

Oak Park City Council Agenda

January 17, 2017





AGENDA
REGULAR CITY COUNCIL MEETING
36th CITY COUNCIL
OAK PARK, MICHIGAN
January 17, 2017
7:00 PM

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. APPROVAL OF AGENDA

5. CONSENT AGENDA

The following routine items are presented for City Council approval without discussion, as a single agenda item. Should any Council Member wish to discuss or disapprove any item it must be dropped from the blanket motion of approval and considered as a separate item.

- A. Regular Council Meeting Minutes of January 3, 2017
- B. Board of Review Meeting Minutes of December 13, 2016
- C. Emergency Services Council Meeting Minutes of November 14, 2016
- D. Request to advertise for bids for 2017 Granzon Avenue Reconstruction Project, M-650
- E. Request to advertise for bids for the 2017 Joint and Crack Sealing Project, M-651
- F. Payment of invoices from Orchard, Hiltz & McCliment (OHM) for CE Oak Park Blvd./ Lincoln Rehab and Traffic Signal Optimization in the total amount of \$16,218.85
- G. Licenses - New and Renewals as submitted for January 17, 2017

6. RECOGNITION OF VISITING ELECTED OFFICIALS

7. SPECIAL RECOGNITION/PRESENTATIONS:

- A. Merit Citations presented by Public Safety Director Cooper
- B. City Manager Employee Recognition – Bob Barletta, Department of Public Works
- C. Audit Presentation - Carl Johnson, Finance Director and Mark Kettner, Rehmann Robson

8. PUBLIC HEARINGS:

9. COMMUNICATIONS: None

10. SPECIAL LICENSES: None

11. ACCOUNTING REPORTS:

- A. Approval for payment of an invoice submitted by Secrest, Wardle, Lynch, Hampton, Truex & Morley for legal services in the amount of \$128.00
- B. Approval for payment of invoices submitted by Garan, Lucow, Miller, P.C. for legal services in the total amount of \$19,924.55

12. BIDS:

- A. Request to award the bid for the 2017 Lawn Maintenance Contract, M-660 to AJ's Maintenance of Ypsilanti, MI for the total amount of \$93,093.48

13. ORDINANCES:

- A. Second reading and adoption of an ordinance to amend Section 72-61, Tax Exemption Ordinance - Jefferson Oaks Pilot, of Article III, Tax Exemption Ordinance- Jefferson Oaks Pilot, of Chapter 72, Taxation, of the Code Of Ordinances of the City of Oak Park, Michigan

14. CITY ATTORNEY

15. CITY MANAGER:

Administration

- A. State of the City Address – February 15, 2017

Department of Public Works

- B. Request to approve an agreement from DTE Energy for the LED street lighting conversion for the total amount of \$625,969.00 subject to final review of the agreement by the City Attorney

Finance

- C. Receive and file the Quarterly Financial Report for period ending September 30, 2016
- D. Resolution approving requested Budget Amendment #2017-1 for period ending September 30, 2016

16. CALL TO THE AUDIENCE

Each speaker's remarks are a matter of public record; the speaker, alone, is responsible for his or her comments and the City of Oak Park does not, by permitting such remarks, support, endorse or accept the content, thereof, as being true or accurate. "Any person while being heard at a City Council Meeting may be called to order by the Chair, or any Council Member for failure to be germane to the business of the City, vulgarity, or personal attacks on persons or institutions." There is a three minute time limit per speaker.

17. CALL TO THE COUNCIL

18. ADJOURNMENT

The City of Oak Park will comply with the spirit and intent of the American with Disabilities Act. We will provide support and make reasonable accommodations to assist people with disabilities to access and participate in our programs, facilities and services. Accommodations to participate at a Council Meeting will be made with 7-day prior notice.



**CITY OF OAK PARK, MICHIGAN
REGULAR COUNCIL MEETING OF THE
36th OAK PARK CITY COUNCIL
January 3, 2017
7:00 PM**

MINUTES

The meeting was called to order at 7:00 PM by Mayor McClellan in the Council Chambers of City Hall located at 14000 Oak Park Boulevard, Oak Park, MI 48237. (248) 691-7544.

PRESENT: Mayor McClellan, Mayor Pro Tem Burns, Council Member Radner, Council Member Rich

ABSENT: Council Member Speech (Excused due to illness)

OTHERS

PRESENT: City Manager Tungate, City Clerk Norris, City Attorney Murphy

APPROVAL OF AGENDA:

CM-01-001-17 (AGENDA ITEM #4) ADOPTION OF THE AGENDA AS SUBMITTED – APPROVED

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to approve the agenda as submitted

Voice Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

CONSENT AGENDA:

CM-01-002-17 (AGENDA ITEM #5A-J) CONSENT AGENDA - APPROVED

Motion by Radner, seconded by Burns, CARRIED UNANIMOUSLY, to approve the Consent Agenda consisting of the following items:

- A. Regular Council Meeting Minutes of December 19, 2016 **CM-01-003-17**
- B. Request to cancel the regularly scheduled Zoning Board of Appeals Meeting of January 27, 2017 **CM-01-004-17**
- C. Request to cancel the regularly scheduled Planning Commission Meeting of January 9, 2017 **CM-01-005-17**
- D. Planning Commission Meeting Minutes of October 10, 2016 and November 14, 2016 **CM-01-006-17**
- E. Recycling and Environmental Commission Meeting Minutes of October 20, 2016 **CM-01-007-17**
- F. Corridor Improvement Authority Board Meeting Minutes of October 20, 2016

CM-01-008-17

- G. Proposed change order No. 1 in the amount of (\$28,029.11) and payment application No. 4 in the amount of \$226,197.59 to Mattioli Cement Co., LLC for the 2016 Sidewalk Replacement Project, M-627 **CM-01-009-17**
- H. Proposed change order No. 1 in the amount of (\$87,688.50) and payment application No. 3 in the amount of \$12,128.41 to Pro-Line Paving Corp. for the Scotia Resurfacing Project, M-642 **CM-01-010-17**
- I. Request to schedule a public hearing for February 6, 2017 to consider the adoption of revisions to the Corridor Improvement Authority Development and Tax Increment plans **CM-01-011-17**
- J. Licenses - New and Renewals as submitted for January 3, 2017 **CM-01-012-17**

MERCHANT'S LICENSES – January 3, 2017
(Subject to All Departmental Approvals)

<u>NEW MERCHANT</u>	<u>ADDRESS</u>	<u>FEE</u>	<u>BUSINESS TYPE</u>
None			

<u>RENEWALS</u>	<u>ADDRESS</u>	<u>FEE</u>	
Midland Equipment	12771 Capital	\$150	Tool Repair
Four Seasons Garden Center	14471 Eleven Mile	\$150	Landscape
Elie Khoury, MD	24611 Coolidge	\$150	Medical
Salwan Francis, DDS	24611 Coolidge	\$150	Medical / Dental
E Z Petroleum 4 Inc	13551 Nine Mile	\$150	Gas Station
McDonald's/Martinique Mgmt	21000 Greenfield	\$150	Fast Food Restaurant

TAXI CAB/MOTOR VEHICLE FOR HIRE – RENEWALS 2017
(Subject to All Departmental Approvals)

<u>NAME</u>	<u>COMPANY</u>	<u>ADDRESS</u>
Inder Singh Khera	Yellow Cab of Southfield	47451 Iroquois Ct.

PAWN BROKER – RENEWAL 2017
(Subject to All Departmental Approvals)

<u>NAME</u>	<u>ADDRESS</u>	<u>FEE</u>
Pay Benny, Inc. *Surety Bond Approval	21380 Greenfield	\$400

Voice Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

RECOGNITION OF VISITING ELECTED OFFICIALS: None

SPECIAL RECOGNITION/PRESENTATIONS: None

PUBLIC HEARINGS: None

COMMUNICATIONS: None

SPECIAL LICENSES: None

ACCOUNTING REPORTS:

CM-01-013-17 (AGENDA ITEM #11B) APPROVAL FOR PAYMENT OF AN INVOICE SUBMITTED BY SECREST, WARDLE, LYNCH, HAMPTON, TRUEX & MORLEY, P.C. FOR LEGAL SERVICES IN THE TOTAL AMOUNT OF \$10,962.34 - APPROVED

Motion by Rich, seconded by Burns, CARRIED UNANIMOUSLY, to approve payment of Invoice #1299569 as submitted by Secrest, Wardle, Lynch, Hampton, Truex & Morley, P.C. for legal services in the total amount of \$10,962.34.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

BIDS: None

ORDINANCES:

CM-01-014-17 (AGENDA ITEM #13A) FIRST READING OF AN ORDINANCE TO AMEND THE JEFFERSON OAKS PAYMENT IN LIEU OF TAXES (PILOT) ORDINANCE - APPROVED

Motion by Radner, Seconded by Burns, CARRIED UNANIMOUSLY, to approve the first reading of the following ordinance to amend the Jefferson Oaks Payment In Lieu of Taxes (Pilot) Ordinance:

**CITY OF OAK PARK, MICHIGAN
ORDINANCE NO.**

AN ORDINANCE TO AMEND SECTION 72-61, TAX EXEMPTION ORDINANCE- JEFFERSON OAKS PILOT, OF ARTICLE III, TAX EXEMPTION ORDINANCE- JEFFERSON OAKS PILOT, OF CHAPTER 72, TAXATION, OF THE CODE OF ORDINANCES OF THE CITY OF OAK PARK, MICHIGAN.

THE CITY OF OAK PARK ORDAINS:

SECTION 1.

Section 72-61, Tax Exemption Ordinance- Jefferson Oaks Pilot, of Article III, Tax Exemption Ordinance Jefferson Oaks Pilot, of Chapter 72, Taxation, of the Code of Ordinances of the City of Oak Park is hereby amended to read as follows:

Sec. 72-61. - Tax exemption ordinance- Jefferson Oaks Pilot.

- (a) This ordinance shall be known and cited as the City of Oak Park Tax Exemption Ordinance- Jefferson Oaks.
- (b) *Preamble.* It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The city is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this ordinance for tax exemption and the service charge in lieu of all ad valorem taxes during the period contemplated in this ordinance are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The city acknowledges that the sponsor, **CHN Jefferson Limited Dividend Housing Association Limited Partnership**, (as defined below) has ~~offered~~ **committed**, subject to receipt of ~~a mortgage loan from the Michigan State Housing Development Authority, to acquire and~~ **an allocation of Tax Credits (as defined below)** to rehabilitate, own and operate a housing ~~project~~ **development** identified as Jefferson Oaks on certain property located at 22001 Republic in the city, **which is legally described in Section 4.G. of this ordinance**, to serve low income persons and families, and that the sponsor has offered to pay **and will pay** the city on account of this housing ~~project~~ **development** an annual service charge for public services in lieu of all ad valorem property taxes.

- (c) *Purpose.* **This ordinance authorizes and approves an annual service charge in lieu of all ad valorem property taxes for residential housing developments that: (a) serve low income or moderate income persons (as defined in the Act and this ordinance); (b) are financed or assisted by a federally-aided mortgage in accordance with the Act; (c) are located within the city of; and (d) comply with this ordinance.**
- (ed) *Definitions.* [The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:]

Annual shelter rents means the total actual collections during each calendar year from all occupants of a housing development representing rents or occupancy charges, which rental amounts shall be exclusive of charges for gas, electricity, heat, or other utilities furnished to the occupants.

Authority means the Michigan State Housing Development Authority.

~~Annual shelter rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of utilities.~~

Federally-aided mortgage means any of the following:

- (i) A below market interest rate mortgage insured, purchased, or held by the Secretary of the Department of Housing and Urban Development ("HUD");
- (ii) A market interest rate mortgage insured by HUD and augmented by a program of rent supplements;
- (iii) A mortgage receiving interest reduction payments provided by the HUD;
- (iv) A mortgage on a Housing Development to which the Authority allocates low income housing tax credits under Section 22b of the Act; or
- (v) A mortgage receiving special benefits under other federal law designated specifically to develop low and moderate-income housing, consistent with the Act.

Housing development means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the Authority determines to improve the quality of the development as it relates to housing for persons of low income. For the purposes of this ordinance, "Housing Development" means Jefferson Oaks Apartments located on the property legally described as:

A parcel of land located in part of the N.W. ¼ of Section 33, T. 1 N., R. 11 E., Royal Oak Township, Oakland County, Michigan, being more particularly described as:

Beginning at a point on a line 25 feet West of the East line of Republic Avenue, said point being S. 87°45'09" E. 1279.87 feet along the North line of said Section 33 and S. 00°54'09" E. 613.16 feet along said line from the N.W. corner of said Section 33; thence S. 00°54'09" E. 664.60 feet; thence along the North line of Leroy Street (width varies) S. 88°01'31" W. 609.90 feet; thence along the East line of "Ferndale-Wyoming Subdivision" as recorded in Liber 86 of Plats, Page 17, Oakland County Records, N.00°56'00" W. 364.78 feet; thence N. 88°02'31" E. 380.10 feet; thence N. 00°54'09" W. 300.00 feet; thence along the South line of Saratoga Street (60 feet wide) N. 88°02'31" E. 230.00 feet to the point of beginning.

~~Low income persons and families means persons and families eligible to move into a housing project.~~

Low income or moderate income persons means persons and families eligible to reside in the Housing Development as defined in the Act, as amended.

~~Mortgage loan means a loan or grant made or to be made by the authority to the sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.~~

~~Sponsor means Community Housing Network, Inc. ("CHN") and any entity that receives or assumes a mortgage loan.~~

Sponsor means person(s) or entities which have applied to the Authority for the Tax Credits to finance a Housing Development. For the purposes of this

Ordinance, the Sponsor is CHN Jefferson Limited Dividend Housing Association Limited Partnership.

Tax credits means the low income housing tax credits made available by the Authority to the sponsor for rehabilitation of the housing development by the sponsor in accordance with the Low Income Housing Tax Credit Program administered by the Authority under Section 42 of the Internal Revenue Code of 1986, as amended.

Utilities means ~~charges for fuel~~, gas, electric, water, sanitary sewer and other utilities furnished to the occupants ~~that and which~~ are paid by the housing ~~project~~ development.

- (de) ***Class of housing ~~projects~~ development.*** It is determined that the class of housing ~~projects~~ **development** to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing ~~projects~~ **development** for low income persons and families that are financed with a ~~mortgage loan by the authority~~ **federally aided mortgage**. It is further determined that Jefferson Oaks is of this class.
- (ef) ***Establishment of annual service charge.*** The housing ~~project~~ **development** identified as Jefferson Oaks and the property on which it will be located shall be exempt from all ad valorem property taxes from and after the commencement of construction or rehabilitation. The city acknowledges that the sponsor and the authority have established the economic feasibility of the housing ~~project~~ **development** in reliance upon the enactment and continuing effect of this ordinance, and the qualification of the housing ~~project~~ **development** for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this ordinance. Therefore, in consideration of the sponsor's offer to rehabilitate, construct and operate the housing ~~project~~ **development**, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a **federally-aided mortgage loan**, the annual service charge shall be equal to ten percent of the annual shelter rents actually collected by the housing ~~project~~ **development** during each operating year, however it is expressly understood and agreed that in any event, the minimum annual service charge to be paid for years one through 18 will be equal to the projections submitted by sponsor in support of its request for the pilot as approved by city council on August 3, 2015.
- (fg) ***Contractual effect of ordinance.*** Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, **this ordinance constitutes** a contract between the city and the sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption **from ad valorem property taxes** and accept payments **of an annual service charge** in lieu of taxes, as previously described, is effectuated by enactment of this ordinance.
- (gh) ***Limitation on the payment of annual service charge.*** Notwithstanding **any other** subsection **(e)**, the service charge to be paid each year in lieu of taxes for the part of the housing ~~project~~ **development** that is tax exempt but which is occupied by other than low **or moderate** income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing ~~project~~ **development** if the housing ~~project~~ **development** were not tax exempt.

- (hi) *Payment of service charge.* The annual service charge in lieu of taxes as determined under this ordinance shall be payable in the same manner as general property taxes are payable to the city/township and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before ~~August~~ May 1 of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1 et seq.).
- (ij) *Duration.* This ordinance shall remain in effect ~~for a period of 18 years commencing from the date the mortgage loan is executed.~~ and shall not terminate for so long as the housing development remains subject to a federally-aided mortgage and so long as the housing development submits the required annual notification of exemption pursuant to MCL 125.1415a(1), as amended.
- (k) **Filing of Annual Audit.** The sponsor, or its successor, shall file a copy of any and all annual audits required to be provided to the federal government, the State of Michigan, and/or the Authority simultaneously with the city. The audit shall include detail with respect to occupancy of the housing development, annual shelter rents received from the housing development and the cost for utilities during the audit period.

SECTION 2. Severability.

No other portion, paragraph or phrase of the Code of Ordinances of the City of Oak Park shall be affected by this ordinance, except as to the above section and in the event any portion, section or subsection of this ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this ordinance or of the Code of Ordinances of the City of Oak Park.

SECTION 3. Effective Date.

This ordinance shall become effective ten (10) days from the date of its passage and shall be published as required by the Charter of the City of Oak Park.

Voice Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

CITY ATTORNEY: No Report

CITY MANAGER:

Community and Economic Development, Planning Division

**CM-01-015-17 (AGENDA ITEM #15A) REQUEST TO ACCEPT THE
RECOMMENDATION OF THE PLANNING COMMISSION AND
APPROVE DISTRIBUTION OF THE DRAFT MASTER PLAN
- APPROVED**

Motion by Radner, seconded by Burns, CARRIED UNANIMOUSLY, to accept the recommendation of the Planning Commission and approve distribution of the Draft Master Plan.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

Community and Economic Development Director Marrone stated that at their December 12, 2016 meeting, the Planning Commission reviewed the draft Master Plan and was generally satisfied with the document. The Planning Commission voted to present the plan to City Council and request its distribution. Ms. Marrone summarized the draft document and proposed schedule for its approval. She noted that a public meeting is scheduled for January 30, 2017 to discuss the plan. The draft Master Plan document can be found on the city's website.

Recreation

CM-01-016-17 (AGENDA ITEM #15B) REQUEST TO INCREASE THE PARTICIPANT FEES FOR TOTAL BODY WORKOUT FROM \$1 PER CLASS TO \$2 PER CLASS AND BASIC HATHA YOGA FROM \$2 PER CLASS TO \$4 PER CLASS TO BE EFFECTIVE JANUARY 2017 - APPROVED

Motion by Burns, seconded by Radner, CARRIED UNANIMOUSLY, to increase the participant fees for Total Body Workout from \$1 per class to \$2 per class and Basic Hatha Yoga from \$2 per class to \$4 per class to be effective January 2017.

Roll Call Vote:	Yes:	McClellan, Burns, Radner, Rich
	No:	None
	Absent:	Speech

MOTION DECLARED ADOPTED

Oak Park Recreation Department is requesting to amend the fees charged for two fitness classes. Increasing participant's fees for Total Body Workout from \$1 to \$2 per class and Basic Hatha Yoga from \$2 per class to \$4 per class will cover the cost of the instructor and administrative fees.

CALL TO THE AUDIENCE:

Joyce Bannon, 10611 Troy, expressed concerns about residents who do not have access to the internet and their lack of exposure to city information. She also expressed concerns about the proposed tax breaks available to residents of the Jefferson Oaks development project.

CALL TO THE COUNCIL:

Mayor McClellan reminded everyone to attend the Winterfest event to be held the last weekend of January.

Mayor Pro Tem Burns thanked everyone for coming out and encouraged them to be safe.

Council Member Radner thanked everyone for coming and wished them a good night.

Council Member Rich wished everyone a good night.

ADJOURNMENT:

There being no further business to come before the City Council, Mayor McClellan adjourned the meeting at 7:28 P.M.

T. Edwin Norris, City Clerk

Marian McClellan, Mayor

**CITY OF OAK PARK, MICHIGAN
BOARD OF REVIEW MEETING
Tuesday, December 13, 2016**

5B

The Board of Review convened at 5:32 p.m.

**Present: Chairperson – Herschel Goldstein
Member – Tannis Cummings; Member – Zakiya Hollifield**

Also Present: Aaron Powers – City Assessor and Laurie Pettinaro – Appraiser

Absent: None

Case DP16002

**52-25-31-205-012
Jimmie Bates
21840 Church
Oak Park, MI 48237**

Jimmie Bates appeared before the Board seeking tax relief. The Board reviewed his application for poverty exemption.

Motion by CUMMINGS, supported by HOLLIFIELD:

To deny the exemption due to the fact Mr. Bates failed to provide the necessary documentation for review.

**YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE**

Case DP16005

**52-25-31-151-008
Rosalind Greer
21941 Beverly
Oak Park, MI 48237**

Ms. Danielle Bailey is Ms. Greer's daughter and appeared on her mother's behalf seeking tax relief. The Board reviewed her application for poverty exemption.

Motion by GOLDSTEIN, supported by CUMMINGS:

To deny the exemption due to the fact Ms. Greer failed to provide the necessary documentation for review.

**YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE**

Case DP16006

52-25-32-251-027
Khalid Asmar
10291 Albany
Oak Park, MI 48237

Mr. Asmar appeared before the Board seeking tax relief. The Board reviewed his application for poverty exemption.

Motion by CUMMINGS, supported by GOLDSTEIN:

To deny the exemption due to the fact Mr. Asmar's current taxes are lower than that of the poverty guideline calculations.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE

Case DP16007

52-25-29-258-003
William Tomina
24100 Seneca
Oak Park, MI 48237

William Tomina appeared before the Board seeking tax relief. The Board reviewed his application for poverty exemption.

MOTION by HOLLIFIELD, supported by GOLDSTEIN:

To grant the exemption, thereby reducing the assessed value from \$43,400 to \$26,930 and the taxable value from \$34,360 to \$26,930 for one year.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE

Case DP16004

52-25-30-329-015
Crystal Davis
14410 Elm
Oak Park, MI 48237

Crystal Davis appeared before the Board seeking tax relief. The Board reviewed her application for poverty exemption.

Motion by GOLDSTEIN, supported by CUMMINGS:

To deny the exemption due to the fact Ms. Davis' 2015 income was higher than the poverty income limit.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE

Case DP16008

52-25-30-131-038
Ayda Dikhow
14400 Northfield
Oak Park, MI 48237

Ayda Dikhow appeared before the Board seeking tax relief. The Board reviewed her application for poverty exemption.

MOTION by HOLLIFIELD, supported by CUMMINGS:

To grant the exemption, thereby reducing the assessed value from \$37,300 to \$23,360 and her taxable value from \$26,590 to \$23,360 for one year.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DP 16003

52-25-30-205-004
Brooke & Boruch Speizer
24330 Church
Oak Park, MI 48237

Brooke Speizer appeared before the Board seeking tax relief. The Board reviewed her application for poverty exemption.

MOTION by CUMMINGS, supported by GOLDSTEIN:

To grant the exemption, thereby reducing the assessed value from \$36,100 to \$24,920 and the taxable value from \$29,230 to \$24,920 for one year.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DP16001

52-25-19-130-006
Allan Gormezano
14651 Labelle
Oak Park, MI 48237

Allan Gormezano appeared before the Board seeking tax relief. The Board reviewed his application for poverty exemption.

MOTION by CUMMINGS, supported by GOLDSTEIN:

To grant the exemption, thereby reducing the assessed value from \$42,000 to \$25,890 and the taxable value from \$32,080 to \$25,890 for one year.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DR 16001

52-25-19-408-042
Erin & Barbara Levitt
14050 Balfour
Oak Park, MI 48237

The 2016 Principal Residence Exemption (PRE) on the above mentioned property should be revised from 0% to 100% due to the homeowner's late filing of the PRE Affidavit.

Motion by CUMMINGS, supported by HOLLIFIELD

To adjust the 2016 PRE from 0% to 100% due to the late filing of the affidavit.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DR 16002

52-25-28-352-011
Shaun Bezinque
23090 Norwood
Oak Park, MI 48237

The 2016 Principal Residence Exemption (PRE) on the above mentioned property should be revised from 0% to 100% due to the homeowner's late filing of the PRE Affidavit.

Motion by GOLDSTEIN, supported by HOLLIFIELD

To adjust the 2016 PRE from 0% to 100% due to the late filing of the affidavit.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DR 16003

52-25-31-204-003
Dianne Pearson & Valecia Chandler
22180 Cloverlawn
Oak Park, MI 48237

The 2016 Principal Residence Exemption (PRE) on the above mentioned property should be revised from 0% to 100% due to the late filing of the PRE Affidavit.

Motion by HOLLIFIELD, supported by CUMMINGS:

To adjust the 2016 PRE from 0% to 100% due to the late filing of the PRE Affidavit.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DC 16003

52-25-30-355-021
Cynthia Jones & Bryan Price
23060 Harding
Oak Park, MI 48237

The 2016 Principal Residence Exemption (PRE) on the above mentioned property should be revised from 0% to 100% due to the homeowner's incorrect filing of the PRE Rescind Affidavit.

Motion by HOLLIFIELD, supported by CUMMINGS

To adjust the 2016 PRE from 0% to 100% due to the incorrect filing of the affidavit.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DR 16004

52-25-29-430-007
Mark Morrison
23560 Oneida
Oak Park, MI 48237

The 2016 Principal Residence Exemption (PRE) on the above mentioned property should be revised from 0% to 100% due to the homeowner's late filing of the PRE Affidavit.

Motion by CUMMINGS, supported by GOLDSTEIN:

To adjust the 2016 PRE from 0% to 100% due to the late filing of the affidavit.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DC1601

52-25-32-202-003
Equator Assest Mgmt LLC
10760 Corning
Oak Park, MI 48237

The 2016 taxable value on this property should be revised from \$15,200 to \$9,200. A clerical error occurred on this parcel and the property was erroneously uncapped.

Motion by CUMMINGS, supported by GOLDSTEIN:

To revise the 2016 taxable value on this property from \$15,200 to \$9,200 due to a clerical error.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DC1602

52-25-30-303-025
HP Oakwood LLC
15250 Oakwood
Oak Park, MI 48237

The 2016 taxable value on this property should be revised from \$41,500 to \$33,720. A clerical error occurred on this parcel and the property was erroneously uncapped.

Motion by GOLDSTEIN, supported by CUMMINGS:

To revise the 2016 taxable value on this property from \$41,500 to \$33,720 due to a clerical error.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DC1603

**52-25-30-355-021
Cynthia Jones & Bryan Price
23060 Harding
Oak Park, MI 48237**

The 2016 taxable value on this property should be revised from \$42,400 to \$34,440. Should not have uncapped- transfer between spouses

Motion by GOLDSTEIN, supported by CUMMINGS:

To revise the 2016 taxable value on this property from \$42,400 to \$34,440 due to a clerical error.

**YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE**

Case DPP16001

**52-99-00-014-009
Deezer LLC
8700 Capital St.
Oak Park, MI 48237**

The 2016 assessed and taxable values on this property should be revised from \$2,500 to \$0 due to moving to new location within the city (duplicate).

Motion by GOLDSTEIN, supported by HOLLIFIELD:

To revise the 2016 assessed and taxable values from \$2,500 to \$0 due to moving to new location within the city.

**YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE**

Case DPP16002

**52-99-00-016-012
Save a Lot Food Stores
23105 Coolidge
Oak Park, MI 48237**

The 2016 assessed and taxable values on this property should be revised from \$25,000 to \$0 due to moving in the city after tax day (1/21/16).

Motion by GOLDSTEIN, supported by HOLLIFIELD:

To revise the 2016 assessed and taxable values from \$25,000 to \$0 due to not being in city on tax day 12/31/15.

**YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD
NO: NONE**

Case DPP16003

**52-99-00-001-001
Shipway X-Ray
21840 Wyoming Pl.
Oak Park, MI 48237**

The 2016 assessed and taxable values on this property should be revised from \$1,830 to \$0 due to moving out of city before tax day 12-20-15.

Motion by GOLDSTEIN, supported by HOLLIFIELD:

To revise the 2016 assessed and taxable values from \$1,830 to \$0 due to moving out of city before tax day 12-20-15.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DV16001

**52-25-29-406-018
John Willis Jr
23426 Rensselaer
Oak Park, MI 48237**

To revise the 2016 assessed value from \$39,100 to \$0 and the taxable value from \$30,940 to \$0 due to a Veterans Exemption. The Board reviewed his application for a veteran's exemption.

Motion by HOLLIFIELD, supported by GOLDSTEIN:

To grant the request for a veteran's exemption and adjust the assessed value from \$39,100 to \$0 and the taxable value from \$30,940 to \$0 for 2016 based on the veterans exemption policy P.A. 161 of 2013.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case DV16002

**52-25-30-303-020
Jeffrey Brooks
15410 Oakwood
Oak Park, MI 48237**

To revise the 2016 assessed value from \$42,300 to \$0 and the taxable value from \$42,300 to \$0 due to a Veterans Exemption. The Board reviewed his application for a veteran's exemption.

Motion by HOLLIFIELD, supported by GOLDSTEIN:

To grant the request for a veteran's exemption and adjust the assessed value from \$42,300 to \$0 and the taxable value from \$42,300 to \$0 for 2016 based on the veterans exemption policy P.A. 161 of 2013.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

Case D 16001

52-25-29-177-012

Inez Williams

24290 Jerome

Oak Park, MI 48237

The 2016 Assessed and Taxable Values should be revised from 39,400 & 36,030 respectively to 15,600 and 12,230 respectively due to a mutual mistake of fact that fire repairs have not commenced on the dwelling.

Motion by CUMMINGS, supported by HOLLIFIELD

To adjust the 2016 Assessed and Taxable Values from 39,400 & 36,030 respectively to 15,600 and 12,230 respectively due to the mutual mistake of fact that fire repairs have not commenced on the dwelling.

YES: GOLDSTEIN, CUMMINGS, HOLLIFIELD

NO: NONE

dec min 2016

**2016 December Board of Review
December 13, 2016**

Motion by GOLDSTEIN supported by CUMMINGS:

That there being no further business to come before the Board, the review of assessments having been completed and all requirements as outlined by the City Charter having been met, that the December Board of Review for 2016 be hereby adjourned at 7:07 p.m. on December 13, 2016.

YES: CUMMINGS, GOLDSTEIN, HOLLIFIELD

NO: NONE

The above minutes reflect the actions and findings of the Board. Detailed affidavits and investigations are on file in the Assessor's Office.



Tannis Cummings, Member



Herschel Goldstein, Member



Zakiya Hollifield, Member



CITY OF OAK PARK

EMERGENCY SERVICES COUNCIL

5C

Council Members
Kiesha Speech
Solomon Radner
Ken Rich
City Manager
Erik Tungate

Emergency Services Council Meeting

November 14, 2016 at 7:00 p.m.

14000 Oak Park Blvd

(Oak Park City Hall)

Present: Ken Gaynor, Nynier Hall-Brown , Val Moskalik, Denise DeSantis,
Director Cooper, Officer Benson

Excused: Gwen Henderson-Kenley, Rocco Fortuna,

Absent: Jerry Begel, Council Member Rich

Vacant Position: Building Inspector

Guest: Sue Hoshield

Meeting called to order at 7:06 p.m.

Minutes from October 10, 2016 meeting were reviewed and approved.

Old Business:

1. Bylaws are to be reviewed and updated.
 - a. Conflict in membership of "...not more than..." vs. "...not less than..."
11 members with the City Charter to be clarified. Bylaws should match the Charter.
 - b. Number of citizen members of five vs. six. D. Desantis to clarify with city clerk.
2. Emergency Operations Plan (updated May 2015) handed out to membership.
Director Cooper stated this is updated every three years.
3. Volunteer Force
 - a. Discussion to bring them in during 2017 for a meeting with this council.
We should have regular programing 1 – 2 times per year to keep them engaged with emergency preparedness in the City.
 - b. Survey the skills of the individual members in the group.

- c. Consider conducting various classes for citizens.
 - i. HAM Radio
 - ii. First-Aid/CPR
 - iii. Evacuation and Home kit preparation, etc.
 - d. Use Library or Recreation Department for meeting space
 - e. Make name badges for members.
4. School based health center at OPHS. There is a clinic managed by St. John Hospital in the school.
5. FEMA Preparathon
- a. Create an Oak Park preparathon program.
 - b. Day of Action.
 - c. Keep as part of Autumnfest.
 - i. Public Safety Open House to expand and become Autumnfest.

New Business:

General Discussion:

Sue Hoshield applied to the City for membership on the Emergency Services Council. She received an email reply from the City Clerk. The City will follow up with her in January 2017.

Meeting adjourned at ____ p.m.

The next meeting will held December 12, 2016 at 7:00 p.m., Oak Park City Hall (Executive Conference Room).

Meeting minutes prepared and submitted by Ken Gaynor (Secretary)



5D

BUSINESS OF THE CITY COUNCIL, OAK PARK, MICHIGAN

AGENDA OF: January 17, 2017

AGENDA #

SUBJECT: Request authorization to bid the 2017 Granzon Avenue Reconstruction Project, M-650.

DEPARTMENT: DPW – KJY

SUMMARY: Plans and bid documents are nearly completed for the 2017 Granzon Avenue Reconstruction Project, M-650. Reconstruct the roadway and install new storm sewer on Granzon Avenue between Church Street and Coolidge Highway.

FINANCIAL STATEMENT: There is funding available in the Local Street Fund and Water and Sewer Fund for this project.

RECOMMENDED ACTION: It is recommended that the request to advertise for bids for 2017 Granzon Avenue Reconstruction Project, M-650 be approved. Funding is available in the Local Street Fund and Water and Sewer Fund for this project.

APPROVALS:

City Manager: _____

Department Director: _____

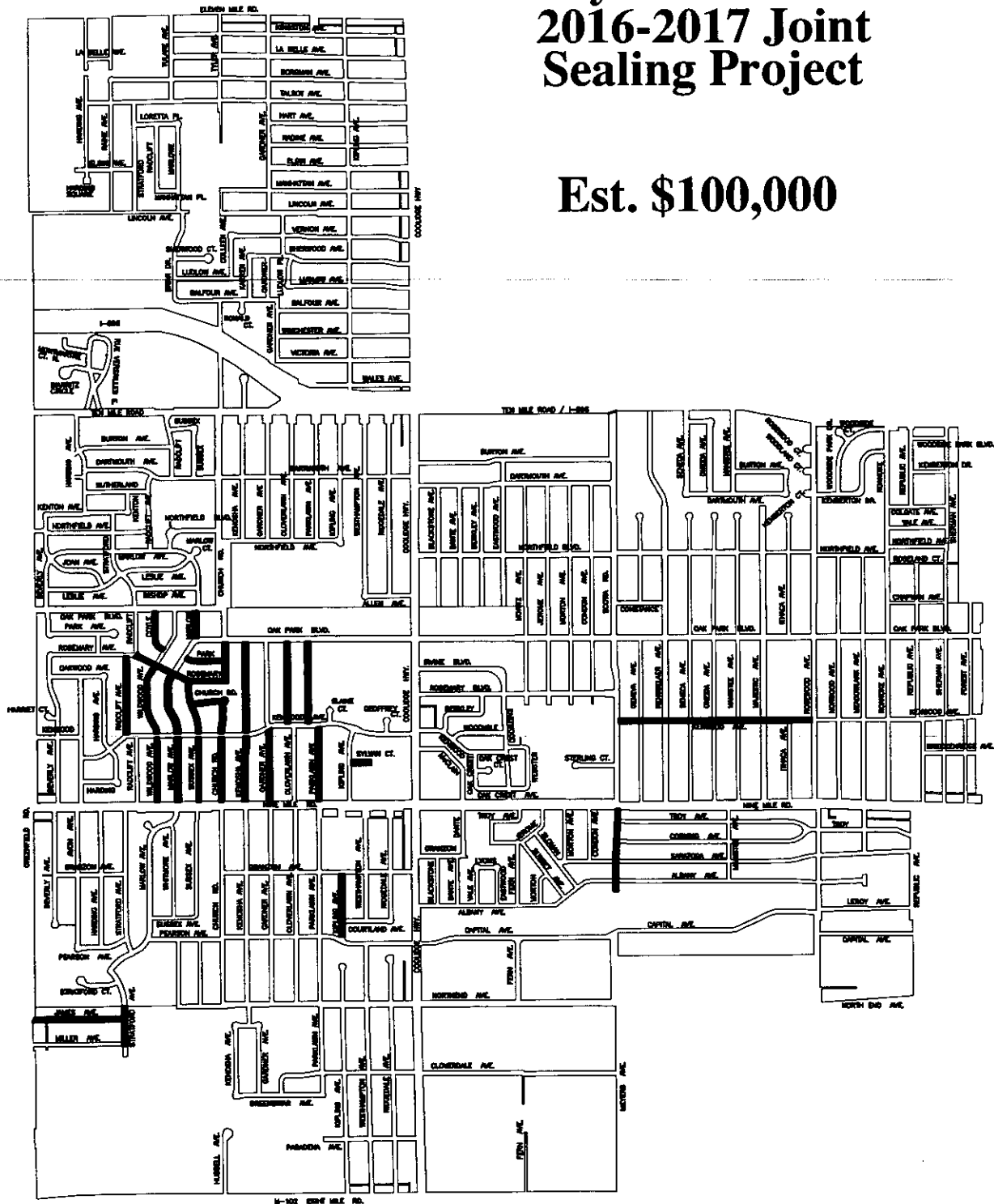
Finance Director: _____

EXHIBITS: map

**BUSINESS OF THE CITY COUNCIL, OAK PARK, MICHIGAN****AGENDA OF:** January 17, 2017**AGENDA #****SUBJECT:** Request authorization to bid the 2017 Joint and Crack Sealing Project, M-651.**DEPARTMENT:** DPW/Technical & Planning – Engineering *KJY***SUMMARY:** Plans and specifications are complete for the 2017 Joint and Crack Sealing Project, M-651. This project will seal the joints and cracks on the streets shown on the attached map. Joint and crack sealing seals the pavement from water infiltration and adds to the longevity of the roads.**FINANCIAL STATEMENT:** There is \$100,000 budgeted in the FY 2016-17 budget for this expenditure.**RECOMMENDED ACTION:** It is recommended that the request to advertise for bids for the 2017 Joint and Crack Sealing Project, M-651, be approved. Funding is available in the Local Street fund for this expenditure.**APPROVALS:**City Manager: *[Signature]*Department Director: *[Signature]*Finance Director: **EXHIBITS:** map

City of Oak Park 2016-2017 Joint Sealing Project

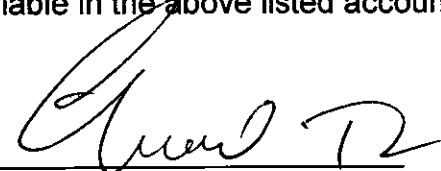
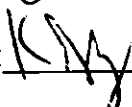
Est. \$100,000



**BUSINESS OF THE CITY COUNCIL, OAK PARK, MICHIGAN****AGENDA OF:** January 17, 2017**AGENDA #****SUBJECT:** Payment request from Orchard, Hiltz, & McCliment for Engineering Consulting Services.**DEPARTMENT:** DPW/Technical & Planning – Engineering *KJY***SUMMARY:** Attached are invoices from Orchard, Hiltz & McCliment for the project listed below:

Project	This Period	Prior Billings	To Date	Current Contract	Account Number
CE – Oak Park Blvd & Lincoln Rehab	\$5,162.90	\$217,428.83	\$222,591.73	\$223,736.00	202-18-479-801
Traffic Signal Optimization	\$11,055.95	\$93,304.33	\$104,360.28	\$184,662.88	202-18-474-801
Totals	\$16,218.85	\$310,733.16	\$326,952.01	\$408,398.88	

RECOMMENDED ACTION: It is recommended that the invoices from OHM for the above listed projects be approved for the total amount of \$16,218.85. Funding is available in the above listed account.

