

Township of Atlas

Financial Statements

March 31, 2015

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**Township of Atlas
List of Elected Officials
March 31, 2015**

Township of Atlas

Shirley Kautman-Jones – Supervisor

Ann Marie Moore – Treasurer

Teresa L. Onica – Clerk

Barry June – Trustee

Patrick Major – Trustee

Independent Auditors' Report

To the Township Board
Township of Atlas
Goodrich, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Atlas, as of and for the year ended March 31, 2015, and the related notes to the financial statements which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Other Matters:

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township of Atlas's basic financial statements as a whole. The accompanying other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Yeo & Yeo, P.C.

Lansing, MI
July 17, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Township of Atlas Management's Discussion and Analysis

As management of the Township of Atlas, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2015. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements.

Financial Highlights

- As noted on page 4-2, the assets of the Township exceeded its liabilities at the close of the most recent fiscal year by \$ 5,044,606. Of this amount, \$ 2,669,159 is unrestricted and may be used to meet the Township's ongoing obligations to citizens and creditors.
- As noted on page 4-3, the Township's total net position increased by \$ 110,037.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$ 3,514,144 an increase of \$ 183,559. Approximately 47% of this total amount, or \$ 1,662,460, is available for spending at the Township's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, the general fund's unassigned fund balance was \$ 1,662,460. Total fund balance for the general fund was \$ 2,561,947.

Overview of Financial Statements

The annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the required supplementary information, and other supplemental information. Government Accounting Standards Board Statement 34 (GASB 34) requires the reporting of two types of financial statements: Government-wide Financial Statements and Fund Financial Statements.

Government-wide Financial Statements:

The Government-wide financial statements provide a perspective of the Township as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two Government-wide statements: The Statement of Net Position and the Statement of Activities.

The Statement of Net Position (page 4-1) combines and consolidates the governmental fund current financial resources (short-term spendable resources) with capital assets, regardless of whether they are currently available or not.

Consistent with the full accrual basis method of accounting, the Statement of Activities (page 4-3) accounts for current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the costs of the Townships' various services.

When analyzed together, the two statements help the reader determine whether the Township is financially stronger or weaker as a result of the year's activities.

Fund Financial Statements

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

Township of Atlas Management's Discussion and Analysis

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 outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year (fund balance).

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 Township's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

The Township maintains ten 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 Protection, Police Administrative, and Arbor on the Lake each of which is considered to be a major fund. The Sewer Receiving, Atlas Meadows Septic, Recreational Pathways, Willow Gate, Building Authority Fire Hall and Sewer Capital Projects Fund are considered non major funds and are presented in a combined column for reporting purposes.

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Township. Fiduciary funds are not reflected in the Government-wide financial statements because the resources of those funds are not available to support the Township's own programs.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, and other supplemental information concerning budgetary information for the Township's major funds.

**Township of Atlas
Management's Discussion and Analysis**

Government Wide Financial Analysis:

Township's Net Position

Net Position may serve over time as a useful indicator of government's financial position. In the case of the Township of Atlas, as the following table demonstrates, assets exceeded liabilities by \$5,044,606.

	2015	2014
Assets		
Current assets	\$ 3,778,770	\$ 3,576,007
Capital assets	3,034,645	2,991,751
Less accumulated depreciation	(1,598,516)	(1,475,595)
Total capital assets	1,436,129	1,516,156
Total assets	5,214,899	5,092,163
Liabilities		
Current liabilities	170,293	157,594
Net assets		
Net investment in capital assets	1,436,129	1,516,156
Restricted	939,318	784,941
Unrestricted	2,669,159	2,633,472
Total net position	\$ 5,044,606	\$ 4,934,569

One of the larger portions of the Township's net position, \$ 1,436,129 (28%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. This line was impacted during the year primarily due to the purchase of an emergency siren for \$19,900, a generator for \$16,500 and fire equipment for approximately \$6,500, offset by depreciation expense of approximately \$123,000.

An additional \$ 939,318 (19%) represents resources that are subject to external restrictions on how they may be used (police and fire protection and sewer improvements). The remaining balance of *unrestricted net position*, \$ 2,669,159 (53%) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the 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 Township's net position increased by \$ 110,037 during the current fiscal year.

