

Northville Parks and Recreation Commission

**Financial Report
with Supplemental Information
June 30, 2014**

Northville Parks and Recreation Commission

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Independent Auditor's Report

To the Board of Commissioners
Northville Parks and Recreation Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Northville Parks and Recreation Commission (the "Commission") as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the Northville Parks and Recreation Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Northville Parks and Recreation Commission as of June 30, 2014 and the respective changes in its financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners
Northville Parks and Recreation Commission

Emphasis of Matter

As discussed in Note 14 to the basic financial statements, in 2014, the City adopted the new accounting guidance of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which establishes accounting and financial reporting standards that reclassify, as deferred inflows and outflows of resources, certain items that were previously reported as assets and liabilities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Parks and Recreation General Fund budgetary comparison schedule, and the Senior Adult Services Fund budgetary comparison, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Northville Parks and Recreation Commission's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

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

Plante & Moran, PLLC

November 5, 2014

Northville Parks and Recreation Commission

Management's Discussion and Analysis

Northville Parks and Recreation Commission (the "Commission") is a shared service provided through an agreement between the City of Northville (the "City") and the Charter Township of Northville (the "Township"). The following discussion and analysis of the financial performance for the Commission provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the Commission's financial statements.

Financial Highlights

All contracted service agreements were reviewed this year and adjustments were made to achieve cost savings.

The youth basketball program had a large demand for a summer league this year. The adult basketball program was offered again this year after a two-year hiatus. In addition, volunteers were utilized this year to assist with basketball scorekeeping and at special events. A strategic planning focus on marketing and advertising assisted in increasing participation in youth basketball, aquatics lessons, and day camp offerings.

Facility rentals increased by 9.5 percent from the prior year. A new sound system was installed at the Community Center which enhanced the marketability of the building for rentals.

The Commission received MMRMA Risk Avoidance Program grants to add safety padding at the Community Center and upgrade the security system and to purchase additional key fobs for the dog parks.

The position of senior adult services coordinator was changed from a part-time to a full-time position during the year.

A preventative maintenance program was implemented to enhance the useful lives of equipment and infrastructure. Older equipment has been repaired and excess equipment has been sold.

The Commission continues to monitor expenditure levels closely. Program offerings are evaluated on an ongoing basis and adjustments made where warranted.

The above-mentioned efforts combined with overall cost control measures allowed fund balance to increase by approximately \$156,000.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the Commission as a whole and present a longer-term view of the Commission's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the taxpayers have funded the full cost of providing government services.

Northville Parks and Recreation Commission

Management's Discussion and Analysis (Continued)

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the Commission's operations in more detail than the government-wide financial statements by providing information about the Commission's most significant funds.

The Commission as a Whole

The following table shows, in a condensed format, the net position as of June 30, 2014 compared to June 30, 2013 and 2012:

Summary Condensed Statement of Net Position

TABLE I

	2012	2013	2014	Changes from Prior Year	
				in Dollars	Percent
Assets					
Current assets	\$ 1,698,927	\$ 1,759,758	\$ 1,932,061	\$ 172,303	10
Noncurrent assets	<u>3,072,857</u>	<u>2,942,360</u>	<u>2,789,239</u>	<u>(153,121)</u>	(5)
Total assets	4,771,784	4,702,118	4,721,300	19,182	-
Liabilities					
Current liabilities	467,656	484,539	510,955	26,416	5
Long-term liabilities	<u>1,008,077</u>	<u>873,261</u>	<u>736,250</u>	<u>(137,011)</u>	(16)
Total liabilities	<u>1,475,733</u>	<u>1,357,800</u>	<u>1,247,205</u>	<u>(110,595)</u>	(8)
Net Position					
Invested in capital assets -					
Net of related debt	1,941,232	1,953,993	1,944,130	(9,863)	(1)
Restricted	284,616	286,226	298,215	11,989	4
Unrestricted	<u>1,070,203</u>	<u>1,104,099</u>	<u>1,231,750</u>	<u>127,651</u>	12
Total net position	<u>\$ 3,296,051</u>	<u>\$ 3,344,318</u>	<u>\$ 3,474,095</u>	<u>\$ 129,777</u>	4

The increase in current assets was primarily in cash due to the positive operating results achieved during the year. The decrease in noncurrent assets was due to the current year depreciation expense on capital assets offset by the addition of the sound system at the Community Center.

The increase in current liabilities was due to the amount payable for rent due to Northville Public Schools at year end. The decrease in long-term liabilities was primarily due to the current year debt service payments.

Northville Parks and Recreation Commission

Management's Discussion and Analysis (Continued)

The following table shows the change in net position during the current year and as compared to the two prior years:

Summary Condensed Statement of Activities

TABLE 2

	2012	2013	2014	Changes from Prior Year	
				in Dollars	Percent
Revenue					
Program revenue:					
Program activities	\$ 836,659	\$ 807,660	\$ 795,329	\$ (12,331)	(2)
Federal and state grant revenue	63,793	64,427	78,342	13,915	22
Park development revenue	90,813	88,095	70,508	(17,587)	(20)
External athletic associations	146,938	184,260	172,928	(11,332)	(6)
Facility rental revenue	315,113	333,469	365,304	31,835	10
General revenue:					
Operating contributions - City and Township	1,190,987	1,190,986	1,200,986	10,000	1
Donations	1,210	101,415	4,137	(97,278)	(96)
Other revenue	31,736	26,931	30,139	3,208	12
Total revenue	2,677,249	2,797,243	2,717,673	(79,570)	(3)
Expenses					
Program activities	792,134	807,750	849,315	41,565	5
Parks	366,258	415,647	367,144	(48,503)	(12)
Facility centers	562,907	600,839	545,401	(55,438)	(9)
Administration	541,265	639,021	587,068	(51,953)	(8)
External athletic association	273,438	285,719	241,029	(44,690)	(16)
Total program expenses	2,536,002	2,748,976	2,589,957	(159,019)	(6)
Other Financing Sources - Sale of fixed assets	-	-	2,061	2,061	-
Change in Net Position	\$ 141,247	\$ 48,267	\$ 129,777	\$ 81,510	169

The parks and recreation department continues to evaluate and modify program offerings and events, while offering new program initiatives that address key trends facing the Northville community.

