

**OSCODA TOWNSHIP
REGULAR BOARD MEETING
AGENDA & NOTICE
August 8, 2022 – 7:00 P.M.
SHORELINE PLAYERS
6000 N. Skeel Ave.
Oscoda, MI 48750
(989)739-3586**

Posted Date: August 5, 2022

Press Notification Date: August 5, 2022

Posted by: Melinda Morgan

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

AGENDA ADDITIONS:

AUDIT PRESENTATION: Charter Township of Oscoda 2021 Audit Presentation

PUBLIC COMMENTS:

CONSENT AGENDA:

Approval of Minutes:

1. Regular Meeting Minutes – July 25, 2022
2. Work Session Minutes – July 21, 2022

Finance:

1. Payment of Bills (Oscoda Township) – Total - \$157,578.65
 - a. Prepaid – July 27, 2022 - \$49,194.69
 - b. Prepaid – August 1, 2022 - \$28,487.83
 - c. Check Run- August 9, 2022 - \$79,896.13
 - d. CWSRF Checking Report – \$49,411.25

SUB COMMITTEE REPORTS AND PROJECT UPDATES: (As Available)

1. RAB Updates

SUPERINTENDENT'S REPORT ----- Kline

1. Phase III Water Main Improvement Projects Proposal
2. Third Amendment to Old Orchard Park and Foote Site Park Lease

RESOLUTIONS:

1. Resolution No. 2022-23: Commitment to Fund Iron Bell Trail – Phase 3 Bike Path
2. New Section 6.36 ADU Ordinance
3. New Micro Housing Ordinance
4. Article V, Planned Unit Development Ordinance Amendment
5. Chapter 20, Parks and Recreation Code of Ordinances Amendment

6. Section 4.20 Forestry District Revisions
7. Section 6.2.6 Accessory Structures on Vacant Lots Revisions

OTHER:

1. Lot Split Request - Revisited
2. Resignation of Oscoda AuSable Senior Building Authority Board Member
3. Proposal for Presentation: Influence of WWTP discharge on PFAS in Clark's Marsh

PUBLIC COMMENTS:

BOARD COMMENTS:

INFORMATIONAL:

1. HSRUA 2021 Audit
2. RED E Network
3. Oscoda AuSable Senior Center Update



**CHARTER TOWNSHIP OF OSCODA, MICHIGAN
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Charter Township of Oscoda, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Oscoda (the "Township") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and

therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The combining and individual nonmajor and fiduciary fund financial statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor and fiduciary fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Gabridge & Company, PLC
Grand Rapids, Michigan
June 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Charter Township of Oscoda
Management's Discussion and Analysis
December 31, 2021**

As management of Charter Township of Oscoda (the "Township" or "government"), we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and the notes to the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Township exceeded its liabilities and deferred inflows of resources on December 31, 2021 by \$31,816,386. Of this amount, \$10,635,854 is unrestricted and may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$844,097 during the year ended December 31, 2021. Revenues were \$8,229,376 and expenses were \$7,385,279.
- At the close of the current fiscal year, the Township's governmental funds reported combined fund balances of \$7,066,850, an increase of \$932,924 in comparison with the prior year. Approximately 43.8% of this amount, or \$3,093,927, is available for spending at the Township's discretion (*unassigned fund balance*).
- On December 31, 2021, unassigned fund balance for the general fund was \$3,093,927, or 104.0% of the general fund's annualized expenditures and transfers out.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Township include general government services (such as: administration, clerk, and treasurer); public safety (sheriff, road patrol); public works; health and welfare (such as: health, mental health, and childcare), and a variety of other services. The business-type activities of the Township include the water system, sewer system, and old orchard park activities and are funded primarily with charges for services.

The Township includes one other legally separate entity: the Oscoda-Wurtsmith Airport Local Development Finance Authority. Although legally separate, this "component unit" is important because the Township is financially accountable for them.

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

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

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

The Township maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general, central dispatch, and commission on aging funds, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these

nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

Proprietary funds. The Township maintains one type of proprietary fund: enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

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

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

Other information. In addition to the basic financial statement and accompanying notes, this report also presents certain information concerning the Township's budget compliance and its progress in funding its obligation to provide pension benefits to its employees. This information can be found immediately following the notes to the financial statements.

The combining statements referred to earlier in connection with nonmajor governmental funds, are presented following the required supplemental information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$31,816,386 at the close of the most recent fiscal year. A large portion of the Township's net position (63.0%, or \$20,049,583) represents its investment in capital assets (e.g., land, buildings, vehicles, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Township's net position (3.6%, or \$1,130,949) represents resources that are subject to external restrictions on how they may be used. Restricted net position refers to amounts that have constraints placed on them by either: a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation. The remaining portion of the Township's net position (33.4%, or \$10,635,854) is comprised of unrestricted net position. These amounts may

be used to meet the government's ongoing obligations to citizens and creditors.

Charter Township of Oscoda's Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
ASSETS						
<i>Current Assets</i>						
Cash and Investments	\$ 8,070,767	\$ 6,455,545	\$ 2,440,911	\$ 2,980,796	\$ 10,511,678	\$ 9,436,341
Accounts Receivable	15,003	91,648	264,669	181,238	279,672	272,886
Property Taxes Receivable	1,684,074	1,947,029	-	-	1,684,074	1,947,029
Special Assessments Receivable	55,368	25,796	-	-	55,368	25,796
Due from Other Governments	140,420	147,302	-	1,150	140,420	148,452
Prepays and Inventory	-	21,265	4,168	8,946	4,168	30,211
Total Current Assets	9,965,632	8,688,585	2,709,748	3,172,130	12,675,380	11,860,715
<i>Noncurrent Assets</i>						
Restricted Cash and Investments	-	25,566	48,683	48,683	48,683	74,249
Capital Assets not being Depreciated	5,678,746	5,627,724	4,556,768	246,713	10,235,514	5,874,437
Capital Assets being Depreciated, net	5,503,412	6,079,289	7,910,046	9,985,402	13,413,458	16,064,691
Investment in Huron Shore Regional Utility Authority	-	-	4,149,964	4,149,964	4,149,964	4,149,964
Investment in Iosco Exploration Trail	-	107,008	-	67,968	-	174,976
Total Assets	21,147,790	20,528,172	19,375,209	17,670,860	40,522,999	38,199,032
DEFERRED OUTFLOWS OF RESOURCES						
Charge on Refunding	-	-	6,666	9,089	6,666	9,089
Pension Related	333,925	270,132	-	-	333,925	270,132
Total Deferred Outflows of Resources	333,925	270,132	6,666	9,089	340,591	279,221
LIABILITIES						
<i>Current Liabilities</i>						
Accounts Payable	159,595	125,830	244,554	206,172	404,149	332,002
Accrued Liabilities	67,070	99,063	3,405	32,116	70,475	131,179
Unearned Revenue	317,042	-	126,366	108,109	443,408	108,109
Accrued Interest	-	-	16,080	14,216	16,080	14,216
Current Portion of Long-term Debt	-	-	375,000	307,000	375,000	307,000
Compensated Absences	45,438	-	5,496	-	50,934	-
Deposit Payable	40,518	26,196	2,952	3,386	43,470	29,582
Total Current Liabilities	629,663	251,089	773,853	670,999	1,403,516	922,088
<i>Noncurrent Liabilities</i>						
Long-term Debt	-	-	3,231,055	2,233,183	3,231,055	2,233,183
Compensated Absences	81,200	119,357	9,823	16,417	91,023	135,774
Net pension Liability	1,785,343	1,856,196	-	-	1,785,343	1,856,196
Total Liabilities	2,496,206	2,226,642	4,014,731	2,920,599	6,510,937	5,147,241
DEFERRED INFLOWS OF RESOURCES						
Taxes Levied for a Subsequent Period	2,303,130	2,269,559	-	-	2,303,130	2,269,559
Pension Related	233,137	89,164	-	-	233,137	89,164
Total Deferred Inflows of Resources	2,536,267	2,358,723	-	-	2,536,267	2,358,723
NET POSITION						
Net Investment in Capital Assets	11,182,158	11,707,013	8,867,425	7,701,021	20,049,583	19,408,034
Restricted	1,082,266	691,613	48,683	48,683	1,130,949	740,296
Unrestricted	4,184,818	3,814,313	6,451,036	7,009,646	10,635,854	10,823,959
Total Net Position	\$ 16,449,242	\$ 16,212,939	\$ 15,367,144	\$ 14,759,350	\$ 31,816,386	\$ 30,972,289

Following is a summary of the significant changes from the prior year:

- Cash and investments increased by \$1,075,337 due to the overall increase in net position of \$844,097 during the year (revenues exceeded expenses and, accordingly, cash increased).
- Capital assets not being depreciated increased by \$4,361,077 due to construction in progress of the water main extension and sanitary sewer system improvements projects as well as a reclassification of certain capital assets from the prior year.
- Capital assets being depreciated, net decreased by \$2,651,233 due to the disposal and sale

of multiple buildings as well as the aforementioned reclassification of certain capital assets from the prior year.

- Unearned revenues increased from \$108,109 to \$443,408 as of year-end due to the collection of ARPA funds, none of which were expended as of December 31, 2021. These unearned revenues will be expended in the upcoming years by the Township, at which point, the Township will report grant revenues.
- The Township's long-term debt increased by \$997,872 due to the issuing of two new bonds during the year ended December 31, 2021.

The Township's total net position increased by 2.7%, or \$844,097, from \$30,972,289 in the prior year to \$31,816,386 for the year ended December 31, 2021. A two-year comparison of revenues and expenses for the Township follows:

Charter Township of Oscoda's Changes in Net Position

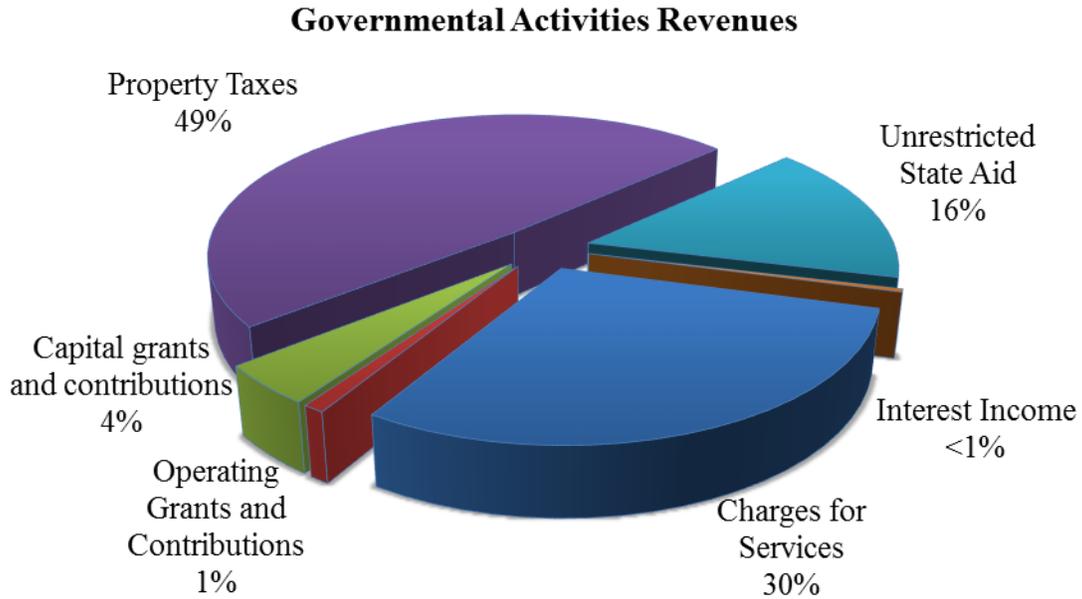
	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services	\$ 1,406,287	\$ 1,346,481	\$ 3,468,113	\$ 2,815,740	\$ 4,874,400	\$ 4,162,221
Operating Grants and Contributions	45,422	209,126	10,000	752,030	55,422	961,156
Capital Grants and Contributions	212,868	18,900	-	1,000,000	212,868	1,018,900
General Revenues						
Property Taxes	2,320,453	2,150,870	-	-	2,320,453	2,150,870
Unrestricted State Aid	743,621	639,209	-	-	743,621	639,209
Interest Income	16,677	53,604	5,935	46,712	22,612	100,316
Total Revenues	4,745,328	4,418,190	3,484,048	4,614,482	8,229,376	9,032,672
Expenses						
General Government	1,457,132	1,113,770	-	-	1,457,132	1,113,770
Public Safety	1,824,747	1,790,440	-	-	1,824,747	1,790,440
Public Works	69,135	159,850	-	-	69,135	159,850
Community and Economic Development	1,014,518	805,802	-	-	1,014,518	805,802
Recreation and Culture	389,893	457,418	-	-	389,893	457,418
Old Orchard Park	-	-	664,377	637,293	664,377	637,293
Water	-	-	1,155,180	1,653,777	1,155,180	1,653,777
Sewer	-	-	810,297	760,136	810,297	760,136
Total Expenses	4,755,425	4,327,280	2,629,854	3,051,206	7,385,279	7,378,486
Changes in Net Position before Transfers	(10,097)	90,910	854,194	1,563,276	844,097	1,654,186
Transfers, net	246,400	279,015	(246,400)	(279,015)	-	-
Changes in Net Position	236,303	369,925	607,794	1,284,261	844,097	1,654,186
<i>Net Position at the Beginning of Period</i>	<i>16,212,939</i>	<i>15,843,014</i>	<i>14,759,350</i>	<i>13,475,089</i>	<i>30,972,289</i>	<i>29,318,103</i>
Net Position at the End of Period	\$ 16,449,242	\$ 16,212,939	\$ 15,367,144	\$ 14,759,350	\$ 31,816,386	\$ 30,972,289

Governmental activities increased the Township's net position by \$236,303 while business-type activities increased net position by \$607,794. Following is a summary of significant changes between the prior and current years:

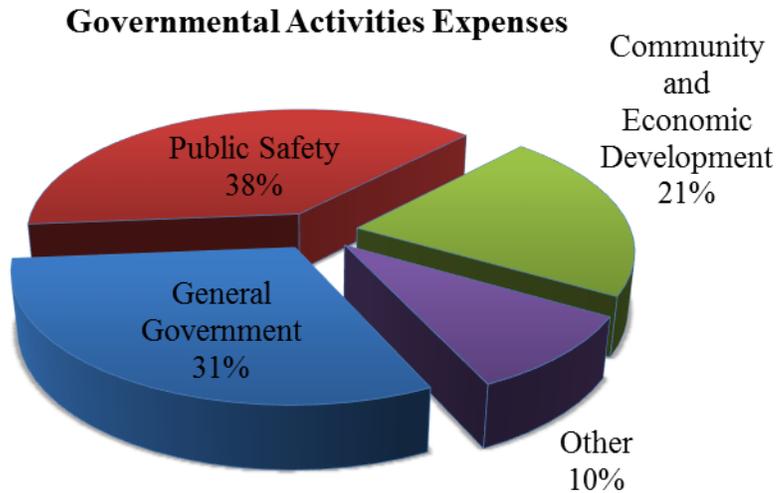
- Charges for services increased by \$712,179, primarily due to an increase in volume of utility bills by 18% and an annual increase of 2% to utility billing fees.
- Operating and capital grants and contributions decreased by \$905,734 and \$806,032 respectively during 2021. This decrease is due to the Township receiving one-time grant funding for various water main extension projects during 2020.

- Water expenses decreased by \$498,597 as there were fewer grant-related expenses during 2021 compared to 2020.

The following chart summarizes the revenue sources for the governmental activities of the Township for the most recent fiscal year-end:



The following chart summarizes the expenses for the governmental activities of the Township for the most recent fiscal year-end:



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the Township *governmental fund statements* is to provide information on near term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Township financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Unassigned fund balance of \$3,093,927 of the general fund represented 104.0% of total general fund expenditures and transfers out.

The **general fund** had an increase of \$677,507 in fund balance from \$2,424,316 in the prior fiscal year to \$3,101,823 in the current fiscal year. The increase in fund balance was largely a result of a significant increase in other financing sources such as transfers and sale of capital assets.

The **property operation and maintenance fund**, a major fund, increased by \$109,426 for an ending fund balance of \$2,792,615. The increase in fund balance was caused by a sale of capital assets.

The **police fund**, a major fund, decreased by \$162,301 for an ending fund balance of \$88,517. The change was caused by an increase in expenses compared to the prior year.

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

Unrestricted net position of the old orchard park fund at the end of the year was \$850,662. The old orchard park fund had an increase in net position of \$197,295. The ending unrestricted net position for the water fund was \$11,120,914. The water fund had an increase in net position of \$103,588. The ending unrestricted net position for the sewer fund was \$3,395,568. The sewer fund had an increase in net position of \$306,911. Summarized explanations for the changes in net position were provided in an earlier section of this report.

General Fund Budgetary Highlights

The general fund's original estimated revenues and original budgeted expenditures had one significant amendment made during the year: lakefront district saw original estimated amount of \$82,350 increase to \$228,533 as a result of increased expenses. The original general fund budget of \$3,218,335 increased to \$3,404,964 after amendments; however, actual expenditures totaled only \$2,974,516 for net favorable variance of \$430,448 under the amended budget. Expenditure savings came from many departments. See the detailed budgetary comparison schedules further on in this report for more information.

The Township had the following general fund expenditures in excess of the amounts appropriated during the year ended December 31, 2021:

<u>General Fund</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Recreation and Culture/Senior Center	\$ 28,500	\$ 29,228	\$ (728)
<u>Property Operation and Maintenance</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Community and Economic Development	\$ 642,765	\$ 650,066	\$ (7,301)

Capital Asset and Debt Administration

Capital assets. As of December 31, 2021, the Township’s investment in capital assets amounted to \$20,049,583 (net of accumulated depreciation). The investment in capital assets includes land and land improvements, buildings and improvements, machinery and equipment, infrastructure, and vehicles. The net increase in the Township’s capital assets during the year was \$1,709,844, or 7.8%. The Township’s significant capital asset additions included:

- \$1,210,690 for the water main extension project
- \$501,192 for the sanitary sewer system improvements project
- \$426,226 for water meter replacement project
- \$66,718 for two new vehicles

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

Long-term Debt. At the end of fiscal year 2021 and 2020, the Township had \$3,606,055 and \$2,540,183 in debt outstanding. Principal payments for the year were \$307,000. Further details on long-term debt can be found in the notes to the financial statements.

Economic Factors and Next Year’s Budgets and Rates

In preparing the Township’s budget for the year ending December 31, 2022, the Township considered the following issues: state revenue sharing and property tax revenues and corresponding expenditures; the necessary maintenance and capital expenditures in addition to the normal operating costs

Requests for Information

This financial report is designed to provide a general overview of the Township finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Charter Township of Oscoda Superintendent
110 S. State Street
Oscoda, Michigan 48750

BASIC FINANCIAL STATEMENTS

**Charter Township of Oscoda
Statement of Net Position
December 31, 2021**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
<i>Current Assets</i>				
Cash and Investments	\$ 8,070,767	\$ 2,440,911	\$ 10,511,678	\$ 327,990
Accounts Receivable	15,003	264,669	279,672	--
Property Taxes Receivable	1,684,074	--	1,684,074	180,515
Special Assessments Receivable	55,368	--	55,368	--
Due from Other Governments	140,420	--	140,420	--
Inventory	--	4,168	4,168	--
Total Current Assets	9,965,632	2,709,748	12,675,380	508,505
<i>Noncurrent Assets</i>				
Restricted Cash and Investments	--	48,683	48,683	--
Capital Assets not being Depreciated	5,678,746	4,556,768	10,235,514	--
Capital Assets being Depreciated	5,503,412	7,910,046	13,413,458	--
Investment in Huron Shore Regional Utility Authority	--	4,149,964	4,149,964	--
Total Assets	21,147,790	19,375,209	40,522,999	508,505
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	--	6,666	6,666	--
Pension	333,925	--	333,925	--
Total Deferred Outflows of Resources	333,925	6,666	340,591	--
LIABILITIES				
<i>Current Liabilities</i>				
Accounts Payable	159,595	244,554	404,149	--
Accrued Liabilities	67,070	3,405	70,475	--
Unearned Revenue	317,042	126,366	443,408	--
Accrued Interest	--	16,080	16,080	--
Current Portion of Compensated Absences	45,438	5,496	50,934	--
Current Portion of Long-term Debt	--	375,000	375,000	--
Deposit Payable	40,518	2,952	43,470	--
Total Current Liabilities	629,663	773,853	1,403,516	--
<i>Noncurrent Liabilities</i>				
Long-term Debt	--	3,231,055	3,231,055	--
Compensated Absences	81,200	9,823	91,023	--
Net Pension Liability	1,785,343	--	1,785,343	--
Total Liabilities	2,496,206	4,014,731	6,510,937	--
DEFERRED INFLOWS OF RESOURCES				
Taxes Levied for a Subsequent Period	2,303,130	--	2,303,130	180,515
Pension	233,137	--	233,137	--
Total Deferred Inflows of Resources	2,536,267	--	2,536,267	180,515
NET POSITION				
Net Investment in Capital Assets	11,182,158	8,867,425	20,049,583	--
<i>Restricted for:</i>				
Capital Projects	718,361	--	718,361	--
Public Safety	3,115	--	3,115	--
Public Works	243,957	--	243,957	--
Debt Service	--	935	935	--
Capital Improvements	--	47,748	47,748	--
Recreation and Culture	108,937	--	108,937	--
Community and Economic Development	7,896	--	7,896	--
<i>Unrestricted</i>	4,184,818	6,451,036	10,635,854	327,990
Total Net Position	\$ 16,449,242	\$ 15,367,144	\$ 31,816,386	\$ 327,990

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Statement of Activities
For the Year Ended December 31, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities:								
General Government	\$ 1,457,132	\$ 342,248	\$ 18,925	\$ --	\$ (1,095,959)	\$ --	\$ (1,095,959)	\$ --
Public Safety	1,824,747	429,107	3,255	--	(1,392,385)	--	(1,392,385)	--
Public Works	69,135	99,066	10,975	--	40,906	--	40,906	--
Community and Economic Development	1,014,518	398,711	10,000	--	(605,807)	--	(605,807)	--
Recreation and Culture	389,893	137,155	2,267	212,868	(37,603)	--	(37,603)	--
Total Governmental Activities	4,755,425	1,406,287	45,422	212,868	(3,090,848)	--	(3,090,848)	--
Business-type Activities:								
Old Orchard Park	664,377	1,006,687	10,000	--	--	352,310	352,310	--
Water	1,155,180	1,302,090	--	--	--	146,910	146,910	--
Sewer	810,297	1,159,336	--	--	--	349,039	349,039	--
Total Business-type Activities	2,629,854	3,468,113	10,000	--	--	848,259	848,259	--
Total Primary Government	\$ 7,385,279	\$ 4,874,400	\$ 55,422	\$ 212,868	(3,090,848)	848,259	(2,242,589)	--
Component Units								
Oscoda-Wurtsmith Airport Local Development Finance Authority	\$ 166,500	\$ --	\$ --	\$ --	--	--	--	(166,500)
Total Component Units	\$ 166,500	\$ --	\$ --	\$ --	--	--	--	(166,500)
General Purpose Revenues and Transfers:								
Revenues								
Property Taxes					2,320,453	--	2,320,453	143,669
Interest Income					16,677	5,935	22,612	981
Unrestricted State Aid					743,621	--	743,621	--
Transfers					246,400	(246,400)	--	--
Total General Revenues and Transfers					3,327,151	(240,465)	3,086,686	144,650
Change in Net Position					236,303	607,794	844,097	(21,850)
<i>Net Position at Beginning of Period</i>					16,212,939	14,759,350	30,972,289	349,840
Net Position at End of Period					\$ 16,449,242	\$ 15,367,144	\$ 31,816,386	\$ 327,990

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Balance Sheet
Governmental Funds
December 31, 2021**

	<u>Special Revenue</u>				
	<u>General</u>	<u>Property Operation and Maintenance</u>	<u>Police</u>	<u>Other Governmental Funds</u>	
ASSETS					
Cash and Investments	\$ 3,770,896	\$ 2,872,968	\$ 209,021	\$ 1,217,882	\$ 8,070,767
Accounts Receivable	3,792	11,125	86	--	15,003
Property Taxes Receivable	1,116,291	--	189,256	378,527	1,684,074
Special Assessments Receivable	55,368	--	--	--	55,368
Due from Other Governments	128,993	--	--	11,427	140,420
<i>Total Assets</i>	<u>\$ 5,075,340</u>	<u>\$ 2,884,093</u>	<u>\$ 398,363</u>	<u>\$ 1,607,836</u>	<u>\$ 9,965,632</u>
LIABILITIES					
Accounts Payable	\$ 51,365	\$ 90,439	\$ 15,766	\$ 2,025	\$ 159,595
Accrued Liabilities	13,490	1,039	43,409	9,132	67,070
Unearned Revenue	317,042	--	--	--	317,042
Deposit Payable	40,518	--	--	--	40,518
<i>Total Liabilities</i>	422,415	91,478	59,175	11,157	584,225
DEFERRED INFLOWS OF RESOURCES					
Taxes Levied for a Subsequent Period	1,551,102	--	250,671	501,357	2,303,130
Unavailable Revenue - Timber Payment	--	--	--	11,427	11,427
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>1,973,517</u>	<u>91,478</u>	<u>309,846</u>	<u>523,941</u>	<u>2,898,782</u>
FUND BALANCE					
Restricted	7,896	--	88,517	974,426	1,070,839
Committed	--	2,792,615	--	109,469	2,902,084
Unassigned	3,093,927	--	--	--	3,093,927
<i>Total Fund Balance</i>	<u>3,101,823</u>	<u>2,792,615</u>	<u>88,517</u>	<u>1,083,895</u>	<u>7,066,850</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<u>\$ 5,075,340</u>	<u>\$ 2,884,093</u>	<u>\$ 398,363</u>	<u>\$ 1,607,836</u>	<u>\$ 9,965,632</u>

The Notes to the Financial Statements are an integral part of these Financial Statements

Charter Township of Oscoda
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2021

Total Fund Balance - Governmental Funds	\$	7,066,850
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. This represents capital assets of \$17,165,462 less accumulated depreciation of \$5,983,304.		11,182,158
Unavailable revenues are not available to pay current period expenditures and, therefore, are deferred inflows of resources in the funds.		11,427
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds.		(1,684,555)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(126,638)
Total Net Position - Governmental Activities	\$	<u>16,449,242</u>

Charter Township of Oscoda
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2021

	<u>Special Revenue</u>				Total Governmental Funds
	<u>General</u>	<u>Property Operation and Maintenance</u>	<u>Police</u>	<u>Other Governmental Funds</u>	
Revenues					
Property Taxes	\$ 1,591,189	\$ --	\$ 243,086	\$ 486,178	\$ 2,320,453
Special Assessments	57,686	--	--	--	57,686
Licenses and Permits	81,938	--	--	--	81,938
Intergovernmental	852,546	10,000	9,237	10,975	882,758
Charges for Services	449,621	--	--	142,855	592,476
Fines and Forfeitures	--	--	6,282	3,103	9,385
Interest Income	9,135	1,955	2,702	2,885	16,677
Other Revenues	154,239	16,917	3,771	502	175,429
Rent Income	9,059	396,621	--	--	405,680
Total Revenues	<u>3,205,413</u>	<u>425,493</u>	<u>265,078</u>	<u>646,498</u>	<u>4,542,482</u>
Expenditures					
General Government	1,521,401	--	--	--	1,521,401
Public Safety	147,845	--	1,327,379	219,296	1,694,520
Public Works	--	--	--	23,224	23,224
Community and Economic Development	107,572	650,066	--	--	757,638
Recreation and Culture	295,198	--	--	104,586	399,784
Total Expenditures	<u>2,072,016</u>	<u>650,066</u>	<u>1,327,379</u>	<u>347,106</u>	<u>4,396,567</u>
Excess of Revenues Over (Under) Expenditures	<u>1,133,397</u>	<u>(224,573)</u>	<u>(1,062,301)</u>	<u>299,392</u>	<u>145,915</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	138,950	401,659	--	--	540,609
Transfers In	307,660	--	900,000	62,500	1,270,160
Transfers Out	(902,500)	(67,660)	--	(53,600)	(1,023,760)
Net Other Financing Sources (Uses)	<u>(455,890)</u>	<u>333,999</u>	<u>900,000</u>	<u>8,900</u>	<u>787,009</u>
Net Change in Fund Balance	<u>677,507</u>	<u>109,426</u>	<u>(162,301)</u>	<u>308,292</u>	<u>932,924</u>
<i>Fund Balance at Beginning of Period (restated, note 16)</i>	2,424,316	2,683,189	250,818	775,603	6,133,926
Fund Balance at End of Period	<u>\$ 3,101,823</u>	<u>\$ 2,792,615</u>	<u>\$ 88,517</u>	<u>\$ 1,083,895</u>	<u>\$ 7,066,850</u>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
 Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
 Changes in Fund Balance with Statement of Activities
 For the Year Ended December 31, 2021**

Total Net Change in Fund Balances - Governmental Funds	\$	932,924
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(48,150)
The statement of activities reports changes to net pension liability and pension related deferrals as pension expense; however, the expenditures recorded on the governmental funds equals actual pension contributions.		(9,327)
Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This represents current year capital outlay of \$146,655 less depreciation expense of \$500,638 and loss on sale of \$277,880.		(631,863)
Change to compensated absences are not shown in the fund financial statements. The net effect of the current year increase is to decrease net position.		(7,281)
Changes in Net Position - Governmental Activities	\$	<u>236,303</u>

**Charter Township of Oscoda
Statement of Net Position
Proprietary Funds
December 31, 2021**

Business-type Activities - Enterprise Funds

	<u>Old Orchard Park</u>	<u>Water</u>	<u>Sewer</u>	<u>Total Enterprise Funds</u>
ASSETS				
<i>Current Assets</i>				
Cash and Investments	\$ 782,371	\$ 315,911	\$ 1,342,629	\$ 2,440,911
Accounts Receivable	57	142,833	121,779	264,669
Inventory	4,168	--	--	4,168
Total Current Assets	786,596	458,744	1,464,408	2,709,748
<i>Noncurrent Assets</i>				
Restricted Cash and Investments	--	--	48,683	48,683
Capital Assets not being Depreciated	--	3,936,156	620,612	4,556,768
Capital Assets being Depreciated	219,612	3,776,086	3,914,348	7,910,046
Investment in Huron Shore Regional Utility Authority	--	4,149,964	--	4,149,964
Total Assets	1,006,208	12,320,950	6,048,051	19,375,209
DEFERRED OUTFLOWS OF RESOURCES				
Charge on Refunding	--	--	6,666	6,666
Total Deferred Outflows of Resources	--	--	6,666	6,666
LIABILITIES				
<i>Current Liabilities</i>				
Accounts Payable	7,619	183,934	53,001	244,554
Accrued Liabilities	3,405	--	--	3,405
Unearned Revenue	126,366	--	--	126,366
Accrued Interest	--	3,349	12,731	16,080
Current Portion of Compensated Absences	5,496	--	--	5,496
Current Portion of Long-term Debt	--	60,000	315,000	375,000
Deposit Payable	2,837	115	--	2,952
Total Current Liabilities	145,723	247,398	380,732	773,853
<i>Noncurrent Liabilities</i>				
Long-term Debt	--	952,638	2,278,417	3,231,055
Compensated Absences	9,823	--	--	9,823
Total Liabilities	155,546	1,200,036	2,659,149	4,014,731
NET POSITION				
Net Investment in Capital Assets	219,612	6,699,604	1,948,209	8,867,425
<i>Restricted for:</i>				
Debt Service	--	--	935	935
Capital Improvements	--	--	47,748	47,748
<i>Unrestricted</i>	631,050	4,421,310	1,398,676	6,451,036
Total Net Position	\$ 850,662	\$ 11,120,914	\$ 3,395,568	\$ 15,367,144

The Notes to the Financial Statements are an integral part of these Financial Statements

Charter Township of Oscoda
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2021

Business-type Activities - Enterprise Funds

	Old Orchard Park	Water	Sewer	Total Enterprise Funds
Operating Revenues				
Charges for Services	\$ 995,353	\$ 1,299,465	\$ 1,158,190	\$ 3,453,008
Rent Income	10,620	--	--	10,620
Other Revenues	714	2,625	1,146	4,485
Total Operating Revenues	1,006,687	1,302,090	1,159,336	3,468,113
Operating Expenses				
Salaries and Wages	285,022	--	--	285,022
Payroll Taxes and Employee Benefits	84,300	--	--	84,300
Depreciation	22,816	158,567	199,435	380,818
Equipment	1,917	1,455	--	3,372
Gasoline and Oil	9,891	--	--	9,891
Insurance and Bonds	7,622	10,212	12,474	30,308
Licenses and Permits	8,065	--	3,650	11,715
Office and Operating Supplies	94,252	7,673	6,639	108,564
Printing and Advertising	920	532	532	1,984
Professional Fees and Services	2,121	456,415	397,304	855,840
Repair and Maintenance	37,867	5,378	19,668	62,913
Utilities	82,453	483,489	105,276	671,218
Other	27,131	28,110	--	55,241
Total Operating Expenses	664,377	1,151,831	744,978	2,561,186
Operating Income (Loss)	342,310	150,259	414,358	906,927
Non-Operating Revenues (Expenses)				
Interest Income	1,385	1,678	2,872	5,935
Operating Grant Revenues	10,000	--	--	10,000
Interest Expense	--	(3,349)	(65,319)	(68,668)
Net Non-Operating Revenues (Expenses)	11,385	(1,671)	(62,447)	(52,733)
Income Before Contributions and Transfers	353,695	148,588	351,911	854,194
Transfers In	53,600	--	--	53,600
Transfers Out	(210,000)	(45,000)	(45,000)	(300,000)
Change In Net Position	197,295	103,588	306,911	607,794
<i>Net Position at Beginning of Period</i>	653,367	11,017,326	3,088,657	14,759,350
Net Position at End of Period	\$ 850,662	\$ 11,120,914	\$ 3,395,568	\$ 15,367,144

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021**

	Business-type Activities - Enterprise Funds			
	Old Orchard Park	Water	Sewer	Total Enterprise Funds
Cash Flows from Operating Activities				
Cash Received from Charges for Service	\$ 1,013,553	\$ 1,238,728	\$ 1,136,703	\$ 3,388,984
Cash Received from Miscellaneous Income	11,334	2,625	1,146	15,105
Cash Payments for Wages and Benefits	(354,003)	-	-	(354,003)
Cash Payments to Suppliers for Goods and Services	(281,160)	(950,912)	(535,425)	(1,767,497)
<i>Net Cash Provided by Operating Activities</i>	<u>389,724</u>	<u>290,441</u>	<u>602,424</u>	<u>1,282,589</u>
Cash Flows from Non-capital Financing Activities				
Cash Received (Paid to) Government	(17,215)	-	-	(17,215)
Cash Received (Paid to) Other Funds	(156,400)	(45,000)	(43,077)	(244,477)
<i>Net Cash Used by Non-capital Financing Activities</i>	<u>(173,615)</u>	<u>(45,000)</u>	<u>(43,077)</u>	<u>(261,692)</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds from Bonds	-	1,012,638	360,234	1,372,872
Capital Assets Acquired	(130,950)	(1,860,367)	(556,188)	(2,547,505)
Interest Payments on Debt	-	(3,349)	(65,319)	(68,668)
Principal Payments on Debt	(16,416)	-	(307,000)	(323,416)
<i>Net Cash Used By Capital and Related Financing Activities</i>	<u>(147,366)</u>	<u>(851,078)</u>	<u>(568,273)</u>	<u>(1,566,717)</u>
Cash Flows from Investing Activities				
Interest Earned	1,385	1,678	2,872	5,935
<i>Net Cash Provided By Investing Activities</i>	<u>1,385</u>	<u>1,678</u>	<u>2,872</u>	<u>5,935</u>
Net Increase (Decrease) in Cash and Cash Equivalents	70,128	(603,959)	(6,054)	(539,885)
Cash and Investments - Beginning of Year	712,243	919,870	1,397,366	3,029,479
<i>Cash and Investments - End of Year</i>	<u>\$ 782,371</u>	<u>\$ 315,911</u>	<u>\$ 1,391,312</u>	<u>\$ 2,489,594</u>

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021**

	Business-type Activities - Enterprise Funds			
	Old Orchard Park	Water Fund	Sewer	Total Enterprise Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 342,310	\$ 150,259	\$ 414,358	\$ 906,927
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	22,816	158,567	199,435	380,818
Changes in Assets and Liabilities				
Receivables (Net)	(57)	(61,497)	(21,877)	(83,431)
Inventory	1,963	-	-	1,963
Due from Local Units	-	760	390	1,150
Prepaid Items	3,270	-	-	3,270
Accounts Payable and Accrued Liabilities	(14,154)	42,352	10,118	38,316
Unearned Revenue	18,257	-	-	18,257
Accrued Compensated Absences	15,319	-	-	15,319
Net Cash Provided by Operating Activities	\$ 389,724	\$ 290,441	\$ 602,424	\$ 1,282,589
Reconciliation to Statement of Net Position				
Cash and Investments	\$ 782,371	\$ 315,911	\$ 1,342,629	\$ 2,440,911
Restricted Cash and Investments	-	-	48,683	48,683
Total Cash and Investments	\$ 782,371	\$ 315,911	\$ 1,391,312	\$ 2,489,594

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021**

	Custodial Funds
ASSETS	
Cash and Investments	\$ 180,370
<i>Total Assets</i>	180,370
LIABILITIES	
Due to Other Governments	180,370
<i>Total Liabilities</i>	180,370
NET POSITION	
Restricted for individuals, organizations and other governments	\$ --

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021**

	Custodial Funds
Additions	
Taxes Collected for Other Governments	\$ 8,842,246
<i>Total Additions</i>	8,842,246
Deductions	
Payments of Property Taxes to Other Governments	8,842,246
<i>Total Deductions</i>	8,842,246
<i>Change in Net Position</i>	--
Net Position at Beginning of Period	--
<i>Net Position at End of Period</i>	\$ --

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Statement of Net Position
Component Unit
December 31, 2021**

	Oscoda- Wurtsmith Airport Local Development Finance Authority
ASSETS	
<i>Current Assets</i>	
Cash and Investments	\$ 327,990
Property Taxes Receivable	180,515
<i>Total Current Assets</i>	508,505
<i>Noncurrent Assets</i>	
<i>Total Assets</i>	508,505
DEFERRED INFLOWS OF RESOURCES	
Taxes Levied for a Subsequent Period	180,515
<i>Total Deferred Inflows of Resources</i>	180,515
NET POSITION	
<i>Unrestricted</i>	327,990
<i>Total Net Position</i>	\$ 327,990

The Notes to the Financial Statements are an integral part of these Financial Statements

**Charter Township of Oscoda
Statement of Activities
Component Unit
For the Year Ended December 31, 2021**

	Oscoda- Wurtsmith Airport Local Development Finance Authority
Expenses	
Community and Economic Development	\$ 166,500
<i>Total Expenses</i>	<u>166,500</u>
<i>Net Program Revenues (Expenses)</i>	<u>(166,500)</u>
General Revenue	
Property Taxes	143,669
Interest Income	981
<i>Total General Revenues</i>	<u>144,650</u>
<i>Change in Net Position</i>	<u>(21,850)</u>
<i>Net Position at Beginning of Period</i>	349,840
<i>Net Position at End of Period</i>	<u><u>\$ 327,990</u></u>

The Notes to the Financial Statements are an integral part of these Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

Charter Township of Oscoda

Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Charter Township of Oscoda (the “Township”) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governments. The following is a summary of the significant accounting policies:

Description of Township Operations and Fund Types

The Charter Township of Oscoda was organized in 1970 under the Charter Township Act of 1947 and covers an area of approximately 120 square miles. The Charter Township operates under an elected Board (seven members) and provides services to its residents in many areas including law enforcement, fire protection, library, and water and sewer services.

Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the Township are not misleading. The primary government of the Township consists of all funds, departments, boards, and agencies that are not legally separate from the Township.

Component units are legally separate organizations for which the Township is financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and 1) it is able to impose its will on that organization or 2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

In addition, the primary government is also financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government regardless of whether the organization has 1) a separately elected governing board, 2) a governing board appointed by a higher level of government, or 3) a jointly appointed board.

Discretely Presented Component Unit

The component unit column on the combined financial statements includes the financial data of the Township's component unit. It is reported in a separate column to emphasize that it is legally separate from the Township.

Governmental Activity and Fund Type Component Unit:

Oscoda-Wurtsmith Airport Local Development Finance Authority - The Local Development Finance Authority was established in 2013 and is under the supervision and control of the Charter Township of Oscoda pursuant to the Local Development Financing Act, Public Act 281 of 1989, as amended by Public Act 290 of 2012. The governing body of the Local Development Finance

Charter Township of Oscoda

Notes to the Financial Statements

Authority is an eleven member board appointed as follows: seven members shall be appointed by the Supervisor of the Charter Township of Oscoda and approved by the Charter Township of Oscoda Board of Trustees; one member shall be appointed by the Iosco County Board of Commissioners; one member shall be appointed by the President of Alpena Community College; and two members shall be appointed by the Superintendent of Oscoda Area Schools. The Authority was established to capture future property tax increment revenues generated from Oscoda-Wurtsmith Airport properties and utilize the captured revenues to improve and further develop the Oscoda-Wurtsmith Airport, as part of continuing efforts to stimulate and enhance the economy within and around Iosco County, Michigan. Financial statements for the Local Development Finance Authority are presented as part of other supplementary information and are not audited separately.

Joint Ventures

The Township has entered into several joint ventures with various municipalities described as follows:

Oscoda-AuSable Township Senior Center Building Authority

The Oscoda-AuSable Township Senior Center Building Authority was established as a joint venture between the Charter Township of AuSable and the Charter Township of Oscoda. The Building Authority was established to provide for the acquisition and construction of certain public buildings, parking lots or structures, recreational facilities and the necessary sites therefore for use of any public purpose for the affairs of all senior citizens residing within said Townships. Each Township makes an annual contribution based on the property taxes received from the millage assessed for the Senior Center for each Township annually. The Charter Township of Oscoda's contribution for the year ended December 31, 2021 was \$29,228. Complete financial statements can be obtained from the AuSable Township Treasurer's office, located at 311 Fifth Street, Oscoda, Michigan 48750.

Huron Shore Regional Utility Authority

The Huron Shore Regional Utility Authority was established as a joint venture between the City of Tawas City, City of East Tawas, Charter Township of Oscoda, Charter Township of AuSable, Township of Alabaster, Township of Baldwin, all municipalities in Iosco County, and the Township of Greenbush in Alcona County. The Authority was established to acquire, own, improve, enlarge, extend and operate water supply and distribution systems and sewage disposal systems. The initial contract amount plus any adjustment for the Charter Township of Oscoda's share of the contracts is recorded as Investment in Huron Shore Regional Utility Authority in the Water Fund of the Township because title to the water and sewer systems belongs to the Authority.

The construction was originally funded with the proceeds of the Iosco County Limited Tax General Obligation Bonds dated March 1, 1991 in the amount of \$7,930,000. These bonds were paid off in

Charter Township of Oscoda

Notes to the Financial Statements

2011. The assets of the joint water supply system are the property of the Huron Shore Regional Utility Authority and, therefore, are not presented in these financial statements.

In 1995, the Township entered into a joint water and sewer system agreement for the purpose of constructing additions, extensions, improvements and related appurtenances to the Huron Shore Regional Utility Authority Water and Sewer System No. 1, with the Charter Township of AuSable, City of Tawas City and the Township of Baldwin. This bond was paid off in 2015. The assets of the joint water supply system are the property of the Huron Shore Regional Utility Authority and, therefore, are not presented in these financial statements. Each municipality makes an annual operation and maintenance contribution based on their proportionate share of the adopted annual budget. The Charter Township of Oscoda's contribution for the year ended December 31, 2021 was \$479,880. The current value of the Charter Township of Oscoda's investment in the Huron Shore Regional Utility Authority is \$4,149,964. Complete financial statements can be obtained from the Huron Shore Regional Utility Authority's office.

Oscoda-Wurtsmith Airport Authority

The Oscoda-Wurtsmith Airport Authority functions as a jointly governed organization between the County of Iosco, County of Alcona, Charter Township of Oscoda, Charter Township of AuSable and the Township of Greenbush. The Airport Authority was established to provide for planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining and operating the landing, navigational and building facilities necessary thereto, at the former Wurtsmith Air Force Base, for the purpose of providing a Community Airport. The Charter Township of Oscoda has no financial obligation to the Airport Authority. Complete financial statements can be obtained from the Airport Authority Manager's office at 3961 East Airport Drive, Oscoda, Michigan 48750.

Basis of Presentation

The Township 's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government and its component units, except for fiduciary funds. For the most part, the effect of interfund activity has been removed from the statements. The statements distinguish between those activities of the Township that are governmental and those that are considered business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues while business-type activities rely to a significant extent on fees and charges for support.

Charter Township of Oscoda

Notes to the Financial Statements

The statement of net position presents the financial condition of the governmental and business-type activities of the Township at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Township's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the Township.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type and are excluded from the government-wide financial statements.

Fund Accounting

The Township uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Township functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the Township are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The following are the Township's major governmental funds:

General Fund - This fund accounts for all financial resources, except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal distributions, grants and other intergovernmental revenue.

Charter Township of Oscoda

Notes to the Financial Statements

Property Operation and Maintenance Fund - This fund represents the primary maintenance budget for Township owned or leased facilities on the former Wurtsmith Air Force Base. Revenues include the sales, leases and land contracts for base property as well as other miscellaneous income including grants as they might become available.

Police Fund - This fund accounts for the collection of a separate tax millage that is used to fund police operations.

The other governmental funds of the Township account for grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows.

The Township's enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the Township's major enterprise funds:

Sewer Fund - This fund accounts for the revenues and expenditures required to operate the Township's sanitary sewer system including the new lagoon facility at the former Wurtsmith Air Force Base and all related appurtenances such as mains and pump stations. Revenues required to operate the system are derived primarily from user fees.

Water Fund - This fund is maintained to account for operations of the public water system. Revenue and expenditure line items reflect maintenance and operation of the water system in Oscoda as well as the Township's financial participation in the Huron Shore Regional Utility Authority. Like the Sewer Fund, revenues are derived primarily from user fees.

Old Orchard Park Fund - This fund was created when the Township acquired a leasehold interest in the Old Orchard Park property from Consumers Energy and began operating the campground. The fund normally generates a net positive cash flow which is available to support governmental functions through interfund transfers.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The Township's custodial funds account for assets held by the Township for political subdivisions in which the Township acts as fiscal agent for others. The Township uses these funds to account for trailer tax collection and property tax collection.

Charter Township of Oscoda

Notes to the Financial Statements

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus.

All assets and all liabilities associated with the operation of the Township are included on the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenue, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financial sources) and uses (i.e., expenditures and other financial uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenue, expenses, and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows reflects how the Township finances and meets the cash flow needs of its enterprise activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide, proprietary and fiduciary funds financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue as deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available.

Charter Township of Oscoda

Notes to the Financial Statements

Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Township, available means expected to be received within 60 days of the fiscal year-end.

Nonexchange transactions, in which the Township receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Township must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Township on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before they can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: sales taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including sales tax), interest, grants and rent.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Charter Township of Oscoda

Notes to the Financial Statements

Cash and Cash Equivalents

For presentation on the financial statements, investments in the cash management pools and investments with an original maturity of three months or less at the time they are purchased by the Township are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

Investments are reported at fair value, except for repurchase agreements and certificates of deposit which are reported at cost which approximates fair value. Fair value is based on quoted market prices. Mutual funds are reported at current share price.

Receivables

Receivables generally consist of accounts (fees), taxes, special assessments, interest, land contracts, and charges for sewer and water services due from various customers. All receivables are net of estimated uncollectible accounts. Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonable systematic method of determining their existence, completeness, valuation, and collectability.

The entire \$55,368 balance for special assessments receivable is expected to be collected in the next fiscal year and is considered to be current.

The allowance for doubtful accounts at December 31, 2021 was \$0 for the primary government and the component unit.

Interfund Receivables and Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as “due from/to other funds”. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as internal balances.

Prepaid Items

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

Deferred Charges

Contract discounts are deferred and amortized over the term of the contract using the straight-line method since the results are not significantly different from the effective interest method.

Charter Township of Oscoda

Notes to the Financial Statements

Inventory

Inventory is recorded in the Old Orchard Park Fund at the lower of cost or market, with cost determined on a first-in, first-out basis. All purchases for materials are reflected in expenses when paid in the other funds.

Enterprise Fund Restricted Assets

Restricted assets are those assets required to meet the covenants and conditions of bond indentures and other contract agreements.

Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets are defined by the government as assets with an initial individual cost of more than \$7,500, or \$5,000 if purchased with federal funds, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The Township 's infrastructure consists of water and sewer lines. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

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

	<u>Years</u>
Land Improvements	15-40
Buildings and Improvements	10-40
Machinery and Equipment	5-20
Vehicles	5-15
Infrastructure	5-50

Charter Township of Oscoda

Notes to the Financial Statements

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise fund are reported on the enterprise fund statement. In general, payables and accrued liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements at the time they are incurred, to the extent that they will be paid from current, expendable, financial resources. However, bonds and other long-term obligations, compensated absences, claims and judgments, contractually required pension contributions and special termination benefits that are paid from governmental funds are recognized as liabilities in the fund financial statements only to the extent that they are due for payment during the current year.

Compensated Absences

The Township reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation and sick leave benefits are accrued as a liability using the vesting method. An accrual for earned vacation and sick leave is made based on accumulated vacation and sick leave and the employee wage rates at year end taking into consideration limits specified in the Township's termination policy. The Township records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The Township records a liability for sick leave earned at varying rates depending on the Township's policy.

The entire compensated absences liability is reported on the government-wide financial statements. On the governmental fund financial statements, the current portion of unpaid compensated absences is recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts, if any, are recorded in the account "accrued compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the governmental fund financial statements. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

Net Pension Liability

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. 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.

Charter Township of Oscoda

Notes to the Financial Statements

Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Township reports three categories of net position as follows:

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 and increased by balances of deferred outflows of resources related to those assets.

Restricted net position - net position is considered restricted if their 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 bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position - consists of all other net position that does not meet the definition of the above two components and is available for general use by the Township .

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies restricted net position first, unless a determination is made to use unrestricted net position. The Township 's policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either; a) not in spendable form - prepaid items or inventories; or b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either; a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolution of the Township Board—the Township 's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Township Board removes the specified use by taking the same type of action imposing

Charter Township of Oscoda

Notes to the Financial Statements

the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the Township 's "intent" to be used for specific purposes, but are neither restricted nor committed. The Township Board or personnel authorized by the Township Board, the Township Treasurer, or Township Superintendent have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Township 's policy to use externally restricted resources first, then unrestricted resources—committed, assigned, and unassigned—in order as needed.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the Township, these revenues are charges for services for water, sewer, campground, and park usage. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/ expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/ expenses to the funds that initially paid for them are not presented on the financial statements.

Budgets and Budgetary Accounting

The Charter Township of Oscoda normally follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to December 1, the Township Superintendent submits to the Township Board a proposed operating budget for the fiscal year commencing the following January 1. This operating budget includes proposed expenditures and the means of financing them.

Charter Township of Oscoda

Notes to the Financial Statements

2. Public hearings are conducted at the governmental center to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted through passage of an ordinance.
4. All budget appropriations lapse at year-end. Budgetary amounts reported herein are as originally adopted, and as amended by the Township Board throughout the operating year.

The Township adopts budgets for the general fund and special revenue funds.

The budgets of the Township are prepared on the same basis of accounting as the financial statement presentation. The budgets were adopted at the activity level.

The legal level of control is at the activity level for the general fund and special revenue funds.

Revisions that alter the total expenditures of any fund or total department expenditures must be approved by the Township Board. The financial statements include budgetary amounts as amended.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE 2 - CHANGE IN ACCOUNTING PRINCIPLES

For 2022, the Township will be required to implement GASB Statement No. 87, "Leases". The objective of this Statement is to increase the usefulness of the 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 the governments' leasing activities.

Charter Township of Oscoda

Notes to the Financial Statements

NOTE 3 - DEPOSITS AND INVESTMENTS

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

	Primary Government	Component Unit	Totals
Statement of Net Position			
Cash and Investments	\$ 10,511,678	\$ 327,990	\$ 10,839,668
Restricted Cash	48,683	-	48,683
Statement of Fiduciary Net Position			
Cash and Investments	180,369	-	180,369
Total Cash and Investments	\$ 10,740,730	\$ 327,990	\$ 11,068,720

Cash and Investments

Checking and Savings Accounts	\$ 4,997,020
Michigan Class	2,450,668
Certificates of Deposit	3,620,382
Cash on Hand	650
Total	\$ 11,068,720

As of December 31, 2021, the Township had the following investments:

	Certificates of Deposit	Michigan Class
No Maturity	\$ -	\$ 2,450,668
Due Within 1 Year	3,591,534	-
Due in 1-5 Years	28,848	-
Total	\$ 3,620,382	\$ 2,450,668

Interest Rate Risk

In accordance with its investment policy, the Township will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the Township 's known cash requirements.

Charter Township of Oscoda

Notes to the Financial Statements

Credit Risk

State law authorizes investments in investment pools as authorized by the Surplus Funds Investment Pool Act, Act No. 367 of the Public Acts of 1982, being sections 129.111 to 129.118 of the Michigan Compiled Laws, composed entirely of instruments that are legal for direct investment by a local government unit in Michigan.

Custodial Credit Risk - Deposits - Primary Government

In the case of deposits, this is the risk that in the event of a bank failure, the Township 's deposits may not be returned to it. As of December 31, 2021, \$11,591,703 of the Township 's bank balance of \$10,591,703 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk - Deposits - Component Unit

In the case of deposits, this is the risk that in the event of a bank failure, the component unit's deposits may not be returned to it. As of December 31, 2021, \$327,990 of the Oscoda-Wurtsmith Airport Local Development Finance Authority 's bank balance of \$327,990 was exposed to custodial credit risk because it was uninsured and uncollateralized .

Concentration of Credit Risk

The Township will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the Township 's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Township will minimize custodial credit risk, by; limiting investments to the types of securities approved in the Township 's investment policy which is in accordance with State law, and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the Township will do business.

Foreign Currency Risk

The Township 's investment policy does not address foreign currency risk.

Charter Township of Oscoda

Notes to the Financial Statements

Investments

The Township Board has adopted an investment policy in accordance with Act 196, PA 1997 which authorizes the Township to deposit and invest in the following:

- Accounts of federally insured banks, credit unions and savings and loan associations
- Bonds and other direct obligations of the United States or an agency or instrumentality of the United States
- United States government or federal agency obligation repurchase agreements
- Banker's acceptances of United States banks

Commercial paper rated within the two highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase

Mutual funds registered under the Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation

Michigan law requires that public funds may not be deposited in financial institutions that do not maintain an office in Michigan. The Township 's deposits and investments are in accordance with statutory authority.

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, 2021:

- Investments held with MICLASS totaled \$2,450,668. MICLASS is authorized to invest in the same investment types as local units of government in Michigan. These holdings are valued using Level 2 inputs.

Charter Township of Oscoda

Notes to the Financial Statements

NOTE 4 - CAPITAL ASSETS

Capital asset activity of governmental activities for the fiscal year ended December 31, 2021 was as follows:

Governmental Activities:	Beginning Balance	Additions	Disposals	Ending Balance
Capital Assets not being depreciated				
Construction in Progress	\$ 124,868	\$ 80,477	\$ -	\$ 205,345
Land	5,609,864	-	136,463	5,473,401
<i>Total Capital Assets not being depreciated</i>	<u>5,734,732</u>	<u>80,477</u>	<u>136,463</u>	<u>5,678,746</u>
Capital Assets being depreciated				
Buildings and Improvements	5,605,034	-	163,806	5,441,228
Vehicles	2,450,063	66,178	93,100	2,423,141
Machinery and Equipment	1,095,701	-	-	1,095,701
Land Improvements	2,526,646	-	-	2,526,646
Total Capital Assets being depreciated	<u>11,677,444</u>	<u>66,178</u>	<u>256,906</u>	<u>11,486,716</u>
Less Accumulated Depreciation				
Buildings and Improvements	2,368,209	148,091	22,389	2,493,911
Vehicles	1,457,346	193,203	93,100	1,557,449
Machinery and Equipment	676,410	78,240	-	754,650
Land Improvements	1,096,190	81,104	-	1,177,294
Total Accumulated Depreciation	<u>5,598,155</u>	<u>500,638</u>	<u>115,489</u>	<u>5,983,304</u>
<i>Capital Assets being depreciated, Net</i>	<u>6,079,289</u>	<u>(434,460)</u>	<u>141,417</u>	<u>5,503,412</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$ 11,814,021</u>	<u>\$ (353,983)</u>	<u>\$ 277,880</u>	<u>\$ 11,182,158</u>

Depreciation expense was charged to programs for governmental activities as follows:

<u>Governmental Activities</u>	
General Government	\$ 37,596
Public Safety	181,960
Public Works	45,911
Community and Economic Development	164,687
Recreation and Culture	70,484
<i>Total Governmental Activities</i>	<u>\$ 500,638</u>

Charter Township of Oscoda

Notes to the Financial Statements

Capital asset activity of business-type activities for the fiscal year ended December 31, 2021 was as follows:

Business-type Activities:	Beginning Balance	Additions	Disposals	Ending Balance
Capital Assets not being depreciated				
Construction in Progress	\$ 2,528,253	\$ 2,005,630	\$ -	\$ 4,533,883
Land	22,885	-	-	22,885
Total Capital Assets not being depreciated	2,551,138	2,005,630	-	4,556,768
Capital Assets being depreciated				
Buildings and Improvements	362,285	-	-	362,285
Land Improvements	209,301	130,950	-	340,251
Machinery and Equipment	959,200	52,713	-	1,011,913
Infrastructure	14,546,026	426,226	-	14,972,252
Total Capital Assets being depreciated	16,076,812	609,889	-	16,686,701
Less Accumulated Depreciation				
Buildings and Improvements	298,009	11,173	-	309,182
Land Improvements	94,217	13,739	-	107,956
Machinery and Equipment	681,648	76,456	-	758,104
Infrastructure	7,321,963	279,450	-	7,601,413
Total Accumulated Depreciation	8,395,837	380,818	-	8,776,655
Capital Assets being depreciated, Net	7,680,975	229,071	-	7,910,046
Business Activities Capital Assets, Net	\$ 10,232,113	\$ 2,234,701	\$ -	\$ 12,466,814

Depreciation expense was charged to programs for business-type activities as follows:

<u>Business-type Activities</u>	
Sewer	\$ 199,435
Water	158,567
Old Orchard Park	22,816
Total Business-type Activities	\$ 380,818

NOTE 5 - UNEARNED REVENUE

Governmental and proprietary funds unearned revenue recognition is in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of unearned revenue are as follows:

General fund and governmental activities, unexpended grant funds: \$317,042

Old Orchard Park fund and business-type activities, user fees collected in advance: \$126,366

Charter Township of Oscoda

Notes to the Financial Statements

NOTE 6 - LONG-TERM LIABILITIES

The following schedule summarizes the changes in the Township's long-term debt during the year:

Business-type Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2011 Sewage Disposal System Refunding Bonds	\$ 750,000	\$ -	\$ (172,000)	\$ 578,000	\$ 180,000
Capital Improvement Bond, Series 2015A	1,505,183	-	(80,000)	1,425,183	80,000
Capital Improvement Bond, Series 2015B	285,000	-	(55,000)	230,000	55,000
Drinking Water Revolving Fund Bonds	-	1,012,638	-	1,012,638	60,000
Clean Water State Revolving Funds	-	360,234	-	360,234	-
Total Business-type Activities	\$ 2,540,183	\$ 1,372,872	\$ (307,000)	\$ 3,606,055	\$ 375,000

Detailed Long-term Debt Disclosures

Direct Borrowings - Primary Government:

2011 Sewage Disposal System Refunding Bonds

\$2,024,000 Series 2011 Limited Tax General Obligation Sewage Disposal System Refunding Bonds, dated September 28, 2011 for the purpose of advance refunding the \$2,270,000 Sewage Disposal System Contract. The bonds bear interest at 2.89% and are due in bi-annual installments through 2024. The full faith and credit of the Township have been pledged for the prompt payment of the principal of and interest on this bond.

Capital Improvement Bond, Series 2015A

\$1,955,183 Capital Improvement Bond, Series 2015A, dated September 17, 2015, for the purpose of defraying the cost of acquiring and constructing improvements to the Township's sanitary sewer system. The bonds bear interest of 2.50% and are due in annual installments through 2036. In the event of default by the Township, the amount of the default shall bear interest at a rate equal to the rate of interest that is two percent above the lender's cost of providing funds (as determined by the lender), but in no event in excess of the maximum rate permitted by law. This additional interest shall accrue until the lender has been reimbursed for all costs incurred by the lender as a consequence of the default. Such additional interest is due upon the next interest payment date. The net revenues derived from users of the Township's sewer system and the full faith and credit of the Township have been pledged to the prompt payment of the principal of an interest on this bond. If insufficient, the bonds are a first budget obligation of the Township from its general funds.

Capital Improvement Bond, Series 2015B

\$530,000 Capital Improvement Bond, Series 2015B, dated September 17, 2015, for the purpose of defraying the cost of acquiring and constructing improvements to the Township's sanitary sewer system, comprised of Rip Rap improvements, and pay the costs of issuing the bonds. The bonds bear interest from 1.05% to 3.05% and are due in annual installments through 2025. In the event of default by the Township, the amount of the default shall bear interest at a rate equal to the rate

Charter Township of Oscoda

Notes to the Financial Statements

of interest that is two percent above the lender's cost of providing funds (as determined by the lender), but in no event in excess of the maximum rate permitted by law. This additional interest shall accrue until the lender has been reimbursed for all costs incurred by the lender as a consequence of the default. Such additional interest is due upon the next interest payment date. The net revenues derived from users of the Township's sewer system and the full faith and credit of the Township have been pledged to the prompt payment of the principal of an interest on this bond. If insufficient, the bonds are a first budget obligation of the Township from its general funds.

2021 State Revolving Fund Capital Improvement Bonds

2021 State Revolving Fund Capital Improvement Bonds, for up to \$6,760,000 were issued for water system improvements, with annual principal payments payable on April 1 ranging from \$165,000 to \$300,000, plus interest at 2.125%, through 2052. As of year-end, \$360,234 had been drawn down of the total available funds.

2021 Drinking Water Revolving Fund General Obligation Limited Tax Bonds

2021 Drinking Water Revolving Fund General Obligation Limited Tax Bonds, for up to \$1,485,000 were issued for water system improvements, with annual principal payments payable on October 1 ranging from \$60,000 to \$90,000, plus interest at 2.125%, through 2041. As of year-end, \$1,012,638 had been drawn down of the total available funds.

The following schedule summarizes long-term debt annual maturities:

Year	Business-type Activities*		
	Principal	Interest	Total
2022	\$ 315,000	\$ 56,225	\$ 371,225
2023	328,000	47,637	375,637
2024	350,000	38,454	388,454
2025	145,000	30,272	175,272
2026	90,000	26,255	116,255
2027-2031	475,000	96,460	571,460
2032-2036	530,183	33,771	563,954
	<u>\$ 2,233,183</u>	<u>\$ 329,074</u>	<u>\$ 2,562,257</u>

*Business-type activities excludes \$1,372,872 of principal repayments for the DWRP and the CWSRF loans as both bonds are actively being drawn upon for ongoing projects. Repayment schedules will be established when the project and bond amounts are finalized.

Charter Township of Oscoda

Notes to the Financial Statements

Compensated Absences Payable

The Township has an accrued liability for accumulated vested vacation and sick leave benefits of its employees. As of December 31, 2021, the accumulated vested vacation and sick leave benefits of the employees of various Township departments were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	\$ 119,357	\$ 7,281	\$ -	\$ 126,638	\$ 45,438
Business-type Activities					
Compensated Absences	16,417	-	(1,098)	15,319	5,496
Total Compensated Absences	\$ 135,774	\$ 7,281	\$ (1,098)	\$ 141,957	\$ 50,934

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real property and tangible personal property located in the Township. Properties are assessed as of December 1 and the related property taxes become a lien on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the County tax rolls. For the December 1, 2020 levy, which is considered to be revenue for the 2021 fiscal year, the taxable value for properties located within the Township was \$304,857,179. The 2020 tax rates are currently 0.4.6908 mills for operating, .9000 for fire equipment, .0989 for seniors, .8000 for police, and .7000 for police staffing.

NOTE 8 - OPERATING TRANSFERS

During the year ended December 31, 2021, the following transfers were made:

Transfer In	Transfer Out	Amount
Police Fund	General Fund	\$ 900,000
Police Staffing Fund	General Fund	2,500
General Fund	Property Operation and Maintenance Fund	67,660
General Fund	Sewer Fund	45,000
General Fund	Old Orchard Park Fund	150,000
General Fund	Water Fund	45,000
Old Orchard Park Fund	Old Orchard Park Improvement Fund	53,600
Old Orchard Park Improvement Fund	Old Orchard Park Fund	60,000

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Charter Township of Oscoda

Notes to the Financial Statements

NOTE 9 - RETIREMENT SYSTEM - MERS OPERATED

Plan Description

The employer’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided

02 - Police: Open Division	
	2020 Valuation
Benefit Multiplier:	Bridged Benefit: 2.50% Multiplier (80% Max) Frozen FAC; 2.25% Multiplier (80% Max)
Bridged Benefit Date:	9/30/2016
Normal Retirement Age:	60
Vesting:	10 years
Early Retirement (Unreduced):	25 & Out
Early Retirement (Reduced):	55/15
Final Average Compensation:	5 years
COLA for Future Retirees:	2.5% (Non-Compound)
Employee Contributions:	7.00%
Act 88:	No

20 - Police Chief: Open Division	
	2020 Valuation
Benefit Multiplier:	2.50% Multiplier (80% Max)
Normal Retirement Age:	60
Vesting:	10 years
Early Retirement (Unreduced):	50/25
Early Retirement (Reduced):	55/15
Final Average Compensation:	5 years
Employee Contributions:	4.04%
Act 88:	No

Charter Township of Oscoda

Notes to the Financial Statements

Employees Covered by Benefit Terms

At the December 31, 2020 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	12
Inactive plan members entitled to but not yet receiving benefits	11
Active plan members	11
<i>Total employees covered by MERS</i>	34

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. Employees and the township contributed as shown below.

For the year ended December 31, 2021, the Township had the following contribution rates:

Division	Employee Contributions	Employer Contributions
02 - Police	7.00%	28.59%
20 - Police Chief	4.04%	\$2,012 / month

Net Pension Liability

The Township’s net pension liability was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of December 31, 2020.

Actuarial Assumptions

The total pension liability in the December 31, 2020 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.50%
- Salary increases 3.0% plus merit and longevity: 3.0% in the long-term
- Investment rate of return: 7.35%, net of investment expense, including inflation
-

Although no specific price inflation assumptions are needed for the valuation, the 3.0% long-term wage inflation assumption would be consistent with a price inflation of 3-4%.

Charter Township of Oscoda

Notes to the Financial Statements

Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2014-2018.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Allocation Gross Rate of Return	Long-term Expected Gross Rate of Return	Inflation Assumption	Long-term Expected Real Rate of Return
Global equity	60.00%	7.45%	4.47%	2.50%	2.97%
Global fixed income	20.00%	4.90%	0.98%	2.50%	0.48%
Private Investments	20.00%	9.50%	1.90%	2.50%	1.40%
Totals	100.00%		7.35%		4.85%

Discount Rate

The discount rate used to measure the total pension liability is 7.6%. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because, for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Charter Township of Oscoda

Notes to the Financial Statements

Changes in Net Pension Liability

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2020	\$ 4,955,411	\$ 3,099,215	\$ 1,856,196
Service cost	82,970	-	82,970
Interest	368,833	-	368,833
Difference between expected and actual experience	18,368	-	18,368
Change in assumptions	195,162	-	195,162
Contributions - Employer	-	234,718	(234,718)
Contributions - Employee	-	51,557	(51,557)
Net investment loss	-	436,445	(436,445)
Benefit payments, including refunds	(287,659)	(287,659)	-
Administrative expenses	-	(5,007)	5,007
Other changes	(18,473)	-	(18,473)
Net changes	359,201	430,054	(70,853)
Balance at December 31, 2021	\$ 5,314,612	\$ 3,529,269	\$ 1,785,343

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Township, calculated using the discount rate of 7.60%, as well as what the Township's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60%) or one percentage point higher (8.60%) than the current rate:

	1% Decrease	Current	1% Increase
	(6.60%)	Discount Rate (7.60%)	(8.60%)
Net pension liability of the Township	\$ 2,483,257	\$ 1,785,343	\$ 1,212,807

The current discount rate shown for GASB68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2021 the Township recognized pension expense of \$244,045.

Charter Township of Oscoda

Notes to the Financial Statements

The Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Source	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 233,137
Difference between expected and actual experience	98,139	-
Difference in assumptions	235,786	-
Total	\$ 333,925	\$ 233,137

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

Years Ending December 31,	Amount
2022	\$ 113,109
2023	41,377
2024	(13,468)
2025	(40,230)

NOTE 10 - RETIREMENT PLAN - DEFINED CONTRIBUTION

The Township has adopted a defined contribution pension plan covering all full-time employees administered by Security Benefits. Eligibility to become a participant is limited to those employees who, on the effective date or on any anniversary date, are not on leave of absence and have attained age twenty-one.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account.

Contributions made by the Township vest immediately. The Township is required to contribute an amount equal to 10% of the employee's base pay.

During the year, the Township's required and actual contributions amounted to \$72,677, which was 10% of its current-year covered payroll.

Charter Township of Oscoda

Notes to the Financial Statements

No pension provision changes occurred during the year that affected the required contributions to be made by the Township.

NOTE 11 - DEFERRED COMPENSATION PLAN

The Township offers all its employees a deferred compensation plan created in accordance with the Internal Revenue Code (IRC) Section 457. The assets of the plans are held in trust, in a custodial account as described in IRC Section 457 (g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof, for the exclusive benefit of the participants, holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The administrators are agents of the Township for the purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. In accordance with the provisions of GASB Statement No. 32, plan balances and activities are not reflected in the Township's financial statements.

NOTE 12 - LEASE COMMITMENTS

The Township has entered into a lease agreement with Consumers Energy for the rental of Old Orchard Park Campground and boating access facilities. The lease is for a period of 20 years at an amount not to exceed \$5,000 per year based on expenses the lessor has incurred in administering the terms of the lease. In addition, the Township shall pay all taxes, assessments and other public charges levied on the leased premises during each year that the lease is in effect. The Township must also contribute \$20,000 per year to a capital improvement account until a maximum balance of \$100,000 is achieved. The Annual Capital Contribution and Capital Fund Cap shall be adjusted on each 5 year anniversary date of this lease to reflect the change in the Consumer Price Index. Upon termination of this lease, any balance remaining in this capital account becomes the property of Consumers Energy. The Township met all these requirements for the year ended December 31, 2021.

NOTE 13 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries, as well as medical benefits provided to employees. The Township has purchased commercial insurance for medical benefits claims, general liability, excess liability, auto liability, trunkline liability, errors and omissions, physical damage (equipment, buildings and contents) and workers compensation. Settled claims for the commercial insurance have not exceeded the amount of insurance coverage in any of the past three years.

The Township was a defendant in one lawsuit at year end. Although the outcome of this lawsuit is not presently determinable, the Township's attorney believes there is some financial exposure. However, the amount of any damages cannot be reasonably determined at this time.

Charter Township of Oscoda

Notes to the Financial Statements

NOTE 14 - CONTINGENCIES

The Township participates in a number of federally assisted grant programs which are subject to program compliance audits. The audits of these programs for and including the year ended December 31, 2021, have been conducted and have been reported in this audit report. However, the compliance audit reports have not yet been accepted by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time; although the Township expects such amounts, if any, to be immaterial.

NOTE 15 - COMMITMENTS AND SUBSEQUENT EVENTS

The Township has been approved for a combined \$8,245,000 of state revolving loan fund bonds for water system improvements. As of December 31, 2021, \$1,372,872 of the bond funds have been used by the Township. An estimated \$6,872,128 of bonds are available to finance the remaining water system improvements for the Township.

The Township received \$492,417 for a sale of property on North Skeel Avenue on June 7, 2022.

NOTE 16 - RESTATEMENT

Management determined that \$107,008 of investments in a trail project, which were included as a resource in the general fund, did not provide a current economic resource. Accordingly, the asset was removed from the Township's general fund as of December 31, 2020. The restatement reduced assets and unassigned fund balance in the general fund as of December 31, 2020. However, the asset was properly reported on the government-wide financial statements and, accordingly, no adjustment to assets or net position of governmental activities was required.

Fund balance for the general fund, as previously reported at December 31, 2020, was \$2,531,324. Net of the aforementioned restatement, fund balance as of December 31, 2020 was restated to \$2,424,316.

