

**OSHTEMO CHARTER TOWNSHIP BOARD  
7275 West Main Street  
Kalamazoo, MI 49009**

**June 22, 2021**

Refer to [www.oshtemo.org](http://www.oshtemo.org) home page for Virtual Meeting Information

**REGULAR MEETING  
6:00 P.M.  
AGENDA**

1. Call to Order
2. Roll Call & Remote Location Identification
3. Pledge of Allegiance
4. Public Comment on Non-Regular Session Items

**WORK SESSION ITEMS**

5. Discussion on Seber Tans Annual Audit
6. Discussion on 2022 Budget – Department Accomplishments, Goals, Vision (Continued)
7. Other Updates & Business

**BREAK (Time Permitting) – 7:05 P.M.**

**REGULAR SESSION ITEMS – 7:15 P.M.**

8. Consent Agenda
  - a. Approve Minutes – June 7<sup>th</sup> & June 8<sup>th</sup> Regular Meetings, and June 11<sup>th</sup> Special Meeting
  - b. Receipts & Disbursements Report
  - c. Employee Handbook Amendment – On the Job Accidents/Injury
  - d. Ordinance 234: Cemetery Regulations – Second Reading
  - e. Job Description – Law Clerk
  - f. Budget Amendment – Public Works
9. Consideration of Solid Waste Ordinance Amendment
10. Request to Enter Into Closed Session to Discuss Performance Evaluation
11. Other Township Business & Question Updates
12. Public Comment
13. Board Member Comments
14. Adjournment

**Policy for Public Comment  
Township Board Regular Meetings, Planning Commission & ZBA Meetings**

All public comment shall be received during one of the following portions of the Agenda of an open meeting:

a. Citizen Comment on Non-Agenda Items or Public Comment – while this is not intended to be a forum for dialogue and/or debate, if a citizen inquiry can be answered succinctly and briefly, it will be addressed or it may be delegated to the appropriate Township Official or staff member to respond at a later date. More complicated questions can be answered during Township business hours through web contact, phone calls, email ([oshtemo@oshtemo.org](mailto:oshtemo@oshtemo.org)), walk-in visits, or by appointment.

b. After an agenda item is presented by staff and/or an applicant, public comment will be invited. At the close of public comment there will be Board discussion prior to call for a motion. While comments that include questions are important, depending on the nature of the question, whether it can be answered without further research, and the relevance to the agenda item at hand, the questions may not be discussed during the Board deliberation which follows.

Anyone wishing to make a comment will be asked to come to the podium to facilitate the audio/visual capabilities of the meeting room. Speakers will be invited to provide their name, but it is not required.

All public comment offered during public hearings shall be directed, and relevant, to the item of business on which the public hearing is being conducted. Comment during the Public Comment Non-Agenda Items may be directed to any issue.

All public comment shall be limited to four (4) minutes in duration unless special permission has been granted in advance by the Supervisor or Chairperson of the meeting.

Public comment shall not be repetitive, slanderous, abusive, threatening, boisterous, or contrary to the orderly conduct of business. The Supervisor or Chairperson of the meeting shall terminate any public comment which does not follow these guidelines.

(adopted 5/9/2000)  
(revised 5/14/2013)  
(revised 1/8/2018)

Questions and concerns are welcome outside of public meetings during Township Office hours through phone calls, stopping in at the front desk, by email, and by appointment. The customer service counter is open from Monday-Thursday 8:00 am- 5:00 pm, and on Friday 8:00 am-1:00 pm. Additionally, questions and concerns are accepted at all hours through the website contact form found at [www.oshtemo.org](http://www.oshtemo.org), email, postal service, and voicemail. Staff and elected official contact information is provided below. If you do not have a specific person to contact, please direct your inquiry to [oshtemo@oshtemo.org](mailto:oshtemo@oshtemo.org) and it will be directed to the appropriate person.

Oshtemo Township Board of Trustees		
<b><u>Supervisor</u></b>		
Libby Heiny-Cogswell	216-5220	<a href="mailto:libbyhc@oshtemo.org">libbyhc@oshtemo.org</a>
<b><u>Clerk</u></b>		
Dusty Farmer	216-5224	<a href="mailto:dfarmer@oshtemo.org">dfarmer@oshtemo.org</a>
<b><u>Treasurer</u></b>		
Clare Buszka	216-5260	<a href="mailto:cbuszka@oshtemo.org">cbuszka@oshtemo.org</a>
<b><u>Trustees</u></b>		
Cheri L. Bell	372-2275	<a href="mailto:cbell@oshtemo.org">cbell@oshtemo.org</a>
Kristin Cole	375-4260	<a href="mailto:kcole@oshtemo.org">kcole@oshtemo.org</a>
Zak Ford	271-5513	<a href="mailto:zford@oshtemo.org">zford@oshtemo.org</a>
Kizzy Bradford	375-4260	<a href="mailto:kbradford@oshtemo.org">kbradford@oshtemo.org</a>

<b>Township Department Information</b>		
<b><u>Assessor:</u></b>		
Kristine Biddle	216-5225	<a href="mailto:assessor@oshtemo.org">assessor@oshtemo.org</a>
<b><u>Fire Chief:</u></b>		
Mark Barnes	375-0487	<a href="mailto:mbarnes@oshtemo.org">mbarnes@oshtemo.org</a>
<b><u>Ordinance Enf:</u></b>		
Rick Suwarsky	216-5227	<a href="mailto:rsuwarsky@oshtemo.org">rsuwarsky@oshtemo.org</a>
<b><u>Parks Director:</u></b>		
Karen High	216-5233	<a href="mailto:khigh@oshtemo.org">khigh@oshtemo.org</a>
Rental Info	216-5224	<a href="mailto:oshtemo@oshtemo.org">oshtemo@oshtemo.org</a>
<b><u>Planning Director:</u></b>		
Iris Lubbert	216-5223	<a href="mailto:ilubbert@oshtemo.org">ilubbert@oshtemo.org</a>
<b><u>Public Works:</u></b>		
Marc Elliott	216-5236	<a href="mailto:melliott@oshtemo.org">melliott@oshtemo.org</a>

## Zoom Instructions for Participants

### Before a videoconference:

1. You will need a computer, tablet, or smartphone with a speaker or headphones. You will have the opportunity to check your audio immediately upon joining a meeting.
2. If you are going to make a public comment, please use a microphone or headphones with a microphone to cut down on feedback, if possible.
3. Details, phone numbers, and links to videoconference or conference call are provided below. The details include a link to “**Join via computer**” as well as phone numbers for a conference call option. It will also include the 11-digit Meeting ID.

### To join the videoconference:

1. At the start time of the meeting, click on this link to [join via computer](#). You may be instructed to download the Zoom application.
2. You have an opportunity to test your audio at this point by clicking on “Test Computer Audio.” Once you are satisfied that your audio works, click on “Join audio by computer.”

You may also join a meeting without the link by going to [join.zoom.us](#) on any browser and entering this Meeting ID: **886 8325 1261**

If you are having trouble hearing the meeting or do not have the ability to join using a computer, tablet, or smartphone then you can join via conference call by following instructions below.

### To join the conference by phone:

1. On your phone, dial the teleconferencing number: **1-929-205-6099**
2. When prompted using your touchtone (DTMF) keypad, enter the Meeting ID number: **886 8325 1261#**

### Participant controls in the lower-left corner of the Zoom screen:



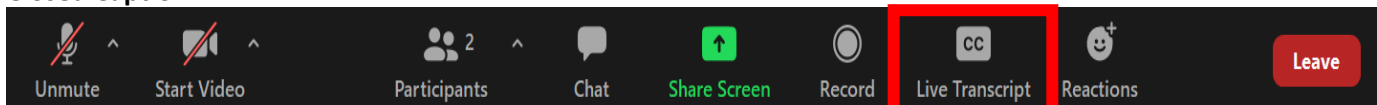
Using the icons at the bottom of the Zoom screen, you can (some features will be locked to participants during the meeting):

- Participants – opens a pop-out screen that includes a “Raise Hand” icon that you may use to raise a virtual hand. **This will be used to indicate that you want to make a public comment.**
- Chat – opens pop-up screen that allows participants to post comments during the meeting.

If you are attending the meeting by phone, to use the “Raise Hand” feature **press \*9 on your touchtone keypad.**

Public comments will be handled by the “Raise Hand” method as instructed above within Participant Controls.

### Closed Caption:

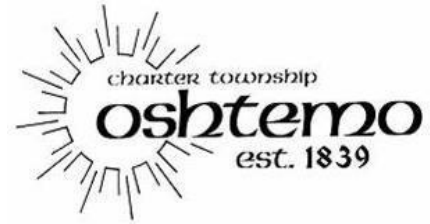


### Turn on Closed Caption:

Using the icons at the bottom of the Zoom screen:

1. Click on the “Live Transcription” button.
2. Then select “Show Subtitle”.

# Memorandum



**Date:** 17 June 2021  
**To:** Township Board  
**From:** Josh Owens, Assistant Supervisor  
**Subject:** 2020 Annual Audit

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## **OBJECTIVE**

Township Board to discuss and accept the 2020 annual audit.

## **BACKGROUND**

Seber Tans, PLC conducted the annual audit of Oshtemo Township finances and will present summary information to the Township Board Tuesday evening. Seber Tans will remain available for Board questions and requests for clarifications.

## **INFORMATION PROVIDED**

Draft Charter Township of Oshtemo Financial Statements  
Draft Charter Township of Oshtemo Governance Letter  
Draft Charter Township of Oshtemo Internal Control Letter

# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

June 25, 2021

To the Township Board  
Charter Township of Oshtemo, Michigan

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Oshtemo (the Township) for the year ended December 31, 2020, and have issued our report thereon dated June 25, 2021. Professional standards require that we communicate to you with the following information related to our audit.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

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

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Township's financial statements was:

Management's estimate of depreciation is based on the economic useful lives of capital and infrastructure assets. We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of net OPEB assets and deferred outflows of resources recorded on the government-wide financial statements is based on actuarial assumptions described in Note 11 to the financial statements. We evaluated the key factors and assumptions used to develop this estimate and believe it is reasonable in relation to the financial statements as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

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

Township Board  
The Charter Township of Oshtemo, Michigan  
June 25, 2021

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule outlines the proposed adjustments and management has corrected all such misstatements. There were no uncorrected misstatements to report.

*Disagreements with Management*

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

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated June 25, 2021.

*Management Consultations with Other Independent Accountants*

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

*Other Audit Findings or Issues*

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

Other Matters

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

We were engaged to report on the supplementary information, as noted in the table of contents, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Township Board  
The Charter Township of Oshtemo, Michigan  
June 25, 2021

Restriction on Use

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

Very truly yours,

Seber Tans, PLC

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**Charter Township of Oshtemo**

**Year End: December 31, 2020**

**Adjusting journal entries**

<b>Number</b>	<b>Date</b>	<b>Name</b>	<b>Account No</b>	<b>Debit</b>	<b>Credit</b>
1	12/31/2020	Current Taxes Receivable	247-000-02000 SODA		(45,523.83)
1	12/31/2020	Deferred Revenue	247-000-33900 SODA	45,523.83	

To adjust SODA deferred revenue.

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# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

June 25, 2021

To the Township Board  
Charter Township of Oshtemo, Michigan

In planning and performing our audit of the financial statements of the Charter Township of Oshtemo (the Township), as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Sincerely,

Seber Tans, PLC

June 25, 2021

Seber Tans, PLC

This representation letter is provided in connection with your audit of the financial statements of the Charter Township of Oshtemo, Michigan (the Township), which comprise the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows for the period then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of June 25, 2021, the following representations made to you during your audit.

#### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 5, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

- 8) We are in agreement with the adjusting journal entry you have proposed, and it has been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Township is contingently liable, if any, have been properly recorded or disclosed.
- 11) We have not completed the process of evaluating the impact that will result from adopting Governmental Accounting Standards Board (GASBS) No. 87, *Leases*, as discussed in Note 19. The Township is therefore unable to disclose the impact that adopting GASBS No. 87 will have on its financial position and the results of its operations when the Statement is adopted.

**Information Provided**

- 12) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Township from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the Township or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the Township and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Township's financial statements communicated by employees, former employees, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 19) We have disclosed to you the identity of the Township's related parties and all the related party relationships and transactions of which we are aware.

**Government—specific**

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) The Township has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 24) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 25) The Township has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 26) The Township has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 27) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 28) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 29) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 30) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
- 32) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 33) Provisions for uncollectible receivables have been properly identified and recorded if necessary.
- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal as applicable.

- 36) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 37) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 38) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 39) We have appropriately disclosed the Township's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 40) We are following GASB Statement No. 54, paragraph 18, to determine the fund balance classifications for financial reporting purposes.
- 41) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 42) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 43) With respect to the Supplementary Information (SI) noted in the table of contents of the financial statements,
  - a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the SI.
  - b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SI no later than the date we issue the SI and the auditor's report thereon.

\_\_\_\_\_  
Elizabeth Heiny-Cogswell, Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Dusty Farmer, Clerk

\_\_\_\_\_  
Date

\_\_\_\_\_  
Clare Buszka, Treasurer

\_\_\_\_\_  
Date

*Charter Township of Oshtemo  
Kalamazoo County, Michigan*

**FINANCIAL STATEMENTS**

*Year ended December 31, 2020*

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# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

Members of the Township Board  
Charter Township of Oshtemo, Kalamazoo County, Michigan

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Oshtemo (the Township) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

An audit involves performing procedures to obtain 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 Township'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 Township'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 opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2020, and the respective changes in financial position 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, budgetary comparison information and schedule of funding progress for the postemployment healthcare plan as noted on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The component unit fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The component unit fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 component unit fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Seber Tans, PLC  
Kalamazoo, Michigan  
June 25, 2021

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DRAFT**

Our discussion and analysis of the Charter Township of Oshtemo's (the Township) financial performance provides a narrative overview of the Township's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the Township's financial statements.

### **FINANCIAL HIGHLIGHTS**

- The Township's total net position increased by \$2,256,273 (approximately 7 percent) as a result of this year's activities.
- Of the \$34,291,931 total net position reported, \$7,949,138 (23 percent) is available to be used to meet future operating and capital improvement needs, without constraints established by debt covenants, enabling legislation, or other legal requirements. (Please refer to the Township's CIP plan for the intended uses of unrestricted net position).
- The General Fund's unassigned fund balance at the end of the fiscal year was \$1,600,268, which represents 40 percent of the actual total General Fund expenditures for the current fiscal year.

### **Overview of the financial statements**

The Township's annual report is comprised of four parts: management's discussion and analysis, the basic financial statements, required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds and statements for component units. The basic financial statements include two kinds of statements that present different views of the Township:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Township's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Township government, reporting the Township's operations in more detail than the government-wide financial statements.
  - Governmental funds statements explain how government services, like general government, public safety, and public works, were financed in the short-term, as well as what remains for future spending.
  - Fiduciary funds statements provide information about the financial relationships in which the Township acts solely as a custodian for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by sections of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

A comparative analysis of the government-wide financial statements for 2020 and 2019 is also presented.

### **Government-wide financial statements**

The government-wide financial statements report information about the Township as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Township's assets, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide statements report the Township's net position and how it has changed. Net position (the difference between the Township's assets and liabilities and deferred inflows of resources) is one way to measure the Township's financial health, or position.

- Over time, increases or decreases in the Township's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Township, you need to consider additional nonfinancial factors, such as changes in the Township's property tax base and the condition of the Township's capital assets.

The government-wide financial statements are divided into two categories:

- *Governmental activities* - Most of the Township's basic services are included here, such as police, fire, and general government activities. Property taxes, assessments, and state grants finance most of these activities.
- *Component units* - The Township includes two other entities in its report - the Downtown Development Authority and the South Drake Road Corridor Improvement Authority. Although legally separate, these "component units" are important because the Township is financially accountable for both Authorities.

#### **Fund financial statements**

The fund financial statements provide more detailed information about the Township's most significant funds - not the Township as a whole. Funds are accounting devices that the Township uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law.
- The Township Board establishes other funds to control and manage money for particular purposes or to show that it is properly using certain other revenues.

The Township has two types of funds:

- *Governmental funds*. Most of the Township's basic services are included in its governmental funds, which focus on (1) how cash, and other financial assets that can be readily converted to cash, flows in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information that explains the relationship between them.
- *Fiduciary funds*. These funds are used to account for the collection and disbursement of resources, primarily taxes, for the benefit of parties outside the Township. The Township is responsible for ensuring that the assets reported in the fiduciary funds are used for their intended purposes. The Township's fiduciary balances and activities are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these activities from the Township's government-wide financial statements because the Township cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE TOWNSHIP AS A WHOLE

Net position

Total net position at the end of the fiscal year was \$34,291,931. Of this total, \$24,112,702 is invested in capital assets, \$2,192,942 is restricted for public safety, \$37,149 is restricted for public works and \$7,949,138 is unrestricted.

Condensed financial information  
Net position

	<u>Governmental activities</u>	
	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 17,328,152	\$ 15,213,943
Capital assets	<u>24,112,702</u>	<u>23,198,958</u>
Total assets	<u>41,440,854</u>	<u>38,412,901</u>
Deferred outflows of resources	-	1,893
Current and other liabilities	<u>1,691,868</u>	<u>1,237,103</u>
Deferred inflows of resources	<u>5,457,055</u>	<u>5,142,033</u>
Net position:		
Net investment in capital assets	24,112,702	23,198,958
Restricted	2,230,091	1,548,160
Unrestricted	<u>7,949,138</u>	<u>7,288,540</u>
Total net position	<u>\$ 34,291,931</u>	<u>\$ 32,035,658</u>

**Changes in net position**

The Township's total revenues were \$10,164,824. For 2020, charges for services were 64 percent of the Township's revenues, 20 percent comes from state grants, and 8 percent comes from property taxes.

The total cost of the Township's programs and services was \$7,908,551. Approximately 47 percent of the Township's costs are related to public safety activities, general government is 28 percent, and public works is 19 percent of expenses.

*Condensed financial information*

*Changes in net position*

	<i>Governmental activities</i>	
	<u>2020</u>	<u>2019</u>
Program revenues:		
Charges for services	\$ 6,480,778	\$ 5,934,908
Operating grants	674,122	268,075
Capital grants	-	724,273
General revenues:		
Property taxes	814,926	788,107
State grants	1,985,243	1,994,353
Franchise fees	168,385	180,663
Investment income	41,370	106,705
	<u>10,164,824</u>	<u>9,997,084</u>
Total revenues		
Expenses:		
General government	2,175,029	1,818,077
Public safety	3,712,053	3,760,361
Public works	1,509,152	1,664,997
Community and economic development	191,460	227,722
Culture and recreation	320,857	365,884
	<u>7,908,551</u>	<u>7,837,041</u>
Total expenses		
Changes in net position	<u>\$ 2,256,273</u>	<u>\$ 2,160,043</u>
Net position, end of year	<u>\$ 34,291,931</u>	<u>\$ 32,035,658</u>

**Governmental activities**

The net position increased \$2,256,273 for 2020 compared to a \$2,160,043 increase in the prior year. The increase can be attributed primarily to an increase in charges for services revenue of \$545,870 as assessment charges increased during the year, operating grant revenues increased \$406,047 and capital grants decreased by \$724,273.

The total cost of governmental activities this year was \$7,908,551. After subtracting the direct charges to those who directly benefited from the programs (\$6,480,778) and operating grants (\$674,122), the "public benefit" portion covered by taxes, state revenue sharing, and other general revenues was \$753,651.

**FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS**

**Governmental funds**

As of the end of the current year, the Township's governmental funds reported combined ending fund balances of \$9,216,599, an increase of \$1,130,725 from last year.

The General Fund is the primary operating fund of the Township. Its fund balance decreased by \$586,617 during the year, as revenues of \$3,704,431 were lower than current expenditures of \$3,966,048 and transfers to other funds of \$325,000. The fund balance was \$3,367,139 at the end of the year.

The Fire Fund experienced an increase in fund balance of \$500,874 for 2020, as revenues of \$3,175,077 were more than current expenditures of \$2,674,203 including \$284,721 in capital outlay. The ending fund balance was \$1,714,384.

The Police Fund experienced a \$504,020 increase in fund balance, which reflects police service expenditures of \$939,954 that were less than revenues of \$1,443,974. The fund balance at the end of the year was \$1,100,312.

The General Sewer Fund experienced a \$288,133 increase in fund balance for 2020, as revenues of \$924,225 were more than current year's expenditures of \$636,092. The fund balance at the end of the year was \$1,277,427.

The General Water Fund experienced a \$216,739 increase in fund balance for 2020, as revenues of \$568,869, were more than current year's expenditures of \$352,130. The fund balance at the end of the year was \$1,537,778.