Program revenues fluctuate year to year based upon participation levels and available offerings. However, lacrosse did experience a significant decline in revenues due to several new travel opportunities available through outside entities. Program activity expenses generally rise annually due to inflationary increases for labor, supplies, and contracted instruction.

An increase in federal and state grant revenue is related to prior year deferred inflows of community development block grant revenue (CDBG).

Park development revenue fluctuates each year due to the number of participants in programs, the number of dog park users, and park rentals. A large portion of the decrease this year was related to a donation from the Friends of Northville Parks and Recreation in the 2013 fiscal year.

Northville Parks and Recreation Commission

Management's Discussion and Analysis (Continued)

The category for external athletic associations in both revenue and expenditures encompasses the Northville Soccer and Northville Baseball/Softball Association activities. The expenditures are recorded at full cost. The reimbursements from both organizations were decreased this fiscal year due to lower-than-expected expenditure levels. The current year subsidy for both associations totals \$68,101, down from \$101,459 in the prior year.

The increase of 10 percent in facility rental revenue is a direct result of increased marketing and advertising efforts.

The significant decrease in donations revenue is directly related to the \$100,000 private donation received for community center improvements in the prior year.

The 12 percent increase in other revenue is due to the sale of excess equipment.

The decrease in parks expenditures of 12 percent is related to the tennis court improvements at Fish Hatchery Park in the prior year.

Facility center expenditures decreased 9 percent due to lower rent paid to the schools as the Hillside gymnasium utilization was decreased and lower utility costs due to a new HVAC system installed at the Community Center.

Administration expenditures decreased as a result of cost-control measures and close monitoring of the budget.

The Commission's Funds

The Commission maintains four funds: the Parks and Recreation General Fund, the Senior Adult Services Fund (a special revenue fund), and two capital projects funds related to the two types of activities. The funds provide detailed information rather than information about the Commission as a whole. The Commission creates funds to help manage money for specific purposes, as well as to show accountability for certain activities, such as construction projects and related activities.

General Fund Budgetary Highlights

The Parks and Recreation General Fund accounts for all programming, operations, maintenance, and administrative functions of the Commission. The budget was monitored closely and amended quarterly.

The Parks and Recreation General Fund pays for all of the Commission's services other than senior adult services. The most significant are program activities, operations and maintenance of parks and facilities, and administration. Major capital expenditures are accounted for in the capital projects funds.

Northville Parks and Recreation Commission

Management's Discussion and Analysis (Continued)

Capital Asset and Debt Administration

At the end of fiscal year 2014, the Commission had \$2.8 million (net of depreciation) invested in capital assets, which includes leasehold improvements, park improvements, and equipment. Most of the outdoor recreation amenities in the Northville community are owned by either the City of Northville or the Charter Township of Northville. The level of debt continues to decrease. Five years remain on the Hillside Recreation loan and seven years remain on the Community Center loan. Both are payable interest-free to the Charter Township of Northville. No new debt is being contemplated by the Commission.

Economic Factors and Next Year's Budgets and Rates

The parks and recreation department continues to evaluate and modify program offerings and events, while offering new program initiatives that address key trends facing the Northville community. A key goal next year is to continue the development of partnerships and collaborative efforts in order to increase the recreation opportunities available to residents and to assist the department with the financial impact of delivering quality leisure services.

The parks and recreation five-year master plan updated a few years ago will continue to provide the department with direction on program trends, facility priorities, and park priorities. Resident surveys, focus groups, and public workshops will provide the feedback necessary to help prioritize services and future development.

In August 2014, Northville Township voters approved .3 mills for shared services for the next seven years. This provides stable funding for the Commission.

Contacting the Commission's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Northville Parks and Recreation Commission's office at 700 W. Baseline, Northville, Michigan 48167 or via the Commission's website at www.northvilleparksandrec.org.

Northville Parks and Recreation Commission

	Modified Accrual Basis				Total
	Parks and Recreation General Fund	Senior Adult Services Fund	Parks and Recreation Capital Projects Fund	Senior Adult Services Capital Projects Fund	
Assets					
Cash and cash equivalents	\$ 1,297,369	\$ 314,187	\$ 11,688	\$ 230,504	\$ 1,853,748
Receivables	52,576	8,484	-	-	61,060
Prepaid expenses and other assets	14,322	2,931	-	-	17,253
Capital assets	-	-	-	-	-
Total assets	<u>\$ 1,364,267</u>	<u>\$ 325,602</u>	<u>\$ 11,688</u>	<u>\$ 230,504</u>	<u>\$ 1,932,061</u>
Liabilities					
Accounts payable	\$ 112,406	\$ 2,564	\$ -	\$ 140	\$ 115,110
Accrued liabilities and other	47,903	8,393	-	-	56,296
Unearned revenue (Note 5)	187,396	1,955	-	-	189,351
Noncurrent liabilities:					
Due within one year:					
Compensated absences	-	-	-	-	-
Long-term debt (Note 9)	-	-	-	-	-
Due in more than one year:					
Compensated absences	-	-	-	-	-
Long-term debt (Note 9)	-	-	-	-	-
Total liabilities	347,705	12,912	-	140	360,757
Equity					
Fund balance:					
Nonspendable - Prepays	14,322	2,931	-	-	17,253
Restricted:					
Senior center donations	-	-	-	5,538	5,538
Senior adult services	-	292,677	-	-	292,677
Assigned for other purposes (Note 8)	69,257	17,082	11,688	224,826	322,853
Unassigned	932,983	-	-	-	932,983
Total fund balance	1,016,562	312,690	11,688	230,364	1,571,304
Total liabilities and fund balance	<u>\$ 1,364,267</u>	<u>\$ 325,602</u>	<u>\$ 11,688</u>	<u>\$ 230,504</u>	<u>\$ 1,932,061</u>
Net position:					
Net investment in capital assets					
Restricted:					
Senior center donation					
Senior adult services					
Unrestricted					
Total net position					