APPROVALS:City Manager: Department Director: 

Finance Director: _____

EXHIBITS: Invoices



CITY OF OAK PARK
Attn: Kevin Yee, City Engineer
13700 OAK PARK BLVD.
OAK PARK, MI 48237

Invoice Date: 12/01/2016
Invoice #: 182131
Project: 0037-15-0060

Project Name: Signal Optimization of 36 Locations

Progress Billing #11 Percent Complete 65%

For Professional Services Rendered through: 11/19/2016

Analysis of Costs

Direct Salaries	3,735.34
Overhead % 174.49	6,517.65
FCC % 0.85	31.80
Total Direct Personnel	10,284.79
Total Other Direct Charges	
Total Costs	10,284.79
Fixed Fee	771.16
Total Charges/Fees	11,055.95
Amount Due This Invoice **	11,055.95

REMIT TO:

OHM Advisors
34000 PLYMOUTH RD
LIVONIA, MICHIGAN 48150-1512

T 734.522.6711
F 734.522.6427

OHM-Advisors.com



CITY OF OAK PARK
Attn: Kevin Yee, City Engineer
13700 OAK PARK BLVD.
OAK PARK, MI 48237

Invoice Date: 12/01/2016
Invoice #: 182131
Project: 0037-15-0060

Professional Fees

Fixed Rates Labor

Classification/ Employee Name	Date	Hours	Rate	Amount
--------------------------------------	-------------	--------------	-------------	---------------

Associate

JAMES STEVENS

10/27/2016	0.50	45.6731	22.84
10/28/2016	0.50	45.6731	22.84
11/8/2016	0.50	45.6731	22.84
11/9/2016	0.50	45.6731	22.84
11/11/2016	0.50	45.6731	22.84
11/14/2016	0.50	45.6731	22.84
Subtotal	3.00		137.04

Graduate Engineer I

MATTHEW CLARK

11/8/2016	5.50	24.7500	136.13
11/9/2016	4.00	24.7500	99.00
11/10/2016	3.50	24.7500	86.63
11/11/2016	6.00	24.7500	148.50
11/14/2016	9.50	24.7500	235.13
11/15/2016	2.00	24.7500	49.50
11/16/2016	4.00	24.7500	99.00
11/17/2016	9.00	24.7500	222.75
11/18/2016	4.00	24.7500	99.00
Subtotal	47.50		1,175.64

Professional Engineer/Architect II

GEORGE MOHAN

11/17/2016	4.00	33.1731	132.69
11/18/2016	6.00	33.1731	199.04
Subtotal	10.00		331.73

Professional Engineer/Architect IV

STEVEN M. LOVELAND

11/7/2016	9.00	44.2308	398.08
11/8/2016	9.00	44.2308	398.08
11/9/2016	11.00	44.2308	486.54
11/10/2016	4.00	44.2308	176.92
11/14/2016	0.50	44.2308	22.12
11/16/2016	1.50	44.2308	66.35

REMIT TO:

OHM Advisors
34000 PLYMOUTH RD
LIVONIA, MICHIGAN 48150-1512

T 734.522.6711
F 734.522.6427

OHM-Advisors.com

Professional Fees

Fixed Rates Labor

<i>Classification / Employee Name</i>	<i>Date</i>	<i>Hours</i>	<i>Rate</i>	<i>Amount</i>
Professional Engineer/Architect IV				
STEVEN M. LOVELAND	11/17/2016	4.00	44.2308	176.92
	11/18/2016	4.00	44.2308	176.92
	Subtotal	43.00		1,901.93
Technician II				
JAMIE LABATE	9/21/2016	1.00	21.0000	21.00
	9/27/2016	1.00	21.0000	21.00
	10/6/2016	1.00	21.0000	21.00
	10/10/2016	1.00	21.0000	21.00
	10/20/2016	1.00	21.0000	21.00
	10/26/2016	1.00	21.0000	21.00
	11/2/2016	1.00	21.0000	21.00
	11/8/2016	1.00	21.0000	21.00
	11/18/2016	1.00	21.0000	21.00
	Subtotal	9.00		189.00
	Fixed Rates Labor subtotal	112.50		3,735.34
	Total Professional Fees			10,284.79
Project Totals	Hours:	112.50	Labor:	3,735.34

Total Project: 0037150060 - Signal Optimization of 36 Locations	11,055.95
--	------------------

REMIT TO:

OHM Advisors

34000 PLYMOUTH RD
LIVONIA, MICHIGAN 48150-1512

T 734.522.6711
F 734.522.6427

OHM-Advisors.com



CITY OF OAK PARK
Attn: Kevin Yee, City Engineer
13700 OAK PARK BLVD.
OAK PARK, MI 48237

Invoice Date: 12/01/2016
Invoice #: 182152
Project: 0037-15-0043

Project Name: CE - Oak Park Federal Aid Patching

For Professional Services Rendered through: 11/19/2016

<i>Description</i>	<i>Fee</i>	<i>Prior Billed</i>	<i>Total Available</i>	<i>Current Billing</i>
Const CA/CE	182,484.42	175,721.50	6,762.92	44.50
Transportation	7,000.00	7,455.75	0.00	0.00
Subconsultant	34,251.58	34,251.58	0.00	5,118.40
Amount Due This Invoice **				5,162.90

REMIT TO:

OHM Advisors
34000 PLYMOUTH RD
LIVONIA, MICHIGAN 48150-1512

T 734.522.6711
F 734.522.6427

OHM-Advisors.com



CITY OF OAK PARK
Attn: Kevin Yee, City Engineer
13700 OAK PARK BLVD.
OAK PARK, MI 48237

Invoice Date: 12/01/2016
Invoice #: 182152
Project: 0037-15-0043

Const CA/CE

Fixed Rates Labor

Classification / Employee Name	Date	Hours	Rate	Amount
Technician II MICHELLE LAPALM	10/4/2016	0.50	89.0000	44.50
Total Const CA/CE				44.50

Subconsultant

Subconsultant

Vendor Name	Date	Invoice	Cost	Multiplier	Amount
G2 Consulting Group LLC	10/22/2016	162338	2,968.40	1.00	2,968.40
	10/22/2016	162339	2,150.00	1.00	2,150.00
Subconsultant subtotal					5,118.40
Total Subconsultant					5,118.40

Total Project: 0037150043 - CE - Oak Park Federal Aid Patching	5,162.90
---	-----------------

REMIT TO:

OHM Advisors
34000 PLYMOUTH RD
LIVONIA, MICHIGAN 48150-1512

T 734.522.6711
F 734.522.6427

OHM-Advisors.com

G2 Consulting Group, LLC
1866 Woodslee Street
Troy, MI 48083

Voice: 248.680.0400

Fax: 248.680.9745

Bill To: Accounts Payable
OHM Advisors
34000 Plymouth Road
Livonia, MI 48150

INVOICE

Invoice Number: 162338

Invoice Date: September 30, 2016

Page Number: 1

Customer ID	Purchase Order No.	G2 Project No.	
OHM001		160107	
Payment Terms	Due Date	Ship Date	Shipping Method
Net 30 Days	October 30, 2016		

Quantity	Description	Unit Price	Amount
4.00	Senior Engineering Technician, Overtime, per hour	75.60	302.40
16.50	Supervising Engineering Technician, per hour	64.00	1,056.00
6.50	Project Engineer, per hour	110.00	715.00
1.50	Project Manager, per hour	130.00	195.00
4.00	Transportation & Communication, per day	40.00	160.00
3.00	Sample Collection or Concrete Cylinder Pick-Up, each	100.00	300.00
16.00	Compressive Strength Test Cylinders, each	15.00	240.00
	Oak Park Local Streets - Oak Park Blvd., Oak Park, Michigan - Quality Control Observation and Testing Services for September 2016		
	Client Contact: Mark Loch		

Total Invoice Amount \$ 2,968.40

If you have any questions concerning this invoice, call Mark W. Smolinski, (248) 680-0400. Client agrees to pay a finance charge of 1.5 percent per month on accounts past due 30 days from invoice date.

Make all checks payable to G2 Consulting Group, LLC.

RECEIVED

OCT 12 2016

ORCHARD, HOLTZ & McCLIMENT, INC

G2 Consulting Group, LLC
1866 Woodslee Street
Troy, MI 48083

Voice: 248.680.0400

Fax: 248.680.9745

INVOICE

Invoice Number: 162339

Invoice Date: September 30, 2016

Page Number: 1

Bill To: Accounts Payable
OHM Advisors
34000 Plymouth Road
Livonia, MI 48150

Customer ID	Purchase Order No.	G2 Project No.	
OHM001		160107	
Payment Terms	Due Date	Ship Date	Shipping Method
Net 30 Days	October 30, 2016		

Quantity	Description	Unit Price	Amount
13.25	Project Engineer, per hour	110.00	1,457.50
2.25	Project Manger, per hour	130.00	292.50
2.00	Transportation & Communication, per day	40.00	80.00
2.00	Sample Collection or Concrete Cylinder Pick-Up, each	100.00	200.00
8.00	Compressive Strength Test Cylinders, each	15.00	120.00
	Oak Park Local Streets - Lincoln Street, Oak Park, Michigan - Quality Control Observation and Testing Services for September 2016		
	Client Contact: Mark Loch		

Total Invoice Amount \$ 2,150.00

If you have any questions concerning this invoice, call Mark W. Smolinski, (248) 680-0400. Client agrees to pay a finance charge of 1.5 percent per month on accounts past due 30 days from invoice date.

RECEIVED **Payable to: G2 Consulting Group, LLC.**

OCT 12 2016

ORCHARD, HILTZ & McCLIMENT, INC

MERCHANT'S LICENSES – JANUARY 17, 2017

(Subject to All Departmental Approvals)

<u>NEW MERCHANT</u>	<u>ADDRESS</u>	<u>FEE</u>	<u>BUSINESS TYPE</u>
None			
<u>RENEWALS</u>	<u>ADDRESS</u>	<u>FEE</u>	<u>BUSINESS TYPE</u>
Tiger Collision	10010 Capital	\$150	Auto Repair
Brown-Darnell Co	12701 Capital	\$150	Industrial Supply
Auto Metal Craft Inc.	10240 Capital	\$150	Metal Fabricator
Valley City Linen	13165 Cloverdale	\$150	Linen Rental
Auditory Instruments Inc.	13261 Cloverdale	\$150	Medical Equipment
Luxury Homes	20830 Coolidge	\$150	Real Estate
RCH Cable/Security Corp	21340 Coolidge	\$150	Cable TV Services
Baby Bear Daycare	21655 Coolidge	\$150	Childcare
Grace Centers of Hope	23119 Coolidge	\$150	Non-Profit Organization
Shell Cleaners & Tailor	25905 Coolidge	\$150	Laundry
Steppin Out on Faith Learning Center	25941 Coolidge	\$150	Childcare
Embassy Motel	14380 Eight Mile	\$150	Motel
B-1 Jewelry	21700 Greenfield #415	\$150	Jeweler
Stepping Out Hair & Nail Salon Inc.	25266 Greenfield	\$150	Salon
Oak-Fern Galleria LLC	8520 Nine Mile	\$150	Automobile Memorabilia Boutique
Alaska Fresh Fish and Chicken	13701 Nine Mile	\$150	Restaurant
China City	13715 Nine Mile	\$150	Restaurant
Lawford Fabricating Co	21650 Wyoming Ct	\$150	Metal Castings
Tina Nails & Spa Inc	24720 Greenfield	\$150	Salon
Hollywood Diamond Setting	21700 Greenfield #327	\$150	Jeweler
Anton's Jewelry Inc	21700 Greenfield #343	\$150	Jeweler
LLZ Ventures / 8 Mile Smoke	15180 Eight Mile	\$150	Smoke Shop
Steve's Creations Jewelers	21700 Greenfield #329	\$150	Jeweler
Oak Park Barbers	26003 Coolidge	\$150	Barber
Herman's Creations	21700 Greenfield #324	\$150	Jeweler
United Truck Sales	12950 Cloverdale	\$150	Auto Sales
Save-a-Lot	23105 Coolidge	\$150	Grocery

TAXI CAB/MOTOR VEHICLE FOR HIRE – RENEWALS 2017

<u>NAME</u>	<u>COMPANY</u>	<u>ADDRESS</u>
William D. Smith	Royal Oak Township Cab Co. LLC	20729 Wyoming, Ferndale
Lawrence Cochran	Royal Oak Township Cab Co. LLC	20729 Wyoming, Ferndale
Dwight O. McCollum	Royal Oak Township Cab Co. LLC	20729 Wyoming, Ferndale

CITY OF OAK PARK, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2016

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 12,414,858	\$ 4,582,661	\$ 16,997,519
Special assessments	-	334,150	334,150
Licenses and permits	633,468	-	633,468
Intergovernmental:			
Federal grants	12,189	448,213	460,402
State grants	3,311,425	2,236,679	5,548,104
Charges for services	908,169	1,591,492	2,499,661
Fines and forfeitures	1,968,219	232,115	2,200,334
Interest income	134,408	109,736	244,144
Other	1,596,601	86,186	1,682,787
Total revenues	20,979,337	9,621,232	30,600,569
Expenditures			
Current:			
General government	3,562,498	-	3,562,498
Judicial	-	2,384,920	2,384,920
Public safety	8,761,179	10,659	8,771,838
Road maintenance and repair	-	2,161,235	2,161,235
Public works	537,427	2,554,927	3,092,354
Culture and recreation	544,721	-	544,721
Library	-	766,733	766,733
Community development	133,452	543,750	677,202
Nondepartmental costs	4,681,648	-	4,681,648
Debt service:			
Principal	-	1,641,000	1,641,000
Interest and fiscal charges	-	1,425,436	1,425,436
Capital outlay and construction	-	755,044	755,044
Total expenditures	18,220,925	12,243,704	30,464,629
Revenues over (under) expenditures	2,758,412	(2,622,472)	135,940
Other financing sources (uses)			
Issuance of long-term debt	-	7,825,000	7,825,000
Premium on issuance of long-term debt	-	796,882	796,882
Payment to refunding bond escrow agent	-	(8,289,000)	(8,289,000)
Transfers in	-	11,107,393	11,107,393
Transfers out	(2,509,970)	(8,647,423)	(11,157,393)
Total other financing sources (uses)	(2,509,970)	2,792,852	282,882
Net change in fund balances	248,442	170,380	418,822
Fund balances, beginning of year	3,430,752	6,296,274	9,727,026
Fund balances, end of year	\$ 3,679,194	\$ 6,466,654	\$ 10,145,848

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

17.75% of expenditures

CITY OF OAK PARK, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Capital Project Funds

For the Year Ended June 30, 2016

	Public Improvement	City-Owned Property	Sidewalk Program
Revenues			
Special assessments	\$ -	\$ -	\$ 265,595
Fines and forfeitures	-	-	-
Interest income	1,032	1,482	5,055
Total revenues	1,032	1,482	270,650
Expenditures			
Public works	-	-	23,422
Community development	18,130	29	-
Capital outlay	-	-	354,772
Total expenditures	18,130	29	378,194
Revenues over (under) expenditures	(17,098)	1,453	(107,544)
Other financing sources			
Transfers in \$150,000 from General Fund	153,651	-	-
Net change in fund balances	136,553	1,453	(107,544)
Fund balances, beginning of year	54,298	99,147	210,518
Fund balances, end of year	\$ 190,851	\$ 100,600	\$ 102,974

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

	Changes in Plan Net Position			
	Employees' Retirement System	Public Safety Employees' Retirement System	Retiree Health Care - General and Public Safety	Total
Additions	Pension Plans		OPEB	
Contributions:				
Employer	\$ 1,336,565	\$ 2,521,391	\$ 4,266,418	\$ 8,124,374
Plan members	52,239	330,804	-	383,043
Total contributions	1,388,804	2,852,195	4,266,418	8,507,417
Investment income (loss):				
Net change in fair value of investments	(689,093)	(1,214,930)	31,019	(1,873,004)
Interest	9,202	17,233	9,694	36,129
Dividends	440,079	827,283	-	1,267,362
Total investment income (loss)	(239,812)	(370,414)	40,713	(569,513)
Less: investment expense	(86,831)	(143,370)	-	(230,201)
Net investment income (loss)	(326,643)	(513,784)	40,713	(799,714)
Total additions	1,062,161	2,338,411	4,307,131	7,707,703
Deductions				
Benefits	3,079,825	4,378,526	2,966,418	10,424,769
Refunds and administration	4,531	10,848	18,500	33,879
Total deductions	3,084,356	4,389,374	2,984,918	10,458,648
Change in net position	(2,022,195)	(2,050,963)	1,322,213	(2,750,945)
Net position, beginning of year	20,969,585	40,053,886	1,664,402	62,687,873
Net position, end of year	\$ 18,947,390	\$ 38,002,923	\$ 2,986,615	\$ 59,936,928

Extra
\$200,000
pension and
\$1.3 million
OPEB

18. JOINT VENTURES

The City is a member of the Southeastern Oakland County Resource Recovery Authority (the "Authority") which consists of 12 municipalities in Oakland County and provides refuse disposal services for the benefit of member municipalities. The City appoints one member of the joint venture's governing board and controls six of 69 votes. The governing board approves the annual budget. The participating communities provide funding for its operations. During the year ended June 30, 2016, the last available audited financial statements, the Authority reported a decrease in net position in the amount of \$89,880 resulting in ending net position in the amount of \$3,465,655. During the year ended June 30, 2016, the City expended \$1,692,009 of payments made to the Authority. The City is unaware of any situation that would cause any additional financial benefit or burden related to the Authority. Complete financial statements for the Southeastern Oakland County Resource Recovery Authority can be obtained from its administrative offices at 3910 Webster Road, Royal Oak, Michigan, 48073.

CITY OF OAK PARK, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2016

	Business-type Activities	Governmental Activities
	Water and Sewer Enterprise Fund	Internal Service Funds
Cash flows from operating activities		
Receipts from customers	\$ 11,206,109	\$ -
Receipts from interfund services	-	799,126
Miscellaneous receipts	-	367,838
Payments to suppliers	(6,196,441)	(710,819)
Payments to employees	(3,206,979)	(430,918)
Net cash provided by operating activities	1,802,689	25,227
Cash flows from noncapital financing activities		
Transfers from other funds	50,000	-
Cash flows from capital and related financing activities		
Purchases of capital assets	(1,705,471)	(87,134)
Issuance of long-term debt	1,003,909	-
Principal paid on long-term debt	(1,931,422)	-
Interest paid on long-term debt	(215,197)	-
Net cash used by capital and related financing activities	(2,848,181)	(87,134)
Cash flows from investing activities		
Interest and dividends	61,434	3,912
Net change in cash and investments	(934,058)	(57,995)
Cash and investments, beginning of year	4,184,688	353,273
Cash and investments, end of year	\$ 3,250,630	\$ 295,278

continued...

Disaster Contingency	Community Development Block Grant	C.O.P.S. Program	Caseflow Assistance	Neighborhood Stabilization Program
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	80,489	245,431	-	34,332
-	-	-	20,198	-
-	-	-	-	-
-	-	-	-	-
53	-	-	2,724	-
-	-	-	-	-
53	80,489	245,431	22,922	34,332
-	-	-	-	-
-	-	-	1,047	-
-	-	-	-	-
-	-	-	-	-
-	91,480	397,711	-	36,400
-	-	-	-	-
-	91,480	397,711	1,047	36,400
53	(10,991)	(152,280)	21,875	(2,068)
-	-	152,280	-	-
(3,651)	-	-	-	-
(3,651)	-	152,280	-	-
(3,598)	(10,991)	-	21,875	(2,068)
3,598	-	-	184,778	-
\$ -	\$ (10,991)	\$ -	\$ 206,653	\$ (2,068)

continued...

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

Public Safety Employees' Retirement System

Schedule of Changes in the City's Net Pension Liability and Related Ratios

Last Three Fiscal Years (ultimately 10 years of data will be presented)

	2014	2015	2016
Change in total pension liability			
Service cost	\$ 1,351,362	\$ 1,391,903	\$ 941,346
Interest	4,381,564	4,346,878	4,427,324
Differences between expected and actual experience	-	136,404	2,342,761
Changes of assumptions	-	(19,693,917)	3,938,301
Benefit payments, including refunds of member contributions	(4,961,937)	(4,280,101)	(4,378,526)
Net change in total pension liability	770,989	(18,098,833)	7,271,206
Total pension liability, beginning	82,496,362	83,267,351	65,168,518
Total pension liability, ending (a)	83,267,351	65,168,518	72,439,724
Change in plan fiduciary net position			
Contributions - employer	2,869,461	2,438,761	2,521,391
Contributions - member	325,361	317,315	330,804
Net investment income (loss)	11,976,064	(7,748)	(513,784)
Benefit payments, including refunds of member contributions	(4,961,937)	(4,280,101)	(4,378,526)
Administrative expense	-	-	(10,848)
Other - transfer from Employees' Retirement System	31,376,710	-	-
Net change in plan fiduciary net position	41,585,659	(1,531,773)	(2,050,963)
Plan fiduciary net position, beginning	-	41,585,659	40,053,886
Plan fiduciary net position, ending (b)	41,585,659	40,053,886	38,002,923
City's net pension liability, ending (a)-(b)	\$41,681,692	\$24,615,798	\$34,436,801
Plan fiduciary net position as a percentage of the total pension liability	49.9%	60.9%	52.5%
Covered-employee payroll	\$ 3,727,181	\$ 3,954,232	\$ 4,041,630
City's net pension liability as a percentage of covered payroll	1118.3%	622.5%	852.1%

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

Employees' Retirement System

Schedule of Changes in the City's Net Pension Liability and Related Ratios

Last Three Fiscal Years (ultimately 10 years of data will be presented)

	2014	2015	2016
Change in total pension liability			
Service cost	\$ 471,343	\$ 485,484	\$ 303,303
Interest	2,471,316	2,159,545	2,726,891
Differences between expected and actual experience	-	810,181	(136,533)
Changes of assumptions	-	(8,131,545)	4,952,784
Benefit payments, including refunds of member contributions	(3,237,481)	(3,165,651)	(3,079,825)
Net change in total pension liability	(294,822)	(7,841,986)	4,766,620
Total pension liability, beginning	47,145,426	46,850,604	39,008,618
Total pension liability, ending (a)	46,850,604	39,008,618	43,775,238
Change in plan fiduciary net position			
Contributions - employer	1,367,086	1,272,539	1,336,565
Contributions - member	61,130	54,389	52,239
Net investment income (loss)	(3,162,566)	196,674	(326,643)
Benefit payments, including refunds of member contributions	(3,237,481)	(3,165,651)	(3,079,825)
Administrative expense	-	-	(4,531)
Other - transfer to Public Safety Employees' Retirement System	(31,376,710)	-	-
Net change in plan fiduciary net position	(36,348,541)	(1,642,049)	(2,022,195)
Plan fiduciary net position, beginning	58,960,175	22,611,634	20,969,585
Plan fiduciary net position, ending (b)	22,611,634	20,969,585	18,947,390
City's net pension liability, ending (a)-(b)	\$24,238,970	\$18,039,033	\$24,827,848
Plan fiduciary net position as a percentage of the total pension liability	48.3%	53.8%	43.3%
Covered-employee payroll	\$ 1,998,057	\$ 1,885,123	\$ 1,786,708
City's net pension liability as a percentage of covered payroll	1213.1%	956.9%	1389.6%

INDEPENDENT AUDITORS' COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

December 17, 2016

To the Honorable Mayor and
Members of the City Council
City of Oak Park, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *City of Oak Park, Michigan* (the "City") as of and for the year ended June 30, 2016, and have issued our report thereon dated December 17, 2016. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 12, 2016, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding internal control over financial reporting and compliance noted during our audit in a separate letter to you dated December 17, 2016. In addition, we noted certain other matters which are included in Attachment A to this letter.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and in our meeting about planning matters on October 10, 2016.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the City's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements.

There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during the year.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements were:

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time it is believed that those assets will provide some economic benefit in the future.
- Management's estimate of the accrued compensated absences is based on current hourly rates and policies regarding payment of sick and vacation banks.
- Management's estimate of the allowance for uncollectible receivable balances is based on past experience and future expectation for collection of various account balances.
- Management's estimate of the insurance claims incurred but not reported is based on information provided by the entity's third party administrators and subsequent claims activity.
- The assumptions used in the actuarial valuations of the pension and other postemployment benefits plans are based on historical trends and industry standards.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We did not identify any misstatements during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in Attachment C to this letter.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. We made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Upcoming Changes in Accounting Standards

Generally accepted accounting principles (GAAP) are continually changing in order to promote the usability and enhance the applicability of information included in external financial reporting. While it would not be practical to include an in-depth discussion of every upcoming change in professional standards, Attachment B to this letter contains a brief overview of recent pronouncements of the Governmental Accounting Standards Board (GASB) and their related effective dates. Management is responsible for reviewing these standards, determining their applicability, and implementing them in future accounting periods.

This information is intended solely for the use of the governing body and management of the *City of Oak Park* and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Rehmann Lohman LLC

CITY OF OAK PARK, MICHIGAN

Attachment A - Comments and Recommendations

For the June 30, 2016 Audit

During our audit, we became aware of certain other matters that are opportunities for strengthening internal control and/or improving operating efficiency. This memorandum summarizes our comments and recommendations regarding those matters. Our consideration of the City's internal control over financial reporting is described in our report, dated December 17, 2016, issued in accordance with *Government Auditing Standards*. This memorandum does not affect that report or our report dated December 17, 2016, on the financial statements of the City of Oak Park.

Internal Controls Over Bank Reconciliations

We noted bank reconciliations are completed on a timely basis and the City's internal control narratives state they are reviewed by the Finance Director; however, there is no evidence (such as initials) on the reconciliations that they were reviewed and approved by an individual independent of the preparer. We recommend that bank reconciliations be reviewed and approved by an appropriate individual that signs and dates the reconciliations upon completion.

Aging of Accounts Receivable

We noted certain miscellaneous accounts receivables (that are comprised of property mowing, emergency services, and other minor services that the City provided) dating as far back as 2007. While these amounts are, at least in part, deferred revenue, RR recommends that management review these receivables and write off those that are deemed to be no longer collectible. We understand that the City began, in October 2016, the significant project of reviewing the thousands of old outstanding invoices for propriety and has implemented collection procedures.

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CITY OF OAK PARK, MICHIGAN

Attachment B - Upcoming Changes in Accounting Standards / Regulations

For the June 30, 2016 Audit

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the City in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the City. For the complete text of these and other GASB standards, visit www.gasb.org and click on the “Standards & Guidance” tab. If you have questions regarding the applicability, timing, or implementation approach for any of these standards, please contact your audit team.

GASB 74 ■ Postemployment Benefit Plans Other than Pension Plans

Effective 06/15/2017 (your FY 2017)

This standard requires the calculation of a net other postemployment benefit (OPEB) liability based on an actuarial valuation of retiree healthcare and similar benefits administered by an OPEB trust. It mirrors the new accounting and financial reporting requirements of GASB 67 for pension plans.

GASB 75 ■ Postemployment Benefits Other than Pensions

Effective 06/15/2018 (your FY 2018)

This standard builds on the requirements of GASB 74 by requiring employers that provide other postemployment benefits (OPEB) to recognize a net OPEB liability on their statements of net position. It mirrors the new accounting and financial reporting requirements of GASB 68 for pension benefits.

GASB 77 ■ Tax Abatement Disclosures

Effective 12/15/2016 (your FY 2017)

This standard requires governments to disclose certain information about tax abatement agreements made to foster economic development or otherwise benefit the government or its citizens. Required disclosures include a brief description of the arrangement, the gross dollar amount of taxes abated in the current period, and any additional commitments made by the government as part of the agreement.

GASB 78 ■ Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans

Effective 12/15/2016 (your FY 2017)

This standard is an amendment to GASB 68, and provides guidance to governments that participate in non-governmental cost-sharing pension plans. We do not expect this standard to have any significant effect on the City.

GASB 80 ■ Blending Requirements for Certain Component Units

Effective 06/15/2017 (your FY 2017)

This standard is an amendment to GASB 14, *The Financial Reporting Entity*, and requires blending component units incorporated as not-for-profit corporations in which the government is the sole corporate member. We do not expect this standard to have any significant effect on the City.

CITY OF OAK PARK, MICHIGAN

Attachment B - Upcoming Changes in Accounting Standards / Regulations

For the June 30, 2016 Audit

GASB 81 ■ Irrevocable Split-Interest Agreements

Effective 12/15/2017 (your FY 2017)

This standard addresses the accounting for split-interest agreements for which the government serves as the intermediary and/or the beneficiary. It requires governments to record assets, liabilities, and deferred inflows of resources at the inception of the agreement when serving as intermediary, or when the government controls the present service capacity of a beneficial interest. We do not expect this standard to have any significant effect on the City.

GASB 82 ■ Pension Issues

Effective 06/15/2017 (your FY 2017)

This standard is an amendment to GASB 67/68 to clarify several issues related to pensions. We do not expect this standard to have any significant effect on the City.

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CITY OF OAK PARK, MICHIGAN

Attachment C - Management Representations

For the June 30, 2016 Audit

Following are the written representations that we requested from management.



CITY OF OAK PARK

OFFICE OF THE CITY MANAGER

Mayor
Marian McClellan
Mayor Pro Tem
Carolyn Burns
Council Members
Kiesha Speech
Solomon Radner
Ken Rich
City Manager
Erik Tungate

December 17, 2016

Rehmann Robson
675 Robinson Road
Jackson, MI 49203

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Oak Park, Michigan as of and for the year ended June 30, 2016, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, and the respective budgetary comparison for the general fund and each major special revenue fund of the City, in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 17, 2016:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 12, 2016, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
2. We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
3. We acknowledge our responsibility for 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. For the purposes of this letter, related parties mean members of the governing body; board members; administrative officials; immediate families

of administrative officials, board members, and members of the governing body; and any companies affiliated with or owned by such individuals.

7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
9. With regard to items reported at fair value:
 - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
10. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
11. All funds and activities are properly classified.
12. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
13. All components of net position and fund balance classifications have been properly reported.
14. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
15. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
16. All interfund and intra-entity transactions and balances have been properly classified and reported.
17. Deposit and investment risks have been properly and fully disclosed.
18. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
19. All required supplementary information is measured and presented within the prescribed guidelines.
20. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.

Information Provided

21. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
22. All transactions have been recorded in the accounting records and are reflected in the financial statements.

23. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
24. Except for the fraud by the treasury cashier which was disclosed to you, we have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
25. Except for the fraud by the treasury clerk, we have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
26. We have disclosed all pending or threatened litigation and claims whose effects should be considered when preparing the financial statements.
27. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
28. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
29. The government has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
30. We have disclosed to you all guarantees, whether written or oral, under which the government is contingently liable.
31. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
32. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations except the expenditure amounts over budget disclosed in the financial statements.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
33. The government has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
34. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
35. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB-62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

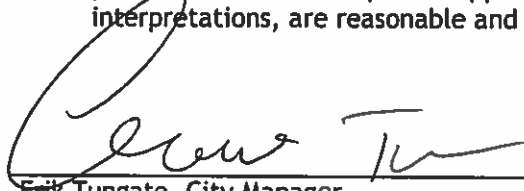
Supplementary Information in Relation to the Financial Statements as a Whole

36. With respect to the supplementary information accompanying the financial statements:
 - a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.

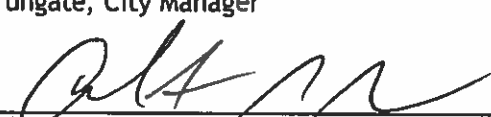
- b. We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
- c. The methods of measurement or presentation have not changed from those used in the prior period.
- d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Required Supplementary Information

37. With respect to the required supplementary information accompanying the financial statements:
- a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with accounting principles generally accepted in the United States of America.
 - b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with accounting principles generally accepted in the United States of America.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.



Erik Tungate, City Manager



Carl Johnson, Chief Financial Officer

City of Oak Park,
Michigan



Year Ended
June 30, 2016

Comprehensive
Annual Financial
Report

Prepared by
Finance Department

City Manager
Erik Tungate

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CITY OF OAK PARK, MICHIGAN

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INTRODUCTORY SECTION

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CITY OF OAK PARK

OFFICE OF THE CITY MANAGER

Mayor
Marian McClellan
Mayor Pro Tem
Carolyn Burns
Council Members
Kiesha Speech
Solomon Radner
Ken Rich
City Manager
Erik Tungate

December 17, 2016

To the Honorable Mayor, Members of the City Council
and the Citizens of the City of Oak Park, Michigan

The comprehensive annual financial report (CAFR) of the City of Oak Park (the "City") for the year ended June 30, 2016, is hereby submitted as mandated by the City Charter, Section 9.8, and state statute, Public Act 2 of 1968. The City Charter and state statute require that the City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. The financial statements and supplemental schedules contained herein have been audited by Rehmann Robson, Certified Public Accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section, which is unaudited, includes this letter of transmittal, an organizational chart and a list of the City's principal officials. The basic financial statements include the government-wide financial statements and fund financial statements as well as the independent auditor's report on these financial statements. The required supplemental information includes management's discussion and analysis and information on the pension and other employee benefits plans. Other supplementary information includes combining and individual fund financial statements and schedules. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

The Reporting Entity and Services Provided

The City has defined its financial reporting entity in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB). The City includes all the funds, agencies, boards, commissions, and authorities that are controlled by or dependent on the Mayor and City Council. Based on these criteria, the Municipal Building Authority, Brownfield Redevelopment Authority, and Economic Development Corporation have been included in this report.

The City provides a full range of services including police and fire protection; sanitation services; the construction and maintenance of highways, streets and infrastructure; planning and zoning; library services; and recreational activities and cultural events. In addition, water and sewer services are provided under an enterprise fund concept, with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

Local Economy and Governmental Structure

The City of Oak Park is located near the southeast corner of Oakland County in metropolitan Detroit, and approximately 3.5 miles from Macomb County and adjacent to the northern boundary of the City of Detroit and Wayne County. The City contains approximately 5.5 square miles with a population of 29,319 as reported by the U.S. Bureau of Census for 2010.

The City operates under the Council-Manager form of government as established in its charter adopted October 29, 1945. The City Council is comprised of a Mayor, elected at-large every two years, and four Councilmembers, two elected at-large every four years. The City Council is responsible for enacting ordinances, resolutions and regulations governing the City. City Council also appoints the members of various statutory and advisory boards and commissions, the City Manager, and the City Attorney. The City Manager is responsible for the day-to-day management of the City and enforcement of laws and ordinances established by City Council and appoints and supervises the heads of departments of the City organization.

The City of Oak Park has grown over the years to a point where only one percent of its total land area is vacant. Although most of the growth occurring in Oakland County is taking place to the west and north, the I-696 freeway, which runs through Oak Park, provides a corridor of opportunity for redevelopment and enhancement of existing development.

It is management's goal to maintain high quality services to the citizens of Oak Park during economic uncertainty. The City has adopted prudent financial policies, which will help guide it through the upcoming years. The City has a strong property tax base and management believes it can meet the challenges confronting the community in the near future.

Major Initiatives

The following were among those many diverse activities and accomplishments to which both the elected officials and staff devoted their energies in fiscal year 2015-2016:

- 1) The City's number one priority was preserving fund balance while maintaining or improving existing city services. The City's General Fund had an original budget that anticipated an operating deficit of more than \$800,000 which would have resulted in a decrease in fund balance. Due to the significant efforts on behalf of the entire city, the amended operating budget was balanced and the overall result was an increase to the fund balance in the General Fund of more than \$248,000, bringing total fund balance at June 30, 2016 to approximately \$3,679,000 or 17.75% of expenditures and transfers. The ending fund balance continues to be in the targeted range for the third year in a row.
- 2) The second priority was to address the long-term legacy costs. The City was able to contribute \$79,310 and \$18,188 over the actuarially required public safety and employees pension contributions, respectively. The City, for the second year in a row, made a contribution over the pay-as-you-go amount toward the OPEB liability, this year totaling \$1,300,000.
- 3) The third priority was economic development and improving the quality of life for residents and businesses. The focus on economic development projects is to rehab existing structures and promote new development. The quality of life issues include additional public safety officers for safety and code enforcement officers to ensure all structures and city lots are maintained are up to existing code.

Financial Information

Management of the City is responsible for establishing and maintaining internal control designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Long-term Financial Planning

The City Council has adopted the following financial policies to guide the process for long-term financial decisions: 1) Debt Management Policy - provides guidelines for borrowing money to finance projects; 2) Cash Management Policy - provides guidelines for the day-to-day handling of cash and investments; 3) Capital Improvement Policy - sets capitalization thresholds and parameters for capital asset purchases; and 4) Investment Policy - provides guidelines for investment of the City's liquid assets.

A large parcel of property owned by the State of Michigan, which formerly housed the Eight Mile Armory, has stood vacant for many years. The State has sold this parcel for commercial development with portions of this property currently being redeveloped. This project continues to stimulate development in that area and provide additional tax dollars to fund future development.

As the City continues to operate in an environment of slow economic growth and significant limitations on revenues, additional funding sources may need to be found to fund large capital projects. This may include additional taxes, which can only be raised by a vote of the people. Other sources of revenue may include grants, special assessments or raising fees. These challenges will be met following the financial policies above.

