

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Pittsfield Charter Township, Michigan
Fiscal Year Ended December 31, 2015
www.pittsfield-mi.gov

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Pittsfield
Charter
Township



Year Ended
December 31,
2015

Comprehensive
Annual
Financial
Report

Mandy Grewal, Ph.D., Township Supervisor

Tracy Watkins, Finance Director

Prepared by: Finance Department

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PITTSFIELD CHARTER TOWNSHIP

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INTRODUCTORY SECTION

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Pittsfield Charter Township

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Website: www.pittsfield-mi.gov

Office of the Supervisor

April 25, 2016

To the Honorable Board of Trustees of Pittsfield Charter Township:

State law requires that all local governments, subject to certain size criteria, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in conformity with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the comprehensive annual financial report for Pittsfield Charter Township for the fiscal year ended December 31, 2015.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rehmann Robson, Certified Public Accountants, has issued an unmodified (“clean”) opinion on the Township’s financial statements for the year ended December 31, 2015. The independent auditors’ report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and it should be read in conjunction with it.

Profile of the Government

Organized in 1834 and chartered in 1972, Pittsfield Charter Township, which is approximately 28 square miles with a population of 38,309, bridges the territory between the City of Ann Arbor and the City of Saline. Pittsfield Charter Township has the second largest tax base in Washtenaw County, second only to the City of Ann Arbor. Pittsfield has an outstanding Department of Public Safety which extends fire and police protection to all township residents with a response rate of 5 minutes or less. Pittsfield also provides rubbish collection and recycling, public water and sanitary sewer services. With over 1,000 acres of public park facilities, Pittsfield offers numerous recreational activities for youth, adults and seniors along with offering an outstanding variety of park and open spaces increasingly accessible by non-motorized amenities.

Pittsfield Charter Township is a vibrant community with a wide spectrum of land uses including commercial corridors, business parks, agricultural lands, park land, open spaces, and many strong residential neighborhoods representing a variety of housing options. The true hallmark of the Township, however, is the diversity and talent of its residents. Pittsfield is bordered by the three communities of Ann Arbor, Saline, and Ypsilanti. Pittsfield is uniquely poised to take advantage of the density supported by its proximity to these communities while simultaneously providing for existing larger-scale agricultural, residential, commercial, and business use developments. Leveraging the existing mix of urban, suburban, and rural influences, along with the various mixture of land uses and its demographic diversity, Pittsfield has taken a leadership role in establishing a new standard for mainstreaming non-motorized transportation, dense mixed-use, green/open space preservation and infill development within a township context.

Pittsfield Township has operated under the charter township form of government since 1972. A charter township status is a special township classification created by the Michigan Legislature in 1947 to provide additional powers and streamlined administration for governing a growing community. Pittsfield Township government is conducted by a township board consisting of seven members - a supervisor, clerk, treasurer, and four trustees - who are elected by Township residents.

Procedures for the Township's financial administration, such as budgets, accounting, investments and deposits, are closely regulated by the State. Township meetings must comply with Michigan's Open Meetings Act (*MCL 15.261-15.275*), and Township records must be stored and made available in conformance with specific laws, such as the Freedom of Information Act (*MCL 15.231-15.246*). The Charter Act (*MCL 42.1 - 42.34*) gives charter townships broad powers to enact and enforce a variety of ordinances. Zoning ordinances enacted under the Michigan Zoning Enabling Act (*MCL 125.3101 - 125.3702*) give townships the authority to regulate land use, while many other specific ordinances control activities that infringe on the rights of citizens. The Michigan Constitution and state statutes also limit the amount of property tax millage that townships can levy for general township operations. Charter townships may levy up to five mills. Townships also utilize other sources of revenue to support services. User fees, permits, fines and special assessments on real property are the most frequently used sources.

All powers of the Township shall be vested in and all matters of policy of the Township shall be exercised and determined by the Township board of trustees. The Township board typically holds two regular meetings per month. The Township board is the Township's legislative and policy making body. The Township board is responsible for adopting the annual budget, contracts, laws, ordinances and resolutions; approving purchases; and granting permits and license terms. Board members are elected at large to a four year term, and general elections are held in November of a Presidential election year. The Township board serves as the direct citizen's link to Township Hall.

The Township board appoints all boards, committees and commissions except for the Parks & Recreation Commission Board, which is independently elected. Statutorily, the Township supervisor, clerk and treasurer appoint their deputies. The government's three full-time elected officials (supervisor, clerk, and treasurer) are responsible for carrying out the policies and ordinances of the Township board, for supervising the day-to-day operations of the government, and for appointing the heads of the government's various operating departments.

The Township is also financially accountable for a legally separate entity, which is reported separately within the Townships' financial statements. Additional information on this legally separate entity can be found in the notes to the basic financial statements.

Pittsfield Township operates on a calendar year fiscal cycle. For its regular budget development schedule, the Charter Township Act provides that the Township must conduct a budget public hearing by December 15 or earlier, and adopt the budget by December 31 of the year preceding the calendar year for which the budget is being prepared. Concurrent with budget adoption, the Township board is required to provide for a tax levy necessary to meet the budget expenditures up to the authorized charter millage of the Township. This annual budget serves as the foundation for the Township's financial planning and control. The budget is prepared by fund, department, and function. The Township supervisor is authorized to approve transfers of budgetary funds within a cost center, excluding wages, salaries, overtime and fringes, in consultation with the effected department director and/or the Finance Director.

Factors Affecting Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the Township operates as described below:

Local economy

Many municipalities in Michigan are struggling to address the fundamental flaws in the existing local government financing system. The combined effects of Proposal A and the Headlee Amendment caps a township's ability to generate revenue at the rate of inflation, while the cost of providing services continues to increase faster than inflation. The state and federal government also limit a township's ability to raise non-tax revenue.

The Township's 2015 ad valorem taxable valuation of \$1,749,669,444 represents a 3.48% increase from 2014. The ratio of total township tax collections to date for tax year 2015 (current and delinquent) to the current tax levy is 99.81%.

The State of Michigan is currently in the midst of a fundamental economic shift from a manufacturing base to a new economy. Many national forces are also having a profound impact on the State: a slowing national economy, the foreclosure crisis and volatile energy costs. While many would view this as a time to forego various projects, Pittsfield Township is moving forward on ensuring the economic health and vitality of the Township's future.

Long-term financial planning

Pittsfield Township continues to refine and update its financial forecast model to address changes and trends identified. By seeing what potential outcomes are available, the Township can position itself to more adequately deal with its future.

Relevant financial policies

The Township has recently reviewed some of its financial policies and procedures and made changes to ensure that adequate controls are in place. The Township is constantly undergoing a review of its current water and sewer rates in order to develop a long-term rate track plan. The plan will help to ensure the financial stability of the water and sewer utilities. The Township is in the process of evaluating outstanding debt generated from utility capital improvement projects and exploring what potential savings can be recognized.

Major initiatives

In the Spring of 2015, the Township started the Woolley Park Improvement Project. This 50-acre park was donated by the Centennial Farms and Centennial Park developers in 2014. This park included a basketball court, soccer field, pavilion, disc golf course, two play structures, and a walking/fitness trail. The planned improvement to the park includes a new parking lot, replacement of boardwalks, tree plantings and a bridge that are designed to accommodate pedestrians as well as maintenance/public safety vehicles. They will also provide access to various areas within the park across the wetland areas. This project is funded by several funding sources such as the general fund, parks millage fund, tree mitigation fund and a DTE grant. This project will be fully completed in 2016. The budgeted cost of this project is \$520,000.

In the early Fall of 2015, the Township started the Ann Arbor-Saline/Oak Valley/Lohr/Waters (AOL) Pedestrian Crossing Improvement Project. In line with the Township's vision for non-motorized connectivity, the AOL Pedestrian Crossing Improvement Project will continue to provide safe and identifiable pedestrian and mid-block crossings, with new mid-block crossings at Crane and Oakengates; Platt and the Multicultural Academy; and Platt and Hidden Creek. Other improvements in and around the area of Ann Arbor Saline Road, Oak Valley, and Lohr Road include: (a) two new pedestrian crossings; (b) improvements to eight existing pedestrian crossings and (c) improvements to three bus stops. Depending on the type of crossing, work will consist of new striping, concrete sidewalks, ADA ramps, mast arms, rapid flashing beacons, cross walk signs, traffic controls, and bike lane striping. This project is funded by the general fund. This project is will be completed in 2016. The budgeted cost of this project is \$510,000.

In the late Fall of 2015, the Township started the Michigan Avenue Sidewalk Improvement Project. The Michigan Avenue pathway will provide for a 10' pathway on the south side of Michigan Avenue that will connect to the Platt Road Greenway. It will extend from Harwood Farms subdivision on the east to Michigan Avenue on the west thereby providing thousands more residents access to recreational, green, retail and commercial spaces along Platt, Textile and Carpenter roads along with access to Township administration campus. The Michigan Avenue pathway will also provide for a non-motorized connection to the Farmers Market and transit stops located at the Township administration building at the corner of Platt and Michigan. This project is funded by the general fund. This project is will be completed in 2016. The budgeted cost of this project is \$437,000.

Also in late Fall of 2015, the Township started the Moon Road Pump Station Rehabilitation Project. The Moon Road pump station was originally constructed in 1983, with no major improvements being performed on this station. Currently the housing structure of the station is deteriorating with repeated pump and control alarm failures. This pump provides sanitary sewer services for properties at the Michigan Avenue and Moon Road intersection. As part of the rehabilitation, the station will receive new controls, pumps, can/well improvements, and a standby generator. This project is funded by the utilities fund. This project will be completed in 2016. The budgeted cost of this project is \$800,000.

Awards and Acknowledgements

<http://pittsfield-mi.gov/awards>

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pittsfield Charter Township for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. This is the fifth consecutive year that the Township has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

For the first time, Pittsfield Charter Township has ranked among the top 50 safest places to live in the State of Michigan, coming in at #40. Pittsfield Charter Township is the only community in Washtenaw County to make this list, released in March 2016.

Pittsfield Charter Township is one of six communities across the state of Michigan recognized by the University of Michigan's (Dearborn) eCities initiative for implementing strategies that foster entrepreneurial growth and economic development. The eCities initiative is part of the University of Michigan Dearborn's Center for Innovation Research. The program uniquely researches factors that contribute to economic success at the local level. Pittsfield Charter Township was selected, as one of a handful in the state, to receive the highest designation of being a 5-star Best Practices community for clearly identifying and implementing a vision to foster economic success, including articulating a placemaking strategy.

The Southeast Michigan Council of Governments (SEMCOG) selected Pittsfield Charter Township to receive the Sustainable Community Leader Award at the gold level in December 2014. Pittsfield is the first Community in Washtenaw County and the 14th in Southeast Michigan to receive this award and distinction. This award recognizes SEMCOG member communities that are incorporating sustainable practices.

For local governments, sustainability is about achieving economic prosperity while protecting the environment and providing a high quality of life for resident. SEMCOG supported initiatives help local governments achieve and maintain sustainability along economic, fiscal, environmental, placemaking, and accessibility parameters.

In addition, Pittsfield Township Parks and Recreation received its third Marketing Award for Best Single Brochure for Fall 2012 and Winter 2013 from the Michigan Recreation and Park Association (MRPA) on March 1st.

The MRPA honors exemplary parks and recreation professionals and citizen advocates through the Association's annual awards. Honorees embody the core values of the profession, demonstrate the highest level of performance in their job duties and maintain a tremendous commitment to MRPA and its membership. Marketing Awards honor outstanding promotional activities of members and agencies, recognizing single and special brochures, web sites, integrated marketing campaigns, videos and media advocates.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the accounting and administration departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the governing township board for their unfailing support for maintaining the highest standards of professionalism in the management of Pittsfield Charter Township's finances.

Respectfully submitted,

Signature not included for security purposes

Mandy Grewal, Ph.D.
Township Supervisor

Tracy Watkins
Finance Director

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Pittsfield Charter Township
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

PITTSFIELD CHARTER TOWNSHIP
LIST OF ELECTED AND APPOINTED OFFICERS
For the Year Ended December 31, 2015

Elected Officials

Mandy Grewal, Township Supervisor
Alan Israel, Clerk
Patricia Tupacz Scribner, Treasurer
Stephanie D. Hunt, Trustee
Gerald Krone, Trustee
Frank Lotfian, Trustee
Michael Yi, Trustee

Appointed Officials

Lyn Badalamenti, Deputy Clerk
Orna Angus, Deputy Treasurer

Administration

Matthew Harshberger, Public Safety Director
Craig Lyons, Utilities and Municipal Services Director
Patricia Denig, Human Resources Director
Tracy Watkins, Finance Director
Kurt Weiland, Building Director
Barbara McDermott, Assessor
John Adams, Information Technology Director
Mark Gasche, Parks and Recreation Director
Trish Reily, TAS Director

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

April 25, 2016

To the Board of Trustees
Pittsfield Charter Township
Ann Arbor, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of *Pittsfield Charter Township, Michigan* (the "Township"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' 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 auditor 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 Township'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 Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2015, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and the major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Restatement of Beginning Net Position

As described in Note 17, the beginning net position of governmental activities and business-type activities (along with the water and sewer enterprise fund) have increased to correct an error in recording compensated absences. Additionally, the beginning net position of business-type activities (along with the water and sewer enterprise fund) have increased to correct an error in recording accrued interest. Our opinion is not modified with respect to these matters.

Implementation of GASB Statement No. 68

As described in Note 17, the Township implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in the current year. Accordingly, beginning net position of governmental activities, the enterprise fund, and business-type activities were restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules for the pension and other postemployment benefits plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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, the introductory section, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements 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 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.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Rehmann Lobson LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

PITTSFIELD CHARTER TOWNSHIP

Management's Discussion and Analysis

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

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended December 31, 2015.

- The assets and deferred outflows of resources of the Township exceeded its liabilities at the close of the most recent fiscal year by \$68,445,736 (net position). Of this amount, \$8,295,364 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position decreased by \$72,740.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$11,277,795, a decrease of \$771,977 in comparison with the prior year. Approximately 45.3% of this total amount, or \$5,107,325, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,107,325 or 78% of total general fund expenditures.
- The Township's bonded debt (excluding compensated absences) decreased by a net amount of \$1,090,000.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements are comprised of 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, deferred outflows of resources and liabilities, with the difference between the three 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., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the Township include general government, public safety, public works, planning and zoning, and parks and recreation.

PITTSFIELD CHARTER TOWNSHIP

Management's Discussion and Analysis

The government-wide financial statements include not only the Township itself (known as the primary government), but also a legally separate entity for which the Township is financially accountable. Financial information for the Economic Development Corporation component unit is reported separately from the financial information presented for the primary government itself.

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, proprietary, 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 fund balance sheet and the governmental fund 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 19 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, public safety special revenue fund, and the Michigan Avenue East debt service fund, all of which are considered to be major funds. Data from the other 16 governmental funds are combined into a single, aggregated presentation. The combining statements referred to earlier in connection with nonmajor and fiduciary funds are presented immediately following the required supplementary information.

The Township adopts an annual appropriated budget for its general fund and special revenue funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budgets.

Proprietary Funds. The Township has one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The Township uses an enterprise fund to account for its combined water and sewer operations, which is considered to be a major fund of the Township.

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 statements because the resources 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.

PITTSFIELD CHARTER TOWNSHIP

Management's Discussion and Analysis

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This is limited to this management's discussion and analysis and schedules concerning the Township's progress in funding its obligation to provide pension and other postemployment benefits to certain employees.

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 Pittsfield Charter Township, assets and deferred outflows of resources exceeded liabilities by \$68,445,736 at the close of the most recent fiscal year as shown in the following table (which shows, in a condensed format, the net position as of fiscal year end 2015 as compared to the prior fiscal year):

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and other assets	\$ 14,963,338	\$ 15,380,837	\$ 13,378,515	\$ 12,380,838	\$ 28,341,853	\$ 27,761,675
Capital assets, net	30,502,583	30,374,007	34,113,025	34,962,228	64,615,608	65,336,235
Total assets	45,465,921	45,754,844	47,491,540	47,343,066	92,957,461	93,097,910
Total deferred outflows of resources	1,490,004	39,453	127,789	-	1,617,793	39,453
Liabilities						
Long-term liabilities	3,732,966	4,333,353	8,915,645	9,251,459	12,648,611	13,584,812
Other noncurrent liabilities	8,920,066	-	778,769	-	9,698,835	-
Other liabilities	1,868,630	1,565,058	1,913,442	1,789,532	3,782,072	3,354,590
Total liabilities	14,521,662	5,898,411	11,607,856	11,040,991	26,129,518	16,939,402
Net position						
Net investment in capital assets	29,339,544	28,591,948	25,287,945	25,681,148	54,627,489	54,273,096
Restricted	5,522,883	5,483,842	-	-	5,522,883	5,483,842
Unrestricted (deficit)	(2,428,164)	5,820,096	10,723,528	10,620,927	8,295,364	16,441,023
Total net position	\$ 32,434,263	\$ 39,895,886	\$ 36,011,473	\$ 36,302,075	\$ 68,445,736	\$ 76,197,961

The largest portion of the Township's net position (79.8% or \$54,627,489) reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment, systems and infrastructure) less any related debt used to acquire those assets that are still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Township's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Township's net position (8.1% or \$5,522,883) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (12.1% or \$8,295,364) may be used to meet the government's ongoing obligations. The Township's total net position decreased approximately 10.5% from the prior year, primarily because of the implementation of GASB 68.