Statement of Net Position/Governmental Funds Balance Sheet June 30, 2014

<u>Adjustments (Note 3)</u>	<u>Statement of Net Position</u>
\$ -	\$ 1,853,748
-	61,060
-	17,253
<u>2,789,239</u>	<u>2,789,239</u>
2,789,239	4,721,300
-	115,110
-	56,296
-	189,351
6,940	6,940
143,258	143,258
34,399	34,399
<u>701,851</u>	<u>701,851</u>
886,448	1,247,205
(17,253)	-
(5,538)	-
(292,677)	-
(322,853)	-
<u>(932,983)</u>	<u>-</u>
<u>(1,571,304)</u>	<u>-</u>
1,944,130	1,944,130
5,538	5,538
292,677	292,677
<u>1,231,750</u>	<u>1,231,750</u>
<u>\$ 3,474,095</u>	<u>\$ 3,474,095</u>

Northville Parks and Recreation Commission

Statement of Activities/Governmental Funds Revenue, Expenditures, and Changes in Fund Balances Year Ended June 30, 2014

	Modified Accrual Basis				Total	Adjustments (Note 3)	Statement of Net Position
	Parks and Recreation General Fund	Senior Adult Services Fund	Parks and Recreation Capital Projects Fund	Senior Adult Services Capital Projects Fund			
Revenue							
Operating contributions - City and Township	\$ 1,014,843	\$ 186,143	\$ -	\$ -	\$ 1,200,986	\$ -	\$ 1,200,986
Program activities	736,075	59,254	-	-	795,329	-	795,329
Community Development Block Grant	12,992	13,502	-	-	26,494	(10,984)	15,510
Other grant revenue	1,609	61,223	-	-	62,832	-	62,832
Parks and facilities development revenue	70,508	-	-	-	70,508	-	70,508
External athletic associations	172,928	-	-	-	172,928	-	172,928
Facility rental revenue	365,304	-	-	-	365,304	-	365,304
Donations	1,000	3,137	-	-	4,137	-	4,137
Other revenue	28,008	2,009	-	122	30,139	-	30,139
Total revenue	2,403,267	325,268	-	122	2,728,657	(10,984)	2,717,673
Expenditures/Expenses							
Program activities	735,511	105,634	-	-	841,145	8,170	849,315
Parks operations, maintenance, and capital outlay	318,924	-	-	21,670	340,594	26,550	367,144
Facility centers	382,761	48,000	-	-	430,761	114,640	545,401
Administration	466,232	112,057	-	-	578,289	8,779	587,068
Debt service	-	-	143,258	-	143,258	(143,258)	-
External athletic associations	241,029	-	-	-	241,029	-	241,029
Total expenditures/expenses	2,144,457	265,691	143,258	21,670	2,575,076	14,881	2,589,957
Excess (Deficiency) of Revenue Over Expenditures	258,810	59,577	(143,258)	(21,548)	153,581	(25,865)	127,716
Other Financing Sources (Uses)							
Sale of fixed assets	2,061	-	-	-	2,061	-	2,061
Interfund transfers in	-	-	143,258	35,000	178,258	-	178,258
Interfund transfers out	(143,258)	(35,000)	-	-	(178,258)	-	(178,258)
Total other financing (uses) sources	(141,197)	(35,000)	143,258	35,000	2,061	-	2,061
Net Change in Fund Balances/Net Position	117,613	24,577	-	13,452	155,642	(25,865)	129,777
Fund Balances/Net Position - Beginning of year	898,949	288,113	11,688	216,912	1,415,662	1,928,656	3,344,318
Fund Balances/Net Position - End of year	\$ 1,016,562	\$ 312,690	\$ 11,688	\$ 230,364	\$ 1,571,304	\$ 1,902,791	\$ 3,474,095

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

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note I - Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies used by the Northville Parks and Recreation Commission (the "Commission"):

Reporting Entity

The Commission operates under a shared services agreement between the City of Northville (the "City") and the Charter Township of Northville (the "Township"). This agreement provides the funding formula as well as operational guidelines. In accordance with that agreement, administrative services are provided by the City of Northville. Accordingly, the Commission follows the financial policies adopted by the Northville City Council. Based upon the delegation of those responsibilities by agreement, it is inherent that financial policies that are adopted by the City are integral to the operation of the Commission.

The Commission consists of six members made up of two elected officials of the City, three from the Township, and one from the Northville School Board. The Commission serves as a recommending body to the City and Township. There are no component units for which the Commission is considered to be financially accountable.

Accounting and Reporting Principles

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

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The Commission is reporting under the model of a special purpose government engaged in a single governmental activity. Therefore, fund-based financial statements are combined with the government-wide financial statements using a columnar format to reconcile individual line items from the fund-based perspective to the government-wide perspective. The individual fund columns present their activities on the modified accrual basis of accounting, as discussed above, which demonstrates accountability for how the current resources have been spent. The government-wide columns are presented on the economic resources measurement focus and the full accrual basis of accounting in order to measure the cost of providing government services and the extent to which constituents have paid the full cost of government services.