Federal Financial Assistance

As a recipient of federal financial assistance, the City is also responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control systems are evaluated periodically by management to achieve these objectives. The City was not required to have a single audit in fiscal year 2015-2016 to test these controls, per Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), because it did not received more than \$750,000 in federal awards this fiscal year.

Budgeting Controls

In accordance with state law, the City's budget is prepared on the modified accrual basis for governmental funds, and its accounting records are also maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a liability is incurred, except for interest on long-term debt and accrued vacation benefits. Governmental funds, such as the City's general fund, special revenue funds, debt service funds and capital projects funds, are reported on the modified accrual basis. The City's enterprise fund, internal service funds and pension and other employee benefits trust funds are reported on the accrual basis, under which revenues are recorded when earned and expenses are recorded when incurred.

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level for the general and special revenue funds. However, for internal accounting purposes, budgetary control is maintained by object class (line account) for all funds. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Purchase orders that would create an over encumbrance are not written until additional appropriations are available. Encumbered accounts lapse at year-end. There were no encumbrances outstanding at June 30, 2016.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Acknowledgements

The preparation of the CAFR on a timely basis was made possible by the dedicated service of Finance Director Carl Johnson and the entire staff of the Department of Finance and Administrative Services, Department of Technical and Planning Services and our independent auditors, Rehmann Robson, Certified Public Accountants. Each of them has our sincere thanks.

In closing, without the leadership and support of the City Council, preparation of this report would not have been possible.

Sincerely,

[Signature omitted for security purposes]

Erik Tungate
City Manager

CITY OF OAK PARK, MICHIGAN

ELECTED AND APPOINTED OFFICIALS

City Council

Marian McClellan
Mayor

Carolyn Burns
Mayor Pro-Tem

Kiesha Speech
Solomon Radner
Ken Rich
Council Members

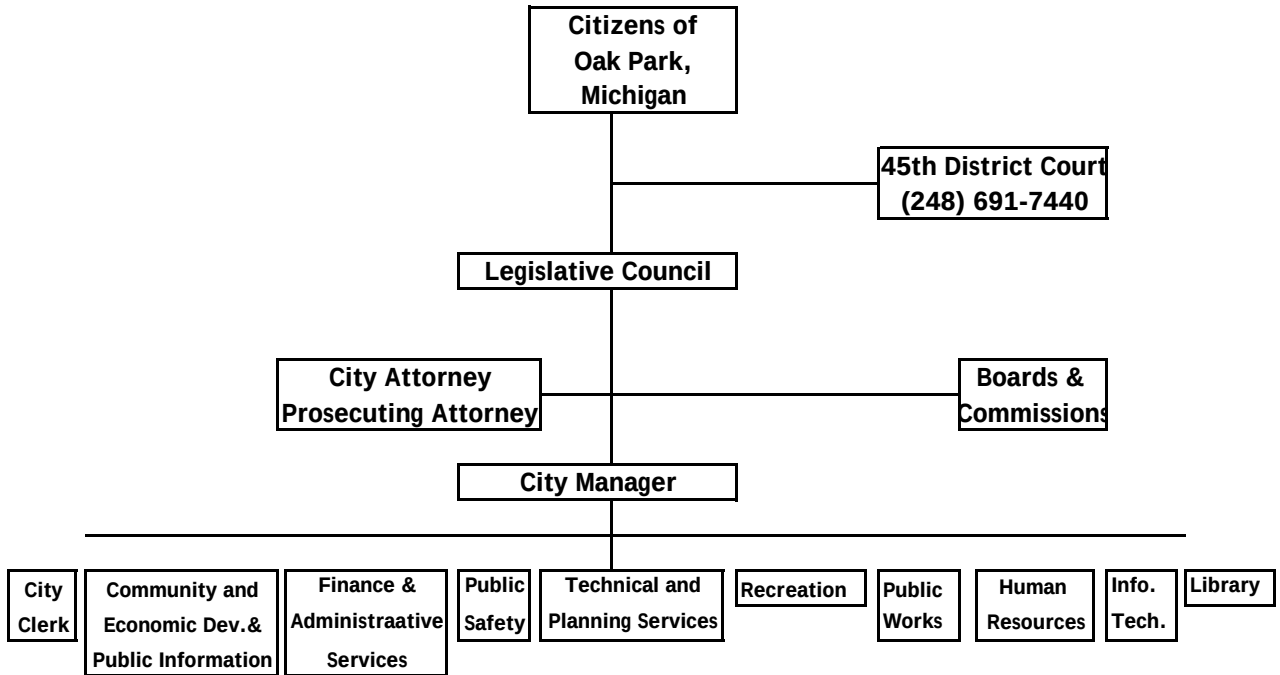
Appointed Officials and Senior Management

Erik Tungate, City Manager

Kevin Yee, Assistant City Manager / Public Works Director
T. Edwin Norris, City Clerk
Carl Johnson, Director of Finance and Administrative Services
Saundra Crawford, Deputy Finance Director
John Gillooly and Ebony Duff, City Attorney
Brandon Bowman, Library Director
Robert Barrett, Director of Technical and Planning Services
Steve Cooper, Director of Public Safety
Laurie Stasiak, Director of Recreation
Jamen Winters, Deputy Treasurer
WCA Assessing, City Assessor
Scott Lemarbe, General Foreman
Ed Mlynezyk, General Foreman
Mike Pinkerton, Deputy Director of Public Safety
David DeCoster, Deputy Director of Technical and Planning Services
Rocco Fortura, Deputy Director of DPW
Steve Lukasik, Water Supervisor
Maralee Rosemond, Senior Services Coordinator
Vicky Brooks, Director of Human Resources & Operations
Kimberly Marrone, Director of Community & Economic Development
Denise Desantis, Director of Communications & Public Information

CITY OF OAK PARK, MICHIGAN

Table of Organization



FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

December 17, 2016

The Honorable Mayor and Members of the City Council
City of Oak Park, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *City of Oak Park, Michigan* (the "City"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 opinions.

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Oak Park, Michigan, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

A handwritten signature in black ink that reads "Lehmann Lobson LLC". The signature is written in a cursive, flowing style.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

As management of the City of Oak Park, Michigan (the "City"), we offer readers an overview of the City's financial activities for the fiscal year ended June 30, 2016. Please read it in conjunction with the financial statements.

Financial Highlights

- The City's net position increased as a result of this year's operations. Net position of our governmental activities increased by \$2.5 million, or 4.9 percent. Net position of our business-type activities decreased by \$0.8 million, or 4.0 percent.
- During the year, the City had revenues and other financing sources in governmental funds that were \$0.4 million more than the \$41.6 million of expenditures and other financing uses, excluding payments to the refunding bond escrow agent.
- In the City's business-type activities, revenues were \$11.0 million while expenses were \$11.8 million.
- Total cost of all of the City's governmental programs was \$41.6 million, excluding payments to the refunding bond escrow agent.
- The general fund reported an increase in fund balance of \$0.2 million.
- The general fund revenues were \$0.5 million more and expenditures were \$.01 million less than budgeted. The revenue variance is primarily due to a reduction in property tax reserves for tax appeal refunds and real chargebacks. The expenditure variance represents savings in most departments offset by an additional transfer of the overall expenditure savings to the Retiree's Health Care - General and Public Safety Employee's Fund of \$.4 million. The General Fund increased fund balance by \$0.2 million instead of no change as projected in the final amended budget.

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 City as a whole and present a long-term view of the City's finances. Fund financial statements for governmental activities show how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole

Our analysis of the City as a whole begins with the statement of net position. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position (the difference between assets and deferred outflows and liabilities and deferred inflows) as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

In the statement of net position and the statement of activities, we divide the City into three kinds of activities:

- Governmental activities — Most of the City's basic services are reported here, including public safety, public works, recreation, and general administration. Property taxes, franchise fees, and state grants finance most of these activities.
- Business-type activities — The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system is reported here.
- Discretely presented component units — The City includes two separate legal entities in its report, the Economic Development Corporation and Brownfield Authority. Although legally separate, these discretely presented component units are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by statute and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies. The City's three kinds of funds—governmental, proprietary and fiduciary—use different accounting approaches.

Governmental funds. Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in a reconciliation following the fund financial statements.

Proprietary funds. When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise fund (a type of proprietary fund) is the same as the business-type activities we report in the government-wide statements but in greater detail. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities, such as the City's motor pool operation.

Fiduciary funds. This category includes the City's pension and other employee benefits trust funds along with its agency funds, which account for monies held on behalf of others.

Reporting the City as Trustee

The City is the trustee, or fiduciary, for its employees' pension plan and retirees' health care - general and public safety employees' fund. It is also responsible for other assets in an agency capacity. All of the City's fiduciary activities are reported in the separate statements of fiduciary net position and the statement of changes in fiduciary net position. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

The City as a Whole

The City's total net position increased over the prior year – from negative \$31.4 million to negative \$29.6 million. Our analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 13,618,226	\$ 13,566,084	\$ 6,809,279	\$ 7,965,263	\$ 20,427,505	\$ 21,531,347
Capital assets, net	43,714,841	44,889,089	27,781,968	26,827,629	71,496,809	71,716,718
Total assets	57,333,067	58,455,173	34,591,247	34,792,892	91,924,314	93,248,065
Deferred outflows of resources	9,795,410	2,576,561	710,703	284,090	10,506,113	2,860,651
Long-term liabilities	32,021,485	33,299,260	8,368,702	9,267,102	40,390,187	42,566,362
Pension and OPEB	75,443,920	61,288,554	8,069,051	5,862,686	83,512,971	67,151,240
Other liabilities	2,269,635	3,209,285	1,054,595	973,344	3,324,230	4,182,629
Total liabilities	109,735,040	97,797,099	17,492,348	16,103,132	127,227,388	113,900,231
Deferred inflows of resources	4,838,192	13,138,612	3,664	421,952	4,841,856	13,560,564
Net position						
Net investment in capital assets	13,597,182	14,000,594	19,700,636	17,818,784	33,297,818	31,819,378
Restricted	4,464,360	4,317,193	-	-	4,464,360	4,317,193
Unrestricted (deficit)	(65,506,297)	(68,221,764)	(1,894,698)	733,114	(67,400,995)	(67,488,650)
Total net position (deficit)	\$(47,444,755)	\$(49,903,977)	\$17,805,938	\$18,551,898	\$(29,638,817)	\$(31,352,079)

Net position of the City's governmental activities increased by \$2.5 million. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from -\$68.2 million at June 30, 2015 to -\$66.3 million at the end of this year. The increase in net position of \$2.5 million is primarily due to the net increase in fund based fund balance of \$0.4 million and favorable change in the pension net deferred inflows and outflows.

The net position of the business-type activities decreased by 4.02 percent (\$17.8 million compared to \$18.6 million in 2015). The reduction in net position of \$0.7 million is due primarily to the change in the net pension and OPEB liability.

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services	\$ 6,597,305	\$ 6,529,115	\$10,984,177	\$11,706,574	\$ 17,581,482	\$ 18,235,689
Operating grants	2,690,345	2,406,046	-	-	2,690,345	2,406,046
Capital grants	100,150	561,703	-	-	100,150	561,703
General revenues:						
Property taxes	17,549,447	16,326,336	-	-	17,549,447	16,326,336
State shared	3,288,744	3,197,425	-	-	3,288,744	3,197,425
Other taxes	717,762	712,120	-	-	717,762	712,120
Investment earnings	248,056	48,071	61,434	16,381	309,490	64,452
Gain on sale of capital asset	-	-	-	-	-	-
Total revenues	31,191,809	29,780,816	11,045,611	11,722,955	42,237,420	41,503,771
Expenses						
General government	9,940,652	3,064,969	-	-	9,940,652	3,064,969
Judicial	2,280,899	1,944,235	-	-	2,280,899	1,944,235
Public safety	7,401,142	3,497,663	-	-	7,401,142	3,497,663
Road maintenance and repair	3,125,342	4,702,539	-	-	3,125,342	4,702,539
Public works	2,837,202	1,141,585	-	-	2,837,202	1,141,585
Health and sanitation	280,850	3,023,012	-	-	280,850	3,023,012
Culture and recreation	475,963	572,947	-	-	475,963	572,947
Library	661,836	702,648	-	-	661,836	702,648
Community development	601,863	384,815	-	-	601,863	384,815
Interest on long-term debt	1,076,838	1,192,125	-	-	1,076,838	1,192,125
Water and sewer	-	-	11,841,571	8,242,405	11,841,571	8,242,405
Total expenses	28,682,587	20,226,548	11,841,571	8,242,405	40,524,158	28,468,943
Change in net position before transfers	2,509,222	9,554,278	(795,960)	3,480,550	1,713,262	13,034,828
Transfers	(50,000)	-	50,000	-	-	-
Change in net position	2,459,222	9,554,278	(745,960)	3,480,550	1,713,262	13,034,828
Net position						
Beginning of year	(49,903,977)	(1,087,841)	18,551,898	22,949,014	(31,352,079)	21,861,173
Restatement for implementation of GASB 68	-	(58,370,414)	-	(7,877,666)	-	(66,248,080)
End of year	\$(47,444,755)	\$(49,903,977)	\$17,805,938	\$18,551,898	\$(29,638,817)	\$(31,352,079)

The City's total revenue for all programs and services increased by 1.77 percent (\$733,649). The net increase is primarily made up of a decrease of \$.72 million and water and sewer charges for services revenue, and increase in property taxes of \$.97 from an increase in Act 345 mills levied and an increase \$.38 million in sale of capital assets from the sale of tax reverted properties to a developer. The total cost of all programs and services increased by 43.44 percent (\$12.3 million) primarily as a result of the change in the pension and OPEB liability (significant favorable net adjustment in 2015).

CITY OF OAK PARK, MICHIGAN

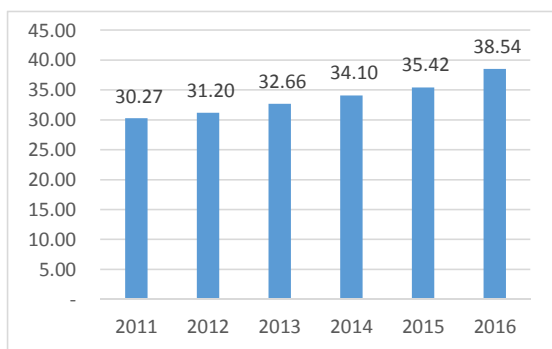
Management's Discussion and Analysis

Governmental activities. Revenues for the City's governmental activities increased by 4.7 percent (\$1.4 million), while total expenses increased 41.8 percent (\$8.5 million).

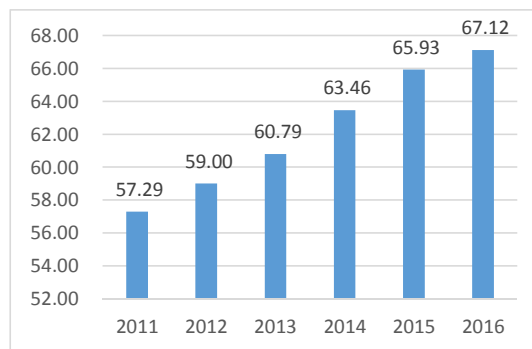
Business-type activities. The City has one business-type activity: the water and sewer system. Revenues of the City's water and sewer fund decreased by 5.78 percent (\$11 million in fiscal year 2016 compared to \$11.7 million in fiscal year 2015) and expenses increased by 43.67 percent (\$8.2 million in fiscal year 2015 compared to \$11.9 million in fiscal year 2016). The City reported net income of -\$0.8 million in the water and sewer fund. This was a decrease from fiscal year 2015 net income of -\$3.4 million. The factors driving these results include:

- The City has posted an increase in this fund's net position in seven of the last eight fiscal years (outside of the one-time restatement of net position due to the implementation of GASB 68 in the current year), which has led to the general overall health of this fund. The current year decrease in net position is primarily due to the year end adjustment for the pension liability which was \$3.3 million more than last year. The infrastructure of the system continues to age. It is expected that necessary infrastructure improvements in the near future will be funded from the accumulated surplus. Continuing improvements to the water and sewer system should allow the City to continue to provide its users with quality services.
- Water rates increased from \$35.42 to \$38.54 per 1,000 cubic feet in fiscal year 2015-2016. Sewer rates increased from \$65.93 to \$67.12 per 1,000 cubic feet. A recent history of the City's water and sewer rates follows:

Annual Water Rates



Annual Sewer Rates



The City's Funds

As the City completed the year, its governmental funds reported a total fund balance of \$10.1 million, which is above last year's total of \$9.7 million. Included in this year's total change in fund balance is an increase of \$0.25 million in the City's general fund. Included in the general fund change in fund balance was the following:

- The City's increase in property tax revenue was 5.4% in the general fund (\$12.6 million in fiscal year 2015-2016 and \$11.8 million in fiscal year 2014-2015) due primarily the decrease in the estimated liability related to property tax appeal cases and the estimated amount of County charge-backs of delinquent real property taxes. Fines and forfeitures revenue is up 11% from last fiscal year due to new collection program implemented during the current year.
- The City has unspent bond proceeds of \$121,214 in its municipal complex construction fund due to borrowing through the sale of bonds for the construction of a city hall and public safety building. This fund also contains amounts for the renovation of the library and recreation buildings. It is anticipated the construction will be completed in fiscal year 2016-2017.

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

General Fund Budgetary Highlights

Over the course of the year, the City Council made quarterly budget amendments and other amendments as necessary during the year. Budget amendments generally fall into three categories. The first category includes amendments and supplemental appropriations that were approved as projects and contracts were competitively bid and come in higher than originally budgeted. The second included Council approved increases in appropriations when preparing the subsequent year's budget. These appropriations were to adjust the original budget when departments submitted estimated year-end figures that exceeded current budgeted amounts. Finally, amending the budget at the last City Council meeting of the fiscal year to prevent significant budget overruns.

The actual expenditures were \$82,654 less than the final budget amounts in the general fund although two departments exceeded their budget. The variances were within the finance and administrative services (\$10,399) and nondepartmental costs (\$487,780). The variance in finance and administrative services is due high self-insurance healthcare costs incurred in the final quarter of the year; and the variance in nondepartmental costs is due primarily to the additional voluntary contribution of \$400,000 to the OPEB Fund from savings in all other General Fund department.

General fund revenues. The following paragraphs analyze the activities of the City's major operating fund. General fund revenues totaled \$21.0 million, an increase of 5.34% over the prior year. Revenues by source were as follows:

General Fund Revenues					
	Fiscal Year		Percent of Total	Increase (Decrease)	% Change from Prior Year
	2016	2015			
Property taxes	\$ 12,414,858	\$ 11,773,604	59.18%	\$ 641,254	5.45%
Licenses and permits	633,468	546,585	3.02%	86,883	15.90%
Intergovernmental	3,323,614	3,209,385	15.84%	114,229	3.56%
Charges for services	908,169	1,366,272	4.33%	(458,103)	-33.53%
Fines and forfeits	1,968,219	1,773,998	9.38%	194,221	10.95%
Interest income	134,408	7,920	0.64%	126,488	1597.07%
Other	1,596,601	1,237,134	7.61%	359,467	29.06%
Total	\$ 20,979,337	\$ 19,914,898	100.00%	\$ 1,064,439	5.34%

Ad valorem taxes provide the City's primary source of revenue. Current collections remain high at 99.28 percent. The City's total tax rate is 37.6060 per \$1,000 of taxable value. This is below the state's legal limit as provided for by the Headlee Amendment and the Truth in Taxation Act and includes the 7 mill voter-approved levy for PA 345 public safety retirement costs. The tax rate was increased by .4869 mills in fiscal year 2014-2015 which includes an increase in the PA 345 levy of .5000 and a reduction for debt retirement of .0131 mills. Overall increase in revenue due to the decrease in the reserve for chargebacks and property tax appeals.

Taxable values in the City increased by .9%, led by a increase of 2.03% in residential property values and decrease in most other property values. In addition to the increase in taxable values, the City in the current year also reduced the reserves for potential refunds related to property tax appeals and chargebacks from Oakland County.

Licenses and permits increased by 15.90%. The increase was primarily due to several large redevelopment projects and an overall increase in the economy in Michigan resulting in new construction and permit related activities.

Intergovernmental revenues increased 3.54%. The City received slightly higher amounts from the State of Michigan due to increase state wide in sales tax collections and EVIP revenue sharing along with two new state grants. Overall, revenue sharing has been significantly cut over the past several years by the State.

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

Charges for services decreased 33.53% due primarily to a reduction in recreation and other program revenue along with a one time fee of .433 million in prior year.

Ordinance fines levied by the 45-B District Court account for the increase of 10.95% in fines and forfeits. The court instituted a new collection program to obtain payment of old receivables that spanned more than a few years.

Interest income increased 1597.07% is attributable to the new investment policy implemented during the current year to maximize return on citywide cash reserves.

Other income increased 29.06% in fiscal year 2015-2016 primarily due to one time insurance proceeds received in prior years along with one-time property sale proceeds in the current year of .375 million.

General fund expenditures. General fund expenditures were \$18.2 million, an increase of \$0.6 million or 3.52% over the prior year. Broken down by major function, expenditures were as follows:

	General Fund Expenditures				
	Fiscal Year		Percent of Total	Increase (Decrease)	% Change from Prior Year
	2016	2015			
General government	\$ 3,562,498	\$ 3,613,552	19.55%	\$ (51,054)	-1.41%
Public safety	8,761,179	8,431,388	48.08%	329,791	3.91%
Public works	537,427	574,852	2.95%	(37,425)	-6.51%
Culture and recreation	544,721	570,403	2.99%	(25,682)	-4.50%
Community development	133,452	163,772	0.73%	(30,320)	-18.51%
Nondepartmental	4,681,648	3,944,438	25.69%	737,210	18.69%
Prior year tax refunds	-	302,229	0.00%	(302,229)	-100.00%
Capital outlay	-	-	0.00%	-	100.00%
Total	\$ 18,220,925	\$ 17,600,634	100.00%	\$ 620,291	3.52%

General government expenditures decreased \$51,054 in fiscal year 2015-2016. The decrease is due primarily to the Finance and Administrative Services department also had a significant decrease in contractual service expenditures for their finance director position.

The public safety department increased \$329,791 or 3.91% is due primarily to the increase salary and fringe benefits costs including an increase in the annual public safety pension contribution.

The public works department decreased \$37,425 or 6.51%. This decrease was primarily due to lower than anticipated repair costs to city facilities.

Recreation and culture decreased \$25,682 or 4.50% due to salary and fringe benefit savings from position vacancies.

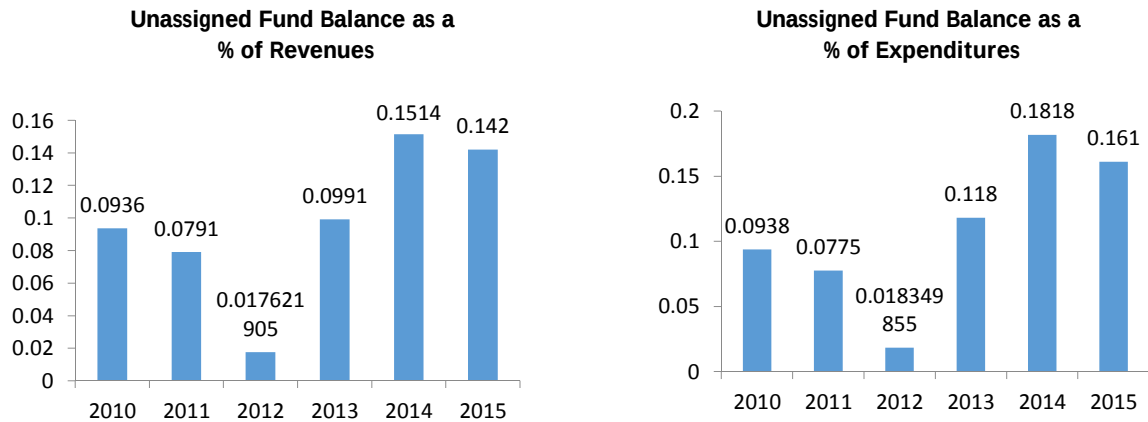
Other nondepartmental expenditures increased \$737,210 or 18.69%. The variance is due primarily to the additional voluntary contribution of \$400,000 to the OPEB Fund from savings in all other General Fund department.

Prior year tax refunds expenditures decreased by \$302,229 because of a significant reduction in potential refunds during the current year coupled with this amount being properly shown as a contra revenue in the current year.

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

General fund. Fund balance at June 30, 2016 increased by 7.24 percent or \$0.25 million over the prior year. The unassigned (and available for appropriation portion of) fund balance increased by \$0.2 million to a balance of \$3.2 million which provides the City with 64.0 days of expenditures, and is equivalent to 17.75 percent of annual expenditures and transfers. Our goal is to maintain this percentage at 8.3 to 18.0 percent (one to two months expenditures), a level considered adequate to meet any unforeseen events and avoid cash shortfalls during periods of low tax collections. An additional goal is to maintain fund balance at 10 to 15 percent of revenues. Unassigned fund balance can be graphically demonstrated as follows:



Capital Asset and Debt Administration

Capital assets. At June 30, 2016, the City had \$71.5 million invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, and water and sewer lines.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 1,642,187	\$ 1,642,187	\$ 11,502	\$ 11,502	\$ 1,653,689	\$ 1,653,689
Rights-of-way	600,818	600,818	-	-	600,818	600,818
Work in progress	568,621	58,724	1,403,196	1,295,413	1,971,817	1,354,137
Infrastructure - roads	20,393,560	21,770,822	-	-	20,393,560	21,770,822
Infrastructure - sidewalks	1,810,012	1,670,658	-	-	1,810,012	1,670,658
Infrastructure - systems	-	-	26,163,547	25,396,454	26,163,547	25,396,454
Buildings	15,838,469	16,185,254	3,033	3,900	15,841,502	16,189,154
Improvements	1,283,559	1,392,956	-	-	1,283,559	1,392,956
Library collection	189,628	180,385	-	-	189,628	180,385
Equipment - vehicles	961,489	999,643	-	-	961,489	999,643
Equipment - miscellaneous	426,498	387,642	200,690	120,360	627,188	508,002
Total capital assets, net	\$ 43,714,841	\$ 44,889,089	\$27,781,968	\$26,827,629	\$ 71,496,809	\$ 71,716,718

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

The City's fiscal year 2015-2016 capital budget called for it to spend \$2,649,995 for capital projects, principally for the completion of municipal complex, acquisition of replacement vehicles and sidewalk and road replacements. More detailed information about the City's capital assets is presented in Note 9 to the financial statements.

Long-term debt. Under current state statutes, the City's net debt may not exceed 10% of the total assessed value of real and personal property as certified by the City Assessor. The City's net debt of \$47,268,995 is 6.15% of assessed value, and provides a legal debt margin of \$18,190,878. Net bonded debt per capita equaled \$920.

The long-term debt obligations of the City consist of general obligation bonds outstanding and a capital lease.

At year-end, the City had \$37,596,332 in bonds outstanding versus \$40,628,845 last year, a decrease of 7.5 percent, as shown in below.

	Long-term Debt					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds (backed by the City)	\$ 27,295,000	\$ 29,330,000	\$ 8,081,332	\$ 9,008,845	\$ 35,376,332	\$ 38,338,845
Capital lease	2,220,000	2,290,000	-	-	2,220,000	2,290,000
Total	\$ 29,515,000	\$ 31,620,000	\$ 8,081,332	\$ 9,008,845	\$ 37,596,332	\$ 40,628,845

At June 30, 2016, the 2012 street improvement refunding bonds, the 2015 street improvement refunding bonds, and the 2010 municipal complex bonds were the only outstanding governmental general obligation bonds. These bonds are paid by a tax levied on all taxpayers separate from the operating millage. A mill represents 1 dollar paid for every \$1,000 of taxable value of real and personal property. The City's debt service levy in fiscal year 2015-2016 was 6.1615 mills. Requirements for general obligation bonds will decrease until all bonds are paid off in May 2036.

The City belongs to a consortium of cities known as the Twelve Towns Drain District. This District was formed to collect and treat sewage and stormwater for 14 communities. In 1998 the Michigan Department of Environmental Quality ordered the District to upgrade its retention facility and decrease its excess flows into Lake St. Clair. The total estimated cost of these improvements is \$130 million, of which the City of Oak Park is responsible for 13.48%. This project began in fiscal year 2000-2001.

The District is borrowing funds through construction draw downs to complete this project. As of June 30, 2016 the City is obligated to pay \$8,081,332. Due to the nature of draws, the exact obligation will be unknown until the project is complete or no other draws are made. Payments on these obligations continue until 2029, ranging from \$65,707 to \$1,054,343. The City will continue to monitor the sewer rates to ensure sufficient cashflow to repay this debt.

The City's general obligation Standard & Poor's Rating Service underlying bond rating was upgraded to be A+/Positive last year. The State limits the amount of general obligation debt that cities can issue to 10 percent of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt is below this \$47.27 million state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 10 to the financial statements.

CITY OF OAK PARK, MICHIGAN

Management's Discussion and Analysis

Economic Factors and Next Year's Budget and Rates

Oak Park (population 29,319) is primarily a residential community located in southeastern Oakland County, Michigan. The local tax base has experienced an increase of .9% for fiscal year 2015-2016 and is expected to have a modest increase in the following year (1.2% expected for 2016-2017). This continued but slow rebound in the economy is encouraging but will continue to present challenges in the near future. Service levels will continue to be adjusted to match annual revenues.

In November 2012, the voters approved the creation of an Act 345 retirement system for public safety employees. The approval comes with the ability to use a property tax levy to fund a portion of public safety retirement costs (previously paid by the general fund). The voters approved up to 7 mills be assessed annually to be used for this purpose for a seven year period beginning in 2013-2014 fiscal year. In fiscal years 2015-2016 the full 7 mills was levied and the entire 7 mills was levied for fiscal year 2016-2017.

Overall net general bonded debt is moderate and continues to decline for the fourth year in a row, at \$920 per capita and 6.18% of assessed value.

The City's elected and appointed officials considered many factors when setting the fiscal year 2015-2016 budget including tax rates and fees to be charged for the business-type activities. One of those factors is the economy. Unemployment in the City now stands at 7.8 percent versus 11.2 percent a year ago. This compares with the State's unemployment rate of 4.9 percent and the national rate of 4.9 percent.

These indicators were taken into account when adopting the general fund budget for fiscal year 2016-2017. The fiscal year 2016-2017 budget was adopted in May 2016. Amounts available for appropriation in the general fund budget are \$20.05 million, a decrease of 3.30% percent over the estimated fiscal year 2015-2016 amount of \$20.73 million. Property tax revenue is budgeted to decrease slightly by 2.8%. Overall, revenues are expected to remain relatively flat. Budgeted expenditures are expected to decrease, to \$20.05 million from \$20.73 million in fiscal year 2015-2016. The City has added no major new programs or initiatives to the fiscal year 2016-2017 budget.

The expense plan for the water and sewer fund for fiscal year 2016-2017 is \$12,875,146, an increase of \$.94 million from fiscal year 2015-2016. The plan includes an increase in water rates of 2.0% and an increase in sewer rates of 10.0%. This increase is necessary due to an increase in the wholesale water and sewage rates from Oakland County.

This plan includes expenses for the Twelve Towns Drain System (known also as the George W. Kuhn Drain). Construction continues and ten bonds have been issued to pay for the cost. The City is responsible for 13.48% of the cost. Debt payments have been built into the budget and sewer rates increased to meet our obligations. The George W. Kuhn Drain debt payment will be \$.9 million in fiscal year 2016-2017.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance and Administrative Services' Office, at the City of Oak Park, 14000 Oak Park Blvd., Oak Park, MI, 48237.

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BASIC FINANCIAL STATEMENTS

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CITY OF OAK PARK, MICHIGAN

Statement of Net Position

June 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and investments	\$ 10,170,770	\$ 3,250,630	\$ 13,421,400	\$ 128,890
Receivables, net	2,879,688	3,558,637	6,438,325	-
Prepaid items	567,768	12	567,780	-
Capital assets not being depreciated	2,811,626	1,414,698	4,226,324	-
Capital assets being depreciated, net	40,903,215	26,367,270	67,270,485	-
Total assets	57,333,067	34,591,247	91,924,314	128,890
Deferred outflows of resources				
Deferred pension amounts	9,601,966	710,703	10,312,669	-
Deferred charge on refunding	193,444	-	193,444	-
Total deferred outflows of resources	9,795,410	710,703	10,506,113	-
Liabilities				
Accounts payable and accrued liabilities	2,269,635	1,054,595	3,324,230	116,906
Long-term liabilities:				
Due within one year	2,190,000	1,051,012	3,241,012	-
Due in more than one year	29,831,485	7,317,690	37,149,175	-
Other noncurrent liabilities:				
Net pension liability	51,195,598	8,069,051	59,264,649	-
Net other postemployment benefits	24,248,322	-	24,248,322	-
Total liabilities	109,735,040	17,492,348	127,227,388	116,906
Deferred inflows of resources				
Deferred pension amounts	4,838,192	3,664	4,841,856	-
Net position				
Net investment in capital assets	13,597,182	19,700,636	33,297,818	-
Restricted for:				
Capital projects	102,974	-	102,974	-
Debt service	436,883	-	436,883	-
Judicial	206,653	-	206,653	-
Public safety	89,572	-	89,572	-
Road maintenance and repair	2,554,206	-	2,554,206	-
Public works	950,945	-	950,945	-
Library	123,127	-	123,127	-
Unrestricted (deficit)	(65,506,297)	(1,894,698)	(67,400,995)	11,984
Total net position (deficit)	\$ (47,444,755)	\$ 17,805,938	\$ (29,638,817)	\$ 11,984

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

CITY OF OAK PARK, MICHIGAN

Statement of Activities

For the Year Ended June 30, 2016

		Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities:					
General government	\$ 9,940,652	\$ 4,357,345	\$ -	\$ 100,150	\$ (5,483,157)
Judicial	2,280,899	210,220	136,520	-	(1,934,159)
Public safety	7,401,142	58,596	52,346	-	(7,290,200)
Road maintenance and repair	3,125,342	154,627	2,027,361	-	(943,354)
Public works	2,837,202	480,086	13,053	-	(2,344,063)
Health and sanitation	280,850	1,311,457	-	-	1,030,607
Culture and recreation	475,963	-	-	-	(475,963)
Library	661,836	24,974	89,822	-	(547,040)
Community development	601,863	-	371,243	-	(230,620)
Interest and fiscal charges	1,076,838	-	-	-	(1,076,838)
Total governmental activities	28,682,587	6,597,305	2,690,345	100,150	(19,294,787)
Business-type activities -					
Water and sewer	11,841,571	10,984,177	-	-	(857,394)
Total primary government	\$ 40,524,158	\$ 17,581,482	\$ 2,690,345	\$ 100,150	\$ (20,152,181)
Component units					
Brownfield Authority	454,526	-	-	-	(454,526)
Total component units	\$ 454,526	\$ -	\$ -	\$ -	\$ (454,526)

continued...

CITY OF OAK PARK, MICHIGAN

Statement of Activities

For the Year Ended June 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Change in net position				
Net (expense) revenue	\$ (19,294,787)	\$ (857,394)	\$ (20,152,181)	\$ (454,526)
General revenues:				
Property taxes levied for:				
General purposes	14,884,111	-	14,884,111	136,906
Debt services	2,665,336	-	2,665,336	-
State shared revenues	3,288,744	-	3,288,744	-
Franchise fees	717,762	-	717,762	-
Investment earnings	248,056	61,434	309,490	183
Other	-	-	-	31,063
Transfers	(50,000)	50,000	-	-
Total general revenues and transfers	21,754,009	111,434	21,865,443	168,152
Change in net position	2,459,222	(745,960)	1,713,262	(286,374)
Net position (deficit), beginning of year	(49,903,977)	18,551,898	(31,352,079)	298,358
Net position (deficit), end of year	<u>\$ (47,444,755)</u>	<u>\$ 17,805,938</u>	<u>\$ (29,638,817)</u>	<u>\$ 11,984</u>

concluded.

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

CITY OF OAK PARK, MICHIGAN

Balance Sheet

Governmental Funds

June 30, 2016

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 3,578,370	\$ 6,297,122	\$ 9,875,492
Receivables:			
Special assessments	11,025	620,701	631,726
Accounts	394,011	585,681	979,692
Due from other governments	654,110	614,160	1,268,270
Due from other funds	175,438	-	175,438
Prepaid items	482,475	1,842	484,317
Total assets	<u>\$ 5,295,429</u>	<u>\$ 8,119,506</u>	<u>\$ 13,414,935</u>
Liabilities			
Accounts payable	\$ 964,217	\$ 594,535	\$ 1,558,752
Accrued liabilities	421,457	139,984	561,441
Due to other funds	-	175,438	175,438
Total liabilities	<u>1,385,674</u>	<u>909,957</u>	<u>2,295,631</u>
Deferred inflows of resources			
Unavailable revenue - property taxes	230,561	6,854	237,415
Unavailable revenue - special assessments	-	686,589	686,589
Unavailable revenue - grants	-	49,452	49,452
Total deferred inflows of resources	<u>230,561</u>	<u>742,895</u>	<u>973,456</u>
Fund balances			
Nonspendable	482,475	1,842	484,317
Restricted	-	4,585,574	4,585,574
Assigned	-	1,907,456	1,907,456
Unassigned (deficit)	3,196,719	(28,218)	3,168,501
Total fund balances	<u>3,679,194</u>	<u>6,466,654</u>	<u>10,145,848</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,295,429</u>	<u>\$ 8,119,506</u>	<u>\$ 13,414,935</u>

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

CITY OF OAK PARK, MICHIGAN

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Governmental Activities
June 30, 2016

Fund balances - total governmental funds \$ 10,145,848

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

Capital assets used in governmental activities are not financial resources,
and therefore are not reported in the fund financial statements.

Capital assets not being depreciated	2,811,626
Capital assets being depreciated, net	40,903,215
Less capital assets accounted for in internal service funds	(963,044)

The focus of governmental funds is on short-term financing. Accordingly, some
assets will not be available to pay for current-period expenditures. Those
assets (such as certain receivables) are offset by deferred inflows in the
governmental funds, and thus are not included in fund balance.

Unavailable property taxes receivable	237,415
Unavailable long-term special assessments receivable	686,589
Unavailable grants receivable	49,452

Internal service funds are used by management to charge the costs of certain
activities, such as insurance and other centralized costs, to individual funds.
The assets and liabilities of certain internal service funds are included in
governmental activities.

Net position of governmental activities accounted for in internal service funds	1,302,540
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Certain liabilities, such as bonds payable, are not due and payable
in the current period, and therefore are not reported in the funds.

