

TUSCARORA TOWNSHIP  
3546 S. Straits Hwy, Indian River, MI 49749  
February 11, 2025 7:00 PM REGULAR MEETING  
PROPOSED AGENDA

1. Call to order
2. Pledge to flag
3. Roll Call
4. Board member conflict of interest statement (if applicable)
5. Public comment *on agenda items* (3 minutes per individual)
6. Approval of meeting agenda
7. Approval of previous minutes
8. Reports
  - a. Bills
  - b. Annual Audit Report
  - c. Treasurer report
  - d. Correspondence
  - e. Airport
  - f. DDA-Dan Nivelt, DDA Board member
  - g. FOIA - four
  - h. Library-Kelsey Rutkowski, Director
  - i. Parks-Beth Henderson
  - j. Police-Chief Gordon Temple
9. Old business
10. New business
  - a. Budget Amendments
  - b. Sewer construction bills – Phase I, Phase II, and WWTP
  - c. New Bank Account for EPA Funds for Sewer Phase II
  - d. Fireworks
  - e. Parks Commission Appointment
  - f. Tuscarora Township Police Dept. & Chief Temple Contracts
11. Public comments (3 minutes per individual)
12. Board Comments
13. Adjournment

## **Meeting Minutes**

TUSCARORA TOWNSHIP  
3546 S. Straits Hwy, Indian River, MI 49749  
January 14, 2025 7:00 PM REGULAR MEETING  
Proposed Meeting Minutes

Call to order: Supervisor Maves called the meeting to order at 7 pm with the Pledge of Allegiance.

Roll call: Maves, Decker, Smith, Fisher and Hutchison were in attendance. There was a quorum.

Board member conflict of interest statement: None.

Public comment *on agenda items* (3 minutes per individual): There were no public comments.

Approval of meeting agenda

Approved with amendments, added Item F: request for board to complete attorney contract bid.

Motion: Fisher

Support: Smith

Approved: All in favor.

Approval of previous minutes: Approved Dec 10<sup>th</sup> minutes with amendments to strike

Item # 6: public comments, correct Item F: to add 4 month pause on Rehab

Applications, Item I: spelling correction and Item J: contract for Mead and Hunt "Pending legal review".

Motion: Smith

Support: Hutchison

Approved: All in favor.

Request from Maves to move report from Performance Engineers - Steven Corporon ahead because he traveled to attend the meeting. He gave a brief update on the sewers.

Bills: Approved bills with addition with Fire Department payment.

Motion: Fisher

Support: Smith

Approved: All in favor.

Reports: Reports from DDA - Dan Nivelt, Library - Kelsey Rutkowski, Parks - Beth Henderson, Police - Chief Temple.

Old business:

Approved a refund to Tokio Marine HCC for Surety Bond Claim for \$10,310.61. It was discovered that the claim was made for the Workman's Comp Noncompliance Charge that had been refunded upon completion of the 2022 Audit. The township will refund the full amount, and Tokio Marine will consider the claim null and void.

Motion: Smith

Support: Decker

Roll call: Fisher – yes, Maves – Yes, Hutchison – Yes, Smith – Yes, Decker – Yes.

Approved: All in favor

New business:

Sewer construction bills – Phase I, Phase II, and WWTP. Approved payment for construction bills with 105, 859.45 will come out of the EGLE grant.

Motion: Smith

Support: Hutchison

Approved: All in favor

Mead & Hunt potential screen purchase & installation for the Waste Water Treatment Plant.

Tabled, waiting for installation bids.

Motion: Fisher

Support: Hutchison

Approved: All in favor

Approved USIC an update to mapping services contract for inclusion of Phase I & II residential sewer lines and the existing well water line for WWTP. We are doing this to protect the Township from any possible damage to our lines done by residents and/or their contractors.

Motion: Maves

Support: Hutchison

Approved: All in favor.

Fire Department contract expired 12/31/2024.

Motion was made to accept the contract. Chief Carpenter gave a report of 2024 responses that the department made, including assisting medical runs, gas leaks, kitchen fires auto accidents among others. There is approximately a 9% increase from approximately 284,000.00 to 309,000.00.

Motion: Decker

Support: Smith

Approved: All in favor

Approval of Resolution for Charitable Gaming Licenses.

The Indian River Women's Club has asked us to pass a resolution which is provided by the State of Michigan Lottery Department Gaming Division to recognize the Indian River Women's Club as a non-profit organization so that they can obtain a gaming license.

The IRWC does a lot for this community, including spending most of their money on improving our township parks, planting flowers on Main Street and most recently helping with funding for the landscaping around the Sturgeon.



Motion: Smith

Support: Fisher

Approved: All in favor.

Agenda add: The board discussed at the December meeting that bids would go out after January 1<sup>st</sup> to hire a permanent Township Attorney. Mr. Huth agreed to act as interim attorney until we can hire a permanent attorney. Approved for Hutchison to create a criteria sheet. Proposals will be received by March 4<sup>th</sup>. For review at the March 11<sup>th</sup> meeting.

Motion: Hutchison

Support: Smith

Approved: All in favor.

Public comments (3 minutes per individual)

There were two public comments.

Motion to adjourn.

Respectfully submitted,  
Laura Decker, Clerk  
Trudy Maves, Supervisor

TUSCARORA TOWNSHIP  
3546 S. Straits Hwy, Indian River, MI 49749  
January 30, 2025 9:30 A.M.  
Proposed Special Meeting Minutes

Call to order: Supervisor Maves called the meeting to order at 9:31 A.M. with the Pledge of Allegiance.

Roll call: Sue, Trudy, Lori, Jon and Laura were in attendance. There was a quorum.

Board member conflict of interest statement: None.

Public comment *on agenda items* (3 minutes per individual): There were no public comments.

Approval to pay bills:

Fisher made a point that the bills were set to run on 2/12/25 according to the report. Decker stated that this would be corrected and changed to run today, 1/30/25.

Chief Temple went over 2 bills that he wanted to make sure were paid as well. White Pines Electric - for the wiring of the new pumps and the water softener.

Motion for bills to be paid on 1/30/25.

Approved with amendments to bill pay date.

Motion: Fisher                      Support: Smith                      Approved: All in favor.

Public comments: There were no public comments.

Motion to adjourn:

Motion: Fisher                      Support: Smith                      Approved: All in favor.

Meeting adjourned at 9:38 A.M.

Respectfully submitted  
Laura Decker, Clerk  
Trudy Maves, Supervisor

## **Bills/Invoices/Revenue & Expenditure Report**



Heart of the Inland Waterway

**TOWNSHIP OF TUSCARORA, MICHIGAN  
ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2024**

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## INDEPENDENT AUDITOR'S REPORT

To the Township Board of Trustees  
Township of Tuscarora  
Tuscarora, Michigan

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Township of Tuscarora, Michigan (the "Township") as of and for the year ended June 30, 2024, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Township, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 and *Government 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 and *Government 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 information, and the schedules of changes in net pension liability and related ratios and schedule of contributions, 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 accompanying combining and individual fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2025, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "Gabridge & Company". The script is cursive and fluid, with the ampersand being particularly stylized.

Gabridge & Company, PLC  
Grand Rapids, MI  
January 28, 2025

## **Management's Discussion and Analysis**

**Township of Tuscarora**  
**Management's Discussion and Analysis**  
**June 30, 2024**

As management of the Township of Tuscarora, Michigan (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 June 30, 2024. We encourage readers to consider the information presented here in conjunction with the financial statements.

**Financial Highlights**

- The assets and deferred outflows of resources of the Township exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$10,420,553 (net position). Of this amount, \$1,978,786 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$260,432 during the year. Revenues for the Township showed an increase of \$830,249 and expenses for the Township increased by \$535,116 from the prior fiscal year.
- At the close of the current fiscal year, the Township's governmental funds reported combined fund balances of \$2,134,892, a decrease of \$11,364 in comparison with the prior year. Approximately \$1,103,543, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,103,543, or approximately 107% of total general fund expenditures and transfers out.

**Overview of the Financial Statements**

The discussion and analysis provided here is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

The *statement of net position* presents financial information on all of the Township's assets, deferred outflows, and liabilities, with the difference 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 Township'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 for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave and accrued interest on long-term debt).

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, police and fire protection, streets, health and welfare, community and economic development, and recreation and culture. The business-type activities of the Township include sewer services.

The government-wide financial statements include not only the Township itself (known as the primary government), but also the legally separate Downtown Development Authority ("DDA") and Indian River Area Library ("Library"), for which the Township is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. Financial statements for the DDA and Library can be located in the other supplemental information section of this report.

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

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing 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 eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, police fund, ARPA Fund, and the 2016 special assessment bonds debt retirement fund, which are considered to be major funds. Data

from the fire fund, road capital projects fund, the boat launch fund, and street lighting fund are presented as a separate column as they are considered nonmajor funds.

The Township adopts an annual appropriated budget for the general fund and each special revenue fund. A budgetary comparison schedule for the general fund and each major special revenue fund has been provided to demonstrate compliance with these budgets.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the sewer operations. The sewer fund is considered to be a major fund of the Township.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The township reports one type of fiduciary fund, a *custodial fund*.

The *custodial fund* reports resources held by the Township in a custodial capacity for individuals, private organizations, and other governments.

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

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the Township's budgetary comparison schedules and the Townships pension plan schedules.

This report also presents other supplementary information which includes the nonmajor fund and component unit combining and individual statements. The combining statements are presented immediately following the required supplementary information on pensions.

## Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve 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 \$10,420,553, at the close of the most recent fiscal year.

### Township of Tuscarora's Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>						
<i>Current Assets</i>						
Cash and Investments	\$ 1,951,470	\$ 2,340,386	\$ -	\$ 35,463	\$ 1,951,470	\$ 2,375,849
Receivables	125,778	87,537	137,070	106,004	262,848	193,541
Due from Other Governments	213,790	53,134	54,631	-	268,421	53,134
Prepays	77,300	-	8,103	-	85,403	-
<b>Total Current Assets</b>	<b>2,368,338</b>	<b>2,481,057</b>	<b>199,804</b>	<b>141,467</b>	<b>2,568,142</b>	<b>2,622,524</b>
<i>Noncurrent Assets</i>						
Capital Assets, net	3,036,544	3,228,806	5,869,834	5,683,522	8,906,378	8,912,328
Restricted Cash	-	-	431,408	96,470	431,408	96,470
Long-term Receivables	127,444	216,274	1,621,022	1,680,197	1,748,466	1,896,471
<b>Total Assets</b>	<b>5,532,326</b>	<b>5,926,137</b>	<b>8,122,068</b>	<b>7,601,656</b>	<b>13,654,394</b>	<b>13,527,793</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension Related Deferred Outflows	648,059	441,088	-	-	648,059	441,088
<b>LIABILITIES</b>						
<i>Current Liabilities</i>						
Accounts Payable	97,250	17,696	217,722	11,306	314,972	29,002
Negative Equity in Pooled Cash	-	-	302,115	-	302,115	-
Payroll Liabilities	43,676	50,264	-	-	43,676	50,264
Unearned Revenue	5,961	180,460	-	-	5,961	180,460
Accrued Interest	2,032	3,996	7,013	7,564	9,045	11,560
Current Portion of Long-term Debt	242,000	234,000	63,000	63,000	305,000	297,000
Current Portion of Compensated Absences	14,872	17,270	-	-	14,872	17,270
<b>Total Current Liabilities</b>	<b>405,791</b>	<b>503,686</b>	<b>589,850</b>	<b>81,870</b>	<b>995,641</b>	<b>585,556</b>
<i>Noncurrent Liabilities</i>						
Compensated Absences	27,620	32,073	-	-	27,620	32,073
Long-term Debt	-	242,000	1,603,000	1,666,000	1,603,000	1,908,000
Net Pension Liability	1,108,552	1,108,203	-	-	1,108,552	1,108,203
<b>Total Liabilities</b>	<b>1,541,963</b>	<b>1,885,962</b>	<b>2,192,850</b>	<b>1,747,870</b>	<b>3,734,813</b>	<b>3,633,832</b>
<b>DEFERRED INFLOWS</b>						
Deferred Lease Revenues	122,617	125,798	-	-	122,617	125,798
Pension Related Deferred Inflows	24,470	49,130	-	-	24,470	49,130
<b>Total Deferred Inflows</b>	<b>147,087</b>	<b>174,928</b>	<b>-</b>	<b>-</b>	<b>147,087</b>	<b>174,928</b>
<b>NET POSITION</b>						
Net Investment in Capital Assets	2,794,544	2,752,806	4,203,834	3,954,522	6,998,378	6,707,328
Restricted	1,011,981	1,418,334	431,408	354,224	1,443,389	1,772,558
Unrestricted	684,810	135,195	1,293,976	1,545,040	1,978,786	1,680,235
<b>Total Net Position</b>	<b>\$ 4,491,335</b>	<b>\$ 4,306,335</b>	<b>\$ 5,929,218</b>	<b>\$ 5,853,786</b>	<b>\$ 10,420,553</b>	<b>\$ 10,160,121</b>

A portion of the Township's net position, \$6,998,378, or 67%, reflects its investment in capital assets (e.g., land and land improvements, buildings and improvements, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The Township uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Township's investment in capital assets is reported net of related debt, it should be noted that the resources used 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, \$1,443,389, or 14%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,978,786, or 19%, is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

A summary of significant changes between the last two fiscal years are as follows:

- Cash and investments decreased by \$424,379 largely as a result of the Township making all required principal payments on long-term debt and purchasing of capital assets.
- Receivables (short- and long-term) decreased by a net \$78,698 due to the continued collection of special assessments.
- Due from Other Governments increased by \$215,287 as the Township expended grant monies that are eligible for reimbursement.
- Prepaids increased by \$85,403 as the Township paid invoices for services in next fiscal year.
- Unearned revenue decreased by \$174,499 as the Township used some of its grant monies for purchases in the current fiscal year, causing a portion of the funds to be recognized as grant revenue.

**Governmental Activities.** There were significant fluctuations in governmental activities revenues and expenses in the current year, governmental activities net position, in total, changed from the prior year increasing by \$185,000 with revenues increasing by \$602,582 while expenses increased by \$485,125. Significant events leading to this change are highlighted as follows:

- ARPA funding of \$179,233 recognized as grant revenue in the current year.
- Public safety expenses increased by \$173,254 as the police department's retirement and fringe benefit expenses increasing in the fiscal year.

**Business-type Activities.** Business-type activities increased the Township's net position by \$75,432. Total expenses and revenues were both similar amounts to the prior year leading to a similar increase. The most significant change was increased charges for services and operating grants and contributions revenues.



#### Township of Tuscarora's Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$ 540,321	\$ 212,851	\$ 318,770	\$ 154,964	\$ 859,091	\$ 367,815
Operating Grants and Contributions	531,329	308,670	105,872	48,700	637,201	357,370
<b>Total Program Revenues</b>	<b>1,071,650</b>	<b>521,521</b>	<b>424,642</b>	<b>203,664</b>	<b>1,496,292</b>	<b>725,185</b>
<b>General Revenues</b>						
Property Taxes	1,597,126	1,545,160	-	-	1,597,126	1,545,160
Unrestricted State Revenue Sharing	337,692	331,643	-	-	337,692	331,643
Interest Income	215	5,777	64,720	58,031	64,935	63,808
<b>Total General Revenues</b>	<b>1,935,033</b>	<b>1,882,580</b>	<b>64,720</b>	<b>58,031</b>	<b>1,999,753</b>	<b>1,940,611</b>
<b>Total Revenues</b>	<b>3,006,683</b>	<b>2,404,101</b>	<b>489,362</b>	<b>261,695</b>	<b>3,496,045</b>	<b>2,665,796</b>
<b>Expenses</b>						
General Government	760,579	451,766	-	-	760,579	451,766
Public Safety	1,466,157	1,292,903	-	-	1,466,157	1,292,903
Public Works	248,629	167,468	413,930	363,939	662,559	531,407
Community and Economic Development	-	11,139	-	-	-	11,139
Recreation and Culture	331,604	391,609	-	-	331,604	391,609
Interest on Long-term Debt	14,714	21,673	-	-	14,714	21,673
<b>Total Expenses</b>	<b>2,821,683</b>	<b>2,336,558</b>	<b>413,930</b>	<b>363,939</b>	<b>3,235,613</b>	<b>2,700,497</b>
<b>Change in Net Position</b>	<b>185,000</b>	<b>67,543</b>	<b>75,432</b>	<b>(102,244)</b>	<b>260,432</b>	<b>(34,701)</b>
Net Position at the Beginning of Period	4,306,335	4,238,792	5,853,786	5,956,030	10,160,121	10,194,822
<b>Net Position at the End of Period</b>	<b>\$ 4,491,335</b>	<b>\$ 4,306,335</b>	<b>\$ 5,929,218</b>	<b>\$ 5,853,786</b>	<b>\$ 10,420,553</b>	<b>\$ 10,160,121</b>

### Financial Analysis of Governmental Funds

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

**Governmental Funds.** The focus of the Township's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Township itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Township's Board.

At June 30, 2024, the Township's governmental funds reported combined fund balances of \$2,134,892, a decrease of \$11,364 in comparison with the prior year. Approximately 51.7% of this amount, \$1,103,543, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable*, *assigned*, or *restricted* to indicate that it is: 1) restricted for particular purposes \$1,011,981 (47.4%) or 2) assigned for particular purposes, \$19,368 or 0.9%.

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,103,543. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures. Unassigned fund balance represents approximately 107% of total general fund expenditures and transfers out. The explanations for the change were provided in an earlier section of this report. The police fund, a major fund, had a \$81,132 decrease in fund balance during the current fiscal year which put the overall fund balance at \$745,718. The explanations for the change were provided in an earlier section of this report.

The 2016 Special Assessment Bonds Debt Retirement, a major fund, had a decrease of \$157,395 in the current fiscal year, for an overall fund balance of \$125,047. The decrease is a result of special assessments revenue being less than the routine principal and interest payments on long-term debt.