On the full accrual basis of accounting, revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note I - Summary of Significant Accounting Policies (Continued)

Fund Accounting

The Commission accounts for its various activities in several different funds in order to demonstrate accountability for how it has spent certain resources - separate funds allow us to show the particular expenditures for which specific revenues were used. All funds of the Commission are considered governmental funds.

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue fund, and capital project funds. The Commission reports the following funds as “major” governmental funds:

- **Parks and Recreation General Fund** - The Parks and Recreation General Fund is the Commission’s primary operating fund. It accounts for all financial resources of the government, including rental and maintenance of all facilities within the Commission’s oversight.
- **Senior Adult Services Fund** - This special revenue fund accounts for all of the senior adult programming and related administration. The fund's operating contributions received are restricted for use on senior adult programs.
- **Parks and Recreation Capital Projects Fund** - This fund accounts for all capital acquisition and related professional services for the Commission, except for those accounted for in another fund.
- **Senior Adult Services Capital Projects Fund** - This fund accounts for all activity related to capital improvements and related expenses for the Northville Community Senior Center.

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

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

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note I - Summary of Significant Accounting Policies (Continued)

Basis of Accounting

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

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

Revenues are not recognized until they are collected, or collected soon enough after the end of the year that they are available to pay for obligations outstanding at the end of the year. For this purpose, the Commission considers amounts collected within 60 days of year end to be available for recognition.

Specific Balances and Transactions

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

Receivables - All trade and property tax receivables are shown net of any allowance for uncollectible amounts.

Capital Assets - Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are 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.

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

Buildings and park improvements	5 to 50 years
Equipment and furniture	3 to 20 years
Vehicles	3 to 15 years

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note I - Summary of Significant Accounting Policies (Continued)

Long-term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. The liability will be liquidated from the Parks and Recreation General Fund.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The Commission has no items that qualify for reporting in this category as of June 30, 2014.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The Commission has no items that qualify for reporting in this category as of June 30, 2014.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

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

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note I - Summary of Significant Accounting Policies (Continued)

Fund Balance Policies

In the fund financial statements, governmental funds report the following components of fund balance:

Nonspendable - Amounts that are not in spendable form or are legally or contractually required to be maintained intact

Restricted - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose

Committed - Amounts that have been formally set aside by the Northville Parks and Recreation Commission for use for specific purposes. Commitments are made and can be rescinded only via resolution of the Commission.

Assigned - Intent to spend resources on specific purposes expressed by the City finance director and the Township finance director, who are authorized by policies approved by the Northville Parks and Recreation Commission to make assignments

Unassigned - Amounts that do not fall into any other category above.

Compensated Absences (Vacation and Sick Leave) - It is the Commission's policy to permit employees to accumulate earned but unused sick and vacation pay benefits and accumulate compensatory leave time. After 10 years of service, employees may receive payment of the accumulated sick leave balance at the rate of 50 percent for retirement or 25 percent for other types of termination. A liability is accrued when incurred in the government-wide column of the financial statements. The liability will be liquidated from the Parks and Recreation General Fund and the Senior Adult Services Fund.

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.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information - Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the Parks and Recreation General Fund, the special revenue fund, and the capital projects funds. All annual appropriations lapse at fiscal year end. The annual budget is prepared by the director and then reviewed by the Commission. After the budget is approved by the Commission, it is then presented to the Township and the City for approval prior to the start of the fiscal year. The budget is reviewed by the Commission on a quarterly basis and amended as necessary.

The budget document presents information by fund, function, department, and line items. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. During the current year, the budget was amended in a legally permissible manner. The budget has been prepared in accordance with accounting principles generally accepted in the United States of America. The budgeted amounts for the Parks and Recreation General Fund, special revenue fund, and capital projects funds are adopted at the departmental level; expenditures in excess of amounts budgeted are a violation of Michigan law. The comparisons of actual results of operations to the Parks and Recreation General Fund, special revenue fund, and capital projects funds budgets shown in the required supplemental information and other supplemental information are more detailed than the budgets as adopted by the Commission and are presented for analytical purposes only.

Excess of Expenditures Over Appropriations in Budgeted Funds - The Commission had no significant expenditure budget variances. Minor budget variances in program activities are due to greater-than-anticipated expenditures for the growing tennis program and additional class offerings. Other minor budget variances include additional senior administration expenditures for increased front desk coverage at the Community Center to assist with increased facility rentals.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 3 - Reconciliation of Government-wide and Fund Financial Statements

Total fund balances and the net change in fund balances of the Commission's governmental funds differ from net position and change in net position of the governmental activities reported in the statement of net position and statement of activities portions of the financial statements. These differences result primarily from the long-term economic focus of the statement of net position and statement of activities versus the economic focus of the governmental funds balance sheet and the statement of governmental funds revenue, expenditures, and changes in fund balances.

