



**GRAND HAVEN CHARTER TOWNSHIP
BOARD AGENDA
Monday, May 22, 2023**

REGULAR MEETING – 7:00 P.M.

Persons wishing to speak at public hearings, on agenda items, or extended comments, must fill out a “Speakers Form” located on the counter. Completed forms must be submitted to Township Staff prior to the meeting.

- I. CALL TO ORDER
- II. PLEDGE TO THE FLAG
- III. ROLL CALL
- IV. APPROVAL OF MEETING AGENDA
- V. CONSENT AGENDA
 1. Approve May 8, 2023, Regular Board Minutes
 2. Approve Payment of Invoices in the amount of \$849,968.39 (*A/P checks of \$724,721.10 and payroll of \$125,247.29*)
- VI. PRESENTATION 2022 FINANCIAL AUDIT - Douglas J. Vredeveld, CPA
- VII. OLD BUSINESS
 1. Resolution 23-05-01 – Approve 1st Quarter Budget Amendments FY2023
 2. Resolution 23-05-02 – Approve Fire/Rescue Station Bond Authorizing Resolution
- VIII. NEW BUSINESS
 1. Approve Creation of Fire/Rescue Station Building Committee & Appointments
 2. First Reading – Park Rules and Regulations (*Add Schmidt Heritage Park*)
- IX. REPORTS & CORRESPONDENCE
 1. Committee Reports
 2. Manager’s Report
 3. Other
- X. PUBLIC COMMENTS – (*Non-Agenda Items*)
- XI. ADJOURNMENT

NOTE: The public will be given an opportunity to comment on any agenda item when the item is brought up for discussion. Please complete Speaker Information Sheet. The supervisor will initiate comment time.

**GRAND HAVEN CHARTER TOWNSHIP BOARD
MONDAY, MAY 8, 2023**

WORK SESSION – 6:30 P.M.

1. Ryan Cotton provided a PowerPoint presentation on behalf of the “*Community Energy Plan (CEP) Task Force of the Sustainability and Energy Commission.*” Also, in attendance were eight (8) citizens supportive of a CEP process.

The Task Force is requesting participation of two (2) elected officials and a possible financial contribution from the Township. However, the amount of any contribution would not be known until the CEP completes a competitive bid process.

The Board took no action.

REGULAR MEETING

I. **CALL TO ORDER**

The regular meeting of the Grand Haven Charter Township Board to order at 7:00 p.m. by Supervisor Reenders.

II. **PLEDGE TO THE FLAG**

III. **ROLL CALL**

Board members present: Reenders, Redick, Wagenmaker, Kieft, Behm, Larsen, and Meeusen

Board members absent:

Also present were Manager Cargo and Assistant Manager Sherwood

IV. **APPROVAL OF MEETING AGENDA**

Motion by Trustee Meeusen and seconded by Trustee Wagenmaker to approve the meeting agenda. **Which motion carried.**

V. **APPROVAL OF CONSENT AGENDA**

1. Approve April 24, 2023, Regular Board Minutes
2. Approve Payment of Invoices in the amount of \$576,526.40 (*A/P checks of \$435,122.95 and payroll of \$141,403.45.*)
3. Approve Hire of four (4) Part-Time Fire/Rescue Staff:
 - i. Dalani Bole,
 - ii. Max Slabbekoorn,
 - iii. Adam Stahl, and
 - iv. Adam Wallish.

Motion by Treasurer Kieft and seconded by Trustee Meeusen to approve the items listed on the Consent Agenda. **Which motion carried.**

VI. OLD BUSINESS

1. **Motion** by Treasurer Kieft supported by Trustee Meeusen to approve and adopt the proposed Ordinance providing for the year 2023 amendment to the 1999 Development Plan and Tax Increment Financing Plan until the May 8th Board meeting. This is a Second Reading. **Which motion carried**, as indicated by the following roll call vote:
Ayes: Larsen, Wagenmaker, Kieft, Meeusen, Redick, Behm, Reenders
Nays:
Absent:

VII. NEW BUSINESS

1. The Board discussed the Ferris Street and 152nd intersection. Manager Cargo noted that the Road Commission was considering a revision to a policy that would allow for sign changes – such as a flashing light. Action on the policy should occur within two months.

VIII. REPORTS AND CORESPONDENCE

1. Committee Reports
2. Manager's Report
 - a. April Building Report
 - b. April Ordinance Enforcement Report
 - c. April Public Services Report
 - d. April COPS Report
 - e. March Legal Review (*Board Members Only*)
3. Trustee Wagenmaker discussed the Township requirement of building permit prior to the erection of temporary power poles. Manager Cargo will review the matter with staff and send an email to the Board.

IX. PUBLIC COMMENTS – (*Non-Agenda Items*)

1. Laird Schaefer (*12543 Wilderness Trail*) wants information on the Township's enforcement policy – especially as it relates to short-term rentals.
2. Mike Westbrook (*representing the BLP*) noted a city charter amendment to remove the elected independence of the BLP Board that would result with the power company reporting to the Grand Haven city manager. About 44% of the Township residents receive their electrical power from the BLP, which includes all the apartments and River Haven.

X. ADJOURNMENT

Motion by Clerk Larsen and seconded by Trustee Behm to adjourn the meeting at 7:25 p.m. **Which motion carried**

Respectfully Submitted,



Laurie Larsen

Grand Haven Charter Township Clerk



Mark Reenders
Grand Haven Charter Township Supervisor

SUPERINTENDENT'S MEMO

DATE: May 18, 2022

TO: Township Board

FROM: Cargo and Sandoval

SUBJECT: Budget Amendments – First Quarter

Attached, please find the proposed budget amendments for the first quarter of FY2023.

In addition to normal fluctuations with revenues and expenditures, these budget amendments include the addition of a “**Fire Station Construction Fund**” necessary to receive the bond monies and reflect the initial expenditures (*e.g., design work and preliminary site work*) during FY2023.

Further, because the FY2022 Financial Audit is complete, the fund balance or cash reserves of the various funds reflect the figures from the audit. (*The audit will be presented to the full Board at the May 22nd Board meeting.*)

- 1) The General Fund revenues are increased↑ by about **\$103k**, which mostly reflects (1) interest income; (2) “Rental Inspection Fees”; (3) COVID reimbursements; and (4) opioid settlement monies.

At the same time General Fund Expenditures are decreased↓ by about **\$24k** because of a reduction of GF monies to subdivision paving (*i.e., -\$138k*) and a variety of small increases – the largest being a (1) the hire of a Rental Inspection officer and (2) the carryforward of the Hofma Park basketball court project.

The undesignated fund balance of the General Fund will increase↑ by about \$127k to an estimated **\$3.04 million** at the end of FY2023. This exceeds↑ the Board stated goal of a minimum of \$1.6 million for the General Fund undesignated fund balance.

- 2) The Road Fund revenues are decreased↓ by about **\$122k** due to less monies being transferred from the General Fund.

The expenditures are also decreased↓ by about **\$138k** because of lower than estimated costs for FY2023 road paving.

The fund balance of the Road Fund will increase↑ by an estimated **\$16k** at the end of FY2023 to about \$122k. *(Because this should be a “breakeven” Fund, the FY2024 budget will draw down the reserves to about \$25k.)*

- 3) The Fire/Rescue Fund revenues are increased↑ by about **\$48k** – mostly due to interest income and a reimbursement for paramedic training.

The expenditures are increased↑ by about **\$6k** to cover the cost of paramedic training.

The fund balance of the Fire/Rescue Fund will increase↑ by about \$43k to an estimated **\$812k** at the end of FY2023.

- 4) The Police Services Fund revenues are increased↑ by about **\$8k** due to higher than anticipated interest income.

The fund balance of the Police Services Fund will increase↑ a like amount to **\$238k** at the end of FY2023.

- 5) The DDA Fund revenues are increased↑ by about **\$46k** due to higher than anticipated interest income and a larger than anticipated capture of TIF revenues.

The fund balance of the DDA Fund will increase↑ a like amount to **\$3.21 million** at the end of FY2023. *(There will a major construction project in FY2024 that will begin to draw down the fund balance.)*

- 6) The ARPA Fund revenues are increased↑ by about **\$599k** due to higher than anticipated interest income and the **obligation** of these funds for a land purchase and professional fees related to the #3 transmission main project scheduled to being in FY2024.

Likewise, the expenditures for the Fund are increased by \$590k to pay for the aforementioned obligations.

The fund balance of the ARPA Fund will increase↑ to **\$18k** at the end of FY2023. *(Recall that the revenues for this fund are not recognized until expenditures are obligated.)*

- 7) The Parks Debt Fund revenues are increased↑ by about **\$14k** due to higher than anticipated interest income.

The fund balance of the Parks Debt Fund will increase↑ a like amount to **\$56k** at the end of FY2023.

- 8) A new Fund – the “Fire Station Construction Fund” – is created to receive the Fire/Rescue Station bonds that will be sold in June and to account for the expenditures related to this construction project.

Specifically, the Fire Station Construction Fund revenues are established at \$12.56 million to recognize both the bonds sale and the interest income that will be received.

The Fire Station Construction Fund expenditures are established at \$1.85 million – mostly to reflect the anticipated professional fees related to the project and some preliminary site work.

The fund balance of the Fire Station Construction Fund is estimated at \$10.71 million at the end of FY2023. These monies will be used to complete construction on the Fire/Rescue station during FY2024.

- 9) The Pathway Fund revenue are increased↑ by about **\$12k** due to higher than anticipated interest income.

The fund balance of the Pathway Fund will be an estimated **\$165k** at the end of FY2023. *(Most of this fund balance will be used for pathway maintenance during FY2024.)*

- 10) The Parks Construction Fund revenues are increased↑ by about **\$20k** due to higher than anticipated interest income.

The expenditures are increased↑ by about **\$80k** to cover the change orders related to the Schmidt Heritage Park – including the relocation of a portion of the jogging trail and to build a “wall” on a ridge overlooking an outdoor rifle range.

The fund balance of the Parks Construction Fund will be an estimated **\$307k** at the end of FY2023. *(This monies will be maintained for future park improvements – such as Phase II of the Schmidt Heritage Park or matching monies for an MNRTF grant application to improve the Groesbeck entrance to Hofma Park and Preserve.)*

- 11) The Sewer Fund revenues are increased↑ by about **\$26k** – mostly due to an anticipated reimbursement from an insurance company for damage to a sanitary force main working on the Lakeshore Flats apartment expansion project.

The Sewer Fund expenditures are increased↑ by about **\$32k** – mostly due to repairs to a sewer force main damaged by a contractor working on the Lakeshore Flats apartment expansion.

The fund balance of the Sewer Fund will be an estimated **\$1.38 million** at the end of FY2023. This is a sufficient level of cash reserves for this enterprise fund.

- 12) The Water Fund revenues are increased↑ by about **\$663k** mostly due to (1) the transfer of obligated ARPA monies for the #3 Transmission Main project and (2) higher than anticipated interest income. *(The FY2023 expenditures for #3 Transmission Main project are already included in the FY2023 budget.)*

The fund balance of the Water Fund will increase↑ by about \$663k to an estimated **\$4.71 million** at the end of FY2023. This is a high↑ reserve for an enterprise fund and will be used for upcoming capital projects in FY2024 (e.g., the #3 Transmission Main project).

If the Board supports the proposed budget amendments, the following motion may be offered:

Move to adopt Resolution 23-05-01 that adopts the First Quarter budget amendments for fiscal year 2023.

If you have any questions or comments, please contact either Cargo or Sandoval at your convenience.

RESOLUTION NO. 23-05-01

WHEREAS, Grand Haven Charter Township has formally adopted the 2023 fiscal year budget;

WHEREAS, the Grand Haven Charter Township Board of Trustees have determined that the proposed attached amendments to this budget are necessary to comply with the requirements of the State of Michigan and to respond to events and changes that have occurred since the budget was originally adopted in 2022;

NOW, THEREFORE BE IT RESOLVED that the Board of Trustees of Grand Haven Charter Township determines:

SECTION 1:

This resolution shall be known as the Grand Haven Charter Township First Quarter Budget Amendments.

SECTION 2:

The list of attached amendments to the 2023 fiscal year budget are found to be acceptable and are adopted by the Board.

Motion made by _____ and seconded by _____ to adopt the foregoing resolution upon the following roll call vote:

AYES:

NAYS:

ABSENT:

ABSENT AND NOT VOTING:

RESOLUTION DECLARED: ADOPTED.

The **motion** carried and the resolution was duly adopted on May 22, 2023.

Laurie Larsen, Township Clerk

Dated: May 22, 2023

GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
GENERAL FUND
May 22, 2023

		From	To	+ or (-)
General Fund Revenues				
445.000	Property Taxes - Interest & Penalties	7,000	8,320	1,320
569.000	State Grants - Other (Election Grant)	0	5,650	5,650
528.000	Federal Grants - Other (FEMA Grant for COVID)	0	10,180	10,180
627.500	Rental Inspection Fees (New in 2023)	0	32,380	32,380
665.000	Interest Income	26,100	66,100	40,000
676.000	Reimbursements (Insurance claims)	5,000	10,000	5,000
684.000	Misc Income (Worker's comp audit refunds)	4,000	6,000	2,000
685.000	Opioid Settlement Revenue	0	6,520	6,520
TOTAL GENERAL FUND REVENUE		4,649,990	4,753,040	103,050
Dept. Group 101 - Legislative				
885.000	Community Promotion (2022 Fireworks)	14,100	21,600	7,500
	Total	194,840	202,340	7,500
Dept. Group 172 - Administration				
719.300	Life Insurance	270	640	370
861.000	Travel & Mileage	250	750	500
862.000	Vehicle Maintenance & Repairs (Accident)	500	5,400	4,900
	Total	444,420	450,190	5,770
Dept. Group 257 - Assessing				
8014.000	Legal & Professional Fees (Appraisals)	6,500	10,000	3,500
	Total	214,920	218,420	3,500
Dept. Group 262 - Elections				
707.000	Committee Meeting & Conference Pay	100	200	100
720.000	Unemployment Insurance Expense (Lash)	500	790	290
727.000	Office Supplies & Postage	6,860	13,500	6,640
	Total	64,680	71,420	6,740
Dept. Group 371 - Community Development				
702.000	Salaries (Ordinance Enforcement Officer)	401,360	422,360	21,000
715.000	FICA	30,710	32,320	1,610
721.000	Workers Comp Insurance	1,440	1,820	380
	Total	669,850	691,230	21,380
Dept. Group 528 - Waste Collection				
831.000	Yard Waste (Fall of '22 not hauled until Jan of '23)	14,900	23,000	8,100
	Total	14,900	23,000	8,100

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
GENERAL FUND
May 22, 2023**

	From	To	+ or (-)
Dept. Group 751 - Parks and Recreation			
870.000 Road Signs	500	2,500	2,000
936.300 Automotive Maintenance (New tires and repairs)	2,200	5,500	3,300
971.000 Capital Outlay (Hofma BB court/Pott ADA sidewlk)	205,000	257,000	52,000
971.250 Capital Outlay Prof Fees (Hofma Basketball Ct)	0	4,000	4,000
Total	687,440	748,740	61,300
Dept. Group 966 - Appropriation Transfers			
995.204 OP Transfer Out - Transportation Fund	500,000	362,000	(138,000)
Total	1,714,510	1,576,510	(138,000)
TOTAL GENERAL FUND EXPENDITURES	5,131,350	5,107,640	(23,710)
 GENERAL FUND - FUND BALANCE:			
Fund Balance (From 2022 Financial Audit)			3,395,885
2023 Revenue			4,649,990
Total Revenue budget amendments			103,050
2023 Amended Revenue			4,753,040
2023 Expenditures			5,131,350
Total Expense budget amendments			(23,710)
2023 Amended Expenditures			5,107,640
Net Budget Amendments			126,760
Projected Total Fund Balance - 12/31/23			3,041,285

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
ROAD FUND
May 22, 2023**

	From	To	+ or (-)
Road Fund Revenues			
665.000 Interest Income	6,000	22,000	16,000
699.000 Operating Transfers In	500,000	362,000	(138,000)
TOTAL FUND REVENUE	1,345,530	1,223,530	(122,000)

Dept. Group 446 - Road Construction			
873.400 Street Paving (Road Resurfacing by OCRC)	963,500	825,500	(138,000)
TOTAL FUND EXPENDITURES	1,533,350	1,395,350	(138,000)

ROAD FUND - FUND BALANCE:

Fund Balance (From 2022 Financial Audit)	293,521
2023 Revenue	1,345,530
Total revenue budget amendments	(122,000)
2023 Amended Revenue	1,223,530
2023 Expenditures	1,533,350
Total expense budget amendments	(138,000)
2023 Amended Expenditures	1,395,350
Net Budget Amendments	16,000
Projected Total Fund Balance - 12/31/23	121,701

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
FIRE/RESCUE FUND
May 22, 2023**

		From	To	+ or (-)
Fire Fund Revenues				
665.000	Interest Income	6,000	38,000	32,000
673.000	Sale of Fixed Assets	0	6,000	6,000
676.200	Reimbursements - Training(Paramedic)	0	10,000	10,000
TOTAL FIRE/RESCUE FUND REVENUE		1,745,390	1,793,390	48,000

Dept. Group 336 - Fire/Rescue Department				
704.000	Paramedic Grant Wages	0	5,000	5,000
820.000	Public Education Expense	500	1,000	500
TOTAL FIRE DEPT. EXPENDITURES		1,697,270	1,702,770	5,500

FIRE DEPARTMENT FUND BALANCE:

Fund Balance (From 2022 Financial Audit)	721,516
2023 Revenue	1,745,390
Total revenue budget amendments	48,000
2023 Amended Revenue	1,793,390
2023 Expenditures	1,697,270
Total expense budget amendments	5,500
2023 Amended Expenditures	1,702,770
Net Budget Amendments	42,500
Projected Total Fund Balance - 12/31/23	812,136

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
POLICE SERVICES
May 22, 2023**

	From	To	+ or (-)
Police Services Revenues			
665.000 Interest Income	6,000	13,500	7,500
TOTAL FUND REVENUE	565,090	572,590	7,500

Dept. Group 301 - Police/Sheriff Expenditures (No changes)	0	0	0
TOTAL EXPENDITURES	619,000	619,000	0

POLICE SERVICES FUND BALANCE:

Fund Balance (From 2022 Financial Audit)	284,817
2023 Revenue	565,090
Total revenue budget amendments	7,500
2023 Amended Revenue	572,590
2023 Expenditures	619,000
Total expense budget amendments	0
2023 Amended Expenditures	619,000
Net Budget Amendments	7,500
Projected Total Fund Balance - 12/31/23	238,407

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
DOWNTOWN DEVELOPMENT AUTHORITY
May 22, 2023**

	From	To	+ or (-)
DDA Revenues			
402.100 Tax Increment Revenues (Act 425)	768,600	787,000	18,400
665.000 Interest Income	25,200	52,700	27,500
TOTAL FUND REVENUE	957,880	1,003,780	45,900
 Dept. Group 000 - DDA Department (No Changes)			
	0	0	0
TOTAL EXPENDITURES	142,310	142,310	0

DDA FUND BALANCE:

Fund Balance (From 2022 Financial Audit)	2,352,975
2023 Revenue	957,880
Total revenue budget amendments	45,900
2023 Amended Revenue	1,003,780
2023 Expenditures	142,310
Total expense budget amendments	0
2023 Amended Expenditures	142,310
Net Budget Amendments	45,900
Projected Total Fund Balance - 12/31/23	3,214,445

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
AMERICAN RESCUE PLAN ACT
May 22, 2023**

	From	To	+ or (-)
ARPA Revenues			
528.000 Federal Grants - Other	0	590,000	590,000
665.000 Interest Income	2,000	10,750	8,750
TOTAL FUND REVENUE	2,000	600,750	598,750

Dept. Group 000 - ARPA Department			
995.591 OP Transfer Out - Water Fund	0	590,000	590,000
TOTAL EXPENDITURES	0	590,000	590,000

ARPA FUND BALANCE:

Fund Balance (From 2022 Financial Audit)	7,491
2023 Revenue	2,000
Total revenue budget amendments	598,750
2023 Amended Revenue	600,750
2023 Expenditures	0
Total expense budget amendments	590,000
2023 Amended Expenditures	590,000
Net Budget Amendments	8,750
Projected Total Fund Balance - 12/31/23	18,241

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
PARKS DEBT
May 22, 2023**

	From	To	+ or (-)
Parks Debt Revenues			
573.000 Local Community Stabilization	0	6,300	6,300
665.000 Interest Income	500	8,000	7,500
TOTAL FUND REVENUE	339,390	353,190	13,800

Dept. Group 000 - Parks Debt Department (No changes)			0
TOTAL EXPENDITURES	350,450	350,450	0

ARPA FUND BALANCE:

Fund Balance (From 2022 Financial Audit)	53,236
2023 Revenue	339,390
Total revenue budget amendments	13,800
2023 Amended Revenue	353,190
2023 Expenditures	350,450
Total expense budget amendments	0
2023 Amended Expenditures	350,450
Net Budget Amendments	13,800
Projected Total Fund Balance - 12/31/23	55,976

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
FIRE STATION CONSTRUCTION FUND
May 22, 2023**