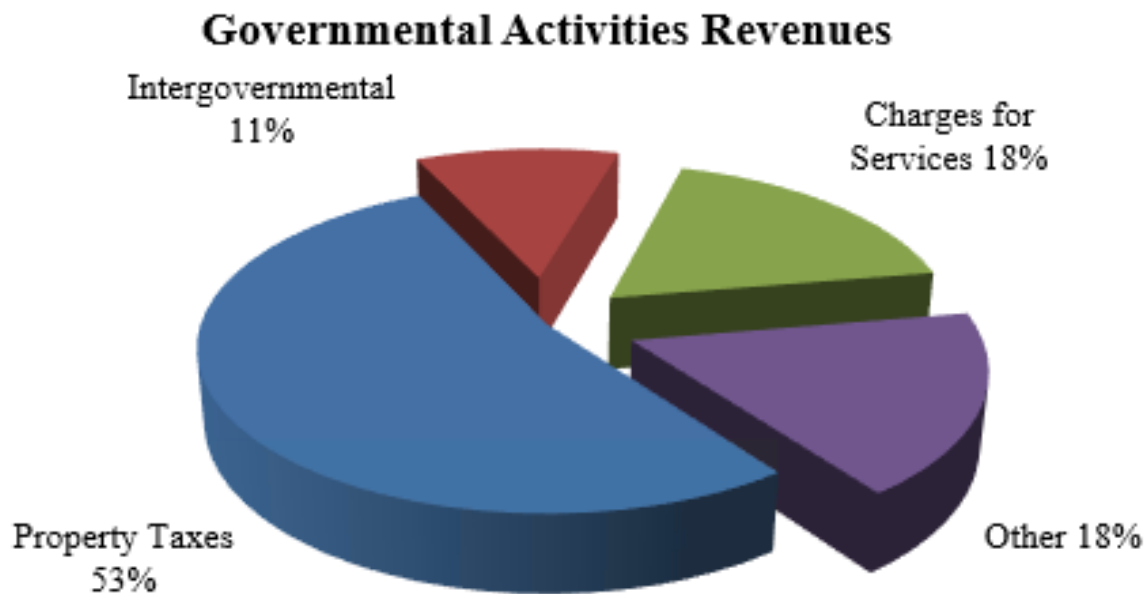
ARPA, a major fund, had an increase of \$1 in the current fiscal year, for an overall fund balance of \$1. The increase is a result of revenues matching expenditures.

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

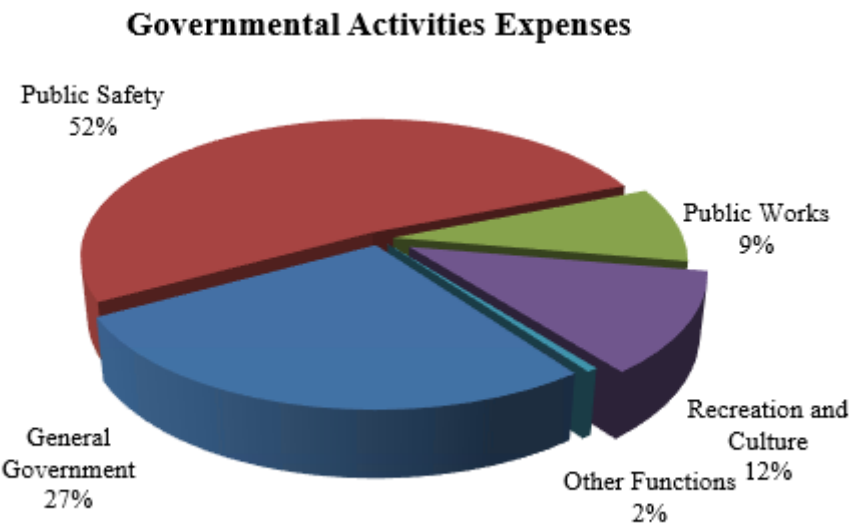
Unrestricted net position at the end of the year was \$1,293,976 for the sewer fund. The increase in net position was \$75,432 for the sewer fund. A summary of the changes in the sewer fund net position can be found in the business-type activities paragraph found earlier in this report.

### **Governmental Activities**

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:



### General Fund Budgetary Highlights

*Original budget compared to final budget.* There was one significant budget amendment to the original budgeted revenues: intergovernmental revenues increased from \$337,898 to \$481,898. There were two significant budget amendment to the original budgeted appropriations: transfers out increased from \$0 to \$103,783 as the Township separated fire fund activity out of the general fund and into its own separate special revenue fund, and Township Board expenditures increased from \$135,328 to \$246,351 to reflect operational needs.

*Final budget compared to actual results.* The Township had the following expenditures in excess of the amounts appropriated during the year ended June 30, 2024:

Function / Department	Final Budget	Actual Amount	Negative Variance
<i>General Government</i>			
Capital Outlay - General Government	1,000	46,545	(45,545)

### Capital Assets and Debt Administration

**Capital assets.** The Township’s investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$8,906,378 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, buildings and improvements, machinery, equipment, vehicles, park facilities, and sewer infrastructure.

More detailed information about the Township’s capital assets can be found in Note 5.

### ***Long-term Debt***

As described in Note 7 to the financial statements, the Township had \$1,908,000 in long-term debt at the end of the fiscal year. The Township is well under its legal debt limit as of year-end.

### **Economic Condition and Outlook**

Management estimates that \$850,000 of revenues will be available for appropriation in the general fund in the upcoming year. The Township continues to review all budget line items for opportunities to reduce expenditures when possible. The budget will be monitored during the year to identify any necessary amendments. In 2025, the Township plans again to use current revenues to provide essential services and to maintain the Township's financial reserves at similar levels. Property tax revenues are expected to change minimally reflecting fairly stable property values.

### **Contacting the Township**

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

The Township of Tuscarora  
3546 S Straits Highway  
Indian River, MI 49749

## **Basic Financial Statements**

**Township of Tuscarora**  
**Statement of Net Position**  
**June 30, 2024**

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current Assets				
Cash and Investments	\$ 1,951,470	\$ --	\$ 1,951,470	\$ 502,530
Accounts Receivable	36,951	77,895	114,846	--
Due from Other Governments	213,790	54,631	268,421	169,843
Prepays	77,300	8,103	85,403	6,088
Current Portion of Special Assessments	86,717	59,175	145,892	--
Current Portion of Lease Receivable	2,110	--	2,110	--
Total Current Assets	2,368,338	199,804	2,568,142	678,461
Noncurrent Assets				
Capital Assets not Being Depreciated	1,138,727	828,497	1,967,224	--
Capital Assets Being Depreciated, net	1,897,817	5,041,337	6,939,154	2,736,296
Restricted Cash	--	324,375	324,375	44,026
Restricted Cash - RRI	--	107,033	107,033	--
Special Assessments	4,669	1,621,022	1,625,691	--
Lease Receivable	122,775	--	122,775	--
Total Assets	5,532,326	8,122,068	13,654,394	3,458,783
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related	648,059	--	648,059	--
Total Deferred Outflows of Resources	648,059	--	648,059	--
LIABILITIES				
Current Liabilities				
Accounts Payable	97,250	217,722	314,972	8,078
Negative Equity in Pooled Cash	--	302,115	302,115	--
Due to Other Governments	--	--	--	141,194
Payroll Liabilities	43,676	--	43,676	5,230
Unearned Revenue	5,961	--	5,961	--
Accrued Interest	2,032	7,013	9,045	12,928
Current Portion of Long-term Debt	242,000	63,000	305,000	29,000
Current Portion of Compensated Absences	14,872	--	14,872	--
Total Current Liabilities	405,791	589,850	995,641	196,430
Noncurrent Liabilities				
Net Pension Liability	1,108,552	--	1,108,552	--
Compensated Absences	27,620	--	27,620	--
Long-term Debt	--	1,603,000	1,603,000	1,327,000
Total Liabilities	1,541,963	2,192,850	3,734,813	1,523,430
DEFERRED INFLOWS OF RESOURCES				
Deferred Lease Revenues	122,617	--	122,617	--
Pension Related	24,070	--	24,070	--
Total Deferred Inflows of Resources	147,087	--	147,087	--
NET POSITION				
Net Investment in Capital Assets	2,794,544	4,203,834	6,998,378	1,380,296
Restricted for:				
Nonspendable Endowment	--	--	--	17,626
Debt Service	125,047	324,375	449,422	--
Debt Service - Bond Reserve	--	--	--	26,400
Debt Service - Repair, Replacement, Improvement	--	107,033	107,033	--
Police	745,718	--	745,718	--
Fire Protection	25	--	25	--
Lights	13,292	--	13,292	--
Boat Launch Fees	127,884	--	127,884	--
Capital Improvements	14	--	14	--
ARPA	1	--	1	--
Unrestricted	684,810	1,293,976	1,978,786	555,057
Total Net Position	\$ 4,491,335	\$ 5,929,218	\$ 10,420,553	\$ 1,979,379

**Township of Tuscarora  
Statement of Activities  
For the Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total	
<b>Primary Government</b>								
<b>Governmental Activities:</b>								
General Government	\$ 760,579	\$ 19,198	\$ 260,908	\$ --	\$ (480,473)	\$ --	\$ (480,473)	\$ --
Public Safety	1,466,157	88,742	217,243	--	(1,160,172)	--	(1,160,172)	--
Public Works	248,629	380,064	--	--	131,435	--	131,435	--
Recreation and Culture	331,604	52,317	53,178	--	(226,109)	--	(226,109)	--
Interest on Long-term Debt	14,714	--	--	--	(14,714)	--	(14,714)	--
<b>Total Governmental Activities</b>	<b>2,821,683</b>	<b>540,321</b>	<b>531,329</b>	<b>--</b>	<b>(1,750,033)</b>	<b>--</b>	<b>(1,750,033)</b>	<b>--</b>
<b>Business-type Activities:</b>								
Sewer	413,930	318,770	105,872	--	--	10,712	10,712	--
<b>Total Business-type Activities</b>	<b>413,930</b>	<b>318,770</b>	<b>105,872</b>	<b>--</b>	<b>--</b>	<b>10,712</b>	<b>10,712</b>	<b>--</b>
<b>Total Primary Government</b>	<b>\$ 3,235,613</b>	<b>\$ 859,091</b>	<b>\$ 637,201</b>	<b>\$ --</b>	<b>\$ (1,750,033)</b>	<b>\$ 10,712</b>	<b>\$ (1,739,321)</b>	<b>--</b>
<b>Component Units</b>								
Downtown Development Authority	\$ 220,711	\$ 3,406	\$ 1,455	\$ --	--	--	--	(215,850)
Indian River Area Library	225,277	5,517	54,467	--	--	--	--	(165,293)
<b>Total Component Units</b>	<b>\$ 445,988</b>	<b>\$ 8,923</b>	<b>\$ 55,922</b>	<b>\$ --</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(381,143)</b>
<b>General Purpose Revenues:</b>								
Property Taxes					1,597,126	--	1,597,126	344,051
Unrestricted State Revenue Sharing					337,692	--	337,692	--
Interest Income					215	64,720	64,935	18,430
<b>Total General Revenues</b>					<b>1,935,033</b>	<b>64,720</b>	<b>1,999,753</b>	<b>362,481</b>
<b>Change in Net Position</b>					<b>185,000</b>	<b>75,432</b>	<b>260,432</b>	<b>(18,662)</b>
<i>Net Position at Beginning of Period</i>					<i>4,306,335</i>	<i>5,853,786</i>	<i>10,160,121</i>	<i>1,998,041</i>
<b>Net Position at End of Period</b>					<b>\$ 4,491,335</b>	<b>\$ 5,929,218</b>	<b>\$ 10,420,553</b>	<b>\$ 1,979,379</b>

**Township of Tuscarora  
Balance Sheet  
Governmental Funds  
June 30, 2024**

		Special Revenue	Debt Service 2016 Special Assessment Bonds Debt Retirement	Capital Projects	Other Governmental Funds	Total Governmental Funds
	General	Police		ARPA		
<b>ASSETS</b>						
Cash and Investments	\$ 965,724	\$ 715,654	\$ 125,047	\$ 1,227	\$ 143,818	\$ 1,951,470
Accounts Receivable	11,500	25,451	--	--	--	36,951
Due from Other Governments	213,790	--	--	--	--	213,790
Prepays	35,259	42,041	--	--	--	77,300
Special Assessments	--	--	91,386	--	--	91,386
Lease Receivable	124,885	--	--	--	--	124,885
<i>Total Assets</i>	<b>\$ 1,351,158</b>	<b>\$ 783,146</b>	<b>\$ 216,433</b>	<b>\$ 1,227</b>	<b>\$ 143,818</b>	<b>\$ 2,495,782</b>
<b>LIABILITIES</b>						
Accounts Payable	\$ 85,640	\$ 9,007	\$ --	\$ --	\$ 2,603	\$ 97,250
Payroll Liabilities	19,990	23,686	--	--	--	43,676
Unearned Revenue	--	4,735	--	1,226	--	5,961
<i>Total Liabilities</i>	105,630	37,428	--	1,226	2,603	146,887
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Lease Revenues	122,617	--	--	--	--	122,617
Unavailable Revenue	--	--	91,386	--	--	91,386
<i>Total Liabilities and Deferred Inflows of Resources</i>	228,247	37,428	91,386	1,226	2,603	360,890
<b>FUND BALANCE</b>						
Restricted	--	745,718	125,047	1	141,215	1,011,981
Assigned	19,368	--	--	--	--	19,368
Unassigned	1,103,543	--	--	--	--	1,103,543
<i>Total Fund Balance</i>	1,122,911	745,718	125,047	1	141,215	2,134,892
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	<b>\$ 1,351,158</b>	<b>\$ 783,146</b>	<b>\$ 216,433</b>	<b>\$ 1,227</b>	<b>\$ 143,818</b>	<b>\$ 2,495,782</b>



**Township of Tuscarora**  
**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position**  
**June 30, 2024**

Total Fund Balance - Governmental Funds	\$ 2,134,892
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, the interest expenditure is reported when due.	(2,032)
General government capital assets of \$6,815,160, net of accumulated depreciation of \$3,778,616, are not financial resources and, accordingly, are not reported in the funds.	3,036,544
Compensated absences are not due in and payable in the current period and, therefore, are not reported in the funds.	(42,492)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(242,000)
Certain pension-related amounts, such as the net pension liability and related deferred amounts are not due and payable in the current period or do not represent current financial resources and, therefore, are not reported in the funds.	(484,963)
Certain receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds.	91,386
<b>Total Net Position - Governmental Activities</b>	<b>\$ <u>4,491,335</u></b>

**Township of Tuscarora**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2024**

		<u>Special Revenue</u>	<u>Debt Service</u> <u>2016 Special</u>	<u>Capital Projects</u>	<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Police</u>	<u>Assessment Bonds</u> <u>Debt Retirement</u>	<u>ARPA</u>	<u>Governmental</u> <u>Funds</u>	<u>Governmental</u> <u>Funds</u>
<b>Revenues</b>						
Property Taxes	\$ 383,056	\$ 1,214,070	\$ --	\$ --	\$ --	\$ 1,597,126
Special Assessments	--	--	93,068	--	222,509	315,577
Intergovernmental	452,680	103,560	--	179,233	--	735,473
Charges for Services	85,480	9,425	--	--	13,271	108,176
Other	61,312	2,233	--	--	--	63,545
Interest Income	--	--	215	--	--	215
<b>Total Revenues</b>	<u>982,528</u>	<u>1,329,288</u>	<u>93,283</u>	<u>179,233</u>	<u>235,780</u>	<u>2,820,112</u>
<b>Expenditures</b>						
General Government	469,362	--	--	49,598	--	518,960
Public Safety	--	1,411,470	--	129,634	196,866	1,737,970
Public Works	187,571	--	--	--	32,449	220,020
Recreation and Culture	375,155	--	--	--	735	375,890
Debt Service - Principal	--	--	234,000	--	--	234,000
Debt Service - Interest	--	--	16,678	--	--	16,678
<b>Total Expenditures</b>	<u>1,032,088</u>	<u>1,411,470</u>	<u>250,678</u>	<u>179,232</u>	<u>230,050</u>	<u>3,103,518</u>
<b>Excess of Revenues Over</b>						
<b>(Under) Expenditures</b>	<u>(49,560)</u>	<u>(82,182)</u>	<u>(157,395)</u>	<u>1</u>	<u>5,730</u>	<u>(283,406)</u>
<b>Other Financing Sources (Uses)</b>						
Sale of Capital Asset	270,992	1,050	--	--	--	272,042
Transfers In	--	--	--	--	3,300	3,300
Transfers Out	(3,300)	--	--	--	--	(3,300)
<b>Net Other Financing Sources (Uses)</b>	<u>267,692</u>	<u>1,050</u>	<u>--</u>	<u>--</u>	<u>3,300</u>	<u>272,042</u>
<b>Net Change in Fund Balance</b>	<u>218,132</u>	<u>(81,132)</u>	<u>(157,395)</u>	<u>1</u>	<u>9,030</u>	<u>(11,364)</u>
<b>Fund Balance at Beginning of Period</b>	904,779	826,850	282,442	--	132,185	2,146,256
<b>Fund Balance at End of Period</b>	<u>\$ 1,122,911</u>	<u>\$ 745,718</u>	<u>\$ 125,047</u>	<u>\$ 1</u>	<u>\$ 141,215</u>	<u>\$ 2,134,892</u>

**Township of Tuscarora**  
**Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance with Statement of Activities**  
**For the Year Ended June 30, 2024**

Total Net Change in Fund Balances - Governmental Funds	\$ (11,364)
Governmental fund report capital outlay as expenditures; however, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is depreciation expense of \$266,359 plus a loss on disposal of \$221,723 less capital outlay additions of \$295,820.	(192,262)
Changes to accrued interest are not shown in the fund financial statements. The net effect of the current year decrease is to increase net position.	1,964
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.	6,851
Changes to the net pension liability and related pension deferrals are not shown in the fund financial statements.	231,282
Some receivables are long-term in nature and are collectible over several years. However, the current receipts are reflected as revenues on the fund statements.	(85,471)
Current year long-term debt principal payments on contractual obligations and bonds payable are expenditures in the fund financial statements but are reductions in long-term debt in the government-wide financial statements.	234,000
<b>Changes in Net Position - Governmental Activities</b>	<b>\$ <u>185,000</u></b>

**Township of Tuscarora**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2024**

	<b><u>Business-type Activities - Enterprise Funds</u></b>
	<b><u>Sewer</u></b>
<b>ASSETS</b>	
<i>Current Assets</i>	
Accounts Receivable	\$ 77,895
Due from Other Governments	54,631
Prepays	8,103
Current Portion of Special Assessments	59,175
<b>Total Current Assets</b>	<b>199,804</b>
<i>Noncurrent Assets</i>	
Capital Assets not Being Depreciated	828,497
Capital Assets Being Depreciated, net	5,041,337
Restricted Cash	324,375
Restricted Cash - RRI	107,033
Special Assessments	1,621,022
<b>Total Assets</b>	<b>8,122,068</b>
<b>LIABILITIES</b>	
<i>Current Liabilities</i>	
Accounts Payable	217,722
Negative Equity in Pooled Cash	302,115
Accrued Interest	7,013
Current Portion of Long-term Debt	63,000
<b>Total Current Liabilities</b>	<b>589,850</b>
<i>Noncurrent Liabilities</i>	
Long-term Debt	1,603,000
<b>Total Liabilities</b>	<b>2,192,850</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	4,203,834
<i>Restricted for:</i>	
Debt Service	324,375
Debt Service - Repair, Replacement, Improvement	107,033
<i>Unrestricted</i>	1,293,976
<b>Total Net Position</b>	<b>\$ 5,929,218</b>