The following is a reconciliation of fund balance to net position and the net change in fund balance to the net change in net position:

Total Fund Balance - Modified Accrual Basis	\$ 1,571,304
Amounts reported in the statement of net position are different because:	
Capital assets are not financial resources and are not reported in the funds	2,789,239
Compensated absences are included as a liability	(41,339)
Long-term liabilities are not due and payable in the current period and are not reported in the funds	<u>(845,109)</u>
Total Net Position - Full Accrual Basis	<u>\$ 3,474,095</u>

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 3 - Reconciliation of Government-wide and Fund Financial Statements (Continued)

Total Changes in Fund Balance - Modified Accrual Basis	\$ 155,642
Amounts reported in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures in the statement of activities; these costs are allocated over their estimated useful lives as depreciation	15,214
Depreciation	(168,335)
Increase in the accrual for long-term compensated absences is reported as an expense in the governmental funds but is not reported as an expense in the statement of activities	(5,018)
Revenue reported in the governmental funds includes prior year grants that were not received within the 60-day availability period. The availability period does not apply to the statement of activities, so the revenue was recognized in the prior year	(10,984)
Repayment of bond principal is an expenditure in the governmental funds but is not reported as an expense in the statement of activities	<u>143,258</u>
Total Changes in Net Position - Full Accrual Basis	<u>\$ 129,777</u>

Note 4 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan; and investment pools organized under the Surplus Funds Investment Pool Acts of the State of Michigan. The investment policy adopted in accordance with Public Act 196 of 1997 has authorized investments in all vehicles covered by the state statute listed above.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 4 - Deposits and Investments (Continued)

Cash and investments are subject to several types of risk. At year end, the carrying amount of the Commission's cash and investments is held by the City's cash and investments pool. For the purpose of risk disclosure, it is not practical to allocate risk to each entity in the investment fund. The disclosures below are related to the overall risk for the cash and investments totals that are presented in the City's financial statements. The Commission's cash and investments represent 12 percent of the total portfolio managed by the City.

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. The policy for custodial credit risk limits bank options to those approved by the Commission. All banks must supply audited financial statements, proof of state registration, and certification of compliance with the investment policy. Overall, at year end, the Commission had \$177,830 in bank deposits (checking and savings accounts in addition to certificates of deposit) that were uninsured and uncollateralized. Each financial institution where funds are deposited is evaluated to assess the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. As of June 30, 2014, a total of six banks are utilized for the deposit of Commission funds.

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

At year end, the Commission had the following investments:

Investment	Fair Value	Weighted Average Maturity (Days)
Primary Government		
Federal National Mortgage Association	\$ 96,077	220
Federal Home Loan Bank	83,915	282
Federal Farm Credit Bank	192,066	113
Municipal bonds	646,592	254
Treasury	445,058	365
Total	<u>\$ 1,463,708</u>	

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 4 - Deposits and Investments (Continued)

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

Investment	Percentage of Total Portfolio	Standard & Poor's Rating
Primary Government		
Bank investment pools	3	N/A
Federal National Mortgage Association	6	AA+
Federal Home Loan Bank	6	AA+
Federal Farm Credit Bank	13	AA+
U.S. Treasury - Notes	22	AA+
U.S. Treasury - T-Bills	7	AA+
Municipal bonds	3	A+
Municipal bonds	9	AA
Municipal bonds	9	AA-
Municipal bonds	2	AA+
Municipal bonds	4	AAA
Municipal bonds	6	NR
Municipal bonds	10	SP-1

Concentration of Credit Risk - It is policy to diversify the investment portfolio with a goal of 5 percent maximum exposure to any one credit risk at time of purchase. This requirement does not apply to investments issued by the U.S. government or its agencies, investments in mutual funds, and external investment pools and other pooled investments. At June 30, 2014, 11 percent of the City's investments were invested in Federal Farm Credit Bank securities, and 6 percent were invested in Federal National Mortgage Association securities.

Note 5 - Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the Commission had unearned program revenue of \$189,351.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 6 - Capital Assets

Capital asset activity of the Commission's governmental activities was as follows:

Governmental Activities	Balance <u>July 1, 2013</u>	Additions	Disposals	Balance <u>June 30, 2014</u>
Capital assets being depreciated:				
Community Center improvements	\$ 3,027,554	\$ -	\$ -	\$ 3,027,554
Hillside improvements	856,734	-	-	856,734
Ford Field Park improvements	65,901	-	-	65,901
Fish Hatchery Park improvements	50,508	-	-	50,508
Henningson Park improvements	9,693	-	-	9,693
Community Park improvements	303,242	-	-	303,242
Millennium Park improvements	2,246	-	-	2,246
Park land and improvements	83,509	-	-	83,509
Program equipment and furniture	79,534	15,214	-	94,748
Office equipment and furniture	55,182	-	-	55,182
Parks maintenance equipment and vehicles	<u>379,544</u>	<u>-</u>	<u>-</u>	<u>379,544</u>
Subtotal	4,913,647	15,214	-	4,928,861
Accumulated depreciation	<u>1,971,287</u>	<u>168,335</u>	<u>-</u>	<u>2,139,622</u>
Net capital assets being depreciated	<u>\$ 2,942,360</u>	<u>\$ (153,121)</u>	<u>\$ -</u>	<u>\$ 2,789,239</u>

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

Governmental activities:	
Administration	\$ 3,761
Facility center	114,640
Program activities	8,170
Parks	<u>41,764</u>
Total governmental activities	<u>\$ 168,335</u>

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 7 - Interfund Transfers

Interfund activity for the year ended June 30, 2014 consisted of the following:

Transfers from (out)	Transfers to (in)	Amount
Parks and Recreation General Fund	Parks and Recreation Capital Projects Fund (1)	\$ 143,258
Senior Adult Services Fund	Senior Capital Projects Fund (2)	35,000
	Total	<u>\$ 178,258</u>

- (1) This transfer represents funding from the Parks and Recreation General Fund for park development, equipment purchases, and debt service.
- (2) This transfer represents funding from the Senior Adult Services Fund for future roof replacement at the senior center.

