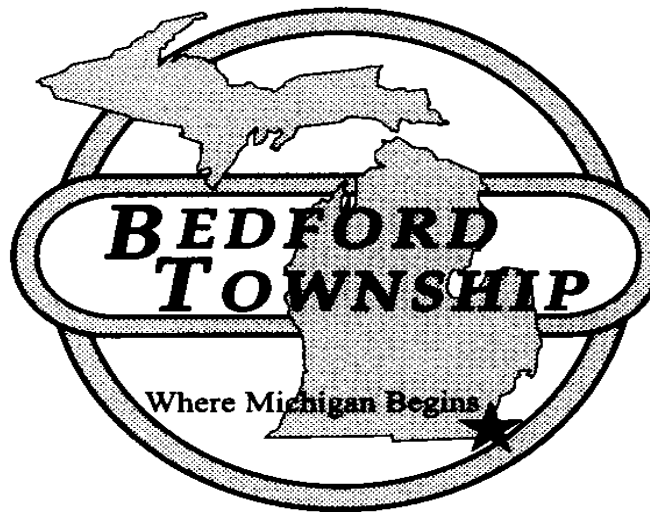


BEDFORD TOWNSHIP

Monroe County, Michigan

FINANCIAL STATEMENTS

For The Year Ended June 30, 2016



BEDFORD TOWNSHIP

Monroe County, Michigan

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Bedford Township
Annual Financial Report
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BEDFORD TOWNSHIP

ELECTED OFFICIALS

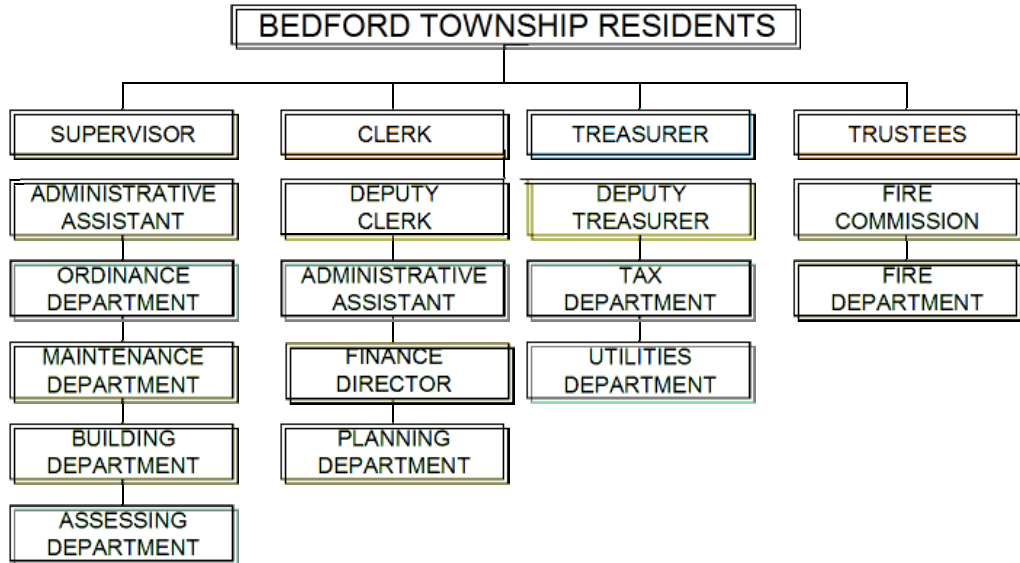
Greg Stewart
Trudy Hershberger
Paul R. Francis

Supervisor
Clerk
Treasurer

Paul Pirrone
Lawrence R. O'Dell
Rick Steiner
Nancy Tienvieri

Trustee
Trustee
Trustee
Trustee

BEDFORD TOWNSHIP
ORGANIZATION CHART





INDEPENDENT AUDITORS' REPORT

Township Board
Bedford Township
Temperance, MI 48182

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented, component units, each major fund, and the aggregate remaining fund information of Bedford Township, Monroe County, Michigan, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively compromise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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 aggregate discretely presented, component units, each major fund, and the aggregate remaining fund information of the Bedford Township, Monroe County, Michigan, as June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America requires that the management's discussion and analysis and the budgetary comparison information on pages 5 through 9 and 37 through 39 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.

Supplementary Information

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

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of 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 accompanying supplementary information, as listed in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole

L. Donavon McGuire, CPA PC

L. Donavon McGuire CPA PC
Certified Public Accountants

November 8, 2016

As management of Bedford Township, we offer readers of Bedford Township's financial statements this narrative overview and analysis of the financial activities of Bedford Township for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here.

Financial Highlights

The assets of Bedford Township exceeded its liabilities at the close of the most recent fiscal year by \$41,893,629 (*net assets*). Of this amount, \$3,776,154 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net assets decreased by \$841,456 for the year ended June 30, 2016.

As of the close of the current fiscal year, Bedford Township's governmental funds reported combined ending fund balances of \$7,468,206, an decrease of \$793,780 in comparison with the prior year. Approximately 26 percent of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. Approximately 74 percent is restricted within each particular fund, which is available for spending at the government's discretion in each fund.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,053,406, or 38 percent of total General Fund expenditures.

Bedford Township's total debt decreased by \$806,014 during the current fiscal year. No new debt was incurred by the Township during the year.

Overview of the Financial Statements

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

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

The statement of net assets presents information on all of Bedford Township's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Bedford Township is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 Bedford Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Bedford Township include general government, public safety, highways and streets, economic development, and community enrichment and recreation. The business type activities of Bedford Township include sewer activities.

The government-wide financial statements include not only Bedford Township itself (known as the primary government), but also a legally separate Downtown Development Authority and an Economic Development Authority for which Bedford Township is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 10-11 of this report.

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. Bedford 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 Bedford Township can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Management's Discussion and Analysis

June 30, 2016

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 balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Bedford Township maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Fire and Water, which are considered to be major funds. Data from the eleven other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Bedford Township adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 12-13 of this report.

Proprietary funds. Bedford Township maintains 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. Bedford Township accounts for the Sewer Fund operations in an enterprise fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer operations, which is considered to be a major fund of Bedford Township.

The basic proprietary fund financial statements can be found on pages 14-16 of this report.

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

The basic fiduciary fund financial statements can be found on pages 17-18 of this report.

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. The notes to the financial statements can be found on pages 21-36 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which is found on pages 37-39 of this report.

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds can be found on pages 40-47 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Bedford Township, assets exceeded liabilities by \$41,893,629 at the close of the most recent fiscal year.

By far the largest portion of Bedford Township's net assets (56 percent) reflects its investment in capital assets (e.g., land, building, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. Bedford Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bedford Township's investment in its 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.

Management's Discussion and Analysis

June 30, 2016

Bedford Township's Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current and other assets	\$ 9,790,519	\$ 10,946,373	\$ 11,389,513	\$ 11,221,658	\$ 21,180,032	\$ 22,168,031
Capital assets	11,157,720	11,454,352	18,708,001	19,596,649	29,865,721	31,051,001
Total assets	<u>20,948,239</u>	<u>22,400,725</u>	<u>30,097,514</u>	<u>30,818,307</u>	<u>51,045,753</u>	<u>53,219,032</u>
Long-term liabilities						
outstanding	3,304,079	3,883,984	4,965,000	5,305,000	8,269,079	9,188,984
Other liabilities	716,955	907,142	166,090	387,847	883,045	1,294,989
Total liabilities	<u>4,021,034</u>	<u>4,791,126</u>	<u>5,131,090</u>	<u>5,692,847</u>	<u>9,152,124</u>	<u>10,483,973</u>
Net assets:						
Invested in capital assets,						
net of related debt	9,739,117	9,739,117	13,743,002	14,291,649	23,482,119	24,030,766
Restricted	4,455,895	4,538,792	9,945,249	9,945,249	14,401,144	14,484,041
Unrestricted	2,732,193	3,331,690	1,278,173	888,562	4,010,366	4,220,252
Total net position	<u>\$ 16,927,205</u>	<u>\$ 17,609,599</u>	<u>\$ 24,966,424</u>	<u>\$ 25,125,460</u>	<u>\$ 41,893,629</u>	<u>\$ 42,735,059</u>

An additional portion of Bedford Township's net position (34 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$4,010,366) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Bedford Township is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was neither an increase or decrease in restricted net position reported in connection with the Bedford Township's business-type activities.

The government's net position decreased by \$841,456 during the current fiscal year.

Governmental activities. Governmental activities decreased Bedford Township's net position by \$682,420.

Key elements of this decrease are as follows:

Bedford Township's Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues:						
Program revenues:						
Charges for services	\$ 475,245	\$ 388,844	\$ 3,043,170	\$ 3,299,839	\$ 3,518,415	\$ 3,688,683
Operating grants and contributions	118,921	118,658	554,545	363,027	673,466	481,685
Capital grants and contributions	240,620	115,980	-	-	240,620	115,980
General revenues:						
Property taxes	2,562,290	2,633,336	-	-	2,562,290	2,633,336
State shared revenues	2,775,838	2,450,735	-	-	2,775,838	2,450,735
Franchise fees and permits	360,341	360,341	-	-	360,341	360,341
Interest and other	518,693	503,352	19,403	38,271	538,096	541,623
Total revenues	<u>7,051,948</u>	<u>6,571,246</u>	<u>3,617,118</u>	<u>3,701,137</u>	<u>10,669,066</u>	<u>10,272,383</u>
Expenses:						
General government	1,879,204	2,269,782	-	-	1,879,204	2,269,782
Public safety	2,687,568	2,567,865	-	-	2,687,568	2,567,865
Public works	2,231,763	2,021,483	-	-	2,231,763	2,021,483
Culture and recreation	808,228	383,260	-	-	808,228	383,260
Interest on long-term debt	127,605	142,272	-	-	127,605	142,272
Sewer	-	-	3,776,154	3,753,268	3,776,154	3,753,268
Total expenses	<u>7,734,368</u>	<u>7,384,662</u>	<u>3,776,154</u>	<u>3,753,268</u>	<u>11,510,522</u>	<u>11,137,930</u>
Increase in net position	(682,420)	(813,416)	(159,036)	(52,131)	(841,456)	(865,547)
Net position - beginning	17,609,625	18,423,041	25,125,460	25,177,591	42,735,085	43,600,632
Net position - ending	<u>\$ 16,927,205</u>	<u>\$ 17,609,625</u>	<u>\$ 24,966,424</u>	<u>\$ 25,125,460</u>	<u>\$ 41,893,629</u>	<u>\$ 42,735,085</u>

Property taxes decreased by \$71,046 during the year.