REQUIRED SUPPLEMENTARY INFORMATION

Charter Township of Oscoda
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative) Final to Actual
Revenues				
Property Taxes	\$ 1,562,338	\$ 1,562,338	\$ 1,591,189	\$ 28,851
Special Assessments	70,000	70,000	57,686	(12,314)
Licenses and Permits	80,400	80,400	81,938	1,538
Intergovernmental	649,600	649,600	852,546	202,946
Charges for Services	418,983	418,983	449,621	30,638
Interest	30,000	30,000	9,135	(20,865)
Other	35,450	35,450	154,239	118,789
Rent Income	7,000	7,000	9,059	2,059
Total Revenues	<u>2,853,771</u>	<u>2,853,771</u>	<u>3,205,413</u>	<u>351,642</u>
Other Financing Sources				
Sale of Capital Assets	3,000	3,000	138,950	135,950
Transfers In	307,660	307,660	307,660	--
Total Revenues and Other Financing Sources	<u>3,164,431</u>	<u>3,164,431</u>	<u>3,652,023</u>	<u>487,592</u>
Expenditures				
General Government				
Township Board	23,759	23,759	22,062	1,697
Supervisor	21,492	21,492	17,456	4,036
Superintendent	183,865	183,865	171,495	12,370
Clerk	160,421	160,421	152,094	8,327
Board of Review	4,265	4,265	2,778	1,487
Lakefront District	82,350	228,533	198,997	29,536
Treasurer	149,345	163,345	144,822	18,523
Assessor	182,900	182,741	179,416	3,325
Elections	20,655	20,655	13,055	7,600
Township Hall & Grounds	185,782	185,782	174,700	11,082
Cemetery	72,510	78,998	72,858	6,140
Other General Government	390,650	390,809	371,668	19,141
Total General Government	<u>1,477,994</u>	<u>1,644,665</u>	<u>1,521,401</u>	<u>123,264</u>
Public Safety - Fire Department	159,700	186,147	147,845	38,302
Community and Economic Development - Zoning and Planning	137,062	137,062	107,572	29,490
Recreation and Culture				
Parks and Recreation	419,973	419,973	215,133	204,840
Foote Site Park	13,600	13,600	8,603	4,997
Ken Ratliff Park	64,005	64,005	42,234	21,771
Recreation and Culture/Senior Center	28,500	28,500	29,228	(728)
Total Recreation and Culture	<u>526,078</u>	<u>526,078</u>	<u>295,198</u>	<u>230,880</u>
General Fund Contingency	15,000	8,512	--	8,512
Total Expenditures	<u>2,315,835</u>	<u>2,502,464</u>	<u>2,072,016</u>	<u>430,448</u>
Other Financing Uses				
Transfers Out	902,500	902,500	902,500	--
Total Expenditures and Other Financing Uses	<u>3,218,335</u>	<u>3,404,964</u>	<u>2,974,516</u>	<u>430,448</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(53,904)</u>	<u>(240,533)</u>	<u>677,507</u>	<u>918,040</u>
Net Change in Fund Balance	<u>(53,904)</u>	<u>(240,533)</u>	<u>677,507</u>	<u>918,040</u>
<i>Fund Balance at Beginning of Period (restated, note 16)</i>	2,424,316	2,424,316	2,424,316	--
Fund Balance at End of Period	<u>\$ 2,370,412</u>	<u>\$ 2,183,783</u>	<u>\$ 3,101,823</u>	<u>\$ 918,040</u>

Charter Township of Oscoda
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Property Operation and Maintenance
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Positive (Negative) Final to Actual
Revenues				
Intergovernmental	\$ --	\$ --	\$ 10,000	\$ 10,000
Interest	20,000	20,000	1,955	(18,045)
Other	--	--	16,917	16,917
Rent Income	322,200	322,200	396,621	74,421
Total Revenues	<u>342,200</u>	<u>342,200</u>	<u>425,493</u>	<u>83,293</u>
Other Financing Sources				
Sale of Capital Assets	--	--	401,659	401,659
Total Revenues and Other Financing Sources	<u>342,200</u>	<u>342,200</u>	<u>827,152</u>	<u>484,952</u>
Expenditures				
Community and Economic Development	632,765	642,765	650,066	(7,301)
Total Expenditures	<u>632,765</u>	<u>642,765</u>	<u>650,066</u>	<u>(7,301)</u>
Other Financing Uses				
Transfers Out	67,660	67,660	67,660	--
Total Expenditures and Other Financing Uses	<u>700,425</u>	<u>710,425</u>	<u>717,726</u>	<u>(7,301)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(358,225)</u>	<u>(368,225)</u>	<u>109,426</u>	<u>477,651</u>
Net Change in Fund Balance	<u>(358,225)</u>	<u>(368,225)</u>	<u>109,426</u>	<u>477,651</u>
Fund Balance at Beginning of Period	<u>2,683,189</u>	<u>2,683,189</u>	<u>2,683,189</u>	<u>--</u>
Fund Balance at End of Period	<u>\$ 2,324,964</u>	<u>\$ 2,314,964</u>	<u>\$ 2,792,615</u>	<u>\$ 477,651</u>

Charter Township of Oscoda
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Police
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Positive (Negative) Final to Actual
Revenues				
Property Taxes	\$ 243,885	\$ 243,885	\$ 243,086	\$ (799)
Intergovernmental	1,700	1,700	9,237	7,537
Fines and Forfeitures	1,300	1,300	6,282	4,982
Interest	1,300	1,300	2,702	1,402
Other	9,300	9,300	3,771	(5,529)
Total Revenues	<u>257,485</u>	<u>257,485</u>	<u>265,078</u>	<u>7,593</u>
Other Financing Sources				
Transfers In	900,000	900,000	900,000	--
Total Revenues and Other Financing Sources	<u>1,157,485</u>	<u>1,157,485</u>	<u>1,165,078</u>	<u>7,593</u>
Expenditures				
Public Safety	1,335,824	1,335,824	1,327,379	8,445
Total Expenditures	<u>1,335,824</u>	<u>1,335,824</u>	<u>1,327,379</u>	<u>8,445</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	<u>(178,339)</u>	<u>(178,339)</u>	<u>(162,301)</u>	<u>16,038</u>
Net Change in Fund Balance	<u>(178,339)</u>	<u>(178,339)</u>	<u>(162,301)</u>	<u>16,038</u>
Fund Balance at Beginning of Period	250,818	250,818	250,818	--
Fund Balance at End of Period	<u>\$ 72,479</u>	<u>\$ 72,479</u>	<u>\$ 88,517</u>	<u>\$ 16,038</u>

Charter Township of Oscoda
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Seven Plan Years *

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service Cost	\$ 82,970	\$ 78,546	\$ 82,743	\$ 73,703	\$ 77,609	\$ 65,962	\$ 77,520
Interest	368,833	351,511	339,202	328,005	339,416	318,286	307,839
Changes in Benefits	-	-	-	(6,110)	(341,131)	-	-
Differences Between Expected and Actual Experience	18,368	153,025	31,401	22,163	60,026	69,639	-
Changes in Assumptions **	195,162	178,830	-	-	-	206,315	-
Benefit Payments, Including Refunds	(287,659)	(283,416)	(280,320)	(274,929)	(270,686)	(266,619)	(240,015)
Other Changes	(18,473)	(19,407)	(15,513)	(4,698)	(3,799)	(12,678)	357
Net Change in Pension Liability	359,201	459,089	157,513	138,134	(138,565)	380,905	145,701
<i>Total Pension Liability - Beginning</i>	<i>4,955,411</i>	<i>4,496,322</i>	<i>4,338,809</i>	<i>4,200,675</i>	<i>4,339,240</i>	<i>3,958,335</i>	<i>3,812,634</i>
Total Pension Liability - Ending (a)	\$ 5,314,612	\$ 4,955,411	\$ 4,496,322	\$ 4,338,809	\$ 4,200,675	\$ 4,339,240	\$ 3,958,335
Plan Fiduciary Net Position							
Contributions - Employer	\$ 234,718	\$ 184,546	\$ 174,801	\$ 139,052	\$ 146,491	\$ 117,485	\$ 125,215
Contributions - Member	51,557	44,191	45,060	37,008	30,844	24,770	25,904
Net Investment Income (Loss)	436,445	355,050	340,371	(104,452)	327,316	264,570	(36,992)
Benefit Payments, Including Refunds	(287,659)	(283,416)	(280,320)	(274,929)	(270,686)	(266,619)	(240,015)
Administrative Expenses	(5,007)	(5,611)	(5,861)	(5,233)	(5,188)	(5,226)	(5,416)
Net Change in Plan Fiduciary Net Position	430,054	294,760	274,051	(208,554)	228,777	134,980	(131,304)
<i>Plan Fiduciary Net Position - Beginning</i>	<i>3,099,215</i>	<i>2,804,455</i>	<i>2,530,404</i>	<i>2,738,958</i>	<i>2,510,181</i>	<i>2,375,201</i>	<i>2,506,505</i>
Plan Fiduciary Net Position - Ending (b)	\$ 3,529,269	\$ 3,099,215	\$ 2,804,455	\$ 2,530,404	\$ 2,738,958	\$ 2,510,181	\$ 2,375,201
Net Pension Liability - Ending (a) - (b)	\$ 1,785,343	\$ 1,856,196	\$ 1,691,867	\$ 1,808,405	\$ 1,461,717	\$ 1,829,059	\$ 1,583,134
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	66.4%	62.5%	62.4%	58.3%	65.2%	57.8%	60.0%
Covered Payroll	\$ 736,530	\$ 605,653	\$ 569,253	\$ 517,398	\$ 495,390	\$ 435,057	\$ 529,984
Net Pension Liability as a Percentage of Covered Payroll	242.4%	306.5%	297.2%	349.5%	295.1%	420.4%	298.7%

Notes to Schedule:

* Built prospectively upon implementation on GASB Statement No.68. An additional year will be added each year until ten years are presented.

**The following were significant changes to economic and demographic assumptions:

2016 valuation - The investment rate of return assumption was reduced from 8.25% to 8.0%, the wage inflation assumption was reduced from 4.50% to 3.75%, inflation rates changed from 3.0-4.0% to 3.25%, and the mortality assumption was updated to be based on the RP-2014 tables.

2020 valuation - The investment rate of return assumption was reduced from 8.00% to 7.60%, the wage inflation assumption was reduced from 3.75% to 3.00%.

2021 valuation - Mortality rates were changed to the recently issued Pub-2010 mortality general rates as published by the Society of Actuaries along with a change to sex-distinct assumptions.

**Charter Township of Oscoda
Required Supplementary Information
Schedule of Contributions
Last Seven Calendar Years ***

	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	234,718	184,546	174,801	134,788	136,440	\$ 117,485	\$ 125,215
Contributions in Relation to the Actuarially Determined Contribution	234,718	184,546	174,801	139,052	146,491	117,485	125,215
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ (4,264)	\$ (10,051)	\$ -	\$ -
Covered Payroll	736,530	605,653	569,253	517,398	495,390	435,057	529,984
Contributions as a Percentage of Covered Payroll	31.9%	30.5%	30.7%	26.9%	29.6%	27.0%	23.6%

Notes

Valuation Date: December 31, 2020

Actuarially determined contribution amounts are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which the contributions are required.

Methods and assumptions used to determine contribution rates

Actuarial cost method	Entry-age Normal
Amortization method	Level percentage of pay, open
Remaining amortization period	18 years
Asset valuation method	5-year smoothed
Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.35%, Net of Investment Expense, including Inflation (7.75% for 2015 through 2019)
Retirement Age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	Rates Used were Based on the Pub-2010 Group Annuity Mortality Table of a 50% Male and 50% Female Blend

* Built prospectively upon implementation on GASB Statement No.68. An additional year will be added each year until ten years are presented.

OTHER SUPPLEMENTARY INFORMATION

**Charter Township of Oscoda
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021**

	Special Revenue							Total Nonmajor Governmental Funds	
	Fire Equipment	Road Improvement	Forest Reserve	Police Staffing	Old Orchard Park Improvement	Public Improvement	Drug Law Enforcement		Library
ASSETS									
Cash and Investments	\$ 679,117	\$ 63,459	\$ 43,883	\$ 81,260	\$ 109,469	\$ 125,188	\$ 3,115	\$ 112,391	\$ 1,217,882
Property Taxes Receivable	212,931	--	--	165,596	--	--	--	--	378,527
Due from Other Governments	--	--	11,427	--	--	--	--	--	11,427
<i>Total Assets</i>	<u>\$ 892,048</u>	<u>\$ 63,459</u>	<u>\$ 55,310</u>	<u>\$ 246,856</u>	<u>\$ 109,469</u>	<u>\$ 125,188</u>	<u>\$ 3,115</u>	<u>\$ 112,391</u>	<u>\$ 1,607,836</u>
LIABILITIES									
Accounts Payable	\$ --	\$ --	\$ --	\$ 120	\$ --	\$ --	\$ --	\$ 1,905	\$ 2,025
Accrued Liabilities	--	--	--	7,583	--	--	--	1,549	9,132
<i>Total Liabilities</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,703</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,454</u>	<u>11,157</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenues	--	--	11,427	--	--	--	--	--	11,427
Taxes Levied for a Subsequent Year	282,024	--	--	219,333	--	--	--	--	501,357
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>282,024</u>	<u>--</u>	<u>11,427</u>	<u>227,036</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,454</u>	<u>523,941</u>
FUND BALANCE									
Restricted	610,024	63,459	43,883	19,820	--	125,188	3,115	108,937	974,426
Committed	--	--	--	--	109,469	--	--	--	109,469
Unassigned	--	--	--	--	--	--	--	--	--
<i>Total Fund Balance</i>	<u>610,024</u>	<u>63,459</u>	<u>43,883</u>	<u>19,820</u>	<u>109,469</u>	<u>125,188</u>	<u>3,115</u>	<u>108,937</u>	<u>1,083,895</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</i>	<u>\$ 892,048</u>	<u>\$ 63,459</u>	<u>\$ 55,310</u>	<u>\$ 246,856</u>	<u>\$ 109,469</u>	<u>\$ 125,188</u>	<u>\$ 3,115</u>	<u>\$ 112,391</u>	<u>\$ 1,607,836</u>

**Charter Township of Oscoda
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2021**

	Special Revenue							Total Nonmajor Governmental Funds	
	Fire Equipment	Road Improvement	Forest Reserve	Police Staffing	Old Orchard Park Improvement	Public Improvement	Drug Law Enforcement		Library
Revenues									
Property Taxes	\$ 273,476	\$ --	\$ --	\$ 212,702	\$ --	\$ --	\$ --	\$ --	\$ 486,178
Intergovernmental	--	--	10,975	--	--	--	--	--	10,975
Charges for Services	22,153	8,763	--	--	--	4,900	--	107,039	142,855
Fines and Forfeitures	--	--	--	--	--	--	3,103	--	3,103
Interest Income	1,316	77	138	273	448	293	8	332	2,885
Other Revenues	--	--	--	--	60	--	--	442	502
Total Revenues	<u>296,945</u>	<u>8,840</u>	<u>11,113</u>	<u>212,975</u>	<u>508</u>	<u>5,193</u>	<u>3,111</u>	<u>107,813</u>	<u>646,498</u>
Expenditures									
Public Safety	--	--	--	218,021	--	--	1,275	--	219,296
Public Works	--	22,924	--	--	--	300	--	--	23,224
Recreation and Culture	--	--	--	--	925	--	--	103,661	104,586
Total Expenditures	<u>--</u>	<u>22,924</u>	<u>--</u>	<u>218,021</u>	<u>925</u>	<u>300</u>	<u>1,275</u>	<u>103,661</u>	<u>347,106</u>
Excess of Revenues Over (Under) Expenditures	<u>296,945</u>	<u>(14,084)</u>	<u>11,113</u>	<u>(5,046)</u>	<u>(417)</u>	<u>4,893</u>	<u>1,836</u>	<u>4,152</u>	<u>299,392</u>
Other Financing Sources (Uses)									
Transfers In	--	--	--	2,500	60,000	--	--	--	62,500
Transfers Out	--	--	--	--	(53,600)	--	--	--	(53,600)
Net Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,500</u>	<u>6,400</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>8,900</u>
Net Change in Fund Balance	<u>296,945</u>	<u>(14,084)</u>	<u>11,113</u>	<u>(2,546)</u>	<u>5,983</u>	<u>4,893</u>	<u>1,836</u>	<u>4,152</u>	<u>308,292</u>
<i>Fund Balance at Beginning of Period</i>	313,079	77,543	32,770	22,366	103,486	120,295	1,279	104,785	775,603
Fund Balance at End of Period	<u>\$ 610,024</u>	<u>\$ 63,459</u>	<u>\$ 43,883</u>	<u>\$ 19,820</u>	<u>\$ 109,469</u>	<u>\$ 125,188</u>	<u>\$ 3,115</u>	<u>\$ 108,937</u>	<u>\$ 1,083,895</u>

**Charter Township of Oscoda
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021**

	<u>Trailer Tax Fund</u>	<u>Tax Collection</u>	<u>Total</u>
ASSETS			
Cash and Investments	\$ 704	\$ 179,666	\$ 180,370
<i>Total Assets</i>	<u>704</u>	<u>179,666</u>	<u>180,370</u>
LIABILITIES			
Due to Other Governments	<u>704</u>	<u>179,666</u>	<u>180,370</u>
<i>Total Liabilities</i>	<u>704</u>	<u>179,666</u>	<u>180,370</u>
NET POSITION			
Restricted for individuals, organizations and other governments	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**Charter Township of Oscoda
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021**

	<u>Trailer Tax Fund</u>	<u>Tax Collection</u>	<u>Total</u>
Additions			
Taxes Collected for Other Governments	\$ 585	\$ 8,841,661	\$ 8,842,246
<i>Total Additions</i>	<u>585</u>	<u>8,841,661</u>	<u>8,842,246</u>
Deductions			
Payments of Property Taxes to Other Governments	585	8,841,661	8,842,246
<i>Total Deductions</i>	<u>585</u>	<u>8,841,661</u>	<u>8,842,246</u>
<i>Change in Net Position</i>	--	--	--
Net Position at Beginning of Period	--	--	--
<i>Net Position at End of Period</i>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

June 30, 2022

To the Board of Trustees
Charter Township of Oscoda, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Oscoda, Michigan (the "Township") for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 6, 2022. Professional standards also require that we communicate to you 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 2021. We noted no transactions entered into by the Township during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time it is believed that those assets will provide some economic benefit in the future. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the accrued compensated absences is based on current hourly rates and policies regarding payment of sick and vacation banks.
- Management's assumptions used to calculate the actuarial report and the net present value of pension benefits.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 30, 2022.

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 Township's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as 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’s discussion and analysis, budgetary comparison schedules, and the schedules for the pension benefit plan, 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 combining and individual nonmajor and fiduciary fund financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Trustees 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,

A handwritten signature in cursive script that reads "Gabridge & Company". The signature is written in dark ink and is positioned above the printed name of the company.

Gabridge & Company, PLC
Grand Rapids, MI



Charter Township of Oscoda
110 South State Street
Oscoda, Michigan 48750
Office of Supervisor: (989)739-3211
Office of Clerk: (989)739-4971
Office of Treasurer: (989)739-7471
Office of Superintendent: (989)739-8299
Fax: (989)739-3344

Regular Board Meeting Minutes July 25, 2022

Call to Order – Ms. Richards called the meeting to order at 7:02 p.m. The meeting was held at SHORELINE PLAYERS 6000 N. Skeel Ave. Oscoda, MI 48750.

PLEDGE OF ALLEGIANCE

Roll Call – Board Members Present: [Mr. Spencer, Ms. McGuire, Mr. Sutton, Mr. Palmer, Mr. Cummings, Mr. Wusterbarth, Ms. Richards.]

Board Members Absent:

Others Present: [Ms. Kline.] Mr. Freeman, Mrs. Winn

Additions – Mr. Sutton supported a motion by Mr. Spencer approve adding Old Orchard Park Tractor purchase request as Superintendent report number six and add CWSRF & DWRF Financial Report to Consent Agenda Financial.

ALL YEAS

MOTION CARRIED

Public Comment – None.

Consent Agenda – Mr. Spencer supported a motion by Mr. Wusterbarth to Approve the consent agenda with corrections presented. (Corrections to property sale, comments, and name spelling)

Approval of Minutes.

1. Regular Meeting Minutes – July 11, 2022 with corrections presented.

Finance:

1. Payment of Bills (Oscoda Township) – Total - \$86,606.70
 - a. Prepaid – July 14, 2022 - \$15,000.00

Oscoda Township Regular Board Meeting Minutes

July 25, 2022

Page 1 of 6

- b. Prepaid – July 19, 2022 - \$51,405.18
- c. Check Run – July 26, 2022 - \$20,201.52
- d. CWSRF & DWRP - Check 1019 July 22, 2022 - \$481.25, Check 1021 July 22, 2022 - \$889,169.76 Check 1020 July 22, 2022 - \$467.50

ALL YEAS:

MOTION CARRIED

SUB COMMITTEE REPORTS AND PROJECT UPDATES: (As Available)

- 1. **July 2022 Township Engineering Progress Report** – C2R2 Funds (\$8.5 million) have been approved for projects. We will be able to complete the remaining phases. They will not go back and reimburse the township for DWRP last year. To get funding for services we need to have 50% or more hooked up or we lose the cost coverage for service hook up. Well abandonment will be required going forward. The contractor is moving forward on the projects for this year. **IET** – The trail project is moving forward with construction, bids in August.
- 2. **Water and Sewer Project Manager Updates** – Summary of report provided. Pump station projects being done.

SUPERINTENDENT REPORTS:

Seasonal and Volunteer Employee Wage Increase – Mr. Palmer supported a motion by Mr. Sutton to approve *mirroring Tawas and Whittemore by adding \$10.00 per hour compensation after 2 hours.*

ALL YEAS:

MOTION CARRIED

Rowe Engineering Invoices

Invoice 103985 – Mr. Cummings supported a motion by Mr. Spencer to approve *paying invoice 103985 from the losco Exploration Trail in the amount of \$955.00 from GL 101-751-880-572.*

ALL YEAS:

MOTION CARRIED

Invoice 104083 – Mr. Spencer supported a motion by Ms. McGuire to approve *paying invoice 104083 from Wastewater Pump Improvements in the amount of \$49411.25 from CWSRF after reimbursement is available.*

ALL YEAS:

MOTION CARRIED

Invoice 104119 – Mr. Palmer supported a motion by Mr. Sutton to approve *paying invoice 104119 for Wastewater Improvement Project 2023 in the amount of \$6560.00 from general fund common checking.*

ALL YEAS:

MOTION CARRIED

Invoice 104166 – Mr. Sutton supported a motion by Mr. Spencer to approve *paying invoice 104166 for As Needed Services in the amount of \$4803.00 from GL 101-299-801-000.*

ALL YEAS:

MOTION CARRIED

Pump Station Replacement Project Pay Request No. 8 – Mr. Wusterbarth supported a motion by Mr. Palmer to approve *the eighth pay request from RCL Construction in the amount of \$1,129,628.14 to be paid from the CWSRF checking after reimbursement is requested and deposited into the Township's account.*

ALL YEAS:

MOTION CARRIED

Award Katterman Trucking Phase III Water Main Project Contract – Ms. McGuire supported a motion by Mr. Sutton to approve *awarding the contract for Phase III water main Extension to Katterman Trucking, Inc. as recommended by Rowe Professional Services.*

ALL YEAS:

MOTION CARRIED

Railway Permit Purchase Request – Ms. McGuire supported a motion by Ms. Richards to approve *the 10 years for \$2,500.00 with \$750.00 that can be reimbursed through the C2R2 grant funding, to be paid from Fund 591-000- 801.000.*

YEAS: Ms. McGuire, Mr. Sutton, Mr. Wusterbarth, Ms. Richards
NAYS: Mr. Palmer, Mr. Cummings, Mr. Spencer

MOTION CARRIED

Old Orchard Park Tractor Purchase – Mr. Sutton supported a motion by Mr. Cummings to approve *Old Orchard's Parks request to buy the New Holland Workmaster 35 for \$29,400.00.*

ALL YEAS:

MOTION CARRIED

RESOLUTIONS

Resolution No. 2022-22: A Resolution to Adopt Community Planning Principles – Mr. Cummings supported a motion by Mr. Spencer to approve *adopting Resolution 2022-22 to Adopt Community Planning Principles as presented.*

ALL YEAS:

MOTION CARRIED

Article V, Planned Unit Development Ordinance Amendment – Mr. Wusterbarth supported a motion by Mr. Spencer to approve *postponing to our next regular meeting.*

ALL YEAS:

MOTION CARRIED

Chapter 20, Parks and Recreation Code of Ordinances Amendment – Mr. Wusterbarth supported a motion by Mr. Spencer to approve *postponing to our next regular meeting.*

ALL YEAS:

MOTION CARRIED

OTHER

Bravata's Restorations Touch a Truck Fundraiser Event Request - Spring 2023 –

Mr. Wusterbarth supported a motion by Mr. Palmer to approve *the Touch A Truck request for June 10th and 11th 2023 pending attorney approval.*

ALL YEAS:

MOTION CARRIED

Hope Grant – Mr. Cummings supported a motion by Mr. Sutton to approve *the Superintendent and EIC Director to sign the provided letters of support for Iosco County applying for the Hope Grant.*

ALL YEAS:

MOTION CARRIED

Lot Split Request – Mr. Palmer supported a motion by Mr. Sutton to approve postponing *the split of lot 369 of Jordanville subdivision parcel 064-J60-000-366-00 for corrections until our next regular meeting.*

ALL YEAS:

MOTION CARRIED

AuSable Masonic Lodge Event Request – Mr. Palmer supported a motion by Mr. Sutton to approve *The AuSable Masonic Lodge No. 243 F. & A. M Furtaw Field Use Request for September 3, 2022 pending attorney approval.*

ALL YEAS:

MOTION CARRIED

INFORMATIONAL:

1. OTFD June 2022 Activity Report
2. Lake Pro Invoice
3. Water & Sewer O&M Report Q2 (April – June 2022)
4. Auto Dialer Mass Communication
5. Oscoda AuSable Senior Center Update
6. Iosco County Veterans Affairs Millage

Oscoda Township Regular Board Meeting Minutes

July 25, 2022

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Public Comment –

Robert Tasiar- One thing that bothered me was the mention of records rooms being entered by unauthorized personal. Were our records compromised? I would appreciate a follow up on this. Congratulations to township for getting RRC Certified and a huge thank you to all involved for getting this completed. The resolution you passed tonight means a lot to our future grant applications as it puts those accreditations behind our name when applying.

August 12 and 13th is Oscoda Rockfest, local and national bands.

Board and Staff Comments –

Mr. Wusterbarth- Are we stamping for Received Date on invoices. Thank you to everyone for coming out tonight, come out and support Oscoda Rockfest and the Iosco County Fair.

Mr. Cummings- None

Mr. Spencer- None

Mr. Palmer- Under informational - A payment to Lake Pro was late. Invoice was sent late. Auto dialers are there any other options. They want to give us demos for their service.

Ms. Richards- Millage information for August 2nd, 2022, ballot. Canoe marathon, we have a dash for cash on Tuesday at 5pm. Come out and support the paddlers. I've had three people tell me that Greg Pingot is an amazing launch attendant. Derek Young praised for hard work from citizen who saw him.

Ms. McGuire- Questions on approval of disposition of property. We have The AuSable Canoe Marathon coming up this weekend, come out and support our paddlers.

Mr. Sutton-

Adjourn – Ms. Richards made a motion to adjourn at 08:36 p.m.

Ann Richards
Supervisor
Charter Township of Oscoda

Joshua Sutton
Clerk
Charter Township of Oscoda

The Charter Township of Oscoda Board of Trustees will provide necessary reasonable auxiliary aids and services to individuals with disabilities at the meeting upon a seven-day notice to the Oscoda Township Board by writing or calling the following: Township Clerk, Oscoda Township Hall, 110 South State Street, Oscoda, Michigan 48750, 989-739-4971.



Charter Township of Oscoda
110 South State Street
Oscoda, Michigan 48750
Office of Supervisor: (989)739-3211
Office of Clerk: (989)739-4971
Office of Treasurer: (989)739-7471
Office of Superintendent: (989)739-8299
Fax: (989)739-3344

Work Session July 21, 2022

Call to Order – Ms. Richards called the meeting to order at 04:01 p.m. The meeting was held at ROBERT J. PARKS LIBRARY 6010 N. Skeel Ave. Oscoda, MI 48750.

PLEDGE OF ALLEGIANCE

Roll Call – Board Members Present: [Mr. Spencer in late at 04:10pm, Mr. Sutton, Mr. Palmer, Mr. Cummings, Mr. Wusterbarth, Ms. Richards.]

Board Members Absent: Ms. McGuire,

Others Present: [Ms. Kline.] , Mr. Sandula, Lisa Hamameh

Additions – None.

Public Comment – None.

Finance Discussion –

Mark Sandula- 26 audit adjustments and 26 CPA entries for cleanup with at least 10 being corrections for booking purposes. One of the main reasons you were hired was to train our treasurer and clerk. I was told I was to be working on cleaning up the accounts to follow Treasury Standards. **Steve Wusterbarth** - What I am driving is to have the issues previously highlighted in audits corrected. The books didn't match the audit report, so I worked on audit cleanup to correct the books. In accounts payable differences in what was entered and paid had to be cleaned up. Payroll had a couple cleanup issues as 2020 was still left. The board is supposed to be reviewing and approving payments which has left Josh without a net as he has been working with one other official checking all accounts payable. I would recommend that Josh run a GL report to check his Accounts Payable.

Training was in process of action to clean up and organize books. **Tim Cummings** - Do you feel when you were working with the treasurer and clerk that they had enlightening

Oscoda Township Regular Board Meeting Minutes

July 21, 2022

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moments? Some as we were correcting issues. Accounts Payable is date driven and sensitive to the dates entered in. The fixed assets where an enlightening moment as we worked through the process of posting them correctly and searching for the information. GASB and Yellow Book set the Standards for Accounting Practices. If a township the size of Oscoda needs to have adjustments, they should be done by a bookkeeper CPA not the Auditors as they are they to review the accounts and a bookkeeper corrects the accounts.

Steve Wusterbarth- Deposits are not appropriately put in the correct funds, 2. We have a very large tendency to overpay, and I wanted to know the process, and 3 Accruals which you have walked me through some.

Mark Sandula – number 2 is being fixed by using the actual invoice on purchase orders and running a GL report monthly for open invoices. Number 1 is being worked on through compliance with Accounting Practices. The biggest recommendation I could make is working with BS&A for usage in the system.

Bill Palmer – When our new election happened Josh gave Bank Reconciliations to the treasurer’s office and took over Accounts Payable. We hired a CPA to assist in learning the processes for these duties.

Mark Sandula- Response to being asked will we need to continue your services once everything is fixed. You shouldn’t need a CPA once the books are cleaned as you had minimal adjustments in both departments. These adjustments should be able to be done by the clerk and treasurer throughout the year as they arise.

Chain of Command Discussion –

Steve Wusterbarth - I think we need to review this to have a clear understanding of who is in charge for the employees. Tammy Kline is the only one who can direct employees, we as a board can only direct Tammy as a board and not individually. Some of the employees are fearful that if they do not support said board member they will be fired, the board cannot fire anyone.

Lisa Hamameh - It is about efficiency, as you have one person to go to who handles the day-to-day operations. All information should come to the superintendent and then to all board members. I as the township attorney represent the entire township and board but cannot speak to a board member individually without the superintendent’s permission.

Tammy Kline – I had a department head meeting on Monday to address these issues. I was told that I have board members that help me get stuff. I do have to make a few adjustments to the organizational chart, and I will bring it before the board one completed.

Public Comment –

Robert Tasior – What was discussed today, if an EIC question comes in or a Zoning question should be directed to The EIC Director or the Zoning Administrator. If board members are asked a specific question about a specific topic that has a

Mark Miller – Accountant for 40 years. I have a question as to if the 2021 audit was better than the 2020 audit.

Board and Staff Comments –

Mr. Wusterbarth- None

Mr. Cummings- None

Mr. Spencer- I have heard a lot about Bob Stalker and I would like to say, Bob Stalker is not here anymore.

Mr. Palmer- I think as board members we have people from the public approach us with questions all the time and the best advise we can give is to direct them to the proper person or department that handles that. If it is something small that you are confident in answering that is fine. But anything more than that should be directed to the proper people.

Ms. Richards- When asked questions I direct them to the proper department or to Ms. Kline. It was brought to my attention to send out the Superintendent Review

Ms. McGuire-

Mr. Sutton- None

Adjourn – Ms. Richards made a motion to adjourn at 05:30 p.m.

Ann Richards
Supervisor
Charter Township of Oscoda

Joshua Sutton
Clerk
Charter Township of Oscoda

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GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 101 GENERAL/UNALLOCATED							
Dept 000							
101-000-283.100	WARRIOR PAVILION DEP REFUN	GARY KELLAN	WARRIOR PAVILION DEP REFUND	07202022		350.00	
101-000-283.100	WARRIOR PAVILION DEP REFUN	JOHN KRUSE	WARRIOR PAVILION DEP REFUND	07242022		350.00	
101-000-283.100	WARRIOR PAVILION DEP REFUN	SHANEKA BARNES	WARRIOR PAVILION DEP REFUND	07232022		350.00	
Total For Dept 000						1,050.00	
Dept 172 SUPERINTENDENT							
101-172-726.000	COPIER PRINT CHARGES-SUPEF	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		2.65	
Total For Dept 172 SUPERINTENDENT						2.65	
Dept 215 CLERK							
101-215-726.000	COPIER PRINT CHARGES-CLERK	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		6.44	
Total For Dept 215 CLERK						6.44	
Dept 253 TREASURER							
101-253-726.000	COPIER PRINT CHARGES-TREAS	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		26.19	
Total For Dept 253 TREASURER						26.19	
Dept 257 ASSESSOR							
101-257-726.000	COPIER PRINT CHARGES-ASSE	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		45.08	
101-257-826.000	LEGAL SERVICES THROUGH 06/	ROSATI, SCHULTZ, JOPPI	LEGAL SERVICES THROUGH 06/30/2022	1077820		119.00	
Total For Dept 257 ASSESSOR						164.08	
Dept 265 TOWNSHIP HALL & GROUNDS							
101-265-741.000	PROPANE TORCH	JOHNSON AUTO SUPPLY, I	PROPANE TORCH	893711		64.98	
101-265-775.000	WINDOWS IN TWP HALL	TRANS AUTO GLASS CO IN	WINDOW IN TWP HALL	F0004876		411.25	
101-265-801.000	TWN HALL LAWN	TRUGREEN-CHEMLAWN	TWN HALL LAWN	161868450		73.50	
101-265-853.000	TELEPHONE	CHARTER COMMUNICATIONS	4466 MCNICHOL AVE JULY	0049401722		163.93	
Total For Dept 265 TOWNSHIP HALL & GROUNDS						713.66	
Dept 299 UNALLOCATED							
101-299-726.200	COPIER PRINT CHARGES-MAIN	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		114.53	
101-299-801.000	ENGINEERING 06/23/22 TO 07/	RICK A FREEMAN, P.E.	ENGINEERING 06/23/22 TO 07/20/22	1003		2,241.25	
101-299-801.000	PROFESSIONAL SERVICES JUNI	ROWE PROFESSIONAL SERV	PROFESSIONAL SERVICES JUNE 2022	0104166		4,803.00	
101-299-801.000	IT RIGHT - IT SERVICE JULY	VC3 INC.	IT SERVICES JULY 2022	81771		1,650.00	
101-299-826.000	LEGAL SERVICES THROUGH 06/	ROSATI, SCHULTZ, JOPPI	LEGAL SERVICES THROUGH 06/30/2022	1077820		1,292.00	
101-299-880.000	COMMUNITY PROMOTION	CONSUMERS ENERGY	6840 N HURON RD	1000161481710727:		29.24	
Total For Dept 299 UNALLOCATED						10,130.02	
Dept 722 ZONING & PLANNING							
101-722-726.000	COPIER PRINT CHARGES-ZONIN	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		3.74	
101-722-726.000	SUPPLIES CODE OFFICE	QUILL CORPORATION	OFFICE SUPPLIES CODE OFFICE	26352285		31.36	
101-722-801.000	ENGINEERING 06/23/22 TO 07/	RICK A FREEMAN, P.E.	ENGINEERING 06/23/22 TO 07/20/22	1003		247.50	
101-722-826.000	LEGAL SERVICES THROUGH 06/	ROSATI, SCHULTZ, JOPPI	LEGAL SERVICES THROUGH 06/30/2022	1077820		2,006.00	
101-722-960.000	ZONING VIRTUAL CONFERENCE,	MICHIGAN TOWNSHIPS ASS	VIRTUAL CONFERENCE AND BOOK BUNDLE	154400		164.00	
Total For Dept 722 ZONING & PLANNING						2,452.60	
Dept 751 PARKS & RECREATION							
101-751-880.572	ENGINEERING 06/23/22 TO 07/	RICK A FREEMAN, P.E.	ENGINEERING 06/23/22 TO 07/20/22	1003		935.00	
101-751-880.572	IOSCO EXPLORATION TRAIL JU	ROWE PROFESSIONAL SERV	IOSCO EXPLORATION TRAIL SERVICES JU	103985		955.00	
Total For Dept 751 PARKS & RECREATION						1,890.00	
Dept 754 KEN RATLIFF PARK							
101-754-726.000	VACUUM WARRIOR PAVILION	AMAZON CAPITAL SERVICE	VACUUM WARRIOR PAVILION	13VC9DRFFXQG		152.99	
101-754-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	6330 F 41	1000132203040728:		241.30	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 101 GENERAL/UNALLOCATED							
Dept 754 KEN RATLIFF PARK							
101-754-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	6288 F 41	1000132203790728:		51.12	
						445.41	
Total For Dept 754 KEN RATLIFF PARK							
Total For Fund 101 GENERAL/UNALLOCATED						16,881.05	
Fund 207 POLICE FUND							
Dept 000							
207-000-726.000	COPIER PRINT CHARGES-POLIC	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		9.48	
207-000-761.000	POLICE UNIFORMS (SIMMONS)	GALLS INCORPORATED	POLICE UNIFORMS (SIMMONS)	021678040		55.48	
207-000-933.000	POLICE VEHICLE REPAIRS A-	ZUBEK MOTOR SALES	POLICE VEHICLE REPAIRS A-8	235245		368.21	
207-000-980.000	POLICE EQUIPMENT (VEST CA	PRO-TECH SALES	POLICE EQUIPMENT (VEST CARRIER)	777		253.00	
						686.17	
Total For Dept 000							
Total For Fund 207 POLICE FUND						686.17	
Fund 236 PROP OPER & MNTNCE							
Dept 266 PROPERTY O & M MAINTENANCE							
236-266-801.000	ENGINEERING 06/23/22 TO 0	RICK A FREEMAN, P.E.	ENGINEERING 06/23/22 TO 07/20/22	1003		206.25	
236-266-826.000	LEGAL SERVICES THROUGH 06/	ROSATI, SCHULTZ, JOPPI	LEGAL SERVICES THROUGH 06/30/2022	1077820		2,516.00	
						2,722.25	
Total For Dept 266 PROPERTY O & M MAINTENANCE							
Total For Fund 236 PROP OPER & MNTNCE						2,722.25	
Fund 271 LIBRARY							
Dept 000							
271-000-726.000	REIMBURSEMENT FOR MIRACLE	BRENDA GODFREY	REIMBURSEMENT FOR MIRACLE	GRO- LIBRA: 01016645		8.05	
						8.05	
Total For Dept 000							
Total For Fund 271 LIBRARY						8.05	
Fund 509 OLD ORCHARD PARK							
Dept 000							
509-000-726.000	SUPPLIES	CEDAR CREST DAIRY	ICE CREAM & SUPPLIES INV 2569820	2569820		108.12	
509-000-726.000	COPIER PRINT CHARGES - COI	IMAGE BUSINESS SOLUTIO	COPIER PRINT CHARGES	229750		53.57	
509-000-726.000	THERMAL PAPER ROLLS	QUILL CORPORATION	THERMAL PAPER ROLLS INV 26166065	26166065		91.79	
509-000-726.000	SUPPLIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 909495	909495		295.74	
509-000-726.000	SUPPLIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES	874840		232.46	
509-000-728.000	CHIPS	BETTER MADE SNACK FOOD	SNACKS INV 5262219213	5262219213		350.68	
509-000-728.000	SNACKS	BETTER MADE SNACK FOOD	SNACKS INV 5262219214	5262219214		10.16	
509-000-728.000	ICE CREAM	CEDAR CREST DAIRY	ICE CREAM	2566212		323.52	
509-000-728.000	DAIRY	CEDAR CREST DAIRY	ICE CREAM & DAIRY INV2568591	2568591		259.90	
509-000-728.000	CANDY	CONNELLY DISTRIBUTORS	CANDY & SUPPLIES INV 13649	13649		374.30	
509-000-728.000	BEVERAGES	GRIFFIN BEVERAGE COMPA	BEVERAGES INV 701763	701763		910.74	
509-000-728.000	BEVERAGES	PEPSI-COLA	BEVERAGES INV 35563404	35563404		608.60	
509-000-728.000	GROCERIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 909495	909495		734.39	
509-000-728.000	GROCERIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 889492	889492		817.31	
509-000-728.000	GROCERIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES	874840		632.43	
509-000-728.000	ICE	THE HOME CITY ICE COMP	ICE INV 6540220675	6540220675		292.94	
509-000-728.000	ICE	THE HOME CITY ICE COMP	ICE INV 6088221838	6088221838		730.07	
509-000-728.000	ICE	THE HOME CITY ICE COMP	ICE INV 6540220604	6540220604		951.66	
509-000-728.000	ICE	THE HOME CITY ICE COMP	ICE INV 6088221792	6088221792		1,284.47	
509-000-728.000	ICE	THE HOME CITY ICE COMP	ICE INV 6088221803	6088221803		453.85	
509-000-728.000	STORE SUPPLIES	WILCOR INTERNATIONAL,	STORE SUPPLIES INV 833216	833216		173.94	
509-000-728.000	STORE SUPPLIES	WILCOR INTERNATIONAL,	STORE SUPPLIES INV 833217	833217		297.22	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 509 OLD ORCHARD PARK							
Dept 000							
509-000-729.000	ICE CREAM	CEDAR CREST DAIRY	ICE CREAM	2566212		1,133.48	
509-000-729.000	ICE CREAM & DELIVERY	CEDAR CREST DAIRY	ICE CREAM & DAIRY INV2568591	2568591		1,706.67	
509-000-729.000	ICE CREAM	CEDAR CREST DAIRY	ICE CREAM & SUPPLIES INV 2569820	2569820		874.95	
509-000-729.000	SUPPLIES	CONNELLY DISTRIBUTORS	CANDY & SUPPLIES INV 13649	13649		96.00	
509-000-729.000	CRAWLERS	GORDON'S BAIT SHOP	BAIT INV 7244-40	724440		450.00	
509-000-729.000	BABIES	GORDON'S BAIT SHOP	BAIT INV 8131-22	813122		50.00	
509-000-729.000	CRAWLERS	GORDON'S BAIT SHOP	BAIT INV 7252-40	725240		430.00	
509-000-729.000	CORD WOOD	LUMBER TRIPP	WOOD	07022022		60.00	
509-000-729.000	WOOD CORD	LUMBER TRIPP	WOOD	07172022		130.00	
509-000-729.000	GROCERIES & FUEL	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 909495	909495		255.58	
509-000-729.000	GROCERIES & FUEL & DELIVE	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 889492	889492		110.89	
509-000-729.000	GROCERIES & FUEL & DELIVE	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES	874840		84.89	
509-000-729.000	STORE SUPPLIES & FREIGHT	WILCOR INTERNATIONAL,	STORE SUPPLIES INV 833216	833216		355.17	
509-000-729.000	STORE SUPPLIES	WILCOR INTERNATIONAL,	STORE SUPPLIES INV 833217	833217		626.20	
509-000-890.000	TREE TRIMMING & REMOVAL	A-TON TREE	TREE REMOVAL & TRIMMING OOP	06092022		1,450.00	
509-000-931.000	MAINT SUPPLIES	ROGERS HARDWARE	MAINT SUPPLIES INV 01019371	01019371		80.96	
Total For Dept 000						17,882.65	
Total For Fund 509 OLD ORCHARD PARK						17,882.65	
Fund 590 SEWER							
Dept 000							
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4221 PERIMETER RD	1000003394890725:		679.18	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	5176 HAMILTON ST #4	1000003392570725:		761.14	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	2998 HUNT	1000003390590725:		2,677.14	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4877 ERIE ST #9	1000170610760728:		46.54	
Total For Dept 000						4,164.00	
Total For Fund 590 SEWER						4,164.00	
Fund 591 WATER							
Dept 000							
591-000-726.000	COPIER PRINT CHARGES-WATE	IMAGE BUSINESS Solutio	COPIER PRINT CHARGES	229750		6.28	
591-000-821.100	PROFESSIONAL SERVICES JUN	ROWE PROFESSIONAL SERV	PROFESSIONAL SERVICES JUNE 2022 WAT	0104119		6,560.00	
591-000-826.000	LEGAL SERVICES THROUGH 06/	ROSATI, SCHULTZ, JOPPI	LEGAL SERVICES THROUGH 06/30/2022	1077820		255.00	
591-000-921.000	UTILITIES - ELECTRIC	CONSUMERS ENERGY	6591 F 41	1000443244550728:		29.24	
Total For Dept 000						6,850.52	
Total For Fund 591 WATER						6,850.52	