	From	To	+ or (-)
Fire Station Construction Revenues			
665.000 Interest Income	0	200,000	200,000
696.000 Bond Revenues	0	12,360,000	12,360,000
TOTAL FUND REVENUE	0	12,560,000	12,560,000
Dept. Group 000 - Fire Department			
801.000 Legal & Professional Fees	0	50,000	50,000
801.001 Bank Fees	0	200	200
956.000 Miscellaneous Expense	0	1,000	1,000
971.000 Capital Outlay	0	600,000	600,000
971.250 Capital Outlay - Professional Fees	0	1,250,000	1,250,000
TOTAL EXPENDITURES	0	1,850,000	1,850,000

PARKS CONSTRUCTION FUND BALANCE:

Fund Balance (From 2022 Financial Audit)	0
2023 Revenue	0
Total revenue budget amendments	12,560,000
2023 Amended Revenue	12,560,000
2023 Expenditures	0
Total expense budget amendments	1,850,000
2023 Amended Expenditures	1,850,000
Net Budget Amendments	10,710,000
Projected Total Fund Balance - 12/31/23	10,710,000

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
PATHWAY FUND
May 22, 2023**

	From	To	+ or (-)
Pathway Revenues			
665.000 Interest Income	6,000	18,000	12,000
TOTAL FUND REVENUE	513,660	525,660	12,000
 Dept. Group 000 - Pathway Department (No changes)			
TOTAL EXPENDITURES	676,240	676,240	0

PATHWAY FUND BALANCE:

Fund Balance (From 2022 Financial Audit)		315,122
2023 Revenue		513,660
Total revenue budget amendments		12,000
2023 Amended Revenue		525,660
2023 Expenditures		676,240
Total expense budget amendments		0
2023 Amended Expenditures		676,240
Net Budget Amendments		12,000
Projected Total Fund Balance - 12/31/23		164,542

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
PARKS CONSTRUCTION FUND
May 22, 2023**

	From	To	+ or (-)
Parks Construction Revenues			
665.000 Interest Income	10,400	30,500	20,100
TOTAL FUND REVENUE	1,406,700	1,426,800	20,100
 Dept. Group 751 - Parks Department			
971.000 Capital Outlay (Fence and berm at SHP)	2,882,500	2,962,500	80,000
TOTAL EXPENDITURES	2,948,200	3,028,200	80,000
 PARKS CONSTRUCTION FUND BALANCE:			
Fund Balance (From 2022 Financial Audit)			1,908,080
2023 Revenue			1,406,700
Total revenue budget amendments			20,100
2023 Amended Revenue			1,426,800
2023 Expenditures			2,948,200
Total expense budget amendments			80,000
2023 Amended Expenditures			3,028,200
Net Budget Amendments			(59,900)
Projected Total Fund Balance - 12/31/23			306,680

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
SEWER FUND
May 22, 2023**

	From	To	+ or (-)
Sewer Fund Revenues			
676.000 Reimbursements (Insurance claim)	5,000	30,940	25,940
TOTAL SEWER FUND REVENUE	932,860	958,800	25,940

Dept. Group 590.537 - Sewer Fund			
801.000 Legal & Professional Fees	3,000	8,000	5,000
936.410 Wastewater System Maintenance (Lakeshore Flats)	3,700	30,000	26,300
971.250 Capital Outlay Professional Fees	0	1,000	1,000
TOTAL SEWER FUND EXPENDITURES	679,570	711,870	32,300

SEWER FUND CASH RESERVES:

Cash Reserves from 2022 Financial Audit	1,137,756
2023 Revenue	932,860
Total Revenue budget amendments	25,940
2023 Amended Revenue	958,800
2023 Expenditures	679,570
Total Expense budget amendments	32,300
2023 Amended Expenditures	711,870
Net Budget Amendments	(6,360)
Projected Unassigned Cash Reserves - 12/31/23	1,384,686

**GRAND HAVEN CHARTER TOWNSHIP
BUDGET AMENDMENTS & LINE ITEM TRANSFERS
WATER FUND
May 22, 2023**

	From	To	+ or (-)
Water Fund Revenues			
665.000 Interest Income	24,000	96,000	72,000
684.000 Miscellaneous Income	100	600	500
699.285 OP Transfer In - ARPA Fund	0	590,000	590,000
TOTAL WATER FUND REVENUE	3,251,500	3,914,000	662,500

Dept. Group 591.536 - Water Department (No Changes)

TOTAL WATER FUND EXPENDITURES	2,894,270	2,894,270	0
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WATER FUND CASH RESERVES:

Cash Reserves from 2022 Financial Audit		3,688,160
2023 Revenue		3,251,500
Total Revenue budget amendments		662,500
2023 Amended Revenue		3,914,000
2023 Expenditures		2,894,270
Total Expense budget amendments		0
2023 Amended Expenditures		2,894,270
Net Budget Amendments		662,500
Projected Unassigned Cash Reserves - 12/31/23		4,707,890



Manager's Memo

DATE: May 17, 2023

TO: Township Board

FROM: Bill

RE: Resolution to Authorize Issuance of 2023 Fire/Rescue Station Construction Bonds

Attached, please find (1) the “Bond Authorizing” resolution related to proposed sale of the Fire/Rescue Station Facility Building and Site Bonds; and (2) a bond financing timetable.

Specifically, the resolution authorizes the issuance of **\$12.36 million** in bonds to fund the construction of the new station and to raze the existing station.

The resolution has been prepared in accordance with the bond specifications prepared by the Township’s Registered Municipal Advisor, Paul Stauder of PFM.

Once the resolution is adopted, and the “Official Statement” of the bond sale is completed, the bond attorney will make arrangements for the publication of the “Official Notice of Sale” in the **June 20th** edition of The Bond Buyer. The form of that notice is attached to the resolution as Exhibit C. Publication of the notice will inform prospective underwriters and financial institutions of the Township’s bond sale.

Following the publication of the Official Notice of Sale, the Township will receive bids for the purchase of the bonds on **Wednesday, June 28th**. On that date and following receipt of the competitive bids, the resolution authorizes and directs the Township Supervisor and Treasurer to award the sale of the Bonds via an “Order Approving Sale and Terms of Bonds”. (*See Exhibit B.*) Unlike some previous bonds issued by the Township, it will not be necessary to award the bonds by resolution at a Township Board meeting.

The Bonds are being issued under the provisions of the Unlimited Tax Election Act, Act 189 of the Public Acts of Michigan of 1979, as amended (“Act 189”), and the Revised Municipal Finance Act, Act 34 of the Public Acts of Michigan of 2001, as amended (“Act 34”).

The Bonds, when issued, will be backed by the Township’s general obligation, limited tax full faith and credit pledge; but the Township expects to pay the principal of and interest on the

Bonds from the proceeds of the debt millage levy for Fire/Rescue Station bonds approved by the voters on May 2nd.

Principal of the Bonds will be payable each May 1st, beginning May 1, 2024. Interest will be payable semi-annually, each November 1st and May 1st, with the first interest payment due May 1, 2024. The bonds final payment will occur in 2043 – i.e., this is a twenty-year bond.

To continue forward with the Fire/Rescue Station Construction project and the sale of the necessary municipal bonds, the following motion can be offered:

Move to approve Resolution 23-05-02, which authorizes the Township to borrow money and issue bonds known as “2023 Fire Station Facility Building and Site Bonds” in the aggregate principal sum \$12,360,000 pursuant to the provisions of Act 34 and Act 189 for the purpose of defraying the cost of the Fire/Rescue Station Construction project, including design costs already incurred.

If you have any questions or comments, please contact Cargo at your convenience.

RESOLUTION NO. 23-05-02

CHARTER TOWNSHIP OF GRAND HAVEN

COUNTY OF OTTAWA

STATE OF MICHIGAN

**RESOLUTION TO AUTHORIZE ISSUANCE OF 2023 FIRE
STATION FACILITY BUILDING AND SITE BONDS (GENERAL
OBLIGATION UNLIMITED TAX) AND RELATED MATTERS**

Minutes of a regular meeting of the Township Board of the Charter Township of Grand Haven held at the Township Hall in Grand Haven, Michigan, on the 22nd day of May 2023, at 7:00 p.m. local time.

PRESENT: Members: _____

ABSENT: Members: _____

The following preamble and resolution were offered by _____ and seconded by _____:

WHEREAS, the Township Board of the Charter Township of Grand Haven (the "Township") previously determined that it is necessary and in the best interest of the Township and its residents to undertake the design, acquisition, construction, furnishing, and equipping of a new Township Fire/Rescue Facility, as well as all associated engineering, legal and financing costs and professional services (collectively the "Project"); and

WHEREAS, the estimated cost for the Project including construction, financing, legal and contingency is \$12,360,000; and

WHEREAS, in order to proceed with and fund the Project, the Township Board previously determined that it was necessary and appropriate for the Township to issue its general obligation

unlimited tax bonds (the “Bonds”) under the provisions of Article 9, Section 6 of the Michigan Constitution of 1963 (the “Michigan Constitution”), the Unlimited Tax Election Act, Act 189 of the Public Acts of Michigan of 1979, as amended (“Act 189”), and the Revised Municipal Finance Act, Act 34 of the Public Acts of Michigan of 2001, as amended (“Act 34”), and other applicable law, subject to the approval of Township electors; and

WHEREAS, the Township Board submitted a ballot proposal to Township electors at the May 2, 2023 general election to authorize the issuance of the Bonds for the Project in an amount not to exceed \$12,360,000; and

WHEREAS, a ballot proposition authorizing the Township to borrow up to \$12,360,000 and issue general obligation unlimited tax bonds for the Project was approved by a majority of the electors of the Township voting thereon at the May 2, 2023 general Township election held in accordance with applicable law; and

WHEREAS, the Township Board deems it necessary and in the best interest of the Township to proceed with the Project and borrow up to the sum of \$12,360,000 and to issue its general obligation unlimited tax bonds therefore in accordance with the Michigan Constitution, Act 189 and Act 34.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. **Necessity; Findings; Cost of the Project.** It is necessary for the public health, safety and welfare of the Township for the Township to undertake the Project and issue bonds of the Township therefore pursuant to applicable law including Act 34 and Act 189. The Township Board hereby finds that the period of usefulness of the Project is not less than twenty (20) years. The pre-bid estimated cost of the Project in the amount of \$12,360,000 is hereby approved and shall be paid from the proceeds of the bonds authorized by this resolution, investment earnings thereon, and Township funds on hand.

2. **Authorization of Bonds; Security for Repayment of Bonds; Unlimited Tax Pledge.** The Township shall borrow money and issue bonds known as 2023 FIRE STATION FACILITY BUILDING AND SITE BONDS (GENERAL OBLIGATION UNLIMITED TAX) (the “Bonds”), in the not to exceed principal sum of Twelve Million Three Hundred Sixty Thousand and 00/100 Dollars (\$12,360,000) pursuant to the provisions of applicable law, including Act 34 and Act 189, for the purpose of defraying all or a portion of the cost of the Project. The Bonds shall be the general obligation of the Township secured by the Township’s full faith and credit and the Township’s unlimited tax pledge in accordance with Act 34 and Act 189, pursuant to which the Township shall levy, in addition to other taxes which the Township may be authorized to levy, ad valorem taxes on all taxable property within the boundaries of the Township without limitation as to rate or amount to the extent necessary to pay the principal of and interest on the Bonds when due.

3. **Terms of Bonds.** The Bonds shall be dated as of the date of delivery, shall bear interest at a rate or rates not to exceed six percent (6%) per annum, expressed in multiples of 1/8 or 1/100 of 1% or both, to be determined upon the competitive sale thereof, payable on May 1, 2024, and semi-annually thereafter on each November 1 and May 1 until payment of the principal hereof has been made or duly provided for. The Bonds shall be issued in substantially the form and tenor as set forth in Exhibit A attached hereto, shall be in denominations of \$5,000 or any integral multiple thereof up to the amount of a single maturity, shall be numbered from 1 upwards in order of authentication, shall be fully registered and shall be due and payable on May 1 each year and in the amounts as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Maturity</u>	<u>Principal Amount</u>
2024	\$150,000	2031	\$550,000	2038	\$745,000
2025	\$400,000	2032	\$575,000	2039	\$775,000
2026	\$440,000	2033	\$600,000	2040	\$810,000
2027	\$465,000	2034	\$630,000	2041	\$845,000
2028	\$485,000	2035	\$655,000	2042	\$880,000
2029	\$505,000	2036	\$685,000	2043	\$920,000
2030	\$530,000	2037	\$715,000		

The Bonds shall not be sold for less than 100% or more than 115% of par value.

The Bonds maturing in the years 2024 through 2043, inclusive, may be issued as serial bonds or term bonds, or both, in the manner described in the section entitled “Term Bond Options” in the Official Notice of Sale attached hereto as Exhibit C. In the event any portion of the Bonds are to be issued as term bonds, such bonds shall be subject to such additional terms as shall be consistent with the Official Notice of Sale, designated by the successful bidder for the purchase of the Bonds and approved by the Township in conjunction with the sale of the Bonds.

Notwithstanding the foregoing or any other provision of this resolution, the Township Supervisor and the Township Treasurer, acting on the written recommendation of PFM Financial Advisors, LLC, as registered municipal advisor to the Township with respect to the Bonds (the “Registered Municipal Advisor”), are hereby authorized to adjust the final bond terms set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34 including, but not limited to, determinations regarding maximum interest rates, prices, discounts, maturities, principal amounts, denominations, dated dates, dates of issuance, designation of all or a portion of the Bonds as term or serial bonds, principal and interest payment dates, redemption rights, designation of series, use of premium, if any, received at the time of delivery of the Bonds, the final form of the Bond and other matters, it being understood that any such adjustment in the final bond terms made by the Township Supervisor and the Township

Treasurer shall be made in anticipation of and preparation for the competitive sale of the Bonds, that the rates of interest payable on the Bonds shall be determined upon the competitive sale of the Bonds, the designation of all or a portion of the Bonds as term or serial bonds, and the maturities of such Bonds that any provisions relating to the term bonds and mandatory redemption shall be established in accordance with the preceding paragraph, and that any adjustment in the principal amount of the Bonds shall not in the aggregate exceed \$12,360,000, the true interest cost of the Bonds shall not exceed 6%, the purchase price of the Bonds shall not be less than 100%, and the maximum term of the Bonds shall not exceed 20 years.

The Bonds shall be issued in book-entry only form as one bond per maturity fully registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry only form in the denomination of \$5,000 or any integral multiple thereof, and purchasers will not receive certificates representing their interest in bonds purchased. If the Bonds are issued in book-entry only form, provisions in this resolution to the contrary shall be of no force or effect unless and until the suspension of the book-entry only system. The Township Treasurer is hereby authorized to execute such documents as may be required to enable the Bonds to be so issued. The depository trustee may be the same as the Bond Registrar and the Bonds may be transferred in part by depository trust and in part by transfer of physical bonds as the Township may determine.

4. **Bond Registrar; Payment of Principal and Interest.** A financial institution qualified to act as paying agent and registrar in the State of Michigan shall act on behalf of the Township as paying, registration and transfer agent (the “Bond Registrar”) with respect to the Bonds. The Township reserves the right to designate an alternate financial institution to act as Bond Registrar for the Bonds and in such event the Township shall mail, or cause to be mailed, notice to all registered

owners of the Bonds not less than 60 days prior to the effective date of said change in Bond Registrar. The Bonds and the interest thereon shall be paid in lawful money of the United States of America by the Bond Registrar. Interest shall be paid when due by check or draft drawn on the Bond Registrar and mailed by first class mail or other acceptable method to the registered owners of record as of each April 15 with respect to payments due and payable on the immediately succeeding May 1, and as of each October 15 with respect to payments due and payable on the immediately succeeding November 1. Principal shall be payable at the principal office of the Bond Registrar upon presentation and surrender of the corresponding bond certificate.

5. **Redemption of Bonds Prior to Maturity.** Principal of the Bonds designated by the original purchaser of the Bonds as a term maturity shall be subject to mandatory redemption, in part, by lot, at par and accrued interest on the redemption dates and in the principal amounts corresponding to the scheduled maturities. When term Bonds are purchased by the Township and delivered to the Bond Registrar for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term Bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the Township.

Notwithstanding the mandatory redemption of term bonds, if any, the Bonds maturing in the years 2024 to 2033, both inclusive, shall not be subject to optional redemption prior to maturity.

The Bonds maturing in the years 2034 to 2043, both inclusive, shall be subject to redemption prior to maturity, at the option of the Township, in whole or in part in increments of \$5,000 in such order of maturity as the Township may determine and within any maturity by lot on any date on or after May 1, 2033, at par and accrued interest to the date fixed for redemption, without premium.

Notice of the call of any Bonds for redemption shall be given by first-class mail by the Bond Registrar, no less than thirty (30) days prior to the date fixed for redemption, to the registered owners of record at the registered addresses shown on the registration books kept by the Bond Registrar.

Bonds shall be called for redemption in multiples of \$5,000 and Bonds of denominations of greater than \$5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by \$5,000 and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered owner thereof. No further interest payment on the Bonds or portions of the Bonds called for redemption shall accrue after the date fixed for redemption, whether or not the Bond is presented for redemption, provided funds are on hand with the Bond Registrar to redeem the same.

6. **Registration.** The Bonds shall be registered both as to principal and interest in substantially the form and tenor as set forth in Exhibit A attached hereto. Any individual bond shall be transferable on the bond register maintained with respect to the Bonds upon the surrender of the individual bond together with an assignment executed by the registered owner or his or her duly authorized attorney in form satisfactory to the Bond Registrar. Upon receipt of a properly assigned Bond, the Bond Registrar shall authenticate and deliver a new bond or bonds in equal aggregate principal amount and like interest rate and maturity to the designated transferee or transferees. Any individual bond may likewise be exchanged for one or more other bonds with the same interest rate and maturity in authorized denominations aggregating the same principal amount as the bond being exchanged. Such exchange shall be effected by surrender of the individual bond to be exchanged to the Bond Registrar with written instructions signed by the registered owner of the individual bond or his or her attorney in form satisfactory to the Bond Registrar. Upon receipt of an individual bond with proper written instructions the Bond Registrar shall authenticate and deliver a new bond or bonds to the registered owner of the Bond or his or her properly designated transferee or transferees or attorney. A transfer, exchange and registration of Bonds shall be without expense or service charge

to the registered holder except for any tax or other governmental charge required to be paid with respect to such transfer, exchange or registration. The Bond Registrar shall not be required to transfer or exchange Bonds or parts of Bonds which have been selected for optional redemption.

7. **Duties of Bond Registrar.** The Bond Registrar shall, upon receipt of sufficient funds from the Township, make timely payments of principal and interest on the Bonds, authenticate the Bonds upon their initial issuance and subsequent transfer to successive holders, act as registrar of the Bonds including the preparation and maintenance of a current register of registered owners of the Bonds, coordinate the transfer of individual bonds between successive holders, including printing and transferring new certificates, and perform all other duties set forth in this Resolution or otherwise normally performed by paying, registration and transfer agents. All reasonable fees and expenses of the Bond Registrar shall be paid by the Township. The Township reserves the right to designate an alternate financial institution to act as Bond Registrar for the Bonds and in such event the Township shall mail notice to all registered owners of the Bonds not less than 60 days prior to the effective date of said change in Bond Registrar.

8. **Replacement of Bonds.** Upon receipt by the Bond Registrar of proof of ownership of an unmatured bond, or satisfactory evidence that the bond has been lost, apparently destroyed or wrongfully taken and of security or indemnity which complies with applicable law and is satisfactory to the Bond Registrar, the Bond Registrar may deliver a new executed bond to replace the bond lost, apparently destroyed or wrongfully taken in compliance with applicable law. In the event an outstanding matured bond is lost, apparently destroyed or wrongfully taken, the Bond Registrar may pay the bond without presentation upon the receipt of the same documentation required for the delivery of a replacement bond. The Bond Registrar for each new bond delivered or paid without presentation as provided above, shall require the payment by the bondholder of expenses, including counsel fees, which may be incurred by the Bond Registrar and the Township in connection therewith.

Any bond delivered pursuant to the provisions of this Paragraph 8 in lieu of any bond lost, apparently destroyed or wrongfully taken shall be of the same form and tenor and be secured in the same manner as the bond originally issued.

9. **Debt Service Fund.** There shall be established and maintained on the books of the Township Treasurer a fund to be designated “TOWNSHIP FIRE STATION FACILITY BOND – DEBT SERVICE FUND” (the “Debt Service Fund”). Into said fund there shall be placed (i) the accrued interest, if any, from the date of the Bonds to the date of delivery thereof; and (ii) capitalized interest on the Bonds, if any, from the date of delivery of the Bonds. As part of the Debt Service Fund, there shall be established and maintained such subaccounts as are deemed necessary and appropriate for the proper administration of the Debt Service Fund and compliance with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”). The principal of, premium, if any, and interest on the Bonds together with the Registrar’s fee and the cost of continuing disclosure, if any, for the term of the Bonds, when due shall be paid directly out of the Debt Service Fund or its subaccounts. All amounts hereby pledged, including the proceeds of the ad valorem property taxes levied in support of the Township’s unlimited tax pledge approved by Township voters on May 2, 2023, to the prompt payment of the principal of and interest on the Bonds shall be kept and maintained in the Debt Service Fund so long as there are any of the Bonds, or interest thereon, outstanding and unpaid. After payment in full of the Bonds and the interest thereon, or after provision has been made for the payment in full of the Bonds and the interest thereon in the manner provided in Paragraph 20, the surplus remaining in the Debt Service Fund shall be used for such purposes as required or permitted by law.