State shared revenues increased 1.3 percent from the prior year.

Expenses increased overall from the prior year by 5.0% primarily due to the increase in Public Works expenses.

Business-type activities. Business-type activities decreased Bedford Township's net assets by \$159,036. Key elements of this decrease are as follows:

* Charges for services for business-type activities decreased by 8 percent. The Sewer system accounts for all of the increase, which was primarily the result of use charges. Operating grants increased by \$191,518.

*Expenses increased overall by \$22,886, and expenses exceed revenues for the current year.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of Bedford Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Bedford Township's financing requirements. In particular, unreserved 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, Bedford Township's governmental funds reported combined ending fund balances of \$7,468,206, a decrease of \$793,780 in comparison with the prior year. Approximately 26 percent of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. Approximately 59 percent is restricted within each particular fund, which is available for spending at the government's discretion in each fund. Approximately 14 percent is assigned for next years budget.. The remainder of fund balance, is restricted for prepaid expenditures.

The General Fund is the chief operating fund of Bedford Township. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,053,406, while total fund balance reached \$3,627,421. As a measure of the General Fund's liquidity, it may be useful to combine assigned and unassigned fund balance then compare both assigned/unassigned fund balance and total fund balance to total fund expenditures. Assigned/unassigned fund balance represents 67.8 percent of total General Fund expenditures, while total fund balance represents 78 percent of that same amount. As stated earlier, the Park Fund has been rolled into the General Fund for reporting purposes, therefore it is appropriate to combine assigned Park Fund balance with the unassigned General Fund balance since the expenditures of the Park Fund are included within the General Fund.

The fund balance of Bedford Township's General Fund decreased by \$675,530 during the current fiscal year. Key factors are as follows:

*A decrease in property taxes of \$105,507.

*All other revenues of the general fund increased by \$1,274.

*Expenditures increased by \$690,320 attributable to an increase of \$46,550 in general government; a decrease in public safety of \$25,581; increase in recreation and cultural of \$103,748, which includes the Park Fund; a increase in public works of \$543,340; and a increase in principal and interest payments of \$2,263.

The Fire Fund has a total fund balance of \$1,149,849. Of this amount, none is assigned for next year's budget and \$34,579 is nonspendable for prepaid expenditures. This is an overall increase in fund balance of \$189,252.

The Water Fund has a total fund balance of \$2,351,072. The net increase for the year was \$58,730.

Proprietary fund. Bedford Township's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Sewer system at the end of the year amounted to \$1,278,123. The total decrease in net assets was \$159,036. Other factors concerning the finances of this fund has already been addressed in the discussion of Bedford Township's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were approximately 2.8 percent and changes can briefly be summarized as follows:

- * \$134,398 in miscellaneous increases in general government activities
- * \$18,400 in increases allocated to public safety

Capital Asset and Debt Administration

Capital assets. Bedford Township's investment in capital assets for its governmental and business type activities as of June 30, 2016, amounts to \$29,865,722 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment and park facilities,.

**Bedford Township's Capital Assets
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 532,035	\$ 532,035	\$ 40,000	\$ 40,000	\$ 572,035	\$ 572,035
Buildings and system	6,421,935	6,753,862	18,318,620	19,142,841	24,740,555	25,896,703
Improvements other than buildings	561,807	625,279	-	-	561,807	625,279
Machinery and equipment	1,325,290	1,147,645	349,382	413,809	1,674,672	1,561,454
Infrastructure	2,309,253	2,388,131	-	-	2,309,253	2,388,131
Construction in progress	7,400	7,400	-	-	7,400	7,400
Total	\$ 11,157,720	\$ 11,454,352	\$ 18,708,002	\$ 19,596,650	\$ 29,865,722	\$ 31,051,002

Additional information on Bedford Township's capital assets can be found in note 7 on pages 30-31 of this report.

Long-term debt. At the end of the current fiscal year, Bedford Township had total bonded debt and bank loans outstanding of \$8,269,071. Of this amount, \$5,041,050 comprises county contracts, \$3,035,000 is limited tax general obligation debt and \$193,021 is from banking institutions.

**Bedford Township's Outstanding Debt
County Contracts and Limited Tax General Obligation**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
County Contractual Obligations	\$ 76,050	\$ 109,850	\$ 4,965,000	\$ 5,305,000	3 5,041,050	\$ 5,414,850
Bank Loan Obligations	193,021	275,235	-	-	193,021	275,235
Limited Tax General Obligation						
Bonds	3,035,000	3,385,000	-	-	3,035,000	3,385,000
Total	\$ 3,304,071	\$ 3,770,085	\$ 4,965,000	\$ 5,305,000	\$ 8,269,071	\$ 9,075,085

Bedford Township's total debt decreased by \$806,014 during the current fiscal year.

Additional information on Bedford Township's long-term debt can be found in note 10 on page 32 of this report.

Economic Factors and Next Year's Budgets and Rates

The General Fund tax revenues and taxable values are anticipated to be approximately the same for the 2016-17 year. The budget for 2016-17 anticipates expenses of \$5,204,730, a decrease of \$256,889.

Requests for Information

This financial report is designed to provide a general overview of the Bedford Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 8100 Jackman Road, PO Box H, Temperance, MI 48182.

BEDFORD TOWNSHIP
 GOVERNMENT WIDE STATEMENT OF NET POSITION
 JUNE 30, 2016

	<i>Primary Government</i>			<i>Component Units</i>
	<i>Governmental Activities</i>	<i>Business - Type Activities</i>	<i>Total</i>	
Assets				
Cash and Cash Equivalents	\$ 7,659,079	\$ 3,046,089	\$ 10,705,168	\$ 1,271,853
Receivables (Net of Allowance for Uncollectibles):				
Accounts	135,234	1,010,582	1,145,816	-
Assessments	1,726,854	159,937	1,886,791	-
Loans	36,988	-	36,988	-
Grants	18,332	-	18,332	-
Prepaid Expenses	94,255	11,192	105,447	140
Due From State of Michigan	439,820	-	439,820	-
Internal Balances	(320,042)	320,042	-	-
Restricted Cash With Fiscal Agent	-	6,841,670	6,841,670	-
Capital Assets:				
Land	532,035	40,000	572,035	-
Buildings and System	10,843,564	41,210,998	52,054,562	-
Improvements Other than Buildings	1,037,358	-	1,037,358	376,556
Machinery and Equipment	5,806,970	1,083,973	6,890,943	-
Infrastructure	3,331,230	-	3,331,230	102,515
Construction in Progress	7,400	-	7,400	-
Less Accumulated Depreciation	(10,400,838)	(23,626,969)	(34,027,807)	(286,238)
Total Assets	20,948,239	30,097,514	51,045,753	1,464,826
Liabilities				
Accounts Payable	498,063	121,938	620,001	34,659
Inspection Fees Payable	-	-	-	-
Accrued Wages	31,058	2,083	33,141	-
Accrued Compensated Absences	69,412	16,088	85,500	-
Accrued Interest Payable	17,578	22,856	40,434	-
Due to County	-	3,125	3,125	-
Noncurrent Liabilities:				
Due Within One Year	468,197	345,000	813,197	-
Due in More Than One Year	2,835,882	4,620,000	7,455,882	-
Net OPEB Obligation	100,844	-	100,844	-
Total Liabilities	4,021,034	5,131,090	9,152,124	34,659
Net Position				
Net Investment in Capital Assets	9,739,117	13,743,002	23,482,119	192,833
Restricted for:				
System Replacement	-	8,331,071	8,331,071	-
Debt Service	437,307	1,614,178	2,051,485	-
Fire Operations	904,349	-	904,349	-
Water	2,229,496	-	2,229,496	-
Transit System	97,366	-	97,366	-
Rehabilitation	46,128	-	46,128	-
Metro Act	56,300	-	56,300	-
Law Enforcement	199,200	-	199,200	-
Library	485,749	-	485,749	-
Roads	-	-	-	-
Unrestricted	2,732,193	1,278,173	4,010,366	1,232,334
Total Net Position	\$ 16,927,205	\$ 24,966,424	\$ 41,893,629	\$ 1,425,167