Note 8 - Fund Balance Assignments

Fund balance in the funds is assigned to show management's intentions. The following is a summary of the changes in assigned fund balance for the funds:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Parks and Recreation General Fund:				
Compensated absences	36,321	3,847	-	40,168
Dog park	\$ 26,436	\$ 18,860	\$ (23,771)	\$ 21,525
Safety Town	-	16,875	(9,311)	7,564
Subtotal	62,757	39,582	(33,082)	69,257
Senior Adult Services Fund:				
Bus replacement	15,912	-	-	15,912
Compensated absences	-	1,170	-	1,170
Subtotal	15,912	1,170	-	17,082
Parks and Recreation Capital Projects Fund - Assigned for future Hillside needs				
	11,688	-	-	11,688
Senior Adult Services Capital Projects Fund:				
General donated funds	110,308	-	(18,462)	91,846
Community Center improvements	100,129	32,851	-	132,980
Subtotal	210,437	32,851	(18,462)	224,826
Total	<u>\$ 300,794</u>	<u>\$ 73,603</u>	<u>\$ (51,544)</u>	<u>\$ 322,853</u>

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 9 - Long-term Debt

The outstanding debt of the Commission consists of the following interest-free amounts borrowed from the Charter Township of Northville:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Senior community center loan	\$ 818,822	\$ -	\$ (115,000)	\$ 703,822	\$ 115,000
Hillside recreation loan	169,545	-	(28,258)	141,287	28,258
Total bonds payable	<u>\$ 988,367</u>	<u>\$ -</u>	<u>\$ (143,258)</u>	<u>\$ 845,109</u>	<u>\$ 143,258</u>

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

Years Ending June 30	Principal	Interest	Total
2015	\$ 143,258	\$ -	\$ 143,258
2016	143,258	-	143,258
2017	143,258	-	143,258
2018	143,258	-	143,258
2019	143,258	-	143,258
2020-2021	<u>128,819</u>	<u>-</u>	<u>128,819</u>
Total	<u>\$ 845,109</u>	<u>\$ -</u>	<u>\$ 845,109</u>

Note 10 - Risk Management

The Commission is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. As an affiliate of the City, the Commission participates in the Michigan Municipal Risk Management Authority (the "Authority") for claims relating to property loss, torts, and errors and omissions.

The Authority risk pool program operates as a claims servicing pool for amounts up to member retention limits and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to the Authority, which it uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the Commission.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 10 - Risk Management (Continued)

The Commission estimates the liability for general liability claims that have been incurred through the end of the fiscal year, including claims that have been reported as well as those that have not yet been reported. During the year ended June 30, 2014, there were no uninsured claims paid by the Commission and no significant outstanding balances at year end.

The Commission also participates, through its affiliation with the City, in the Michigan Municipal League (MML) risk pool for employee injuries. The Commission, through the City, has purchased commercial insurance for all medical benefits beginning November 1, 1998. Settled claims related to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 11 - Defined Benefit Pension Plan

The City of Northville sponsors a defined benefit pension plan on behalf of the Northville Parks and Recreation Commission. As part of the City's plan, the Commission contributes to the Municipal Employees' Retirement System of Michigan (MERS). This constitutes a cost-sharing multiple-employer defined benefit pension plan available to employees hired prior to April 1997. The plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The plan issues a publicly available financial report that includes financial statements and required supplemental information for the MERS. That report may be obtained by writing to the MERS at 1134 Municipal Way, Lansing, MI 48917.

The obligation to contribute to and maintain the system for these employees was established by the cost-sharing plan between the Township and the City. The Commission is required to contribute at actuarially required rates. The current rate is a flat-dollar amount of \$7,479 because these are closed divisions. There is one employee participating in this plan as of June 30, 2014.

The City of Northville sponsors the pension plan and postretirement benefit plan on behalf of the Commission. The employer of record for the Commission is the City of Northville. Accordingly, employees and retirees (of which there are three at year end) of the Commission participate in the City's employee benefit programs and policies and are pooled with all other City employees for benefits administration. The City charges the Commission for its pro-rata share of employee fringe benefit costs in the same manner as City departments are charged for fringe benefits. The Commission contributes a pro-rata share of the amortization of unfunded actuarial liability for the postretirement benefit plan. A description of the pension plan and postretirement benefit plan, and related overall funding levels, may be obtained from the City of Northville's financial statements. Those statements may be obtained by contacting the City of Northville, 215 West Main Street, Northville, MI 48167.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 12 - Defined Contribution Pension Plan

Employees hired after April 1997 are eligible to participate in the defined contribution plan sponsored by the City of Northville. As part of the City's defined contribution plan, the Commission contributes to the Municipal Employees' Retirement System of Michigan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. As established by City Council action, the Commission contributes 5 percent of gross earnings for eligible part-time employees and 10 percent of gross earnings for full-time employees. The Commission's contribution plus investment earnings are fully vested by the employee after seven years of service.

The Commission's total payroll during the current year was \$895,590. The current year contribution was calculated based on covered payroll of \$256,058, resulting in an employer contribution of \$23,915. There are six employees participating in this plan.

Note 13 - Other Postemployment Benefits

Plan Description - The Parks and Recreation Commission provides retiree healthcare benefits to eligible employees and their spouses through the City of Northville Retiree Health Plan. This is a cost-sharing multiple employer defined benefit plan administered by the City of Northville. Benefit provisions are established by negotiated labor contracts and the nonunion benefits policy established by the City Council. The Retiree Health Plan does not issue a publicly available financial report.

Funding Policy - The City and the Commission have no obligation to make contributions in advance of when the insurance premiums are due for payment (in other words, this may be financed on a "pay-as-you-go" basis). However, the City and the Commission have made contributions to advance-fund these benefits, as determined by City Council action.