PITTSFIELD CHARTER TOWNSHIP

Management's Discussion and Analysis

Governmental activities revenues increased approximately 1.2% from the prior year. The key element in the decline of operating grants and contributions revenues was due to the decrease in federal grants received compared to the previous year. Additionally, there was a slight down turn in our building activity. Offsetting these decreases, there was an increase in capital grants and contributions, as a result of two donations of land to the Township.

Business-type activities revenues increased by \$472,456 from the prior year due to an 8.5% increase in user rates for water and a 1% increase in user sewer rates over the prior year.

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	\$ 5,456,918	\$ 5,432,297	\$11,639,920	\$10,897,820	\$17,096,838	\$16,330,117
Grants/contributions:						
Operating	159,059	943,292	-	-	159,059	943,292
Capital	1,001,700	178,659	125,076	413,541	1,126,776	592,200
General revenues:						
Property taxes	10,920,470	10,806,241	-	-	10,920,470	10,806,241
State shared revenue	2,707,778	2,661,470	-	-	2,707,778	2,661,470
Unrestricted investment earnings	52,729	51,585	27,997	26,296	80,726	77,881
Gain on sale of capital assets	21,100	-	17,120	-	38,220	-
Total revenues	20,319,754	20,073,544	11,810,113	11,337,657	32,129,867	31,411,201
Expenses						
General government	4,991,228	4,436,503	-	-	4,991,228	4,436,503
Public safety	10,827,667	10,142,446	-	-	10,827,667	10,142,446
Public works	2,935,584	2,897,197	-	-	2,935,584	2,897,197
Planning and zoning	580,313	571,306	-	-	580,313	571,306
Parks and recreation	1,040,377	1,020,879	-	-	1,040,377	1,020,879
Interest on debt	113,348	137,072	-	-	113,348	137,072
Water and sewer	-	-	11,714,090	11,322,705	11,714,090	11,322,705
Total expenses	20,488,517	19,205,403	11,714,090	11,322,705	32,202,607	30,528,108
Change in net position before transfers	(168,763)	868,141	96,023	14,952	(72,740)	883,093
Transfers	(230,000)	(295,496)	230,000	295,496	-	-
Change in net position	(398,763)	572,645	326,023	310,448	(72,740)	883,093
Net position:						
Beginning of year,						
Previously stated	39,895,886	39,323,241	36,302,075	35,991,627	76,197,961	75,314,868
Restatement	(7,062,860)	-	(616,625)	-	(7,679,485)	-
End of year	\$32,434,263	\$39,895,886	\$36,011,473	\$36,302,075	\$68,445,736	\$76,197,961

PITTSFIELD CHARTER TOWNSHIP

Management's Discussion and Analysis

Financial Analysis of the Township'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 \$11,277,795, a decrease of \$771,977 from the prior year. Approximately 45.3% of this total amount (or \$5,107,325) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted or committed to indicate that it is not available for new spending.

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, the total fund balance of the general fund was \$6,187,532, of which \$5,107,325 was unassigned. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures. Unassigned fund balance represents 78.0% of total general fund expenditures. Overall, the fund balance of the general fund decreased by \$1,153,742 for the year, yet still resulting in a final favorable budget variance of \$806,714.

Other factors affecting the general fund financial results for the year include:

- Total general fund revenues increased approximately 7.0% compared to the prior fiscal year. Most of the general fund revenues are provided by property taxes collected, which were higher by 9.9% compared to last fiscal year. State shared revenue increased approximately 0.3% from the previous year.
- The Township transferred approximately \$5 million to the public safety fund to support its operations.

The public safety special revenue fund had an ending fund balance of \$2,069,991. This balance is an increase from the previous year of \$87,975 due to cost saving measures that were put into place. The Township elected to maintain these operations under a single separate fund to accurately reflect the true total costs of the public safety department.

The Michigan Avenue East debt service fund is used to account for special assessment revenue and the repayment of principal and interest. The fund had expenditures of \$123,155 during the year that were financed by special assessments revenues and transfers in. The fund has \$1,211,657 of special assessments receivable at year end.

General Fund Budgetary Highlights

Over the course of the year, the Township amended the General Fund budget to take into account various events occurring during the year. Such events include major projects, such as, the development of Woolley Park and the Michigan Avenue Sidewalk Improvement Project. The Township has also started the Ann Arbor-Saline/Oak Valley/Lohr/Waters (AOL) Pedestrian Mid-Block Crossing Improvement Project. The Township takes an active role in monitoring all departmental needs and budget requests throughout the fiscal year. The Township will continue to find ways to reduce costs and still provide the essential services to the citizens of Pittsfield, allowing for favorable budgetary results.

PITTSFIELD CHARTER TOWNSHIP

Management's Discussion and Analysis

Revenues were \$548 thousand or 4.3% below the amended budget amounts. Contributing factors include current property taxes under the amended budget by \$53 thousand. Most of this variance is attributable to the Michigan Tax Tribunal judgements on property assessments. The budget estimate for state shared revenues was over the actual by \$48 thousand, and other reimbursable administrative charges were anticipated but not realized by \$445 thousand.

Expenditures were \$1.35 million under the amended budget amounts. Expenditures by function under the amended budget include general government by \$416 thousand. Some of the contributing factors were from personal services (\$255 thousand), building, utilities and maintenance costs (\$56 thousand), contracted professional services (\$50 thousand) and professional development services (\$53 thousand). Public works expenditures were under budget by \$338 thousand. Contributing factors include lower contract costs with the Ann Arbor Area Transportation Authority (\$126 thousand), lower drain maintenance costs (\$113 thousand) and lower contract cost for road projects (\$71 thousand). Culture and recreation expenditures were under budget by \$129 thousand for personal services (\$37 thousand), programing services (\$61 thousand) and parks maintenance costs (\$17 thousand).

Capital Asset and Debt Administration

Capital Assets. At the end of fiscal 2015, the Township had \$64,615,608 invested in a broad range of net capital assets including land and land improvements, buildings and system improvements, sidewalks, roads, police and fire equipment, vehicles, parks facilities, and water and sewer systems.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land and easements	\$24,016,137	\$23,160,737	\$ 510,118	\$ 510,118	\$24,526,255	\$23,670,855
Construction in progress	-	-	100,724	26,645	100,724	26,645
Buildings/improvements	2,058,614	2,237,022	474,657	506,301	2,533,271	2,743,323
Infrastructure	2,826,835	3,077,574	32,490,735	33,581,162	35,317,570	36,658,736
Machinery and equipment	1,600,997	1,898,674	536,791	338,002	2,137,788	2,236,676
Total capital assets, net	<u>\$30,502,583</u>	<u>\$30,374,007</u>	<u>\$34,113,025</u>	<u>\$34,962,228</u>	<u>\$64,615,608</u>	<u>\$65,336,235</u>

Major capital asset events during the current fiscal year included:

- Upgraded the current document retention storage software for the Township's record retention needs.
- Purchased one vehicle to be used by the Code Enforcement Department.
- Purchased three vehicles to be used by the Public Safety Department.
- Purchased three vehicles to be used by the Utilities and Grounds Departments.
- Constructed new offices for the Human Resource Department.
- Purchased a new vehicle with the IBAK Sewer camera system for the Utilities Department.

Additional information on the Township's capital asset activity may be found in the Capital Assets section (Note 6) of the notes to the financial statements.

PITTSFIELD CHARTER TOWNSHIP

Management's Discussion and Analysis

Long-term Debt. At the end of the current fiscal year, the Township had total long-term debt (excluding compensated absences) outstanding of \$11,679,346 which is backed by the full faith and credit of the government.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Installment obligations	\$ -	\$ 60,000	\$ 8,881,080	\$ 9,341,080	\$ 8,881,080	\$ 9,401,080
General obligation bonds	1,185,000	1,755,000	-	-	1,185,000	1,755,000
Special assessments debt w/ government commitment	1,613,266	1,698,144	-	-	1,613,266	1,698,144
Total outstanding debt	\$ 2,798,266	\$ 3,513,144	\$ 8,881,080	\$ 9,341,080	\$ 11,679,346	\$ 12,854,224

The Township has an AA+ rating from Standard & Poor's on its general obligation bonds.

Additional information on the Township's long-term debt activity can be found in the Long-term Debt section (Note 9) of the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

The Township's expenditure budget for next fiscal year is \$857,190 lower than the current year amended budget which includes \$847,451 of fund balance that will be used for capital expenditures. Revenues are budgeted to be \$517,010 higher. This increase in the budget is due to the Township adopting the maximum millage levy allowed for fiscal year 2016. The Township is expecting a slow rebound in assessed property values and continues to seek cost savings and other grant funding sources. The Township's goal is to preserve jobs with no reduction in service levels.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, you are welcome to contact the Clerk's Office at (734) 822-3120.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP

Statement of Net Position December 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Economic Development Corporation
Assets				
Cash and cash equivalents	\$ 11,787,172	\$ 8,992,106	\$ 20,779,278	\$ 8,926
Restricted cash and cash equivalents	-	2,141,913	2,141,913	-
Receivables	2,734,716	2,031,928	4,766,644	-
Internal balances	514	(514)	-	-
Other assets	28,271	213,082	241,353	-
Capital assets not being depreciated	24,016,137	610,842	24,626,979	-
Capital assets being depreciated, net	6,486,446	33,502,183	39,988,629	-
Net other postemployment benefit asset	412,665	-	412,665	-
Total assets	45,465,921	47,491,540	92,957,461	8,926
Deferred outflows of resources				
Deferred pension amounts	1,463,701	127,789	1,591,490	-
Deferred loss on refunding	26,303	-	26,303	-
Total deferred outflows of resources	1,490,004	127,789	1,617,793	-
Liabilities				
Accounts payable	1,732,399	1,905,324	3,637,723	3,632
Accrued liabilities	79,689	8,118	87,807	-
Unearned revenue	56,542	-	56,542	-
Long-term liabilities:				
Due within one year	1,275,824	525,000	1,800,824	-
Due in more than one year	2,457,142	8,390,645	10,847,787	-
Net pension liability	8,920,066	778,769	9,698,835	-
Total liabilities	14,521,662	11,607,856	26,129,518	3,632
Net position				
Net investment in capital assets	29,339,544	25,287,945	54,627,489	-
Restricted for:				
General government	173,041	-	173,041	-
Public safety	3,220,600	-	3,220,600	-
Public works	411,706	-	411,706	-
Culture and recreation	369,714	-	369,714	-
Budget stabilization	965,000	-	965,000	-
Debt service	221,541	-	221,541	-
Other governmental programs	161,281	-	161,281	-
Unrestricted (deficit)	(2,428,164)	10,723,528	8,295,364	5,294
Total net position	\$ 32,434,263	\$ 36,011,473	\$ 68,445,736	\$ 5,294

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

PITTSFIELD CHARTER TOWNSHIP

Statement of Activities

For the Year Ended December 31, 2015

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
General government	\$ 4,991,228	\$ 3,555,319	\$ 92,716	\$ 817,200	\$ (525,993)
Public safety	10,827,667	1,226,894	55,441	-	(9,545,332)
Public works	2,935,584	345,507	4,902	151,100	(2,434,075)
Planning and zoning	580,313	36,380	-	-	(543,933)
Parks and recreation	1,040,377	292,818	6,000	33,400	(708,159)
Interest on long-term debt	113,348	-	-	-	(113,348)
Total governmental activities	20,488,517	5,456,918	159,059	1,001,700	(13,870,840)
Business-type activities -					
Water and sewer	11,714,090	11,639,920	-	125,076	50,906
Total primary government	<u>\$ 32,202,607</u>	<u>\$ 17,096,838</u>	<u>\$ 159,059</u>	<u>\$ 1,126,776</u>	<u>\$ (13,819,934)</u>
Component unit					
Economic Development Corporation	<u>\$ 1,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,060)</u>

continued...

PITTSFIELD CHARTER TOWNSHIP

Statement of Activities

For the Year Ended December 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expense) revenue	\$ (13,870,840)	\$ 50,906	\$ (13,819,934)	\$ (1,060)
General revenues:				
Property taxes	10,920,470	-	10,920,470	-
State shared revenue	2,707,778	-	2,707,778	-
Unrestricted investment earnings	52,729	27,997	80,726	-
Gain on sale of capital assets	21,100	17,120	38,220	-
Transfers	(230,000)	230,000	-	-
Total general revenues and transfers	13,472,077	275,117	13,747,194	-
Change in net position	(398,763)	326,023	(72,740)	(1,060)
Net position, beginning of year, as restated	32,833,026	35,685,450	68,518,476	6,354
Net position, end of year	\$ 32,434,263	\$ 36,011,473	\$ 68,445,736	\$ 5,294

concluded.

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

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FUND FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP

Balance Sheet

Governmental Funds
December 31, 2015

	General	Public Safety	Michigan Avenue East	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 6,352,013	\$ 2,184,649	\$ 117,097	\$ 3,133,413	\$ 11,787,172
Receivables:					
Accounts	696,260	109,710	-	506,407	1,312,377
Special assessments	-	-	1,211,657	210,682	1,422,339
Due from other funds	46,155	800	-	4,925	51,880
Prepaid items	8,244	19,467	-	560	28,271
Total assets	\$ 7,102,672	\$ 2,314,626	\$ 1,328,754	\$ 3,855,987	\$ 14,602,039
Liabilities					
Accounts payable	\$ 335,619	\$ 161,523	\$ -	\$ 671,913	\$ 1,169,055
Accrued liabilities	8,776	66,683	-	4,230	79,689
Due to other funds	1,805	-	-	49,561	51,366
Due to other governments	79,288	-	-	-	79,288
Escrow payable	449,539	-	-	16,426	465,965
Unearned revenue	40,113	16,429	-	-	56,542
Total liabilities	915,140	244,635	-	742,130	1,901,905
Deferred inflows of resources					
Unavailable revenue - special assessments	-	-	1,211,658	210,681	1,422,339
Fund balances					
Nonspendable - prepaid items	8,244	19,467	-	560	28,271
Restricted for:					
General government	-	-	-	173,041	173,041
Public safety	-	1,996,206	-	1,224,394	3,220,600
Public works	-	-	-	411,706	411,706
Culture and recreation	-	-	-	369,714	369,714
Budget stabilization	965,000	-	-	-	965,000
Debt service	-	-	117,096	104,445	221,541
Drug enforcement	-	34,520	-	-	34,520
Right-a-way	105,763	-	-	-	105,763
Police/Dispatch training grants	-	16,196	-	-	16,196
Donations	1,200	3,602	-	-	4,802
Committed for capital projects	-	-	-	619,316	619,316
Unassigned	5,107,325	-	-	-	5,107,325
Total fund balances	6,187,532	2,069,991	117,096	2,903,176	11,277,795
Total liabilities, deferred inflows of resources and fund balances	\$ 7,102,672	\$ 2,314,626	\$ 1,328,754	\$ 3,855,987	\$ 14,602,039

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

PITTSFIELD CHARTER TOWNSHIP

Reconciliation

Fund Balances of Governmental Funds to Net Position of
Governmental Activities
December 31, 2015

Fund balances - total governmental funds	\$ 11,277,795
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statement.	
Capital assets	52,139,523
Accumulated depreciation	(21,636,940)
Unavailable revenue is not a current financial resource and therefore is not reported as revenue in the governmental funds.	
	1,422,339
Premiums on bonds are reported as other financing uses or sources in the governmental funds, whereas they are capitalized and amortized for net position (and netted against bonds payable).	
Unamortized premium on refunding bonds	(4,342)
Losses on refunding are not reported in the governmental funds, whereas they are capitalized and amortized for net position.	
	26,303
Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.	
Bonds, installment contracts and special assessments payable	(2,798,266)
Accrued interest on bonds and installment contracts payable	(18,091)
Net other postemployment benefit asset	412,665
Compensated absences	(930,358)
Certain pension-related amounts, such as the net pension liability and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.	
Net pension liability	(8,920,066)
Deferred outflows related to the net pension liability	<u>1,463,701</u>
Net position of governmental activities	<u><u>\$ 32,434,263</u></u>

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

PITTSFIELD CHARTER TOWNSHIP

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2015

	General	Public Safety	Michigan Avenue East	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes and special assessments	\$ 7,045,243	\$ 3,286,435	\$ 119,323	\$ 921,475	\$ 11,372,476
Licenses and permits	108,740	52,139	-	681,972	842,851
Intergovernmental	2,733,084	65,788	-	19,919	2,818,791
Charges for services	1,374,995	24,089	-	1,748,998	3,148,082
Fines and forfeitures	1,550	129,507	-	-	131,057
Franchise fees	570,869	-	-	-	570,869
Investment earnings	41,022	8,010	123	3,574	52,729
Donations	6,400	-	-	-	6,400
Other revenues	602,488	160,265	-	36,941	799,694
Total revenues	12,484,391	3,726,233	119,446	3,412,879	19,742,949
Expenditures					
Current:					
General government	3,061,592	-	-	67,739	3,129,331
Public safety	165,884	8,612,588	-	1,242,523	10,020,995
Public works	1,336,654	-	-	1,431,879	2,768,533
Planning and zoning	543,822	-	-	-	543,822
Culture and recreation	951,687	-	-	36,543	988,230
Other unallocated	333,469	-	-	-	333,469
Debt service:					
Principal	-	-	65,000	649,878	714,878
Interest and fiscal charges	-	-	58,155	47,775	105,930
Capital outlay	151,727	224,103	-	1,303,908	1,679,738
Total expenditures	6,544,835	8,836,691	123,155	4,780,245	20,284,926
Revenues over (under) expenditures	5,939,556	(5,110,458)	(3,709)	(1,367,366)	(541,977)
Other financing sources (uses)					
Transfers in	-	5,200,000	61,577	1,679,442	6,941,019
Transfers out	(7,093,298)	(1,567)	-	(76,154)	(7,171,019)
Total other financing sources (uses)	(7,093,298)	5,198,433	61,577	1,603,288	(230,000)
Net change in fund balances	(1,153,742)	87,975	57,868	235,922	(771,977)
Fund balances, beginning of year	7,341,274	1,982,016	59,228	2,667,254	12,049,772
Fund balances, end of year	\$ 6,187,532	\$ 2,069,991	\$ 117,096	\$ 2,903,176	\$ 11,277,795