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP

GOVERNMENT WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities:								
General Government	\$ 1,879,204	\$ 44,596	\$ -	\$ -	\$ (1,834,608)	\$ -	\$ (1,834,608)	\$ -
Public Safety	2,687,568	430,649	118,921	-	(2,137,998)	-	(2,137,998)	-
Public Works	2,231,763	-	-	240,620	(1,991,143)	-	(1,991,143)	-
Culture and Recreation	808,228	-	-	-	(808,228)	-	(808,228)	-
Interest on Long-Term Debt	127,605	-	-	-	(127,605)	-	(127,605)	-
Total Governmental Activities	<u>7,734,368</u>	<u>475,245</u>	<u>118,921</u>	<u>240,620</u>	<u>(6,899,582)</u>	<u>-</u>	<u>(6,899,582)</u>	<u>-</u>
Business-Type Activities:								
Sewer	<u>3,776,154</u>	<u>3,043,170</u>	<u>554,545</u>	<u>-</u>	<u>-</u>	<u>(178,439)</u>	<u>(178,439)</u>	<u>-</u>
Total Business-type Activities	<u>3,776,154</u>	<u>3,043,170</u>	<u>554,545</u>	<u>-</u>	<u>-</u>	<u>(178,439)</u>	<u>(178,439)</u>	<u>-</u>
Component Units	<u>164,779</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(164,779)</u>
Total Primary Government	<u>\$ 11,675,301</u>	<u>\$ 3,518,415</u>	<u>\$ 673,466</u>	<u>\$ 240,620</u>	<u>(6,899,582)</u>	<u>(178,439)</u>	<u>(7,078,021)</u>	<u>(164,779)</u>
General Revenues:								
Property Taxes					2,562,290	-	2,562,290	180,944
State Shared Revenues					2,775,838	-	2,775,838	-
Franchise Fees					360,341	-	360,341	-
Unrestricted Investment Earnings					90,623	19,403	110,026	1,427
Miscellaneous					428,070	-	428,070	425
Total General Revenues and Transfers					<u>6,217,162</u>	<u>19,403</u>	<u>6,236,565</u>	<u>182,796</u>
Change in Net Position					(682,420)	(159,036)	(841,456)	18,017
Net Position - Beginning					<u>17,609,625</u>	<u>25,125,460</u>	<u>42,735,085</u>	<u>1,407,150</u>
Net Position - Ending					<u>\$ 16,927,205</u>	<u>\$ 24,966,424</u>	<u>\$ 41,893,629</u>	<u>\$ 1,425,167</u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	<u>General</u>	<u>Fire</u>	<u>Water</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Cash and Cash Equivalents	\$ 2,728,708	\$ 1,139,132	\$ 2,350,192	\$ 1,441,047	\$ 7,659,079
Accounts Receivable	135,234	-	-	-	135,234
Prepaid Costs	58,930	34,579	-	746	94,255
Loans Receivable	-	-	-	36,988	36,988
Grants Receivable	-	-	-	18,332	18,332
Assessments Receivable	-	-	880	1,725,974	1,726,854
Due From Other Funds	293,621	-	-	-	293,621
Due From State of Michigan	410,928	-	-	28,892	439,820
Restricted Cash	-	-	-	-	-
Total Assets	<u>\$ 3,627,421</u>	<u>\$ 1,173,711</u>	<u>\$ 2,351,072</u>	<u>\$ 3,251,979</u>	<u>\$ 10,404,183</u>
Liabilities					
Accounts Payable	\$ 293,523	\$ 13,694	\$ 30,423	\$ 160,423	\$ 498,063
Accrued Wages	28,909	2,149	-	-	31,058
Accrued Payroll Taxes	-	-	-	-	-
Compensated Absences Payable	3,000	8,019	-	-	11,019
Due to Other Funds	320,042	-	-	293,621	613,663
Total Liabilities	<u>645,474</u>	<u>23,862</u>	<u>30,423</u>	<u>454,044</u>	<u>1,153,803</u>
Deferred Inflow of Resources:					
Unavailable Revenue - Loans and Grants	-	-	-	55,320	55,320
Unavailable Revenue - Special Assessments	-	-	880	1,725,974	1,726,854
	<u>-</u>	<u>-</u>	<u>880</u>	<u>1,781,294</u>	<u>1,782,174</u>
Fund Balances:					
Nonspendable - Prepaid	58,930	34,579	-	746	94,255
Restricted					
Debt	-	-	-	437,307	437,307
Fire Operations	-	1,115,270	-	-	1,115,270
Water	-	-	2,319,769	-	2,319,769
Transit System	-	-	-	99,246	99,246
Cemetery Indigent	6,558	-	-	-	6,558
Rehabilitation	-	-	-	53,100	53,100
Metro Act	-	-	-	102,536	102,536
Law Enforcement	-	-	-	76,287	76,287
Library	-	-	-	114,786	114,786
Assigned:					
Parks	51,118	-	-	-	51,118
Subsequent Year's Budget	811,935	-	-	225,486	1,037,421
Unassigned	2,053,406	-	-	(92,853)	1,960,553
Total Fund Balances	<u>2,981,947</u>	<u>1,149,849</u>	<u>2,319,769</u>	<u>1,016,641</u>	<u>7,468,206</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 3,627,421</u>	<u>\$ 1,173,711</u>	<u>\$ 2,351,072</u>	<u>\$ 3,251,979</u>	
Amounts reported for governmental activities in the statement of net assets are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					11,157,719
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.					1,782,174
Long-term liabilities, including bonds payable and net OPEB obligations, are not due and payable in the current period and therefore are not reported in the funds.					<u>(3,480,894)</u>
Net Assets of Governmental Activities					<u>\$ 16,927,205</u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>General</u>	<u>Fire</u>	<u>Water</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes	\$ 946,725	\$ 981,561	\$ -	\$ 634,004	\$ 2,562,290
Licenses and Permits	762,098	-	-	28,892	790,990
Intergovernmental:					
State Grants	2,485,594	290,244	-	-	2,775,838
Charges for Services	31,801	-	-	12,795	44,596
Assessments	-	118,921	1,980	238,640	359,541
Fines and Forfeits	17,796	-	-	-	17,796
Interest	15,924	531	2,869	71,299	90,623
Other Revenues	414,567	6,180	58,355	7,156	486,258
Total Revenues	4,674,505	1,397,437	63,204	992,786	7,127,932
Expenditures:					
Current:					
General Government	1,887,549	-	-	224,624	2,112,173
Public Safety	921,774	1,118,744	-	425,435	2,465,953
Public Works	2,106,390	-	4,474	45,707	2,156,571
Recreational and Cultural	262,144	-	-	270,606	532,750
Other	-	-	-	-	-
Capital Outlay	18,725	837	-	38,540	58,102
Debt Service:					
Principal	95,000	82,203	-	288,800	466,003
Interest and Fiscal Charges	56,453	6,401	-	67,306	130,160
Total Expenditures	5,348,035	1,208,185	4,474	1,361,018	7,921,712
Excess of Revenue Over (Under) Expenditures	(673,530)	189,252	58,730	(368,232)	(793,780)
Other Financing Sources (Uses):					
Proceeds from Borrowing	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(673,530)	189,252	58,730	(368,232)	(793,780)
Fund Balance - Beginning	3,655,477	960,597	2,261,039	1,384,873	
Fund Balance - Ending	\$ 2,981,947	\$ 1,149,849	\$ 2,319,769	\$ 1,016,641	

Amounts reported for governmental activities in the statement of activities are different because:

-Governmental funds report capital outlays as expenditures; in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(294,261)
-Special assessment and similar revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(73,612)
-Increases in net OPEB obligation expense 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.	13,047
-Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	466,014
-Increases in accumulated employee vacation pay and similar 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.	172
Change in Net Assets of Governmental Activities	\$ (682,420)

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	<i>Business-type Activities - Enterprise Funds</i>	
	<i>Sewer</i>	<i>Sewer</i>
	<i>Fund</i>	<i>Fund</i>
	<i>Current Year</i>	<i>Prior Year</i>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 3,046,089	\$ 2,621,681
Accounts Receivable	1,010,582	1,361,994
Current Portion - Assessments Receivable	23,000	23,000
Due From Other Funds	320,042	370,042
Prepaid Expense	11,192	6,071
Total Current Assets	4,410,905	4,382,788
Noncurrent Assets		
Cash With Fiscal Agent	6,841,670	6,679,085
Long-Term Portion - Assessments Receivable	136,937	159,785
Capital Assets		
Land	40,000	40,000
Construction in Progress	-	-
Buildings and System	41,210,998	41,210,998
Machinery and Equipment	1,083,973	1,057,444
Less Accumulated Depreciation	(23,626,969)	(22,711,793)
Total Assets	30,097,514	30,818,307
Liabilities		
Current Liabilities:		
Accounts Payable	121,938	349,433
Accrued Wages	2,083	1,633
Compensated Absences	16,088	6,813
Accrued Interest Payable	22,856	24,968
Due to Other Funds	-	-
Due to County	3,125	5,000
Current Portion of Noncurrent Liabilities	345,000	340,000
Total Current Liabilities	511,090	727,847
Noncurrent Liabilities		
Bonds Payable	4,620,000	4,965,000
Total Liabilities	5,131,090	5,692,847
Net Position:		
Net Investment in Capital Assets	13,743,002	14,291,649
Restricted For Replacement	8,331,071	8,331,071
Restricted For Debt Retirement	1,614,178	1,614,178
Unrestricted	1,278,173	888,562
Total Net Position	\$ 24,966,424	\$ 25,125,460