07/28/2022 02:20 PM
User: JOSHUASUTTONCI
DB: Oscoda

INVOICE GL DISTRIBUTION REPORT FOR OSCODA TOWNSHIP
EXP CHECK RUN DATES 07/27/2022 - 07/27/2022
BOTH JOURNALIZED AND UNJOURNALIZED
BOTH OPEN AND PAID

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
			Fund Totals:				
			Fund 101 GENERAL/UNALLOCATED			16,881.05	
			Fund 207 POLICE FUND			686.17	
			Fund 236 PROP OPER & MNTNCE			2,722.25	
			Fund 271 LIBRARY			8.05	
			Fund 509 OLD ORCHARD PARK			17,882.65	
			Fund 590 SEWER			4,164.00	
			Fund 591 WATER			6,850.52	
			Total For All Funds:			<hr/>	49,194.69

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 101 GENERAL/UNALLOCATED							
Dept 000							
101-000-283.100	DEPOSITS PAYABLE	BONNY GAUTHIER	WARRIOR PAVILION DEP REFUND	07292022		350.00	
						<u>350.00</u>	
Total For Dept 000						350.00	
Dept 265 TOWNSHIP HALL & GROUNDS							
101-265-741.000	SHOP TOOLS	JOHNSON AUTO SUPPLY, I	TORQUE WRENCH	891537		25.00	
101-265-775.000	SHOP SUPPLIES	FASTENAL COMPANY	ELECTRIC CONNECTORS	39068		133.96	
101-265-775.000	SHOP SUPPLIES	JOHNSON AUTO SUPPLY, I	SHOP SUPPLIES	894038		205.48	
101-265-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	415 N LAKE ST	1000192203650730:		29.51	
101-265-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	6703 N PERIMETER RD	1000173062990730:		32.56	
101-265-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	110 S STATE ST	1000189346850801:		1,540.11	
101-265-933.000	MIRROR FOR TRUCK	JOHNSON AUTO SUPPLY, I	MIRROR FOR TRUCK	889635		19.99	
101-265-956.000	SEWER CLEAN TWP HALL	OSCODA SEPTIC TANK SER	SEWER TWP HALL	398719		200.00	
						<u>2,186.61</u>	
Total For Dept 265 TOWNSHIP HALL & GROUNDS						2,186.61	
Dept 276 CEMETERY							
101-276-775.000	REDI MIX	LAKESHORE CEMENT PRODU	BAG OR REDI MIX	19857		40.32	
101-276-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	1356 ADAMS RD	1000198154570730:		38.93	
101-276-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	1361 ADAMS RD	1000198186630730:		33.12	
						<u>112.37</u>	
Total For Dept 276 CEMETERY						112.37	
Dept 299 UNALLOCATED							
101-299-880.000	FLAG	CARROT TOP INDUSTRIES,	FLAG	108103		414.24	
101-299-880.000	COMMUNITY PROMOTION	CONSUMERS ENERGY	104 W DWIGHT ST	1000185954110730:		29.24	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	109 E RIVER RD	1000188268650730:		41.57	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	105 N LAKE ST	1000678482570730:		38.10	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	5230 N US HIGHWAY 23	1000665211780730:		47.24	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	106 N STATE ST	1000189360370730:		31.04	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	300 STATE ST SW #2	1000189362920730:		75.75	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	102 EVERGREEN AVE	1000190291210730:		30.91	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	112 W RIVER RD	1000386190350730:		14.03	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	100 PACK ST	1000665211860730:		54.66	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	103 E DWIGHT ST	1000185953380801:		114.38	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	112 E RIVER RD	1000188267410801:		38.10	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	212 CANADA ST	1000189676510801:		29.81	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	101 E DIVISION AVE	1000190742670801:		74.65	
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	210 W RIVER RD	1000192494300801:		35.74	
101-299-956.000	MISCELLANEOUS	PITNEY BOWES	PITNEY BOWES GLOBAL FINANCIAL SERVI	3316063105		735.48	
						<u>1,804.94</u>	
Total For Dept 299 UNALLOCATED						1,804.94	
Dept 336 FIRE DEPARTMENT							
101-336-751.000	OTFD FUEL	WEX BANK	WEX GAS JULY 2022	82765434		691.92	
						<u>691.92</u>	
Total For Dept 336 FIRE DEPARTMENT						691.92	
Dept 722 ZONING & PLANNING							
101-722-860.000	SUPERINTENDENT FUEL	WEX BANK	WEX GAS JULY 2022	82765434		84.01	
						<u>84.01</u>	
Total For Dept 722 ZONING & PLANNING						84.01	
Dept 751 PARKS & RECREATION							
101-751-751.000	DPW FUEL	WEX BANK	WEX GAS JULY 2022	82765434		2,479.14	
101-751-775.000	WEED CONTROL FURTAW FEILD	TRUGREEN-CHEMLAWN	WEED FURTAW FEILD	162108683		453.17	
101-751-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	3921 E PERIMETER RD	1000173059860730:		77.41	
101-751-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	304 W RIVER RD	1000188440330801:		52.22	
101-751-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	304 E RIVER RD BATH HOUSE	1000192702950801:		169.07	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 101 GENERAL/UNALLOCATED							
Dept 751 PARKS & RECREATION							
101-751-930.000	WEED CONTROL SPORTS COMPLE	TRUGREEN-CHEMLAWN	WEED CONTROL SPORTS COMPLEX	162095956		482.27	
						<hr/>	
Total For Dept 751 PARKS & RECREATION						3,713.28	
Dept 753 FOOTE SITE PARK							
101-753-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	1695 E RIVER RD	1000205337640730:		37.00	
						<hr/>	
Total For Dept 753 FOOTE SITE PARK						37.00	
Dept 754 KEN RATLIFF PARK							
101-754-931.000	SINK FOR RATLIFF	DESIGN INDUSTRIAL	SINK FOR RATLIFF PARK	07212022		321.38	
						<hr/>	
Total For Dept 754 KEN RATLIFF PARK						321.38	
<hr/>							
Total For Fund 101 GENERAL/UNALLOCATED						9,301.51	
Fund 207 POLICE FUND							
Dept 000							
207-000-751.000	OTPD FUEL	WEX BANK	WEX GAS JULY 2022	82765434		5,716.03	
						<hr/>	
Total For Dept 000						5,716.03	
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Total For Fund 207 POLICE FUND						5,716.03	
Fund 236 PROP OPER & MNTNCE							
Dept 266 PROPERTY O & M MAINTENANCE							
236-266-801.000	SOCIAL DISTRICT SIGNS	DORNBOS SIGN, INC	SOCIAL DISTRICT SIGNS	63745		142.80	
						<hr/>	
Total For Dept 266 PROPERTY O & M MAINTENANCE						142.80	
Dept 269							
236-269-921.000	UTILITIES - ELECTRIC	CONSUMERS ENERGY	4000 SKEEL AVE	1000173065470730:		60.53	
						<hr/>	
Total For Dept 269						60.53	
<hr/>							
Total For Fund 236 PROP OPER & MNTNCE						203.33	
Fund 271 LIBRARY							
Dept 000							
271-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	6010 N SKEEL AVE ROBERT J PARKS LIB:	1000173067450730:		685.12	
						<hr/>	
Total For Dept 000						685.12	
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Total For Fund 271 LIBRARY						685.12	
Fund 509 OLD ORCHARD PARK							
Dept 000							
509-000-751.000	OOP FUEL	WEX BANK	WEX GAS JULY 2022	82765434		2,142.83	
509-000-818.000	PORT A POT EMPTY	OSCODA SEPTIC TANK SER	PORT A POT EMPTY	07132022		50.00	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	835 E RIVER RD	1000205315030730:		3,622.79	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	837 E RIVER RD	1000205316850730:		890.42	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	883 E RIVER RD	1000205323780730:		602.20	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	889 E RIVER RD	1000205326260730:		375.70	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	635 W RIVER RD	1000205618310730:		214.20	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	791 E RIVER RD	1000205621770730:		1,002.30	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	1001 E RIVER RD	1000205329800730:		1,343.00	
509-000-930.000	TOILET PAPER	KSS ENTERPRISES	CLEANING SUPPLIES INV 1398487	1398487		294.89	
509-000-931.000	WATER HEATER REPAIR	HURON SHORES PLUMBING	WATER HEATER REPAIR INV 9178	9178		240.00	
						<hr/>	
Total For Dept 000						10,778.33	
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Total For Fund 509 OLD ORCHARD PARK						10,778.33	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 590 SEWER							
Dept 000							
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	421 W MICHIGAN AVE	1000187020660730:		48.06	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	719 W RIVER RD #7	1000188299430730:		69.26	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4107 E RIVER RD #6	1000201604100730:		62.60	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4781 N COLORADO ST	1000180505730730:		334.37	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	5621 N IDAHO ST	1000181828300730:		66.48	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	210 OTTAWA CT #3	1000188211300730:		48.20	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4499 MCNICHOL AVE	1000192211080730:		367.67	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	3782 CREW ST	1000635233180730:		33.28	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4466 MCNICHOL AVE	1000002621030730:		88.21	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4367 BUDZIAK RD UNIT 8	1000171660730730:		84.21	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4181 FOREST RD	1000173028920730:		49.16	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	6197 HOBAY CT	1000173038410730:		34.50	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	3525 E HUNT DR	1000173038900730:		33.67	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	5861 N MISSION ST	1000173054730730:		44.74	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	3930 E PERIMETER RD	1000173061250730:		89.31	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	6250 N PRIDE RD	1000173064220730:		36.45	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	4451 F 41 #5	1000175763700730:		63.58	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	3941 BISSONETTE RD BLDG 9012	1000179382990730:		45.16	
590-000-921.100	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	202 E DWIGHT ST	1000191037360801:		55.27	
Total For Dept 000						1,654.18	
Total For Fund 590 SEWER						1,654.18	
Fund 591 WATER							
Dept 000							
591-000-921.000	UTILITIES - ELECTRIC	CONSUMERS ENERGY	3820 E RIVER RD	1000201272600730:		149.33	
Total For Dept 000						149.33	
Total For Fund 591 WATER						149.33	

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DB: Oscoda

INVOICE GL DISTRIBUTION REPORT FOR OSCODA TOWNSHIP
EXP CHECK RUN DATES 08/01/2022 - 08/01/2022
BOTH JOURNALIZED AND UNJOURNALIZED
BOTH OPEN AND PAID

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
			Fund Totals:				
			Fund 101 GENERAL/UNALLOCATED			9,301.51	
			Fund 207 POLICE FUND			5,716.03	
			Fund 236 PROP OPER & MNTNCE			203.33	
			Fund 271 LIBRARY			685.12	
			Fund 509 OLD ORCHARD PARK			10,778.33	
			Fund 590 SEWER			1,654.18	
			Fund 591 WATER			149.33	
			Total For All Funds:			<hr/>	28,487.83

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #	
Fund 101 GENERAL/UNALLOCATED								
Dept 000								
101-000-283.100	WARRIOR PAVILION DEP REFUND	TINA JACKSON	WARRIOR PAVILION DEP REFUND	08032022		350.00		
	Total For Dept 000						350.00	
Dept 172 SUPERINTENDENT								
101-172-726.000	MXB450P-ADMIN PRINTER	WELLS FARGO VENDOR	FIN COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		22.50		
	Total For Dept 172 SUPERINTENDENT						22.50	
Dept 215 CLERK								
101-215-726.000	MX B450P-CLERKS PRINTER	WELLS FARGO VENDOR	FIN COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		22.50		
	Total For Dept 215 CLERK						22.50	
Dept 253 TREASURER								
101-253-726.000	MX 3071-TREASURERS COPIER	WELLS FARGO VENDOR	FIN COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		159.45		
	Total For Dept 253 TREASURER						159.45	
Dept 257 ASSESSOR								
101-257-726.000	MX B450P-ASSESOR PRINTER	WELLS FARGO VENDOR	FIN COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		178.47		
101-257-801.100	ASSESSING SERVICES FOR JUN	NORTHERN ASSESSING	CON ASSESSING SERVICES FOR JULY	9053102		15,000.00		
	Total For Dept 257 ASSESSOR						15,178.47	
Dept 262 ELECTIONS								
101-262-890.000	FLAG & INDOOR FLAG POLE	SFCARROT TOP INDUSTRIES, FLAG		108942		287.51		
	Total For Dept 262 ELECTIONS						287.51	
Dept 265 TOWNSHIP HALL & GROUNDS								
101-265-775.000	INVOICE 222877 GARDENING TAUSABLE	HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		270.12		
101-265-801.000	TOWNSHIP HALL- SEPT, OCT, MCD	SECURITY INC	TOWNSHIP HALL- SEPT, OCT, NOV	2348		78.00		
101-265-890.000	INVOICE 229408 DRIVEWAY SE	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		12.70		
101-265-922.000	UTILITIES - GAS	DTE ENERGY	110 S STATE ST TWP HALL	9100207657800804:		80.89		
101-265-930.000	INVOICE 227887 S TRAP/FAUC	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		107.01		
101-265-931.000	INVOICE 226048 DISH SOAP	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		13.97		
101-265-931.000	CONTROLERS FOR SPRINKLING	RAINDANCE	CONTROLERS FOR BEACH AND TWN HALL	2287		469.72		
	Total For Dept 265 TOWNSHIP HALL & GROUNDS						1,032.41	
Dept 276 CEMETERY								
101-276-726.000	INVOICE 225550 STAKE FLAG	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		44.95		
	Total For Dept 276 CEMETERY						44.95	
Dept 299 UNALLOCATED								
101-299-726.200	MX 6071-MAIN COPIER	WELLS FARGO VENDOR	FIN COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		291.26		
101-299-801.000	ANNUAL SERVICE/SUPPORT FEE	BS&A SOFTWARE	ANNUAL SERVICE/SUPOORT FEES	142644		14,471.00		
101-299-818.000	WASTE DISPOSAL -TWP HALL	WASTE MANAGEMENT	WASTE DISPOSAL JUNE	773152717346		113.68		
101-299-880.000	FIREWORKS LABOR OSCODA BO	OSCODA AREA SCHOOLS	FIREWORKS LABOR OSCODA BOYS SOCCER	07272022		500.00		
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	STREET LIGHTS	1000001531380804:		143.74		
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	STREET LIGHTS	1000001509280804:		133.62		
101-299-926.000	STREET LIGHTS	CONSUMERS ENERGY	48750 LED LIGHT RD	1030346593360804:		1,582.53		
	Total For Dept 299 UNALLOCATED						17,235.83	
Dept 722 ZONING & PLANNING								
101-722-726.000	OFFICE SUPPLIES	QUILL CORPORATION	OFFICE SUPPLIES	26437949/2649327:		62.69		
101-722-726.000	MX B450P-ZONING PRINTER	WELLS FARGO VENDOR	FIN COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		45.00		
101-722-960.000	MAP CONFERENCE BOB, JEFF, MAP		MAP OCTOBER CONFERENCE	67366/67552/6733:		1,305.00		
	Total For Dept 722 ZONING & PLANNING						1,412.69	

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Fund 101 GENERAL/UNALLOCATED							
Dept 751 PARKS & RECREATION							
101-751-726.000	INVOICE 229917 PLUMBING SU	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		73.44	
101-751-775.000	INVOICE 225331 FASTENERS	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		102.05	
101-751-775.000	SAFETY BARRIER	HOME DEPOT CREDIT SERV	SAFETY BARRIER	6070451		269.09	
101-751-818.000	WASTE DISPOSAL -DPW	WASTE MANAGEMENT	WASTE DISPOSAL JUNE	773152717346		458.90	
101-751-922.000	UTILITIES - GAS	DTE ENERGY	300 W RIVER RD	9200032021230804:		42.91	
101-751-930.000	INVOICE 227717 HAND CULTIV	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		20.48	
101-751-933.000	IGN SWITCH	AUTO VALUE OSCODA	IGN SWITCH	2811419866		47.88	
Total For Dept 751 PARKS & RECREATION						1,014.75	
Dept 754 KEN RATLIFF PARK							
101-754-726.000	PAINT FOR BUOYS	ROGERS HARDWARE	PAINT FOR BUOYS RATLIFF	00435356		15.46	
Total For Dept 754 KEN RATLIFF PARK						15.46	
Total For Fund 101 GENERAL/UNALLOCATED						36,776.52	
Fund 207 POLICE FUND							
Dept 000							
207-000-726.000	OFFICE SUPPLIES	QUILL CORPORATION	POLICE DEPT	25713027		49.98	
207-000-726.000	OFFICE SUPPLIES	QUILL CORPORATION	POLICE DEPT	25919649		101.72	
207-000-726.000	MX B450P-SQUAD ROOM PRINTF	WELLS FARGO VENDOR FIN	COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		22.50	
207-000-930.000	INVOICE 222682 ORANGE GROU	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		10.98	
Total For Dept 000						185.18	
Total For Fund 207 POLICE FUND						185.18	
Fund 211 POLICE STAFFING FUND							
Dept 000							
211-000-726.000	MX B450P-SEARGENTS PRINTEF	WELLS FARGO VENDOR FIN	COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		22.50	
Total For Dept 000						22.50	
Total For Fund 211 POLICE STAFFING FUND						22.50	
Fund 236 PROP OPER & MNTNCE							
Dept 266 PROPERTY O & M MAINTENANCE							
236-266-801.000	EID JULY 2022 SERVICES	BLACK SWAMP LOCATION S	EID JULY 2022 SERVICES	0134		10,417.00	
Total For Dept 266 PROPERTY O & M MAINTENANCE						10,417.00	
Dept 269							
236-269-922.000	UTILITIES - GAS	DTE ENERGY	4051 ARROW ST	9100207659880804:		42.91	
Total For Dept 269						42.91	
Total For Fund 236 PROP OPER & MNTNCE						10,459.91	
Fund 271 LIBRARY							
Dept 000							
271-000-726.000	INVOICE 225010 GFCI 20A	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		25.99	
271-000-802.000	WASTE DISPOSAL - LIBRARY	WASTE MANAGEMENT	WASTE DISPOSAL JUNE	773152717346		22.89	
271-000-853.000	LIBRARY PHONE	CHARTER COMMUNICATIONS	6010 SKEEL AVE	0075793072922		49.99	
271-000-922.000	UTILITIES - GAS	DTE ENERGY	6010 N SKEEL AVE BLDG 418	9100020765665080:		44.72	
Total For Dept 000						143.59	
Total For Fund 271 LIBRARY						143.59	
Fund 509 OLD ORCHARD PARK							

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Fund 509 OLD ORCHARD PARK							
Dept 000							
509-000-726.000	RECHARGEABLE BATTERIES	AMAZON CAPITAL SERVICE	RECHARGEABLE BATTERIES INV 1Y67-9M4	1Y679M43HGWH		9.89	
509-000-726.000	OFFICE/STORE SUPPLIES	QUILL CORPORATION	OFFICE/STORE SUPPLIES INV 26258413	26258413		297.23	
509-000-726.000	SUPPLIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 945977	945977		25.22	
509-000-726.000	SUPPLIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 928319	928319		146.61	
509-000-726.000	SHARP PRINTER OOP	WELLS FARGO VENDOR FIN	SHARP PRINTER JULY 2022	5021085458		35.00	
509-000-728.000	SNACKS	BETTER MADE SNACK FOOD	SNACKS INV 5262220610	5262220610		147.72	
509-000-728.000	DAIRY/ICE CREAM	CEDAR CREST DAIRY	ICE CREAM/DAIRY INV 2571056	2571056		435.35	
509-000-728.000	DAIRY/ICE CREAM	CEDAR CREST DAIRY	ICE CREAM/DAIRY INV 2573449	2573449		236.37	
509-000-728.000	BEVERAGES/SNACKS	GRIFFIN BEVERAGE COMPA	BEVERAGES/SNACKS INV 713237	713237		1,006.04	
509-000-728.000	BEVERAGES	PEPSI-COLA	BEVERAGES INV27507453	27507453		1,270.74	
509-000-728.000	GROCERIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 945977	945977		976.27	
509-000-728.000	GROCERIES	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 928319	928319		543.42	
509-000-728.000	ICE 7 POUND	THE HOME CITY ICE COMP	ICE INV 6088222008	6088222008		651.91	
509-000-728.000	ICE 7 POUND	THE HOME CITY ICE COMP	ICE INV 6540220743	6540220743		1,044.63	
509-000-728.000	ICE	THE HOME CITY ICE COMP	ICE INV 6540220657	6540220657		892.07	
509-000-729.000	ICE CREAM/DELIVERY	CEDAR CREST DAIRY	ICE CREAM/DAIRY INV 2571056	2571056		928.36	
509-000-729.000	ICE CREAM/DELIVERY	CEDAR CREST DAIRY	ICE CREAM/DAIRY INV 2573449	2573449		1,974.93	
509-000-729.000	CRAWLERS	GORDON'S BAIT SHOP	BAIT INV 6941-17	694117		240.00	
509-000-729.000	CRAWLERS	GORDON'S BAIT SHOP	BAIT INV 8129-20	812920		230.00	
509-000-729.000	SUPPLIES/FUEL/DELIVERY	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 945977	945977		49.46	
509-000-729.000	SUPPLIES/FUEL/DELIVERY	S ABRAHAM & SONS, INC	GROCERIES & SUPPLIES INV 928319	928319		146.01	
509-000-741.000	BINOCULARS	AMAZON CAPITAL SERVICE	BINOCULARS INV 1G33 RWGP JQ4W	1G33RWGPJQ4W		46.00	
509-000-762.000	SHIRTS	MACAYLLA WILLIAMS	LOGO ON UNIFORM SHIRTS INV 112	112		198.00	
509-000-775.000	CONCRETE REDI-MIX	LAKESHORE CEMENT PRODU	CEMENT PRODUCTS INV 19830	19830		104.52	
509-000-803.000	WATER TEST REIMBURSEMENT	SCOTT, GARY	WATER TEST REIMBURSEMENT INV 300137	300137		34.00	
509-000-818.000	TANKS EMPTIED	OSCODA SEPTIC TANK SER	TANKS EMPTY MULTIPLE LOCATIONS INV	4103		2,650.00	
509-000-818.000	WASTE DISPOSAL - OOP	WASTE MANAGEMENT	WASTE DISPOSAL JUNE	773152717346		1,488.96	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	745 E RIVER RD	1000205624250803:		2,107.19	
509-000-921.000	UTILITIES - ELECTRICITY	CONSUMERS ENERGY	743 E RIVER RD	1000881875860803:		2,278.70	
509-000-930.000	INVOICE 221790 KEY BAR AN	AUSABLE HARDWARE & SUR	JULY INVOICE FOR SUPPLIES AUSABLE H.	07312022		451.86	
509-000-930.000	LAUNDRY SOAP	EAGLE SUPPLY CO.	CLEANING SUPPLIES INV 122823	122823		118.90	
509-000-930.000	CLEANING SUPPLIES	EASTERN SUPPLY PRODUCT	CLEANING SUPPLIES INV 7419	7419		368.37	
509-000-931.000	STEEL & FREIGHT	ALRO STEEL CORPORATION	MAINT SUPPLIES INV CGS6969AL	CGS6969AL		256.27	
509-000-933.000	PRO KIT	AUTO VALUE OSCODA	VEHICLE MAINT INV 281-1420157	2811420157		328.31	
509-000-933.000	28MT 12V START	AUTO VALUE OSCODA	VEHICLE MAINT INV 281-1419886	2811419886		221.19	
509-000-933.000	SHIFT SELECTOR CABLE	AUTO VALUE OSCODA	VEHICLE PARTS INV 281-1419797	2811419797		192.12	
509-000-933.000	INTERSTATE BATTERY	AUTO VALUE OSCODA	BATTERY INV 281-1419461	2811419461		99.50	
509-000-933.000	TUBE	HART TIRE CENTER	TUBES INV 105499	105499		25.00	
			Total For Dept 000			22,256.12	
			Total For Fund 509 OLD ORCHARD PARK			22,256.12	
Fund 590 SEWER							
Dept 000							
590-000-726.000	MX B450P-WATER DEPT PRINTF	WELLS FARGO VENDOR FIN	COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		11.25	
590-000-801.100	ANNUAL SERVICE/SUPPORT FEES	BS&A SOFTWARE	ANNUAL SERVICE/SUPOORT FEES	142644		780.50	
590-000-922.100	UTILITIES - GAS	DTE ENERGY	4466 MCNICHOL AVE	9100020765533		43.82	
			Total For Dept 000			835.57	
			Total For Fund 590 SEWER			835.57	
Fund 591 WATER							
Dept 000							

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 591 WATER							
Dept 000							
591-000-726.000	MX B450P - WATER DEPT PRINWELLS FARGO VENDOR FIN		COPIER/PRINTER LEASE PAYMENTS JULY	5021085457		11.25	
591-000-775.000	FTSS- 14.40 X 6	FERGUSON WATERWORKS	FERGUSON WATERWORKS CURB STOPS	0155991		3,272.77	
591-000-775.000	FC2A-15.70 X 15.70 COUP	FERGUSON WATERWORKS	FERGUSON WATERWORKS CURB STOPS	01534192		1,075.20	
591-000-775.000	LF 1 CTS X CTS QJ BALL CUF	FERGUSON WATERWORKS	FERGUSON WATERWORKS CURB STOPS	01424623		1,436.93	
591-000-800.300	BACHMAN WATERMAIN PROJECT RCL CONSTRUCTION CO		BACHMAN WATERMAIN PROJECT	2075		984.08	
591-000-801.000	ENGINEERING 06/23/22 TO O'RICK A FREEMAN, P.E.		ENGINEERING 06/23/22 TO 07/20/22 DW	1003		1,031.25	
591-000-801.100	ANNUAL SERVICE/SUPPORT FEES	BS&A SOFTWARE	ANNUAL SERVICE/SUPOORT FEES	142644		780.50	
591-000-900.000	WATER ADVERTISING	IOSCO NEWS PRESS PUB C	ADVERTISING	303738670		312.38	
591-000-900.000	WATER ADVERTISING	IOSCO NEWS PRESS PUB C	ADVERTISING	303735928		312.38	
			Total For Dept 000			9,216.74	
			Total For Fund 591 WATER			9,216.74	

08/04/2022 02:59 PM
User: JOSHUASUTTONCI
DB: Oscoda

INVOICE GL DISTRIBUTION REPORT FOR OSCODA TOWNSHIP
EXP CHECK RUN DATES 08/09/2022 - 08/09/2022
BOTH JOURNALIZED AND UNJOURNALIZED
BOTH OPEN AND PAID

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
			Fund Totals:				
			Fund 101 GENERAL/UNALLOCATED			36,776.52	
			Fund 207 POLICE FUND			185.18	
			Fund 211 POLICE STAFFING FUND			22.50	
			Fund 236 PROP OPER & MNTNCE			10,459.91	
			Fund 271 LIBRARY			143.59	
			Fund 509 OLD ORCHARD PARK			22,256.12	
			Fund 590 SEWER			835.57	
			Fund 591 WATER			9,216.74	
			Total For All Funds:			<u>79,896.13</u>	

Post Date	Journal	Description	GL Number	GL Description	DR Amount	CR Amount
07/28/2022	CD	ROWE PROFESSIONAL SERVICES COMPANY	Check: CWSRF 1022 (E)			
AP Trx #: 82355		540 S SAGINAW ST SUITE 200 FLINT MI 48502				
		ROWE INVOICE 0104083	590-000-010.004	CWSRF - CASH		49,411.25
		ROWE INVOICE 0104083	590-000-310.400	CWSRF - BOND PAYABLE	49,411.25	
					<u>49,411.25</u>	<u>49,411.25</u>
					<u>49,411.25</u>	<u>49,411.25</u>
TOTALS:		CWSRF - CASH	590-000-010.004			49,411.25
		CWSRF - BOND PAYABLE	590-000-310.400		49,411.25	
		GRAND TOTAL:			<u>49,411.25</u>	<u>49,411.25</u>

CHARTER TOWNSHIP OF OSCODA
Superintendent's Report
August 8, 2022

ACTION ITEMS

Phase III Water Main Improvement Projects Proposal:

Your packet contains a proposal from Rowe Professional services for the upcoming Phase III water main improvement project. This project involves approximately 6,000 feet of 8 inch water main.

The Phase III Water Main Improvement Project was recently bundled together and consists of Phases A, F, and Woodland Drive. Each of these projects were designed under separate agreements but for lack of funding were not constructed.

Rowe has provided a fee breakdown for this project in the amount of **\$133,125.00** which includes re-bundling unconstructed previous phases into a single package, permit applications for water main construction, work within state, county, railroad rights-of-way, and soil erosion control.

Action: I would ask that the Board approve the proposal from Rowe Professional Services in the amount of \$133,125.00 which can be reimbursed for through the C2R2 grant from the State of Michigan.

THIRD AMENDMENT TO OLD ORCHARD PARK AND FOOTE SITE PARK LEASE –

Your packet contains a third amendment to the original lease contract proposed by Consumer's Energy. This amendment would provide the FHWA's current requirement for the Iosco Exploration Trail which is needed for the MDOT bid letting and provide the Township with a lease extension for Foote Site and Old Orchard Park until 2034.

Action: I would ask that the Board approve the 3rd Amendment to Lease with Consumer's Energy for Foote Site Park and Old Orchard Park.

Respectfully Submitted,



Tammy Kline



July 28, 2022

Ms. Tammy Kline, Superintendent
Oscoda Township
110 State Street
Oscoda Township, MI 48750

RE: Oscoda Township Phase III Water Main Improvement Projects
Construction Engineering Services

Dear Ms. Kline:

ROWE Professional Services Company previously prepared applications for funding for proposed extension projects Phases A through H through the Michigan Department of Environment, Great Lakes, and Energy (EGLE) State Drinking Water Revolving Fund (DWRf) program and the Consolidation and Contamination Risk Reduction (C2R2) Grant program. In addition, an application for U.S. Department of Agriculture (USDA) Rural Development (RD) funding assistance were prepared and submitted. Projects have been broken down into various sizes and grouped together into single projects depending on the level of funding made available over the past few years.

The Phase III Water Main Improvement Project was recently bundled together and consists of Phases A, F, and Woodland Drive (Phase II, 2019). Each of these projects were designed under separate agreements but for lack of funding were not constructed. Therefore, individual construction engineering cost were not developed for Phase A or Woodland Drive. Only Phase F had a construction engineering cost developed in our proposal dated June 23, 2021, for phases C through H.

This proposal is for construction engineering services for the Phase III Water main improvement project and will involve the construction of approximately 6,000 feet of 8-inch water main as described below.

Phase A Project

1. 740 feet of new 8-inch water main along Oscoda Street west of Cedar Lake Road to west end cul-de-sac.
2. 710 feet of new 8-inch water main along Van Etten Drive from south end cul-de-sac to north end cul-de-sac.
3. 2,700 feet of new 8-inch water main along Oak Lane from Cedar Lake Road to south end cul-de-sac.

Flint, MI (HQ): 540 S. Saginaw Street, Suite 200, 48502 | Phone: (810) 341-7500

Civil Engineering | Surveying | Landscape Architecture | Aerial Imagery/Mapping | Planning

Flint, MI (HQ) | Lapeer, MI | Farmington Hills, MI | Kentwood, MI | Mt. Pleasant, MI | Grayling, MI | Myrtle Beach, SC | www.rowepsc.com

Ms. Tammy Kline, Interim Superintendent
July 28, 2022
Page 2

Phase F Project

- Extend Washington Avenue 8-inch water main 160 feet north to Fullerton Street.
- 114 feet of new 8-inch water main along Fullerton Road from Washington Avenue east end of Fullerton Road.

Woodland Drive Project

- 1,400 feet of new 8-inch water main along Woodland Drive from east of Interlake Road approximately 150 feet south of Loud Drive.

Our fee for construction engineering services for Phase III water main project is **\$133,125** (see attached fee breakdown). This fee includes re-bundling unconstructed previous phases into a single package, permit applications for water main construction, work within state, county, railroad rights-of-way, and soil erosion control (permit fees to be paid by the township).

ROWE looks forward to another successful project with the township. If you have any questions, concerns, or require additional information, please do not hesitate to contact me at (810) 341-7500.

Sincerely,
ROWE Professional Services Company

Dean A. Oparka
Digitally signed by Dean A. Oparka
DN: cn=J.S. E=deoparka@roweps.com,
o=ROWE Professional Services Company,
ou=Design Services, cn=Dean A. Oparka
Date: 2022.08.03 11:09:37-0400

Dean A. Oparka, PE
Project Manager

Digitally signed by David
Richmond, P.E.
Date: 2022.08.03
11:12:38-04'00'

David Richmond, PE
Senior Project Manager

Attachment

**OSCODA TOWNSHIP
PHASE III WATER MAIN PROJECTS
Professional Engineering Fee Breakdown**

CONSTRUCTION ENGINEERING SERVICES:

1. Survey Construction Staking
 - Stake proposed water main alignment.
 - Stake location of proposed bends, tees, crosses, valves, and hydrant.
 - Stake road centerline alignment and provide grade stakes.

2. Construction Observation and Testing
 - Attend progress meetings.
 - Measure and track contract quantities daily.
 - Prepare connection detail sketches.
 - Document plan changes for preparation of record drawings.
 - Perform construction concrete, asphalt, and density testing services.
 - Verify construction compliance with contract specifications.
 - Prepare Observer Daily Reports (ODRs).

3. Contract Administration
 - Review material shop drawings for compliance with contract documents.
 - Verify project quantities with Contractor.
 - Process pay requests / Change Orders.
 - Record drawings (as-built) preparation.
 - Conduct progress meetings twice a month including preparation of meeting agendas and minutes.

ENGINEERING SERVICES COST BREAKDOWN BY PHASE:

1. Construction Plans and Permitting

- Apply for and secure a Michigan Department of Environmental, Great Lakes, and Energy (EGLE) Water Main Construction Permit.
- Apply for and secure an Iosco County Road Commission Right-of-Way Construction Permit.
- Apply for and secure an Iosco County Soil Erosion and Sedimentation Control (SESC) Permit.
- Perform an internal Quality Assurance and Quality Control (QA/QC) Review.
- Prepared final construction drawings and bidding documents.

Permitting & Plans Total **\$12,700**

2. Advertisement, Bidding, Award, and Contract

- Assist the township in advertising the project.
- Respond to contractor questions during the bidding phase, including issuance of addenda, if required.
- Attend the bid opening and assist the township in opening and recording bids.
- Prepare a bid tabulation, evaluate contractor bids, and prepare recommendation of award for a Contractor to construct the project.
- Facilitate a pre-construction meeting and provide meeting minutes.

Bidding & Award Total **\$5,885**

1. Phase A and Woodland Drive

- Task 1 – Construction Staking **\$6,000**
- Task 2 – Construction Administration **\$24,220**
- Task 3 – Construction Observation and Testing **\$68,600**

Construction Services Total **\$98,820**

2. Phase F (Previously Submitted)

- Task 1 – Construction Staking **\$1,250**
- Task 2 – Construction Administration **\$2,600**
- Task 3 – Construction Observation and Testing **\$11,870**

Construction Services Total **\$15,720**

PROFESSIONAL ENGINEERING SERVICES FEE TOTAL **\$133,125**

The construction cost breakdown above is based on an anticipated 10-week schedule to construct the project. Where additional time to construct is identified or becomes necessary, our fee to extend construction services will be submitted by ROWE to the township for approval before proceeding with said additional work.

Sent via email
August 1, 2022

Charter Township of Oscoda
Attn: Rick Freeman
110 S. State St
Oscoda, MI 48750
FreemanR@OscodaTownshipMi.gov

RE: FOOTE HYDROELECTRIC PROJECT, FILE 2436-06
OLD ORCHARD PARK & FOOTE SITE PARK
3RD AMENDMENT TO LEASE

Enclosed is an amendment to the current Lease Agreement to Charter Township of Oscoda for Old Orchard Park and Footesite Park. This 3rd Lease amendment reflects a revision to extend the lease to June 30, 2034.

After the amendment has been endorsed, with notarization, on behalf of Oscoda Township, return a copy to me at brooke.mctaggart@cmsenergy.com. After the amendment has been signed by Consumers Energy, we will return a fully executed copy to you.

Contact me with any questions or concerns.

/s/ Brooke McTaggart
Brooke McTaggart

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE (hereinafter this "Amendment") is made as of this 1st day of August 2022, between CONSUMERS ENERGY COMPANY, a Michigan corporation, One Energy Plaza, Jackson, Michigan 49201, hereafter called "Lessor" and CHARTER TOWNSHIP OF OSCODA, a Michigan municipal corporation, 110 South State Street, Oscoda, Michigan 48750, hereafter called "Lessee".