**Township of Tuscarora**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<b><u>Business-type Activities - Enterprise Funds</u></b>
	<b><u>Sewer</u></b>
<b>Operating Revenues</b>	
Charges for Services	\$ 318,770
<b><i>Total Operating Revenues</i></b>	<b><u>318,770</u></b>
<b>Operating Expenses</b>	
Professional Fees	111,894
Utilities	44,100
Supplies	29,487
Repairs and Maintenance	47,265
Insurance	2,389
Depreciation	133,877
<b><i>Total Operating Expenses</i></b>	<b><u>369,012</u></b>
<b><i>Operating Income (Loss)</i></b>	<b><u>(50,242)</u></b>
<b>Non-Operating Revenues (Expenses)</b>	
Intergovernmental	105,872
Interest Income	64,720
Interest Expense	(44,918)
<b><i>Net Non-Operating Revenues (Expenses)</i></b>	<b><u>125,674</u></b>
<b><i>Change In Net Position</i></b>	<b><u>75,432</u></b>
<i>Net Position at Beginning of Period</i>	5,853,786
<b><i>Net Position at End of Period</i></b>	<b><u>\$ 5,929,218</u></b>

**Township of Tuscarora**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the Year Ended June 30, 2024**

	<b><u>Business-type Activities - Enterprise Fund</u></b>
	<b><u>Sewer</u></b>
<b>Cash Flows Used by Operating Activities</b>	
Cash Received from Customers	\$ 346,879
Cash Payments to Suppliers for Goods and Services	(36,822)
<b><i>Net Cash Provided by Operating Activities</i></b>	<b><u>310,057</u></b>
<b>Cash Flows from Non-capital Financing Activities</b>	
Non-operating Intergovernmental Revenue	51,241
<b><i>Net Cash Provided by Non-capital Financing Activities</i></b>	<b><u>51,241</u></b>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Purchase of Capital Assets	(320,189)
Principal Paid on Long-term Debt	(63,000)
Interest Paid on Long-term Debt	(45,469)
<b><i>Net Cash Used in Capital and Related Financing Activities</i></b>	<b><u>(428,658)</u></b>
<b>Cash Flows From Investing Activities</b>	
Interest Income	64,720
<b><i>Net Cash Provided by Investing Activities</i></b>	<b><u>64,720</u></b>
<b><i>Net Decrease in Cash and Investments</i></b>	<b>(2,640)</b>
<b><i>Cash and Investments - Beginning of Year</i></b>	<b>131,933</b>
<b><i>Cash and Investments - End of Year</i></b>	<b><u>\$ 129,293</u></b>
<b>Reconciliation of Operating Loss to</b>	
<b>Net Cash Provided by Operating Activities</b>	
Operating Loss	\$ (50,242)
<b>Adjustments to Reconcile Operating Loss to</b>	
<b>Net Cash Provided by Operating Activities</b>	
Depreciation Expense	133,877
<b>Changes in Assets and Liabilities</b>	
Accounts Receivable	(32,822)
Prepays	(8,103)
Special Assessment Receivable	60,931
Accounts Payable	206,416
<b><i>Net Cash Provided by Operating Activities</i></b>	<b><u>\$ 310,057</u></b>
<b>Statement of Net Position</b>	
Negative Equity in Pooled Cash	\$ (302,115)
Restricted Cash	431,408
<b><i>Total Cash and Investments</i></b>	<b><u>\$ 129,293</u></b>

**Township of Tuscarora**  
**Statement of Fiduciary Net Position**  
**Fiduciary Fund**  
**June 30, 2024**

	<u><b>Custodial Fund</b></u>
	<u><b>Current Tax Collection</b></u>
<b>ASSETS</b>	
Cash and Investments	\$ 131,886
<i>Total Assets</i>	<u>131,886</u>
<b>LIABILITIES</b>	
Undistributed Collections	131,886
<i>Total Liabilities</i>	<u>131,886</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ --</u>

**Township of Tuscarora**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Fund**  
**For the Year Ended June 30, 2024**

	<u><b>Custodial Fund</b></u>
	<b>Current Tax</b>
	<b>Collection</b>
<b>ADDITIONS</b>	
Property Taxes Collected for Other Governments	\$ 7,938,752
<i>Total Additions</i>	<u>7,938,752</u>
<b>DEDUCTIONS</b>	
Payments of Property Taxes Collected for Other Governments	<u>7,938,752</u>
<i>Total Deductions</i>	<u>7,938,752</u>
<i>Net Increase (Decrease) in Net Position</i>	--
<i>Net Position at Beginning of Period</i>	--
<i>Net Position at End of Period</i>	<u>\$ --</u>



**Township of Tuscarora**  
**Combining Statement of Net Position**  
**Component Units**  
**June 30, 2024**

	<u>DDA</u>	<u>Indian River Area Library</u>	<u>Total Component Units</u>
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and Investments	\$ 114,348	\$ 432,208	\$ 546,556
Due from Other Governments	119,537	50,306	169,843
Prepays	--	6,088	6,088
<b>Total Current Assets</b>	<u>233,885</u>	<u>488,602</u>	<u>722,487</u>
<i>Noncurrent Assets</i>			
Capital Assets Being Depreciated, net	2,552,810	183,486	2,736,296
Restricted Cash - Bond Reserve	26,400	--	26,400
Restricted Investments - Endowment	--	17,626	17,626
<b>Total Assets</b>	<u>2,813,095</u>	<u>689,714</u>	<u>3,502,809</u>
<b>LIABILITIES</b>			
<i>Current Liabilities</i>			
Accounts Payable	26	8,052	8,078
Due to Other Governments	141,194	--	141,194
Payroll Liabilities	--	5,230	5,230
Accrued Interest	12,928	--	12,928
Current Portion of Long-term Debt	29,000	--	29,000
<b>Total Current Liabilities</b>	<u>183,148</u>	<u>13,282</u>	<u>196,430</u>
<i>Noncurrent Liabilities</i>			
Long-term Debt	1,327,000	--	1,327,000
<b>Total Liabilities</b>	<u>1,510,148</u>	<u>13,282</u>	<u>1,523,430</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,196,810	183,486	1,380,296
<i>Restricted for:</i>			
Nonspendable Endowment	--	17,626	17,626
Bond Reserve	26,400	--	26,400
<i>Unrestricted</i>	79,737	475,320	555,057
<b>Total Net Position</b>	<u>\$ 1,302,947</u>	<u>\$ 676,432</u>	<u>\$ 1,979,379</u>

**Township of Tuscarora**  
**Combining Statement of Activities**  
**Component Units**  
**For the Year Ended June 30, 2024**

	<u>DDA</u>	<u>Indian River Area Library</u>	<u>Total Component Units</u>
<b>Expenses</b>			
Community and Economic Development	\$ 190,004	\$ --	\$ 190,004
Recreation and Culture	--	225,277	225,277
Interest on Long-term Debt	30,707	--	30,707
<b>Total Expenses</b>	<u>220,711</u>	<u>225,277</u>	<u>445,988</u>
<b>Program Revenues</b>			
Charges for Services	3,406	5,517	8,923
Operating Grants and Contributions	1,455	54,467	55,922
<b>Total Program Revenues</b>	<u>4,861</u>	<u>59,984</u>	<u>64,845</u>
<b>Net Program Revenues (Expenses)</b>	<u>(215,850)</u>	<u>(165,293)</u>	<u>(381,143)</u>
<b>General Revenue</b>			
Property Taxes	145,937	198,114	344,051
Interest Income	4,917	13,513	18,430
<b>Total General Revenues</b>	<u>150,854</u>	<u>211,627</u>	<u>362,481</u>
<b>Change in Net Position</b>	<u>(64,996)</u>	<u>46,334</u>	<u>(18,662)</u>
<i>Net Position at Beginning of Period</i>	1,367,943	630,098	1,998,041
<b>Net Position at End of Period</b>	<u>\$ 1,302,947</u>	<u>\$ 676,432</u>	<u>\$ 1,979,379</u>

## **Notes to the Financial Statements**

## **Township of Tuscarora**

### **Notes to the Financial Statements**

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#### **Note 1 - Summary of Significant Accounting Policies**

The financial statements of Tuscarora Township, Cheboygan County, Michigan (the “Township” or “government”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township’s accounting policies are described below.

#### **Reporting Entity**

Tuscarora Township is an unincorporated Township, which operates under a Supervisor Board form of government. The Township provides the following services: public safety, highways and streets, public improvements, sewer, and general administrative services. The Township has considered all potential component units in evaluating how to define the Township for financial reporting purposes. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Statement 61 of the Government Accounting Standards Board (GASB), *The Financial Reporting Entity*. The basic criteria includes the appointment of a voting majority of the governing board of the unit; legal separation of the Township and the component unit, fiscal independence of the unit, whether exclusion of the unit would make the Township’s financial statements misleading, and whether there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Township. There are two component units to be included in these statements.

#### **Discretely Presented Component Units**

##### ***Downtown Development Authority***

The Downtown Development Authority, which was established pursuant to the provisions of Act 197 of 1975, as amended, is governed by the Township Supervisor and an eight-member board. The Authority may issue debt subject to the limitations set forth in the Act and is funded by a specified annual property tax capture of a portion of the Township and County levies which may only be used for activities within the downtown district. The Township also has the ability to significantly influence operations of the Downtown Development Authority. Complete financial statements for the component unit are not separately prepared.

##### ***Indian River Area Library***

The Township Library, which was established pursuant to the provisions of Public Act 164 of 1877, as amended, is governed by a six-person Board of Directors elected through general elections. The Library may issue debt subject to the limitations set forth in the Act and is funded by an annual property tax levy and county penal fines. Complete financial statements for the component unit are not separately prepared.

## Township of Tuscarora

### Notes to the Financial Statements

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#### **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. The fiduciary fund financial statements use the economic resources measurement focus, although the custodial funds do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or within one year for expenditure driven grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service and accrued employee benefit expenditures are recorded only when payment is due.

## Township of Tuscarora

### Notes to the Financial Statements

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Property taxes, intergovernmental revenue, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

The Township reports the following major governmental funds:

The ***general fund*** is the Township's primary operating fund. It accounts for all financial resources of the general government, except those accounted for and reported in another fund.

The ***police fund*** accounts for revenues and expenditures directly attributable to police operations. Revenue is primarily generated from property taxes.

The ***2016 special assessment bonds debt retirement fund*** accounts for revenues and expenditures directly attributable to the 2016 Special assessment debt. Revenue is primarily generated from special assessments.

The ***ARPA fund*** accounts for revenues and expenditures directly attributable to the monies received from the American Rescue Plan Act. Revenue is primarily generated from federal grants and interest income.

The Township reports the following major proprietary fund:

The ***sewer fund*** accounts for the cost of collecting and treating wastewater. Revenues are primarily from service charges to customers, grants, and special assessments. These revenues are also used to pay principal and interest on revenue bonds which were used to finance improvements to the system.

Additionally, the government reports the following fund types:

***Special revenue funds*** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

***Debt service funds*** are used to account for all financial resources restricted, committed or assigned to expenditure for principal and interest.

***Capital project funds*** account for the accumulation and disbursement of resources for the construction of governmental fund capital projects.

***Custodial funds*** are used to account for assets held on behalf of outside parties, including other governments.

## Township of Tuscarora

### Notes to the Financial Statements

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As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Township's sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for services. Operating expenses for the enterprise funds include depreciation on capital assets, labor, supplies and contracted services. All revenues and expenses are not meeting this definition are reported as nonoperating revenues and expenses.

### **Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Equity**

#### ***Cash and Investments***

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Statutes authorize the primary government and component units to invest in the following:

- In bonds, securities and other obligations of the United States or agency or instrumentality of the United States.
- In certificates of deposit, savings accounts, deposit accounts or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation, a saving and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration.
- In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after the date of purchase.
- In United States government of federal agency obligation repurchase agreements.
- In banker's acceptances of United States banks.
- In obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

## **Township of Tuscarora**

### **Notes to the Financial Statements**

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- In mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.
- In external investment pools as authorized by Public Act 20 as amended through December 31, 1997.

Investments consist of the Township's share in an external investment pool and are reported at fair market value. This investment pool operates in a manner consistent with the Securities and Exchange Commission's Rule 2a(7) of the Investment Company Act of 1940.

#### ***Restricted Assets***

Assets which are restricted for specified uses by bond debt requirements are classified as restricted assets. Liabilities payable for such restricted assets are separately classified.

#### ***Receivables***

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. No amounts outstanding at June 30, 2024 were identified by as being uncollectible.

#### ***Leases Receivable***

The Township acts as a lessor for leases involving the right to use Township assets. As per GASB 87, the Township recognizes a lease receivable and a deferred inflow of resources in its government-wide and governmental fund financial statements.

Initially, the lease receivable is measured at the present value of expected lease payments over the lease term. The lease receivable is subsequently reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for prepaid lease payments received at lease inception. Over the lease term, the deferred inflow of resources is recognized as revenue.

Significant estimates and judgments involved include determining the discount rate used to present value lease receipts, determining the lease term, and estimating lease receipts. The Township utilizes its estimated incremental borrowing rate as the discount rate for leases. The lease term comprises the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable consist of fixed payments from the lessee.

The Township continually monitors changes that may necessitate a remeasurement of the lease receivable. If significant changes occur, the lease receivable will be remeasured accordingly.



## Township of Tuscarora

### Notes to the Financial Statements

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#### ***Capital Assets***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental and business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an individual cost of more than \$1,000 and an estimated useful life in excess of five years. Such assets are valued at cost where historical records are available and at an estimated historical cost if purchased or constructed. Donated capital assets are recorded at replacement value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays of capital assets and improvement are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

No interest expense has been incurred or capitalized on capital assets reported in proprietary funds.

Depreciation on capital, assets (including infrastructure) of the primary government is computed using the straight-line method over the following estimated useful lives:

	<b>Years</b>
Land Improvements	15
Buildings and Improvements	10 - 40
Sewer Infrastructure	30 - 50
Vehicles, Machinery, and Equipment	5 - 10

The Township reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its fair value. If it is determined that an impairment loss has occurred, the asset is written down to its net realizable value and a current charge to income is recognized.

#### ***Deferred Outflows of Resources***

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

The Township has one item that qualifies for reporting in this category, pension related deferred outflows. The government-wide statements report deferred outflows from the differences between plan expected and actual experience, changes in actuarial assumptions, as well as Township contributions made after the measurement date of the net pension liability.

## **Township of Tuscarora**

### **Notes to the Financial Statements**

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#### ***Unearned Revenues***

Unearned revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

#### ***Pension***

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.

#### ***Compensated Absences***

Under terms of Township policies, eligible employees are granted vacation, sick, and compensatory time in varying amounts based on length of service. Sick and vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have maturity, for example, as a result of employee resignations and retirements.

#### ***Long-term Obligations***

In the government-wide financial statements and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. For new bond issuances of governmental funds after the implementation of GASB Statement No. 34 and all proprietary fund bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payables are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period that the bond was issued.

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

#### ***Deferred Inflows of Resources***

In addition to assets and liabilities, the statement of financial position or balance sheet will, when applicable, report separate sections for deferred inflows of resources. *Deferred inflows of*

## Township of Tuscarora

### Notes to the Financial Statements

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*resources*, a separate financial statement element, represents an acquisition of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Township has three items that qualify for reporting in this category. The first item: a deferred inflow which arises only under a modified accrual basis of accounting. Accordingly, this item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: receivables for revenues that are not considered to be available to liquidate liabilities of the current period. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The second item: a deferred inflow related to the Township's leases receivable. This item, *deferred lease revenues*, is reported on both the statement of net position and in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The third item: a deferred inflow related to the Township's defined benefit pension plan. These items are further discussed in these notes to the financial statements.

#### ***Fund Balance Policies***

Fund balance is essentially the difference between the assets and liabilities reported in governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the Township is bound to honor constraints on the specific purpose for which amounts can be spent.

1. Non-spendable fund balance (*inherently non-spendable*)
2. Restricted fund balance (*externally enforceable limitations on use*)
3. Committed fund balance (*self-imposed limitations on use*)
4. Assigned fund balance (*limitation resulting from intended use*)
5. Unassigned fund balance (*the residual classification of the general fund*)

*Non-spendable and Restricted Funds* - Non-spendable funds are those fund that cannot be spent because they are either (a) not in spendable form – inventories and prepaids - or (b) legally or contractually required to be maintained intact – long-term receivables.

Restricted funds are those funds that have constraints placed on their use by an external party or constitutional provisions or enabling legislations (grants, contributions, specific fee mandates). Non-spendable and Restricted Funds will be maintained and then summarized in the Township's annual financial report by the Townships financial staff.

*Committed Funds* - In order to commit fund balance, the Township Board, as the highest level of decision-making authority, must pass a Resolution to Commitment funds for a specific purpose. These funds must be fully expended for their committed purpose. To make committed funds uncommitted, a new resolution must be passed by the Board. Action must be taken before the last day of the fiscal year to commit funds for that year.

## **Township of Tuscarora**

### **Notes to the Financial Statements**

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*Assigned Funds* - Assigned funds are amounts that are constrained by the Township's intent to be used for specific purposes, but are neither restricted nor committed. These amounts can be "assigned" by the Township Supervisor, or his/her designee.

*Minimum Unassigned Fund Balance* - The Township is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The goal of the Township Board shall be to maintain a minimum unassigned fund balance of no less than 50% of General Fund expenditures. For purposes of this calculation, "expenditures" will be the annual budgeted expenditures less non-recurring capital expenditures.

If unassigned fund balance approaches a level that greatly exceeds 50% of expenditures, the Township Board will consider using unassigned fund balance for the following purposes: pay down future debt, transfer funds to a Capital Projects fund for future Capital improvements, and other future obligations of the Township.

Fund balance levels will be analyzed each fiscal year after the financial statement audit.

#### ***Fund Balance Flow Assumptions***

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

#### ***Net Position Flow Assumption***

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

## **Township of Tuscarora**

### **Notes to the Financial Statements**

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#### ***Property Tax Revenue Recognition***

Property taxes are levied as of December 1 of each year and are due by February 15 of the following calendar year. Any amounts not received by February 28 are added to the County tax rolls. The Township receives 100% payment for the delinquent taxes by June 30. The Township bills and collects its own property taxes and also taxes for other governmental units. Collections of the other governmental units' taxes and remittance of them to the units are accounted for in the tax collection fund (a fiduciary fund).

The taxable value of the Township totaled \$293,122,086 on which ad valorem taxes consisted of .9757 mills for the Township's operating purposes, .01162 mills for lights, .6720 mills for the fire protection, 4.3000 mills for police protection, and .6797 mills for the operations of the Indian River Area Library.

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### **Note 2 – Stewardship, Compliance, and Accountability**

#### ***Budgetary Information***

Annual budgets are adopted on the cash basis for all operating funds of the Township except for the custodial fund. Budgetary control is legally maintained at the fund level. The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to June 15, the Township Board reviews a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at the Township hall to obtain public comments.
- Prior to June 30th the budget and annual appropriations act are legally adopted by the Township Board.
- Formal budget integration is employed as a management control device during the year for all budgetary funds.
- Budgetary control is exercised at the department level in the general fund, and at the total expenditure or "fund" level for the special revenue funds. Similarly, the Township's

## Township of Tuscarora

### Notes to the Financial Statements

"appropriation centers" are defined at the department level in the general fund and at the total expenditure or "fund" level for the special revenue funds.