Accrued interest on long-term debt	(112,505)
Bonds and capital leases payable	(29,515,000)
Unamortized bond premium	(917,317)
Accrued compensated absences	(1,586,872)
Net other postemployment benefit obligation	(24,248,322)
Unamortized deferred charge on refunding	193,444

Certain pension-related amounts are not due and payable in the current period
or do not represent current financial resources and therefore are not
reported in the funds.

Net pension liability	(51,195,598)
Deferred outflows related to the net pension liability	9,601,966
Deferred inflows related to the net pension liability	(4,838,192)

Net position (deficit) of governmental activities \$ (47,444,755)

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

CITY OF OAK PARK, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2016

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 12,414,858	\$ 4,582,661	\$ 16,997,519
Special assessments	-	334,150	334,150
Licenses and permits	633,468	-	633,468
Intergovernmental:			
Federal grants	12,189	448,213	460,402
State grants	3,311,425	2,236,679	5,548,104
Charges for services	908,169	1,591,492	2,499,661
Fines and forfeitures	1,968,219	232,115	2,200,334
Interest income	134,408	109,736	244,144
Other	1,596,601	86,186	1,682,787
Total revenues	<u>20,979,337</u>	<u>9,621,232</u>	<u>30,600,569</u>
Expenditures			
Current:			
General government	3,562,498	-	3,562,498
Judicial	-	2,384,920	2,384,920
Public safety	8,761,179	10,659	8,771,838
Road maintenance and repair	-	2,161,235	2,161,235
Public works	537,427	2,554,927	3,092,354
Culture and recreation	544,721	-	544,721
Library	-	766,733	766,733
Community development	133,452	543,750	677,202
Nondepartmental costs	4,681,648	-	4,681,648
Debt service:			
Principal	-	1,641,000	1,641,000
Interest and fiscal charges	-	1,425,436	1,425,436
Capital outlay and construction	-	755,044	755,044
Total expenditures	<u>18,220,925</u>	<u>12,243,704</u>	<u>30,464,629</u>
Revenues over (under) expenditures	<u>2,758,412</u>	<u>(2,622,472)</u>	<u>135,940</u>
Other financing sources (uses)			
Issuance of long-term debt	-	7,825,000	7,825,000
Premium on issuance of long-term debt	-	796,882	796,882
Payment to refunding bond escrow agent	-	(8,289,000)	(8,289,000)
Transfers in	-	11,107,393	11,107,393
Transfers out	(2,509,970)	(8,647,423)	(11,157,393)
Total other financing sources (uses)	<u>(2,509,970)</u>	<u>2,792,852</u>	<u>282,882</u>
Net change in fund balances	<u>248,442</u>	<u>170,380</u>	<u>418,822</u>
Fund balances, beginning of year	<u>3,430,752</u>	<u>6,296,274</u>	<u>9,727,026</u>
Fund balances, end of year	<u>\$ 3,679,194</u>	<u>\$ 6,466,654</u>	<u>\$ 10,145,848</u>

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

CITY OF OAK PARK, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended June 30, 2016

Net change in fund balances - total governmental funds \$ 418,822

Amounts reported for *governmental activities* in the statement of activities are 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.

Capital assets purchased / constructed	1,475,030
Depreciation expense	(2,568,549)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.

Net change in deferred inflows for long-term special assessments receivable	551,926
Net change in deferred inflows for grants receivable	35,400

Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Issuance of long-term debt	(7,825,000)
Premium on issuance of long-term debt	(796,882)
Payment to refunded bond escrow agent	8,289,000
Principal payments on long-term liabilities	1,641,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest payable on long-term debt	20,119
Change in amortization of deferred charge on refunding	193,444
Change in net pension liability and related deferred amounts	922,372
Change in net other postemployment benefit obligation	248,087
Change in the accrual for compensated absences	(40,137)

An internal service fund is used by management to charge the costs of certain services to individual governmental funds. The net revenue (expense) attributable to those funds is reported with governmental activities.

Operating loss from governmental activities in internal service funds	(109,322)
Interest income from internal service funds	3,912

Change in net position of governmental activities \$ 2,459,222

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

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CITY OF OAK PARK, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - General Fund
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	\$ 12,365,337	\$ 12,045,337	\$ 12,414,858	\$ 369,521
Licenses and permits	563,250	613,250	633,468	20,218
Intergovernmental - federal grants	-	-	12,189	12,189
Intergovernmental - state grants	3,316,394	3,416,394	3,311,425	(104,969)
Charges for services	1,022,053	929,003	908,169	(20,834)
Fines and forfeitures	1,788,404	1,900,000	1,968,219	68,219
Interest income	2,249	101,615	134,408	32,793
Other	1,115,873	1,461,564	1,596,601	135,037
Total revenues	<u>20,173,560</u>	<u>20,467,163</u>	<u>20,979,337</u>	<u>512,174</u>
Expenditures				
Current:				
General government:				
City council	91,519	79,981	50,307	(29,674)
City manager	421,273	511,997	510,057	(1,940)
Information technology	346,509	338,301	328,382	(9,919)
City attorney	233,000	310,170	304,177	(5,993)
Prosecuting attorney	62,400	62,400	57,650	(4,750)
City clerk	391,440	379,870	329,104	(50,766)
Finance and administrative services	948,910	893,973	904,372	10,399
Public information	151,041	164,187	158,944	(5,243)
Technical and planning services	1,351,933	1,274,499	1,199,505	(74,994)
Less reimbursements from other funds	(280,000)	(280,000)	(280,000)	-
Public safety	8,313,052	8,827,759	8,761,179	(66,580)
Public works	744,545	723,208	537,427	(185,781)
Culture and recreation	645,688	671,948	544,721	(127,227)
Community development	190,803	151,418	133,452	(17,966)
Nondepartmental costs	5,212,255	4,193,868	4,681,648	487,780
Prior year tax refunds	100,000	-	-	-
Total expenditures	<u>18,924,368</u>	<u>18,303,579</u>	<u>18,220,925</u>	<u>(82,654)</u>
Revenues over expenditures	1,249,192	2,163,584	2,758,412	594,828
Other financing sources (uses)				
Transfers out	(2,051,988)	(2,163,584)	(2,509,970)	(346,386)
Net change in fund balances	(802,796)	-	248,442	248,442
Fund balances, beginning of year	3,430,752	3,430,752	3,430,752	-
Fund balances, end of year	<u>\$ 2,627,956</u>	<u>\$ 3,430,752</u>	<u>\$ 3,679,194</u>	<u>\$ 248,442</u>

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

CITY OF OAK PARK, MICHIGAN

Statement of Net Position

Proprietary Funds

June 30, 2016

	Business-type Activities	Governmental Activities
	Water and Sewer Enterprise Fund	Internal Service Funds
Assets		
Current assets:		
Cash and investments	\$ 3,250,630	\$ 295,278
Receivables:		
Accounts	3,478,286	-
Due from other governments	80,351	-
Prepaid items	12	83,451
Total current assets	<u>6,809,279</u>	<u>378,729</u>
Noncurrent assets:		
Capital assets not being depreciated	1,414,698	-
Capital assets being depreciated, net	<u>26,367,270</u>	<u>963,044</u>
Total noncurrent assets	<u>27,781,968</u>	<u>963,044</u>
Total assets	<u>34,591,247</u>	<u>1,341,773</u>
Deferred outflows of resources		
Deferred pension amounts	<u>710,703</u>	<u>-</u>
Liabilities		
Current liabilities:		
Accounts payable	961,584	35,543
Accrued liabilities	93,011	1,394
Current portion of long-term debt	<u>1,051,012</u>	<u>-</u>
Total current liabilities	<u>2,105,607</u>	<u>36,937</u>
Noncurrent liabilities, net of current portion:		
Accrued compensated absences	177,370	2,296
Bonds payable	7,140,320	-
Net pension liability	<u>8,069,051</u>	<u>-</u>
Total noncurrent liabilities	<u>15,386,741</u>	<u>2,296</u>
Total liabilities	<u>17,492,348</u>	<u>39,233</u>
Deferred inflows of resources		
Deferred pension amounts	<u>3,664</u>	<u>-</u>
Net position		
Net investment in capital assets	19,700,636	963,044
Unrestricted (deficit)	<u>(1,894,698)</u>	<u>339,496</u>
Total net position	<u>\$ 17,805,938</u>	<u>\$ 1,302,540</u>

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

CITY OF OAK PARK, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended June 30, 2016

	Business-type Activities	Governmental Activities
	Water and Sewer Enterprise Fund	Internal Service Funds
Operating revenues		
Charges for services	\$ 10,973,596	\$ 799,126
Miscellaneous	10,581	367,838
Total operating revenues	10,984,177	1,166,964
Operating expenses		
Gasoline	-	118,496
Professional services	-	84,905
Supplies	-	168,811
Water	1,217,368	-
Sewage treatment	5,492,546	-
Transmission and distribution	1,636,776	-
Maintenance and operation	1,507,930	-
Customer accounting and collection	426,872	-
General and administration	593,750	-
Depreciation	751,132	167,863
Wages and benefits	-	66,246
Insurance	-	669,965
Total operating expenses	11,626,374	1,276,286
Operating loss	(642,197)	(109,322)
Nonoperating revenues (expenses)		
Interest income	61,434	3,912
Interest expense	(215,197)	-
Total nonoperating revenues (expenses)	(153,763)	3,912
Loss before transfers	(795,960)	(105,410)
Transfers in	50,000	-
Change in net position	(745,960)	(105,410)
Net position, beginning of year	18,551,898	1,407,950
Net position, end of year	\$ 17,805,938	\$ 1,302,540

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

CITY OF OAK PARK, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2016

	Business-type Activities	Governmental Activities
	Water and Sewer Enterprise Fund	Internal Service Funds
Cash flows from operating activities		
Receipts from customers	\$ 11,206,109	\$ -
Receipts from interfund services	-	799,126
Miscellaneous receipts	-	367,838
Payments to suppliers	(6,196,441)	(710,819)
Payments to employees	(3,206,979)	(430,918)
Net cash provided by operating activities	<u>1,802,689</u>	<u>25,227</u>
Cash flows from noncapital financing activities		
Transfers from other funds	<u>50,000</u>	<u>-</u>
Cash flows from capital and related financing activities		
Purchases of capital assets	(1,705,471)	(87,134)
Issuance of long-term debt	1,003,909	-
Principal paid on long-term debt	(1,931,422)	-
Interest paid on long-term debt	(215,197)	-
Net cash used by capital and related financing activities	<u>(2,848,181)</u>	<u>(87,134)</u>
Cash flows from investing activities		
Interest and dividends	<u>61,434</u>	<u>3,912</u>
Net change in cash and investments	(934,058)	(57,995)
Cash and investments, beginning of year	<u>4,184,688</u>	<u>353,273</u>
Cash and investments, end of year	<u>\$ 3,250,630</u>	<u>\$ 295,278</u>

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CITY OF OAK PARK, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2016

	Business-type Activities	Governmental Activities
	Water and Sewer Enterprise Fund	Internal Service Funds
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (642,197)	\$ (109,322)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	751,132	167,863
Change in assets and liabilities:		
Accounts receivable	87,707	-
Due from other governments	134,225	-
Prepaid items	(6)	(45,789)
Accounts payable	128,336	13,169
Accrued liabilities	(47,085)	(936)
Accrued compensated absences	29,113	242
Net pension liability and other related amounts	1,361,464	-
Net cash provided by operating activities	\$ 1,802,689	\$ 25,227

concluded.

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

CITY OF OAK PARK, MICHIGAN

Statement of Fiduciary Net Position

June 30, 2016

	Pension and Other Employee Benefit Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 4,830,292	\$ 446,426
Due from other governments	68,980	2,417
Investments, at fair value:		
Equity mutual funds	31,114,753	-
Fixed income mutual funds	24,446,358	
Money market accounts	138,575	-
Total assets	<u>60,598,958</u>	<u>\$ 448,843</u>
Liabilities		
Accounts payable	662,030	\$ -
Undistributed receipts	-	448,843
Total liabilities	<u>662,030</u>	<u>\$ 448,843</u>
Net position		
Restricted for pension and other postemployment benefits	<u>\$ 59,936,928</u>	

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

CITY OF OAK PARK, MICHIGAN

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2016

	Pension and Other Employee Benefit Trust Funds
Additions	
Contributions:	
Employer	\$ 8,124,374
Plan members	383,043
Total contributions	<u>8,507,417</u>
Investment income (loss):	
Net change in fair value of investments	(1,873,004)
Interest	36,129
Dividends	1,267,362
Total investment income (loss)	<u>(569,513)</u>
Less: investment management expense	<u>(230,201)</u>
Net investment income (loss)	<u>(799,714)</u>
Total additions	<u>7,707,703</u>
Deductions	
Benefits	10,424,769
Refunds and administration	33,879
Total deductions	<u>10,458,648</u>
Change in net position	(2,750,945)
Net position, beginning of year	<u>62,687,873</u>
Net position, end of year	<u>\$ 59,936,928</u>

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

CITY OF OAK PARK, MICHIGAN

Combining Statement of Net Position

Discretely Presented Component Units

June 30, 2016

	Economic Development Corporation	Brownfield Authority	Total Component Units
Assets			
Cash and investments	\$ 11,984	\$ 116,906	\$ 128,890
Liabilities			
Accounts payable	-	116,906	116,906
Net position			
Unrestricted	<u>\$ 11,984</u>	<u>\$ -</u>	<u>\$ 11,984</u>

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

CITY OF OAK PARK, MICHIGAN

Combining Statement of Activities

Discretely Presented Component Units
For the Year Ended June 30, 2016

	Economic Development Corporation	Brownfield Authority	Total Component Units
Expenses			
Community development	\$ -	\$ 454,526	\$ 454,526
General revenues			
Property taxes	-	136,906	136,906
Investment earnings	183	-	183
Other	-	31,063	31,063
Total general revenues	183	167,969	168,152
Changes in net position	183	(286,557)	(286,374)
Net position, beginning of year	11,801	286,557	298,358
Net position, end of year	<u>\$ 11,984</u>	<u>\$ -</u>	<u>\$ 11,984</u>

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

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NOTES TO FINANCIAL STATEMENTS

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Oak Park, Michigan (the "City") was incorporated October 30, 1945. The City operates under a Mayor/Council-Manager form of government and provides the following services as authorized by the charter: public safety (police and fire), building ordinance enforcement, highways and streets, sanitation, parks and recreation, public improvement, planning and zoning, library service, water, sewer and refuse removal.

The accounting policies of the City of Oak Park conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City and its component units. The component units discussed below are included in the City's reporting entity because they are entities for which the City is considered to be financially accountable.

Blended Component Unit

The City of Oak Park Municipal Building Authority is a municipal, non-profit, non-stock corporation organized under the laws of the State of Michigan, and is presented as a blended component unit. The Municipal Building Authority is governed by a board that is appointed by the City Council. The City also has accountability for fiscal matters of the Authority. Although it is legally separate from the City, the Authority is reported as if it were part of the primary government because its sole purpose is for acquiring and owning facilities for the use of the City of Oak Park.

Discretely Presented Component Units

The component unit columns in the government-wide financial statements include the financial data of the City's other component units. They are reported in separate columns to emphasize that they are legally separate from the City. The following component units are included in the reporting entity because the primary government is financially accountable and is able to impose its will on the organizations.

Economic Development Corporation (EDC). The EDC is a municipal, non-profit, non-stock corporation organized under the laws of the State of Michigan for the purpose of promoting development in the City. The Economic Development Corporation is governed by a Board that is appointed by the City Council. The City has the ability to significantly influence the daily operations of the Corporation.

Brownfield Redevelopment Authority. The Brownfield Redevelopment Authority was established to promote the redevelopment of, and private investment in, environmentally distressed properties within the City. The Brownfield Redevelopment Authority is governed by a Board that is appointed by the City Council. The City also has accountability for fiscal matters of the Authority.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain component units for which the primary government is financially accountable.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and 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. Agency funds, a type of fiduciary fund, are unlike all other types of funds, reporting only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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, claims and judgments, are recorded only when payment is due.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

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

The City reports the following major governmental fund -

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

The City reports the following major enterprise fund -

The *water and sewer fund* accounts for the operation of the City's water and sewer systems. The fund is financed and operated in a manner similar to a private enterprise. The intent is that costs (expenses, including depreciation) of providing water and sewer services to the general public are recovered through user charges.

In addition the City reports the following governmental fund types:

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

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

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City has three internal service funds: 1) the risk management fund is used to accumulate resources from other funds that utilize labor to pay workers compensation premiums to the Michigan Municipal League's workers compensation pool, to pay self-insured health care benefits, and for the City's property and liability insurance; 2) the motor pool fund is used for the purchase and maintenance of the City's fleet through rental charges for equipment to other funds; and 3) the court retiree's health care fund is used for the accumulation of assets to fund retiree's health care for District court employees.

Pension and other employee benefits trust funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments, and/or other funds. The City has two pension trust funds (general and public safety) and a retiree's health care fund, which account for assets, liabilities, revenues and expenses in essentially the same manner as proprietary funds.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and/or other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has a payroll agency fund used to account for payment of employee payrolls. It also uses an escrow agency fund used to hold assets belonging to other persons or entities such as bond deposits.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise fund and of the government's internal service funds are charges to customers for sales and services. The enterprise fund also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise fund and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Restricted net position includes assets that are subject to restrictions beyond the government's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

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

Deposits and Investments

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

The City participates in the Oakland County Investment Pool (the "Pool") which is managed by the County Treasurer. In accordance with GASB 79, the Authority's shares are recorded at amortized cost, which approximates fair value. The Pool is not subject to regulatory oversight, is not registered with the SEC (Securities Exchange Commission) and does not issue separate financial statements. The value of the City's position in the Pool is the same as the value of the Pool shares, and includes accrued interest.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Interfund Receivables and Payables

In addition to transactions related to pooled cash, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are included in the "due from other funds" or "due to other funds" accounts on the balance sheet.

Prepaid Items

Prepaid items represent payments made to vendors for goods and services applicable to future fiscal years. Prepaids of governmental funds are recorded as expenditures when consumed rather than when purchased. Prepaid items are offset by nonspendable fund balance in governmental funds.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government 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 acquisition cost at the date of donation.

Depreciation of all exhaustible capital assets used by proprietary fund types is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund type statements of net position. Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

	Years
Water and sewer system	20-100
Roads	25
Sidewalks	20
Vehicles	3-10
Machinery and equipment	3-30
Buildings and improvements	10-50
Library books	5

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension plans.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in a debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the statement of net position. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds. For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and net of any deferred charges on bond refundings.

Compensated Absences

The City accrues vacation pay, sick pay (at fifty percent of unused sick days), compensatory time off, and any salary-related payments for these compensated absences. The current obligations of all funds and the long-term obligations of proprietary funds are recorded in the respective funds. City employees are granted vacation time based on length of service. Most employees have the option of receiving compensatory time off in lieu of pay for overtime worked up to 40 hours. Sick pay is earned at the rate of one day per month, and unused sick days may be accumulated up to 150 days. Employees will be paid for 50 percent of total accumulation upon retirement.

Unused sick and vacation that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. The compensated absence liability is liquidated from the general and water and sewer funds. Unused sick and vacation is accrued when incurred in proprietary funds and reported as a liability. For governmental funds, the current portion of the liability for compensated absences reflects only the unpaid balance of reimbursable unused leave for employees that terminated by the fiscal year end. In accordance with GAAP, for the governmental funds, in the fund financial statements, the noncurrent portion of the compensated absences are considered long-term and, therefore, are not a fund liability and represents a reconciling item between the fund level and government-wide presentations. In addition to the proprietary funds, the general fund, and several nonmajor special revenue funds have been used to liquidate the liability for compensated absences.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds also report unavailable revenues, which arise only under a modified accrual basis of accounting that are reported as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, deferred inflows of resources may be reported in the government-wide for deferred pension amounts.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balances

Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. *Restricted fund balance* is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. *Committed fund balance* is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council. A formal resolution of the City Council is required to establish, modify, or rescind a fund balance commitment. The City reports *assigned fund balance* for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The authority to assign fund balance has been granted to the City Manager by the City Council. *Unassigned fund balance* is the residual classification for the general fund.

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

Statements of Cash Flows

The City presents statements of cash flows for all proprietary fund types. These statements, which have been prepared utilizing the direct method, analyze the net increase or decrease in cash and cash equivalents by source. For purposes of the statements of cash flows, the City considers all highly liquid investments purchased with an original maturity of three months or less and the deposits in the investment funds to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

2. COMPLIANCE INFORMATION

Budgetary Data

Budgets are adopted on the modified accrual basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general and special revenue funds. Annual budgets lapse at year-end.

The level of budgetary control (the level at which expenditures may not legally exceed appropriations) is at the department (activity) level for the general fund and the activity level for special revenue funds.

The governing body must approve budget amendments at the activity level and supplemental appropriations, which affect total fund expenditures. Department Directors or the City Manager can transfer appropriations between line items within a department or activity without governing body approval. Supplemental appropriations were necessary during the year.

The City's appropriation resolution is generally passed during the month of May preceding the fiscal year in which the planned expenditures relate. Subsequent amendments are made to avoid unfavorable variances from the original budget. Related resolutions are made to state the purpose and amount of the changes. The City Manager has the responsibility to enforce the budget. Unused appropriations do not carry forward to the next fiscal year.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other firm commitments are used for the expenditure of monies, is utilized as an extension of formal budgetary control in the governmental funds. Encumbered amounts lapse at year-end, however, material encumbrances generally are reappropriated as part of the following year's budget. These material encumbrances outstanding at year-end, if any, are reported as assignments of fund balance since they do not constitute expenditures or liabilities.

3. EXCESS OF EXPENDITURES OVER BUDGET AND FUND BALANCE DEFICITS

P.A. 621 of 1978 of the State of Michigan, as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated in budget resolutions of the governing body. Budgets are required by State law for general and special revenue funds.

In the body of the financial statements, the City's actual and budgeted expenditures for the budgetary funds have been shown on an activity level for the general fund and on a functional basis for all other funds, with the approved budgets of the City of those budgetary funds being adopted at the activity or department level.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

During the year ended June 30, 2016, the City incurred expenditures in certain budgetary funds, which were in excess of amounts appropriated, as follows:

	Final Budget	Actual	Actual Over Budget
General fund			
General government -			
Finance and administrative services	\$ 893,973	\$ 904,372	\$ 10,399
Nondepartmental costs	4,193,868	4,681,648	487,780
Nonmajor governmental funds			
C.O.P.S program fund - community development	248,644	397,711	149,067
45th District Court fund - judicial	2,162,492	2,348,839	186,347

At year end, the City reported fund balance deficits in certain nonmajor special revenue funds (\$10,991 in the Community Development Block Grant fund, \$2,068 in the Neighborhood Stabilization Program fund, and \$13,802 in the Veterans Treatment Court Grant fund); each of these deficits resulted from unavailable grant revenues. An unassigned fund balance deficit of \$1,357 was also reported in the 45th District Court fund inasmuch as the total fund balance is zero but it had prepaids of \$1,357, which means nonspendable fund balance is recognized in that amount and offset by an unassigned deficit.

4. BUILDING PERMITS AND RELATED COSTS

The City has the following revenues and costs related to building permits:

	Prior Years	2016	Total
Revenue	\$ 654,810	\$ 344,660	\$ 999,470
Expenditures	(1,032,494)	(238,344)	(1,270,838)
Shortfall at June 30	\$ (377,684)	\$ 106,316	\$ (271,368)

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

5. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposit and investment balances as of June 30, 2016:

	Primary Government	Component Units	Totals
Statement of net position			
Cash and investments	\$ 13,421,400	\$ 128,890	\$ 13,550,290
Statement of fiduciary net position			
Pension and other employee benefit trust funds:			
Cash and cash equivalents	4,830,292	-	4,830,292
Investments	55,699,686	-	55,699,686
Agency funds -			
Cash and cash equivalents	446,426	-	446,426
Total	<u>\$ 74,397,804</u>	<u>\$ 128,890</u>	<u>\$ 74,526,694</u>
Deposits and investments			
Bank deposits -			
Checking, savings accounts and CD's			\$ 5,059,273
Investments:			
Securities			6,700,959
Commercial paper			994,610
Investment in Oakland County Investment Pool			6,067,263
Pension and other employee benefit trust funds investments			55,699,686
Cash on hand			4,903
Total			<u>\$ 74,526,694</u>

Deposits

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. State law does not require and the City does not have a policy for deposit custodial credit risk. As of year-end, \$4,716,223 of the City's bank balance of \$5,199,015 (book balance of \$5,059,273) was exposed to custodial credit risk because it was uninsured and uncollateralized.

The City's depository policy does not specifically address this risk, although the City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. As a result, the City evaluates each financial institution with which it deposits City funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Investments

Custodial Credit Risk – Investments. Investments are exposed to custodial credit risk if the securities are uninsured, unregistered or held by a counterparty or its agent but not in the government's name. All investments are held in the name of the City by a counterparty, and thus are not exposed to custodial credit risk. The City's investments are limited to bonds, commercial paper and mutual funds.

Following is a summary of the City's investments as of June 30, 2016:

U.S. agencies	\$ 1,701,099
Municipal bonds	4,999,860
Commercial paper	994,610
Oakland County Investment Pool	<u>6,067,263</u>
Total	<u><u>\$ 13,762,832</u></u>

Credit Risk. State law limits investments to specific governmental securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments in the summary of significant accounting policies.

The City's investments were rated by Standard & Poor's and Moody's as follows:

Rating	Amount
AAA	\$ 1,001,070
AA1	2,697,408
AA3	530,395
AA-	2,219,781
Not rated	<u>7,314,178</u>
	<u><u>\$ 13,762,832</u></u>

Concentration of Credit Risk. The City's investment policy does not address this risk. At June 30, 2016, there were no concentrations in securities of any one issuer greater than 5% of investment fair market value.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Interest Rate Risk. Interest rate risk is the risk that the market rate of securities in the portfolio will fall due to changes in market interest rates. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the summary of significant accounting policies. The maturity dates for the investments are as follows:

	Fair Value	Investment Maturities (fair value by years)		
		Less Than 1	1-5	6-10
U.S. agencies	\$ 1,701,099	\$ -	\$ 1,001,070	\$ 700,029
Municipal bonds	4,999,860	-	4,946,931	52,929
Commercial paper	994,610	994,610	-	-
	<u>\$ 7,695,569</u>	<u>\$ 994,610</u>	<u>\$ 5,948,001</u>	<u>\$ 752,958</u>

The City's investment policy does not address interest rate risk. The City's investments in U.S. agencies are non-callable. Amounts in the Oakland County Investment Pool are accessible to the City on demand; accordingly, the investment is not deemed to have a maturity date.

Fair Value Measurements. The City categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs - other than quoted prices - included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable and are based on estimates and assumptions. These levels are determined by the City's investment managers. These are determined at the fund level based on a review of the investment's class, structure, and what kind of securities are held in funds. The investment managers will request the information from the fund managers, if necessary.

The City had the following recurring fair value measurements as of June 30, 2016:

	Level 1	Level 2	Level 3	Total
U.S. agencies	\$ 1,701,099	\$ -	\$ -	\$ 1,701,099
Municipal bonds	-	4,999,860	-	4,999,860
Commercial paper	-	994,610	-	994,610
	<u>\$ 1,701,099</u>	<u>\$ 5,994,470</u>	<u>\$ -</u>	<u>\$ 7,695,569</u>

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Pension and Other Employee Benefits Trust Fund Investments

Following is a summary of the pension and other employee benefits trust funds investments at fair value as of June 30, 2016:

Investment Type	Amount
Equity mutual funds	\$ 31,114,753
Fixed income mutual funds	24,446,358
Money market accounts	<u>138,575</u>
Total investments	<u>\$ 55,699,686</u>

Custodial Credit Risk - Investments. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the trust funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Although its investment policy does not specifically address custodial credit risk (and its investments are uninsured and unregistered), the trust funds' investments are not exposed to custodial credit risk since the securities are held by the counterparty or its agent in the trust funds' name.

Mutual funds and money market accounts are not subject to credit rating or interest rate risk disclosures.

Fair Value Measurements. The pension and other employee benefits trust funds categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The pension and other employee benefits trust funds had the following recurring fair value measurements as of June 30, 2016:

	Level 1	Level 2	Level 3	Total
Equity mutual funds	\$ 30,481,214	\$ 633,539	\$ -	\$ 31,114,753
Fixed income mutual funds	24,446,358	-	-	24,446,358
Money market accounts	<u>138,575</u>	<u>-</u>	<u>-</u>	<u>138,575</u>
Total investments	<u>\$ 55,066,147</u>	<u>\$ 633,539</u>	<u>\$ -</u>	<u>\$ 55,699,686</u>

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

6. RECEIVABLES

Receivables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities
Accounts receivable	\$ 979,692	\$ 3,478,286
Special assessments receivable	631,726	-
Due from other governments	1,268,270	80,351
	<u>\$ 2,879,688</u>	<u>\$ 3,558,637</u>

Special assessments are the only receivables not expected to be collected within one year.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities
Accounts payable	\$ 1,594,295	\$ 961,584
Accrued liabilities	562,835	93,011
Accrued Interest payable	112,505	-
	<u>\$ 2,269,635</u>	<u>\$ 1,054,595</u>

8. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Interfund balances are comprised of the following at year-end:

	Due from Other Funds	Due to Other Funds
General fund	\$ 175,438	\$ -
Nonmajor governmental funds	-	175,438
	<u>\$ 175,438</u>	<u>\$ 175,438</u>

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. All interfund balances are expected to be collected within one year.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

For the current fiscal year, interfund transfers consisted of the following:

Transfers Out	Transfers in		
	Nonmajor Governmental Funds	Water and Sewer Enterprise Fund	Total
General fund	\$ 2,459,970	\$ 50,000	\$ 2,509,970
Nonmajor governmental funds	8,647,423	-	8,647,423
	<u>\$ 11,107,393</u>	<u>\$ 50,000</u>	<u>\$ 11,157,393</u>

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

9. CAPITAL ASSETS

Capital asset activity for the year of the City's governmental activities was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 1,642,187	\$ -	\$ -	\$ -	\$ 1,642,187
Rights-of-way	600,818	-	-	-	600,818
Work in progress	58,724	509,897	-	-	568,621
	<u>2,301,729</u>	<u>509,897</u>	<u>-</u>	<u>-</u>	<u>2,811,626</u>
Capital assets being depreciated:					
Infrastructure - roads	103,084,635	364,155	-	-	103,448,790
Infrastructure - sidewalks	4,740,292	354,772	-	-	5,095,064
Buildings	19,466,277	58,344	-	-	19,524,621
Improvements	2,943,855	-	-	-	2,943,855
Library collection	505,591	42,156	(4,216)	-	543,531
Vehicles and equipment	4,071,372	87,134	-	-	4,158,506
Other equipment	1,656,030	145,706	-	-	1,801,736
	<u>136,468,052</u>	<u>1,052,267</u>	<u>(4,216)</u>	<u>-</u>	<u>137,516,103</u>
Less accumulated depreciation for:					
Infrastructure - roads	(81,313,813)	(1,741,417)	-	-	(83,055,230)
Infrastructure - sidewalks	(3,069,634)	(215,418)	-	-	(3,285,052)
Buildings	(3,281,022)	(405,130)	-	-	(3,686,152)
Improvements	(1,550,900)	(109,396)	-	-	(1,660,296)
Library collection	(325,206)	(32,913)	4,216	-	(353,903)
Vehicles and equipment	(3,071,729)	(125,288)	-	-	(3,197,017)
Other equipment	(1,268,388)	(106,850)	-	-	(1,375,238)
	<u>(93,880,692)</u>	<u>(2,736,412)</u>	<u>4,216</u>	<u>-</u>	<u>(96,612,888)</u>
Total capital assets being depreciated, net	<u>42,587,360</u>	<u>(1,684,145)</u>	<u>-</u>	<u>-</u>	<u>40,903,215</u>
Governmental activities					
capital assets, net	<u>\$ 44,889,089</u>	<u>\$ (1,174,248)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,714,841</u>

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Capital asset activity for the year of the City's business-type activities was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 11,502	\$ -	\$ -	\$ -	\$ 11,502
Work in progress	1,295,413	107,783	-	-	1,403,196
	<u>1,306,915</u>	<u>107,783</u>	<u>-</u>	<u>-</u>	<u>1,414,698</u>
Capital assets being depreciated:					
Buildings	86,500	-	-	-	86,500
Garage	24,564	-	-	-	24,564
Vehicles and equipment	1,039,603	142,707	-	-	1,182,310
Water system	12,309,723	864,067	-	-	13,173,790
Water - hydrants	560,836	-	-	-	560,836
Water - tanks	166,833	-	-	-	166,833
Water - pump station	1,074,290	-	-	-	1,074,290
Water - master meter	27,514	-	-	-	27,514
Water - reservoir	852,719	-	-	-	852,719
Water - reservoir pump	677,557	-	-	-	677,557
Sewer system	19,399,970	590,914	-	-	19,990,884
	<u>36,220,109</u>	<u>1,597,688</u>	<u>-</u>	<u>-</u>	<u>37,817,797</u>
Less accumulated depreciation for:					
Buildings	(82,600)	(867)	-	-	(83,467)
Garage	(24,564)	-	-	-	(24,564)
Vehicles and equipment	(919,243)	(62,377)	-	-	(981,620)
Water system	(4,346,089)	(147,434)	-	-	(4,493,523)
Water - hydrants	(429,548)	(5,546)	-	-	(435,094)
Water - tanks	(166,833)	-	-	-	(166,833)
Water - pump station	(907,510)	(14,329)	-	-	(921,839)
Water - master meter	(21,668)	(344)	-	-	(22,012)
Water - reservoir	(537,391)	(9,278)	-	-	(546,669)
Water - reservoir pump	(303,673)	(18,494)	-	-	(322,167)
Sewer system	(2,960,276)	(492,463)	-	-	(3,452,739)
	<u>(10,699,395)</u>	<u>(751,132)</u>	<u>-</u>	<u>-</u>	<u>(11,450,527)</u>
Total capital assets being depreciated, net	<u>25,520,714</u>	<u>846,556</u>	<u>-</u>	<u>-</u>	<u>26,367,270</u>
Business-type activities					
capital assets, net	<u>\$ 26,827,629</u>	<u>\$ 954,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,781,968</u>

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Depreciation expense was charged to governmental activities functions as follows:

General government	\$ 578,801
Road maintenance and repair	1,956,835
Library	32,913
Internal service funds	<u>167,863</u>
Total governmental activities	<u>\$ 2,736,412</u>

10. LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2016:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds					
2012 Refunding Street Improvement, installments of \$520,000 to \$660,000 through May 1, 2028, interest at 2.0 to 3.0%	\$ 8,075,000	\$ -	\$ (555,000)	\$ 7,520,000	\$ 590,000
2006 Street Improvement, installments of \$225,000 to \$800,000 through May 1, 2030, interest at 4.0 to 5.00%	8,930,000	-	(8,930,000)	-	-
2015 Refunding Bond, installments of \$415,000 to \$755,000 through May 1, 2030, interest at 4.0%	-	7,825,000	-	7,825,000	415,000
2010 Municipal Complex, installments of \$50,000 to \$925,000 through May 1, 2036, interest at 2.5 to 7.0%	<u>12,325,000</u>	<u>-</u>	<u>(375,000)</u>	<u>11,950,000</u>	<u>375,000</u>
Total governmental activities bonds	29,330,000	7,825,000	(9,860,000)	27,295,000	1,380,000

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Unamortized premium					
2012 G.O.	\$ 130,471	\$ -	\$ (10,036)	\$ 120,435	\$ -
2015 G.O.	-	796,882		796,882	-
Capital lease	2,290,000	-	(70,000)	2,220,000	75,000
Compensated absences	1,548,789	777,630	(737,251)	1,589,168	735,000
Total governmental activities	<u>\$ 33,299,260</u>	<u>\$ 9,399,512</u>	<u>\$ (10,677,287)</u>	<u>\$ 32,021,485</u>	<u>\$ 2,190,000</u>
Business-type activities					
Limited tax general obligation bonds					
George W. Kuhn Drain installments of \$65,707 to \$1,054,343 through April 1, 2029, interest at 1.625% to 2.5%	\$ 9,008,845	\$ 1,003,909	\$ (1,931,422)	\$ 8,081,332	\$ 941,012
Compensated absences	258,257	140,885	(111,772)	287,370	110,000
Total business-type activities	<u>\$ 9,267,102</u>	<u>\$ 1,144,794</u>	<u>\$ (2,043,194)</u>	<u>\$ 8,368,702</u>	<u>\$ 1,051,012</u>

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2017	\$ 1,455,000	\$ 858,779	\$ 941,012	\$ 198,268
2018	1,495,000	995,693	963,930	172,276
2019	1,540,000	913,685	983,502	149,080
2020	1,580,000	870,365	1,006,431	125,394
2021	1,620,000	825,293	1,029,370	101,145
2022-2026	8,920,000	3,332,334	2,945,697	173,784
2027-2031	7,900,000	1,763,732	211,390	10,386
2032-2036	4,850,000	610,348	-	-
2037	155,000	3,487	-	-
	<u>\$ 29,515,000</u>	<u>\$ 10,173,716</u>	<u>\$ 8,081,332</u>	<u>\$ 930,333</u>

All general obligation bonded debt is supported by the City's full faith and credit. Interest is payable on all obligations semi-annually. Principal is paid on an annual basis.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

During the year, the City advance refunded \$8,289,000 of 2006 Street Improvement bonds. As a result, the bonds are considered defeased and the liability has been removed from the statement of net position. The refunding resulted in a cash flow savings of \$1,396,897 and net present value savings of \$1,164,788.

The City is a participating community in the George W. Kuhn drain project. The project is administered by the Oakland County Drain Commission and financed through the sale of drain bonds, a State of Michigan revolving loan fund, federal and state grants, and contributions from Oakland County. The City along with 13 other local communities are obligated for payment of principal and interest of the outstanding debt. It is currently anticipated that the City's total obligation at the end of construction will be approximately \$15.6 million with an interest rate ranging from 1.625% to 2.5%. As of June 30, 2016, the City's outstanding obligation is \$8.08 million and incurred interest expense of \$215,197 for the year then ended. Due to the current construction of the project, the sale of drain bonds and draws from the revolving fund are being incurred on an as needed basis and thus an accurate schedule of principal and interest payments cannot be determined at this time.