**General Fund budgetary highlights**

The Township amended the General Fund expenditures budget for anticipated decreases in expenditures. Total revenues were \$852,145 less than anticipated, primarily due to intergovernmental revenues that were lower than anticipated by \$763,059. Total expenditures were \$1,307,286 less than the amounts appropriated, primarily due to capital outlay and public works costs which were \$740,273 and \$431,729, respectively, less than projected due to planned projects not occurring in the current year. Transfers were \$250,000 less than amounts appropriated as a transfer out did not take place in the current year.

These variances resulted in a positive budget variance of \$705,141, with a \$586,617 decrease in fund balance compared to a budget that anticipated a decrease of \$1,291,758 in the current year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets**

The Township's investment in capital assets as of December 31, 2020, was \$24,112,702 (net of accumulated depreciation). This investment includes buildings and improvements, equipment and vehicles, sewer, and water infrastructure. The \$913,744 increase in the Township's investment in capital assets for the current fiscal year includes \$2,070,300 in capital asset additions, less \$1,016,419 in depreciation expense and \$140,137 in net disposals for the year.

Major capital asset additions during the current fiscal year include:

- \$547,867 for water and sewer infrastructure costs
- \$989,223 for a non-motorized path
- \$171,433 for the purchase of fire equipment
- \$151,084 for fire protection vehicles
- \$75,451 for other vehicles

More detailed information about the Township's capital assets is presented in Note 6 of the notes to the basic financial statements.

**Debt**

The Township's long-term obligation consists of \$57,950 in accrued compensated absences.

More detailed information about the Township's long-term obligation is presented in Note 8 of the notes to the basic financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Township expects to be able to use current revenues to provide essential services that will allow current fund balances to be maintained. The Township plans to maintain all ongoing programs for 2021. The ongoing costs of providing essential services for the citizens of the Township will need to be closely monitored in order to maintain the financial condition and operational capabilities of the Township.

**CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Township's finances and to demonstrate the Township's accountability for the resources it receives. Questions regarding any information provided in this report or requests for additional financial information should be addressed to:

Libby Heiny-Cogswell, Supervisor  
Charter Township of Oshtemo  
7275 West Main Street  
Oshtemo, MI 49009

Phone: (269) 375-4260



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**BASIC FINANCIAL STATEMENTS**

**DRAFT**

## STATEMENT OF NET POSITION

December 31, 2020

	<i>Primary government</i>	<i>Component units</i>	
	<i>Governmental activities</i>	<i>Downtown Development Authority</i>	<i>South Drake Road Corridor Improvement Authority</i>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 8,251,935	\$ 803,037	\$ 68,370
Investments	4,141,663	-	-
Receivables, net	3,926,536	88,346	36,477
Total current assets	<u>16,320,134</u>	<u>891,383</u>	<u>104,847</u>
Noncurrent assets:			
Receivables, net	753,063	-	-
Beneficial interest in assets held by foundation	14,786	-	-
Net OPEB assets	240,169	-	-
Capital assets not being depreciated	2,500,063	382,761	-
Capital assets, net of accumulated depreciation	21,612,639	308,078	-
Total noncurrent assets	<u>25,120,720</u>	<u>690,839</u>	<u>-</u>
Total assets	<u>41,440,854</u>	<u>1,582,222</u>	<u>104,847</u>
<b>LIABILITIES</b>			
Current liabilities:			
Payables	1,465,530	11,283	-
Unearned operating assessment revenues	168,388	-	-
Total current liabilities	<u>1,633,918</u>	<u>11,283</u>	<u>-</u>
Noncurrent liabilities - compensated absences	<u>57,950</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,691,868</u>	<u>11,283</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property tax revenues levied for the subsequent year	838,644	159,611	37,723
Special assessment levied for the subsequent year	4,602,659	-	-
OPEB	15,752	-	-
Total deferred inflows of resources	<u>5,457,055</u>	<u>159,611</u>	<u>37,723</u>
<b>NET POSITION</b>			
Investment in capital assets	24,112,702	690,839	-
Restricted for public safety	2,192,942	-	-
Restricted for public works	37,149	-	-
Unrestricted	<u>7,949,138</u>	<u>720,489</u>	<u>67,124</u>
Total net position	<u>\$ 34,291,931</u>	<u>\$ 1,411,328</u>	<u>\$ 67,124</u>

See notes to financial statements

Charter Township of Oshtemo  
**STATEMENT OF ACTIVITIES**  
Year ended December 31, 2020

Functions/Programs	<i>Net (expenses) revenues and changes in net position</i>				
	<i>Expenses</i>	<i>Program revenues</i>		<i>Component units</i>	
		<i>Charges for services</i>	<i>Operating grants and contributions</i>	<i>Governmental activities</i>	<i>Downtown Development Authority</i>
Governmental activities:					
General government	\$ 2,175,029	\$ 581,149	\$ -	\$ (1,593,880)	
Public safety	3,712,053	4,442,654	57,844	788,445	
Public works	1,509,152	1,404,805	463,123	358,776	
Community and economic development	191,460	26,948	-	(164,512)	
Culture and recreation	320,857	25,222	153,155	(142,480)	
Total governmental activities	<u>7,908,551</u>	<u>6,480,778</u>	<u>674,122</u>	<u>(753,651)</u>	
Component units:					
Downtown Development Authority	\$ 127,205	\$ -	\$ -	\$ (127,205)	\$ -
South Drake Road Corridor Improvement Authority	67,394	-	-	-	(67,394)
Total component units	<u>\$ 194,599</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (127,205)</u>	<u>\$ (67,394)</u>
General revenues:					
Taxes			814,926	189,041	63,522
State grants			1,985,243	-	-
Franchise fees			168,385	-	-
Investment income			41,370	8,258	848
Total general revenues			<u>3,009,924</u>	<u>197,299</u>	<u>64,370</u>
Changes in net position			2,256,273	70,094	(3,024)
Net position - beginning			32,035,658	1,341,234	70,148
Net position - ending			<u>\$ 34,291,931</u>	<u>\$ 1,411,328</u>	<u>\$ 67,124</u>

See notes to financial statements

Charter Township of Oshtemo  
**BALANCE SHEET - governmental funds**  
 December 31, 2020

	General	Fire	Police	General Sewer	General Water	Nonmajor funds	Total governmental funds
<b>ASSETS</b>							
Cash	\$ 815,070	\$ 3,246,063	\$ 1,998,996	\$ 1,240,407	\$ 661,112	\$ 290,287	\$ 8,251,935
Investments	3,000,438	-	-	-	1,141,225	-	4,141,663
Receivables	909,545	1,740,845	1,014,768	660,265	256,142	98,034	4,679,599
Beneficial interest in assets held by foundation	-	-	-	-	-	14,786	14,786
<b>Total assets</b>	<b>\$ 4,725,053</b>	<b>\$ 4,986,908</b>	<b>\$ 3,013,764</b>	<b>\$ 1,900,672</b>	<b>\$ 2,058,479</b>	<b>\$ 403,107</b>	<b>\$ 17,087,983</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Payables	\$ 519,270	\$ 131,036	\$ 452,281	\$ 40,190	\$ 307,593	\$ 15,160	\$ 1,465,530
Unearned special assessment operating revenues	-	-	-	-	-	168,388	168,388
<b>Total liabilities</b>	<b>519,270</b>	<b>131,036</b>	<b>452,281</b>	<b>40,190</b>	<b>307,593</b>	<b>183,548</b>	<b>1,633,918</b>
<b>Deferred inflows of resources:</b>							
Property tax revenues levied for the subsequent year	838,644	-	-	-	-	-	838,644
Special assessment levied for the subsequent year	-	3,141,488	1,461,171	-	-	-	4,602,659
Unavailable special assessment revenues	-	-	-	583,055	213,108	-	796,163
<b>Total deferred inflows of resources</b>	<b>838,644</b>	<b>3,141,488</b>	<b>1,461,171</b>	<b>583,055</b>	<b>213,108</b>	<b>-</b>	<b>6,237,466</b>
<b>Fund balances:</b>							
<b>Restricted for:</b>							
Public safety	311,871	1,714,384	166,687	-	-	-	2,192,942
Public works	-	-	-	-	-	37,149	37,149
<b>Assigned for:</b>							
Public safety	-	-	933,625	-	-	-	933,625
Public works	-	-	-	1,277,427	1,537,778	-	2,815,205
Culture and recreation	-	-	-	-	-	182,410	182,410
Subsequent year expenditures	1,455,000	-	-	-	-	-	1,455,000
Unassigned	1,600,268	-	-	-	-	-	1,600,268
<b>Total fund balances</b>	<b>3,367,139</b>	<b>1,714,384</b>	<b>1,100,312</b>	<b>1,277,427</b>	<b>1,537,778</b>	<b>219,559</b>	<b>9,216,599</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 4,725,053</b>	<b>\$ 4,986,908</b>	<b>\$ 3,013,764</b>	<b>\$ 1,900,672</b>	<b>\$ 2,058,479</b>	<b>\$ 403,107</b>	<b>\$ 17,087,983</b>
<b>Reconciliation of the balance sheet to the statement of net position:</b>							
Total fund balance - total governmental funds							\$ 9,216,599
Amounts reported for <i>governmental activities</i> in the statement of net position (page 11) are different because:							
Capital assets used in <i>governmental activities</i> are not financial resources and, therefore, are not reported in the funds.							
							24,112,702
Net OPEB assets							
							240,169
Deferred inflows of resources, related to the OPEB plan, relate to future years and, therefore, are not reported in the funds.							
							(15,752)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds - compensated absences.							
							(57,950)
Special assessments receivable and unavailable grant revenue are not available to pay for the current period's expenditures and, therefore, are deferred in the funds.							
							796,163
<b>Net position of governmental activities</b>							<b>\$ 34,291,931</b>

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - governmental funds**

Year ended December 31, 2020

	<i>General</i>	<i>Fire</i>	<i>Police</i>	<i>General Sewer</i>	<i>General Water</i>	<i>Nonmajor fund</i>	<i>Total governmental funds</i>
<b>REVENUES</b>							
Taxes	\$ 814,926	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 814,926
Licenses and permits	195,533	-	-	-	-	-	195,533
Federal grant	19,844	38,000	-	-	-	-	57,844
State grants	2,002,798	-	-	-	-	95,205	2,098,003
Intergovernmental	38,513	-	-	-	-	-	38,513
Charges for services	543,167	3,526	25,115	640,450	453,118	-	1,665,376
Fines and forfeitures	-	-	37,433	-	-	-	37,433
Interest and rentals	61,390	14,975	10,383	21,071	23,676	25,452	156,947
Other	28,260	3,118,576	1,371,043	262,704	92,075	179,320	5,051,978
<b>Total revenues</b>	<b>3,704,431</b>	<b>3,175,077</b>	<b>1,443,974</b>	<b>924,225</b>	<b>568,869</b>	<b>299,977</b>	<b>10,116,553</b>
<b>EXPENDITURES</b>							
Current:							
General government	2,140,993	-	-	-	-	-	2,140,993
Public safety	38,661	2,389,482	939,133	-	-	-	3,367,276
Public works	538,932	-	-	636,092	352,130	132,445	1,659,599
Community and economic development	191,360	-	-	-	-	-	191,360
Culture and recreation	-	-	-	-	-	125,903	125,903
Capital outlay	1,056,102	284,721	821	-	-	159,053	1,500,697
<b>Total expenditures</b>	<b>3,966,048</b>	<b>2,674,203</b>	<b>939,954</b>	<b>636,092</b>	<b>352,130</b>	<b>417,401</b>	<b>8,985,828</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(261,617)</b>	<b>500,874</b>	<b>504,020</b>	<b>288,133</b>	<b>216,739</b>	<b>(117,424)</b>	<b>1,130,725</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	325,000	325,000
Transfers out	(325,000)	-	-	-	-	-	(325,000)
<b>Net other financing sources (uses)</b>	<b>(325,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>325,000</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>(586,617)</b>	<b>500,874</b>	<b>504,020</b>	<b>288,133</b>	<b>216,739</b>	<b>207,576</b>	<b>1,130,725</b>
<b>FUND BALANCES - BEGINNING</b>	<b>3,953,756</b>	<b>1,213,510</b>	<b>596,292</b>	<b>989,294</b>	<b>1,321,039</b>	<b>11,983</b>	<b>8,085,874</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 3,367,139</b>	<b>\$ 1,714,384</b>	<b>\$ 1,100,312</b>	<b>\$ 1,277,427</b>	<b>\$ 1,537,778</b>	<b>\$ 219,559</b>	<b>\$ 9,216,599</b>

Reconciliation of the statement of revenues, expenditures and changes in fund balances to the statement of activities:

Net change in fund balance - total governmental funds (page 14) \$ 1,130,725

Amounts reported for *governmental activities* in the statement of activities (page 12) are different because:

Capital assets:

Assets acquired	2,070,300
Provision for depreciation	(1,016,419)
Net book value of disposed assets	(140,137)

Long-term obligations:

Net change in liability for compensated absences	(3,700)
Net increase in OPEB assets	46,637

Changes in deferred inflows and outflow of resources:

Net decrease in deferred inflows of resources	170,760
Net decrease in deferred outflows of resources	<u>(1,893)</u>

Change in net position of *governmental activities* \$ 2,256,273

DRAFT

Charter Township of Oshtemo

**STATEMENT OF FIDUCIARY NET POSITION - custodial funds**

December 31, 2020

	<u>Retiree Medical Trust</u>	<u>Tax</u>	<u>Custodial</u>
<b>ASSETS</b>			
Cash	\$ -	\$ 10,485,941	\$ 78,053
Investments	384,994	-	-
Receivables	-	114,704	-
	<u>384,994</u>	<u>10,485,941</u>	<u>78,053</u>
Total assets	384,994	10,485,941	78,053
<b>LIABILITIES</b>			
Due to others	-	10,485,941	78,053
	<u>-</u>	<u>10,485,941</u>	<u>78,053</u>
<b>NET POSITION</b>			
Held in trust for retirees' health benefits	<u>\$ 384,994</u>	<u>\$ -</u>	<u>\$ -</u>

DRAFT

See notes to financial statements

**STATEMENT OF CHANGES IN FIDUCIARY NET POSTION - custodial funds**

December 31, 2020

	<i>Retiree Medical Trust</i>	<i>Tax</i>	<i>Custodial</i>
<b>ADDITIONS</b>			
Property taxes collected for other governments	\$ -	\$ 36,940,276	\$ 38,616
Collection of PILT	-	-	154,582
Collection of county fees	-	-	36,898
Collection of other deposits	-	-	881
Investment income	48,428	-	-
Total additions	48,428	36,940,276	230,977
<b>DEDUCTIONS</b>			
Insurance premiums	7,772	-	-
Property taxes distributed to other governments	-	36,940,276	38,616
Payment of county collections	-	-	36,898
Distributions to others	-	-	881
Distributions of PILT	-	-	154,582
Total deductions	7,772	36,940,276	230,977
<b>NET CHANGE IN FIDUCIARY NET POSITION</b>	40,656	-	-
<b>NET POSITION - BEGINNING</b>	344,338	-	-
<b>NET POSTION - ENDING</b>	<u>\$ 384,994</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Charter Township of Oshtemo, Michigan (the Township), conform to accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles) as applicable to governmental units. The following is a summary of the more significant accounting policies.

*Reporting entity:*

As required by generally accepted accounting principles, these financial statements present the Township (the primary government, located in Kalamazoo County) and its component units described below, for which the Township is financially accountable. Active discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government.

*Discretely presented component units:*

*Downtown Development Authority* - The Authority was established pursuant to Public Act 197 of 1975, as amended, to correct and prevent deterioration and promote economic growth within the downtown district.

*South Drake Road Corridor Improvement Authority* - The Authority was established pursuant to Public Act 280 of 2005, as amended, to correct and prevent deterioration and promote economic growth within the corridor business district.

*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 Township. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

*Measurement focus, basis of accounting, and financial statement presentation:*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Township generally considers revenues to be available if they are expected to be collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Measurement focus, basis of accounting, and financial statement presentation (continued):*

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

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund. Revenues are primarily derived from property taxes and state shared revenue.

The Fire Fund accounts for financial resources used for fire protection. Revenues are primarily derived from special assessments.

The Police Fund accounts for financial resources used for police protection. Revenues are primarily derived from special assessments.

The General Sewer Fund accounts for financial resources used for sewer facilities capital improvements and maintenance. Revenues are primarily derived from connection fees and special assessments.

The General Water Fund accounts for financial resources used for water facilities capital improvements and maintenance. Revenues are primarily derived from connection fees and special assessments.

The Township reports the following nonmajor governmental funds:

The Parks Fund accounts for financial resources used for recreational park facilities improvements and maintenance. Revenues are primarily derived from donations and grants.

The Street Lighting Fund accounts for financial resources used for street lighting and improvements. Revenues are primarily derived from assessments.

The Township also reports fiduciary funds, which account for assets held by the Township as an agent for individuals, private organizations, and other governments. The Township currently reports the following fiduciary fund types:

The Custodial Funds (tax and general custodial) account for the collection and disbursement of taxes and other monies due to other units of government and individuals. Custodial funds are custodial in nature (assets equal liabilities).

The Retiree Medical Trust Fund accounts for assets held to provide medical benefits to eligible retiree participants and their dependents.

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Assets, liabilities, deferred inflows of resources, and equity:*

*Bank deposits* - Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Pooled interest income is proportionately allocated to all funds.

*Investments* - Investments are reported at fair value.

*Receivables* - In general, outstanding balances between funds are reported as "due to/from other funds." No allowance for uncollectible accounts has been recorded, as the Township considers all receivables to be fully collectible.

*Prepaid items* - Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

*Capital assets* - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., sewer and water systems and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of greater than \$2,000 (\$10,000 for infrastructure assets) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date received. Governments can elect to account for infrastructure assets either retroactively to June 15, 1980, or prospectively. The Township has elected to account for infrastructure assets prospectively, beginning January 1, 2004.

Capital assets are depreciated using the straight-line method over the following useful lives:

Land improvements	15 - 30 years
Buildings and improvements	15 - 60 years
Equipment	3 - 7 years
Infrastructure	10 - 50 years

*Unearned revenue* - Unearned revenue represents resources related to operating assessments which have not yet been earned, due to performance of service.

*Deferred inflows of resources* - The statement of net position and the governmental funds balance sheet include a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The related revenues will not be recognized until a future event occurs. Included in this category are property taxes and special assessments revenues. Property tax revenue and special assessment, which are levied to finance the following period's budget, is deferred and recognized as an inflow of resources in the period that it was intended to finance. Special assessment revenues, which are not available (collected later than 60 days after the end of the Township's fiscal year) are deferred in the governmental funds and recognized as an inflow of resources in the period that the revenues become available,

*Net position* - Net position represents the difference between assets, and liabilities and deferred inflows of resources. The Township reports three categories of net position, as follows: (1) *Net investment in capital assets* consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets; (2) *Restricted net position* is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations, such as federal or state laws or buyers of the Township's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets; (3) *Unrestricted net position* consists of all other net position that does not meet the definition of the above components and is available for general use by the Township.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

*Assets, liabilities, deferred inflows of resources, and equity (continued):*

*Net position flow assumption* - Sometimes, the Township 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 and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

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

*Fund equity* - In the fund financial statements, governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws and regulations of other governments. The Township Board retains the authority to assign fund balances. Unassigned fund balances are the residual classification for the General Fund. When the Township incurs an expenditure for purposes for which various fund balance classifications can be used, it is the Township's policy to use the restricted fund balance first, followed by assigned fund balance, and, finally, unassigned fund balance.

*Property tax revenue recognition* - Property taxes are levied each December 1 (lien date) on the taxable valuation of property as of the preceding December 31. Property taxes are considered delinquent on March 1 of the following year, at which time interest and penalties are assessed. Although the Township's 2020 ad valorem taxes were levied and collectible on December 1, 2020, it is the Township's policy to recognize revenue from that tax levy in the current year, when the proceeds are budgeted and made available for the financing of operations.

*Use of estimates* - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Accordingly, actual results could differ from those estimates.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

*Budgetary information* - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for general and special revenue funds. The budget document presents information by fund, function, and department. The legal level of budgetary control adopted by the governing body is the function level. All annual appropriations lapse at the end of the fiscal year. At the end of the fiscal year there were no reportable budget variances.

**NOTE 3 - CASH AND INVESTMENTS**

Cash and investments, as presented in the accompanying financial statements, consisted of the following:

	<u>Primary government</u>			
	<u>Governmental activities</u>	<u>Component units</u>	<u>Fiduciary activities</u>	<u>Totals</u>
Cash	\$ 8,251,935	\$ 871,407	\$ 10,563,994	\$ 19,687,336
Investments	4,141,663	-	384,994	4,526,657
	<u>\$ 12,393,598</u>	<u>\$ 871,407</u>	<u>\$ 10,948,988</u>	<u>\$ 24,213,993</u>

*Deposits* - Michigan Compiled Laws, Section 129.91 (Public Act 20 of 1943, as amended) and the Township’s investment policy authorize the Township to make deposits in the accounts of federally-insured banks, credit unions, and savings and loan associations that have an office in Michigan. The Township’s deposits are in accordance with statutory authority.