10. **Construction Fund.** Prior to delivery and sale of the Bonds, there shall be established and maintained on the books of the Township Treasurer a separate account designated “TOWNSHIP FIRE STATION FACILITY BOND – CONSTRUCTION FUND” (the “Construction Fund”). After

deducting a sum equal to the amount of any (i) accrued interest from the date of the Bonds to the date of delivery thereof; and (ii) capitalized interest on the Bonds, if any, from the date of delivery of the Bonds, which sums shall be deposited in the Debt Service Fund, as defined above, the balance of the proceeds of the Bonds including premium, if any, shall be deposited into the Construction Fund, together with Township funds on hand, which after taking into account investment earnings, is adequate to pay all remaining costs of the Project. The monies on deposit in the Construction Fund from time to time shall be used solely for the purpose for which the Bonds were issued, including the cost of the Project. Any unexpended balance shall be used for such purposes as required or permitted by law including, without limitation, transfer to the Debt Service Fund for payment of principal, premium, if any, and interest on the Bonds at maturity or by redemption. After completion of the Project and disposition of remaining Bond proceeds, if any, pursuant to the provisions of this paragraph, the Construction Fund shall be closed.

11. **Investment of Funds.** The Township Treasurer shall keep full and complete records of all deposits to and withdrawals from the Debt Service Fund and the Construction Fund and of all investments of monies in such accounts and other transactions relating thereto. The Treasurer is authorized to invest the monies in said accounts in any one or more lawful investments authorized for townships by law and consistent with the Township investment policy.

12. **Covenant Regarding Tax-Exempt Status of the Bonds; Not Qualified Tax-Exempt Obligations.** The Township covenants to comply with all requirements of the Code necessary to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income taxation (as opposed to alternative minimum or other indirect taxation). The Bonds shall not be designated as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions under the provisions of Section 265(b)(3) of the Code, it being reasonably anticipated that the aggregate amount of tax-exempt obligations which will be

issued by the Township and all subordinate entities to the Township will exceed \$10,000,000 during calendar year 2023. The Township hereby covenants that the Township will make no use of the proceeds of the Bonds, which if such use had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be “arbitrage bonds”, as defined in Section 148 of the Code. In addition, the Township covenants to comply with all applicable provisions of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest on the Bonds be excluded (or continue to be excluded) from gross income within the meaning of Section 103(a) of the Code.

13. **Revised Municipal Finance Act.** The Township Superintendent or the Township Treasurer is hereby authorized and directed to file a municipal finance qualifying statement with the Michigan Department of Treasury with a goal of achieving qualified status for the Township under section 303(3) of Act 34, and, in the event the Township is determined to have qualified status, the Township shall comply with all applicable requirements of Act 34, including the filing of a security report and the payment of the filing fee required by section 319 of Act 34. In the alternative, a prior approval application may be prepared and filed for the Bonds and the related filing fee shall be paid in accordance with Act 34 and the Township Superintendent or the Township Treasurer is authorized and directed to execute said application on behalf of the Township.

14. **Competitive Sale of Bonds.** The Bonds shall be sold at a competitive sale, in accordance with the Official Notice of Sale referenced in Paragraph 15, below and applicable state law. Sealed bids for the purchase of the Bonds shall be received up to such time as shall later be determined by the Township Superintendent.

15. **Award of Sale of Bonds.** In accordance with Section 315(1)(d) of Act 34 and Paragraph 14 of this Resolution, the Township Supervisor and Township Treasurer are hereby authorized and directed to award the sale of the Bonds to the bidder whose bid produces the lowest

true interest cost to the Township to be determined as set forth in the Official Notice of Sale attached hereto as Exhibit C.

16. **Official Notice of Sale.** An Official Notice of Sale, substantially in the form set forth in Exhibit C, attached hereto, with such additions or deletions as shall be approved by the Township Superintendent, shall be published once in accordance with the law in The Bond Buyer, which is a publication printed in the English language and circulated in the State of Michigan, which carries as a part of its regular service notices of the sale of municipal bonds and notes, at least seven (7) days before the date fixed for sale of the Bonds.

17. **Execution and Delivery of Bonds.** The Township Supervisor and Township Clerk are authorized and directed to execute the Bonds in substantially the form approved with such necessary variations, omissions, corrections and insertions as they deem appropriate and are required for and on behalf of the Township, manually or by facsimile signature for and on behalf of the Township, and, if the Township has a seal, to place thereon the Township Seal or a facsimile thereof; provided that the Bonds shall be executed by the facsimile signatures of the said Supervisor and Township Clerk only if the bonds are thereafter manually authenticated by the Bond Registrar. The Township Supervisor, Clerk and Treasurer are authorized and directed to execute and deliver on behalf of the Township such other certificates, affidavits, investment agreements or other documents or other instruments, including applications for ratings or municipal bond insurance, as may be required by the initial purchaser (the "Purchaser") of the Bonds or Bond Counsel (as defined below) or the Registered Municipal Advisor or convenient to effectuate the execution and delivery of the Bonds. Upon execution of the Bonds, the Township Treasurer is hereby authorized and directed to deliver or cause to be delivered the Bonds to the Purchaser, upon receipt of the purchase price therefor less any discount and plus any premium and accrued interest, if any, to the date of delivery. The Township shall furnish the Bonds ready for execution without expense to the Purchaser. The

Township shall also furnish without expense to the Purchaser at the time of delivery of the Bonds, the approving opinion of Mika Meyers PLC, Attorneys (“Bond Counsel”), Grand Rapids, Michigan, approving the legality of the Bonds. The Bonds will be delivered at the expense of the Township in such place as agreed upon with the Purchaser. The proceeds of the Bonds shall be deposited into the Debt Service Fund and the Construction Fund, as provided in Paragraphs 9 and 10, above.

18. **Official Statement.** The Township Supervisor is authorized to cause the preparation of a near final official statement and a final official statement for the Bonds for the purpose of enabling compliance with SEC Rule 15c2-12 (the “Rule”), and to do all other things necessary to enable compliance with the Rule. After the award of the Bonds, the Township will provide on a timely basis an electronic copy of the final official statement at its expense to the successful bidder to enable the successful bidder to comply with Paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

19. **Continuing Disclosure.** The Township hereby covenants and agrees, for the benefit of the holders of the Bonds to execute a Continuing Disclosure Agreement in substantially the form attached hereto as Exhibit D, as the written undertaking of the Township (the “Undertaking”) required by the Rule and to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. This Undertaking shall be enforceable by the holders of the Bonds in the manner set forth therein and any failure by the Township to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds. The Undertaking is hereby approved in the form attached and the Supervisor or, in his absence the Township Clerk, is hereby authorized and directed to execute the Undertaking and deliver the same for and on behalf of the Township in conjunction with the delivery of the Bonds in the form approved by this Resolution together with such additions and deletions as said officers

deem to be appropriate and in the best interest of the Township (in such number of counterparts as may be desirable).

20. **Reservation of Rights.** The Township reserves the right to refund the Bonds, in whole or in part, prior to maturity, subject to the requirements of the Code and Act 34.

21. **Defeasance.** In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or such earlier date, if any, as the Bonds are subject to redemption in full, the principal of and interest on the Bonds, shall have been deposited in trust, this Bond Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Bond Resolution except to receive payment of the principal of and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

22. **Authorized Officers.** In the event of the absence or disability of the Township Clerk, the Deputy Clerk shall act in her stead. In the absence or disability of the Township Treasurer, the Deputy Township Treasurer shall act in his stead.

23. **Conflicts.** All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

AYES: _____

NAYS: _____

ABSTAIN: _____

RESOLUTION DECLARED ADOPTED.

Laurie Larsen, Clerk
Charter Township of Grand Haven

STATE OF MICHIGAN)
) ss.
COUNTY OF OTTAWA)

I, the duly qualified and acting Clerk of the Charter Township of Grand Haven, Ottawa County, Michigan (the “Township”) do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting held on the 22nd day of May 2023, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, including in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

IN WITNESS WHEREOF, I have hereto affixed my official signature this 22nd day of May 2023.

Laurie Larsen, Clerk
Charter Township of Grand Haven

EXHIBIT A

[Legend

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Township or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner, Cede & Co., has an interest herein.]

REGISTERED

**UNITED STATES OF AMERICA
STATE OF MICHIGAN**

REGISTERED

**CHARTER TOWNSHIP OF GRAND HAVEN
COUNTY OF OTTAWA**

**2023 FIRE STATION FACILITY BUILDING AND SITE BONDS
(GENERAL OBLIGATION UNLIMITED TAX)**

No.

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	May 1, _____	_____, 2023	

Registered Owner:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, that the Charter Township of Grand Haven (the “Issuer”), State of Michigan, acknowledges itself indebted and for value received hereby promises to pay on the date specified above to the owner specified above or its registered assigns shown as the owner of record of this Bond on the books of _____, _____, as bond registrar (the “Bond Registrar”) on the applicable date of record, the principal sum specified above in lawful money of the United States of America, upon presentation and surrender of this Bond at the principal office of the Bond Registrar, together with interest thereon at the rate per annum specified above payable on May 1, 20__ , and semi-annually thereafter on the first day of November and May of each year from the November 1 or May 1 next preceding the Date of Authentication hereof, unless such Date of Authentication is a date to which interest has been paid or duly provided for, in which case from the Date of Authentication hereof, unless interest on this Bond has not been paid in full or duly provided for, in which case from the date to which interest has been paid in full, or if no interest has been paid on this Bond, from the Date of Original Issue specified above, until payment of the principal hereof has been made or duly provided for.

Payment of interest shall be paid to the registered owner hereof by the Bond Registrar by first class mail. The date of record shall be each April 15 and October 15 with respect to the payments

due on each May 1 and November 1, respectively. Principal and interest are payable in lawful money of the United States of America.

This Bond is one of a series of Bonds of like date and tenor except as to date of maturity and rate of interest aggregating the principal sum of \$ _____ and is issued pursuant to a Bond Authorizing Resolution adopted by the Issuer's Township Board in accordance with and pursuant to the provisions of applicable state law, including Act 189 of the Public Acts of Michigan of 1979, as amended ("Act 189"), and Act 34 of the Public Acts of Michigan of 2001, as amended ("Act 34"), to fund the design, acquisition, construction, furnishing, and equipping of a new Township Fire/Rescue Facility, as well as all associated engineering, legal and financing costs and professional services.

The Bonds shall be the general obligation of the Issuer secured by the Issuer's full faith and credit and the Issuer's unlimited tax pledge in accordance with Act 189, and Act 34, and pursuant to which the Issuer shall levy, in addition to other taxes which the Issuer may be authorized to levy, ad valorem taxes on all taxable property within the boundaries of the Charter Township of Grand Haven without limitation as to rate or amount to the extent necessary to pay the principal of and interest on the Bonds when due.

[The Bonds maturing in the years 20__ through 20__, both inclusive, shall not be subject to redemption prior to maturity.]

[MANDATORY REDEMPTION]

[The Bonds maturing May 1, 20 __, and May 1, 20 __ (the "Term Bonds"), are subject to mandatory redemption, in part, by lot, on the redemption dates and in the principal amounts set forth below and at a redemption price equal to the principal amount thereof, without premium, together with interest thereon to the date fixed for redemption. When a Term Bond is purchased by the Issuer and delivered to the Bond Registrar for cancellation or is redeemed in a manner other than by mandatory redemption, the principal amount of the Term Bond, to be so redeemed shall be reduced by the principal amount of the Term Bond so redeemed or purchased in the order determined by the Issuer.

<u>Redemption Date</u>	<u>Principal Amount</u>
May 1, 20 __	\$ _____
May 1, 20 __	\$ _____ (Term Bond Maturity)
May 1, 20 __	\$ _____
May 1, 20 __	\$ _____ (Term Bond Maturity)]

[OPTIONAL REDEMPTION]

Bonds maturing in the years 20__ to 20__, both inclusive, shall be subject to redemption prior to maturity, at the option of the Issuer, in whole or in part in increments of \$5,000 in such order of maturity as the Issuer may determine and within any maturity by lot on any date on or after May 1, 20__, at par and accrued interest to the date fixed for redemption, without premium.]

[Notice of the call of any Bonds for redemption shall be given by first-class mail by the Bond Registrar, no less than thirty (30) days prior to the date fixed for redemption, to the registered owners of record at the registered addresses shown on the registration books kept by the Bond Registrar.

Bonds shall be called for redemption in multiples of \$5,000 and Bonds of denominations of greater than \$5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by \$5,000 and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered owner thereof. No further interest payment on the Bonds or portions of the Bonds called for redemption shall accrue after the date fixed for redemption, whether or not the Bond is presented for redemption, provided funds are on hand with the Bond Registrar to redeem the same.]

This Bond is transferable, as provided in the Bond Authorizing Resolution, on the bond registration books of the Bond Registrar upon surrender of this Bond together with an assignment executed by the registered owner or his or her duly authorized attorney in form satisfactory to the Bond Registrar. Upon such transfer, one or more fully registered bonds with denominations of \$5,000 or such larger denomination in the same aggregate principal amount and the same maturity and interest rate, will be issued to the designated transferee or transferees.

It is hereby certified and recited that all acts, conditions and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular and due time and form as required by law and that the total indebtedness of the Charter Township of Grand Haven including this Bond, does not exceed any constitutional, statutory or charter limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Authorizing Resolution until the Certification of Registration and Authentication hereon shall have been manually signed by the Bond Registrar.

IN WITNESS WHEREOF, the Charter Township of Grand Haven, County of Ottawa, State of Michigan, by its Township Board, has caused this Bond to be signed and sealed in its name by the Township Supervisor and by its Township Clerk, all as of the Date of Original Issue.

[SEAL]

CHARTER TOWNSHIP OF GRAND HAVEN

By: _____
Mark Reenders, Supervisor

By: _____
Laurie Larsen, Clerk

CERTIFICATION OF REGISTRATION AND AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Bond Authorizing Resolution and has been registered in the name of the payee designated on the face hereof in the Register maintained for the Issuer thereof.

[_____]

As Bond Registrar

Date of
Authentication: _____, 2023

By: _____

Its Authorized Representative

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____

_____ the within Bond and all rights there under and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided:

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account)

PLEASE INSERT SOCIAL SECURITY NUMBER OR
OTHER IDENTIFYING NUMBER OF TRANSFEREE

(Insert number for first-named transferee if held by joint account)

EXHIBIT B

ORDER APPROVING SALE AND TERMS OF BONDS

We, the undersigned Township Supervisor and the Township Treasurer of the Charter Township of Grand Haven (the "Township"), hereby approve the sale of, and the following terms of, the Township's 2023 Fire Station Facility Building and Site Bonds (General Obligation Unlimited Tax) (the "Bonds"), pursuant to authorization set forth in the Resolution to Authorize Issuance of the Township's 2023 Fire Station Facility Building and Site Bonds (General Obligation Unlimited Tax), adopted by the Township Board on May 22, 2023 (the "Bond Authorizing Resolution"), and based upon the written recommendation of the Registered Municipal Advisor (as defined in the Bond Authorizing Resolution):

1. The Bonds shall be delivered to the Purchaser (as defined below) and dated as of _____.

2. The principal amount of the Bonds shall be \$ _____;

3. The Bonds shall mature and bear interest as follows:

Maturity (_____ 1)	Principal Amount	Rate of Interest
-----------------------	---------------------	---------------------

*Term Bond

4. Interest shall be paid semi-annually on the Bonds on _____ 1 and _____ 1 of each year commencing _____ 1, _____.

5. The record dates shall be _____ 15 and _____ 15, respectively, with respect to payments of principal and interest due on the Bonds on _____ 1 and _____ 1.

6. The Bonds shall [not] be subject to optional redemption prior to maturity.

7. The Bonds shall be issued in minimum denominations of \$ _____ or any \$ _____ increment in excess of \$ _____ up to the aggregate principal amount of a single maturity.

8. The Bonds shall be sold at a competitive sale to _____ (the "Purchaser") at a price of \$ _____, in accordance with the terms of Purchaser's bid to the Township for the purchase of the Bonds dated _____, 20__.

9. The Bonds [shall] [shall not] be issued in book-entry only form.

10. The Bond Registrar shall be _____, _____, Michigan.

[11. Additional terms applicable to the Bonds, if any.]

Dated: _____

By: _____
Mark Reenders, Supervisor

By: _____
William Kieft III, Treasurer

EXHIBIT C

**OFFICIAL
NOTICE OF SALE**

**CHARTER TOWNSHIP OF GRAND HAVEN
COUNTY OF OTTAWA
STATE OF MICHIGAN**

**\$12,360,000
2023 FIRE STATION FACILITY BUILDING AND SITE BONDS,
(GENERAL OBLIGATION UNLIMITED TAX)**

EMAILED BIDS for the purchase of the above Bonds will be received by the Municipal Advisory Council of Michigan (e-mail: munibids@macmi.com), on _____, the ____ day of _____ 2023, until _____ .m., prevailing Eastern Time, at which time and place said bids will be opened and read. **IF SUBMITTING TO MUNICIPAL ADVISORY COUNCIL OF MICHIGAN BY E-MAIL, PLEASE CALL (313) 963-0420 TO CONFIRM RECEIPT OF YOUR BID. E-MAILED BIDS MUST ARRIVE BEFORE THE TIME OF SALE AND THE BIDDER BEARS ALL RISKS OF TRANSMISSION FAILURE.**

IN THE ALTERNATIVE, electronic bids will also be received on the same date and until the same time by Bidcomp/Parity, including any fee charged by Bidcomp/Parity. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Client Services, 1359 Broadway, Second Floor, New York, New York 10010, (212) 849-5021. **IF ANY PROVISION OF THIS NOTICE OF SALE SHALL CONFLICT WITH INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS NOTICE SHALL CONTROL.**

Bidders may choose any of the means or locations to present bids, but not more than one.

AWARD OF THE BONDS will be made to the successful bidder at a proceeding to be held at the Township Hall at ____ p.m. on _____, 2023.

BOND DETAILS. The Bonds will be in fully registered form and in \$5,000 denominations or such multiples thereof up to the amount of a single maturity; will bear interest from their date payable on May 1, 2024, and semi-annually thereafter, will be dated the date of delivery, will be numbered in direct order of maturity from 1 upwards, and will mature serially on May 1 in the years and amounts as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Maturity</u>	<u>Principal Amount</u>
2024	\$150,000	2031	\$550,000	2038	\$745,000
2025	\$400,000	2032	\$575,000	2039	\$775,000
2026	\$440,000	2033	\$600,000	2040	\$810,000
2027	\$465,000	2034	\$630,000	2041	\$845,000
2028	\$485,000	2035	\$655,000	2042	\$880,000
2029	\$505,000	2036	\$685,000	2043	\$920,000
2030	\$530,000	2037	\$715,000		

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates not exceeding 6% per annum, to be fixed by the bids therefore, expressed in multiples of 1/8 or 1/100 of 1%, or both. The interest on any one Bond shall be at one rate only and all Bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest rate bid on the Bonds shall not exceed three percentage (3.0%) points. Bonds maturing in any one year shall not bear an interest rate lower than the preceding year. No proposal for the purchase of less than all of the Bonds or at a price less than 100% or more than 115% of their par value will be considered.

MATURITY ADJUSTMENT: The aggregate principal amount of this issue is believed to be the amount necessary to provide adequate funds to pay costs of the project and to pay transactional costs. The Issuer reserves the right to decrease the aggregate principal amount of the Bonds after receipt of the bids and prior to final award. Such adjustment, if necessary, will be made in increments of \$5,000 and may be made in any maturity.

ADJUSTMENT TO PURCHASE PRICE: The purchase price of the Bonds will be adjusted proportionately to the adjustment in principal amount of the Bonds and in such manner as to maintain as comparable an underwriter spread as possible to that bid.

BOOK-ENTRY ELIGIBLE: The Bonds will be issued in book-entry only form as one bond per maturity fully registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Purchase of the Bonds will be made in book-entry only form, in the denomination of \$5,000 or any integral multiple thereof, and purchasers will not receive certificates representing their interest in bonds purchased. The book-entry-only system is described further in the preliminary Official Statement for the Bonds.

TERM BOND OPTION: Bidders shall have the option of designating any one or more maturities of Bonds maturing in the years 2024 through 2043, inclusive, as serial bonds or term bonds, or both. The bid must designate whether each of the principal amounts shown above for the years 2024 through 2043, inclusive, represent a serial maturity, a mandatory redemption requirement for a term bond or a term bond maturity. There may be more than one term bond maturity. The amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on the dates and in the amounts set forth in the maturity schedule at par, plus accrued interest to the date of mandatory redemption. Any such designation must be made within one (1) hour of the time bids are submitted.

PRIOR REDEMPTION: The Bonds maturing in the years 2024 through 2033, inclusive, shall not be subject to redemption prior to maturity.

In addition to mandatory redemption of term bonds, if any, Bonds maturing in the years 2034 to 2043, both inclusive, shall be subject to redemption prior to maturity, at the option of the Township, in whole or in part in increments of \$5,000 in such order of maturity as the Township may determine and within any maturity by lot on any date on or after May 1, 2033, at par and accrued interest to the date fixed for redemption, without premium.