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS**

FOR THE YEAR ENDED JUNE 30, 2016

	<i>Business-type Activities - Enterprise Funds</i>	
	<i>Sewer Fund Current Year</i>	<i>Sewer Fund Prior Year</i>
Operating Revenue:		
Use Charges	\$ 2,911,193	\$ 3,215,153
Tap-In Fees	75,500	24,225
Penalties	56,477	60,461
Total Operating Revenue	<u>3,043,170</u>	<u>3,299,839</u>
Operating Expenses:		
Contracted Operations and Maintenance	2,397,975	2,379,434
Depreciation	915,176	875,139
Office Salaries	118,106	107,329
Office Supplies	10,262	10,483
Insurance	11,146	6,658.00
Professional Fees	40,828	50,707
Employees' Fringe Benefits	74,217	88,280
Administrative Expense	12,857	12,730
Maintenance	8,808	8,754
Other	17,984	27,703
Total Operating Expenses	<u>3,607,359</u>	<u>3,567,217</u>
Operating Income	<u>(564,189)</u>	<u>(267,378)</u>
Non-Operating Revenue:		
State Grant	554,545	363,027
Interest Revenue	19,403	38,271
Non-Operating Expenses:		
Interest Expense	<u>(168,795)</u>	<u>(186,051)</u>
Net Income	(159,036)	(52,131)
Total Net Position - Beginning	<u>25,125,460</u>	<u>25,177,591</u>
Total Net Position - Ending	<u><u>\$ 24,966,424</u></u>	<u><u>\$ 25,125,460</u></u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>	
	<u>Sewer Fund Current Year</u>	<u>Sewer Fund Prior Year</u>
<i>Cash Flows from Operating Activities:</i>		
Receipts from customers and users	\$ 3,440,268	\$ 3,331,914
Payments to suppliers	(2,732,239)	(2,277,866)
Payments to employees	(182,508)	(195,311)
Net Cash Provided by Operating Activities	<u>525,521</u>	<u>858,737</u>
<i>Cash Flows from Capital and Related Financing Activities:</i>		
Assessment Collections	22,848	22,849
Grants Received	554,545	363,027
Purchase of Capital Assets	(26,529)	(184,696)
Principal Paid on Bonds	(340,000)	(330,000)
Interest Paid on Bonds	(168,795)	(186,051)
Net Cash Used For Capital and Related Financing Activities	<u>42,069</u>	<u>(314,871)</u>
<i>Cash Flows from Investing Activities:</i>		
Interest on Investments	19,403	38,271
Net Cash Provided by Investing Activities	<u>19,403</u>	<u>38,271</u>
Net Increase In Cash and Cash Equivalents	586,993	582,137
Cash and Cash Equivalents - Beginning	<u>9,300,766</u>	<u>8,718,629</u>
Cash and Cash Equivalents - Ending	<u>\$ 9,887,759</u>	<u>\$ 9,300,766</u>
<i>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</i>		
Operating Income	\$ (564,189)	\$ (267,378)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	915,176	875,139
Changes in Current Assets and Liabilities:		
Accounts Receivable	351,413	(24,375)
Due from Other Funds	50,000	50,000
Prepaid Expense	(5,121)	5,240
Accounts Payable	(227,496)	218,603
Accrued Interest	(2,112)	(2,040)
Accrued Wages	450	298
Compensated Absences	9,275	-
Due to Monroe County	(1,875)	3,250
Total Adjustments and Changes	<u>1,089,710</u>	<u>1,126,115</u>
Net Cash Provided By Operating Activities	<u>\$ 525,521</u>	<u>\$ 858,737</u>
Cash Interest Paid	<u>\$ 179,907</u>	<u>\$ 188,091</u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2016

	<u>Pension Fund</u>
Assets	
Cash and Cash Equivalents	\$ -
Investments at Fair Value:	
Mutual Funds	<u>1,482,560</u>
Total Assets	1,482,560
Liabilities	
Due to Others	<u>-</u>
Total Liabilities	<u>-</u>
Net Position	
Held in Trust for Pension Benefits and Other Purposes	<u><u>\$ 1,482,560</u></u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Pension Fund</u>
Additions:	
Contributions:	
Employer	\$ 121,934
Plan Members	<u>9,978</u>
Total Contributions	131,912
Investment Earnings	<u>12,548</u>
Total Additions	<u>144,460</u>
Deductions:	
Administrative Expenses	10,660
Benefits	<u>60,698</u>
Total Deductions	<u>71,358</u>
Net Change	73,102
Net Position - Beginning	<u>1,409,458</u>
Net Position - Ending	<u><u>\$ 1,482,560</u></u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP
STATEMENT OF NET POSITION - COMPONENT UNITS
JUNE 30, 2016

	<u>Economic Development Corporation</u>	<u>Downtown Development Authority</u>	<u>Total Component Units</u>
Assets			
Cash and Cash Equivalents	\$ 53,540	\$ 1,218,313	\$ 1,271,853
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Assessments	-	-	-
Accounts	-	-	-
Prepaid Expenses	-	140	140
Capital Assets:			
Improvements Other than Buildings	5,200	371,356	376,556
Infrastructure	-	102,515	102,515
Construction In Progress	-	-	-
Less Accumulated Depreciation	<u>(5,200)</u>	<u>(281,038)</u>	<u>(286,238)</u>
Total Assets	<u>53,540</u>	<u>1,411,286</u>	<u>1,464,826</u>
Liabilities			
Accounts Payable	-	34,659	34,659
Accrued Interest Payable	-	-	-
Noncurrent Liabilities:			
Due Within One Year	-	-	-
Due in More Than One Year	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>34,659</u>	<u>34,659</u>
Net Position			
Net Investment in Capital Assets	-	192,833	192,833
Restricted for Prepaid	-	140	140
Unrestricted	<u>53,540</u>	<u>1,178,654</u>	<u>1,232,194</u>
Total Net Position	<u>\$ 53,540</u>	<u>\$ 1,371,627</u>	<u>\$ 1,425,167</u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP

**STATEMENT OF ACTIVITIES - COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2016**

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Economic Development Authority</u>	<u>Downtown Development Authority</u>	<u>Total</u>
<i>Economic Development Authority</i>							
General Government	\$ 100	\$ -	\$ -	\$ -	\$ (100.00)	\$ -	\$ (100)
<i>Downtown Development Authority</i>							
General Government	120,559	-	-	-	-	(120,559)	(120,559)
Public Works	44,120	-	-	-	-	(44,120)	(44,120)
	<u>164,679</u>	<u>-</u>	<u>-</u>	<u>-</u>			
Total Component Units	<u>\$ 164,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(100)</u>	<u>(164,679)</u>	<u>(164,779)</u>
General Revenues:							
Property Taxes					-	180,944	180,944
Miscellaneous					425	-	425
Unrestricted Investment Earnings					41	1,386	1,427
Transfers					-	-	-
Total General Revenues and Transfers					<u>466</u>	<u>182,330</u>	<u>182,796</u>
Change in Net Assets					366	17,651	18,017
Net Position - Beginning					<u>53,174</u>	<u>1,353,976</u>	<u>1,407,150</u>
Net Position - Ending					<u>\$ 53,540</u>	<u>\$ 1,371,627</u>	<u>\$ 1,425,167</u>

See Accompanying Notes to the Financial Statements

BEDFORD TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS

- NOTE 1 - *Summary of Significant Accounting Policies*
- NOTE 2 - *Reconciliation of Government-Wide and Fund Financial Statements*
- NOTE 3 - *Stewardship, Compliance and Accountability*
- NOTE 4 - *Deposits and Investments*
- NOTE 5 - *Receivables*
- NOTE 6 - *Budgetary and other Fund Balance Differences*
- NOTE 7 - *Capital Assets*
- NOTE 8 - *Interfund Receivables, Payables, and Transfers*
- NOTE 9 - *Leases*
- NOTE 10 - *Long-term Debt*
- NOTE 11 - *Other Post-Employment Benefits*
- NOTE 12 - *Employee Retirement Plan*
- NOTE 13 - *Compensated Absences*
- NOTE 14 - *Deferred Compensation Plan*
- NOTE 15 - *Monroe County Joint Powers Water Contracts
(South County Water System)*
- NOTE 16 - *Pending Litigation*
- NOTE 17 - *Restricted Assets*
- NOTE 18 - *Risk Management*
- NOTE 19 - *Required Supplementary Information*
- NOTE 20 - *Conduit Debt*
- NOTE 21 - *Building Department*

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Bedford Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Bedford Township:

A - Reporting Entity

Bedford Township is a municipal corporation governed by an elected seven member board. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the government's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Blended Component Unit - The Township has no blended component units.

Discretely Presented Component Units -The Economic Development Corporation is used to issue bonds to promote commercial and industrial growth. All bonds are issued in accordance with the provisions of Act No. 270 and were to be repaid solely from net revenues received from the project under contract and the bonds shall never constitute a general obligation of the Economic Development Corporation of the Township of Bedford. The Township appoints the governing body of the Corporation, approves budgets, tax levies and debt issues. The Corporation is reported as a governmental fund.

The Downtown Development Authority is a tax increment district that provides infrastructure to promote development or redevelopment. The Authority may issue debt which is repaid from assessments or tax increment captures. The Township appoints the governing body of the Authority, approves budgets, tax levies and debt issues. The Authority is reported as a governmental fund.

B - Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants 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 revenue.

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

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**C - 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 fund and fiduciary fund financial statements. Revenue is 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 revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Property taxes, state-shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue 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 available only when cash is received by the government.

Bedford Township property tax is levied on each December 1st on the taxable valuation of property (as defined by State statutes) located in Bedford Township as of the preceding December 31st. Although Bedford Township's 2015 ad valorem tax is levied and collectible on December 1, 2015, it is Bedford Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means Collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (within 60 days). The 2015 taxable valuation of Bedford Township totaled \$1,000.4 million, on which advalorem taxes levied consisted of .7918 mills for Bedford Township's operating purposes, 1.0 mills for fire protection, .2462 mills for bus transportation, and .400 mills for law enforcement. The taxes generated are recognized in the respective General, Special Revenue and Debt Service Fund financial statements as taxes receivable - current or as tax revenue.

The government 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 required to be accounted for in another fund.

The Fire Fund accounts for tax and assessment revenues specifically dedicated to fire protection.

The Water Fund accounts for tap and assessment revenues, water system construction, and related debt service.

The government reports the following major proprietary funds:

The Sewer Fund accounts for the activities of the sewage collection and treatment system.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the government reports the following fund types:

The Pension Trust Fund accounts for the activities of the township employees retirement system which accumulates resources for pension benefit payments to qualified employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer function and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenue 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 revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for sales and services. The water and sewer fund also recognizes tap fees as operating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments--Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables--In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed.

Inventories and Prepaid Items--Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Assets--The bonds of the enterprise funds require amounts to be set aside for construction, debt service principal and interest, operations and maintenance, and a bond reserve. These amounts have been classified as restricted assets, as well as amounts on deposit at the county being held for the construction or debt service of Bedford Township's water and sewer lines.

Capital Assets--Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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.

