

Berlin Township
County of Ionia, Michigan

Financial Statements
And Independent Auditors' Report

Year Ended March 31, 2014

Table of Contents

	<u>Page</u>
Independent Auditors' Report	i-ii
Management's Discussion and Analysis	iii-vi
Government-Wide Financial Statements:	
Statement of Net Position.....	1
Statement of Activities	2
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	3
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position.....	4
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	6
Statement of Net Position – Proprietary Funds	7
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	8
Statement of Cash Flows – Proprietary Funds.....	9
Statement of Fiduciary Net Position – Fiduciary Funds	10
Statement of Change in Fiduciary Net Position – Fiduciary Funds	11
Notes to Financial Statements	12–19
Required Supplemental Information:	
Budgetary Comparison Schedule – General Fund	20
Other Supplemental Information:	
General Fund:	
Comparative Balance Sheets.....	21
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual	22



Independent Auditors' Report

Township Board of Berlin Township
Ionia, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Berlin Township as of and for the year ended March 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain 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.

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Township Board of Berlin Township
Ionia, Michigan

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Berlin Township as of March 31, 2014, and the respective changes in financial position and cash flows, where applicable, thereof 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 the management's discussion and analysis and budgetary comparison 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 an opinion on the financial statements that collectively comprise Berlin Township's financial statements as a whole. The individual fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Willis & Jurasek, P.C.

Willis & Jurasek, P.C.

August 21, 2014

Berlin Township
Management's Discussion and Analysis
Year Ended March 31, 2014

As management of Berlin Township, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2014.

The Township as a Whole

The Township's net position remains stable. The Township continues to provide primary services to residents.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements report functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*) separately from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Township include general government, public safety, and public works. The business-type activity is sewer system operations.

The government-wide financial statements can be found on pages 1-2 of this report.

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

Governmental funds *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Berlin Township
Management's Discussion and Analysis
Year Ended March 31, 2014

Governmental funds (continued) Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. Such reconciliations are on pages 4 and 6 of this report.

The Township maintains one individual governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund.

The Township adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided herein to demonstrate compliance with that budget.

The basic governmental fund financial statements can be found on pages 3 and 5 of this report.

Proprietary Funds The Township maintains one type of proprietary fund, an enterprise fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Township uses an enterprise fund to account for its sewer activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer fund. The basic proprietary fund financial statements can be found on pages 7-9 of this report.

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

The basic fiduciary fund financial statements can be found on pages 10-11 of this report.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 12-19 of this report.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents certain other information. This includes comparisons of budgeted amounts to actual amounts in the general fund, which can be found on pages 21-22 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Berlin Township, assets exceeded liabilities by \$861,205 for governmental activities at the close of the most recent fiscal year.

A portion of the Township's net position, about twenty-three percent (23%), reflects its investment in capital assets (e.g., land, buildings and improvements, equipment and furniture, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities, if any.

Berlin Township
Management's Discussion and Analysis
Year Ended March 31, 2014

In a condensed format, the table below shows net position as of the fiscal year-end:

	Governmental Activities		Business-Type Activities	
	2014	2013	2014	2013
Current assets	\$ 666,184	\$ 665,935	\$ 989,784	\$ 1,025,844
Non-current assets	196,251	219,201	686,930	711,463
Total assets	<u>862,435</u>	<u>885,136</u>	<u>1,676,714</u>	<u>1,737,307</u>
Current liabilities	1,230	5,866	22,247	22,086
Non-current liabilities	-	-	-	-
Total liabilities	<u>1,230</u>	<u>5,866</u>	<u>22,247</u>	<u>22,086</u>
Net position:				
Invested in capital assets - net of related debt	196,251	219,201	686,930	711,463
Unrestricted	664,954	660,069	967,537	1,003,758
Total net position	<u>\$ 861,205</u>	<u>\$ 879,270</u>	<u>\$ 1,654,467</u>	<u>\$ 1,715,221</u>

The following table shows the changes in net position as of the fiscal year-end.