Township's Changes in Net Position

Revenues:

	2015	2014
Program revenue		
Charges for services	\$ 459,428	\$ 436,859
Grants and contributions	9,333	28,402
General revenue:		
Property taxes	1,200,187	1,149,262
State shared revenue	470,631	452,457
Interest earnings	5,353	5,768
Gain on sale of capital assets	-	220
Cable franchise fees	50,570	39,828
Miscellaneous revenue	42,296	59,694
Total revenues	\$ 2,237,798	\$ 2,172,490

**Township of Atlas
Management's Discussion and Analysis**

Expenses:

	2015	2014
Expenses		
General government	\$ 474,443	\$ 405,126
Public safety	897,821	860,782
Public works	703,654	722,950
Community and economic development	26,457	33,673
Recreation and culture	25,386	19,367
 Total expenses	 2,127,761	 2,041,898
 Change in net assets	 110,037	 130,592
 Net assets - beginning of year	 4,934,569	 4,803,977
 Net assets - ending of year	 \$ 5,044,606	 \$ 4,934,569

Governmental activities

The Township's total governmental revenue changed by \$ 65,308 from the prior fiscal year. This change can primarily be attributed to the sum of the following;

- An increase in the property tax revenue collected of \$ 50,925 attributed to the addition of a voter approved millage for pathways of .1250 mills which added approximately \$ 33,000 and an overall increase in taxable values.
- An increase in charges for services of \$22,569, led by an increase in the special assessment for garbage service.
- A cumulative increase in state shared revenue and cable franchise fees of \$28,916.

Offset by the following:

- A decrease in grants and contributions of \$19,069, primarily due to a decrease in funds received for improvements to the library.

- A decrease in miscellaneous revenue and interest earnings of \$ 18,036.

Expenses for the Township increase by \$ 85,863. This increase is primarily attributed to the following:

- An increase in general government of \$ 69,317 primarily due to an increase in building and grounds and township board operating expenses for the year.
- A cumulative increase in public safety and recreation and culture of \$43,058.

Offset by the following:

- A decrease in public works and community and economic development expenses of \$ 26,512.

Financial Analysis of the Government's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$ 3,514,144, an increase of \$ 183,559. \$ 1,662,460 of the fund balance constitutes unassigned fund balance, which is available for spending at the Township's discretion.

The General Fund is the main operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the general fund was \$ 1,662,460. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents approximately 135% of total General Fund expenditures. The fund balance of the General Fund increased by \$ 31,505 during the current fiscal year.

The fund balance of the Fire Protection Fund increased by \$ 97,424 during the current fiscal year.

Township of Atlas Management's Discussion and Analysis

The fund balance of the Police Fund increased by \$ 21,355 during the current fiscal year.

General Fund Budgetary Highlights

The Township's budgets are prepared in accordance with Michigan Law. The most significant budgeted fund is the General Fund. Prior to the beginning of any year, the Township's budget is compiled based upon certain assumptions and facts available at the time. During the year, the Township acts to amend its budget to reflect changes in these original assumptions, facts, and/or economic conditions that were unknown at the time the original budget was compiled. In addition, by policy, the Board reviews and authorizes large expenditures when requested throughout the year.

Following are significant events that impacted the 2014/2015 budget:

- Planned appropriation of general fund balances to help cover fire services and public works activity. Ultimately general fund dollars were not used for these purposes during the year.
- Increased taxable value, resulted in tax revenues exceeding budgeted amounts during the year.

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the Township's budget for the 2015/2016 fiscal year:

- Addition of the Arbor on the Lake special assessment district. Activity is expected to commence during the 2015/2016 fiscal year.
- Reduced expenditures to reduce budget.

The following factors are expected to have an impact on the Township's budget for the 2015 fiscal year:

- Aggressive plan for maintenance and improvements to roads within township.
- Increase in the building of new single family residential homes within Township and Village of Goodrich. New commercial building within the Village of Goodrich for a memory care assisted living facility will increase the overall taxable value for the Township.
- With reduced funding from the State of Michigan for the upkeep and maintenance of local roads, the Township will anticipate a budgeted amount similar to current fiscal year budgeted amount of \$ 545,000. for the next fiscal year.
- The Fire Department is anticipating the replacement of a rescue vehicle.

Request for Information

This financial report is designed to provide our citizens and taxpayers with a general overview of the Township's finances. If you have questions about this report or would like additional information, contact the Township Clerk's office at Atlas Township, Genesee County, Michigan.