Property, plant, and equipment is depreciated using the straight-line method over the following useful lives:

Buildings	50 years
Improvements Other than Buildings	5 to 20 years
Machinery and Equipment	3 to 15 years
Water and Sewer Lines	30 to 50 years
Infrastructure	20 to 50 years

Compensated Absences (Vacation and Sick Leave)--It is the government's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. All vacation and sick leave pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year-end.

Long-Term Obligations--In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, 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. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

Deferred Outflows/Inflows of Resources -- In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until then.

Subsequent Events - The Township has evaluated events and transactions for potential recognition or disclosure through November 8, 2016, which is the same date the financial statements were available to be issued.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity -- The following classifications describe the relative strength of the spending constraints placed on the purposes for which re- sources can be used:

Nonspendable Fund Balance - amounts that are not in a spendable form or legally or contractually required to maintain intact.

Restricted Fund Balance - amounts constrained to specific purposes by their providers or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - amounts constrained to specific purposes by a government itself, using the highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned Fund Balance - intent to spend resources on specific purposes expressed by the governing body or official to which the governing body has delegated the authority to assign amounts.

Unassigned Fund Balance - amounts that are available for any purpose. Amounts remaining after all funds have been allocated based on the above classifications. Positive amounts are reported only in the general fund.

Comparative Data/Reclassifications --Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Use of Estimates -- Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

NOTE 2--RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds". The details of this (\$3,493,941) are as follows:

Bonds payable	\$ (3,304,079)
Accrued interest payable	(17,578)
Net OPEB Obligation	(100,844)
Compensated absences	<u>(58,393)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ (3,480,894)</u>

B Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

NOTE 2--RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "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." The details of this (\$268,538) are as follows:

Capital outlay	\$ 438,637
Depreciation	<u>(732,898)</u>
	<u>\$ (294,261)</u>

Another element of this reconciliation states that "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." The details of this \$2,544 are as follows:

Loss on Equipment	\$ (2,372)
Accrued interest	<u>2,544</u>
	<u>\$ 172</u>

NOTE 3--STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information--Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and all special revenue funds. All annual appropriations lapse at fiscal year end. On or before the 1st day of April the Supervisor shall prepare and submit to the Township Board a recommended budget within the tax limit and other revenue sources of the Township covering the next fiscal year. A public hearing on the budget shall be held before its final adoption. On or before the end of the fiscal year, the Township Board shall adopt a budget for the ensuing fiscal year. The budget document presents information by fund, function, activity, and line items. The legal level of budgetary control adopted by the governing body is the activity level. (i.e., The level at which expenditures may not legally exceed appropriations).

Amounts encumbered for purchase orders, contracts, etc ., are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Excess of Expenditures Over Appropriations in Budgeted Funds -- During the year, Bedford Township incurred 12 expenditures in excess of the amounts appropriated.

<u>Budget Item</u>	<u>Actual Expenditure</u>	<u>Budget Appropriation</u>
General Fund:		
Elections	\$ 40,236	\$ 34,275
Township at Large	\$ 17,724	\$ 17,500

NOTE 4--DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

NOTE 4--DEPOSITS AND INVESTMENTS (Continued)

The Local Governmental Unit Board has designated banks for the deposit of Local Unit funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of State statutory authority as listed above.

The Local Governmental Unit's deposits and investment policy are in accordance with statutory authority.

At year-end, the Local Unit's deposits were reported in the basic financial statements in the following categories:

<u>Primary Government</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>	<u>Bank Balance</u>
Cash and Cash Equivalents	\$ 7,659,079	\$ 3,046,089	\$ -	\$ 10,705,168	\$ 10,863,348
Restricted Cash	-	6,841,670	-	6,841,670	6,841,670
Total	<u>\$ 7,659,079</u>	<u>\$ 9,887,759</u>	<u>\$ -</u>	<u>\$ 17,546,838</u>	<u>\$ 17,705,018</u>
					<u>Federal Depository Insurance Coverage</u>
					<u>\$ 500,000</u>
<u>Component Units</u>	<u>Economic Development Corporation</u>	<u>Downtown Development Authority</u>	<u>Total</u>	<u>Bank Balance</u>	
Cash and Cash Equivalents	<u>\$ 53,540</u>	<u>\$ 1,218,313</u>	<u>\$ 1,271,853</u>	<u>\$ 1,252,948</u>	
					<u>Federal Depository Insurance Coverage</u>
					<u>\$ 303,540</u>

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township evaluates each financial institution and assesses the risk level of each one, those with adequate risk levels are used for deposits. The Township has no policy for this risk.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not recover the value of its investments or collateral securities that are in the custody of an outside party. The Township has investments in mutual funds in the amount of \$1,482,560 which are uninsured, unregistered, and held by counterparties for the particular securities. The Township has no policy for this risk.

Interest Rate Risk

Interest rate risk is the risk that the value on investments will decrease as a result of a rise in interest rates. The Township has no policy for this risk. The Township has no policy with respect to investment maturities.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by a nationally recognized statistical rating organizations. The Township follows the state guidelines and has no investments in this category. The Township has no policy for this risk.

NOTE 5--RECEIVABLES

Receivables as of year-end for the government's individual major and nonmajor funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Accounts	\$ 135,234	\$ 1,010,582	\$ -	\$ -	\$ 1,145,816
Special Assessments	-	159,937	880	1,725,974	1,886,791
Tap-Ins	-	-	-	-	-
Grants and Loans	-	-	-	55,320	55,320
Gross Receivables	<u>135,234</u>	<u>1,170,519</u>	<u>880</u>	<u>1,781,294</u>	<u>3,087,927</u>
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Receivables	<u>\$ 135,234</u>	<u>\$ 1,170,519</u>	<u>\$ 880</u>	<u>\$ 1,781,294</u>	<u>\$ 3,087,927</u>

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>
Loans and Grants	\$ 55,320
Special Assessments	<u>1,726,854</u>
Total	<u>\$ 1,782,174</u>

NOTE 6--BUDGETARY AND OTHER FUND BALANCE DIFFERENCES

The Township's Park Fund is maintained for accounting purposes but does not qualify to be reported as a separate special revenue fund. The Park Fund has been rolled into the General Fund which has caused a budgetary difference as stated below:

	<u>Fund Balance Ending</u>	<u>Net Change in Fund Balances</u>
General Fund Schedule of Revenue and Expenditures - Budget	\$ 2,930,829	\$ (638,057)
Statement of Revenues, Expenditures and Changes in Fund Balances	<u>2,981,947</u>	<u>(673,505)</u>
Park Fund	<u>\$ 51,118</u>	<u>\$ (35,448)</u>

NOTE 7--CAPITAL ASSETS

Capital asset activity of the primary government for the current year was as follows:

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated :				
Land	\$ 532,035	\$ -	\$ -	\$ 532,035
Construction in Progress	7,400	-	-	7,400
Subtotal	<u>539,435</u>	<u>-</u>	<u>-</u>	<u>539,435</u>
Capital Assets Being Depreciated :				
Buildings	10,843,564	-	-	10,843,564
Improvements Other Than Buildings	1,020,585	16,773	-	1,037,358
Infrastructure	3,331,230	-	-	3,331,230
Machinery and Equipment	5,511,301	421,864	(126,195)	5,806,970
Subtotal	<u>20,706,680</u>	<u>438,637</u>	<u>(126,195)</u>	<u>21,019,122</u>
Less Accumulated Depreciation for :				
Buildings	4,089,702	331,927	-	4,421,629
Improvements Other Than Buildings	395,306	80,245	-	475,551
Infrastructure	943,099	78,879	-	1,021,977
Machinery and Equipment	4,363,656	241,847	(123,823)	4,481,680
Subtotal	<u>9,791,763</u>	<u>732,898</u>	<u>(123,823)</u>	<u>10,400,837</u>
Net Capital Assets Being Depreciated	<u>10,914,917</u>	<u>(294,261)</u>	<u>(2,372)</u>	<u>10,618,285</u>
Governmental Activities Total				
Capital Assets--Net of Depreciation	<u>\$ 11,454,352</u>	<u>\$ (294,261)</u>	<u>\$ (2,372)</u>	<u>\$ 11,157,720</u>
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated :				
Land	\$ 40,000	\$ -	\$ -	\$ 40,000
Construction in Progress	-	-	-	-
Subtotal	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Capital Assets Being Depreciated :				
Buildings and System	41,210,999	-	-	41,210,998
Machinery and Equipment	1,057,443	26,529	-	1,083,972
Subtotal	<u>42,268,442</u>	<u>26,529</u>	<u>-</u>	<u>42,294,969</u>
Less Accumulated Depreciation for :				
Buildings and System	22,068,158	824,220	-	22,892,378
Machinery and Equipment	643,635	90,956	-	734,590
Subtotal	<u>22,711,793</u>	<u>915,176</u>	<u>-</u>	<u>23,626,968</u>
Net Capital Assets Being Depreciated	<u>19,556,649</u>	<u>(888,647)</u>	<u>-</u>	<u>18,668,001</u>
Business-Type Activities Total				
Capital Assets--Net of Depreciation	<u>\$ 19,596,649</u>	<u>\$ (888,647)</u>	<u>\$ -</u>	<u>\$ 18,708,001</u>

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

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
General Government	\$ 160,613	Sewer	\$ 915,176
Public Safety	221,615		
Public Works	275,478		
Recreation and Culture	75,192		
Total Governmental Activities	<u>\$ 732,898</u>		

NOTE 7--CAPITAL ASSETS (Continued)

Construction Commitments

The Township has no construction contract commitments at June 30, 2016.