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Township will not be able to recover its deposits. The Township’s investment policy does not specifically address custodial credit risk for deposits. At December 31, 2020, \$13,139,159 of the Township’s bank balances of \$15,889,272 was exposed to custodial credit risk because it was uninsured and uncollateralized.

*Investments, primary government and component unit* - State statutes and the Township’s investment policy authorize the Township to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper rated within the two highest rate classifications, which mature not more than 270 days after the date of purchase; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers’ acceptances; e) mutual funds composed of otherwise legal investments; and f) investment pools organized under the local government investment pool act.

<u>Investment</u>	<u>Fair value</u>	<u>Maturity</u>	<u>Rating</u>	<u>Source</u>
U.S. government securities:				
United States Agencies	\$ 570,232	2021 - 2023	AAA	S&P
United States Treasury	570,993	2021 - 2022	AAA	S&P
MBIA CLASS Fund	<u>3,000,438</u>	Various	AAAm	S&P
	<u>\$ 4,141,663</u>			

*Fair value measurement* - 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 assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The U.S. government securities were valued using observable fair values of similar assets (Level 2). The MBIA CLASS Fund was measured at net asset value (or its equivalent) as a practical expedient, and, accordingly, has not been classified in the fair value hierarchy.

**NOTE 3 - CASH AND INVESTMENTS (Continued)**

*Investments, retiree health plan* - The investments of the Township’s other postemployment benefit (OPEB) trust fund are maintained separately from the Township’s pooled cash and investments, and are subject to separate investment policies and state statutes. Accordingly, the required disclosures for the OPEB trust fund investments are presented separately.

The Michigan Public Employees Retirement Systems’ Investment Act, Public Act 314 of 1965, as amended, authorizes the other postemployment benefit trust to invest in stocks, governmental and corporate securities, mortgages, real estate, and various other investment instruments, subject to certain limitation. The Township Board has the responsibility and authority to oversee the investment portfolio. The Township has contracted the Municipal Employees’ Retirement System of Michigan (MERS) to assist in managing the OPEB trust fund’s assets. The investments are held by MERS, within its Retiree Health Funding Vehicle (RHFV), an employer savings trust that allows employers to advance fund their retiree healthcare liability. As a governmental plan, MERS is exempted by state and federal law from registration with the SEC. The funds held consist of portfolios of assets, in separate accounts, in a collective trust. Specific fund holdings at December 31, 2020, consisted of the following:

<u>Investment type</u>	<u>Fair value</u>
MERS Total Market Portfolio	\$ 192,497
MERS Est Market Portfolio	<u>192,497</u>
	<u>\$ 384,994</u>

The Townships investments are subject to several types of risk, which are discussed below:

*Custodial credit risk.* Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. State statutes and the Township’s OPEB investment policy require that investment securities be held in trust by a third-party institution, in the name of the benefit trust. The RHFV fund holdings are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical form.

*Credit risk.* Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in mutual funds and qualified investment pools, including those within the RHFV, are not considered to have credit risk.

*Concentration of credit risk.* Concentration of credit risk is the risk of loss attributable to the magnitude of the Township’s investment in a single holding. The Township’s OPEB investment policy places no limitations on the amount that can be invested in any one issuer.

*Interest rate risk.* Interest rate risk is the risk that the value of an investment will decrease as a result of an increase in market interest rates. Generally, longer investment maturities generate more sensitivity to changes in an investment’s fair value due to changes in market interest rates. The Township’s OPEB investment policy has no specific limitations with respect to maturities of investments. The RHFV holdings have no maturities.

*Fair value measurement* - The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Township has the following recurring fair value measurements as of December 31, 2020:

- Municipal Employees’ Retirement System of Michigan - RHFV, with a balance of \$384,994 at December 31, 2020, which is valued using observable fair values of similar assets (Level 2).

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**NOTE 4 - RECEIVABLES**

Receivables as of December 31, 2020, for the Township's individual major funds and nonmajor funds, in the aggregate, were as follows:

<u>Fund</u>	<u>Property taxes</u>	<u>Accounts</u>	<u>Special assessments</u>	<u>Inter-governmental</u>	<u>Totals</u>
<i>Primary government:</i>					
<i>Governmental:</i>					
General	\$ 479,136	\$ 69,400	\$ -	\$ 361,009	\$ 909,545
Fire	-	5,518	1,735,327	-	1,740,845
Police	-	-	1,014,768	-	1,014,768
General Sewer	-	-	617,866	42,399	660,265
General Water	-	-	223,902	32,240	256,142
Nonmajor	-	350	97,684	-	98,034
Total governmental	<u>\$ 479,136</u>	<u>\$ 75,268</u>	<u>\$ 3,689,547</u>	<u>\$ 435,648</u>	<u>\$ 4,679,599</u>
Noncurrent portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 753,063</u>	<u>\$ -</u>	<u>\$ 753,063</u>
<i>Component units:</i>					
Downtown Development Authority	\$ 88,346	\$ -	\$ -	\$ -	\$ 88,346
South Drake Road Corridor Improvement Authority	36,477	-	-	-	36,477
Total component units	<u>\$ 124,823</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,823</u>

All receivables are considered fully collectible.

**NOTE 5 - BENEFICIAL INTEREST IN ASSETS HELD BY FOUNDATION**

The amount shown as beneficial interest in assets held by foundation represents monies placed with the Kalamazoo Community Foundation (the Foundation) by the Township, specifying itself as the beneficiary. The Foundation maintains variance power and legal ownership of such funds and, as such, continues to report the funds as assets of the Foundation, with a corresponding liability, the agency endowment fund. The Township reports this asset at the present value of future payments expected to be received.

The Foundation also holds monies, placed by donors for the benefit of the Township's parks and recreation activities, to generate investment return that, based on the Foundation's spending guidelines, can be made available to the Township. Such monies are not considered assets of the Township. At December 31, 2020, the Foundation held \$545,705 in this account.

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020, was as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
Primary government:				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 576,742	\$ -	\$ -	\$ 576,742
Construction in progress	<u>570,575</u>	<u>1,352,746</u>	<u>-</u>	<u>1,923,321</u>
Subtotal	<u>1,147,317</u>	<u>1,352,746</u>	<u>-</u>	<u>2,500,063</u>
Capital assets being depreciated:				
Buildings and improvements	9,108,363	-	-	9,108,363
Equipment	1,584,842	171,433	-	1,756,275
Vehicles	4,070,121	226,535	(600,527)	3,696,129
Infrastructure	<u>16,530,476</u>	<u>319,586</u>	<u>-</u>	<u>16,850,062</u>
Subtotal	<u>31,293,802</u>	<u>717,554</u>	<u>(600,527)</u>	<u>31,410,829</u>
Less accumulated depreciation for:				
Buildings and improvements	(3,379,202)	(407,377)	-	(3,786,579)
Equipment	(1,246,832)	(105,416)	-	(1,352,248)
Vehicles	(1,465,907)	(193,262)	460,390	(1,198,779)
Infrastructure	<u>(3,150,220)</u>	<u>(310,364)</u>	<u>-</u>	<u>(3,460,584)</u>
Subtotal	<u>(9,242,161)</u>	<u>(1,016,419)</u>	<u>460,390</u>	<u>(9,798,190)</u>
Total capital assets being depreciated, net	<u>22,051,641</u>	<u>(298,865)</u>	<u>(140,137)</u>	<u>21,612,639</u>
Governmental activities capital assets, net	<u>\$ 23,198,958</u>	<u>\$ 1,053,881</u>	<u>\$ (140,137)</u>	<u>\$ 24,112,702</u>
Component unit - DDA:				
Capital assets not being depreciated:				
Land	\$ 293,595	\$ -	\$ -	\$ 293,595
Construction in progress	<u>79,013</u>	<u>10,153</u>	<u>-</u>	<u>89,166</u>
Subtotal	<u>372,608</u>	<u>10,153</u>	<u>-</u>	<u>382,761</u>
Capital assets being depreciated:				
Buildings and improvements	193,318	158,615	-	351,933
Less accumulated depreciation for:				
Buildings and improvements	<u>(22,092)</u>	<u>(21,763)</u>	<u>-</u>	<u>(43,855)</u>
Total capital assets being depreciated, net	<u>171,226</u>	<u>136,852</u>	<u>-</u>	<u>308,078</u>
Component unit capital assets, net	<u>\$ 543,834</u>	<u>\$ 147,005</u>	<u>\$ -</u>	<u>\$ 690,839</u>



**NOTES TO FINANCIAL STATEMENTS (Continued)**

**NOTE 6 - CAPITAL ASSETS (Continued)**

Depreciation expense was charged to governmental activities functions, as follows:

General government	\$	82,324
Public safety		336,351
Public works		429,770
Culture and recreation		<u>167,974</u>
Total	\$	<u>1,016,419</u>

**NOTE 7 - PAYABLES**

Payables as of December 31, 2020, for the Township's individual major funds and nonmajor funds, in the aggregate, were as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Accrued liabilities</u>	<u>Deposits</u>	<u>Totals</u>
Primary government:				
Governmental:				
General	\$ 229,136	\$ 27,661	\$ 262,473	\$ 519,270
Fire	105,196	25,840	-	131,036
Police	451,856	425	-	452,281
General Sewer	38,816	1,374	-	40,190
General Water	307,413	180	-	307,593
Nonmajor	<u>14,095</u>	<u>1,065</u>	<u>-</u>	<u>15,160</u>
Total governmental	<u>\$ 1,146,512</u>	<u>\$ 56,545</u>	<u>\$ 262,473</u>	<u>\$ 1,465,530</u>
Component unit:				
Downtown Development Authority	<u>\$ 11,283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,283</u>

**NOTE 8 - LONG-TERM OBLIGATION**

Long-term obligation activity (excluding postemployment benefits other than pensions) for the year ended December 31, 2020, was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>
Primary government:				
Governmental activities:				
Compensated absences	<u>54,250</u>	<u>174,083</u>	<u>(170,383)</u>	<u>57,950</u>

**NOTE 9 - PROPERTY TAXES**

The 2019 taxable valuation of the Township approximated \$865,514,000, on which ad valorem taxes levied, consisted of 0.9703 mills for operating purposes, raising approximately \$815,000. This amount is recognized in the General Fund financial statements as property tax revenue.

The 2020 taxable valuation of the Township approximated \$908,956,000, on which ad valorem taxes levied, consisted of 0.9600 mills for operating purposes, raising approximately \$839,000. This amount is recognized in the General Fund financial statements as deferred inflows, based upon the period for which the proceeds are budgeted and will be made available for the financing of operations.

**NOTE 10 - DEFINED CONTRIBUTION AND MONEY PURCHASE PLAN**

The Township and its employees contribute to the Township of Oshtemo Group Pension Plan, a defined contribution pension plan, which is administered by a third-party administrator. The plan covers three classes of employees, as allowed under Internal Revenue Code Section 401(a). The first class of employees includes paid on-call firefighters, the second class of employees includes all full-time or part-time employees, and the third class of employees includes elected officials.

Benefit terms, including contribution requirements, for the Plan are established, and may be amended, by the Township Board. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate as described above. The Township contributes 10% of covered payroll to the first class of qualifying employees. The Township contributes 4% of covered payroll to the second and third classes of qualifying employees. Employees are permitted to make contributions to the Plan, up to applicable Internal Revenue Code limits, and the Township also matches voluntary contributions made by officials, full-time employees, and permanent part-time employees, up to a limit of 4%. For the year ended December 31, 2020, the Township made the required and matching contribution of \$199,131 and eligible employees made contributions of \$77,745. At December 31, 2020, the Township reported no accrued liability as part of the contributions to the plan.

The Township's contributions for each paid on-call firefighter (and investment earnings allocated to the employee's account) are fully vested immediately, while contributions for participating full-time or part-time employees and officials are fully vested after two years of continuous service.

The Township is not a trustee of the defined contribution pension plan, nor is the Township responsible for investment management of the pension plan assets. Accordingly, plan assets, and changes therein, are not reported in these financial statements.

**NOTE 11 - DEFINED BENEFIT POSTEMPLOYMENT HEALTHCARE PLAN**

*Plan description:*

Oshtemo Charter Township OPEB Plan is a single employer plan established and administered by Oshtemo Charter Township and can be amended at its discretion.

*Benefits provided:*

Benefit eligibility - Participation limited to four current retirees

Benefit - Reimbursement of premiums for retiree and spouse, for the life of the retiree, up to an annual reimbursement cap, determined annually. \$4,500 for 2020 and 2019.

Retiree contributions - Balance of premium in excess of the employer contribution

**NOTE 11 - DEFINED BENEFIT POSTEMPLOYMENT HEALTHCARE PLAN (Continued)**

*Balance of premium in excess of the employer contribution:*

As of December 31, 2020, Plan membership consisted of the following:

Inactive participants receiving benefits	3
Active participants	<u>-</u>
Total participants	<u><u>3</u></u>

*Contributions:*

The Oshtemo Charter Township OPEB Plan was established and is being funded under the authority of the Township. The plan's funding policy is that the employer will not make future contributions. Currently, benefit payments are made from general operating funds. There are no long-term contracts for contributions to the plan. The plan has no legally required reserves.

*Actuarial Assumptions:*

The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date. The following actuarial assumptions were used in the measurement:

Inflation	2.50%
Investment rate of return	7.03% (including inflation)
20-year Aa Municipal bond rate	1.93%
Mortality	2010 Public General Employees and Healthy Retirees, headcount weighted with MP-2019 improvement

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Est Market Portfolio	50.00%	4.20%
Total Market Portfolio	50.00%	4.85%

*Discount rate:*

The discount rate used to measure the total OPEB liability was 7.03%. The projection of cash flows used to determine the discount rate assumed that no further contributions will be made. Based on those assumptions, the retirement plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the Total OPEB Liability. The discount rate used for December 31, 2019, was 6.83%.

NOTE 11 - DEFINED BENEFIT POSTEMPLOYMENT HEALTHCARE PLAN (Continued)

Changes in the net OPEB liability:

	<i>Increase (decrease)</i>		
	<i>Total OPEB liability (a)</i>	<i>Plan fiduciary net position (b)</i>	<i>Net OPEB liability (asset) (a) - (b)</i>
Balances at December 31, 2019	\$ 150,807	\$ 344,338	\$ (193,531)
Changes for the year:			
Interest	10,035	-	10,035
Experience (Gains)/Losses	(6,385)	-	(6,385)
Change in assumptions	(1,860)	-	(1,860)
Contributions - employer	-	6,302	(6,302)
Net investment income	-	42,746	(42,746)
Benefit payments			
Benefit payments; including refunds of Employee Contributions	(7,772)	(7,772)	-
Administrative expenses	-	(620)	620
Other changes	-	-	-
Net changes	(5,982)	40,656	(46,638)
Balances at December 31, 2020	\$ 144,825	\$ 384,994	\$ (240,169)
Plan fiduciary net position as a percentage of total OPEB liability (asset)			265.83%

*Sensitivity of the net OPEB liability to changes in the discount rate:*

The following schedule presents the net OPEB liability of the Township, calculated using the discount rates 1% higher and lower than the current rate:

	<u>1% decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Net OPEB liability (asset)	\$ (230,418)	\$ (240,169)	\$ (248,851)

*Sensitivity of the net OPEB liability to changes in the trend rate:*

The following schedule presents the net OPEB liability of the Township, calculated using healthcare cost trend rates 1% higher and lower than the current rate:

	<u>1% decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Net OPEB liability (asset)	\$ (250,384)	\$ (240,169)	\$ (228,844)

**NOTE 11 - DEFINED BENEFIT POSTEMPLOYMENT HEALTHCARE PLAN (Continued)**

*OPEB expense, deferred outflows of resources, and deferred inflows of resources related to OPEB Plan:*

Components of Township's OPEB Expense for the Fiscal Year Ending December 31, 2020

Below are the components of the Total OPEB Expense:

	<i>Fiscal Year</i> <u>Ending 12/31/2020</u>
Interest on Total OPEB Liability	\$ 10,035
Experience (Gains)/Losses	(6,385)
Change in assumptions	(1,860)
Projected earnings on OPEB plan investments	(23,712)
Investments earnings (gains)/losses	(1,389)
Administrative expenses	<u>620</u>
	<u>\$ (22,691)</u>

*OPEB Plan Fiduciary Net Position:*

The OPEB Plan Fiduciary Net Position as of December 31, 2020 is \$384,944.

*Deferred Inflows and Outflows of Resources Related to OPEB Plan:*

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Experience (gains)/losses	\$ -	\$ -
Change in assumptions	-	-
Investment earnings (gains)/losses	<u>-</u>	<u>15,752</u>
Total	<u>\$ -</u>	<u>\$ 15,752</u>

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

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u> <u>Recognized</u>
2021	\$ (1,389)
2022	(1,387)
2023	(9,170)
2024	(3,806)
2025	-
Thereafter	<u>-</u>
	<u>\$ (15,752)</u>

**NOTE 11 - DEFINED BENEFIT POSTEMPLOYMENT HEALTHCARE PLAN (Continued)**

Reconciliation of Net OPEB Liability (Asset):

	<u>Net OPEB Liability (Asset)</u>
Net OPEB Liability December 31, 2019	\$ (193,531)
Total OPEB expense	(22,691)
Contributions	(6,302)
Change in deferred outflows of resources	(1,893)
Change in deferred inflows of resources	<u>(15,752)</u>
 Net OPEB Liability (Asset) December 31, 2020	 <u>\$ (240,169)</u>

Net OPEB liability by participant status:

	<u>Total OPEB Liability</u>
Active participants	\$ -
Inactive participants receiving benefits	<u>144,825</u>
 Total	 <u>\$ 144,825</u>

**NOTE 12 - DEFINED CONTRIBUTION POSTEMPLOYMENT HEALTHCARE SAVINGS PLAN**

The Township established a non-contributory defined contribution plan (Retiree Health Care Defined Contribution Plan) in 2013 through which it provides retiree health insurance benefits to its employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Eligible current employees began participating on the date the plan started and were given credit for each year employed by the Township since 2000 (up to 12 years), the date retiree healthcare benefits were initially provided by the Township. The plan covers all full-time employees. The plan is administered by MERS.

The Township contributed \$122,400 to the plan to fund the current year's contribution for employees in 2020. All of the Township's contributions for participating full-time employees and officials (and interest allocated to the participants' accounts) are fully vested immediately.

**NOTE 13 - INTERFUND BALANCES AND TRANSFERS**

A summary of interfund transfers for the year ended December 31, 2020, is as follows:

<u>Fund</u>	<u>Transfers in</u>	<u>Fund</u>	<u>Transfers out</u>
Nonmajor	<u>\$ 325,000</u>	General	<u>\$ 325,000</u>

The transfers from the General fund to the nonmajor fund represents transfers to cover project costs and improvements.

**NOTE 14 - JOINT VENTURE**

The Township is a member of the Southwest Michigan Building Authority (the Authority), which is a joint venture of the Charter Townships of Oshtemo, and Cooper. The administrative board of the Authority consists of members appointed by each participating unit and a member at-large. The Authority was established to administer and enforce the Michigan State Construction Code within its constituent municipalities. The Township does not expect to receive residual equity from the joint venture. The Township is unaware of any indication that the joint venture is accumulating significant financial resources or is experiencing fiscal stress that may cause an additional financial benefit or burden on the Township in the near future. Audited financial statements for the Authority are available at the Oshtemo Township Municipal Building.

**NOTE 15 - RISK MANAGEMENT**

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation). The risks of loss arising from general liability, property and casualty, and workers' compensation are managed through purchased commercial insurance. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**NOTE 16 - CONTINGENCIES**

The Township has been named in various litigation and claims during the year. Management and the Township's legal advisors do not believe that any known circumstances or ongoing claims will result in significant financial losses for the Township.

The Township has indicated there is potential to continue expansion of water service to additional township residents due to the previously closed KL Landfill. The Landfill has been capped and per prior judgments, outside entities have been named to be responsible for any clean-up related to the Landfill. However, the Township could have continued expenses in the future to install water service to its residents that are not already connected to the Township water lines. As of the date of the audit, expansion discussions are ongoing and likely, and actual costs cannot be estimated but could significantly impact the Township.

**NOTE 17 - CORONAVIRUS (COVID-19)**

The COVID-19 outbreak in the United States has caused business disruptions through mandated and voluntary closings of many businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, the Township expects this matter to potentially impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time. The Township was awarded approximately \$2,290,000 in funding from the American Rescue Plan of 2021.

**NOTE 18 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June xx, 2021, the date on which the financial statements were available to be issued.