	Governmental Activities		Business-Type Activities	
	2014	2013	2014	2013
Program revenues:				
Charges for services	\$ 5,844	\$ 5,063	\$ 75,119	\$ 95,444
General revenues:				
Property taxes	84,632	83,150	-	-
State-shared revenue	156,468	155,513	-	-
Interest income	1,881	3,745	3,068	4,792
Other	10,204	11,315	-	-
Transfers in	8,445	8,130	-	-
Total revenues	<u>267,474</u>	<u>266,916</u>	<u>78,187</u>	<u>100,236</u>
Program expenses:				
General government	104,574	109,994	-	-
Public safety	84,295	87,935	-	-
Public works	83,545	78,033	-	-
Other	13,125	18,081	-	-
Sewer	-	-	130,496	130,166
Transfers out	-	-	8,445	8,130
Total expenses	<u>285,539</u>	<u>294,043</u>	<u>138,941</u>	<u>138,296</u>
Changes in net position	<u>\$ (18,065)</u>	<u>\$ (27,127)</u>	<u>\$ (60,754)</u>	<u>\$ (38,060)</u>

Governmental Activities

Overall, revenues have remained steady with the prior year and expenditures have decreased. Every effort is made to carefully budget our available funds and we have been able to maintain stable net position and fund balances, as well as maintain a stable cash flow.

Berlin Township
Management's Discussion and Analysis
Year Ended March 31, 2014

Business-Type Activities

The Township's business-type activities consist of the Sewer Enterprise Fund. The Township collects fees for sewer services from residents. The sewer system is maintained by the City of Ionia and the Township pays them for the usage of Township residents. The Sewer Fund maintains stable cash and net position.

General Fund Budgetary Highlights

Over the course of the year, the Township Board amends the budget to take into account events happening during the year, if necessary. There were was one amendment to the budget this year.

Capital Asset and Debt Administration

The Township had a total investment in capital assets for its governmental activities as of March 31, 2014 of \$196,251, which is made up of a broad range of capital assets, including buildings and improvements, equipment, furniture, and significant investments in roads (infrastructure).

The following table summarizes the fixed assets of the Township as of the current year-end:

	Governmental Activities		Business-Type Activities	
	2014	2013	2014	2013
Land	\$ 4,250	\$ 4,250	\$ -	\$ -
Sewer system	-	-	1,226,657	1,226,657
Buildings and improvements	29,618	29,618	-	-
Equipment and furniture	440,792	440,792	-	-
Infrastructure	167,986	167,986	-	-
Accumulated depreciation	(446,395)	(423,445)	(539,727)	(515,194)
Net capital assets	\$ 196,251	\$ 219,201	\$ 686,930	\$ 711,463

The Township has no debt outstanding at the current year-end.

Economic Factors and Next Year's Budgets and Rates

In the interest of attracting new residents to the Township, we strive to keep our operating millage consistent. The Township plans to keep rates the same in the near future and will continue to do road projects, as necessary.

Contacting the Township Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Township office.

Berlin Township
Statement of Net Position
March 31, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 625,342	\$ 967,020	\$ 1,592,362
Receivables	25,967	22,764	48,731
Due from other funds	14,875	-	14,875
Capital assets:			
Non-depreciable assets	4,250	-	4,250
Depreciable assets, net	192,001	686,930	878,931
Total assets	862,435	1,676,714	2,539,149
Liabilities:			
Accounts payable	1,230	22,247	23,477
Total liabilities	1,230	22,247	23,477
Net Position:			
Invested in capital assets, net of related debt	196,251	686,930	883,181
Unrestricted	664,954	967,537	1,632,491
Total net position	\$ 861,205	\$ 1,654,467	\$ 2,515,672

See Notes to Financial Statements.