- Budget transfers between appropriation centers or changes to appropriation center totals require formal amendment by the Township Board. Budgets for the current year are carefully reviewed throughout the year for any revisions of estimates. The legislative body amends the general appropriation act as soon as it becomes apparent this action is necessary.
- All budget appropriations lapse at the end of the year.
- Budgets as presented for the governmental funds are prepared on the modified accrual basis consistent with generally accepted accounting principles.

#### *Excess of Expenditures Over Budget*

P.A. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount budgeted. Budgetary control is exercised at the activity level in the general fund and the functional level in other funds.

The Township had the following expenditures in excess of the amounts appropriated during the year ended June 30, 2024.

<b>Fund / Function / Department</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Negative Variance</b>
<b>General Fund</b>			
<i>General Government</i>			
Capital Outlay - General Government	\$ 1,000	\$ 46,545	\$ (45,545)

#### **Note 3 - Deposits and Investments**

Following is a reconciliation of deposit and investments balances as of June 30, 2024:

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Primary Government</b>	<b>Component Units</b>	<b>Fiduciary Fund</b>
<b>Statement of Net Position</b>					
Cash and Investments	\$ 1,951,470	\$ -	\$ 1,951,470	\$ 502,530	\$ 131,886
Restricted Cash	-	431,408	431,408	26,400	-
Restricted Investments - Endowment	-	-	-	17,626	-
<b>Total Deposits and Investments</b>	<b>\$ 1,951,470</b>	<b>\$ 431,408</b>	<b>\$ 2,382,878</b>	<b>\$ 546,556</b>	<b>\$ 131,886</b>

## Township of Tuscarora

### Notes to the Financial Statements

These deposits are held in three financial institutions, both of which are located in Michigan. State policy limits the Treasurer's investing options as described in detail below. All accounts are in the name of the Township and a specific fund or common account. Deposits and investments are recorded in Township records at fair value. Interest is recorded when earned. Deposits and investments consisted of the following as of June 30, 2024:

<b>Deposits and Investments</b>	
Checking and Savings Accounts	\$ 2,849,315
Pooled Investments	157,355
Certificates of Deposit	54,000
Cash on Hand	650
<b><i>Total Deposits and Investments</i></b>	<b><u>\$ 3,061,320</u></b>

***Custodial Credit Risk - Deposits.*** Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be returned. State law does not require, and the Township does not have, a policy for deposit custodial credit risk. As of year-end, \$2,461,050 of the Township's bank balance of \$3,423,082, was exposed to custodial credit risk because it was uninsured and uncollateralized. Due to the dollar amounts of cash deposits and the limits of FDIC and NCUA insurances, the Township believes it is impractical to insure all bank deposits. As a result, the Township evaluates each financial institution with which it deposits Township funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

***Credit Risk*** - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. None of the Township's investments of \$211,355 were subject to credit risk ratings.

***Interest Rate Risk*** - Interest rate risk is the risk that the market rate of securities in the portfolio will fall due to changes in market interest rates. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Township's pooled investments of \$157,355 had no maturity whereas the Township's investments in certificates of deposit of \$54,000 are to mature within one year.

#### ***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

## Township of Tuscarora

### Notes to the Financial Statements

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 June 30, 2024:

- Pooled investments held at the Community Foundation of Northeast Michigan, with a balance of \$157,355 are valued using Level 2 inputs.
- Certificates of deposit of \$54,000 held at a brokerage account are valued using Level 1 inputs.

#### ***Restricted Cash***

A portion of the restricted cash in the sewer fund is required by the United States Department of Agriculture - Rural Development (the "USDA") to be maintained at levels consistent with the Township's bond agreements. Repair, Replacement, and Improvement account funds may be used for the repair, replacement, and improvement of the Township's sewer system. Restricted cash related to USDA bonds consists of the following:

	<b>June 30, 2024</b>		<b>June 30, 2023</b>
	<b>Required Balance</b>	<b>Actual Balance</b>	<b>Required Balance</b>
<b>Business-type Activities</b>			
<i>Repair, Replacement, and Improvement Account</i>			
2014 Issue, \$10,693 per year	<u>\$ 107,033</u>	<u>\$ 107,033</u>	<u>\$ 96,340</u>
<b>Component Unit Activities</b>			
<i>Bond Reserve Account</i>			
2020 Issue, \$6,600 per year up to \$66,000	<u>\$ 26,400</u>	<u>\$ 26,400</u>	<u>\$ 19,800</u>

The variance from required balance to actual is due to the timing of expenses expended from that account that have been authorized by the USDA.

#### **Note 4 - Leases Receivable**

As of June 30, 2024, the Township is reporting total lease receivables of \$124,885 and related deferred inflows of resources of \$122,617. For the fiscal year ended June 30, 2024, the Township reported lease revenue of \$4,177 and interest revenue of \$2,710 related to lease payments received.

#### ***Airport Hangar Leases***

The Township's airport leases hangar space to various customers with lease maturities ranging from one to nine years from the end of the Township's 2024-year end when considering all possible extensions. Annual and monthly payments will be collected over the durations of those leases'



# Township of Tuscarora

## Notes to the Financial Statements

agreements. The Township is anticipating all leases to see the execution of their extension options leading to payments of varying dollar amounts being collected through 2047.

### Note 5 - Capital Assets

Capital asset activity for governmental activities during the year was as follows:

<b>Governmental Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals / Transfers</b>	<b>Ending Balance</b>
Capital Assets not being Depreciated				
Land	\$ 1,359,610	\$ -	\$ (220,883)	\$ 1,138,727
Capital Assets being Depreciated				
Land Improvements	2,714,524	97,826	-	2,812,350
Buildings and Improvements	1,906,505	-	-	1,906,505
Vehicles	242,656	124,751	(1,050)	366,357
Equipment	522,416	73,243	(4,438)	591,221
<i>Subtotal</i>	<u>5,386,101</u>	<u>295,820</u>	<u>(5,488)</u>	<u>5,676,433</u>
Less Accumulated Depreciation				
Land Improvements	(1,979,315)	(130,073)	-	(2,109,388)
Buildings and Improvements	(1,101,631)	(66,248)	-	(1,167,879)
Vehicles	(102,033)	(39,952)	210	(141,775)
Equipment	(333,926)	(30,086)	4,438	(359,574)
<i>Subtotal</i>	<u>(3,516,905)</u>	<u>(266,359)</u>	<u>4,648</u>	<u>(3,778,616)</u>
Capital Assets being Depreciated, net	<u>1,869,196</u>	<u>29,461</u>	<u>(840)</u>	<u>1,897,817</u>
<b>Capital Assets, Governmental Activities</b>	<b>\$ 3,228,806</b>	<b>\$ 29,461</b>	<b>\$ (221,723)</b>	<b>\$ 3,036,544</b>

Capital asset activity for business-type activities during the year was as follows:

<b>Business-type Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals / Transfers</b>	<b>Ending Balance</b>
Capital Assets not being Depreciated				
Land	\$ 178,618	\$ -	\$ -	\$ 178,618
Construction in Progress	405,981	243,898	-	649,879
<i>Subtotal</i>	<u>584,599</u>	<u>243,898</u>	<u>-</u>	<u>828,497</u>
Capital Assets being Depreciated				
Sewer System	5,945,091	-	-	5,945,091
Machinery and Equipment	58,660	78,307	(2,527)	134,440
<i>Subtotal</i>	<u>6,003,751</u>	<u>78,307</u>	<u>(2,527)</u>	<u>6,079,531</u>
Less Accumulated Depreciation				
Sewer System	(874,605)	(124,999)	-	(999,604)
Machinery and Equipment	(30,223)	(8,878)	512	(38,589)
<i>Subtotal</i>	<u>(904,828)</u>	<u>(133,877)</u>	<u>512</u>	<u>(1,038,193)</u>
Capital Assets being Depreciated, net	<u>5,098,923</u>	<u>(55,570)</u>	<u>(2,015)</u>	<u>5,041,337</u>
<b>Capital Assets, Business-type Activities</b>	<b>\$ 5,683,522</b>	<b>\$ 188,328</b>	<b>\$ (2,015)</b>	<b>\$ 5,869,834</b>

# Township of Tuscarora

## Notes to the Financial Statements

Capital asset activity for component unit activities during the year was as follows:

<b>Component Unit - Downtown Development Authority</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals / Transfers</b>	<b>Ending Balance</b>
Capital Assets being Depreciated				
Land Improvements	2,874,140	140,915	-	3,015,055
Equipment	7,225	-	-	7,225
<i>Subtotal</i>	<u>2,881,365</u>	<u>140,915</u>	<u>-</u>	<u>3,022,280</u>
Less Accumulated Depreciation				
Land Improvements	(330,267)	(137,225)	-	(467,492)
Equipment	(946)	(1,032)	-	(1,978)
<i>Subtotal</i>	<u>(331,213)</u>	<u>(138,257)</u>	<u>-</u>	<u>(469,470)</u>
Capital Assets being Depreciated, net	<u>2,550,152</u>	<u>2,658</u>	<u>-</u>	<u>2,552,810</u>
<b>Capital Assets, DDA</b>	<b>\$ 2,550,152</b>	<b>\$ 2,658</b>	<b>\$ -</b>	<b>\$ 2,552,810</b>

<b>Component Unit - Indian River Area Library</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals / Transfers</b>	<b>Ending Balance</b>
Capital Assets being Depreciated				
Books and Periodicals	\$ 188,084	\$ 14,779	\$ (16,788)	\$ 186,075
Buildings and Improvements	74,113	-	-	74,113
Equipment	217,996	-	-	217,996
<i>Subtotal</i>	<u>480,193</u>	<u>14,779</u>	<u>(16,788)</u>	<u>478,184</u>
Less Accumulated Depreciation				
Books and Periodicals	(98,270)	(16,218)	16,788	(97,700)
Buildings and Improvements	(37,664)	(6,126)	-	(43,790)
Equipment	(146,883)	(6,325)	-	(153,208)
<i>Subtotal</i>	<u>(282,817)</u>	<u>(28,669)</u>	<u>16,788</u>	<u>(294,698)</u>
<b>Capital Assets, Indian River Area Library</b>	<b>\$ 197,376</b>	<b>\$ (13,890)</b>	<b>\$ -</b>	<b>\$ 183,486</b>

Depreciation expense was charged to functions of the Township as follows:

<b>Primary Government</b>			
<b>Governmental Activities</b>			
General Government	\$ 50,880		
Public Safety	43,986		
Public Works	28,609		
Recreation and Culture	142,884	<b>Business-type Activities</b>	
<b>Total</b>	<u>\$ 266,359</u>	Sewer Fund	<u>\$ 133,877</u>

<b>Discretely Presented Component Units</b>			
<b>Tuscarora Township DDA</b>		<b>Indian River Area Library</b>	
Community and Economic Development	<u>\$ 138,257</u>	Recreation and Culture	<u>\$ 28,669</u>

## **Township of Tuscarora**

### **Notes to the Financial Statements**

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#### **Note 6 - Interfund Transactions**

Interfund transfers for the year ended June 30, 2024 consisted of transfers in of \$3,300 from the general fund to the fire fund.

#### **Note 7 - Long-term Debt**

##### *Detailed Long-term Obligations Disclosures*

Wahbee and Chippewa 2020 Special Assessment Bond (Direct Placement) – \$1,124,000 Limited Tax General Obligation Bond, dated August 27, 2020, for the purpose of construction within the Township. The bond bears interest at 3.358% and are due in semi-annual installments through April 1, 2025. The full faith and credit of the Township have been pledged for the prompt payment of the principal of and interest on this bond.

Sewer 2014 Special Assessment Bond (Direct Placement) – \$2,411,000 Limited Tax General Obligation Bond, dated March 19, 2014, for the purpose of sewer construction within the Township. The bond bears interest at 2.625% and are due in semi-annual installments through September 1, 2052. The full faith and credit of the Township have been pledged for the prompt payment of the principal of and interest on this bond.

Tax Increment Revenue Bonds, Series 2020 (Direct Placement) – \$1,750,000 Tax Increment Revenue Bonds, dated August 26, 2021, for the purpose of acquisition, construction, finishing, and equipping of certain public improvements in the development area as described in the Township's development and tax increment financing plan, as amended, consisting generally of streetscape improvements. The bonds bear interest at 2.25% and are due in semi-annual installments through August 1, 2060. The full faith and credit of the Township have been pledged for the prompt payment of the principal of and interest on these bonds.

# Township of Tuscarora

## Notes to the Financial Statements

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
<i>Direct Placement</i>					
Wahbee and Chippewa 2020 Special Assessment Bond	\$ 476,000	\$ -	\$ (234,000)	\$ 242,000	\$ 242,000
Compensated Absences	49,343	-	(6,851)	42,492	14,872
<b>Total Governmental Activities</b>	<b>525,343</b>	<b>-</b>	<b>(240,851)</b>	<b>284,492</b>	<b>256,872</b>
<b>Business-type Activities:</b>					
<i>Direct Placement</i>					
Sewer 2014 Special Assessment Bond	1,729,000	-	(63,000)	1,666,000	63,000
<b>Total Business-type Activities</b>	<b>1,729,000</b>	<b>-</b>	<b>(63,000)</b>	<b>1,666,000</b>	<b>63,000</b>
<b>Total Primary Government Long-term Obligations</b>	<b>\$ 2,254,343</b>	<b>\$ -</b>	<b>\$ (303,851)</b>	<b>\$ 1,950,492</b>	<b>\$ 319,872</b>
<b>Component Unit - Downtown Development Authority</b>					
<i>Direct Placement</i>					
Tax Increment Revenue Bond, Series 2020A (Taxable)	\$ 1,046,000	\$ -	\$ (23,000)	\$ 1,023,000	\$ 23,000
Tax Increment Revenue Bond, Series 2020B (Taxable)	339,000	-	(6,000)	333,000	6,000
<b>Total Component Units Long-term Debt</b>	<b>\$ 1,385,000</b>	<b>\$ -</b>	<b>\$ (29,000)</b>	<b>\$ 1,356,000</b>	<b>\$ 29,000</b>

The following schedule summarizes long-term debt annual maturities:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 242,000	\$ 8,125	\$ 250,125
<b>Totals</b>	<b>\$ 242,000</b>	<b>\$ 8,125</b>	<b>\$ 250,125</b>
Year Ending June 30,	Business-type Activities		
	Principal	Interest	Total
2025	\$ 63,000	\$ 48,405	\$ 111,405
2026	60,000	46,830	106,830
2027	62,000	45,203	107,203
2028	63,000	43,549	106,549
2029	63,000	41,895	104,895
2030-2034	315,000	184,669	499,669
2035-2039	318,000	143,168	461,168
2040-2044	320,000	101,194	421,194
2045-2049	322,000	59,115	381,115
2050-2051	80,000	13,046	93,046
<b>Totals</b>	<b>\$ 1,666,000</b>	<b>\$ 727,073</b>	<b>\$ 2,393,073</b>

## Township of Tuscarora

### Notes to the Financial Statements

Year Ending June 30,	Component Unit - DDA*		
	Principal	Interest	Total
2025	\$ 29,000	\$ 36,833	\$ 65,833
2026	30,000	36,158	66,158
2027	31,000	35,460	66,460
2028	31,000	34,763	65,763
2029	32,000	34,043	66,043
2030-2034	172,000	158,760	330,760
2035-2039	191,000	138,195	329,195
2040-2044	214,000	115,178	329,178
2045-2049	239,000	89,415	328,415
2050-2054	268,000	60,615	328,615
2055-2059	299,000	28,350	327,350
2060-2061	130,000	1,485	131,485
<b>Totals</b>	<b>\$ 1,666,000</b>	<b>\$ 769,253</b>	<b>\$ 2,435,253</b>

\*As of June 30, 2024, the Township still has \$310,000 available to draw from the Tax Increment Revenue Bond, Series 2020A. As such, the long-term obligations schedule excludes such principal repayments and repayment schedules will be established when the project and bond amounts are finalized.

#### **Note 8 - Risk Management**

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation), as well as medical benefits provided to employees, and natural disasters. The Township has purchased commercial insurance for most risks of loss to which it is exposed. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years. There were no significant changes in coverage during the fiscal year.

#### **Note 9 - Defined Benefit Pension Plan**

##### **Plan Description**

##### ***Benefits Provided***

*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

## Township of Tuscarora

### Notes to the Financial Statements

Public Act 135 of 1945 and administered by a nine-member Retirement Board. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. 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](http://www.mersofmich.com).

Retirement benefits for employees are calculated as follows:

<u>Division</u>	<u>Benefit Multiplier</u>	<u>Benefit Maximum</u>	<u>Final Average Compensation (Years)</u>	<u>Normal Retirement Age</u>	<u>Unreduced Benefit (Age/Years of Service)</u>	<u>Reduced Benefit (Age/Years of Service)</u>	<u>Vesting (Years)</u>
Police	2.50%	80%	5	60	55/20	50/25 or 55/15	10

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Township Board of Trustees, generally after negotiations of these terms with the affected unions.

#### ***Employees Covered by Benefit Terms***

At the December 31, 2023 measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	5
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	2
Active Plan Members	9
<b><i>Total Employees Covered by MERS</i></b>	<u><u>16</u></u>

#### ***Contributions***

Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. 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 costs of benefits earned by plan members 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.

For the year ended December 31, 2023, the Township had the following contribution rates:

<u>Division</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Police	26.15%	0.00%

## Township of Tuscarora

### Notes to the Financial Statements

#### *Net Pension Liability*

The net pension liability reported at June 30, 2024 was determined using a measure of the total pension liability and the pension net position as of December 31, 2023. The December 31, 2023 total pension liability was determined by an actuarial valuation performed as of that date.

Changes in the net pension liability during the measurement year were as follows:

<b>Changes in Net Pension Liability</b>	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Net Position</b>	<b>Net Pension Liability</b>
<b>Balance at December 31, 2022</b>	<b>\$ 3,606,703</b>	<b>\$ 2,498,500</b>	<b>\$ 1,108,203</b>
Service Cost	80,189	-	80,189
Interest on Total Pension Liability	260,010	-	260,010
Differences Between Expected and Actual Experience	101,039	-	101,039
Changes in assumptions	32,312	-	32,312
Contributions - Employer	-	196,240	(196,240)
Net Investment Income (Loss)	-	282,957	(282,957)
Benefit Payments, Including Refunds	(120,918)	(120,918)	-
Administrative Expenses	-	(5,996)	5,996
<i>Net Changes</i>	<u>352,632</u>	<u>352,283</u>	<u>349</u>
<b>Balance at December 31, 2023</b>	<b><u>\$ 3,959,335</u></b>	<b><u>\$ 2,850,783</u></b>	<b><u>\$ 1,108,552</u></b>

Net pension liabilities are generally liquidated by the general and police fund within governmental activities.