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

PITTSFIELD CHARTER TOWNSHIP

Reconciliation

Net Change in Fund Balances of Governmental Funds to
Change in Net Position of Governmental Activities
For the Year Ended December 31, 2015

Net change in fund balances - total governmental funds	\$ (771,977)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Collection of special assessments revenue levied in the prior years provide current financial gain in the funds, but do not affect net position.	(273,594)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	1,098,531
Depreciation expense	(969,955)
Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments on long-term liabilities	714,878
Accrued interest expense on bonds and the amortization of bond premiums and deferred losses are not recorded by governmental funds, but are reported under interest and fiscal charges for purposes of net position.	
Change in accrued interest payable on bonds	3,562
Amortization of premium	2,170
Amortization of deferred loss on refunding	(13,150)
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 governmental funds.	
Change in the net pension liability and related deferred amounts	(393,505)
Change in other postemployment benefit asset	320,939
Change in the accrual for compensated absences	(116,662)
Change in net position of governmental activities	<u>\$ (398,763)</u>

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

PITTSFIELD CHARTER TOWNSHIP

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - General Fund

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ 7,103,336	\$ 7,103,336	\$ 7,045,243	\$ (58,093)
Licenses and permits	102,800	102,800	108,740	5,940
Intergovernmental	2,764,500	2,764,500	2,733,084	(31,416)
Charges for services	1,407,530	1,407,530	1,374,995	(32,535)
Fines and forfeitures	10,000	10,000	1,550	(8,450)
Franchise fees	535,000	535,000	570,869	35,869
Investment earnings	45,000	45,000	41,022	(3,978)
Donations	-	-	6,400	6,400
Other revenues	1,064,200	1,064,200	602,488	(461,712)
Total revenues	13,032,366	13,032,366	12,484,391	(547,975)
Expenditures				
General government:				
Township board	66,796	66,796	60,995	(5,801)
Township supervisor	271,679	246,679	200,930	(45,749)
Elections	200,390	200,390	122,583	(77,807)
Finance	274,423	274,423	257,461	(16,962)
Assessor	468,950	468,950	452,864	(16,086)
Township clerk	371,391	371,391	331,025	(40,366)
Human resources / admin services	588,707	613,707	559,193	(54,514)
Board of review	4,840	4,840	2,777	(2,063)
Administrative	62,500	62,500	47,460	(15,040)
Professional services	135,000	135,000	118,988	(16,012)
Township treasurer	411,409	416,809	416,501	(308)
Information technology	383,014	393,014	313,488	(79,526)
Building and grounds	220,600	223,100	177,327	(45,773)
Total general government	3,459,699	3,477,599	3,061,592	(416,007)
Public safety -				
Property maintenance inspections	160,750	168,050	165,884	(2,166)
Public works -				
Highways, streets and drains	1,675,000	1,675,000	1,336,654	(338,346)

continued...

PITTSFIELD CHARTER TOWNSHIP

Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - General Fund For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (concluded)				
Planning and zoning -				
Municipal services	\$ 496,792	\$ 546,792	\$ 543,822	\$ (2,970)
Culture and recreation:				
Parks and recreation	1,047,381	1,064,081	946,295	(117,786)
Historical commission	17,000	17,000	5,392	(11,608)
Total culture and recreation	1,064,381	1,081,081	951,687	(129,394)
Other unallocated	785,000	531,370	333,469	(197,901)
Capital outlay	482,000	416,000	151,727	(264,273)
Total expenditures	8,123,622	7,895,892	6,544,835	(1,351,057)
Revenues over expenditures	4,908,744	5,136,474	5,939,556	803,082
Other financing sources (uses)				
Transfers out	(5,495,000)	(7,096,930)	(7,093,298)	(3,632)
Net change in fund balances	(586,256)	(1,960,456)	(1,153,742)	806,714
Fund balances, beginning of year	7,341,274	7,341,274	7,341,274	-
Fund balances, end of year	\$ 6,755,018	\$ 5,380,818	\$ 6,187,532	\$ 806,714

concluded.

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

PITTSFIELD CHARTER TOWNSHIP

Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Public Safety Special Revenue Fund For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ 3,297,155	\$ 3,297,155	\$ 3,286,435	\$ (10,720)
Licenses and permits	25,000	25,000	52,139	27,139
Intergovernmental	110,000	110,000	65,788	(44,212)
Charges for services	26,300	26,300	24,089	(2,211)
Fines and forfeitures	125,000	125,000	129,507	4,507
Investment earnings	6,000	6,000	8,010	2,010
Donations	500	500	-	(500)
Other revenue	190,500	190,500	160,265	(30,235)
Total revenues	3,780,455	3,780,455	3,726,233	(54,222)
Expenditures				
Public safety	9,195,130	9,131,530	8,612,588	(518,942)
Capital outlay	226,500	288,500	224,103	(64,397)
Total expenditures	9,421,630	9,420,030	8,836,691	(583,339)
Revenues under expenditures	(5,641,175)	(5,639,575)	(5,110,458)	529,117
Other financing sources (uses)				
Transfers in	5,200,000	5,200,000	5,200,000	-
Transfers out	-	(1,600)	(1,567)	33
Total other financing sources	5,200,000	5,198,400	5,198,433	33
Net change in fund balances	(441,175)	(441,175)	87,975	529,150
Fund balances, beginning of year	1,982,016	1,982,016	1,982,016	-
Fund balances, end of year	\$ 1,540,841	\$ 1,540,841	\$ 2,069,991	\$ 529,150

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

PITTSFIELD CHARTER TOWNSHIP

Statement of Net Position

Water and Sewer Enterprise Fund

December 31, 2015

Assets

Current assets:

Cash and cash equivalents	\$ 8,992,106
Accounts receivable	2,022,913
Due from other governments	9,015
Due from other funds	3,426
Inventory	210,504
Prepaid items	2,578
Total current assets	<u>11,240,542</u>

Noncurrent assets:

Restricted cash and cash equivalents	2,141,913
Capital assets not being depreciated	610,842
Capital assets being depreciated, net	33,502,183
Total noncurrent assets	<u>36,254,938</u>

Total assets	<u>47,495,480</u>
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Deferred outflows of resources

Deferred pension amounts	<u>127,789</u>
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Liabilities

Current liabilities:

Accounts payable	1,655,251
Accrued payroll	8,118
Accrued interest	58,197
Escrow payable	191,876
Due to other funds	3,940
Compensated absences, current portion	50,000
Bonds payable, current portion	475,000
Total current liabilities	<u>2,442,382</u>

Noncurrent liabilities:

Net pension liability	778,769
Compensated absences, net of current portion	40,565
Bonds payable, net of current portion	8,350,080
Total noncurrent liabilities	<u>9,169,414</u>

Total liabilities	<u>11,611,796</u>
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Net position

Net investment in capital assets	25,287,945
Unrestricted	<u>10,723,528</u>

Total net position	<u>\$ 36,011,473</u>
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The accompanying notes are an integral part of these basic financial statements.

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PITTSFIELD CHARTER TOWNSHIP

Statement of Revenues, Expenses and Changes in Fund Net Position

Water and Sewer Enterprise Fund
For the Year Ended December 31, 2015

Operating revenues	
Charges for services	\$ 11,513,583
Other	126,337
	<hr/>
Total operating revenues	11,639,920
	<hr/>
Operating expenses	
Personal services	1,125,872
Materials and supplies	8,070,376
Contractual	101,429
Insurance	50,376
Maintenance	195,316
Other expense	470,672
Depreciation	1,379,472
	<hr/>
Total operating expenses	11,393,513
	<hr/>
Operating income	246,407
	<hr/>
Nonoperating revenues (expenses)	
Investment earnings	27,997
Gain (loss) on asset disposal	17,120
Interest expense and fees	(320,577)
	<hr/>
Total nonoperating revenues (expenses)	(275,460)
	<hr/>
Loss before contributions and transfers	(29,053)
Capital contributions - tap fees and other	125,076
Transfers in	230,000
	<hr/>
Change in net position	326,023
Net position, beginning of year, as restated	35,685,450
	<hr/>
Net position, end of year	\$ 36,011,473
	<hr/> <hr/>

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

PITTSFIELD CHARTER TOWNSHIP

Statement of Cash Flows

Water and Sewer Enterprise Fund
For the Year Ended December 31, 2015

Cash flows from operating activities	
Receipts from customers and users	\$ 11,473,690
Payments to suppliers	(8,612,484)
Payments to employees	<u>(1,110,908)</u>
Net cash provided by operating activities	<u>1,750,298</u>
Cash flows from noncapital financing activities	
Transfers in	<u>230,000</u>
Cash flows from capital and related financing activities	
Principal paid on debt	(460,000)
Interest paid on debt	(324,082)
Purchase of capital assets	(530,269)
Proceeds from sale of capital assets	17,120
Cash contributions for tap fees	<u>125,076</u>
Net cash used in capital and related financing activities	<u>(1,172,155)</u>
Cash flows from investing activities	
Interest received on investments	<u>27,997</u>
Change in cash and cash equivalents	836,140
Cash and cash equivalents, beginning of year	<u>10,297,879</u>
Cash and cash equivalents, end of year	<u>\$ 11,134,019</u>
Classified on the statement of net position as:	
Cash and cash equivalents	\$ 8,992,106
Restricted cash and cash equivalents	<u>2,141,913</u>
Total cash and cash equivalents	<u>\$ 11,134,019</u>

continued...

PITTSFIELD CHARTER TOWNSHIP

Statement of Cash Flows

Water and Sewer Enterprise Fund
For the Year Ended December 31, 2015

Cash flows from operating activities	
Operating income	\$ 246,407
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	1,379,472
Change in:	
Accounts receivable, net	(157,215)
Due from other governments	(9,015)
Due from other funds	7,564
Inventory	(19,228)
Prepaid items	13,582
Accounts payable	291,526
Accrued payroll	2,884
Escrow payable	(54,889)
Due to other funds	2,775
Net pension liability and deferred amounts	34,355
Compensated absences	12,080
Net cash provided by operating activities	<u>\$ 1,750,298</u>

concluded.

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

PITTSFIELD CHARTER TOWNSHIP

Statement of Fiduciary Assets and Liabilities

Agency Funds
December 31, 2015

Assets	
Cash and cash equivalents	<u>\$ 12,246,149</u>
Liabilities	
Undistributed receipts	<u>\$ 12,246,149</u>

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

NOTES TO FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Pittsfield Charter Township, Washtenaw County, Michigan (the "Township") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. Blended component units, if any, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Discretely Presented Component Unit

Pittsfield Township Economic Development Corporation (the "EDC") - The EDC, established pursuant to State statutes, was formed to assist economic activity in the Township, primarily through the issuance of tax-exempt bonds. The Township has no obligation to fund deficits of the EDC nor does it guarantee its debt. Members of the EDC's Board of Directors are appointed by the Township's Board of Trustees. Although the EDC does not otherwise meet the criteria for inclusion, the Township has determined that its exclusion would render the financial statements misleading. Separate financial statements are not issued for the EDC. Instead, the activities of the EDC are presented in the statements of net position and activities (and no adjustments are required for this accrual basis presentation).

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 unit. 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 separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, 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 given functions or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants 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*.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the respective 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*, as are the proprietary and fiduciary fund financial statements, 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, or within one year for reimbursement based grants. 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 and claims and judgments, are recorded only when payment is due.

Property taxes, state shared revenue, 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Township reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for and reported in another fund.

The *public safety special revenue fund* accounts for the public safety millage revenue and related expenditures.

The *Michigan Avenue East debt service fund* accounts for the resources accumulated and payments made for principal and interest on the Michigan Avenue East drain assessment debt.

The government reports the following major proprietary fund:

The *water and sewer enterprise fund* accounts for the activities of the water distribution and the sewage disposal and treatment system, which are financed primarily by user charges.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Additionally, the government reports the following fund types:

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The *debt service funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The *agency funds* are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity (such as taxes collected for other governments).

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Equity

Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions and savings and loan associations and to invest in obligations of the United States, certain commercial paper, repurchase agreements, banker acceptances and mutual funds composed of otherwise legal investments.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

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*. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as *internal balances*. Advances between funds, if any, are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Inventory and Prepaid Items

Inventory is valued at cost, which approximates market, using the first in/first out method. The costs of governmental fund type inventory is primarily recorded as expenditures when purchased rather than when consumed.

Payments made to vendors for services that will benefit future periods are recorded as prepaid items, using the consumption method, in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, buildings, equipment, vehicles and infrastructure assets (e.g., roads, bridges, drains and similar items), with an initial cost greater than \$5,000, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government are depreciated using the straight-line method over the useful lives of the assets as follows:

Asset	Years
Buildings and improvements	15-30
Infrastructure	15-50
Machinery and equipment	5-20

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Deferred Outflows 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 future periods and so will not be recognized as an outflow of resources until then. The Township has two items that qualifies for reporting in this category, reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Township reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension plans.

Compensated Absences

In accordance with contracts negotiated with the various employee groups of the Township, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in the contracts. All sick and vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only when they have matured or come due. The long-term portion of the compensated absences related to the governmental funds is a liability recorded in the statement of net position.

Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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 while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and governmental funds balance sheet 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item that qualifies for reporting in this category. The governmental funds report unavailable revenues, which arises only under a modified accrual basis of accounting, from special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Fund Equity and Net Position Flow Assumption

Governmental funds report *nonspendable* fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. *Restricted* fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. *Committed* fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees (the government's highest level of decision-making authority). A formal resolution of the Board of Trustees is required to establish, modify, or rescind a fund balance commitment. The Township may report *assigned* fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed; however, the Board of Trustees has not yet authorized anyone to assign fund balance. *Unassigned* fund balance is the residual classification for the general fund or deficit fund balances in other funds, of which there are none.

When the government incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed, assigned, and finally unassigned fund balance.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amount to restricted and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

2. BUDGETARY INFORMATION

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue funds. All annual appropriations lapse at year-end. Public hearings are conducted in September and October to obtain citizen comment. Prior to December 15 of each year, the Township Supervisor submits to the Township Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year. A budget is legally enacted by the Township Board through the passage of a budget resolution on or before December 15. Line item budgets are adopted for internal financial management; however, the legal level of control for the budgets is at the departmental basis. Formal budgetary integration is employed as a management control device for the general and special revenue funds; budgets for these funds are prepared and adopted on a basis consistent with generally accepted accounting principles. The Township does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds.

3. EXCESS OF EXPENDITURES OVER BUDGET

State statutes provide that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended December 31, 2015, the Township did not incur expenditures in excess of the amounts appropriated at the legal level of budgetary control.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

4. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposits and investments as of December 31, 2015:

	Primary Government	Component Unit	Totals
Statement of Net Position			
Cash and cash equivalents	\$ 20,779,278	\$ 8,926	\$ 20,788,204
Restricted cash and cash equivalents	2,141,913	-	2,141,913
Statement of Fiduciary Assets and Liabilities			
Cash and cash equivalents	12,246,149	-	12,246,149
Total	\$ 35,167,340	\$ 8,926	\$ 35,176,266
Deposits and investments			
Bank deposits (checking, savings and certificates of deposit)			\$ 17,644,479
Collateralized sweep accounts			17,531,087
Cash on hand			700
Total			\$ 35,176,266

Custodial Credit Risk - Deposits. Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Deposits are exposed to custodial credit risk if they are not covered by depository insurance. State law does not require and the Township does not have a policy for deposit custodial credit risk.

At year-end, \$7,485,920 of the combined bank balance of \$28,017,387 of deposits and collateralized sweep accounts (total book balance of \$35,176,566) was exposed to custodial credit risk as it was uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable level are used as depositories.

The Township has restricted cash and cash equivalents of \$2,141,913 at December 31, 2015 for water and sewer capital improvement projects.