Berlin Township
Statement of Activities
Year Ended March 31, 2014

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Primary Government						
Governmental activities:						
General government	\$ 104,574	\$ 5,844	\$ -	\$ (98,730)	\$ -	\$ (98,730)
Public safety	84,295	-	-	(84,295)	-	(84,295)
Public works	83,545	-	-	(83,545)	-	(83,545)
Other	13,125	-	-	(13,125)	-	(13,125)
Total governmental activities	<u>285,539</u>	<u>5,844</u>	<u>-</u>	<u>(279,695)</u>	<u>-</u>	<u>(279,695)</u>
Business-type activities:						
Sewer	130,496	75,119	-	-	(55,377)	(55,377)
Total business-type activities	<u>130,496</u>	<u>75,119</u>	<u>-</u>	<u>-</u>	<u>(55,377)</u>	<u>(55,377)</u>
Total primary government	<u>\$ 416,035</u>	<u>\$ 80,963</u>	<u>\$ -</u>	<u>(279,695)</u>	<u>(55,377)</u>	<u>(335,072)</u>
General Revenues:						
Property taxes, levied for general purposes				84,632	-	84,632
State shared revenue				156,468	-	156,468
Interest and investment earnings				1,881	3,068	4,949
Other revenues				10,204	-	10,204
Transfers				8,445	(8,445)	-
Total general revenues				<u>261,630</u>	<u>(5,377)</u>	<u>256,253</u>
Changes in Net Position				(18,065)	(60,754)	(78,819)
Net Position - Beginning of Year				<u>879,270</u>	<u>1,715,221</u>	<u>2,594,491</u>
Net Position - End of Year				<u>\$ 861,205</u>	<u>\$ 1,654,467</u>	<u>\$ 2,515,672</u>

See Notes to Financial Statements.

Berlin Township
 Balance Sheet
 Governmental Funds
 March 31, 2014

	<u>General Fund</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 625,342
Receivables:	
Taxes receivable	3,073
Due from other governmental units	22,894
Due from other funds	14,875
Total assets	<u>\$ 666,184</u>
<u>Liabilities and Fund Balances</u>	
Liabilities:	
Accounts payable	\$ 1,230
Total liabilities	<u>1,230</u>
Fund Balances:	
Assigned	15,101
Unassigned	649,853
Total fund balances	<u>664,954</u>
 Total liabilities and fund balances	 <u>\$ 666,184</u>

Berlin Township

Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position
of Governmental Activities on the Statement of Net Position
March 31, 2014

Total Fund Balances - Governmental Funds		\$	664,954
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 are not reported in the funds.			
The cost of the capital assets is		\$	642,646
Accumulated depreciation is			<u>(446,395)</u>
			<u>196,251</u>
Total Net Position - Governmental Activities		\$	<u>861,205</u>

Berlin Township
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended March 31, 2014

	General Fund
Revenues:	
Property taxes	\$ 84,306
Licenses and permits	1,525
State owned land receipts	326
Intergovernmental	156,468
Charges for services	4,319
Interest revenue	1,881
Other revenue	10,204
Total revenues	259,029
Expenditures:	
General government	95,823
Public safety	70,096
Public works	83,545
Other	13,125
Total expenditures	262,589
Revenues Over (Under) Expenditures	(3,560)
Other Financing Sources (Uses):	
Transfers in	8,445
Total other financing sources (uses)	8,445
Net Changes in Fund Balances	4,885
Fund Balances - Beginning of Year	660,069
Fund Balances - End of Year	\$ 664,954

Berlin Township

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended March 31, 2014

Net Change in Fund Balances - Total Governmental Funds \$ 4,885

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

Governmental funds report capital outlays as expenditures; in the
Statement of Activities, these costs are allocated over their estimated
useful lives as depreciation.