#### *Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions*

For the year ended June 30, 2024, the Township recognized pension expense of \$205,716. At June 30, 2024, the Township reported deferred outflows/inflows of resources related to pensions from the following sources:

<b>Source</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ 115,282	\$ -
Net Difference in Experience	90,264	24,470
Net Difference in Assumptions	86,874	-
Employer Contributions to the Plan Subsequent to the Measurement Date *	355,639	-
<b>Totals</b>	<b><u>\$ 648,059</u></b>	<b><u>\$ 24,470</u></b>

\* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending June 30, 2025.

## Township of Tuscarora

### Notes to the Financial Statements

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

<b>Year Ended</b>		<b>Amount</b>
<b>June 30,</b>		
2025	\$	64,042
2026		95,605
2027		101,493
2028		6,810

#### *Actuarial Assumptions*

The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.50%

Salary Increases: 3.00% plus merit and longevity: 3.00% in the long-term

Investment Rate of Return: 6.93%, net of investment and administrative expense including inflation

Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with a price inflation of 3.00-4.00%.

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.



## Township of Tuscarora

### Notes to the Financial Statements

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Expected Gross Return</b>	<b>Long-term Expected Gross Return Contribution</b>	<b>Inflation Assumption</b>	<b>Long-term Expected Real Rate of Return</b>
Global Equity	60.00%	6.93%	4.16%	2.50%	2.66%
Global Fixed Income	20.00%	4.44%	0.89%	2.50%	0.39%
Private Investments	20.00%	9.44%	1.89%	2.50%	1.39%
<b>Totals</b>	<b>100.00%</b>		<b>6.93%</b>		<b>4.43%</b>

#### ***Discount Rate***

The discount rate used to measure the total pension liability is 7.18%. 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.

#### ***Change in Discount Rate Assumption***

Effective at the end of the fiscal year, the discount rate used to measure the total pension liability has been reduced from 7.25% to 7.18%. This change reflects updated expectations for long-term investment returns and other economic factors.

#### ***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 7.25 percent, 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 (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	<b>1% Decrease (6.18%)</b>	<b>Current Discount Rate (7.18%)</b>	<b>1% Increase (8.18%)</b>
<b>Net Pension Liability of the Township</b>	<b>\$ 1,615,504</b>	<b>\$ 1,108,552</b>	<b>\$ 681,177</b>

## **Township of Tuscarora**

### **Notes to the Financial Statements**

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#### ***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position is available in the separately issued plan financial statements.

The Township has a \$12,662 payable to the plan as of June 30, 2024.

#### **Note 10 - Subsequent Events and Commitments**

Management has evaluated subsequent events through January 28, 2025. The Township is undertaking a comprehensive project to expand and improve its sanitary sewer system to enhance capacity, efficiency, and service delivery. The project will benefit 179 properties within the service area and is funded through multiple sources, including:

- A \$3,500,000 grant awarded by the U.S. Environmental Protection Agency (EPA).
- \$1,821,193 in funding provided by the Michigan Department of Environment, Great Lakes, and Energy (EGLE).
- \$3,481,000 in 2024 Special Assessment Bonds issued on July 10, 2024.
- \$3,450,000 in 2024B Special Assessment Bonds issued on September 25, 2024.

The project includes key infrastructure improvements such as modifications to headworks for additional grit and screening capacity, installation of sewer mains, construction of lift stations, and connection of properties to the expanded system. As of June 30, 2024, the Township incurred approximately \$649,879 in project costs, which primarily relate to the initial stages of construction and design.

The Township has established a debt retirement fund and a repair, replacement, and improvement fund in compliance with bond covenants. These funds ensure ongoing financial management and system maintenance throughout the life of the bonds.

No significant adjustments to the financial statements were required as of June 30, 2024, related to these subsequent financing activities or project costs. Management has evaluated subsequent events through January 28, 2025, the date the financial statements were available to be issued and determined no additional disclosures are necessary.

## **Required Supplementary Information**

**Township of Tuscarora**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>Favorable (Unfavorable) Final to Actual</b>
<b>Revenues</b>				
Property Taxes	\$ 400,849	402,221	383,056	(19,165)
Intergovernmental	337,898	481,898	452,680	(29,218)
Charges for Services	36,400	77,428	85,480	8,052
Other	11,300	92,798	61,312	(31,486)
Interest Income	10,000	--	--	--
<b>Total Revenues</b>	<b>796,447</b>	<b>1,054,345</b>	<b>982,528</b>	<b>(71,817)</b>
<b>Other Financing Sources</b>				
Sale of Capital Asset	35,000	275,000	270,992	(4,008)
<b>Total Revenues and Other Financing Sources</b>	<b>831,447</b>	<b>1,329,345</b>	<b>1,253,520</b>	<b>(75,825)</b>
<b>Expenditures</b>				
<b>General Government</b>				
Township Board	135,328	246,351	146,809	99,542
Supervisor	33,684	38,784	33,073	5,711
Contingency	40,000	--	--	--
Clerk	43,184	66,263	41,563	24,700
Audit	3,000	3,000	2,788	212
Board of Review	1,940	2,675	1,938	737
Treasurer	45,345	67,068	51,003	16,065
Assessor	85,593	120,161	77,991	42,170
Elections	29,739	57,339	30,043	27,296
Building and Grounds	14,200	40,815	19,705	21,110
Attorney	15,000	50,128	17,904	32,224
Capital Outlay - General Government	--	1,000	46,545	(45,545)
<b>Total General Government</b>	<b>447,013</b>	<b>693,584</b>	<b>469,362</b>	<b>224,222</b>
<b>Public Works</b>				
Roads	87,000	115,000	71,040	43,960
Sanitation	8,000	5,000	4,058	942
Cemetery	6,600	19,197	14,827	4,370
Airport	6,350	11,050	8,116	2,934
Capital Outlay - Public Works	--	105,500	89,530	15,970
<b>Total Public Works</b>	<b>107,950</b>	<b>255,747</b>	<b>187,571</b>	<b>68,176</b>
<b>Community and Economic Development</b>				
Community and Economic Development - Planning	12,861	1,500	--	1,500
<b>Recreation and Culture</b>				
Parks and Recreation	274,450	319,950	231,549	88,401
Veterans Pier	250	1,250	170	1,080
Capital Outlay - Recreation and Culture	--	204,000	143,436	60,564
<b>Total Recreation and Culture</b>	<b>274,700</b>	<b>525,200</b>	<b>375,155</b>	<b>150,045</b>
<b>Total Expenditures</b>	<b>842,523</b>	<b>1,476,030</b>	<b>1,032,088</b>	<b>443,942</b>
<b>Other Financing Uses</b>				
Transfers Out	--	103,783	3,300	100,483
<b>Total Expenditures and Other Financing Uses</b>	<b>842,523</b>	<b>1,579,813</b>	<b>1,035,388</b>	<b>544,425</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>(11,076)</b>	<b>(250,468)</b>	<b>218,132</b>	<b>468,600</b>
<b>Net Change in Fund Balance</b>	<b>(11,076)</b>	<b>(250,468)</b>	<b>218,132</b>	<b>468,600</b>
<b>Fund Balance at Beginning of Period</b>	<b>904,779</b>	<b>904,779</b>	<b>904,779</b>	<b>--</b>
<b>Fund Balance at End of Period</b>	<b>\$ 893,703</b>	<b>\$ 654,311</b>	<b>\$ 1,122,911</b>	<b>\$ 468,600</b>

**Township of Tuscarora**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Police**  
**For the Year Ended June 30, 2024**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>Favorable (Unfavorable) Final to Actual</b>
<b>Revenues</b>				
Property Taxes	\$ 1,176,277	\$ 1,176,277	\$ 1,214,070	\$ 37,793
Intergovernmental	74,500	77,700	103,560	25,860
Charges for Services	10,000	10,000	9,425	(575)
Other	--	2,086	2,233	147
Interest Income	--	500	--	(500)
<b>Total Revenues</b>	<u>1,260,777</u>	<u>1,266,563</u>	<u>1,329,288</u>	<u>62,725</u>
<b>Other Financing Sources</b>				
Sale of Capital Asset	--	--	1,050	1,050
<b>Total Revenues and Other Financing Sources</b>	<u>1,260,777</u>	<u>1,266,563</u>	<u>1,330,338</u>	<u>63,775</u>
<b>Expenditures</b>				
Public Safety - Police	<u>1,260,777</u>	<u>1,544,377</u>	<u>1,411,470</u>	<u>132,907</u>
<b>Total Expenditures</b>	<u>1,260,777</u>	<u>1,544,377</u>	<u>1,411,470</u>	<u>132,907</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures</b>	<u>--</u>	<u>(277,814)</u>	<u>(81,132)</u>	<u>196,682</u>
<b>Net Change in Fund Balance</b>	<u>--</u>	<u>(277,814)</u>	<u>(81,132)</u>	<u>196,682</u>
<b>Fund Balance at Beginning of Period</b>	<u>826,850</u>	<u>826,850</u>	<u>826,850</u>	<u>--</u>
<b>Fund Balance at End of Period</b>	<u>\$ 826,850</u>	<u>\$ 549,036</u>	<u>\$ 745,718</u>	<u>\$ 196,682</u>

**Township of Tuscarora**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last Ten Plan Years \***

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>										
Service Cost	\$ 80,189	\$ 81,253	\$ 72,855	\$ 61,954	\$ 60,668	\$ 58,652	\$ 51,118	\$ 70,378	\$ 66,338	\$ 64,795
Interest on Total Pension Liability	260,010	243,925	231,313	214,240	205,577	193,121	181,306	207,567	186,965	172,980
Changes in Benefit Terms	-	-	-	-	-	-	-	(409,343)	-	-
Differences Between Expected and Actual Experience	101,039	15,721	(25,946)	(70,459)	(17,990)	(10,676)	(3,609)	(103,865)	21,040	-
Changes in Assumptions **	32,312	-	142,317	102,416	87,087	-	-	-	133,816	-
Benefit Payments, Including Refunds	(120,918)	(116,110)	(91,572)	(86,354)	(87,166)	(85,645)	(84,124)	(82,603)	(81,082)	(56,969)
<b>Net Change in Pension Liability</b>	352,632	224,789	328,967	221,797	248,176	155,452	144,691	(317,866)	327,077	180,806
<i>Total Pension Liability - Beginning</i>	3,606,703	3,381,914	3,052,947	2,831,150	2,582,974	2,427,522	2,282,831	2,600,697	2,273,620	2,092,814
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 3,959,335</b>	<b>\$ 3,606,703</b>	<b>\$ 3,381,914</b>	<b>\$ 3,052,947</b>	<b>\$ 2,831,150</b>	<b>\$ 2,582,974</b>	<b>\$ 2,427,522</b>	<b>\$ 2,282,831</b>	<b>\$ 2,600,697</b>	<b>\$ 2,273,620</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 196,240	\$ 298,690	\$ 156,515	\$ 120,877	\$ 113,787	\$ 100,545	\$ 92,739	\$ 86,165	\$ 91,211	\$ 93,992
Contributions - Member	-	-	-	-	-	-	-	5,905	15,816	14,615
Net Investment Income (Loss)	282,957	(263,862)	315,916	255,048	229,342	(69,019)	202,446	156,459	(20,972)	79,029
Benefit Payments, Including Refunds	(120,918)	(116,110)	(91,572)	(86,354)	(87,166)	(85,645)	(84,124)	(82,603)	(81,082)	(56,969)
Administrative Expenses	(5,996)	(4,921)	(3,625)	(3,924)	(3,952)	(3,378)	(3,200)	(3,084)	(3,002)	(2,925)
<b>Net Change in Plan Fiduciary Net Position</b>	352,283	(86,203)	377,234	285,647	252,011	(57,497)	207,861	162,842	1,971	127,742
<i>Plan Fiduciary Net Position - Beginning</i>	2,498,500	2,584,703	2,207,469	1,921,822	1,669,811	1,727,308	1,519,447	1,356,605	1,354,634	1,226,892
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 2,850,783</b>	<b>\$ 2,498,500</b>	<b>\$ 2,584,703</b>	<b>\$ 2,207,469</b>	<b>\$ 1,921,822</b>	<b>\$ 1,669,811</b>	<b>\$ 1,727,308</b>	<b>\$ 1,519,447</b>	<b>\$ 1,356,605</b>	<b>\$ 1,354,634</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 1,108,552</b>	<b>\$ 1,108,203</b>	<b>\$ 797,211</b>	<b>\$ 845,478</b>	<b>\$ 909,328</b>	<b>\$ 913,163</b>	<b>\$ 700,214</b>	<b>\$ 763,384</b>	<b>\$ 1,244,092</b>	<b>\$ 918,986</b>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	72.0%	69.3%	76.4%	72.3%	67.9%	64.6%	71.2%	66.6%	52.2%	59.6%
Covered Payroll	\$ 584,037	\$ 590,931	\$ 572,311	\$ 569,954	\$ 562,258	\$ 545,997	\$ 467,843	\$ 465,158	\$ 451,893	\$ 441,383
Net Pension Liability as a Percentage of Covered Payroll	189.8%	187.5%	139.3%	148.3%	161.7%	167.2%	149.7%	164.1%	275.3%	208.2%

**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:

**2015 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.

**2019 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%.

**2020 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.

**2021 valuation** - The investment rate of return assumption was reduced from 7.60% to 7.25%.

**2023 valuation** - The investment rate of return assumption was reduced from 7.25% to 7.18%.

**Township of Tuscarora**  
**Required Supplementary Information**  
**Schedule of Contributions**  
**Last Ten Fiscal Years \***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 159,593	\$ 155,407	\$ 137,913	\$ 123,172	\$ 113,787	\$ 100,545	\$ 92,739	\$ 86,165	\$ 61,855	\$ 93,992
Contributions in Relation to the Actuarially Determined Contribution	437,000	248,407	237,913	123,172	113,787	100,545	92,739	86,165	61,855	93,992
Contribution Deficiency (Excess)	<u>\$ (277,407)</u>	<u>\$ (93,000)</u>	<u>\$ (100,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 610,303	\$ 585,778	\$ 571,069	\$ 572,894	\$ 562,258	\$ 545,997	\$ 467,843	\$ 465,158	\$ 451,893	\$ 441,383
Contributions as a Percentage of Covered Payroll	71.6%	42.4%	41.7%	21.5%	20.2%	18.4%	19.8%	18.5%	13.7%	21.3%

*Notes*

**Valuation Date**

Actuarially determined contribution amounts are calculated as of December 31 each year, which is the year 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	15 years
Asset Valuation Method	5 Years; Smoothed
Inflation	2.50%
Salary Increases	3.00% in the Long-term
Investment Rate of Return	6.93%, Net of Investment Expense, including Inflation
Retirement Age	Experience-based Tables of Rates that are Specific to the Type of Eligibility Condition
Mortality	Pub-2010 and Fully Generational MP-2019

*\* Built prospectively upon implementation on GASB 68*

## **Combining and Individual Fund Statements and Schedules**



**Township of Tuscarora  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2024**

	<u>Special Revenue</u>			<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Street Lighting</u>	<u>Fire Fund</u>	<u>Boat Launch</u>	<u>Road Capital Projects</u>	
<b>ASSETS</b>					
Cash and Investments	\$ 15,847	\$ 25	\$ 127,932	\$ 14	\$ 143,818
<i>Total Assets</i>	<u>\$ 15,847</u>	<u>\$ 25</u>	<u>\$ 127,932</u>	<u>\$ 14</u>	<u>\$ 143,818</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 2,555	\$ --	\$ 48	\$ --	\$ 2,603
<i>Total Liabilities</i>	<u>2,555</u>	<u>--</u>	<u>48</u>	<u>--</u>	<u>2,603</u>
<b>FUND BALANCE</b>					
Restricted	13,292	25	127,884	14	141,215
Unassigned	--	--	--	--	--
<i>Total Fund Balance</i>	<u>13,292</u>	<u>25</u>	<u>127,884</u>	<u>14</u>	<u>141,215</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 15,847</u>	<u>\$ 25</u>	<u>\$ 127,932</u>	<u>\$ 14</u>	<u>\$ 143,818</u>

**Township of Tuscarora**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2024**

	<u>Special Revenue</u>			<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Street Lighting</u>	<u>Fire Fund</u>	<u>Boat Launch</u>	<u>Road Capital Projects</u>	
<b>Revenues</b>					
Special Assessments	\$ 32,792	\$ 189,717	\$ --	\$ --	\$ 222,509
Charges for Services	--	--	13,271	--	13,271
<b>Total Revenues</b>	<u>32,792</u>	<u>189,717</u>	<u>13,271</u>	<u>--</u>	<u>235,780</u>
<b>Expenditures</b>					
Public Safety	--	196,866	--	--	196,866
Public Works	32,449	--	--	--	32,449
Recreation and Culture	--	--	735	--	735
<b>Total Expenditures</b>	<u>32,449</u>	<u>196,866</u>	<u>735</u>	<u>--</u>	<u>230,050</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>343</u>	<u>(7,149)</u>	<u>12,536</u>	<u>--</u>	<u>5,730</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	--	3,300	--	--	3,300
<b>Net Other Financing Sources (Uses)</b>	<u>--</u>	<u>3,300</u>	<u>--</u>	<u>--</u>	<u>3,300</u>
<b>Net Change in Fund Balance</b>	<u>343</u>	<u>(3,849)</u>	<u>12,536</u>	<u>--</u>	<u>9,030</u>
<i>Fund Balance at Beginning of Period</i>	<u>12,949</u>	<u>3,874</u>	<u>115,348</u>	<u>14</u>	<u>132,185</u>
<b>Fund Balance at End of Period</b>	<u>\$ 13,292</u>	<u>\$ 25</u>	<u>\$ 127,884</u>	<u>\$ 14</u>	<u>\$ 141,215</u>

**Indian River Area Library**  
**Statement of Net Position**  
**June 30, 2024**

**ASSETS**

*Current Assets*

Cash and Investments	\$ 432,208
Due from Other Governments	50,306
Prepaid Expenditures	6,088
<b>Total Current Assets</b>	<b>488,602</b>

*Noncurrent Assets*

Capital Assets being Depreciated, Net	183,486
Investments - Endowment	17,626
<b>Total Assets</b>	<b>689,714</b>

**LIABILITIES**

*Current Liabilities*

Accounts Payable	8,052
Payroll Liabilities	5,230
<b>Total Current Liabilities</b>	<b>13,282</b>

**NET POSITION**

Investment in Capital Assets	183,486
<i>Restricted for:</i>	
Nonspendable - Endowment	17,626
<i>Unrestricted</i>	475,320
<b>Total Net Position</b>	<b>\$ 676,432</b>

**Indian River Area Library  
Statement of Activities  
For the Year Ended June 30, 2024**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
Recreation and Culture	\$ 225,277	\$ 5,517	\$ 16,702	\$ --	\$ (203,058)
<b>Total</b>	<b>\$ 225,277</b>	<b>\$ 5,517</b>	<b>\$ 16,702</b>	<b>\$ --</b>	<b>(203,058)</b>
<b>General Purpose Revenues:</b>					
					198,114
					3,285
					34,480
					13,513
					<u>249,392</u>
					<b>46,334</b>
					630,098
					<u>\$ 676,432</u>