**NOTE 19 - PENDING ACCOUNTING PRONOUNCEMENT**

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, effective for periods beginning after June 15, 2021. The objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the fiscal year beginning January 1, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

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Charter Township of Oshtemo

**BUDGETARY COMPARISON SCHEDULE - General Fund**

Year ended December 31, 2020

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>REVENUES</b>				
Taxes	\$ 852,872	\$ 852,872	\$ 814,926	\$ (37,946)
Licenses and permits	200,200	200,200	195,533	(4,667)
Federal grants	-	-	19,844	19,844
State grants	2,123,555	2,123,555	2,002,798	(120,757)
Intergovernmental	801,572	801,572	38,513	(763,059)
Charges for services	404,623	404,623	543,167	138,544
Interest and rentals	104,000	104,000	61,390	(42,610)
Other	69,754	69,754	28,260	(41,494)
Total revenues	<u>4,556,576</u>	<u>4,556,576</u>	<u>3,704,431</u>	<u>(852,145)</u>
<b>EXPENDITURES</b>				
General government:				
Legislative	30,240	30,240	25,330	4,910
Supervisor	252,797	252,797	254,790	(1,993)
Elections	69,300	108,550	102,702	5,848
Assessor	252,886	253,186	260,019	(6,833)
Clerk	134,710	134,710	139,684	(4,974)
Treasurer	118,798	118,798	116,594	2,204
Professional services	319,197	339,197	341,143	(1,946)
Cemetery, buildings, and grounds	82,200	82,200	73,990	8,210
General operations	841,267	905,067	826,741	78,326
Total general government	<u>2,101,395</u>	<u>2,224,745</u>	<u>2,140,993</u>	<u>83,752</u>
Public safety - code enforcement	<u>48,783</u>	<u>50,783</u>	<u>38,661</u>	<u>12,122</u>
Public works:				
Highways and streets	264,000	765,634	362,072	403,562
Other	137,227	134,027	113,082	20,945
Waste collection	68,000	71,000	63,778	7,222
Total public works	<u>469,227</u>	<u>970,661</u>	<u>538,932</u>	<u>431,729</u>
Community and economic development - planning and zoning	<u>230,770</u>	<u>230,770</u>	<u>191,360</u>	<u>39,410</u>

Charter Township of Oshtemo

**BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)**

Year ended December 31, 2020

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>EXPENDITURES (Continued)</b>				
Capital outlay	\$ 3,615,650	\$ 1,796,375	\$ 1,056,102	\$ 740,273
Total expenditures	<u>6,465,825</u>	<u>5,273,334</u>	<u>3,966,048</u>	<u>1,307,286</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(1,909,249)</u>	<u>(716,758)</u>	<u>(261,617)</u>	<u>455,141</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	<u>(575,000)</u>	<u>(575,000)</u>	<u>(325,000)</u>	<u>250,000</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>(2,484,249)</u>	<u>(1,291,758)</u>	<u>(586,617)</u>	<u>705,141</u>
<b>FUND BALANCES - BEGINNING</b>	<u>3,953,756</u>	<u>3,953,756</u>	<u>3,953,756</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,469,507</u>	<u>\$ 2,661,998</u>	<u>\$ 3,367,139</u>	<u>\$ 705,141</u>

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Charter Township of Oshtemo

**BUDGETARY COMPARISON SCHEDULE - Fire Fund**

Year ended December 31, 2020

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>REVENUES</b>				
Federal grant	\$ -	\$ -	\$ 38,000	\$ 38,000
Charges for services	-	-	3,526	3,526
Interest	46,000	46,000	14,975	(31,025)
Other:				
Special assessments	3,073,894	3,060,894	2,979,229	(81,665)
Miscellaneous	15,000	15,000	139,347	124,347
Total revenues	<u>3,134,894</u>	<u>3,121,894</u>	<u>3,175,077</u>	<u>53,183</u>
<b>EXPENDITURES</b>				
Public safety	2,530,614	2,641,614	2,389,482	252,132
Capital outlay	429,606	422,606	284,721	137,885
Total expenditures	<u>2,960,220</u>	<u>3,064,220</u>	<u>2,674,203</u>	<u>390,017</u>
<b>NET CHANGES IN FUND BALANCES</b>	174,674	57,674	500,874	443,200
<b>FUND BALANCES - BEGINNING</b>	<u>1,213,510</u>	<u>1,213,510</u>	<u>1,213,510</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,388,184</u>	<u>\$ 1,271,184</u>	<u>\$ 1,714,384</u>	<u>\$ 443,200</u>

Charter Township of Oshtemo

**BUDGETARY COMPARISON SCHEDULE - Police Fund**

Year ended December 31, 2020

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>REVENUES</b>				
Charges for services	\$ 20,000	\$ 20,000	\$ 25,115	\$ 5,115
Fines and forfeitures	49,000	49,000	37,433	(11,567)
Interest and rentals	12,000	12,000	10,383	(1,617)
Other - special assessments	<u>1,405,103</u>	<u>1,405,103</u>	<u>1,371,043</u>	<u>(34,060)</u>
Total revenues	<u>1,486,103</u>	<u>1,486,103</u>	<u>1,443,974</u>	<u>(42,129)</u>
<b>EXPENDITURES</b>				
Public safety:				
Police protection	917,900	917,900	900,885	17,015
Ordinance enforcement and parking violations	<u>50,083</u>	<u>50,083</u>	<u>38,248</u>	<u>11,835</u>
Total public safety	967,983	967,983	939,133	28,850
Capital outlay	<u>1,250</u>	<u>1,250</u>	<u>821</u>	<u>429</u>
Total expenditures	<u>969,233</u>	<u>969,233</u>	<u>939,954</u>	<u>29,279</u>
<b>NET CHANGES IN FUND BALANCES</b>	516,870	516,870	504,020	(12,850)
<b>FUND BALANCES - BEGINNING</b>	<u>596,292</u>	<u>596,292</u>	<u>596,292</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,113,162</u>	<u>\$ 1,113,162</u>	<u>\$ 1,100,312</u>	<u>\$ (12,850)</u>

**SCHEDULE OF CHANGES IN THE TOWNSHIP'S NET OPEB LIABILITY AND RELATED RATIOS**

Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB asset (liability):			
Interest	\$ 10,035	\$ 14,312	\$ 15,489
Difference between expected and actual experience	(6,385)	(63,968)	(6,724)
Changes in assumptions	(1,860)	6,589	(493)
Benefit payments, including refunds	<u>(7,772)</u>	<u>(8,160)</u>	<u>(12,198)</u>
Net change in total OPEB asset (liability)	(5,982)	(51,227)	(3,926)
Total OPEB asset (liability), beginning of year	<u>150,807</u>	<u>202,034</u>	<u>205,960</u>
Total OPEB asset (liability), end of year	<u>\$ 144,825</u>	<u>\$ 150,807</u>	<u>\$ 202,034</u>
Plan fiduciary net position:			
Contributions - employer	\$ 6,301	\$ 8,160	\$ 12,198
Net investment income (loss)	42,746	48,236	(14,732)
Benefit payments, including refunds	(7,772)	(8,160)	(12,198)
Administrative expenses	<u>(620)</u>	<u>(581)</u>	<u>(760)</u>
Net change in plan fiduciary net position	40,655	47,655	(15,492)
Plan fiduciary net position, beginning of year	<u>344,339</u>	<u>296,684</u>	<u>312,176</u>
Plan fiduciary net position, end of year	<u>\$ 384,994</u>	<u>\$ 344,339</u>	<u>\$ 296,684</u>
Township's net OPEB liability (asset), end of year	<u>\$ (240,169)</u>	<u>\$ (193,532)</u>	<u>\$ (94,650)</u>
Plan fiduciary net position as a percent of total OPEB liability	265.83%	228.33%	146.85%
Covered payroll	\$ -	\$ -	\$ -
Township's net OPEB liability as a percentage of covered payroll	NA	NA	NA

Note: This schedule is being built prospectively after the implementation of GASB 75 in 2018. Ultimately, ten years of data will be presented.

**Charter Township of Oshtemo**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Year Ended December 31, 2020

Actuarially Recommended Contribution (ARC)	Fiscal Year Ending December 31,		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Normal costs	\$ -	\$ -	\$ -
Amortization of unfunded liability	(30,939)	(22,602)	(11,250)
Interest cost	(2,175)	(1,544)	(813)
Actuarial determined employer contribution	(33,114)	(24,146)	(12,063)
Employer contributions (benefit payment)	TBD	TBD	(8,160)
Contribution deficiency/(excess)	TBD	TBD	\$ 3,903
Covered payroll	\$ -	\$ -	\$ -
Contribution as a percentage of covered payroll	NA	NA	NA

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**SUPPLEMENTARY INFORMATION**

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Charter Township of Oshtemo

**COMBINING BALANCE SHEET - nonmajor governmental funds**

December 31, 2020

	<u>Special Revenue</u>		
	<u>Parks</u>	<u>Street Lighting</u>	<u>Totals</u>
<b>ASSETS</b>			
Cash	\$ 171,826	\$ 118,461	\$ 290,287
Receivables	350	97,684	98,034
Beneficial interest in assets held by foundation	14,786	-	14,786
Total assets	<u>\$ 186,962</u>	<u>\$ 216,145</u>	<u>\$ 403,107</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities - payables	\$ 4,552	\$ 10,608	\$ 15,160
Deferred inflows of resources - unavailable special assessment revenue	\$ -	\$ 168,388	\$ 168,388
Fund balances:			
Restricted for public works	-	37,149	37,149
Assigned for recreation and culture	182,410	-	182,410
Total fund balances	<u>182,410</u>	<u>37,149</u>	<u>219,559</u>
Total deferred inflows of resources and fund balances	<u>\$ 186,962</u>	<u>\$ 216,145</u>	<u>\$ 403,107</u>



Charter Township of Oshtemo

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - nonmajor governmental funds**

Year ended December 31, 2020

	<u>Special revenue</u>		
	<u>Parks</u>	<u>Street Lighting</u>	<u>Totals</u>
<b>REVENUES</b>			
State grants	\$ 95,205	\$ -	\$ 95,205
Interest and rentals	25,222	230	25,452
Other	19,437	159,883	179,320
	<u>139,864</u>	<u>160,113</u>	<u>299,977</u>
Total revenues			
<b>EXPENDITURES</b>			
Current:			
Public works	-	132,445	132,445
Recreation and culture	125,903	-	125,903
Capital outlay	159,053	-	159,053
	<u>284,956</u>	<u>132,445</u>	<u>417,401</u>
Total expenditures			
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(145,092)	27,668	(117,424)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	325,000	-	325,000
<b>NET CHANGES IN FUND BALANCES</b>	179,908	27,668	207,576
<b>FUND BALANCES - BEGINNING</b>	2,502	9,481	11,983
<b>FUND BALANCES - ENDING</b>	<u>\$ 182,410</u>	<u>\$ 37,149</u>	<u>\$ 219,559</u>

**Charter Township of Oshtemo**  
**BALANCE SHEET - component units**  
 December 31, 2020

	<u>Downtown Development Authority</u>	<u>South Drake Road Corridor Improvement Authority</u>
<b>ASSETS</b>		
Cash	\$ 803,037	\$ 68,370
Receivables	<u>88,346</u>	<u>36,477</u>
Total assets	<u>\$ 891,383</u>	<u>\$ 104,847</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
Liabilities - payables	\$ 11,283	\$ -
Deferred inflows of resources - property tax revenues levied for the subsequent year	159,611	37,723
Fund balance - unassigned	<u>720,489</u>	<u>67,124</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 891,383</u>	<u>\$ 104,847</u>
Reconciliation of the balance sheet to the statement of net position:		
Total fund balances - <i>component units</i>	\$ 720,489	\$ 67,124
Amounts reported for the <i>component units</i> in the statement of net position (page 11) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>690,839</u>	<u>-</u>
Net position of <i>component units</i>	<u>\$ 1,411,328</u>	<u>\$ 67,124</u>

Charter Township of Oshtemo

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**

**BALANCES - component units**

Year ended December 31, 2020

	<u>Downtown Development Authority</u>	<u>South Drake Road Corridor Improvement Authority</u>
<b>REVENUES</b>		
Property taxes	\$ 189,041	\$ 63,522
Interest	<u>8,258</u>	<u>848</u>
Total revenues	<u>197,299</u>	<u>64,370</u>
<b>EXPENDITURES</b>		
Current - public works	105,442	37,394
Capital outlay	<u>168,768</u>	<u>30,000</u>
Total expenditures	<u>274,210</u>	<u>67,394</u>
<b>NET CHANGES IN FUND BALANCES</b>	(76,911)	(3,024)
<b>FUND BALANCES - BEGINNING</b>	<u>797,400</u>	<u>70,148</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 720,489</u>	<u>\$ 67,124</u>
Reconciliation of the statement of revenues, expenditures, and changes in fund balances to the statement of activities:		
Net changes in fund balances - <i>component units</i>	\$ (76,911)	\$ (3,024)
Amounts reported for the <i>component units</i> in the statement of activities (page 12) are different because:		
Capital assets:		
Asset acquisitions	168,768	-
Depreciation provision	<u>(21,763)</u>	<u>-</u>
Changes in net position of <i>component units</i>	<u>\$ 70,094</u>	<u>\$ (3,024)</u>

**Charter Township of Oshtemo**

**BUDGETARY COMPARISON SCHEDULE - Downtown Development Authority - component unit**

Year ended December 31, 2020

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
<b>REVENUES</b>				
Property taxes	\$ 170,000	\$ 170,000	\$ 189,041	\$ 19,041
Interest	15,000	15,000	8,258	(6,742)
Total revenues	<u>185,000</u>	<u>185,000</u>	<u>197,299</u>	<u>12,299</u>
<b>EXPENDITURES</b>				
Public works	36,250	142,500	105,442	37,058
Capital outlay	130,000	570,000	168,768	401,232
Total expenditures	<u>166,250</u>	<u>712,500</u>	<u>274,210</u>	<u>438,290</u>
<b>NET CHANGES IN FUND BALANCES</b>	18,750	(527,500)	(76,911)	450,589
<b>FUND BALANCES - BEGINNING</b>	<u>797,400</u>	<u>797,400</u>	<u>797,400</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 816,150</u>	<u>\$ 269,900</u>	<u>\$ 720,489</u>	<u>\$ 450,589</u>

DRAFT

Charter Township of Oshtemo

**BUDGETARY COMPARISON SCHEDULE - South Drake Road Corridor Improvement Authority - component unit**

Year ended December 31, 2020

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 70,000	\$ 40,000	\$ 63,522	\$ 23,522
Interest	<u>1,400</u>	<u>1,400</u>	<u>848</u>	<u>(552)</u>
Total revenues	<u>71,400</u>	<u>41,400</u>	<u>64,370</u>	<u>22,970</u>
<b>EXPENDITURES</b>				
Public works	10,200	10,400	37,394	(26,994)
Capital outlay	<u>60,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCES</b>	1,200	1,000	(3,024)	(4,024)
<b>FUND BALANCES - BEGINNING</b>	<u>70,148</u>	<u>70,148</u>	<u>70,148</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 71,348</u>	<u>\$ 71,148</u>	<u>\$ 67,124</u>	<u>\$ (4,024)</u>

DRAFT

# Memo

**To:** Oshtemo Township Board

**From:** Sara Feister, HR/Benefits Coordinator

**Date:** 06/22/21

**Re:** Consideration of an On-the-Job Accidents/Injuries Handbook Revision

---

**OBJECTIVE:**

Consideration of approving a revision to the on-the-job accidents/injuries process to include contacting a Nurse Triage through TeleCompCare for the initial treatment recommendation.

**BACKGROUND:**

In early 2021, Accident Fund, which is our Worker's Compensation Administrator, informed us of a free service that the sponsor called TeleCompCare. The process is that an injured employee first contacts an on call 24/7 Nurse Triage to report the injury and receive treatment recommendations. Currently, the employee is contacting their direct Supervisor & HR when there is an injury and the Supervisor & HR work together for treatment recommendations. This revision will allow a medical professional to assess the injury instead.

**PROPOSED REVISION:**

See attached for revised policy.

## 6.14 On-the-Job Accidents/Injuries

Employees shall complete a “Work-Related Incident Report” form, ~~or notify the Personnel Director or his/her designee to facilitate form completion,~~ for all on-the-job accidents and injuries regardless of type of injury. Form is available on the T Drive under “Employee Information & Forms,” ~~“Office Forms/Benefits,”~~ “Work Comp”-or by request from Personnel Director’s office. The completed form should be submitted to the Personnel Director or ~~his/her/their~~ designee.

### A. For injuries requiring emergency medical treatment:

- ◆ Employee seeks treatment at Bronson Hospital, the Township’s designated ER facility, 601 John Street, Kalamazoo, Michigan. (location map on the T Drive or at Fire Department’s L Drive). Employee notifies hospital ER this is an on-the-job injury related to his/her work at Oshtemo Township.
- ◆ If an employee is working out of the area, go to the nearest ER or immediate care facility.
- ◆ As soon as possible after receiving emergency treatment, employee completes “Work-Related Incident Report” and submits same to ~~Clerk/Personnel Director.~~

### B. For injuries requiring non-emergency medical treatment:

- ◆ Employee/Patient contacts ~~Township occupational health physician or physician’s assistant, currently TeleCompCare at 866-323-4227. A Nurse Triage will advise next steps for employee. Please see graphic on next page.:~~

~~(1) — Bronson ProHealth, 6789 Elm Valley Drive, Kalamazoo, MI, off South 9<sup>th</sup> Street, South of I 94, Mondays, Wednesdays and Fridays, 7 a.m. noon, phone (269) 341-8938, or if closed,~~

~~(2) — Bronson Prompt Care at 820 John Street, Mondays through Fridays, 7 a.m. 5 p.m. or after hours, seek treatment at,~~

~~(3) — Emergency Room facility. The Township requires employees to seek treatment through Bronson ProHealth for the first treatment visit.~~

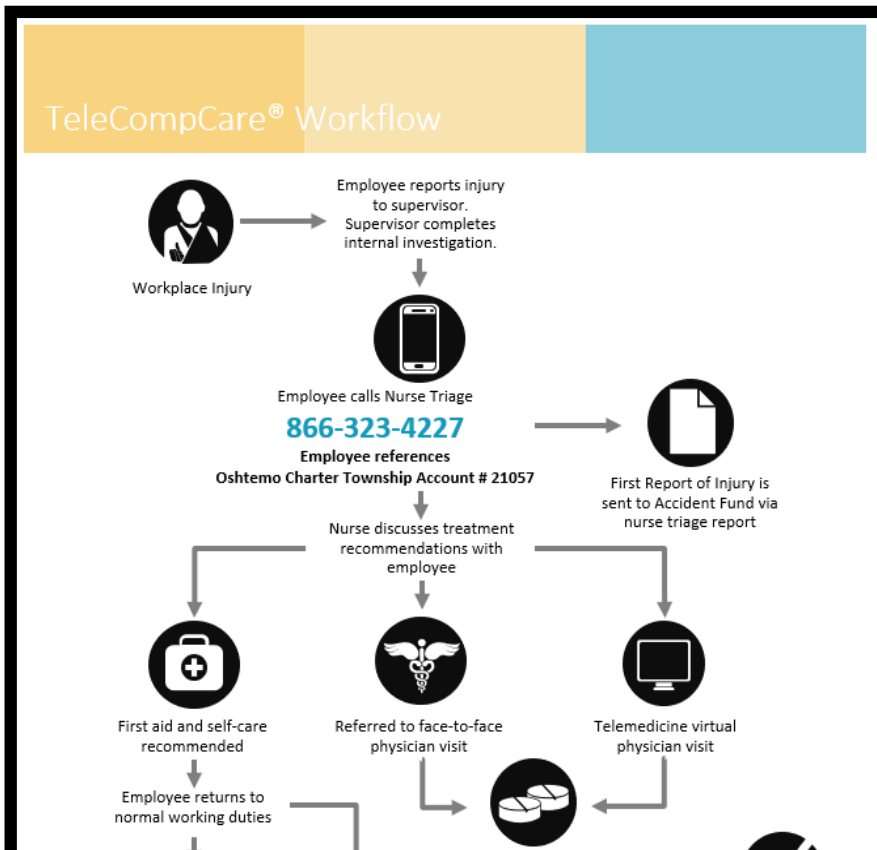
~~Phone nurse will “triage” situation.  
(4)~~

~~(Note: if ER deemed necessary during phone conversation, nurse will recommend patient go directly to Bronson ER. (location map on the T Drive or Fire Department’s L-Drive).~~

- ◆ Employee notifies Personnel Director if he/she has scheduled a non-emergency medical appointment for an on-the-job injury.
- ◆ If employee is out of the area, call TeleCompCare at 866-323-4227. A Nurse Triage will advise next steps for employee. ~~the Personnel Director who (via Bronson ProHealth) will provide physician or physician’s assistant’s name for that area.~~
- ◆ After an accident or injury, in order to carry out the Township’s commitment to an alcohol and drug-free workplace, the Township reserves the right to require that an employee submit to drug or alcohol testing, based on a reasonable suspicion that the employee was under the influence as set forth in Sec. 6.18B and E, such testing shall be conducted in accordance with Section 6.18E.

