or 12.9%) 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 \$40,296,166 at the close of the most recent fiscal year. A summary of net position is as follows:

Net Position

	<u>Governmental activities</u>	
	<u>2016</u>	<u>2015</u>
Current and other assets	\$30,802,427	\$29,824,123
Capital assets	20,563,647	20,816,821
Total assets	<u>51,366,074</u>	<u>50,640,944</u>
Deferred outflows of resources - pension	<u>956,504</u>	<u>537,044</u>
Long-term liabilities outstanding	5,858,304	5,707,980
Other liabilities	<u>982,142</u>	<u>1,084,669</u>
Total liabilities	<u>6,840,446</u>	<u>6,792,649</u>

	<u>Governmental activities</u>	
	<u>2016</u>	<u>2015</u>
Deferred inflows of resources-taxes	\$ 5,185,966	\$ 5,185,478
Net position:		
Net investment in capital assets	16,944,647	16,661,821
Restricted	15,996,660	15,436,358
Unrestricted	<u>7,354,859</u>	<u>7,101,682</u>
Total net position	<u>\$40,296,166</u>	<u>\$39,199,861</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 \$1,096,305 during the current fiscal year.

Changes in Net Position

	<u>Governmental activities</u>	
	<u>2016</u>	<u>2015</u>
Revenue:		
Program revenue:		
Charges for services	\$ 2,155,957	\$ 2,369,973
Operating grants and contributions	95,340	94,433
Capital grants and contributions	51,993	4,002
General revenue:		
Property taxes	5,567,813	5,405,163
State sources	1,385,182	1,343,931
Intergovernmental	32,870	32,870
Unrestricted investment earnings	302,383	250,633
Other	<u>248,128</u>	<u>896,104</u>
Total revenue	<u>9,839,666</u>	<u>10,397,109</u>
Expenses:		
General government	2,168,298	1,916,278
Public safety	4,160,512	4,042,924
Public works	699,462	699,363
Community and economic development	596,565	227,592
Culture and recreation	966,965	837,108
Other township	-	729,237
Interest on long-term debt	<u>151,559</u>	<u>172,240</u>
Total expenses	<u>8,743,361</u>	<u>8,624,742</u>
Change in net position	<u>1,096,305</u>	<u>1,772,367</u>
Net position - beginning of year	<u>39,199,861</u>	<u>37,427,494</u>
Net position - end of year	<u>\$40,296,166</u>	<u>\$39,199,861</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 \$4,160,512 or 48% of governmental activities expenses in public safety. General government expenses amounted to \$2,168,298 or 25% of governmental activities while public works, community and economic development, culture and recreation, interest on long-term debt, and other made up the remaining 27% 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 \$21,415,077, an increase of \$1,247,529 in comparison with the prior year. Of the \$21,415,077, \$9,080,235 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 \$8,104,592. 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 205% of total general fund expenditures and transfers out. The fund balance of the Township's general fund increased by \$553,124 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 \$2,655,709, an increase of \$224,009 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 \$1,283,785, an increase of \$64,603 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 \$1,596,170, a decrease of \$226,688 over the prior year. The decrease is primarily due to capital outlay.

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 \$1,979,228, an increase of \$75,592 over the prior year. The increase is primarily the result slightly increased revenues and budgeted capital outlay which was not spent.

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 \$955,328, an increase of \$247,403 from the prior year. The increase is due to reduced debt service principal and interest payments due to payoff of bonds in 2015.

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 \$2,430,081, an increase of \$301,184 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 \$739,045, a decrease of \$23,769 from the prior year. The decrease is due to transfers to other funds for debt service.

Capital Asset and Debt Administration

Capital assets. The Township's investment in capital assets for its governmental activities as of December 31, 2016, amounted to \$20,552,380 (net of accumulated depreciation).

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

	2016	2015
Land	\$ 9,931,708	\$ 9,925,955
Land improvements	3,188,046	3,221,534
Infrastructure	532,000	560,000
Buildings and improvements	4,990,492	5,205,407
Furniture and equipment	449,470	456,132
Vehicles	1,471,931	1,447,793
Total	\$20,563,647	\$20,816,821

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:

	2016	2015
Accrued employee benefits	\$ 102,557	\$ 80,309
Bonds payable	3,619,000	4,155,000
Total	\$3,721,557	\$4,235,309

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 \$179,151, which was a larger decrease than the original anticipated decrease of \$82,934. The major amendments included:
 - Increase in DEQ SAW Grant revenues by \$138,150 to reflect the SAW grant awarded to the Township.
 - Decrease in State Shared Revenue of \$65,451 to reflect lower than anticipated state income tax collections and, therefore, lower statutory revenue sharing payments.
 - Increase in Park Donations of \$30,500 to reflect the naming rights donation that was received for the new Recreation Park Playground.
 - Increase in Stormwater SAW Grant and Stormwater Grant Match expenditures of \$153,500 to reflect the costs associated with the SAW grant work on the Stormwater Master Plan.
 - Decrease in Transportation Services and Bus Service 28th Street costs by \$32,000 to reflect the actual costs of the service.
 - Increase in Park Maintenance expenses of \$38,000 to reflect additional park maintenance work in Tassel Park.
 - Increase in Capital Outlay – FFE expenses of \$22,000 to reflect the carryover of the costs of the 30th Street columbarium project from the FY 2015 budget.

- In the Improvements Revolving Fund, the final amended budget estimated a decrease in fund balance of \$308,281, which was a larger decrease than the original anticipated decrease of \$272,795. The major amendments included:
 - Increase in Steelcase Sewer Payback expenses of \$60,487 to reflect the settlement of the Steelcase Sewer Payback Agreement issue with Steelcase, Kentwood and Grand Rapids.
 - Decrease the Burton/Cascade PV project by \$25,000 to reflect that cost being lower than originally anticipated.

- In the Downtown Development Authority Fund, the final amended budget estimated a decrease in fund balance of \$15,172, which was a larger decrease than the original anticipated increase in fund balance \$96,493. The major amendments included:
 - Increase in the Capital Outlay expenses of \$122,382 to reflect costs from the FY2015 Village Improvements project that carried into FY 2016.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Township's budget for the 2017 fiscal year:

- The FY2017 General and Special Revenue Funds budget was prepared utilizing identical millage rates from the FY2016 budget.
- For FY 2017, the Township's initial General Fund Budget anticipates a year-end fund balance increase of \$36,661. The Township continues to see an increase in tax revenue growth (2.55%) and state shared-revenue growth (2%). The FY2017 budget does see a decrease in Personal Property Tax Revenue (6.81%) as the first year of Industrial Personal Property Tax elimination begins. Part of that loss is offset by PPT reimbursement from the State, which is estimated at \$25,575. For FY17 the Township budgeted significant capital improvement expenditures including technology upgrades (\$65,000) and improvements to the 36th Street Interchange (\$275,00). In addition, the Township has budgeted \$600,000 across the General Fund, Fire Fund and Building Fund for improvements to the Township Hall/Station #1 Building and Station #2 building including a replacement roof and HVAC System, a full building generator and rehabilitated parking lots and drives.
- In the FY 2017 Special Revenue and component funds, several funds will see a decrease in fund balance due to capital improvements. The Fire Fund will see a decrease of \$380,000 with several capital improvement projects including the replacement of an Emergency Response vehicle (\$350,000), the installation of an Air Pack Filling Station (\$49,000) and contributions to the building improvements (\$200,000). The Open Space fund will see a fund balance decrease of \$41,000 as part of a planned drawdown as part of the repayment of the outstanding bonds. The Infrastructure Revolving Fund will see a fund balance reduction of \$644,000 for the Thornapple River Drive Utility Extension project, but approximately half of that will be recovered through a 20 year Special Assessment District and Kent County Road Commission contributions to the road portion of the project. All of the other special revenue funds will see moderate increases in fund balance.