**Indian River Area Library  
Balance Sheet  
Governmental Fund  
June 30, 2024**

	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 432,208
Due from Other Governments	50,306
Prepaid Expenditures	6,088
Investments - Endowment	17,626
<i>Total Assets</i>	<b><u>\$ 506,228</u></b>
<b>LIABILITIES</b>	
Accounts Payable	\$ 8,052
Payroll Liabilities	5,230
<i>Total Liabilities</i>	<b><u>13,282</u></b>
<b>FUND BALANCE</b>	
Nonspendable	23,714
Unassigned	469,232
<i>Total Fund Balance</i>	<b><u>492,946</u></b>
<i>Total Liabilities and Fund Balance</i>	<b><u>\$ 506,228</u></b>

**Indian River Area Library**  
**Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position**  
**June 30, 2024**

Total Fund Balance - Governmental Fund	\$ 492,946
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This represents capital assets of \$478,184, net of accumulated depreciation of \$294,698.	183,486
<b>Total Net Position - Governmental Activities</b>	<b>\$ <u>676,432</u></b>

**Indian River Area Library**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund**  
**For the Year Ended June 30, 2024**

	<u>General</u>
<b>Revenues</b>	
Property Taxes	\$ 198,114
Penal Fines	34,480
State Sources	3,285
Grants and Contributions	16,252
Charges for Services	5,169
Fines	798
Interest Income	13,513
<b><i>Total Revenues</i></b>	<u>271,611</u>
<b>Expenditures</b>	
Salaries and Wages	122,483
Fringe Benefits	2,581
Postage	6,297
Supplies	25,564
Repairs and Maintenance	9,250
Utilities	8,836
Contracted Services	9,568
Printing and Publishing	15,639
Telephone	1,267
Other Expenditures	9,902
<b><i>Total Expenditures</i></b>	<u>211,387</u>
<b><i>Excess of Revenues Over</i></b>	
<b><i>(Under) Expenditures</i></b>	<u>60,224</u>
<b><i>Net Change in Fund Balance</i></b>	<b>60,224</b>
<i>Fund Balance at Beginning of Period</i>	432,722
<b><i>Fund Balance at End of Period</i></b>	<u><b>\$ 492,946</b></u>

**Indian River Area Library**  
**Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance with Statement of Activities**  
**For the Year Ended June 30, 2024**

Total Net Change in Fund Balances - Governmental Fund	\$ 60,224
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives as depreciation expense. This is the amount by which current year capital asset additions of \$14,779 exceeds depreciation expense of \$28,669.	(13,890)
<b>Changes in Net Position - Governmental Activities</b>	<b>\$ <u>46,334</u></b>



**Tuscarora DDA**  
**Statement of Net Position**  
**June 30, 2024**

**ASSETS**

*Current Assets*

Cash and Investments	\$ 114,348
Accounts Receivable	119,537
<b>Total Current Assets</b>	<b>233,885</b>

*Noncurrent Assets*

Restricted Cash - Bond Reserve	26,400
Capital Assets being Depreciated, Net	2,552,810
<b>Total Assets</b>	<b>2,813,095</b>

**LIABILITIES**

*Current Liabilities*

Accounts Payable	26
Due to Other Governments	141,194
Interest Payable	12,928
Current Portion of Long-term Debt	29,000
<b>Total Current Liabilities</b>	<b>183,148</b>

*Noncurrent Liabilities*

Long-term Debt	1,327,000
<b>Total Liabilities</b>	<b>1,510,148</b>

**NET POSITION**

Net Investment in Capital Assets	1,196,810
----------------------------------	-----------

*Restricted for:*

Debt Service - Bond Reserve	26,400
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*Unrestricted*

	79,737
<b>Total Net Position</b>	<b>\$ 1,302,947</b>

**Tuscarora DDA  
Statement of Activities  
For the Year Ended June 30, 2024**

<b>Functions/Programs</b>		<b>Program Revenues</b>			<b>Net (Expense) Revenue</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
	<b>Expenses</b>				
Community and Economic Development	\$ 190,004	\$ 3,406	\$ 1,455	\$ --	\$ (185,143)
Interest on Long-term Debt	30,707	--	--	--	(30,707)
<b>Total</b>	<b>\$ 220,711</b>	<b>\$ 3,406</b>	<b>\$ 1,455</b>	<b>\$ --</b>	<b>\$ (215,850)</b>
<b>General Purpose Revenues:</b>					
Property Taxes					145,937
Interest					4,917
<b>Total General Revenues</b>					<b>150,854</b>
<b>Change in Net Position</b>					<b>(64,996)</b>
<i>Net Position at Beginning of Period</i>					<i>1,367,943</i>
<b>Net Position at End of Period</b>					<b>\$ 1,302,947</b>

**Tuscarora DDA  
Balance Sheet  
Governmental Fund  
June 30, 2024**

	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 114,348
Accounts Receivable	119,537
Restricted Cash - Bond Reserve	<u>26,400</u>
<i><b>Total Assets</b></i>	<b><u>\$ 260,285</u></b>
<b>LIABILITIES</b>	
Accounts Payable	\$ 26
Due to Other Governments	<u>141,194</u>
<i><b>Total Liabilities</b></i>	<b><u>141,220</u></b>
<b>FUND BALANCE</b>	
Restricted	26,400
Unassigned	<u>92,665</u>
<i><b>Total Fund Balance</b></i>	<b><u>119,065</u></b>
<i><b>Total Liabilities and Fund Balance</b></i>	<b><u>\$ 260,285</u></b>

**Tuscarora DDA**  
**Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position**  
**June 30, 2024**

Total Fund Balance - Governmental Fund	\$ 119,065
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This represents capital assets with a cost of \$3,022,280, net of accumulated depreciation of \$469,470.	2,552,810
Certain liabilities, such as bonds payable, are not due the current period and, therefore, are not reported in the funds.	(1,356,000)
Interest is recorded as an expense when incurred in the government-wide financial statements. However, it is not a current obligation and, accordingly, is reported as an expenditure when paid in the fund financial statements. This represents accrued interest as of year-end.	(12,928)
<b>Total Net Position - Governmental Activities</b>	<b>\$ <u>1,302,947</u></b>

**Tuscarora DDA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund**  
**For the Year Ended June 30, 2024**

	<u>General</u>
<b>Revenues</b>	
Property Taxes	\$ 145,937
Other Revenues	4,861
Interest	4,917
<b><i>Total Revenues</i></b>	<u>155,715</u>
<b>Expenditures</b>	
Community and Economic Development	192,662
Debt Service, Principal	29,000
Debt Service, Interest	30,707
<b><i>Total Expenditures</i></b>	<u>252,369</u>
<b><i>Excess of Revenues Over</i></b>	
<b><i>(Under) Expenditures</i></b>	<u>(96,654)</u>
<b><i>Net Change in Fund Balance</i></b>	<b>(96,654)</b>
<i>Fund Balance at Beginning of Period</i>	215,719
<b><i>Fund Balance at End of Period</i></b>	<b><u>\$ 119,065</u></b>

**Tuscarora DDA**  
**Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance with Statement of Activities**  
**For the Year Ended June 30, 2024**

Total Net Change in Fund Balances - Governmental Fund	\$ (96,654)
Repayment of debt principal is an expenditure in the fund financial statements, but the repayment reduces long-term liabilities in the statement of net position.	29,000
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives as depreciation expense. This is the amount by which depreciation expense of \$138,257 is exceeded by capital outlay additions of \$140,915 during the year.	2,658
<b>Changes in Net Position - Governmental Activities</b>	<b>\$ <u>(64,996)</u></b>



Heart of the Inland Waterway

**TOWNSHIP OF TUSCARORA, MICHIGAN  
SINGLE AUDIT ACT COMPLIANCE  
YEAR ENDED JUNE 30, 2024**

**Township of Tuscarora**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2024**

<b>Federal Grantor/Pass-through Grantor/Program</b>	<b>Assistance Listing Number</b>	<b>Federal Expenditures</b>
<b>U.S. Department of Agriculture (direct funding)</b>		
Community Facilities Loan and Grants Cluster:		
Loan Balance - Series 2020B (Taxable)	10.766	\$ 339,000
Loan Balance - Series 2020A (Taxable)	10.766	<u>1,046,000</u>
<b><i>Total U.S. Department of Agriculture (and Community Facilities Loans and Grants Cluster)</i></b>		<u>1,385,000</u>
<b>U.S. Department of Treasury (direct funding)</b>		
COVID-19 State and Local Fiscal Recovery Fund (CSLFRF):		
American Rescue Plan Act	21.027	<u>179,233</u>
<b><i>Total U.S. Department of Treasury</i></b>		<u>179,233</u>
<b><i>Total Expenditures of Federal Awards</i></b>		<u>\$ 1,564,233</u>



## Township of Tuscarora

### Notes to the Schedule of Expenditures of Federal Awards

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

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Township of Tuscarora (the "Township") under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Township, it is not intended to and does not present the financial position, changes in net position or cash flows of the Township.

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to the Township's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The Township's reporting entity is defined in Note 1 of the Township's audited financial statements.

For purposes of charging indirect costs to federal awards, the Township has not elected to use the 10 percent de minimis cost rate as permitted by §200.414 of the Uniform Guidance.

The Township does not have any subrecipients.

#### NOTE 2 - FEDERAL PROGRAM LOANS

The Township had outstanding federal loan balances as of June 30, 2024 as follows:

	<b>Balance as of June 30, 2024</b>
Water and Waste Disposal Systems for Rural Communities Bonds, 2014	\$ 1,666,000
Tax Increment Revenue Bond, Series 2020B	333,000
Tax Increment Revenue Bond, Series 2020A	1,023,000
<b>Total</b>	<b>\$ 3,022,000</b>

## Township of Tuscarora

### Notes to the Schedule of Expenditures of Federal Awards

---

#### **NOTE 3 - RECONCILIATION OF REVENUE REPORTED IN THE FINANCIAL STATEMENTS**

The following schedule reconciles intergovernmental revenues from the financial statements to the federal expenditures reported in the Schedule:

##### **State and federal sources reported in the governmental funds**

Governmental funds, intergovernmental sources	\$ 735,473
Subtract state sources:	<u>556,240</u>
<b><i>Total federal sources reported in the governmental funds</i></b>	<b><u>179,233</u></b>

##### **Community Facility Loan Programs**

Outstanding loan balances as of July 1, 2022	
Tax Increment Revenue Bond, Series 2020B	339,000
Tax Increment Revenue Bond, Series 2020A	<u>1,046,000</u>
<b><i>Total loan and loan guarantees</i></b>	<b><u>1,385,000</u></b>
<b><i>Total federal expenditures reported in the Schedule:</i></b>	<b><u>\$ 1,564,233</u></b>

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT  
AUDITING STANDARDS*

To the Township Board of Trustees  
Township of Tuscarora  
Tuscarora, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Township of Tuscarora (the "Township"), as of and for the year ended June 30, 2024, and the related notes to the financial statements and have issued our report thereon dated January 28, 2025.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Township'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 Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned cost as items 2024-001, 2024-002, 2024-003, and 2024-004 that we consider to be material weaknesses.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, see 2024-001 in the accompanying schedule of findings and questioned costs.

### ***The Township's Responses to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Township's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Township's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gabridge & Company, PLC  
Grand Rapids, MI  
January 28, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
UNIFORM GUIDANCE

To the Township Board of Trustees  
Township of Tuscarora  
Tuscarora, Michigan

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Township of Tuscarora's (the "Township") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Township's major federal programs for the year ended June 30, 2023. The Township's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Township's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Township's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Township's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a

combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Gabridge & Company". The script is cursive and fluid, with the ampersand being particularly stylized.

Gabridge & Company, PLC  
Grand Rapids, MI  
January 28, 2025

**Township of Tuscarora**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

<b>SECTION I - SUMMARY OF AUDITOR'S RESULTS</b>
---

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal controls over financial reporting	
Material weaknesses identified?	Yes
Significant deficiencies identified not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	Yes

Federal Awards

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of Major Programs

Name of Federal Program or Cluster	Assistance Listing Number
Community Facilities Loan and Grants	10.766
Dollar threshold used to distinguish between Type A and B programs?	\$750,000
Auditee qualified as a low-risk auditee?	No

<b>SECTION II - FINANCIAL STATEMENT FINDINGS</b>
--

Items 2024-001, 2024-002, 2024-003, and 2024-004

<b>SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS</b>
--

None.

<b>SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS</b>
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2023-001 - Preparation of Governmental Financial Statements and Material Audit Adjustments - this is a repeat finding, see 2024-001.

2023-002 - Segregation of Incompatible Duties - this is a repeat finding, see 2024-002.

2023-003 - Timely Bank Reconciliations - this is a repeat finding, see 2024-003.



## Township of Tuscarora

### SECTION II - FINANCIAL STATEMENT FINDINGS

---

#### **2024-001 - Preparation of Governmental Financial Statements and Material Audit Adjustments (repeat finding)**

**Finding Type.** Material weakness over financial reporting.

**Criteria.** All Michigan governments are required to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is a responsibility of the government's management. The preparation of financial statements in accordance with GAAP requires internal controls over both (1) recording, processing and summarizing accounting data (e.g., maintaining internal books and records), and (2) reporting government-wide and fund financial statements, including the related footnotes (e.g., external financial reporting.)

**Condition/Finding.** As is the case with many smaller and medium sized entities, the Township has historically relied on its independent external auditors to assist in the preparation of the government-wide financial statements and footnotes as part of its external financial reporting process. Accordingly, the Township's ability to prepare financial statements in accordance with GAAP is based, at least in part, on its reliance on its external auditors, who cannot by definition be considered a part of the Township's internal controls.

We prepared, and management approved of, material adjustments during the audit process.

**Cause.** This condition was caused by the Township's decision that it is more cost effective to outsource the preparation of its annual financial statements to the auditors than to incur the time and expense of obtaining the necessary training and expertise required for the Township to perform this task internally.

**Effect.** As a result of this condition, the Township lacks complete internal controls over the preparation of financial statements in accordance with GAAP, and instead relies, at least in part, on its external auditors for assistance with this task. In addition, the Township's records were initially misstated by an amount material to the financial statements.

**Recommendation.** The Township should evaluate the process currently used to identify and record adjustments to the general ledger at year-end. Additional controls or modification to the existing controls may be necessary. Correctly identifying year-end receivables will lead to management having to spend less time making modifications to the general ledger and the financial statements and will provide the Township Board with more accurate financial information in a timelier manner.

**View of Responsible Officials.** See corrective action plan.

## Township of Tuscarora

### SECTION II - FINANCIAL STATEMENT FINDINGS

---

#### **2024-002 - Segregation of Incompatible Duties**

**Finding Type.** Material weakness over financial reporting.

**Criteria.** Management is responsible for establishing and maintaining internal controls in order to safeguard the assets of the Township. A key element of internal control is the segregation of incompatible duties within the accounting function.

**Condition/Finding.** The Township has accounting functions which are performed by the same individual and are not subject to a documented independent review and approval. These areas include journal entries, cash reconciliations, and payroll (timecard) transactions.

**Cause.** This condition is a result of the limited size of the Township's accounting staff.

**Effect.** As a result of this condition, the Township is exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be prevented or detected and corrected by management on a timely basis.

**Recommendation.** While there are, of course, no easy answers to the challenge of balancing the costs and benefits of internal controls and the segregation of incompatible duties, we would nevertheless encourage management to actively seek ways to further strengthen its internal control structure by requiring as much independent review, reconciliation, and approval of accounting functions by qualified members of management as possible.

**View of Responsible Officials.** See corrective action plan.

## Township of Tuscarora

### SECTION II - FINANCIAL STATEMENT FINDINGS

---

#### 2024-003 - Timely Bank Reconciliations

**Finding Type.** Material weakness over financial reporting.

**Criteria.** The Accounting Procedures Manual for Local Units of Government in Michigan (published by the Michigan Department of Treasury) states “all bank accounts must be reconciled to the local unit accounting records monthly and should then be reviewed by the appropriate supervisory personnel. Bank statements and reconciliations must be retained for audit purposes.”

**Condition/Finding.** Bank accounts are not being reconciled and independently reviewed in a timely fashion, and, unreconciled variances (material to the financial statements) required proposed audit adjustments for resolution.

**Cause.** This condition is due to turnover within the Township’s accounting department during the year, and, new staff not having sufficient knowledge of the unreconciled variances to properly resolve the matter.

**Effect.** Failure to reconcile the bank statements created an incomplete general ledger and led to a misstatement of cash balances and a corresponding misstatement of revenues and/or expenditures.

**Recommendation.** We recommend that management performs bank reconciliations within thirty days of month-end and that the bank statements and reconciliations be reviewed and signed by a second responsible person. We further recommend that the bank statements and all related documents be maintained for seven years in accordance with the Records Retentions Act of Michigan.

**View of Responsible Officials.** See corrective action plan.

## Township of Tuscarora

### SECTION II - FINANCIAL STATEMENT FINDINGS

---

#### 2024-004 - Timely Tax Remittance

**Finding Type.** Noncompliance with laws and regulations and a material weakness over financial reporting.

**Criteria.** MCL 211.43 states that tax monies collected must be remitted to the local unit that levied the tax within 10 business days after the first and fifteenth day of each month.

**Condition/Finding.** Taxes collected were not remitted in accordance with MCL 211.43. Approximately all tax receipts were not remitted timely. Most were only a week or two late, however some disbursements were several weeks late.

**Cause.** The issue resulted from turnover in the treasurer's position, lack of documented procedures for tax remittances, and insufficient staff training on statutory remittance deadlines. No secondary review process was in place to monitor compliance.

**Effect.**

- Local taxing authorities did not receive tax revenues timely, which may have affected their cash flows and budget planning.
- The Township is at risk of noncompliance penalties or interest charges.
- A lack of monitoring controls increases the risk of errors or potential misappropriation going undetected.

**Recommendation.**

- Develop and implement written procedures for tax remittance compliance, including a review and approval process.
- Provide training to treasury personnel on statutory tax remittance requirements.
- Establish a monitoring control, such as a monthly reconciliation, to ensure compliance with MCL 211.43.

**View of Responsible Officials.** See corrective action plan.



January 28, 2025

## CORRECTIVE ACTION PLAN

Pursuant to federal regulations, Uniform Administrative Requirements Section 200.511, the following are the findings, as noted in the Township of Tuscarora, Michigan's Single Audit report for the year ended June 30, 2024, and corrective actions to be completed.

Finding: 2024-001 - Material weakness over financial reporting - Material Audit Adjustments, and Financial Statement Preparation

Auditor Description of Condition and Effect: As is the case with many smaller and medium sized entities, the Township has historically relied on its independent external auditors to assist in the preparation of the government-wide financial statements and footnotes as part of its external financial reporting process. Accordingly, the Township's ability to prepare financial statements in accordance with GAAP is based, at least in part, on its reliance on its external auditors, who cannot by definition be considered a part of the Township's internal controls. We prepared, and management approved of, material adjustments during the audit process.

