

**GRAND HAVEN CHARTER TOWNSHIP BOARD
TUESDAY, MAY 28, 2019**

WORK SESSION – 6:00 P.M.

1. Presentation of the FY 2018 Financial Audit – Doug Vredevelde (*in the Board Room*)
2. Closed Session – Review of Land Donation Agreement (*in Conference Room*)

REGULAR MEETING – 7:00 P.M.

- I. CALL TO ORDER
- II. PLEDGE TO THE FLAG
- III. ROLL CALL
- IV. APPROVAL OF MEETING AGENDA
- V. CONSENT AGENDA
 1. Approve May 13, 2019 Regular Board Minutes
 2. Approve Payment of Invoices in the amount of \$***,***.** (A/P checks of \$***,***.** and payroll of \$***,***.**)
- VI. PRESENTATION – Museum Strategic Plan (*David Garland & Marsha Peterson*)
- VII. OLD BUSINESS
 1. Approval of 2019-2022 Township Strategic Plan
 2. Approval of Land Donation Agreement
- VIII. NEW BUSINESS
 1. Resolution 19-05-03 – Request MDOT Remove Agnew Sign
 2. Resolution 19-05-04 – Service Award & Gift Policy Update
- IX. REPORTS AND CORRESPONDENCE
 1. Committee Reports
 2. Manager’s Report
 3. Others
- X. EXTENDED PUBLIC COMMENTS/QUESTIONS ON NON-AGENDA ITEMS ONLY
(*LIMITED TO THREE MINUTES, PLEASE.*)
- XI. ADJOURNMENT

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

**GRAND HAVEN CHARTER TOWNSHIP BOARD
MONDAY, MAY 13, 2019**

REGULAR MEETING

I. CALL TO ORDER

Clerk Larsen called the regular meeting of the Grand Haven Charter Township Board to order at 7:00 p.m.

Motion by Trustee Behm supported by Trustee Gignac to appoint Trustee Redick as President Pro Tem for the Board meeting. **Which motion carried.**

II. PLEDGE TO THE FLAG

III. ROLL CALL

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

Also, present was Manager Cargo.

IV. APPROVAL OF MEETING AGENDA

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

V. APPROVAL OF CONSENT AGENDA

1. Approve April 22, 2019 Regular Board Minutes
2. Approve Payment of Invoices in the amount of \$805,778.06 (*A/P checks of \$581,803.25 and payroll of \$223,974.81*)

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

VI. OLD BUSINESS

Public comments on the proposed Grand River Waterways dredging project included the following:

- Marjie Viveen (*14861 Mercury Drive*) lives on the Grand River and encouraged the Township to oppose the proposed Grand River Waterways dredging project citing concerns regarding shore erosion.
- Shannon Donley (*15857 Brucker Street*) is a kayaker and is opposed to the proposed Grand River Waterways dredging project citing concerns with wetland degradation.
- Chrys Moelter-Gray (*13243 Forest Park Drive*) urged adoption of a resolution to oppose the proposed Grand River Waterways dredging project. At a recent Earth Day event, they had a table sharing problems with the dredging project.
- Mary Jane Belter (*16245 Ferris Street*) is a member of the Township Parks and

Recreation Committee and a member of the NORA Board. She urged opposition to the proposed dredging project and noted that the survey provided was not valid and that the Ottawa County Sheriff's Department would have increased costs if the project were approved.

- Susan Robertson (*13252 Hidden Creek Drive*) urges opposition to the proposed Grand River Waterways dredging project citing numerous environmental and cost concerns.
- Joan Bailey (*14851 Mercury Drive*) is a waterfront owner and is opposed to the proposed dredging project citing environmental concerns and erosion.

1. **Motion** by Clerk Larsen supported by Treasurer Kieft to approve and adopt Resolution 19-05-01 opposing the Grand River Waterways dredging project. **Which motion carried** pursuant to the following roll call vote:

Ayes: Larsen, Gignac, Kieft, Meeusen, Redick, Behm

Nays:

Absent: Reenders

- Tracy Reed (*14276 Virginia Way*) opined that the Township should negotiate costs with waste haulers and was is unhappy with the Republic Services cost increase.

2. **Motion** by Trustee Meeusen supported by Trustee Gignac to approve Resolution 19-05-02 approving a one-year license agreement with Waste Management of Michigan for waste collection and hauling services in Grand Haven Charter Township. **Which motion carried** pursuant to the following roll call vote:

Ayes: Behm, Gignac, Meeusen, Redick, Kieft, Larsen

Nays:

Absent: Reenders

VII. NEW BUSINESS

1. **Motion** by Trustee Gignac supported by Trustee Behm to authorize the Township Manager to execute a three-year contract with Plummer's Environmental for Sanitary Sewer Televising and Cleaning at an estimated cost of \$121,342.55. **Which motion carried.**

VIII. REPORTS AND CORESPONDENCE

1. Committee Reports

- a. Clerk Larsen noted that there will be a Personnel Committee on Wednesday, May 15th at 7:00 a.m.
- b. Trustee Redick noted that the Parks & Recreation Committee will meet on Wednesday, May 22nd at 6:30 p.m.

2. Manager's Report

- a. Manager Cargo noted there will be an All-Employee meeting on Wednesday, May 22nd at 8:00 a.m.
- b. Manager's reports were offered (*i.e., 20-19 Project List, April Building Report, April Ordinance Enforcement Report, April Public Services Report and March Legal Review*)

- c. Staff will begin the process to allow the Board to change existing AG zoning on under-sized lots in the Lincoln Farms Estate development.
- 3. Others
 - a. Trustee Meeusen noted that the Township should consider an Ethics Policy for elected officials and requested this be placed as an agenda items during an upcoming work session.

IX. PUBLIC COMMENTS

- a. Chrys Moelter-Gray (*13243 Forest Park Drive*) discussed Extended Grace – a nonprofit working closely with Ottawa County – addressing mental health needs within the Community. Material on upcoming events was provided to the elected officials.
- b. Laird Schafer (*12543 Wilderness Trail*) expressed concern regarding increased call volume related to the Village at Rosy Mound and Health Pointe. Opined that the Township should seek reimbursement because of the high call volumes.
- c. Susan Robertson (*13252 Hidden Creek Drive*) expressed appreciation toward Clerk Larsen and Deputy Clerk DeVerney for actively encouraging residents to be placed on the permanent AV voting list prior to the 2020 elections.

X. ADJOURNMENT

Motion by Clerk Larsen and seconded by Trustee Behm to adjourn the meeting at 7:40 p.m. **Which motion carried.**

Respectfully Submitted,

Laurie Larsen
Grand Haven Charter Township Clerk

Ron Redick
Grand Haven Charter Township President Pro Tem



COUNTY OF OTTAWA, MICHIGAN

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018



Vredeveld Haefner LLC
CPAs and Consultants

Grand Haven Charter Township

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INDEPENDENT AUDITORS' REPORT

April 30, 2019

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

Report on the Financial Statements

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, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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, 2018, 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.

Other Matters

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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.

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

Uredexeld 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, 2018. 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

- New construction activity dropped in 2018 with only a moderate amount of building totaling \$33 million. About \$27.8 million was residential with 49 single family homes, 143 additions or alterations, 12 apartment units and 30 mobile homes added. Commercial construction accounted for about \$5.2 million of the total with 6 new commercial buildings and 9 commercial remodels.
- About 10.8 miles of roadway were improved by the Ottawa County Road Commission with the Township contributing just over \$567,000 for the subdivision resurfacing portion of these improvements.
- The Fire/Rescue Department experienced another record year with over 1,255 emergency runs with a budget of about \$1.2 million that included the purchase of a new rescue truck at a cost of just over \$50,000.
- In the third year of a five-year project, the DPW department replaced 1,179 MXU's during 2018 at a cost just over \$190,000.
- Harbor Transit provided over 55,000 rides within the Township who contributed about \$406,000 to help fund this authority.
- In the second year of a three-year pathway expansion project, 3.5 miles of new pathway were added at an approximate cost of \$1.9 million while maintenance of the existing pathway totaled just over \$187,000.
- Improvements were made to upgrade the remaining three sewer pump stations to utilize a SCADA programming system at a cost of about \$70,000.
- Several projects took place in the water department including the completion of 530 feet of watermain from 168th Avenue to Ferris Street, upsizing 810 feet of watermain on Brucker Street and relocating the watermain on Bittersweet Drive at costs of approximately \$142,000, \$152,000 and \$15,000, respectively.

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 seven 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 and pathways 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 other post employment benefits and 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 \$22,448,086 at the close of the most recent fiscal year. A summary of net position is as follows:

	Net Position					
	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 9,966,922	\$11,586,286	\$3,877,049	\$3,773,179	\$13,843,971	\$15,359,465
Capital assets	11,605,864	9,465,641	12,326,314	12,562,496	23,932,178	22,028,137
Total assets	<u>21,572,786</u>	<u>21,051,927</u>	<u>16,203,363</u>	<u>16,335,675</u>	<u>37,776,149</u>	<u>37,387,602</u>
Deferred outflows of resources	-	23,160	343,963	365,461	343,963	388,621
Long-term liabilities outstanding	4,965,726	5,313,599	5,269,871	5,843,724	10,235,597	11,157,323
Other liabilities	1,071,431	1,188,376	714,410	896,331	1,785,841	2,084,707
Total liabilities	<u>6,037,157</u>	<u>6,501,975</u>	<u>5,984,281</u>	<u>6,740,055</u>	<u>12,021,438</u>	<u>13,242,030</u>
Deferred inflows of resources	3,650,588	3,464,344	-	-	3,650,588	3,464,344
Net position:						
Net investment in capital assets	8,121,366	8,121,366	6,504,352	6,270,898	14,625,718	14,392,264
Restricted	802,500	606,760	-	-	802,500	606,760
Unrestricted	<u>2,961,175</u>	<u>2,380,642</u>	<u>4,058,693</u>	<u>3,690,183</u>	<u>7,019,868</u>	<u>6,070,825</u>
Total net position	<u>\$11,885,041</u>	<u>\$11,108,768</u>	<u>\$10,563,045</u>	<u>\$9,961,081</u>	<u>\$22,448,086</u>	<u>\$21,069,849</u>

A significant portion of the Township's net position (31 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 \$1,378,237 during the current fiscal year.

Changes in Net Position

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenue:						
Program revenue:						
Charges for services	\$893,615	\$1,071,400	\$3,082,670	\$3,049,003	\$3,976,285	\$4,120,403
Operating grants and contributions	83,597	42,360	-	-	83,597	42,360
Capital grants and contributions	57,774	-	373,296	397,531	431,070	397,531
General revenue:						
Property taxes	3,649,292	3,538,233	-	129,903	3,649,292	3,668,136
State sources	1,347,334	1,307,952	-	-	1,347,334	1,307,952
Unrestricted investment earnings	51,820	23,115	54,619	18,568	106,439	41,683
Other	412,777	386,193	170,165	440,351	582,942	826,544
Total revenue	<u>6,496,209</u>	<u>6,369,253</u>	<u>3,680,750</u>	<u>4,035,356</u>	<u>10,176,959</u>	<u>10,404,609</u>
Expenses:						
General government	1,700,055	1,238,170	-	-	1,700,055	1,238,170
Public safety	1,362,825	1,092,331	-	-	1,362,825	1,092,331
Public works	875,831	614,446	-	-	875,831	614,446
Community and economic Development	1,115,221	738,500	-	-	1,115,221	738,500
Culture and recreation	651,081	1,353,675	-	-	651,081	1,353,675
Interest on long-term debt	146,568	74,369	-	-	146,568	74,369
Sewer fund	-	-	600,623	568,026	600,623	568,026
Water fund	-	-	2,346,518	2,419,044	2,346,518	2,419,044
Total expenses	<u>5,851,581</u>	<u>5,111,491</u>	<u>2,947,141</u>	<u>2,987,070</u>	<u>8,798,722</u>	<u>8,098,561</u>
Change before contributions and transfers	644,628	1,257,762	733,609	1,048,286	1,378,237	2,306,048
Transfers	131,645	91,100	(131,645)	(91,100)	-	-
Change in net position	<u>776,273</u>	<u>1,348,862</u>	<u>601,964</u>	<u>957,186</u>	<u>1,378,237</u>	<u>2,306,048</u>
Net position - beginning of year	<u>11,108,768</u>	<u>9,759,906</u>	<u>9,961,081</u>	<u>9,003,895</u>	<u>21,069,849</u>	<u>18,763,801</u>
Net position - end of year	<u>\$11,885,041</u>	<u>\$11,108,768</u>	<u>\$10,563,045</u>	<u>\$9,961,081</u>	<u>\$22,448,086</u>	<u>\$21,069,849</u>

Governmental Activities. During the year the Township invested \$1,362,825 or 23% of governmental activities expenses in public safety. General government expenses amounted to \$1,700,055 or 29% 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 \$5,614,509, a decrease of \$1,541,376 in comparison with the prior year. Of the \$5,614,509, \$2,407,744 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 \$1,797,376. 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 66% of total general fund expenditures. The fund balance of the Township's general fund decreased by \$120,325 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 \$6,262, an increase of \$371 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 \$583,315, an increase of \$137,644 over the prior year.

The pathways construction fund is used to account for the bond proceeds and related capital outlay for new pathways within the Township. At the end of the current fiscal year, fund balance was \$2,403,924 primarily due to unspent bond proceeds from the \$4.5 million pathway construction bonds.

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 \$1,817,054 and \$2,241,639 respectively. The sewer fund had an increase in net position for the year of \$204,410. The water fund had an increase in net position for the year of \$397,554.

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, 2018, amounted to \$20,812,547 (net of accumulated depreciation).

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

	Governmental Activities	Business-type Activities	Total
Land	\$ 2,022,055	\$ 55,804	\$ 2,077,859
Construction in progress	-	82,894	82,894
Buildings and improvements	4,466,634	-	4,466,634
Land improvements	10,308,018	-	10,308,018
Furniture, machinery and equipment	1,660,652	581,884	2,242,536
Vehicles	1,773,243	-	1,773,243
Shared improvements	543,386	-	543,386
Utility systems	-	21,303,988	21,303,988
Accumulated depreciation	(9,168,124)	(12,817,887)	(21,986,011)
Total	\$ 11,605,864	\$ 9,206,683	\$ 20,812,547

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	\$ 71,092	\$ 24,810	\$ 95,902
Bonds payable	5,015,000	5,079,613	10,094,613
Total	\$5,086,092	\$5,104,423	\$10,190,515

The Township made principle payments on bonds outstanding totaling \$828,992 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:

- The General Fund Designated Fund Balance was increased by \$180,000 as a result of a board decision to set aside money for future park expansion and development.
- Trade permit fees exceeded the budgeted amount by approximately \$78,000 mainly due to The Village at Rosy Mound apartment project as well as new residential construction activity.
- Interest income exceeded budgeted amounts in total for all funds by about \$94,000 due to an investment decision to switch excess funds to MI Class at an average yield of 2.03%.
- The legislative budget was increased by \$15,000 to reflect a contribution to "The Reimagine Project" in the City of Grand Haven.
- The Administrative budget showed an increase mid-year of approximately \$40,000 to reflect the increase in work hours for the human resources manager and related benefits.
- Budgeted amounts for capital outlay in the Building & Grounds department were increased by \$66,000 to account for the purchase of new audio/visual equipment for the board room.
- The Community Development budget saw a corresponding increase in inspection fees of \$80,000 due to higher than anticipated activity in residential construction and alterations.
- Budget expenditures in the Drain account were increased by \$37,700 due to higher than anticipated maintenance costs for Township drains-at-large.
- The Parks and Recreation budget was decreased by approximately \$52,000 to reflect the postponement of several projects to fiscal year 2019.
- Capital Outlay in the DDA Fund was increased by just over \$57,000 to account for engineering and construction costs related to the installation of traffic lights at Robbins Road and 172nd Avenue.
- The Pathway fund showed budget increases in operating transfer revenues from the General and Water Funds of about \$190,000 along with increases in pathway construction, engineering and easement costs totaling \$286,000.
- Budgeted trunkage revenues in the sewer fund were decreased by \$150,000 to reflect the postponement of the Regency nursing home construction to 2019 as well as the installation of a smaller meter at The Village of Rosy Mound.
- The Water fund budget was increased by about \$214,000 as a result of higher than anticipated water sales due to the dry summer as well as a reimbursement from the City of Grand Haven for an error in water billing.
- Transfers from the General Fund to the Transportation Fund, along with related expenditures in the Transportation Fund, increased by \$127,000 for additional subdivision road paving throughout the Township.
- Contributions to the Information Technologies Fund as well as computer related expenditures decreased by almost \$144,000 resulting from a board decision to utilize cash reserves from previous years to fund current expenditures.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Township's budget for the 2019 fiscal year:

- Economic growth is expected to continue in West Michigan. The economic expansion in West Michigan is now seven years old and is stronger than most other areas in the United States or any other region of Michigan. Many businesses are expanding and/or are at capacity. This expansion is longer and, more recently, sharper than the post-war average of 58 months. Although the next recession could, in theory, be around the corner spurred by some unpredictable shock (*e.g., trade wars, political turmoil in Washington*); if the current pattern holds, the current expansion should continue for about two more years. By that yardstick, the expansion could last through 2020, which would make it the longest economic expansion on record.
- Property values are expected to increase by about 2.25% in 2019 to the current estimated taxable value of about \$802.2 million.
- The Disabled Veterans exemption - based upon current exemptions - is expected to reduce property tax collections. The FY 2019 revenue loss is estimated at \$2,742 for the General Fund; \$5,681 for the Fire/Rescue Fund; \$1,359 for the Pathway Fund; and, \$2,841 for the Municipal Street Fund.
- Revenues associated with construction activity are expected to exceed 2018 numbers due to two new subdivisions opening and a new apartment complex being constructed.
- Water and Sewer utility rates will increase by 3% for water and 3% for sewer with an additional \$.59 per 1,000 gallons for the debt related to the renovations at the sewage treatment plant.
- Platting, clearing and construction activities are planned at the Historic Cemetery to create additional sections at an estimated cost of \$167,500.
- The final phase of pathway construction will be completed in 2019 adding 4.9 miles of new pathway at an estimated cost of \$2,257,000 along with the purchase of a new Toolcat for maintenance of the pathway in the amount of \$76,000.
- The Township will supplement the street maintenance work of the Ottawa County Road Commission to resurface subdivision roads during 2019 at a cost of about \$450,000. Monies will also be included to "prime and double chip" up to 2 miles of gravel roads.
- The Fire/Rescue department will begin the 18-month process to design and build a new fire truck to replace a 23-year old pumper with 2 installments being paid in 2019 at an expected cost of \$310,000 of the estimated \$680,000 total.
- The DDA fund will collect about \$599,000 in revenues which will help finance the installation of watermain and a new sidewalk along Robbins Rd between 168th Ave and 172nd Ave at an approximate cost of \$610,000.
- A total of \$505,400 in debt payments will be made during 2019 from the Pathway Debt Fund and Refunded Building Debt Fund.
- The DPW department will continue a five-year long project to replace existing MXU's at a cost of approximately \$200,000 for 2019.