WHEREAS, Lessor and Lessee entered into a certain lease dated January 1, 1997 and as amended June 20, 2006 and April 30, 2014 (hereinafter collectively "Lease") for certain described recreational purposes on certain land located in Iosco.

WHEREAS, Lessor and Lessee desire to further amend the Lease to extend the term of the Lease until June 30, 2034.

NOW, THEREFORE, Lessor and Lessee mutually agree that said Lease shall be amended as follows:

1. Lessor and Lessee mutually agree that the Lease shall be amended to extend the Lease to end at midnight on June 30, 2034.

In all other respects, the Lease shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Amendment as of the day and year first above written.

CONSUMERS ENERGY COMPANY

By: _____
Matthew Carmer

Its: Natural Resource Manager _____

Date: _____

CHARTER TOWNSHIP OF OSCODA

By: _____

Its: _____

By: _____

Its: _____

STATE OF MICHIGAN
COUNTY OF WEXFORD

The foregoing instrument was acknowledged before me this ____ day of _____, 2022 by Mathew Carmer, Natural Resource Manager of CONSUMERS ENERGY COMPANY, a Michigan corporation, on behalf of the corporation.

Notary Public

County, Michigan
Acting in _____ County
My Commission Expires: _____

STATE OF MICHIGAN
COUNTY OF IOSCO

The foregoing instrument was acknowledged before me this _____ day of _____, 2022 by _____, of CHARTER TOWNSHIP OF OSCODA, a Michigan Municipal corporation.

Notary Public

County, Michigan
Acting in _____ County
My Commission Expires: _____

SECOND AMENDMENT TO LEASE
File Number 2436-06

THIS AMENDMENT is made as of this 30th day of April, 2014, between CONSUMERS ENERGY COMPANY, a Michigan corporation, One Energy Plaza, Jackson, Michigan 49201, hereafter called "Lessor" and the CHARTER TOWNSHIP OF OSCODA, a Michigan municipal corporation, 110 South State Street, Oscoda, Michigan 48750, hereafter called "Lessee".

WHEREAS, Lessor and Lessee entered into a certain Lease dated January 1, 1997, as amended by First Amendment to Lease dated June 20, 2006, for certain described recreational purposes on certain land in Iosco County (collectively hereinafter "Lease");

WHEREAS, Lessor and Lessee desire to amend the Lease to lower Lessee's annual fund contribution and Lessee's capital fund cap;

NOW, THEREFORE, Lessor and Lessee mutually agree that the Lease shall be amended to replace paragraph 3 of General Terms in its entirety with the following:

3. On or before October 31 of each year during the term of this Lease, Lessee shall deposit into an interest-bearing account in Lessee's name ("the Capital Account"), at a financial institution approved by Lessor, the lesser of: A) the amount of the "Annual Capital Account Contribution", as hereinafter defined, or B) the amount, if any, required to bring the Capital Account, as of January 1st of that lease year, up to the amount of the "Capital Fund Cap", as hereinafter defined. Lessee shall promptly advise Lessor in writing of each such deposit. Lessee shall be required to make such annual deposit into the Capital Account, as herein provided even if the net proceeds of Lessee's operations on the Leased Premises (gross receipts minus operational and maintenance expenses) are insufficient for such purpose. The Annual Capital Account Contribution shall be \$20,000.00 and the Capital Fund Cap shall be the amount of \$100,000.00. The Annual Capital Account Contribution and the Capital Fund Cap shall be adjusted thereafter on each 5-year anniversary date of this Lease to reflect the change in the Consumer Price Index. The adjusted amounts of the Annual Capital Account Contribution and the Capital Fund Cap shall be calculated by multiplying the then-existing amount of each by a number calculated by dividing the value from the Consumer Price Index, all Urban Consumers, U.S. City Average, All Items, as calculated by the Bureau of Labor Statistics of the United States Department of Labor (hereinafter referred to as "the Index"), for the latest month for which the Index has been published as of the date of the adjustment, by the Index value for January 1, 2014 (or for the latest month for which the Index has been published); however, in no event shall either adjusted amount be less than the amount for the preceding period. For example, if the Index value for January 2014 is 233.91, and the Index value for January 2019 is 256.61, the Annual Capital Account Contribution would rise from \$20,000 to \$21,940 [$256.61 \div (233.91 \div 20,000) = 21,940$]. In the event that publication of the Index is at any time discontinued or the basis of the calculation thereof is materially altered, Lessor and Lessee shall select a replacement index and method of utilizing same that are reasonably similar to the Index and method of utilizing the Index to use in determining subsequent adjustments in the amount of the Annual Capital Account Contribution and the Capital Fund Cap.

Funds in the Capital Account shall be used to pay for capital expenditures respecting the Leased Premises ordered by the FERC or any other governmental agency or provided for in the Capital Improvements section of Lessee's approved annual Operating Plan (as required in paragraph 39 below). In the event that a capital expenditure ordered by the FERC or another governmental agency exceeds the balance of the Capital Account, Lessee shall be liable to pay the deficiency for such deficiency for such expenditure, from Lessee's other funds, up to the amount of \$10,000.00 in each year an expenditure in excess of the balance of the Capital Account is made; provided, that Lessee shall not be liable to pay any deficiency until this Lease has been in effect for 2 years. Lessee shall be entitled to retain the balance of the net proceeds of Lessee's operations on the Leased Premises in excess of the amounts required to be paid under this paragraph and paragraph 2 above. Upon termination of this Lease, Lessee shall pay the

balance of the funds in the Capital Account to the Lessor, and such funds shall become Lessor's sole property.

The Lease shall remain unchanged in all other respects and in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Amendment as of the day and year first above written.

CONSUMERS ENERGY COMPANY

By: Richard Castle Jr.
Richard Castle, Jr.

Its: Natural Resource Manager

By: 6-27-14

CHARTER TOWNSHIP OF OSCODA

By: James J. Bair
Its: Twp. Supervisor

By: Christine Canasco
Its: Clerk

STATE OF MICHIGAN
COUNTY OF WEXFORD

The foregoing instrument was acknowledged before me this 27th day of June, 2014 by
Richard Castle, Jr., Natural Resource Manager of CONSUMERS ENERGY COMPANY, a Michigan
corporation, on behalf of the corporation.



BROOKE MCTAGGART
Notary Public, State of Michigan
County of Wexford
My Commission Expires Nov. 18, 2014
Acting in the County of Wexford

Brooke McTaggart
Notary Public
Wexford County, Michigan
Acting in Wexford County
My Commission Expires: 11-18-14

STATE OF MICHIGAN
COUNTY OF IOSCO

The foregoing instrument was acknowledged before me this 13th day of June, 2014 by
James Bayer, Christine Cantoso of the Board of Trustees of the CHARTER
TOWNSHIP OF OSCODA, for the Board.

[Signature]
Notary Public
Iosco County, Michigan
Acting in Iosco County
My Commission Expires: 7-22-2019

FIRST AMENDMENT TO LEASE
File Number 2436-06

THIS AMENDMENT is made as of this 20th day of June, 2006, between CONSUMERS ENERGY COMPANY, a Michigan corporation, One Energy Plaza, Jackson, Michigan 49201, hereafter called "Lessor" and the CHARTER TOWNSHIP OF OSCODA, a Michigan municipal corporation, 110 South State Street, Oscoda, Michigan 48750, hereafter called "Lessee".

WHEREAS, Lessor and Lessee entered into a certain Lease dated January 1, 1997 for certain described recreational purposes on certain land located in Iosco County ("the Lease");

WHEREAS, Lessor and Lessee desire to amend the Lease to extend the term of the Lease an additional 9 years;

NOW, THEREFORE, Lessor and Lessee mutually agree that the Lease shall be amended to extend the term of the Lease to end at midnight on December 31, 2026.

The Lease shall remain unchanged in all other respects.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Amendment as of the day and year first above written.

CONSUMERS ENERGY COMPANY

By: James R Bernier
James R Bernier

Its: Senior Natural Resource Manager

APY'D AS TO FORM
DRL

CHARTER TOWNSHIP OF OSCODA

By: Robert W. Huhler

Its: Supervisor

By: Alan Strickland
Clerk

Its: _____

STATE OF MICHIGAN
COUNTY OF WEXFORD

The foregoing instrument was acknowledged before me this 23rd day of June, 2006 by James R Bernier, Senior Natural Resource Manager of CONSUMERS ENERGY COMPANY, a Michigan corporation, on behalf of the corporation.

LINDA L. McILRATH
Notary Public, State of Michigan
County of Mecosta
My Commission Expires Mar. 16, 2008
Acting in the County of WEXFORD

Linda L. McIlrath
Notary Public
Mecosta County, Michigan
Acting in Wexford County
My Commission Expires: 3/16/08

STATE OF MICHIGAN
COUNTY OF IOSCO

The foregoing instrument was acknowledged before me this 31st day of July, 2006 by Robert Humbel + Alan Strickland, of the Board of Trustees of the CHARTER TOWNSHIP OF OSCODA, for the Board.

Mary Hart
Notary Public
Iosco County, Michigan
Acting in Iosco County
My Commission Expires: 6/12/12

CPC Copy

Special HLF Lease - 1996
Category Public Park
File # 2436-06
Project # 2436
Project Foote

LEASE

This Lease, to be effective as of the 1st day of January, 19 97, is made between CONSUMERS POWER COMPANY, a Michigan corporation (doing business as Consumers Energy Company), 212 West Michigan Avenue, Jackson, Michigan 49201, hereinafter referred to as "Lessor", and the CHARTER TOWNSHIP OF OSCODA, a Michigan municipal corporation, 110 South State Street, Oscoda, Michigan 48750, herein called "Lessee".

WITNESSETH:

In consideration of the rent to be paid and the agreements to be performed by Lessee, as hereinafter set forth, Lessor hereby LETS and LEASES to Lessee, on the terms and conditions hereinafter set forth, the premises described in Exhibit 1 attached hereto (herein called the "Leased Premises"), which lie within the boundaries of the Foote Project ("the Project"), a licensed Federal Energy Regulatory Commission (FERC) Project, Project No. 2436, for the following public recreational purposes, which are to be covered in the annual Operations Plan (Exhibit 2), as hereinafter provided for, using Attachments C and E:

- Campground [on Parcel 1 described in Exhibit 1], including (but not limited to) swimming, picnicking, and boating (with docks)
- Swimming
- Picnicking
- Boating Access [on Parcel 2 described in Exhibit 1], including (but not limited to) swimming, picnicking, and other day use, but without docks
- Marina
- Other: _____

Lessee hereby hires the Leased Premises from Lessor for the term hereinafter specified and, as consideration therefor, agrees to pay rent as hereinafter specified and to perform the conditions hereinafter set forth.

The terms and conditions of this Lease are as follows:

GENERAL TERMS

1. The term of this Lease shall be for 20 years, commencing on the effective date set forth above.
2. As rent for the Leased Premises, Lessee shall annually pay Lessor an amount based on an allocation of the annual expenses Lessor expects to incur in administering the various Leases, Licenses, and License Agreements that Lessor expects to have in place for its FERC-regulated hydro project lands. The amount to be paid for the first year of this Lease shall be \$2,000.00. The amount of annual rent shall be revised in 2002 and every fifth year

thereafter, based on Lessor's projected expenses for the year of the revision. Lessor shall give Lessee written notice of such revisions in the amount of rent at least 30 days before the revised amount goes into effect. Rent shall be due on January 1st of each year this Lease is in effect. As additional rent, Lessee shall pay Lessor the amount of all taxes, assessments (general and special), and other public charges levied upon or assessed against the Leased Premises or arising in respect to the occupancy, use, or possession of the Leased Premises that are assessed and are or become a lien on the Leased Premises during each that this Lease is in effect, such amount being payable annually within 90 days after receipt by Lessee of an invoice therefor from Lessor. Lessor may, at Lessor's discretion, impose a late payment penalty of 1-1/2 percent per month on any unpaid past due rent. The total amount of rent Lessor collects for all hydro land Leases, Licenses, and License Agreements shall not exceed Lessor's costs attributable to those lands and to the administration of those Leases, Licenses, and License Agreements.

3. On or before October 31 of each year during the term of this Lease, Lessee shall deposit into an interest-bearing account in Lessee's name ("the Capital Account"), at a financial institution approved by Lessor, the lesser of: A) the amount of the "Annual Capital Account Contribution", as hereinafter defined, or B) the amount, if any, required to bring the Capital Account, as of January 1st of that lease year, up to the amount of the Capital Fund Cap", as hereinafter defined. Lessee shall promptly advise Lessor in writing of each such deposit. Lessee shall be required to make such annual deposit into the capital Account, as herein provided, even if the net proceeds of Lessee's operations on the Leased Premises (gross receipts minus operational and maintenance expenses) are insufficient for such purpose. For the first 4 years of this Lease, the Annual Capital Account Contribution shall be the amount of \$45,000.00, and the Capital Fund Cap shall be the amount of \$200,000.00. The Annual Capital Account Contribution and Capital Fund Cap shall be adjusted thereafter on each 5-year anniversary date of this Lease to reflect the change in the Consumer Price Index. The adjusted amounts of the Annual Capital Account Contribution and the Capital Fund Cap shall be calculated by multiplying the then-existing amount of each by a number calculated by dividing the value from the Consumer Price Index, all Urban Consumers, City of Detroit, as calculated by the Bureau of Labor Statistics of the United States Department of Labor (hereinafter referred to as "the Index"), for the latest month for which the Index has been published as of the date of adjustment, by the Index value for January 1, 1997 (or for the latest month for which the Index has been published); however, in no event shall either adjusted amount be less than the amount for the preceding period. For example, if the Index value for January, 1997 is 1.332 and the Index value for January, 2002 is 1.358, the Annual Capital Account Contribution would rise from \$45,000.00 to \$45,877.50 [1.358 (the Index value for 1/96) \div 1.332 (the Index value for 1/01) = 1.0195 X $\$45,000.00$ = $\$45,877.50$]. In the event that publication of the Index is at any time discontinued or the basis of the calculation thereof is materially altered, Lessor and Lessee shall select a replacement index and method of utilizing same that are reasonably similar to the Index and method of utilizing the Index to use in determining subsequent adjustments in the amount of the Annual Capital Account Contribution and the Capital Fund Cap.

Funds in the Capital Account shall be used to pay for capital expenditures respecting the Leased Premises ordered by the FERC or any other governmental agency or provided for in the Capital Improvements section of Lessee's approved annual Operating Plan (as required in paragraph 39 below). In the event that a capital expenditure ordered by the FERC or another governmental agency exceeds the balance of the Capital Account, Lessee shall be liable to pay the deficiency for such expenditure, from Lessee's other funds, up to the amount of \$50,000.00 in each year an expenditure in excess of the balance of the Capital Account is

made; provided, that Lessee shall not be liable to pay any deficiency until this Lease has been in effect for 2 years. Lessee shall be entitled to retain the balance of the net proceeds of Lessee's operations on the Leased Premises in excess of the amounts required to be paid under this paragraph and paragraph 2 above. Upon termination of this Lease, Lessee shall pay the balance of the funds in the Capital Account to Lessor, and such funds shall become Lessor's sole property.

FINANCIAL MATTERS; RECORDKEEPING

4. Lessee shall keep a complete and accurate account of records and books and of all receipts and expenditures concerning its operations on the Leased Premises. Lessee shall have such books and records audited annually and shall provide a copy of such audit (which shall report separately on Old Orchard Park and the Foote Site) to Lessor within 90 days of the end of each fiscal year (which runs from January 1 to December 31). In addition, Lessee's financial records shall be open during regular business hours for examination by Lessor or Lessor's agents for the purpose of inspecting, auditing, verifying, or copying the same or making extracts therefrom. Lessor shall treat as confidential all financial information so obtained. Lessee shall retain all such books and records for at least 5 years following the end of the year involved, unless Lessor authorizes other disposition of such books and records in writing.

5. All financial transactions respecting Lessee's operations on the Leased Premises shall be recorded. Separate records shall be kept for Old Orchard Park and for the Foote Site. All financial statements shall be prepared in accordance with generally accepted accounting principles. Notwithstanding the foregoing, minimum acceptable accounting practices shall include: (A) systematic internal controls and recording by kind of business and gross receipts derived from all sources of business revenue and income conducted on the Leased Premises; (B) daily recording of receipts and, if possible, deposit into a bank account without reduction by disbursements; (C) support of receipt entries by source documents such as cash-register tapes, sales invoices, rental records, and cash accounts from other sources; (D) recording of all disbursements, including capital items; (E) a permanent record of investments in facilities (gross fixed assets); (F) maintenance of separate bank accounts for monies received in connection with Lessee's operations on the Leased Premises, without commingling other monies of Lessee; (G) preparation and maintenance of such special records and accounts as Lessor may hereafter specify.

6. On or before May 1 of each year of this Lease (beginning May 1, 1998), Lessee shall provide to Lessor a financial statement of its operations on the Leased Premises during the term of this Lease, showing all receipts and expenditures concerning such operations (shown separately for Old Orchard Park and for the Foote Site). All financial statements shall be reviewed by a certified public accountant in accordance with standards established by The American Institute of Certified Public Accountants and with reference to which the certified public accountant has stated that no material modifications need be made for the financial statements to be in conformity with generally accepted accounting principles.

7. Lessee shall promptly inform Lessor in writing of its receipt of any extraordinary income or revenue (such as grant monies) regarding the Leased Premises.

8. Lessee shall keep complete and accurate written records regarding the use of the Leased Premises by the public, including but not limited to: (A) the dates of operation of facilities at each site during each year; (B) the number of daytime and overnight visits on an

annual total and peak weekend average basis; and (C) the capacity factor and the period for which that capacity is calculated. Records should be kept separately for Old Orchard Park and for the Foote Site. Lessor may require Lessee to keep other types of records, based on Lessor's need to report public use of Lessee's facilities to the FERC. Lessee shall retain such records for 5 years after the end of the year involved, unless Lessor authorizes in writing other disposition of such records. By December 31 of each year during this Lease, Lessee shall send to Lessor such information from Lessee's records of public use at the Leased Premises as Lessor may request.

OPEN AND EQUAL ACCESS; APPLICABLE LAWS

9. Lessee shall permit equal and unobstructed use of facilities at the Leased Premises to all members of the public without regard to race, color, sex, religious creed, or national origin; provided, however, that in case Lessee is a club or other organization that allows only its members to use the Leased Premises and improvements thereon, Lessee's obligation in this regard shall be to permit membership in such club or organization without regard to race, color, sex, religious creed, or national origin. Lessee shall display and maintain signs (to be furnished by Lessor) announcing this policy at public entrances to the Leased Premises.

10. Lessee shall comply with all applicable laws, rules, and regulations of the United States or its agencies, the State of Michigan, and of any other governmental body or agency having jurisdiction of the premises, including, without limitation, the Americans with Disabilities Act of 1990, 42 USC 12101 et seq, the Michigan Handicappers Civil Rights Act, MCL 37.1101 et seq; MSA 3.550(101), and the Campgrounds Owners' and Operators' Remedies Act, MCL 554.651 et seq; MSA 26.423(51) et seq.

HEALTH AND SAFETY AND ENVIRONMENTAL MATTERS

11. Lessee shall not use the Leased Premises so as to endanger health, create a nuisance, or otherwise be incompatible with overall recreational use of the Leased Premises, as set forth in 18 CFR § 2.7. Lessee's use of the Leased Premises shall not affect adversely the environmental qualities, including aesthetic values, of the area. During the construction, operation, and maintenance of improvements on the Leased Premises, Lessee shall protect the scenic, environmental, historical, and aesthetic values of the Leased Premises.

12. Lessee shall not prohibit or prevent the use of the Leased Premises for hunting or fishing by the public, except as may be necessary for the protection of life, health, and property.

13. Lessee shall prohibit the operation of off-road recreation vehicles (ORVs) on the Leased Premises except, in case there is legal ORV access to the Leased Premises, during ingress to and egress from the Leased Premises.

14. Lessee shall not use the Leased Premises for any purpose that would create a fire hazard.

15. Lessee shall be responsible for policing the Leased Premises, for maintaining order thereon, and for protecting the Leased Premises. Lessee may adopt reasonable rules and regulations for the purposes of caring for and policing the Leased Premises, which rules shall be subject to Lessor's review and approval. Lessee shall establish and implement measures to discourage and prevent vandalism and disorderly conduct upon the Leased Premises and,

when necessary, shall summon appropriate law enforcement officers. Lessee shall promptly send Lessor a copy of all police reports and incident reports prepared by Lessee.

16. Lessee shall not sell liquor or other intoxicating beverages on the Leased Premises.

17. During the term of this Lease, Lessee shall, at its sole expense, maintain and keep the Leased Premises and the improvements thereon in a proper and safe condition, which shall include, without limitation, such construction and repair of fences, buildings, and other structures on the Leased Premises as shall be necessary to keep the Leased Premises in a proper and safe condition.

18. Lessee shall maintain the Leased Premises to present a clean, neat, and orderly appearance and shall promptly dispose of trash and debris. Lessee shall dispose of refuse, including waste materials, garbage, and rubbish of all kinds, by removing such refuse to a licensed landfill facility; provided, however, that Lessee shall use available recycling facilities to the extent practicable. Lessee shall not burn, bury, or dump or allow others to burn, bury, or dump trash on the Leased Premises. Building materials, firewood, and other items shall be neatly stacked and unused machinery shall be properly stored. Lessee shall, without expense to Lessor, cut and remove from the Leased Premises all noxious weeds as are now required or may hereafter be required to be cut by law.

19. No motor vehicles shall be stored on the Leased Premises, except those Lessee uses to operate or maintain the Leased Premises.

20. Lessee shall not keep or allow others to keep animals or fowl on the Leased Premises, except as approved by Lessor as part of Lessee's Operations Plan (required pursuant to this Lease).

21. Prior to commencing the uses authorized by this Lease, Lessee shall obtain all permits, licenses, or other authorizations required for such use. Lessee shall provide a copy of all permits, licenses, or other required authorizations, and any renewals thereof, to Lessor within 30 days of their issuance or renewal. Failure to secure such permits, licenses, or other required authorizations or to provide copies of such permits, licenses, or other required authorizations and the renewals thereof to Lessor shall be a breach of the conditions of this Lease. Without limiting the foregoing, Lessee shall operate and maintain all sanitation, food service, and water-supply methods, systems, practices, and facilities in compliance with the applicable standards of the state and local health department and the United States Public Health Service. Lessee shall submit to Lessor a copy of any permit Lessee obtains from any federal, state, or local governmental agency or body or of any inspection report or violation notice within 30 days of Lessee's receipt thereof. Further, Lessee shall annually secure any required certificate from the State Director of Public Health indicating Lessee's compliance with all rules and regulations of the Michigan Department of Public Health covering Lessee's actual and proposed operations on the Leased Premises. Lessee shall provide to Lessor a copy of such certificate and renewals thereof within 30 days of issuance or renewal. Failure to do so shall be a breach of the conditions of this Lease.

22. All electrical wiring shall be installed and maintained in strict compliance with the safety rules for electrical supply and communication lines set forth in the National Electric Safety Code and in all applicable local codes. Lessee shall promptly deliver to Lessor a certificate of the compliance of all wiring installed on the Leased Premises with said safety requirements.

23. Lessee shall at all times keep and maintain the Leased Premises in a clean and sanitary condition and shall take reasonable measures to prevent pollution or deterioration of lands or waters as a result of Lessee's use of and operations on the Leased Premises. In particular, Lessee shall comply with all applicable local, state, and federal requirements for pollution abatement. Without limiting the foregoing, Lessee shall not dispose or suffer to be disposed of any waste material whatsoever upon the Leased Premises and shall not store, use, or maintain, or suffer to be stored, used, or maintained, upon the Leased Premises any material that is or may be or become hazardous to human health or the environment or the storage, treatment, or disposal of which is regulated by any governmental authority. Lessee shall indemnify and save Lessor, its successors and assigns, harmless from all loss, liability, and expense as a result of any failure of Lessee, or its agents, contractors, employees, or invitees, to comply with the terms of this paragraph.

24. Lessee shall comply with Attachment G (Underground Storage Tanks) and Attachment H (Docks) attached hereto.

IMPROVEMENTS OR CHANGES TO LEASED PREMISES

25. Lessee shall not fence the Leased Premises or any part thereof without Lessor's written consent. Lessee may plant trees and shrubs on the Leased Premises only with Lessor's written approval.

26. The location, design, size, color, and content of all signs or advertising devices placed on the Leased Premises shall comply with Lessor's "Recreation Sign Plan", which is attached to Exhibit 2 (Operations Plan).

27. Lessee shall not cut or remove any trees, brush, or other forest products from the Leased Premises without Lessor's written consent. Lessee shall pay for timber cut or destroyed upon the Leased Premises as follows: a) the appraised value of all merchantable timber; and b) the current damage appraisal value of all young-growth timber below merchantable size.

28. At least 90 days prior to the date on which Lessee submits to the Michigan Department of Natural Resources (MDNR), Recreation and Parks Division, any proposed "Master Plan" (or revised "Master Plan") required to be submitted in connection with any grant application, Lessee shall submit a copy of each such proposed Master Plan to Lessor for its review and approval thereof. Lessee shall send Lessor a copy of any grant applications made by Lessee, within 10 days after filing same. At such time as Lessor approves Lessee's Master Plan, Lessor shall provide to Lessee a letter stating that Lessor agrees to extend the term of the Lease as necessary for Lessee to meet MDNR grant requirements, contingent on receipt of any FERC or other governmental approvals that may be required.

29. Lessee shall not commence construction of any improvement on the Leased Premises or begin to paint, reconstruct, or otherwise alter any improvement upon the Leased Premises without Lessor's written consent. For non-emergency work, Lessee shall give Lessor advance written notice of Lessee's desire to perform any such construction, reconstruction, or alteration and shall submit to Lessor, for Lessor's approval, plans and specifications for such work. Lessee shall meet with Lessor's representatives regarding such work at such times as Lessor shall specify. In case of non-emergency work costing more than \$500.00, notice shall be given by Lessee at least 1 year prior to the date Lessee desires to commence any

construction, reconstruction, or alteration of an improvement on the Leased Premises. Lessor shall have the right to withhold approval of any such construction, reconstruction, or alteration, in Lessor's sole discretion. Lessee may perform emergency work on the Leased Premises on the condition that Lessee gives Lessor as much advance notice of such work as is possible and, to the extent possible, gives Lessor an opportunity to review and approve Lessee's work plans and specifications prior to commencing such work.

30. Lessee shall not change the use of any portion of the Leased Premises or commence a new use of any portion of the Leased Premises without Lessor's written consent.

31. All work shall be performed in a good, safe, and workmanlike manner and in accordance with all valid laws, ordinances, regulations, and orders of all governmental agencies or entities. Lessee shall be responsible for obtaining any and all permits and approvals necessary for such work.

32. If archeological or historic remains are discovered in the course of performing work on the Leased Premises, Lessee shall immediately report such discovery to Lessor and stop such work until authorized by Lessor to proceed.

33. Lessee shall do nothing to cause the Leased Premises to be encumbered by any construction lien. If any such lien is filed against the Leased Premises for labor or materials furnished to Lessee, Lessee shall promptly discharge the same of record. Notice is hereby given that Lessor will not be liable for any labor or materials furnished to Lessee on credit and that no construction or other lien for any such labor or materials shall attach to or affect Lessor's reversionary or other estate or interest in and to the Leased Premises.

LESSOR-LESSEE RELATIONSHIP; FERC REGULATION

34. Lessor shall have the right to the unobstructed use of the Leased Premises at all times during the term of this Lease for any purpose in connection with or growing out of the conduct of its utility business, or the business of any affiliated utility, or for any purpose of Lessor's Hydro Project License.

35. This Lease is and shall continue to be subject to any order, regulation, or rule of the FERC that is now or hereafter in effect affecting the Leased Premises, including but not limited to the terms of any operational or management plan concerning the Project. Lessee waives and releases any claim or action at law or equity that it may have against Lessor as the result of Lessor's compliance with such order, rule, or regulation.

36. Lessee's advertisements, brochures, circulars, letterheads, and like written materials concerning use and management of the area and facilities on the Leased Premises shall contain the following statement: "This public recreation facility is part of a Consumers Power Company hydroelectric project licensed by the Federal Energy Regulatory Commission. It is open to all members of the public without regard to race, color, religious creed or national origin."

37. Lessee shall install and maintain signs on the Leased Premises as required by Lessor's Recreation Sign Plan.

38. Lessee acknowledges that the water level of the river(s) located in the Project (including the Project Reservoir) is subject to rapid fluctuation. Lessee accepts the Leased

Premises in their present condition and waives any claims that may arise against Lessor for loss or damage to Lessee's property or the property of Lessee's invitees or the public using the Leased Premises that results, directly or indirectly, from any fluctuation in the water level of said river(s) or that arises from a partial or total overflowing of the Leased Premises or drainage thereof resulting from the operation of 1 or more of Lessor's dams, located either upstream or downstream from the Leased Premises; provided, however, that such loss or damage shall not have been suffered solely by reason of the negligent or tortious maintenance or operation of such dams.

39. On or before March 1st of each year of this Lease, Lessee shall prepare and submit a proposed "Operations Plan" to Lessor. The Operations Plan shall encompass matters relevant to the administration, maintenance, and control of Lessee's operations on the Leased Premises, such as those listed in Exhibit 2 (Operations Plan) attached hereto and made a part hereof, and shall address the matters specified in Attachments C, E, and H. Lessee's annual Operations Plan shall be subject to Lessor's review and approval.

40. The provisions of Attachments A-1 and B-1 shall apply.

41. Lessee shall make the Leased Premises, including the improvements thereon, available for inspection by Lessor at all times. If, in the opinion of Lessor's inspector, Lessee is not complying with the terms of this Lease, such inspector may suspend use or operation of any part or all of the Leased Premises until Lessee demonstrates such compliance to Lessor's satisfaction.

42. Lessor shall have a right to terminate this Lease and to repossess the Leased Premises and remove Lessee and every other occupant therefrom, if: (A) Lessee fails to pay rent or any other charge or sum due within 10 days after such rent or other charge or sum is due; or (B) Lessee fails to observe or perform any of the provisions of this Lease required to be observed or performed by Lessee (other than payment of rent or other charges or sums) within 30 days after Lessor gives Lessee written notice of such failure to observe or perform such provisions. Lessor may make its election to terminate known to Lessor by delivery of a notice of termination to Lessee. Such notice shall be immediately effective. Lessee waives all other notice in connection with such termination, including but not limited to notice of intent to terminate, demand for possession or payment and notice of re-entry. Upon such termination, all of Lessee's rights, title, and interests under this Lease shall be deemed forfeited and shall be of no further force or effect. Any such reentry and repossession shall not prejudice Lessor's right to avail itself of any and all other rights and remedies available under the law, and such reentry and repossession shall not be construed to represent an election of remedies. Any condoning, excusing, or overlooking of Lessee's failure to observe or perform the provisions of this Lease shall not operate to waive Lessor's rights hereunder concerning any continuing or subsequent failure of Lessee to observe or perform the conditions of this Lease. All of Lessor's rights and remedies shall be deemed to be cumulative and not alternative to other rights or remedies. Notwithstanding the foregoing, Lessor may (but shall not be obligated to), if Lessee fails to observe or perform any of the provisions of this Lease required to be observed or performed by Lessee, cure any such failure for Lessee's account and at Lessee's expense, in which event, the amount of any payments Lessor makes or expenses Lessor incurs for such purpose shall become due and payable by Lessee within 30 days after notice of such expenditure by Lessor. Any such expenditure shall not be deemed to waive or release or excuse Lessee's failure to observe or perform the provisions of this Lease or to waive Lessor's right to take such action as may be permissible under the terms of this Lease or under the law for such failure.

43. Lessee shall not assign this Lease or sublet or underlet the Leased Premises or any part thereof, without Lessor's prior written consent. Any assignment or subletting without Lessor's consent shall be void and not merely voidable. Lessor shall not be obligated to consent to any assignment or sublease. Any attempted transfer of the ownership of the improvements on the Leased Premises shall be void and not merely voidable.

44. Within 30 days following termination of this Lease, Lessee shall have the right to remove any structures, improvements, or other personal property placed by Lessee on the Leased Premises during the term of this Lease [including personal property transferred by Lessor to Lessee pursuant to a Bill of Sale dated December 27, 1995] that were not paid for from the Capital Account or with grant monies received by Lessee in connection with Lessee's use of the Leased Premises. Lessee shall have the burden of demonstrating, to Lessor's satisfaction, that any structures, improvements, and personal property that Lessee intends to remove were not paid for from the Capital Account or with grant monies received by Lessee in connection with Lessee's use of the Leased Premises. Upon termination of this Lease, all structures, improvements, and personal property paid for from the Capital Account or with grant monies received by Lessee in connection with Lessee's use of the Leased Premises, and all structures, improvements, and personal property located on the Leased Premises upon commencement of this Lease [but not including personal property transferred by Lessor to Lessee pursuant to the Bill of Sale dated December 27, 1995], shall become Lessor's property, at no cost to Lessor. Lessor may, at its option, deem any structure, improvement, or personal property that Lessee has a right to remove but fails to remove from the Leased Premises to have been abandoned and to have become Lessor's property, or Lessor may, without liability therefor and at Lessee's expense, remove and dispose of any or all of such property as it sees fit.

45. Whenever this Lease provides for notice of any kind, notice shall be given in person with receipt therefor or by registered mail. Either party may change the designated recipient of or address for such notice by giving the other party written notice of such change. Lessee shall promptly notify Lessor of any change in address. Each such notice shall be deemed to have been given when personally received by the designated recipient or when mailed, as evidenced by the receipt for said mailing.

Notice to Lessor shall be given to: Thomas W. Bowes
Director of Hydro Operations
Consumers Power Company
330 Chestnut Street
Cadillac, Michigan 49601
Phone: (616) 779-5505
FAX: (616) 779-1007

Notice to Lessee shall be given to: Dean P. Wiltse
Supervisor
Charter Township of Oscoda
110 South State Street
Oscoda, MI 48750
Phone: (517) 739-8299
FAX: (517) 739-3344

46. Lessee shall deliver documents or other items required by this Lease to be delivered to Lessor to the same person to whom notice to Lessor is required to be given (as provided above).

47. Pronouns and relative words shall be read as plural, feminine, or neuter, when appropriate.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the day and year first above written.

WITNESSES:

LESSOR:

CONSUMERS POWER COMPANY

Gordon R. Hauglie

Gordon R. Hauglie

Rebecca J. Stull

Rebecca J. Stull

STATE OF MICHIGAN
COUNTY OF ~~JACKSON~~ WEXFORD

By: Thomas W. Bowes

Thomas W. Bowes

Its Director Hydro Operations

Director Hydro Operations

RECORDED AS TO FORM
CONSUMERS POWER COMPANY
RECORDS & DOCUMENTS
100K
[Signature]

The foregoing instrument was acknowledged before me this 7 day of February 19 97, by Thomas W. Bowes, Director Hydro Operations of CONSUMERS POWER COMPANY, a Michigan corporation, on behalf of the corporation.

Julia N. Reyher
Notary Public

County, Michigan
Acting in _____ County

My Commission Expires: _____

JULIA N. REYHER
NOTARY PUBLIC STATE OF MICHIGAN
GRAND TRAVERSE COUNTY
ACTING IN:
WEXFORD COUNTY
MY COMMISSION EXP. SEPT 28, 1999

LESSEE:

CHARTER TOWNSHIP OF OSCODA

Merry A. Hart
Merry A. Hart

By: Dean P. Wiltse

Dean P. Wiltse

Its Supervisor

Diane Manderochio
Diane Manderochio

By: Billie Wright
Billie Wright

Its _____

Signed pursuant to Resolution of the Board of the Charter Township of Oscoda dated November 13, 19 95

STATE OF MICHIGAN
COUNTY OF Iosco

The foregoing instrument was acknowledged before me this 3rd day of February,
1997, by Dean P. Wiltse
Billie Wright of the Board of the Charter Township of
Oscoda, a Michigan municipal corporation, on behalf of the Township Board.

KAB
Notary Public
Iosco County, Michigan
Acting in Iosco County
My Commission Expires: 10-19-98

KATHRYN A. BISSONETTE
Notary Public, Iosco County, MI
My Commission Expires 10-19-98.

312
212

JACKSON, MICHIGAN

EXHIBIT 1

Description of Leased Premises

PARCEL 1
(Old Orchard Park Site)

Lands in Town 24 North, Range 8 East, Oscoda Township, Iosco County, Michigan:

Section 20: The Southeast 1/4 of the Southeast 1/4 of the Southwest 1/4 lying Southerly of the Southerly line of the Au Sable River (also known as the Foote Dam Impoundment) and the Southwest 1/4 of the Southwest 1/4 of the Southeast 1/4 lying Southerly of the Southerly line of the Au Sable River (being part of Government Lot 3).

Section 28: The Southwest 1/4 of the Northwest 1/4 lying Southerly of the Southerly line of the Au Sable River (being part of Government Lot 5), the South 1/2 of the Southwest 1/4 of the Southeast 1/4 lying Southerly of the Southerly line of the Au Sable River, the Southeast 1/4 of the Southwest 1/4 lying Southerly of the Southerly line of the Au Sable River, and the West 1/2 of the Southwest 1/4 lying Southerly of the Southerly line of the Au Sable River and Northerly of the Northerly line of the public highway known as River Road.

Section 29: The East 1/2 of the Northwest 1/4 lying Southerly of the Southerly line of the Au Sable River (being a part of Government Lot 3), the West 1/2 of the Northeast 1/4 lying Southerly of the Southerly line of the Au Sable River, the North 1/2 of the Southeast 1/4 lying Southerly of the Southerly line of the Au Sable River and Northerly of the Northerly line of River Road (being a part of Government Lot 2), and the East 300 feet of the Northeast 1/4 of the Southwest 1/4 lying Northerly of the Northerly line of River Road.

Section 33: The North 1/2 of the Northeast 1/4 of the Northwest 1/4 lying Northerly of the Northerly line of River Road and Southerly of the Southerly line of the Au Sable River, the Northwest 1/4 of the Northeast 1/4 lying Northerly of the Northerly line of River Road and Southerly of the Southerly line of the Au Sable River, and the Northeast 1/4 of the Northeast 1/4 lying Northerly of the Northerly line of River Road and Southerly of the Southerly line of the Au Sable River (being a part of Government Lot 2).

Containing 140.7 acres, more or less.

PARCEL 2
(Foote Site)

A parcel of land in Section 34, Township 24 North, Range 8 East, described as follows: To find the place of beginning of the description of said parcel, commence at the Southeast corner of the Northwest 1/4 of the Southeast 1/4 of said Section 34 and run thence South, along the East North-South 1/8 line,

EXHIBIT 1
(continued)

5 feet to the Northerly line of the public highway known as River Road; thence Northwesterly, along said Northerly line of River Road, 881 feet to the point of beginning of this description; thence continuing Northwesterly, along said Northerly line of River Road, 2414 feet to a point; thence North to the Southerly shoreline of the Au Sable River (also known as the Foote Pond Impoundment); thence downstream (Southeasterly), along said Southerly shoreline, to a point due North of the place of beginning; thence South to the place of beginning.