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, 2016

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Downtown Development Authority</u>
Assets		
Cash and pooled investments	\$ 21,304,766	\$ 526,433
Receivables		
Accounts	2,866,552	-
Taxes	2,673,683	186,381
Due from other governments	247,515	-
Prepaid items	<u>3,629</u>	<u>-</u>
Total current assets	<u>27,096,145</u>	<u>712,814</u>
Noncurrent assets		
Special assessments receivable	3,706,282	-
Capital assets		
Non-depreciable	9,931,708	59,366
Depreciable capital assets, net	<u>10,631,939</u>	<u>4,832,223</u>
Total noncurrent assets	<u>24,269,929</u>	<u>4,891,589</u>
Total assets	<u>51,366,074</u>	<u>5,604,403</u>
Deferred outflows of resources		
Pension related	<u>956,504</u>	<u>-</u>
Liabilities		
Accounts payable	328,692	124,645
Accrued payroll and benefits	50,574	-
Accrued interest payable	23,876	3,308
Current portion of bonds and notes payable	<u>579,000</u>	<u>94,000</u>
Total current liabilities	<u>982,142</u>	<u>221,953</u>
Long-term liabilities		
Compensated absences	102,557	-
Net pension liability	2,715,747	-
Bonds and notes payable	<u>3,040,000</u>	<u>300,000</u>
Total long-term liabilities	<u>5,858,304</u>	<u>300,000</u>
Total liabilities	<u>6,840,446</u>	<u>521,953</u>
Deferred inflows of resources		
Unearned revenue	<u>5,185,966</u>	<u>186,381</u>
Net position		
Net investment in capital assets	16,944,647	4,497,589
Restricted for		
Public safety	6,369,575	-
Public works	5,861,900	-
Culture and recreation	3,673,601	-
Cemetery trust	91,584	-
Unrestricted	<u>7,354,859</u>	<u>398,480</u>
Total net position	<u>\$ 40,296,166</u>	<u>\$ 4,896,069</u>

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

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2016

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	\$ 2,168,298	\$ 526,390	\$ 94,340	\$ 51,993	\$ (1,495,575)
Public safety	4,160,512	1,610,733	-	-	(2,549,779)
Public works	699,462	6,799	-	-	(692,663)
Community and economic development	596,565	12,035	-	-	(584,530)
Culture and recreation	966,965	-	1,000	-	(965,965)
Interest on long-term debt	151,559	-	-	-	(151,559)
Total primary government	\$ 8,743,361	\$ 2,155,957	\$ 95,340	\$ 51,993	\$ (6,440,071)
Component unit					
Downtown Development Authority	\$ 641,170	-	-	-	\$ (641,170)

(Continued)

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

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Downtown Development Authority</u>
Changes in net position		
Net (expense) revenue	\$ (6,440,071)	\$ (641,170)
General revenues		
Property taxes		
General purpose	1,984,540	-
Specific purpose	3,583,273	605,295
State shared revenues	1,385,182	-
Intergovernmental revenues	32,870	-
Unrestricted interest	302,383	6,322
Miscellaneous	<u>248,128</u>	<u>38,436</u>
Total general revenues and transfers	<u>7,536,376</u>	<u>650,053</u>
Change in net position	1,096,305	8,883
Net position, beginning of year	<u>39,199,861</u>	<u>4,887,186</u>
Net position, end of year	<u>\$ 40,296,166</u>	<u>\$ 4,896,069</u>

(Concluded)

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

CASCADE CHARTER TOWNSHIP

**GOVERNMENTAL FUNDS
BALANCE SHEET**

DECEMBER 31, 2016

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Improvement Revolving</u>
Assets				
Cash and pooled investments	\$ 8,712,137	\$ 2,708,312	\$ 1,457,715	\$ 1,598,471
Receivables				
Accounts	985,252	893,131	311,686	16,135
Taxes	840,656	944,402	329,652	-
Special assessments	-	-	-	3,706,282
Due from other funds	17,549	-	-	2,200
Due from other governments	247,515	-	-	-
Prepaid items	1,100	1,875	-	-
Total assets	<u>\$ 10,804,209</u>	<u>\$ 4,547,720</u>	<u>\$ 2,099,053</u>	<u>\$ 5,323,088</u>
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	\$ 75,153	\$ 33,705	\$ 173,930	\$ 7,076
Accrued payroll and benefits	17,598	20,963	-	-
Due to other funds	11,575	-	-	14,584
Total liabilities	<u>104,326</u>	<u>54,668</u>	<u>173,930</u>	<u>21,660</u>
Deferred inflows of resources				
Unearned/unavailable revenue	<u>1,619,648</u>	<u>1,837,343</u>	<u>641,338</u>	<u>3,705,258</u>
Fund balances				
Nonspendable				
Prepaid items	1,100	1,875	-	-
Cemetery trust	-	-	-	-
Restricted				
Dedicated millage	-	2,653,834	1,283,785	-
Inspection fees	-	-	-	-
Capital improvements	-	-	-	1,596,170
Committed				
Cemetery trust	-	-	-	-
Unfunded pension liability	499,543	-	-	-
Loss of personal property tax revenues	475,000	-	-	-
Assigned				
Special revenue funds	-	-	-	-
Unassigned	8,104,592	-	-	-
Total fund balances	<u>9,080,235</u>	<u>2,655,709</u>	<u>1,283,785</u>	<u>1,596,170</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,804,209</u>	<u>\$ 4,547,720</u>	<u>\$ 2,099,053</u>	<u>\$ 5,323,088</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>
\$ 1,992,322	\$ 955,384	\$ 2,457,069	\$ 739,275	\$ 684,081	\$ 21,304,766
101,984	270,542	14,824	156,138	-	2,749,692
107,696	286,136	-	165,141	-	2,673,683
-	-	-	-	-	3,706,282
-	-	-	-	11,575	31,324
-	-	-	-	-	247,515
-	-	654	-	-	3,629
<u>\$ 2,202,002</u>	<u>\$ 1,512,062</u>	<u>\$ 2,472,547</u>	<u>\$ 1,060,554</u>	<u>\$ 695,656</u>	<u>\$ 30,716,891</u>
\$ 13,094	\$ 56	\$ 25,288	\$ 230	\$ 160	\$ 328,692
-	-	12,013	-	-	50,574
-	-	5,165	-	-	31,324
<u>13,094</u>	<u>56</u>	<u>42,466</u>	<u>230</u>	<u>160</u>	<u>410,590</u>
<u>209,680</u>	<u>556,678</u>	<u>-</u>	<u>321,279</u>	<u>-</u>	<u>8,891,224</u>
-	-	654	-	-	3,629
-	-	-	-	91,584	91,584
1,979,228	955,328	-	739,045	-	7,611,220
-	-	2,429,427	-	-	2,429,427
-	-	-	-	560,472	2,156,642
-	-	-	-	7,192	7,192
-	-	-	-	-	499,543
-	-	-	-	-	475,000
-	-	-	-	36,248	36,248
-	-	-	-	-	8,104,592
<u>1,979,228</u>	<u>955,328</u>	<u>2,430,081</u>	<u>739,045</u>	<u>695,496</u>	<u>21,415,077</u>
<u>\$ 2,202,002</u>	<u>\$ 1,512,062</u>	<u>\$ 2,472,547</u>	<u>\$ 1,060,554</u>	<u>\$ 695,656</u>	<u>\$ 30,716,891</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, 2016

Fund balances - total governmental funds	\$ 21,415,077
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	9,931,708
Add - capital assets (net of accumulated depreciation)	10,631,939
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	3,705,258
Add - accrued interest receivable	116,860
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	956,504
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	(102,557)
Deduct - net pension liability	(2,715,747)
Deduct - bonds and notes payable	(3,619,000)
Deduct - accrued interest on bonds and notes payable	<u>(23,876)</u>
Net position of governmental activities	<u>\$ 40,296,166</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, 2016

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Improvement Revolving</u>
Revenues				
Property taxes	\$ 1,984,540	\$ 1,846,062	\$ 644,383	\$ -
Licenses and permits	460,158	-	-	-
State	1,458,546	-	-	-
Local	-	-	-	-
Charges for services	91,824	-	-	-
Interest	243,546	22,506	29,869	15,982
Miscellaneous	187,490	146	-	279,669
Total revenues	<u>4,426,104</u>	<u>1,868,714</u>	<u>674,252</u>	<u>295,651</u>
Expenditures				
Current				
General government	1,485,775	-	-	-
Public safety	-	1,890,972	609,649	-
Public works	598,148	-	-	-
Community and economic development	232,291	-	-	-
Culture and recreation	99,518	-	-	-
Other	668,219	-	-	-
Debt service				
Principal	-	-	-	76,000
Interest	-	-	-	4,038
Capital outlay	432,730	153,733	-	442,301
Total expenditures	<u>3,516,681</u>	<u>2,044,705</u>	<u>609,649</u>	<u>522,339</u>
Revenues over (under) expenditures	<u>909,423</u>	<u>(175,991)</u>	<u>64,603</u>	<u>(226,688)</u>
Other financing sources (uses)				
Transfers in	85,276	400,000	-	-
Transfers out	(441,575)	-	-	-
Total other financing sources (uses)	<u>(356,299)</u>	<u>400,000</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	553,124	224,009	64,603	(226,688)
Fund balances, beginning of year	<u>8,527,111</u>	<u>2,431,700</u>	<u>1,219,182</u>	<u>1,822,858</u>
Fund balances, end of year	<u>\$ 9,080,235</u>	<u>\$ 2,655,709</u>	<u>\$ 1,283,785</u>	<u>\$ 1,596,170</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>
\$ 210,705	\$ 559,319	\$ -	\$ 322,804	\$ -	\$ 5,567,813
-	-	1,521,550	-	-	1,981,708
-	-	-	-	-	1,458,546
32,870	-	-	-	-	32,870
-	-	-	-	4,070	95,894
13,622	1,529	19,323	5,958	1,730	354,065
-	-	1,794	1,000	5,000	475,099
<u>257,197</u>	<u>560,848</u>	<u>1,542,667</u>	<u>329,762</u>	<u>10,800</u>	<u>9,965,995</u>
-	-	-	-	502	1,486,277
-	-	1,143,284	-	1,964	3,645,869
-	-	-	-	-	598,148
-	-	-	-	-	232,291
180,673	13,179	-	3,572	-	296,942
-	-	-	-	-	668,219
-	250,000	-	-	210,000	536,000
-	9,705	-	-	139,959	153,702
932	40,561	12,923	-	17,838	1,101,018
<u>181,605</u>	<u>313,445</u>	<u>1,156,207</u>	<u>3,572</u>	<u>370,263</u>	<u>8,718,466</u>
<u>75,592</u>	<u>247,403</u>	<u>386,460</u>	<u>326,190</u>	<u>(359,463)</u>	<u>1,247,529</u>
-	-	-	-	391,534	876,810
-	-	(85,276)	(349,959)	-	(876,810)
-	-	(85,276)	(349,959)	391,534	-
75,592	247,403	301,184	(23,769)	32,071	1,247,529
<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>\$ 1,979,228</u>	<u>\$ 955,328</u>	<u>\$ 2,430,081</u>	<u>\$ 739,045</u>	<u>\$ 695,496</u>	<u>\$ 21,415,077</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, 2016