5. RECEIVABLES

Receivables in the governmental activities are 48 percent accounts receivable and 52 percent taxes and special assessments. Approximately 91 percent, or \$1,288,062, of the special assessment receivables are not expected to be collected within one year. Business-type activities accounts receivable are 100% due from customers.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

6. CAPITAL ASSETS

Primary government

Capital asset activity for the primary government for the year ended December 31, 2015, was as follows:

	Beginning Balance	Transfers	Additions	Disposals	Ending Balance
Governmental activities					
Capital assets					
not being depreciated:					
Land and easements	\$ 23,160,737	\$ -	\$ 855,400	\$ -	\$ 24,016,137
Capital assets being depreciated:					
Buildings and improvements	6,089,521	-	70,967	-	6,160,488
Infrastructure	13,403,834	-	-	-	13,403,834
Machinery and equipment	8,581,896	-	172,164	(194,996)	8,559,064
	<u>28,075,251</u>	<u>-</u>	<u>243,131</u>	<u>(194,996)</u>	<u>28,123,386</u>
Less accumulated depreciation for:					
Buildings and improvements	(3,852,499)	-	(249,375)	-	(4,101,874)
Infrastructure	(10,326,260)	-	(250,739)	-	(10,576,999)
Machinery and equipment	(6,683,222)	-	(469,841)	194,996	(6,958,067)
	<u>(20,861,981)</u>	<u>-</u>	<u>(969,955)</u>	<u>194,996</u>	<u>(21,636,940)</u>
Total capital assets being depreciated, net	<u>7,213,270</u>	<u>-</u>	<u>(726,824)</u>	<u>-</u>	<u>6,486,446</u>
Governmental activities capital assets, net	<u>\$ 30,374,007</u>	<u>\$ -</u>	<u>\$ 128,576</u>	<u>\$ -</u>	<u>\$ 30,502,583</u>

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

General government	\$ 353,777
Public safety	404,212
Public works	26,283
Planning and zoning	167,051
Parks and recreation	18,632
	<u>969,955</u>
Total depreciation expense	<u>\$ 969,955</u>

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

	Beginning Balance	Transfers	Additions	Disposals	Ending Balance
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 510,118	\$ -	\$ -	\$ -	\$ 510,118
Construction in progress	26,645	-	74,079	-	100,724
	<u>536,763</u>	<u>-</u>	<u>74,079</u>	<u>-</u>	<u>610,842</u>
Capital assets being depreciated:					
Infrastructure	53,755,228	(11,532)	80,441	-	53,824,137
Buildings	949,314	-	-	-	949,314
Machinery and equipment	1,442,393	11,532	375,749	(150,004)	1,679,670
	<u>56,146,935</u>	<u>-</u>	<u>456,190</u>	<u>(150,004)</u>	<u>56,453,121</u>
Less accumulated depreciation for:					
Infrastructure	(20,174,066)	-	(1,159,336)	-	(21,333,402)
Buildings	(443,013)	-	(31,644)	-	(474,657)
Machinery and equipment	(1,104,391)	-	(188,492)	150,004	(1,142,879)
	<u>(21,721,470)</u>	<u>-</u>	<u>(1,379,472)</u>	<u>150,004</u>	<u>(22,950,938)</u>
Total capital assets being depreciated, net	<u>34,425,465</u>	<u>-</u>	<u>(923,282)</u>	<u>-</u>	<u>33,502,183</u>
Business-type activities capital assets, net	<u>\$ 34,962,228</u>	<u>\$ -</u>	<u>\$ (849,203)</u>	<u>\$ -</u>	<u>\$ 34,113,025</u>

7. PAYABLES

Payables in the governmental activities are 67 percent due to vendors, 27 percent accrued liabilities, 5 percent due to other governments and 1 percent accrued interest. Business-type activities payables are 97 percent due to vendors and 3 percent accrued interest.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

At December 31, 2015, amounts due from and due to other funds were as follows:

Receivable funds	Payable Funds			
	General	Nonmajor Government Funds	Water and Sewer Fund	Totals
General	\$ -	\$ 46,135	\$ 20	\$ 46,155
Public safety	800	-	-	800
Nonmajor governmental funds	1,005	-	3,920	4,925
Water and sewer	-	3,426	-	3,426
	<u>\$ 1,805</u>	<u>\$ 49,561</u>	<u>\$ 3,940</u>	<u>\$ 55,306</u>

Due to/from balances result primarily from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and/or payments between funds are made. Interfund receivables and payables represent routine and temporary cash flow assistance.

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

Transfers Out	Transfers In				
	Public Safety Fund	Michigan Avenue East Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Totals
General	\$ 5,200,000	\$ 61,577	\$ 1,601,721	\$ 230,000	\$ 7,093,298
Public safety	-	-	1,567	-	1,567
Nonmajor governmental funds	-	-	76,154	-	76,154
	<u>\$ 5,200,000</u>	<u>\$ 61,577</u>	<u>\$ 1,679,442</u>	<u>\$ 230,000</u>	<u>\$ 7,171,019</u>

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

9. LONG-TERM DEBT

Installment obligations. Installment obligations outstanding at year-end amounted to \$1,755,000 with interest from 0.85% to 2.70%. Annual debt service requirements to maturity for installment obligations are as follows:

Year Ended December 31,	Governmental Activities	
	Principal	Interest
2016	\$ 585,000	\$ 23,220
2017	600,000	8,100
	<u>\$ 1,185,000</u>	<u>\$ 31,320</u>

Special assessment debt with government commitment. The government has been assessed for its at-large share of certain drainage district project costs, payable over a multiyear period with interest at 1.625% to 5.0%. Special assessment debt with government commitment, for which debt proceeds are received and expended by the Washtenaw County Drain Commission (and the resulting infrastructure capital asset is its property), currently outstanding is as follows:

\$2,180,000 2006 Mallets Creek Serial Bonds due in annual installments of \$19,878 to \$23,664 through 2026, interest 1.625%. The Township's share of the bond is \$412,706 or 17.86% and Washtenaw County's share of the bond is \$1,767,294 or 82.14%.	\$ 243,266
\$1,720,000 2009 Michigan Avenue East Serial Bonds due in annual installments of \$65,000 to \$130,000 through 2029, interest at 2.50% to 4.75%.	<u>1,370,000</u>
Total drain assessment bonds payable	<u>\$ 1,613,266</u>

Annual debt service requirements to maturity for drain assessments are as follows:

Year Ended December 31,	Governmental Activities	
	Principal	Interest
2016	\$ 90,824	\$ 60,163
2017	90,824	57,620
2018	95,825	54,776
2019	101,771	51,568
2020	106,771	48,037
2021-2025	613,588	176,972
2026-2030	513,663	47,554
	<u>\$ 1,613,266</u>	<u>\$ 496,690</u>

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

General obligation bonds - business-type activities. The government issues general obligation bonds to provide funds for the acquisition and construction of major water and sewer system capital infrastructure. The original amount of the outstanding general obligation bonds was \$12,854,650.

General obligation bonds currently outstanding are as follows:

\$8,000,000 2004 Capital Improvement Serial Bonds due in annual installments of \$275,000 to \$530,000 through 2029, interest at 3.35% to 4.30%.	\$ 5,510,000
\$4,854,650 2010 Drinking Water Revolving Bonds due in annual installments of \$185,000 to \$266,080 through 2030, interest at 2.50%.	<u>3,371,080</u>
Total general obligation bonds	<u><u>\$ 8,881,080</u></u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31,	Business-type Activities	
	Principal	Interest
2016	\$ 475,000	\$ 362,130
2017	495,000	287,139
2018	505,000	271,281
2019	525,000	254,656
2020	545,000	237,017
2021-2025	3,100,000	879,630
2026-2030	<u>3,236,080</u>	<u>271,431</u>
	<u><u>\$ 8,881,080</u></u>	<u><u>\$ 2,563,284</u></u>

Compensated absences, net pension liability and net OPEB obligations are generally liquidated by the general fund. Beginning balances of the liability for compensated absences were reduced to correct the prior year calculation of sick time payable at termination. As a result, the governmental activities liability was reduced by \$570,955 and the business-type activities liability was reduced by \$39,662.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Changes in long-term debt. Long-term debt activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
Installment obligations	\$ 1,755,000	\$ -	\$ (570,000)	\$ 1,185,000	\$ 585,000
General obligation bonds	60,000	-	(60,000)	-	-
Special assessment debt with government commitment	1,698,144	-	(84,878)	1,613,266	90,824
Unamortized premium	6,512	-	(2,170)	4,342	-
Compensated absences	813,696	881,770	(765,108)	930,358	600,000
Total governmental activities	\$ 4,333,352	\$ 881,770	\$ (1,482,156)	\$ 3,732,966	\$ 1,275,824
Business-type activities					
General obligation bonds	\$ 9,341,080	\$ -	\$ (460,000)	\$ 8,881,080	\$ 475,000
Unamortized discount	(60,000)	-	4,000	(56,000)	-
Compensated absences	78,484	83,819	(71,738)	90,565	50,000
Total business-type activities	\$ 9,359,564	\$ 83,819	\$ (527,738)	\$ 8,915,645	\$ 525,000

10. OPERATING LEASES

The Township has lease agreements for three copy machines expiring on August 30, 2017. Rent expense totaled \$10,823 for the year ended December 31, 2015. The remaining future commitments are as follows:

Year Ended December 31,	Amount
2016	\$ 10,823
2017	<u>5,702</u>
Total	\$ <u>16,525</u>

11. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2015, the government carried commercial insurance to cover all risks of losses. The Township has had no settled claims from these risks that exceeded its commercial coverage in any of the past three fiscal years.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

12. CONTINGENT LIABILITIES

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

The government and its component unit, individually or jointly, are a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government and component unit's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government.

13. PROPERTY TAXES

Property taxes become an enforceable lien on the property as of December 31. Taxes are levied on December 1 and are due in February of the following year. The Township bills and collects its own property taxes along with collecting taxes for various other taxing jurisdictions. Township tax revenues are recognized in the fiscal year following the December 1 levy date. Taxes are considered delinquent on March 1, at which time the applicable property is subject to lien and penalty and interest is assessed.

Assessed values, as established annually by the government, are subject to acceptance by the County and equalized by the State at an estimated 50% of current market value. The taxable value of real and personal property in the Township totaled \$1,749,669,444. The government's general operating tax rate for fiscal year 2015 was 4.1561 mills, with an additional 1.9500 and 0.4855 special-voted mills for public safety and parks, respectively.

14. PENSION PLAN

General Information About the Plan

Plan Description. The Township participates in the Municipal Employees' Retirement System (MERS) of Michigan, a defined benefit pension plan providing certain retirement, disability and death benefits to plan members and beneficiaries. 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. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.com.

Benefits Provided. Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 3 year period) and multipliers ranging from 2.00% to 2.50%. Participants vesting requirements range from 6 to 10 years. Normal retirement age is 60 with early retirement at age 50 or 55 with 25 or 15 years of service, respectively. Member contributions range from 2.00% to 9.06%. The plan is closed to certain union and non-union employees.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Employees Covered by Benefit Terms. At December 31, 2015, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	38
Inactive employees entitled to but not yet receiving benefits	26
Active employees	126
 Total membership	 190

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. During the year ended December 31, 2015, the Township's contributions ranged from 5.4% to 20.46% of annual payroll for open divisions. Closed divisions employer contributions ranged from \$351 to \$27,505.

Net Pension Liability. The Township's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014 (rolled forward to December 31, 2015).

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2014 (and rolled forward to December 31, 2015, the measurement date), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3% to 4%
Salary Increases	4.5% in the long-term (2% and 3% for calendar years 2015 and 2016, respectively)
Investment rate of return	8.25%, net of investment expense and including inflation

Although no specific price inflation assumptions are needed for the valuation, the 4.5% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.

Mortality rates used were based on the 1994 Group Annuity Mortality Table of a 50% Male and 50% Female blend. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted in 2008. (The MERS Retirement Board is currently conducting an actuarial experience study covering the period from January 1, 2009, through December 31, 2013.)

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

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:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	57.50%	5.02%	2.88%
Global fixed income	20.00%	2.18%	0.44%
Real Assets	12.50%	4.23%	0.53%
Diversifying strategies	10.00%	6.56%	0.65%
	100.00%		
Inflation			3.50%
Administrative expenses netted above			0.25%
Investment rate of return			8.25%

Discount Rate. The discount rate used to measure the total pension liability is 8.25% for 2015. 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.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Changes in Net Pension Liability. The components of the change in the net pension liability are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2014	\$ 27,740,022	\$ 20,060,537	\$ 7,679,485
Changes for the year:			
Service cost	903,775	-	903,775
Interest	2,288,114	-	2,288,114
Employer contributions	-	992,974	(992,974)
Employee contributions	-	460,559	(460,559)
Net Investment income	-	(313,982)	313,982
Benefit payments, including refunds of employee contributions	(914,391)	(914,391)	-
Administrative expense	-	(44,917)	44,917
Other changes	(77,905)	-	(77,905)
Net changes	<u>2,199,593</u>	<u>180,243</u>	<u>2,019,350</u>
Balances at December 31, 2015	<u>\$ 29,939,615</u>	<u>\$ 20,240,780</u>	<u>\$ 9,698,835</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the Township, calculated using the discount rate of 8.25%, as well as what the Township's net pension liability would be if it were calculated using a discount rate that is 1% lower (7.25%) or 1% higher (9.25%) than the current rate:

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
Township's net pension liability	<u>\$ 14,019,603</u>	<u>\$ 9,698,835</u>	<u>\$ 13,236,059</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended December 31, 2015, the Township recognized pension expense of \$1,420,835. The Township reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 1,591,490	\$ -

Amounts reported as pension-related deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2016	\$ 397,872
2017	397,873
2018	397,872
2019	<u>397,873</u>
Total	<u>\$ 1,591,490</u>

Payable to the Pension Plan. At December 31, 2015, the Township reported a payable of \$136,462 for the outstanding amount of contributions required for the year ended December 31, 2015.

15. OTHER POSTEMPLOYMENT BENEFITS

Plan Description. The Township participates in the Municipal Employees’ Retirement System (MERS) Retirement Health Funding Vehicle, an agent multiple-employer other postemployment benefit plan that provides healthcare benefits to eligible retirees and their beneficiaries. The Plan was adopted and established by the Township Board of Trustees. MERS issues a publicly available financial report that includes financial statements and required supplementary information, which may be obtained by accessing the MERS website at www.mersofmich.com.

Plan Membership. As of January 1, 2015, the date of the latest actuarial valuation, 5 retirees were currently receiving benefits; the Plan has 119 active participants.

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Funding Policy. The contribution requirements of plan members and the Township are established and may be amended by the Township Board of Trustees, subject to applicable labor contracts, although the Township has no obligation to make contributions in advance of when the insurance premiums or benefits are due for payment. In other words, the plan may be financed on a *pay-as-you-go* basis.

Currently, active plan members are not required to contribute to the plan. Plan members receiving benefits are not required to contribute towards their own individual coverage. The Township made contributions to the plan totaling \$759,983.

Funding Progress. For the year ended December 31, 2015, the Township estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of January 1, 2015. Such a valuation computes an annual required contribution (ARC) that represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current combined ARC is 6.3% of annual covered payroll.

Annual OPEB Cost and Net OPEB Asset. For 2015, the components of the Township's annual OPEB (other postemployment benefit) cost for the year, the amount actually contributed to the Plan, and changes in the Township's net OPEB asset to the Plan were as follows:

Annual required contribution	\$ 450,039
Interest on net OPEB asset	(6,650)
Adjustment to annual required contribution	<u>(4,345)</u>
Net OPEB cost	439,044
Contributions made	<u>(759,983)</u>
Change in net OPEB asset	(320,939)
Net OPEB asset, beginning of year	<u>(91,726)</u>
Net OPEB asset, end of year	<u><u>\$ (412,665)</u></u>

The Township's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for the current and two preceding years were as follows:

Three-Year Trend Information				
Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB obligation (Asset)
12/31/2013	\$ 542,052	\$ 713,312	131.6%	\$ 109,677
12/31/2014	536,909	738,312	137.5%	(91,726)
12/31/2015	439,044	759,983	173.1%	(412,665)

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

Funded Status. The funded status of the Plan as of January 1, 2015, the date of the most recent actuarial valuation, was as follows:

Actuarial accrued liabilities (a)	\$ 10,135,000
Actuarial value of plan assets (b)	<u>6,220,000</u>
Unfunded actuarial accrued liability (a-b)	<u><u>\$ 3,915,000</u></u>
Funded ratio (b/a)	61.4%
Covered payroll (c)	\$ 6,988,000
Unfunded actuarial accrued liability as a percentage of covered payroll ([a-b]/c)	56.0%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions were as follows:

Actuarial valuation date	1/1/2015
Actuarial cost method	Individual entry age
Amortization method	Level percent of payroll open
Remaining amortization period	30 years
Asset valuation method	Market value
Discount rate (investment return)	7.3%
Projected salary increases	4.5%
Healthcare inflation rate	5.0%
Inflation rate	4.5%

PITTSFIELD CHARTER TOWNSHIP

Notes To Financial Statements

16. NET INVESTMENT IN CAPITAL ASSETS

The composition of net investment in capital assets as of December 31, 2015, was as follows:

	Governmental activities	Business-type activities
Capital assets:		
Capital assets not being depreciated	\$ 24,016,137	\$ 610,842
Capital assets being depreciated, net	6,486,446	33,502,183
	<u>30,502,583</u>	<u>34,113,025</u>
Less related debt:		
Bonds payable	-	8,881,080
Installment obligations	1,185,000	-
Unamortized bond premium	4,342	-
Unamortized bond discount	-	(56,000)
Unamortized refunding loss	(26,303)	-
	<u>1,163,039</u>	<u>8,825,080</u>
Net investment in capital assets	<u>\$ 29,339,544</u>	<u>\$ 25,287,945</u>

Long-term debt related to special assessments is not included in the calculation for net investment in capital assets since these assets do not belong to the Township.

17. RESTATEMENTS

The Township adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in the current year. As a result of this change, beginning net position of governmental activities and business-type activities (along with the water and sewer enterprise fund) decreased by \$7,062,860 and \$616,625, respectively.

The liability for compensated absences was reduced, as described in Note 9. As a result, beginning net position of the governmental activities and the business-type activities (along with that of the water and sewer enterprise fund) was increased by \$570,955 and \$39,662, respectively. Additionally, an adjustment was made to correct the prior year calculation of accrued interest payable. As a result, beginning net position of the business-type activities (along with that of the water and sewer enterprise fund) was increased by \$108,106.