BASIC FINANCIAL STATEMENTS

Township of Atlas
Statement of Net Position
March 31, 2015

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 2,775,753
Certificates of deposit and accrued interest	807,067
Receivables	
Customers	10,960
Taxes	67,397
Special assessments	16,724
Due from other units of government	77,740
Prepaid items	23,129
Nondepreciable capital assets	81,601
Depreciable capital assets, net	<u>1,354,528</u>
 Total assets	 <u>5,214,899</u>
 Liabilities	
Accounts payable	150,677
Accrued and other liabilities	<u>19,616</u>
 Total liabilities	 <u>170,293</u>

See Accompanying Notes to Financial Statements

Township of Atlas
Statement of Net Position
March 31, 2015

	<u>Governmental Activities</u>
Net Position	
Net investment in capital assets	1,436,129
Restricted for:	
Police	384,739
Fire protection	370,394
Sewer improvements and operations	226,404
Recreational pathways	32,530
Unrestricted	<u>2,594,410</u>
 Total net position	 <u>\$ 5,044,606</u>

See Accompanying Notes to Financial Statements

**Township of Atlas
Statement of Activities
For the Year Ended March 31, 2015**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities	
Functions/Programs				
Governmental activities				
General government	\$ 474,443	\$ 552	\$ 9,333	\$ (464,558)
Public safety	897,821	18,490	-	(879,331)
Public works	703,654	440,386	-	(263,268)
Community and economic development	26,457	-	-	(26,457)
Recreation and culture	25,386	-	-	(25,386)
Total governmental activities	<u>\$ 2,127,761</u>	<u>\$ 459,428</u>	<u>\$ 9,333</u>	<u>(1,659,000)</u>
				General revenues
				Property taxes and collection fees 1,200,187
				State shared revenue 470,631
				Unrestricted investment earnings 5,353
				Cable franchise fees 50,570
				Tower rental 20,780
				Miscellaneous 21,516
				Total general revenues 1,769,037
				Change in net position 110,037
				Net position - beginning of year 4,934,569
				Net position - end of year \$ 5,044,606

See Accompanying Notes to Financial Statements

**Township of Atlas
Governmental Funds
Balance Sheet
March 31, 2015**

	Special Revenue Funds					Total Governmental Funds
	General Fund	Fire Protection Fund	Police Fund	Arbor on the Lake	Nonmajor Governmental Funds	
Assets						
Cash and cash equivalents	\$ 1,450,924	\$ 337,532	\$ 485,321	\$ 250,219	\$ 251,757	\$ 2,775,753
Certificates of deposit	807,067	-	-		-	807,067
Receivables						
Customers	-	-	-	-	10,960	10,960
Taxes	17,267	15,530	32,614	-	1,986	67,397
Special assessments	15,196	-	-	-	1,528	16,724
Due from other units of government	77,740	-	-	-	-	77,740
Due from other funds	2,430	13,815	-	-	-	16,245
Interfund advance receivable	250,219	-	-	-	-	250,219
Prepaid items	10,250	12,879	-	-	-	23,129
	<u>10,250</u>	<u>12,879</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,129</u>
 Total assets	 <u>\$ 2,631,093</u>	 <u>\$ 379,756</u>	 <u>\$ 517,935</u>	 <u>\$ 250,219</u>	 <u>\$ 266,231</u>	 <u>\$ 4,045,234</u>
Liabilities						
Accounts payable	\$ 11,481	\$ 4,837	\$ 133,196	\$ -	\$ 1,163	\$ 150,677
Accrued and other liabilities	11,387	4,525	-	-	3,704	19,616
Due to other funds	13,815	-	-	-	2,430	16,245
Interfund advance payable	-	-	-	250,219	-	250,219
	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,219</u>	<u>-</u>	<u>250,219</u>
 Total liabilities	 <u>36,683</u>	 <u>9,362</u>	 <u>133,196</u>	 <u>250,219</u>	 <u>7,297</u>	 <u>436,757</u>

See Accompanying Notes to Financial Statements

**Township of Atlas
Governmental Funds
Balance Sheet
March 31, 2015**

	Special Revenue Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Fire Protection Fund	Police Fund	Arbor on the Lake		
Deferred inflows of resources						
Total deferred inflows of resources	32,463	15,530	32,614	-	13,726	94,333
Fund Balances						
Non-spendable:						
Prepaid expenses	10,250	12,879	-	-	-	23,129
Restricted for:						
Police	-	-	352,125	-	-	352,125
Fire protection	-	341,985	-	-	-	341,985
Sewer improvements and operations	-	-	-	-	212,678	212,678
Recreational pathways	-	-	-	-	32,530	32,530
Committed for:						
Working capital	159,108	-	-	-	-	159,108
Garbage service and aquaweed control	331,744	-	-	-	-	331,744
Bridge, street and drain improvements	398,385	-	-	-	-	398,385
Unassigned	1,662,460	-	-	-	-	1,662,460
Total fund balances	2,561,947	354,864	352,125	-	245,208	3,514,144
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,631,093	\$ 379,756	\$ 517,935	\$ 250,219	\$ 266,231	\$ 4,045,234