EXCEPT the Northerly 35 feet of a parcel of land described as follows: To find the place of beginning of the description of said parcel, commence at the Southeast corner of the Northwest 1/4 of the Southeast 1/4 of said Section 34 and run thence South, along the East North-South 1/8 line, 5 feet to the Northerly line of the public highway known as River Road; thence Northwesterly, along said Northerly line of River Road, 1444 feet to the place of beginning of this description; thence N 41°00'00" E to the Southerly shoreline of the Au Sable River (also known as the Foote Pond Impoundment); thence downstream (Southeasterly), along said Southerly shoreline, 104 feet; thence S 41°00'00" W to the Northerly line of River Road; thence Northwesterly, along said Northerly line of River Road, to the place of beginning.

Subject to common use of the driveway and parking lot located in the Northwest 1/4 of the Southeast 1/4 of Section 34, Town 24 North, Range 8 East, as granted by Consumers Power Company in a certain Lease dated 7/2/69 (as amended) and as granted in any subsequent leases or licenses covering the excepted parcel described above.

Containing approximately 8.37 acres.

EXHIBIT 2

Operations Plan

Note: The following outline includes lists items that should be considered in preparing an Operations Plan. Items may be deleted from or added to the plan, as appropriate.

A. Facilities and Services

1. Description of Facilities
 - a. Map showing number and location of sites by type (seasonal vs. short term)
 - b. Toilet/Shower facilities
 - c. Road mileage (paved/unpaved)
 - d. Beach and playground facilities
 - e. Boat launches, docks
 - f. Store
 - g. Other, as appropriate
2. Description of Services
 - a. Total capacity - camping, swimming, boat launch
 - b. Firewood, special recreation services, etc.

B. Administration

1. Operations Personnel
 - a. Number of employees
 - b. Major responsibilities
 - c. Presence, appearance, and host ethic policies
2. General Operating Schedule
 - a. Pre-season period
 - b. Major-use period
 - c. Post-season period
3. Fee Schedule
 - a. List by type of service by operations period
 - b. Discounts for elderly and handicapped persons
 - c. Differential pricing
 - d. Length of stay policy for short term campers
4. Fee Administration
 - a. Collection point
 - b. Daily accounting procedures
5. Law Enforcement Plan
 - a. On-site capabilities
 - b. Sheriff's Department patrols and/or agreements
6. Reservation Policy
 - a. Reservation phone number

- b. Number of sites available for reservation
- 7. After-Hours Operations
 - a. Availability of Lessee or representative
 - b. Gate policy
 - c. Provision for emergency exit
- 8. Area Control
 - a. Gate house
 - b. Patrol by Lessee
 - c. Other control measures
 - d. Pets and other animals
- 9. Health and Safety
 - a. Inspections - type and frequency (including natural hazards)
 - b. Winter safety plan
 - c. Boat safety
 - d. Control of use and storage of hazardous substances, etc.
 - e. Hazardous spill plan
 - f. Severe weather plan
 - g. Disaster emergency plans
 - h. Drinking water testing and submittal schedule
- 10. Contractor Arrangements
 - a. Delivery of firewood, etc.
 - b. Garbage pickup
 - c. Care and policing
- 11. Payments for Services
 - a. Utilities
 - b. Contracts
 - c. Subleases
- 12. Reports
 - a. Accidents
 - b. Damage to facilities
 - c. Financial statements
 - d. Public use reports
 - e. Financial audit report
- 13. Pre-Season and Post-Season Responsibilities
 - a. Start up
 - b. Securing facilities
- 14. ADA Compliance
 - a. Annual monitoring of facility accessibility
 - b. Annual plans for accessibility upgrades
- C. Capital Improvements
 - 1. CI Plans and Budget

2. Construction dates
3. Construction method
 - a. Contractor or on-site staff
 - b. Permits needed (MDNR, County Building, etc.)

D. Maintenance

1. Tools and Supplies Budget
2. Building Maintenance
 - a. Toilets/Restrooms/Shelters/Administrative Buildings
 - b. Minor repairs
 - c. Plumbing and painting
3. Camp Unit Maintenance
 - a. Tables (painting, repair, etc.)
 - b. Fireplaces/Grills
 - c. Water and Electric
4. Roads and Trails
 - a. Road grading and repair
 - b. Maintenance of culvert or other drainage structure
 - c. Control of vegetation
 - d. Grooming of trails
5. Vegetative Maintenance
 - a. Buffer zone compliance and planting plans
 - b. Hazard trees - pruning limbs, tree removal
 - c. Hazardous plant control
 - d. Use of herbicides
 - e. Shrub maintenance
 - f. Grass mowing
 - g. Leaf disposal; prevention of leaching
6. Signs and Bulletin Boards
 - a. Content - compliance with Lessor's Recreation Sign Plan
 - b. Location
 - c. Maintenance and replacement
7. Boat Docks and Boat Launches
 - a. Structural maintenance and repair
 - b. Marina permit requirements
 - c. Marine sewage disposal facility operation
 - d. Ramp and pier maintenance
 - e. Erosion control needs
8. Fish Cleaning Facilities
 - a. Location of any fish cleaning stations
 - b. Disposal of fish remains

9. Utilities
 - a. Electrical service
 - b. Water systems
 - c. Sewage disposal system
 - d. RV Holding Tank Disposal facilities

 10. Vandalism
 - a. Prevention
 - b. Repair

 11. Material Storage
 - a. Location
 - b. Type of facility
 - c. Prohibition on storage of hazardous substances, etc.

 12. Underground Storage Tanks
 - a. Compliance with Attachment G to Lease
- E. Care and Policing
1. Fire Control

 2. Rules and Regulations
 - a. Posting
 - b. Enforcement
 - c. Provision of copy of rules to Lessor
 - d. Alcohol use management; alcohol-free family areas

 3. Garbage Collection and Disposal
 - a. Containers - type and location
 - b. Plastic liners, sanitizing containers
 - c. Disposal contract
 - d. Pickup - times and frequency
 - e. Recycling
 - f. Insect control

 4. Litter Control
 - a. Desired condition
 - b. Pickup - frequency

 5. Restrooms
 - a. Desired condition
 - b. Cleaning standards
 - c. Cleaning frequency
 - d. Supplies
 - e. Insect control
 - f. Control of chemicals

6. Camp Units
 - a. Desired condition
 - b. Tables - cleaning
 - c. Fireplaces/Grills - cleaning

7. Swim Sites
 - a. Desired condition
 - b. Bottles and hazardous debris on beach
 - c. Grooming standards
 - d. Signs, markers, safety equipment
 - e. Swimming water quality tests

ATTACHMENT A-1

(Indemnity & Insurance Provisions - Governmental Entities)

Lessee shall indemnify and hold Lessor harmless from claims for injuries or damages to persons or property or both arising directly or indirectly out of Lessee's use of the Leased Premises, including but not limited to claims arising out of Lessee's negligence, Lessor's and Lessee's concurrent negligence, or any other person's negligence; provided, however, that Lessee's indemnification obligation does not extend beyond the limitations placed on a governmental body or employee to indemnify another pursuant to law and shall not abrogate or diminish Lessee's defense of governmental or sovereign immunity against any party, including Lessor; and it shall not include Lessor's sole negligence. Lessee, as a further inducement to Lessor to grant this Lease, hereby covenants and agrees that it will insert in all contracts, and require to be inserted in all subcontracts, at any time let in connection with any work to be done on the Leased Premises, the requirement that the contractor or subcontractor will, at all times during the exercise of the rights and privileges hereby granted, assume all liability for and protect, indemnify, and save Lessor, its successors and assigns, harmless from and against all action, claims, demands, judgments, losses, expenses of suits or actions and attorney fees, for any type of injury to or death of any person or persons and loss or damage to the property of any person or persons whomsoever, including the parties hereto and their agents, contractors, subcontractors, and employees, arising in connection with or as a direct or indirect result of the rights and privileges hereby granted. The provisions of this paragraph shall apply to each and every such injury, death, loss and damage, however caused, whether due, or claimed to be due, to Lessee's negligence, Lessor's negligence, the negligence of any such contractor or subcontractor, the negligence of both parties or the combined negligence of either or both of the parties hereto and any one or more of said contractors or subcontractors, the negligence of any other person, or otherwise; provided, however, said contractors and subcontractors shall not be required to indemnify Lessor for such injury, death, loss, or damage caused by Lessor's sole negligence.

As a further inducement to Lessor to grant this Lease, Lessee further covenants and agrees that it will require all contractors and subcontractors at any time employed in connection with any work to be done on the Leased Premises to maintain in full force and effect a policy of Comprehensive General Liability Insurance with a minimum combined bodily injury and property damage single limit of \$500,000.00, written so as to provide coverage for underground hazards. Said policy of insurance shall be written by an insurance company authorized to do business in the State of Michigan and shall name Consumers Power Company as an additional insured. The policy shall describe the insured premises in the same manner as in the description of the Leased Premises in this Lease, including the entire grounds and all equipment used thereon and shall either include a Cross Liability Endorsement or shall not preclude recovery by a named insured as a result of the negligence of any other named insured under said policy.

ATTACHMENT B-1

(Environmental Indemnity - Governmental Entities)

In the event that Lessee's use of the Leased Premises at any time results in the presence on or under the Leased Premises (which shall include but not be limited to the groundwater underlying said land) of contaminants, hazardous waste, hazardous substances or constituents, or toxic substances, as defined in the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 USCA 9601 et seq; the Resource Conservation and Recovery Act (RCRA), 42 USCA 4251 et seq; the Toxic Substances Control Act (TSCA), 15 USCA 2601 et seq, the Michigan Natural Resources and Environmental Protection Act (NREPA), MCLA 324.101 et seq; or any other similar statutes, Lessee shall, at Lessee's sole cost and expense, promptly take all actions that are: 1) required by any federal, state, or local governmental agency or political subdivision, and 2) necessary to restore said land to the condition existing prior to the introduction of such contaminants, hazardous waste, hazardous substances or constituents, or toxic substances, notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies. The actions required by Lessee shall include, but not be limited to: a) the investigation of the environmental condition of said land, b) the preparation of any feasibility studies, reports, or remedial plans required by law or governmental policy, and c) the performance of cleanup, remediation, containment, operation, maintenance, monitoring, or restoration work, whether on or off said land. Lessee shall proceed continuously and diligently with such investigatory and remedial actions. Lessee shall promptly provide to Lessor copies of all test results and reports generated in connection with the above activities and of all reports submitted to any governmental entity.

Lessee shall indemnify, defend, and hold Lessor, its officers, employees, agents, affiliates, and parent corporation, harmless from and against any and all losses, liabilities, claims, damages, payments, actions, recoveries, settlements, judgments, orders, costs, expenses, attorney fees, penalties, fines, encumbrances, and liens arising out of: 1) the presence on or beneath the land described above and the groundwater underlying said land, of contaminants, hazardous waste, hazardous substances or constituents, or toxic substances, as defined in CERCLA, RCRA, TSCA, NREPA, or any other similar statutes, as a result of Lessee's exercise of the rights herein granted; 2) Lessee's violation or alleged violation of any federal, state, or local law related directly or indirectly or Lessee's exercise of the rights herein granted; or 3) Lessee's failure to comply with the terms and conditions of this Lease; provided, however, that Lessee's indemnification obligation pursuant to this paragraph shall not extend beyond the limitations placed on a governmental body or employee to indemnify another pursuant to law and shall not abrogate or diminish Lessee's defense of governmental or sovereign immunity against any party, including Lessor.

ATTACHMENT C

Campground Sites

- * Appropriate mix of seasonal and transient camping
- * Dates of operation
- * Removal of "permanent" camping equipment
- * Prohibition on removal of wheels from trailers
- * Establishment of greenbelt area, where practical
- * Dock sites (consolidation of existing multiple dock sites)
- * Ban on operation of unlicensed vehicles
- * Directional, informational and other signs
- * Establishment of safety buoys in swimming areas

ATTACHMENT E

Boating Access Sites

- * Plan for entrance roads and parking areas
- * Informational, directional and other signs
- * Review of public use fees
- * Adequacy of ramps, skid-piers
- * Adequacy of sewage pump-out and disposal facilities

ATTACHMENT G

Underground Storage Tanks

Lessee shall promptly inform Lessor of any USTs on the Leased Premises of which Lessee is aware or becomes aware during the term of this Lease. Lessor agrees to indemnify and hold Lessee harmless from and against any liability by reason of the existence of any underground storage tank on the Leased Premises as of the date of this Lease. Lessor shall in no event be liable to Lessee for incidental, special, exemplary, or consequential damages, including but not limited to loss of profits or revenue or interference with business operations. It is a condition of this indemnification obligation that Lessee, upon Lessor's request and to the extent Lessor requests, give Lessor sole control of the defense of and sole power to settle any lawsuit, claim, action, or proceeding involving activities for which Lessor is or may be obligated to provide such indemnification to Lessee.

Lessee shall have the right at any time and from time to time, at its expense, to undertake the work of any replacements, alterations, modifications, or additions to the whole or any part of the underground storage tank (UST) system, provided, however, that Lessee shall first obtain Lessor's prior written approval for such replacement, alteration, modification, or addition.

Lessee shall not install any USTs on the Leased Premises without Lessor's prior written approval. Lessee shall inform Lessor of the size, content, and construction of all USTs installed on the Leased Premises.

Lessee shall be responsible for registering all underground storage tanks (USTs) on the Leased Premises and for recordkeeping and reporting required by law, including but not limited to the Michigan Underground Storage Tank Regulatory Act (1984 PA 428, as amended), the Michigan Underground Storage Tank Financial Assurance Act (1988 PA 518, as amended), the Michigan Leaking Underground Storage Tank Act (198 PA 478), and (to the extent that it is applicable) the Michigan "Storage and Handling of Flammable and Combustible Liquids" rules. Lessee shall provide to Lessor a copy of all UST registrations and reports submitted to UST regulatory agencies and a site map showing the location of all USTs on the Leased Premises.

Upon termination of the Lease, Lessee shall remove the USTs installed and/or registered by Lessee on the Leased Premises.

ATTACHMENT H

Docks

Dock construction, installation, replacement, repair, improvement, and removal shall comply with Lessor's "Dock Plan" (attached hereto), unless Lessor gives written approval of a variance therefrom.

Docks at Old Orchard Park (Parcel 1) shall remain in their present location.

The design, construction, maintenance, use, and removal of permitted docks shall comply with all applicable federal, state, and local laws, including without limitation, the Americans with Disabilities Act of 1990, 42 USC 12101 et seq (for docks available for public use), the Inland Lakes and Streams Act (1972 PA 346, as amended), and the Goemaere-Anderson Wetland Protection Act (1979 PA 203, as amended). Without limiting the foregoing, permitted docks shall comply with all applicable MDNR Marina Operating Permit regulations. Permitted docks located in a state natural river district shall comply with the applicable natural river plan and natural river zoning provisions.

Resolution Number 2022-23

CHARTER TOWNSHIP OF OSCODA

Resolution Regarding: Commitment to Fund As-Bid Iron Bell Trail – Phase 3 Bike Path For August 8, 2022

Whereas, Oscoda Charter Township (Township), in cooperation with the Iosco County Trail Committee, recognizes a need for non-motorized pathways across the County, and

Whereas, a route from Oscoda to Hale has been discussed and studied for several years by Iosco County, AuSable Township, Oscoda Charter Township, the Huron Manistee National Forest, and other organizations, and

Whereas, this trail route is part of the Governor's Showcase Trail Route, known as the Iron Belle Trail, and

Whereas, the Township wishes to further extend the trail for Phase 3, known as the Iosco Exploration Trail, and

Whereas, Iosco Exploration Trail Phase 3 shall go from the Oscoda Community Schools Complex to the entrance of Old Orchard Park; Engineer's Opinion of Probable costs to complete \$2,647,175, and

Whereas, this trail extension is consistent with the goals and objectives of Oscoda Township's Five-Year Park and Recreation Master Plan, and

Whereas, the Township has applied for and received two Fiscal Year 2022 Transportation Alternatives Program Grant (Conditional Commitment) for a total of **\$1,795,900, Phase 3 of the Iosco Exploration Trail** through the Iosco County Road Commission, which will be part of the matching funds, and

Whereas, the Township has been successful in acquiring the following grants to offset the total local match of **\$851,275** as follows: **\$300,000 (MNRTF Grant); \$110,000 (IBT Challenge Grant); \$60,000 (USDA Grant); \$50,000 (IBT Foundation Grant), \$50,000 (Iosco County); \$20,000 (Consumers Energy Grant); \$100,000 (Miscellaneous Grants/Special Appropriations); and finally \$200,000 in Oscoda Charter Township Funds (2018 and 2020); for a total local match to-date of \$890,000**, the Township is continuing to apply for additional grant funding to offset any unknown contingencies, and

Whereas, in addition to the "Lead Agency Agreement" entered into between Iosco County Road Commission (ICRC) and the Township dated October 14, 2019, the Township commits to the possible additional funding that will be required by the Michigan Department of Transportation (MDOT) if the verified low bid is up to but not to exceed ten percent (10%) over the opinion of probable costs for a total of \$265,000, if verified low bid exceeds ten percent (10%) the Township has the right to reject all bids and re-advertise and re-bid the project with a reduced scope or cancel the project outright, and

Whereas, the programmed schedule for this project is as follows: Advertising by August 12, 2022 with a bid opening of October 7, 2022 and Notice-to-Proceed to start construction by November 1, 2022.

Now, therefore be it resolved, that the Township is committed to this possible required additional local matching fund for the Iosco Exploration Trail Phase 3,

Be it further resolved, that if a signature is necessary pursuant to the items as set forth within the above resolution, this resolution hereby authorizes the Township Superintendent to sign as it concerns any such documents.

Moved by: _____.

Supported by: _____.

Yeas: _____.

Nays: _____.

Absent: _____.

Adopted this ____ day of _____.

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Charter Township of Oscoda, County of Iosco, and State of Michigan, at a meeting held on _____, the original of which is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of Michigan 1976, including in the case of a special or rescheduled meeting, notice by posting at least eighteen (18) hours prior to the time set for said meeting.

Dated: _____

Joshua Sutton, Township Clerk

**CHARTER TOWNSHIP OF
OSCODA**

Zoning Department

Memo

To: Board of Trustees

From: Nichole Vallette, Planning and Zoning Director

Date: August 4, 2022

Re: Ordinance Revisions

Board of Trustees,

Attached are six ordinance revisions. They have all been approved by the Planning Commission and have had reviews from our Attorney, the Professional Planner and the Ordinance Revision Sub-Committee. Per our Attorneys recommendation, we are going to do two reads at the Township Board for any ordinance revisions or new ordinances.

This will be considered the first read for: New Section 6.36 ADU Ordinance, New Micro Housing Ordinance, Planned Unit Development Revisions, Chapter 20 Parks and Recreation Revisions, Section 4.20 Forestry District Revisions, and Section 6.2.6 Accessory Structures on Vacant Lots Revisions.

Thank you,

Nichole Vallette

OSCODA TOWNSHIP – ZONING ORDINANCE

An Ordinance to amend the Oscoda Township Zoning Ordinance 165 pertaining to Accessory Dwelling Units.

Section 1: The following definitions shall be added to Article II: Construction of Language and Definitions, Section 2.2 of Oscoda Township Zoning Ordinance 165.

Accessory Dwelling Unit (“ADU”) A residential living unit on the same parcel on which a single-family dwelling is located. The ADU provides complete independent living facilities for one or more persons.



ADU-Attached to Primary dwelling



ADU-Detached from Primary Dwelling

Short-Term Rental (“STR”) Means the provision of a room, space or dwelling that is suitable or intended for occupancy for dwelling, sleeping, or lodging purposes, for a period of fewer than 31 consecutive days, in exchange for a charge for the occupancy.

Section 2: Accessory Dwelling Units shall be allowed as a Principal Use in the following Zoning Districts.

Section Number	District	Sub Section	Item
4.4	R-1 Low Density Residential	2	E. Accessory Dwelling Unit
4.5	WR-1 Wurtsmith Low Density Residential	2	D. Accessory Dwelling Unit
4.6	R-2 Medium Density Residential	2	E. Accessory Dwelling Unit
4.7	WR-2 Wurtsmith Medium Density Residential	2	D. Accessory Dwelling Unit
4.8	R-3 Mixed Residential	2	F. Accessory Dwelling Unit
4.9	WR-3 Wurtsmith Mixed Residential	2	H. Accessory Dwelling Unit
4.10	R-4 High Density Residential	2	L. Accessory Dwelling Unit
4.16	R-T Residential Tourist	2	L. Accessory Dwelling Unit
4.23	AG Agriculture	2	Z. Accessory Dwelling Unit
4.25	NR Natural River District	7	Y. Accessory Dwelling Unit

Section 3: The following Section shall be added to the Oscoda Township Zoning Ordinance 165.

6.31 6.36 Accessory Dwelling Units

Accessory Dwelling Units (ADUs) are intended to provide flexible housing options in the Township by allowing homeowners to establish a second dwelling unit on their property. ADUs are subject to the following standards:

1. ADUs shall be limited to permitted districts and properties where single-family dwelling units are the principal use.
2. ADUs shall be subordinate to the single-family dwelling unit.
3. The owner of the property shall **live maintain residence** on site, either in the principal dwelling unit or the accessory dwelling unit.
4. ADUs shall have their own separate entrances, kitchens, sleeping areas, and full bathroom facilities.
5. ADUs may be attached to the single-family dwelling unit and may occupy a basement, first floor or second floor of the principal dwelling, or may occupy a separate, detached accessory building in the rear of the principal dwelling unit.
6. All ADUs shall meet applicable building and fire codes.
7. Building materials and designs used on detached ADUs or additions to the principal dwelling for an attached ADU, shall be of similar style as that of the principal dwelling.
8. The minimum size living shall be three hundred (300) square feet.
9. The maximize size shall not exceed nine hundred (900) square feet, or the size of the principal dwelling unit, whichever is less.
10. Manufactured homes or mobile homes shall not be used as an ADU.
11. An ADU shall not be used as a Short-Term Rental.
12. An ADU built on a property which requires a septic **sanitary sanitation** system shall have the property inspected **and approved** by the District Health Department 2 (DHD2) to ensure that the septic system has the capacity and functionality to accommodate the ADU.
13. An ADU built on property served by public water and/or public sanitary shall be separately metered.
14. An ADU shall conform to the dimensional requirements specified Section 4.28 “Summary Schedules Limiting Height, Bulk, Density and Area by Zoning District.”

OSCODA TOWNSHIP – ZONING ORDINANCE

An Ordinance to amend the Oscoda Township Zoning Ordinance 165 pertaining to Micro Housing (Tiny Houses).

Section 1: The following definitions shall be added to Article II: Construction of Language and Definitions, Section 2.2 of Oscoda Township Zoning Ordinance 165.

Micro Housing – A residential dwelling unit less than 400 500 square feet; also referred to as a “Tiny House.”



Micro Housing on a permanent foundation

Micro Housing on a non- permanent foundation

Section 2: Micro Housing Units shall be allowed as a Special Permit Use Permitted Use in the following zoning districts.

Section Number	District	Sub Section	Item
4.20	F Forest	3.	5. Micro Housing in a Planned Unit Development per Section 5.4.1.3

Section 3: Section 5.4 shall be revised to include the following:

Section 5.4.1 Residential Uses Permitted

- 3. Planned Unit Development in District F. The following Residential uses are permitted:
 - A. Micro Housing subject to the requirements in Section 5.15.

Section 4: Section 5.15 shall be added to Article V of the Charter Township of Oscoda Zoning Ordinance 165

Section 5.15 Micro Housing Planned Unit Development Requirements

The purpose of a Micro Housing PUD is to encourage affordable housing, infill development and sustainable practices. The following requirements shall apply for a Micro Housing Planned Unit Development:

- 1. The proposed PUD shall comply with the approval process outlined in Article 5; specifically, §5.9, §5.9.1, §5.9.2, §5.10, §5.11, ~~§5.11.1, §5.11.2, §5.11.3~~, §5.12, §5.13, and §5.14.

2. A Micro Housing PUD will consist of individual dwelling ~~structure~~ structures of less than 500 square feet.
3. The density will be no more than twenty (20) units per acre.
4. Micro Housing units are not condominiums, multi-family, mobile homes or recreational vehicles. Properties are titled in fee simple.
5. Micro homes must be structurally independent, with no shared foundations or common walls.
6. Micro homes shall be set on a permanent foundation.
7. Small lots may be irregularly shaped, a minimum area of eight hundred (800) square feet, and at least twenty (20) feet wide.
8. There are no yard or setback requirements along alleys, private roads, or between lots within the approved PUD plan.
9. At least fifty percent (50%) open space is required.
10. Design of structures must be approved by the Planning Commission.
11. Appropriate water, waste water and other utilities ~~will be provided~~ as required by the District Health Department 2 (DHD2) and/or Oscoda Townships Utility Ordinance 2019-265.

OSCODA TOWNSHIP – ZONING ORDINANCE

AN ORDINANCE TO AMEND ARTICLE V OF THE CHARTER TOWNSHIP OF OSCODA ZONING ORDINANCE.

The Charter Township of Oscoda Ordains:

Section 1: Amendment.

Article V shall be amended to change the phrase “Planned Unit Development” to “Planned Development,” and the acronym “PUD” to “PD.”

Article V shall be amended as follows:

**Article V
Planned Developments (PD)**

Section 5.1- INTENT AND PURPOSE

- A. The provisions of this Article establish the authority and standards for the submission, review, and approval of applications for Planned Development (PD). It is the intent of this Article to authorize the creation of PDs as a Special Land Use in all Zoning Districts, ~~except R-1 (Low Density Residential),~~ P (Parking District), NR (Natural River District), WA (Wurtsmith Airport Overlay District), and A-1 (Airport Protection Zone 1 & 2), for the purposes of:
1. Encouraging the use of land in accordance with its character and adaptability.
 2. Conserving natural resources, natural features, ~~and~~ energy, and improving water quality.
 3. Encouraging innovation in land use planning by providing walkable neighborhoods and Zoning Districts and increasing vehicular and pedestrian connectivity between properties and land uses.
 4. Encouraging enhanced housing, employment, shopping, and recreational/open space opportunities for the people of Oscoda Township.
 5. Bringing about a greater compatibility of design and use between neighboring properties.
 6. Encouraging quality design and construction of building and site amenities.
 7. Permitting mixed uses within the same building, or on the same parcel.
 8. Facilitating the implementation of the Oscoda Township Master Plan and adopted subarea plans.

- B. The provisions of the PD are designed to permit a degree of flexibility not available through conventional underlying Zoning Districts that results in a development that fully utilizes the assets of the subject property, meets and exceeds the objectives of the Oscoda Township Master Plan and adopted subarea plans, and integrates successfully and harmoniously with surrounding properties and neighborhoods.



Mixed Use PD



Residential PD

Section 5.2- APPLICATION AND REVIEW PROCEDURES

- A. **Special Land Use – Planning Commission Review.** A Planned Development (PD) shall constitute a Special Land Use and a PD application shall be reviewed by the Planning Commission. The Planning Commission shall make the final determination regarding the PD application.
- B. The PD process is divided into three components:
1. Pre-Application Conference.
 2. Planned Development.
 3. Site Plan Review.
- C. **Pre-application Conference.** Prior to submitting an application for a PD, the Applicant shall meet with the Township ~~Planner~~ **Planning** and Zoning ~~Administrator~~ **Director** and any staff and/or consultants that the Township deems appropriate. The purpose of a pre-application conference is to discuss the eligibility of a project for consideration as a PD, to discuss application procedures, and for Township representatives to obtain such information as is needed for their recommendation regarding the amount of funds to be placed in escrow.
- D. **Escrow Fund Requirements.** The Applicant shall deposit funds in an escrow fund with the Township which will be used to process and review the application. **The Escrow Fund amount will be determined during the pre-application conference based on Township Fee Structures and will have a minimum requirement of \$2,000.** An Applicant's failure to make escrow payments shall render the PD application incomplete and ineligible for further consideration by the Planning Commission. The Township shall approve or deny expenditures from the escrow fund. **Funds remaining after project completion will be returned to the applicant.**
- E. **Planned Development (PD) Plan.** Following the pre-application conference, the Applicant shall submit a completed PD application form, an application fee, and printed copies (with the number and format of copies to be determined by the ~~Zoning Administrator~~ **Planning and Zoning Director**), and one (1) digital Adobe® PDF of the materials and information described under this heading.

These materials and information are also collectively called the PD Plan. It is the responsibility of the Applicant to provide pertinent and useful information to the Planning Commission upon which to base their decision. If the PD Plan is to be developed in phases, the PD Plan shall show all phases. The PD Plan shall contain, or include with it:

1. A narrative statement, together with supporting charts, maps, and documents describing the project. Information shall include, but is not limited, to the following:
 - a. The total number of acres in the project.
 - b. The number of acres to be occupied by each type of use.
 - c. The number of residential units.
 - d. A residential density calculation indicating the total number of dwelling units. divided by gross site area, and a more detailed residential density calculation that divides the number of a specific unit type by the gross site area associated with that specific unit type.
 - e. The number and/or square feet and type of nonresidential uses.
 - f. The number of acres to be preserved as common open or recreational space.
 - g. The relationship of the proposed PD to the Township Master Plan.
 - h. The implementation phases of the PD, the approximate time frame to complete each phase, and a specific schedule of the intended development and construction schedule details, including anticipated construction start and completion dates.
 - i. Proposed utility services and how they are to be provided, including but not limited; to water, sanitary sewer, telecommunications, and storm water management. Where applicable, the Applicant shall use low impact development storm water best management practices.
 - j. Proposed deed restrictions, covenants, or similar legal instruments to be applied within the PD.
 - k. Variations from Ordinance regulations that are being sought, and the reasons to support the requested variations.
 - l. Areas of the site containing significant natural features, including a breakdown of the approximate square feet/acres by type of significant natural feature. Significant natural features shall include: wetlands, flood plains, water bodies, woods, slopes in excess of eighteen (18) percent, active agricultural land, or any other unique natural features as determined by a local, state, or federal department or agency authorized by law to designate or classify a unique natural feature.
 - m. Signatures of all parties having an interest in the property with a statement of the nature of their interest and their intention to see the development of the property completed in accordance with the approval, if granted.
 - n. Written recommendations from the Iosco County Road Commission as to access and road improvement needs and/or contributions toward necessary upgrades, if any.
2. PD Plans shall be drawn at a conventional scale that is appropriate to the size of the property and the proposed Planned Development. The PD Plan shall contain the following:

- a. The name of the PD, the Applicant's name, the name and address of the firm or individual who prepared the preliminary development plan, date, scale, and north arrow.
 - b. Property lines, dimensions in feet of all property lines, and size of the PD (and individual phases) in acres.
 - c. Existing Zoning and land uses of all abutting properties.
 - d. Significant natural features on the site as defined in Section 5.2[E.1.l.] above.
 - e. Existing buildings and structures on the site and those located on abutting land within fifty (50) feet of a common property line.
 - f. Proposed uses, buildings, and their locations.
 - g. Rights-of-ways and pavement edges or curb lines of existing streets abutting the PD.
 - h. Locations of proposed access drives, parking lots, and streets within the PD.
 - i. Proposed walkways or pedestrian paths.
 - j. Proposed methods of providing water, sanitary sewer, and storm water drainage facilities.
 - k. Layout and typical dimensions of proposed lots.
 - l. The general improvements that constitute a part of the development, including, but not limited to; lights, signs, service areas, dumpsters, mechanisms designed to reduce noise, utilities, and visual screening features.
 - m. Specifications for exterior building materials for structures proposed in the project.
 - n. Elevations for proposed buildings or building types.
 - o. Photometric plans for the project area.
3. The Planning Commission may require additional information reasonably necessary to determine compliance with the review standards and other requirements applicable to a PD, or to determine the impact of the proposed development. Such information may include, for example; soil reports, hydrological tests, traffic studies, wetland determinations or a market analysis. At any time during the PD Plan review process, the Planning Commission shall have the right to hire such experts as may be needed to provide independent studies regarding issues related to the PD approval standards or to review documents or consultant reports provided by the applicant or others. Fees and expenses related to any such experts shall be paid from the monies that have been paid to the Township in escrow.

F. **PD Public Hearing.** Upon determining that the application and all required information are complete, the Planning Commission shall conduct a Public Hearing. Notice of the hearing shall be in accordance with the notification procedures for Special Land Use as described in the Michigan Zoning Enabling Act or a successor statute.

G. **Final Decision by the Planning Commission.**

1. The Planning Commission shall make its decision at any regular or special meeting.
2. At the meeting when a decision is reached, the Planning Commission shall review the record compiled at the Public Hearing(s) and the reports of any experts or consultants.

3. Based on the record compiled at the public hearings and any regular or special meeting(s) held, the Planning Commission shall determine whether the PD Plan complies with the standards of Section 5.3[A]. If it does comply, then the Planning Commission shall approve it, or approve it with conditions. However, if it does not comply, then it shall be denied. In any case, a decision by the Planning Commission shall be in writing and shall contain findings of fact or reasons ~~regarding~~ why the application complies or fails to comply with applicable provisions of this Zoning Ordinance. The findings of fact shall address the following:
 - a. The application submitted by the Applicant was complete, and information required by the Planning Commission was provided and is part of the public record.
 - b. The PD fulfills the objectives of the Oscoda Township Master Plan or adopted subarea plans and the land use policies of the Township and presents an innovative and creative approach to the development of the subject property.
 - c. The proposed land uses fulfill a need or demand for such land uses within the Township.
 - d. The property is suitable for the proposed purposes and land uses.
4. The Planning Commission's decision shall be final after the meeting minutes at which the decision was adopted are approved, or after the decision is certified in writing. Once the decision is final, judicial review may be sought as authorized by law.
5. Approval of the PD Plan does not constitute approval to modify the subject property in any form or fashion until a site plan is submitted and approved by the Planning Commission for the entire development, or for each phase as approved in the PD Plan. The site plan review and its contents shall comply with the requirements of Article X **and Section 7.3**: Site Plan Review. The site plan approval process is separate from the PD review and approval process. As a result, approval of the Planned Development (PD) Plan does not constitute approval of the PD site plan.
6. The PD Plan site plan review process commences once the PD Plan is approved by the Planning Commission. The Applicant, at their discretion, can concurrently submit for review the PD Plan and site plan.

Section 5.3- STANDARDS AND REQUIREMENTS FOR APPROVAL

- A. When the Planning Commission makes a decision regarding a PD Plan, they shall make it based on compliance with the following standards:
 1. Land uses shall be consistent with the intent of **the** underlying Zoning District and the Oscoda Township Master Plan and adopted subarea plans.
 2. The PD shall meet the minimum land area requirements specified for the underlying Zoning District.
 3. A PD shall comply with all dimensional and use regulations of the underlying Zoning District unless variations are otherwise approved by the Planning Commission. Such

proposals shall be accompanied by supporting material demonstrating that the variations would provide equal or greater protection to adjacent or nearby properties.

4. The lands comprising a PD must be subject to unified ownership or control so that the person or legal entity applying for PD approval has proprietary responsibility for the completion of the development, if approved. If multiple persons or legal entities have ownership interests in the land, all such persons or entities shall sign the PD application. If the application is signed by a prospective purchaser or person who has optioned the land, written consent by all owners of the land must be submitted with the application.
5. As provided for in this paragraph, except for on-site septic systems and wells, water supply and sanitary sewage disposal in and for a PD shall only be accomplished by public or community water supply and sanitary sewer systems. These must be approved by the District Health Department 2 (DHD2) and other agencies having jurisdiction and be in compliance with applicable Township Ordinances. If approved by the District Health Department 2 (DHD2), on-site septic systems and wells may be permitted for individual residential lots containing a single-family dwelling.
6. The PD Plan must be consistent with the intent of this Article, as described in Section 5.1, and it must also represent a development opportunity for the community that could not be achieved through Conventional Zoning.
7. The PD Plan and its proposed uses must be compatible with the type, character, and density of land uses on adjacent and nearby lands based on the future land use map in the ~~Lessee~~ Oscoda Township Master Plan or adopted subarea plan.
8. The proposed PD must be compatible with the capacities of public services and facilities affected by the development.
9. The proposed PD must preserve significant natural features, if any.
10. If a proposed PD lies partially outside the jurisdictional boundary of the Township, then the minimum parcel size shall be based on the total size of the project and not just that portion located within the Township.
11. The proposed PD must provide for useable open space which meets the following standards:
 - a. At least 10% of the parcel(s) acreage or square footage.
 - b. Acreage or square footage provided shall be for active or passive recreation use and shall be accessible to the occupants or users of the PD.
 - c. No area which exceeds 18% grade shall be allocated or designated as useable open space.
 - d. At least 40% of the total area required as useable open or recreation space shall be landscaped and maintained.
 - e. Any useable open space which is not planted shall be developed to encourage outdoor active or passive recreational use and shall include such elements as decks, sports courts, outdoor seating, decorative paved areas, and walkways which do not serve as entrance walkways.

- f. No area designated for off-street parking and loading areas, service areas, driveways, required walkways, or portions thereof, or any features that are used for required access to dwelling units, shall be counted as satisfying any useable open or recreation space area requirement.
- 12. Landscaping must be provided to **insure ensure** that proposed uses will be adequately buffered from one another and from surrounding public and private property meeting the minimum standards of Section 6.15, as applicable.
- 13. Motor vehicle access to the uses within a PD shall be from interior roads only unless approved otherwise by the Planning Commission or the Iosco County Road Commission. Safe, convenient and well-defined vehicular and pedestrian circulation within, and access to the development must be provided.
- 14. Important historical and architectural features, if any, within the development are to be preserved.

Section 5.4- CONDITIONS

- A. To the extent authorized by law, reasonable conditions may be required with the approval of a PD Plan. Conditions may include, but are not limited to, those necessary to:
 - 1. Ensure that public services and facilities will be sufficient to serve the proposed land use(s).
 - 2. Protect the natural environment.
 - 3. Promote the use of land in a socially and economically desirable manner.
 - 4. **Meet the purpose and intent of the Zoning Ordinance.**
 - 5. **Ensure compatibility with other uses of land adjacent to the subject property.**
- B. Imposed conditions shall be designed to protect public health, safety, and welfare, be reasonably related to the purposes affected by the PD, be necessary to meet the intent and purpose of this ordinance and be related to ensuring compliance with the standards of this ordinance. All conditions shall be made a part of the record of the approved PD.
- C. When conflicts arise between other provisions of the Zoning Ordinance and this Article, the provisions of this Article shall take precedence unless determined otherwise appropriate by the Planning Commission.