Auditor Recommendation: The Township should evaluate the process currently used to identify and record adjustments to the general ledger at year-end. Additional controls or modification to the existing controls may be necessary. Correctly identifying year-end receivables will lead to management having to spend less time making modifications to the general ledger and the financial statements and will provide the Township Board with more accurate financial information in a timelier manner.

Corrective Action: We agree with the finding. The Township will continue to evaluate the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP. In the past the Township has determined that it is in the best interest of

the Township 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.

Responsible Person Printed Name: Lori C. Smith

Signature: *Lori C Smith*

Title: Treasurer

Anticipated Completion Date: June 30, 2025



Finding: 2024-002 - Material weakness over financial reporting - Segregation of Incompatible Duties

Auditor Description of Condition and Effect: The Township has accounting functions which are performed by the same individual and are not subject to a documented independent review and approval. These areas include journal entries, cash reconciliations, and payroll (timecard) transactions.

As a result of this condition, the Township is exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be prevented or detected and corrected by management on a timely basis.

Auditor Recommendation: While there are, of course, no easy answers to the challenge of balancing the costs and benefits of internal controls and the segregation of incompatible duties, we would nevertheless encourage management to actively seek ways to further strengthen its internal control structure by requiring as much independent review, reconciliation, and approval of accounting functions by qualified members of management as possible.

Corrective Action: We agree with the finding. As a result of limited staffing, we cannot accomplish the desired segregation of duties. Management staff will provide increased oversight and documented independent review of journal entries, bank reconciliations, employee timecards, etc., to help prevent and correct errors and to deter inappropriate actions and potential fraud.

Responsible Person Printed Name: Lori C Smith

Signature: *Lori C Smith*

Title: Treasurer

Anticipated Completion Date: June 30, 2025



January 28, 2025

Finding: 2024-003 - Material weakness over financial reporting - Timely Bank

Reconciliations

Auditor Description of Condition and Effect: Bank accounts are not being reconciled and independently reviewed in a timely fashion, and, unreconciled variances (material to the financial statements) required proposed audit adjustments for resolution.

Failure to reconcile the bank statements created an incomplete general ledger and led to a misstatement of cash balances and a corresponding misstatement of revenues and/or expenditures.

Auditor Recommendation: We recommend that management performs bank reconciliations within thirty days of month-end and that the bank statements and reconciliations be reviewed and signed by a second responsible person. We further recommend that the bank statements and all related documents be maintained for seven years in accordance with the Records Retentions Act of Michigan.

Corrective Action: We agree with the finding. The proposed audit adjustments have been received, reviewed, and posted. Cash has been properly reconciled as of June 30, 2024 and management will ensure that bank reconciliations, and their documented independent review, will be completed within thirty days of each month-end going forward.

Responsible Person Printed Name: Lori C. Smith

Signature: *Lori C Smith*

Title: *Treasurer*

Anticipated Completion Date: June 30, 2025

*This institution is an equal opportunity provider and employer.*

*3546 S Straits Highway, Indian River, MI 49749*

*Fax (231)238-7955 – Phone (231)-238-0970*



**Finding: 2024-004 – Noncompliance with laws and regulations and material weakness over financial reporting - Timely Tax Remittance**

**Auditor Description of Condition and Effect:** Tax monies collected by the treasurer are not being remitted to the local units in accordance with MCL 211.43.

Failure to remit tax monies collected led to the following:

- Local taxing authorities did not receive tax revenues timely, which may have affected their cash flows and budget planning.
- The Township is at risk of noncompliance penalties or interest charges.
- A lack of monitoring controls increases the risk of errors or potential misappropriation going undetected.

**Auditor Recommendation:**

- Develop and implement written procedures for tax remittance compliance, including a review and approval process.
- Provide training to treasury personnel on statutory tax remittance requirements.
- Establish a monitoring control, such as a monthly reconciliation, to ensure compliance with MCL 211.43.

**Corrective Action:** We agree with the finding. Management will ensure that tax monies are collected and remitted in accordance with MCL 211.43.

Responsible Person Printed Name: Lori C. Smith

Signature: Lori C Smith

Title: Treasurer

Anticipated Completion Date: January 31, 2025

January 28, 2025

To the Board of Trustees  
Township of Tuscarora, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Township of Tuscarora for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and the Uniform Guidance* 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 July 16, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Township are described in Note 1 to the financial statements. There were no new accounting policies adopted, and the application of existing policies was not changed during the fiscal year ended June 30, 2024. We noted no transactions entered 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.
- Management's estimate of the accrued compensated absences is based on current hourly rates and policies regarding payment of sick and vacation banks.
- The assumptions used in the actuarial valuations of the pension plans are based on historical trends and industry standards.

We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

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

#### *Difficulties Encountered in Performing the Audit*

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

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, some 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 January 28, 2025.

#### *Management Consultations with Other Independent Accountants*

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

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as 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 management's discussion and analysis, pension schedules, and budgetary comparison schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining statements and individual fund statements and the schedule of expenditures of federal awards, 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 Township 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 dark ink that reads "Gabridge & Company". The script is cursive and fluid, with the ampersand being particularly stylized.

Gabridge & Company, PLC  
Grand Rapids, MI

## **Treasurer Report**

## Reports

**Airport**

**DDA**



# FOIA

4 requests

**Library**

## **Parks Commission**

**Police**

**Tuscarora Township Police Department  
January 2025**

**Description:**

Non-Aggravated Assault	1
Larceny - Other	1
Fraud – Bad Checks	2
Obstructing Justice	3
Misdemeanor Traffic Violations	4
Operating While Intoxicated	1
Delinquent Minors	10
Traffic Accidents	26
Non-Traffic Accidents	3
Civil Traffic Violation	6
Parking Violation / Abandon	2
False Alarm Activation	4
Liquor Inspections	15
Civil Matter Dispute / Family Trouble	8
Suspicious Situations	9
Lost & Found Property	1
Natural Death	1
Assist Other Agency	19
Assist Ambulance	6
Assist Fire	3
Assist Citizen	8
Motorist Assist	23
Gun Registrations	13
Lockouts	4
Welfare Checks	5
Noise Violation	1
Blight Violation	1
Fingerprint	1
Special Detail	1

**Total: 182**

**Arrests**

Bench	10
Misdemeanor	4
Traffic Arrest	3
Felony Arrest	8
Juvenile Arrest	0

**Traffic Enforcement**

Verbal Warnings	120
Citations	10
Ordinance Citations	0
Snow Hours	30
Snow Miles	32
Snow Citations	6
Snow Warnings	25

**Hours Worked 1,667**

**Miles Driven 6,699**

**Old Business**

## **New Business**



**DATE OF MEETING:** February 11 2025

**TITLE:** Budget Adjustment

**SUMMARY:**

Amount	From GL#	Description	To GL#	Description
\$444.00	101-257-980.00	AssrComp/Office Eq	101-247-916.00	BOR Education
\$2,500.00	101-101-980.00	Twp Comp/&Office Eq	101-215-704.00	Dep Clerk Salary
\$4,200.00	101-101-980.00	Twp Comp/&Office Eq	101-253-704.00	Dep Treas. Salary
\$4,000.00	101-262-704.01	Election Coordinator	101-223-801.00	Internal Audit Acct
\$119.61	101-262-704.01	Election Coordinator	101-101-998-.01	Refunds
\$10,119.00	101-209-941.00	Contingencies	101-101-998-.01	Refunds

**FINANCIAL IMPACT:** \$0 – No impact.

**RECOMMENDATION:** Discuss

**PREPARED BY:** Clerk

**DEPT/BOARD/COMMISSION:** Board of Trustees

**ATTACHMENTS:** None





# Memo

**To:** Trudy Maves

**Date:** 1-28-25

**From:** Steve Corporon

**Re:** Tuscarora Township Sewer Extension Phase I - Gravity, Pay Request #5

---

Attached for consideration by the Board of Trustees is pay request #5 from Elmer's for the Tuscarora Township Sewer Extension Phase I - Gravity project in the amount of \$39,471.15. This pay request reflects all the work performed to date.

Work during this period included the drilling of the 3-inch force main under Constance Ave. They also focused on installing the plumbing in the structures for the lift stations and valve vaults at Devoe Beach, the intersection of Constance & Arthur and the intersection of Lake & Poplar.

Due to the extremely cold temperatures they do not anticipate performing the remaining work until the spring.

Please advise me if you have any questions regarding this pay request.

Sincerely,

*Steve Corporon*

**Performance Engineers, Inc.**

# Contractor's Application for Payment

<b>Owner:</b> <u>Tuscarora Township</u> <b>Engineer:</b> <u>Performance Engineers, Inc.</u> <b>Contractor:</b> <u>Elmer's</u> <b>Project:</b> <u>Tuscarora Township Sewer Phase I</u> <b>Contract:</b> <u>Tuscarora Township Sewer Extension Phase I - Gravity</u>	<b>Owner's Project No.:</b> <u>22-5797A</u> <b>Engineer's Project No.:</b> <u>22-5797A</u> <b>Contractor's Project No.:</b> <u>541012</u>																								
<b>Application No.:</b> <u>5</u> <b>Application Date:</b> <u>1/28/2025</u> <b>Application Period:</b> <u>From 12/21/2024 to 1/27/2025</u>																									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">1. Original Contract Price</td> <td style="width: 30%; text-align: right;">\$ 2,688,787.51</td> </tr> <tr> <td>2. Net change by Change Orders</td> <td style="text-align: right;">\$ 18,915.00</td> </tr> <tr> <td>3. Current Contract Price (Line 1 + Line 2)</td> <td style="text-align: right;">\$ 2,707,702.51</td> </tr> <tr> <td>4. Total Work completed and materials stored to date (Sum of Column G Lump Sum Total and Column J Unit Price Total)</td> <td style="text-align: right;">\$ 2,292,725.86</td> </tr> <tr> <td>5. Retainage</td> <td></td> </tr> <tr> <td>    a. 5% X \$ 2,292,725.86 Work Completed =</td> <td style="text-align: right;">\$ 114,636.29</td> </tr> <tr> <td>    b. 5% X \$ - Stored Materials =</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td>    c. Total Retainage (Line 5.a + Line 5.b)</td> <td style="text-align: right;">\$ 114,636.29</td> </tr> <tr> <td>6. Amount eligible to date (Line 4 - Line 5.c)</td> <td style="text-align: right;">\$ 2,178,089.57</td> </tr> <tr> <td>7. Less previous payments (Line 6 from prior application)</td> <td style="text-align: right;">\$ 2,138,618.42</td> </tr> <tr> <td>8. Amount due this application</td> <td style="text-align: right;">\$ 39,471.15</td> </tr> <tr> <td>9. Balance to finish, including retainage (Line 3 - Line 4 + Line 5.c)</td> <td style="text-align: right;">\$ 529,612.94</td> </tr> </table>		1. Original Contract Price	\$ 2,688,787.51	2. Net change by Change Orders	\$ 18,915.00	3. Current Contract Price (Line 1 + Line 2)	\$ 2,707,702.51	4. Total Work completed and materials stored to date (Sum of Column G Lump Sum Total and Column J Unit Price Total)	\$ 2,292,725.86	5. Retainage		a. 5% X \$ 2,292,725.86 Work Completed =	\$ 114,636.29	b. 5% X \$ - Stored Materials =	\$ -	c. Total Retainage (Line 5.a + Line 5.b)	\$ 114,636.29	6. Amount eligible to date (Line 4 - Line 5.c)	\$ 2,178,089.57	7. Less previous payments (Line 6 from prior application)	\$ 2,138,618.42	8. Amount due this application	\$ 39,471.15	9. Balance to finish, including retainage (Line 3 - Line 4 + Line 5.c)	\$ 529,612.94
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<b>Contractor's Certification</b> <p>The undersigned Contractor certifies, to the best of its knowledge, the following:</p> <p>(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;</p> <p>(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such liens, security interest, or encumbrances); and</p> <p>(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.</p>																									
<b>Contractor:</b> <u>Elmer's Construction and Design, Inc.</u> <b>Signature:</b> <u>[Signature]</u> <b>Date:</b> <u>1-23-25</u>																									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>Recommended by Engineer</b>  <b>By:</b> <u>[Signature]</u>  <b>Title:</b> <u>Project Engineer</u>  <b>Date:</b> <u>1/23/25</u>  <b>Approved by Funding Agency</b>  <b>By:</b> _____  <b>Title:</b> _____  <b>Date:</b> _____ </td> <td style="width: 50%; vertical-align: top;"> <b>Approved by Owner</b>  <b>By:</b> _____  <b>Title:</b> _____  <b>Date:</b> _____  <b>By:</b> _____  <b>Title:</b> _____  <b>Date:</b> _____ </td> </tr> </table>		<b>Recommended by Engineer</b> <b>By:</b> <u>[Signature]</u> <b>Title:</b> <u>Project Engineer</u> <b>Date:</b> <u>1/23/25</u> <b>Approved by Funding Agency</b> <b>By:</b> _____ <b>Title:</b> _____ <b>Date:</b> _____	<b>Approved by Owner</b> <b>By:</b> _____ <b>Title:</b> _____ <b>Date:</b> _____ <b>By:</b> _____ <b>Title:</b> _____ <b>Date:</b> _____																						
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**Progress Estimate - Unit Price Work**
**Contractor's Application for Payment**

<b>Owner:</b>	Tuscarora Township	<b>Owner's Project No.:</b>	22-5797A
<b>Engineer:</b>	Performance Engineers, Inc.	<b>Engineer's Project No.:</b>	22-5797A
<b>Contractor:</b>	Elmer's	<b>Contractor's Project No.:</b>	541012
<b>Project:</b>	Tuscarora Township Sewer Phase I		
<b>Contract:</b>	Tuscarora Township Sewer Extension Phase I - Gravity		

Application No.: 5		Application Period: From 12/21/24 to 01/27/25		Application Date: 01/28/25							
A	B	C	D	E	F	G	H	I	J	K	L
Bid Item No.	Description	Contract Information				Work Completed		Materials Currently Stored (not in G) (\$)	Work Completed and Materials Stored to Date (H + I) (\$)	% of Value of Item (J / F) (%)	Balance to Finish (F - J) (\$)
		Item Quantity	Units	Unit Price (\$)	Value of Bid Item (C X E) (\$)	Estimated Quantity Incorporated in the Work	Value of Work Completed to Date (E X G) (\$)				
Original Contract											
1	MOBILIZATION, MAX. 10%	1.0	LS	\$ 135,000.00	135,000.00	1.00	135,000.00		135,000.00	100%	-
2	TRAFFIC CONTROL	1.0	LS	\$ 50,000.00	50,000.00	0.75	37,500.00		37,500.00	75%	12,500.00
3	CONSTRUCTION STAKING SP	1.0	LS	\$ 0.01	0.01	0.75	0.01		0.01	100%	-
4	MACHINE GRADING, MOD	95.0	STA	\$ 680.00	64,600.00	51.35	34,918.00		34,918.00	54%	29,682.00
5	CULV, REM, LESS THAN 24 INCH	550.0	FT	\$ 11.00	6,050.00	120.00	1,320.00		1,320.00	22%	4,730.00
6	CURB AND GUTTER, REM	45.0	FT	\$ 9.00	405.00	37.00	333.00		333.00	82%	72.00
7	HMA, SURFACE, REM	825.0	SYD	\$ 3.00	2,475.00	1,492.37	4,477.11		4,477.11	181%	(2,002.11)
8	HMA, SURFACE, PULVERIZE	20,400.0	SYD	\$ 2.75	56,100.00	15,148.00	41,657.00		41,657.00	74%	14,443.00
9	PAVT, REM	15.0	SYD	\$ 17.00	255.00	0.00	-		-	0%	255.00
10	SIGN, TYPE III, ERECT, SALV	30.0	EA	\$ 110.00	3,300.00	0.00	-		-	0%	3,300.00
11	AGGREGATE BASE, REPLACE ONSITE MATERIALS, 6 INCH	12,200.0	SYD	\$ 4.60	56,120.00	10,655.00	49,013.00		49,013.00	87%	7,107.00
12	AGGREGATE BASE, 6 INCH	2,400.0	CYD	\$ 27.50	66,000.00	1,575.02	43,313.05		43,313.05	66%	22,686.95
13	SHOULDER CL II, 4 INCH	490.0	SYD	\$ 20.00	9,800.00	1,601.75	32,035.00		32,035.00	327%	(22,235.00)
14	SUBGRADE UNDERCUTTING, TYPE II	400.0	CYD	\$ 39.00	15,600.00	10,864.21	423,704.19		423,704.19	2716%	(408,104.19)
15	CULV, CL B, 12 INCH	250.0	FT	\$ 43.00	10,750.00	89.00	3,827.00		3,827.00	36%	6,923.00
16	CULV, CL B, 15 INCH	300.0	FT	\$ 46.00	13,800.00	0.00	-		-	0%	13,800.00
17	DEWATERING SYSTEM, TRENCH	5,100.0	FT	\$ 58.00	295,800.00	40.00	2,320.00		2,320.00	1%	293,480.00
18	SEWER, HDPE (DR-11), 3 INCH, DRILLED	415.0	FT	\$ 75.50	31,332.50	314.00	23,707.00		23,707.00	76%	7,625.50
19	SEWER, PVC (SDR-21), 3 INCH	2,050.0	FT	\$ 43.00	88,150.00	1,847.00	79,421.00		79,421.00	90%	8,729.00
20	SEWER SERVICE, PVC (SCHD 40), 4 INCH	4,950.0	FT	\$ 52.50	259,875.00	3,271.00	171,727.50		171,727.50	66%	88,147.50
21	SEWER, HDPE (DR-11), 4 INCH, OPEN CUT	650.0	FT	\$ 64.00	41,600.00	0.00	-		-	0%	41,600.00
22	SEWER, HDPE (DR-11), 4 INCH DRILLED	325.0	FT	\$ 106.00	34,450.00	0.00	-		-	0%	34,450.00
23	SEWER SERVICE, PVC (SDR-26), 6 INCH	100.0	FT	\$ 76.00	7,600.00	685.50	52,098.00		52,098.00	686%	(44,498.00)
24	SEWER, PVC (SDR-26), 8 INCH	7,400.0	FT	\$ 63.00	466,200.00	7,051.00	444,213.00		444,213.00	95%	21,987.00
25	SAN STRUCTURE, 60 INCH DIA., CLEANOUT, COMPLETE	3.0	EA	\$ 13,000.00	39,000.00	2.80	36,400.00		36,400.00	93%	2,600.00
26	SAN STRUCTURE, 48 INCH DIA.	27.0	EA	\$ 5,000.00	135,000.00	33.00	165,000.00		165,000.00	122%	(30,000.00)
27	LIFT STATION WITH VALVE VAULT, COMPLETE	3.0	EA	\$ 110,000.00	330,000.00	2.10	231,000.00		231,000.00	70%	99,000.00
28	ELECTRICAL ALLOWANCE	1.0	LS	\$ 30,000.00	30,000.00	0.00	-		-	0%	30,000.00
29	SAN TIE INTO EX. STRUCTURE, COMPLETE	1.0	EA	\$ 2,000.00	2,000.00	1.00	2,000.00		2,000.00	100%	-
30	LIFT STATION, UPGRADES, COMPLETE	1.0	EA	\$ 11,000.00	11,000.00	0.00	-		-	0%	11,000.00
31	CURB AND GUTTER, CONC, DET C4	45.0	FT	\$ 95.00	4,275.00	33.00	3,135.00		3,135.00	73%	1,140.00
32	DRIVEWAY, NONREINF CONC, 6 INCH	15.0	SYD	\$ 150.00	2,250.00	0.00	-		-	0%	2,250.00
33	HMA, 4E1, MOD, TOP	2,500.0	TON	\$ 116.00	290,000.00	1,562.00	181,192.00		181,192.00	62%	108,808.00
34	SITE RESTORATION	1.0	LS	\$ 130,000.00	130,000.00	0.60	78,000.00		78,000.00	60%	52,000.00
Original Contract Totals					\$ 2,688,787.51		\$ 2,277,310.86	\$ -	\$ 2,277,310.86	85%	\$ 411,476.65