REQUIRED SUPPLEMENTARY INFORMATION

PITTSFIELD CHARTER TOWNSHIP

Required Supplementary Information Employees' Retirement System

Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31, 2015
Total pension liability	
Service cost	\$ 903,775
Interest	2,288,114
Benefit payments, including refunds of employee contributions	(914,391)
Other changes	(77,905)
Net change in total pension liability	<u>2,199,593</u>
Total pension liability, beginning of year	<u>27,740,022</u>
Total pension liability, end of year	<u>29,939,615</u>
Plan fiduciary net position	
Employer contributions	992,974
Employee contributions	460,559
Net investment income	(313,982)
Benefit payments, including refunds of employee contributions	(914,391)
Administrative expense	(44,917)
Net change in plan fiduciary net position	<u>180,243</u>
Plan fiduciary net position, beginning of year	<u>20,060,537</u>
Plan fiduciary net position, end of year	<u>20,240,780</u>
Township's net pension liability	<u>\$ 9,698,835</u>
Plan fiduciary net position as a percentage of total pension liability	67.6%
Covered-employee payroll	\$ 7,708,416
Township's net pension liability as a percentage of covered-employee payroll	125.8%

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

PITTSFIELD CHARTER TOWNSHIP

Required Supplementary Information MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of the Net Pension Liability

Fiscal Year Ended December 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as Percentage of Total Pension Liability	Covered-Employee Payroll	Net Pension Liability as Percentage of Covered Payroll
2015	\$ 29,939,615	\$ 20,240,780	\$ 9,698,835	67.6%	\$ 7,708,416	125.8%

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

PITTSFIELD CHARTER TOWNSHIP

Required Supplementary Information MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of Contributions

Fiscal Year Ending December 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as Percentage of Covered-Employee Payroll
2015	\$ 992,974	\$ 992,974	\$ -	\$ 7,708,416	12.9%

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of Contributions

Valuation Date December 31, 2014 (rolled forward to December 30, 2015)
 Notes Actuarially determined contribution rates are calculated as of December 31, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	28 years
Asset valuation method	Open; 5-year smooth market
Inflation	3.0% to 4.0%
Salary increases	4.5% in the long-term (2% and 3% for calendar years 2015 and 2016, respectively)
Investment rate of return	8.00%
Retirement age	Age-based table of rates that are specific to the type of eligibility condition. Last updated for the December 31, 2011 valuation. The next study is scheduled for 2016.
Mortality	1994 Group Annuity Mortality Table of a 50% Male 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.

PITTSFIELD CHARTER TOWNSHIP

Other Postemployment Benefits

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - (b)	Funded Ratio (a / b)	Unfunded AAL (UAAL) (b -a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
1/1/2010	\$ 1,545,277	\$ 8,033,569	19.2%	\$ 6,488,292	\$ 6,465,155	100.4%
1/1/2013	4,109,000	9,437,000	43.5%	5,328,000	6,703,000	79.5%
1/1/2015	6,220,000	10,135,000	61.4%	3,915,000	6,988,000	56.0%

Schedule of Employer Contributions		
Year Ended December 31,	Annual Required Contributions	Percentage Contributed
2009	\$ 680,134	40.7%
2010	781,160	124.4%
2011	797,809	111.3%
2012	791,041	82.7%
2013	534,079	133.6%
2014	534,079	138.2%
2015	450,039	168.9%

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**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

PITTSFIELD CHARTER TOWNSHIP

Combining Balance Sheet Nonmajor Governmental Funds December 31, 2015

	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash and cash equivalents	\$ 1,916,385	\$ 104,444	\$ 1,112,584	\$ 3,133,413
Accounts receivable	477,613	-	28,794	506,407
Special assessments receivable	-	210,682	-	210,682
Due from other funds	4,925	-	-	4,925
Prepaid items	560	-	-	560
Total assets	\$ 2,399,483	\$ 315,126	\$ 1,141,378	\$ 3,855,987
Liabilities				
Accounts payable	\$ 149,851	\$ -	\$ 522,062	\$ 671,913
Accrued liabilities	4,230	-	-	4,230
Due to other funds	49,561	-	-	49,561
Escrow payable	16,426	-	-	16,426
Total liabilities	220,068	-	522,062	742,130
Deferred inflows of resources				
Unavailable revenue - special assessments	-	210,681	-	210,681
Fund balances				
Nonspendable - prepaid items	560	-	-	560
Restricted:				
General government	173,041	-	-	173,041
Public safety	1,224,394	-	-	1,224,394
Public works	411,706	-	-	411,706
Culture and recreation	369,714	-	-	369,714
Debt service	-	104,445	-	104,445
Committed -				
Capital projects	-	-	619,316	619,316
Total fund balances	2,179,415	104,445	619,316	2,903,176
Total liabilities, deferred inflows of resources and fund balances	\$ 2,399,483	\$ 315,126	\$ 1,141,378	\$ 3,855,987

PITTSFIELD CHARTER TOWNSHIP

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds For the Year Ended December 31, 2015

	Special Revenue	Debt Service	Capital Projects	Total
Revenues				
Taxes and special assessments	\$ 827,952	\$ 93,523	\$ -	\$ 921,475
Licenses and permits	681,972	-	-	681,972
Intergovernmental	19,919	-	-	19,919
Charges for services	1,748,998	-	-	1,748,998
Investment earnings	3,405	169	-	3,574
Other revenues	8,146	-	28,795	36,941
Total revenues	3,290,392	93,692	28,795	3,412,879
Expenditures				
Current:				
General government	10,569	57,170	-	67,739
Public safety	1,242,523	-	-	1,242,523
Public works	1,431,879	-	-	1,431,879
Culture and recreation	36,543	-	-	36,543
Debt service:				
Principal	570,000	79,878	-	649,878
Interest and fiscal charges	41,657	6,118	-	47,775
Capital outlay	31,667	-	1,272,241	1,303,908
Total expenditures	3,364,838	143,166	1,272,241	4,780,245
Revenues under expenditures	(74,446)	(49,474)	(1,243,446)	(1,367,366)
Other financing sources (uses)				
Transfers in	1,567	-	1,677,875	1,679,442
Transfers out	(76,154)	-	-	(76,154)
Total other financing sources (uses)	(74,587)	-	1,677,875	1,603,288
Net change in fund balances	(149,033)	(49,474)	434,429	235,922
Fund balances, beginning of year	2,328,448	153,919	184,887	2,667,254
Fund balances, end of year	\$ 2,179,415	\$ 104,445	\$ 619,316	\$ 2,903,176

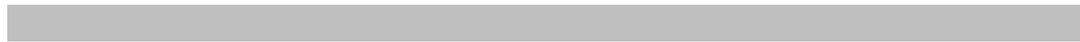
PITTSFIELD CHARTER TOWNSHIP

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2015

	Refuse Collection	Tree Mitigation	Building Department	Parks & Recreation Millage
Assets				
Cash and cash equivalents	\$ 156,201	\$ 157,395	\$ 908,920	\$ 381,149
Accounts receivable	391,867	-	27,746	-
Due from other funds	3,920	-	1,005	-
Prepaid items	-	-	382	-
Total assets	\$ 551,988	\$ 157,395	\$ 938,053	\$ 381,149
Liabilities				
Accounts payable	\$ 120,430	\$ -	\$ 6,613	\$ 11,435
Accrued liabilities	-	-	555	-
Due to other funds	3,426	-	46,135	-
Escrow payable	16,426	-	-	-
Total liabilities	140,282	-	53,303	11,435
Fund balances				
Nonspendable - prepaid items	-	-	382	-
Restricted:				
General government	-	157,395	-	-
Public safety	-	-	884,368	-
Public works	411,706	-	-	-
Culture and recreation	-	-	-	369,714
Total fund balances	411,706	157,395	884,750	369,714
Total liabilities and fund balances	\$ 551,988	\$ 157,395	\$ 938,053	\$ 381,149



E 911 Service	800 MHz Consortium	Fire FEMA Grant	State Street Corridor-TIFA/CIA	Total
\$ 258,117	\$ 38,957	\$ -	\$ 15,646	\$ 1,916,385
58,000	-	-	-	477,613
-	-	-	-	4,925
127	51	-	-	560
<u>\$ 316,244</u>	<u>\$ 39,008</u>	<u>\$ -</u>	<u>\$ 15,646</u>	<u>\$ 2,399,483</u>
\$ 1,373	\$ 10,000	\$ -	\$ -	\$ 149,851
3,675	-	-	-	4,230
-	-	-	-	49,561
-	-	-	-	16,426
<u>5,048</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>220,068</u>
127	51	-	-	560
-	-	-	15,646	173,041
311,069	28,957	-	-	1,224,394
-	-	-	-	411,706
-	-	-	-	369,714
<u>311,196</u>	<u>29,008</u>	<u>-</u>	<u>15,646</u>	<u>2,179,415</u>
<u>\$ 316,244</u>	<u>\$ 39,008</u>	<u>\$ -</u>	<u>\$ 15,646</u>	<u>\$ 2,399,483</u>

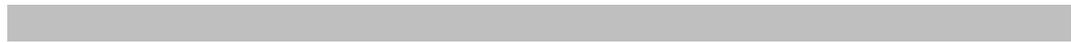
PITTSFIELD CHARTER TOWNSHIP

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2015

	Refuse Collection	Tree Mitigation	Building Department	Parks & Recreation Millage
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ 818,397
Licenses and permits	-	-	681,972	-
Intergovernmental	-	-	-	-
Charges for services	1,488,437	-	-	-
Investment earnings	146	606	1,398	684
Other revenues	-	-	8,146	-
Total revenues	1,488,583	606	691,516	819,081
Expenditures				
Current:				
General government	-	10,569	-	-
Public safety	-	-	751,910	-
Public works	1,431,879	-	-	-
Culture and recreation	-	-	-	36,543
Debt service:				
Principal	-	-	-	570,000
Interest and fiscal charges	-	-	-	41,657
Capital outlay	-	-	-	7,720
Total expenditures	1,431,879	10,569	751,910	655,920
Revenues over (under) expenditures	56,704	(9,963)	(60,394)	163,161
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(76,154)
Total other financing sources (uses)	-	-	-	(76,154)
Net change in fund balances	56,704	(9,963)	(60,394)	87,007
Fund balances, beginning of year	355,002	167,358	945,144	282,707
Fund balances, end of year	\$ 411,706	\$ 157,395	\$ 884,750	\$ 369,714



E 911 Service	800 MHz Consortium	Fire FEMA Grant	State Street Corridor-TIFA/CIA	Total
\$ -	\$ -	\$ -	\$ 9,555	\$ 827,952
-	-	-	-	681,972
-	-	19,919	-	19,919
198,100	60,000	2,461	-	1,748,998
541	27	-	3	3,405
-	-	-	-	8,146
<u>198,641</u>	<u>60,027</u>	<u>22,380</u>	<u>9,558</u>	<u>3,290,392</u>
-	-	-	-	10,569
430,472	60,141	-	-	1,242,523
-	-	-	-	1,431,879
-	-	-	-	36,543
-	-	-	-	570,000
-	-	-	-	41,657
-	-	23,947	-	31,667
<u>430,472</u>	<u>60,141</u>	<u>23,947</u>	<u>-</u>	<u>3,364,838</u>
<u>(231,831)</u>	<u>(114)</u>	<u>(1,567)</u>	<u>9,558</u>	<u>(74,446)</u>
-	-	1,567	-	1,567
-	-	-	-	(76,154)
-	-	1,567	-	(74,587)
(231,831)	(114)	-	9,558	(149,033)
<u>543,027</u>	<u>29,122</u>	<u>-</u>	<u>6,088</u>	<u>2,328,448</u>
<u>\$ 311,196</u>	<u>\$ 29,008</u>	<u>\$ -</u>	<u>\$ 15,646</u>	<u>\$ 2,179,415</u>

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Refuse Collection For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	1,465,912	1,485,912	1,488,437	2,525
Investment earnings	100	100	146	46
Other revenues	-	-	-	-
Total revenues	1,466,012	1,486,012	1,488,583	2,571
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,445,912	1,465,912	1,431,879	(34,033)
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	1,445,912	1,465,912	1,431,879	(34,033)
Revenues over (under) expenditures	20,100	20,100	56,704	36,604
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	20,100	20,100	56,704	36,604
Fund balance, beginning of year	355,002	355,002	355,002	-
Fund balance, end of year	\$ 375,102	\$ 375,102	\$ 411,706	\$ 36,604

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Tree Mitigation

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	500	500	606	106
Other revenues	100,000	100,000	-	(100,000)
Total revenues	100,500	100,500	606	(99,894)
Expenditures				
Current:				
General government	100,500	100,500	10,569	(89,931)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	100,500	100,500	10,569	(89,931)
Revenues over (under) expenditures	-	-	(9,963)	(9,963)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	(9,963)	(9,963)
Fund balance, beginning of year	167,358	167,358	167,358	-
Fund balance, end of year	\$ 167,358	\$ 167,358	\$ 157,395	\$ (9,963)

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Building Department For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	740,000	740,000	681,972	(58,028)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	1,000	1,000	1,398	398
Other revenues	2,000	2,000	8,146	6,146
Total revenues	743,000	743,000	691,516	(51,484)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	925,710	938,210	751,910	(186,300)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	30,000	17,500	-	(17,500)
Total expenditures	955,710	955,710	751,910	(203,800)
Revenues over (under) expenditures	(212,710)	(212,710)	(60,394)	152,316
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(212,710)	(212,710)	(60,394)	152,316
Fund balance, beginning of year	945,144	945,144	945,144	-
Fund balance, end of year	\$ 732,434	\$ 732,434	\$ 884,750	\$ 152,316

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Parks and Recreation Millage For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ 820,907	\$ 820,907	\$ 818,397	\$ (2,510)
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	200	200	684	484
Other revenues	-	-	-	-
Total revenues	821,107	821,107	819,081	(2,026)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	59,000	69,000	36,543	(32,457)
Debt service:				
Principal	570,000	570,000	570,000	-
Interest and fiscal charges	81,083	81,083	41,657	(39,426)
Capital outlay	115,000	93,845	7,720	(86,125)
Total expenditures	825,083	813,928	655,920	(158,008)
Revenues over (under) expenditures	(3,976)	7,179	163,161	155,982
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(76,155)	(76,154)	1
Total other financing sources (uses)	-	(76,155)	(76,154)	1
Net change in fund balance	(3,976)	(68,976)	87,007	155,983
Fund balance, beginning of year	282,707	282,707	282,707	-
Fund balance, end of year	\$ 278,731	\$ 213,731	\$ 369,714	\$ 155,983

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - E 911 Service For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	215,000	215,000	198,100	(16,900)
Investment earnings	1,000	1,000	541	(459)
Other revenues	500	500	-	(500)
Total revenues	216,500	216,500	198,641	(17,859)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	547,306	547,306	430,472	(116,834)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	2,000	2,000	-	(2,000)
Total expenditures	549,306	549,306	430,472	(118,834)
Revenues over (under) expenditures	(332,806)	(332,806)	(231,831)	100,975
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(332,806)	(332,806)	(231,831)	100,975
Fund balance, beginning of year	543,027	543,027	543,027	-
Fund balance, end of year	\$ 210,221	\$ 210,221	\$ 311,196	\$ 100,975

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - 800 MHz Consortium

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	60,000	60,000	60,000	-
Investment earnings	-	-	27	27
Other revenues	-	-	-	-
Total revenues	60,000	60,000	60,027	27
Expenditures				
Current:				
General government	-	-	-	-
Public safety	62,200	62,200	60,141	(2,059)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	62,200	62,200	60,141	(2,059)
Revenues over (under) expenditures	(2,200)	(2,200)	(114)	2,086
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(2,200)	(2,200)	(114)	2,086
Fund balance, beginning of year	29,122	29,122	29,122	-
Fund balance, end of year	\$ 26,922	\$ 26,922	\$ 29,008	\$ 2,086

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Fire FEMA Grant

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	30,000	19,919	(10,081)
Charges for services	-	5,000	2,461	(2,539)
Investment earnings	-	-	-	-
Other revenues	-	-	-	-
Total revenues	-	35,000	22,380	(12,620)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	35,000	23,947	(11,053)
Total expenditures	-	35,000	23,947	(11,053)
Revenues over (under) expenditures	-	-	(1,567)	(1,567)
Other financing sources (uses)				
Transfers in	-	-	1,567	1,567
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	1,567	1,567
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

PITTSFIELD CHARTER TOWNSHIP

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - State Street Corridor-TIFA/CIA

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ 17,067	\$ 9,555	\$ (7,512)
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	3	3
Other revenues	-	-	-	-
Total revenues	-	17,067	9,558	(7,509)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	15,000	-	(15,000)
Total expenditures	-	15,000	-	(15,000)
Revenues over (under) expenditures	-	2,067	9,558	7,491
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	2,067	9,558	7,491
Fund balance, beginning of year	6,088	6,088	6,088	-
Fund balance, end of year	\$ 6,088	\$ 8,155	\$ 15,646	\$ 7,491

PITTSFIELD CHARTER TOWNSHIP

Combining Balance Sheet Nonmajor Debt Service Funds December 31, 2015

	Mallets Creek	State & Textile Road	Waters Place Road	Total
Assets				
Cash and cash equivalents	\$ 53,752	\$ 50,692	\$ -	\$ 104,444
Special assessments receivable	210,682	-	-	210,682
Total assets	<u>\$ 264,434</u>	<u>\$ 50,692</u>	<u>\$ -</u>	<u>\$ 315,126</u>
Deferred inflows of resources				
Unavailable revenue - special assessments	\$ 210,681	\$ -	\$ -	\$ 210,681
Fund balances				
Restricted for debt service	<u>53,753</u>	<u>50,692</u>	<u>-</u>	<u>104,445</u>
Total deferred inflows of resources and fund balances	<u>\$ 264,434</u>	<u>\$ 50,692</u>	<u>\$ -</u>	<u>\$ 315,126</u>