Depreciation expense	<u>\$ (22,950)</u>	<u>(22,950)</u>
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Change in Net Position of Governmental Activities \$ (18,065)

Berlin Township
Statement of Net Position
Proprietary Funds
March 31, 2014

	Proprietary Fund
	Sewer Fund
Assets:	
Current assets:	
Cash and cash equivalents	\$ 967,020
Accounts receivable	22,764
Total current assets	989,784
Capital assets, net of accumulated depreciation	686,930
Total assets	1,676,714
Liabilities:	
Current liabilities:	
Accounts payable	22,247
Total current liabilities	22,247
Net Position:	
Invested in capital assets, net of related debt	686,930
Unrestricted	967,537
Total net position	\$ 1,654,467

See Notes to Financial Statements.

Berlin Township
Statement of Revenues, Expenses
and Changes in Net Position
Proprietary Funds
Year Ended March 31, 2014

	Proprietary Fund
	Sewer Fund
Operating Revenues:	
Charges for services	\$ 75,119
Operating Expenses	130,496
Operating Income (Loss)	(55,377)
Nonoperating Revenues (Expenses):	
Interest income	3,068
Total nonoperating revenues (expenses)	3,068
Net Income (Loss) Before Transfers	(52,309)
Transfers Out to Other Funds	(8,445)
Change in Net Position	(60,754)
Net Position - Beginning of Year	1,715,221
Net Position - End of Year	\$ 1,654,467

Berlin Township
Statement of Cash Flows
Proprietary Funds
Year Ended March 31, 2014

	Business-Type Activities Sewer Fund
Cash Flows From Operating Activities:	
Cash received from customers, residents and users	\$ 70,148
Cash payments to suppliers for goods and services	(105,802)
Net cash provided (used in) operating activities	(35,654)
Cash Flows from Investing Activities:	
Interest income received	3,068
Transfers to other funds	(8,445)
Net cash provided by investing activities	(5,377)
Net Increase (Decrease) in Cash and Cash Equivalents	(41,031)
Cash and Cash Equivalents - Beginning of Year	1,008,051
Cash and Cash Equivalents - End of Year	\$ 967,020
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating income (loss)	\$ (55,377)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	24,533
Changes in:	
Accounts receivable	(4,971)
Accounts payable	161
Net Cash Provided by (Used in) Operating Activities	\$ (35,654)

Berlin Township
Statement of Fiduciary Net Position
Fiduciary Funds
March 31, 2014

	Cemetery Trust Fund	Agency Fund
Assets:		
Cash and cash equivalents	\$ 13,573	\$ 14,875
Liabilities:		
Due to other funds	-	14,875
Due to other governmental units	-	-
Total liabilities	-	\$ 14,875
Net Position:		
Restricted for special purposes	13,573	
Total net position	\$ 13,573	

See Notes to Financial Statements.

Berlin Township
Statement of Change in Fiduciary Net Position
Fiduciary Funds
Year Ended March 31, 2014

	<u>Cemetery Trust Fund</u>
Income:	
Interest income	\$ 402
Total income	<u>402</u>
Change in Net Position	402
Net Position - Beginning of Year	<u>13,171</u>
Net Position - End of Year	<u><u>\$ 13,573</u></u>

Berlin Township
Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies

The financial statements of Berlin Township have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

Reporting Entity

Berlin Township operates under an elected Board of Trustees and provides various services to its residents including public safety, community enrichment and development, and human services. The accompanying financial statements of Berlin Township have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. The criteria established by the GASB for determining which of the governmental organizations are a part of the Township's reporting entity include oversight responsibility, fiscal dependency, scope of public service, and whether the financial statements would be misleading if data were not included. Based on the application of the criteria, the Township does not contain any component units.

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 non-fiduciary activities of the primary government. 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.

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 funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Statements - 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.

Berlin Township
Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Government-Wide Statements (Continued) - 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 sewer fund 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.

Fund-Based Statements - 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 if they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

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

The government reports the following major governmental funds:

General Fund – This fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The government reports the following major proprietary fund:

Sewer Fund – The Sewer Fund accounts for the activities of the government's sewage collection and treatment systems.