Section 5.4.1- RESIDENTIAL USES PERMITTED

- A. **Planned Developments in District F. The following residential uses are permitted: Micro Housing Subject to the requirements in Section 5.15.**

Section 5.5- PD PLAN APPROVAL AND LAND USE PERMIT ISSUANCE

PD Plan approval does not constitute approval of a land use permit (also sometimes called a Zoning Permit). For those aspects of an approved PD Plan that are controlled by the Township, no construction shall commence until a site plan (Article X) has been approved by the Planning Commission and a land use permit has been issued by the **Zoning Administrator Planning and Zoning Director**. The Township Planning

and Zoning Administrator-Director shall issue a land use permit once all conditions have been met and the performance guarantee, in a form as referenced in Section 10.8, has been provided to the Township Clerk.

Section 5.6- CHANGES AND AMENDMENTS TO AN APPROVED PD PLAN

Changes to an approved PD Plan shall be permitted only under the following circumstances:

- A. All holders of an approved PD Plan shall notify the Planning and Zoning Administrator Director, in writing, of any desired change to the approved PD Plan.
- B. Minor changes may be approved by the Planning and Zoning Administrator Director after determining that the proposed revision(s) will not alter the basic design and character of the PD Plan, nor any specified conditions imposed as part of the original PD Plan approval. Minor changes shall include the following:
 - 1. Change in any building size up to ten (10) percent in gross floor area.
 - 2. Movement of buildings or other structures by no more than ten (10) feet measured horizontally.
 - 3. Replacement of plant material specified in the landscape plan with comparable materials of an equal or greater size.
 - 4. Changes in building materials to a comparable or higher quality.
 - 5. Changes in floor plans which do not alter the character of the use.
 - 6. Relocation of dumpster(s) or signs.
 - 7. Modification of parking areas allowing up to a ten (10) percent change in their location as noted on the PD Plan, provided there is no change in the approved driveway location(s).
 - 8. Changes necessary to conform to other laws or regulations as required or requested by the Township, the Iosco County Road Commission, or other County, State, or Federal regulatory agency.
 - 9. Change of phases or sequence of phases only if all phases of the PD Plan have received final approval, and if the change does not alter any conditions of approval.
- C. A proposed change that is determined by the Planning and Zoning Administrator Director not to be minor shall be considered an amendment to the PD Plan and shall be processed in the same way as the original PD Plan application.

Section 5.7- RECORDING OF PD DEVELOPMENT AGREEMENT

Upon receipt of the report and recommendation of the Planning Commission, and after a Public Hearing, the Township Board shall review all findings. If the Board shall determine to grant the application, it shall instruct the Township Attorney to prepare a development agreement setting forth the conditions upon which such approval is based, which agreement, after approval by resolution of the Board, shall be executed by the Township and the applicant. Approval shall be granted only upon the Board determining that all provisions of this Article have been met and that the proposed development will not adversely affect the public health, welfare, and safety. A. The development agreement shall include, at a minimum:

- 1. A legal description and survey of the total site(s) proposed for development.
- 2. Names and addresses of all owners and persons with legal or equity interest in the property proposed for development.

3. A development schedule, including any individual stages or phases, and the anticipated beginning and completion dates.
4. An affirmative representation that the proposed use(s) will not exceed the performance criteria of the Ordinance.
5. Modifications to standard Zoning requirements which will be requested, if any.
6. All conditions and stipulations as set forth by the Township Board.
7. Provisions satisfactory to the Township Attorney, Planning Consultant or Engineer dealing with maintenance of the property as well as maintenance, repair, and replacement of any common facilities servicing any portion of the property.
8. Any provisions deemed necessary by the Township Attorney, Planning Consultant or Engineer regarding on-site and off-site easements required to service the property.
9. A statement incorporating by reference in the agreement all representations, warranties and information provided in any submission by the applicant and confirming the Township's reliance on those representations, warranties, and information.
10. Enforcement provisions satisfactory to the Township Attorney.
11. A statement allowing recording of the agreement or a notice of the existence of an agreement at the office of Iosco County Register of Deeds.
12. Any other provisions deemed necessary by the Township Attorney, Engineer or Planning Consultant to meet the intent and purposes of Planned Development.
13. Any other information deemed necessary by the Township for consideration of the development.

Section 5.8- PHASING

- A. **Phasing.** When phased construction of a PD project is proposed, each phase, upon completion, shall be capable of standing on its own in terms of the presence of services, facilities, and open or recreational space. Each phase shall also contain the necessary components to ensure protection of natural resources and public health, safety, and welfare.
- B. For PDs with both residential and nonresidential uses, each phase shall contain a mix of land uses achieving that facilitates the land use mix proposed for the entire PD.

Section 5.9- COMMENCING CONSTRUCTION AND EXTENSIONS

- A. Construction of improvements in the planned development (PD) shall begin within 12 months from the date of approval of the site plan by the Planning Commission. An extension of time for beginning construction may be requested in writing by the applicant.
- B. The Planning Commission may grant two (2) extensions for up to an additional one (1) year period for each extension, provided that the applicant applies for such an extension prior to the date of the expiration of the PD Plan, and provided that:
 1. The applicant presents reasonable evidence that the development has encountered unforeseen difficulties beyond the control of the applicant.
 2. The PD requirements and standards, including those of this Ordinance and the Oscoda Township Master Plan or adopted subarea plan that are reasonably related to the development, have not changed.

Section 5.10- RESCISSION OF APPROVAL

A. Rescission of Approval

The PD Plan and/or site plan which is part of an approved PD Plan may be rescinded by the Oscoda Township Planning Commission under the following circumstances.

1. The property owner / developer of an approved PD Plan has not submitted a site plan required by the PD Plan within one (1) year from the date of approval or;
2. The property owner / developer of an approved site plan, which is part of the PD Plan, has not commenced construction within one (1) year from the date of approval.

B. Process to Rescind an Approved PD Plan

The PD Plan approval shall be rescinded based on the following process.

1. The Planning Commission shall notify the PD applicant in writing of its intent to rescind PD Plan approval, site plan approval, and any land use permit that has been issued as a result of that approval.
2. The notice of intent shall state the basis for the proposed rescission, and shall state the time, date and location of a public hearing at which the PD applicant may be heard regarding ~~the accuracy of~~ the proposed basis for rescission.
3. The notice of intent shall be sent by first class mail to the applicant's last known address, based on the PD application, or it may be personally served ~~to~~ on the applicant or a representative of the applicant.
4. The notice of intent shall be mailed or delivered in person at least thirty (30) days before the public hearing at which the rescission will be considered. All Public Hearing requirements of the Michigan Zoning Enabling Act shall be met. The rescission notice of intent shall:
 - a. ~~Be made in writing.~~
 - b. ~~Be mailed to the applicant by first class mail.~~
 - c. State when the rescission becomes effective.
 - d. State the basis for the rescission.
 - e. ~~Be recorded with the Iosco County Register of Deeds, if rescinded.~~
5. Unless granted an extension, a Planned Development (PD) project that has been rescinded by the Planning Commission cannot reapply for a PD until one (1) year after the date that the PD was rescinded.
6. Once a Planned Development (PD) has been rescinded by the Planning Commission, or the PD has been withdrawn by the property owner / developer, the Zoning for the subject property and/or properties shall revert back to their its prior Zoning classifications and must be recorded with the Iosco County Register of Deeds, if rescinded.

C. Process to Rescind an Approved Site Plan

1. The process to rescind a site plan shall follow the requirements of Section 10.4.

Section 5.11- FINAL AS-BUILT DRAWINGS

A. Submission of Final Drawings

The Applicant shall provide the Township with a complete set of "as-built" drawings for the PD and/or each completed phase in Adobe® PDF and ~~the most recent release~~ an acceptable format of AutoCAD®.

Section 5.12- ZONING BOARD OF APPEALS JURISDICTION

The Zoning Board of Appeals is without jurisdiction to accept appeals regarding an approved PD Plan.

Section 2: Severability.

If any sections, clause, or provision of this Ordinance is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, said declaration shall not affect the remainder of the Ordinance. The Township Board hereby declares that it would have passed this Ordinance and each part, section, subsection, phrase, sentence and clause irrespective of the fact that any one or more parts, sections, subsections, phrases, sentences or clauses be declared invalid.

Section 3: Effective Date.

This Ordinance shall become effective eight (8) days after publication.

CHARTER TOWNSHIP OF OSCODA

Date: _____ By: _____
Ann Richards, Supervisor

Date: _____ By: _____
Joshua Sutton, Clerk

Published Date: _____

Effective Date: _____

Section 5.15- MICRO HOUSING PLANNED DEVELOPMENT REQUIREMENTS

A. The purpose of the Micro Housing Planned Development is to encourage affordable housing, infill development and sustainable practices. The following requirements shall apply for a Micro Housing Planned Development:

1. The proposed Planned Development shall comply with the approval process outlined in Article V; specifically, §5.9, §5.9.1, §5.9.2, §5.10, §5.11, §5.11.1, §5.11.2, §5.11.3, §5.12, §5.13, §5.14
2. A Micro Housing Planned Development will consist of individual dwelling structure less than 500 square feet.
3. The density will be no more than twenty (20) units per acre.
4. Micro Housing units are not Condominiums, Multi-family, Mobile Homes or Recreational Vehicles. Properties are titled in fee simple.
5. Micro homes must be structurally independent, with no shared foundations or common wall.
6. Micro homes shall be set on a permanent foundation.
7. Small lots may be irregularly shaped, a minimum area of eight hundred (800) square feet, and at least twenty (20) feet wide.
8. There are no yard or setback requirements along alleys, private roads, or between lots within the approved Planned Development.
9. At least fifty percent (50%) open space is required.

10. Design of structures must be approved by the Planning Commission.
11. Appropriate water, waste water and other utilities as required by the District Health Department 2 (DHD2) and/or Oscoda Township Utility Ordinance 2019-265.

Chapter 20

PARKS AND RECREATION*

Article I. In General

Sec. 20-1. Penalty for violation of chapter.

Secs. 20-2-20-30. Reserved.

Article II. Use of Parks and Contiguous Parking Lots

Division 1. Generally

Sec. 20-31. Power boats.

Sec. 20-32. Tents and house trailers.

Sec. 20-33. General use regulations.

Sec. 20-34. Prohibited acts.

Secs. 20-35-20-55. Reserved.

~~Division 2. Alcoholic Beverage Permits~~

~~Sec. 20-56. Required.~~

~~Sec. 20-57. Application contents.~~

~~Sec. 20-58. Issuance denied to certain persons.~~

~~Sec. 20-59. Duration.~~

~~Sec. 20-60. Investigation; grant or denial.~~

~~Sec. 20-61. Appeals to the township board.~~

~~Secs. 20-62-20-90. Reserved.~~

Article III. Camping

Sec. 20-91. Definitions.

Sec. 20-92. Prohibited generally; exceptions.

Sec. 20-93. Reserved.

Sec. 20-94. Camping on personal property exempted from article provisions.

Sec. 20-95. Warnings to leave camp; refusal constitutes violation of article.

Secs. 20-96-20-125. Reserved.

Sec. 20-126.

Sec. 20-127.

Sec. 20-128.

Sec. 20-129.

Sec. 20-130.

Article Iv. Ski Trails

Purpose of article.

Definitions.

Application of article provisions.

Prohibited acts.

Exemptions.

***Cross References-Environment**, Ch. 12; streets, sidewalks and other public places, Ch. 26; waterways, Ch. 34.

State law references-Township parks, MCL 41.421 et seq., MSA 5.2441 et seq.; recreation and playgrounds, MCL 123.51 et seq., MSA 5.2421 et seq.

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Secs. 20-131-20-160. Reserved.

Article V. User Fees and Permits

Division 1. Generally

Sec. 20-161. Posting of article provisions.
Sec. 20-162. Penalties for violation of article.
Sec. 20-163. Launch fee required.
Sec. 20-164. Recreational vehicle site rental fee required.
Sec. 20-165. User fee schedule.
Secs. 20-166-20-185. Reserved.
Sec. 20-186.
Sec. 20-187.
Sec. 20-188.

Division 2. Permits

Seasonal launch permits; availability; period of validity.
Display-Recreational vehicle site permit.
Same-Launch ramp permit; term defined.
CD20:2
PARKS AND RECREATION § 20-33

ARTICLE I. IN GENERAL

Sec. 20-1. Penalty for violation of chapter.

Any person which violates any of the provisions of this chapter shall be deemed guilty of a Civil Infraction and shall be punished in accordance with section 1-10. In addition, any person violating the provisions of this chapter may be required to leave the Township Park or place of recreation by the supervisor in charge of such park or place of recreation.

(Ord. No. 113, § 5, 8-22-1965; Ord. No. 142, § 9, 5-16-1977; Ord. No. 184, § 6, 8-22-1991)

Secs. 20-2-20-30. Reserved.

ARTICLE II. USE OF PARKS AND CONTIGUOUS PARKING LOTS*

DIVISION 1. GENERALLY

Sec. 20-31. Power boats.

Boat trailers shall not be parked within Township Parks or places of recreation except during the hours of operation of the park. All local, state, and federal boating regulations shall be adhered to.
(Ord. No. 113, § 2, 8-22-1965)

Sec. 20-32. Tents and house trailers.

No tents or house trailers shall be allowed within Township Parks or places of recreation except as allowed in the Township campground.

(Ord. No. 113, § 3, 8-22-1965)

Sec. 20-33. General use regulations.

(a) **Fires.** Any fires for cooking must be made within the grills provided for the purpose or within privately owned grills which are designed to retain the ashes and prevent their deposits upon the ground. Except for camp fires that are established and maintained in the Township's campground, no fires shall be built directly upon the ground in ~~the other~~ daily use parks.

(b) **Rubbish.** All trash, bottles, cans and other debris must not be allowed to remain upon the ground, nor ~~deposited upon~~ on any beaches, nor in any lakes, streams, rivers or other waters situated within or adjoining park areas.

(c) **Picnic tables.** Picnic tables ~~must not be used by one family or one group for longer than one hour at a time and must be allowed to be circulated among the occupants of the park or place of recreation;~~ are for the use of the patrons of the park on a first-come first-served basis.

*State law reference-Authority to adopt rules and regulations for the use of places of recreation, MCL 41.422, ~~MSA 5.2442~~
CD20:3

§ 20-33 OSCODA CHARTER TOWNSHIP CODE

(d) **Property of township.** Township property shall not be damaged or destroyed and shall be treated with respect for the next user.

(e) **Hours.** Daily use ~~of~~ Township Parks and places of recreation shall be open from 7:00 a.m. until 10:00 p.m., unless otherwise posted, or with prior approval, and shall be closed to the public during the remainder of the day and night.

~~however, the township board, by resolution, may permit the use of certain areas within township parks or places of recreation as being specifically designated for snowmobile use, including trail areas and designated parking lots, between the hours of 7:00 a.m. and 1:00 a.m. of the following day from November 1 until April 1.~~

(f) **Dogs or other animals.** No dogs or other animals shall be allowed within Township Parks and places of recreation unless the same are on a leash or kept within a secure container which prohibits their release. ~~It is understood that~~ The immediate removal of any fecal matter ~~shall be the responsibility promptly removed by~~ of the animal's owner or caregiver. ~~No dogs or other animals will be allowed on the designated public beach area at Footesite Park and Ken Ratliff Park.~~

(g) **Firearms and other weapons.** ~~No firearms, BB guns, air guns, compressed air guns, bow and arrows, slingshots or any other weapons shall be used upon and within park grounds. Must adhere to State and Federal law. No BB guns, air guns, compressed air guns, bow and arrows, slingshots shall be used within park grounds. Firearms shall comply with all State and Federal laws.~~

(h) **Servicing of automobiles and other vehicles.** No automobiles, trailers or any other vehicle shall be washed, polished or repaired in or upon any park grounds.

(i) **Speed limit.** No vehicle shall travel within the park grounds at a speed in excess of ten miles per hour.
(Ord. No. 113, § 4, 8-22-1965; Ord. No. 142, § 2, 5-16-1977; Ord. No. 211, § 4, 2-9-1998)

Sec. 20-34. Prohibited acts.

No person in any park or parking lot owned or operated by the Township shall:

(1) **Pollution of waters.** Throw, discharge or otherwise place or cause to be placed in the waters of any pond, bay, lakeshore, river or other body of water in or adjacent to any park any substance or matter of thing, liquid or solid, which will or may result in the pollution of said waters.

(2) **Trash; use of receptacles.** ~~Have brought in or shall dump, deposit or leave any bottles,~~

broken glass, ashes, paper, boxes, cans, dirt, rubbish, waste, garbage or refuse, or other trash. No such refuse or trash shall be placed on any waters in or contiguous to any park, or parking lot contiguous with any park, or left anywhere on the grounds thereof; but shall be placed in the proper receptacles where these are provided. Trash shall be collected and deposited in available waste receptacles.

(3) The operation of vehicles on beaches, picnic areas or other areas other than parking lots which are contiguous to or in conjunction with parks is prohibited. Operate a motorized vehicle on any beach, picnic area, or areas other than parking lots which are contiguous to or in conjunction with parks, except that operation of snowmobiles may be permitted by resolution of the township board, from November 1 to April 1, in designated locations within the park area, subject to appropriate conditions and regulations which shall be set forth in the resolution.

(4) *Washing motor vehicles.* Washing cars, motorcycles, vans or other vehicles is prohibited.
CD20:4

(5) *Alcohol.* Use of Alcohol is prohibited in Township Parks unless a permit is obtained by the Michigan Liquor Control Commission.

PARKS AND RECREATION § 20-57 — Delete Section

(5) *Operating sound systems.* Operate a stereo or high fidelity music player, record player, radio, public address system, with external speakers, or speakers which can be detached from the radio, or record player, or where the speaker system is connected to the receiver or radio or record player by extension wires.

(6) *Fires.* Except for those fires started or used in fire boxes, commercially produced cooking grills, grills that are furnished by the township or in the campfire pits at the township's campground, it shall be unlawful for any person to start, use, or participate in the starting or using of a fire in any park owned or operated by the Charter Township of Oscoda.

(7) *Public intoxication.* Be found to be intoxicated by the effects of consuming alcoholic beverages.

(8) *Disorderly conduct.* Act in a disorderly manner so as to be offensive or threatening to other persons in the park.

(Ord. No. 142, § 8, 5-16-1977; Ord. No. 210, § 1, 2-9-1998)

Secs. 20-35-20-55. Reserved.

DMSION 2. ALCOHOLIC BEVERAGE PERMITS

Sec. 20-56. Required.

It shall be unlawful for any person, group, business or organization to serve alcoholic beverages, including beer and wine, as part of a group gathering, civic event or other party function of any kind whatsoever in any park or parking lot connected with or part of a park located within the township, without first having obtained a permit therefor.

(Ord. No. 142, § 3, 5-16-1977)

Sec. 20-57. Application contents.

An approved All applications for a permit to serve alcoholic beverages shall be made to the township clerk and shall contain the following information: obtained prior to the event.

(1) The name, age and address of the applicant/person or party that is assuming responsibility for the event in which alcohol will be consumed. In the case of a

co-partnership, the persons who are the co-partners; in case of a corporation, the objects for which it was organized, and the names and addresses of the officers and directors.

(2) The purpose and/or function at which alcoholic beverages will be consumed.

(3) An estimate of the amount of alcoholic beverages to be consumed as well as the types of alcoholic beverages.

CD20:5

§ 20-57 OSCODA CHARTER TOWNSHIP CODE

(4) A written statement that swears and attests that the applicant and or responsible party has not been convicted of a felony or any of the liquor control laws of the state. Such written statement shall be witnessed by a notary public.

(Ord. No. 142, § 3(a), 5-16-1977)

Sec. 20-58. Issuance denied to certain persons:

No permit to consume or possess or control alcoholic beverages pursuant to this article shall be issued to, unless proof of State licensing and insurance is provided.

(1) A person who has been convicted of a felony.

(2) A person who has been convicted of a violation of the liquor laws of the state.

(3) A person who proposes to make a personal profit from the consumption or use of alcoholic beverages on township property.

(Ord. No. 142, § 4, 5-16-1977)

Sec. 20-59. Duration:

Each permit issued under this article shall be for a period of 24 hours, subject, however, to the regulations of this article as to the opening and closing of township parks. Approved by the Township Board, approved via the application.

(Ord. No. 142, § 5, 5-16-1977)

Sec. 20-60. Investigation; grant or denial.

Upon receipt of the application for a permit to serve alcoholic beverages in a park or parking lot connected with or a part of a park located within the township, the township clerk shall forward the application to the township superintendent, who shall make such investigation as he/she deems necessary and shall, within five days, either grant or deny the permit.

(Ord. No. 142, § 6, 5-16-1977)

Sec. 20-61. Appeals to the township board. Zoning Board of Appeals

Any person aggrieved of a decision of the township superintendent, Board of Trustees with respect to a permit to serve alcoholic beverages in a park or parking lot connected with or part of a park located within the township, may appeal such decision to the township board Zoning Board of Appeals at its next regular meeting, or at a requested special meeting. The township board Zoning Board of Appeals may review the decision of the superintendent Township Board and either grant or deny a permit, in accordance with this article.

(Ord. No. 142, § 7, 5-16-1977)

Secs. 20-62-20-90. Reserved.

CD20:6

PARKS AND RECREATION § 20-125

ARTICLE III. CAMPING

Sec. 20-91. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Campsite means any place where any bedding, sleeping bag or other sleeping matter is placed, established or maintained, whether or not such place incorporates the use of any tent, lean-to, shack or other structure, or any vehicle or part thereof.

To camp means to set up or to remain in or at a campsite.

(Ord. No. 184, § 1, 8-22-1991)

Cross reference-Definitions generally, § 1-2.

Sec. 20-92. Prohibited generally; exceptions.

It is unlawful for any person to camp in or upon any township sidewalk, street, alley, lane, park, public right-of-way or any other property public or private located in the township, unless the person is camping in a licensed campground or on state or United States Forest Service property designated for camping by either the state or the United States Forest Service or the campsite is established on property that has a valid building permit issued for the purpose of constructing an authorized permanent principle structure and the campsite is being utilized in accordance with the temporary building provisions of the township zoning ordinance (Ordinance No. 165) as amended.

(Ord. No. 184, § 2, 8-22-1991; Ord. No. 184-1, § 2, 5-10-1999)

Sec. 20-93. Reserved.

Sec. 20-94. Camping on personal property exempted from article provisions.

Persons who are camping on property with the approval of the owner(s), and such camping is incidental to the property's use as a single-family residence, shall be exempt from the provisions of this article. At any one time, campsites on personal property will be limited to two of any combination of the following: tents, pick-up campers, travel trailers, motor homes, or any other such similar items.

(Ord. No. 184, § 4, 8-22-1991)

Sec. 20-95. Warnings to leave camp; refusal constitutes violation of article.

No person shall be convicted of violating this article unless such person shall continue to camp for more than 30 minutes after receiving a warning to leave. ~~Such warning shall be given by a police officer.~~

(Ord. No. 184, § 5, 8-22-1991)

Secs. 20-96-20-125. Reserved.

CD20:7

§ 20-126 OSCODA CHARTER TOWNSHIP CODE

ARTICLE IV. SKI TRAILS

Sec. 20-126. Purpose of article.

The purpose of this article is to provide rules and regulations for the use of public cross country ski trails and downhill ski trails within the Township.

(Ord. No. 168, § 1, 1-13-1986)

Sec. 20-127. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Vehicle means any conveyance including motor vehicles, trailers, campers, tricycles, bicycles (motorized or not), motorcycles, motorized all-terrain vehicles, snow vehicles or any vehicle propelled by other than muscular power.

(Ord. No. 168, § 3, 1-13-1986)

Cross reference-Definitions generally, § 1-2.

Sec. 20-128. Application of article provisions.

This article shall apply to all ski trails owned, leased and/or operated or acquired by permit by the Township.
(Ord. No. 168, § 2, 1-13-1986)

Sec. 20-129. Prohibited acts.

It shall be unlawful for any person to:

- (1) Operate a vehicle on any ski trail in the Township.
- (2) Hold any ski race, or other organized ski event, unless prior written notice is given to the clerk of the Township at least 20 days before the scheduled event.

(Ord. No. 168, § 4, 1-13-1986)

Sec. 20-130. Exemptions.

No provision of this article shall make unlawful any act necessarily performed by any officer or employee of the Township in the line of duty or work as such, or by any person or employees in the proper and necessary execution of the terms of any agreement with the Township, including authorized trail-grooming equipment and other vehicles used for maintenance.
(Ord. No. 168, § 5, 1-13-1986)

Secs. 20-131-20-160. Reserved.

CD20:8

PARKS AND RECREATION § 20-185

ARTICLE V. USER FEES AND PERMITS*

DIVISION 1. GENERALLY

Sec. 20-161. Posting of article provisions.

The Township ~~superintendent~~ shall cause signs to be posted at each park entrance giving notice of this article.

(Ord. No. 199, § 7, 4-25-1994)

Sec. 20-162. Penalties for violation of article.

(a) Launching of watercraft. All persons who violate the provisions of this article with regard to launching of watercraft, shall may have their launch vehicle and/or trailer towed and impounded to be released upon payment of launch fees and towing fees, and subject to punishment in accordance with section 1-10.

(b) Recreational vehicle campsites. All persons that violate the provisions of this article with regard to recreational vehicle campsite fees shall may have their vehicle towed and impounded to be released upon payment of campsite rental fees and towing fees, and further subject to punishment in accordance with section 1-10.

(Ord. No. 199, §§ 8, 9, 4-25-1994)

Sec. 20-163. Launch fee required.

Any person launching a watercraft at a launch ramp located in a park operated, owned or operated by the Township shall first pay a launch fee as provided in section 20-165.

(Ord. No. 199, § 1, 4-25-1994)

Sec. 20-164. Recreational vehicle site rental fee required.

Any person who occupies a recreational vehicle campsite in a park owned or operated by the Township shall first pay a site rental fee as provided in section 20-165.

(Ord. No. 199, § 2, 4-25-1994)

Sec. 20-165. User fee schedule.

The user fee schedule for Township Park facilities is as established from time to time by resolution of the Township Board and a copy of such schedule is on file and available in the Township Offices.

(Ord. No. 199, § 3, 4-25-1994)

Secs. 20-166-20-185. Reserved.

***Cross reference-Finance, § 2-151 et seq.**

CD20:9

§ 20-186 OSCODA CHARTER TOWNSHIP CODE

DIVISION 2. PERMITS

Sec. 20-186. Seasonal launch permits; availability; period of validity.

Seasonal launch permits shall be available at the township clerk's office. The seasonal permit shall be valid from April 15 to November 15 of the year it is issued.

(Ord. No. 199, § 4, 4-25-1994)

Sec. 20-187. Display-Recreational vehicle site permit.

Recreational vehicles sited in campsites shall display the permit in a window of the recreational vehicle clearly visible to the outside or affixed to the front of the recreational vehicle clearly visible to the street in front of the campsite.

(Ord. No. 199, § 5, 4-25-1994)

Sec. 20-188. Same-Launch ramp permit; term defined.

Launch ramp permits shall be displayed in the windshield of the launch vehicle clearly visible showing the permit number. For the purposes of this article the term "launch vehicle" shall be defined as a vehicle which is connected to a boat and/or watercraft trailer. It shall be unlawful for any boat and/or watercraft trailer to be left at a park site without being connected to a launch vehicle.

(Ord. No. 199, § 6, 4-25-1994)

Cross reference-Definitions generally, § 1-2.

Section 4.20 F, Forestry District:

1. **Intent and Purpose:** To promote the development of wooded areas of the Township in a manner which promotes small forestry operations, wildlife management, and other compatible uses.
2. **Principal Uses:**
 - A. Publicly-owned and operated Parks, Parkways, and other Publicly-owned Outdoor Recreational Facilities;
 - B. Campgrounds;
 - C. Forest Industries Including Sawmills and Their Related Sales;
 - D. Forest Nurseries and Seed Gathering;
 - E. Forestry Services;
 - F. Seasonal Goods;
 - G. Community Events;
 - H. Golf Courses and Country Clubs;
 - I. Cemeteries;
 - J. Hunting and Trapping Operations;
 - K. Nurseries, Greenhouses, Wholesale and Retail, production;
 - L. Horseback Riding Trails and Stables;
 - M. Tree Cutting Services;
 - N. One-Family Dwelling Units;
 - O. Kennels;
 - P. Private Garages;
 - Q. Outhouse (Privy);
 - R. Fish and Game Propagation (Hatcheries and Farms);
 - S. Cabins/Cottages.⁶
3. **Special Permit Uses:**
 - A. Commercial Outdoor Recreation;
 - B. Communication Towers, except that which might apply under the terms of the Oscoda-Wurtsmith Airport Zoning Manual;
 - C. Sanitary Landfills;
 - D. Excavation;
 - E. Gunnery Ranges;
 - F. Outdoor Theaters;
 - G. Landscape Contractors and Suppliers;
 - H. Reserved,²⁵²

-
- I. Fraternal Organizations and Clubs;
 - J. Alternative energy generation, private and commercial;
 - K. Veterinary Clinics;
 - L. RV Parks;
 - M. Landfills;
 - N. Hospitals;
 - O. Composting;
 - P. Community Use Facility, Private;
 - Q. Fish Cleaning Station;
 - R. Open Space Preservation;⁷
 - S. Bed and Breakfast Establishments;¹⁵
 - T. Multi-Family Dwellings;
 - U. Apartments;
 - V. Condominiums;
 - W. Townhouses;
 - X. Site Condos;
 - Y. Planned Unit Developments.
4. **Accessory Uses and Temporary Structures:** See Section 2.2, "Use, Accessory" and "Structure, Temporary", for definitions and permitted uses.
5. **Lot, Building, Yard Requirements:**
- A. **Lot:** Area, five (5) acres minimum;
 - B. **Principal Building:** Height, thirty-five (35) feet maximum; stories, two (2) maximum; area, eight hundred fifty (850) SF minimum.
 - C. **Yard:** Front, twenty-five (25) feet FLL minimum; side, twenty (20) feet minimum; rear, twenty-five (25) feet minimum.
6. **Special Notes:**
- A. Fence and greenbelts shall be in accordance with Section 6.13.
 - B. Antennas: Same as for R-1 District. See also Section 6.25.
 - C. Road side setback along US-23, F-41 and M-65 shall be thirty-five (35) feet as measured from the highway right-of-way.³
 - D. At a minimum, front yard setback requirements shall be met for any property that adjoins a road. Any structure to be constructed on a front, rear or side yard, that abuts a road, shall allow for a setback from said road with a minimum distance of the relevant front yard setback for that district.²
 - E. Cabins/Cottages may be built to a minimum of four hundred (400) square feet of floor area. Cabins/Cottages shall only be built upon a parcel that has a minimum land area of ~~ten (10)~~ five (5) acres. Cabins/Cottages shall be set back a minimum of three hundred (300) feet from all property lines.

follow R-1 setback requirements. Cabins/Cottages shall only be built in accordance with the design standards that are described by Section 6.28.⁶

Commented [J11]: Not a problem reducing to 5 acres

F. Open Space Preservation.⁷

- (1) Applicable to residential development only.
- (2) New parcels created shall comply with P.A. 288 of 1967, as amended (Land Division Act).
- (3) A maximum of fifty (50) percent of any parent parcel buildable area may be divided into new parcels equaling the total number of dwellings allowed for the entire parcel of land within this district. At least fifty (50) percent of the parent parcel shall be kept as open space in perpetuity by conservation easement, plat dedication, restrictive covenant, or other legal means acceptable to the Planning Commission. Example: Total parent parcel area is thirty (30) acres divided by five (5) acres per dwelling equals six (6) dwellings, which would allow six (6) parcels. When the requirements of Open Space Preservation are satisfied, six (6) parcels would be allowed on fifteen (15) acres or less.

G. All non-conforming properties must meet all standards for the R-1, Low Density Residential District, as to lot, building, and yard requirements.

(Amd. of 3-28-2019, 02-2022)

Section 6.2.6 Accessory Structures on Vacant Lots²⁵⁵

The Township recognizes that occupants of waterfront properties commonly have boats, trailers, other recreational vehicles and other items that require storage on at least a seasonal basis, often in open yard areas, and also recognizing that waterfront lots are often small in size, which limits the placement of traditional storage structures in accordance with the other provisions of this Section. The Township also recognizes that the outdoor storage of such items may have a blighting effect on the surrounding neighborhood. Therefore, the owner of a waterfront property which contains a residence may acquire a vacant lot on the opposite of the street or road and construct an accessory structure on it, subject to Special Land Use permit approval, as specified in Article IX of this Ordinance, and in accordance with the provisions below.

1. The majority of the frontage of the vacant lot to be used for the accessory structure shall be located directly across the street or road from the waterfront lot containing the owner's residence.
2. The accessory structure shall not contain a residence or dwelling unit, nor shall any part of the accessory building be used for human habitation at any time.
3. The accessory structure and the yard areas surrounding it shall not be used for any commercial or business use, including the storage of materials, vehicles or other items used for commercial or business purposes.
4. ~~No bathroom facilities shall be provided in the accessory structure. The accessory structure must follow Oscoda Township Utility Ordinance 2019-265 if installing water and/or sewer. If a property owner desires to install water or sanitary facilities they shall be required to follow Oscoda Township Utility Ordinance 2019-265.~~
5. The accessory structure shall not be used to house or support animals of any type.
6. The placement of the accessory structure on the vacant lot shall maintain sufficient space to also allow for the subsequent construction of a dwelling unit which would comply with the minimum dwelling unit size and setback requirements of the applicable zoning district.
7. The accessory structure shall not exceed one thousand six hundred (1,600) square feet in area or twenty (20) feet in height, and be in compliance with the requirements under 6.2.3(b), (d), (e), and (f), 6.2.1 (a), (b), (c), (d), (e), (f), (g), and (h) of "Detached Accessory Structures".
8. The accessory structure shall be constructed in compliance with Section 6.2.4, 6.2.1.
9. ~~The opposing lot with the accessory structure shall not contain more than one (1) detached accessory structure. Only one (1) accessory structure shall be permitted on a vacant lot in accordance with this section.~~
10. When applying for a Special Land Use permit to construct the accessory structure, the applicant shall provide to the Planning Commission copies of a proposed restrictive covenant to be applied to both lots which would restrict the use of the accessory structure and lot for only the private storage needs of the owner of the waterfront lot and specifying that the two (2) lots shall not be sold or mortgaged separately unless such sale is first approved by the Township in accordance with paragraph 11 below. If a Special Land Use permit is approved, the owner shall execute and duly record the restrictive covenants with the County Register of Deeds, and shall provide copies of the executed and recorded documents to the Township Zoning Administrator before any actual construction permit(s) may be issued.
11. The Zoning Administrator shall approve a request to sell one (1) of the two (2) lots if one (1) of the following requirements is met:

Commented [J11]: Suggest the following -
"If a property owner desires to install water or sanitary facilities they shall be required to follow Oscoda Township Utility Ordinance 2019-265."

-
- (a) The existing or prospective owner of the accessory structure obtains a demolition permit and removes the accessory structure within six (6) months;
 - (b) The prospective owner of the accessory structure lot obtains a permit to construct a new dwelling unit on the lot, initiates construction within six (6) months and completes construction of the dwelling within one (1) year; or
 - (c) The prospective owner of the accessory structure lot owns and occupies a dwelling on an adjacent lot and legally combines the two (2) lots.

Memo

To: Tammy Kline, Superintendent

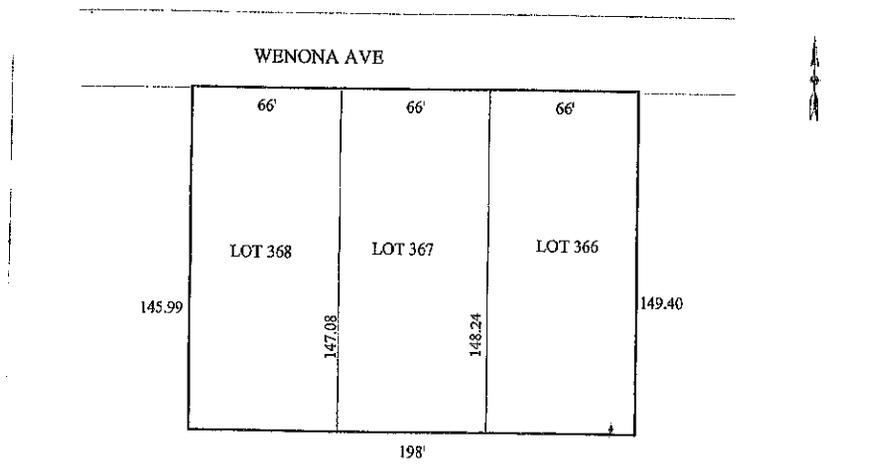
From: Nancy Schwickert, Assessor

Date: 7/27/2022

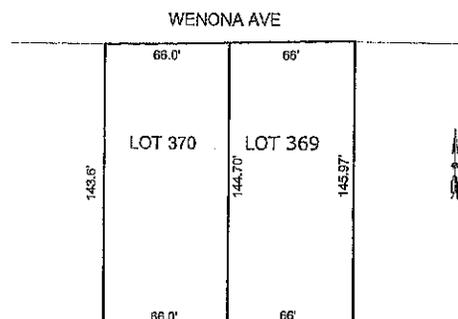
Re: Division of a Platted Lot

A request to split a lot was submitted to the Board at the July 25th meeting. I would like to offer further clarification of this request.

Parcel code number 064-J50-000-366-00 contains lots 366, 367 and 368.

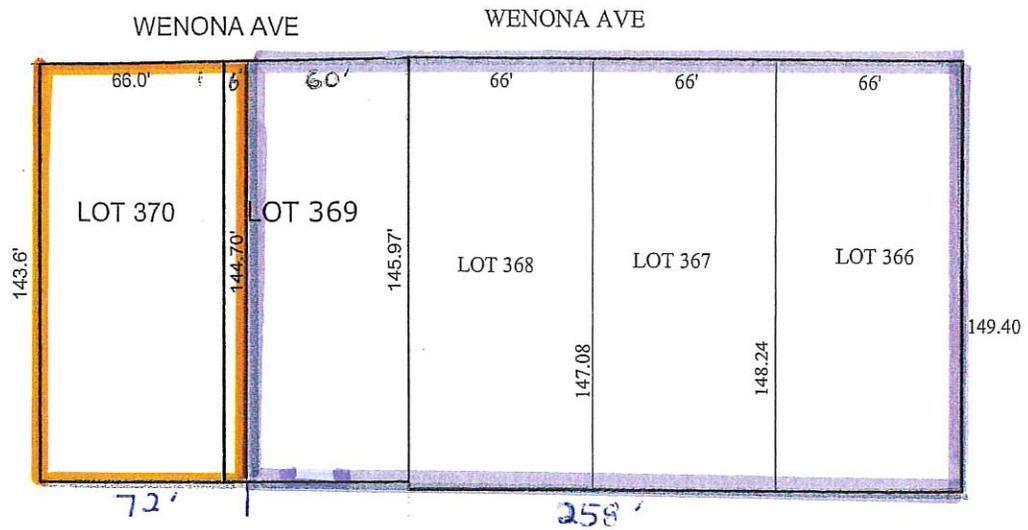


Parcel code number 0064-J50-000-369-00 includes lots 369 & 370.