During the year, Oakland County advance refunded \$7,825,000 of the George W. Kuhn Drain Series 2007 bonds. As a result, the bonds are considered defeased and the proportionate share of the liability has been removed from the City's statement of net position. The refunding resulted in a cash flow savings of \$122,506 and net presents value savings of \$116,662 for the City.

11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases insurance coverage through public entity risk pools or commercial carriers. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

12. PROPERTY TAXES

Property taxes are levied based on taxable values of property located in the City. Taxable values are established annually. The taxable property values for the 2015 tax levy are as follows:

Real property	\$ 404,239,710
Personal property	<u>32,054,990</u>
Total	<u>\$ 436,294,700</u>

For the current fiscal year, the City levied 20.0000 mills for general governmental services, 1.4914 mills for library services, 7.0000 mills for public safety pension (Public Act 345), 2.9531 mills for solid waste, and 6.1615 mills for long-term debt retirement.

13. DEFINED BENEFIT PENSION PLANS

Plans administration. The City of Oak Park has two defined benefit pension plans, the Employees' Retirement System ("ERS", which covers general employees) and the Public Safety Employees' Retirement System ("PS", which covers police and fire employees). Originally, the City had a single pension plan that covered both employee groups, but effective with the June 30, 2013 actuarial valuation the original plan was split into these two plans.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

The original plan was established by Chapter 15 of the City Charter as a single-employer defined benefit pension plan covering all employees of the City hired before August 1, 2004. General employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006 are part of the defined contribution pension plan described below. The separate plans were established by the City Council under the authority of Chapter 15 of the City Charter.

The City is the administrator of both the original defined benefit plan and now the two separate plans. Administrative costs of the plans are financed through investment earnings. The plans are included as pension trust funds in the City's financial statements; stand-alone financial reports of the plans have not been issued.

The financial statements of the plans are prepared using the accrual basis of accounting. Member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Plan investments are stated at fair value which is determined as follows: (a) short-term investments are reported at cost, which approximates fair value; (b) securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; (c) investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the System's governing body, with the assistance of a valuation service; and (d) cash deposits are reported at carrying amounts which reasonably approximates fair value.

Management of the ERS is vested in the City of Oak Park Employees' Retirement System Board of Trustees, which consists of seven members, three are elected to three-year terms, one is the Deputy Finance Director of Oak Park, one is the City Clerk of Oak Park, one is the City Manager of the City of Oak Park, and one is appointed by City Council.

Management of the PS is vested in the City of Oak Park Public Safety Retirement System Board of Trustees, which consists of seven members, two are elected to four-year terms, one is the Deputy Finance Director of Oak Park, one is the City Clerk of Oak Park, one is the City Manager of the City of Oak Park, and two are appointed by the City Council.

Plans membership. Membership of the plans consisted of the following at June 30, 2015, the date of the latest actuarial valuation for each plan:

	General	Public Safety
Retirees and beneficiaries currently receiving benefits	150	99
Inactive employees entitled to benefits	17	9
Active employees	33	47
Total	200	155

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Benefits provided. Employees retiring with ten or more years of service are entitled to annual pension benefits. ERS employees may retire at age 55, with retirement mandatory at age 70 without the employer's consent to continue. ERS non-union employees may retire after 25 years of service, regardless of age. PS employees may retire at age 50, with retirement mandatory at age 60 without the employer's consent to continue. PS employees may retire after 25 years of service, regardless of age.

Vested employees receive a retirement benefit based on a formula established by a negotiated union contract or City Ordinance. The benefit of ERS employees is generally based on a multiplier of 2.5 times the five-year final average compensation. The benefit of PS employees is generally based on a multiplier 2.8 times the three-year final average compensation. Employees can also receive a benefit based on a disability that occurred on the job (duty disability), a disability that occurred outside employment (non-duty disability), or death (paid to surviving spouse or dependent). Benefits can be amended by City Ordinance (voted on by a majority of City Council) or a negotiated contract with union groups.

Employee contributions. Eligible ERS employees are required to contribute 3.0% of compensation to the plan. Eligible PS employees hired before July 1, 2006 are required to contribute 5.55% and employees hired after July 1, 2006 are required to contribute 7.50% of their annual compensation to the plan.

Employer contributions. The City is required to contribute at annual actuarially determined rate to provide assets sufficient to pay benefits to plan members. The rate paid in fiscal year 2016 by the City is 67.35% of annual covered payroll for ERS members and 54.56% of annual covered payroll for PS members.

Employer and employee contributions are established, and may be amended, by City Charter and Council approved union contracts.

Net pension liability. The City's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 (rolled forward to June 30, 2016).

Actuarial assumptions. The total pension liability was determined by respective actuarial valuations as of June 30, 2015 (and rolled forward to June 30, 2016), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	varied
Investment rate of return	6.07-7.27 percent, net of pension plan investment expense, including inflation
Mortality rate	RP-2000 Combined Table

The actuarial assumptions used in the June 30, 2015 valuations were based on the results of an actuarial experience study for the period April 2013 through March 2014.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

The long-term expected rate of return on pension plan investments (for both ERS and PS) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 (see the discussion below of the investment allocation policy) are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
ERS		
Equities	56%	
Fixed income	44%	
	<u>100%</u>	8.0%
PS		
Equities	60%	
Fixed income	40%	
	<u>100%</u>	8.0%

Investment allocation policy. The plans' policy in regard to the allocation of invested assets is established and may be amended by the respective Board of Trustees. The policy pursues an investment strategy that protects the financial health of the plans and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Plan assets will be invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the plans may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the plans will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

Discount rate. A single discount rate of 6.07% for ERS and 7.27% for PS was used to measure the respective total pension liabilities. The respective single discount rates were based on an expected rate of return on pension plan investments of 8.0% and a municipal bond rate of 3.18%. The projection of cash flows used to determine the respective single discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the ERS and PS's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2039 and 2056, respectively. As a result, the long-term expected rate of return on system investments was applied to projected benefit payments through the year 2048 or 2062, as applicable, and the municipal bond rate was applied to all benefit payments after that date.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<i>Employees' Retirement System</i>			
Balances at June 30, 2015	\$ 39,008,618	\$ 20,969,585	\$ 18,039,033
Changes for the year:			
Service cost	303,303	-	303,303
Interest	2,726,891	-	2,726,891
Differences between expected and actual experience	(136,533)	-	(136,533)
Changes in assumptions	4,952,784	-	4,952,784
Employer contributions	-	1,336,565	(1,336,565)
Employee contributions	-	52,239	(52,239)
Net investment income (loss)	-	(326,643)	326,643
Benefit payments, including refunds of employee contributions	(3,079,825)	(3,079,825)	-
Administrative expense	-	(4,531)	4,531
Net changes	4,766,620	(2,022,195)	6,788,815
Balances at June 30, 2016	\$ 43,775,238	\$ 18,947,390	\$ 24,827,848
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<i>Public Safety Employees' Retirement System</i>			
Balances at June 30, 2015	\$ 65,168,518	\$ 40,053,886	\$ 25,114,632
Changes for the year:			
Service cost	941,346	-	941,346
Interest	4,427,324	-	4,427,324
Differences between expected and actual experience	2,342,761	-	2,342,761
Changes in assumptions	3,938,301	-	3,938,301
Employer contributions	-	2,521,391	(2,521,391)
Employee contributions	-	330,804	(330,804)
Net investment income (loss)	-	(513,784)	513,784
Benefit payments, including refunds of employee contributions	(4,378,526)	(4,378,526)	-
Administrative expense	-	(10,848)	10,848
Net changes	7,271,206	(2,050,963)	9,322,169
Balances at June 30, 2016	\$ 72,439,724	\$ 38,002,923	\$ 34,436,801

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 6.07 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount	1% Increase
Interest rates			
ERS	5.07%	6.07%	7.07%
PS	6.27%	7.27%	8.27%
City's net pension liability			
ERS	\$ 29,391,519	\$ 24,827,848	\$ 20,956,111
PS	42,508,673	34,436,801	27,655,808
Totals	\$ 71,900,192	\$ 59,264,649	\$ 48,611,919

Pension expense and deferred outflows of resources related to pensions. For the year ended June 30, 2016, the City recognized pension expense of \$5,531,329 and a reduction in pension expense (due to the change in assumptions) of \$1,226,586, respectively, for the ERS and PS systems. At June 30, 2016, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Employees' Retirement System</i>		
Difference between expected and actual experience	\$ -	\$ 11,273
Changes in assumptions	408,945	-
Net difference between projected and actual earnings on pension plan investments	1,777,835	-
	<u>2,186,780</u>	<u>11,273</u>
<i>Public Safety Employees' Retirement System</i>		
Difference between expected and actual experience	1,557,072	-
Changes in assumptions	2,561,273	4,830,583
Net difference between projected and actual earnings on pension plan investments	4,007,544	-
	<u>8,125,889</u>	<u>4,830,583</u>
Total	\$ 10,312,669	\$ 4,841,856

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense through annual amortization as follows:

Year Ended June 30,	Outflows Amortization	Inflows Amortization
2017	\$ 4,250,321	\$ 4,841,856
2018	3,500,455	-
2019	1,611,744	-
2020	950,149	-
	<u>\$ 10,312,669</u>	<u>\$ 4,841,856</u>

14. 45th DISTRICT COURT PENSION PLANS

The 45th District Court's defined contribution plan, 457 plan and health savings plan are held in trust. Members of the defined contribution plan are required to contribute 7.5% of compensation (full-time and part-time employees), the 457 plan is voluntary with employees making up to 3% contribution and the employer matching up to 3% (full-time employees only), and the health savings plan is for full-time employees hired after July 2009, where the employer contributes 3% of compensation. The third party administrator for this plan is MERS. The plans cost to the 45th District Court for the fiscal year ended June 30, 2016 was \$80,607. The defined contribution pension cost to the employees was \$21,484. Contributions to the plan are recognized when due and payable. Plan provisions and contribution rates are established and may be amended by resolution of the City Council. Unvested benefits forfeited by employees who leave employment early are redistributed to active participants.

15. DEFINED CONTRIBUTION PENSION PLAN

The City of Oak Park defined contribution pension plan provides retirement benefits to general employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006. The City contributes 7.5% of covered payroll and will match an employee's voluntary contribution up to 3% of covered payroll. Plan provisions and contribution requirements are established by City Council. Total contributions for the year ended June 30, 2016 were \$58,774 by employees and \$208,520 by the City.

16. POSTEMPLOYMENT HEALTH BENEFITS

The City provides a postemployment group hospitalization plan for its general employees and group hospitalization, dental and optical plans for its public safety employees hired before August 1, 2004. Group hospitalization, dental and optical plans are provided for district court employees. The City contributes 3% of covered payroll to a health savings plan for general employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006. These plans were established through the employees' union contracts; employees not covered by union contracts receive the same benefits that general employees receive.

The general employees' postemployment benefits and the public safety employees' coverage pass to the surviving spouse upon death of the retiree.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

Currently 213 general, 142 public safety and 20 district court retirees and surviving spouses are receiving benefits. The City pays 100% of the benefits for all public safety, court and general current retirees. Co-pays, at the percentage indicated below, are required for retirees who were hired after January 18, 1993 for public safety officers and July 1, 1992 for public safety command officers.

Years of Service	Employer Pays	Employee Pays
0-9	0%	100%
10-14	55%	45%
15-19	75%	25%
20-24	85%	15%
25 and up	100%	0%

Expenditures for the premiums are paid and recognized as they become due. There is the added stipulation in the union contracts that once retirees and dependents reach age 65, they shall be converted to Medicare coverage.

The City has created a retiree's health care fund, an other employee benefit trust, in anticipation of pre-funding retiree's health care for general and public safety employees. The funds set aside are held in a fund authorized by Public Act 149 of the State of Michigan.

The funding status of the plan as of June 30, 2014, the date of most recent actuarial valuation, was as follows:

	General Employees	Public Safety Employees
Actuarial accrued liability (AAL)	\$ 32,687,907	\$ 36,269,968
Actuarial value of assets	239,217	395,156
	<u>\$ 32,448,690</u>	<u>\$ 35,874,812</u>
Unfunded actuarial accrued liability (UAAL)		
Funded ratio	<u>0.7%</u>	<u>1.1%</u>
Covered payroll	<u>\$ 1,849,100</u>	<u>\$ 3,779,151</u>
UAAL as a percentage of covered payroll	<u>1754.8%</u>	<u>949.3%</u>

The City has created a retiree's health care internal service fund in anticipation of pre-funding retiree's health care for district court employees. The court levies a \$10 charge on all tickets to finance this fund. The funds are not established as a trust and therefore are reported as an internal service fund.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

The funding status of the court plan as of June 30, 2014, the date of the most recent actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	\$ 5,797,901
Actuarial value of assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 5,797,901</u>
Funded ratio	<u>0.0%</u>
Covered payroll	<u>\$ 445,571</u>
UAAL as a percentage of covered payroll	<u>1301.2%</u>

In the June 30, 2014, actuarial valuation, the individual entry age actuarial cost method was used. The actuarial assumptions include a 4.5% investment rate of return and an annual healthcare cost trend of 7.0% initially, reduced by decrements to an ultimate rate of 4.0% after six years. Both rates include a 4.0% inflation assumption. The actuarial value of assets was determined using fair value. The unfunded actuarial accrued liability is being amortized as a level dollar amount for non-union members and a level percentage of payroll on a closed basis for all others. The remaining amortization period at June 30, 2014 was 29 years for general and public safety employees and 30 years for district court employees. The annual required contribution for fiscal 2016 is \$4,192,425 for the general and public safety plan and \$365,552 for the district court plan.

The health savings plan for general employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006, had 35 plan members at June 30, 2016. The City contributes 3% of covered payroll. Plan provisions and contribution requirements are established by City Council. Total contributions for the year ended June 30, 2016 were \$53,195.

The contribution requirements for general and public safety plan members are established and may be amended by the Oak Park City Council. The City Council has determined to pay costs on a pay-as-you-go financing method with no contributions to prefund benefits. During the year ended June 30, 2016, expenditures for general and public safety retirees of \$2,859,216 were recognized for retiree health insurance premiums. Retiree dental insurance premium payments of \$107,202 were recognized for general and public safety employees.

The contribution requirements for district court plan members are established and may be amended by the Oak Park City Council. Retiree health and dental insurance premiums of \$465,916 were recognized for employees of the district court. The court contributed \$257,300 to this fund. Funding in the amount of \$208,823 was provided by the \$10 charge on tickets.

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

	General and Public Safety	District Court
Annual required contribution	\$ 4,192,425	\$ 365,552
Interest on net OPEB obligation	972,115	130,222
Adjustment to annual required contribution	(1,037,137)	(138,932)
Annual OPEB cost	4,127,403	356,842
Contribution made	(4,266,418)	(465,916)
Increase in net OPEB obligation	(139,015)	(109,074)
Net OPEB obligation, beginning of year	21,602,597	2,893,814
Net OPEB obligation, end of year	<u>\$ 21,463,582</u>	<u>\$ 2,784,740</u>

The City's annual OPEB cost, the percentage of annual cost contributed to the plan, and the net OPEB obligation for the last three fiscal years for general and public safety employees is as follows:

Three-Year Trend Information			
Years Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 6,374,475	33.6%	\$ 20,397,652
2015	4,171,402	71.1%	21,602,596
2016	4,127,403	103.4%	21,463,582

The City's annual OPEB cost, the percentage of annual cost contributed to the plan, and the net OPEB obligation for the last three fiscal years for district court employees is as follows:

Three-Year Trend Information			
Years Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 620,527	26.5%	\$ 2,780,808
2015	362,685	68.8%	2,893,814
2016	356,842	130.6%	2,784,740

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

17. FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER POSTEMPLOYMENT BENEFIT FUNDS

	Plan Net Position			
	Employees' Retirement System	Public Safety Employees' Retirement System	Retiree Health Care - General and Public Safety	Total
Assets				
Cash and cash equivalents	\$ 438,137	\$ 2,039,079	\$ 2,353,076	\$ 4,830,292
Due from other governments	16,106	52,874	-	68,980
Investments, at fair value:				
Equity mutual funds	10,269,935	633,539	20,211,279	31,114,753
Fixed income mutual funds	8,455,237	-	15,991,121	24,446,358
Money market accounts	37,815	-	100,760	138,575
Total assets	19,217,230	2,725,492	38,656,236	60,598,958
Liabilities - accounts payable	269,840	392,190	-	662,030
Net position				
Restricted for pension and other postemployment benefits	\$ 18,947,390	\$ 38,002,923	\$ 2,986,615	\$ 59,936,928

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

	Changes in Plan Net Position			
	Employees' Retirement System	Public Safety Employees' Retirement System	Retiree Health Care - General and Public Safety	Total
Additions				
Contributions:				
Employer	\$ 1,336,565	\$ 2,521,391	\$ 4,266,418	\$ 8,124,374
Plan members	52,239	330,804	-	383,043
Total contributions	1,388,804	2,852,195	4,266,418	8,507,417
Investment income (loss):				
Net change in fair value of investments	(689,093)	(1,214,930)	31,019	(1,873,004)
Interest	9,202	17,233	9,694	36,129
Dividends	440,079	827,283	-	1,267,362
Total investment income (loss)	(239,812)	(370,414)	40,713	(569,513)
Less: investment expense	(86,831)	(143,370)	-	(230,201)
Net investment income (loss)	(326,643)	(513,784)	40,713	(799,714)
Total additions	1,062,161	2,338,411	4,307,131	7,707,703
Deductions				
Benefits	3,079,825	4,378,526	2,966,418	10,424,769
Refunds and administration	4,531	10,848	18,500	33,879
Total deductions	3,084,356	4,389,374	2,984,918	10,458,648
Change in net position	(2,022,195)	(2,050,963)	1,322,213	(2,750,945)
Net position, beginning of year	20,969,585	40,053,886	1,664,402	62,687,873
Net position, end of year	\$ 18,947,390	\$ 38,002,923	\$ 2,986,615	\$ 59,936,928

18. JOINT VENTURES

The City is a member of the Southeastern Oakland County Resource Recovery Authority (the "Authority") which consists of 12 municipalities in Oakland County and provides refuse disposal services for the benefit of member municipalities. The City appoints one member of the joint venture's governing board and controls six of 69 votes. The governing board approves the annual budget. The participating communities provide funding for its operations. During the year ended June 30, 2016, the last available audited financial statements, the Authority reported a decrease in net position in the amount of \$89,880 resulting in ending net position in the amount of \$3,465,655. During the year ended June 30, 2016, the City expended \$1,692,009 of payments made to the Authority. The City is unaware of any situation that would cause any additional financial benefit or burden related to the Authority. Complete financial statements for the Southeastern Oakland County Resource Recovery Authority can be obtained from its administrative offices at 3910 Webster Road, Royal Oak, Michigan, 48073.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

19. LEASES

The City of Oak Park has an agreement with HoneyBaked Hockey Club for the operation of the City ice rink. HoneyBaked will pay rent of \$2,500 each month, which is to be paid in advance by the tenth of the month. The City may terminate the contract only if HoneyBaked fails to perform the terms and conditions of the contract. The City received \$30,000 from HoneyBaked for the fiscal year ended June 30, 2016.

20. FUND BALANCES

A detailed listing of nonspendable, restricted, assigned and unassigned fund balances of governmental funds is as follows:

	General Fund	Nonmajor Governmental Funds	Total
Nonspendable -			
Prepays	\$ 482,475	\$ 1,842	\$ 484,317
Restricted for:			
Road surface repairs	-	2,554,206	2,554,206
Sidewalks	-	102,974	102,974
Solid waste	-	950,945	950,945
Debt service	-	436,883	436,883
Library	-	123,127	123,127
Unspent bond proceeds	-	121,214	121,214
Other	-	296,225	296,225
Total restricted	-	4,585,574	4,585,574
Assigned for:			
Library	-	5,466	5,466
Municipal buildings	-	1,901,990	1,901,990
Total assigned	-	1,907,456	1,907,456
Unassigned (deficits)	3,196,719	(28,218)	3,168,501
Total fund balances	\$ 3,679,194	\$ 6,466,654	\$ 10,145,848

21. SUMMARY OF SIGNIFICANT CONTINGENCIES

There are several pending lawsuits in which the City is involved. The City Attorney estimates that potential claims against the City being defended by attorneys appointed by liability insurance carriers would not materially affect the operations or financial condition of the City. The City Attorney estimates, that while possible, it is not probable that the City will receive unfavorable rulings in any other lawsuits.

CITY OF OAK PARK, MICHIGAN

Notes to Financial Statements

22. NET INVESTMENT IN CAPITAL ASSETS

The composition of the net investment in capital assets as of June 30, 2016, was as follows:

	Governmental Activities	Business-type Activities
Capital assets:		
Capital assets not being depreciated	\$ 2,811,626	\$ 1,414,698
Capital assets being depreciated, net	40,903,215	26,367,270
	<u>43,714,841</u>	<u>27,781,968</u>
Related debt:		
General obligation bonds	27,295,000	8,081,332
Unamortized bond premium	917,317	-
Capital lease	2,220,000	-
Less unamortized deferred loss on refunding	(193,444)	-
Less unexpended bond proceeds	(121,214)	-
	<u>30,117,659</u>	<u>8,081,332</u>
Net investment in capital assets	<u><u>\$ 13,597,182</u></u>	<u><u>\$ 19,700,636</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

General and Public Safety Employees Plan

Schedule of Funding Progress Other Postemployment Benefits Plan (amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
General Employees						
6/30/2012	\$ 167,730	\$ 46,955,328	\$ 46,787,598	0.4%	\$ 2,289,031	2044.0%
6/30/2014	239,217	32,687,907	32,448,690	0.7%	1,849,100	1754.8%
Public Safety Employees						
6/30/2012	\$ 210,277	\$ 48,963,635	\$ 48,753,358	0.4%	\$ 3,845,539	1267.8%
6/30/2014	395,156	36,269,968	35,874,812	1.1%	3,779,151	949.3%

Schedule of Employer Contributions Other Postemployment Benefits Plan

Year Ended June 30,	Annual Required Contributions	Percentage Contributed
2010	\$ 4,875,562	44.7%
2011	4,875,562	44.1%
2012	6,280,112	37.8%
2013	6,458,177	33.0%
2014	6,458,177	33.7%
2015	4,192,425	71.5%
2016	4,192,425	101.8%

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

District Court Employees Plan

Schedule of Funding Progress Other Postemployment Benefits Plan (amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
6/30/2012	\$ -	\$ 8,360,951	\$ 8,360,951	0.0%	\$ 896,257	932.9%
6/30/2014	-	5,797,901	5,797,901	0.0%	445,571	1301.2%

Schedule of Employer Contributions Other Postemployment Benefits Plan

Year Ended June 30,	Annual Required Contributions	Percentage Contributed
2010	\$ 475,066	39.2%
2011	475,066	42.1%
2012	679,622	28.5%
2013	614,827	27.0%
2014	614,827	27.0%
2015	365,552	68.0%
2016	365,552	127.5%

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

Schedule of Investment Returns

Last Three Fiscal Years (ultimately 10 years of data will be presented)

Fiscal Year Ended	Annual Money- Weighted Rate of Return, Net of Investment Expense
Employees' Retirement System	
6/30/2014	13.89%
6/30/2015	0.91%
6/30/2016	-1.72%
Public Safety Employees' Retirement System	
6/30/2014	17.37%
6/30/2015	-0.02%
6/30/2016	-1.35%

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

Employees' Retirement System

Schedule of Changes in the City's Net Pension Liability and Related Ratios

Last Three Fiscal Years (ultimately 10 years of data will be presented)

	2014	2015	2016
Change in total pension liability			
Service cost	\$ 471,343	\$ 485,484	\$ 303,303
Interest	2,471,316	2,159,545	2,726,891
Differences between expected and actual experience	-	810,181	(136,533)
Changes of assumptions	-	(8,131,545)	4,952,784
Benefit payments, including refunds of member contributions	(3,237,481)	(3,165,651)	(3,079,825)
Net change in total pension liability	<u>(294,822)</u>	<u>(7,841,986)</u>	<u>4,766,620</u>
Total pension liability, beginning	<u>47,145,426</u>	<u>46,850,604</u>	<u>39,008,618</u>
Total pension liability, ending (a)	<u>46,850,604</u>	<u>39,008,618</u>	<u>43,775,238</u>
Change in plan fiduciary net position			
Contributions - employer	1,367,086	1,272,539	1,336,565
Contributions - member	61,130	54,389	52,239
Net investment income (loss)	(3,162,566)	196,674	(326,643)
Benefit payments, including refunds of member contributions	(3,237,481)	(3,165,651)	(3,079,825)
Administrative expense	-	-	(4,531)
Other - transfer to Public Safety Employees' Retirement System	(31,376,710)	-	-
Net change in plan fiduciary net position	<u>(36,348,541)</u>	<u>(1,642,049)</u>	<u>(2,022,195)</u>
Plan fiduciary net position, beginning	<u>58,960,175</u>	<u>22,611,634</u>	<u>20,969,585</u>
Plan fiduciary net position, ending (b)	<u>22,611,634</u>	<u>20,969,585</u>	<u>18,947,390</u>
City's net pension liability, ending (a)-(b)	<u><u>\$24,238,970</u></u>	<u><u>\$18,039,033</u></u>	<u><u>\$24,827,848</u></u>
Plan fiduciary net position as a percentage of the total pension liability	48.3%	53.8%	43.3%
Covered-employee payroll	\$ 1,998,057	\$ 1,885,123	\$ 1,786,708
City's net pension liability as a percentage of covered payroll	1213.1%	956.9%	1389.6%

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

Public Safety Employees' Retirement System

Schedule of Changes in the City's Net Pension Liability and Related Ratios

Last Three Fiscal Years (ultimately 10 years of data will be presented)

	2014	2015	2016
Change in total pension liability			
Service cost	\$ 1,351,362	\$ 1,391,903	\$ 941,346
Interest	4,381,564	4,346,878	4,427,324
Differences between expected and actual experience	-	136,404	2,342,761
Changes of assumptions	-	(19,693,917)	3,938,301
Benefit payments, including refunds of member contributions	(4,961,937)	(4,280,101)	(4,378,526)
Net change in total pension liability	<u>770,989</u>	<u>(18,098,833)</u>	<u>7,271,206</u>
Total pension liability, beginning	<u>82,496,362</u>	<u>83,267,351</u>	<u>65,168,518</u>
Total pension liability, ending (a)	<u>83,267,351</u>	<u>65,168,518</u>	<u>72,439,724</u>
Change in plan fiduciary net position			
Contributions - employer	2,869,461	2,438,761	2,521,391
Contributions - member	325,361	317,315	330,804
Net investment income (loss)	11,976,064	(7,748)	(513,784)
Benefit payments, including refunds of member contributions	(4,961,937)	(4,280,101)	(4,378,526)
Administrative expense	-	-	(10,848)
Other - transfer from Employees' Retirement System	31,376,710	-	-
Net change in plan fiduciary net position	<u>41,585,659</u>	<u>(1,531,773)</u>	<u>(2,050,963)</u>
Plan fiduciary net position, beginning	<u>-</u>	<u>41,585,659</u>	<u>40,053,886</u>
Plan fiduciary net position, ending (b)	<u>41,585,659</u>	<u>40,053,886</u>	<u>38,002,923</u>
City's net pension liability, ending (a)-(b)	<u><u>\$41,681,692</u></u>	<u><u>\$24,615,798</u></u>	<u><u>\$34,436,801</u></u>
 Plan fiduciary net position as a percentage of the total pension liability	 49.9%	 60.9%	 52.5%
 Covered-employee payroll	 \$ 3,727,181	 \$ 3,954,232	 \$ 4,041,630
 City's net pension liability as a percentage of covered payroll	 1118.3%	 622.5%	 852.1%

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information (GASB Statement No. 67)

Schedule of City Contributions

Last Three Fiscal Years (ultimately 10 years of data will be presented)

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Employees' Retirement System					
6/30/2014	\$ 1,211,912	\$ 1,367,086	\$ (155,174)	\$ 1,998,057	68.4%
6/30/2015	1,272,539	1,272,539	-	1,885,123	67.5%
6/30/2016	1,318,377	1,336,565	(18,188)	1,786,708	74.8%
Public Safety Employees' Retirement System					
6/30/2014	\$ 2,105,664	\$ 2,869,461	\$ (763,797)	\$ 3,727,181	77.0%
6/30/2015	2,159,875	2,438,761	(278,886)	3,954,232	61.7%
6/30/2016	2,326,055	2,521,391	(79,310)	4,041,630	62.4%

Notes to Schedule of Contributions

Valuation date	June 30, 2015
Notes	Actuarially determined contribution rates are calculated as of June 30 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.
Other information	There were no benefit changes during the year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	Adjusted Market Value
Inflation	3.0%
Salary increases	Varied
Investment rate of return	6.07-7.27% net of pension plan investment expense, including inflation
Mortality rates	RP-2000 Combined Table

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

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental
Assets				
Cash and investments	\$ 3,659,185	\$ 478,996	\$ 2,158,941	\$ 6,297,122
Receivables:				
Special assessments	549,953	-	70,748	620,701
Accounts	499,305	-	86,376	585,681
Due from other governments	614,160	-	-	614,160
Prepaid items	1,842	-	-	1,842
Total assets	<u>\$ 5,324,445</u>	<u>\$ 478,996</u>	<u>\$ 2,316,065</u>	<u>\$ 8,119,506</u>
Liabilities				
Accounts payable	\$ 550,340	\$ -	\$ 44,195	\$ 594,535
Accrued liabilities	88,815	42,113	9,056	139,984
Due to other funds	175,438	-	-	175,438
Total liabilities	<u>814,593</u>	<u>42,113</u>	<u>53,251</u>	<u>909,957</u>
Deferred inflows of resources				
Unavailable revenue - property taxes	6,854	-	-	6,854
Unavailable revenue - special assessments	549,953	-	136,636	686,589
Unavailable revenue - grants	49,452	-	-	49,452
Total deferred inflows of resources	<u>606,259</u>	<u>-</u>	<u>136,636</u>	<u>742,895</u>
Fund balances				
Nonspendable	1,842	-	-	1,842
Restricted	3,924,503	436,883	224,188	4,585,574
Assigned	5,466	-	1,901,990	1,907,456
Unassigned (deficit)	(28,218)	-	-	(28,218)
Total fund balances	<u>3,903,593</u>	<u>436,883</u>	<u>2,126,178</u>	<u>6,466,654</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,324,445</u>	<u>\$ 478,996</u>	<u>\$ 2,316,065</u>	<u>\$ 8,119,506</u>

CITY OF OAK PARK, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental
Revenues				
Property taxes	\$ 1,917,325	\$ 2,665,336	\$ -	\$ 4,582,661
Special assessments	68,555	-	265,595	334,150
Intergovernmental:				
Federal grants	448,213	-	-	448,213
State grants	2,236,679	-	-	2,236,679
Charges for services	1,591,492	-	-	1,591,492
Fines and forfeitures	81,539	-	150,576	232,115
Interest income	57,285	16,853	35,598	109,736
Other revenue	86,186	-	-	86,186
Total revenues	6,487,274	2,682,189	451,769	9,621,232
Expenditures				
Current:				
Judicial	2,384,920	-	-	2,384,920
Public safety	10,659	-	-	10,659
Road maintenance and repair	2,161,235	-	-	2,161,235
Public works	2,531,505	-	23,422	2,554,927
Library	766,733	-	-	766,733
Community development	525,591	-	18,159	543,750
Debt service:				
Principal	-	1,641,000	-	1,641,000
Interest and fiscal charges	-	1,425,436	-	1,425,436
Capital outlay	-	-	755,044	755,044
Total expenditures	8,380,643	3,066,436	796,625	12,243,704
Revenues over (under) expenditures	(1,893,369)	(384,247)	(344,856)	(2,622,472)
Other financing sources (uses)				
Issuance of long-term debt	-	7,825,000	-	7,825,000
Premium on issuance of long-term debt	-	796,882	-	796,882
Payment to refunding bond escrow agent	-	(8,289,000)	-	(8,289,000)
Transfers in	2,529,451	8,424,291	153,651	11,107,393
Transfers out	(373,651)	(8,273,772)	-	(8,647,423)
Total other financing sources (uses)	2,155,800	483,401	153,651	2,792,852
Net change in fund balances	262,431	99,154	(191,205)	170,380
Fund balances, beginning of year	3,641,162	337,729	2,317,383	6,296,274
Fund balances, end of year	\$ 3,903,593	\$ 436,883	\$ 2,126,178	\$ 6,466,654

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

Special Revenue Funds

June 30, 2016

	Major Streets	Local Streets	Solid Waste Fund	Narcotics Forfeiture	Criminal Justice Training
Assets					
Cash and investments	\$ 1,278,709	\$ 1,041,792	\$ 668,281	\$ 77,467	\$ 12,355
Receivables:					
Accounts	21,841	-	463,662	-	-
Special assessments	549,953	-	-	-	-
Due from other governments	344,138	99,843	-	-	-
Prepaid items	29	-	-	-	-
Total assets	\$ 2,194,670	\$ 1,141,635	\$ 1,131,943	\$ 77,467	\$ 12,355
Liabilities					
Accounts payable	\$ 186,264	\$ 6,044	\$ 148,209	\$ -	\$ -
Accrued liabilities	11,339	6,629	25,935	-	-
Due to other funds	-	-	-	-	-
Total liabilities	197,603	12,673	174,144	-	-
Deferred inflows of resources					
Unavailable revenue - property taxes	-	-	6,854	-	-
Unavailable revenue - special assessments	549,953	-	-	-	-
Unavailable revenue - grants	21,841	-	-	250	-
Total deferred inflows of resources	571,794	-	6,854	250	-
Fund balances					
Nonspendable	29	-	-	-	-
Restricted	1,425,244	1,128,962	950,945	77,217	12,355
Assigned	-	-	-	-	-
Unassigned deficits	-	-	-	-	-
Total fund balances (deficits)	1,425,273	1,128,962	950,945	77,217	12,355
Total liabilities, deferred inflows of resources and fund balances	\$ 2,194,670	\$ 1,141,635	\$ 1,131,943	\$ 77,467	\$ 12,355



Disaster Contingency	Community Development Block Grant	C.O.P.S. Program	Caseflow Assistance	Neighborhood Stabilization Program
\$ -	\$ -	\$ -	\$ 206,653	\$ -
-	-	-	-	-
-	-	-	-	-
-	31,737	100,785	-	37,657
-	-	-	-	-
<u>\$ -</u>	<u>\$ 31,737</u>	<u>\$ 100,785</u>	<u>\$ 206,653</u>	<u>\$ 37,657</u>
\$ -	\$ 4,088	\$ -	\$ -	\$ 1,125
-	603	-	-	58
-	27,046	100,785	-	36,474
-	31,737	100,785	-	37,657
-	-	-	-	-
-	-	-	-	-
-	10,991	-	-	2,068
-	10,991	-	-	2,068
-	-	-	-	-
-	-	-	206,653	-
-	-	-	-	-
-	(10,991)	-	-	(2,068)
-	(10,991)	-	206,653	(2,068)
<u>\$ -</u>	<u>\$ 31,737</u>	<u>\$ 100,785</u>	<u>\$ 206,653</u>	<u>\$ 37,657</u>

continued...

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

Special Revenue Funds

June 30, 2016

	Veterans Treatment Court Grant	45th District Court	Library	Total
Assets				
Cash and investments	\$ -	\$ 212,382	\$ 161,546	\$ 3,659,185
Receivables:				
Accounts	13,802	-	-	499,305
Special assessments	-	-	-	549,953
Due from other governments	-	-	-	614,160
Prepaid items	-	1,357	456	1,842
Total assets	<u>\$ 13,802</u>	<u>\$ 213,739</u>	<u>\$ 162,002</u>	<u>\$ 5,324,445</u>
Liabilities				
Accounts payable	\$ 2,254	\$ 187,660	\$ 14,696	\$ 550,340
Accrued liabilities	415	26,079	17,757	88,815
Due to other funds	11,133	-	-	175,438
Total liabilities	<u>13,802</u>	<u>213,739</u>	<u>32,453</u>	<u>814,593</u>
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	-	6,854
Unavailable revenue - special assessments	-	-	-	549,953
Unavailable revenue - grants	13,802	-	500	49,452
Total deferred inflows of resources	<u>13,802</u>	<u>-</u>	<u>500</u>	<u>606,259</u>
Fund balances				
Nonspendable	-	1,357	456	1,842
Restricted	-	-	123,127	3,924,503
Assigned	-	-	5,466	5,466
Unassigned deficit	(13,802)	(1,357)	-	(28,218)
Total fund balances (deficits)	<u>(13,802)</u>	<u>-</u>	<u>129,049</u>	<u>3,903,593</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,802</u>	<u>\$ 213,739</u>	<u>\$ 162,002</u>	<u>\$ 5,324,445</u>

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CITY OF OAK PARK, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Special Revenue Funds

For the Year Ended June 30, 2016

	Major Streets	Local Streets	Solid Waste Fund	Narcotics Forfeiture	Criminal Justice Training
Revenues					
Property taxes	\$ -	\$ -	\$ 1,274,918	\$ -	\$ -
Special assessments	68,555	-	-	-	-
Intergovernmental:					
Federal grants	87,961	-	-	-	-
State grants	1,458,748	568,613	13,053	-	9,467
Charges for services	-	-	1,369,211	-	-
Fines and forfeitures	-	-	-	9,498	-
Interest income	19,600	16,027	13,292	1,046	172
Other revenue	86,072	-	-	-	-
Total revenues	1,720,936	584,640	2,670,474	10,544	9,639
Expenditures					
Current:					
Judicial	-	-	-	-	-
Public safety	-	-	-	22	10,637
Road maintenance and repair	1,395,510	765,725	-	-	-
Public works	-	-	2,531,505	-	-
Community development	-	-	-	-	-
Library	-	-	-	-	-
Total expenditures	1,395,510	765,725	2,531,505	22	10,637
Revenues over (under) expenditures	325,426	(181,085)	138,969	10,522	(998)
Other financing sources (uses)					
Transfers in	-	270,000	-	-	-
Transfers out	(270,000)	-	(50,000)	-	-
Total other financing sources (uses)	(270,000)	270,000	(50,000)	-	-
Net change in fund balances	55,426	88,915	88,969	10,522	(998)
Fund balances (deficit), beginning of year	1,369,847	1,040,047	861,976	66,695	13,353
Fund balances (deficits), end of year	\$ 1,425,273	\$ 1,128,962	\$ 950,945	\$ 77,217	\$ 12,355

Disaster Contingency	Community Development Block Grant	C.O.P.S. Program	Caseflow Assistance	Neighborhood Stabilization Program
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	80,489	245,431	-	34,332
-	-	-	20,198	-
-	-	-	-	-
-	-	-	-	-
53	-	-	2,724	-
-	-	-	-	-
53	80,489	245,431	22,922	34,332
-	-	-	1,047	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	91,480	397,711	-	36,400
-	-	-	-	-
-	91,480	397,711	1,047	36,400
53	(10,991)	(152,280)	21,875	(2,068)
-	-	152,280	-	-
(3,651)	-	-	-	-
(3,651)	-	152,280	-	-
(3,598)	(10,991)	-	21,875	(2,068)
3,598	-	-	184,778	-
\$ -	\$ (10,991)	\$ -	\$ 206,653	\$ (2,068)

continued...