Net changes in fund balances - total governmental funds	\$ 1,247,529
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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	578,216
Deduct - depreciation expense	(829,915)
Deduct - net book value of disposed capital assets	(1,475)

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	(142,459)
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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	16,130
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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	536,000
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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	(707,076)
Add - increase in deferred inflows related to pension	419,460
Deduct - increase in compensated absences	(22,248)
Add - decrease in accrued interest	2,143

Change in net position of governmental activities	<u>\$ 1,096,305</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, 2016

	<u>Agency Funds</u>
Assets	
Cash and pooled investments	\$ <u>6,601,462</u>
Liabilities	
Accounts payable	\$ 2,516,588
Escrow deposits	168,127
Due to other governmental units	<u>3,916,747</u>
Total liabilities	<u>\$ 6,601,462</u>

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, 2016

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, 2016

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, 2016

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, 2016

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.

Interfund 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, 2016

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, 2016

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. For governmental activities, compensated absences are generally liquidated by the general fund.

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, 2016

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, 2016, 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. Changes in appropriations at the fund level require Board approval.

During the year ended December 31, 2016, 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	\$106,083	\$107,685	\$ 1,602
Culture and recreation			
Historical	14,770	16,467	1,697
Transfers out	441,500	441,575	75
Hazmat Special Revenue Fund			
Capital outlay	3,000	8,022	5,022

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

3. CASH AND POOLED 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	\$21,304,766	\$526,433	\$6,601,462	\$28,432,661

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

Deposits	\$23,459,992
Petty cash	350
Investments	<u>4,972,319</u>
 Total	 <u><u>\$28,432,661</u></u>

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, \$16,924,175 of the Township's bank balance of \$24,175,619 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>	<u>Source</u>
Investment pool accounts				
Kent County Investment Pool	N/A	\$3,972,047	Unrated	
JP Morgan Chase CD	8/16/2018	497,640	AA2	Moody
Wells Fargo CD	9/25/2017	500,410	AA2	Moody
Federated Government Reserves	N/A	2,222	Unrated	N/A
 Total		 <u><u>\$4,972,319</u></u>		

The Township categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

The Township has the following recurring fair value measurements as of year-end:

- The Township does not have and investments that are valued using quoted market prices (Level 1 inputs).
- The Kent County Investment Pool, JP Morgan Chase CD, Wells Fargo CD, and Federated Government Reserves are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determining the fair value of the securities making up the of investments fund/pool (Level 2 inputs).
- The Township does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

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.

At December 31, 2016, 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	22.0%	0-3
Certificates of deposits	53.9%	0-3
Money market accounts	24.1%	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, 2016

4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 9,925,955	\$ 5,753	\$ -	\$ 9,931,708
Capital assets, being depreciated				
Land improvements	8,213,563	390,695	-	8,604,258
Infrastructure	1,400,000	-	-	1,400,000
Buildings and improvements	8,472,022	-	-	8,472,022
Furniture and equipment	1,385,463	76,088	14,795	1,446,756
Vehicles	2,108,428	105,680	-	2,214,108
Total capital assets, being depreciated	21,579,476	572,463	14,795	22,137,144
Less accumulated depreciation for				
Land improvements	4,992,029	424,183	-	5,416,212
Infrastructure	840,000	28,000	-	868,000
Buildings and improvements	3,266,615	214,915	-	3,481,530
Furniture and equipment	929,332	81,274	13,320	997,286
Vehicles	660,634	81,543	-	742,177
Total accumulated depreciation	10,688,610	829,915	13,320	11,505,205
Net capital assets, being depreciated	10,890,866	(257,452)	1,475	10,631,939
Governmental Activities capital assets, net	\$20,816,821	\$(251,699)	\$ 1,475	\$20,563,647
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	7,413,413	157,407	-	7,570,820
Vehicles	46,528	-	-	46,528
Total capital assets, being depreciated	7,459,941	157,407	-	7,617,348
Less accumulated depreciation for				
Land improvements	2,435,767	302,830	-	2,738,597
Vehicles	37,224	9,304	-	46,528
Total accumulated depreciation	2,472,991	312,134	-	2,785,125
Net capital assets, being depreciated	4,986,950	(154,727)	-	4,832,223
Component Unit capital assets, net	\$5,046,316	\$(154,727)	\$ -	\$4,891,589

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

Governmental Activities	
General government	\$109,937
Public safety	144,034
Recreation and cultural	575,944
Total depreciation expense - governmental activities	\$829,915

CASCADE CHARTER TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

5. INTERFUND TRANSACTIONS

Transfers in and out for the year are as follows:

Transfers out	Transfers in			Total
	General fund	Fire fund	Non-major funds	
General fund	\$ -	\$400,000	\$ 41,575	\$441,575
Inspections fund	85,276	-	-	85,276
Open space fund	-	-	349,959	349,959
	\$85,276	\$400,000	\$391,534	\$876,810

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, 2016 were as follows:

Receivable fund	Payable Fund			Total
	General fund	Improvement revolving	Inspections	
General fund	\$ -	\$14,584	\$2,965	\$17,549
Improvement revolving	-	-	2,200	2,200
Non-major funds	11,575	-	-	11,575
	\$11,575	\$14,584	\$5,165	\$31,324

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

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

6. LONG-TERM DEBT

The following is a summary of the debt transactions of the Township for the year ended December 31, 2016:

	<u>Balance January 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2016</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	\$ 690,000	\$ -	\$326,000	\$ 364,000	\$364,000
\$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	3,465,000	-	210,000	3,255,000	215,000
Total Long-Term Debt	4,155,000	-	536,000	3,619,000	579,000
Accrued compensated absences	80,309	60,201	37,953	102,557	58,128
Total Governmental Activities	\$4,235,309	\$60,201	\$573,953	\$3,721,557	\$637,128
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	\$485,000	\$ -	\$91,000	\$394,000	\$94,000

The annual requirements to amortize all debt outstanding (excluding issuance discount and accrued compensated absences) as of December 31, 2016, 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>
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	250,000	96,588	-	-
2022-2026	1,430,000	308,495	-	-
2027-2028	665,000	30,100	-	-
Total	\$3,619,000	\$921,192	\$394,000	\$34,561

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

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, 2015):

Active plan members	39
Inactive employees entitled but not yet receiving benefits	7
Inactive employees or beneficiaries currently receiving benefits	<u>19</u>
Total	<u>65</u>

Contributions

The Township is required to contribute at an actuarially determined rate, which for the current year was 10.03% 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, 2016, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of December 31, 2015.

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

- Inflation: 3%-4%
- Salary Increases: 3.75%
- Investment rate of return: 7.75%, net of investment expense, including inflation
- 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.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

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>	<u>Expected Money Weighted Rate of Return*</u>
Global Equity	57.5%	6.27%	3.60%
Global Fixed Income	20.0%	3.43%	0.68%
Real Assets	12.5%	5.48%	0.69%
Diversifying Strategies	10.0%	7.81%	0.78%
Inflation			2.00%
Administrative fee			0.25%
			<hr/>
Investment rate of return			<u>8.00%</u>

Discount rate. The discount rate used to measure the total pension liability is 8.00%. 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 (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
Balance at 12/31/15	\$8,748,880	\$6,740,209	\$2,008,671
Changes for the Year:			
Service cost	269,359	-	269,359
Interest	697,204	-	697,204
Change in benefits	-	-	-
Difference between expected and actual experience	360,728	-	360,728
Change in assumptions	568,066	-	568,066
Contributions: employer	-	245,343	(245,343)
Contributions: employee	-	123,282	(123,282)
Net investment Income	-	776,510	(776,510)
Benefit payments, including refunds	(337,024)	(337,024)	-
Administrative expense	-	(15,315)	15,315
Other changes	(58,461)	-	(58,461)
Net changes	<u>1,499,872</u>	<u>792,796</u>	<u>707,076</u>
Balance at 12/31/16	<u>\$10,248,752</u>	<u>\$7,533,005</u>	<u>\$2,715,747</u>

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total Pension Liability	\$11,561,956	\$10,248,752	\$9,145,531
Fiduciary Net Position	7,533,005	7,533,005	7,533,005
Net Pension Liability	<u>\$ 4,028,951</u>	<u>\$ 2,715,747</u>	<u>\$1,612,526</u>

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2016 the employer recognized pension expense of \$532,958. 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	\$288,582
Differences in assumptions	454,452
Excess (deficit) investment returns	213,470
Total	<u>\$956,504</u>

Amounts reported as deferred outflows of resources related to the pension will be recognized in pension expense as follows:

2017	\$272,692
2018	272,692
2019	272,692
2020	138,430
2021	-
Thereafter	-
Total	<u>\$956,506</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 2016 was \$9,334.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

8. LEASE AGREEMENT

The township renewed an agreement in 2016, which provides for the leasing of the Cascade Dam to a private company for the purpose of generating and selling hydroelectric power. The original lease term through 2018 has an annual base rental of \$70,416 plus an annual maintenance reserve fee of \$5,000. Under the new agreement, the lease will automatically be extended for an additional 18 years upon expiration of the original term (through 2036). In years 2019 through 2029, the annual base rental is \$70,000 and from 2029 to 2036 the annual base rental will be \$72,000. The annual maintenance reserve fee will continue to be \$5,000 through the term of the new lease agreement. This 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, 2016, the Cascade Dam Major Repair Fund has accumulated \$560,472.