Additionally, the government reports the following fund types:

Fiduciary Fund Types - These funds, used to account for assets held in trust or as an agent for others, include the Tax Collection Fund and the Cemetery Trust Fund.

Berlin Township
Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additional Financial Statement Presentation Information –Proprietary funds distinguish operating revenues and expenses from non-operating 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 sewer fund are charges to customers for sales and services. The enterprise funds also recognize as operating revenues the portion of fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise 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.

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.

Deposits and Investments – Cash and cash equivalents include cash on hand, demand deposits, and certificates of deposit.

The Township reports its investments (when applicable) in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Under these standards, certain investments are valued at fair value as determined by quoted market prices or by estimated fair values when quoted market prices are not available. The standards also provide that certain investments are valued at cost (or amortized cost) when they are of a short-term duration, the rate of return is fixed, and the Township intends to hold the investment until maturity. Accordingly, investments in bankers' acceptances and commercial paper are recorded at amortized cost. The Township had no investments at March 31, 2014.

State statutes authorize the Township to invest in bonds, and other direct and certain indirect obligations of the U.S. Treasury; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, savings and loan association, or credit union, which is a member of the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or National Credit Union Administration, respectively; in commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services and which matures not more than 270 days after the date of purchase. The Township is also authorized to invest in U.S. Government or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds composed of investments as outlined above. The government'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.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments.

Berlin Township
Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Receivables and Payables – All receivables are reported at their net value. They are reduced, where appropriate, by the estimated portion that is expected to be uncollectible.

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), 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 \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	40
Equipment and furniture	5 - 12
Infrastructure	20
Sewer system	50

Long-Term Obligations – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are reported as a deferred inflow or outflow of resources, separate from assets or liabilities, and are amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported expensed as incurred.

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

Berlin Township
Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Equity – The Township has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. In accordance with this guidance, fund balances of governmental funds are categorized according to five defined categories of fund balance. These categories consist of nonspendable amounts which are legally or contractually required to be maintained intact, restricted amounts that are constrained for specific purposes set by external parties or law, committed amounts that are constraints set by the highest decision making authority (the Township Board) and may only be removed by those individuals, assigned amounts that have an intended but no formal specific purpose, and unassigned amounts which are the residual of the other categories and have no specific purposes. It is the Township's policy to generally use fund balance in order according to the hierarchy of fund balance categories, from restricted down to unassigned.

Property Taxes - The government's property taxes are levied each December 1 on the taxable valuation of property located in the Township as of the preceding December 31, the lien date. Property taxes are payable without penalty and interest through February 28; as of March 1 of the succeeding year, unpaid real property taxes are sold to and collected by Ionia County.

Assessed values as established annually by the government, and subject to acceptance by the County, are equalized by the State at an estimated 50% of current market value. Real and personal property in the Township for 2013 had a taxable value of approximately \$94,316,000. The government's general operating tax rate for fiscal year 2013-2014 was .8460 mills for operating.

Note 2 – Stewardship, Compliance and Accountability

The General Fund is the governmental fund type under formal budgetary control. The Township adopts its budget in accordance with Public Act 621, the Uniform Budgeting and Accounting Act, which mandates an annual budget process and annual appropriation act to implement the budget.

- 1) A General Fund budget is presented to the Township Board in February, at which time hearings on the budget are scheduled.
- 2) The budget, and an appropriation ordinance implementing it, is then adopted in March.
- 3) Formal budget integration is employed as a management control device during the year for all funds.
- 4) Budgets presented for the General Fund were prepared on the modified cash basis of accounting. Encumbrances are not recorded at year-end.
- 5) Expenditures may not legally exceed activity (department) totals in the General Fund. Expenditures in excess of budgeted amounts are disclosed in the budgetary comparison schedule.
- 6) The Governing Board has the authority to amend all budgets at the fund level. It further has the right to amend the General Fund at the activity level if it desires. Management has no authority to amend budgets at the fund level. Management can do transfers within funds at the departmental level without governing board approval but not between departments.
- 7) The budgetary information presented was amended during the year by an official action of the Township Board.
- 8) All budget appropriations lapse at the end of each fund's fiscal year.