CITY OF OAK PARK, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Special Revenue Funds

For the Year Ended June 30, 2016

	Veterans Treatment Court Grant	45th District Court	Library	Total
Revenues				
Property taxes	\$ -	\$ -	\$ 642,407	\$ 1,917,325
Special assessments	-	-	-	68,555
Intergovernmental:				
Federal grants	-	-	-	448,213
State grants	45,072	91,448	30,080	2,236,679
Charges for services	-	210,220	12,061	1,591,492
Fines and forfeitures	-	-	72,041	81,539
Interest income	-	-	4,371	57,285
Other revenue	-	-	114	86,186
Total revenues	<u>45,072</u>	<u>301,668</u>	<u>761,074</u>	<u>6,487,274</u>
Expenditures				
Current:				
Judicial	35,034	2,348,839	-	2,384,920
Public safety	-	-	-	10,659
Road maintenance and repair	-	-	-	2,161,235
Public works	-	-	-	2,531,505
Community development	-	-	-	525,591
Library	-	-	766,733	766,733
Total expenditures	<u>35,034</u>	<u>2,348,839</u>	<u>766,733</u>	<u>8,380,643</u>
Revenues over (under) expenditures	<u>10,038</u>	<u>(2,047,171)</u>	<u>(5,659)</u>	<u>(1,893,369)</u>
Other financing sources (uses)				
Transfers in	-	2,047,171	60,000	2,529,451
Transfers out	-	-	(50,000)	(373,651)
Total other financing sources (uses)	<u>-</u>	<u>2,047,171</u>	<u>10,000</u>	<u>2,155,800</u>
Net change in fund balances	<u>10,038</u>	<u>-</u>	<u>4,341</u>	<u>262,431</u>
Fund balances (deficit), beginning of year	<u>(23,840)</u>	<u>-</u>	<u>124,708</u>	<u>3,641,162</u>
Fund balances (deficits), end of year	<u>\$ (13,802)</u>	<u>\$ -</u>	<u>\$ 129,049</u>	<u>\$ 3,903,593</u>

concluded.

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Major Streets Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	\$ 68,555	\$ 68,555	\$ 68,555	\$ -
Intergovernmental -				
Federal grants	-	-	87,961	87,961
State grants	1,236,048	1,394,193	1,458,748	64,555
Interest income	464	3,000	19,600	16,600
Other revenue	-	40,500	86,072	45,572
Total revenues	1,305,067	1,506,248	1,720,936	214,688
Expenditures				
Current -				
Road maintenance and repair	1,752,173	1,754,555	1,395,510	(359,045)
Revenues over (under) expenditures	(447,106)	(248,307)	325,426	(573,733)
Other financing uses				
Transfers out	(270,000)	(270,000)	(270,000)	-
Net change in fund balance	(717,106)	(518,307)	55,426	573,733
Fund balance, beginning of year	1,369,847	1,369,847	1,369,847	-
Fund balance, end of year	\$ 652,741	\$ 851,540	\$ 1,425,273	\$ 573,733

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Local Streets Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	\$ 467,545	\$ 467,545	\$ 568,613	\$ 101,068
Interest income	247	247	16,027	15,780
Total revenues	467,792	467,792	584,640	116,848
Expenditures				
Current -				
Road maintenance and repair	884,632	884,632	765,725	(118,907)
Revenues over (under) expenditures	(416,840)	(416,840)	(181,085)	235,755
Other financing sources				
Transfers in	270,000	270,000	270,000	-
Net change in fund balance	(146,840)	(146,840)	88,915	235,755
Fund balance, beginning of year	1,040,047	1,040,047	1,040,047	-
Fund balance, end of year	<u>\$ 893,207</u>	<u>\$ 893,207</u>	<u>\$ 1,128,962</u>	<u>\$ 235,755</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Solid Waste Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	\$ 1,288,512	\$ 1,288,512	\$ 1,274,918	\$ (13,594)
Intergovernmental-				
State grants	-	-	13,053	13,053
Charges for services	1,251,200	1,251,200	1,369,211	118,011
Interest income	1,628	1,628	13,292	11,664
Total revenues	<u>2,541,340</u>	<u>2,541,340</u>	<u>2,670,474</u>	<u>129,134</u>
Expenditures				
Current:				
Public works	2,722,874	2,737,874	2,531,505	(206,369)
Prior year tax refund	15,000	-	-	-
Total expenditures	<u>2,737,874</u>	<u>2,737,874</u>	<u>2,531,505</u>	<u>(206,369)</u>
Revenue over (under) expenditures	(196,534)	(196,534)	138,969	335,503
Other financing uses				
Transfers out	(50,000)	(50,000)	(50,000)	-
Net change in fund balance	(246,534)	(246,534)	88,969	335,503
Fund balance, beginning of year	<u>861,976</u>	<u>861,976</u>	<u>861,976</u>	<u>-</u>
Fund balance, end of year	<u>\$ 615,442</u>	<u>\$ 615,442</u>	<u>\$ 950,945</u>	<u>\$ 335,503</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Narcotics Forfeiture Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ 9,498	\$ 8,498
Interest income	18	18	1,046	1,028
Total revenues	1,018	1,018	10,544	9,526
Expenditures				
Current -				
Public safety	5,000	5,000	22	(4,978)
Net change in fund balance	(3,982)	(3,982)	10,522	14,504
Fund balance, beginning of year	66,695	66,695	66,695	-
Fund balance, end of year	<u>\$ 62,713</u>	<u>\$ 62,713</u>	<u>\$ 77,217</u>	<u>\$ 14,504</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Criminal Justice Training Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	\$ 8,000	\$ 12,000	\$ 9,467	\$ (2,533)
Interest income	-	-	172	172
Total revenues	8,000	12,000	9,639	(2,361)
Expenditures				
Current -				
Public safety	8,000	12,000	10,637	(1,363)
Net change in fund balance	-	-	(998)	(998)
Fund balance, beginning of year	13,353	13,353	13,353	-
Fund balance, end of year	<u>\$ 13,353</u>	<u>\$ 13,353</u>	<u>\$ 12,355</u>	<u>\$ (998)</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Disaster Contingency Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Interest income	\$ -	\$ -	\$ 53	\$ 53
Other financing sources				
Transfers out	-	-	(3,651)	(3,651)
Net change in fund balances	-	-	(3,598)	(3,598)
Fund balance, beginning of year	3,598	3,598	3,598	-
Fund balance, end of year	<u>\$ 3,598</u>	<u>\$ 3,598</u>	<u>\$ -</u>	<u>\$ (3,598)</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Community Development Block Grant Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Federal grants	\$ 128,961	\$ 128,961	\$ 80,489	\$ (48,472)
Expenditures				
Current -				
Community development	128,961	128,961	91,480	(37,481)
Net change in fund balance	-	-	(10,991)	(10,991)
Fund balance, beginning of year	-	-	-	-
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,991)</u>	<u>\$ (10,991)</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - C.O.P.S Program Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Federal grants	\$ 186,483	\$ 186,483	\$ 245,431	\$ 58,948
Expenditures				
Current -				
Community development	248,644	248,644	397,711	149,067
Revenues under expenditures	(62,161)	(62,161)	(152,280)	(90,119)
Other financing sources				
Transfers in	62,161	62,161	152,280	90,119
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Caseflow Assistance Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	\$ 20,000	\$ 20,000	\$ 20,198	\$ 198
Interest income	24	24	2,724	2,700
Total revenues	20,024	20,024	22,922	2,898
Expenditures				
Current -				
Judicial	7,538	7,538	1,047	(6,491)
Net change in fund balance	12,486	12,486	21,875	9,389
Fund balance, beginning of year	184,778	184,778	184,778	-
Fund balance, end of year	<u>\$ 197,264</u>	<u>\$ 197,264</u>	<u>\$ 206,653</u>	<u>\$ 9,389</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Neighborhood Stabilization Program Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenue				
Intergovernmental -				
Federal grants	\$ 156,759	\$ 156,759	\$ 34,332	\$ (122,427)
Expenditures				
Current -				
Community development	156,759	156,759	36,400	(120,359)
Net change in fund balance	-	-	(2,068)	(2,068)
Fund balance, beginning of year	-	-	-	-
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,068)</u>	<u>\$ (2,068)</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Veterans Treatment Court Grant

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	\$ 30,301	\$ 45,301	\$ 45,072	\$ (229)
Expenditures				
Current -				
Judicial	30,301	45,301	35,034	(10,267)
Net change in fund balance	-	-	10,038	10,038
Fund balance (deficit), beginning of year	-	-	(23,840)	(23,840)
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,802)</u>	<u>\$ (13,802)</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - 45th District Court Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	\$ 91,448	\$ 91,448	\$ 91,448	\$ -
Charges for services	171,044	171,044	210,220	39,176
Total revenues	262,492	262,492	301,668	39,176
Expenditures				
Current -				
Judicial	2,050,896	2,162,492	2,348,839	186,347
Revenues under expenditures	(1,788,404)	(1,900,000)	(2,047,171)	(147,171)
Other financing sources				
Transfers in	1,788,404	1,900,000	2,047,171	147,171
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Library Fund

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	\$ 650,735	\$ 650,735	\$ 642,407	\$ (8,328)
Intergovernmental -				
State grants	12,100	17,100	30,080	12,980
Charges for services	8,500	8,500	12,061	3,561
Fines and forfeitures	52,000	64,000	72,041	8,041
Interest income	197	3,289	4,371	1,082
Other	1,000	1,000	114	(886)
Total revenues	<u>724,532</u>	<u>744,624</u>	<u>761,074</u>	<u>16,450</u>
Expenditures				
Current -				
Library	784,624	794,624	766,733	(27,891)
Prior year tax refund	10,000	-	-	-
Total expenditures	<u>794,624</u>	<u>794,624</u>	<u>766,733</u>	<u>(27,891)</u>
Revenues under expenditures	<u>(70,092)</u>	<u>(50,000)</u>	<u>(5,659)</u>	<u>44,341</u>
Other financing sources (uses)				
Transfers in	100,000	100,000	60,000	(40,000)
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>10,000</u>	<u>(40,000)</u>
Net change in fund balance	(20,092)	-	4,341	4,341
Fund balance, beginning of year	<u>124,708</u>	<u>124,708</u>	<u>124,708</u>	<u>-</u>
Fund balance, end of year	<u>\$ 104,616</u>	<u>\$ 124,708</u>	<u>\$ 129,049</u>	<u>\$ 4,341</u>

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
Debt Service Funds
June 30, 2016

	2015 Refunding Bond	2012 Street Refunding Bond	2006 Street Improvement Bond
Assets			
Cash and investments	\$ 84,774	\$ 281,437	\$ 113
Liabilities			
Accrued liabilities	\$ 15,000	\$ 13,000	\$ 113
Fund balances			
Restricted	69,774	268,437	-
Total liabilities and fund balances	\$ 84,774	\$ 281,437	\$ 113



2010 Municipal Complex Bond	2011 Library and Recreation Lease	Municipal Building Authority	Total
<u>\$ 112,672</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 478,996</u>
\$ 14,000	\$ -	\$ -	\$ 42,113
<u>98,672</u>	<u>-</u>	<u>-</u>	<u>436,883</u>
<u>\$ 112,672</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 478,996</u>

CITY OF OAK PARK, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Debt Service Funds

For the Year Ended June 30, 2016

	2015 Refunding Bond	2012 Street Refunding Bond	2006 Street Improvement Bond
Revenues			
Property taxes	\$ -	\$ 844,227	\$ 912,543
Interest income	1,345	8,344	4,961
Total revenues	<u>1,345</u>	<u>852,571</u>	<u>917,504</u>
Expenditures			
Debt service:			
Principal	-	555,000	641,000
Interest and fiscal charges	290,026	184,433	404,510
Total expenditures	<u>290,026</u>	<u>739,433</u>	<u>1,045,510</u>
Revenues (under) over expenditures	<u>(288,681)</u>	<u>113,138</u>	<u>(128,006)</u>
Other financing sources (uses)			
Issuance of long-term debt	7,825,000	-	-
Premium on issuance of long-term debt	796,882	-	-
Payment to refund bond escrow agent	-	-	(8,289,000)
Transfers in	-	10,345	8,263,427
Transfers out	(8,263,427)	-	-
Total other financing sources (uses)	<u>358,455</u>	<u>10,345</u>	<u>(25,573)</u>
Net change in fund balances	<u>69,774</u>	<u>123,483</u>	<u>(153,579)</u>
Fund balances, beginning of year	<u>-</u>	<u>144,954</u>	<u>153,579</u>
Fund balances, end of year	<u>\$ 69,774</u>	<u>\$ 268,437</u>	<u>\$ -</u>



2010 Municipal Complex Bond	2011 Library and Recreation Lease	Municipal Building Authority	Total
\$ 908,566	\$ -	\$ -	\$ 2,665,336
1,932	121	150	16,853
910,498	121	150	2,682,189
375,000	70,000	-	1,641,000
465,827	80,640	-	1,425,436
840,827	150,640	-	3,066,436
69,671	(150,519)	150	(384,247)
-	-	-	7,825,000
-	-	-	796,882
-	-	-	(8,289,000)
-	150,519	-	8,424,291
-	-	(10,345)	(8,273,772)
-	150,519	(10,345)	483,401
69,671	-	(10,195)	99,154
29,001	-	10,195	337,729
\$ 98,672	\$ -	\$ -	\$ 436,883

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

Capital Projects Funds

June 30, 2016

	Public Improvement	City-Owned Property	Sidewalk Program
Assets			
Cash and investments	\$ 196,446	\$ 100,600	\$ 101,542
Receivables:			
Special assessments	-	-	70,748
Accounts	-	-	86,376
Total assets	<u>\$ 196,446</u>	<u>\$ 100,600</u>	<u>\$ 258,666</u>
Liabilities			
Accounts payable	\$ 5,595	\$ -	\$ 10,000
Accrued liabilities	-	-	9,056
Total liabilities	<u>5,595</u>	<u>-</u>	<u>19,056</u>
Deferred inflows of resources			
Unavailable revenue - special assessments	-	-	136,636
Fund balances			
Restricted	-	-	102,974
Assigned	190,851	100,600	-
Total fund balance	<u>190,851</u>	<u>100,600</u>	<u>102,974</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 196,446</u>	<u>\$ 100,600</u>	<u>\$ 258,666</u>



Road Construction	Municipal Building Construction	Municipal Complex Construction	Total
\$ 6,000	\$ 1,632,639	\$ 121,714	\$ 2,158,941
-	-	-	70,748
-	-	-	86,376
<u>\$ 6,000</u>	<u>\$ 1,632,639</u>	<u>\$ 121,714</u>	<u>\$ 2,316,065</u>
\$ 6,000	\$ 22,100	\$ 500	\$ 44,195
-	-	-	9,056
<u>6,000</u>	<u>22,100</u>	<u>500</u>	<u>53,251</u>
-	-	-	136,636
-	-	121,214	224,188
-	<u>1,610,539</u>	-	<u>1,901,990</u>
-	<u>1,610,539</u>	<u>121,214</u>	<u>2,126,178</u>
<u>\$ 6,000</u>	<u>\$ 1,632,639</u>	<u>\$ 121,714</u>	<u>\$ 2,316,065</u>

CITY OF OAK PARK, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Capital Project Funds

For the Year Ended June 30, 2016

	Public Improvement	City-Owned Property	Sidewalk Program
Revenues			
Special assessments	\$ -	\$ -	\$ 265,595
Fines and forfeitures	-	-	-
Interest income	1,032	1,482	5,055
Total revenues	<u>1,032</u>	<u>1,482</u>	<u>270,650</u>
Expenditures			
Public works	-	-	23,422
Community development	18,130	29	-
Capital outlay	-	-	354,772
Total expenditures	<u>18,130</u>	<u>29</u>	<u>378,194</u>
Revenues over (under) expenditures	(17,098)	1,453	(107,544)
Other financing sources			
Transfers in	153,651	-	-
Net change in fund balances	136,553	1,453	(107,544)
Fund balances, beginning of year	<u>54,298</u>	<u>99,147</u>	<u>210,518</u>
Fund balances, end of year	<u>\$ 190,851</u>	<u>\$ 100,600</u>	<u>\$ 102,974</u>



Road Construction	Municipal Building Construction	Municipal Complex Construction	Total
\$ -	\$ -	\$ -	\$ 265,595
-	150,576	-	150,576
2,144	23,668	2,217	35,598
2,144	174,244	2,217	451,769
-	-	-	23,422
-	-	-	18,159
234,422	26,040	139,810	755,044
234,422	26,040	139,810	796,625
(232,278)	148,204	(137,593)	(344,856)
-	-	-	153,651
(232,278)	148,204	(137,593)	(191,205)
232,278	1,462,335	258,807	2,317,383
\$ -	\$ 1,610,539	\$ 121,214	\$ 2,126,178

CITY OF OAK PARK, MICHIGAN

Combining Statement of Net Position

Internal Service Funds

June 30, 2016

	Risk Management	Motor Pool	Retirees Health Care Court	Total
Assets				
Current assets:				
Cash and investments	\$ 242,340	\$ 52,938	\$ -	\$ 295,278
Prepaid items	83,111	-	340	83,451
Total current assets	325,451	52,938	340	378,729
Noncurrent assets -				
Capital assets, net	-	963,044	-	963,044
Total assets	325,451	1,015,982	340	1,341,773
Liabilities				
Current liabilities:				
Accounts payable	-	35,543	-	35,543
Accrued liabilities	-	1,394	-	1,394
Total current liabilities	-	36,937	-	36,937
Noncurrent liabilities -				
Accrued compensated absences	-	2,296	-	2,296
Total liabilities	-	39,233	-	39,233
Net position				
Investment in capital assets	-	963,044	-	963,044
Unrestricted	325,451	13,705	340	339,496
Total net position	\$ 325,451	\$ 976,749	\$ 340	\$ 1,302,540

CITY OF OAK PARK, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

For the Year Ended June 30, 2016

	Risk Management	Motor Pool	Retirees Health Care Court	Total
Operating revenues				
Charges for services	\$ 266,350	\$ 532,776	\$ -	\$ 799,126
Miscellaneous	159,015	-	208,823	367,838
Total operating revenues	<u>425,365</u>	<u>532,776</u>	<u>208,823</u>	<u>1,166,964</u>
Operating expenses				
Gasoline	-	118,496	-	118,496
Professional services	64	84,841	-	84,905
Supplies	-	168,811	-	168,811
Depreciation	-	167,863	-	167,863
Wages and benefits	-	66,246	-	66,246
Insurance	461,154	-	208,811	669,965
Total operating expenses	<u>461,218</u>	<u>606,257</u>	<u>208,811</u>	<u>1,276,286</u>
Operating income (loss)	(35,853)	(73,481)	12	(109,322)
Nonoperating revenues				
Interest income	<u>3,364</u>	<u>548</u>	<u>-</u>	<u>3,912</u>
Change in net position	<u>(32,489)</u>	<u>(72,933)</u>	<u>12</u>	<u>(105,410)</u>
Net position, beginning of year	<u>357,940</u>	<u>1,049,682</u>	<u>328</u>	<u>1,407,950</u>
Net position, end of year	<u>\$ 325,451</u>	<u>\$ 976,749</u>	<u>\$ 340</u>	<u>\$ 1,302,540</u>

CITY OF OAK PARK, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2016

	Risk Management	Motor Pool	Retirees Health Care Court	Total
Cash flows from operating activities				
Receipts from interfund services	\$ 266,350	\$ 532,776	\$ -	\$ 799,126
Miscellaneous receipts	159,015	-	208,823	367,838
Payments to suppliers	(351,828)	(358,979)	(12)	(710,819)
Payments to employees	(155,167)	(66,940)	(208,811)	(430,918)
Net cash provided (used) by operating activities	(81,630)	106,857	-	25,227
Cash flows from capital and related financing activities				
Purchases of capital assets	-	(87,134)	-	(87,134)
Cash flows from investing activities				
Interest and dividends	3,364	548	-	3,912
Net change in cash and investments	(78,266)	20,271	-	(57,995)
Cash and investments, beginning of year	320,606	32,667	-	353,273
Cash and investments, end of year	<u>\$ 242,340</u>	<u>\$ 52,938</u>	<u>\$ -</u>	<u>\$ 295,278</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (35,853)	\$ (73,481)	\$ 12	\$ (109,322)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	-	167,863	-	167,863
Change in assets and liabilities:				
Prepaid items	(45,777)	-	(12)	(45,789)
Accounts payable	-	13,169	-	13,169
Accrued liabilities	-	(936)	-	(936)
Accrued compensated absences	-	242	-	242
Net cash provided (used) by operating activities	<u>\$ (81,630)</u>	<u>\$ 106,857</u>	<u>\$ -</u>	<u>\$ 25,227</u>

CITY OF OAK PARK, MICHIGAN

Combining Statement of Assets and Liabilities

Agency Funds

June 30, 2016

	Payroll Fund	Escrow Fund	Agency Fund	Tax Fund	Total Agency Funds
Assets					
Cash and cash equivalents	\$ 52,023	\$ 394,403	\$ -	\$ -	\$ 446,426
Due from other governments	-	2,417	-	-	2,417
Total assets	<u>\$ 52,023</u>	<u>\$ 396,820</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 448,843</u>
Liabilities					
Undistributed receipts	<u>\$ 52,023</u>	<u>\$ 396,820</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 448,843</u>

CITY OF OAK PARK, MICHIGAN

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
<i>Payroll Fund</i>				
Assets				
Cash and cash equivalents	\$ 36,479	\$ 24,521,373	\$ (24,505,829)	\$ 52,023
Liabilities				
Undistributed receipts	\$ 36,479	\$ 10,058,711	\$ (10,043,167)	\$ 52,023
<i>Escrow Fund</i>				
Assets				
Cash and cash equivalents	\$ 249,438	\$ 634,925	\$ (489,960)	\$ 394,403
Due from other governments	2,663	7,209	(7,455)	2,417
Total assets	\$ 252,101	\$ 642,134	\$ (497,415)	\$ 396,820
Liabilities				
Undistributed receipts	\$ 252,101	\$ 625,805	\$ (481,086)	\$ 396,820
<i>Tax Fund</i>				
Assets				
Cash and cash equivalents	\$ -	\$ 13,739,290	\$ (13,739,290)	\$ -
Liabilities				
Undistributed receipts	\$ -	\$ 13,739,290	\$ (13,739,290)	\$ -
<i>Agency Fund</i>				
Assets				
Cash and cash equivalents	\$ 196,908	\$ -	\$ (196,908)	\$ -
Accrued interest receivable	3,499	-	(3,499)	-
Total assets	\$ 200,407	\$ -	\$ (200,407)	\$ -
Liabilities				
Due to other governments	\$ 200,407	\$ -	\$ (200,407)	\$ -

continued...

CITY OF OAK PARK, MICHIGAN

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
<i>Total All Agency Funds</i>				
Assets				
Cash and cash equivalents	\$ 482,825	\$ 38,895,588	\$ (38,931,987)	\$ 446,426
Accrued interest receivable	3,499	-	(3,499)	-
Due from other governments	2,663	7,209	(7,455)	2,417
Total assets	<u>\$ 488,987</u>	<u>\$ 38,902,797</u>	<u>\$ (38,942,941)</u>	<u>\$ 448,843</u>
Liabilities				
Due to other governments	\$ 200,407	\$ -	\$ (200,407)	\$ -
Undistributed receipts	288,580	24,423,806	(24,263,543)	448,843
Total liabilities	<u>\$ 488,987</u>	<u>\$ 24,423,806</u>	<u>\$ (24,463,950)</u>	<u>\$ 448,843</u>

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STATISTICAL SECTION

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CITY OF OAK PARK, MICHIGAN

Statistical Section Table of Contents

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

	<u>Page</u>
Financial Trends	These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 126
Revenue Capacity	These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. 136
Debt Capacity	These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 142
Demographic and Economic Information	These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 147
Operating Information	These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. 149

Sources: Unless otherwise noted, the information in these schedules are derived from the annual financial reports for the applicable year.

CITY OF OAK PARK, MICHIGAN

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2007	2008	2009	2010	2011
Governmental activities					
Net investment in capital assets	\$ 6,375,013	\$ 11,739,781	\$ 14,884,759	\$ 15,406,195	\$ 2,076,411
Restricted	9,519,782	5,140,968	3,201,454	4,088,332	16,892,886
Unrestricted (deficit)	3,724,361	2,463,887	(1,865,169)	(4,176,964)	(7,479,222)
Total governmental activities	<u>\$ 19,619,156</u>	<u>\$ 19,344,636</u>	<u>\$ 16,221,044</u>	<u>\$ 15,317,563</u>	<u>\$ 11,490,075</u>
Business-type activities					
Net investment in capital assets	\$ 11,041,086	\$ 12,723,979	\$ 14,053,708	\$ 16,780,263	\$ 17,689,440
Unrestricted	3,467,097	2,883,239	2,734,483	503,073	1,623,541
Total business-type activities	<u>\$ 14,508,183</u>	<u>\$ 15,607,218</u>	<u>\$ 16,788,191</u>	<u>\$ 17,283,336</u>	<u>\$ 19,312,981</u>
Primary government					
Net investment in capital assets	\$ 17,416,099	\$ 24,463,760	\$ 28,938,467	\$ 32,186,458	\$ 19,765,851
Restricted	9,519,782	5,140,968	3,201,454	4,088,332	16,892,886
Unrestricted (deficit)	7,191,458	5,347,126	869,314	(3,673,891)	(5,855,681)
Total primary government	<u>\$ 34,127,339</u>	<u>\$ 34,951,854</u>	<u>\$ 33,009,235</u>	<u>\$ 32,600,899</u>	<u>\$ 30,803,056</u>

Schedule 1
Unaudited

2012	2013	2014	2015	2016
\$ 1,805,028	\$ 13,132,212	\$ 14,247,686	\$ 14,000,594	\$ 13,597,182
16,169,292	6,911,104	4,887,899	4,317,193	4,464,360
(12,720,940)	(18,447,947)	(20,223,425)	(68,221,764)	(65,506,297)
<u>\$ 5,253,380</u>	<u>\$ 1,595,369</u>	<u>\$ (1,087,840)</u>	<u>\$ (49,903,977)</u>	<u>\$ (47,444,755)</u>
\$ 15,566,968	\$ 16,175,706	\$ 16,773,566	\$ 17,818,784	\$ 19,700,636
4,345,077	4,653,218	6,175,448	733,114	(1,894,698)
<u>\$ 19,912,045</u>	<u>\$ 20,828,924</u>	<u>\$ 22,949,014</u>	<u>\$ 18,551,898</u>	<u>\$ 17,805,938</u>
\$ 17,371,996	\$ 29,307,918	\$ 31,021,252	\$ 31,819,378	\$ 33,297,818
16,169,292	6,911,104	4,887,899	4,317,193	4,464,360
(8,375,863)	(13,794,729)	(14,047,977)	(67,488,650)	(67,400,995)
<u>\$ 25,165,425</u>	<u>\$ 22,424,293</u>	<u>\$ 21,861,174</u>	<u>\$ (31,352,079)</u>	<u>\$ (29,638,817)</u>

CITY OF OAK PARK, MICHIGAN

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2007	2008	2009	2010	2011
Expenses					
Governmental activities:					
General government	\$ 5,067,647	\$ 5,415,064	\$ 5,664,693	\$ 5,455,233	\$ 5,175,795
Judicial	2,268,921	2,457,418	3,110,586	2,480,818	2,438,608
Public safety	11,089,786	10,772,176	12,207,633	11,980,655	11,807,208
Road maintenance and repair	2,708,853	3,117,566	3,264,468	3,132,845	3,773,388
Public works	1,096,676	1,591,527	1,790,791	1,748,297	1,468,111
Health and sanitation	2,186,048	1,993,747	2,165,616	2,074,094	1,938,016
Culture and recreation	1,268,706	1,329,227	1,529,508	1,346,217	1,257,593
Library	836,669	858,674	1,040,661	1,028,408	904,488
Community development	299,539	334,654	584,284	1,499,055	1,889,763
Interest on long-term debt	1,148,474	1,116,640	1,076,660	1,038,320	1,211,375
Total governmental activities	27,971,319	28,986,693	32,434,900	31,783,942	31,864,345
Business-type activities:					
Water and sewer	7,835,161	8,061,610	8,019,513	8,796,597	8,721,512
Total primary government expenses	35,806,480	37,048,303	40,454,413	40,580,539	40,585,857
Program revenues					
Governmental activities:					
Charges for services:					
General government	599,632	582,978	471,650	470,968	491,946
Judicial	656,578	704,560	650,713	609,349	620,549
Public safety	1,856,111	1,395,297	1,445,393	1,422,872	1,436,686
Road maintenance and repair	21,919	-	-	72,648	-
Public works	214,874	144,345	405,399	153,071	399,625
Health and sanitation	577,620	565,490	611,694	644,564	835,541
Culture and recreation	469,373	464,371	435,876	471,547	433,396
Library	21,521	14,175	13,475	20,593	18,475
Community development	(2,335)	-	8,960	3,136	94,507
Operating grants and contributions	2,080,915	1,817,794	2,054,958	4,457,172	3,801,612
Capital grants and contributions	-	-	35,158	50,000	-
Total governmental activities	6,496,208	5,689,010	6,133,276	8,375,920	8,132,337
Business-type activities:					
Charges for services:					
Water and sewer	9,034,465	8,972,129	9,050,017	9,148,095	10,676,880
Capital grants and contributions	-	-	-	-	-
Total business-type activities	9,034,465	8,972,129	9,050,017	9,148,095	10,676,880
Total primary government program revenues	15,530,673	14,661,139	15,183,293	17,524,015	18,809,217
Net (expense)/revenue					
Government activities	(21,475,111)	(23,297,683)	(26,301,624)	(23,408,022)	(23,732,008)
Business-type activities	1,199,304	910,519	1,030,504	351,498	1,955,368
Total primary government net expense	(20,275,807)	(22,387,164)	(25,271,120)	(23,056,524)	(21,776,640)

Schedule 2
Unaudited

2012	2013	2014	2015	2016
\$ 7,507,151	\$ 7,899,791	\$ 6,824,175	\$ 3,064,969	\$ 9,940,652
2,536,686	2,128,180	1,976,211	1,944,235	2,280,899
10,268,074	2,653,492	9,525,007	3,497,663	7,401,142
3,557,279	3,209,098	4,098,970	4,702,539	3,125,342
960,745	2,402,385	1,744,556	1,141,585	2,837,202
2,079,476	1,983,105	2,268,966	3,023,012	280,850
966,087	1,470,915	827,531	572,947	475,963
945,653	762,658	696,640	702,648	661,836
981,099	5,242,607	1,161,136	384,815	601,863
1,563,087	1,501,533	1,170,026	1,192,125	1,076,838
31,365,337	29,253,764	30,293,218	20,226,538	28,682,587
9,517,443	10,147,814	9,447,898	8,242,405	11,841,571
40,882,780	39,401,578	39,741,116	28,468,943	40,524,158
2,969,159	3,623,194	2,930,627	4,171,972	4,357,345
185,301	-	148,221	184,028	210,220
46,635	50,257	41,518	40,237	58,596
148,312	125,599	251,972	131,194	154,627
294,580	459,765	288,447	733,485	480,086
1,101,773	1,141,929	1,149,094	1,245,819	1,311,457
-	-	-	-	-
11,436	17,684	144,126	22,380	24,974
365	-	21,680	-	-
2,599,832	2,273,132	2,241,178	2,406,046	2,690,345
893	-	1,750	561,703	100,150
7,358,286	7,691,560	7,218,613	9,496,864	9,387,800
10,726,423	10,985,124	11,550,673	11,706,574	10,984,177
-	-	-	-	-
10,726,423	10,985,124	11,550,673	11,706,574	10,984,177
18,084,709	18,676,684	18,769,286	21,203,438	20,371,977
(24,007,051)	(21,562,204)	(23,074,605)	(10,729,674)	(19,294,787)
1,208,980	837,310	2,102,775	3,464,169	(857,394)
(22,798,071)	(20,724,894)	(20,971,830)	(7,265,505)	(20,152,181)

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CITY OF OAK PARK, MICHIGAN

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2007	2008	2009	2010	2011
General revenues					
Governmental activities:					
Property taxes	\$ 20,977,326	\$ 21,890,823	\$ 22,730,399	\$ 18,138,062	\$ 15,762,619
State shared revenues	-	-	-	3,622,093	3,438,471
Franchise fees	518,234	560,384	584,255	669,415	701,558
Investment earnings	1,073,459	621,956	318,845	73,560	60,045
Miscellaneous	-	19,801	8,561	51,411	(8,173)
Transfers	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total governmental activities	<u>22,519,019</u>	<u>23,042,964</u>	<u>23,592,060</u>	<u>22,504,541</u>	<u>19,904,520</u>
Business-type activities:					
Investment earnings	167,869	118,715	100,469	93,647	24,277
Transfers	50,000	50,000	50,000	50,000	50,000
Total business-type activities	<u>217,869</u>	<u>168,715</u>	<u>150,469</u>	<u>143,647</u>	<u>74,277</u>
Total primary government	<u>22,736,888</u>	<u>23,211,679</u>	<u>23,742,529</u>	<u>22,648,188</u>	<u>19,978,797</u>
Change in net position					
Governmental activities	1,043,908	(254,719)	(2,709,564)	(903,481)	(3,827,488)
Business-type activities	1,417,173	1,079,234	1,180,973	495,145	2,029,645
Total primary government	<u>\$ 2,461,081</u>	<u>\$ 824,515</u>	<u>\$ (1,528,591)</u>	<u>\$ (408,336)</u>	<u>\$ (1,797,843)</u>

Schedule 2
Unaudited

2012	2013	2014	2015	2016
\$ 15,222,837	\$ 14,067,560	\$ 16,466,311	\$ 16,326,336	\$ 17,549,447
2,937,911	3,040,964	3,134,336	3,197,425	3,288,744
714,074	794,287	757,237	712,120	717,762
60,524	51,382	33,512	48,071	248,056
-	-	-	-	-
(50,000)	(50,000)	-	-	(50,000)
<u>18,885,346</u>	<u>17,904,193</u>	<u>20,391,396</u>	<u>20,283,952</u>	<u>21,754,009</u>
156	29,569	17,315	16,381	61,434
50,000	50,000	-	-	50,000
<u>50,156</u>	<u>79,569</u>	<u>17,315</u>	<u>16,381</u>	<u>111,434</u>
<u>18,935,502</u>	<u>17,983,762</u>	<u>20,408,711</u>	<u>20,300,333</u>	<u>21,865,443</u>
(5,121,705)	(3,658,011)	(2,683,209)	9,554,278	2,459,222
<u>1,259,136</u>	<u>916,879</u>	<u>2,120,090</u>	<u>3,480,550</u>	<u>(745,960)</u>
<u>\$ (3,862,569)</u>	<u>\$ (2,741,132)</u>	<u>\$ (563,119)</u>	<u>\$ 13,034,828</u>	<u>\$ 1,713,262</u>

concluded.