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. TAX ABATEMENTS

The Township entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) PA 198 of 1974, as amended, provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. An Industrial Facilities Exemption (IFE) certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of 12 years as determined by the local unit of government. The agreements entered into by the Township include claw back provisions should the recipient of the tax abatement fail to fully meet its commitments, such as employment levels and timelines for relocation. The IFT is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%.

For the year ended December 31, 2016 the Township abated property tax revenues of approximately \$45,000.

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, 2016

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 1,981,800	\$ 1,981,800	\$ 1,984,540	\$ 2,740
Licenses and permits	404,550	404,550	460,158	55,608
State	1,439,015	1,517,449	1,458,546	(58,903)
Charges for services	109,800	113,316	91,824	(21,492)
Interest	233,750	233,750	243,546	9,796
Miscellaneous	129,940	179,471	187,490	8,019
Total revenues	<u>4,298,855</u>	<u>4,430,336</u>	<u>4,426,104</u>	<u>(4,232)</u>
Expenditures				
Current				
General government				
Township board	43,728	43,728	41,398	2,330
Supervisor	27,526	27,526	17,720	9,806
Manager	106,083	106,083	107,685	(1,602)
Clerk	85,598	86,798	83,103	3,695
Treasurer	126,483	126,483	123,784	2,699
Assessor	214,233	219,111	208,732	10,379
Elections	46,000	51,500	48,955	2,545
Buildings and grounds	441,100	442,100	393,398	48,702
Cemetery	8,000	8,000	3,701	4,299
Administration	500,545	512,745	457,299	55,446
Public works				
Drains	56,200	209,700	111,151	98,549
Road construction and maintenance	354,000	354,000	327,481	26,519
Street lighting	123,000	123,000	106,950	16,050
Waste collection	61,600	62,000	52,566	9,434
Community and economic development				
Planning commission	278,467	281,667	230,726	50,941
Building and zoning	3,000	3,000	1,565	1,435
Culture and recreation				
Parks and recreation	47,600	85,600	83,051	2,549
Historical	9,770	14,770	16,467	(1,697)
Other	739,192	714,512	668,219	46,293
Capital outlay	771,500	799,000	432,730	366,270
Total expenditures	<u>4,043,625</u>	<u>4,271,323</u>	<u>3,516,681</u>	<u>754,642</u>
Revenues over (under) expenditures	<u>255,230</u>	<u>159,013</u>	<u>909,423</u>	<u>750,410</u>
Other financing sources (uses)				
Transfers in	103,336	103,336	85,276	(18,060)
Transfers out	(441,500)	(441,500)	(441,575)	(75)
Total other financing sources (uses)	<u>(338,164)</u>	<u>(338,164)</u>	<u>(356,299)</u>	<u>(18,135)</u>
Net changes in fund balances	(82,934)	(179,151)	553,124	732,275
Fund balances, beginning of year	<u>8,527,111</u>	<u>8,527,111</u>	<u>8,527,111</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,444,177</u>	<u>\$ 8,347,960</u>	<u>\$ 9,080,235</u>	<u>\$ 732,275</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 1,852,490	\$ 1,852,490	\$ 1,846,062	\$ (6,428)
Interest	24,100	24,100	22,506	(1,594)
Miscellaneous	4,000	4,000	146	(3,854)
Total revenues	<u>1,880,590</u>	<u>1,880,590</u>	<u>1,868,714</u>	<u>(11,876)</u>
Expenditures				
Current				
Public safety	1,983,771	1,994,791	1,890,972	103,819
Capital outlay	146,000	162,500	153,733	8,767
Total expenditures	<u>2,129,771</u>	<u>2,157,291</u>	<u>2,044,705</u>	<u>112,586</u>
Revenues over (under) expenditures	(249,181)	(276,701)	(175,991)	100,710
Other financing sources (uses)				
Transfers in	400,000	400,000	400,000	-
Net changes in fund balances	150,819	123,299	224,009	100,710
Fund balances, beginning of year	<u>2,431,700</u>	<u>2,431,700</u>	<u>2,431,700</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,582,519</u>	<u>\$ 2,554,999</u>	<u>\$ 2,655,709</u>	<u>\$ 100,710</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 646,315	\$ 646,315	\$ 644,383	\$ (1,932)
Interest	<u>30,000</u>	<u>30,000</u>	<u>29,869</u>	<u>(131)</u>
Total revenues	676,315	676,315	674,252	(2,063)
Expenditures				
Current				
Public safety	<u>644,422</u>	<u>644,422</u>	<u>609,649</u>	<u>34,773</u>
Net changes in fund balances	31,893	31,893	64,603	32,710
Fund balances, beginning of year	<u>1,219,182</u>	<u>1,219,182</u>	<u>1,219,182</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,251,075</u>	<u>\$ 1,251,075</u>	<u>\$ 1,283,785</u>	<u>\$ 32,710</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 7,600	\$ 7,600	\$ 15,982	\$ 8,382
Miscellaneous	<u>228,145</u>	<u>228,145</u>	<u>279,669</u>	<u>51,524</u>
Total revenues	<u>235,745</u>	<u>235,745</u>	<u>295,651</u>	<u>59,906</u>
Expenditures				
Debt service				
Principal	76,000	76,000	76,000	-
Interest	4,040	4,040	4,038	2
Capital outlay	<u>428,500</u>	<u>463,987</u>	<u>442,301</u>	<u>21,686</u>
Total expenditures	<u>508,540</u>	<u>544,027</u>	<u>522,339</u>	<u>21,688</u>
Net changes in fund balances	(272,795)	(308,282)	(226,688)	81,594
Fund balances, beginning of year	<u>1,822,858</u>	<u>1,822,858</u>	<u>1,822,858</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,550,063</u>	<u>\$ 1,514,576</u>	<u>\$ 1,596,170</u>	<u>\$ 81,594</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 211,765	\$ 211,765	\$ 210,705	\$ (1,060)
Local	32,869	32,869	32,870	1
Interest	13,850	13,850	13,622	(228)
Total revenues	<u>258,484</u>	<u>258,484</u>	<u>257,197</u>	<u>(1,287)</u>
Expenditures				
Current				
Culture and recreation	207,692	207,692	180,673	27,019
Capital outlay	51,400	51,400	932	50,468
Total expenditures	<u>259,092</u>	<u>259,092</u>	<u>181,605</u>	<u>77,487</u>
Net changes in fund balances	(608)	(608)	75,592	76,200
Fund balances, beginning of year	<u>1,903,636</u>	<u>1,903,636</u>	<u>1,903,636</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,903,028</u>	<u>\$ 1,903,028</u>	<u>\$ 1,979,228</u>	<u>\$ 76,200</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 561,320	\$ 561,320	\$ 559,319	\$ (2,001)
Interest	1,000	1,000	1,529	529
Total revenues	<u>562,320</u>	<u>562,320</u>	<u>560,848</u>	<u>(1,472)</u>
Expenditures				
Current				
Culture and recreation	43,400	43,400	13,179	30,221
Debt service				
Principal	250,000	250,000	250,000	-
Interest	9,707	9,707	9,705	2
Capital outlay	70,000	70,000	40,561	29,439
Total expenditures	<u>373,107</u>	<u>373,107</u>	<u>313,445</u>	<u>59,662</u>
Net changes in fund balances	189,213	189,213	247,403	58,190
Fund balances, beginning of year	<u>707,925</u>	<u>707,925</u>	<u>707,925</u>	<u>-</u>
Fund balances, end of year	<u>\$ 897,138</u>	<u>\$ 897,138</u>	<u>\$ 955,328</u>	<u>\$ 58,190</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ 1,401,000	\$ 1,401,000	\$ 1,521,550	\$ 120,550
Interest	18,850	18,850	19,323	473
Miscellaneous	1,000	1,000	1,794	794
Total revenues	<u>1,420,850</u>	<u>1,420,850</u>	<u>1,542,667</u>	<u>121,817</u>
Expenditures				
Current				
Public safety	1,156,284	1,156,284	1,143,284	13,000
Capital outlay	30,000	30,000	12,923	17,077
Total expenditures	<u>1,186,284</u>	<u>1,186,284</u>	<u>1,156,207</u>	<u>30,077</u>
Revenues over (under) expenditures	234,566	234,566	386,460	151,894
Other financing sources (uses)				
Transfers out	(86,000)	(86,000)	(85,276)	724
Net changes in fund balances	148,566	148,566	301,184	152,618
Fund balances, beginning of year	<u>2,128,897</u>	<u>2,128,897</u>	<u>2,128,897</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,277,463</u>	<u>\$ 2,277,463</u>	<u>\$ 2,430,081</u>	<u>\$ 152,618</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 324,045	\$ 324,045	\$ 322,804	\$ (1,241)
Interest	4,000	4,000	5,958	1,958
Miscellaneous	500	500	1,000	500
Total revenues	328,545	328,545	329,762	1,217
Expenditures				
Current				
Culture and recreation	24,200	24,200	3,572	20,628
Revenues over (under) expenditures	304,345	304,345	326,190	21,845
Other financing sources (uses)				
Transfers out	(349,959)	(349,959)	(349,959)	-
Net changes in fund balances	(45,614)	(45,614)	(23,769)	21,845
Fund balances, beginning of year	762,814	762,814	762,814	-
Fund balances, end of year	<u>\$ 717,200</u>	<u>\$ 717,200</u>	<u>\$ 739,045</u>	<u>\$ 21,845</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEAR ENDED DECEMBER 31, 2016