See Accompanying Notes to Financial Statements

**Township of Atlas
Governmental Funds
Reconciliation of Fund Balances of Governmental Funds
to Net Position of Governmental Activities
March 31, 2015**

Total fund balances for governmental funds	\$ 3,514,144
Total net position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,436,129
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	<u>94,333</u>
Net position of governmental activities	<u>\$ 5,044,606</u>

Township of Atlas
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended March 31, 2015

	Special Revenue Funds					Total Governmental Funds
	General	Fire Protection Fund	Police Fund	Arbor on the Lake	Other Governmental Funds	
Revenues						
Taxes and collection fees	\$ 314,713	\$ 273,702	\$ 574,871	\$ -	\$ 32,543	\$ 1,195,829
Licenses and permits	39,582	-	481	-	-	40,063
Federal grants	9,333	-	-	-	-	9,333
State revenue sharing	470,631	-	-	-	-	470,631
Charges for services	84,733	13,893	-	-	67,268	165,894
Fines and forfeitures	-	-	4,116	-	-	4,116
Interest income	4,927	103	131	-	192	5,353
Special assessments	246,959	-	-	-	-	246,959
Other revenue						
Cable franchise fees	50,570	-	-	-	-	50,570
Tower rental	20,780	-	-	-	-	20,780
Miscellaneous	18,065	2,200	1,500	-	-	21,765
Total revenues	<u>1,260,293</u>	<u>289,898</u>	<u>581,099</u>	<u>-</u>	<u>100,003</u>	<u>2,231,293</u>
Expenditures						
Current						
General government	458,648	-	-	-	-	458,648
Public safety	44,904	189,638	559,744	-	-	794,286
Public works	640,584	-	-	-	63,070	703,654
Community and economic development	26,457	-	-	-	-	26,457
Recreation and culture	21,795	-	-	-	-	21,795
Capital outlay	36,400	6,494	-	-	-	42,894
Total expenditures	<u>1,228,788</u>	<u>196,132</u>	<u>559,744</u>	<u>-</u>	<u>63,070</u>	<u>2,047,734</u>

See Accompanying Notes to Financial Statements

Township of Atlas
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended March 31, 2015

	<u>Special Revenue Funds</u>				<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Fire Protection Fund</u>	<u>Police Fund</u>	<u>Arbor on the Lake</u>		
Excess (deficiency) of revenues over expenditures	<u>31,505</u>	<u>93,766</u>	<u>21,355</u>	<u>-</u>	<u>36,933</u>	<u>183,559</u>
Other financing sources (uses)						
Transfers in	-	3,658	-	-	-	3,658
Transfers out	-	-	-	-	(3,658)	(3,658)
Total other financing sources and (uses)	-	<u>3,658</u>	-	-	<u>(3,658)</u>	-
Net change in fund balance	31,505	97,424	21,355	-	33,275	183,559
Fund balance - beginning of year	<u>2,530,442</u>	<u>257,440</u>	<u>330,770</u>	-	<u>211,933</u>	<u>3,330,585</u>
Fund balance - end of year	<u>\$ 2,561,947</u>	<u>\$ 354,864</u>	<u>\$ 352,125</u>	<u>\$ -</u>	<u>\$ 245,208</u>	<u>\$ 3,514,144</u>

See Accompanying Notes to Financial Statements

**Township of Atlas
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended March 31, 2015**

Net change in fund balances - Total governmental funds	\$ 183,559
Total change in net position reported for governmental activities in the statement of activities is different because:	
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.	
Depreciation expense	(122,921)
Capital outlay	42,894
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Special assessments	1,182
Property taxes	4,111
Other revenue	<u>1,212</u>
Change in net position of governmental activities	<u>\$ 110,037</u>

Township of Atlas
Fiduciary Funds
Statement of Fiduciary Assets and Liabilities
March 31, 2015

	<u>Tax Collection Fund</u>
Assets	
Cash and cash equivalents	<u>\$ 1,694</u>
Liabilities	
Accounts payable	<u>\$ 1,694</u>

See Accompanying Notes to Financial Statements

Township of Atlas
Notes to Financial Statements
March 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

The Township of Atlas (Township) is governed by an elected five-member Board.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. *Government activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township 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, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, other taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

Township of Atlas
Notes to Financial Statements
March 31, 2015

The Township reports the following major governmental funds:

The General Fund is the Township'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 Protection, Police, and Arbor on the Lake Funds are special revenue funds and are restricted to expenditures for that purpose.

Additionally, the Township reports the following:

The nonmajor special revenue and capital projects funds account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative requirements.