It should be noted that voters approved a Headlee override election in November to return the Township's General Operating millage from the current 0.8895 mills to 1 mill. This will positively impact the 2020 fiscal year.

And finally, it is noted that Health Pointe has applied for a tax-exempt status of their real and personal property based upon their nonprofit status and the criteria set forth in *Wexford Medical Group v. City of Cadillac*. The fiscal impact of this revenue loss for the Township is about \$80,000, which will be partially offset through a PILOT agreement that is estimated to raise about \$46,000.

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, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
Assets				
Cash and pooled investments	\$ 6,948,879	\$ 3,022,148	\$ 9,971,027	\$ 1,301,585
Receivables				
Accounts	4,722	507,214	511,936	-
Taxes	2,727,361	-	2,727,361	609,735
Special assessments (current portion)	-	26,725	26,725	-
Due from other governments	224,626	115,067	339,693	-
Prepaid items	61,334	13,493	74,827	-
Total current assets	9,966,922	3,684,647	13,651,569	1,911,320
Noncurrent assets				
Special assessments receivable	-	187,912	187,912	-
Unamortized bond discount	-	4,490	4,490	-
Capital assets:				
Access rights, net	-	3,119,631	3,119,631	-
Non-depreciable	2,022,055	55,804	2,077,859	-
Construction in progress	-	82,894	82,894	-
Depreciable capital assets, net	9,583,809	9,067,985	18,651,794	-
Total noncurrent assets	11,605,864	12,518,716	24,124,580	-
Total assets	21,572,786	16,203,363	37,776,149	1,911,320
Deferred outflows				
Deferred loss on bond refunding	-	343,963	343,963	-
Liabilities				
Accounts payable	599,804	169,416	769,220	-
Accrued payroll and benefits	82,683	11,277	93,960	-
Accrued interest payable	23,944	35,220	59,164	-
Current portion of noncurrent liabilities	365,000	498,497	863,497	-
Total current liabilities	1,071,431	714,410	1,785,841	-
Long-term liabilities				
Post-employment benefits	244,634	-	244,634	-
Compensated absences	71,092	24,810	95,902	-
Unamortized bond premium	-	663,945	663,945	-
Bonds payable	5,015,000	5,079,613	10,094,613	-
Less current portion	(365,000)	(498,497)	(863,497)	-
Total long-term liabilities	4,965,726	5,269,871	10,235,597	-
Total liabilities	6,037,157	5,984,281	12,021,438	-
Deferred inflows of resources				
Unearned revenue	3,650,588	-	3,650,588	609,735
Net position				
Net investment in capital assets	8,121,366	6,504,352	14,625,718	-
Restricted for				
Fire protection	583,315	-	583,315	-
Transportation	6,262	-	6,262	-
Police services	212,923	-	212,923	-
Unrestricted	2,961,175	4,058,693	7,019,868	1,301,585
Total net position	\$ 11,885,041	\$ 10,563,045	\$ 22,448,086	\$ 1,301,585

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

GRAND HAVEN CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2018

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	\$ 1,700,055	\$ 364,150	\$ -	\$ 57,774	\$ (1,278,131)
Public safety	1,362,825	73,910	11,768	-	(1,277,147)
Public works	875,831	426,812	-	-	(449,019)
Community and economic development	1,115,221	-	-	-	(1,115,221)
Culture and recreation	651,081	28,743	71,829	-	(550,509)
Interest on long-term debt	146,568	-	-	-	(146,568)
Total governmental activities	5,851,581	893,615	83,597	57,774	(4,816,595)
Business-type activities					
Sewer	600,623	587,012	-	189,717	176,106
Water	2,346,518	2,495,658	-	183,579	332,719
Total business-type activities	2,947,141	3,082,670	-	373,296	508,825
Total primary government	\$ 8,798,722	\$ 3,976,285	\$ 83,597	\$ 431,070	\$ (4,307,770)
Component unit					
Downtown Development Authority	\$ 126,796	\$ -	\$ -	\$ -	\$ (126,796)
Total component unit	\$ 126,796	\$ -	\$ -	\$ -	\$ (126,796)

(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, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
Changes in net position				
Net (expense) revenue	\$ (4,816,595)	\$ 508,825	\$ (4,307,770)	\$ (126,796)
General revenues				
Property taxes				
General purpose	1,387,528	-	1,387,528	453,188
Specific purpose	2,261,764	-	2,261,764	-
State shared revenues	1,347,334	-	1,347,334	-
Unrestricted interest	51,820	54,619	106,439	6,700
Miscellaneous	412,777	170,165	582,942	127,554
Transfers	131,645	(131,645)	-	-
Total general revenues and transfers	5,592,868	93,139	5,686,007	587,442
Change in net position	776,273	601,964	1,378,237	460,646
Net position, beginning of year	11,108,768	9,961,081	21,069,849	840,939
Net position, end of year	\$ 11,885,041	\$ 10,563,045	\$ 22,448,086	\$ 1,301,585

(Concluded)

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

GRAND HAVEN CHARTER TOWNSHIP

**GOVERNMENTAL FUNDS
BALANCE SHEET**

DECEMBER 31, 2018

	<u>General</u>	<u>Municipal Street</u>	<u>Fire Protection</u>	<u>Pathways Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets						
Cash and pooled investments	\$ 2,808,594	\$ 179,517	\$ 946,434	\$ 2,571,887	\$ 380,083	\$ 6,886,515
Receivables						
Accounts	234	-	-	-	4,488	4,722
Taxes	632,227	510,523	1,020,177	244,081	320,353	2,727,361
Due from other governments	224,626	-	-	-	-	224,626
Prepaid items	23,618	-	26,302	2,416	-	52,336
Total assets	<u>\$ 3,689,299</u>	<u>\$ 690,040</u>	<u>\$ 1,992,913</u>	<u>\$ 2,818,384</u>	<u>\$ 704,924</u>	<u>\$ 9,895,560</u>
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	\$ 390,878	\$ -	\$ 7,899	\$ 84,993	\$ 64,010	\$ 547,780
Accrued payroll and benefits	45,223	-	34,984	2,476	-	82,683
Total liabilities	<u>436,101</u>	<u>-</u>	<u>42,883</u>	<u>87,469</u>	<u>64,010</u>	<u>630,463</u>
Deferred inflows of resources						
Unearned revenue	845,454	683,778	1,366,715	326,991	427,650	3,650,588
Fund balances						
Nonspendable						
Prepaid items	23,618	-	26,302	2,416	-	52,336
Restricted						
Fire Protection	-	-	557,013	-	-	557,013
Transportation	-	6,262	-	-	-	6,262
Police Services	-	-	-	-	212,923	212,923
Committed						
Parks	550,000	-	-	-	-	550,000
Assigned						
Subsequent year expenditures	36,750	-	-	-	-	36,750
Debt service funds	-	-	-	-	341	341
Pathways capital projects	-	-	-	2,401,508	-	2,401,508
Unassigned	1,797,376	-	-	-	-	1,797,376
Total fund balances	<u>2,407,744</u>	<u>6,262</u>	<u>583,315</u>	<u>2,403,924</u>	<u>213,264</u>	<u>5,614,509</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,689,299</u>	<u>\$ 690,040</u>	<u>\$ 1,992,913</u>	<u>\$ 2,818,384</u>	<u>\$ 704,924</u>	<u>\$ 9,895,560</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, 2018

Fund balances - total governmental funds	\$ 5,614,509
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	2,022,055
Add - capital assets (net of accumulated depreciation)	9,484,944
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	118,203
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - post-employment benefits	(244,634)
Deduct - compensated absences payable	(71,092)
Deduct - bonds payable	(5,015,000)
Deduct - accrued interest on bonds and notes payable	<u>(23,944)</u>
Net position of governmental activities	<u>\$ 11,885,041</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, 2018

	<u>General</u>	<u>Municipal Street</u>	<u>Fire Protection</u>	<u>Pathways Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues						
Property taxes	\$ 990,366	\$ 650,145	\$ 1,300,379	\$ 311,240	\$ 397,162	\$ 3,649,292
Licenses and permits	697,005	-	-	-	-	697,005
State	1,347,334	-	-	-	-	1,347,334
Charges for services	121,413	-	4,392	-	-	125,805
Fines	1,287	-	-	-	69,518	70,805
Interest	29,975	1,424	14,959	71,829	5,319	123,506
Miscellaneous	408,937	-	15,596	-	12	424,545
Total revenues	<u>3,596,317</u>	<u>651,569</u>	<u>1,335,326</u>	<u>383,069</u>	<u>472,011</u>	<u>6,438,292</u>
Expenditures						
Current						
General government	1,542,543	-	-	-	-	1,542,543
Public safety	-	-	1,127,934	-	414,266	1,542,200
Public works	194,088	601,535	-	-	-	795,623
Community and economic development	609,693	406,638	-	-	-	1,016,331
Culture and recreation	265,188	-	-	178,765	-	443,953
Debt service						
Principal	-	-	-	-	350,000	350,000
Interest	-	-	-	-	147,770	147,770
Capital outlay	118,120	-	69,748	2,085,025	-	2,272,893
Total expenditures	<u>2,729,632</u>	<u>1,008,173</u>	<u>1,197,682</u>	<u>2,263,790</u>	<u>912,036</u>	<u>8,111,313</u>
Revenues over (under) expenditures	<u>866,685</u>	<u>(356,604)</u>	<u>137,644</u>	<u>(1,880,721)</u>	<u>(440,025)</u>	<u>(1,673,021)</u>
Other financing sources (uses)						
Transfers in	-	356,975	-	543,340	497,760	1,398,075
Transfers out	<u>(987,010)</u>	<u>-</u>	<u>-</u>	<u>(279,420)</u>	<u>-</u>	<u>(1,266,430)</u>
Total other financing sources (uses)	<u>(987,010)</u>	<u>356,975</u>	<u>-</u>	<u>263,920</u>	<u>497,760</u>	<u>131,645</u>
Net changes in fund balances	(120,325)	371	137,644	(1,616,801)	57,735	(1,541,376)
Fund balances, beginning of year	<u>2,528,069</u>	<u>5,891</u>	<u>445,671</u>	<u>4,020,725</u>	<u>155,529</u>	<u>7,155,885</u>
Fund balances, end of year	<u>\$ 2,407,744</u>	<u>\$ 6,262</u>	<u>\$ 583,315</u>	<u>\$ 2,403,924</u>	<u>\$ 213,264</u>	<u>\$ 5,614,509</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, 2018

Net changes in fund balances - total governmental funds	\$ (1,541,376)
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Amounts reported for *governmental activities* in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Add - capital outlay	2,738,667
Deduct - depreciation expense	(592,189)

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	(140,782)
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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	350,000
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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.

Deduct - increase in OPEB liability	(13,575)
Add - decrease in deferred inflows related to OPEB	1,038
Deduct - decrease in deferred outflows related to OPEB	(23,160)
Deduct - increase in compensated absences	(3,552)
Add - decrease in accrued interest	<u>1,202</u>

Change in net position of governmental activities	<u>\$ 776,273</u>
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The accompanying notes are an integral part of these financial statements.

GRAND HAVEN CHARTER TOWNSHIP

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION**

DECEMBER 31, 2018

	Enterprise Funds		Enterprise	Governmental
	Sewer	Water	Fund Total	Activities Internal Service
Assets				
Current assets				
Cash and pooled investments	\$ 1,517,881	\$ 1,504,267	\$ 3,022,148	\$ 62,364
Receivables				
Accounts	95,479	411,735	507,214	-
Special assessments (current portion)	26,725	-	26,725	-
Due from other funds	2,000	-	2,000	-
Due from other government:	-	115,067	115,067	-
Prepaid and other assets	3,411	10,082	13,493	8,998
Total current assets	1,645,496	2,041,151	3,686,647	71,362
Noncurrent assets				
Special assessments receivable	187,912	-	187,912	-
Unamortized bond discount	4,490	-	4,490	-
Capital assets:				
Access rights, net	-	3,119,631	3,119,631	-
Non-depreciable	8,405	47,399	55,804	-
Construction in progress	72,370	10,524	82,894	-
Depreciable capital assets, net	3,508,734	5,559,251	9,067,985	98,865
Total noncurrent assets	3,781,911	8,736,805	12,518,716	98,865
Total assets	5,427,407	10,777,956	16,205,363	170,227
Deferred outflow				
Deferred loss on bond refunding	-	343,963	343,963	-
Liabilities				
Current liabilities				
Accounts payable	82,231	87,185	169,416	52,024
Accrued payroll and benefits	6,493	29,594	36,087	-
Due to other funds	-	2,000	2,000	-
Accrued interest payable	-	35,220	35,220	-
Current portion of long-term liabilities	50,000	448,497	498,497	-
Total current liabilities	138,724	602,496	741,220	52,024
Long-term liabilities				
Unamortized bond premium	-	663,945	663,945	-
Bonds payable	630,000	4,449,613	5,079,613	-
Less current portion	(50,000)	(448,497)	(498,497)	-
Total long-term liabilities	580,000	4,665,061	5,245,061	-
Total liabilities	718,724	5,267,557	5,986,281	52,024
Net position				
Net investment in capital assets	2,891,629	3,612,723	6,504,352	98,865
Unrestricted	1,817,054	2,241,639	4,058,693	19,338
Total net position	\$ 4,708,683	\$ 5,854,362	\$ 10,563,045	\$ 118,203

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, 2018

	Enterprise Funds		Enterprise Fund Total	Governmental
	Sewer	Water		Internal Service
Operating revenue				
Charges for services				
Water sales	\$ -	\$ 2,443,786	\$ 2,443,786	\$ -
Sewage disposal services	332,321	-	332,321	-
Debt services charges	249,162	-	249,162	-
Penalties	5,529	40,640	46,169	-
Other charges	-	-	-	103,817
Total charges for services	587,012	2,484,426	3,071,438	103,817
Hydrant maintenance charges	-	11,232	11,232	-
Other revenue	16,995	153,170	170,165	-
Total operating revenue	<u>604,007</u>	<u>2,648,828</u>	<u>3,252,835</u>	<u>103,817</u>
Operating expense				
Administration	38,700	161,580	200,280	198,732
Plant operations and maintenance	346,729	1,331,861	1,678,590	-
Depreciation	181,135	382,812	563,947	46,010
Amortization	-	237,378	237,378	-
Total operating expense	<u>566,564</u>	<u>2,113,631</u>	<u>2,680,195</u>	<u>244,742</u>
Operating income (loss)	<u>37,443</u>	<u>535,197</u>	<u>572,640</u>	<u>(140,925)</u>
Non-operating revenue (expense)				
Interest income	37,509	17,110	54,619	143
Interest expense	(34,059)	(232,887)	(266,946)	-
Total non-operating revenue (expense)	<u>3,450</u>	<u>(215,777)</u>	<u>(212,327)</u>	<u>143</u>
Income (loss) before transfers and capital contributions	<u>40,893</u>	<u>319,420</u>	<u>360,313</u>	<u>(140,782)</u>
Other financing sources (uses)				
Transfers out	(26,200)	(105,445)	(131,645)	-
Capital contributions				
Connection fees and charges	81,873	183,579	265,452	-
Special assessments	107,844	-	107,844	-
Total capital contributions	<u>189,717</u>	<u>183,579</u>	<u>373,296</u>	<u>-</u>
Changes in net position	204,410	397,554	601,964	(140,782)
Net position, beginning of year	<u>4,504,273</u>	<u>5,456,808</u>	<u>9,961,081</u>	<u>258,985</u>
Net position, end of year	<u>\$ 4,708,683</u>	<u>\$ 5,854,362</u>	<u>\$ 10,563,045</u>	<u>\$ 118,203</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, 2018