	2015	2016
Total pension liability		
Service cost	\$ 232,044	\$ 269,359
Interest	672,517	697,204
Changes in benefit terms	-	-
Difference between expected and actual experience	-	360,728
Changes in assumptions	-	568,066
Benefit payments including employee refunds	(347,736)	(337,024)
Other	(17,508)	(58,461)
	539,317	1,499,872
Net change in total pension liability	539,317	1,499,872
Total pension liability, beginning of year	8,209,563	8,748,880
Total pension liability, ending of year	\$ 8,748,880	\$ 10,248,752
 Plan fiduciary net position		
Contributions-employer	\$ 232,013	\$ 245,343
Contributions-employee	117,128	123,282
Net investment income	(105,931)	776,510
Benefit payments including employee refunds	(347,736)	(337,024)
Administrative expense	(15,175)	(15,315)
	(119,701)	792,796
Net change in plan fiduciary net position	(119,701)	792,796
Plan fiduciary net position, beginning of year	6,859,910	6,740,209
Plan fiduciary net position, ending of year	\$ 6,740,209	\$ 7,533,005
 Employer net pension liability	\$ 2,008,671	\$ 2,715,747
 Plan fiduciary net position as a percentage of the total pension liability	77%	74%
 Covered employee payroll	\$ 2,047,653	\$ 2,314,281
 Employer's net pension liability as a percentage of covered employee payroll	98%	117%

Notes to schedule:

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

This schedule is being accumulated prospectively until ten years of data is presented.

CASCADE CHARTER TOWNSHIP

DEFINED BENEFIT PENSION PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED DECEMBER 31, 2016

	2015	2016
Actuarial determined contributions	\$ 232,013	\$ 245,343
Contributions in relation to the actuarially determined contribution	232,013	245,343
Contribution deficiency (excess)	\$ -	\$ -
 Covered employee payroll	 \$ 2,047,653	 \$ 2,314,281
 Contributions as a percentage of covered employee payroll	 11.3%	 10.6%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	25 years
Asset valuation method	5 years smoothed
Inflation	2.50%
Salary increases	3.75%
Investment rate of return	7.75%
Retirement age	Varies depending on plan adoption
Mortality	50% female/ 50% male RP-2014 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, 2016

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Permanent</u>	
	<u>Cascade Dam Major Repair</u>	<u>Hazmat</u>	<u>Building Authority</u>	<u>Cemetery Perpetual Care</u>	<u>Total</u>
Assets					
Cash and pooled investments	\$ 550,472	\$ 36,248	\$ -	\$ 97,361	\$ 684,081
Due from other funds	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>1,575</u>	<u>11,575</u>
Total assets	<u>\$ 560,472</u>	<u>\$ 36,248</u>	<u>\$ -</u>	<u>\$ 98,936</u>	<u>\$ 695,656</u>
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ 160	\$ 160
Fund balances					
Nonspendable					
Cemetery trust	-	-	-	91,584	91,584
Restricted					
Capital improvements	560,472	-	-	-	560,472
Committed					
Cemetery trust	-	-	-	7,192	7,192
Assigned					
Special revenue funds	<u>-</u>	<u>36,248</u>	<u>-</u>	<u>-</u>	<u>36,248</u>
Total fund balances	<u>560,472</u>	<u>36,248</u>	<u>-</u>	<u>98,776</u>	<u>695,496</u>
Total liabilities and fund balances	<u>\$ 560,472</u>	<u>\$ 36,248</u>	<u>\$ -</u>	<u>\$ 98,936</u>	<u>\$ 695,656</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Permanent</u>	
	<u>Cascade Dam Major Repair</u>	<u>Hazmat</u>	<u>Building Authority</u>	<u>Cemetery Perpetual Care</u>	<u>Total</u>
Revenues					
Charges for services	\$ -	\$ -	\$ -	\$ 4,070	\$ 4,070
Interest	1,173	159	-	398	1,730
Miscellaneous	5,000	-	-	-	5,000
Total revenues	<u>6,173</u>	<u>159</u>	<u>-</u>	<u>4,468</u>	<u>10,800</u>
Expenditures					
Current					
General government	-	-	-	502	502
Public safety	-	1,964	-	-	1,964
Debt service					
Principal	-	-	210,000	-	210,000
Interest	-	-	139,959	-	139,959
Capital outlay	9,816	8,022	-	-	17,838
Total expenditures	<u>9,816</u>	<u>9,986</u>	<u>349,959</u>	<u>502</u>	<u>370,263</u>
Revenues over (under) expenditures	(3,643)	(9,827)	(349,959)	3,966	(359,463)
Other financing sources (uses)					
Transfers in	40,000	-	349,959	1,575	391,534
Net changes in fund balances	36,357	(9,827)	-	5,541	32,071
Fund balances, beginning of year	<u>524,115</u>	<u>46,075</u>	<u>-</u>	<u>93,235</u>	<u>663,425</u>
Fund balances, end of year	<u>\$ 560,472</u>	<u>\$ 36,248</u>	<u>\$ -</u>	<u>\$ 98,776</u>	<u>\$ 695,496</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 900	\$ 900	\$ 1,173	\$ 273
Miscellaneous	5,000	5,000	5,000	-
Total revenues	<u>5,900</u>	<u>5,900</u>	<u>6,173</u>	<u>273</u>
Expenditures				
Current				
General government	5,000	5,000	-	5,000
Capital outlay	20,000	20,000	9,816	10,184
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>9,816</u>	<u>15,184</u>
Revenues over (under) expenditures	(19,100)	(19,100)	(3,643)	15,457
Other financing sources (uses)				
Transfers in	40,000	40,000	40,000	-
Net changes in fund balances	20,900	20,900	36,357	15,457
Fund balances, beginning of year	<u>524,115</u>	<u>524,115</u>	<u>524,115</u>	<u>-</u>
Fund balances, end of year	<u>\$ 545,015</u>	<u>\$ 545,015</u>	<u>\$ 560,472</u>	<u>\$ 15,457</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, 2016

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 200	\$ 200	\$ 159	\$ (41)
Expenditures				
Current				
Public safety	5,000	5,000	1,964	3,036
Capital outlay	3,000	3,000	8,022	(5,022)
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>9,986</u>	<u>(1,986)</u>
Net changes in fund balances	(7,800)	(7,800)	(9,827)	(2,027)
Fund balances, beginning of year	<u>46,075</u>	<u>46,075</u>	<u>46,075</u>	<u>-</u>
Fund balances, end of year	<u>\$ 38,275</u>	<u>\$ 38,275</u>	<u>\$ 36,248</u>	<u>\$ (2,027)</u>

CASCADE CHARTER TOWNSHIP

GENERAL FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 8,712,137	\$ 7,897,619
Receivables		
Accounts	985,252	1,121,383
Taxes	840,656	893,642
Due from other funds	17,549	104
Due from other governments	247,515	512,924
Prepaid items	<u>1,100</u>	<u>1,323</u>
Total assets	<u>\$ 10,804,209</u>	<u>\$ 10,426,995</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 75,153	\$ 275,491
Accrued payroll and benefits	17,598	22,913
Due to other funds	<u>11,575</u>	<u>-</u>
Total liabilities	<u>104,326</u>	<u>298,404</u>
Deferred inflows of resources		
Unearned revenue	<u>1,619,648</u>	<u>1,601,480</u>
Fund balances		
Nonspendable		
Prepaid items	1,100	1,323
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>8,104,592</u>	<u>7,468,311</u>
Total fund balances	<u>9,080,235</u>	<u>8,527,111</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,804,209</u>	<u>\$ 10,426,995</u>