CITY OF OAK PARK, MICHIGAN

Fund Balances - Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2007	2008	2009	2010	2011
General fund					
Nonspendable	\$ 302,693	\$ 114,609	\$ 90,444	\$ 191,983	\$ 234,242
Unassigned	1,735,777	1,784,828	2,029,085	1,970,324	1,514,649
Total general fund	<u>2,038,470</u>	<u>1,899,437</u>	<u>2,119,529</u>	<u>2,162,307</u>	<u>1,748,891</u>
All other governmental funds					
Nonspendable	64,165	20,859	23,368	33,737	25,396
Restricted	10,265,178	5,757,552	3,453,091	4,569,839	17,436,759
Assigned	493,669	643,161	784,216	835,683	1,082,319
Unassigned (deficit)	-	-	-	-	-
Total all other governmental funds	<u>10,823,012</u>	<u>6,421,572</u>	<u>4,260,675</u>	<u>5,439,259</u>	<u>18,544,474</u>
Total all governmental funds	<u>\$ 12,861,482</u>	<u>\$ 8,321,009</u>	<u>\$ 6,380,204</u>	<u>\$ 7,601,566</u>	<u>\$ 20,293,365</u>

Schedule 3
Unaudited

2012	2013	2014	2015	2016
\$ 245,037	\$ 198,853	\$ 387,059	\$ 597,521	\$ 482,475
312,162	1,802,454	2,973,036	2,833,231	3,196,719
557,199	2,001,307	3,360,095	3,430,752	3,679,194
22,815	16,255	702	246	1,842
16,146,559	6,956,543	4,887,899	4,317,193	4,585,574
1,413,109	1,642,112	1,419,099	2,002,675	1,907,456
-	-	(7,869)	(23,840)	(28,218)
17,582,483	8,614,910	6,299,831	6,296,274	6,466,654
\$ 18,139,682	\$ 10,616,217	\$ 9,659,926	\$ 9,727,026	\$ 10,145,848

CITY OF OAK PARK, MICHIGAN

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2007	2008	2009	2010	2011
Revenues					
Property taxes	\$ 16,908,767	\$ 17,767,651	\$ 18,750,272	\$ 18,170,382	\$ 15,793,548
Special assessments	138,808	138,295	470,023	191,247	468,193
Licenses and permits	397,567	332,852	269,104	286,918	324,819
Intergovernmental	5,923,017	5,967,334	5,964,854	7,974,547	7,061,634
Charges for services	1,274,814	1,296,719	1,309,149	1,395,148	1,571,672
Fines and forfeitures	2,212,430	1,983,156	1,929,781	1,862,371	1,864,326
Interest income	1,038,284	691,790	342,713	77,613	122,813
Other	941,289	848,662	822,522	863,996	917,993
Total revenues	28,834,976	29,026,459	29,858,418	30,822,222	28,124,998
Expenditures					
Judicial	2,124,990	2,227,873	2,135,060	2,135,210	2,060,494
General government	4,346,347	4,493,384	4,342,750	4,261,390	3,862,062
Public safety	10,432,718	9,536,108	10,087,745	9,699,945	9,444,711
Road maintenance and repair	1,163,340	1,415,162	1,480,601	1,357,550	1,510,941
Public works	2,960,609	2,863,533	2,698,244	2,517,367	2,056,929
Recreation and culture	1,155,419	1,117,615	1,157,626	1,045,643	918,526
Library	775,018	727,765	820,483	850,138	668,867
Community development	247,852	200,159	281,927	1,218,937	1,611,291
Nondepartmental	1,649,454	2,970,326	2,745,727	2,735,006	2,735,439
Debt service:					
Principal	1,580,000	1,670,000	1,695,000	1,700,000	1,295,000
Interest	1,148,248	1,116,640	1,076,660	1,038,320	1,207,578
Bond issuance costs	-	-	-	-	-
Prior year tax refunds	-	-	-	-	-
Capital outlay	7,123,336	5,178,367	3,227,400	991,354	1,338,008
Total expenditures	34,707,331	33,516,932	31,749,223	29,550,860	28,709,846
Revenues over (under) expenditures	(5,872,355)	(4,490,473)	(1,890,805)	1,271,362	(584,848)
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	13,326,647
Premium on issuance of long-term debt	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Issuance of capital lease	-	-	-	-	-
Capital assets	-	-	-	-	-
Transfers in	2,401,870	2,430,771	2,492,312	2,476,424	2,476,424
Transfers out	(2,451,870)	(2,480,771)	(2,542,312)	(2,526,424)	(2,526,424)
Total other financing sources (uses)	(50,000)	(50,000)	(50,000)	(50,000)	13,276,647
Net changes in fund balances	\$ (5,922,355)	\$ (4,540,473)	\$ (1,940,805)	\$ 1,221,362	\$ 12,691,799
 Debt services as a percentage of noncapital expenditures	 <u>9.89%</u>	 <u>9.83%</u>	 <u>9.72%</u>	 <u>9.59%</u>	 <u>9.14%</u>

Schedule 4
Unaudited

2012	2013	2014	2015	2016
\$ 14,806,367	\$ 14,486,295	\$ 16,422,482	\$ 16,292,076	\$ 16,997,519
213,990	392,523	133,052	525,492	334,150
410,216	376,502	363,301	546,585	633,468
5,498,001	5,274,629	5,336,577	6,121,119	6,008,506
2,084,989	1,922,419	2,188,756	2,857,318	2,499,661
1,939,928	1,786,713	1,803,694	2,056,122	2,200,334
59,080	50,674	33,146	47,385	244,144
909,167	1,815,024	1,284,806	1,299,773	1,682,787
25,921,738	26,104,779	27,565,814	29,745,870	30,600,569
2,068,527	1,670,645	1,946,216	1,950,499	2,384,920
4,020,488	3,708,268	3,284,804	3,613,552	3,562,498
8,463,849	6,829,039	5,557,392	8,447,856	8,771,838
1,175,485	1,282,793	1,753,709	1,756,810	2,161,235
2,153,619	2,253,710	2,970,801	3,616,070	3,092,354
866,830	600,876	591,912	570,403	544,721
3,293,302	702,671	727,789	738,863	766,733
815,551	549,543	600,913	593,951	677,202
2,804,481	2,691,078	5,214,184	3,944,438	4,681,648
1,420,000	1,230,000	1,360,000	1,400,000	1,641,000
1,440,644	1,493,206	1,211,564	1,175,121	1,425,436
-	64,220	-	-	-
11,131	648,227	109,740	382,611	-
883,378	9,812,695	3,193,081	1,161,178	755,044
29,417,285	33,536,971	28,522,105	29,351,352	30,464,629
(3,495,547)	(7,432,192)	(956,291)	394,518	135,940
-	-	-	-	-
-	9,150,000	-	-	7,825,000
-	160,579	-	-	796,882
-	(9,160,000)	-	-	(8,289,000)
2,500,000	-	-	-	-
-	-	-	-	-
2,919,289	11,704,946	2,695,253	2,153,584	11,107,393
(2,969,289)	(11,939,946)	(2,695,253)	(2,153,584)	(11,157,393)
2,450,000	(84,421)	-	-	282,882
\$ (1,045,547)	\$ (7,516,613)	\$ (956,291)	\$ 394,518	\$ 418,822
10.03%	11.61%	10.54%	9.15%	10.58%

CITY OF OAK PARK, MICHIGAN

Taxable and Estimated Actual Value of Property

Last Ten Fiscal Years

Year Ended June 30,	Real Property			Personal Property	Total Taxable Value
	Residential Property	Commercial Property	Industrial Property		
2016	\$ 289,174,450	\$ 97,946,090	\$ 17,119,170	\$ 32,054,990	\$ 436,294,700
2015	283,412,310	99,570,910	17,124,830	32,106,170	432,214,220
2014	280,856,040	101,354,490	17,629,760	34,403,540	434,243,830
2013	312,688,580	107,596,610	18,982,270	35,705,130	474,972,590
2012	358,677,900	115,935,490	23,383,320	33,460,080	531,456,790
2011	427,200,170	99,543,660	60,865,560	36,210,100	623,819,490
2010	496,759,030	110,469,460	69,924,120	37,535,040	714,687,650
2009	511,737,180	109,204,400	70,406,640	37,226,110	728,574,330
2008	506,292,480	108,633,050	63,444,620	43,942,580	722,312,730
2007	480,667,540	105,533,730	59,565,190	44,318,580	690,085,040

Source: City of Oak Park Assessing Department

Note: Tax rates are per \$1,000 of taxable value.

Schedule 5
Unaudited

Total Direct Tax Rate	Estimated Actual Value	Taxable Value as a Percentage of Actual Value
37.6060	\$ 945,379,900	46.15%
37.1191	871,556,740	49.59%
36.8734	866,136,280	50.14%
29.8398	948,753,780	50.06%
27.2386	1,257,602,340	42.26%
24.5191	1,288,399,640	48.42%
24.6863	1,629,550,940	43.86%
24.6704	1,816,037,880	40.12%
23.7288	1,904,504,560	37.93%
23.8150	1,862,110,440	37.06%

CITY OF OAK PARK, MICHIGAN

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

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

Fiscal Year	Operating Millage	Library	Debt Service	Solid Waste	PA 345	Total Direct
2016: Homestead (1)	20.0000	1.4914	6.1615	2.9531	7.0000	37.6060
2016: Non-homestead						37.6060
2015: Homestead (1)	20.0000	1.4914	6.2017	2.9531	6.4729	37.1191
2015: Non-homestead						37.1191
2014: Homestead (1)	20.0000	1.4914	5.9560	2.9531	6.4729	36.8734
2014: Non-homestead						36.8734
2013: Homestead (1)	20.0000	1.4914	5.3953	2.9531	-	29.8398
2013: Non-homestead						29.8398
2012: Homestead (1)	18.8563	1.4914	4.4378	2.4531	-	27.2386
2012: Non-homestead						27.2386
2011: Homestead (1)	17.3563	0.9914	3.7183	2.4531	-	24.5191
2011: Non-homestead						24.5191
2010: Homestead (1)	17.3563	0.9914	3.8855	2.4531	-	24.6863
2010: Non-homestead						24.6863
2009: Homestead (1)	17.3563	0.9914	3.8696	2.4531	-	24.6704
2009: Non-homestead						24.6704
2008: Homestead (1)	16.3563	0.9914	3.9280	2.4531	-	23.7288
2008: Non-homestead						23.7288
2007: Homestead (1)	16.3613	0.9917	4.0081	2.4539	-	23.8150
2007: Non-homestead						23.8150

- (1) The State of Michigan passed a Property Tax Reform measure in 1994 which reduced property taxes for property owners who reside at the property (homestead). This reform created a two tiered tax system which accounts for the presentation above.

School Districts					Total Rates for Residents Residing In		
Oak Park	Ferndale	Berkley	Community College	County	Oak Park School District	Ferndale School District	Berkley School District
15.5000	13.0000	13.7269	1.5819	9.2081	63.8960	61.3960	62.1229
33.5000	31.0000	31.7269	1.5819	9.2081	81.8960	79.3960	80.1229
17.8912	15.3662	13.0788	1.5844	7.5590	64.1537	61.6287	59.3413
36.0712	33.5462	31.2588	1.5844	7.5590	82.3337	79.8087	77.5213
17.1251	13.5901	11.3042	1.5844	7.5590	63.1419	59.6069	57.3210
35.3051	31.7701	29.4842	1.5844	7.5590	81.3219	77.7869	75.5010
17.0682	13.5332	11.2270	1.5844	8.9051	57.3975	53.8625	51.5563
35.2482	31.7132	29.4070	1.5844	8.9051	75.5775	72.0425	69.7363
15.5252	13.5052	11.1788	1.5844	8.9051	53.2533	51.2333	48.9069
33.7052	31.6852	29.3588	1.5844	8.9051	71.4333	69.4133	67.0869
14.6800	13.4780	10.6668	1.5844	8.7051	49.4886	48.2866	45.4754
31.8600	31.6580	28.8468	1.5844	8.7051	66.6686	66.4666	63.6554
13.4494	13.4796	10.6685	1.5844	8.7051	48.4252	48.4554	45.6443
31.6294	31.6596	28.8485	1.5844	8.7051	66.6052	66.6354	63.8243
13.4492	13.4795	10.6684	1.5844	8.4905	48.1945	48.2248	45.4137
31.6292	31.6595	28.8484	1.5844	8.4905	66.3745	66.4048	63.5937
13.4388	13.4691	10.7892	1.5844	8.6051	47.3571	47.3874	44.7075
31.6188	31.6491	28.9692	1.5844	8.6051	65.5371	65.5674	62.8875
13.3585	13.4699	10.9416	1.5844	8.6051	47.3630	47.4744	44.9461
31.5385	31.6499	29.1216	1.5844	8.6051	65.5430	65.6544	63.1261

Principal Property Tax Payers

Current Year and Nine Years Ago

Taxpayer	2007			2016		
	Taxable Value	Rank	Percentage of Total	Taxable Value	Rank	Percentage of Total
Jewish Federation Apts.	\$ 8,335,650	2	1.15%	\$ 8,482,300	1	1.94%
DTE Energy Company	4,942,510	8	0.68%	6,695,060	2	1.53%
Lincoln Towers Apts, LLP	6,897,170	3	0.95%	5,243,000	3	1.20%
Village Green Management Co.	6,066,120	5	0.84%	4,579,780	4	1.05%
Eaton Steel/Goodman/Oak Park Bldg. Co.	-	-	-	3,803,490	5	0.87%
Loop of Greenfield	-	-	-	3,801,000	6	0.87%
Oak Park Manor MI, LLC	4,632,560	9	0.64%	3,553,550	7	0.81%
Scannell Properties (Fed Ex)	-	-	-	3,525,300	8	0.81%
Consumers Energy Company	-	-	-	3,392,470	9	0.78%
Apollo Heat Treating & Processing	-	-	-	2,749,070	10	0.63%
Detroit Square Properties, LLC	10,166,400	1	1.40%	-	-	-
Parkwoods Shopping Plaza, LLC	6,212,600	4	0.86%	-	-	-
Greenfield Lincoln Investments #2, LLC	5,685,000	6	0.78%	-	-	-
GTN Industries, Inc.	5,530,820	7	0.76%	-	-	-
Oakmont Properties	4,177,050	10	0.58%	-	-	-
	<u>\$62,645,880</u>		<u>8.64%</u>	<u>\$45,825,020</u>		<u>10.49%</u>

CITY OF OAK PARK, MICHIGAN

Schedule 8
Unaudited

Property Tax Levies and Collections

Last Ten Fiscal Years

Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Subsequent Years Collections	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2016	\$ 16,301,611	\$ 15,088,697	92.56%	\$ 63,360	\$ 15,152,057	92.95%
2015	16,104,874	15,031,406	93.33%	94,188	15,125,594	93.92%
2014	16,260,957	14,955,242	91.97%	109,923	15,065,165	92.65%
2013	15,138,509	13,946,023	92.12%	101,563	14,047,586	92.79%
2012	14,899,108	13,746,273	92.26%	81,518	13,827,791	92.81%
2011	15,658,581	14,363,567	91.73%	95,810	14,459,377	92.34%
2010	18,708,879	16,964,827	90.68%	81,685	17,046,512	91.11%
2009	19,029,345	17,269,947	90.75%	113,244	17,383,191	91.35%
2008	18,170,268	16,349,901	89.98%	136,390	16,486,291	90.73%
2007	17,357,852	15,654,630	90.19%	129,735	15,784,365	90.94%

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ending June 30,	Governmental Activities			Business-type Activities	Total Primary Government	% of Personal Income	Per Capita
	General Obligation Bonds	Unamortized Premium	Capital Lease	Water Revenue Bonds			
2016	\$ 27,295,000	\$ 917,317	\$ 2,220,000	\$ 8,081,332	\$ 38,513,649	79.74%	\$ 1,286.26
2015	29,330,000	-	2,290,000	9,008,845	40,628,845	84.08%	1,390.20
2014	30,660,000	140,507	2,360,000	9,892,544	43,053,051	80.52%	1,463.64
2013	31,950,000	150,543	2,430,000	10,754,639	45,285,182	93.11%	1,544.57
2012	33,120,000	-	2,500,000	12,510,082	48,130,082	99.29%	1,641.60
2011	34,540,000	-	-	13,697,003	48,237,003	99.06%	1,645.25
2010	22,410,000	-	-	14,315,803	36,725,803	75.42%	1,252.63
2009	24,110,000	-	-	15,066,183	39,176,183	80.45%	1,209.18
2008	25,805,000	-	-	15,219,483	41,024,483	84.24%	1,266.23
2007	27,475,000	-	-	16,091,554	43,566,554	89.46%	1,344.69

CITY OF OAK PARK, MICHIGAN

Schedule 10
Unaudited

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year Ending June 30,	General Obligation Bonds	Unamortized Premium	Less: Amounts Available in Debt Service Funds	Total	% of Estimated Actual Taxable Value of Property	Per Capita
2016	\$27,295,000	\$ 917,317	\$ 436,883	\$27,775,434	6.18%	\$ 920
2015	29,330,000	130,471	327,532	29,132,939	6.71%	989
2014	30,660,000	140,507	216,115	30,584,392	7.01%	1,039
2013	31,950,000	150,543	49,286	32,051,257	6.72%	1,090
2012	33,120,000	-	109,780	33,010,220	6.21%	1,126
2011	34,540,000	-	654,398	33,885,602	5.43%	1,156
2010	22,410,000	-	835,683	21,574,317	3.02%	736
2009	24,110,000	-	784,216	23,325,784	3.20%	796
2008	25,805,000	-	643,161	25,161,839	3.48%	777
2007	27,475,000	-	493,669	26,981,331	3.91%	833

CITY OF OAK PARK, MICHIGAN

Schedule 11
Unaudited

Direct and Overlapping Governmental Activities Debt

As of June 30, 2016

	Net Debt Outstanding	Percentage Applicable to City *	Estimated Share of Overlapping Debt
Direct			
City of Oak Park	\$ 30,432,317	100.00%	<u>\$ 30,432,317</u>
Overlapping			
Berkley School District	64,490	11.01%	7,100
Ferndale School District	44,967,633	11.71%	5,265,710
Oak Park School District	13,937,485	70.71%	9,855,196
Oakland County (at-large)	403,351,276	0.84%	3,388,151
Oakland Intermediate School District	46,680,000	0.84%	392,112
Oakland Community College	1,605,000	0.85%	13,643
			<u>18,921,911</u>
Total direct and overlapping debt			<u><u>\$ 49,354,228</u></u>

* Amount supplied by Municipal Advisory Council of Michigan.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Oak Park. This process recognized that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF OAK PARK, MICHIGAN

Schedule 12
Unaudited

Legal Debt Margin

Last Ten Fiscal Years

Assessed value		\$ 472,689,950
Legal debt limit (10% of SEV)		\$ 47,268,995
Gross indebtedness	\$ 29,515,000	
Amount available in debt service funds	(436,883)	
Net bonded debt		29,078,117
Legal debt margin		\$ 18,190,878
Net bonded debt as a percentage of assessed value		6.15%

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2016	\$ 47,268,995	\$ 29,078,117	\$ 18,190,878	61.52%
2015	43,577,837	31,292,468	12,285,369	71.81%
2014	43,306,814	32,803,885	10,502,929	75.75%
2013	47,437,689	35,438,601	11,999,088	74.71%
2012	53,202,679	33,885,602	19,317,077	63.69%
2011	64,419,982	21,574,317	42,845,665	33.49%
2010	81,477,547	23,325,784	58,151,763	28.63%
2009	90,844,906	25,161,839	65,683,067	27.70%
2008	95,225,228	26,981,331	68,243,897	28.33%
2007	93,105,522	28,683,228	64,422,294	30.81%

CITY OF OAK PARK, MICHIGAN

Schedule 13
Unaudited

Revenue Bond Coverage

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Gross Revenue	Expenses Net of Depreciation and Interest	Net Revenue Available for Debt Service	Total Debt Service Requirement	Coverage
2016	\$ 11,076,829	\$ 9,513,741	\$ 1,563,088	\$ 941,012	1.66
2015	11,756,573	9,221,737	2,534,836	1,144,100	2.22
2014	11,550,673	8,527,198	3,023,475	1,147,399	2.64
2013	10,985,124	9,204,993	1,780,131	1,550,517	1.15
2012	10,726,423	8,500,899	2,225,524	1,552,305	1.43
2011	10,676,880	8,091,387	2,585,493	1,523,214	1.70
2010	9,148,095	8,094,665	1,053,430	1,552,893	0.68
2009	9,050,017	7,304,931	1,745,086	1,493,798	1.17
2008	8,972,129	7,302,057	1,670,072	1,490,687	1.12
2007	9,034,465	7,072,472	1,961,993	1,467,851	1.34

Demographic and Economic Statistics

Last Ten Fiscal Years

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Unemployment Rate
2016	29,319	\$ 47,292	\$ 22,143	36.8	14.20%
2015	29,319	48,476	21,677	37.1	11.20%
2014	29,319	53,297	22,486	38.2	12.10%
2013	29,319	48,476	23,242	38.6	13.60%
2012	29,319	48,697	21,677	34.6	11.20%
2011	29,319	48,697	21,677	34.6	15.20%
2010	29,319	48,697	21,677	34.6	19.10%
2009	32,399	48,697	21,677	34.6	22.50%
2008	32,399	48,697	21,677	34.6	10.80%
2007	32,399	48,697	21,677	34.6	9.69%

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CITY OF OAK PARK, MICHIGAN

Schedule 15

Unaudited

Principal Employers

Current Year and Nine Years Ago

Employer	2007			2016		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Barton Malow Company	-	-	-	795	1	8.17%
Oak Park School District	485	1	2.81%	592	2	6.09%
EJS USA, Inc.	-	-	-	500	3	5.14%
Easter Seals - Michigan	-	-	-	400	4	4.11%
Home Depot Measurement Serv	-	-	-	375	5	3.86%
City of Oak Park	233	2	1.35%	249	6	2.56%
Berkely School District	-	-	-	201	7	2.07%
Hewson Van Hellemont PC	-	-	-	130	8	1.34%
Ringside Creative LLC	-	-	-	111	9	1.14%
PCI, Inc.	-	-	-	83	10	0.85%
Jewish Federation Apartments	130	3	0.75%	-	-	-
Thyssen Metal	105	4	0.61%	-	-	-
Lincoln Towers Apartments	99	5	0.57%	-	-	-
Detroit Edison	98	6	0.57%	-	-	-
Crown Pointe Office	98	7	0.57%	-	-	-
Huntington Gardens, Village Gr	97	8	0.56%	-	-	-
GTN Industries, Inc.	96	9	0.56%	-	-	-
CBS, Inc.	95	10	0.55%	-	-	-
	<u>1,536</u>		<u>8.90%</u>	<u>3,436</u>		<u>11.72%</u>

CITY OF OAK PARK, MICHIGAN

Full-time Equivalent Employees by Department / Union Group

Last Ten Fiscal Years

Department/Union	2007	2008	2009	2010	2011
Full-time					
Council	5.00	5.00	5.00	5.00	5.00
City Manager	4.00	4.00	4.00	4.00	3.00
Information Technology	1.00	1.00	1.00	1.00	1.00
City Attorney	-	-	-	-	-
Community & Economic Developmer	-	-	-	-	-
City Clerk	4.00	4.00	4.00	3.00	2.00
Finance & Administrative Services	16.00	17.00	17.00	15.00	13.00
Technical & Planning Services	17.00	16.00	13.00	13.00	12.00
Public Information	4.00	3.00	3.00	3.00	3.00
Public Safety	79.00	78.00	78.00	74.00	73.00
Public Works	27.00	27.00	26.00	26.00	24.00
Recreation	8.00	7.00	7.00	7.00	7.00
Library	6.00	6.00	6.00	6.00	6.00
Community Services	-	-	-	-	-
District Court 45-B / Probation	28.00	27.00	25.00	27.00	27.00
	<u>199.00</u>	<u>195.00</u>	<u>189.00</u>	<u>184.00</u>	<u>176.00</u>
Part-time					
Council	-	-	-	-	-
City Manager	-	-	-	-	0.12
Information Technology	-	-	-	-	-
City Attorney	-	-	-	-	-
Prosecuting Attorney	1.00	1.00	1.00	1.00	1.00
Community & Economic Developmer	-	-	-	-	-
City Clerk	-	-	-	0.50	0.50
Finance & Administrative Services	-	-	-	-	-
Technical & Planning Services	0.50	0.50	0.50	0.50	0.50
Public Information	-	-	-	-	-
Public Safety	5.25	5.25	5.25	5.25	5.25
Public Works	3.17	3.17	3.17	3.17	3.17
Recreation	21.20	21.20	21.10	21.10	20.35
Library	3.65	3.65	4.50	4.50	3.75
Community Services	-	-	-	-	-
District Court 45-B / Probation	2.40	2.40	2.40	0.70	0.70
	<u>37.17</u>	<u>37.17</u>	<u>37.92</u>	<u>36.72</u>	<u>35.34</u>
Total	<u>236.17</u>	<u>232.17</u>	<u>226.92</u>	<u>220.72</u>	<u>211.34</u>

Note: The amounts presented under Part Time workers represent Full Time Equivalents and not actual positions. Full Time Equivalents equalizes part time hours to that of a full time worker in a like position. For example a part time worker who works 30 hours in a office that normally works 40 hours would be recorded at .75 FTE (30 hours / 40 hours = .75 FTE).

Schedule 16
Unaudited

2012	2013	2014	2015	2016
5.00	5.00	5.00	5.00	5.00
3.00	3.00	4.00	4.00	4.00
1.00	1.00	1.00	2.00	-
-	1.00	-	-	-
-	-	-	1.00	1.00
2.00	2.00	3.00	3.00	3.00
11.00	10.00	10.00	11.00	10.00
10.00	9.00	11.00	12.50	14.00
3.00	2.00	2.00	1.00	2.00
68.00	57.00	59.00	59.00	59.00
24.00	21.00	22.00	22.00	23.00
7.00	2.00	3.00	3.00	3.00
4.00	4.00	4.00	4.00	5.00
-	-	-	-	-
23.00	22.00	23.00	23.00	23.00
161.00	139.00	147.00	150.50	152.00
-	-	-	-	-
0.12	-	0.63	-	0.73
-	-	-	-	-
-	-	-	0.56	-
1.00	-	-	-	-
-	-	-	-	0.50
0.50	-	-	-	-
-	-	-	-	-
0.50	0.50	2.97	2.38	-
-	-	-	-	0.70
5.25	5.25	5.25	5.25	5.25
3.17	1.67	2.37	2.27	2.27
20.35	20.35	20.87	20.35	20.35
3.75	2.50	5.24	6.56	2.90
-	-	-	-	-
1.70	2.70	4.45	4.00	4.00
36.34	32.97	41.78	41.37	36.70
197.34	171.97	188.78	191.87	188.70

continued...

CITY OF OAK PARK, MICHIGAN

Full-time Equivalent Employees by Department / Union Group

Last Ten Fiscal Years

Department/Union	2007	2008	2009	2010	2011
Full-time Personnel by Salary Classification					
Legislative	5	5	5	5	5
Exempt	11	11	11	11	11
Supervisory	15	15	13	13	13
Administrative	5	5	5	5	5
AFSCME	63	61	59	56	56
POAM	52	51	51	47	47
COAM	14	14	14	14	14
Dispatch	6	6	6	6	6
District Court 45-B	28	27	25	27	27
	<u>199</u>	<u>195</u>	<u>189</u>	<u>184</u>	<u>184</u>

Schedule 16
Unaudited

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2012	2013	2014	2015	2016
5	5	5	5	5
10	11	10	10	11
13	10	11	11	11
4	6	5	5	5
43	33	38	41.50	43
45	34	38	37	37
13	13	12	12	12
5	5	5	5	5
23	22	23	24	23
<u>161</u>	<u>139</u>	<u>147</u>	<u>150.50</u>	<u>152.00</u>

concluded.

CITY OF OAK PARK, MICHIGAN

Operating Indicators by Function / Department

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011
Public Safety					
Hazardous violations	5,423	5,077	4,060	3,428	3,624
Total violations	14,837	13,955	11,171	10,122	9,473
EMS requests	2,441	2,210	2,305	2,533	2,423
Traffic crashes	923	815	730	659	655
Technical & Planning Services					
Number of building permits	624	545	582	526	526
Value of building permits	\$ 8,515,609	\$ 5,868,495	\$ 6,143,751	\$ 4,560,779	\$ 4,560,779
Library					
Residents with library cards	16,076	17,102	17,400	18,268	18,916
Items available	104,954	114,338	105,750	105,720	94,939
Health and Sanitation					
Tons of solid waste recycled	771.00	802.00	826.00	818.00	793.00
Water System					
Water Rate Per Unit	\$ 2.46	\$ 2.63	\$ 2.76	\$ 3.02	\$ 3.12

Schedule 17
Unaudited

2012	2013	2014	2015	2016
3,624	2,409	2,057	2,376	2,093
9,473	9,473	6,941	7,449	5,784
2,423	2,389	2,408	2,561	2,445
655	593	648	688	746
526	649	468	755	692
\$ 4,560,779	\$ 13,015,549	\$ 8,184,966	\$ 14,450,358	\$ 25,085,257
18,916	19,062	19,800	20,122	19,464
94,939	103,021	104,924	104,648	98,742
793.00	762.00	817.00	786.00	895.00
\$ 3.27	\$ 3.27	\$ 3.41	\$ 3.54	\$ 3.85

CITY OF OAK PARK, MICHIGAN

Capital Asset Statistics by Function / Department

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011
City Manager					
Vehicles assigned	2	2	-	-	-
Public Safety					
Vehicles assigned	40	39	29	34	38
Public Works					
Vehicles assigned	48	46	38	42	42
Number of buildings	4	4	4	4	4
Road Maintenance and Repair					
Miles of major streets	20.72	20.72	20.72	20.72	21
Miles of local streets	65.33	65.33	65.33	65.33	65.33
Water & Sewer System					
Miles of water mains	115	115	115	115	115
Miles of sewers	80.64	80.64	80.64	80.64	80.64
Recreation					
Swimming pool	1	1	1	1	1
City parks	10	10	10	10	10
Park acreage	109.8	109.8	109.8	109.8	109.8

Schedule 18
Unaudited

2012	2013	2014	2015	2016
-	-	-	-	-
33	37	36	27	26
42	41	42	45	49
4	5	5	5	5
21	21	21	18.35	18.35
65.33	65.33	65.33	65.94	65.94
115	115	115	115	115
80.64	80.64	80.64	80.64	80.64
1	1	1	1	1
10	10	10	10	10
109.8	109.8	109.8	109.8	109.8

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SECRET
SW
WARDLE

SECRET, WARDLE, LYNCH
HAMPTON, TRUEX & MORLEY
2600 TROY CENTER DRIVE P.O. BOX 5025
TROY, MICHIGAN 48007-5025
(248) 851-9500

IRS # 38-1863919

City of Oak Park
Erik Tungate
13600 Oak Park Blvd
Oak Park, MI 48237

September 16, 2016
Invoice # 1293772
Client No. M1409
Matter No. 100314

RE: Oak Park, City of (Building Fund)

INTERIM

Services Rendered:

CURRENT BILLING SUMMARY THROUGH AUGUST 31, 2016

Fees for Professional Services	\$128.00
Expenses Advanced	\$0.00
CURRENT BILL DUE	\$128.00

PLEASE REMIT TO: SECRET, WARDLE, LYNCH,
HAMPTON, TRUEX & MORLEY, PC
P.O. BOX 772725
CHICAGO, IL 60677-2007

**GARAN
LUCOW
MILLER P.C.**

GREAT LAKES LAW FIRM SERVING CLIENTS NATIONALLY

1155 Brewery Park Blvd, Ste 200
Detroit, Michigan 48207
313-446-1530
Tax I.D. 38-1879991

Invoice 469861**January 11, 2017**

Erik Tungate
City of Oak Park
14000 Oak Park Blvd.
Oak Park, MI 48327

Re: In Re: City of Oak Park

*Client 7406
Matter 1*

Statement for City Attorney Legal Services

For Legal Services Rendered Through Saturday, December 31, 2016

\$11,667.00**Fee Total****Costs Advanced:**

Date	Description	Amount
12/05/16	Reproduction Charges 21 @ 0.15	3.15
	Total Costs Advanced	\$3.15

Total Fees and Disbursements: \$11,670.15

*Invoices for legal services are due upon receipt. To ensure proper application of your payment,
Please indicate our invoice number and client/matter number on your remittance.*

**GARAN
LUCOW
MILLER P.C.**

GREAT LAKES LAW FIRM SERVING CLIENTS NATIONALLY

1155 Brewery Park Blvd, Ste 200
Detroit, Michigan 48207
313-446-1530
Tax I.D. 38-1879991

Invoice 469862

January 11, 2017

Erik Tungate
City of Oak Park
14000 Oak Park Blvd.
Oak Park, MI 48327

*Re: Harmony Montessori Center v City of Oak
Park*

*Client 7406
Matter 4*

Statement for City Attorney Legal Services

For Legal Services Rendered Through Saturday, December 31, 2016

\$442.00

Fee Total

Costs Advanced:

Date	Description	Amount
12/20/16	Electronic Filing Fee via TrueFiling - Respondent-Appellee's Motion to Extend Time	77.25
	Total Costs Advanced	\$77.25

Total Fees and Disbursements: \$519.25

*Invoices for legal services are due upon receipt. To ensure proper application of your payment,
Please indicate our invoice number and client/matter number on your remittance.*

**GARAN
LUCOW
MILLER P.C.**

GREAT LAKES LAW FIRM SERVING CLIENTS NATIONALLY

1155 Brewery Park Blvd, Ste 200
Detroit, Michigan 48207
313-446-1530
Tax I.D. 38-1879991

Invoice 469863**January 11, 2017**

Erik Tungate
City of Oak Park
14000 Oak Park Blvd.
Oak Park, MI 48327

*Re: Tina Polk and Richard Newton v City of Oak
Park, County of Oakland, et al.*

*Client 7406
Matter 24*

Statement for City Attorney Legal Services

For Legal Services Rendered Through Saturday, December 31, 2016

\$3,887.00**Fee Total****Costs Advanced:**

Date	Description	Amount
12/08/16	Fee for electronic filing in Oakland County - Stipulated Order Compelling Defendant City of Oak Park to Respond to Plaintiffs' Discovery Requests	5.15
12/14/16	Reproduction Charges 3@ 0.15	0.45
12/22/16	Fee to Bienenstock Court Reporting and Video for the deposition transcript of Gary Alan Nigro	687.75
Total Costs Advanced		\$693.35

Total Fees and Disbursements: \$4,580.35

*Invoices for legal services are due upon receipt. To ensure proper application of your payment,
Please indicate our invoice number and client/matter number on your remittance.*

**GARAN
LUCOW
MILLER P.C.**

GREAT LAKES LAW FIRM SERVING CLIENTS NATIONALLY

1155 Brewery Park Blvd, Ste 200
Detroit, Michigan 48207
313-446-1530
Tax I.D. 38-1879991

Invoice 469864

January 11, 2017

Erik Tungate
City of Oak Park
14000 Oak Park Blvd.
Oak Park, MI 48327

*Re: Judy Kish and Joyce Bannon, et al v City of
Oak Park*

*Client 7406
Matter 31*

Statement for City Attorney Legal Services

For Legal Services Rendered Through Saturday, December 31, 2016

\$3,146.50

Fee Total

Costs Advanced:

Date	Description	Amount
12/02/16	Reproduction Charges 7 @ 0.15	1.05
12/02/16	Reproduction Charges 10 @ 0.15	1.50
12/07/16	Fee for electronic filing in Oakland County - Re-Notice of Hearing for Defendant's Motion for Summary Disposition	5.15
12/13/16	Reproduction Charges 4 @ 0.15	0.60
	Total Costs Advanced	\$8.30

Total Fees and Disbursements: \$3,154.80

*Invoices for legal services are due upon receipt. To ensure proper application of your payment,
Please indicate our invoice number and client/matter number on your remittance.*

**BUSINESS OF THE CITY COUNCIL, OAK PARK, MICHIGAN****AGENDA OF:** January 17, 2017**AGENDA #****SUBJECT:** Report on bids for the 2017 Lawn Maintenance Contract, M-660.**DEPARTMENT:** DPW/Technical & Planning – Engineering KJY

SUMMARY: At the November 21, 2016 regular meeting of the Oak Park City Council, the request to bid the 2017 Lawn Maintenance Contract, M-660 was approved (CM-11-389-16). The project was advertised and 34 contractors viewed the documents. On December 29, 2016, four (4) bids were received and opened. The low bidder, Mow on the Go of Berkley, MI, submitted a bid of \$84,700.00. Reference were checked and three of the four did not have positive feedback. The second low bidder, AJ's Maintenance, submitted a bid of \$93,093.48. AJ's Maintenance has performed work for the City previously to the satisfaction of City personnel.

FINANCIAL STATEMENT: Funding is available in the Major Street Fund, Water and Sewer Fund, and Public Works Other Parks budget for these expenditures.

RECOMMENDED ACTION: It is recommended City Council award the bid for the 2017 Lawn Maintenance Contract, M-660 to AJ's Maintenance of Ypsilanti, MI for the total amount of \$93,093.48. Funding is available in the Major Street Fund, Water and Sewer Fund, and Public Works Other Parks budget for these expenditures.

APPROVALS:

City Manager: _____

Department Director: _____

Finance Director: _____

EXHIBITS: bid tabulation

BID TABULATION

2017 Lawn Maintenance Project, M-660
Thursday, December 29, 2016

			Premier Lawn Care 3300 W. 11th Street Ypsilanti, MI 48197 734-480-1196	AJ's Maintenance 906 Minion Ypsilanti, MI 48197 734-480-0666	Homecare Lawn Service 1105 N. Columbus Ypsilanti, MI 734-480-0107
Mow and maintain approximately 163 acres					
of turf at multiple locations					
Total Sum Price			\$551,700.00	\$93,093.48	\$708,893.00

Premier Group-\$157,300.00



BUSINESS OF THE CITY COUNCIL, OAK PARK, MICHIGAN

AGENDA OF: January 17, 2017

AGENDA #

SUBJECT: Payment In Lieu of Taxes (PILOT) Amendment – Jefferson Oaks**DEPARTMENT:** Community & Economic Development**SUMMARY:** The Community & Economic Development Department recommends to city council to conduct the second reading and adopt an amendment to the Jefferson Oaks PILOT.

The PILOT was approved in August 2015. Community Housing Network is the developer and the project is the renovation of Jefferson School into 20 apartment units and the construction of 40 new townhomes. Financing has been secured and the project is set to begin this winter.

The amendment is necessary as a requirement of MSHDA. The amendment has been reviewed by our city attorney and recommended to be approved.

FINANCIAL STATEMENT: N/A**RECOMMENDED ACTION:** Conduct the second reading and adopt an ordinance to amend the Jefferson Oaks Payment in Lieu of Taxes (PILOT) ordinance.**APPROVALS:**

City Manager:

Director:

Finance Director: _____

EXHIBITS: revised ordinance

Jefferson Oaks
CHN Jefferson LDHA LP
60 Multifamily Units

Sample Tax Summary in Oak Park
\$250,000 Taxable Value (SEV)

		<u>All Taxes</u>	<u>City Portion</u>
		250	
Operating	16.3563	4,089.08	4,089.08
Debt	6.2017	1,550.43	1,550.43
Waste	2.9531	738.28	738.28
Library	1.4914	372.85	372.85
Recreation	0.5000	125.00	125.00
Public Safety	2.0000	500.00	500.00
PS 345	6.4729	1,618.23	1,618.23
Headlee Override	1.1437	285.93	285.93
School District	40.9160	10,229.00	-
School District	1.7736	443.40	-
Admin Fee	-	199.52	199.52
Total Estimate	<u>79.8087</u>	<u>20,151.70</u>	<u>9,479.30</u>
		City Portion -	47.0%

PILOT Calculation

	<u>Calculation</u>	<u>Non-City</u>	<u>City Portion</u>
Gross Rents	562,356		
Less Vacancy	7% (39,365)		
Less Landlord Paid Utilities	(60,312)		
Less Water & Sewer	(48,000)		
Net Collected Rents	<u>414,679</u>		
PILOT Percentage	<u>10%</u>		
PILOT Payment	<u>41,467.91</u>	<u>21,961.53</u>	<u>19,506.38</u>

Jefferson Oaks
CHN Jefferson LDHA LP
60 Multifamily Units

PILOT Projections

		Projected Rent Increase %	Total PILOT Amount	Non-City Portion	City Portion	Total Payments To Oak Park
PILOT Approved						
2015						
2016						
				Development Time Construction and Lease up Time		
PILOT Starts						
Year 1	12 31 2017	n a	41.468	21.962	19.506	19.506
Year 2	12 31 2018	1.00%	41.883	22.181	19.701	39.208
Year 3	12 31 2019	1.00%	42.301	22.403	19.898	59.106
Year 4	12 31 2020	1.00%	42.724	22.627	20.097	79.204
Year 5	12 31 2021	1.00%	43.152	22.853	20.298	99.502
Year 6	12 31 2022	1.00%	43.583	23.082	20.501	120.004
Year 7	12 31 2023	2.00%	44.455	23.543	20.911	140.915
Year 8	12 31 2024	2.00%	45.344	24.014	21.330	162.245
Year 9	12 31 2025	2.00%	46.251	24.495	21.756	184.001
Year 10	12 31 2026	2.00%	47.176	24.984	22.191	206.192
Year 11	12 31 2027	2.00%	48.119	25.484	22.635	228.827
Year 12	12 31 2028	2.00%	49.082	25.994	23.088	251.915
Year 13	12 31 2029	2.00%	50.063	26.514	23.550	275.465
Year 14	12 31 2030	2.00%	51.065	27.044	24.021	299.486
Year 15	12 31 2031	2.00%	52.086	27.585	24.501	323.987
Year 16	12 31 2032	2.00%	53.128	28.137	24.991	348.978
Year 17	12 31 2033	2.00%	54.190	28.699	25.491	374.469
Year 18	12 31 2034	2.00%	55.274	29.273	26.001	400.469

**CITY OF OAK PARK, MICHIGAN
ORDINANCE NO.**

AN ORDINANCE TO AMEND SECTION 72-61, TAX EXEMPTION ORDINANCE- JEFFERSON OAKS PILOT, OF ARTICLE III, TAX EXEMPTION ORDINANCE- JEFFERSON OAKS PILOT, OF CHAPTER 72, TAXATION, OF THE CODE OF ORDINANCES OF THE CITY OF OAK PARK, MICHIGAN.