	Enterprise Funds		Enterprise Fund Total	Governmental Activities
	Sewer	Water		Internal Service
Cash flows from operating activities				
Receipts from internal services provided	\$ -	\$ -	\$ -	\$ 103,817
Receipts from customers and users	593,734	2,559,140	3,152,874	-
Payments to employees	(88,293)	(480,954)	(569,247)	-
Payments to suppliers	(280,537)	(1,017,861)	(1,298,398)	(141,561)
Payments for interfund services used	(5,202)	(16,076)	(21,278)	-
Transfers	(26,200)	(105,445)	(131,645)	-
Net cash provided by (used in) operating activities	<u>193,502</u>	<u>938,804</u>	<u>1,132,306</u>	<u>(37,744)</u>
Cash flows from capital and related financing activities				
Connection charges	81,873	183,579	265,452	-
Special assessments issued	(107,409)	-	(107,409)	-
Special assessments collected	26,320	-	26,320	-
Due (from) to other funds	(2,000)	2,000	-	-
Principal paid on bonds	(50,000)	(428,992)	(478,992)	-
Interest paid on bonds	(33,248)	(233,568)	(266,816)	-
Acquisition of capital assets	(152,208)	(465,785)	(617,993)	(39,755)
Net cash provided by (used in) capital and related financing activities	<u>(128,828)</u>	<u>(942,766)</u>	<u>(1,071,594)</u>	<u>(39,755)</u>
Cash flows from investing activities				
Interest income	37,509	17,110	54,619	143
Net increase (decrease) in cash and pooled investments	<u>102,183</u>	<u>13,148</u>	<u>115,331</u>	<u>(77,356)</u>
Cash and pooled investments, beginning of year	<u>1,415,698</u>	<u>1,491,119</u>	<u>2,906,817</u>	<u>139,720</u>
Cash and pooled investments, end of year	<u>\$ 1,517,881</u>	<u>\$ 1,504,267</u>	<u>\$ 3,022,148</u>	<u>\$ 62,364</u>
Cash flows from operating activities				
Operating income (loss)	\$ 37,443	\$ 535,197	\$ 572,640	\$ (140,925)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	181,135	382,812	563,947	46,010
Amortization	-	237,378	237,378	-
Transfers	(26,200)	(105,445)	(131,645)	-
Change in operating assets and liabilities which provided (used) cash:				
Accounts receivable	(10,273)	(89,688)	(99,961)	-
Prepaid assets and other items	57,464	134,236	191,700	7,378
Accounts payable	(45,658)	(154,369)	(200,027)	49,793
Accrued liabilities	(409)	(1,317)	(1,726)	-
Net cash provided by (used in) operating activities	<u>\$ 193,502</u>	<u>\$ 938,804</u>	<u>\$ 1,132,306</u>	<u>\$ (37,744)</u>

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

GRAND HAVEN CHARTER TOWNSHIP
FIDUCIARY FUNDS
STATEMENT OF NET POSITION/BALANCE SHEET
DECEMBER 31, 2018

	Other Post-employment Benefit <u>Trust</u>	Agency <u>Funds</u>
Assets		
Cash and pooled investments	\$ 576	\$ 1,014,806
Investments	128,333	-
Prepaid items	<u>156</u>	<u>-</u>
Total assets	<u>129,065</u>	<u>\$ 1,014,806</u>
Liabilities		
Accounts payable	<u>-</u>	<u>\$ 1,014,806</u>
Net position		
Restricted for other post-employment benefits	<u>\$ 129,065</u>	

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

GRAND HAVEN CHARTER TOWNSHIP
FIDUCIARY FUND
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2018

	Other Post-employment Benefit Trust
Additions	
Contributions:	
Employer	\$ 28,640
Retiree	4,712
Investment earnings	<u>(1,298)</u>
Total Additions	32,054
Deductions	
Benefits	24,609
Administrative expenses	<u>294</u>
Total deductions	<u>24,903</u>
Net increase	7,151
Net position, beginning of year	<u>121,914</u>
Net position, end of year	<u>\$ 129,065</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, 2018

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, 2018

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, except for agency funds which do not have a measurement focus. 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 *Pathways Construction Fund* is used to account for a bond issue to be utilized for the construction of non-motorized pathways.

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, 2018

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

The *Other Post-employment Benefits Trust Fund* is used to account for the operations of the Township's Other Post-employment Benefits Plan for which assets are held in trust. This fund provides other post-employment benefits to the Township's retired employees as well as certain current employees under a collective bargaining agreement.

The *Agency Fund* is used to account for the collection and disbursement of 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, 2018

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, 2018

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 as a deferred outflow. The deferred costs will be amortized over the life of the related refunding bonds payable.

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 only one type of item that qualifies for reporting in this category. The governmental funds and governmental activities report unearned revenues from property taxes levied for the following year. These amounts are deferred and recognized as an inflow of resources in the period for which they are levied.

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.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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, 2018

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 assuring 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 assuring 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, 2018, there were no expenditures in excess of the amount appropriated.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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	\$9,971,027	\$1,301,585	\$1,015,382	\$12,287,994
Investments	-	-	128,333	128,333
	\$9,971,027	\$1,301,585	\$1,143,715	\$12,416,327

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

Deposits	\$ 7,603,080
Petty cash	300
Investments	4,812,947
Total	\$12,416,327

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, \$6,904,056 of the Township's bank balance of \$7,562,687 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	\$4,684,614	AAAm	S&P
MERS Trust Account	N/A	128,333	Unrated	N/A
Total		\$4,812,947		

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.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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

- The Township does not have any investments valued using quoted market prices (Level 1 inputs).
- MI Class Investment Pool and MERS investments 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, 2018

4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance January 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2018</u>
Governmental Activities				
Capital assets, not being depreciated				
Land	\$2,022,055	\$ -	\$ -	\$2,022,055
Capital assets, being depreciated				
Land improvements	8,138,614	2,169,404	-	10,308,018
Buildings and improvements	4,454,309	12,325	-	4,466,634
Furniture and equipment	1,192,798	547,068	79,214	1,660,652
Vehicles	1,784,934	50,128	61,819	1,773,243
Shared improvements	543,386	-	-	543,386
Total capital assets, being depreciated	16,114,041	2,778,925	141,033	18,751,933
Less accumulated depreciation for				
Land improvements	4,192,848	304,395	-	4,497,243
Buildings and improvements	2,119,712	114,054	-	2,233,766
Furniture and equipment	883,353	134,917	78,711	939,559
Vehicles	956,994	83,164	61,819	978,339
Shared improvements	517,548	1,669	-	519,217
Total accumulated depreciation	8,670,455	638,199	140,530	9,168,124
Net capital assets, being depreciated	7,443,586	2,140,726	503	9,583,809
Governmental Activities capital assets, net	\$9,465,641	\$2,140,726	\$ 503	\$11,605,864
Business-type Activities				
Capital assets, not being depreciated				
Land	\$ 55,804	\$ -	\$ -	\$ 55,804
Construction in progress	-	82,894	-	82,894
Net capital assets, not being depreciated	55,804	82,894	-	138,698
Capital assets being depreciated				
Utility systems	20,768,889	535,099	-	21,303,988
Machinery and equipment	587,328	-	5,444	581,884
Total capital assets, being depreciated	21,356,217	535,099	5,444	21,885,872
Less accumulated depreciation for				
Utility systems	11,815,808	529,920	-	12,345,728
Machinery and equipment	443,576	34,027	5,444	472,159
Total accumulated depreciation	12,259,384	563,947	5,444	12,817,887
Net capital assets, being depreciated	9,096,833	(28,848)	-	9,067,985
Business-type Activities capital assets, net	\$9,152,637	\$54,046	\$ -	\$9,206,683

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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

Governmental Activities	
General government	\$ 83,794
Public safety	177,518
Public works	51,464
Community and economic development	98,890
Culture and recreation	180,523
Capital assets held by the governments internal service funds are charged to the various functions based on their usage of the assets	46,010
Total depreciation expense - governmental activities	\$638,199
 Business-type Activities	
Sewer	\$181,135
Water	382,812
Total depreciation expense - business- type activities	\$563,947

Access rights activity for the year was as follows:

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Business-type Activities				
Access rights	\$6,433,568	\$ -	\$ -	\$6,433,568
Less accumulated amortization	3,023,709	290,228	-	3,313,937
Access rights, net	\$3,409,859	\$(290,228)	\$ -	\$3,119,631

Amortization of \$290,228 has been charged to the water enterprise fund.

5. INTERFUND TRANSACTIONS

Transfers in and out for the year are as follows:

	Transfers in			
Transfers out	Municipal Street	Pathway Construction	Non-Major Funds	Total
General Fund	\$356,975	\$505,580	\$124,455	\$987,010
Pathways Construction	-	-	279,420	279,420
Sewer Fund	-	-	26,200	26,200
Water Fund	-	37,760	67,685	105,445
	\$356,975	\$543,340	\$497,760	\$1,398,075

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, 2018

6. LONG-TERM DEBT

The following is a summary of the debt transactions of the Township for the year ended December 31, 2018:

	<u>Balance January 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2018</u>	<u>Due Within One Year</u>
Governmental Activities					
\$1,585,000 Refunding Bonds of 2013; due in annual installments of \$150,000 to \$230,000 plus interest at 1.75% through May 2021	\$865,000	\$ -	\$205,000	\$660,000	\$210,000
\$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	4,500,000	-	145,000	4,355,000	155,000
Total	5,365,000	-	350,000	5,015,000	365,000
Accrued employee benefits	67,540	3,552	-	71,092	-
Total Governmental Activities	\$5,432,540	\$3,552	\$350,000	\$5,086,092	\$365,000
Business-type Activities					
\$4,670,000 Township portion of Ottawa County Water Refunding Bonds of 2005; due in annual installments of \$280,000 to \$410,000 plus interest at 3.500-4.375% through July 2019	\$ 575,000	\$ -	\$280,000	\$ 295,000	\$295,000
\$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	680,000	-	50,000	630,000	50,000
\$4,677,636 Township portion of Ottawa County Water Supply Bonds of 2009 (Northwest Ottawa Water System Improvements) - expansion portion, due in annual installments of \$32,613 to \$46,590 plus interest at 2.4% to 6.05% through May 2019	81,533	-	41,931	39,602	39,602
\$1,015,944 Township portion of Ottawa County 2010 Water Supply Refunding Bonds, due in installments of \$35,000 to \$280,000 plus interest at 2.0% to 2.625% through May 2021	469,247	-	107,061	362,186	113,895

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Balance January 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2018</u>	<u>Due Within One Year</u>
\$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	\$3,752,825	\$ -	\$ -	\$3,752,825	\$ -
Total	5,558,605	-	478,992	5,079,613	498,497
Bond discount*	(5,301)	-	(811)	(4,490)	-
Bond premium	738,294	-	74,349	663,945	-
Accrued employee benefits	25,817	-	1,007	24,810	-
Total Business-type Activities	\$6,317,415	\$ -	\$553,537	\$5,763,878	\$498,497

The annual requirements to amortize all debt outstanding (excluding issuance discount, bond issuance, other post-employment benefits and accrued employee benefits) as of December 31, 2018 are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 365,000	\$ 139,888	\$ 498,497	\$ 229,539
2020	385,000	132,125	192,035	207,506
2021	400,000	123,999	250,119	199,964
2022	180,000	117,612	274,314	189,777
2023	190,000	112,987	285,962	177,971
2024-2028	1,100,000	483,935	1,614,918	689,451
2029-2033	1,395,000	300,967	1,595,707	299,282
2034-2036	1,000,000	57,188	368,061	9,202
Total	\$5,015,000	\$1,468,701	\$5,079,613	\$2,002,692

During fiscal 2016, Ottawa County issued refunding bonds with the portion to be paid by the Township amounting to \$3,752,825. The proceeds of the advance refunding were placed into a trust account to re-pay a portion of the 2009 Ottawa County Water Supply Bonds which are considered to be defeased. As of December 31, 2017, \$4,179,122 of the Township's portion of refunded bonds payable are considered to be defeased and are scheduled to be called and paid in full in 2019.

7. PENSION PLANS

Defined Contribution Pension Plans

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 2018 was \$157,842 and the employees' contribution was \$78,904.

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

Deferred Compensation Plan

The Township offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to full-time 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.

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (December 31, 2018):

Retirees and beneficiaries receiving benefits	4
Active plan members	<u>6</u>
Total	<u>10</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, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an annual actuarial valuation as of that date.

The total OPEB liability in the December 31, 2018 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary Increases: 3.5%

Investment rate of return: 3.0%, net of investment expense, including inflation

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

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 RP-2000 Tables with Scale AA.

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

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Rate of Return</u>
Diversified Bond Portfolio	100%	0.5%

The Township, as plan sponsor and investment fiduciary, has chosen for the Plan an asset mix intended to meet or exceed a long-term rate of return of 3.0%.

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

Rate of return. For the year ended December 31, 2018, the annual money-weighted rate of return on investments, net of investment expense, was (1.17) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate. The discount rate used to measure the total OPEB liability is 3.0%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Plan		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at 12/31/17	\$352,241	\$121,182	\$231,059
Changes for the Year:			
Service cost	13,333	-	13,333
Interest	10,396	-	10,396
Change in benefits	-	-	-
Differences between expected and actual experience	21,760	-	21,760
Change in assumptions	-	-	-
Contributions: employer	-	28,798	(28,798)
Contributions: employee	-	4,712	(4,712)
Net investment income	-	(1,302)	1,302
Benefit payments, including refunds	(24,763)	(24,763)	-
Administrative expense	-	(294)	294
Other changes	-	-	-
Net changes	20,726	7,151	13,575
Balance at 12/31/18	\$372,967	\$128,333	\$244,634

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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 3.0%, as well as what the employer's net OPEB liability would be using a discount rate that is 1 percentage point lower (2.0%) or 1% higher (4.0%) than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total OPEB liability	\$416,769	\$372,967	\$330,917
Fiduciary net position	128,333	128,333	128,333
Net OPEB liability	\$288,436	\$244,634	\$202,584
Plan fiduciary position as a percentage of the total OPEB liability	34.41%		

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 8.25% in 2019 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 (7.25%) or 1% higher (9.25%) than the current rate.

	1% Decrease	Current healthcare cost trend rate	1% Increase
Total OPEB liability	\$356,446	\$372,967	\$393,367
Fiduciary net position	128,333	128,333	128,333
Net OBEB liability	\$228,113	\$244,634	\$265,034

9. 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:

Shortfall – January 1, 2018	\$(261,499)
Current year building permit revenues	426,811
Direct expenses	369,900
Excess for the year ended December 31, 2018	56,911
Cumulative shortfall – December 31, 2018	\$(204,588)

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

10. CONTIGENT LIABILITIES

In the normal course of its operations, the Township has become a party in various legal actions, including property tax appeals. Management of the Township is of the opinion that the outcome of such actions will not have a material effect on the financial position of the Township.

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.

11. 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 \$207,412 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, 2018, the portion of these Ottawa County bonds outstanding for which the township has pledged its full faith and credit amounted to approximately \$1,185,000. 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).

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 \$638,478 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, 2018, the portion of these Ottawa County bonds outstanding for which the township has pledged its full faith and credit amounted to approximately \$944,000. 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).

GRAND HAVEN CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

12. 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, 2018 the Township abated property tax revenues of approximately \$12,500.

13. COMMITMENTS

The Township has various ongoing construction projects with total estimated commitments of approximately \$465,000 outstanding at December 31, 2018.