The nonmajor debt service fund records the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The Current Tax Collection Fund accounts for property taxes collected on behalf of other units of government.

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

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

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

Assets, liabilities, and net position or equity

Deposits – 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 – Investments, including certificate of deposits are stated at fair value based on quoted market prices.

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 arrangement outstanding at the end of the fiscal year is referred to as “advances to/from other funds.”

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.

Township of Atlas
Notes to Financial Statements
March 31, 2015

The 2014 taxable valuation of the Township totaled \$ 277,488,704, on which ad valorem taxes consisted of 3.9792 mills for operating, fire, police and recreational pathways. This resulted in \$ 1,195,829 for operating, fire, police protection and recreational pathways, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

Prepaid items – 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.

Capital assets – Capital assets, which include property, vehicles and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$2,500 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.

The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the government values these capital assets at the estimated fair value of the item at the date of its donation.

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

Buildings	20 - 50 years
Building improvements	5 to 7 years
Vehicles	5 to 15 years
Office and computer equipment	5 to 7 years

Deferred outflows of resources – A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period.

Long-term obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position.

Deferred inflows of resources – A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period. For governmental funds this includes unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period.

Fund Equity – In the fund financial statements, governmental funds report fund balance in the following categories:

Non-spendable - assets that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts constrained on use imposed by the Township's highest level of decision-making, its Board. A fund balance commitment may be established, modified, or rescinded by a resolution of the Township Board.

Assigned – amounts intended to be used for specific purposes, as determined by Township management. The Township Board has granted the management the authority to commit funds. Residual amounts in governmental funds other than the general fund are automatically assigned by their nature.

Township of Atlas
Notes to Financial Statements
March 31, 2015

Unassigned – all other resources; the remaining fund balances after non-spendable, restrictions, commitments and assignments.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Township's policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the Township's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

Upcoming Accounting and Reporting Changes

The Governmental Accounting Standards Board ("The GASB") has issued Statement No. 72 *Fair Value Measurements and Applications*. Statement 72 addresses accounting and financial reporting issues related to fair value measurements. Fair value is defined as an exit price (what a government would get to sell the asset), and fair value measurements primarily apply to investments. The statement enhances fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. This statement requires additional disclosures about fair value measurements, the level of fair value hierarchy, and valuation techniques. Statement 72 is effective for the year ending March 31, 2017, although earlier application is allowed.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the

reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information

The Township is subject to the budgetary control requirements of the Uniform Budgeting Act (P.A. 621 of 1978, as amended). Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and all Special Revenue Funds. All annual appropriations lapse at fiscal year end.

The Township Supervisor submits to the Township Board a proposed operating budget for the commencing fiscal year prior to its start each year. The operating budget includes proposed expenditures and the means to finance them. Budgets are prepared on a basis consistent with the accounting basis utilized by the fund. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of a resolution.

The budget document presents information by fund, activity, department and line items. The legal level of budgetary control adopted by the governing body is the activity level. The Township supervisor is authorized to transfer amounts between departments within any fund with subsequent Board ratification. Any revisions altering the total expenditures of a particular fund must be approved. Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent when goods are received or services rendered.

Township of Atlas
Notes to Financial Statements
March 31, 2015

Excess of Expenditures Over Appropriations

During the year the Township incurred expenditures in excess of the amount appropriated, as follows:

Function	Final Budget	Amount of Expenditures	Budget Variance
General Fund:			
General Government	\$ 444,619	\$ 458,648	\$ 14,029
Public Safety	41,541	44,904	3,363
Capital outlay	-	36,400	36,400

NOTE 3 - DEPOSITS AND INVESTMENTS

As of year end, the Township's cash and equivalents were made up of the following:

	Governmental Activities	Fiduciary Fund
Bank deposits (checking and savings accounts and certificates of deposit)	\$ 3,326,668	\$ 1,694
Michigan Cooperative Liquid Assets	255,707	-
Petty cash and cash on hand	445	-
Total	3,582,820	\$ 1,694
Less: Amount classified as certificate of deposit	(807,067)	-
Total Cash and cash equivalents	\$ 2,777,892	\$ 1,694

As of year end, the Township had the following investments classified as cash and equivalents:

Investment	Fair Value	Average Maturities	Rating	Rating Organization
Mich. Coop. Liquid Assets - MBIA	\$ 255,707	< 60 days	AAAm	S&P
	<u>\$ 255,707</u>			

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Township's investment policy does not restrict investment maturities other than commercial paper which can only be purchased with a 270-day maturity. The Township does not have significant investments subject to interest rate risk.

Credit risk – State statutes authorize the government 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 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 any of its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan. The investment policy adopted by the Township authorizes investment in bonds and securities of the United States government and bank accounts and certificates of deposit, but not the remainder of State statutory authority as listed above.