Notice of the call of any Bonds for redemption shall be given by first-class mail by the Bond Registrar, no less than thirty (30) days prior to the date fixed for redemption, to the registered owners of record at the registered addresses shown on the registration books kept by the Bond Registrar. Bonds shall be called for redemption in multiples of \$5,000 and Bonds of denominations of greater than \$5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by \$5,000 and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the registered owner thereof. No further interest payment on the Bonds or portions of the Bonds called for redemption shall accrue after the date fixed for redemption, whether or not the Bond is presented for redemption, provided funds are on hand with the Bond Registrar to redeem the same.

REGISTRATION, TRANSFER AGENT AND PAYING AGENT: Principal (May 1) shall be payable at _____, _____, Michigan, or such other transfer agent as the Township may hereafter designate by notice mailed to the registered owners not less than 60 days prior to any change in transfer agent. Interest (May 1 and November 1) shall be paid by check mailed to the owner as shown on the registration books of the Township on April 15 with respect to payments due on the immediately succeeding May 1 and on October 15 with respect to payments due on the immediately succeeding November 1. The Bonds will be transferable only upon the registration books of the Township kept by the transfer agent. The first interest payment will be due May 1, 2024.

PURPOSE AND SECURITY: The Bonds are the general obligation of the Township secured by the Township's full faith and credit and the Township's unlimited tax pledge in accordance with Act 34 of the Public Acts of Michigan of 2001, as amended, and the Unlimited Tax Election Act, which is Act 189 of the Public Acts of Michigan of 1979, as amended, pursuant to which the Township shall levy, in addition to other taxes which the Township may be authorized to levy, ad valorem taxes on all taxable property within the boundaries of the Charter Township of Grand Haven without limitation as to rate or amount to the extent necessary to pay the principal of and interest on the Bonds when due. The issuance of the Bonds and the Township's unlimited tax pledge were approved by Township electors on May 2, 2023.

The rights and remedies of bondholders may be affected by bankruptcy and other laws and equitable remedies of general application now existing or hereafter enacted relating to or affecting the enforcement of the rights and remedies of bondholders.

MUNICIPAL BOND INSURANCE: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any

such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the Bonds. Any and all increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that if the Township has requested and received a rating on the Bonds from a rating agency, the Township shall pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE TOWNSHIP.

AWARD OF BONDS - TRUE INTEREST COST: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on May 1, 2024 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to July 19, 2023, the anticipated delivery date of the Bonds, in an amount equal to the price bid, excluding accrued interest.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Mika Meyers PLC, Attorneys of Grand Rapids, Michigan, approving the legality of the Bonds, and the original of the opinion will be delivered without expense to the purchaser of the Bonds at the delivery thereof.

The fees of Mika Meyers PLC, for services rendered in connection with such approving opinion are expected to be paid from Bond proceeds. Except to the extent necessary to issue their approving opinion as to the validity of the above bonds, Mika Meyers PLC, has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, and accordingly, will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

TAX EXEMPTION: The approving opinion of bond counsel will include an opinion to the effect that under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax; however, for tax years after December 31, 2022, such interest is taken into account for applicable corporations in determining adjusted current earnings for the purpose of computing such alternative minimum tax. The opinion set forth above will be subject to the condition that the Township comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Township has covenanted to comply with all such requirements. Bond counsel will express no opinion regarding other federal tax consequences arising with respect to the Bonds.

In addition, the approving opinion of bond counsel will include an opinion to the effect that under existing law, the Bonds and the interest thereon are exempt from all taxation in the State of Michigan except inheritance and estate taxes, taxes on transfers and taxes on gains realized from the sale, payment or other disposition thereof.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS: The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of deduction of interest by financial institutions.

CERTIFICATE REGARDING “ISSUE PRICE”: The successful bidder must assist the Township in establishing the issue price of the Bonds and will be required to furnish, at least ten (10) days prior to the delivery of the Bonds, a certificate in a form acceptable to bond counsel as to the “issue price” of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

The certificate will set forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications with such modifications as may be appropriate or necessary in the sole judgment of bond counsel. The Township intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- (i) the Township shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (ii) all bidders shall have an equal opportunity to bid;
- (iii) the Township may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (iv) the Township anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. Unless the bidder intends to hold the Bonds for its own account with no intention to offer the Bonds to the public, the bidder, by submitting a bid, represents to the Township that the bidder has an established industry reputation for underwriting new issuances of municipal bonds.

In the event that the competitive sale requirements are not satisfied, the Township shall so advise the winning bidder. The Township shall treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the Township if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Township will not require bidders to comply with the “hold the offering price” rule and, therefore, does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Township the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Township (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (iv) “sale date” means the date that the Bonds are awarded by the Township to the winning bidder.

In addition, if the successful bidder obtains a municipal bond insurance policy or other credit enhancement for the Bonds in connection with their original issuance, the successful bidder will be required, as a condition of delivery of the Bonds, to certify whether the premium therefor will be less than the present value of the interest expected to be saved as a result of such insurance or other credit enhancement.

GOOD FAITH: A wire transfer in an amount equal to 1% (\$123,600) of the face amount of the Bonds, to the Charter Township of Grand Haven will be required of the successful bidder as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Bonds. The successful bidder shall wire the good faith deposit not later than twelve o'clock noon, Local Time, on the next business day following the sale using the wire instructions provided by PFM Financial Advisors, LLC. The good faith deposit will be applied to the purchase price of the Bonds. No interest shall be allowed on the good faith deposits. The wire transfer of funds of the successful bidder will be applied immediately, in which event, payment of the balance of the purchase price of the Bonds shall be made at the closing.

OFFICIAL STATEMENT: The Township's Preliminary Official Statement, dated _____, 2023, including the Official Notice of Sale and the Bid Form, may be obtained by contacting the Township's Registered Municipal Advisor whose address and telephone number is set forth below. The Preliminary Official Statement is in a form “deemed final” as of its date by the Township for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in a final Official Statement. The successful bidder shall supply to the Township within twenty-four (24) hours after the award of the Bonds all necessary pricing and other information necessary to complete the final Official Statement.

The Township will furnish, upon request of the successful bidder, an electronic copy of the final Official Statement relating to the Bonds within seven (7) business days from the date of the sale specified above, to permit the successful bidder to comply with Securities and Exchange Commission Rule 15c2-12.

CONTINUING DISCLOSURE: In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the Township will undertake to provide certain annual financial information and notices of the occurrence of certain events, if material for the benefit of the holders of the Bonds. The details and terms of the undertaking are set forth in a Continuing Disclosure Agreement to be executed and delivered by the Township, a form of which is included in the Preliminary Official Statement and will also be included in the final Official Statement.

DELIVERY OF BONDS: The Township will furnish Bonds ready for execution at its expense at such location as approved by the Township. The usual Closing documents, including a continuing disclosure agreement and a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of the delivery of the Bonds. If the Bonds are not tendered for delivery by twelve noon, Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the Bonds, withdraw its proposal by serving

notice of cancellation, in writing, on the undersigned in which event the Township shall promptly return the good faith deposit without interest. Payment for the Bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the Bonds shall be paid by the Purchaser at the time of delivery.

CUSIP NUMBER: CUSIP numbers will be printed on the Bonds at the Purchaser's expense. The printing of incorrect CUSIP numbers or the failure to print the CUSIP numbers on the Bonds shall not constitute cause for the Purchaser to refuse delivery of the Bonds.

REGISTERED MUNICIPAL ADVISOR: Further information, including a copy of the Official Statement prepared for the Bonds, may be obtained from the Township's Registered Municipal Advisor, PFM Financial Advisors LLC, 555 Briarwood Circle, Suite 333, Ann Arbor, MI 48108. Telephone (734) 994-9700, Facsimile (734) 994-9710.

BIDDER CERTIFICATION: By submitting a bid, the bidder shall be deemed to have certified that it is not an "Iran-linked Business" as defined in Act 517 of the Public Acts of Michigan of 2012, being MCL 129.311 et seq., and bidder may be required to execute and deliver a certificate in a form prepared by Bond Counsel to that effect.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

William D. Cargo, Township Superintendent
Charter Township of Grand Haven

EXHIBIT D

CONTINUING DISCLOSURE AGREEMENT (ISSUER)

\$12,360,000

**CHARTER TOWNSHIP OF GRAND HAVEN
COUNTY OF OTTAWA
STATE OF MICHIGAN**

2023 FIRE STATION FACILITY BUILDING AND SITE BONDS (GENERAL OBLIGATION UNLIMITED TAX)

This Continuing Disclosure Agreement (the “Agreement”) is executed and delivered by the Charter Township of Grand Haven, County of Ottawa, Michigan (the “Issuer”), pursuant to a resolution adopted May 2, 2023, by the Issuer’s Township Board in connection with the issuance by the Issuer of its \$12,360,000 2023 Fire Station Facility Building and Site Bonds (General Obligation Unlimited Tax), dated as of _____, 2023 (the “Bonds”). The Issuer covenants and agrees as follows:

SECTION 1. PURPOSE OF THE DISCLOSURE AGREEMENT.

(a) This Agreement is being executed and delivered by the Issuer with respect to the Bonds for the benefit of the Bondholders and in order to assist the Participating Underwriters in complying with the Rule.

(b) In consideration of the purchase and acceptance of any and all of the Bonds by those who shall hold the same or shall own beneficial ownership interests therein from time to time, this Agreement shall be deemed to be and shall constitute a contract between the Issuer and the Bondholders from time to time, and the covenants and agreements herein set forth to be performed on behalf of the Issuer shall be for the benefit of the Bondholders of any and all of the Bonds.

(c) The Issuer acknowledges that this Agreement does not address the scope of any application of Rule 10b-5 promulgated by the SEC pursuant to the 1934 Act to the Annual Financial Information or notices of the Listed Events provided or required to be provided by the Issuer pursuant to this Agreement.

(d) As of the date of delivery of the Bonds to the initial purchaser thereof, the Issuer is an obligated person (within the meaning of the Rule) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds and excluding those securities permitted to be exempted pursuant to Section (d)(2)(i) of the Rule.

SECTION 2. DEFINITIONS. In addition to the capitalized terms defined elsewhere in this Agreement, the following capitalized terms shall have the following meanings in this Agreement:

“Annual Financial Information” shall mean any Annual Financial Information provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Agreement.

“Bond Counsel” shall mean nationally recognized legal counsel in municipal securities law.

“Bond Resolution” shall mean collectively the resolutions duly adopted by the governing board of the Issuer authorizing the issuance, sale and delivery of the Bonds.

“Bondholder” means the registered owner of a Bond or any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

“Dissemination Agent” shall mean the Issuer, or any successor Dissemination Agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and such agent’s successors and assigns.

“EMMA” shall mean the Electronic Municipal Market Access system maintained by the MSRB for purposes of the Rule.

“GAAP” shall mean generally accepted accounting principles, as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Government Accounting Standards Board and Act 2 of the Public Acts of Michigan of 1968, as amended, in effect from time to time.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“1934 Act” shall mean the Securities Exchange Act of 1934, as amended.

“Official Statement” shall mean the final Official Statement for the Bonds dated _____, 2023.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time, together with all interpretive guidances or other official interpretations or explanations thereof that are promulgated by the SEC.

“SEC” shall mean the Securities and Exchange Commission.

“State” shall mean the State of Michigan.

SECTION 3. PROVISION OF ANNUAL FINANCIAL INFORMATION.

(a) Each year, the Issuer shall provide, or shall cause the Dissemination Agent to provide, not later than seven months after the last day of the Issuer’s preceding fiscal year, commencing with the Issuer’s Annual Financial Information for the Issuer’s fiscal year ending December 31, 2023, after such materials are available, to the MSRB, Annual Financial Information

for the preceding fiscal year which is consistent with the requirements of Section 4(a) of this Agreement, and in the event of an amendment or waiver, the requirements of Section 8 of this Agreement. Not later than fifteen (15) business days prior to said date, the Issuer shall provide the Annual Financial Information to the Dissemination Agent (if other than the Issuer). In each case, the Annual Financial Information may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Agreement; provided, however, that if the audited financial statements of the Issuer are not available by the respective deadlines for filing the Annual Financial Information, they shall be provided when and if available, and unaudited financial statements in a format similar to the audited financial statements most recently prepared for the Issuer shall be included in the Annual Financial Information.

(b) If the Issuer is unable to provide to the MSRB Annual Financial Information by the dates required in subsection (a), the Issuer shall send a notice in a timely manner to the MSRB in accordance with Section 14 of this Agreement.

(c) As of the date of this Agreement, the fiscal year of the Issuer commences on January 1 and ends on December 31. If the fiscal year of the Issuer changes after the date of this Agreement, the Issuer shall send a notice of such change to the MSRB in accordance with Section 14 of this Agreement. If such change will result in the Issuer's fiscal year ending on a date later than the ending date prior to such change, the Issuer shall provide notice of such change to the MSRB on or prior to the deadline for filing the Annual Financial Information in effect when the Issuer operated under its prior fiscal year. Such notice may be provided along with the Annual Financial Information, provided that it is filed at or prior to the deadline described above.

(d) The Dissemination Agent shall:

(1) determine each year prior to the dates for providing the Annual Financial Information the address of the MSRB; and

(2) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Financial Information has been provided pursuant to this Agreement, stating the date it was provided to the MSRB and other persons, if any, to which it was provided.

(e) In connection with providing the Annual Financial Information, the Dissemination Agent (if other than the Issuer) is not obligated or responsible under this Agreement to determine the sufficiency of the content of the Annual Financial Information for purposes of the Rule or any other state or federal securities law, rule, regulation or administrative order.

SECTION 4. CONTENT OF ANNUAL FINANCIAL INFORMATION.

(a) The Issuer's Annual Financial Information shall include, at a minimum, that financial information and operating data which is customarily prepared by the Issuer and is publicly available, and shall contain or include by reference the following:

(1) Audited financial statements of the Issuer for its most recently completed fiscal year, prepared in accordance with GAAP with such changes as may be required from time to time in accordance with state law; and

(2) The most recent financial information and operating data relating to the Issuer contained in the Official Statement under the following captions: [“Property Valuations,” “Major Taxpayers,” “Tax Rates (Per \$1,000 of Valuation),” “Tax Levies and Collections,” “Debt Statement,” and “Legal Debt Margin.”]

Any or all of the items listed above may be included by specific reference to other documents available to the public through EMMA or filed with the SEC.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

(a) The Issuer covenants to provide, or cause to be provided, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner and not in excess of ten (10) business days after the occurrence of the event in accordance with the Rule:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) modifications to rights of Bondholders, if material;
- (8) bond calls, if material;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the securities, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event described in Section 5(a)(2), (7), (8), (10), (14), (15) or (16), the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the Issuer determines in the exercise of its best judgment in good faith that the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly cause a notice of the occurrence of a Listed Event, determined to be material in accordance with the Rule, to be filed with the MSRB. In connection with providing a notice of the occurrence of a Listed Event described in Section 5(a)(9) above, the Issuer shall include in the notice explicit disclosure as to whether the Bonds have been escrowed to maturity or escrowed to call, as well as appropriate disclosure of the timing of maturity or call.

(d) The Issuer acknowledges that the “rating changes” referred to above in Section 5(a)(11) of this Agreement may include, without limitation, any change in any rating on the Bonds or other indebtedness for which the Issuer is liable, or on any indebtedness for which the State is liable.

(e) The Issuer acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the Issuer neither applied for nor participated in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. TERMINATION OF REPORTING OBLIGATION.

(a) The Issuer’s obligations under this Agreement shall terminate upon the legal defeasance of the Bond Resolution or by the prior redemption or payment in full of all of the Bonds.

(b) This Agreement, or any provision hereof, shall be null and void in the event that the Issuer (i) receives an opinion of Bond Counsel, addressed to the Issuer, to the effect that those portions of the Rule, which require such provisions of this Agreement, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) delivers notice to such effect with the MSRB in accordance with Section 14 of this Agreement.

SECTION 7. DISSEMINATION AGENT. The Issuer, from time to time, may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. AMENDMENT. Notwithstanding any other provision of this Agreement, this Agreement may be amended, and any provision of this Agreement may be waived to the effect that:

- (i) If the amendment relates to the provisions of Section 3(a), 3(b), 3(c), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the Issuer or the types of business in which the Issuer is engaged;
- (ii) this Agreement as so amended or taking into account such waiver, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, in the opinion of Bond Counsel; and
- (iii) such amendment or waiver does not materially impair the interests of the Bondholders, in the opinion of Bond Counsel.

In the event of any amendment to, or waiver of a provision of, this Agreement, the Issuer shall describe such amendment or waiver in the next Annual Financial Information, and shall include a narrative explanation of the reason for the amendment or waiver. In particular, if the amendment or waiver results in a change to the annual financial information required to be included in the Annual Financial Information pursuant to Section 4 of this Agreement, the first Annual Financial Information that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. In addition, if the annual financial information required to be provided in the Annual Financial Information can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Financial Information that does not include such information. If the amendment or waiver involves a change in the accounting principles to be followed in preparing financial statements as set forth in Section 4, the Annual Financial Information for the year in which the change is made shall present a comparison between the financial statements or information prepared based on the new accounting principles and those prepared based on the former accounting principles. The comparison shall include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent by the Issuer to the MSRB. All explanations, statements, notices and other filings to be made under this Section 8 shall be made in accordance with Section 14 of this Agreement.

SECTION 9. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Financial Information or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Information or notice of occurrence of a Listed Event.

SECTION 10. DEFAULT. In the event of a failure of the Issuer or the Dissemination Agent (if other than the Issuer) to comply with any provision of this Agreement, any Bondholder may

take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement, but no person or entity shall be entitled to recover monetary damages under any circumstances. A default under this Agreement shall not be deemed an event of default under the Bond Resolution or the Bonds, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with the Agreement shall be an action to compel performance.

SECTION 11. DUTIES OF DISSEMINATION AGENT. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement.

SECTION 12. BENEFICIARIES. This Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, and the Bondholders and shall create no rights in any other person or entity.

SECTION 13. ADDITIONAL DISCLOSURE OBLIGATIONS. The Issuer acknowledges and understands that other state and federal laws, including, without limitation, the Securities Act of 1933, as amended, and Rule 10b-5 promulgated by the SEC pursuant to the 1934 Act, may apply to the Issuer, and that under some circumstances compliance with this Agreement, without additional disclosures or other action, may not fully discharge all duties and obligations of the Issuer under such laws.

SECTION 14. COMPLIANCE WITH MSRB FILING REQUIREMENTS. All filings required to be made to the MSRB shall be made only in an electronic format prescribed by the MSRB and all documents provided to the MSRB as part of any such filing shall be accompanied by identifying information as prescribed by the MSRB. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at <http://emma.msrb.org>.

SECTION 15. OBLIGATED PERSONS. The Issuer is the only obligated person (within the meaning of the Rule) with respect to the Bonds.

SECTION 16. GOVERNING LAW. This Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the State. Notwithstanding the foregoing, to the extent this Agreement addresses matters of federal securities laws, including the Rule, this Agreement shall be construed and interpreted in accordance with such federal securities laws and official interpretations thereof.

CHARTER TOWNSHIP OF GRAND HAVEN

By: _____

Mark Reenders

Its: Supervisor

Dated: _____, 2023



FINANCING TIMETABLE
\$12,360,000
Charter Township of Grand Haven
County of Ottawa, State of Michigan
2023 Fire Station Facility Building and Site Bonds (UTGO)

MAY							JUNE							JULY						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3							1
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22
28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29
														30	31					

DATE	Task Comp.	ACTION REQUIRED	RESPONSIBLE PARTY
Mon, May 08, 2023		PFM provided Bond Counsel with bond specifications	PFM
Mon, May 15, 2023		Bond Authorizing Resolution circulated	BC
Mon, May 22, 2023		Township Board adopts Bond Authorizing Resolution	Township
Wed, May 24, 2023		Draft of Preliminary Official Statement circulated for review and comment	PFM
Wed, May 24, 2023		PFM submits credit packages to rating agency(ies) and insurance companies	PFM
Tue, May 30, 2023		Due diligence call to review Preliminary Official Statement - comments due on Preliminary Official Statement (@ 11 AM)	All Parties
Tue, May 30, 2023		PFM circulates updated Preliminary Official Statement	All Parties
Week of June 5th/12th		Rating Call	Township/PFM
Fri, Jun 16, 2023		Bond rating released	PFM
Tue, Jun 20, 2023		Preliminary Official Statement printed and mailed	PFM
Tue, Jun 20, 2023		Notice of Sale published	BC
Wed, Jun 28, 2023		Bond sale (11:30 am) and award	All parties
Wed, Jun 28, 2023		Final numbers distributed	PFM
Thu, Jun 29, 2023		PFM circulates draft Official Statement	PFM
Thu, Jul 06, 2023		Print and mail Final Official Statement	PFM
Thu, Jul 06, 2023		Draft closing memo distributed	PFM
Wed, Jul 12, 2023		Final closing memo distributed	PFM
Wed, Jul 19, 2023		Tentative bond closing - via phone and wire	All parties
August 2023		Closing transcripts and security report filed with Department of Treasury	BC

Legend:

Township = Charter Township of Grand Haven (Issuer)

BC = Mika Meyers PLC (Bond Counsel)

PFM = PFM Financial Advisors LLC (Financial Advisor)



Vredeveld Haefner LLC

CPAs and Consultants
10302 20th Avenue
Grand Rapids, MI 49534
Fax (616) 828-0307

Douglas J. Vredeveld, CPA
(616) 446-7474
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(616) 460-9388

April 24, 2023

Members of the Board of Trustees
Grand Haven Charter Township
Grand Haven, 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 Grand Haven Charter Township (the Township) for the year ended December 31, 2022. 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 in our letter to you dated February 9, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Results

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Grand Haven Charter Township are described in Note 1 to the financial statements. The Township implemented GASB Statement Number 87, "Leases" which added accounting and disclosure requirements for lease arrangements. We noted no transactions entered into by the Township 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. The most sensitive estimates affecting the financial statements were:

The useful lives of capital assets and the valuation of other post-employment benefit plan obligations.