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, 2018

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 984,860	\$ 993,200	\$ 990,366	\$ (2,834)
Licenses and permits	629,650	709,520	697,005	(12,515)
State	1,286,150	1,321,450	1,347,334	25,884
Charges for services	116,130	125,630	121,413	(4,217)
Fines	2,100	2,100	1,287	(813)
Interest	22,500	35,800	29,975	(5,825)
Miscellaneous	405,930	407,630	408,937	1,307
Total revenues	<u>3,447,320</u>	<u>3,595,330</u>	<u>3,596,317</u>	<u>987</u>
Expenditures				
Current				
General government				
Township board	161,030	167,210	152,485	14,725
Supervisor	22,030	22,030	21,574	456
Elections	95,450	88,020	86,290	1,730
Finance	234,630	246,040	244,810	1,230
Assessor	234,830	230,670	221,090	9,580
Clerk	40,690	38,190	33,143	5,047
Board of appeals	4,740	4,740	3,130	1,610
Board of review	2,610	2,610	1,221	1,389
Administration	451,750	402,550	400,613	1,937
Treasurer	47,720	43,410	41,772	1,638
Buildings and grounds	191,000	199,640	179,548	20,092
Cemetery	158,110	166,110	156,867	9,243
Public works				
Street lighting	116,650	125,870	125,571	299
Waste collection	9,500	9,500	8,308	1,192
Drains	30,000	67,700	60,209	7,491
Community and economic development				
Building and zoning	519,020	593,195	574,903	18,292
Planning commission	37,450	37,450	34,790	2,660
Culture and recreation				
Parks and recreation	268,650	267,750	265,188	2,562
Capital outlay	<u>123,500</u>	<u>144,300</u>	<u>118,120</u>	<u>26,180</u>
Total expenditures	<u>2,749,360</u>	<u>2,856,985</u>	<u>2,729,632</u>	<u>127,353</u>
Revenues over (under) expenditures	697,960	738,345	866,685	128,340
Other financing sources (uses)				
Transfers out	<u>(706,920)</u>	<u>(987,060)</u>	<u>(987,010)</u>	<u>50</u>
Net changes in fund balances	(8,960)	(248,715)	(120,325)	128,390
Fund balances, beginning of year	<u>2,528,069</u>	<u>2,528,069</u>	<u>2,528,069</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,519,109</u>	<u>\$ 2,279,354</u>	<u>\$ 2,407,744</u>	<u>\$ 128,390</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, 2018

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 652,910	\$ 653,160	\$ 650,145	\$ (3,015)
Interest	150	2,350	1,424	(926)
Total revenues	<u>653,060</u>	<u>655,510</u>	<u>651,569</u>	<u>(3,941)</u>
Expenditures				
Current				
Public works	474,200	601,700	601,535	165
Community and economic development	<u>408,900</u>	<u>408,900</u>	<u>406,638</u>	<u>2,262</u>
Total expenditures	<u>883,100</u>	<u>1,010,600</u>	<u>1,008,173</u>	<u>2,427</u>
Revenues over (under) expenditures	(230,040)	(355,090)	(356,604)	(1,514)
Other financing sources (uses)				
Transfers in	<u>230,000</u>	<u>357,000</u>	<u>356,975</u>	<u>25</u>
Net changes in fund balances	(40)	1,910	371	(1,489)
Fund balances, beginning of year	<u>5,891</u>	<u>5,891</u>	<u>5,891</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,851</u>	<u>\$ 7,801</u>	<u>\$ 6,262</u>	<u>\$ (1,489)</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, 2018

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 1,305,890	\$ 1,306,390	\$ 1,300,379	\$ (6,011)
Charges for services	2,100	4,500	4,392	(108)
Investment earnings	3,840	15,140	14,959	(181)
Miscellaneous	15,090	23,190	15,596	(7,594)
Total revenues	<u>1,326,920</u>	<u>1,349,220</u>	<u>1,335,326</u>	<u>(13,894)</u>
Expenditures				
Current				
Public safety	1,122,110	1,142,060	1,127,934	14,126
Capital outlay	62,300	72,300	69,748	2,552
Total expenditures	<u>1,184,410</u>	<u>1,214,360</u>	<u>1,197,682</u>	<u>16,678</u>
Net changes in fund balances	142,510	134,860	137,644	2,784
Fund balances, beginning of year	<u>445,671</u>	<u>445,671</u>	<u>445,671</u>	<u>-</u>
Fund balances, end of year	<u>\$ 588,181</u>	<u>\$ 580,531</u>	<u>\$ 583,315</u>	<u>\$ 2,784</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, 2018

	<u>2017</u>	<u>2018</u>
Total OPEB liability		
Service cost	\$ 13,628	\$ 13,333
Interest	9,844	10,396
Difference between expected and actual experience	3,209	21,760
Changes in assumptions	21,742	-
Benefit payments including employee refunds	<u>(21,233)</u>	<u>(24,763)</u>
Net change in total OPEB liability	27,190	20,726
Total OPEB liability, beginning of year	<u>325,051</u>	<u>352,241</u>
Total OPEB liability, end of year	<u>\$ 352,241</u>	<u>\$ 372,967</u>
 Plan Fiduciary Net Position		
Contributions-employer	\$ 29,725	\$ 28,798
Contributions-employee	-	4,712
Net investment income	5,104	(1,302)
Benefit payments including employee refunds	(21,233)	(24,763)
Administrative expense	<u>(274)</u>	<u>(294)</u>
Net change in plan fiduciary net position	13,322	7,151
Plan fiduciary net position, beginning of year	<u>107,860</u>	<u>121,182</u>
Plan fiduciary net position, end of year	<u>\$ 121,182</u>	<u>\$ 128,333</u>
 Employer net OPEB liability	 <u>\$ 231,059</u>	 <u>\$ 244,634</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 34.4%	 34.4%
 Covered employee payroll	 \$ 389,714	 \$ 406,196
 Employer's net OPEB liability as a percentage of covered employee payroll	 59.3%	 60.2%

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, 2018

	<u>2017</u>	<u>2018</u>
Actuarially determined contributions	\$ 31,068	\$ 21,791
Contributions in relation to the actuarially determined contribution	29,725	33,510
Contribution excess (deficiency)	<u>\$ (1,343)</u>	<u>\$ 11,719</u>
 Covered employee payroll	 \$ 389,714	 \$ 406,196
 Contributions as a percentage of covered employee payroll	 7.63%	 8.25%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	14 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	3.5% (2.5% in 2017)
Investment rate of return	3.00%
Retirement age	60
Mortality	RP-2000 tables with Scale AA

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

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2017</u>	<u>2018</u>
Annual money-weighted rate of return net of investment expense	4.43%	-1.17%

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

GRAND HAVEN CHARTER TOWNSHIP

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

DECEMBER 31, 2018

	<u>Special Revenue Fund</u>	<u>Debt Service Funds</u>		
	<u>Police Services</u>	<u>Refunded Township Building Debt</u>	<u>Pathways Debt</u>	<u>Total</u>
Assets				
Cash and pooled investments	\$ 379,742	\$ 327	\$ 14	\$ 380,083
Receivables				
Accounts	4,488	-	-	4,488
Taxes	<u>320,353</u>	<u>-</u>	<u>-</u>	<u>320,353</u>
Total assets	<u>\$ 704,583</u>	<u>\$ 327</u>	<u>\$ 14</u>	<u>\$ 704,924</u>
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	\$ 64,010	\$ -	\$ -	\$ 64,010
Deferred inflows of resources				
Unearned revenue - taxes	<u>427,650</u>	<u>-</u>	<u>-</u>	<u>427,650</u>
Fund balances				
Restricted				
Police services	212,923	-	-	212,923
Assigned	<u>-</u>	<u>327</u>	<u>14</u>	<u>341</u>
Total fund balances	<u>212,923</u>	<u>327</u>	<u>14</u>	<u>213,264</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 704,583</u>	<u>\$ 327</u>	<u>\$ 14</u>	<u>\$ 704,924</u>

GRAND HAVEN CHARTER TOWNSHIP
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue Fund	Debt Service Funds		
	Police Services	Refunded Township Building Debt	Pathways Debt	Total
Revenues				
Property taxes	\$ 397,162	\$ -	\$ -	\$ 397,162
Fines	69,518	-	-	69,518
Investment earnings	5,299	2	18	5,319
Miscellaneous	12	-	-	12
Total revenues	<u>471,991</u>	<u>2</u>	<u>18</u>	<u>472,011</u>
Expenditures				
Current				
Public safety	414,266	-	-	414,266
Debt Service				
Principal	-	205,000	145,000	350,000
Interest	-	13,345	134,425	147,770
Total expenditures	<u>414,266</u>	<u>218,345</u>	<u>279,425</u>	<u>912,036</u>
Revenues over (under) expenditures	57,725	(218,343)	(279,407)	(440,025)
Other financing sources (uses)				
Transfers in	-	218,340	279,420	497,760
Net changes in fund balances	57,725	(3)	13	57,735
Fund balances, beginning of year	<u>155,198</u>	<u>330</u>	<u>1</u>	<u>155,529</u>
Fund balances, end of year	<u>\$ 212,923</u>	<u>\$ 327</u>	<u>\$ 14</u>	<u>\$ 213,264</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, 2018

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 397,500	\$ 397,500	\$ 397,162	\$ (338)
Fines	42,000	72,000	69,518	(2,482)
Interest	1,260	5,260	5,299	39
Miscellaneous	300	300	12	(288)
Total revenues	441,060	475,060	471,991	(3,069)
Expenditures				
Current				
Public safety	449,830	454,580	414,266	40,314
Net changes in fund balances	(8,770)	20,480	57,725	37,245
Fund balances, beginning of year	155,198	155,198	155,198	-
Fund balances, end of year	<u>\$ 146,428</u>	<u>\$ 175,678</u>	<u>\$ 212,923</u>	<u>\$ 37,245</u>



SUPERINTENDENT'S MEMO

DATE: May 23, 2018

TO: Township Board

FROM: Bill Cargo

SUBJECT: Schmidt Land Gift

As you are aware, the Township has pursued the proposed Schmidt land gift. To that end, a modified Real Property Agreement has been drafted and approved by Schmidt. (*See attached Agreement.*)

This land will be gifted vis-a-vis two distinct parcels. The 68.12 acres of “Parcel 1” will be gifted to the Township initially and will be the primary focus of the development plan for the **Schmidt Heritage Park**.

The 5.68 acres of “Parcel 2” – which includes the barn – will be gifted at a later date or upon the death of Schmidt. Parcel 2 will be separated from the remainder of the **Schmidt Heritage Park** by a vinyl-coated chain link fence constructed by the Township prior to a deadline of July 2020. When gifted to the Township, “Parcel 2” can be used for receptions (*e.g., graduation parties, weddings, etc.*) or similar activities. (*The barn was constructed to commercial standards and should be able to be renovated for public access at minimal cost.*)

Although “Parcel 2” will not be immediately gifted to the Township, the development plan for **Schmidt Heritage Park** was completed in such a fashion that this later addition can be readily incorporated (*e.g., future access, pathways, nearby restrooms, etc.*) into the **Schmidt Heritage Park**.

At this stage certain staff tasks and Board decisions have already occurred, which include the following:

- ✓ A Phase I Environmental Site Assessment (ESA) of the 74-acre property was completed that found “*no evidence of recognized environmental conditions*”.
- ✓ A survey and legal description of parcel 1 and parcel 2 of the proposed land gift have been drafted.
- ✓ Land Donation agreement was prepared by Attorney Bultje and approved by Schmidt.
- ✓ The Township Board authorized Supervisor Reenders to pursue an option for a portion of the Chittenden property for the purposes of constructing an entrance from Lincoln. (*If an option is provided, the Township may seek grant monies for the actual purchase of the parcel.*)
- ✓ The Township hired Nederveld & Associates to amend the **Hofma Vision** and develop a plan

for the **Schmidt Heritage Park**. This plan is incorporated into the plan.

That said, the current draft of the proposed Schmidt Real Property Donation Agreement is substantially similar to the agreement discussed in 2018. However, the following changes are noted:

1. The last sentence of Section 2(b) was added about the east boundary of Section including a partial fence provided by the donor.
2. The last sentence of Section 2(f) was added regarding the future running path.
3. The last sentence of Section 2(i) was revised regarding the revised Exhibit C, confirming that Grand Haven Area Community Foundation will allocate annual funding from Fluor Schwartz as a first priority for the annual funding of the maintenance of the property.
4. Section 8(c) has been added to indicate that any deviation from the Real Property Donation Agreement by the Township will result in the Township losing funding from Fluor Schwartz for the year of deviation, with the funding not restored until the deviation is corrected. The restored funding will be prospective only.
5. Finally, the second paragraph of Section 13 has been added. If the first phase of the conceptual layout described in Section 2(g) is not fully operational by the fourth anniversary of the effective date of the Agreement, the property will revert to the donor without further consideration paid to the Township.

Because the revenues for most of the project are still unidentified, this deadline could prove problematic. That said, Section 2(g) anticipates that the Township will prepare its own plan, laid out by phases, with a tentative timetable. The donor is allowed to participate in the preparation of the plan, but it remains the Township's plan.

Bottom line, the Township has control over the preparation of the plan and the decision of what is in the first phase. However, once the first phase is identified, the first phase must be operational by the fourth anniversary of the effective date of the agreement.

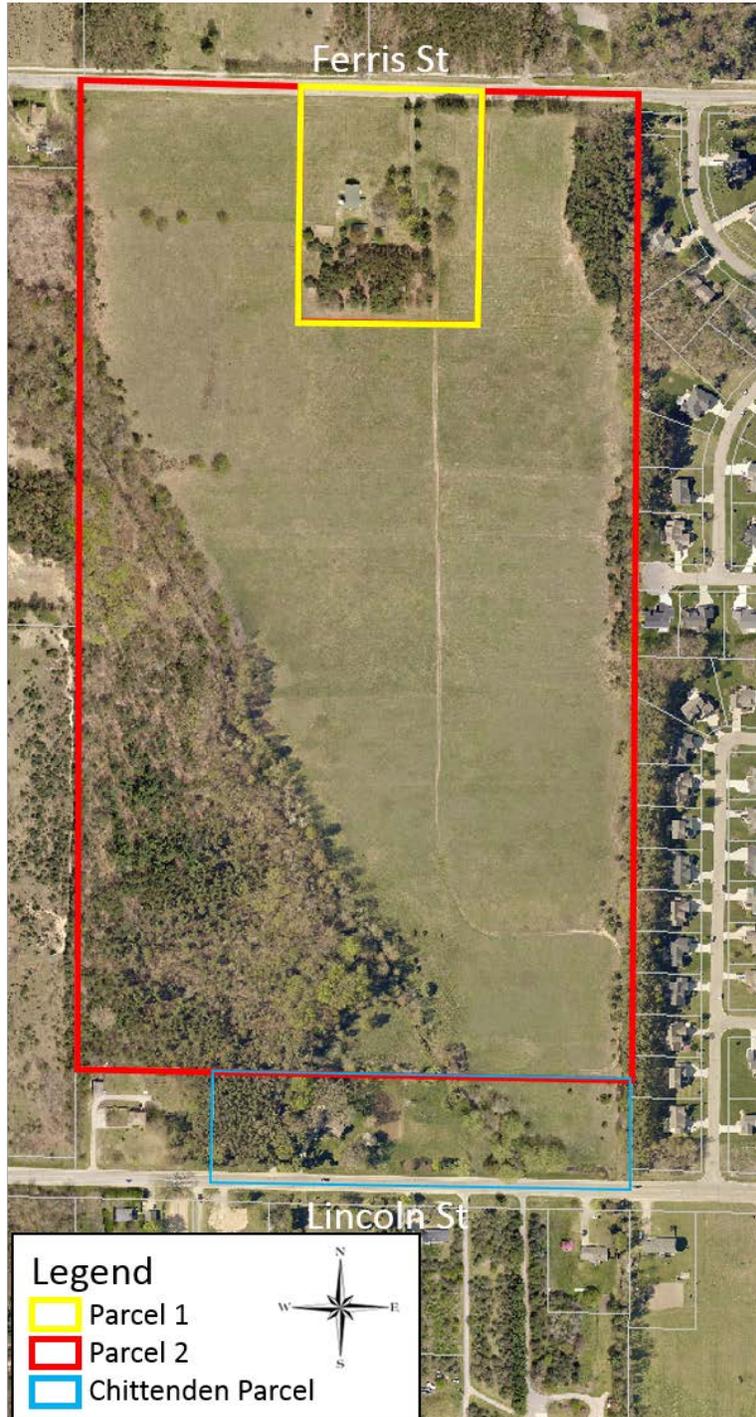
It is noted that the Parks and Recreation Committee recommended approval of the Schmidt Real Property Agreement. If the Board supports the current version of the land donation agreement, the following motions can be offered:

Motion to approve and authorize Supervisor Reenders and Clerk Larsen to execute the Real Property Donation Agreement (Draft Date 05/07/19) for the proposed Schmidt Heritage Park.

Motion to instruct staff to (1) complete the installation of a fence and gate along the boundary of parcel 1 prior to July of 2020; (2) draft a work agreement with Nederveld & Associates to delineate the first phase of the park development –

which phase must be completed within 48 months; and, (3) contact the property owner immediately south for the possible purchase of property to allow an entrance from Lincoln Street.

If there are any questions or comments prior to the meeting, please contact either Supervisor Reenders, Trustee Redick or me.



REAL PROPERTY DONATION AGREEMENT

This Real Property Donation Agreement (“Agreement”) is made between **James Schmidt**, a single man from Sugar Land, Texas (“Donor”), and **Grand Haven Charter Township**, a Michigan charter township (“Donee”). It is agreed that upon the terms and conditions set forth in this Agreement, the Donor shall donate and convey all of his rights and interests in, and the Donee shall accept and be the successor to all such rights and interests in, the real property identified and described herein. This Agreement and any addenda, riders, counterparts, or amendments together constitute the complete Agreement.

Donor and Donee may each be referred to herein as a “Party” and collectively as the “Parties.”

Donor is the owner of the real property described in the Certified Survey (two pages) attached as **Exhibit A** to this Agreement and incorporated into this Agreement by this reference (the “Property”). The Property includes the Split of Parcel 16-70-07-11-300-003, consisting of 5.68 acres, referenced as Section 2 in this Agreement; and the Property includes the Remainder of Parcel 16-70-07-11-300-003, consisting of 68.12 acres, referenced as Section 1 in this Agreement

1. CONSIDERATION

The Parties acknowledge and agree that Donee shall pay \$10.00 to Donor as consideration in exchange for Donor’s transfer of the Property to Donee. This Agreement, and performance of any covenant or condition contained in it, is not contingent upon Donee obtaining financing from any source.

2. RESTRICTIONS, EASEMENTS, LIMITATIONS

- (a) Subject to its right to terminate as set forth in Paragraph 13 below, Donee shall take title to the Property subject to all matters of title at the Closings for Section 1 and Section 2, with the exception of any liens for taxes or charges, or both, which Donor shall discharge in accordance with the terms and conditions of this Agreement.
- (b) Upon receipt by Donee per this Agreement, Section 1 shall be used for recreation purposes only. Recreation purposes shall be limited to include physical activities, but excluding dog parks, Frisbee golf courses, and dogs in general. Specifically, Section 1 shall be developed essentially in accord with the Schmidt Heritage Park Final Conceptual Plan prepared by Nederveld, dated June 6, 2018, and attached as **Exhibit B**. However, there shall be no pedestrian access allowed to Section 1 from either its west boundary line or its east boundary line. The east boundary line of Section 1 shall include a partial fence, provided by Donor, that will remain a permanent barrier preventing access from Sweetbriar Drive.
- (c) Upon receipt by Donee per this Agreement, Section 2 shall be used solely for country farm social events, such as family reunions, weddings, rehearsal or celebration dinners or parties; etc.