Excess of Expenditures over Appropriations – Expenditures that exceeded appropriations in the General Fund, if any, are disclosed in the Required Supplemental Information on page 20.

Berlin Township
Notes to Financial Statements

Note 3 – Cash and Cash Equivalents

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

	Governmental Activities	Proprietary Funds	Total Primary Government	Fiduciary Funds	Total
Cash and investments	\$ 625,342	\$ 967,020	\$ 1,592,362	\$ 28,448	\$ 1,620,810

The breakdown for deposits for the Township is as follows:

Deposits (checking and savings accounts, certificates of deposit)	\$ 1,620,810
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Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The Village has not adopted and State law does not require a policy for deposit custodial credit risk. As of year-end, \$1,150,078 of the Township's bank balance of \$1,656,174 was exposed to custodial credit risk because it was uninsured and uncollateralized.

The Township had no investments at year-end.

Note 4 – Receivables

Receivables of the primary government at March 31, 2014, consist of the following:

Other governmental units	\$ 22,894
Taxes receivable	3,073
Sewer customer receivables	22,764
Total	\$ 48,731

Berlin Township
Notes to Financial Statements

Note 5 – Capital Assets

Capital assets activity for the year ended March 31, 2014 was as follows:

Primary Government	Beginning Balance	Additions	Disposals and Adjustments	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 4,250	\$ -	\$ -	\$ 4,250
Total capital assets not being depreciated	4,250	-	-	4,250
Capital assets being depreciated:				
Buildings and improvements	29,618	-	-	29,618
Equipment and furniture	440,792	-	-	440,792
Infrastructure	167,986	-	-	167,986
Total capital assets being depreciated	638,396	-	-	638,396
Accumulated depreciation:				
Buildings and improvements	29,618	-	-	29,618
Equipment and furniture	364,199	14,551	-	378,750
Infrastructure	29,628	8,399	-	38,027
Total accumulated depreciation	423,445	22,950	-	446,395
Total capital assets being depreciated - net	214,951	(22,950)	-	192,001
Governmental activities capital assets - net	\$ 219,201	\$ (22,950)	\$ -	\$ 196,251
Business-Type Activities				
Capital assets being depreciated:				
Sewer system	\$ 1,226,657	\$ -	\$ -	\$ 1,226,657
Accumulated depreciation	515,194	24,533	-	539,727
Business-type activities capital assets - net	\$ 711,463	\$ (24,533)	\$ -	\$ 686,930

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

Governmental Activities:	
General government	\$ 8,751
Public safety	14,199
Total depreciation expense - governmental activities	<u>\$ 22,950</u>
Business-Type Activities:	
Sewer	<u>\$ 24,533</u>

Berlin Township
Notes to Financial Statements

Note 6 – Risk Management

The Township 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. During the year ended March 31, 2014, the Township carried commercial insurance to cover all risks of losses. The Township has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

Note 7 – Assigned Fund Balance – General Fund

Certain amounts in the General Fund have been assigned for specific purposes. At March 31, 2014, these amounts were as follows:

Assigned for cemetery	\$ 9,005
Assigned for other	<u>6,096</u>
	<u>\$ 15,101</u>

Note 8 – Joint Ventures

During the fiscal year 1973 - 1974, the townships of Berlin and Orange entered into an agreement to form the Berlin-Orange Fire Department to be governed by three members of each township - two of which must be township officers. The agreement was extended for another ten years in 2005. Total expenditures paid to the Fire Department by Berlin Township for the year ended March 31, 2014 were \$56,108. The Fire Department is audited by other auditors every other year. Its financial statements can be found on the State of Michigan Department of Treasury website.