For Worker’s Compensation purposes, an Accident Fund-Bronson ProHealth “CaseManager” will be assigned. ~~The Case Manager’s role is to keep the Township informed.~~

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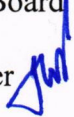




*New Section 6.14- Effective 6/14/11*  
*Revised Sec. 6.14, Para B - Effective 05/05/15*  
*Revised Sec. 6.14 - Effective 02/13/18*  
*Revised Sec. 6.14 - Effective 01/14/20*

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# MEMORANDUM

To: Township Board  
From: James Porter   
Date: June 22, 2021  
Subject: Amendment to Cemetery Regulations Ordinance No. 203

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**OBJECTIVE:**

To reduce the single burial space memorial (headstone) maximum width from 42 inches to 36 inches to remain within the boundaries of a gravesite.

**BACKGROUND:**

Single burial sites are 42 inches wide. Each memorial requires a base 6 inches wider than the memorial. We had to reduce the size of the memorials for each grave site from 42 inches to 36 inches to provide for a 42-inch base.

**INFORMATION PROVIDED:**

I have provided the proposed Ordinance amendment for consideration.

**STATEMENT OF REQUESTED BOARD ACTION:**

My recommendation is to adopt the proposed Ordinance amendment.

OSHTEMO CHARTER TOWNSHIP ORDINANCE NO. \_\_\_\_\_

Adopted: \_\_\_\_\_, 2021

Effective: \_\_\_\_\_, 2021

An Ordinance to amend the Oshtemo Charter Township Cemetery Regulations Ordinance No. 203, as amended, Section 234.008 - Memorials, Paragraph G.1. to reduce the single burial space memorial (headstone) maximum width, and to repeal all Ordinances or parts of Ordinances in conflict.

THE CHARTER TOWNSHIP OF OSHTEMO

KALAMAZOO COUNTY, MICHIGAN

ORDAINS:

SECTION I. AMENDMENT OF COMPILED SECTION 234.008, PARAGRAPH G.

1. Compiled Section 234.008, Paragraph G.1. is amended to read as follows:

234.008 – Memorials.

Sec. 8.

G. 1. Single burial space memorial maximum width shall be thirty-six (36) inches.

SECTION II. EFFECTIVE DATE. This Ordinance shall take effect upon publication after adoption in accordance with State law. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

DUSTY FARMER, CLERK  
OSHTEMO CHARTER TOWNSHIP

# MEMORANDUM

**To:** Township Board  
**From:** James Porter  
**Date:** June 16, 2021  
**Subject:** Position Description- Law Clerk

---

## **OBJECTIVE:**

To create a job description of “Law Clerk” within the Oshtemo Township Legal Department which incorporated key features of the existing “Paralegal Administrative Assistant” position while expanding the role to include work requiring additional training and experience.

## **BACKGROUND:**

The creation of the “Law Clerk” position will recognize the level of legal background and training attained by the individual who is currently working under the title of “Paralegal Administrative Assistant”. The creation of this position will allow the Legal Department to hire temporary and/or student clerks (interns) in the future, as the needs of the Legal Department change, without requiring additional action from the Board. The “Law Clerk” position description updates position requirements from the “Paralegal Administrative Assistant” position to include familiarity with key computer programs necessarily to effectively fulfil this role and meet the needs of the Legal Department.

## **INFORMATION PROVIDED:**

I have provided a draft of the “Law Clerk” position description for review.

## **STATEMENT OF REQUESTED BOARD ACTION:**

My recommendation is that the Board approve the job description of “Law Clerk”.

# CHARTER TOWNSHIP OF OSHTEMO

## POSITION DESCRIPTION

**Position Title:** TOWNSHIP ATTORNEY'S ~~LAW CLERK PARALEGAL ADMINISTRATIVE ASSISTANT~~

### **General Summary:**

Under the direction, supervision, and authority of the Township Attorney, assists the Township Attorney in the delivery of legal services to the Township.

### **Essential Job Functions:**

Physical requirements described herein are representative of those requirements which must be met by an employee to successfully perform the essential job functions of this job. Reasonable accommodations may be made upon request to enable an individual with a disability to perform these essential job functions.

The employee must be able to use a PC, Microsoft Outlook, Microsoft Office Suite programs, and Adobe Acrobat without assistance to perform required tasks (~~be able to use word processing programs and type various documents~~ including legal documents, memos, resolutions, ordinances, notices, ~~time~~ reports, schedule appointments/check the legal department calendar, etc.). The employee must be able to read English and edit drafts for grammar, spelling, legal citations (as applicable), and content; answer the phone and make calls in English; open, sort, read, and distribute mail; and communicate with other Township employees effectively. minutes for Planning Commission and Zoning Board of Appeals. ~~In order to prepare these documents, the employee must be able to hear and operate a voice data recorder and type the dictation of the Township Attorney.~~

The employee must be able to maintain the legal records of the Township, which may require: lifting, standing, bending, walking, manipulation of paper files, carrying file boxes, scanning documents, and following Legal Department procedures for. ~~To do so, he or she must be able to opening up, storing, maintaining, and closing files, requiring lifting, standing, bending, walking, manipulation of the files within his or her office, as well as the office of the Township Attorney.~~ The employee must also be able to move about to freely to file, and be able retrieve or return, files from the basement storage area. ~~The In addition, the Paralegal Administrative Assistant is required to maintain and update the official records for the Township and be able to file and retrieve these records from a secure location.~~

~~The employee must be able to answer the telephone in English and communicate with others, must be able to make calls, schedule appointments and maintain the calendar for the Township Attorney.~~

~~The employee must be able to open, sort, read and distribute incoming correspondence, both regular and electronic.~~

~~The employee may be required to drive to or from off-site locations to deliver, retrieve, or file legal correspondence, documents, and/or court papers as directed. The employee must have a clean driving record and insurance in order to fulfill these requirements in accordance with Township policies.~~

### **Typical Responsibilities:**

1. Prepares draft documents, correspondence, memos, resolutions, ordinances, notices for publication and affidavits of posting, etc. as needed.
2. Assist, as needed, in maintaining legal department calendar (including, but not limited to, scheduling and calendaring es appointments, calendars appointments and litigation deadlines, and trial dates; for Township Attorney concerning litigation cases, including coordinating appointments with other Township Departments, Officials, and Committees; and updating appointments and court dates).~~on with Township Supervisor's schedule, Township Board, Planning Commission, Zoning Board of Appeals, all committee and subcommittees.~~
3. Assist, as needed, in Answers answering the Township Attorney's phone lines, taking messages, and scheduling appointments.
4. Assist, as needed, in maintaining legal files (e.g. Tracks the opening, upkeep maintenance, and closing of all files for general correspondence, litigation, tax appeals, Township Board, Planning Commission, Zoning Board of Appeals, ordinance enforcement, bankruptcies, contracts, cable franchises, Board and Committee meetings, etc.
5. Assist, as needed, to update official Township records and/or electronically update Township records by reviewing and scanning paper files (e.g. Maintains Official Township Ordinance Books).
6. Drafts minutes of various boards as directed by Township Attorney Drafts and/or edits legal correspondence, motions, pleadings, and other legal filings as assigned for review by the Township Attorney.
7. Oversees and tracks the issuance, payment of fines or scheduling of hearings and trials for all Ordinance violations. Assists Township Attorney with other matters as assigned.

### **Required Qualifications:**

Must have a working knowledge of Microsoft Office Suite programs, Microsoft Outlook, and Adobe Acrobat. Must be able to communicate clearly (in writing and over the phone) in English, multi-task, and be detail-oriented with strong organizational and legal drafting skills. Knowledge and expertise regarding legal systems of courts and Tax Tribunal, Word Perfect computer operation and other computer programs, dictating and other office equipment. Strong

~~organizational and communication skills, detail-oriented with a minimum of ten years experience Bachelor's degree and successful completion of at least one year of J.D. program at an ABA accredited law school with a GPA of 3.25 or higher. Familiarity with Michigan Court Rules and legal citation rules.~~

**Desired Qualifications:**

~~Law Review, or Law Journal experience or similar editing experience with above average grades in legal research and writing. Advanced skills in Adobe Acrobat, working knowledge of Microsoft Teams, Zoom, and/or other relevant software. Post High School education and training with Associate Degree or equivalent.~~

Effective Date: ~~0402-1226-211~~

# BUDGET AMENDMENT REQUEST

(Requesting funds for a line item in addition to the approved budget)

Date: \_\_\_\_\_

Department Head Name: \_\_\_\_\_

Fund Name: \_\_\_\_\_

Amount

Additional Funds Request for: (description and GL number)	_____	_____
	_____	_____
	_____	_____

Funds requested from: (description and GL number)	_____	_____
	_____	_____
	_____	_____
	_____	_____

Explanation of request:

Supervisor/Clerk/Treasurer Review:  
(pending or date reviewed)

  
\_\_\_\_\_

Board Authorization:  
(pending or date authorized)

\_\_\_\_\_



## MEMORANDUM

**To:** Township Board  
**From:** James Porter  
**Date:** June 15, 2021  
**Subject:** Amendment 1 to the County's Solid Waste Management Plan

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### **OBJECTIVE:**

To approve Amendment 1- Waste Not C & D Recycling Center- to the Kalamazoo County Solid Waste Management Plan.

### **BACKGROUND:**

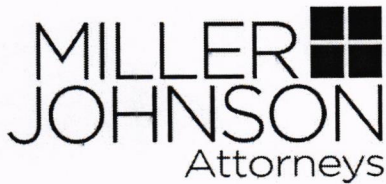
Waste Not Recycling is requesting a new transfer station and processing plant to be located at the corner of Nichols Road and Ravine Road. In order to accommodate the new recycling and processing plant the County's Solid Waste Management Plan must be amended. All units of government within Kalamazoo County must vote on an amendment to the current Solid Waste Management Plan. The proposed amendment will be beneficial for the County and will not have negative ramifications for the residents of Oshtemo Township.

### **INFORMATION PROVIDED:**

Attached to this memo are the documents outlining the proposal. Also attached is the Resolution to Approve the Amendment to the Solid Waste Management Plan.

### **STATEMENT OF REQUESTED BOARD ACTION:**

Adopt the Resolution approving Amendment 1- Waste Not C&D Recycling Center - Kalamazoo Solid Waste Management Plan.



45 Ottawa Avenue SW  
Suite 1100  
P.O. Box 306  
Grand Rapids, MI 49501-0306

 MERITAS LAW FIRMS WORLDWIDE

**GRANT E. SCHERTZING**  
Attorney at Law

616.831.1714  
616.988.1714 fax  
schertzingg@millerjohnson.com

October 22, 2020

**VIA EMAIL AND CERTIFIED MAIL — RETURN RECEIPT REQUESTED**

Kalamazoo County Solid Waste Management Planning Committee  
c/o Lotta M. Jarnefelt, Planning & Development Department  
201 W. Kalamazoo Avenue  
Kalamazoo, Michigan 49007  
[LMJARN@kalcounty.com](mailto:LMJARN@kalcounty.com)

Re: **Application to Amend Kalamazoo County Solid Waste Management Plan**

Dear Ms. Jarnefelt:

We represent Waste Not Recycling, LLC (“*Waste Not*”). Waste Not Recycling seeks to build and operate a recycling center for construction and demolition waste (“*C&D*”)<sup>1</sup> at 2206 Nichols Road in Kalamazoo Township. While Kalamazoo County (“*County*”) has many recycling programs available for municipal solid waste (“*MSW*”), the closest facility capable of recycling C&D is 100 miles away.<sup>2</sup> Without a local recycling option, the only destinations for the County’s C&D are either (1) a landfill,<sup>3</sup> or (2) a local transfer station<sup>4</sup> for diversion to a landfill or an out-of-county recycling facility.

Waste Not Recycling’s proposed center would sort C&D, remove wood, cardboard, metal, and other reusable materials, and sell those materials for reuse, sending the rest to a landfill. The center would also receive MSW from smaller trucks and reload the waste onto larger trucks for diversion to landfills. The center would have little or no adverse effect on neighboring properties, the center would benefit Kalamazoo Township and the County by —

- investing \$4 million in the construction and development of the project,
- creating 20 full-time jobs and supporting the creation of still more through secondary sales,
- removing materials from the waste stream and consolidating MSW, which would reduce traffic congestion and the wear on the County’s roads,
- preserving the capacity of landfills for actual waste,

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<sup>1</sup> R 299.4102(f) (Defined as the “waste building materials, packaging, and rubble that results from construction, remodeling, repair, and demolition operations on houses, commercial or industrial buildings, and other structures.”).

<sup>2</sup> The closest in-state facility is Recycle Ann Arbor’s “Recovery Yard” at 7891 Jackson Road, Ann Arbor, Michigan 48103 (±92 miles from the County Administration Building).

<sup>3</sup> E.g., Republic Services’ Marshall landfill, Waste Management’s Three Rivers landfill, or Orchard Hill Landfill.

<sup>4</sup> E.g., Best Way Disposal’s Miller Road transfer station, Republic Services’ Gembrit Circle transfer station, or Waste Management’s Wayne Road transfer station.

- keeping reusable materials near their source, which would also keep recycled products and dollars in the County's market and preserve the capacity of landfills for actual waste, and
- facilitating LEED certification by contractors and property owners, which would qualify some construction and renovation projects for financial incentives, result in faster lease-up rates, higher property values, and other indirect benefits, and encourage the high standards of energy efficiency, water usage, air quality, and access that are associated with the certification.

The center would be qualify as a solid waste disposal area under Part 115 of the Natural Resources and Environmental Protection Act ("**Part 115**").<sup>5</sup> Part 115 and the Solid Waste Management Rules require any application for a permit to construct a disposal area to be consistent with the solid waste management plan of the county where that area is to be located.<sup>6</sup> In this case, the Kalamazoo County Solid Waste Management Plan approved on July 28, 1999 (the "**Solid Waste Management Plan**") identifies all disposal areas within the County that may handle solid waste generated within the County. Since the center is not identified in the Solid Waste Management Plan, the center can only be built and operated if the County amends the Solid Waste Management Plan to identify it.

Under Part 115 and the Solid Waste Management Rules, an amendment to a county solid waste management plan may be presented to the county's solid waste management planning committee at any time. Once an amendment to the county's solid waste management plan has been presented, the committee must then meet in public to direct the drafting of the amendment by the county's designated planning agency. The agency then prepares a draft amendment as directed by the committee, makes the amendment available for public review for at least 90 days, and holds a public hearing on it.

This letter is an application to amend the Solid Waste Management Plan to identify Waste Not Recycling's proposed center as a solid waste disposal area.

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<sup>5</sup> MCL 324.11503(5).

<sup>6</sup> R 299.4902(2); R 299.4903.

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**A. Applicant Information**

**Name of Applicant:** Waste Not Recycling, LLC

**Address:** 3333 Ravine Road  
Kalamazoo, MI 49006

**Email:** [ken.wastenot@gmail.com](mailto:ken.wastenot@gmail.com)

**B. Property Owner Information**

**Name of Owner:** Art Mulder

**Address:** 3333 Ravine Road  
Kalamazoo, MI 49006

**Email:** [art.wastenot@gmail.com](mailto:art.wastenot@gmail.com)

**C. Property Information**

**Street Address:** 2206 Nichols Road

**Parcel ID:** 3906-08-170-010

**Government Unit:** Kalamazoo Township

**Legal Description:** Commencing at a point 666.25 feet North of the West 1/4 post of Section 8, Town 2 South, Range 11 West; thence North on the West line of said Section 355.85 feet to the Right of Way of the Michigan Central Railroad; thence Southeasterly along the Southerly line of said Railroad 803.03 feet; thence South parallel with the West line of said Section 215.75 feet and thence Northwesterly to the Place of Beginning.

Also, a parcel in Section 8, Town 2 South, Range 11 West, commencing at a point 405.5 feet North of the West 1/4 post of said Section and running thence East at right angles to said West line 183.0 feet; thence South parallel to said West line 66 feet; thence East at right angles to said West line 522 feet for the Place of Beginning; thence Northwesterly to a point on the West line of said Section 666.25 feet North of the West 1/4 post of said Section; thence Southeasterly to a point 80 feet North of the Place of Beginning; thence South 80 feet to the Place of Beginning.

**Acres:** 5.19 acres (Gross), 4.92 acres (Net)

**D. Type of Request**

Adopt the enclosed Amendment to Kalamazoo County Solid Waste Management Plan.

MILLER JOHNSON

October 22, 2020

Page 4

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Please contact my office with any questions or if any additional information is required. Thank you.

Very truly yours,

MILLER JOHNSON

By

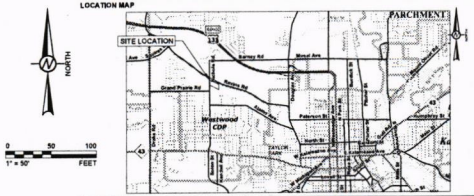


Grant E. Schertzing

Enclosure

cc: Ken Hoving, *via email at* [ken.wastenot@gmail.com](mailto:ken.wastenot@gmail.com)  
Art Mulder, *via email at* [art.wastenot@gmail.com](mailto:art.wastenot@gmail.com)  
Jeff Sorensen, Chair, *via email at* [supervisor@coopertwp.org](mailto:supervisor@coopertwp.org)

**!!! CAUTION !!!**  
 THE LOCATION AND SCALE OF EXISTING AND PROPOSED UTILITIES SHOWN ON THIS PLAN ARE FOR INFORMATION ONLY. THE EXACT LOCATION AND DEPTH OF UTILITIES SHALL BE DETERMINED BY THE CONTRACTOR PRIOR TO CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE LOCATION AND DEPTH OF UTILITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE LOCATION AND DEPTH OF UTILITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE LOCATION AND DEPTH OF UTILITIES.



**LEGEND**

[Symbol]	EXISTING ASPHALT PAVEMENT	[Symbol]	PROPOSED BUILDING SETBACK
[Symbol]	EXISTING CONCRETE PAVEMENT	[Symbol]	PROPOSED BUILDING LINE
[Symbol]	EXISTING GRAVEL PAVEMENT	[Symbol]	EXISTING DETON
[Symbol]	PROPOSED CONCRETE PAVEMENT	[Symbol]	EXISTING FENCE
[Symbol]	PROPOSED GRAVEL PAVEMENT	[Symbol]	PROPOSED FENCE
[Symbol]	EXISTING PROPERTY BOUNDARY	[Symbol]	EXISTING OVERHEAD LINE
[Symbol]	EXISTING ROAD RIGHT OF WAY	[Symbol]	EXISTING SANITARY SEWER
[Symbol]		[Symbol]	EXISTING WATER MAIN

**GENERAL SITE PLAN NOTES**

- FINAL DIMENSIONS AND SCALE CONFIGURATION TO BE REVIEWED AND APPROVED BY ROAD COMMISSIONER OF KALAMAZOO COUNTY.
- FINAL STORMWATER MANAGEMENT TO BE REVIEWED AND APPROVED BY KALAMAZOO COUNTY DRAIN COMMISSIONER.
- FINAL UTILITY CONFIGURATIONS AND HOOKUPS TO BE REVIEWED AND APPROVED BY APPROPRIATE GOVERNING AGENCY.

**REFERENCES**

LOCATION MAP TAKEN FROM 2009 TIGERLINE, U.S. CENSUS BUREAU, MICHIGAN GEOGRAPHIC FRAMEWORK, V109. EXISTING SURVEY INFORMATION PROVIDED BY BIGERROLL, WATSON & MCMACHEN, INC. DATED 7/23/2019 AND UPDATED ON 10/07/2020.