- (d) Section 2 shall remain substantially in its original natural state, but for improvements necessary to achieve the Section 2 purposes in subparagraph 2(c).
- (e) Donee shall, at Donee's expense, install a security chain link fence completely around Section 2, not later than July 1, 2020. The fence installation is subject to Donor's satisfaction, which shall not be unnecessary withheld. The fence shall remain as a permanent installation after the Township takes possession of Section 2, but subject to modification by the Township through the addition of gates or closable entrances.
- (f) The Property, both Section 1 and Section 2, shall be named by Donee. The names of Section 1 and of Section 2 shall both include the name "Schmidt." No portions of the Property, and no buildings or other improvements on the Property, shall be identified by any individual or family name other than "Schmidt." However, Donor shall have naming rights for a future running path to be established on Section 1. Donee may further erect a modest plaque to name any agency or other entity that awards a grant for the implementation of the plan described in (g) below. The future running path along the eastern boundary of Section 1, adjacent to the development known as Cutter Park, shall follow the cleared pathway prepared by Donor.
- (g) Donor shall be allowed to participate in Donee's preparation of a plan, which shall include a list of potential recreational activities, a conceptual layout by phases, and a tentative timetable for implementation for Section 1 and Section 2 (the "Plan"). Donee shall use its reasonable best efforts to comply with any tentative timetable.
- (h) Donee may receive the Property itself, or Donee may in its discretion designate another tax-exempt entity to receive the Property, or Donee may transfer the Property to another tax-exempt entity for management of the Property. Whether Donee receives the Property, or another tax-exempt entity receives the Property, or Donee transfers the Property to another tax-exempt entity, there shall be no adverse tax consequences to Donor, and the Property shall remain subject to the terms of this Agreement. Donor shall pay for the appraisals of Section 1 and Section 2, and Donee shall sign the acknowledgement section of applicable Internal Revenue Service tax forms.
- (i) Donor has access to and control of a fund (Fluor Schwartz) with the Grand Haven Area Community Foundation ("GHACF"), subject to an agreement with and the rules of GHACF. After Section 1 and Section 2 have been transferred to the ownership of Donee subject to the terms of this Agreement, Donor shall allocate funds from Fluor Schwartz to be used for the maintenance of the Property. Pursuant to the narrative agreed upon with the Donor and attached as **Exhibit C**, GHACF shall, as a first priority, allocate annual funding from Fluor Schwartz for the maintenance of the Property in response to Donee's detailed request.

3. TIME OF THE ESSENCE; CLOSING DATES

The closing for Section 1 shall be the Effective Date. The Effective Date shall be the date this Agreement is executed by the Parties, or, if applicable, the date this Agreement is executed by the last Party to do so. The Effective Date may be changed by confirmed written agreement of the Parties. If the closing for Section 1 does not occur (through no fault of Donor), the Agreement is automatically terminated.

The closing for Section 2 shall take place upon Donor's death ("Section 2 Closing Date"), unless the Section 2 Closing Date is accelerated in writing signed by Donor and Donee.

4. DOCUMENTS FOR CLOSINGS

Donor acknowledges that Donee has, at Donee's expense, had Section 1 and Section 2 surveyed.

Donee shall prepare or cause to be prepared warranty deeds in recordable form for Section 1 and Section 2 at the appropriate times, transferring the Property from Donor. Donee shall provide all escrow and closing services at Donee's expense through a title insurance company of its choice, licensed or authorized to provide such services in Michigan, which title insurance company shall be responsible for recording the deeds at or immediately following the closings for Section 1 and Section 2 (and providing evidence of such recordation to Donor and Donee). Any reference to the term "deed" or "deeds" in this Agreement shall be construed to refer to these warranty deeds.

5. CLOSING COSTS AND EXPENSES

- (a) Donor shall pay, at or prior to the closings for Section 1 and Section 2, all real estate taxes and assessments due through the date of the respective closing, assessments, water or sewer rates and charges, personal property taxes, and any other governmental taxes or charges levied or assessed against the Property, which are a lien on Section 1 or Section 2, as the case may be, or otherwise due and payable as of the date of the applicable closing. The cost of the title insurance premium, if any, shall be paid by Donee.
- (b) All other costs, expenses, and fees, including recording fees, shall be paid by Donee.

6. PROPERTY CONDITION; ACCESS AND INSPECTION

- (a) Donee acknowledges and agrees that Donor has not made and specifically disclaims any warranty, guaranty, or representation, oral or written, past, present, or future, of, as to, or concerning (i) the nature, square footage, condition, value, or quality of the geology, the presence of environmental hazards, or the suitability of the Property for any and all activities and uses which Donee may elect to conduct thereon; (ii) the manner, construction, condition, quality, or the state of repair or lack of repair of the Property; (iii) the nature and extent of any right of way, lease, possession, lien, encumbrance, license, reservation, condition, or otherwise; and (iv) the compliance of the Property, its operation, or use with any laws, rules, ordinances, or regulations of any government or other body.

- (b) Donee expressly acknowledges and agrees that, before closing, Donee will have thoroughly inspected and examined the Property to the extent deemed necessary by Donee in order to enable Donee to evaluate the acceptance of the Property. Except with respect to environmental conditions at the Property, (i) Donee further acknowledges and agrees that Donee is relying solely upon the inspection, examination, and evaluation of the Property, if any, by Donee and that Donee is accepting the Property on an “AS IS, WHERE IS” and “WITH ALL FAULTS” basis and not on any information provided or to be provided by Donor, and (ii) Donee acknowledges that it is relying on its own experts and not Donor or information provided by Donor, if any, and is not looking to Donor for any additional information with respect to the condition of the Property. Donee expressly acknowledges that, in consideration of the agreements of Donor, Donor makes no warranty or representation expressed or implied, or arising by operation of law, including but not limited to any warranty of condition, habitability, merchantability, or fitness for a particular purpose except otherwise specified in this Agreement or in the deeds. It is further agreed that Donor has not warranted and does not warrant that the Property and any improvements located thereon now or in the future will meet or comply with the requirements of any safety code or regulation of the state, county, or local unit in which the Property is located, or any other authority or jurisdiction.
- (c) Donor grants to Donee, its employees, agents, and independent contractors, full permission and license to enter upon the Property to inspect and perform any tests that Donee, in its sole discretion, deems necessary or appropriate, including, without limitation, any and all environmental (including subsurface), structural, and feasibility tests (collectively, “Tests”). Donor shall cooperate with Donee in good faith during Donee’s performance of the Tests. If the Closings do not occur, Donee shall repair any material damage to the Property arising out of or resulting from the Tests. Donee shall indemnify and hold harmless Donor, except to the extent of Donor’s negligence or willful misconduct, from any damages for property damage or personal injury caused by Donee in the conduct of such Tests, other than pre-existing conditions merely discovered by Donee. These indemnity obligations of Donee shall survive the Closings or termination of this Agreement.
- (d) Notwithstanding anything in this Agreement to the contrary, if, at any time before the appropriate Closing, Donee determines, in its sole discretion, that Section 1 or Section 2 is not suitable for its use, then Donee may terminate this Agreement with respect to Section 1 or Section 2 or both by delivering written notice of such termination to Donor.

7. REPRESENTATIONS AND WARRANTIES

- (a) In addition to Donee’s representations and warranties made elsewhere in this Agreement, Donee represents and warrants to Donor the following.
 - (i) Donee is accepting the Property solely in reliance on its own information or findings or both and not on any information, representation, or warranty

provided or to be provided by Donor, his servicers, representatives, brokers, employees, agents, or assigns.

- (ii) Neither Donor nor his servicers, employees, representatives, brokers, agents, or assigns, have made any representations or warranties, implied or express, relating to the condition of the Property or its contents.
 - (iii) Donee has not relied on any representation or warranty from Donor, or Donor's agents or brokers, regarding the nature, quality, or workmanship of any repairs made by Donor.
- (b) Donor represents and warrants to Donee the following.
- (i) Donor has no actual knowledge of any person or entity presently occupying the Property.
 - (ii) Donor has provided to Donee all information in Donor's possession regarding any restrictive covenants on the Property.

8. DEFAULT; REMEDIES

- (a) In the event of Donee's material breach or material misrepresentation of any fact under the terms of the Agreement, Donor is automatically released from the obligation to donate and convey the Property to Donee, and Donor and any indemnified parties shall not be liable to Donee for any claims arising out of or relating in any way to Donor's failure to donate and convey the Property to Donee.
- (b) In the event of a breach of any representation or warranty of Donor or the failure of Donor to perform any obligation or term contained in this Agreement, Donor and Donee covenant and agree that Donee, as its sole and exclusive remedy, shall be entitled to terminate this Agreement by giving written notice to Donor, whereupon the parties shall have no further rights or obligations under this Agreement, except for those which expressly survive any such termination, and except for the donation of Section 1 if the breach occurs after the Effective Date. Donee expressly waives any right to recover from Donor any inspection costs or other damages incurred by Donee in connection with this Agreement.
- (c) Any deviation from the Agreement by Donee shall cause Donee to lose the funding from Fluor Schwartz per Paragraph 2(i) above for the year of deviation. The funding shall not be restored until the deviation has been corrected in its entirety. Funding lost by Donee per this subparagraph shall not be recovered retroactively.

9. INDEMNIFICATION

- (a) To the extent permitted by law, Donee agrees to indemnify and hold harmless Donor and his agents from and against any and all losses, claims, demands, liabilities, costs, damages, and expenses (including attorney's fees and costs) that Donor may incur to the extent arising from Donee's actions or failure to act on,

respond to, or comply with any written notices received after the appropriate closing for Section 1 or Section 2 regarding a violation of any local, state, or federal law, rule, or ordinance affecting the Property.

- (b) Donor agrees to indemnify and hold harmless Donee and its agents from and against any and all losses, claims, demands, liabilities, costs, damages, and expenses (including attorney's fees and costs) that Donee may incur to the extent arising from Donor's actions or failure to act on, respond to, or comply with any written notices received before the appropriate closing for Section 1 or Section 2 regarding a violation of any local, state, or federal law, rule, or ordinance affecting the Property, which arose prior to the Effective Date or the Section 2 Closing Date, as the case may be, unless such violations result from Donee's actions, inspections, or access onto the Property prior to the appropriate closing.

10. OTHER AGREEMENTS

No other agreements or representations, unless specifically set forth in the Agreement, shall be binding upon either of the Parties. This Agreement sets forth the full and complete understanding of the Parties. No amendment, modification, or supplement to this Agreement shall be binding unless in writing and duly executed and delivered by a Party to the other Party. Nothing in this Agreement shall be construed as constituting a partnership or joint venture between Donor and Donee. Neither Party has employed a real estate broker or agent in connection with the Property.

11. EMINENT DOMAIN

In the event that Donor's interest in the Property, or any part thereof, shall have been taken by eminent domain, or shall be in the process of being taken on or before the appropriate closing date, either Party may terminate the Agreement with respect to the Property, or the relevant portion of the Property, and neither Party shall have any further rights or liabilities under this Agreement with respect to the portion of the Agreement so terminated.

12. SEVERABILITY

If any provision of the Agreement is determined to be invalid, illegal, or unenforceable, the remaining provisions shall not be affected or impaired, provided that the purposes of this Agreement can still be accomplished, and no provision shall be deemed dependent upon any other provision unless expressly stated.

13. TERMINATION OF AGREEMENT

If either Party terminates the Agreement when permitted to do so, the Parties shall have no further obligation to each other, except as to any provision that survives the termination of the Agreement.

Schmidt Heritage Park is intended to be a long-term, multiple phase development. If its first phase from the conceptual layout described in Section 2(g) is not fully operational by the fourth anniversary of the Effective Date, the Property shall revert to the ownership of Donor without further consideration paid to Donee.

14. ASSIGNMENT OF AGREEMENT

Neither Donor nor Donee shall assign the Agreement without the other's written consent. However, Donor acknowledges that Donee may assign Section 1 or Section 2 or both to another tax-exempt entity, per subparagraph 2(h).

15. MODIFICATION AND WAIVER

No provision, term, or clause of the Agreement shall be revised, modified, amended, or waived, except by an instrument in writing signed by Donor and Donee. The waiver by any Party of a breach of the Agreement shall not operate or be construed as a waiver of any other or subsequent breach. No course of dealing between the Parties shall operate as a waiver of any provision of the Agreement.

16. RIGHTS OF OTHERS

This Agreement does not create any rights, claims, or benefits inuring to any person or entity, other than Donor's successors or assigns or both, that is not a Party to the Agreement, nor does it create or establish any third party beneficiary to the Agreement.

17. COUNTERPARTS AND FACSIMILE

This Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one instrument. A signed facsimile or photocopy of the Agreement shall be treated as an original, and shall be deemed to be as binding, valid, genuine, and authentic as an originally signed counterpart for all purposes, including all matters of evidence and the "best evidence" rule.

18. HEADINGS

The titles to the paragraphs and headings of various subparagraphs of the Agreement are placed for convenience of reference only. In case of conflict the text of the Agreement, rather than such titles or headings, shall control.

19. FORCE MAJEURE

Unless otherwise provided in this Agreement, no Party shall be responsible for delays or failure of performance resulting from acts of God, riots, acts of war, epidemics, power failures, earthquakes, or other disasters, providing such delay or failure of performance could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the Party through use of alternate sources, workaround plans, or other means.

20. ATTORNEY REVIEW

Donor and Donee acknowledge that they have had the opportunity to consult with their respective legal counsel regarding the Agreement and that accordingly the terms of the Agreement are not to be construed against any Party because that Party drafted the Agreement or construed in favor of

any Party because that Party failed to understand the legal effect of the provisions of the Agreement.

21. NOTICES

Any notices required to be given under the Agreement shall be deemed to have been delivered when actually received in the case of hand or overnight delivery or by fax or email with confirmation of transmission, or five calendar days after mailing by first class mail, postage paid. All notices to Donor will be deemed sent or delivered to Donor when sent or delivered to Donor at the address or fax number or email address provided to Donee by Donor. All notices to Donee shall be deemed sent or delivered and effective when sent or delivered to Donee at the address or fax number or email address provided to Donor by Donee.

22. APPLICABLE LAW

This Agreement and its provisions shall be construed, controlled, and interpreted according to the laws of the State of Michigan.

23. ATTORNEYS' FEES, COURT COSTS, AND LEGAL EXPENSES

In any action, proceeding, or arbitration arising out of, brought under, or relating to the terms or enforceability of the Agreement, each Party shall bear its own attorneys' fees, costs, and expenses incurred in such action, proceeding, or arbitration.

IN WITNESS WHEREOF, Donor and Donee have entered into the Agreement effective as of the date it is executed by Donor and Donee as set forth below.

DONOR:
JAMES SCHMIDT

DONEE:
GRAND HAVEN CHARTER TOWNSHIP,
a Michigan charter township

By: _____
James Schmidt,
a single man

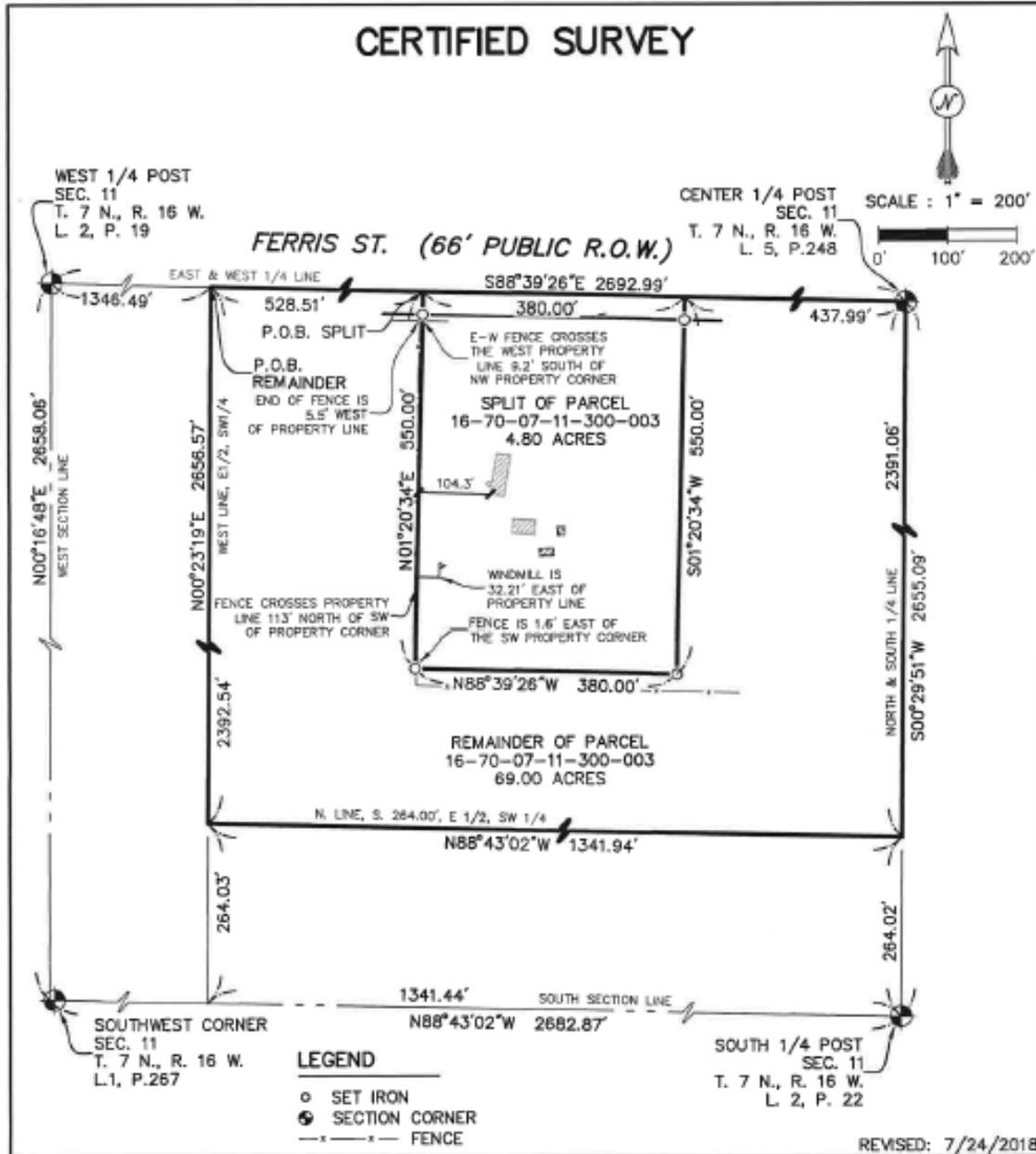
By: _____
Mark Reenders, Supervisor

Dated: _____

By: _____
Laurie Larsen, Clerk

Dated: _____

EXHIBIT A



CERTIFICATE:
I hereby certify that measurements were made and corners monumented in accordance with the above mapped survey and/or description; that the ratio of closure for the field survey does not exceed 1/5000; that all of the requirements of P.A. 132 of 1970, as amended, have been complied with.