Township of Atlas
Notes to Financial Statements
March 31, 2015

Concentration of credit risk – The Township places no limit on the amount that may be invested in any one issuer.

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of bank failure, the government’s deposits may not be returned to it. The Township does not have a policy for custodial credit risk as it believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used. The Township had \$ 3,591,548 of bank deposits (certificates of deposit, checking and savings accounts). Of that amount, \$ 1,849,289 was covered by federal depository insurance or collateralized by U.S. treasury securities; the remaining amount of \$ 1,742,259 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township does not have investments with custodial credit risk.

NOTE 4 - CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets not being depreciated				
Land	\$ 81,601	\$ -	\$ -	\$ 81,601
Capital assets being depreciated				
Buildings, additions and improvements	1,214,089	-	-	1,214,089
Machinery and equipment	428,301	42,894	-	471,195
Vehicles	1,267,760	-	-	1,267,760
Total capital assets being depreciated	<u>2,910,150</u>	<u>42,894</u>	<u>-</u>	<u>2,953,044</u>
Less accumulated depreciation for				
Buildings, additions and improvements	504,811	26,556	-	531,367
Machinery and equipment	343,404	33,924	-	377,328
Vehicles	627,380	62,441	-	689,821
Total accumulated depreciation	<u>1,475,595</u>	<u>122,921</u>	<u>-</u>	<u>1,598,516</u>
Net capital assets being depreciated	<u>1,434,555</u>	<u>(80,027)</u>	<u>-</u>	<u>1,354,528</u>
Governmental activities capital assets, net	<u>\$ 1,516,156</u>	<u>\$ (80,027)</u>	<u>\$ -</u>	<u>\$ 1,436,129</u>

Depreciation was allocated during the year as follows:

General government	\$ 15,795
Public safety	103,535
Recreation and culture	<u>3,591</u>
 Total governmental activities	 <u>\$ 122,921</u>

Township of Atlas
Notes to Financial Statements
March 31, 2015

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND ADVANCES

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor fund	\$ 2,430
Fire Protection Fund	General Fund	<u>13,815</u>
		<u>\$ 16,245</u>

The outstanding balances between the general fund, nonmajor fund and fire protection funds result mainly from the time lag between the dates that 1) payments between the sewer receiving fund and general fund occur and 2) reimbursements for payroll between funds occur and are reimbursed. Management does not anticipate these individual interfund balances to remain outstanding for periods in excess of one year.

The composition of interund advances is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Arbor on the Lake	\$ <u>250,219</u>

The balance between the general fund and arbor on the lake is due to amounts advanced by the general fund for to cover paving and related costs for the Arbor on the Lake special assessment. The general fund will be reimbursed from Arbor on the Lake as special assessments are collected.

Interfund balances are included in the funds financial statements but have been eliminated from the government wide financial statements.

Transfers are used to move unrestricted fund revenues to finance various programs that the Township must account for in other funds in accordance with budgetary authorizations.

Interfund transfers were made between the debt service fund and fire protection fund to close out the remaining balance in the building authority cash account upon satisfaction of the bond obligation payments related to the Township Fire Hall in the amount of \$ 3,658.

NOTE 6 - DEFERRED INFLOWS OF RESOURCES

At year end the various components of deferred outflows of resources are as follows:

Earned but unavailable revenues	
Property taxes	\$ 67,397
Special assessments	16,724
Other revenue - customer collections	<u>10,212</u>
	<u>\$ 94,333</u>

NOTE 7 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation). The government has purchased commercial insurance for all claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Township of Atlas
Notes to Financial Statements
March 31, 2015

NOTE 8 - DEFERRED COMPENSATION PLAN

The Township offers qualified participants a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457. The plan is a defined contribution plan available to all permanent Township employees and requires a vesting period of three years from the date of entry into the plan at a 15 percent contribution. The amount contributed by the Township during 2015 under the deferred compensation plan was \$ 18,084.

NOTE 9 - COMMITMENTS AND CONTINGENT LIABILITIES

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

The Township has entered into a contract for policing services through December of 2016. The potential remaining balance on the contract is approximately \$ 973,875 at March 31, 2015.

The Township is a party to a contract related to the resurfacing of several roads in the Arbor on the Lake Special Assessment District, which were not completed at March 31, 2015. The total contractual commitments outstanding at March 31, 2015 totaled \$228,393. A special assessment district has been established for a duration of five year. The proceeds of this assessment are expected to be sufficient to cover these commitments.