Management's estimate of the useful lives is based on previous history and future expectations and the estimate of other post-employment benefit plan obligation is based on an actuarial valuation of the plan. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

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 clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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 April 24, 2023.

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 Township'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 Township's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI), as itemized in the table of contents that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, 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.

Restriction on Use

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

Sincerely,

Uredaxeld Haefner LLC



COUNTY OF OTTAWA, MICHIGAN

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022



Vredeveld Haefner LLC
CPAs and Consultants

Grand Haven Charter Township

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Vredeveld Haefner LLC

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Peter S. Haefner, CPA
(616) 460-9388

INDEPENDENT AUDITORS' REPORT

April 24, 2023

Members of the Board of Trustees
Grand Haven Charter Township
Grand Haven, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Grand Haven Charter Township (the Township), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged in governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and the information on pages 41 through 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Urodevelo Haefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS



Management's Discussion and Analysis

As management of Grand Haven Charter Township (the 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 December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- The Township had an “above average” year in terms of construction with about \$46.86 million of new construction. This included 55 single family homes (with 5 homes being razed), 517 additions or alterations and 8 mobile homes. This is a net gain of 58 new dwellings. Commercial construction was about \$8.57 million of the total with 5 new commercial buildings and 8 commercial remodels.
- The second tranche of American Rescue Plan Act monies was received in June of 2022 in the amount of \$922k. The Township plans to spend about \$378k of these monies to support Ottawa County's efforts to expand broadband into underserved areas throughout the Township. The rest of the ARPA monies will be used to help fund several water fund projects planned for FY 2024.
- The Township purchased two pieces of land during FY2022; a 2.483 acre parcel on Ferris Street in the amount of \$176k for a future fire station as well as a 15.7694 acre parcel on Groesbeck Street in the amount of \$359k for addition to the Township's parks system.
- Work began on several large park projects including the first phase of Schmidt Heritage Park at a cost of about \$4.26 million along with improvements to Hofma Preserve trails and a parking lot addition totaling just over \$790k. These projects are scheduled to be completed in FY 2023.
- About 4.4 miles of roadway were improved by the Ottawa County Road Commission with the Township contributing just over \$466k for the subdivision resurfacing portion of these improvements. Further, a portion of 160th Ave between Ferris and Lincoln Streets was paved at a cost of just over \$406k.
- The Fire/Rescue Department experienced another record year in terms of emergency responses with a total of 1,502 (or about 4.1 responses per day). This is an increase of 7.2% over the previous record year of 2021. Related expenses for medical emergencies, fires, vehicular accidents, and other rescues amounted to \$1.59 million which included capital expenditures of \$137k for SCBA's and a new brush truck.
- Maintenance of the Township's pathway system on Lakeshore Drive along with the addition of pathway along 160th Ave between Ferris and Lincoln Streets was completed for just under \$750k.
- The Sewer Fund treated 117.6 million gallons of wastewater through the sewer authority at a cost of just under \$260k and completed capital projects including the addition of a generator at the East Ferris Pump Station totaling just over \$63k.
- The Water Fund purchased 755 million gallons of water through Nows and Grand Rapids at a cost of about \$849k. Capital expenditures included the extension of municipal water along 160th Avenue at a cost of \$512k.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Grand Haven Charter Township's 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 (e.g., earned but unused compensated absences, accrued interest, etc.).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*) 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, public works, community and economic development, and culture and recreation activities. The business-type activities of the Township include the water and sewer systems.

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.

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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Township maintains nine individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, municipal street fund, fire protection fund, American Rescue Plan Act (ARPA) fund, and parks construction fund which are considered major funds.

Data is combined into a single aggregated presentation for the other governmental funds. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements and schedules*.

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

Proprietary funds. The Township maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Township uses internal service funds to account for its information technologies services. Because these services primarily benefit the Township’s governmental rather than business-type functions, they have been included within the governmental activities in the government-wide statements.

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 water and sewer funds, which are considered to be major funds of the Township. The internal service fund is included as a single column in the proprietary fund financial statements.

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 statement because the resource 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.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This consists of this management discussion and analysis, major fund budgetary schedules, and schedules of funding progress for the retiree health plan.

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 the Township, assets exceeded liabilities by \$31,683,024 at the close of the most recent fiscal year. A summary of net position is as follows:

	Net Position					
	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$14,462,570	\$ 17,811,885	\$ 5,305,148	\$ 5,318,133	\$19,767,718	\$23,130,018
Capital assets	21,372,342	15,577,954	12,636,760	12,237,316	34,009,102	27,815,270
Total assets	35,834,912	33,389,839	17,941,908	17,555,449	53,776,820	50,945,288
Deferred outflows of resources	209,698	208,168	257,971	279,469	467,669	487,637
Long-term liabilities outstanding	9,523,927	10,118,785	4,006,005	4,353,304	13,529,932	14,472,089
Other liabilities	1,440,754	943,564	728,862	715,848	2,169,616	1,659,412
Total liabilities	10,964,681	11,062,349	4,734,867	5,069,152	15,699,548	16,131,501
Deferred inflows of resources	6,707,861	5,354,160	154,056	-	6,861,917	5,354,160
Net position:						
Net investment in capital assets	12,747,165	5,687,954	8,485,040	7,633,163	21,232,205	13,321,117
Restricted	1,611,890	1,855,105	-	-	1,611,890	1,855,105
Unrestricted	4,013,013	9,638,439	4,825,916	5,132,603	8,838,929	14,771,042
Total net position	\$18,372,068	\$17,181,498	\$13,310,956	\$12,765,766	\$31,683,024	\$29,947,264

A significant portion of the Township’s net position (28 percent) reflects unrestricted net position which is available for future operations while the largest portion of net position is invested in capital assets (e.g., land, buildings, vehicles, equipment 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.

The government's net position increased by \$1,735,760 during the current fiscal year.

Changes in Net Position

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue:						
Program revenue:						
Charges for services	\$ 956,834	\$1,028,383	\$3,788,903	\$3,866,407	\$4,745,737	\$4,894,790
Operating grants and contributions	540,979	783,143	-	-	540,979	783,143
Capital grants and contributions	31,297	-	154,659	238,773	185,956	238,773
General revenue:						
Property taxes	4,815,929	4,540,367	-	-	4,815,929	4,540,367
State sources	2,224,134	2,103,614	-	-	2,224,134	2,103,614
Unrestricted investment earnings	(94,914)	(10,718)	(4,407)	(2,688)	(99,321)	(13,406)
Other	76,342	89,191	48,020	28,529	124,362	117,720
Total revenue	<u>8,550,601</u>	<u>8,533,980</u>	<u>3,987,175</u>	<u>4,131,021</u>	<u>12,537,776</u>	<u>12,665,001</u>
Expenses:						
General government	1,762,835	1,548,604	-	-	1,762,835	1,548,604
Public safety	2,042,312	1,967,715	-	-	2,042,312	1,967,715
Public works	955,564	424,451	-	-	955,564	424,451
Community and economic Development	1,245,719	1,215,998	-	-	1,245,719	1,215,998
Culture and recreation	1,119,231	1,230,911	-	-	1,119,231	1,230,911
Interest on long-term debt	234,370	153,581	-	-	234,370	153,581
Sewer fund	-	-	899,244	765,022	899,244	765,022
Water fund	-	-	2,542,741	2,550,201	2,542,741	2,550,201
Total expenses	<u>7,360,031</u>	<u>6,541,260</u>	<u>3,441,985</u>	<u>3,315,223</u>	<u>10,802,016</u>	<u>9,856,483</u>
Change before contributions and transfers	1,190,570	1,992,720	545,190	815,798	1,735,760	2,808,518
Transfers	-	99,634	-	(99,634)	-	-
Change in net position	<u>1,190,570</u>	<u>2,092,354</u>	<u>545,190</u>	<u>716,164</u>	<u>1,735,760</u>	<u>2,808,518</u>
Net position - beginning of year	<u>17,181,498</u>	<u>15,089,144</u>	<u>12,765,766</u>	<u>12,049,602</u>	<u>29,947,264</u>	<u>27,138,746</u>
Net position - end of year	<u>\$18,372,068</u>	<u>\$17,181,498</u>	<u>\$13,310,956</u>	<u>\$12,765,766</u>	<u>\$31,683,024</u>	<u>\$29,947,264</u>

Governmental Activities. During the year the Township invested \$2,042,312 or 28% of governmental activities expenses in public safety. General government expenses amounted to \$1,762,835 or 24% of governmental activities while culture and recreation, public works, community and economic development, and interest on long-term debt made up the remaining 48% of governmental activities expenses.

Financial Analysis of the Government's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Township's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Township's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$6,979,679, a decrease of \$4,574,670 in comparison with the prior year. Of the \$6,979,679, \$3,395,885 is reported in the general fund.

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,566,154. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 53% of total general fund expenditures and transfers. The fund balance of the Township's general fund increased by \$128,769 during the current fiscal year.

The municipal street fund is used to account for a special tax millage levied by the Township for the construction and maintenance of local streets and support of Harbor Transit transportation services. At the end of the current fiscal year, fund balance was \$293,521, a decrease of \$359,943 over the prior year. Approximately .6 mills are available for support of the Harbor Transit System while the remainder of the millage, supplemented by transfers from the general fund, is used for streets.

The fire protection fund is used to account for Fire Department operations of the Township. At the end of the current fiscal year, fund balance was \$721,516 a decrease of \$97,196 over the prior year. The decrease is primarily due to capital outlay in the fund.

The American Rescue Plan Act (ARPA) fund was established to account for the proceeds and uses of the ARPA funds.

The parks construction capital projects fund is used to accounts for the bond issued and the expenditures for the park's capital improvements. At the end of the current fiscal year, fund balance was \$1,908,080, a decrease of \$3,965,216 over the prior year.

Proprietary funds. The Township's proprietary funds provide the same type of information found in the government wide financial statements, but in more detail.

Unrestricted net position of the sewer and water funds at the end of the year amounted to \$1,137,756 and \$3,688,160, respectively. The sewer fund had an increase in net position for the year of \$16,117. The water fund had an increase in net position for the year of \$529,073.

Capital Asset and Debt Administration

Capital assets. The Township's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounted to \$31,716,821 (net of accumulated depreciation).

The Township's capital assets (net of depreciation) are summarized as follows:

	Governmental Activities	Business-type Activities	Total
Land	\$ 3,946,436	\$ 55,804	\$ 4,002,240
Construction in progress	5,821,975	475,275	6,297,250
Buildings and improvements	4,724,440	-	4,724,440
Land improvements	14,217,191	5,664	14,222,855
Furniture, machinery and equipment	2,060,870	455,886	2,516,756
Vehicles	2,237,983	308,669	2,546,652
Shared improvements	664,012	-	664,012
Utility systems	-	24,193,748	24,193,748
Accumulated depreciation	(12,300,565)	(15,150,567)	(27,451,132)
Total	\$ 21,372,342	\$ 10,344,479	\$ 31,716,821

Additional information on the Township's capital assets can be found in the footnotes to the financial statements.

Debt. At the end of the current fiscal year, the Township had total debt outstanding as follows:

	Governmental Activities	Business-type Activities	Total
Accrued employee benefits	\$ 94,027	\$ 21,014	\$ 115,041
Bonds payable	9,550,000	3,864,648	13,414,648
Total	\$9,644,027	\$3,885,662	\$13,529,689

The Township made principal payments on bonds outstanding totaling \$614,314 during the year.

Additional information on the Township's long-term debt can be found in the footnotes to the financial statements.

Budgetary Highlights

Significant budget adjustments were made for the following:

- State Shared Revenues increased about \$465k from previous estimates which reflected the per capita changes from the 2020 census as well as an increase in consumer spending.
- Budgeted revenues were increased by just over \$140k divided amongst several funds to account for monies received from the Local Community Stabilization Act through the State of Michigan for reimbursement of essential services related to lost revenue from personal property taxes.
- Building and related trade permit fee revenues increased by \$51k as a result of the above average addition of new homes within the Township.
- Budgeted amounts for interest income were increased in total for all funds by \$65k due to an increase in interest rates.
- The assessing department budget was increased by just over \$25k to reflect a change in staffing services to contract field work with Property Assessment Solutions.
- The Parks and Recreation budget was increased by approximately \$72k to account for increased labor and benefit costs due to increased staffing needs in this department.
- Budgeted expenditures for street paving were decreased by \$110k to reflect subdivision paving costs that were less than initial estimates from the Road Commission.
- Fire fund expenditures were increased by about \$188k to account for increases in overtime wages, legal fees, vehicle maintenance, fuel and capital outlay related to the new fire station land purchase.
- Capital outlay expenditures in the DDA Fund were decreased by approximately \$70k to reflect projects that were delayed to FY 2023.
- The Pathway fund showed budget decreases of about \$76k as a result of less engineering services needed for the resurfacing project on Lakeshore Drive.
- The Parks Construction Fund had revenue decreases of \$546k to reflect the postponement of MNRTF Grant monies until FY 2023 as well as expenditure decreases of \$1.57 million related to the completion of the first phase of Schmidt Heritage Park as well as the improvements to Hofma Preserve that are planned for spring of 2023.
- Budgeted revenues in the Sewer Fund were increased by \$33k to reflect higher usage. Budgeted expenditures were increased by about \$152k to account for higher than anticipated wastewater system maintenance for the year including more staff time allocated to this fund.
- The Water Fund expenditures showed budget increases of about \$145k to reflect additional maintenance to the system as well as increased engineering fees for current and FY 2023 capital projects.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Township's budget for the 2023 fiscal year:

- The Taxable Value of the Township has increased by about 6.4%, or almost \$58 million, to the current estimated taxable value of roughly \$965 million.
- State Shared Revenues are estimated at \$1.92 million, which is about a 21% decline over FY 2022. (Recall that FY2022 included catch-up monies related to the 2020 Census).

- Revenues associated with construction are expected to remain steady with permit revenues estimated at \$426k. New housing starts are expected to decline because of high interest rates.
- The Parks Construction Fund will have about \$3.64 million in expenditures with about \$546k being paid by grants from the State of Michigan. Major capital projects include \$2.20 million to complete Phase I of Schmidt Heritage Park, \$670k to complete the Hofma Park improvements, \$687k for parks maintenance and operations, and \$13k to raze and remove two (2) structures on the Groesbeck Street property.
- Pathway operations and maintenance will cost approximately \$676k to manage the Township's 40-mile pathway and sidewalk systems.
- The Township has budgeted \$1.53 million for transportation activities including \$531k for Harbor Transit Services, \$963k to supplement the work of the Ottawa County Road Commission, and \$37k for dust control on gravel roads.
- \$1.70 million will be utilized by the Fire/Rescue Department to respond to medical emergencies, fires, vehicular accidents and other rescues.
- The Township will contract for police protection with five (5) deputies through the Ottawa County Sheriff's Department at an estimated cost of \$619k.
- The DDA fund will collect about \$958k in revenues and will spend about \$142k on engineering and legal fees for upcoming projects.
- The water fund will spend about \$2.98 million to operate and maintain the water distribution system (i.e., about 95 miles of water mains) including \$814k to purchase approximately 739 million gallons of water through NOWS and Grand Rapids.
- The sewer fund will spend about \$679k to operate and maintain the sanitary sewer system (i.e., about 22 miles of sewer mains) including treatment of an estimated 112 million gallons of wastewater through the Grand Haven/Spring Lake Sewer Authority.
- The Township will spend about \$431k for the operation and maintenance of the Township's Information Technology (IT) system. This includes \$337k for computer services and software, \$17k on small equipment, and \$77k for the purchase of network switches and battery backup.
- It should be noted that the Township will be proposing a \$12.3 million bond to their taxpayers in May of 2023 for a new fire station.

Requests for Information

This financial report is designed to provide a general overview of Grand Haven Charter Township's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to William D. Cargo, Superintendent, Grand Haven Charter Township, 13300 168th Avenue, Grand Haven, Michigan, 49417, (616) 842-5988.

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BASIC FINANCIAL STATEMENTS

GRAND HAVEN CHARTER TOWNSHIP

STATEMENT OF NET POSITION

DECEMBER 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
Assets				
Cash and pooled investments	\$ 11,847,311	\$ 4,655,650	\$ 16,502,961	\$ 2,352,974
Receivables				
Accounts	73,435	605,263	678,698	-
Taxes	2,117,525	-	2,117,525	781,248
Lease receivable (current portion)	-	22,845	22,845	-
Special assessments (current portion)	-	1,152	1,152	-
Due from other governments	339,822	-	339,822	-
Prepaid items	84,477	20,238	104,715	-
Total current assets	<u>14,462,570</u>	<u>5,305,148</u>	<u>19,767,718</u>	<u>3,134,222</u>
Noncurrent assets				
Lease receivable	-	135,860	135,860	-
Special assessments receivable	-	2,879	2,879	-
Unamortized bond discount	-	1,822	1,822	-
Capital assets:				
Access rights, net	-	2,151,720	2,151,720	-
Non-depreciable	3,946,436	55,804	4,002,240	-
Construction in progress	5,821,975	475,275	6,297,250	-
Depreciable capital assets, net	<u>11,603,931</u>	<u>9,813,400</u>	<u>21,417,331</u>	<u>-</u>
Total noncurrent assets	<u>21,372,342</u>	<u>12,636,760</u>	<u>34,009,102</u>	<u>-</u>
Total assets	<u>35,834,912</u>	<u>17,941,908</u>	<u>53,776,820</u>	<u>3,134,222</u>
Deferred outflows				
Deferred loss on bond refunding	-	257,971	257,971	-
Deferred outflow related to OPEB	<u>209,698</u>	<u>-</u>	<u>209,698</u>	<u>-</u>
Total deferred outflows	<u>209,698</u>	<u>257,971</u>	<u>467,669</u>	<u>-</u>
Liabilities				
Accounts payable	939,497	409,453	1,348,950	-
Accrued payroll and benefits	37,480	6,247	43,727	-
Accrued interest payable	38,777	27,200	65,977	-
Current portion of noncurrent liabilities	<u>425,000</u>	<u>285,962</u>	<u>710,962</u>	<u>-</u>
Total current liabilities	<u>1,440,754</u>	<u>728,862</u>	<u>2,169,616</u>	<u>-</u>
Long-term liabilities				
Post-employment benefits	120,494	-	120,494	-
Compensated absences	94,027	21,015	115,042	-
Unamortized bond premium	184,406	406,304	590,710	-
Bonds payable	9,550,000	3,864,648	13,414,648	-
Less current portion	<u>(425,000)</u>	<u>(285,962)</u>	<u>(710,962)</u>	<u>-</u>
Total long-term liabilities	<u>9,523,927</u>	<u>4,006,005</u>	<u>13,529,932</u>	<u>-</u>
Total liabilities	<u>10,964,681</u>	<u>4,734,867</u>	<u>15,699,548</u>	<u>-</u>
Deferred inflows of resources				
Deferred revenue	6,445,412	-	6,445,412	781,247
Deferred inflows related to OPEB	262,449	-	262,449	-
Deferred inflows related to leases	<u>-</u>	<u>154,056</u>	<u>154,056</u>	<u>-</u>
Total deferred inflows of resources	<u>6,707,861</u>	<u>154,056</u>	<u>6,861,917</u>	<u>781,247</u>
Net position				
Net investment in capital assets	12,747,165	8,485,040	21,232,205	-
Restricted for				
Fire protection	721,516	-	721,516	-
Transportation	293,521	-	293,521	-
Police services	284,818	-	284,818	-
Building and zoning	312,035	-	312,035	-
Unrestricted	<u>4,013,013</u>	<u>4,825,916</u>	<u>8,838,929</u>	<u>2,352,975</u>
Total net position	<u>\$ 18,372,068</u>	<u>\$ 13,310,956</u>	<u>\$ 31,683,024</u>	<u>\$ 2,352,975</u>

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

GRAND HAVEN CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General government	\$ 1,762,835	\$ 398,509	\$ 483,586	\$ -	\$ (880,740)
Public safety	2,042,312	75,552	2,236	-	(1,964,524)
Public works	955,564	-	-	-	(955,564)
Community and economic development	1,245,719	447,289	-	-	(798,430)
Culture and recreation	1,119,231	35,484	55,157	31,297	(997,293)
Interest on long-term debt	234,370	-	-	-	(234,370)
Total governmental activities	7,360,031	956,834	540,979	31,297	(5,830,921)
Business-type activities					
Sewer	899,244	830,563	-	108,602	39,921
Water	2,542,741	2,958,340	-	46,057	461,656
Total business-type activities	3,441,985	3,788,903	-	154,659	501,577
Total primary government	\$ 10,802,016	\$ 4,745,737	\$ 540,979	\$ 185,956	\$ (5,329,344)
Component unit					
Downtown Development Authority	\$ 62,236	\$ -	\$ -	\$ -	\$ (62,236)
Total component unit	\$ 62,236	\$ -	\$ -	\$ -	\$ (62,236)