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CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES**

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Property taxes		
Current property taxes	\$ 1,343,159	\$ 1,290,761
Hydrant rental assessment	-	39,921
Street lighting assessment	68,799	68,406
Delinquent property taxes	15,463	12,862
Industrial facilities taxes	12,055	12,244
Interest and penalties on taxes	10,115	14,719
Tax administration fees	534,949	516,948
Total property taxes	<u>1,984,540</u>	<u>1,955,861</u>
Licenses and permits		
Cablevision fees	459,650	406,050
Dog licenses	133	113
Other permits	375	960
Total licenses and permits	<u>460,158</u>	<u>407,123</u>
State		
Sales taxes	1,389,808	1,353,482
PA 48/Metro Authority	16,745	11,132
Other state grants	51,993	4,002
Total state	<u>1,458,546</u>	<u>1,368,616</u>
Charges for services		
Planning and zoning fees	12,035	33,712
Summer tax collection fees	25,796	25,533
P.A. 198 tax application fees	5,516	4,000
Yard waste bag fees	2,019	2,177
Sewer and water implementation fees	15,608	73,128
Grave openings	12,200	17,375
Passport application fees	18,640	20,625
Sale of printed materials	10	144
Total charges for services	<u>91,824</u>	<u>176,694</u>
Interest		
Interest on deposits and investments	79,230	41,703
Rental income	164,316	167,900
Total interest	<u>243,546</u>	<u>209,603</u>
Miscellaneous		
Sale of assets	125	-
Contributions	142,170	139,990
Park income	5,945	6,255
Reimbursements	10,280	8,042
Refunds and rebates	14,749	1,895
Other	14,221	3,012
Total miscellaneous	<u>187,490</u>	<u>159,194</u>
Total revenues	<u>\$ 4,426,104</u>	<u>\$ 4,277,091</u>

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Expenditures		
Current		
General government		
Township board		
Personnel services	\$ 24,307	\$ 22,208
Other services and charges	17,091	20,698
Total township board	<u>41,398</u>	<u>42,906</u>
Supervisor		
Personnel services	11,460	8,104
Other services and charges	4,879	14,923
Capital outlay	1,381	1,217
Total supervisor	<u>17,720</u>	<u>24,244</u>
Manager		
Personnel services	105,573	103,220
Other services and charges	2,112	2,414
Total manager	<u>107,685</u>	<u>105,634</u>
Clerk		
Personnel services	77,409	74,268
Other services and charges	5,694	3,721
Total clerk	<u>83,103</u>	<u>77,989</u>
Treasurer		
Personnel services	118,695	113,548
Other services and charges	5,089	6,881
Capital outlay	-	1,624
Total treasurer	<u>123,784</u>	<u>122,053</u>
Assessor		
Personnel services	190,685	172,826
Supplies	190	389
Other services and charges	16,077	16,405
Capital outlay	1,780	377
Total assessor	<u>208,732</u>	<u>189,997</u>
Elections		
Personnel services	34,498	5,793
Supplies	4,713	610
Other services and charges	9,744	1,687
Total elections	<u>48,955</u>	<u>8,090</u>
Buildings and grounds		
Personnel services	232,036	219,493
Supplies	2,202	1,530
Other services and charges	158,960	150,945
Capital outlay	200	2,920
Total buildings and grounds	<u>393,398</u>	<u>374,888</u>
Cemetery		
Other services and charges	<u>3,701</u>	<u>9,558</u>
Administration		
Personnel services	63,404	60,010
Supplies	22,941	22,689
Other services and charges	367,911	497,576
Capital outlay	3,043	1,341
Total administration	<u>457,299</u>	<u>581,616</u>
Total general government	<u>1,485,775</u>	<u>1,536,975</u>

(Continued)

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Public works		
Drains		
Other services and charges	\$ 5,621	\$ 6,564
Capital outlay	105,530	42,582
Total drains	<u>111,151</u>	<u>49,146</u>
Road construction and maintenance		
Capital outlay	<u>327,481</u>	<u>434,914</u>
Street lighting		
Other services and charges	104,763	112,985
Capital outlay	2,187	719
Total street lighting	<u>106,950</u>	<u>113,704</u>
Waste collection		
Other services and charges	<u>52,566</u>	<u>42,980</u>
Total public works	<u>598,148</u>	<u>640,744</u>
Community and economic development		
Planning commission		
Personnel services	207,367	193,265
Supplies	261	274
Other services and charges	23,098	32,218
Total planning commission	<u>230,726</u>	<u>225,757</u>
Building and zoning		
Personnel services	<u>1,565</u>	<u>1,835</u>
Total community and economic development	<u>232,291</u>	<u>227,592</u>
Culture and recreation		
Parks and recreation		
Supplies	2,498	3,395
Other services and charges	80,268	57,555
Capital outlay	285	-
Total parks and recreation	<u>83,051</u>	<u>60,950</u>
Historical		
Supplies	5,000	5,000
Other services and charges	11,467	3,248
Total historical	<u>16,467</u>	<u>8,248</u>
Total culture and recreation	<u>99,518</u>	<u>69,198</u>
Other		
Employee benefits	336,388	627,528
Transportation services	331,831	101,709
Total other	<u>668,219</u>	<u>729,237</u>
Capital outlay	<u>432,730</u>	<u>763,972</u>
Total expenditures	<u>\$ 3,516,681</u>	<u>\$ 3,967,718</u>

(Concluded)

CASCADE CHARTER TOWNSHIP

FIRE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 2,708,312	\$ 2,462,772
Receivables		
Accounts	893,131	843,426
Taxes	944,402	1,003,465
Prepaid items	<u>1,875</u>	<u>2,229</u>
Total assets	<u>\$ 4,547,720</u>	<u>\$ 4,311,892</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 33,705	\$ 17,139
Accrued payroll and benefits	<u>20,963</u>	<u>16,602</u>
Total liabilities	<u>54,668</u>	<u>33,741</u>
Deferred inflows of resources		
Unearned revenue	<u>1,837,343</u>	<u>1,846,451</u>
Fund balances		
Nonspendable		
Prepaid items	1,875	2,229
Restricted		
Dedicated millage	<u>2,653,834</u>	<u>2,429,471</u>
Total fund balances	<u>2,655,709</u>	<u>2,431,700</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,547,720</u>	<u>\$ 4,311,892</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Property taxes		
Current property taxes	\$ 1,818,174	\$ 1,747,247
Delinquent property taxes	11,302	12,866
Industrial facilities taxes	16,318	16,574
Interest and penalties on taxes	268	359
Total property taxes	<u>1,846,062</u>	<u>1,777,046</u>
Interest	22,506	13,093
Miscellaneous		
Other	46	26,392
Donations	100	730
Total miscellaneous	<u>146</u>	<u>27,122</u>
Total revenues	<u>1,868,714</u>	<u>1,817,261</u>
Expenditures		
Current		
Public safety		
Fire department		
Personnel services	1,641,529	1,624,902
Supplies	54,183	50,089
Other services and charges	195,260	177,540
Total public safety	<u>1,890,972</u>	<u>1,852,531</u>
Capital outlay	<u>153,733</u>	<u>225,664</u>
Total expenditures	<u>2,044,705</u>	<u>2,078,195</u>
Revenues over (under) expenditures	(175,991)	(260,934)
Other financing sources (uses)		
Transfers in	<u>400,000</u>	<u>400,000</u>
Net changes in fund balances	224,009	139,066
Fund balances, beginning of year	<u>2,431,700</u>	<u>2,292,634</u>
Fund balances, end of year	<u>\$ 2,655,709</u>	<u>\$ 2,431,700</u>

CASCADE CHARTER TOWNSHIP

**POLICE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 1,457,715	\$ 1,299,082
Receivables		
Accounts	311,686	294,249
Taxes	<u>329,652</u>	<u>350,269</u>
Total assets	<u>\$ 2,099,053</u>	<u>\$ 1,943,600</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 173,930</u>	<u>\$ 79,900</u>
Deferred inflows of resources		
Unearned revenue	<u>641,338</u>	<u>644,518</u>
Fund balances		
Restricted		
Dedicated millage	<u>1,283,785</u>	<u>1,219,182</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,099,053</u>	<u>\$ 1,943,600</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Property taxes		
Current property taxes	\$ 634,648	\$ 609,888
Delinquent property taxes	3,945	4,499
Industrial facilities taxes	5,696	5,785
Interest and penalties on taxes	<u>94</u>	<u>125</u>
 Total property taxes	 644,383	 620,297
 Interest	 <u>29,869</u>	 <u>2,868</u>
 Total revenues	 674,252	 623,165
 Expenditures		
Current		
Public safety		
Law enforcement		
Other services and charges	<u>609,649</u>	<u>595,142</u>
 Net changes in fund balances	 64,603	 28,023
 Fund balances, beginning of year	 <u>1,219,182</u>	 <u>1,191,159</u>
 Fund balances, end of year	 <u>\$ 1,283,785</u>	 <u>\$ 1,219,182</u>