REQUIRED SUPPLEMENTARY INFORMATION

Township of Atlas
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended March 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Actual Over (Under)
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues				
Taxes				
Property taxes	\$ 207,740	\$ 207,740	\$ 210,741	\$ 3,001
Administration fee	105,000	105,000	103,972	(1,028)
Licenses and permits	28,881	28,881	39,582	10,701
Federal grants	-	-	9,333	9,333
State shared revenue	476,148	476,148	470,631	(5,517)
Charges for services	77,664	77,664	84,733	7,069
Special assessments	254,676	254,676	246,959	(7,717)
Interest income	5,500	5,500	4,927	(573)
Other revenue	67,700	67,700	89,415	21,715
Total revenues	<u>1,223,309</u>	<u>1,223,309</u>	<u>1,260,293</u>	<u>36,984</u>
Expenditures				
General government				
Township board	143,093	143,093	167,534	24,441
Supervisor	47,448	47,448	46,013	(1,435)
Elections	20,500	20,500	13,877	(6,623)
Clerk	73,251	73,251	69,852	(3,399)
Board of review	2,660	2,660	1,373	(1,287)
Treasurer	80,167	80,167	72,223	(7,944)
Assessor	51,500	51,500	47,255	(4,245)
Cemetery	2,500	2,500	3,618	1,118
Buildings and grounds	23,500	23,500	36,903	13,403
Total general government	<u>444,619</u>	<u>444,619</u>	<u>458,648</u>	<u>14,029</u>

Township of Atlas
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
Public safety				
Building inspection department	41,541	41,541	44,904	3,363
Public works				
Aqua Weed	77,664	77,664	27,924	(49,740)
Drains	30,000	30,000	27,508	(2,492)
Highways, streets and bridges	545,500	545,500	326,863	(218,637)
Street lighting	12,000	12,000	16,498	4,498
Garbage	254,676	254,676	241,791	(12,885)
Total public works	919,840	919,840	640,584	(279,256)
Community and economic development				
Planning	27,790	27,790	18,961	(8,829)
Zoning	8,090	8,090	7,496	(594)
Total community and economic development	35,880	35,880	26,457	(9,423)
Recreation and culture				
Library	22,650	22,650	21,795	(855)

Township of Atlas
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended March 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Actual
	<u>Original</u>	<u>Final</u>		Over (Under)
				<u>Final</u>
				<u>Budget</u>
Capital outlay	-	-	36,400	36,400
Total expenditures	<u>1,464,530</u>	<u>1,464,530</u>	<u>1,228,788</u>	<u>(235,742)</u>
Excess (deficiency) of revenues over expenditures	(241,221)	(241,221)	31,505	272,726
Other Financing Sources (Uses)				
Transfers out - fire service	<u>(70,000)</u>	<u>(70,000)</u>	-	<u>70,000</u>
Net change in fund balance	(311,221)	(311,221)	31,505	342,726
Fund balance - beginning of year	<u>2,530,442</u>	<u>2,530,442</u>	<u>2,530,442</u>	<u>-</u>
Fund balance - end of year	<u>\$ 2,219,221</u>	<u>\$ 2,219,221</u>	<u>\$ 2,561,947</u>	<u>\$ 342,726</u>

Township of Atlas
Required Supplementary Information
Budgetary Comparison Schedule
Fire Protection Fund
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
Revenues				
Taxes	\$ 265,000	\$ 265,000	\$ 273,702	\$ 8,702
Charges for services	-	-	13,893	13,893
Interest income	-	-	103	103
Other revenue	1,000	1,000	2,200	1,200
	<u>266,000</u>	<u>266,000</u>	<u>289,898</u>	<u>23,898</u>
Total revenues				
Expenditures				
Public safety	311,000	311,000	189,638	(121,362)
Capital outlay	25,000	25,000	6,494	(18,506)
	<u>336,000</u>	<u>336,000</u>	<u>196,132</u>	<u>(139,868)</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(70,000)</u>	<u>(70,000)</u>	<u>93,766</u>	<u>163,766</u>
Other Financing Sources (Uses)				
Transfer in	70,000	70,000	3,658	(66,342)
Net change in fund balance	-	-	97,424	97,424
Fund balance - beginning of year	257,440	257,440	257,440	-
Fund balance - end of year	<u>\$ 257,440</u>	<u>\$ 257,440</u>	<u>\$ 354,864</u>	<u>\$ 97,424</u>