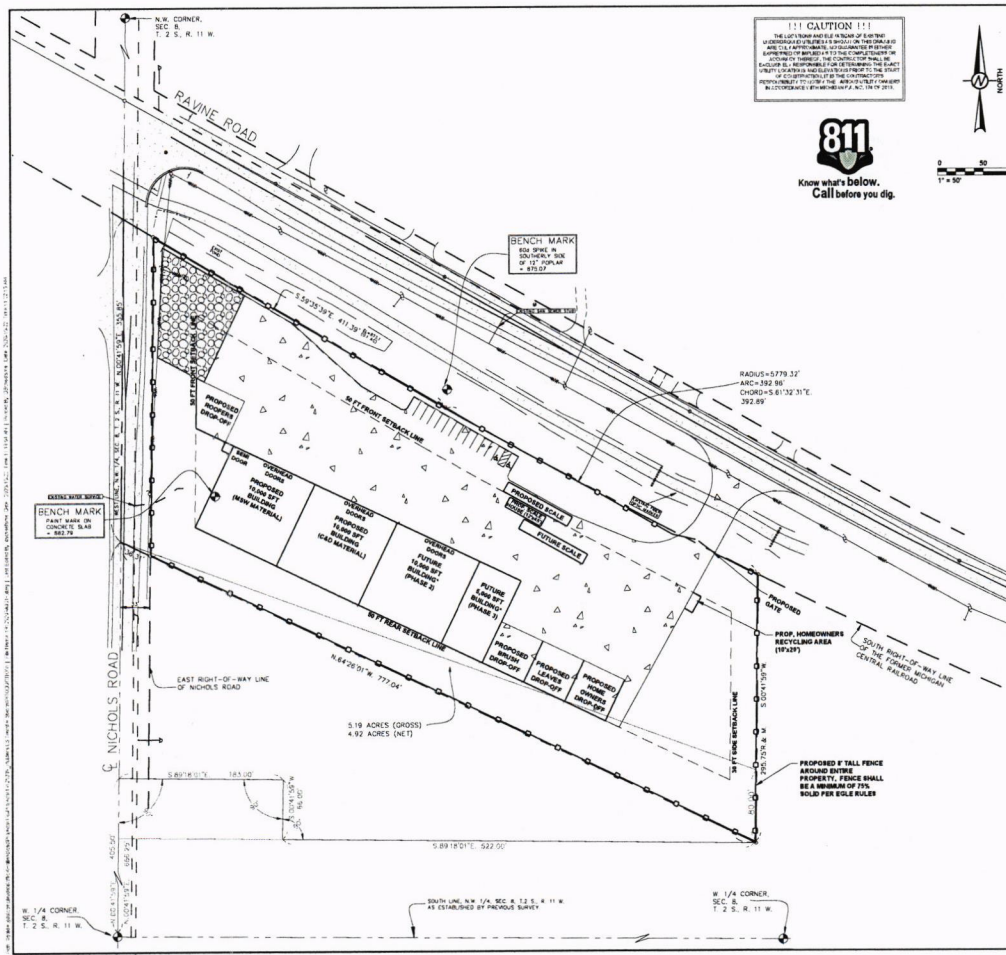
**LEGAL DESCRIPTION (WARRANTY DEED DOC. NO. 2019-001282)**

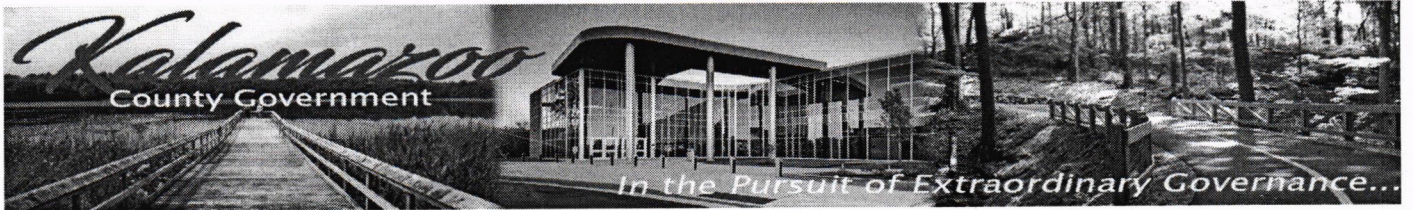
LAND SITUATED IN THE TOWNSHIP OF KALAMAZOO COUNTY OF KALAMAZOO, STATE OF MICHIGAN DESCRIBED AS FOLLOWS: COMMENCING AT A POINT 880.20 FEET NORTH OF THE WEST 1/4 CORNER OF SECTION 8, TOWN 2 SOUTH, RANGE 11 WEST, THENCE NORTH ON THE WEST LINE OF SAID SECTION 388.89 FEET TO THE RIGHT-OF-WAY OF THE MICHIGAN CENTRAL RAILROAD, THENCE SOUTHWESTERLY ALONG THE SOUTHERLY LINE OF SAID RAILROAD 800.23 FEET, THENCE SOUTH PARALLEL TO THE WEST LINE OF SAID SECTION 214.76 FEET AND THENCE NORTHWESTERLY TO THE PLACE OF BEGINNING.

SAID SECTION 8 BEING IN SECTION 8, TOWN 2 SOUTH, RANGE 11 WEST, COMMENCING AT A POINT 485 FEET NORTH OF THE WEST 1/4 CORNER OF SAID SECTION 8, THENCE SOUTH PARALLEL TO THE WEST LINE OF SAID SECTION 8, THENCE EAST AT RIGHT ANGLES TO SAID WEST LINE 183 FEET, THENCE SOUTH PARALLEL TO SAID WEST LINE 88 FEET, THENCE EAST AT RIGHT ANGLES TO SAID WEST LINE 432 FEET FOR THE PLACE OF BEGINNING, THENCE NORTHWESTERLY TO A POINT ON THE WEST LINE OF SAID SECTION 8 1/4 FEET NORTH OF THE WEST 1/4 CORNER OF SAID SECTION 8, THENCE SOUTHWESTERLY TO A POINT 80 FEET NORTH OF THE PLACE OF BEGINNING, THENCE SOUTH 80 FEET TO THE PLACE OF BEGINNING.

PROJECT  
**WASTE NOT RECYCLING, LLC**  
 2206 NICHOLS ROAD  
 KALAMAZOO, MI 49006  
 TITLE  
**GENERAL SITE PLAN**

PROJECT NO. 19125209      CONTROL      REV.      FIGURE 1





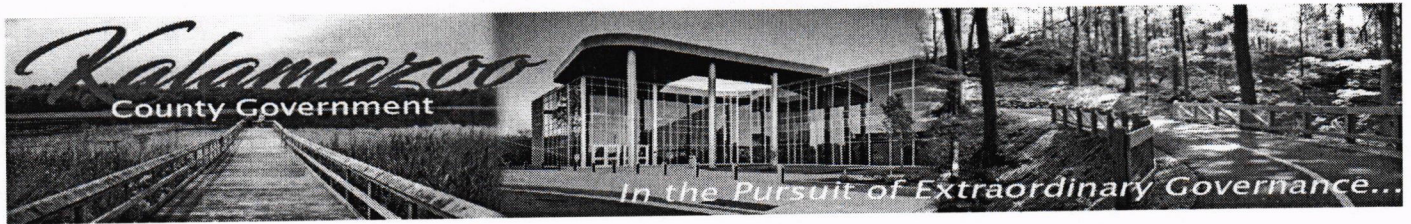
# Kalamazoo County Solid Waste Management Plan Amendments 1 and 2

County Board meeting May 18, 2021

Lotta Jarnefelt, Director



Planning & Development Department

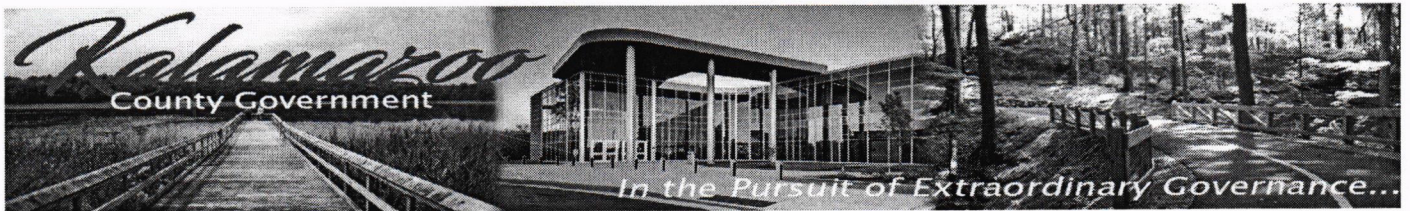


## Background

- ▶ Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, Part 115, Solid Waste Management, and its Administrative Rules, require that each County have a Solid Waste Management Plan (Plan) approved by the Michigan Department of Environment, Great Lakes & Energy (EGLE, previously DEQ).
- ▶ In late 2020, Kalamazoo County received two applications to amend its Plan.



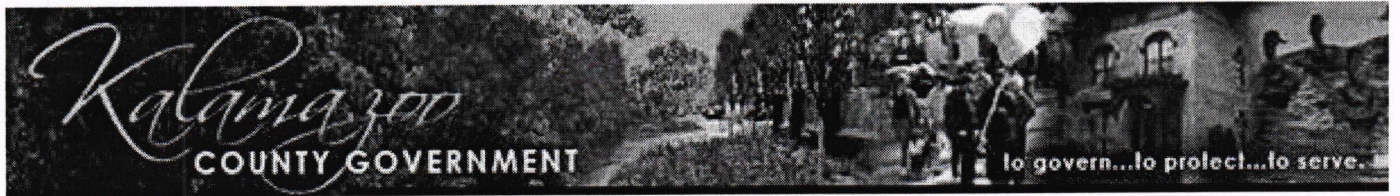




## Background

- ▶ In response to the amendment applications, the 14-member Solid Waste Management Planning Committee (SWMPC) was re-assembled and has been meeting as required by the amendment process.
- ▶ This presentation is part of the amendment review and approval process for the two amendments.





## Background

- ▶ The two amendments are independent of each other, but have been processed concurrently so far.
- ▶ A 90-day public review process took place January 4<sup>th</sup> – April 5<sup>th</sup>, 2021
- ▶ A public hearing was held on March 17, 2021.





## Background

- ▶ The Solid Waste Management Planning Committee voted at its April 21, 2021 meeting to recommend to the KCBOC, that the Board approve the amendments and advance both amendments to the municipality review and approval phase.
- ▶ At the June 1<sup>st</sup> County Board meeting, the Board will be asked to recommend actions regarding the two amendments.

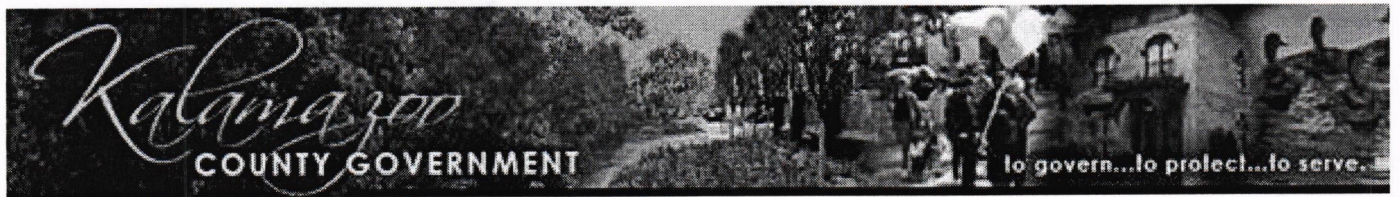




## Amendment 1 – Waste Not Recycling LLC

- ▶ A request to amend the Plan to identify Waste Not Recycling LLC proposed center as a solid waste disposal area.
- ▶ Proposes to build and operate a recycling center for construction and demolition waste at the southeast corner of Nichols Road and Ravine Road in Kalamazoo Township.

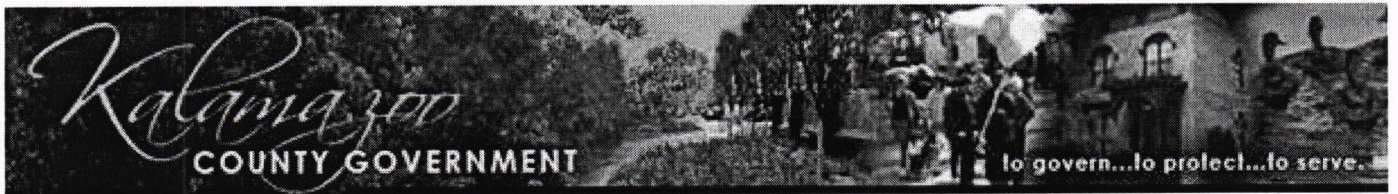




## Amendment 1 – Waste Not Recycling

- ▶ The center would also receive municipal solid waste from smaller trucks and reload the waste onto larger trucks for diversion to landfills.
- ▶ The company plans to invest \$4 million and create 20 full-time jobs.





## Amendment 1 – Waste Not Recycling LLC

- ▶ The site plan for Waste Not Recycling Amendment 1 was conditionally approved by the Kalamazoo Township Planning Commission on June 4, 2020. One of the many conditions is that Amendment 1 to the Plan is approved by the KCBOC.
- ▶ During the SWMPC public review period, 6 comments were received in favor of the project.
- ▶ During the SWMPC public hearing, 3 comments were made in favor of the project.

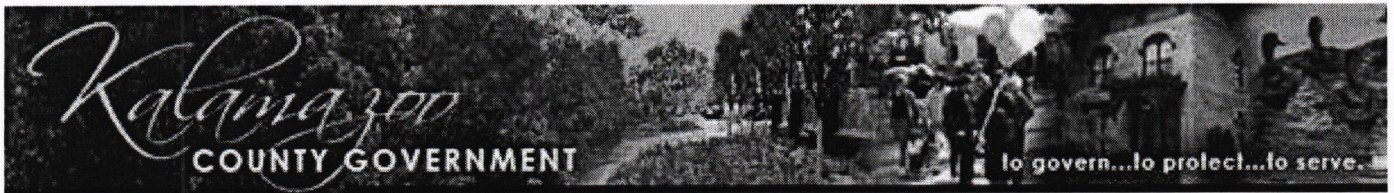




## Amendment 1 – Waste Not Recycling LLC

- ▶ 1 comment was made that raised concerns about the driveway crossing over an easement and the KRVT on State owned land along Ravine Road where the Kalamazoo River Valley Trail is located.
- ▶ This comment was also submitted in written form.





## Amendment 1 – Waste Not Recycling LLC

- ▶ At the June 1<sup>st</sup> Board meeting, the Board will be asked to approve or disapprove Amendment 1.
- ▶ If the KCBOC votes to disapprove it is required to also provide objections to the plan.
- ▶ The SWMPC has to respond to the objections within 30 days
- ▶ The Board may then approve or disapprove the revised Amendment 1 at a subsequent meeting for review and approval by the municipalities.







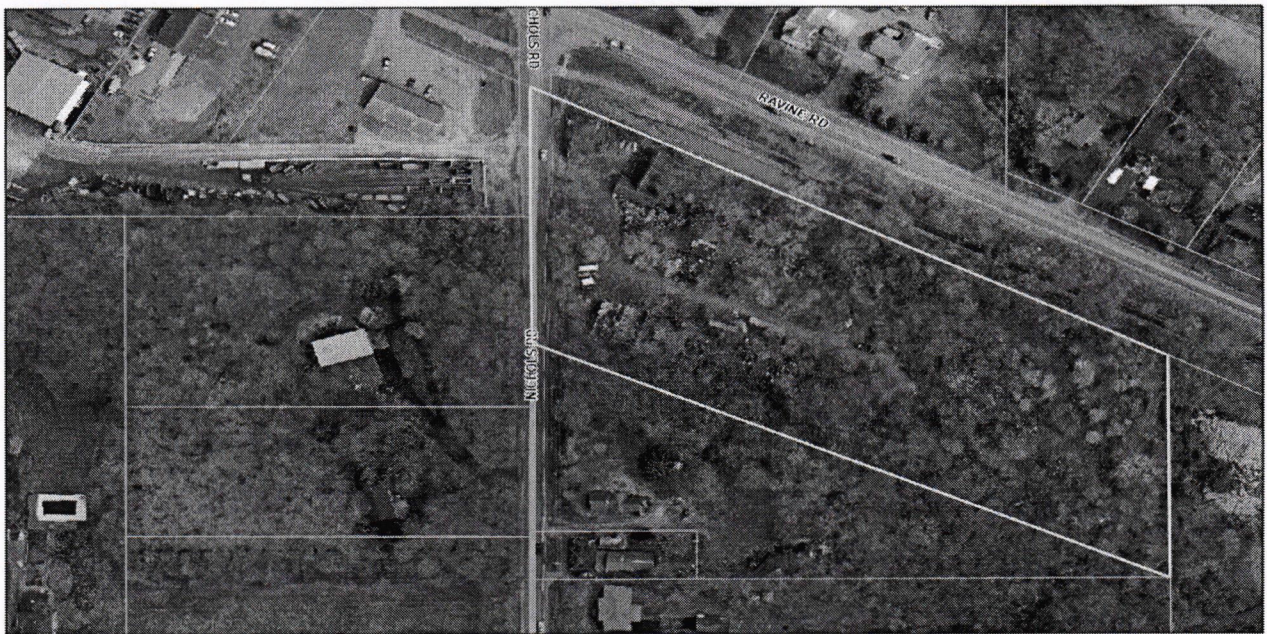
## Amendment 1 – Waste Not Recycling LLC

- ▶ If KCBOC approves Amendment 1, 67% of the municipalities will have to approve the Amendment in order for it to move to the final step of review and approval by EGLE.
- ▶ At this stage, if the Board does not approve Amendment 1, the amendment process stops and cannot go further.



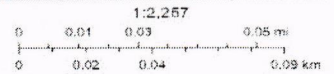


### Kalamazoo County GIS



4/19/2021, 11:31:14 AM

Street Centerlines      Parcels  
County Primary Road



Geo Community Maps Contributors: BuildingFootprintsUSA, Esri, Canada, Esri

Kalamazoo County

This map is for reference purposes only, and does not represent a survey or legal document. Data shown on this map are gathered from individual local sources. The County makes no representation regarding the accuracy or reliability of the data contained herein.





## Amendment 1 - Waste Not Recycling LLC

# QUESTIONS?





## Amendment 2 – Best Way Disposal, Inc.

- ▶ Request to amend the Plan to encompass Best Way's entire property, and to allow it to conduct processing and recycling operations in addition to its current activities at 2606 Miller Road in the City of Kalamazoo.
- ▶ The Miller Road Transfer Station is currently in the Plan. The current Plan encompasses the footprint of the transfer station building. The amendment would increase the area defined to encompass Best Way's total site of 9.5 acres





## Amendment 2 – Best Way Disposal, Inc.

- ▶ With the additional area, Best Way would be well positioned to seamlessly incorporate processing and recycling operations at this site.
- ▶ The additional area would allow Best Way to remain at this location rather than seek an alternative location to grow.

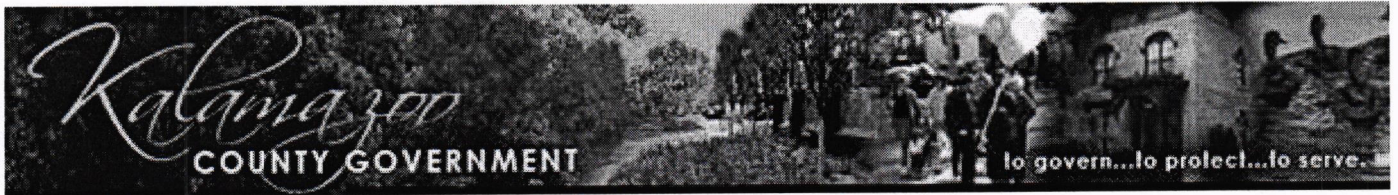




## Amendment 2 – Best Way Disposal, Inc.

- ▶ During the public review process, 2 comments in favor of the project was received.
- ▶ During the public hearing, 1 comment in favor of the project was made.

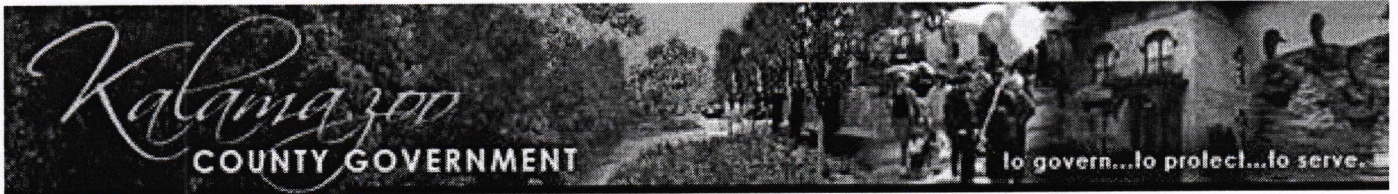




## Amendment 2 – Best Way Disposal, Inc.

- ▶ At the June 1<sup>st</sup> Board meeting, the Board will be asked to approve or disapprove Amendment 2.
- ▶ If the KCBOC votes to disapprove it is required to also provide objections to the plan.
- ▶ The SWMPC has to respond to the objections within 30 days
- ▶ The Board may then approve or disapprove the revised Amendment 2 at a subsequent meeting for review and approval by the municipalities.