Eligible employees hired after July 1, 2008 are provided a defined contribution plan. As established by City Council action, the City contributes 2 percent to 6 percent of gross earnings, based upon years of service, into a healthcare savings plan. The City's contribution vests after five years of service. In addition, employees must contribute 1 percent of earnings into the plan. There is one employee participating in this plan. In accordance with these requirements, the Commission contributed \$1,433 during the plan year.

The City and the Commission fund 100 percent of the cost of current-year premiums for eligible retired plan members and their spouses. There are currently no retirees for whom healthcare premiums are being paid by the Commission. As of June 2014, two retirees receive payments in lieu of healthcare benefits. For fiscal year 2014, the Commission incurred expenses totaling approximately \$8,270 for payments in lieu of healthcare benefits.

Northville Parks and Recreation Commission

Notes to Financial Statements June 30, 2014

Note 14 - Change in Accounting

During the current year, the Commission adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The objective of this statement is to establish standards that reclassify certain items that were previously reported as assets and liabilities and instead to classify them as deferred inflows of resources, deferred outflows of resources, or outflows of resources.

No reclassifications were necessary for the financial statements for the year ended June 30, 2014 as a result of implementing this statement.

Note 15 - Upcoming Accounting Pronouncements

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This net pension liability that will be recorded on the government-wide, proprietary, and discretely presented component units statements will be computed differently than the current unfunded actuarial accrued liability, using specific parameters set forth by the GASB. The statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI). The Commission is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for financial statements as of and for the year ending June 30, 2015.

Required Supplemental Information

Northville Parks and Recreation Commission

Required Supplemental Information Budgetary Comparison Schedule - Parks and Recreation General Fund Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Operating contributions - City and Township	\$ 1,014,843	\$ 1,014,843	\$ 1,014,843	\$ -
Program activities	735,720	807,548	736,075	(71,473)
Community Development Block Grant	10,442	16,427	12,992	(3,435)
Federal and other grants	-	1,850	1,609	(241)
Parks and facilities development revenue	82,150	83,228	70,508	(12,720)
External athletic associations	172,830	186,227	172,928	(13,299)
Facility rental revenue	322,700	368,000	365,304	(2,696)
Operating grants and contributions	1,000	1,000	1,000	-
Other revenue	30,600	30,400	28,008	(2,392)
Total revenue	2,370,285	2,509,523	2,403,267	(106,256)
Expenditures/Expenses				
Program activities	679,268	725,840	735,511	(9,671)
Park maintenance and capital outlay	323,198	351,963	318,924	33,039
Facility centers	411,489	394,865	382,761	12,104
Administration	482,830	473,563	466,232	7,331
External athletic associations	261,826	255,381	241,029	14,352
Total expenditures/expenses	2,158,611	2,201,612	2,144,457	57,155
Excess of Revenue Over Expenditures	211,674	307,911	258,810	(49,101)
Other Financing Sources (Uses)				
Sale of fixed assets	-	3,061	2,061	(1,000)
Operating transfers out	(143,238)	(143,258)	(143,258)	-
Total other financing uses	(143,238)	(140,197)	(141,197)	(1,000)
Net Change in Fund Balance	68,436	167,714	117,613	(50,101)
Fund Balance - Beginning of year	898,949	898,949	898,949	-
Fund Balance - End of year	\$ 967,385	\$ 1,066,663	\$ 1,016,562	\$ (50,101)

Northville Parks and Recreation Commission

Required Supplemental Information Budgetary Comparison Schedule - Senior Adult Services Fund Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Operating contributions - City and Township	\$ 186,143	\$ 186,143	\$ 186,143	\$ -
Program activities	62,200	60,100	59,254	(846)
Community Development Block Grant	4,000	10,000	13,502	3,502
Federal and other grant revenue	38,800	45,729	61,223	15,494
Donations	-	555	3,137	2,582
Other revenue	2,300	2,370	2,009	(361)
Total revenue	293,443	304,897	325,268	20,371
Expenditures/Expenses				
Program activities	103,260	112,513	105,634	6,879
Facility centers	48,000	48,000	48,000	-
Administration	108,720	105,720	112,057	(6,337)
Total expenditures/expenses	259,980	266,233	265,691	542
Excess of Revenue Over Expenditures	33,463	38,664	59,577	20,913
Other Financing Uses -				
Interfund transfers out	(35,000)	(35,000)	(35,000)	-
Net Change in Fund Balance	(1,537)	3,664	24,577	20,913
Fund Balance - Beginning of year	288,113	288,113	288,113	-
Fund Balance - End of year	<u>\$ 286,576</u>	<u>\$ 291,777</u>	<u>\$ 312,690</u>	<u>\$ 20,913</u>

Other Supplemental Information

Northville Parks and Recreation Commission

Other Supplemental Information Budgetary Comparison Schedule - Parks and Recreation Capital Projects Fund Year Ended June 30, 2014

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget
Revenue - Other revenue	\$ 3,320	\$ -	\$ -	\$ -
Expenditures/Expenses				
Other expense	3,300	-	-	-
Debt service	<u>143,258</u>	<u>143,258</u>	<u>143,258</u>	<u>-</u>
Total expenditures/expenses	<u>146,558</u>	<u>143,258</u>	<u>143,258</u>	<u>-</u>
Deficiency of Revenue Over Expenditures	(143,238)	(143,258)	(143,258)	-
Other Financing Sources - Operating transfers in	<u>143,238</u>	<u>143,258</u>	<u>143,258</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	<u>11,688</u>	<u>11,688</u>	<u>11,688</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 11,688</u></u>	<u><u>\$ 11,688</u></u>	<u><u>\$ 11,688</u></u>	<u><u>\$ -</u></u>