Discretely Presented Component Units

Capital asset activity of the Economic Development Corporation for the current year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Being Depreciated :				
Improvements Other Than Buildings	\$ 5,200	\$ -	\$ -	\$ 5,200
Less Accumulated Depreciation for :				
Improvements Other Than Buildings	<u>5,200</u>	<u>-</u>	<u>-</u>	<u>5,200</u>
Economic Development Corporation Capital Assets - Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital asset activity of the Downtown Development Authority for the current year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated :				
Construction in Progress	\$ -	\$ -	\$ -	\$ -
Capital Assets Being Depreciated :				
Infrastructure	32,672	69,843	-	102,515
Improvements Other than Buildings	371,356	-	-	371,356
Less Accumulated Depreciation for :				
Infrastructure	<u>236,918</u>	<u>44,120</u>	<u>-</u>	<u>281,038</u>
Downtown Development Authority Capital Assets - Net	<u>\$ 167,110</u>	<u>\$ 25,723</u>	<u>\$ -</u>	<u>\$ 192,833</u>

NOTE 8--INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sewer	General	\$ 320,042
General	Giant Oaks Debt Service	145,426
General	Wild Haven Debt Service	1,195
General	Chapel Creek Debt Service	<u>147,000</u>
		<u>\$ 613,663</u>

Interfund Transfers

The Township had no interfund transfers for the year.

NOTE 9--LEASES

Bedford Township had no lease obligations at June 30, 2016.

NOTE 10--LONG-TERM DEBT

The government issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. County contractual agreements and installment purchase agreements are also general obligations of the government. Special assessment bonds provide for capital improvements that benefit specific properties, and will be repaid from amounts levied against those properties benefited from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a re-assessment of the district) are received. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Bond and contractual obligation activity can be summarized as follows:

	<i>Interest Rate</i>	<i>Principal Matures</i>	<i>Beginning Balance</i>	<i>Additions (Reductions)</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
Governmental Activities						
County Contractual Obligations						
Road Bonds-2005	4.50%	2017-18	\$ 109,850	\$ (33,800)	\$ 76,050	\$ 33,800
Bank Loan Obligations						
Fire Truck	2.57%	2013-18	275,235	(82,214)	193,021	84,397
Limited Tax General Obligation						
Township Hall	3.5-4.2%	2026-27	1,340,000	(95,000)	1,245,000	100,000
Road Bonds-2006	4.00%	2021-22	790,000	(135,000)	655,000	130,000
Roads-Water-2008	4.0-4.5%	2021-22	245,000	(35,000)	210,000	35,000
Roads Bonds 2013	2.0-2.5%	2026-27	1,010,000	(85,000)	925,000	85,000
Total Governmental Activities			<u>\$ 3,770,085</u>	<u>\$ (466,014)</u>	<u>\$ 3,304,071</u>	<u>\$ 468,197</u>
Business-Type Activities						
County Contractual Obligations						
Sewer System-2005	3.8-4.05%	2020-21	\$ 735,000	\$ (120,000)	\$ 615,000	\$ 115,000
Sewer 2010 Series	2.1-5.5%	2029-30	4,570,000	(220,000)	4,350,000	230,000
Total Business-Type Activities			<u>\$ 5,305,000</u>	<u>\$ (340,000)</u>	<u>\$ 4,965,000</u>	<u>\$ 345,000</u>

Annual debt service requirements to maturity for the above obligations are as follows:

<i>Year Ending June 30,</i>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2017	\$ 468,197	\$ 113,391	\$ 345,000	\$ 160,260
2018	483,867	97,386	350,000	151,042
2019	387,007	82,142	360,000	140,778
2020	365,000	69,094	365,000	129,472
2021	370,000	55,903	375,000	117,300
2022 and after	1,230,000	135,105	3,170,000	512,759
Total	<u>\$ 3,304,071</u>	<u>\$ 553,021</u>	<u>\$ 4,965,000</u>	<u>\$ 1,211,611</u>

NOTE 11--OTHER POST-EMPLOYMENT BENEFITS

Plan Description - The Township has post-employment health and dental benefits provided to eligible employees, spouses, and dependents. The plan currently has 8 members, including retirees, survivors, and active members.

The Bedford Township Post-Retirement Plan is a single employer post-retirement plan administered by Bedford Township. Benefits are provided in accordance with labor contracts and policies approved by the Township Board. The plan does not issue stand-alone financial statements. Administrative costs are paid by the plan through employer contributions. The plan is established by the Bedford Township Board and can be amended at its discretion.

Funding Policy - Contributions will be made at the discretion of Bedford Township as able. There is no long-term contract for contributions to the plan and the plan has no legally required reserves.

Funding Progress - For the year ended June 30, 2014, the Township has estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of June 30, 2014. The valuation calculates an annual required contribution, if paid on an ongoing basis, is estimated to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. This valuation's estimated contribution and actual funding are presented below:

	<u>Governmental Activities</u>
Annual required contribution (ARC)	\$ 43,814
Interest on Net OPEB obligation	4,979
Adjustments to ARC	(5,440)
Amounts contributed (current year)	<u>(56,400)</u>
Increase(Decrease) in net OPEB obligation	(13,047)
OPEB obligation - beginning of year	<u>113,891</u>
OPEB obligation - end of year	<u><u>\$ 100,844</u></u>

The annual OPEB costs, the percentage contributed to the plan, and the net OPEB obligation for the current year are as follows:

	<u>Year Ended June 30, 2014</u>
Annual OPEB costs	\$ 43,814
Percentage contributed	117%
Net OPEB obligation	\$ 133,891

The funding progress of the plan as of the most recent valuation date is as follows:

Valuation as of June 30, 2014:	
Market value of assets	\$ -
Actuarial accrued liability (AAL)	\$ 725,952
Unfunded AAL (UAAL)	\$ 725,952
Funded ratio	0.00%
Annual covered payroll	\$ 124,514
Ratio of UAAL to covered payroll	583.03%

NOTE 11--OTHER POST-EMPLOYMENT BENEFITS (continued)

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 the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility and actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2014 actuarial valuation, the alternate cost method was used. The actuarial assumptions included 4% discount rate, a 3% salary scale, and a post retirement interest rate of 4%. The alternative method allows eligible employers to apply a simplified measurement method in lieu of obtaining an actuarial valuation. This alternate calculation requires the same measurement steps that would be used in the actuarial process, but allows an organization to utilize a set of predetermined assumptions that simplify the calculations needed to determine the OPEB liability. This liability must be presented in the financial statements in the same manner as a traditional actuarial valuation.

NOTE 12--EMPLOYEE RETIREMENT PLAN

Defined Contribution Pension Plan

The Township provides pension benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus any investment earnings. The plan was established and may be amended by the Township Board.

Bedford Township contributes thirteen percent of base wages for each employee with the employee having an optional contribution of up to ten percent. An employee is fully vested after twenty-one months of service. An insurance company (John Hancock) administers the plan and the Township makes monthly contributions. The Township's total payroll for this year was \$1,655,234. The Township made the required contribution of \$121,934 on covered payroll of \$937,954.

As of July 1, 2016, the Township contribution was reduced to eight percent with a maximum five percent matching contribution.

All full-time employees and township board member are covered with exception of those who elect not to participate.

NOTE 13--COMPENSATED ABSENCES

Compensated absence activity can be summarized as follows:

<u>Fund</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental</u>					
General Fund	\$ 61,393	\$ -	\$ -	\$ 61,393	\$ 3,000
Fire Fund	8,019	-	-	8,019	8,019
	<u>\$ 69,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,412</u>	<u>\$ 11,019</u>
<u>Business - Type</u>					
Sewer Fund	\$ 6,813	\$ 9,275	\$ -	\$ 16,088	\$ 300

NOTE 14--DEFERRED COMPENSATION PLAN

The Bedford Township Board offers all Bedford Township employees a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457. The assets of the plans were held in trust, (custodial account or annuity contract) as described in IRC Section 457 (g) for the exclusive benefit of the participants (employees) and their beneficiaries. The custodian thereof holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The Administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account and all other matters. In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in Bedford Township's financial statements.

NOTE 15--MONROE COUNTY JOINT POWERS WATER CONTRACTS (South County Water System)

Bedford Township, in conjunction with three other communities, has entered into a contract with the Monroe County Drain Commission to provide a water supply and water mains for each of the communities. This is considered a joint venture without an equity interest.

Each community's liability is computed annually using assessed property valuation as a basis. Therefore, Bedford Township's liability under this contract is presently undeterminable but, at this time, is estimated to be approximately 60% of the contract amount. The South County Water System currently makes all payments of principal and interest on these contracts, but the units of government will still be liable for principal should South County Water System not be able to meet the obligation.

The Township's estimated share of assets, liabilities, and fund equity is 60%. Summary financial information as of, and for the fiscal year ended December 31, 2015 is as follows:

	<i>South County Water System</i>
Cash and Investments	\$ 7,289,969
Other Assets	<u>24,443,668</u>
Total Assets	31,733,637
Total Liabilities	<u>4,377,865</u>
Total Net Position	<u>\$ 27,355,772</u>
Total Revenue	\$ 6,681,729
Total Expenses	<u>6,994,136</u>
Net Change in Net Position	<u>\$ (312,407)</u>
Current Portion of Long-Term Debt	\$ 220,000
Long-Term Debt, Less Current Portion	<u>2,514,050</u>
Total Debt	<u>\$ 2,734,050</u>

Complete financial statements for this joint entity are in the 2015 Financial Statements of the Monroe County Drain Commission County Agency.

NOTE 16--PENDING LITIGATION

At present, there are no cases of litigation pending that would have a material effect on the financial statements.

NOTE 17--RESTRICTED ASSETS

The balances of the restricted asset (cash with fiscal agent) accounts in the proprietary fund are as follows:

Debt Retirement	\$ 110,638
Replacement	2,847,943
Operations	<u>3,883,089</u>
	<u>\$ 6,841,670</u>

NOTE 18--RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township purchases commercial insurance for all of these risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions of insurance coverage from the prior year.

The Michigan Townships Participating Plan operates as an insurance purchasing pool for local units of government in Michigan. The Plan purchases commercial insurance on behalf of its members at a lower cost than would be available on an individual basis.

NOTE 19--REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Information --Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and all special revenue funds.