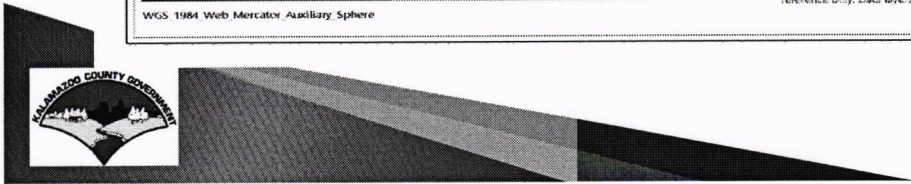
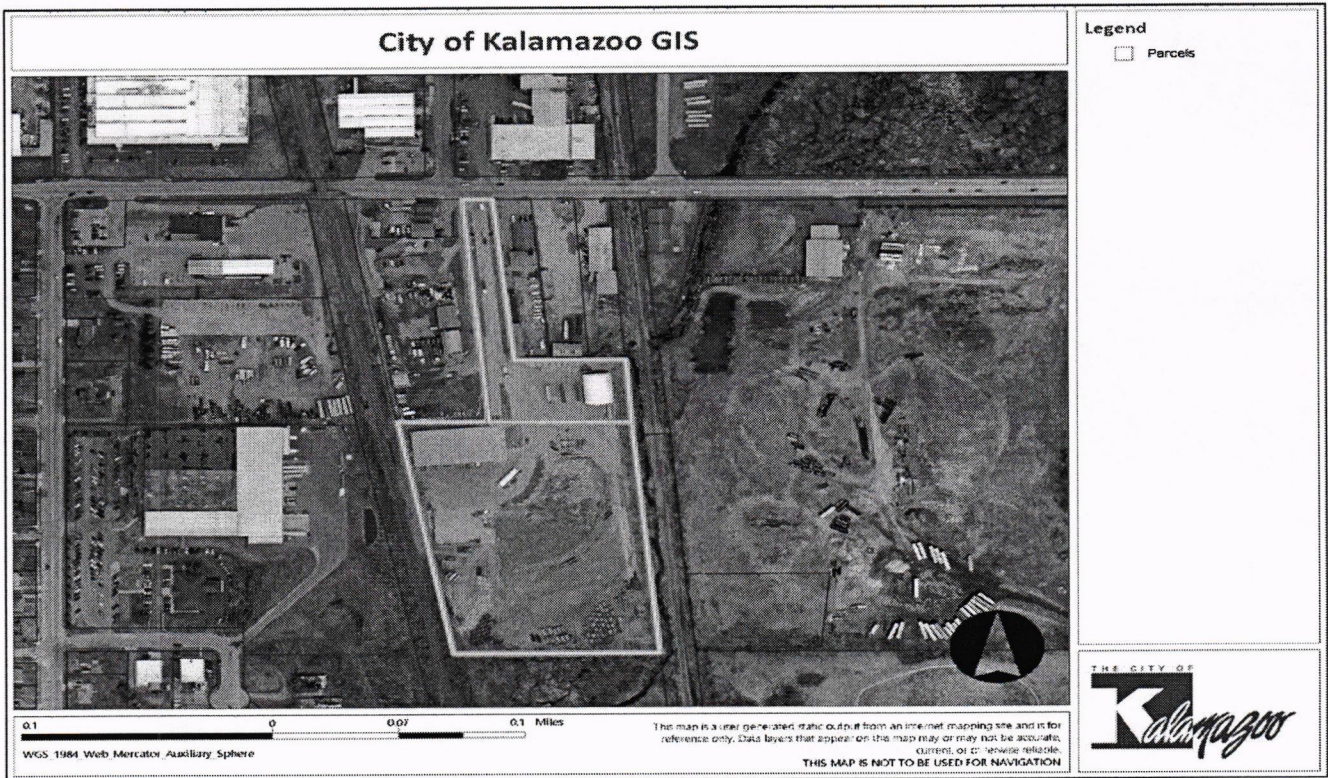


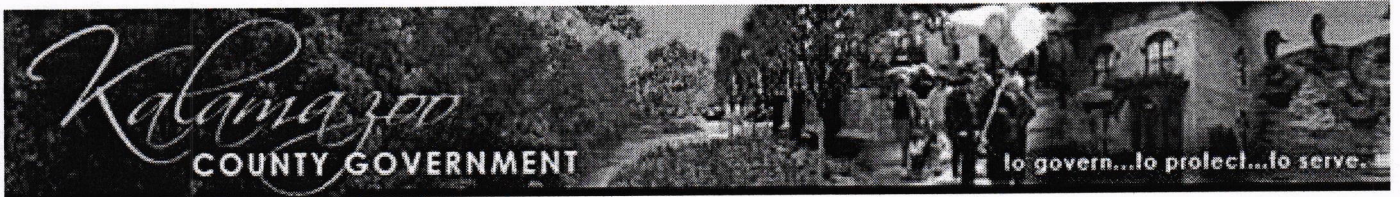
## Amendment 2 – Best Way Disposal, Inc.

- ▶ 67% of the municipalities will have to approve the Amendment in order for it to move to the final step of review and approval by EGLE.
- ▶ If the Board does not approve Amendment 2, the process regarding Amendment 2 stops and cannot go further.









Amendment 2 – Best Way Disposal, Inc.

**QUESTIONS?**





## SOLID WASTE MANAGEMENT PLAN AMENDMENT FREQUENTLY ASKED QUESTIONS

### Contents

- 1. What statute and rules govern the Solid Waste Planning Program? .....1
- 2. What is the difference between a solid waste plan amendment and a solid waste plan update? .....2
- 3. Is there a limit to the number of changes I can make to the plan in an amendment? .....2
- 4. Does the amendment approval process differ from the plan update approval process? .....2
- 5. How long does it take for a DEQ decision to be made on an amendment? .....2
- 6. How do I write the plan amendment? .....2
- 7. What are Plan Amendment Requirements and the Approval Process? .....3
- 8. Who are the fourteen members of the SWMPC? .....4
- 9. Does a 14-member SWMPC need to be appointed to develop an amendment? .....4
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- 16. What happens to the amendment if the BOC disapproves the amendment a second time? .....5
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### 1. What statute and rules govern the Solid Waste Planning Program?

Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, and the rules promulgated under the Act.

**2. What is the difference between a solid waste plan amendment and a solid waste plan update?**

A plan can be amended by the county at any time. An amendment can be used to change a portion of the plan, or the entire plan. However, an amendment cannot take the place of a full plan update, even if the amendment is approved near the same time the Director of the Michigan Department of Environmental Quality (DEQ) calls for a plan update. A plan update may only be initiated by the Director of the DEQ and may not be initiated by the county (R299.4709).

**3. Is there a limit to the number of changes I can make to the plan in an amendment?**

No, you may make as many changes as needed. However, if you are amending the plan close to a five-year update, the amendment will not serve as a substitute for a full plan update.

**4. Does the amendment approval process differ from the plan update approval process?**

No, an amendment follows the same approval process and steps as a full plan update. See the attached flowchart at the end of this document for further guidance (R 299.4709[4]).

**5. How long does it take for a DEQ decision to be made on an amendment?**

In most cases, a decision will be made within six (6) months of the submittal date (Section 324.11537[1]).

**6. How do I write the plan amendment?**

The recommendation for the most useful way to present an amendment is to include all of the proposed changes in a single document or cover letter, and include any revised forms, tables, or maps. It is not necessary to make each change to the originally approved plan pages and send the entire plan to the DEQ for approval.

Please see the table below for common amendments. Recommendations for writing and presenting the amendment have been included to facilitate prompt and efficient processing of the amendments, and to demonstrate compliance with Part 115 and its administrative rules:

<b>Part of the plan you would like to change (or amend):</b>	<b>Please include the following in the amendment package in addition to the list under question 6:</b>
Add a solid waste facility located in your county.	<ul style="list-style-type: none"> <li>• A complete facility description.</li> <li>• An updated facility map including any proposed expansions envisioned under the plan.</li> <li>• In the cover letter, include the facility that will be added, and all page numbers where the facility will be referenced.</li> </ul>
Add a solid waste facility located outside of the county to demonstrate 10-year capacity requirements.	<ul style="list-style-type: none"> <li>• A complete facility description.</li> <li>• A facility map.</li> <li>• An updated copy of the export authorization table if not originally identified.*</li> <li>• A letter from the facility stating they have available capacity to fulfill the 10-year capacity requirement.</li> <li>• In the cover letter, include the facility that will be added, including all page numbers where the facility will be referenced.</li> </ul>
Change an existing facility description to allow expansion, or change the type of disposal area when no siting procedure exists in the plan (i.e., you would like to	<ul style="list-style-type: none"> <li>• A completed revised facility description that includes the expansion or changes.</li> <li>• A facility map that includes the expansion area.</li> <li>• In the cover letter, include changes made to the "Authorized Disposal Area" section of the plan's Siting Review Procedure and either state</li> </ul>

Part of the plan you would like to change (or amend):	Please include the following in the amendment package in addition to the list under question 6:
change a Type B transfer station to a Type A transfer station).	the specific site expansion by acreage and/or capacity, OR change the plan to add an approvable siting process and criteria.
Authorize another county to import waste to your county, or authorize your waste to be exported to another county.	<ul style="list-style-type: none"> <li>• An updated copy of the import or export authorization table. *</li> <li>• In the cover letter, include a general statement indicating the new county that will be authorized to import or export waste, including “all references to importing or exporting counties will include ‘x’ county.”</li> </ul>
Authorize automatic consistency with the plan for a specific disposal area.	<ul style="list-style-type: none"> <li>• A completed revised facility description that includes the expansion or changes.</li> <li>• A facility map that includes the expansion area.</li> <li>• In the cover letter, include changes made to the “Solid Waste Disposal Areas” to include the facility and the “Authorized Disposal Area” of the plan’s siting review procedure.</li> </ul>
Change the name of a facility.  <i>It is not necessary to amend the plan if a facility name has changed through sale or other means. You may wish to include this change if you are amending the plan for other reasons.</i>	<ul style="list-style-type: none"> <li>• In the cover letter, include a general statement such as “all references to ‘X Landfill’ in the plan will be changed to ‘Z Landfill’.”</li> </ul>

\*The import or export of waste is not authorized until the reciprocal county also authorizes the import/export (324.11538[6]). If the county is listed in future import/export area of the table and a facility becomes operational, an amendment is not needed to include it as a “current” authorized import or export county.

**7. What are Plan Amendment Requirements and the Approval Process?**

The amendment approval process is the same and requires the same steps be taken as that for a plan update. See the attached flow chart for more details (R 299.4709).

To demonstrate compliance with Part 115 and to assist with prompt and efficient processing of amendments, please include the following when submitting the amendment to the DEQ for final approval:

- A cover letter explaining major concepts or changes included in the amendment, the exact language to be changed by the amendment, and all revised tables, forms, and maps.
- The signed and approved minutes and/or resolution indicating approval of the amendment by the Solid Waste Management Planning Committee (1 – Approval prior to the 90-day public comment period; and 2 – Approval before the County Board of Commissioners [BOC] formal action, as per Section 324.11535).
- The signed and approved minutes and/or resolution indicating approval of the amendment by the BOC.
- A copy of the notice of public hearing that includes the date of publication. The notice must be a minimum of 30 days prior to the public hearing date to comply with Section 324.11535 (f).
- The notes taken at the public hearing, including all written and oral comments on the plan.
- The signed resolution or approval of the amendment from at least 67 percent of all municipalities, as per Section 324.11536. Please include a list of all municipalities within the County.
- List of the Solid Waste Management Planning Committee (SWMPC) members and their areas or representation.

**8. Who are the fourteen members of the SWMPC?**

The 14-member SWMPC consists of the following: 4 that represent the solid waste management industry, 2 that represent environmental interest groups, 1 that represents county government, 1 that represents city government, 1 that represents township government, 1 that represents the regional solid waste planning agency, 1 that represents industrial waste generators, and 3 that represent the general public (Section 324.11534[2]) and (R 299.4703).

“Solid Waste Management Industry” as defined in R 299.4105(j).

“Environmental Interest Group” as defined in R 299.4102(o).

“Regional Solid Waste Planning Agency” as defined in Section 324.11505(2).

“General Public” as defined in R 299.4103(e).

*Please note that Part 115 does not provide definitions for each of the SWMPC member positions. Therefore, to demonstrate compliance with Part 115, it is recommended that the county be able to explain how each member represents the position it holds, if challenged.*

**9. Does a 14-member SWMPC need to be appointed to develop an amendment?**

Yes, an SWMPC shall be appointed (Section 324.11534[1]). The process of amending a plan is the same as the original development of a plan, therefore requiring a SWMPC to be in compliance with Part 115, unless a SWMPC is already established/appointed (R 299.4709[4]).

**10. How is the public notified of the Public Hearing that is required during the 90-day public comment period? Is there a timeframe required for the notice?**

The Public Hearing shall be published in a newspaper having a majority circulation within the county to demonstrate compliance with Part 115. The notice shall indicate a location where copies of the plan are available for public inspection, shall indicate the time and place of the public hearing, and shall be published not less than 30 days before a hearing (324.11535[f]).

**11. How long does a Designated Planning Agency have to revise the amendment once the 90-day public comment period has ended?**

The Designated Planning Agency has 30 days to revise the amendment, get SWMPC approval, and recommend the amendment to the BOC (Section 324.11536[3]).

**12. If the BOC disapproves the amendment, how long does the SWMPC have to revise it and send it back to the BOC for approval?**

30 days (324.11536[3]).

**13. Does a BOC have to provide the objections when disapproving the amendment?**

Yes, the BOC must provide objections when disapproving the amendment (Section 324.11536[3]). It is suggested to have written objections. Verbal objections provided and contained in the meeting minutes also adequately demonstrates compliance.

**14. Is there is a statutory timeframe in which the BOC must make a decision on the amendment?**

There is no timeframe specified in Part 115.

**15. What happens if the BOC does not take formal action on the amendment?**

The amendment process is stopped until the BOC either approves or disapproves the amendment with objections. R299.4708 describes the amendment process, and states that the next step of the approval process continues after the BOC takes formal action.

**16. What happens to the amendment if the BOC disapproves the amendment a second time?**

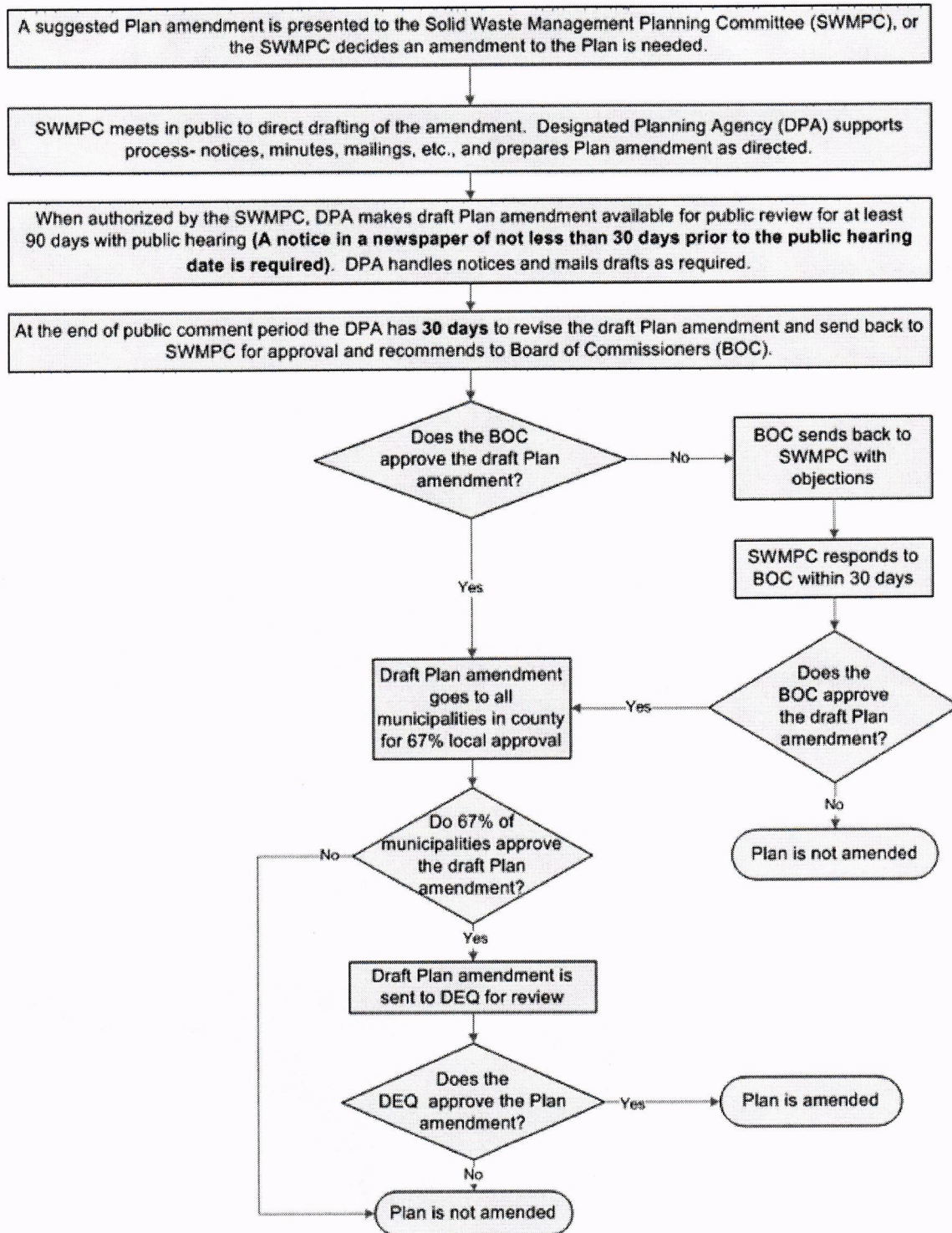
If the amendment was *required* by the DEQ and is not approved by the BOC a second time, the BOC may prepare its own amendment. If the BOC chooses not to prepare its own amendment, the DEQ will prepare the amendment for the County (R299.4709(2)).

If the amendment that is being pursued was *not required* by the DEQ and is not approved by the BOC a second time, the amendment pursued will not be completed and the process will be considered terminated. Any new amendment must start at the beginning of the process (R299.4709(4)).

**17. Will the DEQ assume responsibility for and prepare the amendment if it has been disapproved by the BOC or municipalities?**

The DEQ only assumes responsibility for and prepares plan updates that were initiated by the DEQ Director, unless the amendment was required by the DEQ, then the DEQ would prepare the amendment (Section 324.11533(6)).

Amendment Approval Process



*This publication is intended for guidance only and may be impacted by changes in legislation, rules, policies, and procedures adopted after the date of publication. Although this publication makes every effort to teach users how to meet applicable compliance obligations, use of this publication does not constitute the rendering of legal advice.*



**OSHTEMO CHARTER TOWNSHIP  
COUNTY OF KALAMAZOO, MICHIGAN**

RESOLUTION FOR THE APPROVAL OF AMENDMENT 1  
-WASTE NOT C&D RECYCLING CENTER -  
TO THE KALAMAZOO COUNTY SOLID WASTE MANAGEMENT PLAN

Adopted: June \_\_\_\_, 2021

Effective: June \_\_\_\_, 2021

By action of the Township Board of the Charter Township of Oshtemo, it is hereby resolved that we \_\_\_\_\_ Amendment 1 - Waste Not C&D Recycling Center, to the  
(Approve/Disapprove)  
Kalamazoo County Solid Waste Management Plan, prepared pursuant to the Natural Resources and Environmental Protection Act, 1994 PA451, as amended (NREPA) Part 115, Solid Waste Management, and its Administrative Rules, as attached hereto.

Motion was made by \_\_\_\_\_ and seconded by \_\_\_\_\_, to adopt the foregoing Resolution.

Upon roll call vote the following voted "Aye":

The following voted "Nay":

The following were Absent:

The following Abstained:

The Supervisor declared the motion carried, and the resolution duly adopted.

\_\_\_\_\_  
Dusty Farmer, Clerk  
Oshtemo Charter Township

\*\*\*\*\*

**CERTIFICATE**

STATE OF MICHIGAN            )  
  ) ss  
COUNTY OF KALAMAZOO        )

I Dusty Farmer, the duly appointed and acting Clerk of the Township of Oshtemo, hereby certify that the foregoing constitutes a true and complete copy of a Resolution adopted at a regular meeting of the Oshtemo Charter Township Board held, via permitted ZOOM video conference during COVID-19 public health crises as authorized by PA 254 of 2020, on June 22, 2021, which meeting was preceded by required notices under the Michigan Open Meetings Act, being 1976 PA 267; that a quorum of the Board was present and voted in favor of said Resolution; and that minutes of said meeting were kept and will be or have been made available as required by said Open Meetings Act.