Township of Atlas
Required Supplementary Information
Budgetary Comparison Schedule
Police Fund
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Taxes	\$ 556,500	\$ 556,500	\$ 574,871	\$ 18,371
Licenses and permits	2,450	2,450	481	(1,969)
Fines and forfeitures	4,500	4,500	4,116	(384)
Interest income	70	70	131	61
Other revenue	-	-	1,500	1,500
	<u>563,520</u>	<u>563,520</u>	<u>581,099</u>	<u>17,579</u>
Total revenues				
Expenditures				
Public safety	<u>563,520</u>	<u>563,520</u>	<u>559,744</u>	<u>(3,776)</u>
Excess of revenues (deficiency) over expenditures	-	-	21,355	21,355
Fund balance - beginning of year	<u>330,770</u>	<u>330,770</u>	<u>330,770</u>	<u>-</u>
Fund balance - end of year	<u>\$ 330,770</u>	<u>\$ 330,770</u>	<u>\$ 352,125</u>	<u>\$ 21,355</u>

OTHER SUPPLEMENTARY INFORMATION

Township of Atlas
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
March 31, 2015

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Sewer Receiving Fund	Atlas Meadows Septic Fund	Recreational Pathways	Willow Gate Fund	Building Authority Fire Hall	Sewer Capital Projects Fund	
Assets							
Cash and cash equivalents	\$ 32,801	\$ 15,917	\$ 32,530	\$ 10,411	\$ -	\$ 160,098	\$ 251,757
Receivables							
Customers	10,960	-	-	-	-	-	10,960
Taxes	-	-	1,986	-	-	-	1,986
Special assessments	-	700	-	828	-	-	1,528
Total assets	<u>\$ 43,761</u>	<u>\$ 16,617</u>	<u>\$ 34,516</u>	<u>\$ 11,239</u>	<u>\$ -</u>	<u>\$ 160,098</u>	<u>\$ 266,231</u>
Liabilities							
Accounts payable	\$ -	\$ 470	\$ -	\$ 693	\$ -	\$ -	\$ 1,163
Accrued and other liabilities	3,704	-	-	-	-	-	3,704
Due to other funds	2,430	-	-	-	-	-	2,430
Total liabilities	<u>6,134</u>	<u>470</u>	<u>-</u>	<u>693</u>	<u>-</u>	<u>-</u>	<u>7,297</u>
Deferred inflows of resources							
Total deferred inflows of resources	<u>10,212</u>	<u>700</u>	<u>1,986</u>	<u>828</u>	<u>-</u>	<u>-</u>	<u>13,726</u>
Fund Balances							
Restricted for:							
Special revenue funds							
Sewer improvements and operations	27,415	15,447	-	9,718	-	-	52,580
Recreational pathways	-	-	32,530	-	-	-	32,530
Capital projects fund	-	-	-	-	-	160,098	160,098
Total fund balances	<u>27,415</u>	<u>15,447</u>	<u>32,530</u>	<u>9,718</u>	<u>-</u>	<u>160,098</u>	<u>245,208</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 43,761</u>	<u>\$ 16,617</u>	<u>\$ 34,516</u>	<u>\$ 11,239</u>	<u>\$ -</u>	<u>\$ 160,098</u>	<u>\$ 266,231</u>

Township of Atlas
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended March 31, 2015

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Sewer Receiving Fund	Atlas Meadows Septic Fund	Recreational Pathways	Willow Gate Fund	Building Authority Fire Hall	Sewer Capital Projects Fund	
Revenues							
Taxes	\$ -	\$ -	\$ 32,543	\$ -	\$ -	\$ -	\$ 32,543
Charges for services	50,273	9,940	-	7,055	-	-	67,268
Interest income	14	4	9	4	1	160	192
Total revenues	<u>50,287</u>	<u>9,944</u>	<u>32,552</u>	<u>7,059</u>	<u>1</u>	<u>160</u>	<u>100,003</u>
Expenditures							
Public works	<u>49,145</u>	<u>7,291</u>	<u>22</u>	<u>6,612</u>	<u>-</u>	<u>-</u>	<u>63,070</u>
Excess (deficiency) of revenues over expenditures	1,142	2,653	32,530	447	1	160	36,933
Other financing sources							
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,658)</u>	<u>-</u>	<u>(3,658)</u>
Net change in fund balance	1,142	2,653	32,530	447	(3,657)	160	33,275
Fund balance - beginning of year	<u>26,273</u>	<u>12,794</u>	<u>-</u>	<u>9,271</u>	<u>3,657</u>	<u>159,938</u>	<u>211,933</u>
Fund balance - end of year	<u>\$ 27,415</u>	<u>\$ 15,447</u>	<u>\$ 32,530</u>	<u>\$ 9,718</u>	<u>\$ -</u>	<u>\$ 160,098</u>	<u>\$ 245,208</u>