CASCADE CHARTER TOWNSHIP

IMPROVEMENT REVOLVING SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 1,598,471	\$ 1,802,949
Receivables		
Accounts	16,135	12,875
Special assessments	3,706,282	3,860,538
Due from other funds	<u>2,200</u>	<u>-</u>
Total assets	<u>\$ 5,323,088</u>	<u>\$ 5,676,362</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 7,076	\$ 5,683
Due to other funds	<u>14,584</u>	<u>104</u>
Total liabilities	<u>21,660</u>	<u>5,787</u>
Deferred inflows of resources		
Unavailable revenue	<u>3,705,258</u>	<u>3,847,717</u>
Fund balances		
Restricted		
Water and sewer improvements	<u>1,596,170</u>	<u>1,822,858</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,323,088</u>	<u>\$ 5,676,362</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Interest		
Interest on deposits	\$ 11,781	\$ 11,515
Interest on special assessments	4,201	8,413
Total interest	<u>15,982</u>	<u>19,928</u>
Miscellaneous		
Special assessments	131,631	67,977
Hookup fees	148,038	730,240
Total miscellaneous	<u>279,669</u>	<u>798,217</u>
Total revenues	<u>295,651</u>	<u>818,145</u>
Expenditures		
Debt service		
Principal	76,000	74,000
Interest and fees	4,038	5,298
Total debt service	<u>80,038</u>	<u>79,298</u>
Capital outlay	<u>442,301</u>	<u>97,482</u>
Total expenditures	<u>522,339</u>	<u>176,780</u>
Net changes in fund balances	(226,688)	641,365
Fund balances, beginning of year	<u>1,822,858</u>	<u>1,181,493</u>
Fund balances, end of year	<u>\$ 1,596,170</u>	<u>\$ 1,822,858</u>

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 1,992,322	\$ 1,945,329
Receivables		
Accounts	101,984	96,288
Taxes	<u>107,696</u>	<u>114,432</u>
Total assets	<u>\$ 2,202,002</u>	<u>\$ 2,156,049</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 13,094</u>	<u>\$ 41,693</u>
Deferred inflows of resources		
Unearned revenue	<u>209,680</u>	<u>210,720</u>
Fund balances		
Restricted		
Dedicated millage	<u>1,979,228</u>	<u>1,903,636</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,202,002</u>	<u>\$ 2,156,049</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Property taxes		
Current property taxes	\$ 207,494	\$ 199,407
Delinquent property taxes	1,319	1,586
Industrial facilities taxes	1,861	1,890
Interest and penalties on taxes	31	42
Total property taxes	<u>210,705</u>	<u>202,925</u>
Local	32,870	32,870
Interest	13,622	1,427
Miscellaneous		
Donations	<u>-</u>	<u>290</u>
Total revenues	<u>257,197</u>	<u>237,512</u>
Expenditures		
Current		
Recreation and cultural		
Library		
Supplies	2,654	5,594
Other services and charges	178,019	172,132
Total recreation and cultural	<u>180,673</u>	<u>177,726</u>
Capital outlay	<u>932</u>	<u>110,735</u>
Total expenditures	<u>181,605</u>	<u>288,461</u>
Revenues over (under) expenditures	75,592	(50,949)
Other financing sources (uses)		
Transfers out	<u>-</u>	<u>(16,336)</u>
Net changes in fund balances	75,592	(67,285)
Fund balances, beginning of year	<u>1,903,636</u>	<u>1,970,921</u>
Fund balances, end of year	<u>\$ 1,979,228</u>	<u>\$ 1,903,636</u>

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 955,384	\$ 721,881
Receivables		
Accounts	270,542	255,406
Taxes	<u>286,136</u>	<u>304,031</u>
Total assets	<u>\$ 1,512,062</u>	<u>\$ 1,281,318</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 56</u>	<u>\$ 13,956</u>
Deferred inflows of resources		
Unearned revenue	<u>556,678</u>	<u>559,437</u>
Fund balances		
Restricted		
Dedicated millage	<u>955,328</u>	<u>707,925</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,512,062</u>	<u>\$ 1,281,318</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Property taxes		
Current property taxes	\$ 550,870	\$ 529,379
Delinquent property taxes	3,424	3,898
Industrial facilities taxes	4,944	5,022
Interest and penalties on taxes	81	109
Total property taxes	<u>559,319</u>	<u>538,408</u>
Interest	<u>1,529</u>	<u>13,021</u>
Total revenues	<u>560,848</u>	<u>551,429</u>
Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Supplies	5,801	6,584
Other services and charges	7,378	2,999
Total recreation and cultural	<u>13,179</u>	<u>9,583</u>
Debt service		
Principal	250,000	504,000
Interest and fees	9,705	23,976
Total debt service	<u>259,705</u>	<u>527,976</u>
Capital outlay	<u>40,561</u>	<u>63,959</u>
Total expenditures	<u>313,445</u>	<u>601,518</u>
Net changes in fund balances	247,403	(50,089)
Fund balances, beginning of year	<u>707,925</u>	<u>758,014</u>
Fund balances, end of year	<u>\$ 955,328</u>	<u>\$ 707,925</u>

CASCADE CHARTER TOWNSHIP

**INSPECTIONS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 2,457,069	\$ 2,160,644
Receivables		
Accounts	14,824	-
Prepaid items	<u>654</u>	<u>805</u>
Total assets	<u>\$ 2,472,547</u>	<u>\$ 2,161,449</u>
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ 25,288	\$ 24,313
Accrued payroll and benefits	12,013	8,239
Due to other funds	<u>5,165</u>	<u>-</u>
Total liabilities	<u>42,466</u>	<u>32,552</u>
Fund balances		
Nonspendable		
Prepaid items	654	805
Restricted		
Inspections	<u>2,429,427</u>	<u>2,128,092</u>
Total fund balances	<u>2,430,081</u>	<u>2,128,897</u>
Total liabilities and fund balances	<u>\$ 2,472,547</u>	<u>\$ 2,161,449</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Licenses and permits		
Building permits	\$ 218,578	\$ 352,152
Electrical permits	75,883	105,856
Mechanical permits	93,815	116,960
Plumbing permits	38,753	61,509
Permits - other townships	1,000,601	961,346
Plan reviews	80,300	110,484
Contractor registration fees	13,620	7,110
Total licenses and permits	<u>1,521,550</u>	<u>1,715,417</u>
Interest	19,323	11,580
Miscellaneous	<u>1,794</u>	<u>21</u>
Total revenues	<u>1,542,667</u>	<u>1,727,018</u>
Expenditures		
Current		
Public safety		
Inspections		
Personnel services	835,166	927,500
Supplies	8,611	8,913
Other services and charges	299,507	291,565
Total public safety	<u>1,143,284</u>	<u>1,227,978</u>
Capital outlay	<u>12,923</u>	<u>41,149</u>
Total expenditures	<u>1,156,207</u>	<u>1,269,127</u>
Revenues over (under) expenditures	386,460	457,891
Other financing sources (uses)		
Transfers out	<u>(85,276)</u>	<u>(127,275)</u>
Net changes in fund balances	301,184	330,616
Fund balances, beginning of year	<u>2,128,897</u>	<u>1,798,281</u>
Fund balances, end of year	<u>\$ 2,430,081</u>	<u>\$ 2,128,897</u>

CASCADE CHARTER TOWNSHIP

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

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 739,275	\$ 777,142
Receivables		
Accounts	156,138	147,402
Taxes	<u>165,141</u>	<u>175,470</u>
Total assets	<u>\$ 1,060,554</u>	<u>\$ 1,100,014</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 230</u>	<u>\$ 14,328</u>
Deferred inflows of resources		
Unearned revenue	<u>321,279</u>	<u>322,872</u>
Fund balances		
Restricted		
Dedicated millage	<u>739,045</u>	<u>762,814</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,060,554</u>	<u>\$ 1,100,014</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Property taxes		
Current property taxes	\$ 317,927	\$ 305,524
Delinquent property taxes	1,976	2,141
Industrial facilities taxes	2,854	2,898
Interest and penalties on taxes	47	63
	<hr/>	<hr/>
Total property taxes	322,804	310,626
Interest	5,958	347
Miscellaneous	1,000	93
	<hr/>	<hr/>
Total revenues	329,762	311,066
Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Other services and charges	3,572	19,125
	<hr/>	<hr/>
Revenues over (under) expenditures	326,190	291,941
Other financing sources (uses)		
Transfers in	-	351,724
Transfers out	(349,959)	(351,446)
	<hr/>	<hr/>
Total other financing sources (uses)	(349,959)	278
Net changes in fund balances	(23,769)	292,219
Fund balances, beginning of year	762,814	470,595
	<hr/>	<hr/>
Fund balances, end of year	\$ 739,045	\$ 762,814