Christopher A. Kersten
CHRISTOPHER A. KERSTEN
LICENSED PROFESSIONAL SURVEYOR
MICHIGAN LICENSE NO. 53500



CLIENT:
Grand Haven Charter Twp.

Prein & Newhof
Engineers • Surveyors • Environmental • Laboratory
7123 Stadium Drive t. (269) 372-1158
Kalamazoo, MI 49009 f. (269) 372-3411
www.preinnewhof.com info@preinnewhof.com

LOCATED IN : SECTION : 11
TOWN : 07N RANGE : 16W
GRAND HAVEN TOWNSHIP,
OTTAWA COUNTY, MICHIGAN
Date : 9/26/2017 **PAGE**
Project No. 2170534 **1 OF 2**

CERTIFIED SURVEY

Description:

Split of Parcel 16-70-07-11-300-003:

Commencing at the West 1/4 post of Section 11, T. 7 N., R. 16 W., Grand Haven Township, Ottawa County, Michigan; thence South 88°-39'-26" East along the East and West 1/4 line of said Section, 1875.00 feet for the place of beginning of the land hereinafter described; thence continuing South 88°-39'-26" East along the East and West 1/4 line of said Section, 380.00 feet; thence South 01°-20'-34" West, 550.00 feet; thence North 88°-39'-26" West parallel to the East and West 1/4 line of said Section, 380.00 feet; thence North 01°-20'-34" East, 550.00 feet to the place of beginning. Containing 4.80 Acres.

Remainder of Parcel 16-70-07-11-300-003:

Commencing at the West 1/4 post of Section 11, T. 7 N., R. 16 W., Grand Haven Township, Ottawa County, Michigan; thence South 88°-39'-26" East along the East and West 1/4 line of said Section, 1346.49 feet to the West line of the East 1/2 of the Southwest 1/4 of said Section and the place of beginning of the land hereinafter described; thence continuing South 88°-39'-26" East along the East and West 1/4 line of said Section, 528.51 feet; thence South 01°-20'-34" West, 550.00 feet; thence South 88°-39'-26" East parallel to the East and West 1/4 line of said Section, 380.00 feet; thence North 01°-20'-34" East, 550.00 feet to the East and West 1/4 line of said Section; thence South 88°-39'-26" East thereon, 437.99 feet to the center 1/4 post of said Section; thence South 00°-29'-51" West along the North and South 1/4 line of said Section, 2391.06 feet to the North line of the South 264.00 feet of the East 1/2 of the Southwest 1/4 of said Section; thence North 88°-43'-02" West thereon, 1341.94 feet to the West line of the East 1/2 of the Southwest 1/4 of said Section; thence North 00°-23'-19" East thereon, 2392.54 feet to the place of beginning. Containing 69.00 Acres.

CENTER 1/4 POST, SECTION 11, T. 7 N., R. 16 W.

CAST IRON MONUMENT IN MON. BOX		
OTTAWA NAIL W/CAP S. SIDE OF P.P.	N65°W	82.46'
OTTAWA NAIL W/CAP NW SIDE OF 10" MAPLE	N24°E	40.83'
OTTAWA NAIL W/CAP N SIDE P.P.	S66°E	100.24'
OTTAWA NAIL W/CAP NE SIDE OF 12" PINE	S34°W	73.65'
TOP OF C/L HYDRANT	N37°E	28.23'
C/L FERRIS STREET	SOUTH	0.60'

SOUTH 1/4 POST, SECTION 11, T. 7 N., R. 16 W.

CAST IRON MONUMENT IN MONUMENT BOX		
C/L TOP OPERATING NUT ON HYDRANT	AZ. 20°	37.48'
O.C. REMON TAG & NAIL IN SE SIDE 13" WHITE PINE	AZ. 41°	75.00'
O.C. REMON TAG & NAIL IN E SIDE 5" DOGWOOD	AZ. 00°	55.95'
PK NAIL IN TOP OF SE END 48" CMP	AZ. 222°	31.56'

SOUTHEAST CORNER, SECTION 11, T. 7 N., R. 16 W.

CAST IRON MONUMENT		
O.C. REMON TAG & NAIL EAST SIDE POWERPOLE	S17°W	80.64'
O.C. REMON TAG & NAIL EAST SIDE 56" MAPLE	S29°E	91.20'
O.C. REMON TAG & NAIL WEST SIDE TELE. POLE	N33°W	58.27'
C/L HYDRANT	N46°E	50.24'

WEST 1/4 POST, SECTION 11, T. 7 N., R. 16 W.

O.C. REMON TAG & NAIL IN NW SIDE 24" MAPLE	AZ. 38°	51.00'
O.C. REMON TAG & NAIL IN SW SIDE 13" OAK	AZ. 130°	81.58'
O.C. REMON TAG & NAIL IN NW SIDE 6" WHITE PINE	AZ. 215°	112.70'
O.C. REMON TAG & NAIL IN E SIDE 14" CHERRY	AZ. 355°	97.40'
C/L FERRIS ROAD	AZ. 180°	10.5'

REVISED: 7/24/2018

20180816 - 20180816 - 20180816 - 20180816 - 20180816 - 20180816 - 20180816 - 20180816 - 20180816 - 20180816

(Signature)

CHRISTOPHER A. KERSTEN
 LICENSED PROFESSIONAL SURVEYOR
 MICHIGAN LICENSE NO. 53500

Prein & Newhof
 Engineers-Surveyors-Environmental-Laboratory

7123 Stadium Drive t. (269) 372-1158
 Kalamazoo, MI 49009 f. (269) 372-3411
 www.preinnewhof.com info@preinnewhof.com



CLIENT:
 Grand Haven Charter Twp.

LOCATED IN : SECTION : 11
 TOWN : 07N RANGE : 16W
 GRAND HAVEN TOWNSHIP,
 OTTAWA COUNTY, MICHIGAN

Date : 9/26/2017
 Project No. 2170534

PAGE
 2 OF 2

EXHIBIT B



LEGEND

- ① CONNECTION TO EXISTING HOFMA PARK & PRESERVE
- ② ROUNDABOUT
- ③ ENTRY FEATURE
- ④ PICNIC & COMMUNITY GREEN
- ⑤ EXISTING BARN/FUTURE EVENT SPACE
- ⑥ PICKLEBALL COURTS
- ⑦ BATHROOM
- ⑧ LARGE PAVILION/SHELTER
- ⑨ PAVILION/SHELTER
- ⑩ MAINTENANCE BUILDING
- ⑪ JOJO JOGGING TRAIL ENTRANCE FEATURE/SHELTER
- ⑫ EXISTING CREEK
- ⑬ EXISTING WETLANDS **
- JOJO JOGGING TRAIL
- PEDESTRIAN CONNECTION
- AUXILIARY TRAIL
- BLEACHERS & TEAM BENCHES

** Wetland lines approximate, derived from data obtained from Michigan Department of Environmental Quality "Wetland Map Viewer" website.

NOTES

Site Location:	15704 Ferns Street Grand Haven, MI
Approximate Site Area	= 72.95 ac.
Standard Recommended Parking	= 308 spaces
Baseball/Softball Diamond	= 120 spaces
Multi-Purpose/Soccer Field	= 140 spaces
Pickleball Court	= 48 spaces
Proposed Parking	= 518 spaces

SCHMIDT HERITAGE PARK
FINAL CONCEPTUAL PLAN
PROJECT NUMBER: 15020001



EXHIBIT C

The James A Schmidt Designated Park Fund (or Fluor Schwartz Memorial Fund) will be a permanent endowment Fund that will be held at the Grand Haven Area Community Foundation. This Fund will be funded at Donor discretion and may include a planned gift in Donor's will and estate plan. While the Foundation Board will have full discretion over this Fund, Donor has laid out his expectations as to how this Fund shall function as stated in the Fund Agreement dated March 29, 2010 and Appendix dated December 2, 2015 that is on file at the Foundation office.

Should Section 1 and Section 2 be created with Donor gift of land to Grand Haven Charter Township (Donee), Donor plans to ensure that there are charitable resources for its perpetual care, upkeep and occasional enhancement. Charitable support from this Fund will come to Donee in the form of grants and will distribute based on the Foundation's endowed spending policy. Donor expects that Donee Leadership will work in partnership with the Foundation to ensure that Donor's charitable intent is achieved and that the Fund, as its first priority, will forever operate to care for the gift that Donor has given to the Donee located on Ferris Street in Grand Haven Charter Township.

Any deviation from the Agreement by Donee shall cause Donee to lose the funding from Fluor Schwartz per Paragraph 2(i) of the Real Property Donation Agreement for the year of deviation. The funding shall not be restored until the deviation has been corrected in its entirety. Funding lost by Donee per this paragraph shall not be recovered retroactively.



SUPERINTENDENT'S MEMO

DATE: May 22, 2019
TO: Township Board
FROM: Bill Cargo
SUBJECT: Strategic Plan 2019 - 2022

The Planning Commission has reviewed the Strategic Plan and noted that it aligns with the Township's other planning documents.

At this stage, it is appropriate to approve and adopt the proposed 2019-22 Strategic Plan. If the Board agrees, the following motion can be offered:

Move to approve and adopt the proposed 2019 – 2022 Strategic Plan.

Please contact either Cargo or Fedewa if you have any questions or comments.

GRAND HAVEN CHARTER TOWNSHIP STRATEGIC PLAN

2019 — 2022



GRAND HAVEN TOWNSHIP BOARD

Mark Reenders, Supervisor

William Kieft III, Treasurer

Laurie Larsen, Clerk

Howard Behm, Trustee

Cal Meeusen, Trustee

Ron Redick, Trustee

David Gignac, Trustee



GRAND HAVEN CHARTER TOWNSHIP

*Above all else, our purpose is to provide
superior customer service to our community*

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STRATEGIC PLANNING



What is Strategic Planning?

Simply put, strategic planning is an organization's process for defining its direction and identifying objectives to guide decisions regarding the allocation of capital and people. The focus of a strategic plan is typically on the whole organization and they are established for a specific timeframe, typically three to five years. Since strategic planning cannot foretell exactly how the marketplace will evolve and what issues will surface over time, it is essential to re-visit this plan on an annual basis.

Why is the Township doing a Strategic Plan?

Grand Haven Charter Township is a desirable place to live with its beautiful natural features, lakeshore location, and reasonable commute to regional employment centers. Over the last 20 years the Township has become the largest of the Northwest Ottawa communities in terms of area (28+ square miles), population (17,000+), and tax base (SEV over \$1 billion). This rapid growth has led to an increased demand for public services.

Although growth is not as robust as the pre-2006 levels, the current growth rate is expected to continue. Consequently, the Township is facing questions regarding the levels of service and capital projects designed to improve both safety and quality of life of its residents.

How will the Township use the Strategic Plan?

The plan will be used as a tool to:

- Assist with communicating the Township's goals
- Assure that elected officials are all "on the same page"
- Set priorities and make decisions
- Monitor and measure implementation progress
- Identify needed changes

OUR PLANNING PROCESS



Grand Haven Township strives to meet the changing needs of our community. In 2016, the Resilient Grand Haven Master Plan was adopted. This was a joint effort between the Township and City of Grand Haven. By crafting cohesive plans the greater Grand Haven community is better served.



The current Zoning Ordinance was adopted in 1999. To be good stewards of the community's wants and needs, it was determined the Ordinance needed to be updated.

In 2019, the Township is expected to adopt a new Zoning Ordinance. It will support the goals and objectives the community created in the Master Plan. It will also reflect the current qualities of life the community enjoys. For example, outdoor-living is more valued today than it was in the late-90s, so new provisions will support those activities and interests, which have lead to our new standard of living.



Improving walkability throughout the Township is another priority. For example, through a voter-approved millage another 10 miles of pathway is being constructed. The Board has approved a project to install a sidewalk on the south side of Robbins Road, as well as adding mid-block crosswalks on 172nd Avenue at Timber View Apartments and on Lakeshore Drive at the entrance to Rosy Mound.

OUR MISSION



Grand Haven Charter Township Provide. Protect. Prepare.

- Provide essential services and superior customer service for all who live, work and visit the community.
- Protect the people and the resources entrusted to us.
- Prepare for future challenges and opportunities.



The 2019 Mission statement shows an evolution from the original 1997 Strategic Plan Mission statement:

***“The mission of the Grand Haven Charter Township Board is to provide those professional quality services that can best be furnished by the Township and are necessary for the health, safety and welfare of the residents.*”**

The Township shall continually improve these services to accommodate the needs and expectations of the residents, who are the customers and stakeholders of the Township.”

The 1997 Mission Statement recognize the fiscal constraints that exist even during periods of growth and placed an emphasis on meeting the service needs of the citizens.

OUR GOALS



Maintain a Healthy Financial Balance that Reflects Current Revenues and Future Projections (see page 7)



Deliver Superior Essential Services that Can Best Be Provided by the Township (see page 9)



Maintain and Improve the Infrastructure that is Necessary to Enhance the Community's Health, Safety, and Quality of Life (see page 10)



Establish Strong Partnerships within Our Community, with Our Neighbors, and with Other Governmental Agencies to Promote Shared Essential Services and Resources (see page 12)



Support and Retain Economic Development that Enhances the Quality of Life in Balance with the Protection of Our Community Character (see page 13)

FINANCIAL BALANCE



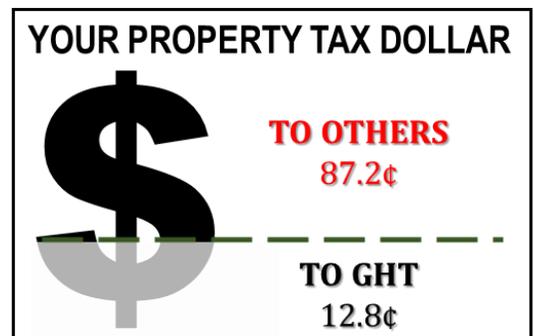
GOAL: Maintain a Healthy Financial Balance that Reflects Current Revenues and Future Projections

Grand Haven Charter Township maintains twelve (12) funds with majority of operations found in nine (9), including the General Fund, Fire/Rescue Fund, Police Services Fund, DDA Fund, Municipal Street Fund, Pathway Fund, IT Fund, Water Fund and Sewer Fund. In general, monies from one fund cannot be transferred to other funds.

The \$3.4± million annual expenditures from the General Fund are the source of many of the services associated with local government, such as assessing, building and zoning services, parks, elections, drain maintenance, etc. Grand Haven Charter Township relies on various sources of revenues to supply its General Fund, including property taxes, fees and state revenue sharing. Most of the revenue sources are stable with the exception of the building fees that can vary widely.



Although the Township collects over \$22 million in property taxes each year, the vast majority of these taxes are not kept by the Township. Rather, they are distributed to the State of Michigan, the local school districts, Ottawa County and other taxing jurisdictions. For every tax dollar that the Township collects, about 87.2 cents is distributed to others.