PITTSFIELD CHARTER TOWNSHIP

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

For the Year Ended December 31, 2015

	Mallets Creek	State & Textile Road	Waters Place Road	Total
Revenues				
Taxes and special assessments	\$ 30,603	\$ -	\$ 62,920	\$ 93,523
Investment earnings	65	65	39	169
Total revenues	30,668	65	62,959	93,692
Expenditures				
Current:				
General government	-	-	57,170	57,170
Debt service:				
Principal	19,878	-	60,000	79,878
Interest and fiscal charges	4,275	-	1,843	6,118
Total expenditures	24,153	-	119,013	143,166
Net change in fund balances	6,515	65	(56,054)	(49,474)
Fund balances, beginning of year	47,238	50,627	56,054	153,919
Fund balances, end of year	\$ 53,753	\$ 50,692	\$ -	\$ 104,445

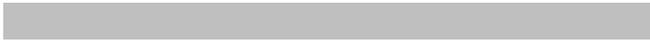
PITTSFIELD CHARTER TOWNSHIP

Combining Balance Sheet

Nonmajor Capital Projects Fund

December 31, 2015

	Lohr Road	Michigan Pathway	Woolley Park Improvement
Assets			
Cash	\$ 352,986	\$ 221,870	\$ 109,522
Accounts receivable	28,794	-	-
Total Assets	<u>\$ 381,780</u>	<u>\$ 221,870</u>	<u>\$ 109,522</u>
Liabilities			
Accounts payable	\$ 273,161	\$ 21,396	\$ 109,522
Fund balance			
Committed	<u>108,619</u>	<u>200,474</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 381,780</u>	<u>\$ 221,870</u>	<u>\$ 109,522</u>



Hickory Woods Park Building	AOL Pedestrian Crossing	Total
\$ -	\$ 428,206	\$ 1,112,584
-	-	28,794
<hr/>		
\$ -	\$ 428,206	\$ 1,141,378
<hr/>		
\$ -	\$ 117,983	\$ 522,062
-	310,223	619,316
<hr/>		
\$ -	\$ 428,206	\$ 1,141,378
<hr/>		

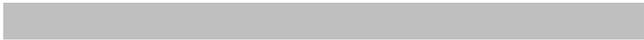
PITTSFIELD CHARTER TOWNSHIP

Combining Statement of Revenues, Expenditures and Change in Fund Balance

Nonmajor Capital Projects Fund

For the Year Ended December 31, 2015

	Lohr Road	Michigan Pathway	Woolley Park Improvement
Revenues			
Other revenues	\$ 28,794	\$ 1	\$ -
Expenditures			
Capital outlay	<u>282,792</u>	<u>236,527</u>	<u>511,154</u>
Revenues under expenditures	(253,998)	(236,526)	(511,154)
Other financing sources			
Transfers in	<u>177,730</u>	<u>437,000</u>	<u>511,154</u>
Net change in fund balance	(76,268)	200,474	-
Fund balance, beginning of year	<u>184,887</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 108,619</u>	<u>\$ 200,474</u>	<u>\$ -</u>



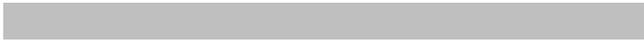
Hickory Woods Park Building	AOL Pedestrian Crossing	Total
\$ -	\$ -	\$ 28,795
<u>49,791</u>	<u>191,977</u>	<u>1,272,241</u>
(49,791)	(191,977)	(1,243,446)
<u>49,791</u>	<u>502,200</u>	<u>1,677,875</u>
-	310,223	434,429
<u>-</u>	<u>-</u>	<u>184,887</u>
<u>\$ -</u>	<u>\$ 310,223</u>	<u>\$ 619,316</u>

PITTSFIELD CHARTER TOWNSHIP

Combining Statement of Fiduciary Assets and Liabilities

Agency Funds
December 31, 2015

	Tax Collection Fund	Performance Bonds Fund	Imprest Payroll Fund
Assets			
Cash and cash equivalents	<u>\$ 11,694,832</u>	<u>\$ 495,546</u>	<u>\$ 24,960</u>
Liabilities			
Undistributed receipts	<u>\$ 11,694,832</u>	<u>\$ 495,546</u>	<u>\$ 24,960</u>



Trust and Agency Fund	World Services Fund	Total
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<u>\$ 24,166</u>	<u>\$ 6,645</u>	<u>\$ 12,246,149</u>
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<u>\$ 24,166</u>	<u>\$ 6,645</u>	<u>\$ 12,246,149</u>
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PITTSFIELD CHARTER TOWNSHIP

Combining Statement of Changes in Fiduciary Assets and Liabilities
 Agency Funds
 For the Year Ended December 31, 2015

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
<i>Tax Collection Fund</i>				
Assets				
Cash and cash equivalents	\$ 10,060,342	\$ 74,643,466	\$ 73,008,976	\$ 11,694,832
Liabilities				
Undistributed receipts	\$ 10,060,342	\$ 74,643,466	\$ 73,008,976	\$ 11,694,832
<i>Performance Bonds Fund</i>				
Assets				
Cash and cash equivalents	\$ 552,129	\$ 72,490	\$ 129,073	\$ 495,546
Liabilities				
Undistributed receipts	\$ 552,129	\$ 72,490	\$ 129,073	\$ 495,546
<i>Imprest Payroll Fund</i>				
Assets				
Cash and cash equivalents	\$ 45,087	\$ 1,750	\$ 21,877	\$ 24,960
Due from other governments	4,652	-	4,652	-
Total assets	\$ 49,739	\$ 1,750	\$ 26,529	\$ 24,960
Liabilities				
Undistributed receipts	\$ 49,739	\$ 1,750	\$ 26,529	\$ 24,960
<i>Trust and Agency Fund</i>				
Assets				
Cash and cash equivalents	\$ 13,988	\$ 173,950	\$ 163,772	\$ 24,166
Liabilities				
Undistributed receipts	\$ 13,988	\$ 173,950	\$ 163,772	\$ 24,166
<i>World Services Fund</i>				
Assets				
Cash and cash equivalents	\$ 9,356	\$ -	\$ 2,711	\$ 6,645
Liabilities				
Undistributed receipts	\$ 9,356	\$ -	\$ 2,711	\$ 6,645
<i>Totals</i>				
Assets				
Cash and cash equivalents	\$ 10,680,902	\$ 74,891,656	\$ 73,326,409	\$ 12,246,149
Due from other governments	4,652	-	4,652	-
Total assets	\$ 10,685,554	\$ 74,891,656	\$ 73,331,061	\$ 12,246,149
Liabilities				
Undistributed receipts	\$ 10,685,554	\$ 74,891,656	\$ 73,331,061	\$ 12,246,149

STATISTICAL SECTION

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PITTSFIELD CHARTER TOWNSHIP

Statistical Section Table of Contents

This part of the Pittsfield Charter Township's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

		<u>Page</u>
Financial Trends	These schedules contain trend information to help the reader understand how the Township's financial performance and well-being have changed over time.	100-111
Revenue Capacity	These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.	112-117
Debt Capacity	These schedules present information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.	118-122
Demographic and Economic Information	These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place.	123-130

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.

PITTSFIELD CHARTER TOWNSHIP

Net Position by Component

Last Ten Years

(Accrual Basis of Accounting)

	2006	2007	2008	2009
Governmental activities				
Net investment in capital assets	\$ 15,137,660	\$ 21,783,060	\$ 22,189,818	\$ 21,660,473
Restricted	1,486,642	1,308,767	1,263,137	1,111,309
Unrestricted (deficit)	15,359,129	11,902,580	13,279,763	15,309,961
Total net position	<u>\$ 31,983,431</u>	<u>\$ 34,994,407</u>	<u>\$ 36,732,718</u>	<u>\$ 38,081,743</u>
Business-type activities				
Net investment in capital assets	\$ 21,686,761	\$ 22,315,706	\$ 23,149,275	\$ 23,372,211
Unrestricted	11,188,698	11,248,742	10,125,602	9,889,282
Total net position	<u>\$ 32,875,459</u>	<u>\$ 33,564,448</u>	<u>\$ 33,274,877</u>	<u>\$ 33,261,493</u>
Total primary government				
Net investment in capital assets	\$ 36,824,421	\$ 44,098,766	\$ 45,339,093	\$ 45,032,684
Restricted	1,486,642	1,308,767	1,263,137	1,111,309
Unrestricted	26,547,827	23,151,322	23,405,365	25,199,243
Total net position	<u>\$ 64,858,890</u>	<u>\$ 68,558,855</u>	<u>\$ 70,007,595</u>	<u>\$ 71,343,236</u>

[1] GASB Statement No. 68 adopted; prior years are not restated.

Source: Pittsfield Charter Township Finance Department

2010	2011	2012	2013	2014	[1] 2015
\$ 25,132,342	\$ 26,397,690	\$ 27,933,571	\$ 28,568,888	\$ 28,591,948	\$ 29,339,544
1,032,121	8,693,577	6,458,014	5,228,038	5,483,842	5,522,883
<u>12,253,510</u>	<u>4,136,827</u>	<u>4,385,932</u>	<u>4,955,360</u>	<u>5,249,141</u>	<u>(2,428,164)</u>
<u>\$ 38,417,973</u>	<u>\$ 39,228,094</u>	<u>\$ 38,777,517</u>	<u>\$ 38,752,286</u>	<u>\$ 39,324,931</u>	<u>\$ 32,434,263</u>
\$ 25,643,948	\$ 26,018,663	\$ 25,980,446	\$ 25,944,485	\$ 25,681,148	\$ 25,287,945
10,460,246	9,337,710	8,530,740	9,899,374	10,473,159	10,723,528
<u>\$ 36,104,194</u>	<u>\$ 35,356,373</u>	<u>\$ 34,511,186</u>	<u>\$ 35,843,859</u>	<u>\$ 36,154,307</u>	<u>\$ 36,011,473</u>
\$ 50,776,290	\$ 52,416,353	\$ 53,914,017	\$ 54,513,373	\$ 54,273,096	\$ 54,627,489
1,032,121	1,008,374	1,228,596	1,303,303	5,483,842	5,522,883
<u>22,713,756</u>	<u>21,159,740</u>	<u>18,146,090</u>	<u>18,779,469</u>	<u>15,722,300</u>	<u>8,295,364</u>
<u>\$ 74,522,167</u>	<u>\$ 74,584,467</u>	<u>\$ 73,288,703</u>	<u>\$ 74,596,145</u>	<u>\$ 75,479,238</u>	<u>\$ 68,445,736</u>

PITTSFIELD CHARTER TOWNSHIP

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2006	2007	2008	2009
Expenses				
Governmental activities:				
General government	\$ 1,957,225	\$ 3,704,845	\$ 4,059,630	\$ 2,332,030
Public safety	6,521,746	7,674,377	7,829,666	8,110,750
Public works	1,848,223	1,903,279	2,030,837	1,934,371
Planning and zoning	362,701	360,737	370,600	366,557
Parks and recreation	654,427	717,334	1,053,631	2,887,250
Other unallocated	2,063,838	-	-	-
Interest on long-term debt	466,614	429,738	384,683	544,989
Subtotal governmental activities	13,874,774	14,790,310	15,729,047	16,175,947
Business-type activities -				
Water and sewer	8,519,813	9,530,617	9,627,408	9,253,922
Total expenses	22,394,587	24,320,927	25,356,455	25,429,869
Program revenues				
Governmental activities:				
Charges for services:				
General government	2,399,543	2,753,611	2,625,317	2,709,575
Public safety	661,849	678,607	724,694	650,619
Public works	287,188	260,523	264,271	256,560
Planning and zoning	-	-	-	-
Parks and recreation	167,887	172,175	166,713	180,560
Operating grants and contributions	276,201	319,314	292,966	336,912
Capital grants and contributions	725,334	1,248,278	1,159,037	430,468
Subtotal governmental activities	4,518,002	5,432,508	5,232,998	4,564,694
Business-type activities:				
Charges for services	8,155,670	9,314,032	8,737,990	8,552,060
Capital grants and contributions	425,862	293,706	337,092	110,088
Subtotal business-type activities	8,581,532	9,607,738	9,075,082	8,662,148
Total program revenues	13,099,534	15,040,246	14,308,080	13,226,842
Net (expense)/revenue				
Governmental activities	(9,356,772)	(9,357,802)	(10,496,049)	(11,611,253)
Business-type activities	61,719	77,121	(552,326)	(591,774)
Total net expense	(9,295,053)	(9,280,681)	(11,048,375)	(12,203,027)

Schedule 2
Unaudited

	2010	2011	2012	2013	2014	2015
\$	4,078,120	\$ 3,812,930	\$ 3,062,073	\$ 3,354,770	\$ 4,436,503	\$ 4,991,228
	8,551,293	9,067,580	9,539,187	10,648,372	10,142,446	10,827,667
	2,007,627	2,130,785	2,704,712	2,345,450	2,897,197	2,935,584
	290,955	278,881	450,033	496,898	571,306	580,313
	1,169,157	1,505,128	1,539,044	1,013,722	1,020,879	1,040,377
	-	-	-	-	-	-
	311,110	201,180	23,829	173,350	137,072	113,348
	<u>16,408,262</u>	<u>16,996,484</u>	<u>17,318,878</u>	<u>18,032,562</u>	<u>19,205,403</u>	<u>20,488,517</u>
	9,793,912	10,577,971	12,301,239	10,668,630	11,322,705	11,714,090
	<u>26,202,174</u>	<u>27,574,455</u>	<u>29,620,117</u>	<u>28,701,192</u>	<u>30,528,108</u>	<u>32,202,607</u>
	2,968,165	3,901,421	2,847,185	3,395,348	3,598,373	3,555,319
	900,443	863,627	1,152,975	1,175,576	1,195,130	1,226,894
	288,061	361,037	476,125	350,302	351,817	345,507
	-	-	19,755	22,350	42,243	36,380
	235,157	249,137	263,295	280,129	244,734	292,818
	612,133	486,388	576,870	594,970	943,292	159,059
	369,128	369,859	295,353	257,855	178,659	1,001,700
	<u>5,373,087</u>	<u>6,231,469</u>	<u>5,631,558</u>	<u>6,076,530</u>	<u>6,554,248</u>	<u>6,617,677</u>
	9,334,315	9,653,203	11,446,602	10,712,639	10,897,820	11,639,920
	3,290,454	160,703	74,840	611,530	413,541	125,076
	<u>12,624,769</u>	<u>9,813,906</u>	<u>11,521,442</u>	<u>11,324,169</u>	<u>11,311,361</u>	<u>11,764,996</u>
	<u>17,997,856</u>	<u>16,045,375</u>	<u>17,153,000</u>	<u>17,400,699</u>	<u>17,865,609</u>	<u>18,382,673</u>
	(11,035,175)	(10,765,015)	(11,687,320)	(11,956,032)	(12,651,155)	(13,870,840)
	2,830,857	(764,065)	(779,797)	655,539	(11,344)	50,906
	<u>(8,204,318)</u>	<u>(11,529,080)</u>	<u>(12,467,117)</u>	<u>(11,300,493)</u>	<u>(12,662,499)</u>	<u>(13,819,934)</u>

continued...

PITTSFIELD CHARTER TOWNSHIP

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2006	2007	2008	2009
General revenues				
Governmental activities:				
Property taxes	\$ 8,401,535	\$ 9,040,019	\$ 9,532,657	\$ 8,991,812
State shared revenues	2,139,405	2,113,251	2,099,893	1,863,410
Unrestricted investment earnings	1,102,816	1,215,508	601,810	79,205
Gain on sale of capital assets	-	-	-	-
Transfers	-	-	-	-
Subtotal governmental activities	<u>11,643,756</u>	<u>12,368,778</u>	<u>12,234,360</u>	<u>10,934,427</u>
Business-type activities:				
Unrestricted investment earnings	579,985	611,868	262,755	19,051
Gain on sale of capital assets	-	-	-	-
Transfers	-	-	-	-
Subtotal business-type activities	<u>579,985</u>	<u>611,868</u>	<u>262,755</u>	<u>19,051</u>
Total general revenues	<u>12,223,741</u>	<u>12,980,646</u>	<u>12,497,115</u>	<u>10,953,478</u>
Change in net position				
Governmental activities	2,286,984	3,010,976	1,738,311	(676,826)
Business-type activities	<u>641,704</u>	<u>688,989</u>	<u>(289,571)</u>	<u>(572,723)</u>
Total change in net position	<u>\$ 2,928,688</u>	<u>\$ 3,699,965</u>	<u>\$ 1,448,740</u>	<u>\$ (1,249,549)</u>

Source: Pittsfield Charter Township Finance Department

Schedule 2
Unaudited

2010	2011	2012	2013	2014	2015
\$ 9,452,278	\$ 8,999,710	\$ 8,764,881	\$ 9,987,401	\$ 10,806,241	\$ 10,920,470
1,893,059	2,553,734	2,511,761	2,581,031	2,661,470	2,707,778
26,068	21,692	11,948	25,035	51,585	52,729
-	-	-	-	-	21,100
-	-	21,561	(662,666)	(295,496)	(230,000)
<u>11,371,405</u>	<u>11,575,136</u>	<u>11,310,151</u>	<u>11,930,801</u>	<u>13,223,800</u>	<u>13,472,077</u>
11,844	10,037	6,226	14,468	26,296	27,997
-	6,207	1,245	-	-	17,120
-	-	(21,561)	662,666	295,496	230,000
<u>11,844</u>	<u>16,244</u>	<u>(14,090)</u>	<u>677,134</u>	<u>321,792</u>	<u>275,117</u>
<u>11,383,249</u>	<u>11,591,380</u>	<u>11,296,061</u>	<u>12,607,935</u>	<u>13,545,592</u>	<u>13,747,194</u>
336,230	810,121	(377,169)	(25,231)	572,645	(398,763)
<u>2,842,701</u>	<u>(747,821)</u>	<u>(793,887)</u>	<u>1,332,673</u>	<u>310,448</u>	<u>326,023</u>
<u>\$ 3,178,931</u>	<u>\$ 62,300</u>	<u>\$ (1,171,056)</u>	<u>\$ 1,307,442</u>	<u>\$ 883,093</u>	<u>\$ (72,740)</u>

concluded.