Northville Parks and Recreation Commission

Other Supplemental Information Budgetary Comparison Schedule - Senior Adult Services Capital Projects Fund Year Ended June 30, 2014

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget
Revenue - Other revenue	\$ 300	\$ 250	\$ 122	\$ (128)
Expenditures - Other	125,000	21,670	21,670	-
Other Financing Sources - Operating transfers in	35,000	35,000	35,000	-
Net Change in Fund Balance	(89,700)	13,580	13,452	(128)
Fund Balance - Beginning of year	216,912	216,912	216,912	-
Fund Balance - End of year	<u>\$ 127,212</u>	<u>\$ 230,492</u>	<u>\$ 230,364</u>	<u>\$ (128)</u>

Northville Parks and Recreation Commission

Other Supplemental Information Schedule of Program Activities Revenue Budget and Actual Parks and Recreation General Fund Year Ended June 30, 2014 (with comparative actual amounts for the year ended June 30, 2013)

	Year Ended June 30				
	2014			2013	
	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance Favorable (Unfavorable)	Actual
Program Activities Revenue - Registration and fees					
Adult basketball	\$ 14,800	\$ 6,825	\$ 7,313	\$ 488	\$ -
Adult softball	18,000	30,500	16,634	(13,866)	18,841
Aquatics	100,000	104,000	101,668	(2,332)	103,750
Day camp	22,000	23,500	14,216	(9,284)	16,142
Ski club	30,000	39,897	39,897	-	30,895
Tennis	35,120	52,500	54,644	2,144	44,445
Health and wellness	46,000	53,000	53,222	222	48,824
Youth basketball	81,000	103,100	100,550	(2,550)	86,430
Youth volleyball	32,500	37,500	36,302	(1,198)	36,040
Sand volleyball	7,300	9,300	5,808	(3,492)	5,110
Adult volleyball	35,000	31,066	31,066	-	29,311
Lacrosse	95,000	76,460	75,827	(633)	92,899
Safety town	15,000	22,000	16,875	(5,125)	22,530
Cultural arts and community events	24,000	29,400	21,200	(8,200)	20,150
Other activities	180,000	188,500	160,853	(27,647)	192,607
Total program activities revenue	<u>\$ 735,720</u>	<u>\$ 807,548</u>	<u>\$ 736,075</u>	<u>\$ (71,473)</u>	<u>\$ 747,974</u>

Northville Parks and Recreation Commission

Other Supplemental Information Schedule of Program Activities Expenditures Budget and Actual Parks and Recreation General Fund Year Ended June 30, 2014 (with comparative actual amounts for the year ended June 30, 2013)

	Year Ended June 30				
	2014			2013	
	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance Favorable (Unfavorable)	Actual
Program Activities Expenditures					
Adult basketball	\$ 14,800	\$ 7,950	\$ 6,762	\$ 1,188	\$ -
Adult softball	13,615	17,702	18,873	(1,171)	12,413
Aquatics	96,650	101,690	102,488	(798)	105,696
Day camp	14,590	12,530	10,536	1,994	10,879
Ski club	27,740	40,749	40,749	-	26,241
Tennis	32,485	44,686	52,615	(7,929)	32,317
Health and wellness	44,970	52,635	53,856	(1,221)	50,505
Youth basketball	71,980	80,965	80,991	(26)	80,878
Youth volleyball	31,870	37,450	39,014	(1,564)	28,241
Sand volleyball	7,260	7,500	5,910	1,590	6,526
Adult volleyball	31,340	31,505	31,797	(292)	29,564
Lacrosse	88,915	76,460	77,451	(991)	91,536
Safety town	7,975	11,155	9,311	1,844	11,526
Cultural arts	20,250	19,555	20,055	(500)	15,750
Other activities	174,828	183,308	185,103	(1,795)	187,359
Total program activities expenditures	<u>\$ 679,268</u>	<u>\$ 725,840</u>	<u>\$ 735,511</u>	<u>\$ (9,671)</u>	<u>\$ 689,431</u>

Northville Parks and Recreation Commission

Other Supplemental Information Schedule of Program Activities Revenue and Expenditures Parks and Recreation General Fund

	Year Ended June 30					
	2014			2013		
	Revenue	Expenditures	Revenue Over (Under) Expenditures	Revenue	Expenditures	Revenue Over (Under) Expenditures
Registration and Fees						
Adult basketball	\$ 7,313	\$ 6,762	\$ 551	\$ -	\$ -	\$ -
Adult softball	16,634	18,873	(2,239)	18,841	12,413	6,428
Aquatics	101,668	102,488	(820)	103,750	105,696	(1,946)
Day camp	14,216	10,536	3,680	16,142	10,879	5,263
Ski club	39,897	40,749	(852)	30,895	26,241	4,654
Tennis	54,644	52,615	2,029	44,445	32,317	12,128
Health and wellness	53,222	53,856	(634)	48,824	50,505	(1,681)
Youth basketball	100,550	80,991	19,559	86,430	80,878	5,552
Youth volleyball	36,302	39,014	(2,712)	36,040	28,241	7,799
Sand volleyball	5,808	5,910	(102)	5,110	6,526	(1,416)
Adult volleyball	31,066	31,797	(731)	29,311	29,564	(253)
Lacrosse	75,827	77,451	(1,624)	92,899	91,536	1,363
Safety town	16,875	9,311	7,564	22,530	11,526	11,004
Cultural arts	21,200	20,055	1,145	20,150	15,750	4,400
Other activities	160,853	185,103	(24,250)	192,607	187,359	5,248
Total program activities	\$ 736,075	\$ 735,511	\$ 564	\$ 747,974	\$ 689,431	\$ 58,543