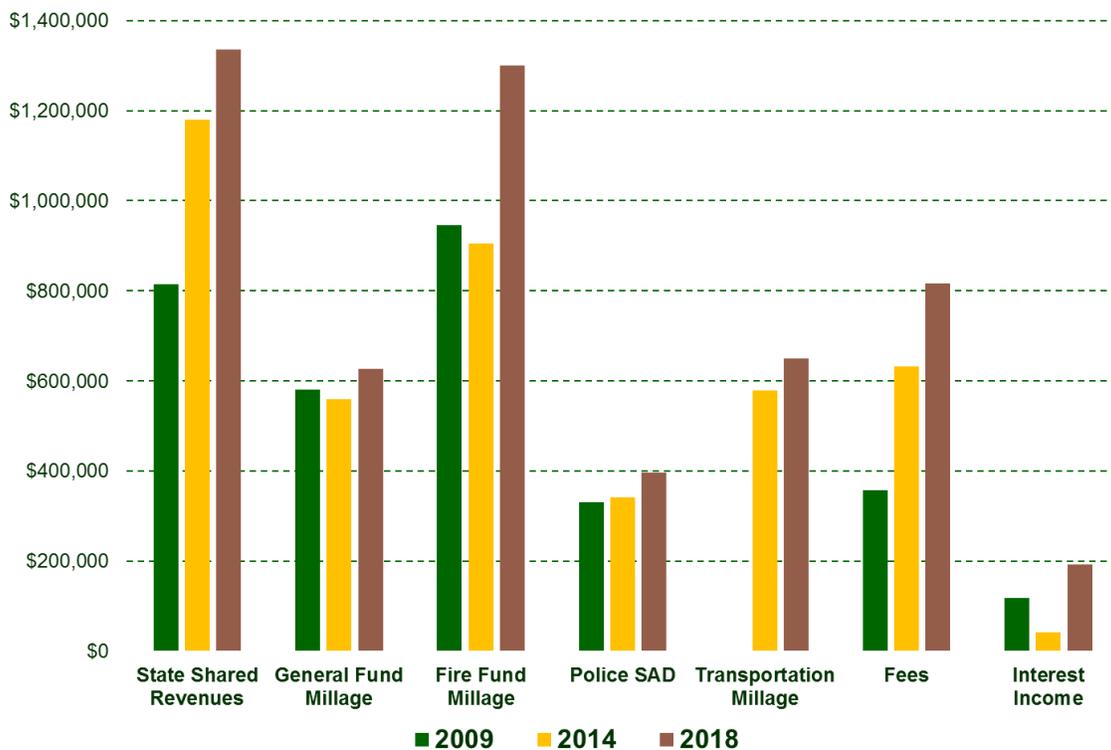
FINANCIAL BALANCE

Objectives:

- Adopt policies that support – “living within our means.”
- Have sufficient financial reserves to respond to emergencies, economic downturns, and future capital spending. *(Current policy has a minimum unrestricted General Fund fund balance of \$1.6 million.)*
- Prioritize taxing and spending to focus on both safety and “quality of life”.

Low Millage Rate

Grand Haven Township’s millage rate is the 5th lowest of all 24 municipalities in Ottawa County and is about 4.12 mills below ↓ the average.



ESSENTIAL SERVICES

Objectives:

- Define and prioritize those essential services that can be best furnished by the Township.
- Continually improve the services provided by the Township, especially those services that relate to public safety (*i.e., fire/rescue and police services*).
- During the annual budget approval process, review department organization, responsibilities, functions, and staffing (*including succession planning*).
- Develop a versatile and professional Township workforce that is cross trained.
- Continue the “Grand Way” program to ensure superior customer service.
- Show appreciation for staff, committee and board service through recognition events, a personal “*thank you*”, and/or awards.

GOAL: Deliver Superior Essential Services that Can Best Be Provided by the Township

Grand Haven Charter Township provides a broad array of public services and amenities to its citizens. The Township recognizes that unlike the private sector, citizens cannot “choose” to do business or receive their services from another local government or agency. With this in mind, the Township staff adopted the creed that *“Above all else, our purpose is to provide superior customer service to our community.”*

As the Township’s population has increased, so has the demand for services and the need to both maintain and expand the existing infrastructure (*e.g., pathways, streets, drain districts, bus service, etc.*).

The Township’s goal is to carefully evaluate and prioritize the services and amenities it offers to ensure they can be provided at the highest possible level and in a fiscally responsible manner.

Under state law, the only services that the Township Board must provide are:

Property assessments, tax collection, and elections.

However, the Board has chosen to provide or support a variety of services, many of which are considered foundational for local governments, including:

1. Fire/Rescue Services
2. Contracted Police Services
3. Municipal Water
4. Sanitary Sewer
5. Planning and Zoning
6. Building Code
7. Parks
8. Pathways
9. Cemeteries
10. Economic Development
11. Ambulance Service
12. Road Maintenance
13. Stormwater Maintenance
14. Code Enforcement
15. Drain Maintenance
16. Trash Collection
17. Library Services
18. Liquor Control Enforcement
19. Yard Waste Collection
20. Website and IT Services
21. Recreational Programs
22. Bus Service

INFRASTRUCTURE

GOAL: Maintain and Improve the Infrastructure that is Necessary to Enhance the Community's Health, Safety, and Quality of Life

Grand Haven Charter Township prides itself on the quality infrastructure it provides to its citizens. This is considered to be a basic and fundamental function for the Township.

Even during the so-called "Great Recession," the Township was able to sustain road maintenance in cooperation with the Ottawa County Road Commission (OCRC) at levels "fair" or higher. And, in cooperation with the Ottawa County Water Resources Commission (OCWRC), the Township was able to maintain the storm systems throughout the community.

Objectives:

- Establish and implement asset management principles for roads in the Township to address issues of safety, mobility and community character.
- Maintain funding source for basic infrastructure maintenance (*e.g. roads, pathways and storm drains*).
- Provide high quality water and sewer services.
- Collaborate and partner with other communities and agencies to provide and maintain essential infrastructure and services.
- Use technology to enhance services and to increase efficiencies in every aspect of operations.
- Integrate other Township plans with the Strategic Plan and use these as key tools in making decisions regarding operations, capital investments, and natural resource protection.
- Maintain and refine planning and zoning requirements so they are responsive to community character and priorities.



Infrastructure Facts Sheet

INFRASTRUCTURE	WHAT DO WE HAVE?	FUNDING SOURCE	FACTS
 ROADS	107.09 Miles of Public Roads 24.21 Primary 40.41 Subdivision 23.79 Paved Local 18.68 Gravel	OCRC Tax Monies Municipal Street Fund General Fund Transportation Revenues are increasing	At the end of 2018, all of the subdivision roads were rated "5" or better on the Pavement Surface Evaluation and Rating System (PASER) where "10" is excellent.
 DRAINS	17 County Drainage Districts	Special Assessments General Fund	All costs are paid through assessments, except for minor maintenance (<i>i.e., less than \$10,000</i>).
 WATER	110.2 Miles of Main Two 500,000 Gallon Elevated Storage Tanks 5 Meter Stations or Vaults 5,360 Taps	Water Use Fees Connection Fees	A cost of service rate study was completed in 2015. Next Study will be in 2020.
 SEWER	30.34 Miles of Main 9 Pump Stations 860 Connections	Sewer Use Fees Connection Fees	A cost of service rate study was completed in 2015. Next Study will be in 2020.
 PATHWAY	31.2 Miles by 2020	Expansion = Millage Maintenance = General & Pathway Fund	A significant expansion will be completed in 2019.
 PARKS	<u>Township</u> 6 Parks = 596 Acres <u>Ottawa County</u> 3 Parks = 597 Acres	General Fund Grants	The Township continues discussions to add additional park lands for active recreation immediately south of Hofma Park & Preserve.
 CEMETERIES	Historic Cemetery Lakeshore Cemetery	General Fund User Fees	A planned expansion of the Historic Cemetery will begin in 2019.

STRONG PARTNERSHIPS

GOAL: Establish Strong Partnerships within Our Township, with Our Neighbors, and with Other Governmental Agencies to Promote Shared Essential Services and Resources

To further reduce costs and to provide benefits to the region as a whole, Grand Haven Charter Township is working cooperatively through partnerships with adjacent communities and organizations. In addition to the cost savings that result from improved efficiency, regional cooperation has also led to improved relations with adjacent municipalities and local agencies. The Township currently cooperates on a regional basis in the following ways:

- Grand Haven/Spring Lake Sewer Authority
- Harbor Dredging
- Harbor Transit
- Loutit District Library Authority
- Fire Department Mutual Defined Response Areas
- NOCH Ambulance Authority
- North Ottawa Community Hospital
- North Ottawa Recreation Authority
- North Ottawa Water System (NOWS)
- Regional Economic Development contract
- Resilient Grand Haven Plan
- Robbins Road Corridor Plan
- July 4th Fireworks
- Emergency Management and Planning



North Ottawa Community Health System



Loutit District Library
Expanding Horizons, Enriching Minds



Objectives:

- Share positive progress with the community through articles in the newsletters.
- Regularly communicate and be transparent with the community about the real issues facing the region.
- Identify meaningful ways to engage citizens.
- Collaborate with other governmental agencies to provide essential services, enhance natural resources, and support the local economy.

ECONOMIC DEVELOPMENT



- Ottawa County is ranked 3rd in Michigan and 95th in the U.S. in the total value of agricultural production.
- Tourism attracts nearly \$58 million each year to the greater Grand Haven area.
- Manufacturing provides for about 36% of the jobs in this region. This is more than 8,000 jobs.
- In comparison, only 12% of jobs in Michigan and only 9% of the jobs in the nation are provided by manufacturing.
- Of the three types of wealth creating businesses in this region, manufacturing is the most important.

GOAL: Support and Retain Economic Development that Enhances the Quality of Life in Balance with Protecting Our Community Character

Community wealth is created by businesses that sell products or provide services to others that are outside of the region. These businesses attract dollars to this region. The Township is fortunate to benefit from three different types of wealth creating businesses – tourism, agriculture and manufacturing.

Grand Haven Charter Township is a unique community that benefits from its proximity to Lake Michigan, the Grand River, and bayous. The economic vitality of the region is sustained by the agricultural, manufacturing, and tourism industries and the community supports its existing businesses and employers. It also encourages economic growth and development. While the makeup of the Township is varied, its rural character is nonetheless a prime asset. This unique dimension adds importance to establishing and maintaining development standards that appropriately respond to community character, surrounding land uses, and environmental features.



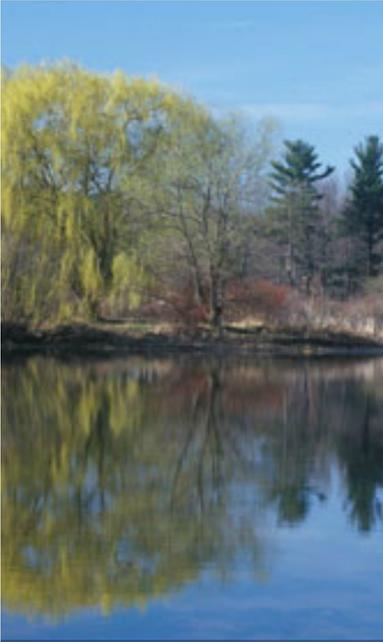
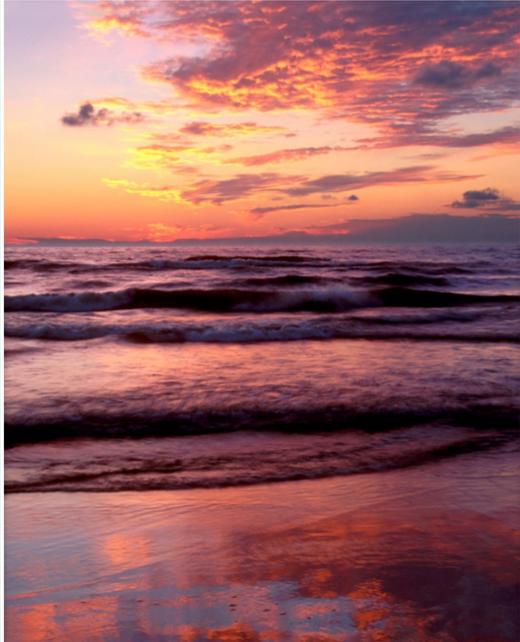
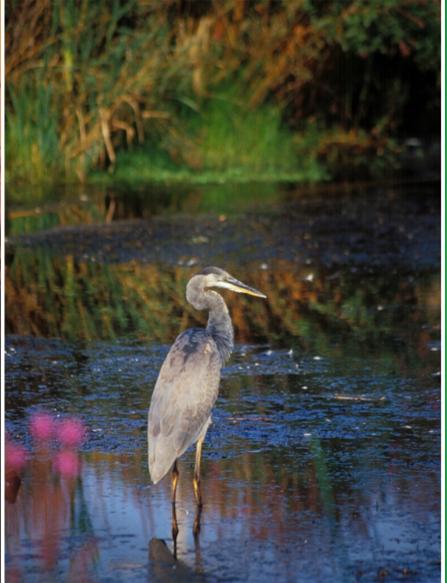
ECONOMIC DEVELOPMENT

“In order for the Township to be successful, the Township must support and partner with local businesses.”

Objectives:

- Support business retention and expansion.
- Seek economic development opportunities that provide employment and sustain community character and quality of life.
- Work with businesses and economic development organizations to identify and support the assets necessary for economic growth in alignment with the Township’s Master Plan.
- Collaborate with local agencies, private developers, and neighboring municipalities to attract a new industrial park near the US-31 and M-45 intersection.
- Protect the Township’s environmental features that help define its rural character, including water resources, wetlands, and woodlands.
- Continue a policy of balanced development that is based on community character, surrounding land uses, and environmental features; establish design standards.
- Expand park land to increase active recreational opportunities.







GRAND HAVEN CHARTER TOWNSHIP

Community Development Memo

DATE: May 23, 2019
TO: Township Board
FROM: Stacey Fedewa, AICP – Community Development Director
RE: Request to Remove Agnew Signage from US-31

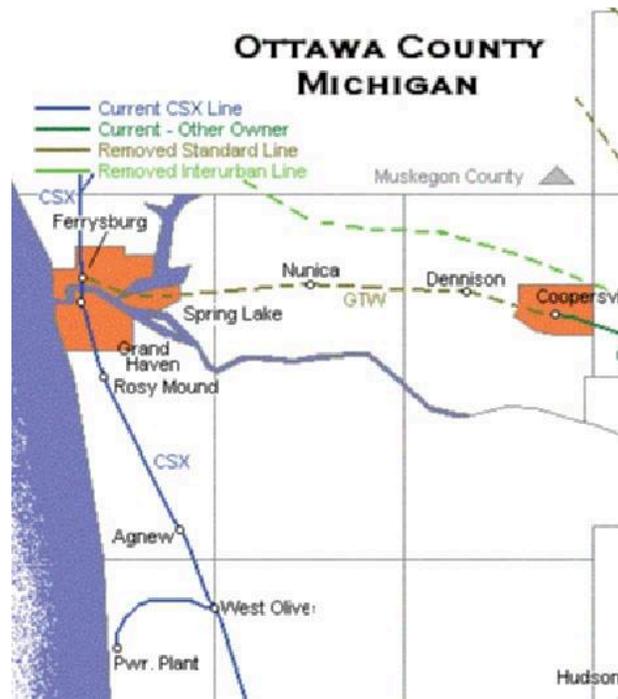
BACKGROUND

Staff found the following information online in January 2016, and locations such as Agnew are known as “Shadow Towns.” GHT posted this information on Facebook:

Have you ever wondered about some of the road signs in Ottawa County that indicate, for the most part, an unoccupied area? These road signs include places, such as Agnew, Ottawa Station, Ottawa Center, Harrisburg, Herrington, and Reno. What these areas have in common is that they were all stations on railroad lines that crisscrossed throughout the county and provided the residents with transportation. The railroad stations are what kept these places alive and currently without them, they became “Shadow Towns”.

“Shadow Towns” is a term coined by Gene Scott, who published a book in 2005, called Michigan Shadow Towns. According to the author, “They’re towns that are merely shadows of their former selves. They’re towns that once had a lively history, but have shrunk significantly as the economy has changed.” For example, Olive Center was a hub of activity before the turn of the century. At one time, there were two general stores, two blacksmiths, two sawmills, a post office, a railroad station, a doctor’s office, and Olive Center School Number II. The event that changed the economy for the railroads was the production of cars. Once people had cars, the essential need for trains was not as great. In 1871, two railroads served Olive Township: the Chicago Michigan Lake Shore Railroad and the Michigan Lake Shore Railroad.

In addition to the train lines shown on the map insert, there was the Chicago and Michigan Lake Shore railroad line, and others. The C & MLS came in from Fruitport to Nunica and then crossed the Grand River at the Spoonville Station, through Robinson Township to Ottawa Station, Olive Station, Blendon Station, New Holland Station, and then Holland. Michigan’s Internet Railroad History Museum lists a total of 51 train stations in Ottawa County.



MDOT SIGNAGE

When staff met with MDOT regarding the pathway connector from Lincoln to Ferris, the topic of the Agnew signage came up. **Neither GHT or MDOT know why the signs are still in place for a town that never came to fruition in the mid-1800s.**

It has been over 150 years since Agnew existed, and the signs seem unnecessary. This history of Agnew is interesting, but does US-31 need signs on both sides of the highway identifying a “shadow town?” MDOT indicated they will not remove Agnew-type signs without it being formally requested by the local government by way of a resolution.



WHY SHOULD THEY BE REMOVED?

The history of the “shadow town” is very interesting, but history belongs in a museum or another location where members of the community can visit and learn. History does not belong on roadside signage along US-31.

The signs create confusion—is Agnew an upcoming road? Is it a park? Is it a town? Where can I find Agnew?

US-31 is a heavily traveled limited access highway, and attentive driving is imperative. Having unnecessary signage along the highway should be removed to prevent possible safety concerns.

The Township has a firm policy of removing other signage from road rights-of-way to declutter and promote safe passage through our Township by limiting distractions.

SAMPLE MOTION

If the Board agrees that the sign should be removed, the following motion can be offered:

Motion to approve and adopt Resolution 19-05-03 to Request MDOT
Remove the Agnew Signs on US-31 near Winans Street.

At a regular meeting of the Township Board of the Charter Township of Grand Haven, Ottawa County, Michigan, held at the Township Hall at 13300 – 168th Avenue, Grand Haven Charter Township, Ottawa County, Michigan, on the 28th day of May 2019, at 7:00 p.m., local time.