CASCADE CHARTER TOWNSHIP

CASCADE DAM MAJOR REPAIR SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 550,472	\$ 524,115
Due from other funds	<u>10,000</u>	<u>-</u>
Total assets	<u>\$ 560,472</u>	<u>\$ 524,115</u>
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ <u>-</u>	\$ <u>-</u>
Fund balances		
Committed		
Dam repairs	<u>560,472</u>	<u>524,115</u>
Total liabilities and fund balances	<u>\$ 560,472</u>	<u>\$ 524,115</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Interest	\$ 1,173	\$ 948
Miscellaneous	<u>5,000</u>	<u>5,000</u>
Total revenues	6,173	5,948
Expenditures		
Current		
Capital outlay	<u>9,816</u>	<u>-</u>
Revenues over (under) expenditures	(3,643)	5,948
Other financing sources (uses)		
Transfers in	<u>40,000</u>	<u>40,000</u>
Net changes in fund balances	36,357	45,948
Fund balances, beginning of year	<u>524,115</u>	<u>478,167</u>
Fund balances, end of year	<u>\$ 560,472</u>	<u>\$ 524,115</u>

CASCADE CHARTER TOWNSHIP

**HAZMAT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 36,248	\$ 48,388
Total assets	<u>\$ 36,248</u>	<u>\$ 48,388</u>
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ 2,313
Fund balances		
Restricted		
HAZMAT	<u>36,248</u>	<u>46,075</u>
Total liabilities and fund balances	<u>\$ 36,248</u>	<u>\$ 48,388</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Interest	\$ 159	\$ 195
Expenditures		
Current		
Public safety		
HAZMAT		
Other services and charges	1,964	377
Capital outlay	<u>8,022</u>	<u>8,420</u>
Total expenditures	<u>9,986</u>	<u>8,797</u>
Net changes in fund balances	(9,827)	(8,602)
Fund balances, beginning of year	<u>46,075</u>	<u>54,677</u>
Fund balances, end of year	<u>\$ 36,248</u>	<u>\$ 46,075</u>

CASCADE CHARTER TOWNSHIP

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

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ -	\$ -
Total assets	\$ -	\$ -
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Assigned		
Debt service	-	-
Total liabilities 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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Expenditures		
Debt service		
Principal	\$ 210,000	\$ 205,000
Interest and fees	<u>139,959</u>	<u>146,446</u>
Total expenditures	349,959	351,446
Other financing sources (uses)		
Transfers in	<u>349,959</u>	<u>351,446</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ _____ -	\$ _____ -
Total assets	<u>\$ _____ -</u>	<u>\$ _____ -</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ _____ -	\$ _____ -
Fund balances		
Unassigned	_____ -	_____ -
Total liabilities, deferred inflows of resources and fund balances	<u>\$ _____ -</u>	<u>\$ _____ -</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Interest	\$ -	\$ 1,598
Miscellaneous		
Contributions	-	<u>1,000</u>
Total revenues	-	2,598
Other financing sources (uses)		
Transfers out	-	<u>(351,724)</u>
Net changes in fund balances	-	(349,126)
Fund balances, beginning of year	-	<u>349,126</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

**CEMETERY PERPETUAL CARE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and pooled investments	\$ 97,361	\$ 93,315
Due from other funds	1,575	-
Total assets	<u>\$ 98,936</u>	<u>\$ 93,315</u>
Liabilities and fund balances		
Liabilities		
Accounts payable	<u>\$ 160</u>	<u>\$ 80</u>
Fund balances		
Nonspendable		
Cemetery trust	91,584	87,514
Committed		
Cemetery trust	<u>7,192</u>	<u>5,721</u>
Total fund balances	<u>98,776</u>	<u>93,235</u>
Total liabilities and fund balances	<u>\$ 98,936</u>	<u>\$ 93,315</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Charges for services		
Cemetery care fees	\$ 4,070	\$ 14,620
Interest	<u>398</u>	<u>46</u>
Total revenues	4,468	14,666
Expenditures		
Current		
General government		
Cemetery	<u>502</u>	<u>2,412</u>
Revenues over (under) expenditures	3,966	12,254
Other financing sources (uses)		
Transfers in	<u>1,575</u>	<u>2,025</u>
Net changes in fund balances	5,541	14,279
Fund balances, beginning of year	<u>93,235</u>	<u>78,956</u>
Fund balances, end of year	<u>\$ 98,776</u>	<u>\$ 93,235</u>

CASCADE CHARTER TOWNSHIP
AGENCY FUNDS
STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2016

	Trust and Agency Fund	Tax Collection Fund	Total
Assets			
Cash and pooled investments	\$ 168,190	\$ 6,433,272	\$ 6,601,462
Total assets	<u>168,190</u>	<u>6,433,272</u>	<u>6,601,462</u>
Liabilities			
Accounts payable	\$ 63	\$ 2,516,525	\$ 2,516,588
Escrow deposits	168,127	-	168,127
Due to other governments	<u>-</u>	<u>3,916,747</u>	<u>3,916,747</u>
Total liabilities	<u>\$ 168,190</u>	<u>\$ 6,433,272</u>	<u>\$ 6,601,462</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Trust and agency fund</u>			
	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
Assets				
Cash and pooled investments	\$ 181,828	\$ 94,490	\$ 108,128	\$ 168,190
Liabilities				
Accounts payable	\$ 561	\$ 172,428	\$ 172,926	\$ 63
Escrow deposits	181,267	72,189	85,329	168,127
Total liabilities	\$ 181,828	\$ 244,617	\$ 258,255	\$ 168,190

	<u>Tax collection fund</u>			
Assets				
Cash and pooled investments	\$ 5,484,948	\$ 55,006,414	\$ 54,058,090	\$ 6,433,272
Liabilities				
Accounts payable	\$ 2,374,442	\$ 113,010,133	\$ 112,868,050	\$ 2,516,525
Due to other governments	3,110,506	49,826,388	49,020,147	3,916,747
Total liabilities	\$ 5,484,948	\$ 162,836,521	\$ 161,888,197	\$ 6,433,272

	<u>Total agency funds</u>			
Assets				
Cash and pooled investments	\$ 5,666,776	\$ 55,100,904	\$ 54,166,218	\$ 6,601,462
Liabilities				
Accounts payable	\$ 2,375,003	\$ 113,182,561	\$ 113,040,976	\$ 2,516,588
Escrow deposits	181,267	72,189	85,329	168,127
Due to other governments	3,110,506	49,826,388	49,020,147	3,916,747
Total liabilities	\$ 5,666,776	\$ 163,081,138	\$ 162,146,452	\$ 6,601,462

CASCADE CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET/STATEMENT OF NET POSITION

DECEMBER 31, 2016

	Governmental		Statement
	Fund Type		of
	General		Net Position
	Fund	Adjustments	
Assets			
Cash and pooled investments	\$ 526,433	\$ -	\$ 526,433
Receivables			
Taxes	186,381	-	186,381
Capital assets			
Non-depreciable	-	59,366	59,366
Depreciable capital assets, net	-	<u>4,832,223</u>	<u>4,832,223</u>
Total assets	<u>\$ 712,814</u>	<u>\$ 4,891,589</u>	<u>\$ 5,604,403</u>
Liabilities, deferred inflows of resources and fund balance			
Liabilities			
Accounts payable	\$ 124,645	\$ -	124,645
Accrued interest payable	-	3,308	3,308
Bonds and notes payable - current portion	-	94,000	94,000
Bonds and notes payable	-	<u>300,000</u>	<u>300,000</u>
Total liabilities	<u>124,645</u>	<u>397,308</u>	<u>521,953</u>
Deferred inflows of resources			
Unearned revenue	<u>186,381</u>	<u>-</u>	<u>186,381</u>
Fund balance			
Unassigned	<u>401,788</u>	<u>\$ (401,788)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 712,814</u>		
Net position			
Net investment in capital assets			4,497,589
Unrestricted			<u>398,480</u>
Total net position			<u>\$ 4,896,069</u>
Reconciliation of fund balances to net position:			
Fund balance of governmental fund			\$ 401,788
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)			4,832,223
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Deduct - debt payable			(394,000)
Deduct - accrued interest on debt payable			<u>(3,308)</u>
Net position of governmental activities			<u>\$ 4,896,069</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEAR ENDED DECEMBER 31, 2016

	Governmental Fund Type		Statement of Activities
	General Fund	Adjustments	
Revenues			
Taxes	\$ 605,295	\$ -	\$ 605,295
Investment earnings	6,322	-	6,322
Miscellaneous	38,436	-	38,436
Total revenues	650,053	-	650,053
Expenditures			
Current			
General government	471,303	154,727	626,030
Debt service			
Principal	91,000	(91,000)	-
Interest	15,777	(637)	15,140
Total expenditures	578,080	63,090	641,170
Net changes in fund balance	71,973		
Change in net position			8,883
Fund balance/net position, beginning of year	329,815		4,887,186
Fund balance/net position, end of year	\$ 401,788		\$ 4,896,069
Reconciliation of change in fund balances to change in net position			
Net change in fund balance of governmental fund			\$ 71,973
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			157,407
Deduct - depreciation expense			(312,134)
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			91,000
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			637
Change in net position of governmental activities			\$ 8,883