The owner wishes to sell lot 370 however the garage does not meet zoning set back requirements. Therefore, in order to facilitate the sale, the westerly 6 feet of lot 369 must be included in sale with lot 370. (as indicated in orange) This will result in a division of a platted subdivision lot which requires approval from the Board of Trustees.

The remaining 60 feet of lot 369 will be combined into the adjacent parcel consisting of lots 366, 367 & 368. (as indicated in purple)



Attached are copies of the 'Request to Split Platted Lot form' as well as the required 'Combine Request forms. I have also attached two drawings. One shows the current descriptions and the second shows the reconfiguration should the Board approve the requested division.

As indicated on the application cover sheet, this property split has been reviewed and signed by Township representatives in Zoning, Water / Sewer, Treasurer and Assessing offices.

Staff is recommending for the Township Board to approve the lot split as proposed.

Charter Township of Oscoda Board of Trustees Request to Split Platted Lot(s)

Parcel Code Number: 064 - J50 - 000 - 369 - 00

Lot/Lots: Lot 369

In the recorded plat of: Jordanville Subdivision

Has been made by: Donna J. Cotton Donna J. Cotton
Owner(s) Signature

Telephone # (989) 820 - 2555

Property Address: 4752 Wenona Ave Lot 369 is vacant

Reason for Division: To join majority of parcel (easterly 60' Vacant or Improved to Parcel 064-J50-000-366-00) and leave proper side setbacks.

**The applicant must submit
a scaled drawing & legal descriptions with this request form.**

This drawing must show the property lines & land improvements. (Including; well & septic locations)
Front, Rear & Side Setbacks must also be noted for all land improvements
This documentation must show that all structures do/will conform to the local zoning ordinances

All taxes and special assessments must be paid in full.

Approval may be contingent on the applicant providing a registered survey.

Township Department Approvals

Fee:	\$ <u>35⁰⁰ pd</u>	Date	<u>7-21-22</u>
Treasurer	<u>[Signature]</u>	Date	<u>7/18/2022</u>
Zoning	<u>Nichole Vallette</u>	Date	<u>7/19/2022</u>
Water/Sewer Dept.	<u>[Signature]</u>	Date	<u>7-21-2022</u>
Assessor	<u>[Signature]</u>	Date	<u>7-21-2022</u>

Special Assessment District: _____

Contingency: _____

Certification

The foregoing division of a platted lot was approved by the Township Board of the Charter Township of Oscoda during a meeting that was duly called and held on the

_____ Day of _____, 20____

_____, Clerk

OSCODA CHARTER TOWNSHIP
Combine Request

RECEIVED JUN 29 2022

I/We do hereby request and authorize the Oscoda Township Assessor's Office to combine the following parcels of property:

Parcel Code # 064-J50-000-369-00

Parcel Code # 064-J50-000-366-00

Parcel Code # (westerly 6 feet of Lot 369)

The request is being made for the following reasons: Zoning
 Other

(Please Describe) To join most of Lot 369 (easterly 60') yet provide the required 10' plus side setback for garage on Lot 370

All property taxes and special assessments owing on the above property must be paid in full on all parcels before this request will be processed

I the undersigned owner(s) do acknowledge that this Parcel Combine may be permanent and that the Assessor's office may refuse to re-split the property if the Zoning Administrator deems the division to be non-conforming to the Township Zoning ordinances.

Owner Signature: Donna J. Cotton 6/24/2022
Date

Owner Signature: _____
Date

Owner Telephone # (989) 820 - 2555

Owner Telephone # (____) _____ - _____

.....
Department Approval

Fee: \$ 35⁰⁰ Pd _____

Treasurer: [Signature] 7-21-22
Date

Zoning: Nichole Vallitto 7-18-2022
Date

Water/Sewer: Cathleen Wm 7/19/2022
Date

Assessor: [Signature] 7-21-2022
Date

Special Assessment District: _____

Contingency: _____

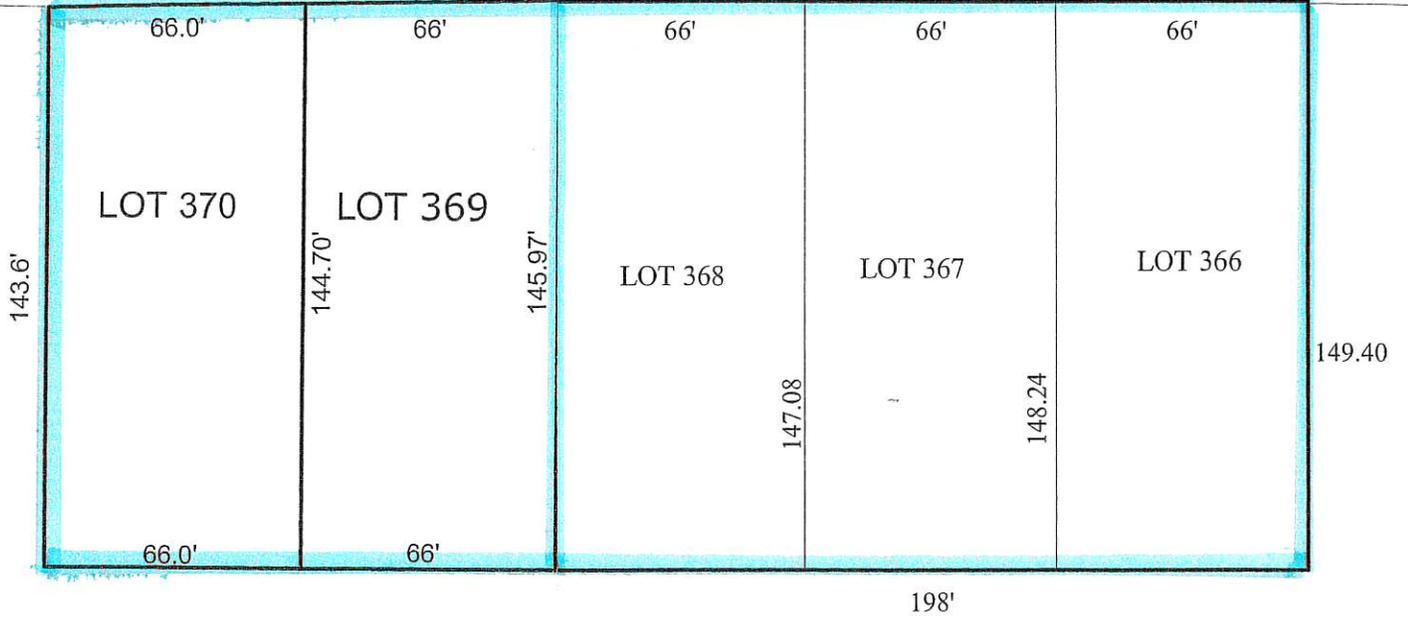


General Property Location

Current

WENONA AVE

WENONA AVE



Proposed

WENONA AVE

WENONA AVE



From: [Ann](#)
To: [Tammy Kline](#); [Melinda Morgan](#)
Subject: Fw: Oscoda AuSable Senior Building Authority Board
Date: Tuesday, August 2, 2022 6:01:26 PM

Can you please make sure this resignation from Catherine is placed on the August 8 agenda.

Thank you! Ann

From: Catherine Gavin-Larive <catherinelarive@gmail.com>
Sent: Tuesday, July 19, 2022 2:26 PM
To: Ann Richards <ann@hhroa.com>
Cc: Ann <supervisor@oscodatowshipmi.gov>; Tammy Kline <superintendent@oscodatowshipmi.gov>; Mary Jo <treasurer@ausabletownship.net>; Devon Tasior <devon.tasior22@gmail.com>
Subject: Re: Oscoda AuSable Senior Building Authority Board

Thank you for your understanding.

On Tue, Jul 19, 2022, 2:08 PM Ann Richards <ann@hhroa.com> wrote:

Good afternoon Catherine-

Well thank you for the email and **thank you** for your service to the Community- I will make sure that the resignation, based on moving out of the Township, gets on our next agenda.

Sincerely, Ann

On Tue, Jul 19, 2022 at 1:13 PM Catherine Gavin-Larive <catherinelarive@gmail.com> wrote:

Hello Mary Jo and Ann,

With Regrets I can no longer be a member on the Oscoda AuSable Senior Building Authority Board. We have sold our home in Oscoda and are relocating to Greenbush. As we will live in Greenbush. It has been a pleasure serving on the Board.

Thank you,
Catherine A Larive

Catherine Gavin-Larive REALTOR
Associate Broker Forty Five North
Real Estate Oscoda
Direct: 248 534-2264

Office: 989 335-3772

212 N State St

Oscoda , MI 48750

email: catherinelarive@gmail.com

<https://homekeepr.com/join/catherine-gavin-lar>

Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct.

The content of this email is confidential and intended for the recipient specified in message only. It is strictly forbidden to share any part of this message with any third party, without a written consent of the sender. If you received this message by mistake, please reply to this message and follow with its deletion, so that we can ensure such a mistake does not occur in the future.

Huron Shore Regional Utility Authority December 31, 2021 Audit Summary

Two main parts to our audit:

1. Audit the numbers to ensure they are materially correct.
2. Report any internal control matters we find.

Part I Year-End Figures

- The Authority received an unmodified opinion, which is the best opinion available.
 - This means that after we performed our audit, we believe the numbers in the financial statements are materially correct and can be relied upon.

Summary of Year-End Figures

- Ended the year with \$841,000 in cash, which is a decrease of approximately \$164,000 from the 12/31/20 audited figures.
- Total assets of \$16,326,228, which includes the cash mentioned above plus:
 - Capital assets of \$15,406,214, net of depreciation
 - Due from local units of \$47,231, which is the amount due from the local municipalities for quarterly O&M fees
 - Prepaid items of \$17,674, which is prepaid insurance, which always crosses fiscal years
 - Accounts receivable of \$14,109 for AT&T rentals.
- To offset the assets, the Authority had a total of \$82,516 in liabilities, consisting entirely of accounts payable, i.e. services received in 2021 but paid for in 2022.
- Operating Revenues totaled \$1,147,373, which is similar to the prior audited amount of \$1,173,746.
- Operating Expenses totaled \$1,729,155, an increase from the prior year figure of \$1,661,342. Increase is primarily related to Contractual Services, which is largely the amount charged by F&V for operations and maintenance at the plant.
- Net position decreased by \$579,194, but \$539,636 of that is depreciation, a non-cash item.
- Total net position is significant (\$16,243,712), but the majority is tied to capital assets that were purchased in the past and aren't fully depreciated. The unrestricted portion (\$837,498) reflects net position that is actually available to use on future expenses.

Part II Internal Control Matters

- Unbound letter at the back of the audit reports
- Appendix II reports internal control matters
- One finding in the current year, which is common for basically all small entities:
 - Financial Statement Preparation Controls (repeat comment)**
 - Management has decided it is more cost effective to contract with auditors to prepare the financial statements (which is allowed) versus preparing them in-house.
 - We would like to add that the number of entries we propose as part of this process is small, and generally contained to capital asset activity and reclassification of some expenses for presentation purposes.



Stephenson & Company, P.C.
Certified Public Accountants & Consultants

Alan J. Stephenson, CPA
Donald W. Brannan, CPA
Kyle E. Troyer, CPA
Robert J. Morand, CPA
Brenden A. Stephenson, CPA/PFS, CFP®
Cynthia R. Scott, CPA, CFE

June 30, 2022

Management and the Board
Huron Shore Regional Utility Authority
Iosco County, Michigan

We have audited the financial statements of the business-type activities of the Huron Shore Regional Utility Authority for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 20, 2022. Professional standards also require that we communicate to you the following information related to our audit. The appendices to this letter set forth those communications as follows:

I Communication with Those Charged with Governance

II Management Comments

We discussed these matters with various personnel of the Authority during the audit and met with management on June 30, 2022. We would also be pleased to meet with you to discuss these matters at your convenience.

This information is intended solely for the information and use of management, the Authority Board, others within the Authority and the Michigan Department of Treasury and are not intended to be, and should not be, used by anyone other than those specified parties.

Very truly yours,

Stephenson & Company, P.C.

Stephenson & Company, P.C.

APPENDIX I COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

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 Huron Shore Regional Utility Authority 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 2021. We noted no transactions entered into by the Huron Shore Regional Utility Authority 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 financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit. However, we would like to note that the timing of receiving accounting records for the audit created some difficulties related to completing the audit by the deadline.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined the effects of the unadjusted audit differences are immaterial, both individually and in the aggregate, to the financial statements as a whole, and material misstatements provided to management on June 30, 2022 were corrected by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 30, 2022.

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 Huron Shore Regional Utility Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Stephenson & Company, P.C.

APPENDIX I COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is 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.

Stephenson & Company, P.C.

APPENDIX II MANAGEMENT COMMENTS

In planning and performing our audit of the financial statements of the the business-type activities of the Huron Shore Regional Utility Authority as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Huron Shore Regional Utility Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Huron Shore Regional Utility Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Huron Shore Regional Utility Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be a material weakness:

FINANCIAL STATEMENT PREPARATION CONTROLS

In conjunction with our audit, we have been contracted to prepare the financial statements and related disclosures based on the information provided to us by Management. We would like to stress that this service is allowable under AICPA ethics guidelines and may be the most efficient and effective method for preparation of Huron Shore Regional Utility Authority's financial statements. However, if at any point in the audit we as auditors are part of the Authority's control system for producing reliable financial statements, auditing standards indicate that the Authority has a control deficiency. If Management is not able to prepare financial statements, including disclosures, and the auditors are contracted to prepare these statements, this is considered a control deficiency. We recommend that Management and those charged with governance evaluate and document their decision on the costs and benefits of whether to contract for this service with our firm.

Examples of where the Authority relies on the auditor as a control for producing reliable financial statements is in the adjustments needed at year end in relation to the depreciation expense and some accounts payable. The effect of this is that financial reports prepared before audit adjustments are made are not accurate in relation to capital assets and some accounts payable. We commend management on the financial accounting structure that is in place and encourage management to continue pushing towards there being no adjustments needed at year end.

View of Responsible Officials:

Huron Shore Regional Utility Authority has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with Generally Accepted Accounting Principles, and determined that it is in the best interests of the Authority to outsource this task to its external auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation.

Huron Shore Regional Utility Authority's response to the finding in our audit is described above. We did not audit the Authority's response and, accordingly, we express no opinion on it.

Stephenson & Company, P.C.

APPENDIX II MANAGEMENT COMMENTS

STATUS OF PRIOR YEAR COMMENTS:

We have reviewed the status of comments and recommendations made in the prior year. The status of prior year comments is as follows:

<u>Comment</u>	<u>Implemented/ Situation Corrected</u>	<u>Management Decision To Not Implement</u>	<u>Progress Made</u>	<u>Situation Still Exists</u>
Financial Statement Preparation Controls		X		



Stephenson & Company, P.C.
Certified Public Accountants & Consultants

Alan J. Stephenson, CPA
Donald W. Brannan, CPA
Kyle E. Troyer, CPA
Robert J. Morand, CPA
Brenden A. Stephenson, CPA/PFS, CFP®
Cynthia R. Scott, CPA, CFE

HURON SHORE REGIONAL UTILITY AUTHORITY
IOSCO COUNTY, MICHIGAN

AUDITORS' REPORT
YEAR ENDED DECEMBER 31, 2021

INDEX

AUDITORS' REPORT

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June 30, 2022

Independent Auditors' Report

Members of the Authority Board
Huron Shore Regional Utility Authority
Iosco County, Michigan

Opinions

We have audited the accompanying financial statements of the business-type activities of the Huron Shore Regional Utility Authority, Iosco County, Michigan, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the index.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Huron Shore Regional Utility Authority, Iosco County, Michigan, as of December 31, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Report on Summarized Comparative Information

We have previously audited the Huron Shore Regional Utility Authority's December 31, 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 10, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

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

Stephenson & Company, P.C.

Members of the Authority Board
Huron Shore Regional Utility Authority
June 30, 2022
Page 2

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

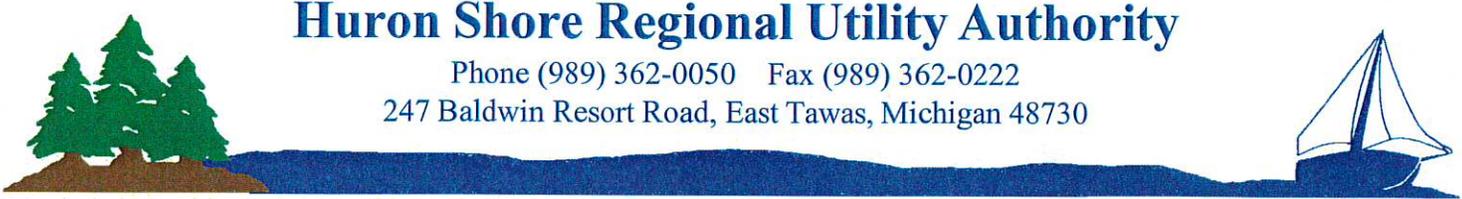
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Huron Shore Regional Utility Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Huron Shore Regional Utility Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Stephenson & Company, P.C.



Huron Shore Regional Utility Authority

Phone (989) 362-0050 Fax (989) 362-0222
247 Baldwin Resort Road, East Tawas, Michigan 48730

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the **Huron Shore Regional Utility Authority**, (the Authority) we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2021.

Financial Highlights

- The Authority's assets exceeded its liabilities by \$16,243,712 (*net position*) for the fiscal year reported. Of this amount, \$837,498 (*unrestricted net position*) represents the portion available for spending.
- The Authority's total net position decreased by \$579,194 or approximately 3.4% over the course of the year's operations. The decrease is comparable with the prior fiscal year loss of \$484,972 after considering a decrease in operating revenue of \$26,373 and an increase in operating expenses of \$67,813.

Overview of the Financial Statements

This annual report includes this management's discussion and analysis report, the independent auditors' report and the basic financial statements of the Authority. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the Authority report information of the Authority using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Statement of Net Position includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenue, Expenses and Changes in Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, financing and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Notes to Financial Statements

The accompanying notes to financial statements provide information essential to a full understanding of the financial statements. The notes to financial statements are presented on pages 9 - 14 of this report.

Analysis of Financial Position

One of the most important questions asked about the Authority's finances is "Is the Authority as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position, and the Statement of Revenue, Expenses, and Changes in Net Position report information about the Authority's activities in a way that will help answer this question. These two statements report the net position of the Authority and the changes in them. One can think of the Authority's net position (the difference between assets and liabilities) as one way to measure financial health or financial position. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions and new or changed government legislation.

Summary of Net Position

The following summarizes the net position of the Huron Shore Regional Utility Authority at December 31, 2021 and 2020:

	Net Position Summary	
	<u>2021</u>	<u>2020</u>
Current Assets	\$ 920,014	\$ 1,091,417
Capital Assets -- Net of Accumulated Depreciation	<u>15,406,214</u>	<u>15,830,600</u>
Total Assets	<u>16,326,228</u>	<u>16,922,017</u>
Current Liabilities	<u>82,516</u>	<u>99,111</u>
Net Position		
Net Investment in Capital Assets	15,406,214	15,830,600
Unrestricted	<u>837,498</u>	<u>992,306</u>
Total Net Position	<u>\$ 16,243,712</u>	<u>\$ 16,822,906</u>

Capital Asset and Debt Administration

Capital Assets. The Authority's investment in capital assets as of December 31, 2021, amounted to \$15,406,214 (net of accumulated depreciation). This investment in capital assets includes the land, land improvements and distribution and collection systems. Net capital assets for the Authority decreased by \$424,386. Current year depreciation expense was \$539,636, with ending accumulated depreciation being \$10,875,742. Additions consisted of roofing improvements of \$115,250. There were no current year disposals.

Capital Assets Summary (Net of depreciation)

Land	\$ 24,957
Land improvements	11,494
Distribution and collection system	<u>15,369,763</u>
Capital Assets -- Net of Accumulated Depreciation	<u>\$ 15,406,214</u>

Additional information on capital assets can be found in Note 3 of the Notes to the Financial Statements.

Summary of Revenues and Expenses:

The following summarizes the revenues and expenses of the Huron Shore Regional Utility Authority at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Operating revenue	\$ 1,147,373	\$ 1,173,746
Non-operating revenue	<u>2,588</u>	<u>2,624</u>
Total revenue	<u>1,149,961</u>	<u>1,176,370</u>
Depreciation expense	539,636	554,464
Other operating expenses	1,189,519	1,106,878
Non-operating expenses	<u>0</u>	<u>0</u>
Total expenses	<u>1,729,155</u>	<u>1,661,342</u>
Change in Net Position	(579,194)	(484,972)
Net Position – Beginning of Year	<u>16,822,906</u>	<u>17,307,878</u>
Net Position – End of Year	<u>\$ 16,243,712</u>	<u>\$ 16,822,906</u>

Economic Factors and Next Year’s Budget and Rates

The management of the Authority considered many factors in setting the fiscal year 2022 budget. As always, the overriding factor was to keep expenses at or below the amount of revenue. The majority of revenue generated by the Authority is derived from operations and maintenance fees. These fees are collected from each municipality included in the Authority’s joint venture. The fees are based on water consumption and are used to pay for operating expenses incurred by the Authority.

The most significant expenses are depreciation expense and professional services paid to F&V Operations & Resource Management, Inc. for operations and maintenance of the Authority.

Requests for Information

This financial report is designed to provide a general overview of the Huron Shore Regional Utility Authority finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Huron Shore Regional Utility Authority, 247 Baldwin Resort Road, East Tawas, Michigan 48730.

HURON SHORE REGIONAL UTILITY AUTHORITY
Iosco County, Michigan

STATEMENT OF NET POSITION
December 31, 2021
With Comparative Totals for December 31, 2020

	<u>2021</u>	<u>2020</u>
<u>Assets</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 841,000	\$ 1,004,603
Receivables:		
Accounts, Net	14,109	13,698
Due from Local Units	47,231	55,442
Prepaid Items	17,674	17,674
Total Current Assets	<u>920,014</u>	<u>1,091,417</u>
Noncurrent Assets:		
Capital Assets Not Being Depreciated	24,957	24,957
Capital Assets, Net of Accumulated Depreciation	<u>15,381,257</u>	<u>15,805,643</u>
Total Noncurrent Assets	<u>15,406,214</u>	<u>15,830,600</u>
Total Assets	<u>16,326,228</u>	<u>16,922,017</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts Payable	<u>82,516</u>	<u>99,111</u>
<u>Net Position</u>		
Net Investment in Capital Assets	15,406,214	15,830,600
Unrestricted	<u>837,498</u>	<u>992,306</u>
Total Net Position	<u>\$ 16,243,712</u>	<u>\$ 16,822,906</u>

The accompanying notes to financial statements are an integral part of this statement.

HURON SHORE REGIONAL UTILITY AUTHORITY
Isco County, Michigan

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
 For the Year Ended December 31, 2021
With Comparative Totals for the Year Ended December 31, 2020

	<u>2021</u>	<u>2020</u>
<u>Operating Revenue</u>		
Charges For Services	\$ 968,344	\$ 1,000,104
Rentals	167,258	162,387
Other Revenue	11,771	11,255
Total Operating Revenue	<u>1,147,373</u>	<u>1,173,746</u>
<u>Operating Expenses</u>		
Contractual Services	842,818	787,769
Depreciation	539,636	554,464
Insurance and Bonds	21,209	21,209
Professional Fees and Services	89,668	53,576
Repair and Maintenance	232,632	242,670
Other	3,192	1,654
Total Operating Expenses	<u>1,729,155</u>	<u>1,661,342</u>
Operating Income (Loss)	(581,782)	(487,596)
<u>Nonoperating Revenue (Expenses)</u>		
Interest and Investment Earnings	<u>2,588</u>	<u>2,624</u>
Change in Net Position	(579,194)	(484,972)
Net Position - Beginning of Year	<u>16,822,906</u>	<u>17,307,878</u>
Net Position - End of Year	<u>\$ 16,243,712</u>	<u>\$ 16,822,906</u>

The accompanying notes to financial statements are an integral part of this statement.

HURON SHORE REGIONAL UTILITY AUTHORITY
Losco County, Michigan

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2021
With Comparative Totals for the Year Ended December 31, 2020

	2021	2020
<u>Cash Flows From Operating Activities</u>		
Receipts From Customers	\$ 1,155,173	\$ 1,265,491
Payments to Suppliers for Goods and Services	<u>(1,206,114)</u>	<u>(1,095,652)</u>
Net Cash Provided (Used) by Operating Activities	(50,941)	169,839
<u>Cash Flows From Capital and Related Financing Activities</u>		
Acquisition and Construction of Capital Assets	(115,250)	(13,488)
<u>Cash Flows From Investing Activities</u>		
Interest on Investments	<u>2,588</u>	<u>2,624</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(163,603)	158,975
Cash and Cash Equivalents at Beginning of Year	<u>1,004,603</u>	<u>845,628</u>
Cash and Cash Equivalents at End of Year	<u>\$ 841,000</u>	<u>\$ 1,004,603</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>		
Operating Income (Loss)	\$ (581,782)	\$ (487,596)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	539,636	554,464
Change in Assets and Liabilities:		
Due from Local Units	8,211	92,144
Accounts Receivable	(411)	(399)
Accounts Payable	<u>(16,595)</u>	<u>11,226</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (50,941)</u>	<u>\$ 169,839</u>

The accompanying notes to financial statements are an integral part of this statement.

HURON SHORE REGIONAL UTILITY AUTHORITY
Iosco County, Michigan

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Huron Shore Regional Utility Authority (Authority) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governments. The following is a summary of the significant accounting policies:

A. Description of Authority Operations and Fund Types

The Huron Shore Regional Utility Authority (Authority) operates as a joint venture under the supervision and control of a Board consisting of one representative from each of the following constituent municipalities: City of East Tawas, City of Tawas City, Charter Township of Oscoda, Charter Township of AuSable, Township of Alabaster, Township of Baldwin, and Township of Greenbush. The Authority was established as a joint venture among the above-mentioned municipalities for the purpose of acquiring, owning, improving, enlarging, extending and operating water supply and distribution systems and sewage disposal systems in accordance with the authorization of Act 233, P.A. of Michigan, 1955, as amended.

The basic financial statements of the Huron Shore Regional Utility Authority are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applied to governmental units. The Authority applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. All activities over which the Authority exercises oversight responsibility have been included in the reporting entity.

Oversight responsibility is determined by factors such as financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters of the entity.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the Authority are not misleading. The primary government of the Authority consists of all funds, departments, boards, and agencies that are not legally separate from the Authority.

Component units are legally separate organizations for which the Authority is financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

In addition, the primary government is also financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board. The Authority does not have any component units.

C. Fund Accounting

The Authority uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows.

HURON SHORE REGIONAL UTILITY AUTHORITY
Iosco County, Michigan

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Accounting (Continued)

The Authority's Enterprise Fund reports operations that provide services which are financed primarily by user charges or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control or other purposes.

D. Basis of Presentation

The Authority's basic financial statements consist of a statement of net position, a statement of revenue, expenses and changes in net position, and a statement of cash flows. Government wide financial statements report information about the Huron Shore Regional Utility Authority as a whole. The Authority has only one fund which is business-type in nature, so the financial statements present one set of statements that meets both the government-wide and fund requirements.

A statement of net position provides information about the assets, liabilities, and net position of the Authority at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy Authority obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Unrestricted net position includes all other net position, including that which has been designated by management to be used for other than general operation purposes.

A statement of revenue, expenses and changes in net position provides information about the Authority's financial activities during the year ended December 31, 2021. Revenue and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital contributions. Operating revenues and expenses generally result from providing the use of water distribution systems. Other revenues, such as local reimbursements for debt payments, are not generated from operations and are considered to be nonoperating revenues. Operating expenses include the cost of maintaining the water distribution system, administrative expenses, and depreciation on capital assets.

A statement of cash flows provides information about the Authority's sources and uses of cash and cash equivalents during the year ended December 31, 2021. Increases and decreases in cash and cash equivalents are classified as either operating, noncapital financing, capital financing, or investing.

E. Measurement Focus and Basis of Accounting

The term measurement focus is used to denote what is being measured and reported in the Authority's operating statement. The Authority is accounted for on the flow of economic resources measurement focus. The fundamental objective of this focus is to measure whether the Authority is better off or worse off economically as a result of events and transactions of the period.

The term basis of accounting is used to determine when a transaction or event is recognized on the Authority's operating statement. The Authority uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

HURON SHORE REGIONAL UTILITY AUTHORITY
Iosco County, Michigan

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

F. Cash and Cash Equivalents

For presentation on the financial statements, investments in cash management pools and investments with an original maturity of three months or less at the time they are purchased by the Authority are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

Investments are reported at fair value, except for repurchase agreements and certificates of deposit which are reported at cost which approximates fair value. Fair value is based on quoted market prices. Mutual funds are reported at current share price.

G. Receivables

Receivables generally consist of accounts and due from local units. All receivables are net of estimated uncollectible accounts. Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonable systematic method of determining their existence, completeness, valuation, and collectability.

The allowance for doubtful accounts at December 31, 2021 was \$0.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in the statement of net position.

I. Capital Assets

Capital assets are stated at cost. Depreciation has been provided using the straight-line method over the estimated useful life of the assets.

Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000. Expenditures for maintenance, repairs and renewals are charged to operations as incurred and betterments are capitalized. The Authority eliminates the cost and related allowances from the accounts for assets sold or retired and resulting gains or losses therefrom are included in operations concurrently. Donated fixed assets are recorded at their fair market values as of the date received.

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

<u>Descriptions</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Distribution System	20 - 50 years
Computer Equipment	5 years

HURON SHORE REGIONAL UTILITY AUTHORITY
Iosco County, Michigan

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Authority reports three categories of net position on the government-wide financial statements, as follows:

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 and increased by balances of deferred outflows of resources related to those assets.

Restricted net position - net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Authority's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position - consists of all other net position that does not meet the definition of the above two components and is available for general use by the Authority.

The Authority's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

K. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the Authority, these revenues are charges for services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

L. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year ended December 31, 2021.

M. Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE 2 - DEPOSITS AND INVESTMENTS

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

Cash and Cash Equivalents \$ 841,000

HURON SHORE REGIONAL UTILITY AUTHORITY
Iosco County, Michigan

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

The breakdown between deposits and investments is as follows:

Bank Deposits (Checking and Savings Accounts) \$ 841,000

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of December 31, 2021, \$593,999 of the Authority's bank balance of \$843,999 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Concentration of Credit Risk

The Authority will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Interest Rate Risk and Foreign Currency Risk

The Authority's investment policy does not address interest rate risk and foreign currency risk.

Investments

The Authority Board has adopted an investment policy in accordance with Act 196, PA 1997 which authorizes the Authority to deposit and invest in the following:

- Accounts of federally insured banks, credit unions and savings and loan associations
- Bonds and other direct obligations of the United States or an agency or instrumentality of the United States
- United States government or federal agency obligation repurchase agreements
- Banker's acceptances of United States banks
- Commercial paper rated within the two highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase
- Mutual funds registered under the Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation

Michigan law requires that public funds may not be deposited in financial institutions that do not maintain an office in Michigan. The Authority's deposits and investments are in accordance with statutory authority.

HURON SHORE REGIONAL UTILITY AUTHORITY
Iosco County, Michigan

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital asset activity follows:

	<u>Balance</u> <u>01/01/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/21</u>
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 24,957	\$ 0	\$ 0	\$ 24,957
Capital Assets Being Depreciated:				
Land Improvements	29,346	0	0	29,346
Distribution and Collection Systems	<u>26,112,403</u>	<u>115,250</u>	<u>0</u>	<u>26,227,653</u>
Subtotal	<u>26,141,749</u>	<u>115,250</u>	<u>0</u>	<u>26,256,999</u>
Less Accumulated Depreciation for:				
Land Improvements	(16,385)	(1,467)	0	(17,852)
Distribution and Collection Systems	<u>(10,319,721)</u>	<u>(538,169)</u>	<u>0</u>	<u>(10,857,890)</u>
Subtotal	<u>(10,336,106)</u>	<u>(539,636)</u>	<u>0</u>	<u>(10,875,742)</u>
Capital Assets Being Depreciated	<u>15,805,643</u>	<u>(424,386)</u>	<u>0</u>	<u>15,381,257</u>
Business-Type Activities Total				
Capital Assets - Net of Depreciation	<u>\$ 15,830,600</u>	<u>\$ (424,386)</u>	<u>\$ 0</u>	<u>\$ 15,406,214</u>

NOTE 4 - RISK MANAGEMENT

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and natural disasters. The Authority has purchased commercial insurance for risks of loss. Settled claims for the commercial insurance have not exceeded the amount of insurance coverage in any of the past three years.

NOTE 5 - MAINTENANCE CONTRACT

The Huron Shore Regional Utility Authority contracts with F&V Operations & Resource Management, Inc. to provide all routine operation and maintenance of the Authority's facilities. A monthly fee is paid to the firm for standard services and is subject to an annual review. As of December 31, 2021, the monthly fee was \$67,538. For the year ended December 31, 2021, the total amount paid to the firm was \$835,258.

NOTE 6 - RELATED PARTY TRANSACTIONS

The Huron Shore Regional Utility Authority contracts with Kenneth B. Cook, CPA, P.C. for monthly accounting services. This company is considered to be a related party to the Authority due to the fact that Kenneth B. Cook, CPA is the Chairman on the Authority Board. During the current year, the Authority paid Kenneth B. Cook, CPA, P.C. \$7,560 for monthly accounting services and had an amount due of \$489 as of December 31, 2021.

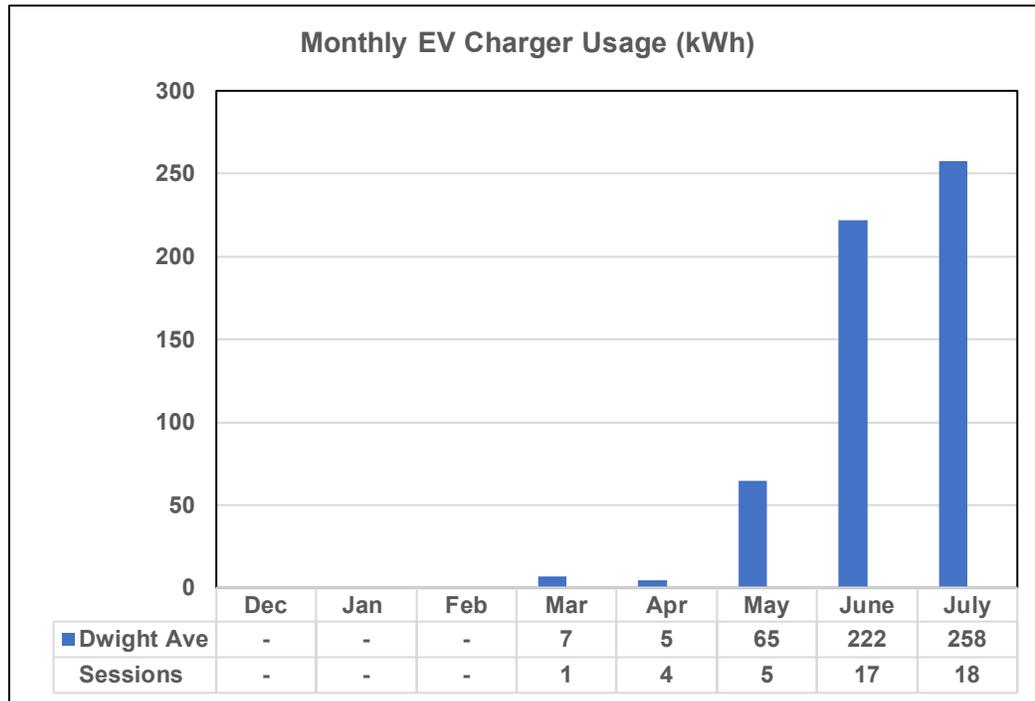
NOTE 7 - COMPARATIVE DATA

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Authority's financial position and operations.

Oscoda, Michigan

113 E Dwight Ave., Oscoda, MI

SITE USAGE



TRAFFIC DATA

<u>Avg. kWh per Day</u>	<u>Avg. Visits per Day</u>
8.6	0.6
<u>Gas Saved (gal)^{1 2}</u>	<u>CO2 Eliminated (lbs)³</u>
37.5	735.9

Assumptions:

1. 3.7 miles per kWh based on Tesla, BMW and Chevy driving data
2. 25.4 miles per gallon based on USDOT data
3. 19.6 pounds of CO2 per gallon of gas based on EPA estimates

The Oscoda-AuSable Senior Center offers many benefits to the senior citizens who reside in the community. The building was erected in 1986 and contains over 7,300 square feet of space

Offering services to the seniors and various agencies who serve them. Office space is utilized by the County Commission on Aging, from which is managed their service programs including Local meal programs. Lunches and dinners are prepared in the senior kitchen and served in the large dining room. In April 2022 over 4000 meals were served. The senior center seems to be its own success story. An initiative begun many years ago by senior Citizens (most of whom are gone) this building and its public based funding has ALWAYS been Resoundingly supported by voters of both counties. The funds provided by that support have Built and added on to the building and kept it maintained for more than three decades modernizing Its utility as a happy senior citizen place. At the center they meet for card games, meals, educational Opportunities and holiday celebrations. The seniors also bond together for public service Projects like food delivery programs, host a girl scout troop, wood carvers, line dancing, writers Group and cooking for one.

Two projects are being considered for the not too distant future. One is the septic system and drain Field. The current (original) system is still working but at its age is being monitored closely. Prudent fund management has retained enough funds to install a new system when it becomes Necessary. Also the furnace is at the age when that replacement may be required

The other project being worked on is the installation of a generator to provide electricity in case of Power failure. Currently in the engineering phase, grant opportunities are being sought to help with The hefty expense. As a designated Red Cross Shelter with an evacuation capacity of 350 and a Post impact of 175, this community facility is strategic in its location and potential function should We ever have the misfortune of a serious disaster, even events like power outages can displace the Frail and elderly to the protection of a well place, appointed and staffed shelter. Several Incidents through the years have necessitated emptying of the food from our large and usually Packed freezers in the kitchen. Thunderstorms and blizzards cause residential outages that can Displace residents to shelters equipped with backup power. In the interest and safety of our Elderly residents the Oscoda AuSable Building Authority and the senior citizens have made it a Priority to equip our local shelter with a generator system that will support the needs of the Facility for many years to come. Though grants are being sought from public and private sources, This is a priority that can, if need be, funded from careful fund management, should grant funding Not be available when engineering and bidding is complete.

At this time we request that the lease be renewed his year.