PITTSFIELD CHARTER TOWNSHIP

Fund Balances - Governmental Funds

Last Ten Years
(Modified Accrual Basis of Accounting)

	2006	2007	2008	2009
General Fund				
Nonspendable				
Restricted				
Committed				
Unassigned				
Reserved	\$ 16,801	\$ 42,878	\$ 39,773	\$ 34,159
Unreserved	8,823,608	4,758,618	4,531,325	4,243,052
Total general fund	<u>\$ 8,840,409</u>	<u>\$ 4,801,496</u>	<u>\$ 4,571,098</u>	<u>\$ 4,277,211</u>
All Other Governmental Funds				
Nonspendable				
Restricted				
Committed				
Reserved	\$ 1,469,841	\$ 1,265,889	\$ 1,223,364	\$ 373,239
Unreserved, reported in:				
Special revenue funds	6,535,521	8,174,162	9,786,982	9,091,852
Debt service funds	-	-	-	1,062,490
Capital project funds	-	-	-	41,714
Total all other governmental funds	<u>\$ 8,005,362</u>	<u>\$ 9,440,051</u>	<u>\$ 11,010,346</u>	<u>\$ 10,569,295</u>

[1] GASB No. 54 adopted in 2011.

Source: Pittsfield Charter Township Finance Department

Schedule 3
Unaudited

2010	[1] 2011	2012	2013	2014	2015
	\$ 6,591	\$ 54,243	\$ 22,288	\$ 63,572	\$ 8,244
	1,076,932	1,080,154	1,047,218	1,060,350	1,071,963
	245,000	300,000	985,000	950,000	-
	4,957,687	5,138,749	5,245,990	5,267,352	5,107,325
\$ 9,853	-	-	-	-	-
4,340,077	-	-	-	-	-
<u>\$ 4,349,930</u>	<u>\$ 6,286,210</u>	<u>\$ 6,573,146</u>	<u>\$ 7,300,496</u>	<u>\$ 7,341,274</u>	<u>\$ 6,187,532</u>
	\$ 479	\$ 92,676	\$ 8,569	\$ 100,119	\$ 20,027
	7,598,645	5,377,860	4,180,820	4,423,492	4,450,920
	19,839	-	28,190	184,887	619,316
\$ 4,752	-	-	-	-	-
8,737,370	-	-	-	-	-
995,102	-	-	-	-	-
37,019	-	-	-	-	-
<u>\$ 9,774,243</u>	<u>\$ 7,618,963</u>	<u>\$ 5,470,536</u>	<u>\$ 4,217,579</u>	<u>\$ 4,708,498</u>	<u>\$ 5,090,263</u>

PITTSFIELD CHARTER TOWNSHIP

Changes in Fund Balances - Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	2006	2007	2008	2009
Revenues				
Taxes and special assessments	\$ 8,907,137	\$ 9,539,947	\$ 9,987,080	\$ 9,955,367
Licenses and permits	424,620	484,164	443,173	400,372
Intergovernmental	2,439,288	2,180,513	2,766,545	1,955,297
Charges for services	1,906,376	2,035,960	2,157,958	2,472,761
Fines and forfeitures	136,264	136,941	99,726	91,569
Franchise fees	366,197	398,908	412,165	442,812
Investment earnings	1,102,816	1,215,508	601,810	79,205
Donations	-	-	-	152,500
Other revenues	879,060	1,809,345	998,901	379,706
Total revenues	16,161,758	17,801,286	17,467,358	15,929,589
Expenditures				
General government	1,860,689	1,928,139	1,963,345	2,106,033
Public safety	6,021,115	7,100,908	7,250,367	7,325,475
Public works	1,400,321	1,453,941	1,602,267	1,588,487
Planning and zoning	363,210	360,254	364,286	361,169
Culture and recreation	624,528	664,270	973,780	2,820,554
Other unallocated	2,065,410	1,655,149	2,015,332	-
Debt service:				
Principal	838,600	896,585	1,198,802	1,323,801
Interest and other charges	466,614	429,738	384,683	337,025
Capital outlay	1,398,979	6,510,640	374,599	801,983
Total expenditures	15,039,466	20,999,624	16,127,461	16,664,527
Revenues over (under) expenditures	1,122,292	(3,198,338)	1,339,897	(734,938)
Other financing sources (uses)				
Issuance of debt	-	594,433	-	-
Premium on debt	-	-	-	-
Payments to escrow agent	-	-	-	-
Transfers in	17,602	17,012	100,965	56,108
Transfers out	(17,602)	(17,012)	(100,965)	(56,108)
Total other financing sources (uses)	-	594,433	-	-
Net change in fund balance	\$ 1,122,292	\$ (2,603,905)	\$ 1,339,897	\$ (734,938)
Debt services as a percentage of noncapital expenditures	9.88%	6.82%	10.42%	10.60%

Source: Pittsfield Charter Township Finance Department

Schedule 4
Unaudited

2010	2011	2012	2013	2014	2015
\$ 10,109,464	\$ 9,838,106	\$ 9,407,420	\$ 10,732,225	\$ 11,190,558	\$ 11,372,476
426,274	639,248	550,757	867,021	1,001,339	842,851
2,364,884	2,929,228	2,925,226	3,000,110	3,066,993	2,818,791
2,773,534	3,499,837	2,840,862	2,963,635	3,002,764	3,148,082
100,299	107,786	115,501	160,140	160,253	131,057
483,740	499,731	514,309	519,593	544,575	570,869
26,068	12,049	9,828	22,146	51,585	52,729
1,000	-	24,351	29,666	19,822	6,400
611,307	633,799	836,267	824,558	1,220,209	799,694
<u>16,896,570</u>	<u>18,159,784</u>	<u>17,224,521</u>	<u>19,119,094</u>	<u>20,258,098</u>	<u>19,742,949</u>
2,434,215	2,198,339	2,657,052	2,859,147	2,795,747	3,129,331
8,449,082	8,802,945	9,073,259	9,437,128	9,583,519	10,020,995
1,588,022	1,771,989	2,463,230	2,123,037	2,676,387	2,768,533
287,868	277,006	433,127	475,587	544,518	543,822
1,127,171	1,069,192	1,074,929	949,886	932,448	988,230
1,178,893	1,182,084	670,459	598,028	446,142	333,469
1,127,534	752,531	867,532	877,532	804,878	714,878
346,477	194,838	213,773	172,605	134,648	105,930
<u>1,167,780</u>	<u>2,129,860</u>	<u>1,654,212</u>	<u>1,489,085</u>	<u>1,512,618</u>	<u>1,679,738</u>
<u>17,707,042</u>	<u>18,378,784</u>	<u>19,107,573</u>	<u>18,982,035</u>	<u>19,430,905</u>	<u>20,284,926</u>
<u>(810,472)</u>	<u>(219,000)</u>	<u>(1,883,052)</u>	<u>137,059</u>	<u>827,193</u>	<u>(541,977)</u>
3,735,000	-	-	-	-	-
15,192	-	-	-	-	-
(3,662,053)	-	-	-	-	-
221,545	1,336,315	5,171,859	4,983,013	5,500,498	6,941,019
<u>(221,545)</u>	<u>(1,336,315)</u>	<u>(5,150,298)</u>	<u>(5,645,679)</u>	<u>(5,795,994)</u>	<u>(7,171,019)</u>
<u>88,139</u>	<u>-</u>	<u>21,561</u>	<u>(662,666)</u>	<u>(295,496)</u>	<u>(230,000)</u>
<u>\$ (722,333)</u>	<u>\$ (219,000)</u>	<u>\$ (1,861,491)</u>	<u>\$ (525,607)</u>	<u>\$ 531,697</u>	<u>\$ (771,977)</u>
<u>8.88%</u>	<u>5.49%</u>	<u>6.33%</u>	<u>5.92%</u>	<u>4.94%</u>	<u>4.28%</u>

PITTSFIELD CHARTER TOWNSHIP

Changes in Fund Balances - General Fund

Last Ten Years

(Modified Accrual Basis of Accounting)

	2006	2007	2008	2009
Revenues				
Property taxes	\$ 6,007,405	\$ 6,471,030	\$ 6,824,545	\$ 6,825,336
Licenses and permits	49,275	102,889	59,340	112,332
Intergovernmental	2,234,556	2,180,513	2,161,456	1,913,937
Charges for services	1,012,294	1,088,913	1,169,029	1,195,715
Fines and forfeitures	136,264	136,941	99,726	91,569
Franchise fees	366,197	398,908	412,165	442,812
Investment earnings	742,969	798,583	375,038	59,774
Donations	-	-	-	152,500
Other revenues	665,282	1,530,691	687,236	290,457
Total revenues	11,214,242	12,708,468	11,788,535	11,084,432
Expenditures				
General government	1,860,689	1,928,139	1,963,345	2,079,990
Public safety	4,802,996	5,958,382	6,053,564	5,570,177
Public works	451,180	477,685	581,332	550,855
Planning and zoning	363,210	360,254	364,286	361,169
Culture and recreation	580,991	631,041	857,532	843,704
Other unallocated	1,668,913	1,467,869	1,376,346	1,416,852
Debt service	291,730	298,614	605,761	-
Capital outlay	300,000	6,202,818	161,357	500,074
Total expenditures	10,319,709	17,324,802	11,963,523	11,322,821
Revenues over (under) expenditures	894,533	(4,616,334)	(174,988)	(238,389)
Other financing sources (uses)				
Loan proceeds	-	594,433	-	-
Transfers in	-	-	-	305
Transfers out	(17,602)	(17,012)	(55,410)	(55,803)
Total other financing sources (uses)	(17,602)	577,421	(55,410)	(55,498)
Net change in fund balance	\$ 876,931	\$ (4,038,913)	\$ (230,398)	\$ (293,887)

Source: Pittsfield Charter Township Finance Department

2010	2011	2012	2013	2014	2015
\$ 7,052,399	\$ 6,847,597	\$ 6,556,789	\$ 6,413,007	\$ 6,914,364	\$ 7,045,243
66,448	135,084	86,145	117,006	89,365	108,740
2,258,849	2,783,910	2,673,668	2,725,466	2,735,937	2,733,084
1,406,216	1,961,966	1,435,782	1,332,844	1,320,181	1,374,995
100,299	107,786	1,200	2,350	3,300	1,550
483,740	490,088	512,189	516,704	544,575	570,869
13,333	12,049	7,100	17,060	38,080	41,022
1,000	-	24,106	29,666	6,850	6,400
488,343	487,648	506,132	517,542	492,917	602,488
<u>11,870,627</u>	<u>12,826,128</u>	<u>11,803,111</u>	<u>11,671,645</u>	<u>12,145,569</u>	<u>12,484,391</u>
2,403,165	2,182,209	2,650,810	2,846,263	2,795,747	3,061,592
5,786,344	4,984,788	138,685	108,353	116,585	165,884
551,552	647,308	1,243,107	849,836	1,336,487	1,336,654
287,868	277,006	433,127	475,587	544,518	543,822
971,112	1,003,494	1,017,255	939,392	891,966	951,687
1,178,893	1,182,084	670,459	598,028	446,142	333,469
-	-	-	-	-	-
412,429	247,594	436,786	426,598	345,845	151,727
<u>11,591,363</u>	<u>10,524,483</u>	<u>6,590,229</u>	<u>6,244,057</u>	<u>6,477,290</u>	<u>6,544,835</u>
<u>279,264</u>	<u>2,301,645</u>	<u>5,212,882</u>	<u>5,427,588</u>	<u>5,668,279</u>	<u>5,939,556</u>
-	-	-	-	-	-
-	-	112,176	193,651	61,824	-
<u>(206,545)</u>	<u>(1,330,365)</u>	<u>(5,038,122)</u>	<u>(4,893,889)</u>	<u>(5,689,325)</u>	<u>(7,093,298)</u>
<u>(206,545)</u>	<u>(1,330,365)</u>	<u>(4,925,946)</u>	<u>(4,700,238)</u>	<u>(5,627,501)</u>	<u>(7,093,298)</u>
<u>\$ 72,719</u>	<u>\$ 971,280</u>	<u>\$ 286,936</u>	<u>\$ 727,350</u>	<u>\$ 40,778</u>	<u>\$ (1,153,742)</u>

PITTSFIELD CHARTER TOWNSHIP

Taxable and Estimated Actual Value of Property

Last Ten Years

As of Dec. 31,	FYE Dec. 31,	Real Property (1)		Personal Property (1)	
		Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value
2014	2015	\$ 1,630,269,442	\$ 3,260,538,884	\$ 119,400,002	\$ 238,800,004
2013	2014	1,574,701,371	3,149,402,742	116,147,300	232,294,600
2012	2013	1,534,854,820	3,069,709,640	122,153,900	244,307,800
2011	2012	1,529,357,932	3,058,715,864	122,398,500	244,797,000
2010	2011	1,558,976,815	3,117,953,630	123,020,600	246,041,200
2009	2010	1,604,821,156	3,209,642,312	122,029,200	244,058,400
2008	2009	1,653,147,342	3,306,294,684	127,555,000	255,110,000
2007	2008	1,694,059,053	3,388,118,106	127,730,900	255,461,800
2006	2007	1,711,715,683	3,423,431,366	120,334,500	240,669,000
2005	2006	1,618,317,533	3,236,635,066	114,273,900	228,547,800

(1) Does not include properties subject to Industrial Facility Tax exemptions.

(2) Per \$1,000 of taxable value.

Source: Pittsfield Charter Township Assessing Department

Schedule 6
Unaudited



Total		(2) Total
Taxable Value	Estimated Actual Value	Direct Tax Rate
\$ 1,749,669,444	\$ 3,499,338,888	6.59160
1,690,848,671	3,381,697,342	6.59160
1,657,008,720	3,094,140,420	6.59160
1,651,756,432	3,083,195,564	6.31130
1,681,997,415	3,363,994,830	5.35540
1,726,850,356	3,453,700,712	5.35540
1,780,702,342	3,561,404,684	5.35540
1,821,789,953	3,643,579,906	5.15000
1,832,050,183	3,664,100,366	5.19500
1,732,591,433	3,465,182,866	5.19500

PITTSFIELD CHARTER TOWNSHIP

Direct and Overlapping Property Tax Rates

Last Ten Years

(rate per \$1,000 of taxable value)

Fiscal Year Ended December 31,	Township Total Direct Rate	Ann Arbor Public Schools	Milan Public Schools	Saline Public Schools	State Education Tax	Washtenaw Community College
2015	6.5916	21.4168	30.9748	25.8500	6.0000	3.9745
2014	6.5916	21.4500	27.3148	25.8500	6.0000	3.4576
2013	6.5916	21.4500	26.0148	25.8500	6.0000	3.4576
2012	6.3113	21.4500	26.9148	25.8500	6.0000	3.6376
2011	5.3554	21.1497	26.0148	25.8500	6.0000	3.7176
2010	5.3554	25.6570	26.0148	25.8500	6.0000	3.6856
2009	5.3554	25.4081	26.0148	25.8500	6.0000	3.6856
2008	5.1500	25.5152	26.0148	25.8311	6.0000	3.6856
2007	5.1950	25.9559	26.0148	25.8311	6.0000	3.6956
2006	5.1950	26.2175	26.0148	25.8311	6.0000	3.7082

Components of Total Direct Rate

	Special Voted			Total
	Operating	Public Safety	Parks	
2015	4.1561	1.9500	0.4855	6.5916
2014	4.1561	1.9500	0.4855	6.5916
2013	4.1561	1.9500	0.4855	6.5916
2012	3.8758	1.9500	0.4855	6.3113
2011	3.8758	0.9941	0.4855	5.3554
2010	3.8758	0.9941	0.4855	5.3554
2009	3.8758	0.9941	0.4855	5.3554
2008	3.6704	0.9941	0.4855	5.1500
2007	3.7154	0.9941	0.4855	5.1950
2006	3.7154	0.9941	0.4855	5.1950

Source: Pittsfield Charter Township Treasurer's Department



Washtenaw County	Washtenaw Intermediate School District	Ann Arbor District Library	Saline District Library	Total Homestead	Total Non-Homestead
5.4622	3.9745	1.6500	1.1830	89.0774	107.0774
6.0692	3.9745	1.5500	1.1830	85.4407	103.4407
5.7801	3.9745	1.5500	1.1830	83.8516	101.8516
5.7654	3.9745	1.5500	1.1830	84.6366	102.6366
5.7518	3.9745	1.5500	1.3164	82.6802	100.6802
5.7448	3.9745	1.5500	1.3095	87.1416	105.1416
5.7418	3.9745	1.5500	1.3066	86.8868	104.8868
5.7018	3.9745	1.9214	1.3011	87.0955	105.0955
5.6768	3.9745	1.9214	1.5003	87.7654	105.7654
5.6768	3.9745	1.9214	1.5041	88.0434	106.0434

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2015			2006		
	[1] Taxable Valuation	Rank	% of Total Twp Taxable Value	[1] Taxable Valuation	Rank	% of Total Twp Taxable Value
Tilden Valley Apartments	\$ 15,721,400	1	0.89%	\$ -	-	-
Pines of Cloverlane LLC	15,391,500	2	0.87%	14,396,300	4	0.83%
Hamptons of Cloverlane LLC	14,340,700	3	0.81%	-	-	-
Meijer Inc.	14,220,910	4	0.81%	15,235,743	3	0.87%
DTE Electric Company	13,987,900	5	0.79%	12,229,783	5	0.70%
Glencoe Hills LLC	13,121,499	6	0.74%	11,521,242	6	0.66%
Michigan Consolidated	11,225,300	7	0.64%	-	-	-
Spicetree Owner LLC	10,056,170	8	0.57%	8,334,686	9	0.48%
Oak Valley Center LLC	10,026,154	9	0.57%	-	-	-
Waters Place LLC	9,653,789	10	0.55%	8,169,753	10	0.47%
Highland Industrial Dev Co	-	-	-	18,514,200	2	1.06%
Lasalle Bank Corp	-	-	-	19,800,800	1	1.14%
National Amusements	-	-	-	10,076,710	7	0.58%
Airport Boulevard Associates	-	-	-	9,133,661	8	0.52%
	<u>\$ 127,745,322</u>		<u>7.24%</u>	<u>\$ 127,412,878</u>		<u>7.31%</u>

[1] Includes ad valorem and Industrial Facilities Tax properties.