(Continued)

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

GRAND HAVEN CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
Changes in net position				
Net (expense) revenue	\$ (5,830,921)	\$ 501,577	\$ (5,329,344)	\$ (62,236)
General revenues				
Property taxes				
General purpose	2,148,489	-	2,148,489	723,218
Specific purpose	2,667,440	-	2,667,440	-
State shared revenues	2,224,134	-	2,224,134	-
Unrestricted investment income (loss)	(94,914)	(4,407)	(99,321)	2,617
Miscellaneous	76,342	48,020	124,362	153,714
Total general revenues and transfers	7,021,491	43,613	7,065,104	879,549
Change in net position	1,190,570	545,190	1,735,760	817,313
Net position, beginning of year	17,181,498	12,765,766	29,947,264	1,535,662
Net position, end of year	\$ 18,372,068	\$ 13,310,956	\$ 31,683,024	\$ 2,352,975

(Concluded)

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

GRAND HAVEN CHARTER TOWNSHIP

**GOVERNMENTAL FUNDS
BALANCE SHEET**

DECEMBER 31, 2022

	<u>General</u>	<u>Municipal Street</u>	<u>Fire Protection</u>	<u>American Rescue Plan Act</u>	<u>Parks Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets							
Cash and pooled investments	\$ 4,068,908	\$ 813,767	\$ 1,766,700	\$ 1,522,333	\$ 2,212,828	\$ 1,398,544	\$ 11,783,080
Receivables							
Accounts	25,426	-	44,564	-	-	3,445	73,435
Taxes	477,907	363,501	733,589	-	-	542,528	2,117,525
Due from other governments	339,822	-	-	-	-	-	339,822
Prepaid items	36,336	-	31,661	-	-	3,792	71,789
Total assets	<u>\$ 4,948,399</u>	<u>\$ 1,177,268</u>	<u>\$ 2,576,514</u>	<u>\$ 1,522,333</u>	<u>\$ 2,212,828</u>	<u>\$ 1,948,309</u>	<u>\$ 14,385,651</u>
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	\$ 393,210	\$ 46,958	\$ 119,970	\$ -	\$ 304,748	\$ 58,194	\$ 923,080
Accrued payroll and benefits	23,514	-	12,913	-	-	1,053	37,480
Total liabilities	<u>416,724</u>	<u>46,958</u>	<u>132,883</u>	<u>-</u>	<u>304,748</u>	<u>59,247</u>	<u>960,560</u>
Deferred inflows of resources							
Deferred revenue	1,135,790	836,789	1,722,115	1,514,842	-	1,235,876	6,445,412
Fund balances							
Nonspendable							
Prepaid items	36,336	-	31,661	-	-	3,792	71,789
Restricted							
Fire Protection	-	-	689,855	-	-	-	689,855
Transportation	-	293,521	-	-	-	-	293,521
Police Services	-	-	-	-	-	284,818	284,818
Building and zoning	312,035	-	-	-	-	-	312,035
Committed							
Parks	-	-	-	-	1,908,080	-	1,908,080
Assigned							
Subsequent year expenditures	481,360	-	-	-	-	-	481,360
Debt service funds	-	-	-	-	-	53,246	53,246
Pathways capital projects	-	-	-	-	-	311,330	311,330
Unassigned	2,566,154	-	-	7,491	-	-	2,573,645
Total fund balances	<u>3,395,885</u>	<u>293,521</u>	<u>721,516</u>	<u>7,491</u>	<u>1,908,080</u>	<u>653,186</u>	<u>6,979,679</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,948,399</u>	<u>\$ 1,177,268</u>	<u>\$ 2,576,514</u>	<u>\$ 1,522,333</u>	<u>\$ 2,212,828</u>	<u>\$ 1,948,309</u>	<u>\$ 14,385,651</u>

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

GRAND HAVEN CHARTER TOWNSHIP

**RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET POSITION OF
GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION**

DECEMBER 31, 2022

Fund balances - total governmental funds	\$ 6,979,679
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	
Add - land	3,946,436
Add - construction in progress	5,821,325
Add - capital assets (net of accumulated depreciation)	11,497,728
An internal service fund is used by management to account for the centralized services provided to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.	
Add - net position of governmental activities accounted for in the internal service funds	167,355
Certain liabilities, deferred inflows and deferred outflows are not applicable to the current period and therefore are not reported in the funds.	
Deduct - post-employment benefits	(120,494)
Deduct - deferred inflows on OPEB	(262,449)
Add - deferred outflows on OPEB	209,698
Deduct - compensated absences payable	(94,027)
Deduct - bonds payable	(9,550,000)
Deduct - unamortized bond premium	(184,406)
Deduct - accrued interest on bonds payable	<u>(38,777)</u>
Net position of governmental activities	<u>\$ 18,372,068</u>

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

GRAND HAVEN CHARTER TOWNSHIP

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>General</u>	<u>Municipal Street</u>	<u>Fire Protection</u>	<u>American Rescue Plan Act</u>	<u>Parks Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues							
Property taxes	\$ 1,300,533	\$ 793,694	\$ 1,512,098	\$ -	\$ -	\$ 1,209,604	\$ 4,815,929
Licenses and permits	690,584	-	-	-	-	-	690,584
Federal	3,711	-	-	-	-	-	3,711
State	2,512,403	40,096	27,901	-	-	19,184	2,599,584
Charges for services	185,776	-	36,688	-	-	-	222,464
Fines	4,922	-	-	-	-	38,864	43,786
Interest	(79,593)	7,018	(36,239)	7,261	48,851	12,841	(39,861)
Miscellaneous	<u>528,772</u>	<u>1,492</u>	<u>25,914</u>	<u>-</u>	<u>-</u>	<u>2,275</u>	<u>558,453</u>
Total revenues	<u>5,147,108</u>	<u>842,300</u>	<u>1,566,362</u>	<u>7,261</u>	<u>48,851</u>	<u>1,282,768</u>	<u>8,894,650</u>
Expenditures							
Current							
General government	1,842,697	-	-	-	-	-	1,842,697
Public safety	-	-	1,350,267	-	-	565,278	1,915,545
Public works	209,811	1,159,948	-	-	-	-	1,369,759
Community and economic development	610,975	542,295	-	-	-	-	1,153,270
Culture and recreation	421,407	-	-	-	10,932	150,666	583,005
Debt service							
Principal	-	-	-	-	-	340,000	340,000
Interest	-	-	-	-	-	269,142	269,142
Capital outlay	<u>158,449</u>	<u>-</u>	<u>313,291</u>	<u>-</u>	<u>4,753,135</u>	<u>771,027</u>	<u>5,995,902</u>
Total expenditures	<u>3,243,339</u>	<u>1,702,243</u>	<u>1,663,558</u>	<u>-</u>	<u>4,764,067</u>	<u>2,096,113</u>	<u>13,469,320</u>
Revenues over (under) expenditures	<u>1,903,769</u>	<u>(859,943)</u>	<u>(97,196)</u>	<u>7,261</u>	<u>(4,715,216)</u>	<u>(813,345)</u>	<u>(4,574,670)</u>
Other financing sources (uses)							
Transfers in	-	500,000	-	-	750,000	823,120	2,073,120
Transfers out	<u>(1,775,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(298,120)</u>	<u>(2,073,120)</u>
Total other financing sources (uses)	<u>(1,775,000)</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>750,000</u>	<u>525,000</u>	<u>-</u>
Net changes in fund balances	128,769	(359,943)	(97,196)	7,261	(3,965,216)	(288,345)	(4,574,670)
Fund balances, beginning of year	<u>3,267,116</u>	<u>653,464</u>	<u>818,712</u>	<u>230</u>	<u>5,873,296</u>	<u>941,531</u>	<u>11,554,349</u>
Fund balances, end of year	<u>\$ 3,395,885</u>	<u>\$ 293,521</u>	<u>\$ 721,516</u>	<u>\$ 7,491</u>	<u>\$ 1,908,080</u>	<u>\$ 653,186</u>	<u>\$ 6,979,679</u>

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

GRAND HAVEN CHARTER TOWNSHIP

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED DECEMBER 31, 2022

Net changes in fund balances - total governmental funds	\$ (4,574,670)
Amounts reported for <i>governmental activities</i> 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 are allocated over their estimated useful lives and reported as depreciation expense.	
Add - capital outlay	6,724,497
Add - contributed capital	31,297
Deduct - depreciation expense	(1,035,876)
Long-term receivables are collectable in the subsequent year however, only current receipts are reflected as revenues on the fund statements.	
Deduct - collection of long-term receivable	(375,450)
Internal service funds are used by management to account for central services provided to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	
Add - net income from the internal service funds	31,371
Bond or note proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Add - principal payments on debt	340,000
Add - amortization of bond premium	23,112
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 the funds.	
Add - decrease in OPEB liability	159,176
Deduct - increase in deferred inflows related to OPEB	(133,647)
Add - increase in deferred outflows related to OPEB	1,530
Deduct - increase in compensated absences	(12,430)
Add - decrease in accrued interest	<u>11,660</u>
Change in net position of governmental activities	\$ <u>1,190,570</u>

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

GRAND HAVEN CHARTER TOWNSHIP

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION**

DECEMBER 31, 2022

	Enterprise Funds		Enterprise	Governmental
	Sewer	Water	Fund Total	Activities Internal Service
Assets				
Current assets				
Cash and pooled investments	\$ 1,083,044	\$ 3,572,606	\$ 4,655,650	\$ 64,231
Receivables				
Accounts	127,313	477,950	605,263	-
Lease receivable (current portion)	-	22,845	22,845	-
Special assessments (current portion)	1,152	-	1,152	-
Prepaid and other assets	5,187	15,051	20,238	12,688
Total current assets	<u>1,216,696</u>	<u>4,088,452</u>	<u>5,305,148</u>	<u>76,919</u>
Noncurrent assets				
Lease receivable	-	135,860	135,860	-
Special assessments receivable	2,879	-	2,879	-
Unamortized bond discount	1,822	-	1,822	-
Capital assets:				
Access rights, net	-	2,151,720	2,151,720	-
Non-depreciable	8,405	47,399	55,804	-
Construction in progress	260,298	214,977	475,275	650
Depreciable capital assets, net	4,249,164	5,564,236	9,813,400	106,203
Total noncurrent assets	<u>4,522,568</u>	<u>8,114,192</u>	<u>12,636,760</u>	<u>106,853</u>
Total assets	<u>5,739,264</u>	<u>12,202,644</u>	<u>17,941,908</u>	<u>183,772</u>
Deferred outflow				
Deferred loss on bond refunding	-	257,971	257,971	-
Liabilities				
Current liabilities				
Accounts payable	75,954	333,499	409,453	16,417
Accrued payroll and benefits	5,865	21,397	27,262	-
Accrued interest payable	-	27,200	27,200	-
Current portion of long-term liabilities	60,000	225,962	285,962	-
Total current liabilities	<u>141,819</u>	<u>608,058</u>	<u>749,877</u>	<u>16,417</u>
Long-term liabilities				
Unamortized bond premium	-	406,304	406,304	-
Bonds payable	410,000	3,454,648	3,864,648	-
Less current portion	(60,000)	(225,962)	(285,962)	-
Total long-term liabilities	<u>350,000</u>	<u>3,634,990</u>	<u>3,984,990</u>	<u>-</u>
Total liabilities	<u>491,819</u>	<u>4,243,048</u>	<u>4,734,867</u>	<u>16,417</u>
Deferred inflows of resources				
Deferred inflows related to lease	-	154,056	154,056	-
Net position				
Net investment in capital assets	4,109,689	4,375,351	8,485,040	106,203
Unrestricted	1,137,756	3,688,160	4,825,916	61,152
Total net position	<u>\$ 5,247,445</u>	<u>\$ 8,063,511</u>	<u>\$ 13,310,956</u>	<u>\$ 167,355</u>

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

GRAND HAVEN CHARTER TOWNSHIP

**PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

FOR THE YEAR ENDED DECEMBER 31, 2022

	Enterprise Funds		Enterprise Fund Total	Governmental
	Sewer	Water		Activities Internal Service
Operating revenue				
Charges for services				
Water sales	\$ -	\$ 2,976,681	\$ 2,976,681	\$ -
Sewage disposal services	461,540	-	461,540	-
Debt services charges	363,789	-	363,789	-
Penalties	5,234	48,067	53,301	-
Other charges	-	-	-	350,138
Total charges for services	830,563	3,024,748	3,855,311	350,138
Hydrant maintenance charges	-	(59,266)	(59,266)	-
Other revenue	5,963	10,908	16,871	-
Total operating revenue	<u>836,526</u>	<u>2,976,390</u>	<u>3,812,916</u>	<u>350,138</u>
Operating expense				
Administration	160,920	180,660	341,580	292,436
Plant operations and maintenance	502,636	1,602,547	2,105,183	-
Depreciation	212,181	445,815	657,996	26,435
Amortization	-	187,105	187,105	-
Total operating expense	<u>875,737</u>	<u>2,416,127</u>	<u>3,291,864</u>	<u>318,871</u>
Operating income (loss)	<u>(39,211)</u>	<u>560,263</u>	<u>521,052</u>	<u>31,267</u>
Non-operating revenue (expense)				
Interest income	(29,767)	25,360	(4,407)	104
Lease income	-	31,149	31,149	-
Interest expense	(23,507)	(126,614)	(150,121)	-
Total non-operating revenue (expense)	<u>(53,274)</u>	<u>(70,105)</u>	<u>(123,379)</u>	<u>104</u>
Income (loss) before transfers and capital contributions	<u>(92,485)</u>	<u>490,158</u>	<u>397,673</u>	<u>31,371</u>
Capital contributions				
Connection fees and charges	107,853	38,915	146,768	-
Special assessments	749	-	749	-
Total capital contributions	<u>108,602</u>	<u>38,915</u>	<u>147,517</u>	<u>-</u>
Changes in net position	16,117	529,073	545,190	31,371
Net position, beginning of year	<u>5,231,328</u>	<u>7,534,438</u>	<u>12,765,766</u>	<u>135,984</u>
Net position, end of year	<u>\$ 5,247,445</u>	<u>\$ 8,063,511</u>	<u>\$ 13,310,956</u>	<u>\$ 167,355</u>

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

GRAND HAVEN CHARTER TOWNSHIP

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 2022

	Enterprise Funds		Enterprise Fund Total	Governmental Activities
	Sewer	Water		Internal Service
Cash flows from operating activities				
Receipts from internal services provided	\$ -	\$ -	\$ -	\$ 350,138
Receipts from customers and users	831,532	3,023,918	3,855,450	-
Payments to employees	(292,769)	(469,904)	(762,673)	-
Payments to suppliers	(388,066)	(1,295,112)	(1,683,178)	(268,515)
Net cash provided by (used in) operating activities	<u>150,697</u>	<u>1,258,902</u>	<u>1,409,599</u>	<u>81,623</u>
Cash flows from capital and related financing activities				
Connection charges	107,853	38,915	146,768	-
Special assessments collected	1,901	-	1,901	-
Lease payments received	-	26,500	26,500	-
Principal paid on bonds	(60,000)	(214,314)	(274,314)	-
Interest paid on bonds	(22,935)	(167,827)	(190,762)	-
Acquisition of capital assets	(357,204)	(746,780)	(1,103,984)	(100,905)
Net cash provided by (used in) capital and related financing activities	<u>(330,385)</u>	<u>(1,063,506)</u>	<u>(1,393,891)</u>	<u>(100,905)</u>
Cash flows from investing activities				
Interest income	(29,767)	25,360	(4,407)	104
Net increase (decrease) in cash and pooled investments	(209,455)	220,756	11,301	(19,178)
Cash and pooled investments, beginning of year	<u>1,292,499</u>	<u>3,351,850</u>	<u>4,644,349</u>	<u>83,409</u>
Cash and pooled investments, end of year	<u>\$ 1,083,044</u>	<u>\$ 3,572,606</u>	<u>\$ 4,655,650</u>	<u>\$ 64,231</u>
Cash flows from operating activities				
Operating income (loss)	\$ (39,211)	\$ 560,263	\$ 521,052	\$ 31,267
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	212,181	445,815	657,996	26,435
Amortization	-	187,105	187,105	-
Change in operating assets and liabilities which provided (used) cash:				
Accounts receivable	(4,994)	47,528	42,534	-
Prepaid and other assets	(132)	(1,696)	(1,828)	9,940
Accounts payable	(17,382)	18,897	1,515	13,981
Accrued liabilities	235	990	1,225	-
Net cash provided by (used in) operating activities	<u>\$ 150,697</u>	<u>\$ 1,258,902</u>	<u>\$ 1,409,599</u>	<u>\$ 81,623</u>

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

GRAND HAVEN CHARTER TOWNSHIP

**FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION**

DECEMBER 31, 2022

	Other Post-employment Benefits Trust	Tax Collection
Assets		
Cash and pooled investments	\$ 2,876	\$ 2,244,312
Investments	172,154	-
Prepaid items	<u>228</u>	<u>-</u>
Total assets	<u>175,258</u>	<u>2,244,312</u>
Liabilities		
Accounts payable	-	249,960
Due to other governmental units	<u>-</u>	<u>1,994,352</u>
Total liabilities	<u>-</u>	<u>2,244,312</u>
Net position		
Restricted for other post-employment benefits	175,258	-
Restricted for other governments	<u>-</u>	<u>-</u>
Total net position	<u>\$ 175,258</u>	<u>\$ -</u>

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

GRAND HAVEN CHARTER TOWNSHIP
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	Other Post-employment Benefits Trust	Tax Collection
Additions		
Contributions:		
Employer	\$ 42,000	\$ -
Retiree	1,369	-
Property taxes collected for other governments	-	25,026,216
Investment earnings (loss)	<u>(18,157)</u>	<u>-</u>
Total Additions	25,212	25,026,216
Deductions		
Benefits	26,941	-
Property taxes distributed to other governments	-	25,026,216
Administrative expenses	<u>299</u>	<u>-</u>
Total deductions	<u>27,240</u>	<u>25,026,216</u>
Net increase	(2,028)	-
Net position, beginning of year	<u>177,286</u>	<u>-</u>
Net position, end of year	<u>\$ 175,258</u>	<u>\$ -</u>

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

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Grand Haven Charter Township (the "Township") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

These financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Township's operations, so data from these units are combined with data of the primary government. The Township has no blended component units. Discretely presented component units are reported in separate columns in the financial statements to emphasize they are legally separate from the Township.

Discretely Presented Component Unit

The Downtown Development Authority (the "DDA") was created to correct and prevent deterioration in the downtown area and promote economic growth within downtown. The DDA governing body consists of individuals that are appointed by the Township's Board. The Township's Board approves the DDA's budget and has the ability to significantly influence operations of the DDA. Financial statements are not separately issued for the DDA.

This component unit provides services to the businesses located within the district. They are reported in a separate column to emphasize they are legally separate from the Township.

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. Exceptions to this general rule are charges between enterprise functions and other various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *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 legally separate *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 is 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.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

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 liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for state shared revenue, reimbursement-based grants, and interest which use a one year collection period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, 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. All other revenue items are considered to be measurable and available only when cash is received by the Township.

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 enterprise fund are charges for services. Operating expenses for the enterprise funds include depreciation or amortization on capital assets, labor, supplies and contracted services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Township reports the following major governmental funds:

The *General Fund* is the general operating fund of the Township. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *Municipal Street Fund* is used to account for a special tax millage levied by the Township for the construction and maintenance of local streets and support of Harbor Transit transportation services.

The *Fire Protection Fund* is used to account for a special tax millage levied by the Township for the operation of the fire department.

The American Rescue Plan Act (ARPA) fund was established to account for the proceeds and uses of the ARPA funds.

The *Parks Construction Fund* is used to account for a bond issue to be utilized for the construction and improvements of Township parks.

The Township reports the following major proprietary funds:

The *Sewer Enterprise Fund* is used to account for the operations of the Township's Wastewater Department that provides sewer services on a user charge basis.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The *Water Enterprise Fund* is used to account for the operations of the Township's Water Department that provides water services on a user charge basis.

Additionally, the Township reports the following fund types:

The *Special Revenue Fund* is used to account for the proceeds of specific revenue sources (other than permanent trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The *Debt Service Funds* are used to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs.

The *Pathways Construction Fund* is used to account for a bond issue to be utilized for the construction of non-motorized pathways.

The *Internal Service Fund* is used to account for the accumulation of funds and the payment of information technology costs.

The *Fiduciary Funds* are used to account for the operations of the Township's Other Post-employment Benefits Plan for which assets are held in trust, and for the collection and disbursement of taxes and other funds that are collected on behalf of outside governments or other parties.