THE CITY OF OAK PARK ORDAINS:

SECTION 1.

Section 72-61, Tax Exemption Ordinance- Jefferson Oaks Pilot, of Article III, Tax Exemption Ordinance- Jefferson Oaks Pilot, of Chapter 72, Taxation, of the Code of Ordinances of the City of Oak Park is hereby amended to read as follows:

Sec. 72-61. - Tax exemption ordinance- Jefferson Oaks Pilot.

- (a) This ordinance shall be known and cited as the City of Oak Park Tax Exemption Ordinance- Jefferson Oaks.
- (b) *Preamble.* It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The city is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this ordinance for tax exemption and the service charge in lieu of all ad valorem taxes during the period contemplated in this ordinance are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The city acknowledges that the sponsor, **CHN Jefferson Limited Dividend Housing Association Limited Partnership**, (as defined below) has ~~offered~~ **committed**, subject to receipt of a mortgage loan from the ~~Michigan State Housing Development Authority, to acquire and an allocation of Tax Credits (as defined below) to~~ rehabilitate, own and

operate a housing ~~project~~ **development** identified as Jefferson Oaks on certain property located at 22001 Republic in the city, **which is legally described in Section 4.G. of this ordinance**, to serve low income persons and families, and that the sponsor has offered to pay **and will pay** the city on account of this housing ~~project~~ **development** an annual service charge for public services in lieu of all ad valorem property taxes.

- (c) ***Purpose.*** This ordinance authorizes and approves an annual service charge in lieu of all ad valorem property taxes for residential housing developments that: (a) serve low income or moderate income persons (as defined in the Act and this ordinance); (b) are financed or assisted by a federally-aided mortgage in accordance with the Act; (c) are located within the city of; and (d) comply with this ordinance.

- (ed) ***Definitions.*** The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:}

Annual shelter rents means the total actual collections during each calendar year from all occupants of a housing development representing rents or occupancy charges, which rental amounts shall be exclusive of charges for gas, electricity, heat, or other utilities furnished to the occupants.

Authority means the Michigan State Housing Development Authority.

~~***Annual shelter rent*** means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of utilities.~~

Federally-aided mortgage means any of the following:

- (i) A below market interest rate mortgage insured, purchased, or held by the Secretary of the Department of Housing and Urban Development (“HUD”);
- (ii) A market interest rate mortgage insured by HUD and augmented by a program of rent supplements;
- (iii) A mortgage receiving interest reduction payments provided by the HUD;
- (iv) A mortgage on a Housing Development to which the Authority allocates low income housing tax credits under Section 22b of the Act; or
- (v) A mortgage receiving special benefits under other federal law designated specifically to develop low and moderate-income housing, consistent with the Act.

Housing development means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the Authority determines to improve the quality of the development as it relates to housing for persons of low income. For the purposes of this ordinance, "Housing Development" means Jefferson Oaks Apartments located on the property legally described as:

A parcel of land located in part of the N.W. ¼ of Section 33, T. 1 N., R. 11 E., Royal Oak Township, Oakland County, Michigan, being more particularly described as:

Beginning at a point on a line 25 feet West of the East line of Republic Avenue, said point being S. 87°45'09" E. 1279.87 feet along the North line of said Section 33 and S. 00°54'09" E. 613.16 feet along said line from the N.W. corner of said Section 33; thence S. 00°54'09" E. 664.60 feet; thence along the North line of Leroy Street (width varies) S. 88°01'31" W. 609.90 feet; thence along the East line of "Ferndale-Wyoming Subdivision" as recorded in Liber 86 of Plats, Page 17, Oakland County Records, N.00°56'00" W. 364.78 feet; thence N. 88°02'31" E. 380.10 feet; thence N. 00°54'09" W. 300.00 feet; thence along the South line of Saratoga Street (60 feet wide) N. 88°02'31" E. 230.00 feet to the point of beginning.

~~*Low income persons and families* means persons and families eligible to move into a housing project.~~

Low income or moderate income persons means persons and families eligible to reside in the Housing Development as defined in the Act, as amended.

~~*Mortgage loan* means a loan or grant made or to be made by the authority to the sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.~~

~~*Sponsor* means Community Housing Network, Inc. ("CHN") and any entity that receives or assumes a mortgage loan.~~

Sponsor means person(s) or entities which have applied to the Authority for the Tax Credits to finance a Housing Development. For the purposes of this Ordinance, the Sponsor is CHN Jefferson Limited Dividend Housing Association Limited Partnership.

Tax credits means the low income housing tax credits made available by the Authority to the sponsor for rehabilitation of the housing development by the sponsor in accordance with the Low Income Housing Tax Credit Program administered by the Authority under Section 42 of the Internal Revenue Code of 1986, as amended.

Utilities means ~~charges for~~ **fuel**, gas, electric, water, sanitary sewer and other utilities furnished to the occupants ~~that and which~~ are paid by the housing ~~project~~ **development**.

- (de) *Class of housing ~~projects~~ **development***. It is determined that the class of housing ~~projects~~ **development** to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing ~~projects~~ **development** for low income persons and families that are financed with a ~~mortgage loan by the authority~~ **federally aided mortgage**. It is further determined that Jefferson Oaks is of this class.
- (ef) *Establishment of annual service charge*. The housing ~~project~~ **development** identified as Jefferson Oaks and the property on which it will be located shall be exempt from all ad valorem property taxes from and after the commencement of construction or rehabilitation. The city acknowledges that the sponsor and the ~~authority~~ Authority have established the economic feasibility of the housing ~~project~~ **development** in reliance upon the enactment and continuing effect of this ordinance, and the qualification of the housing ~~project~~ **development** for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this ordinance. Therefore, in consideration of the ~~Sponsor's~~ offer to rehabilitate, construct and operate the housing ~~project~~ **development**, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a **federally-aided** mortgage ~~loan~~, the annual service charge shall be equal to ten percent of the annual shelter rents actually collected by the housing ~~project~~ **development** during each operating year, however it is expressly understood and agreed that in any event, the minimum annual service charge to be paid for years one through 18 will be equal to the projections submitted by ~~sponsor~~ Sponsor in support of its request for the pilot as approved by ~~city~~ City council Council on August 3, 2015.
- (fg) *Contractual effect of ordinance*. Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, **this ordinance constitutes** a contract between the city and the sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption **from ad valorem property taxes** and accept payments of **an annual service charge** in lieu of taxes, as previously described, is effectuated by enactment of this ordinance.
- (gh) *Limitation on the payment of annual service charge*. Notwithstanding **any other** subsection (~~e~~), the service charge to be paid each year in lieu of taxes for the part of the housing ~~project~~ **development** that is tax exempt but which is occupied by other than low **or moderate** income persons or families shall be equal to the full amount of the taxes which

would be paid on that portion of the housing ~~project~~ **development** if the housing ~~project~~ **development** were not tax exempt.

- (hi) *Payment of service charge.* The annual service charge in lieu of taxes as determined under this ordinance shall be payable in the same manner as general property taxes are payable to the city/township and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before ~~August~~ **May** 1 of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1 et seq.).
- (ij) *Duration.* ~~This ordinance shall remain in effect for a period of 18 years commencing from the date the mortgage loan is executed, and shall not terminate for so long as the housing development remains subject to a federally-aided mortgage and so long as the housing development submits the required annual notification of exemption pursuant to MCL 125.1415a(1), as amended. This Ordinance shall remain in effect for a period of 18 years beginning with the date of commencement of construction or rehabilitation.~~
- (k) **Filing of Annual Audit.** The sponsor, or its successor, shall file a copy of any and all annual audits required to be provided to the federal government, the State of Michigan, and/or the Authority simultaneously with the city. The audit shall include detail with respect to occupancy of the housing development, annual shelter rents received from the housing development and the cost for utilities during the audit period.

SECTION 2. Severability.

No other portion, paragraph or phrase of the Code of Ordinances of the City of Oak Park shall be affected by this ordinance, except as to the above section and in the event any portion, section or subsection of this ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this ordinance or of the Code of Ordinances of the City of Oak Park.

SECTION 3. Effective Date.

This ordinance shall become effective ten (10) days from the date of its passage and shall be published as required by the Charter of the City of Oak Park.

MADE, PASSED AND ADOPTED by the Council of the City of Oak Park, on this ____ day of _____, 2017.

I, T. Edwin Norris, duly authorized Clerk of the City of Oak Park, Michigan do hereby certify that the foregoing Ordinance was adopted by the Counsel of the City of oak park at its regular meeting held on _____, 2017.

T. Edwin Norris, City Clerk

314760

**BUSINESS OF THE CITY COUNCIL, OAK PARK, MICHIGAN****AGENDA OF:** January 17, 2017**AGENDA #**

SUBJECT: Proposal from DTE Energy for providing LED lighting conversion throughout the City.

DEPARTMENT: DPW – Engineering KJY

SUMMARY: Attached is an agreement from DTE Energy to convert 1,555 streetlights to LED. The upfront cost to Oak Park is \$625,969.00, of which we will receive a rebate of \$45,790.15 after construction. Our annual savings will be \$143,421.81, providing for a 4.05 year payback of the construction costs.

RECOMMENDED ACTION: It is recommended that the agreement from DTE Energy for the LED street lighting conversion be approved for the total amount of \$625,969.00 upon City Attorney's review of the attached agreement. Funding is available in the General Fund's fund balance for this expenditure.

APPROVALS:

City Manager: _____

Department Director: _____

Finance Director: _____

EXHIBITS: Agreement



December 1, 2016

City of Oak Park
14300 Oak Park Blvd
Oak Park, MI 48237

Re: Proposed 2017 Street Light Conversion to LED

Based on your request, I have attached the cost estimate for the proposed 2017 LED conversion project. The total light count is 1,555 non-LED lights.

Overhead (OH)

2 - 175 watt Mercury Vapor to 65 watt LED ----> \$264.00 per fixture
1 - 250 watt Mercury Vapor to 135 watt LED ----> \$443.00 per fixture
972 - 100 watt High Pressure Sodium to 65 watt LED ----> \$264.00 per fixture
~~66 - 250 watt High Pressure Sodium to 135 watt LED ----> \$443.00 per fixture~~
1 - 400 watt High Pressure Sodium to 280 watt LED ----> \$619.00 per fixture
1 - 1000 watt High Pressure Sodium to 280 watt LED ----> \$619.00 per fixture

Underground (UG)

2 - 250 watt Mercury Vapor to 135 watt LED ----> \$443.00 per fixture
37 - 100 watt High Pressure Sodium to 65 watt LED ----> 264.00 per fixture
356 - 250 watt High Pressure Sodium to 135 watt LED ----> \$443.00 per fixture
18 - 400 watt High Pressure Sodium to 261 watt LED--(Floods - Special Order Material Fixtures + 1 spare) ----> \$921.00 per fixture
99 - 175 watt Metal Halide to 100 watt LED - (Hallbrooks - Special Order Material Fixtures + 3 spares) ----> \$1,498.00 per fixture

Below please find the estimate breakdown for this project. The costs are based on the Option 1 Municipal Street Light Rate - DTE Energy owned and maintained. The rate requires the customer pay a portion of the construction cost. The following information outlines the street lighting installation.

Estimate Breakdown

Project Cost:	\$626,279.00
Less DTE Contribution	\$310.00
Total Upfront Cost	\$625,969.00
 EO Rebate (After Construction)	 \$45,790.15
Current Annual Invoice	\$463,544.51
Future Annual Invoice	\$320,122.70
Annual Savings	\$143,421.81
Payback	4.05 years

The price quoted herein shall be in effect for a period of six months from the date of this letter. After installation, the total cost for additional modification, relocation, or removal will be the responsibility of the requesting party. An authorized signature on the Municipal Street Lighting Purchase Agreement and the payment contribution will be our notification to begin final design and construction scheduling.

Please feel free to call me should you have any questions.

Sincerely,

Lance Alley

Lance Alley
Account Manager
DTE Energy - Community Lighting



CITY OF OAK PARK

**Carl Johnson, Director
Department of Finance**

**Carolyn Davis
Council Members
Kiesha Speech
Solomon Radner
Ken Rich
City Manager
Erik Tungate**

MEMORANDUM

Date: November 8, 2016

To: Erik Tungate, City Manager

From: Carl Johnson

Re: 1st Quarter Budget to Actual Report, General Fund

The purpose of this memorandum is to highlight fiscal year-to-date revenue and expenditure activity through the first quarter ending September 30, 2016 (see attached report for budget-to-actual by department activity for the General Fund only). Through the first quarter, generally, revenues and expenditures should represent 25% of the annual budget.

GENERAL FUND

REVENUES

Total revenues for the first quarter total approximately \$11.6 million, representing approximately 58% of the annual budget. Overall revenues are on track with budget with the following items of note:

- **Property Tax Revenue** – City property tax levies are billed July 1 and payable in full without penalty by August 31, 2016. As of the end of the first quarter approximately 90% of the taxes billed had been paid. Any unpaid real property taxes will be purchased from the City by Oakland County in May 2017. Property tax revenue is the primary reason the overall revenues are at 58% to date.
- **Intergovernmental Revenue (State Revenue Sharing)** – The City receives six bi-monthly payments annually for state-shared revenue. The first quarter report reflects no fiscal 2016 payments as the August 31, 2016 payment by statute is included as part of the June 30, 2016 revenues. The City will receive payments on October 31, December 31, February 28, April 30, June 30 and August 31 (2017) related to the current fiscal year. The estimated annual revenue included in the budget totals \$3,201,629.

- The City receives cable franchise fees on a quarterly basis estimated at \$640,000 for the current fiscal year. The first quarter remittances will be received during October 2016 and no amounts are included in the first quarter report.
- Fines and forfeiture revenue received from the district court is budgeted for a total of \$1,930,000 of which \$389,991 or 20.2% was received during the first quarter. The shortfall of more than \$92,500 may result in additional General Fund contributions to the District Court Fund if it is not made up in future quarters. The revenue received is used to offset a portion of the court's operating costs.

EXENDITURES

Total expenditures for the first quarter total approximately \$3.8 million, representing approximately 19% of the annual budget. Overall departmental expenditure budgets are on track with the following items of note (departments over 25%):

- City Council and Mayors Department is at 44% for the first quarter due to one-time contributions to two not-for-profits totaling \$10,000.
- Recreation Administration Department is slightly over 25% of the budget due to a change in the allocation of costs between this department and the Senior Services Department which is significantly below budget. The overall net budget for the two departments is in line current annual projections.
- The Outdoor Activities Department is at 52% of their budget due to their costs being seasonal in nature as a significant part of their budget includes summer programming. The overall budget is in line current annual projections.
- Swimming Pool Facility Department is at 74% of their budget due to their costs being seasonal in nature as a significant part of their budget includes summer programming. The overall budget is in line current annual projections.
- Non-Departmental Department is currently at 12% of their budget as this department is primarily transfers to other funds and the majority of the transfers take place as needed later in the fiscal year.

Overall the General Fund operations are in line with the annual budget. The projected fund balance remains at the targeted level of at least 15% of annual expenditures. The annual operating budget is balanced and the City continues to address the long-term legacy costs of OPEB and pensions by making contributions in excess of required amounts.

11/08/2016

REVENUE AND EXPENDITURE REPORT FOR CITY OF OAK PARK

PERIOD ENDING 09/30/2016

% Fiscal Year Completed: 25.21

GL NUMBER	END BALANCE 06/30/2016 NORM (ABNORM)	2016-17 ORIGINAL BUDGET	2016-17 AMENDED BUDGET	YTD BALANCE 09/30/2016 NORM (ABNORM)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 101 - GENERAL FUND						
00.000-NONE	18,260,902.91	17,273,162.00	17,065,005.00	8,898,274.14	8,166,730.86	52.14
17.345-PUBLIC SAFETY	2,998,431.63	2,774,800.00	2,982,957.00	2,717,192.98	265,764.02	91.09
TOTAL REVENUES	21,259,334.54	20,047,962.00	20,047,962.00	11,615,467.12	8,432,494.88	57.94
10.101-COUNCIL AND MAYOR	50,307.56	46,140.00	46,140.00	20,201.96	25,938.04	43.78
11.172-CITY MANAGER	510,056.42	326,267.00	326,267.00	73,514.57	252,752.43	22.53
11.270-HUMAN RESOURCES	0.00	235,936.00	235,936.00	43,001.03	192,934.97	18.23
11.611-COMMUNITY DEVELOPMENT	133,452.50	175,460.00	175,460.00	33,307.02	142,152.98	18.98
12.258-MAGEMENT INFORMTN SERVICE	328,381.41	349,655.00	349,655.00	18,893.97	330,761.03	5.40
13.210-CITY ATTORNEY	304,175.98	293,000.00	293,000.00	62,473.51	230,526.49	21.32
13.229-PROSECUTING ATTORNEY	57,650.00	62,400.00	62,400.00	15,900.00	46,500.00	25.48
14.191-ELECTIONS	216,967.17	272,843.00	272,843.00	66,275.73	206,567.27	24.29
14.215-CITY CLERK	112,136.33	119,506.00	119,506.00	16,960.10	102,545.90	14.19
15.201-FINANCE & ADMIN SERVICES	904,368.95	903,804.00	903,804.00	155,092.17	748,711.83	17.16
16.371-INSPECTIONS	569,162.30	594,288.00	594,288.00	121,141.14	473,146.86	20.38
16.401-TECH & PLANNING ADMIN.	135,422.31	152,448.00	134,448.00	29,127.96	105,320.04	21.66
16.447-ENGINEERING	41,656.75	40,032.00	58,032.00	14,504.70	43,527.30	24.99
16.448-STREET LIGHTING	453,261.53	475,000.00	475,000.00	81,407.49	393,592.51	17.14
17.345-PUBLIC SAFETY	8,761,181.60	8,920,649.00	8,920,649.00	2,049,431.81	6,871,217.19	22.97
18.265-BUILDING MAINTENANCE	433,700.77	759,598.00	759,598.00	67,822.63	691,775.37	8.93
18.441-OPW ADMINISTRATION	11,841.02	13,692.00	9,692.00	1,489.73	8,202.27	15.37
18.443-SHEPHERD PARK	30,067.22	40,581.00	52,181.00	13,043.21	39,137.79	25.00
18.444-OTHER PARKS FORESTRY	61,817.68	53,643.00	46,043.00	10,678.68	35,364.32	23.19
19.752-RECREATION ADMINISTRATION	261,318.90	209,470.00	251,028.00	79,469.27	171,558.73	31.66
19.753-ATHLETICS	27,203.22	59,458.00	36,300.00	10,475.87	25,824.13	28.86
19.754-OUTDOOR ACTIVITIES	34,763.43	83,150.00	83,150.00	42,828.11	40,321.89	51.51
19.755-INSTRUCTIONAL ACTIVITIES	10,337.03	20,000.00	20,000.00	2,836.49	17,163.51	14.18
19.756-SPECIAL RECREATION EVENTS	20,153.16	23,000.00	23,000.00	4,588.81	18,411.19	19.95
19.757-SWIMMING POOL FACILITY	80,612.56	79,128.00	79,128.00	58,184.44	20,943.56	73.53
19.776-SENIOR SERVICES	110,334.16	97,020.00	78,620.00	6,880.28	71,739.72	8.75
21.890-NON DEPARTMENTAL	7,191,617.79	5,470,041.00	5,470,041.00	672,267.90	4,797,773.10	12.29
22.806-PUBLIC INFORMATION CABLE	158,945.35	171,753.00	171,753.00	44,301.00	127,452.00	25.79
TOTAL EXPENDITURES	21,010,893.10	20,047,962.00	20,047,962.00	3,816,099.58	16,231,862.42	19.03
Fund 101 - GENERAL FUND:						
TOTAL REVENUES	21,259,334.54	20,047,962.00	20,047,962.00	11,615,467.12	8,432,494.88	57.94
TOTAL EXPENDITURES	21,010,893.10	20,047,962.00	20,047,962.00	3,816,099.58	16,231,862.42	19.03
NET OF REVENUES & EXPENDITURES	248,441.44	0.00	0.00	7,799,367.54	(7,799,367.54)	100.00



BUSINESS OF THE CITY COUNCIL, OAK PARK, MICHIGAN

AGENDA OF: January 17, 2017

AGENDA #

SUBJECT: Approval of resolution to authorize Budget Amendment #2017-1

DEPARTMENT: Finance

SUMMARY: The City's annual budget was adopted on May 16, 2016 and is effective July 1st. The budget is adopted at the departmental level. In accordance with the State Budget Act, budget amendments are to be completed throughout the fiscal year in order to reflect the most current information available related to revenue and expenditure budgets. Budget amendments that have a positive or negative impact on fund balance or change the department total require Council approval. The proposed amendments are based on actual and projected activity-to-date.

The first quarter (9/30/16) budget amendment is attached and is also summarized below.

GENERAL FUND	
Audited Beginning Fund Balance July 1, 2016	\$ 3,679,194
Net Amended Budget through September 29, 2016	0
Net Change in Fund Balance (Amendment #2017-1)	0
Estimated Ending Fund Balance June 30, 2017	<u>\$ 3,679,194</u>

The following are some additional detail related to the significant items included in the recommended amendment:

- The State of Michigan has agreed to reimburse City's for a portion of the lost revenue related to the phase out of personal property taxes. The reimbursement is finalized after the budget is adopted and the fiscal year begins each year. This year's reimbursement was \$244,000 higher than last year and higher than budgeted. This favorable reimbursement also applies to all funds (except debt) that levy property taxes.
- The City's share of ticket revenue for the district court for the first quarter is significantly down from prior year and budget resulting in an amendment to the revenue budget of \$51,000.

- Interest income citywide continues to exceed expectations as a result the budget for interest income in the General Fund is proposed to be increased by approximately \$6,000
- The City's annual workers compensation insurance premiums renew each year in June (after the budget is passed). This year's renewal included an increase of more than 65% over prior year due to an increase in claims. This increase was significantly more than what was estimated for budget purposes. The actual premium is recoded in fund 677 but the cost is allocated citywide to all funds that have payroll costs. The proposed budget amendment increases the costs throughout many departments in all funds.
- Historically the personnel costs to run the cable program were split between the information technology and public information departments. The proposed amendment consolidates all these costs in the public information department.
- Oakland County has mandated an update to the countywide 911 system of which the City is a participant. The city's share of the new system is estimated to be \$81,300 and will be shown as capital outlay in the public safety department.

SPECIAL REVENUE FUNDS

- The Library Fund has realized actual collections of penal fines over budget by more than \$6,000 along with the increase in reimbursement for lost personal property taxes of \$4,700. The favorable revenue variances will be used to offset the costs of the extended operating hours and other operating costs.
- The Major Street Fund has received MDOT grants for the replacement of playground equipment. The proposed amendment recognizes the cost of the new equipment along with the related grant reimbursement.

CAPITAL PROJECT FUNDS

This fund type does not require an annual budget but the State recommends budgeting all funds.

- The Public Improvement Fund received a transfer from the General Fund in prior year and the proposed amendment recognizes the interest earnings on the cash in the fund along with the related spending of the earnings.
- The City Owned Property Fund has been rarely used over the past fiscal years. Beginning this fiscal year the purchase of the tax foreclosure properties from Oakland County and the related sale of those properties along with any other property purchase will be accounted for in this fund (previously in the General Fund). The proposed amendment represents the purchase and sale activity to date.
- The Municipal Complex Construction Fund had budgeted to spend the entire fund balance in prior year but the projects were not completed before the end of the fiscal year. The proposed amendment rolls over the remaining fund balance at 6/30/16 which will be spent in fiscal year 2017/18.

INTERNAL SERVICE FUND – RISK MANAGEMENT

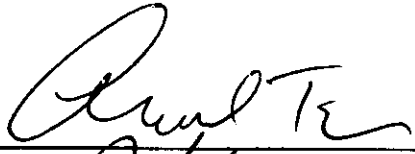
As discussed in the General Fund narrative above, the actual cost for workers compensation and general liability insurance exceeded budgeted amounts. The proposed amendment reflects the actual annual costs and the increased contributions from all other funds of the City to pay the cost.

FINANCIAL STATEMENT: The proposed budget amendment has no net impact on the fund balance of General Fund keeping the estimated fund balance at approximately 18% of annual expenditures. The amendments to all other funds keep the fund balance at targeted ranges and are done in compliance with State of Michigan requirements and guidelines.

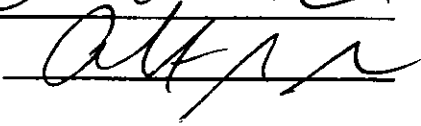
RECOMMENDED ACTION: Approval of resolution to authorize Budget Amendment #2017-1

APPROVALS:

City Manager:



Finance Director:



Resolution

NOW, THEREFORE BE IT RESOLVED that the following
Budget Amendment #2017-1 is authorized:

INCREASE
(DECREASE)

GENERAL FUND

REVENUES

INTERGOVERNMENTAL	\$ 275,205
INTEREST INCOME	7,380
OTHER REVENUE	(51,000)
TRANSFER IN - MAJOR STREETS	(400)
TOTAL REVENUES	231,185

EXPENDITURES

CITY COUNCIL	3,370
CITY MANAGER	25,425
HUMAN RESOURCES	19,375
COMMUNITY & ECONOMIC DEVELOPMENT	825
INFORMATION TECHNOLOGY	(55,115)
CITY CLERK - ELECTIONS	525
FINANCE	5,897
TECHNICAL AND PLANNING	4,200
PUBLIC SAFETY	163,800
RECREATION	1,100
PUBLIC INFORMATION	61,783
TOTAL EXPENDITURES	231,185

Net Increase to Fund Balance	\$ -
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LIBRARY FUND

REVENUES

INTERGOVERNMENTAL	\$ 10,785
TOTAL REVENUES	10,785

EXPENDITURES

FRINGES	550
SUPPLIES, MAINTENANCE AND REPAIRS	2,442
OPERATIONS	3,021
TOTAL EXPENDITURES	6,013

Net Increase to Fund Balance	\$ 4,772
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MAJOR STREETS FUND

REVENUES

INTERGOVERNMENTAL	\$ 255,613
INTEREST INCOME	4,000
TOTAL REVENUES	259,613

EXPENDITURES

FRINGES	4,000
CAPITAL OUTLAY	255,613
TOTAL EXPENDITURES	259,613

Net Increase to Fund Balance	\$ -
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INCREASE
(DECREASE)

CORRIDOR IMPROVEMENT FUND

REVENUES	
PROPERTY TAX	\$ 4,636
TOTAL REVENUES	<u>4,636</u>
EXPENDITURES	
CAPITAL OUTLAY	<u>4,636</u>
TOTAL EXPENDITURES	<u>4,636</u>
Net Increase to Fund Balance	<u>\$ -</u>

PUBLIC IMPROVEMENT FUND

REVENUES	
INTEREST INCOME	\$ 1,000
TOTAL REVENUES	<u>1,000</u>
EXPENDITURES	
SUPPLIES, MAINTENANCE AND REPAIRS	<u>1,000</u>
TOTAL EXPENDITURES	<u>1,000</u>
Net Decrease to Fund Balance	<u>\$ -</u>

CITY OWNED PROPERTY FUND

REVENUES	
OTHER REVENUE	\$ 184,676
TOTAL REVENUES	<u>184,676</u>
EXPENDITURES	
CAPITAL OUTLAY	<u>214,640</u>
TOTAL EXPENDITURES	<u>214,640</u>
Net Decrease to Fund Balance	<u>\$ (29,964)</u>

MUNICIPAL COMPLEX CONSTRUCTION FUND

REVENUES	
INTEREST EARNINGS	\$ 500
TOTAL REVENUES	<u>500</u>
EXPENDITURES	
CAPITAL OUTLAY	<u>121,714</u>
TOTAL EXPENDITURES	<u>121,714</u>
Net Decrease to Fund Balance	<u>\$ (121,214)</u>

INCREASE
(DECREASE)

RISK MANAGEMENT INTERNAL SERVICE FUND
--

REVENUES

CHARGES TO OTHER FUNDS	\$ 144,100
INTEREST EARNINGS	3,000
OTHER REVENUE	25,000
TOTAL REVENUES	<u>172,100</u>

EXPENDITURES

INSURANCE - WORKERS COMPENSATION	167,500
INSURANCE - LIABILITY AND PROPERTY	4,600
TOTAL EXPENDITURES	<u>172,100</u>

Net Decrease to Fund Balance	<u>\$ -</u>
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I certify that the forgoing is a true and complete copy of a Resolution adopted by the City Council of the City of Oak Park at a regular Meeting held on this 17th day of January, 2017.

T. Edwin Norris, City Clerk

City of Oak Park
Proposed Budget Amendments
September 30, 2016

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>	<u>Description</u>
<u>General Fund</u>			
101-00.000-570.000	Reimbursement - Elections	\$ 31,205	Federal reimb for presidential primary election
101-00.000-573.000	State Grant - Local Comm Stab Auth	244,000	Greater than anticipated ppt loss reimbursement
101-00.000-664.000	Interest Income	7,380	Increase to actual revenue to date
101-00.000-659.000	Ordinance Fines - Court	(51,000)	Adjust budget for first quarter revenue shortfall
101-00.000-699.202	Transfer in - Major Streets	(400)	Adjust to admin transfer budget in Major Streets Fund
Total Revenue Increase (Decrease)		231,185	
101-10.101-956.011	Miscellaneous - Beautification Advisory Comm	3,370	Establish budget for commissions expected costs
101-11.172-702.000	Salaries and Wages	8,000	Manager's office intern, half year
101-11.172-717.000	Workers Compensation Insurance	925	Additional workers comp exp per activity to date
101-11.172-864.000	Conference and Workshops	15,000	More conferences than budgeted plus more staff attending
101-11.172-880.020	Community Promotion - Employee Appreciation	1,500	Gift cards for employee of the month
101-11.270-819.035	Contract Labor - HR Assistant	10,000	Contract employees costs over and above vacancy savings
101-11.270-864.000	Conference and Workshops	4,375	More conferences than originally budgeted
101-11.270-960.000	Education and Training	5,000	Customer service, diversity and other citywide trainings
101-11.611-717.000	Workers Compensation Insurance	825	Additional workers comp exp per activity to date
101-12.258-702.000	Salaries and Wages	(37,440)	Move budgeted cable personnel to dept 22.806
101-12.258-712.004	Retiree Healthcare - DC Contribution	(1,123)	Move budgeted cable personnel to dept 22.806
101-12.258-713.000	Health Insurance	(6,808)	Move budgeted cable personnel to dept 22.806
101-12.258-714.004	Retirement - Defined Contribution	(5,054)	Move budgeted cable personnel to dept 22.806
101-12.258-715.000	Dental Insurance	(1,075)	Move budgeted cable personnel to dept 22.806
101-12.258-716.000	Life Insurance	(286)	Move budgeted cable personnel to dept 22.806
101-12.258-717.000	Workers Compensation Insurance	(146)	Move budgeted cable personnel to dept 22.806
101-12.258-718.000	Social Security Insurance	(2,864)	Move budgeted cable personnel to dept 22.806
101-12.258-719.000	Long-term Disability Insurance	(319)	Move budgeted cable personnel to dept 22.806
101-14.191-717.000	Workers Compensation Insurance	525	Additional workers comp exp per activity to date
101-15.201-717.000	Workers Compensation Insurance	515	Additional workers comp exp per activity to date
101-15.201-970.000	Capital Outlay	5,382	Treasury currency counter and a/p scanner
101-16.371-717.000	Workers Compensation Insurance	2,400	Additional workers comp exp per activity to date
101-16.447-717.000	Workers Compensation Insurance	200	Additional workers comp exp per activity to date
101-16.447-960.000	Education and Training	1,600	Unspent from FY 15/16 - PACP/MACP Training
101-17.345-717.000	Workers Compensation Insurance	82,500	Additional workers comp exp per activity to date
101-17.345-970.000	Capital Outlay	81,300	911 system upgrade countywide
101-19.754-717.000	Workers Compensation Insurance	1,100	Additional workers comp exp per activity to date
101-22.806-702.000	Salaries and Wages	37,440	Move budgeted cable personnel from dept 12.258
101-22.806-712.004	Retiree Healthcare - DC Contribution	1,123	Move budgeted cable personnel from dept 12.258
101-22.806-713.000	Health Insurance	6,808	Move budgeted cable personnel from dept 12.258
101-22.806-714.004	Retirement - Defined Contribution	5,054	Move budgeted cable personnel from dept 12.258
101-22.806-715.000	Dental Insurance	1,075	Move budgeted cable personnel from dept 12.258
101-22.806-716.000	Life Insurance	286	Move budgeted cable personnel from dept 12.258
101-22.806-717.000	Workers Compensation Insurance	146	Move budgeted cable personnel from dept 12.258
101-22.806-718.000	Social Security Insurance	2,864	Move budgeted cable personnel from dept 12.258
101-22.806-719.000	Long-term Disability Insurance	319	Move budgeted cable personnel from dept 12.258
101-22.806-702.000	Salaries and Wages	6,160	Cable Intern, 5 months wages
101-22.806-717.000	Workers Compensation Insurance	472	Cable intern, 5 months payroll taxes
101-22.806-718.000	Social Security Insurance	36	Cable intern, 5 months insurance
Total Expenditure Increase (Decrease)		231,185	
Net Increase (Decrease) to Fund Balance		\$ -	

City of Oak Park
Proposed Budget Amendments
September 30, 2016

<u>Library Fund</u>			
111-00.000-568.000	Library - Penal Fines	\$ 6,013	Actual fines higher than anticipated
111-00.000-573.000	State Grant - Local Comm Stab Share App	4,772	Greater than anticipated ppt loss reimbursement
	Total Revenue Increase (Decrease)	10,785	
111-20.790-717.000	Workers Compensation Insurance	550	Additional workers comp exp per activity to date
111-20.790-729.021	Audio Books	2,442	Additional operating expenditures using additional fines
111-20.790-864.000	Conference and Workshops	1,140	Additional operating expenditures using additional fines
111-20.790-920.003	Utilities - Water	449	Prior years water bills not paid internally
111-20.790-958.000	Memberships, Dues & Subscriptions	1,432	Additional operating expenditures using additional fines
	Total Expenditure Increase (Decrease)	6,013	
	Net Increase (Decrease) to Fund Balance	\$ 4,772	
<u>Major Streets Fund</u>			
202-00.000-546.001	State Grants - Other	255,613	MDOT Reimb of Victoria Park playground equip and install
202-00.000-664.000	Interest Income	4,000	Increase estimate of total earnings
	Total Revenue Increase (Decrease)	\$ 259,613	
202-18.479-717.000	Workers Compensation Insurance	4,000	Additional workers comp exp per activity to date
202-18.479-970.000	Capital Outlay	255,613	Victoria Park playground equipment and install
	Total Expenditure Increase (Decrease)	\$ 259,613	
	Net Increase (Decrease) to Fund Balance	\$ -	
<u>Corridor Improvement Authority</u>			
251-00.000-403.001	Property Taxes	4,636	Adjust to actual property tax billing
	Total Revenue Increase (Decrease)	\$ 4,636	
251-00.000-970.001	Capital Outlay - Streetscape Improvements	4,636	Additional revenue available for projects
	Total Expenditure Increase (Decrease)	\$ 4,636	
	Net Increase (Decrease) to Fund Balance	\$ -	
<u>Public Improvement Fund</u>			
401-70.900-664.000	Interest Income	1,000	Estimate based on prior and current year activity
	Total Revenue Increase (Decrease)	\$ 1,000	
401-70.900-726.000	Materials and Supplies	1,000	Various projects as identified
	Total Expenditure Increase (Decrease)	\$ 1,000	
	Net Increase (Decrease) to Fund Balance	\$ -	
<u>City Owned Property Fund</u>			
402-00.000-673.000	Sale of Fixed Assets	184,676	Proceeds from sale of county delinquent tax properties
	Total Revenue Increase (Decrease)	\$ 184,676	
402-72.444-956.100	Purchase of Property	214,640	County delinquent properties plus Coolidge property
	Total Expenditure Increase (Decrease)	\$ 214,640	
	Net Increase (Decrease) to Fund Balance	\$ (29,964)	

City of Oak Park
Proposed Budget Amendments
September 30, 2016

<u>Municipal Complex Construction Fund</u>			
452-59.451-664.000	Interest Income	500	Estimate based on prior and current year activity
	Total Revenue Increase (Decrease)	\$ 500	
452-59.451-801.000	Professional Services	121,714	Balance in fund to be spent on various building projects
	Total Expenditure Increase (Decrease)	\$ 121,714	
	Net Increase (Decrease) to Fund Balance	\$ (121,214)	
<u>Risk Management Fund</u>			
677-42.871-664.000	Interest Income	3,000	Estimate based on prior and current year activity
677-42.871-674.000	Miscellaneous Fees	25,000	Estimate based on prior and current year activity
677-42.871-699.000	Charges to Other Funds	144,100	Additional charges to funds due to premium increase
	Total Revenue Increase (Decrease)	\$ 172,100	
677-42.871-909.000	Insurance - Workers Compensation	167,500	Actual premium increase 65% from prior year
677-42.871-910.000	Insurance - Liability and Property	4,600	Adjust budget to actual annual insurance premium
	Total Expenditure Increase (Decrease)	\$ 172,100	
	Net Increase (Decrease) to Fund Balance	\$ -	