Berlin Township, along with the City of Ionia and Townships of Easton, Ionia, and Orange created the Ionia Regional Utilities Authority (IRUA) under Michigan Public Act 233 of 1955. Its purpose is to acquire, own, and operate a sewage disposal system for the benefit of the contributing municipalities. The IRUA is operated, administered, and maintained by the City of Ionia. Berlin Township makes contributions to the IRUA for operating and debt service costs based on its usage of the system. The amounts paid to the IRUA for the fiscal year ended March 31, 2014 were \$95,213 and \$2,584 for operating and debt service costs, respectively. The IRUA is audited annually by other auditors. Its financial statements can be found by contacting the City of Ionia Finance Director.

Note 9 – Interfund Receivables, Payables and Transfers

As of the end of the fiscal year, the Agency Fund owed the General Fund \$14,875. These interfund balances resulted primarily from the time lag between when transactions were recorded in the accounting system and when payments between funds were made.

During the year, there was a transfer of \$8,445 from the Sewer Fund to the General Fund to transfer interest earned to be used in operations.

Required Supplemental Information

Berlin Township
Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget to Actual
General Fund
Year Ended March 31, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues:			
Property taxes	\$ 80,400	\$ 80,400	\$ 84,306
Licenses and permits	4,000	4,000	1,525
State owned land receipts	-	-	326
Intergovernmental	125,000	125,000	156,468
Charges for services	-	-	4,319
Interest revenue	1,000	1,000	1,881
Other revenue	5,500	5,500	10,204
Total revenues	<u>215,900</u>	<u>215,900</u>	<u>259,029</u>
Expenditures:			
General government:			
Legislative	11,000	11,000	10,416
Supervisor	15,500	15,500	15,365
Elections	1,000	1,393	1,229
Legal and audit	9,600	9,600	6,066
Clerk	18,000	18,000	17,970
Board of review	1,200	1,200	1,080
Treasurer	22,000	22,632	22,633
Assessor	17,000	17,000	16,264
Cemetery	3,000	3,000	4,800
Total general government	<u>98,300</u>	<u>99,325</u>	<u>95,823</u>
Public safety:			
Fire	63,500	64,240	59,540
Ambulance	15,000	15,000	10,556
Total public safety	<u>78,500</u>	<u>79,240</u>	<u>70,096</u>
Public works:			
Roads	100,000	97,258	63,197
Drains at large	20,000	20,000	17,000
Light district	3,500	3,500	3,348
Total public works	<u>123,500</u>	<u>120,758</u>	<u>83,545</u>
Other			
	<u>11,500</u>	<u>12,477</u>	<u>13,125</u>
Total expenditures	<u>311,800</u>	<u>311,800</u>	<u>262,589</u>
Revenues Over (Under) Expenditures	<u>(95,900)</u>	<u>(95,900)</u>	<u>(3,560)</u>
Other Financing Sources (Uses):			
Operating transfers in	-	-	8,445
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>8,445</u>
Net Changes in Fund Balances	<u>(95,900)</u>	<u>(95,900)</u>	<u>4,885</u>
Fund Balances - Beginning of Year	<u>660,069</u>	<u>660,069</u>	<u>660,069</u>
Fund Balances - End of Year	<u>\$ 564,169</u>	<u>\$ 564,169</u>	<u>\$ 664,954</u>

Other Supplemental Information

Berlin Township
Comparative Balance Sheets
General Fund
March 31, 2014 and 2013

	2014	2013
<u>Assets</u>		
Cash and cash equivalents	\$ 625,342	\$ 625,156
Receivables:		
Taxes receivable	3,073	2,076
Due from other governmental units	22,894	23,728
Due from other funds	14,875	14,975
Total assets	\$ 666,184	\$ 665,935
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	\$ 1,230	\$ 5,866
Accrued expenditures	-	-
Total liabilities	1,230	5,866
Fund Balances:		
Assigned for cemetery	9,005	8,438
Assigned for other	6,096	803
Unassigned	649,853	650,828
Total fund balances	664,954	660,069
Total liabilities and fund balances	\$ 666,184	\$ 665,935