\_\_\_\_\_  
Dusty Farmer, Clerk  
Oshtemo Charter Township

**AMENDMENT 1 TO KALAMAZOO COUNTY  
SOLID WASTE MANAGEMENT PLAN**

\_\_\_\_\_, 202\_

The Kalamazoo County Solid Waste Management Plan (December 1998) is hereby amended and supplemented as follows:

1. Table 2, "Inventory of Solid Waste Disposal Areas" (II-2), is hereby supplemented as follows:

- a. At the end of the list of solid waste disposal areas under the heading "Type A Transfer Stations," add the following:

<u>Type A Transfer Stations</u>	<u>County</u>
Waste Not C&D Recycling Center	Kalamazoo

- b. At the end of Table 2, following the list of solid waste disposal areas under the heading "Type B Transfer Stations," add the following:

<u>Processing Plants</u>	<u>County</u>
Waste Not C&D Recycling Center	Kalamazoo

2. Table 3, "Descriptions of Solid Waste Disposal Areas" (II-3), is hereby supplemented as follows:

- a. At the end of the list of solid waste disposal areas under the heading "Type A Transfer Stations," add the following:

**TYPE A TRANSFER STATIONS**

**Waste Not C&D Recycling Center**

Location: Kalamazoo County, T2S R11W Section 8  
Final disposal site: 1) Orchard Hills Landfill; 2) Westside Landfill;  
3) South Kent Landfill; 4) C & C Landfill  
Landfill Owner: 1) Landfill Management Company (private); 2) Waste Management of Michigan d.b.a. Westside RDF (private); 3) Kent County (public); 4) Republic Services (private)  
Operating Status: pending  
Wastes received: residential, commercial, industrial, construction and demolition, contaminated soils, paper sludge, tree stumps and limbs  
Total area of facility property: 5.19 acres (Gross), 4.92 acres (Net)  
Estimated days open per year: 304  
Estimated yearly disposal volume: unknown

- b. At the end of Table 3, following the list of solid waste disposal areas under the heading "Type B Transfer Stations," add the following:

**PROCESSING PLANTS**

**Waste Not C&D Recycling Center**

Location: Kalamazoo County, T2S R11W Section 8  
Final disposal site: 1) Orchard Hills Landfill; 2) Westside Landfill;

3) South Kent Landfill; 4) C & C Landfill  
 Landfill Owner: 1) Landfill Management Company (private); 2) Waste Management of Michigan d.b.a. Westside RDF (private); 3) Kent County (public); 4) Republic Services (private)  
 Operating Status: pending  
 Wastes received: residential, commercial, industrial, construction and demolition, contaminated soils, paper sludge, tree stumps and limbs  
 Total area of facility property: 5.19 acres (Gross), 4.92 acres (Net)  
 Estimated days open per year: 304  
 Estimated yearly disposal volume: unknown

3. Table 4, "Solid Waste Collection Service Providers" (II-11), is hereby supplemented as follows:

a. At the end of the list of solid waste collection service providers under the heading "Solid Waste Collection Service Providers," add the following:

<u>Service Provider</u>	<u>Disposal Facility Used</u>
Waste Not C&D Recycling Center	Orchard Hills Landfill; Westside Landfill; South Kent Landfill; C & C Landfill

4. Table 11, "Inventory of Solid Waste Disposal Areas" (III-6), is hereby supplemented as follows:

a. At the end of the list of solid waste disposal areas under the heading "Type A Transfer Stations," add the following:

<u>Type A Transfer Stations</u>	<u>County</u>
Waste Not C&D Recycling Center	Kalamazoo

b. At the end of Table 11, following the list of solid waste disposal areas under the heading "Type B Transfer Stations," add the following:

<u>Processing Plants</u>	<u>County</u>
Waste Not C&D Recycling Center	Kalamazoo

5. Table 12, "Descriptions of Solid Waste Disposal Areas" (III-7), is hereby supplemented as follows:

a. At the end of the list of solid waste disposal areas under the heading "Type A Transfer Stations," add the following:

**TYPE A TRANSFER STATIONS**

**Waste Not C&D Recycling Center**

Location: Kalamazoo County, T2S R11W Section 8  
 Final disposal site: 1) Orchard Hills Landfill; 2) Westside Landfill;  
 3) South Kent Landfill; 4) C & C Landfill  
 Landfill Owner: 1) Landfill Management Company (private); 2) Waste Management of Michigan d.b.a. Westside RDF (private); 3) Kent

County (public); 4) Republic Services (private)  
Operating Status: pending  
Wastes received: residential, commercial, industrial, construction and demolition, contaminated soils, paper sludge, tree stumps and limbs  
Total area of facility property: 5.19 acres (Gross), 4.92 acres (Net)  
Estimated days open per year: 304  
Estimated yearly disposal volume: unknown

- b. At the end of Table 12, following the list of solid waste disposal areas under the heading "Type B Transfer Stations," add the following:

**PROCESSING PLANTS**

**Waste Not C&D Recycling Center**

Location: Kalamazoo County, T2S R11W Section 8  
Final disposal site: 1) Orchard Hills Landfill; 2) Westside Landfill;  
3) South Kent Landfill; 4) C & C Landfill  
Landfill Owner: 1) Landfill Management Company (private); 2) Waste Management of Michigan d.b.a. Westside RDF (private); 3) Kent County (public); 4) Republic Services (private)  
Operating Status: pending  
Wastes received: residential, commercial, industrial, construction and demolition, contaminated soils, paper sludge, tree stumps and limbs  
Total area of facility property: 5.19 acres (Gross), 4.92 acres (Net)  
Estimated days open per year: 304  
Estimated yearly disposal volume: unknown

6. Table 15, "Selected Recycling System" (III-19), is hereby supplemented as follows:

- a. At the end of the paragraphs under the heading "Drop-off programs," add the following:

The **Waste Not C&D Recycling Center** is a privately operated drop-off which is open to the public year-round. The drop-off accepts construction and demolition waste.

7. On Page III-27, add the following below the paragraph in "Facility Siting Procedure":

"The following facility is deemed automatically consistent with the plan:

**Waste Not C&D Recycling Center** as a new processing plant and transfer facility; located at 2206 Nichols Road, Kalamazoo, MI 49004"

8. Appendix D, "Attachments" (D-1) is hereby amended as follows:

- a. Under the heading, "Solid Waste Disposal Facility Location Maps," amend the first paragraph as follows:

### **Solid Waste Disposal Facility Location Maps**

The following maps and/or legal descriptions (Attachments D-1 through -12a) are intended to identify the locations of the various solid waste disposal facilities proposed to serve Kalamazoo County during the planning period.

- b. Add the attached site plan and the following description after Attachment D-12 as "Attachment D-12a":

**Attachment D-12a**

**Waste Not C&D Recycling Center Boundary Description**

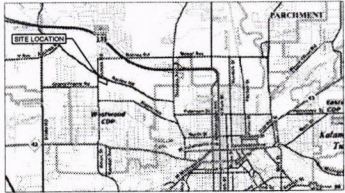
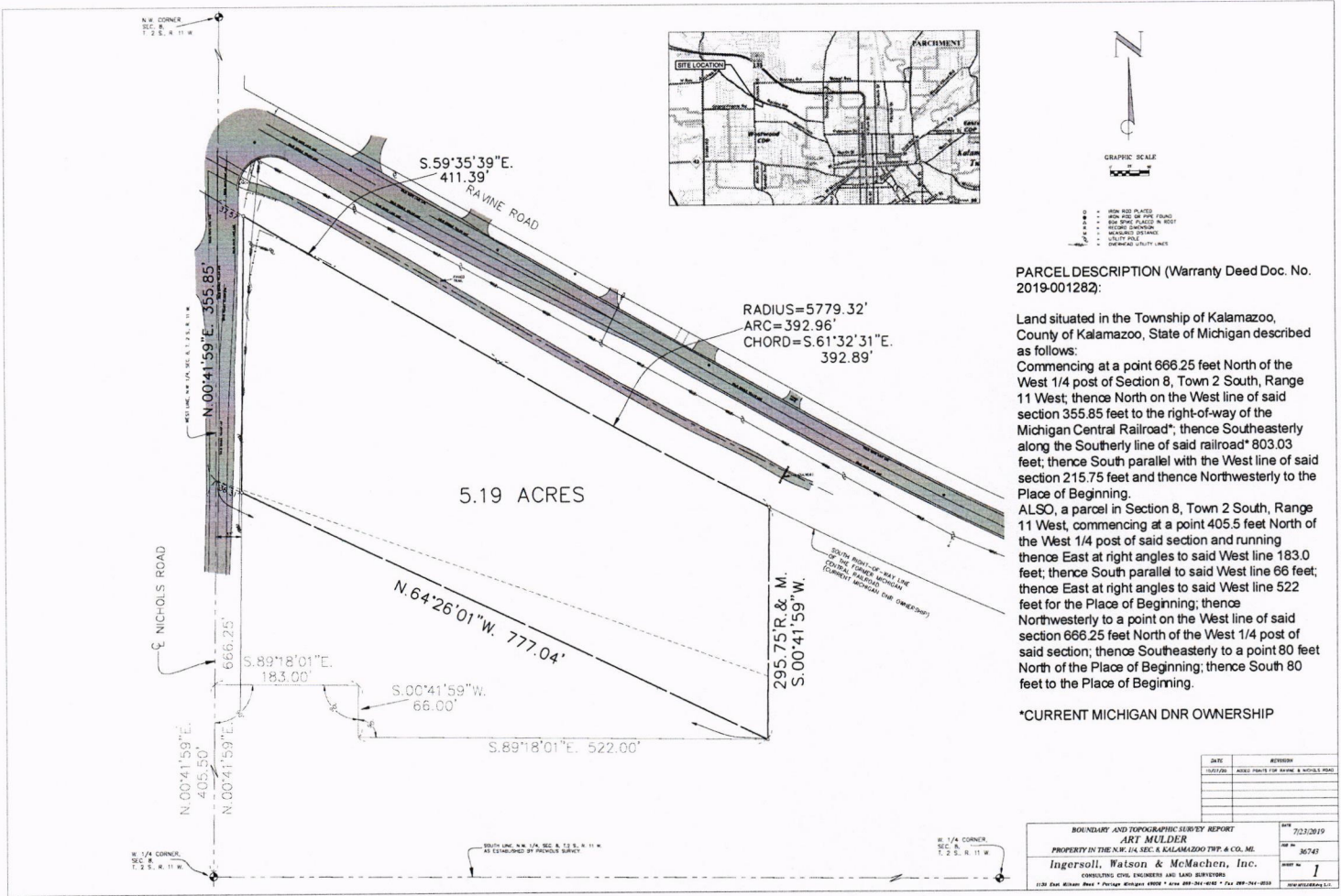
Land situated in the Township of Kalamazoo, County of Kalamazoo, State of Michigan, described as follows:

Commencing at a point 666.25 feet North of the West 1/4 post of Section 8, Town 2 South, Range 11 West; thence North on the West line of said Section 355.85 feet to the Right of Way of the Michigan Central Railroad; thence Southeasterly along the Southerly line of said Railroad 803.03 feet; thence South parallel with the West line of said Section 215.75 feet and thence Northwesterly to the Place of Beginning.

Also, a parcel in Section 8, Town 2 South, Range 11 West, commencing at a point 405.5 feet North of the West 1/4 post of said Section and running thence East at right angles to said West line 183.0 feet; thence South parallel to said West line 66 feet; thence East at right angles to said West line 522 feet for the Place of Beginning; thence Northwesterly to a point on the West line of said Section 666.25 feet North of the West 1/4 post of said Section; thence Southeasterly to a point 80 feet North of the Place of Beginning; thence South 80 feet to the Place of Beginning.

Commonly known as: 2206 Nichols Road, Kalamazoo, MI 49004  
Tax ID No. 3906-08-170-010

Attachment D-12a



- BOUNDARY MARKERS
- END POINTS OF PIPE FOUND
- END POINTS OF CURVE IN ROAD
- BEARING DIMENSION
- HORIZONTAL DISTANCE
- CURVE DATA
- DISTANCE TO ADJUTANT LINES

PARCEL DESCRIPTION (Warranty Deed Doc. No. 2019-001282):

Land situated in the Township of Kalamazoo, County of Kalamazoo, State of Michigan described as follows:  
 Commencing at a point 666.25 feet North of the West 1/4 post of Section 8, Town 2 South, Range 11 West; thence North on the West line of said section 355.85 feet to the right-of-way of the Michigan Central Railroad; thence Southeastly along the Southerly line of said railroad\* 803.03 feet; thence South parallel with the West line of said section 215.75 feet and thence Northwesterly to the Place of Beginning.  
 ALSO, a parcel in Section 8, Town 2 South, Range 11 West, commencing at a point 405.5 feet North of the West 1/4 post of said section and running thence East at right angles to said West line 183.0 feet; thence South parallel to said West line 66 feet; thence East at right angles to said West line 522 feet for the Place of Beginning; thence Northwesterly to a point on the West line of said section 666.25 feet North of the West 1/4 post of said section; thence Southeastly to a point 80 feet North of the Place of Beginning; thence South 80 feet to the Place of Beginning.

\*CURRENT MICHIGAN DNR OWNERSHIP

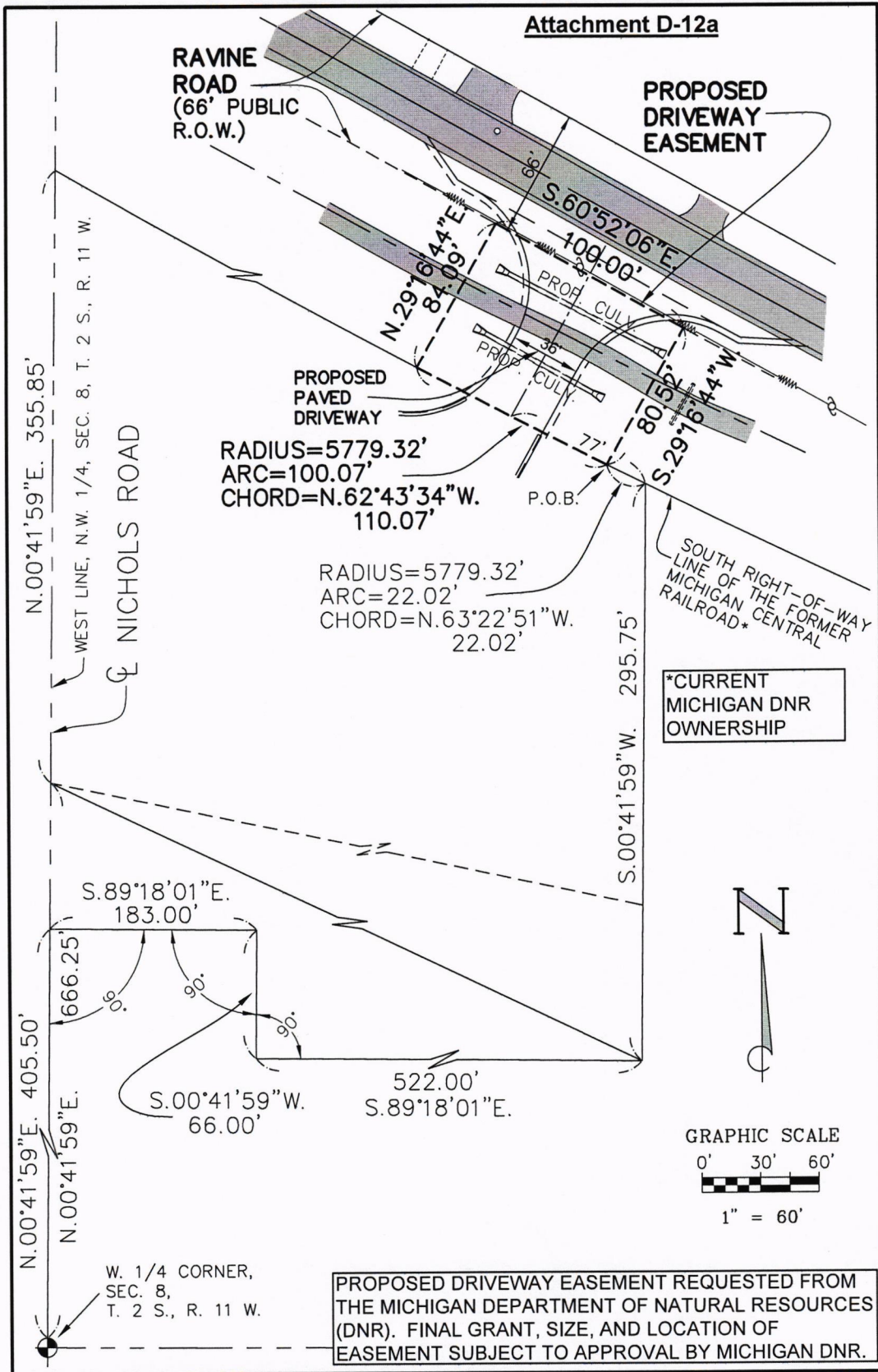
DATE	REVISION
10/22/19	ADDED POINTS FOR RAVINE & NICHOLS ROAD

BOUNDARY AND TOPOGRAPHIC SURVEY REPORT  
 ART MULDER  
 PROPERTY IN THE N.E. 1/4 SEC. 8, KALAMAZOO TWP. & CO. MI.  
 Ingersoll, Watson & McMachen, Inc.  
 CONSULTING CIVIL ENGINEERS AND LAND SURVEYORS  
 1131 East Michigan Street • P.O. Box 30000 • Grand Rapids, MI 49508 • TEL: 616-941-0833 • FAX: 616-941-0834

DATE	7/23/2019
DRAWN BY	36743
CHECKED BY	1



Attachment D-12a



SKETCH OF EASEMENT <b>ART MULDER</b> NORTHWEST QUARTER, SECTION 8, KALAMAZOO TOWNSHIP		DATE 1/12/2021
<b>Ingersoll, Watson &amp; McMachen, Inc.</b> CONSULTING CIVIL ENGINEERS AND LAND SURVEYORS 1209 East Milham Road Suite B * Portage Michigan 49002 * Phone 269-344-6165 * Fax 269-344-0555		SHEET No. 1 of 2
		JOB No. 36743

**Attachment D-12a**

**DESCRIPTION OF PROPOSED DRIVEWAY EASEMENT:**

A parcel of land situated in the Northwest quarter of Section 8, Town 2 South, Range 11 West, Kalamazoo Township, Kalamazoo County, Michigan being more particularly described as follows:

Commencing at the West quarter corner of Section 8, Town 2 South, Range 11 West; thence N.00°41'59"E. 405.50 feet along the West line of the Northwest quarter of Section 8; thence S.89°18'01"E. 183.00 feet perpendicular with said West line; thence S.00°41'59"W. 66.00 feet parallel with said West line; thence S.89°18'01"E. 522.00 feet perpendicular with said West line; thence N.00°41'59"E. 295.75 feet parallel with said West line to the South right-of-way line of the former Michigan Central railroad; thence Northwesterly 22.02 feet along said South right-of-way line along the arc of a non-tangent curve to the right having a radius of 5779.32 feet, a central angle of 0°13'06" and a chord of N63°22'51"W. 22.02' to the Place of Beginning; thence continuing Northwesterly 110.07 feet along said South right-of-way line along the arc of a curve to the right having a radius of 5779.32 feet, a central angle of 1°05'28" and a chord of N62°43'34"W. 100.07'; thence N.29°16'44"E. 84.09 feet to the Southerly right-of-way line of Ravine Road (66' wide); thence S.60°52'06"E. 100.00 feet along said South right-of-way line of Ravine Road; thence S.29°16'44"W. 80.52 feet to the Place of Beginning.

**DESCRIPTION OF LAND BENEFITTED BY THE PROPOSED DRIVEWAY EASEMENT(Warranty Deed Doc. No. 2019-001282):**

Land situated in the Township of Kalamazoo, County of Kalamazoo, State of Michigan described as follows:

Commencing at a point 666.25 feet North of the West 1/4 post of Section 8, Town 2 South, Range 11 West; thence North on the West line of said section 355.85 feet to the right-of-way of the Michigan Central Railroad; thence Southeasterly along the Southerly line of said railroad 803.03 feet; thence South parallel with the West line of said section 215.75 feet and thence Northwesterly to the Place of Beginning.

ALSO, a parcel in Section 8, Town 2 South, Range 11 West, commencing at a point 405.5 feet North of the West 1/4 post of said section and running thence East at right angles to said West line 183.0 feet; thence South parallel to said West line 66 feet; thence East at right angles to said West line 522 feet for the Place of Beginning; thence Northwesterly to a point on the West line of said section 666.25 feet North of the West 1/4 post of said section; thence Southeasterly to a point 80 feet North of the Place of Beginning; thence South 80 feet to the Place of Beginning.

**\*CURRENT MICHIGAN DNR OWNERSHIP**

PROPOSED DRIVEWAY EASEMENT REQUESTED FROM THE MICHIGAN DEPARTMENT OF NATURAL RESOURCES (DNR). FINAL GRANT, SIZE, AND LOCATION OF EASEMENT SUBJECT TO APPROVAL BY MICHIGAN DNR.

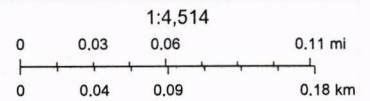
<i>SKETCH OF EASEMENT ART MULDER NORTHWEST QUARTER, SECTION 8, KALAMAZOO TOWNSHIP</i>	DATE 1/12/2021
	SHEET No. 2 of 2
<b>Ingersoll, Watson &amp; McMachen, Inc.</b> CONSULTING CIVIL ENGINEERS AND LAND SURVEYORS 1209 East Milham Road Suite B * Portage Michigan 49002 * Phone 269-344-6165 * Fax 269-344-0555	JOB No. 36743

## Waste No, LLC project, Kalamazoo County



12/2/2020, 11:13:07 AM

- Government Units
- County Local Road - Tertiary
- Street Centerlines
- Parcels
- County Primary Road



Esri Community Maps Contributors, BuildingFootprintUSA, Esri, HERE.

Kalamazoo County

This map is for reference purposes only, and does not represent a survey or legal document. Data layers on this map are generated from individual local sources. The County makes no representation regarding the accuracy or reliability of the data contained herein.