Source: Pittsfield Charter Township Treasurer's Department

Property Tax Levies and Collections
Last Ten Years

(1) Fiscal Year Ended December 31,	(2) Taxies Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		(3) Delinquent Collections	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2006	\$ 8,397,815	\$ 8,053,517	95.90%	\$ 303,578	\$ 8,357,095	99.52%
2007	9,024,153	8,598,583	95.28%	400,234	8,998,817	99.72%
2008	9,529,994	9,064,779	95.12%	411,262	9,476,041	99.43%
2009	9,400,448	8,895,990	94.63%	470,126	9,366,116	99.63%
2010	9,261,746	8,745,901	94.43%	482,575	9,228,476	99.64%
2011	8,985,189	8,594,157	95.65%	358,994	8,953,151	99.64%
2012	10,360,713	10,010,053	96.62%	320,524	10,330,577	99.71%
2013	10,889,827	10,485,003	96.28%	338,926	10,823,929	99.39%
2014	11,097,413	10,741,137	96.79%	317,544	11,058,681	99.65%
2015	11,553,223	11,240,899	97.30%	290,799	11,531,698	99.81%

(1) Property taxes are levied July 1 of the current fiscal year based on taxable property values as of the preceding December 31. Unpaid property taxes become delinquent as of March 1 of the current fiscal year. The Township's delinquent real property taxes are purchased by Washtenaw County. Uncollected personal property taxes must be collected by the Township Treasurer.

(2) Includes Industrial Facility Tax.

(3) Includes settlement payment from Washtenaw County Treasurer's department for purchase of delinquent real property tax roll.

Source: Pittsfield Charter Township Treasurer's Department

PITTSFIELD CHARTER TOWNSHIP

Ratios of Outstanding Debt by Type Last Ten Years

	2006	2007	2008	2009
Governmental activities				
Installment notes	\$ 5,820,000	\$ 5,964,433	\$ 5,167,216	\$ 4,270,000
General obligation bonds	2,030,000	1,690,000	1,395,000	1,075,000
Special assessment debt	1,165,806	1,059,221	952,636	2,566,051
	<u>9,015,806</u>	<u>8,713,654</u>	<u>7,514,852</u>	<u>7,911,051</u>
Business-type activities				
General obligation bonds	<u>8,100,000</u>	<u>7,840,000</u>	<u>7,565,000</u>	<u>7,285,000</u>
Total outstanding debt	<u>\$ 17,115,806</u>	<u>\$ 16,553,654</u>	<u>\$ 15,079,852</u>	<u>\$ 15,196,051</u>
Total taxable value	\$1,732,591,433	\$1,832,050,183	\$1,821,789,953	\$1,780,702,342
Ratio of total debt to taxable value	0.99%	0.90%	0.83%	0.85%
Total population	34,012	34,276	34,191	34,509
Total debt per capita	\$ 503	\$ 483	\$ 441	\$ 440
% of personal income	1.31%	1.24%	1.10%	1.16%

Source: Pittsfield Charter Township Finance Department

Details regarding the Township's debt can be found in the notes to the financial statements.

Schedule 10
Unaudited

2010	2011	2012	2013	2014	2015
\$ 3,735,000	\$ 3,410,000	\$ 2,875,852	\$ 2,323,682	\$ 1,761,512	\$ 1,189,342
805,000	540,000	380,000	220,000	60,000	-
<u>2,408,517</u>	<u>2,245,986</u>	<u>2,083,454</u>	<u>1,915,922</u>	<u>1,698,144</u>	<u>1,613,266</u>
6,948,517	6,195,986	5,339,306	4,459,604	3,519,656	2,802,608
<u>10,865,611</u>	<u>10,483,466</u>	<u>10,217,580</u>	<u>9,717,080</u>	<u>9,281,080</u>	<u>8,825,080</u>
<u>\$ 17,814,128</u>	<u>\$ 16,679,452</u>	<u>\$ 15,556,886</u>	<u>\$ 14,176,684</u>	<u>\$ 12,800,736</u>	<u>\$ 11,627,688</u>
\$1,726,850,356	\$1,681,997,415	\$1,651,756,432	\$1,657,008,720	\$1,690,848,671	\$1,749,669,444
1.03%	0.99%	0.95%	0.86%	0.76%	0.66%
34,663	35,288	35,821	36,068	37,588	38,309
\$ 514	\$ 473	\$ 436	\$ 393	\$ 341	\$ 304
1.36%	1.22%	1.06%	0.91%	0.78%	0.63%

Ratios of Net General Bonded Debt Outstanding

Last Ten Years

Year	Net General Bonded Debt Outstanding					% of Total Personal Income	% of Actual Taxable Value of Property	Per Capita
	Governmental Activities		Business-type Activities	Amounts Available in Debt Service Funds	Total			
	Installment Obligations	General Obligation Bonds	General Obligation Bonds					
2015	\$ 1,189,342	\$ -	\$ 8,825,080	\$ (104,445)	\$ 1,084,897	0.06%	0.06%	\$ 28.32
2014	1,761,512	60,000	9,281,080	(153,919)	1,607,593	0.10%	0.10%	42.77
2013	2,323,682	220,000	9,717,080	(232,547)	2,091,135	0.13%	0.12%	54.06
2012	2,875,852	380,000	10,217,580	(928,596)	1,947,256	0.13%	0.12%	54.06
2011	3,410,000	540,000	10,483,466	(988,535)	2,421,465	0.18%	0.14%	68.62
2010	3,735,000	805,000	10,865,611	(995,097)	2,739,903	0.21%	0.16%	79.04
2009	4,270,000	1,075,000	7,285,000	(1,062,490)	3,207,510	0.25%	0.18%	92.95
2008	5,167,216	1,395,000	7,565,000	(1,158,374)	4,008,842	0.29%	0.22%	117.25
2007	5,964,433	1,690,000	7,840,000	(1,130,355)	4,834,078	0.36%	0.26%	141.03
2006	5,820,000	2,030,000	8,100,000	(1,316,375)	4,503,625	0.35%	0.26%	132.41

Source: Pittsfield Charter Township Finance Department

Details regarding the Township's debt can be found in the notes to the financial statements.

Computation of Net Direct and Overlapping Debt

As of December 31, 2014

	Gross Amount Outstanding	Self-Supporting or Paid by Benefited Entity	Net Amount Outstanding
Direct debt			
General obligation bonds and notes	\$ 1,189,342	\$ -	\$ 1,189,342
Special assessment bonds	1,613,266	1,613,266	-
Net direct debt	<u>\$ 2,802,608</u>	<u>\$ 1,613,266</u>	<u>1,189,342</u>
Overlapping debt			
School districts:			
Saline			59,426,015
Ann Arbor			26,498,844
Milan			9,204,592
Washtenaw County			4,212,240
Washtenaw Community College			1,630,958
Saline District Library			<u>493,757</u>
Net overlapping debt			<u>101,466,406</u>
Net direct and overlapping debt			<u>\$ 102,655,748</u>

Source: Municipal Advisory Council of Michigan

Overlapping Debt - The issuer's proportionate share of the debt of other local governmental units that either overlap it (the issuer is located either wholly or partly within the geographic limits of the other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is generally apportioned based upon relative Assessed Values.

The Assessed Values is the appraised worth of a property as set by a taxing authority for purposes of ad valorem taxation. The method of establishing assessed valuation varies from state to state. For example, in certain jurisdictions the assessed valuation is equal to the full or market value of the property; in other jurisdictions the assessed valuation is equal to a set percentage of full or market value.

Legal Debt Margin
Last Ten Years

Legal debt margin calculation for fiscal 2015

Assessed value (excluding IFT values)	<u>\$ 1,749,669,444</u>
Debt limit (10% of assessed value)	\$ 174,966,944
Less: net debt applicable to limit	<u>(1,189,342)</u>
Legal debt margin	<u>\$ 173,777,602</u>

Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2015	\$ 174,966,944	\$ 1,189,342	\$ 173,777,602	0.68%
2014	169,084,867	1,821,512	167,263,355	1.08%
2013	165,700,872	2,543,682	163,157,190	1.54%
2012	165,175,643	3,245,000	161,930,643	1.96%
2011	168,199,742	3,950,000	164,249,742	2.35%
2010	172,685,036	4,540,000	168,145,036	2.63%
2009	189,357,360	5,345,000	184,012,360	2.82%
2008	197,607,620	6,562,216	191,045,404	3.32%
2007	205,721,150	7,654,433	198,066,717	3.72%
2006	197,126,190	7,850,000	189,276,190	3.98%

Source: Pittsfield Charter Township Finance Department & Assessing Department

Demographic and Economic Statistics
Last Ten Years

Year	Population	(1) Total Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2015	38,309	\$ 1,852,815	\$ 48,365	3.30%
2014	37,588	1,651,128	43,927	4.50%
2013	36,068	1,558,210	43,202	5.40%
2012	35,821	1,462,249	40,821	5.30%
2011	35,288	1,370,057	38,825	6.10%
2010	34,663	1,312,307	37,859	7.60%
2009	34,509	1,306,476	37,859	7.80%
2008	34,191	1,365,178	39,928	5.40%
2007	34,276	1,332,308	38,870	4.50%
2006	34,012	1,303,102	38,313	4.30%

(1) Data specific for the Township is not available; accordingly, amount shown is calculated based on Township's population and per capita personal income for Washtenaw County.

Sources: Regional Economic Information System, Bureau of Economic Analysis,
U.S. Department of Commerce, Bureau of Economic Analysis

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Principal Employers
Current Year and Six Years Ago [1]

Employer	Category	2015		2009	
		Employees	Rank	Employees	Rank
Thomson Reuters	Software/IT	500-999	1	N/A	-
Mobility Transportation	Special needs transportation	250-499	2	250-499	3
Meijer	Supermarket and other grocery stores	250-499	2	500-999	1
Saline High School	Elementary and secondary schools	250-499	2	250-499	3
Huron Valley Correctional	Correctional Institutions	250-499	2	250-499	3
Infra Source	Site preparation contractors	250-499	2	500-999	1
Walmart Superstore	Department stores, except discounts	250-499	2	N/A	-
Kroger	Supermarket and other grocery stores	250-499	2	250-499	3
Target	Department stores, except discounts	250-499	2	250-499	3
Extang Corp	Recreational Vehicle Dealers	250-499	2	N/A	-
Ann Arbor Hospice Residence	Nursing care facilities	100-249	11	N/A	-
A&D Technology	Testing apparatus manufacturers	100-249	11	100-249	9
Arotech Corp	Miscellaneous electrical Equipment Mfg.	100-249	11	N/A	-
Costco	Warehouse clubs and supercenters	100-249	11	N/A	-
FAAC Inc.	Engineering services	100-249	11	N/A	-
Tecumseh Products	Other Electrical Components Mfg.	100-249	11	100-249	9
ANS Communications	Data Processing and related services	N/A	-	250-499	3

[1] Data prior to 2009 is not readily available.

Source: Michigan Department of Energy, Labor and Economic Growth, Labor Market
Ann Arbor USA

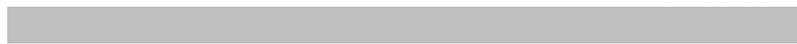
PITTSFIELD CHARTER TOWNSHIP

Full Time Equivalent Governmental Employees by Function/Program Last Ten Years

Function/Program	2006	2007	2008	2009	2010
General Government					
Supervisor	2	2	3	2	2
Clerk/Elections	6	5	5	5	6
Treasurer	5	5	4	4	4
Assessing	4	4	4	4	5
Finance	2	2	2	2	1
Administrative Services				2	2
Human Resources	2	2	1	-	-
Information Technology	1	1	1	1	1
Community Development	6	6	5	6	5
Building Safety	6	7	5	5	5
Public Safety					
Police	40	37	39	38	39
Fire	20	20	21	21	24
Dispatch/Clerical	11	12	12	13	11
Public Works					
Department of Public Works	11	12	10	11	9
Grounds Maintenance	-	-	-	-	-
Parks and recreation	9	10	10	10	10
Total	125	125	122	124	124

Source: Pittsfield Charter Township Finance Department

Schedule 16
Unaudited



2011	2012	2013	2014	2015
2	2	2	2	2
5	5	4	5	5
4	4	5	5	5
5	5	4	4	4
2	2	2	2	3
1	1	1	1	2
1	1	2	2	2
1	1	1	1	1
5	5	8	7	7
5	5	5	5	7
40	42	41	36	38
24	24	24	25	25
12	10	11	11	14
9	8	10	10	10
-	-	-	3	3
10	10	10	8	9
<u>126</u>	<u>125</u>	<u>130</u>	<u>127</u>	<u>137</u>

PITTSFIELD CHARTER TOWNSHIP

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2006	2007	2008	2009	2010
Election data					
Registered voters	13,747	14,351	18,758	20,973	22,049
Voters (at the polls or absentee)	8,884	560	10,800	3,684	14,561
Percentage voting	64.60%	3.90%	57.60%	17.60%	66.04%
Police					
Traffic citations	4,510	3,573	2,943	3,364	2,975
Arrests	847	796	1,168	1,325	1,280
Calls for service	13,849	15,755	16,399	13,161	13,407
Fire					
Medical runs	1,181	1,155	1,248	1,342	1,383
Accident runs	449	511	487	520	482
Fire runs	426	430	377	360	352
Other calls for service	224	254	293	257	312

Source: Pittsfield Charter Township Clerk's Department
Pittsfield Charter Township Public Safety Department

Schedule 17
Unaudited



2011	2012	2013	2014	2015
22,673	23,878	24,878	23,151	23,211
6,190	16,367	1,939	9,921	4,974
27.30%	68.54%	7.79%	42.85%	21.43%
2,564	3,181	3,730	2,890	2,506
1,417	1,737	1,599	1,551	1,282
13,827	14,469	15,660	16,147	14,948
1,426	1,487	1,474	1,509	1,448
523	479	564	628	496
130	133	373	144	208
498	557	359	534	556

PITTSFIELD CHARTER

Capital Asset Statistics by Function/Program

Last Ten Years

Function/Program	2006	2007	2008	2009	2010
Police					
Police department building	1	1	1	1	1
Vehicle patrol units	29	26	28	26	26
Fire					
Number of stations	3	3	3	3	3
Fire units:					
Fire engines	4	3	3	3	4
Ladder trucks	2	2	2	2	2
Tanker trucks	1	1	1	1	1
Rescue vehicles	1	1	1	1	1
Brush trucks	1	1	1	1	1
Adm/Utility trucks	5	4	4	4	4
Public Works					
Sewer:					
Feet of sanitary mains	696,593	698,321	712,646	712,646	712,861
Water:					
Feet of water mains	940,635	949,870	968,718	969,827	970,230
Number of fire hydrants	2,138	2,164	2,232	2,240	2,244
Parks and Recreation					
Parks	10.5	14	14	14	14
Park acreage	810	1,004	1,004	1,004	1,004
Fishing docks	2	2	2	2	2
Play structures	9	10	10	10	10
Historical Farm	1	1	1	1	1
Community center	1	1	1	1	1
Tennis courts	4	4	4	4	4
Pavilions	7	7	7	7	7

Source: Pittsfield Charter Township

Schedule 18
Unaudited



2011	2012	2013	2014	2015
1	1	1	1	1
26	27	27	31	31
3	3	3	3	3
4	3	4	5	5
2	2	2	2	2
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
4	3	3	3	3
712,861	712,861	713,356	728,230	731,962
972,442	974,554	978,570	981,524	988,943
2,249	2,255	2,274	2,290	2,313
16	16	16	16	16
1,032	1,036	1,036	1,036	1,066
2	2	2	2	2
11	12	11	11	13
1	1	1	1	1
1	1	1	1	1
4	4	4	2	2
7	8	8	8	9

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