After certain matters of business had been completed, Supervisor Reenders announced the next order of business was the consideration of a Resolution to Request the Michigan Department of Transportation Remove the two “Agnew” Signs from US-31.

The proposed resolution was discussed by the members of the Board, and after discussion was completed the following resolution was offered by _____ and seconded by _____.

**GRAND HAVEN CHARTER TOWNSHIP
RESOLUTION 19-05-03**

**RESOLUTION REQUESTING MDOT
REMOVE AGNEW SIGNS FROM US-31**

WHEREAS, the US-31 limited access highway bisects Grand Haven Charter Township and includes two signs marked “Agnew;” and

WHEREAS, the “shadow town” of Agnew is not a recognized municipality; and

WHEREAS, the two signs have the potential to distract drivers; and

WHEREAS, it is in the best interest of the community and motoring public to remove unnecessary signage that may create safety hazards.

NOW, THEREFORE BE IT RESOLVED that Grand Haven Charter Township hereby makes a formal request that the Michigan Department of Transportation remove the “Agnew” signs located along US-31 near the Winans Street intersection at their earliest convenience.

AYES:

NAYS:

ABSENT:

RESOLUTION DECLARED _____ ON MAY 28, 2019.

Laurie Larsen, Township Clerk
Grand Haven Charter Township

CERTIFICATE

I, the undersigned, the duly qualified and acting Township Clerk of the Charter Township of Grand Haven, Ottawa County, Michigan, certify that the foregoing is a true and complete copy of the resolution adopted by the Township Board at a regular meeting of the Township Board held on the 28th day of May 2019. I further certify that public notice of the meeting was given pursuant to and in full compliance with Michigan Act 267 of 1976, as amended, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

Laurie Larsen, Township Clerk
Grand Haven Charter Township



Administrative Memo

TO: Township Board
FROM: Captain Schrader, Firefighter DeDoes and Andrea Dumbrell
DATE: May 23, 2019
RE: Employee and Board Recognition: Service Awards and Retirement Gifts Policy

During the May 1, 2019, Grand Haven Charter Township's (GHCT) Public Safety Committee meeting, the committee reviewed and discussed an Awards and Commendations Standard Operating Procedure (SOP) for GHCT's Fire/Rescue Department. After discussion, the Public Safety Committee approved the recommended awards and commendation procedures, authorizing the implementation and expenditures of such a program.

As GHCT's Employee and Board Recognition: Service Awards and Retirement Gifts Policy is currently written, it does not reference the Fire/Rescue Department's awards and commendations. By moving to the attached, revised policy, the Township will have the necessary language to allow the purchase and distribution of additional awards and Township property, e.g., a retiree's fire helmet.

Costs for the first year of the Fire/Rescue Department's Awards and Commendations program are anticipated to be the highest, as purchases will be made at one-time to present staff with appropriate commendation bars to reflect service and certifications. Estimated costs for 2019 are \$3,000. Following years' costs are estimated at less than \$1,000. The Fire/Rescue Department's budget can support these additional expenditures.

Since it is the Public Safety Committee's recommendation to move forward with the awards and commendations for the Fire/Rescue Department, the following motion could be offered for Board consideration:

Motion to approve Resolution 19-05-04, authorizing the Employee and Board Recognition: Service Awards and Retirement Gifts Policy as submitted.

The current and revised Employee and Board Recognition: Service Awards and Retirement Gifts Policies, along with the Fire/Rescue Department's SOP, are enclosed for your review.

If you have any questions regarding this recommendation, please do not hesitate to contact Captain Schrader, Firefighter DeDoes, or Andrea Dumbrell.

Suggested Revision

3.5 Employee and Board Recognition: Service Awards and Retirement Gifts

Grand Haven Charter Township recognizes the value of institutional knowledge and experience held by long-term employees and board members. Additionally, retention of high-performing employees reduces the cost of employee turnover and improves the customer service levels provided to residents and guests. Equally, employees who have retired from employment with Grand Haven Charter Township are ambassadors of goodwill in the community.

Eligibility

Permanent employees become eligible for a service award, once they complete 5, 10, 15, 20, 25, 30, 35, 40, and 45 years of service without a break in service. Retirement awards are given to permanent employees upon retirement after completion of 20 years of employment without a break in service. Recognition awards are given to elected officials when they leave office.

Employee and Board Recognition programs do not apply to committee members, election workers, or other part-time, temporary employees of the Township that work for a set duration or who are called upon to work sporadically.

Service Award, Retirement Gift, and Recognition Gift Procedures

The human resources director will be responsible for selecting an array of gifts that may be awarded to employees and board members for their tenure and setting the date for the employee recognition luncheon. Board members' choice of gift options will have an approximate value of \$300.

A certificate acknowledging years of service and gift selection sheets, order forms and instructions for returning the forms will be given to the employee at the annual employee recognition luncheon. A certificate acknowledging years of service and gift selection sheets, order forms and instructions for returning the forms will be given to the board member prior to their last board meeting. The employee and board member selects a gift and returns the order form as instructed.

After considering the service milestone or retirement date, the human resources director will decide whether the gift will be sent to the employee's home or to the employee's work location for presentation. The board member will be presented with their gift at their last board meeting.

Additionally, Grand Haven Charter Township's Fire/Rescue Department has an Awards and Commendations Standard Operating Procedure (SOP) in place to recognize staff for their service, dedication, heroism and service to the residents and visitors of the Township. The SOP details the process to recommend and approve specific awards and commendations, as well as the types of awards that will be presented upon successful completion of events, certifications/licensures, years of service and retirement.

Current Policy

3.5 Employee and Board Recognition: Service Awards and Retirement Gifts

Grand Haven Charter Township recognizes the value of institutional knowledge and experience held by long-term employees and board members. Additionally, retention of high-performing employees reduces the cost of employee turnover and improves the customer service levels provided to residents and guests. Equally, employees who have retired from employment with Grand Haven Charter Township are ambassadors of goodwill in the community.

Eligibility

Permanent employees become eligible for a service award, once they complete 5, 10, 15, 20, 25, 30, 35, 40, and 45 years of service without a break in service. Retirement awards are given to permanent employees upon retirement after completion of 20 years of employment without a break in service. Recognition awards are given to elected officials when they leave office.

Employee and Board Recognition programs do not apply to committee members, election workers, or other part-time, temporary employees of the Township that work for a set duration or who are called upon to work sporadically.

Service Award, Retirement Gift, and Recognition Gift Procedures

The human resources supervisor will be responsible for selecting an array of gifts that may be awarded to employees and board members for their tenure and setting the date for the employee recognition luncheon. Board members' choice of gift options will have an approximate value of \$300.

A certificate acknowledging years of service and gift selection sheets, order forms and instructions for returning the forms will be given to the employee at the annual employee recognition luncheon. A certificate acknowledging years of service and gift selection sheets, order forms and instructions for returning the forms will be given to the board member prior to their last board meeting. The employee and board member selects a gift and returns the order form as instructed.

After considering the service milestone or retirement date, the human resources supervisor will decide whether the gift will be sent to the employee's home or to the employee's work location for presentation. The board member will be presented with their gift at their last board meeting.

Grand Haven Charter Township Fire/Rescue

Standard Operating Procedures

SECTION: PERSONNEL

TITLE: AWARDS AND COMMENDATIONS

Purpose

The purpose of this policy is to provide guidance and standardization of all department-issued awards, decorations and commendations.

Policy

It is the intent of the Grand Haven Charter Township Fire/Rescue Department to recognize service benchmarks, and/or commend any person, whether a department member or group, civilian, or citizen group that has performed a service above and beyond what is normally expected as it relates to the mission of the GHCT Fire/Rescue Department.

The Department has established the following guidelines to create a method of recognizing those involved in extraordinary events and services. The objectives are as follows:

- Establish a Commendation Review Committee responsible for reviewing commendations and recommending awards to members of the GHCT Fire/Rescue Department, citizens, agencies, or groups performing acts or services commendatory in nature.
- Evaluate and justify the different awards to be presented for each degree of commendatory act or service.
- Provide a consistent process of commendation documentation.
- Establish a procedure for award distribution.

The Commendation Review Committee (CRC) will consist of the Fire Chief, or his designee; one command officer; and one active firefighter. The CRC will review each commendation request. The Fire Chief, or his designee, may call for necessary meeting(s) on an as-needed basis for this purpose.

All recommendations are to be submitted via the GHCT Commendation Request Form through the identified chain-of-command to the Fire Chief. Officers throughout the chain-of-command are encouraged to include further recommendations and/or comments as appropriate.

Upon recommendation of a commendation, the CRC will present the recommendation to the Fire Chief for final approval and disposition. Commendations will be prepared and presented through the Fire Chief, or his designee, within a reasonable time period.

Presentation ceremonies shall take place during monthly department meetings, trainings, board meetings or year-end celebrations. A press release will also be provided to the local paper and the Township's newsletter stating the citation and date of presentation. Those receiving a commendation will also be recognized at the next scheduled Township Recognition Luncheon.

All members of this department are encouraged to submit commendation requests. It shall be his/her duty to do so whenever he/she believes that a GHCT Fire/Rescue Department member, other township department member, citizen, or group performed acts that deserve recognition by our department. **It is important to recognize that the success of this program is dependent upon employee participation.** It is the duty of all officers to submit and/or forward requests for recognition for members within their command who have performed acts above the normal call of duty that merits consideration by the department. All acknowledgements and requests for commendations must be properly documented and forwarded within a reasonable time frame.

All departmental or public recognition commendations will be recommended by the CRC and provided with the express knowledge and approval of the Fire Chief, or his designee.

Ribbons, limited to those listed below, should be worn with the dress uniform in the manner described by the Uniform Policy.

COMMENDATION AWARD DESCRIPTION

1. Medal of Honor (Medal with certificate)

To be awarded to a GHCT Fire/Rescue Department member who voluntarily distinguishes him/herself by extraordinary heroism. This act must be in excess of normal demands and of such a nature that a member was fully aware / unaware of the imminent threat to his/her personal safety and that he/she acted above and beyond the call of duty at the risk of his/her own life.

2. Meritorious Service Award (Ribbon bar with certificate)

To be awarded:

- To a GHCT Fire/Rescue Department member for outstanding performance of a difficult task involving personal risk to the member's safety when, because of the firefighter's actions, a serious injury or loss of life was prevented.
- For outstanding performance or achievement of great responsibility whereby the excellence associated with such performance distinguishes and gives credit to both the member and the department.

3. Life Saving Award (Ribbon bar with certificate)

To be awarded to a GHCT Fire/Rescue Department member for intervening, as part of their job duties, to save the life of another person. The member does not have encounter risks above normal job duties.

4. Distinguished Service Award (Ribbon bar with certificate)

To be awarded to a GHCT Fire/Rescue Department member for outstanding performance of duty under unusual or difficult conditions. The actions need not involve exposure to physical danger but must be involved in the protection of life and property, and involve unusual thoughtfulness, conscientiousness, and initiative.

May also be awarded:

- For meritorious actions of a nature that would not be eligible for a higher award.

- To a member of another fire department for exceptional assistance while aiding, assisting, supporting, or working with members of the GHCT Fire/Rescue Department.

5. Exceptional Duty (Ribbon bar with certificate)

- The Exceptional Duty Medal/Commendation Bar is awarded to a member of the department for a highly credible accomplishment bringing public acclaim to the department or fire service as a result of devotion to duty or service to the public.

6. Baby Delivery (Ribbon bar with certificate)

To be awarded to a GHCT Fire/Rescue Department member for assisting in bring a new life into the world.

7. Military Service (Ribbon bar with certificate)

To be awarded to a GHCT Fire/Rescue Department for personnel who are actively serving in the military.

8. Civilian / Corporate / Uniform Citation (Certificate)

May be awarded:

- To civilians whose actions result in commendable service to the community such as life-saving or assistance to the GHCT Fire/Rescue Department with little regard for the recipient's life or safety.
- To community corporate sponsors that assisted the Fire Department during the year; or other uniform services (Police, Fire, EMS, Military) who assisted the GHCT Fire/Rescue Department throughout the year.

ADDITIONAL COMMENDATION AWARDS

1. Yearly Commendation Bars

May be awarded:

- Veteran Fire Service Commendation
- Firefighter Response Commendation
- EMS Response Commendation
- Unit Commendation
- Administrative Commendation

2. Completion of Training Levels (Ribbon bar with certificate)

To be awarded to GHCT Fire/Rescue Department members upon completion of the following certification/training levels:

Firefighter I
 Firefighter II
 Fire Officer I

Fire Officer II
Fire Officer III
Fire Officer IV
Fire Instructor I & II
EMS Instructor/ Fire Inspector
Fire Protection Specialist
Educational Achievement
EMR
EMT
EMT-I
Paramedic
Specialized Training Awards

3. Recognition Awards for Active Members (Ribbon bar with certificate)

In addition to the awards addressed in the Commendation Policy, the Department provides various awards based on service time. These ribbon bars will be presented to the Member upon reaching the required time of service:

Five Years
Ten Years
Fifteen Years
Twenty Years
Twenty-Five Years
Thirty Years
Thirty-Five Years (Once a member achieves 25 years, they will be awarded a Life Member Commendation Bar)

4. Retirement Awards

Upon retirement from the GHCT Fire/Rescue Department, retirees will be honored for their dedication and service to the community and Department. In addition to retiree's receiving his/her GHCT Fire/Rescue Department helmet, selection of a retirement award is dependent on the employee's choosing and the award value associated with the following years of active service:

Five Years	\$100
Ten Years	\$200
Fifteen Years	\$350
Twenty Years+	\$500

COMMENDATION POLICY (REQUEST FORM)

To COMMENDATION COMMITTEE	From (Name / Rank)	Date
Recipient Information		
Recipient Name		Rank
Proposed Commendation		
Name of Commendation		
<i>List of recognized commendations (Refer to GHCT Commendation Policy for specific information on each commendation)</i> Medal of Honor, Meritorious Service, Life Saving, Distinguished Service, Baby Delivery, Military Service, Civilian / Corporate / Uniform Citation		
Reason and Justification of Commendation		
<i>Brief detailed explanation of commendation justification including dates and support documentation (attach if applicable)</i>		
Listing of multiple achievements leading up to a single commendation, if applicable		
Achievement #1		
Achievement #2		
Achievement #3		
Recommendation Approval / Disapproval		
Commendation Committee <i>I certify that this individual is eligible for an award in accordance with GHCT policy and that the information contained herein is correct.</i>	Name	ID#
	Signature	Date
<input type="checkbox"/> Approval <input type="checkbox"/> Disapproval <input type="checkbox"/> Upgrade to <input type="checkbox"/> Downgrade to		
Citation to appear on Certificate: 		

At a regular meeting of the Township Board of Grand Haven Charter Township, Ottawa County, Michigan, held at the Township Hall at 13300 168th Ave., Grand Haven, Michigan 49417, on May 28, 2019, at 7:00 p.m., local time.

PRESENT:

ABSENT:

The following resolution was offered by Trustee _____ and seconded by Trustee _____

RESOLUTION 19-05-04

WHEREAS, Grand Haven Charter Township (“Township”) has adopted an Administrative Policies and Procedures Manual; and,

WHEREAS, the Grand Haven Charter Township Board (“Township Board”) believes that it is in the best interest of the Township to amend various sections of the Administrative Policies and Procedures Manual from time-to-time as necessary; and,

WHEREAS, the proposed amendment has been reviewed by the Public Safety Committee and recommended for approval; and,

WHEREAS, the Township Board believes that it is reasonable and appropriate to adopt this amendment, recognizing firefighters for their service, dedication, heroism, and service to the residents and visitors of the Township.

NOW, THEREFORE, BE IT HEREBY RESOLVED:

1. That Section 3.5, is to read in its entirety as follows:

3.5 Employee and Board Recognition: Service Awards and Retirement Gifts

Grand Haven Charter Township recognizes the value of institutional knowledge and experience held by long-term employees and board members. Additionally, retention of high-performing employees reduces the cost of employee turnover and improves the customer service levels provided to residents and guests. Equally, employees who have retired from employment with Grand Haven Charter Township are ambassadors of goodwill in the community.

Eligibility

Permanent employees become eligible for a service award, once they complete 5, 10, 15, 20, 25, 30, 35, 40, and 45 years of service without a break in service. Retirement awards are given to

permanent employees upon retirement after completion of 20 years of employment without a break in service. Recognition awards are given to elected officials when they leave office.

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After considering the service milestone or retirement date, the human resources director will decide whether the gift will be sent to the employee's home or to the employee's work location for presentation. The board member will be presented with their gift at their last board meeting.

Additionally, Grand Haven Charter Township's Fire/Rescue Department has an Awards and Commendations Standard Operating Procedure (SOP) in place to recognize staff for their service, dedication, heroism and service to the residents and visitors of the Township. The SOP details the process to recommend and approve specific awards and commendations, as well as the types of awards that will be presented upon successful completion of events, certifications/licensures, years of service and retirement.

2. That all resolutions in conflict herewith in whole or in part are hereby revoked to the extent of such conflict.

YES:

NO:

ABSENT:

RESOLUTION DECLARED ADOPTED.

DATED: May 28, 2019

Laurie Larsen, Township Clerk

CERTIFICATE

I, the undersigned, the duly qualified and acting Township Clerk of the Grand Haven Charter Township, Ottawa County, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the Township Board at a regular meeting of the Township Board held on May 28, 2019, do further hereby certify that public notice of said meeting was given pursuant to and in full compliance with Michigan Act 267 of 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Laurie Larsen, Township Clerk