Budgets and Budgetary Accounting

Comparisons to budget are presented for the general and special revenue funds. General and special revenue funds adopt a legal budget with remaining funds maintaining budgets as a management control device. The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Township Superintendent submits to the Township Board a proposed operating budget for the fiscal year commencing the following January 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted through passage of a resolution.
4. Budgets for the general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets lapse at fiscal year-end.
5. Supplemental appropriations, when required to provide for appropriate expenditures are matched by additional anticipated revenues or an appropriation of available fund balance and must be approved by the Township Board. All appropriations lapse at year-end.

The appropriated budget is prepared by fund, function and department. The Township Superintendent may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Township Board. The legal level of budgetary control is the department level. Supplemental appropriations were made during the year.

Cash and Pooled Investments

For the purpose of the statement of cash flows, the Township's cash and pooled investments are considered to be cash equivalents because the balances are readily available similar to a demand deposit account.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Investments

Investments are stated at fair value at the balance sheet date.

State statutes authorize the Township to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers' acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase that are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.
- h. The OPEB Trust may also invest in corporate debt and equity securities.

Receivables and Payables

Activity 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 represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The Township follows the consumption method of accounting for prepaid items.

Capital Assets

Capital assets, which include land, buildings and equipment, access rights, vehicles, improvements, and infrastructure assets (e.g., water and sewer systems, and similar items), are reported in the governmental and 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 valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction) on the date received.

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. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

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 is included as part of the capitalized value of the assets constructed.

Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building and improvements	40
Utility systems	40
Land improvements	15
Furniture and equipment	5-20
Vehicles	5-20
Shared improvements	20
Access rights	20

Deferred outflows/inflows of resources

In addition to assets, the statement of financial 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 a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Township reports deferred refunding costs and certain other post-employment benefits related costs as deferred outflows. The deferred refunding costs will be amortized over the life of the related refunding bonds payable. The other post-employment benefits are discussed in Note 8.

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Governmental funds report deferred inflows for unavailable state shared revenues which are recognized when they become available. The governmental funds and governmental activities report deferred revenues from property taxes levied for the following year; in addition, governmental activities report deferred inflows related to certain other post-employment benefits items. The tax amounts are deferred and recognized as an inflow of resources in the period for which they are levied. The other post-employment benefits are discussed in Note 8.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the related bonds using the effective interest method.

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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures/expenses regardless of fund or activity.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Compensated Absences

Under contracts negotiated with employee groups, individual employees have a vested right to receive payments for unused vacation and sick leave under formulas and conditions specified in the contracts. Accumulated compensated absences of governmental funds is recorded on the statement of net position and not on the governmental fund balance sheets because the balance is not expected to be liquidated with expendable available financial resources. Amounts accumulated for proprietary funds are reported on the statements of net position of the individual enterprise funds.

Net Position and Fund Balance Reporting

Governmental funds report fund balance in the following five categories:

1. Non-spendable - the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted - the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed - the related assets can only be spent for a specific purpose identified by formal resolution of the governing board.
4. Assigned - the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
5. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications.

Net Position and Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Property Taxes

Township property taxes attach as an enforceable lien on property as of December 1 of each year and are due without penalty on or before February 14. Tax bills include the Township's own property taxes and taxes billed on behalf of other taxing units. Real property taxes not collected as of March 1 are turned over to the county for collection, which advances the Township 100% of the delinquent real property taxes. Collection of delinquent personal property taxes remains the responsibility of the Township Treasurer. The December 1 levy is recorded as a receivable and unearned revenue at the end of the year and is intended to fund expenditures of the following year.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Interfund Transactions

During the course of normal operations, the Township has numerous transactions between funds. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. Charges between enterprise funds and other functions of the Township are not reimbursements because elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Remaining transactions are generally reflected as transfers.

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. The Township manages its liability and property risks as a member of the Michigan Participating Plan (MPP), a public entity risk pool providing liability and property coverage to its participating members. The Township pays an annual premium to MPP for its insurance coverage. The MPP is self-sustaining through member premiums and provides, subject to certain deductibles, occurrence-based casualty coverage for each incident and occurrence based property coverage to its members by internally insuring certain risks and reinsuring risks through commercial companies. Various deductibles are maintained to place the responsibility for small charges with the insured.

The Township manages its workers' compensation risk by participating in the Michigan Municipal Workers' Compensation Self-Insurance Fund (MMWCSIF), a public entity risk pool providing workers' compensation coverage to its participating members. The Township pays an annual premium to MMWCSIF for its workers' compensation coverage. The MMWCSIF is self-sustaining through member premiums and provides statutory workers' compensation coverage to its members by internally insuring certain risks and reinsuring risks through commercial companies. The Township carries commercial insurance for employee health and accident insurance.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

2. STATUTORY COMPLIANCE

Michigan law provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgeted funds have been shown on a departmental basis. The approved budgets of the Township for these budgeted funds were adopted at the department level.

During the year ended December 31, 2022, the Township incurred no expenditures over the amounts appropriated.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

3. CASH AND INVESTMENTS

The captions on the financial statements relating to cash and pooled investments and investments are as follows:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and pooled investments	\$16,502,961	\$2,352,974	\$2,247,188	\$21,103,123
Investments	-	-	172,154	172,154
	\$16,502,961	\$2,352,974	\$2,419,342	\$21,275,277

The cash and investments making up the above balances are as follows:

Deposits	\$12,060,944
Petty cash	300
Investments	9,214,033
Total	\$21,275,277

The deposits are in financial institutions located in Michigan in varying amounts. State policy limits the Treasurer's investing options to financial institutions located in Michigan. All accounts except as noted are in the name of the Township and a specific fund or common account. They are recorded in Township records at fair value. Interest is recorded when earned.

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. State law does not require, and the Township does not have, a policy for deposit custodial credit risk. As of year-end, \$8,378,510 of the Township's bank balance of \$12,247,954 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

Investments

The Township chooses to disclose its investments by type. As of year-end, the Township had the following investments:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Source</u>
MI Class Investment Pool	N/A	\$2,115,056	AAAm	S&P
Britannia Fdg Co Commercial Paper	N/A	499,390	A1	S&P
Stanley Wks Commercial Paper	N/A	751,174	A1	S&P
US Treasury Bill	2/28/23	750,957	N/A	N/A
US Treasury Note	N/A	935,000	N/A	Moody
FHLBC bond	12/29/23	734,723	Aaa	Moody
FHLBC Bond	6/28/24	975,100	Aaa	Moody
FHLBC bond	11/22/24	231,860	Aaa	Moody
FFCB bond	8/25/25	225,466	Aaa	Moody
FHLBC bond	9/22/25	804,159	Aaa	Moody
FHLBC bond	3/30/26	223,325	Aaa	Moody
FHLBC bond	2/16/24	144,027	Aaa	Moody
FHLBC bond	12/27/24	232,798	Aaa	Moody
FFCB bond	8/19/24	233,063	Aaa	Moody
Lake St Claire MI Clean Water bond	10/1/23	24,298	AA+	S&P
Vassar MI Tax Go Pension bond	10/1/25	161,483	A	S&P
MERS Trust Account	N/A	172,154	Unrated	N/A
Total		\$9,214,033		

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The Township categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Township has the following recurring fair value measurements as of year-end.

- The US Treasury bill and notes, commercial paper, FFCB bonds, and FHLBC bonds, are valued using quoted market prices (Level 1 inputs).
- MI Class Investment Pool, MERS Trust accounts, and other municipal bonds are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determining the fair value of the securities making up the of investments fund/pool (Level 2 inputs).
- The Township does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

Investment and deposit risk

Interest Rate Risk. State law and Township policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments to specific government 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 Note 1, the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and the Township does not have, a policy for investment custodial credit risk. The above investment securities were uninsured, unregistered and held by the counterparty for the Township. For the above funds on deposit with MERS and MI Class investments, the Township's custodial credit risk exposure cannot be determined because the Township's participation in the pools/funds do not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance January 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2022</u>
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 3,403,228	\$ 543,208	\$ -	\$ 3,946,436
CIP	800,550	5,568,943	547,518	5,821,975
Total capital assets, not being depreciated	4,203,778	6,112,151	547,518	9,768,411
Capital assets, being depreciated				
Land improvements	13,265,435	951,756	-	14,217,191
Buildings and improvements	4,724,440	-	-	4,724,440
Furniture and equipment	1,861,823	223,355	24,308	2,060,870
Vehicles	2,157,428	116,955	36,400	2,237,983
Shared improvements	664,012	-	-	664,012
Total capital assets, being depreciated	22,673,138	1,292,066	60,708	23,904,496
Less accumulated depreciation for				
Land improvements	5,975,262	611,563	-	6,586,825
Buildings and improvements	2,584,334	124,019	-	2,708,353
Furniture and equipment	1,302,303	171,928	24,308	1,449,923
Vehicles	898,423	154,741	36,400	1,016,764
Shared improvements	538,640	60	-	538,700
Total accumulated depreciation	11,298,962	1,062,311	60,708	12,300,565
Net capital assets, being depreciated	11,374,176	229,755	-	11,603,931
Governmental Activities capital assets, net	\$15,577,954	\$6,341,906	\$547,518	\$21,372,342
Business-type Activities				
Capital assets, not being depreciated				
Land	\$ 55,804	\$ -	\$ -	\$ 55,804
Construction in progress	924,791	458,275	907,791	475,275
Net capital assets, not being depreciated	980,595	458,275	907,791	531,079
Capital assets being depreciated				
Land Improvements	5,664	-	-	5,664
Utility systems	22,692,581	1,501,167	-	24,193,748
Machinery and equipment	712,222	52,333	-	764,555
Total capital assets, being depreciated	23,410,467	1,553,500	-	24,963,967
Less accumulated depreciation for				
Land Improvements	566	283	-	849
Utility systems	14,006,110	594,197	-	14,600,307
Machinery and equipment	485,895	63,516	-	549,411
Total accumulated depreciation	14,492,571	657,996	-	15,150,567
Net capital assets, being depreciated	8,917,896	895,504	-	9,813,400
Business-type Activities capital assets, net	\$9,898,491	\$1,353,779	\$907,791	\$10,344,479

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

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

Governmental Activities		
General government	\$	112,563
Public safety		212,792
Public works		82,679
Community and economic development		92,449
Culture and recreation		535,393
Capital assets held by the governments internal service funds are charged to the various functions based on their usage of the assets		<u>26,435</u>
Total depreciation expense - governmental activities		<u><u>\$1,062,311</u></u>
Business-type Activities		
Sewer	\$	212,181
Water		<u>445,815</u>
Total depreciation expense - business- type activities		<u><u>\$657,996</u></u>

Access rights activity for the year was as follows:

	<u>Balance</u> <u>January 1,</u> <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31,</u> <u>2022</u>
Business-type Activities				
Access rights	\$6,433,568	\$ -	\$ -	\$6,433,568
Less accumulated amortization	4,094,743	187,105	-	4,281,848
Access rights, net	<u>\$2,338,825</u>	<u>\$(187,105)</u>	<u>\$ -</u>	<u>\$2,151,720</u>

Amortization of \$187,105 has been charged to the water enterprise fund.

5. INTERFUND TRANSACTIONS

Transfers in and out for the year are as follows:

	<u>Transfers in</u>			
<u>Transfers out</u>	<u>Municipal</u> <u>street</u> <u>fund</u>	<u>Parks</u> <u>construction</u> <u>fund</u>	<u>Non-</u> <u>Major</u> <u>Funds</u>	
General Fund	\$500,000	\$750,000	\$525,000	\$1,775,000
Non-major funds	-	-	298,120	298,120
	<u>\$500,000</u>	<u>\$750,000</u>	<u>\$823,120</u>	<u>\$2,073,120</u>

Transfers are used to (1) move unrestricted revenues collected in the general fund to finance capital and other various programs accounted for in other funds in accordance with budgetary authorizations and (2) move allocated cost of general operations to applicable funds.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

6. LONG-TERM DEBT

The following is a summary of the debt transactions of the Township for the year ended December 31, 2022:

	<u>Balance January 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2022</u>	<u>Due Within One Year</u>
Governmental Activities					
*\$4,500,000 Capital Improvement Bonds of 2017; due in annual installments of \$145,000 to \$345,000 plus interest at 2.50-3.75% through May 2036	\$3,865,000	\$ -	\$180,000	\$3,685,000	\$190,000
*\$6,025,000 Parks Improvement Bonds of 2021; due in annual installments of \$160,000 to \$370,000 plus interest at 2.00% through May 2041	6,025,000	-	160,000	5,865,000	235,000
Total	9,890,000	-	340,000	9,550,000	425,000
Bond premium	207,518	-	23,112	184,406	-
Accrued employee benefits	81,597	12,430	-	94,027	-
Total Governmental Activities	\$10,179,115	\$12,430	\$363,112	\$9,828,433	\$425,000
Business-type Activities					
*\$985,000 Township portion of Ottawa County Wastewater System Improvement Bonds of 2008; due in annual installments of \$40,000 to \$75,000 plus interest at 4.25-5.10% through July 2028	\$ 470,000	\$ -	\$ 60,000	\$ 410,000	\$ 60,000
*\$3,752,825 Township portion of Northwest Ottawa Water System Refunding Bonds of 2016; due in annual installments of \$16,307 to \$368,061 plus interest at 4.0-5.0% through May 2034	3,668,962	-	214,314	3,454,648	225,962
Total	4,138,962	-	274,314	3,864,648	285,962
Bond discount	(2,394)	-	(572)	(1,822)	-
Bond premium	467,585	-	61,281	406,304	-
Accrued employee benefits	21,071	-	56	21,015	-
Total Business-type Activities	\$4,625,224	\$ -	\$335,079	\$4,290,145	\$285,962

* Indicates public offering for GASB 88 purposes.

The outstanding direct borrowings contain a provision that in the event of default, the Township will be required to use money from its general fund or levy an ad valorem tax sufficient to pay the obligation, subject to applicable constitutional, statutory, and charter limitations.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The annual requirements to amortize all debt outstanding (excluding bond discount, bond premium, and accrued employee benefits) as of December 31, 2022 are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 425,000	\$ 227,937	\$ 285,962	\$ 179,472
2024	440,000	218,312	297,950	167,293
2025	465,000	208,237	307,268	154,539
2026	490,000	197,502	321,586	141,346
2027	510,000	185,692	335,904	126,222
2028-2032	2,820,000	728,029	1,596,164	381,030
2033-2037	2,955,000	327,968	719,815	36,398
2038-2041	1,445,000	58,450	-	-
Total	\$9,550,000	\$2,152,127	\$3,864,648	\$1,186,300

7. PENSION PLANS

Defined Contribution Pension Plan

The Township maintains a defined contribution pension plan administered by the Municipal Employees Retirement System (MERS) of Michigan, that covers substantially all full-time employees. Participants contribute 5 percent of their salaries to the plan and the Township contributes 10 percent of each eligible employee's salary to the plan. Employees are also able to make additional voluntary contributions. Plan provision and contribution requirements are established and may be amended by the Board. The Township's contribution for 2022 was \$171,514 and the employees' contribution was \$85,572.

Deferred Compensation Plan

The Township offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Township employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All Assets of the plan are held in trust for employees and the related assets and liabilities are not included in this report.

8. OTHER POST-EMPLOYMENT BENEFITS

Plan Description. The Township administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). This benefit plan is authorized, and applicable benefit requirements are identified, in the Township personnel policy and union agreements. The Retiree Health Plan does not issue a publicly available financial report. The plan is closed to new participants.

Benefits Provided. The plan provides covered employees, who retire with 15 years of full-time employment, with partial payment of hospitalization benefits until Medicare eligible for a two person contract and Medicare supplemental coverage thereafter.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (December 31, 2021):

Retirees and beneficiaries receiving benefits	5
Active plan members	<u>6</u>
Total	<u>11</u>

Contributions

The Plan was established and is being funded under the authority of the Township. The Plan's funding policy is that the employer will make contributions to a trust to the extent possible. There are no long-term contracts for contributions to the Plan. The Plan has no legally required reserves.

Net OPEB Liability

The employer's net OPEB liability was measured as December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an annual actuarial valuation as of December 31, 2021, rolled forward to December 31, 2022.

The total OPEB liability in the December 31, 2021 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate: 7.0%

Salary increases: 3.0%

Investment rate of return: 7.0%, net of investment expense, including inflation

Healthcare cost trend rates: 8.25% graded down .25 per year to 4.5%

Mortality rates: As set forth in IRS Regulations for 2018 (1.430(h)(3)) for Non-annuitants, separately for males and females as well as annuitants and non-annuitants. Based on Public Service employee 2010 tables.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study.

The long-term expected rate of return on OPEB plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses 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.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Rate of Return
Global Equity	60%	4.50%
Global Fixed Income	20%	2.00%
Private Investments	20%	7.00%

The sum of each target allocation times a long-term expected real rate, plus inflation, is 7.0%.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Concentrations. 100% of the plan is invested in MERS Diversified Bond Portfolio fund

Discount rate. The discount rate used to measure the total OPEB liability is 7.0% at December 31, 2022 and 2.87% for 2021. The projection of cash flows used to determine the discount rate assumes that the employer will first use assets to pay benefits and then pay benefits on a pay-as-you-go basis. Based on this assumption, the OPEB plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current plan members through 2029. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year the benefit payments were not projected to be covered by the projected assets, projected benefits were discounted at a discount rate reflecting a 20 year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate was that yields the same present value of benefits is calculated. The discount rate is used to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at 12/31/21	\$455,545	\$175,875	\$279,670
Changes for the Year:			
Service cost	9,731	-	9,731
Interest	13,012	-	13,012
Differences between expected and actual experience	1,795	-	1,795
Change in assumptions	(163,675)	-	(163,675)
Contributions	-	38,500	(38,500)
Net investment income	-	(18,162)	18,162
Benefit payments, including refunds	(23,760)	(23,760)	-
Administrative expense	-	(299)	299
Other	-	-	-
Net changes	(162,897)	(3,721)	(159,176)
Balance at 12/31/22	\$292,648	\$172,154	\$120,494

Sensitivity of the Net OPEB Liability to changes in the discount rate.

The following presents the net OPEB liability of the employer, calculated using the discount rate of 7.0%, as well as what the employer's net OPEB liability would be using a discount rate that is 1 percentage point lower or higher than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total OPEB liability	\$322,213	\$292,648	\$267,393
Fiduciary net position	172,154	172,154	172,154
Net OPEB liability	\$150,059	\$120,494	\$ 95,239
Plan fiduciary position as a percentage of the total OPEB liability	58.8%		

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates.

The following presents the net OPEB liability of the employer, calculated using the healthcare cost trend rate of 7.5% in 2022 graded down 0.25% per year to 4.5%, as well as what the employer's net OPEB liability would be using a healthcare cost trend rate that is 1 percentage point lower or 1% higher than the current rate.

	1% Decrease	Current healthcare cost trend rate	1% Increase
Total OPEB liability	\$262,852	\$292,648	\$328,632
Fiduciary net position	172,154	172,154	172,154
Net OPEB liability	<u>\$ 90,698</u>	<u>\$120,494</u>	<u>\$156,478</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plan

For the year ended December 31, 2022 the employer recognized OPEB expense of \$11,441. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 84,925	\$ 45,475
Changes in assumptions	97,217	216,974
Excess(deficit) investment returns	27,556	-
Total	<u>\$209,698</u>	<u>\$262,449</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2023	\$ 846
2024	2,608
2025	2,853
2026	1,349
2027	(4,975)
Thereafter	<u>(55,432)</u>
Total	<u>\$(52,751)</u>

9. CONTINGENT LIABILITIES

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

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

10. LEASES

The Township has entered into a lease arrangement with a company to lease space for the purpose of cell tower installations. The terms of the leases are as follows.

Initial five-year term ended in December 2013; with options to extend for an additional three consecutive five-year terms; currently in second five-year renewal term; current annual payment of \$26,500 increasing annually by 3%. Lessee can terminate this lease upon 30 days written notice dependent upon specific conditions within the contract.

2022 is the first year of implementation of the new guidance under GASB Statement 87, the Township has recognized a total deferred inflow of resources of \$154,056 in the current fiscal year along with a long-term lease receivable of \$158,705. The Township recognized a total of \$31,149 in lease revenue for the current fiscal year.

11. CONSTRUCTION CODE FEES

The Township oversees building construction in accordance with the State of Michigan Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The Township charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and cumulative surplus or shortfall generated since January 1, 2000 is as follows:

Excess – January 1, 2022	<u>\$209,125</u>
Current year building permit revenues	438,015
Direct expenses	<u>335,105</u>
Excess for the year ended December 31, 2022	<u>102,910</u>
Cumulative excess – December 31, 2022	<u><u>\$312,035</u></u>

12. JOINT VENTURES

The Township is a member of the Grand Haven - Spring Lake Sewer Authority (Authority). The Township appoints one member to the joint venture's governing board, which then approves the annual budget. In the current year, the Township paid \$259,455 to the Authority for sewage treatment. The purpose of the Grand Haven - Spring Lake Sewer Authority is to acquire, own, improve, enlarge, extend and operate a sewage disposal system. The Authority is governed by a Board of Trustees containing seven members. The participating communities (Cities of Grand Haven and Ferrysburg, Townships of Spring Lake and Grand Haven and the Village of Spring Lake) pay a set rate to the Authority to process waste. This rate includes amounts to finance the Authority's debt. At December 31, 2022, the portion of these Ottawa County bonds outstanding for which the township has pledged its full faith and credit amounted to approximately \$992,000. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements can be obtained at Grand Haven City Hall (519 Washington Street, Grand Haven, MI 49417).