NOTE 20--CONDUIT DEBT

The Economic Development Corporation has issued bonds in the amount of \$6,103,077 due in full in 2024. All bonds are issued in accordance with the provisions of Act No. 270 and were to be repaid solely from net revenues received from the project under contract and the bonds shall never constitute a general obligation of the Economic Development Corporation of the Township of Bedford.

NOTE 21--BUILDING DEPARTMENT

The Township tracks building permit fees and their related costs in the General Fund. Once the Building Department attains a positive balance, a reserve will be set up in the General Fund. The current balance of the building department is:

Permit fees	\$ 364,211
Expenses	<u>236,354</u>
Current year balance	127,857
Building department deficit at June 30, 2015	<u>(33,858)</u>
Ending Building Department reserve balance	<u>\$ 93,999</u>

Required Supplementary Information

BEDFORD TOWNSHIP

GENERAL FUND

SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
	Revenues:			
Taxes	\$ 958,126	\$ 916,126	\$ 946,725	\$ 30,599
Licenses and Permits	573,000	671,300	762,098	90,798
State Grants	2,374,600	2,374,600	2,434,744	60,144
Charges for Services	38,000	54,000	31,801	(22,199)
Fines and Forfeits	8,000	8,000	17,796	9,796
Interest	6,000	6,000	15,949	9,949
Other	316,600	303,400	360,124	56,724
Total Revenue	4,274,326	4,333,426	4,569,237	235,811
Expenditures:				
Current:				
General Government				
Township Board	63,178	64,678	62,837	1,841
Supervisor	193,054	198,779	185,973	12,806
Elections	31,075	34,275	40,236	(5,961)
Finance	66,718	66,718	56,934	9,784
Clerk	307,377	309,177	261,979	47,198
Information Technology	61,250	61,250	43,443	17,807
Board of Review	4,100	4,100	1,500	2,600
Treasurer	208,230	210,530	194,230	16,300
Assessing	253,172	262,672	225,994	36,678
Building and Grounds	412,181	424,981	407,024	17,957
Legal	40,000	40,000	39,314	686
Property - Other	11,300	8,400	5,036	3,364
Planning Commission	229,968	252,568	170,750	81,818
Board of Zoning Appeals	11,680	15,780	10,878	4,902
Township at Large	12,500	17,500	17,724	(224)
Beautification	10,000	10,000	4,897	5,103
Community Action	32,000	84,000	76,107	7,893
Fringe Benefits	56,151	56,151	51,109	5,042
Economic Development	7,500	7,500	7,500	0
Cemeteries	19,350	36,123	30,309	5,814
Senior Citizens	12,500	12,500	12,500	-
Total General Government	2,043,284	2,177,682	1,906,274	271,408
Public Safety				
Ordinance	78,937	91,037	76,191	14,846
Building Inspection	232,694	253,994	236,354	17,640
Police	654,000	654,000	609,229	44,771
Emergency Management	5,000	5,000	-	5,000
Mosquito Control	15,000	-	-	-
Total Public Safety	985,631	1,004,031	921,774	82,257
Public Works				
Drains	115,000	115,000	103,681	11,319
Street Lighting	244,800	244,800	209,518	35,282
Roads	1,800,000	1,800,000	1,793,191	6,809
Total Public Works	2,159,800	2,159,800	2,106,390	53,410
Debt Service				
Principal	95,000	95,000	95,000	-
Interest	56,500	56,500	56,453	47.00
Total Debt Service	151,500	151,500	151,453	47.00
Total Current Expenditures	5,340,215	5,493,013	5,085,891	407,122
Excess of Revenue Over (Under) Expenditures	(1,065,889)	(1,159,587)	(516,654)	642,933
Other Financing Sources (Uses):				
Operating Transfers to Other Funds	(121,404)	(121,404)	(121,403)	1.00
Operating Transfers from Other Funds	-	-	-	-
Total Other Financing Sources (Uses)	(121,404)	(121,404)	(121,403)	1.00
Excess of Revenue & Other Financing Sources Over Expenditures & Other Financing Uses	(1,187,293)	(1,280,991)	(638,057)	642,934
Fund Balance - Beginning	1,187,293	1,280,991	3,568,886	2,287,895
Fund Balance - Ending	\$ -	\$ -	\$ 2,930,829	\$ 2,930,829

BEDFORD TOWNSHIP
FIRE DEPARTMENT FUND
SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Revenue:				
Property Taxes	\$	\$	\$ 981,561	\$
State Grants			290,244	
Assessments			118,921	
Interest			531	
Other			6,180	
			<u>1,397,437</u>	
Total Revenue	<u>1,125,700</u>	<u>1,372,200</u>	<u>1,397,437</u>	<u>25,237</u>
Current Expenditures:				
Public Safety:				
Wages			482,728	
Social Security			39,395	
Fringe Benefits			25,597	
Fuel			8,829	
Legal			3,978	
Supplies			25,039	
Contracted Services			9,617	
Medical			96	
Training			7,858	
Maintenance			432,780	
Conferences			6,141	
Insurance			54,865	
Other			485	
Utilities			21,336	
Capital Outlay			837	
Debt Service:				
Principal			82,203	
Interest and Fiscal Charges			6,401	
			<u>1,208,185</u>	
Total Expenditures	<u>1,073,852</u>	<u>1,448,983</u>	<u>1,208,185</u>	<u>240,798</u>
Excess of Revenue Over (Under)				
Expenditures	<u>51,848</u>	<u>(76,783)</u>	<u>189,252</u>	<u>266,035</u>
Other Financing Sources (Uses):				
Bond Proceeds			-	
			<u>-</u>	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenue & Other Sources				
Over (Under) Expenditures &				
Other Uses	51,848.00	(76,783)	189,252	266,035
Fund Balance, Beginning	<u>-</u>	<u>128,631</u>	<u>960,597</u>	<u>831,966</u>
Fund Balance, Ending	<u>\$ 51,848</u>	<u>\$ 51,848</u>	<u>\$ 1,149,849</u>	<u>\$ 1,098,001</u>

BEDFORD TOWNSHIP**WATER FUND****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2016

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Revenue:				
Assessments	\$	\$	\$ 1,980	\$
Interest			2,869	
Other			58,355	
Total Revenue	<u>47,000</u>	<u>47,000</u>	<u>63,204</u>	<u>16,204</u>
Current Expenditures:				
Public Works:				
Board Fees			-	
Other			4,474	
Debt Service:				
Principal			-	
Interest and Fiscal Charges			-	
Total Expenditures	<u>5,500</u>	<u>5,500</u>	<u>4,474</u>	<u>1,026</u>
Excess of Revenue Over (Under) Expenditures	41,500	41,500	58,730	17,230
Fund Balance, Beginning	<u>2,261,039</u>	<u>2,261,039</u>	<u>2,261,039</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 2,302,539</u>	<u>\$ 2,302,539</u>	<u>\$ 2,319,769</u>	<u>\$ 17,230</u>

Supplementary Information

BEDFORD TOWNSHIP
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016

	Special Revenue					Capital Projects		Debt Service					Total Nonmajor Governmental Funds	
	Transit System	Rehabilitation	Metro Act	Law Enforcement	Library	Chapel Creek	Wild Haven Park	Giant Oaks	Fairfield Dr. Debt Service	Greenhill Debt Service	Enchanted Forest Service	Canterbury Debt Service		Barbara Lee Debt Service
Assets														
Cash and Cash Equivalents	\$ 143,147	\$ 57,305	\$ 75,617	\$ 236,359	\$ 286,726	\$ 144,724	\$	\$ 59,862	\$ 56,032	\$ 183,135	\$ 100,249	\$ 28,862	\$ 69,029	\$ 1,441,047
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans Receivable	-	36,988	-	-	-	-	-	-	-	-	-	-	-	36,988
Grants Receivable	-	18,332	-	-	-	-	-	-	-	-	-	-	-	18,332
Assessments Receivable	-	-	-	-	-	143,500	58,800	103,094	23,435	404,858	652,134	194,136	146,017	1,725,974
Prepaid Expense	-	-	-	515	231	-	-	-	-	-	-	-	-	746
Due From State	-	-	28,892	-	-	-	-	-	-	-	-	-	-	28,892
Cash With Fiscal Agent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 143,147	\$ 112,625	\$ 104,509	\$ 236,874	\$ 286,957	\$ 288,224	\$ 58,800	\$ 162,956	\$ 79,467	\$ 587,993	\$ 752,383	\$ 222,998	\$ 215,046	\$ 3,251,979
Liabilities And Fund Balance														
Liabilities:														
Accounts Payable	\$ 43,901	\$ -	\$ -	\$ 97,889	\$ 14,815	1,206	2,612	\$ -	\$ -	-	-	\$ -	\$ -	\$ 160,423
Due to Other Funds	-	-	-	-	-	147,000	1,195	145,426	-	-	-	-	-	293,621
Deferred Revenue	-	55,320	-	-	-	143,500	58,800	103,094	23,435	404,858	652,134	194,136	146,017	1,781,294
Total Liabilities	43,901	55,320	-	97,889	14,815	291,706	62,607	248,520	23,435	404,858	652,134	194,136	146,017	2,235,338
Fund Balance:														
Nonspendable - Prepays	-	-	-	515	231	-	-	-	-	-	-	-	-	746
Restricted:														
Transit System	99,246	-	-	-	-	-	-	-	-	-	-	-	-	99,246
Rehabilitation	-	53,100	-	-	-	-	-	-	-	-	-	-	-	53,100
Metro Act	-	-	102,536	-	-	-	-	-	-	-	-	-	-	102,536
Law Enforcement	-	-	-	76,287	-	-	-	-	-	-	-	-	-	76,287
Library	-	-	-	-	114,786	-	-	-	-	-	-	-	-	114,786
Debt Service	-	-	-	-	-	-	-	-	56,032	183,135	100,249	28,862	69,029	437,307
Assigned:														
Subsequent Year's Budget	-	4,205	1,973	62,183	157,125	-	-	-	-	-	-	-	-	225,486
Unassigned	-	-	-	-	-	(3,482)	(3,807)	(85,564)	-	-	-	-	-	(92,853)
Total Fund Balance	99,246	57,305	104,509	138,985	272,142	(3,482)	(3,807)	(85,564)	56,032	183,135	100,249	28,862	69,029	1,016,641
Total Liabilities and Fund Balance	\$ 143,147	\$ 112,625	\$ 104,509	\$ 236,874	\$ 286,957	\$ 288,224	\$ 58,800	\$ 162,956	\$ 79,467	\$ 587,993	\$ 752,383	\$ 222,998	\$ 215,046	\$ 3,251,979

