

Bridgeport Charter Township Accounting Department 2016 Annual Report



Overview

It is my pleasure to present the 2016 annual report for the Accounting Department to you. 2016 was another year of change for the department with a new accounting Supervisor, to oversee the department. Otherwise, the department remains consistent from prior years in staffing levels. In addition to the basic duties of serving the residents of the township, they are instrumental in a number of areas. Lisa Shaw serves as the deputy clerk and did a great job with the election in 2016 with minimal issues. Jessica Patman has stepped up to help out on working with taxes and helping out with Accounts Payable. Denise Brush works primarily with the water department but has helped Lisa and Jessica in times of need. With the change, we are working on ways to work better as a team to serve the Township to the best of our abilities.

Services

As a department, our first priority is to serve the residents of the township. Secondly, we strive to serve the Town Board, the Township Manager and the department heads with reliable information in a timely manner to enable those responsible individuals with their management decisions.

Training

As the Accounting Supervisor, I will determine if there are appropriate training sessions that need to be attended to make sure the department, the board and the township are operating the most effectively. In that regard, I will be attending a Michigan Township Association workshop on building a better budget. With this knowledge, hopefully the next budget season will be more streamlined to make the process more efficient and we can work to build a great budget to meet the township's needs. In addition, I will be attending the Spring Seminar of the Michigan Government Finance Officers Association. During the session, I will be learning about the latest happenings at the state level and changes that are going on with accounting for local governmental units.

Issues facing the Township

As with any township, there are bound to be issues that will need to be addressed. As far as the accounting department is concerned, there are three items that we as a team will need to address over the next few years. These are issues that will only get worse unless a plan is developed, implemented, monitored, and evaluated.

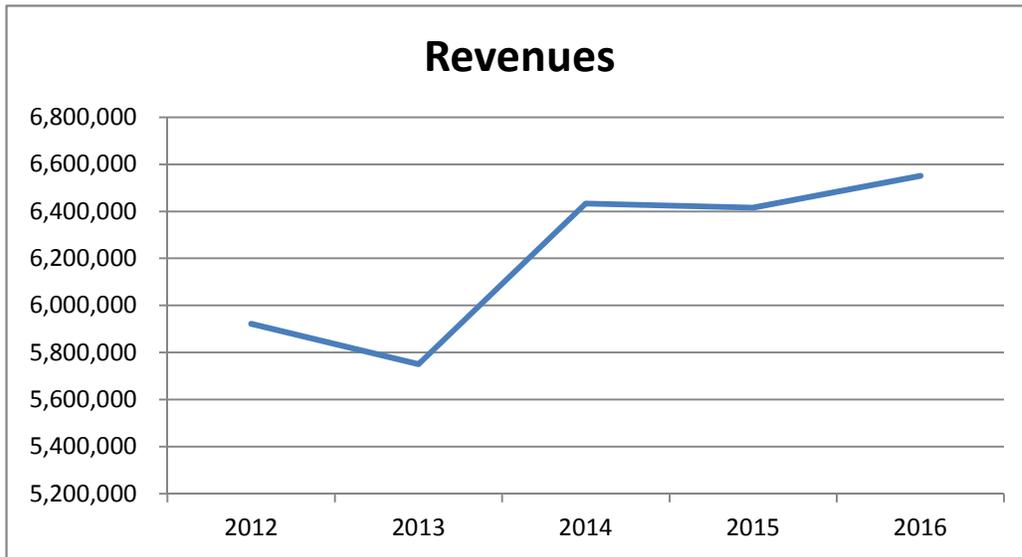
- 1.) The defined benefit pension plan that the township participates in, Michigan Municipal Employees' Retirement System (MERS), is currently at only 61% funded at 12/31/15. In addition, at 12/31/16, there were only 38 active employees for 37 retirees.
- 2.) Other Post-Employment Benefits - this has a \$1,026,964 unfunded liability as of 12/31/15. The plan is 0% funded. The State will be pushing us to develop a plan to address this.
- 3.) Equipment pool - the township has spent this fund down and we need to determine how to build this fund back up for any future capital needs.

If you have any questions, concerns, or issues please feel free to contact me anytime.