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The Township is also a member of the Northwest Ottawa Water System (System). The Township appoints one member to the joint venture's governing board, which then approves the annual budget. In the current year, the Township paid \$848,952 to the System to purchase water. The purpose of the Northwest Ottawa Water System is to acquire, construct, finance, operate and maintain a water production facility. The plant is governed by an administrative committee composed of one representative from each of the participating communities (Cities of Grand Haven and Ferrysburg, Townships of Grand Haven and Spring Lake and the Village of Spring Lake). These participating communities pay for water at a rate that is estimated to cover operation, maintenance, replacement and debt service. Ottawa County has issued general obligation bonds to provide for the acquisition, construction and financing of improvements to the Northwest Ottawa Water System. Each participating municipality has entered into contracts with Ottawa County pledging its full faith and credit for its respective share of the bond obligation. At December 31, 2022, the portion of these Ottawa County bonds outstanding for which the township has pledged its full faith and credit amounted to approximately \$627,000. The Township is unaware of any other circumstances that would cause an additional benefit or burden to the participating government in the near future. Complete financial statements can be obtained at Grand Haven City Hall (519 Washington Street, Grand Haven, MI 49417).

13. TAX ABATEMENTS

The Township entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) PA 198 of 1974, as amended, provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high-tech facilities. An Industrial Facilities Exemption (IFE) certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of 12 years for real property and 6 years for personal property as determined by the local unit of government. The agreements entered into by the Township include claw back provisions should the recipient of the tax abatement cease operations and no successor employer is providing employment during the term of the abatement. The IFT is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%.

For the year ended December 31, 2022 the Township abated property tax revenues of approximately \$7,500.

14. COMMITMENTS

The Township has various ongoing construction projects with total estimated commitments of approximately \$2,970,000 outstanding at December 31, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

GRAND HAVEN CHARTER TOWNSHIP

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 1,293,580	\$ 1,311,040	\$ 1,300,533	\$ (10,507)
Licenses and permits	647,350	700,350	690,584	(9,766)
Federal	-	3,710	3,711	1
State	1,983,990	2,522,310	2,512,403	(9,907)
Charges for services	170,760	186,860	185,776	(1,084)
Fines	750	3,000	4,922	1,922
Interest	16,210	27,210	(79,593)	(106,803)
Miscellaneous	518,820	531,820	528,772	(3,048)
Total revenues	<u>4,631,460</u>	<u>5,286,300</u>	<u>5,147,108</u>	<u>(139,192)</u>
Expenditures				
Current				
General government				
Township board	187,860	189,060	168,259	20,801
Supervisor	28,910	28,910	28,623	287
Elections	143,830	145,210	133,949	11,261
Finance	284,510	284,510	279,759	4,751
Assessor	189,570	213,090	212,222	868
Clerk	40,550	38,550	34,647	3,903
Board of appeals	3,400	4,460	2,824	1,636
Board of review	3,090	3,090	2,401	689
Administration	612,010	607,530	598,985	8,545
Treasurer	49,760	49,760	44,298	5,462
Buildings and grounds	141,740	162,280	154,041	8,239
Cemetery	181,760	193,900	182,689	11,211
Public works				
Street lighting	137,830	137,830	125,890	11,940
Waste collection	13,700	13,700	6,300	7,400
Drains	78,000	81,630	77,621	4,009
Community and economic development				
Building and zoning	621,290	622,590	597,443	25,147
Planning commission	24,320	24,320	13,532	10,788
Culture and recreation				
Parks and recreation	380,620	451,150	421,407	29,743
Capital outlay	205,640	211,020	158,449	52,571
Total expenditures	<u>3,328,390</u>	<u>3,462,590</u>	<u>3,243,339</u>	<u>219,251</u>
Revenues over (under) expenditures	1,303,070	1,823,710	1,903,769	80,059
Other financing sources (uses)				
Transfers out	(1,775,000)	(1,775,000)	(1,775,000)	-
Net changes in fund balances	(471,930)	48,710	128,769	80,059
Fund balances, beginning of year	<u>3,267,116</u>	<u>3,267,116</u>	<u>3,267,116</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,795,186</u>	<u>\$ 3,315,826</u>	<u>\$ 3,395,885</u>	<u>\$ 80,059</u>

GRAND HAVEN CHARTER TOWNSHIP

**MUNICIPAL STREET SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 793,990	\$ 793,990	\$ 793,694	\$ (296)
State	-	40,100	40,096	(4)
Interest	200	5,500	7,018	1,518
Miscellaneous	1,430	1,430	1,492	62
Total revenues	<u>795,620</u>	<u>841,020</u>	<u>842,300</u>	<u>1,280</u>
Expenditures				
Current				
Public works	1,316,500	1,177,000	1,159,948	17,052
Community and economic development	524,180	552,780	542,295	10,485
Total expenditures	<u>1,840,680</u>	<u>1,729,780</u>	<u>1,702,243</u>	<u>27,537</u>
Revenues over (under) expenditures	(1,045,060)	(888,760)	(859,943)	28,817
Other financing sources (uses)				
Transfers in	500,000	500,000	500,000	-
Net changes in fund balances	(545,060)	(388,760)	(359,943)	28,817
Fund balances, beginning of year	<u>653,464</u>	<u>653,464</u>	<u>653,464</u>	<u>-</u>
Fund balances, end of year	<u>\$ 108,404</u>	<u>\$ 264,704</u>	<u>\$ 293,521</u>	<u>\$ 28,817</u>

GRAND HAVEN CHARTER TOWNSHIP

**FIRE PROTECTION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 1,512,720	\$ 1,512,720	\$ 1,512,098	\$ (622)
State	-	27,910	27,901	(9)
Charges for services	38,070	39,150	36,688	(2,462)
Investment earnings	900	7,200	(36,239)	(43,439)
Miscellaneous	9,000	11,000	25,914	14,914
Total revenues	<u>1,560,690</u>	<u>1,597,980</u>	<u>1,566,362</u>	<u>(31,618)</u>
Expenditures				
Current				
Public safety	1,337,390	1,406,620	1,350,267	56,353
Capital outlay	220,000	335,400	313,291	22,109
Total expenditures	<u>1,557,390</u>	<u>1,742,020</u>	<u>1,663,558</u>	<u>78,462</u>
Net changes in fund balances	3,300	(144,040)	(97,196)	46,844
Fund balances, beginning of year	<u>818,712</u>	<u>818,712</u>	<u>818,712</u>	<u>-</u>
Fund balances, end of year	<u>\$ 822,012</u>	<u>\$ 674,672</u>	<u>\$ 721,516</u>	<u>\$ 46,844</u>

GRAND HAVEN CHARTER TOWNSHIP

**AMERICAN RESCUE PLAN ACT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ 1,500	\$ 1,500	\$ 7,261	\$ 5,761
Expenditures				
Current				
General government	-	-	-	-
Net changes in fund balances	1,500	1,500	7,261	5,761
Fund balances, beginning of year	<u>230</u>	<u>230</u>	<u>230</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,730</u>	<u>\$ 1,730</u>	<u>\$ 7,491</u>	<u>\$ 5,761</u>

GRAND HAVEN CHARTER TOWNSHIP

**DEFINED BENEFIT OPEB PLAN
SCHEDULE OF CHANGES IN EMPLOYERS NET OPEB
LIABILITY AND RELATED RATIOS**

FOR THE YEAR ENDED DECEMBER 31, 2022

	2017	2018	2019	2020	2021	2022
Total OPEB liability						
Service cost	\$ 13,628	\$ 13,333	\$ 13,333	\$ 10,211	\$ 14,683	\$ 9,731
Interest	9,844	10,396	11,251	16,257	11,803	13,012
Difference between expected and actual experience	3,209	21,760	99,298	6,634	(55,881)	1,795
Changes in assumptions	21,742	-	27,229	95,424	(86,145)	(163,675)
Benefit payments including employee refunds	<u>(21,233)</u>	<u>(24,763)</u>	<u>(22,505)</u>	<u>(26,186)</u>	<u>(32,828)</u>	<u>(23,760)</u>
Net change in total OPEB liability	27,190	20,726	128,606	102,340	(148,368)	(162,897)
Total OPEB liability, beginning of year	<u>325,051</u>	<u>352,241</u>	<u>372,967</u>	<u>501,573</u>	<u>603,913</u>	<u>455,545</u>
Total OPEB liability, end of year	<u>\$ 352,241</u>	<u>\$ 372,967</u>	<u>\$ 501,573</u>	<u>\$ 603,913</u>	<u>\$ 455,545</u>	<u>\$ 292,648</u>
Plan Fiduciary Net Position						
Contributions-employer	\$ 29,725	\$ 28,798	\$ 32,192	\$ 35,000	\$ 39,300	\$ 38,500
Contributions-employee	-	4,712	-	-	-	-
Net investment income	5,104	(1,302)	13,156	5,272	4,818	(18,162)
Benefit payments including employee refunds	(21,233)	(24,763)	(22,505)	(26,186)	(32,828)	(23,760)
Administrative expense	(274)	(294)	(252)	(283)	(298)	(299)
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>156</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	13,322	7,151	22,591	13,959	10,992	(3,721)
Plan fiduciary net position, beginning of year	<u>107,860</u>	<u>121,182</u>	<u>128,333</u>	<u>150,924</u>	<u>164,883</u>	<u>175,875</u>
Plan fiduciary net position, end of year	<u>\$ 121,182</u>	<u>\$ 128,333</u>	<u>\$ 150,924</u>	<u>\$ 164,883</u>	<u>\$ 175,875</u>	<u>\$ 172,154</u>
Employer net OPEB liability	<u>\$ 231,059</u>	<u>\$ 244,634</u>	<u>\$ 350,649</u>	<u>\$ 439,030</u>	<u>\$ 279,670</u>	<u>\$ 120,494</u>
Plan fiduciary net position as a percentage of the total OPEB liability	34.4%	34.4%	30.1%	27.3%	38.6%	58.8%
Covered employee payroll	\$ 389,714	\$ 406,196	\$ 439,142	\$ 437,978	\$ 418,761	\$ 480,387
Employer's net OPEB liability as a percentage of covered employee payroll	59.3%	60.2%	79.8%	100.2%	66.8%	25.1%

Notes to schedule:

Above data is based on a December 31 measurement date.

The OPEB schedules are being accumulated prospectively until 10 years of information is presented.

GRAND HAVEN CHARTER TOWNSHIP

**DEFINED BENEFIT OPEB PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

FOR THE YEAR ENDED DECEMBER 31, 2022

	2017	2018	2019	2020	2021	2022
Actuarially determined contributions	\$ 31,068	\$ 21,791	\$ 27,782	\$ 31,883	\$ 38,867	\$ 22,345
Contributions in relation to the actuarially determined contribution	29,725	33,510	32,192	35,000	39,300	38,500
Contribution excess (deficiency)	\$ (1,343)	\$ 11,719	\$ 4,410	\$ 3,117	\$ 433	\$ 16,155
Covered employee payroll	\$ 389,714	\$ 406,196	\$ 439,142	\$ 437,978	\$ 418,761	\$ 480,387
Contributions as a percentage of covered employee payroll	7.63%	8.25%	7.33%	7.99%	9.38%	8.01%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	23 years
Asset valuation method	Market value
Discount rate	7.00% (2.87% in 2021, 1.96% in 2020, 3.26% in 2019, 3.0% in 2018)
Salary increases	3.0% (2.5% in 2019-2020, 3.5% in 2018)
Investment rate of return	7.00% (2.6% in 2019-2021, 3% in 2018)
Retirement age	60
Mortality	PS employee 2010 retiree, headcount weighted
Medical inflation rate	7.5% graded down .25% per year to rate of 4.5%

**DEFINED BENEFIT OPEB PLAN
SCHEDULE OF INVESTMENT RETURNS**

FOR THE YEAR ENDED DECEMBER 31, 2022

	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return net of investment expense	4.43%	-1.17%	8.30%	3.41%	2.38%	-10.61%

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

GRAND HAVEN CHARTER TOWNSHIP

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

DECEMBER 31, 2022

	<u>Special Revenue Fund</u>	<u>Debt Service Funds</u>	<u>Capital Project Fund</u>		
	<u>Police Services</u>	<u>Parks System Debt</u>	<u>Pathways Debt</u>	<u>Pathways Construction</u>	<u>Total</u>
Assets					
Cash and pooled investments	\$ 619,213	\$ 239,338	\$ 10	\$ 539,983	\$ 1,398,544
Receivables					
Accounts	3,445	-	-	-	3,445
Taxes	225,458	151,560	-	165,510	542,528
Prepaid items	-	-	-	3,792	3,792
Total assets	<u>\$ 848,116</u>	<u>\$ 390,898</u>	<u>\$ 10</u>	<u>\$ 709,285</u>	<u>\$ 1,948,309</u>
Liabilities, deferred inflows of resources, and fund balances					
Liabilities					
Accounts payable	\$ 45,926	\$ -	\$ -	\$ 12,268	\$ 58,194
Accrued payroll and benefits	-	-	-	1,053	1,053
Total liabilities	<u>45,926</u>	<u>-</u>	<u>-</u>	<u>13,321</u>	<u>59,247</u>
Deferred inflows of resources					
Deferred revenue	<u>517,372</u>	<u>337,662</u>	<u>-</u>	<u>380,842</u>	<u>1,235,876</u>
Fund balances					
Nonspendable					
Prepays	-	-	-	3,792	3,792
Restricted					
Police services	284,818	-	-	-	284,818
Assigned	-	53,236	10	311,330	364,576
Total fund balances	<u>284,818</u>	<u>53,236</u>	<u>10</u>	<u>315,122</u>	<u>653,186</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 848,116</u>	<u>\$ 390,898</u>	<u>\$ 10</u>	<u>\$ 709,285</u>	<u>\$ 1,948,309</u>

GRAND HAVEN CHARTER TOWNSHIP

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Special Revenue Fund</u>	<u>Debt Service Funds</u>	<u>Capital Project Fund</u>		
	<u>Police Services</u>	<u>Parks System Debt</u>	<u>Pathways Debt</u>	<u>Pathways Construction</u>	<u>Total</u>
Revenues					
Property taxes	\$ 485,201	\$ 362,755	\$ -	\$ 361,648	\$ 1,209,604
State	-	-	-	19,184	19,184
Fines	38,864	-	-	-	38,864
Investment earnings	5,653	882	-	6,306	12,841
Miscellaneous	864	628	-	783	2,275
Total revenues	<u>530,582</u>	<u>364,265</u>	<u>-</u>	<u>387,921</u>	<u>1,282,768</u>
Expenditures					
Current					
Public safety	565,278	-	-	-	565,278
Culture and recreation	-	-	-	150,666	150,666
Debt Service					
Principal	-	160,000	180,000	-	340,000
Interest	-	151,029	118,113	-	269,142
Capital outlay	-	-	-	771,027	771,027
Total expenditures	<u>565,278</u>	<u>311,029</u>	<u>298,113</u>	<u>921,693</u>	<u>2,096,113</u>
Revenues over (under) expenditures	<u>(34,696)</u>	<u>53,236</u>	<u>(298,113)</u>	<u>(533,772)</u>	<u>(813,345)</u>
Other financing sources (uses)					
Transfers in	-	-	298,120	525,000	823,120
Transfers out	-	-	-	(298,120)	(298,120)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>298,120</u>	<u>226,880</u>	<u>525,000</u>
Net changes in fund balances	(34,696)	53,236	7	(306,892)	(288,345)
Fund balances, beginning of year	<u>319,514</u>	<u>-</u>	<u>3</u>	<u>622,014</u>	<u>941,531</u>
Fund balances, end of year	<u>\$ 284,818</u>	<u>\$ 53,236</u>	<u>\$ 10</u>	<u>\$ 315,122</u>	<u>\$ 653,186</u>

GRAND HAVEN CHARTER TOWNSHIP

**POLICE SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 485,570	\$ 485,570	\$ 485,201	\$ (369)
Fines	40,000	40,000	38,864	(1,136)
Interest	200	4,600	5,653	1,053
Miscellaneous	930	930	864	(66)
Total revenues	526,700	531,100	530,582	(518)
Expenditures				
Current				
Public safety	576,330	567,530	565,278	2,252
Net changes in fund balances	(49,630)	(36,430)	(34,696)	1,734
Fund balances, beginning of year	319,514	319,514	319,514	-
Fund balances, end of year	\$ 269,884	\$ 283,084	\$ 284,818	\$ 1,734



Manager's Memo

DATE: May 18, 2023
TO: Township Board
FROM: Cargo
RE: Creation of Fire/Rescue Station Building Committee

The Public Safety Committee and staff are recommending the creation of a Fire/Rescue Station Building Committee be established for the duration of the project.

More specifically, the Building Committee will be responsible for myriad of decisions essential to successfully complete the Fire/Rescue station building project, including, but not necessarily limited to the following:

1. Exterior and interior design – such as color choices and finish selections, custom design features such as furniture and accessories throughout the station;
2. Selection of alternative construction options presented by the architect and/or construction management firm; and,
3. Communication point between staff and elected officials.

If the Board agrees that a Fire/Rescue Station Building Committee will be valuable with the construction process, the following motion can be offered:

Move to approve the creation of a Fire/Rescue Station Building Committee with a term ending at the completion of the new Fire/Rescue Station – estimated as November of 2024 – with the membership including Supervisor Reenders, Trustee Behm, and Trustee Meeusen.

If you have any questions or comments, please contact Cargo at your convenience.



Manager's Memo

DATE: May 18, 2023
TO: Township Board
FROM: Chappell and Cargo
RE: Park Rules & Regulations Amendment – Add Schmidt Heritage Park

As you may recall, the dedication for Schmidt Heritage Park will occur on June 28th. In preparation of the park opening (*excluding the sports fields*), the Parks Rules and Regulations Ordinance needs to be amended.

More specifically, the proposed ordinance accomplishes the following:

1. Strictly prohibits pets in Schmidt Heritage Park; and,
2. Strictly prohibits bikes or motorized vehicles from the JoJo Jogging trail or any of the sports fields.

To begin the adoption process of the proposed amendment, the following motion can be offered:

Move to postpone further action on the Ordinance to Amend the Park Rules and Regulations Ordinance, which prohibits pets and limits the areas for bikes or motorized vehicles within Schmidt Heritage Park. This is a first reading.

If you have any questions or comments, please contact either Cargo or Chappell.

**PARK RULES AND REGULATIONS AMENDMENT ORDINANCE
CHARTER TOWNSHIP OF GRAND HAVEN, MICHIGAN**

ord. no. _____ eff. _____

An Ordinance to amend rules and regulations for the use and maintenance of places of recreation and for the government of Township Parks within the Charter Township of Grand Haven, Ottawa County, Michigan.

THE CHARTER TOWNSHIP OF GRAND HAVEN, OTTAWA COUNTY, MICHIGAN,
ORDAINS:

Section 1. Pet Regulations. Section 4.8 of the Park Rules and Regulations Ordinance shall be restated in its entirety as follows.

8. Allow a pet to run loose within any portion of a Township Park or recreation area. Pets are strictly prohibited from Mercury Park, Pottawattomie Park, and Schmidt Heritage Park, except that a pet may be transported in a vehicle in these parks if continuously enclosed within the vehicle. For the purpose of this Ordinance, the phrase "allow a pet to run loose" shall mean that the pet is neither on a leash held by nor otherwise under the immediate control of, the person in custody of the pet. For purposes of this Ordinance, the phrase "otherwise under the immediate control of the person" shall mean that the pet is subject to the control of a person because of training, familiarity, and proximity to the person.

Section 2. Riding or Operating. Section 4.13 of the Park Rules and Regulations Ordinance shall be restated in its entirety as follows.

13. Ride or operate a bicycle, moped, motorized bicycle, motorcycle, horse, motorized three-wheeler or motorized four-wheeler on or within the confines of any playing field (including, but not limited to, any softball field or soccer field), on or within the JoJo Jogging Trail at Schmidt Heritage Park, or in any other area of a Township Park where any such items have been prohibited. It is the intention of this Subsection to prohibit the mere riding or operating of a bicycle, moped, motorized bicycle, etc., in any playing field or posted area, regardless of whether any damage is caused.

Section 3. Effective Date. This Ordinance was approved and adopted by the Township Board on June 12, 2023, after introduction and a first reading on May 22, 2023, and publication after such reading as required by Public Act 359 of 1947, as amended. This Ordinance shall be effective on _____, 2023, which date is at least 30 days after publication of this Ordinance.

Mark Reenders, Township Supervisor

Laurie Larsen, Township Clerk

CERTIFICATE

I, Laurie Larsen, the Clerk for the Charter Township of Grand Haven, Ottawa County, Michigan, certify that the foregoing Park Rules and Regulations Amendment Ordinance was adopted at a regular meeting of the Township Board held on June 12, 2023. The following members of the Township Board were present at that meeting: _____

The following members of the Township Board were absent: _____. The Ordinance was adopted by the Township Board with members of the Board _____ voting in favor and _____ members of the Board voting in opposition. Notice of Adoption of the Ordinance was published in the *Grand Haven Tribune* on _____, 2023.

Laurie Larsen, Clerk
Grand Haven Charter Township