BEDFORD TOWNSHIP
COMBINING STATEMENT OF REVENUE, AND EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue					Capital Projects		Debt Service					Total Nonmajor Governmental Funds	
	Transit System	Rehabili- tation	Metro Act	Law Enforcement	Library	Chapel Creek	Wild Haven Park	Gaint Oaks	Fairfield Dr. Debt Service	Greenhill Debt Service	Enchanted Forest Service	Canterbury Debt Service		Barbara Lee Debt Service
Revenues:														
Taxes	\$ 241,555	\$ -	\$ -	\$ 392,449	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 634,004
Licenses and Permits	-	-	28,892	-	-	-	-	-	-	-	-	-	-	28,892
Assessments	-	-	-	-	-	1,500	-	-	25,024	100,619	59,282	17,648	34,567	238,640
Charges for Service	-	-	-	-	-	-	-	12,795	-	-	-	-	-	12,795
Interest	65	39	35	(10)	454	-	4,059	1,933	25,417	23,273	6,917	9,117	71,299	
Other Revenue	-	6,500	-	-	656	-	-	-	-	-	-	-	-	7,156
Total Revenue	241,620	6,539	28,927	392,439	1,110	1,500	-	16,854	26,957	126,036	82,555	24,565	43,684	992,786
Expenditures:														
Current														
General Government	222,149	2,420	55	-	-	-	-	-	-	-	-	-	-	224,624
Public Safety	-	-	-	425,435	-	-	-	-	-	-	-	-	-	425,435
Public Works	-	-	-	-	-	4,982	3,807	6,330	-	4	30,584	-	-	45,707
Recreational and Cultural	-	-	-	-	270,606	-	-	-	-	-	-	-	-	270,606
Capital Outlay	-	-	3,339	35,201	-	-	-	-	-	-	-	-	-	38,540
Debt Service														
Principal	-	-	-	-	-	-	-	33,800	135,000	66,300	18,700	35,000	-	288,800
Interest and Fiscal Charges	-	-	-	-	-	-	-	2,084	31,608	17,299	4,871	11,444	-	67,306
Total Expenditures	222,149	2,420	3,394	460,636	270,606	4,982	3,807	6,330	35,884	166,608	83,603	54,155	46,444	1,361,018
Excess of Revenue Over (Under)														
Expenditures	19,471	4,119	25,533	(68,197)	(269,496)	(3,482)	(3,807)	10,524	(8,927)	(40,572)	(1,048)	(29,590)	(2,760)	(368,232)
Other Financing Sources (Uses):														
Operating Transfers to Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Transfers from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess of Revenue & Other Sources Over (Under) Expenditures & Other Uses	19,471	4,119	25,533	(68,197)	(269,496)	(3,482)	(3,807)	10,524	(8,927)	(40,572)	(1,048)	(29,590)	(2,760)	(368,232)
Fund Balance - Beginning	79,775	53,186	78,976	207,182	541,638	-	-	(96,088)	64,959	223,707	101,297	58,452	71,789	1,384,873
Fund Balance - Ending	\$ 99,246	\$ 57,305	\$ 104,509	\$ 138,985	\$ 272,142	\$ (3,482)	\$ (3,807)	\$ (85,564)	\$ 56,032	\$ 183,135	100,249	28,862	\$ 69,029	\$ 1,016,641

BEDFORD TOWNSHIP

PARK FUND

SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$	\$	\$ -	\$
State Grants			50,850	
Rental Revenue			44,388	
Other			10,055	
Total Revenue	<u>102,600</u>	<u>97,220</u>	<u>105,293</u>	<u>8,073</u>
Current Expenditures:				
Recreational and Cultural				
Board Fees			15,802	
Wages			8,543	
Social Security			1,863	
Supplies			457	
Utilities			11,596	
Insurance			1,780	
Repairs and Maintenance			15,239	
Recreation Commission			50,195	
Professional Services			740	
Memberships and Dues			425	
Janitorial Services			18,126	
Capital Outlay			126,116	
Refuse Collection			5,865	
Other			5,397	
Total Expenditures	<u>280,504</u>	<u>286,104</u>	<u>262,144</u>	<u>23,960</u>
Excess of Revenue Over (Under) Expenditures	<u>(177,904)</u>	<u>(188,884)</u>	<u>(156,851)</u>	<u>32,033</u>
Other Financing Sources (Uses):				
Operating Transfers In	<u>121,403</u>	<u>121,403</u>	<u>121,403</u>	<u>-</u>
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	<u>(56,501)</u>	<u>(67,481)</u>	<u>(35,448)</u>	<u>32,033</u>
Fund Balance, Beginning	<u>56,500</u>	<u>67,480</u>	<u>86,566</u>	<u>(19,086)</u>
Fund Balance, Ending	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ 51,118</u>	<u>\$ 12,947</u>

BEDFORD TOWNSHIP**TRANSIT SYSTEM****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Property Taxes	\$	\$	\$ 241,555	\$
Interest Income			65	
Total Revenue	<u>345,867</u>	<u>348,867</u>	<u>241,620</u>	<u>(107,247)</u>
Current Expenditures:				
General Government				
Legal			3,138	
Contracted Services			219,011	
Total Expenditures	<u>345,867</u>	<u>348,867</u>	<u>222,149</u>	<u>126,718</u>
Excess of Revenue Over (Under) Expenditures	-	-	19,471	19,471
Fund Balance, Beginning	<u>79,775</u>	<u>79,775</u>	<u>79,775</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 79,775</u>	<u>\$ 79,775</u>	<u>\$ 99,246</u>	<u>\$ 19,471</u>

BEDFORD TOWNSHIP
REHABILITATION FUND
SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$	\$	\$ 39	\$
Loan Payments			6,500	
Total Revenue	<u>6,230</u>	<u>6,230</u>	<u>6,539</u>	<u>309</u>
Current Expenditures:				
General Government:				
Loans Expense			2,420	
Board Fees			-	
Social Security			-	
Total Expenditures	<u>6,230</u>	<u>6,230</u>	<u>2,420</u>	<u>3,810</u>
Excess of Revenue Over (Under) Expenditures	-	-	4,119	4,119
Fund Balance, Beginning	<u>53,186</u>	<u>53,186</u>	<u>53,186</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 53,186</u>	<u>\$ 53,186</u>	<u>\$ 57,305</u>	<u>\$ 4,119</u>

BEDFORD TOWNSHIP**METRO ACT FUND****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2016

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Revenue:				
Fees	\$	\$	\$ 28,892	\$
Interest			35	
Total Revenue	<u>24,025</u>	<u>9,025</u>	<u>28,927</u>	<u>19,902</u>
Current Expenditures:				
Public Safety:				
Other			55	-
Capital Outlay			3,339	-
Total Expenditures	<u>24,000</u>	<u>9,000</u>	<u>3,394</u>	<u>5,606</u>
Excess of Revenue Over (Under) Expenditures	25.00	25	25,533	25,508
Other Financing Sources (Uses):				
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	25	25	25,533	25,508
Fund Balance, Beginning	<u>78,976</u>	<u>78,976</u>	<u>78,976</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 79,001</u>	<u>\$ 79,001</u>	<u>\$ 104,509</u>	<u>\$ 51,016</u>

BEDFORD TOWNSHIP
LAW ENFORCEMENT FUND
SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Revenue:				
Property Taxes	\$	\$	\$ 392,439	\$
Interest				
Total Revenue	<u>470,300</u>	<u>472,800</u>	<u>392,439</u>	<u>(80,361)</u>
Current Expenditures:				
Public Safety				
Contracted Services			425,435	
Capital Outlay			<u>35,201</u>	
Total Expenditures	<u>470,300</u>	<u>472,800</u>	<u>460,636</u>	<u>12,164</u>
Excess of Revenue Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(68,197)</u>	<u>(68,197)</u>
Fund Balance, Beginning	<u>275,011</u>	<u>275,011</u>	<u>207,182</u>	<u>(67,829)</u>
Fund Balance, Ending	<u><u>\$ 275,011</u></u>	<u><u>\$ 275,011</u></u>	<u><u>\$ 138,985</u></u>	<u><u>\$ (136,026)</u></u>

BEDFORD TOWNSHIP**LIBRARY FUND****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2016

	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
Revenue:				
Property Tax	\$	\$	\$ -	\$
State Grants			-	
Other			656	
Interest			454	
Total Revenue	<u>299,925</u>	<u>304,525</u>	<u>1,110</u>	<u>(303,415)</u>
Current Expenditures:				
Recreational and Cultural				
Board Fees			2,705	
Social Security			207	
Office Supplies			59	
Operating Supplies			7,213	
Utilities			83,768	
Insurance			1,902	
Repairs and Maintenance			37,050	
Professional Services			22,576	
Water & Sewer Use Charges			2,875	
Capital Outlay			111,079	
Other			1,172	
Total Expenditures	<u>299,925</u>	<u>304,525</u>	<u>270,606</u>	<u>33,919</u>
Excess of Revenue Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(269,496)</u>	<u>(269,496)</u>
Fund Balance, Beginning	<u>541,638</u>	<u>541,638</u>	<u>541,638</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 541,638</u>	<u>\$ 541,638</u>	<u>\$ 272,142</u>	<u>\$ (269,496)</u>