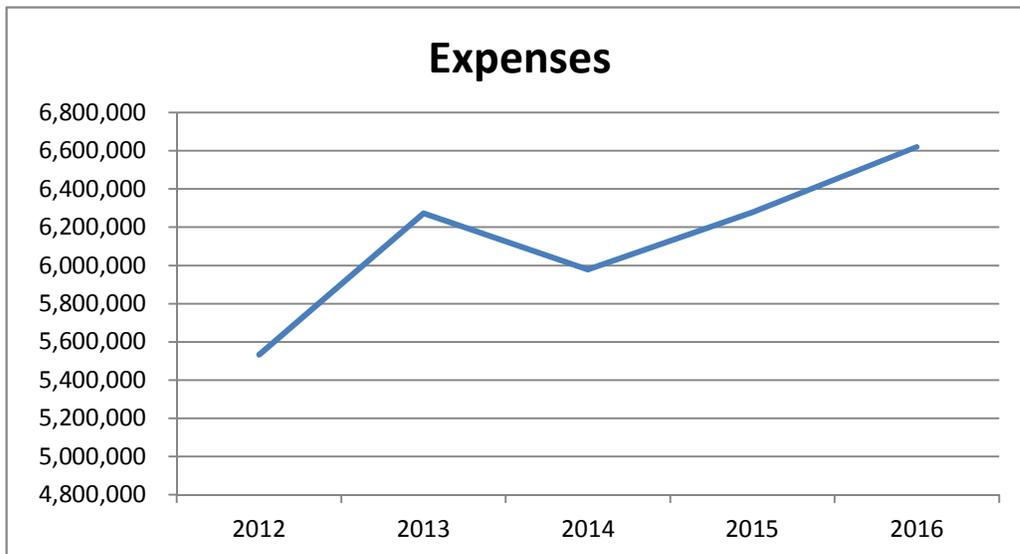
Respectfully submitted,

Ron Rachwitz
Accounting Supervisor

Bridgeport Charter Township
Year End Financial Information
For the Years Ending December 31

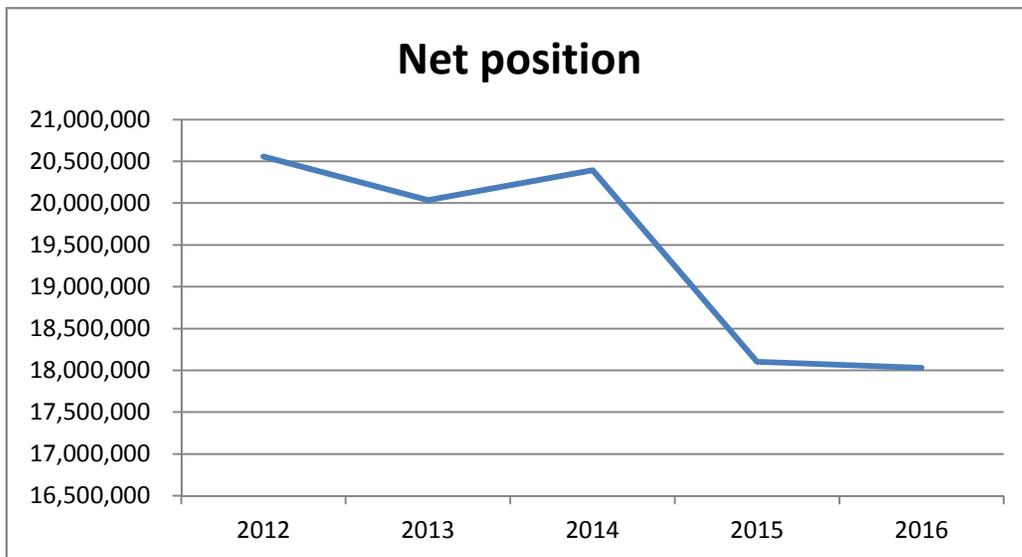


Note: 2016 amounts are before any year end adjustments and are unaudited.



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2015 included a prior period adjustment of a negative \$2,429,490 for a change in accounting principle. New governmental accounting standards required the net pension liability and expense to be recorded.

2014 included a prior period adjustment of a negative \$99,879 for the purchase of land that was originally recorded in the governmental activities rather than the Downtown Development Authority.