Berlin Township

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual General Fund

Year Ended March 31, 2014

(With Comparative Actual Amounts for the Year Ended March 31, 2013)

	2014		Favorable (Unfavorable)	2013
	Budget	Actual		Actual
Revenues:				
Property taxes	\$ 80,400	\$ 84,306	\$ 3,906	\$ 83,150
Licenses and permits	4,000	1,525	(2,475)	150
State owned land receipts	-	326	326	-
Intergovernmental	125,000	156,468	31,468	155,513
Charges for services	-	4,319	4,319	4,913
Interest revenue	1,000	1,881	881	3,745
Other revenue	5,500	10,204	4,704	11,315
Total revenues	215,900	259,029	43,129	258,786
Expenditures:				
General government:				
Legislative	11,000	10,416	584	10,197
Supervisor	15,500	15,365	135	15,215
Elections	1,393	1,229	164	3,509
Legal and audit	9,600	6,066	3,534	9,511
Clerk	18,000	17,970	30	17,902
Board of review	1,200	1,080	120	960
Treasurer	22,632	22,633	(1)	21,881
Assessor	17,000	16,264	736	17,318
Cemetery	3,000	4,800	(1,800)	4,750
Total general government	99,325	95,823	3,502	101,243
Public safety:				
Fire	64,240	59,540	4,700	56,672
Ambulance	15,000	10,556	4,444	10,894
Total public safety	79,240	70,096	9,144	67,566
Public works:				
Roads	97,258	63,197	34,061	56,294
Drains at large	20,000	17,000	3,000	18,371
Light district	3,500	3,348	152	3,368
Total public works	120,758	83,545	37,213	78,033
Other				
	12,477	13,125	(648)	18,081
Total expenditures	311,800	262,589	49,211	264,923
Revenues Over (Under) Expenditures	(95,900)	(3,560)	92,340	(6,137)
Other Financing Sources (Uses):				
Transfers in	-	8,445	8,445	8,130
Net Changes in Fund Balances	(95,900)	4,885	100,785	1,993
Fund Balances - Beginning of Year	660,069	660,069	-	658,076
Fund Balances - End of Year	\$ 564,169	\$ 664,954	\$ 100,785	\$ 660,069

See Notes to Financial Statements.



August 21, 2014

To the Township Board
Berlin Township

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Berlin Township for the year ended March 31, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in previous conversations. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Berlin Township are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Some of the misstatements detected as a result of audit procedures and corrected by management were material, such as adjustments to record payables, receivables, and depreciation.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 21, 2014.

JACKSON

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Berlin Township
August 21, 2014

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

With respect to the supplementary information accompanying the financial statements, 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.

This information is intended solely for the use of the Township Board and management of Berlin Township and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Willis & Jurasek, P.C.

Willis & Jurasek, P.C.



August 21, 2014

To the Township Board
and Management of Berlin Township

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Berlin Township as of and for the year ended March 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered Berlin Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies in Berlin Township's internal control to be material weaknesses:

2014-1: The management of the Township has the ability to produce internal reporting that allows for financial management of the day-to-day operations. However, management relies on the external auditors to prepare its external audit reports. While this may be typical of some smaller municipalities, it is considered a material weakness.

2014-2: During the course of the audit, we made several material adjustments to various funds. By definition, this is considered a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in Berlin Township's internal control to be significant deficiencies:

2014-3: Due to the limited personnel in the accounting department, the Township lacks segregation of duties over several areas, including cash receipting, journal entry processes, and cash disbursements. The limited size of the staff does not allow for segregation of duties. The Board should be aware of and attempt to establish procedures to minimize risks related to this lack of controls.

This communication is intended solely for the information and use of management, the Township Board, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Willis & Jurasek, P.C.

Willis & Jurasek, P.C.

JACKSON

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