**Progress Estimate - Unit Price Work**
**Contractor's Application for Payment**

<b>Owner:</b>	Tuscarora Township							<b>Owner's Project No.:</b>	22-5797A		
<b>Engineer:</b>	Performance Engineers, Inc.							<b>Engineer's Project No.:</b>	22-5797A		
<b>Contractor:</b>	Elmer's							<b>Contractor's Project No.:</b>	541012		
<b>Project:</b>	Tuscarora Township Sewer Phase I										
<b>Contract:</b>	Tuscarora Township Sewer Extension Phase I - Gravity										

<b>Application No.:</b>	5	<b>Application Period:</b>	<b>From</b>	12/21/24	<b>to</b>	01/27/25	<b>Application Date:</b>	01/28/25			
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A	B	C	D	E	F	G	H	I	J	K	L		
Bid Item No.	Description	Item Quantity	Units	Unit Price (\$)	Value of Bid Item (C X E) (\$)	Contract Information		Work Completed		Materials Currently Stored (not in G) (\$)	Work Completed and Materials Stored to Date (H + I) (\$)	% of Value of Item (J / F) (%)	Balance to Finish (F - J) (\$)
						Estimated Quantity Incorporated in the Work	Value of Work Completed to Date (E X G) (\$)						
<b>Change Orders</b>													
35	INCREASE LIFT STA STRUCTURE TO 5 FT	2.00	EA	3,340.00	6,680.00	2.00	6,680.00		6,680.00	100%	-		
36	INCREASE VALVE VAULT STRUCTURE TO 5 FT	3.00	EA	1,765.00	5,295.00	3.00	5,295.00		5,295.00	100%	-		
37	REMOVE & REINSTALL LIFT STA HATCH	2.00	EA	1,720.00	3,440.00	2.00	3,440.00		3,440.00	100%	-		
38	BOLLARDS	5.00	EA	700.00	3,500.00		-		-	0%	3,500.00		
					-		-		-		-		
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					-		-		-		-		
<b>Change Order Totals</b>					\$ 18,915.00		\$ 15,415.00	\$ -	\$ 15,415.00	81%	\$ 3,500.00		
<b>Original Contract and Change Orders</b>													
<b>Project Totals</b>					\$ 2,707,702.51		\$ 2,292,725.86	\$ -	\$ 2,292,725.86	85%	\$ 414,976.65		



# Memo

**To:** Trudy Maves

**Date:** 1-28-25

**From:** Steve Corporon

**Re:** Tuscarora Township Sewer Extension Phase I - LPS, Pay Request #5

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Attached for consideration by the Board of Trustees is pay request #5 from Matt's Underground for the Tuscarora Township Sewer Extension Phase I - LPS project in the amount of \$98,484.60. This pay request reflects all the work performed to date.

During this period the contractor has been excavating and installing the structures for an air release and a clean out along S Prospect St. They have also been excavating and installing curb stops and drilling service lines for homes on the western end of Hillside Ave.

The extremely cold weather has temporarily halted the excavation and installation of additional curb stops and the drilling of additional service lines but they hope to continue working on them as the weather allows throughout the winter until they can re-start work in the spring on two remaining sections of gravity sewer main in the CBC on Harrison Ave and Pier Ave.

Please advise me if you have any questions regarding this pay request.

Sincerely,

*Steve Corporon*

**Performance Engineers, Inc.**



**Contractor's Application for Payment**

<b>Owner:</b>	Tuscarora Township	<b>Owner's Project No.:</b>	22-5797B
<b>Engineer:</b>	Performance Engineers, Inc.	<b>Engineer's Project No.:</b>	22-5797B
<b>Contractor:</b>	Matt's Underground	<b>Contractor's Project No.:</b>	2024-7107
<b>Project:</b>	Tuscarora Township Sewer Phase I		
<b>Contract:</b>	Tuscarora Township Sewer Extension Phase I - LPS		
<b>Application No.:</b>	5	<b>Application Date:</b>	1/28/2025
<b>Application Period:</b>	From 12/21/2024	to	1/27/2025

1. Original Contract Price	\$	2,224,569.00
2. Net change by Change Orders	\$	49,301.00
3. Current Contract Price (Line 1 + Line 2)	\$	2,273,870.00
4. Total Work completed and materials stored to date (Sum of Column G Lump Sum Total and Column J Unit Price Total)	\$	1,060,233.75
5. Retainage		
a. 5% X \$ 1,060,233.75 Work Completed =	\$	53,011.69
b. 5% X \$ - Stored Materials =	\$	-
c. Total Retainage (Line 5.a + Line 5.b)	\$	53,011.69
6. Amount eligible to date (Line 4 - Line 5.c)	\$	1,007,222.06
7. Less previous payments (Line 6 from prior application)	\$	908,737.46
8. Amount due this application	\$	98,484.60
9. Balance to finish, including retainage (Line 3 - Line 4 + Line 5.c)	\$	1,266,647.94

**Contractor's Certification**

The undersigned Contractor certifies, to the best of its knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such liens, security interest, or encumbrances); and
- (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

**Contractor:** Matt's Underground Utility Construction

**Signature:** [Signature] **Date:** 1.24.2025

<b>Recommended by Engineer</b>	<b>Approved by Owner</b>
<b>By:</b> <u>[Signature]</u>	<b>By:</b> _____
<b>Title:</b> <u>Project Engineer</u>	<b>Title:</b> _____
<b>Date:</b> <u>1/23/25</u>	<b>Date:</b> _____
<b>Approved by Funding Agency</b>	
<b>By:</b> _____	<b>By:</b> _____
<b>Title:</b> _____	<b>Title:</b> _____
<b>Date:</b> _____	<b>Date:</b> _____

**Progress Estimate - Unit Price Work**
**Contractor's Application for Payment**

<b>Owner:</b>	Tuscarora Township	<b>Owner's Project No.:</b>	22-5797B
<b>Engineer:</b>	Performance Engineers, Inc.	<b>Engineer's Project No.:</b>	22-5797B
<b>Contractor:</b>	Matt's Underground	<b>Contractor's Project No.:</b>	2024-7107
<b>Project:</b>	Tuscarora Township Sewer Phase I		
<b>Contract:</b>	Tuscarora Township Sewer Extension Phase I - LPS		

Application No.: 5		Application Period:		From	12/21/24	to	01/27/25	Application Date: 01/28/25			
A	B	C	D	E	F	G	H	I	J	K	L
Bid Item No.	Description	Contract Information				Work Completed		Materials Currently Stored (not in G) (\$)	Work Completed and Materials Stored to Date (H + I) (\$)	% of Value of Item (J / F) (%)	Balance to Finish (F - J) (\$)
		Item Quantity	Units	Unit Price (\$)	Value of Bid Item (C X E) (\$)	Estimated Quantity Incorporated in the Work	Value of Work Completed to Date (E X G) (\$)				
Original Contract											
1	MOBILIZATION, MAX. 10%	1.0	LS	\$ 140,000.00	140,000.00	0.75	105,000.00		105,000.00	75%	35,000.00
2	TRAFFIC CONTROL	1.0	LS	\$ 12,750.00	12,750.00	0.50	6,375.00		6,375.00	50%	6,375.00
3	CONSTRUCTION STAKING SP	1.0	LS	\$ 8,750.00	8,750.00	0.50	4,375.00		4,375.00	50%	4,375.00
4	MACHINE GRADING	29.0	STA	\$ 1,850.00	53,650.00		-		-	0%	53,650.00
5	CULV, REM, LESS THAN 24 INCH	40.0	FT	\$ 45.00	1,800.00		-		-	0%	1,800.00
6	CURB AND GUTTER, REM	30.0	FT	\$ 35.00	1,050.00		-		-	0%	1,050.00
7	HMA, SURFACE, REM	1,200.0	SYD	\$ 10.00	12,000.00	15.00	150.00		150.00	1%	11,850.00
8	PAVT, REM	95.0	SYD	\$ 13.00	1,235.00		-		-	0%	1,235.00
9	SIGN, TYPE III, ERECT, SALV	3.0	EA	\$ 2,200.00	6,600.00		-		-	0%	6,600.00
10	AGGREGATE BASE, REPLACE ONSITE MATERIALS, 6 INCH	1,100.0	SYD	\$ 35.50	39,050.00	40.50	1,437.75		1,437.75	4%	37,612.25
11	AGGREGATE BASE, 6 INCH	900.0	CYD	\$ 73.50	66,150.00	74.00	5,439.00		5,439.00	8%	60,711.00
12	SHOULDER CL II, 4 INCH	40.0	SYD	\$ 16.00	640.00		-		-	0%	640.00
13	CULV, CL B, 12 INCH	40.0	FT	\$ 65.00	2,600.00		-		-	0%	2,600.00
14	DEWATERING SYSTEM, TRENCH	1,200.0	FT	\$ 45.00	54,000.00	244.00	10,980.00		10,980.00	20%	43,020.00
15	SEWER, HPDE (SDR-11), 1.5 INCH, DRILLED	1,300.0	FT	\$ 28.00	36,400.00	17.00	476.00		476.00	1%	35,924.00
16	SEWER, HPDE (SDR-11), 2 INCH, DRILLED	800.0	FT	\$ 32.00	25,600.00	870.00	27,840.00		27,840.00	109%	(2,240.00)
17	SEWER, HDPE (SDR-11), 3 INCH, DRILLED	2,800.0	FT	\$ 38.00	106,400.00	2,577.00	97,926.00		97,926.00	92%	8,474.00
18	SEWER, HDPE (SDR-11), 3 INCH, OPEN CUT	675.0	FT	\$ 75.00	50,625.00	25.00	1,875.00		1,875.00	4%	48,750.00
19	SEWER, PVC (SDR-21), 3 INCH	75.0	FT	\$ 125.00	9,375.00		-		-	0%	9,375.00
20	SEWER, HPDE (SDR-11), 4 INCH, DRILLED	1,700.0	FT	\$ 36.00	61,200.00	1,548.00	55,728.00		55,728.00	91%	5,472.00
21	SEWER SERVICE, PVC (SCHD 40), 4 INCH	1,900.0	FT	\$ 55.00	104,500.00	477.50	26,262.50		26,262.50	25%	78,237.50
22	SEWER, PVC (SDR-21), 8 INCH	2,900.0	FT	\$ 125.00	362,500.00	1,685.00	210,625.00		210,625.00	58%	151,875.00
23	SAN STRUCTURE, 60 INCH DIA., AIR RELIEF, COMPLETE	2.0	EA	\$ 15,375.00	30,750.00	1.80	27,675.00		27,675.00	90%	3,075.00
24	SAN STRUCTURE, 60 INCH DIA., CLEANOUT, COMPLETE	3.0	EA	\$ 16,100.00	48,300.00	2.70	43,470.00		43,470.00	90%	4,830.00
25	2 INCH FORCEMAIN CLEANOUT ASSEMBLY, COMPLETE	2.0	EA	\$ 1,750.00	3,500.00		-		-	0%	3,500.00
26	SAN STRUCTURE, 48 INCH DIA.	8.0	EA	\$ 5,818.00	46,544.00	6.00	34,908.00		34,908.00	75%	11,636.00
27	LIFT STATION WITH VALVE VAULT, COMPLETE	2.0	EA	\$ 86,385.00	172,770.00	1.80	155,493.00		155,493.00	90%	17,277.00
28	ELECTRICAL ALLOWANCE	1.0	LS	\$ 20,000.00	20,000.00		-		-	0%	20,000.00
29	CURB STOP ASSEMBLY, COMPLETE	26.0	EA	\$ 7,400.00	192,400.00	4.00	29,600.00		29,600.00	15%	162,800.00
30	PUMP STATION, INDIVIDUAL, COMPLETE	25.0	EA	\$ 14,295.00	357,375.00	12.50	178,687.50		178,687.50	50%	178,687.50
31	CURB AND GUTTER, CONC, DET C4	30.0	FT	\$ 85.00	2,550.00		-		-	0%	2,550.00
32	DRIVEWAY, NONREINF CONC, 6 INCH	95.0	SYD	\$ 89.00	8,455.00		-		-	0%	8,455.00
33	HMA, 4E1, MOD, TOP	625.0	TON	\$ 175.00	109,375.00	7.20	1,260.00		1,260.00	1%	108,115.00
34	SITE RESTORATION	1.0	LS	\$ 75,675.00	75,675.00		-		-	0%	75,675.00
Original Contract Totals					\$ 2,224,569.00		\$ 1,025,582.75	\$ -	\$ 1,025,582.75	46%	\$ 1,198,986.25

## Contractor's Application for Payment

Unit Price





# Memo

**To:** Trudy Maves

**Date:** 1-28-25

**From:** Steve Corporon

**Re:** Tuscarora Township WWTP Expansion, Pay Request #6

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Attached for consideration by the Board of Trustees is pay request #6 from Grand Traverse Construction for the Tuscarora Township WWTP Expansion project in the amount of \$289,472.60. The majority of the work this period has continued to be focused on the placement of rebar and concrete for the new tanks. This pay request reflects all the work performed to date.

The WWTP project has funding from USDA and EGLE as part of Phase I and from USDA & EPA as part of Phase II. The first five pay requests included only USDA Phase I and EGLE funded work. This is the first pay request that also includes Phase II and EPA funded work.

The USDA Phase I share of this pay request is \$153,774.60.

The EGLE share of this pay request for the work on the equalization/surge tank is 69,198.00.

According to the EPA grant agreement they will fund 62.95% of the Phase II project costs up to a maximum of \$3.5M; therefore, the EPA share of this pay request is \$41,861.75. This leaves the USDA Phase II share of this pay request at \$24,638.25.

You will need to submit two separate requests to the USDA (one for each Phase) and separate requests to both EGLE and the EPA for their respective amounts and subsequently provide four separate checks to Grand Traverse Construction once funds are received from each agency. I have annotated GTC's pay request in red to assist both you and the agencies in confirming the respective amounts.

Please advise me if you have any questions regarding this pay request.

Sincerely,

*Steve Corporon*

**Performance Engineers, Inc.**

**Contractor's Application for Payment**

Owner:	Tuscarora Township	Owner's Project No.:	22-6036
Engineer:	Performance Engineers, Inc.	Engineer's Project No.:	22-6036
Contractor:	Grand Traverse Construction	Contractor's Project No.:	1-24106
Project:	Tuscarora Township Sewer Extension Phases I & II		
Contract:	Tuscarora Township WWTP Expansion		

Application No.: 6 Application Date: 1/31/2025  
Application Period: From 1/1/2025 to 1/31/2025

1. Original Contract Price	\$	4,025,365.00
2. Net change by Change Orders	\$	13,067.41
3. Current Contract Price (Line 1 + Line 2)	\$	4,038,432.41
4. Total Work completed and materials stored to date (Sum of Column G Lump Sum Total and Column J Unit Price Total)	\$	1,244,379.48
5. Retainage		
a. <u>5%</u> X <u>\$ 1,231,495.48</u> Work Completed =	\$	61,574.77
b. <u>5%</u> X <u>\$ 12,884.00</u> Stored Materials =	\$	644.20
c. Total Retainage (Line 5.a + Line 5.b)	\$	62,218.97
6. Amount eligible to date (Line 4 - Line 5.c)	\$	1,182,160.51
7. Less previous payments (Line 6 from prior application)	\$	892,687.91
8. Amount due this application	\$	289,472.60
9. Balance to finish, including retainage (Line 3 - Line 4 + Line 5.c)	\$	2,856,271.90

**Contractor's Certification**

The undersigned Contractor certifies, to the best of its knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such liens, security interest, or encumbrances); and
- (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor: Paul E. Mahon  
Signature: Grand Traverse Construction Date: 1-27-2025

<b>Recommended by Engineer</b>	<b>Approved by Owner</b>
By: <u>[Signature]</u>	By: _____
Title: <u>Project Engineer</u>	Title: _____
Date: <u>1/27/25</u>	Date: _____
<b>Approved by Funding Agency</b>	
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

USDA Phase I: \$153,774.60

EGLE: \$69,198.00

USDA Phase II: \$24,638.25

EPA: \$41,861.75

Total  
→ \$289,472.60

**Progress Estimate - Lump Sum Work**

**Contractor's Application for Payment**

<b>Owner:</b>	Tuscarora Township	<b>Owner's Project No.:</b>	22-6036
<b>Engineer:</b>	Performance Engineers, Inc.	<b>Engineer's Project No.:</b>	22-6036
<b>Contractor:</b>	Grand Traverse Construction	<b>Contractor's Project No.:</b>	1-24106
<b>Project:</b>	Tuscarora Township Sewer Extension Phases I & II		
<b>Contract:</b>	Tuscarora Township WWTP Expansion		

<b>Application No.:</b>	6	<b>Application Period:</b>	From 01/01/25 to 01/31/25	<b>Application Date:</b>	01/31/25
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A	B	C	D	E	F	G	H	I
Item No.	Description	Scheduled Value (\$)	Work Completed		Materials Currently Stored (not in D or E) (\$)	Work Completed and Materials Stored to Date (D + E + F) (\$)	% of Scheduled Value (G / C) (%)	Balance to Finish (C - G) (\$)
			(D + E) From Previous Application (\$)	This Period (\$)				
<b>Original Contract</b>								
1	MOBILIZATION (PH I)	72,501.00	72,501.00			72,501.00	100%	-
2	MOBILIZATION (PH II)	72,500.00		25,000.00		25,000.00	34%	47,500.00
3	WWTP EXP INCL EQUIP, MATERIALS & LABOR (PH I)	1,208,201.00	561,207.00	148,984.00	12,884.00	723,075.00	60%	485,126.00
4	WWTP EXP INCL EQUIP, MATERIALS & LABOR (PH II)	1,651,284.00		45,000.00		45,000.00	3%	1,606,284.00
5	EQUALIZATION/SURGE TANK	888,335.00	292,902.76	72,840.00		365,742.76	41%	522,592.24
6	SITE IMPROVEMENTS (PH I)	125,004.00				-	0%	125,004.00
7	PLUG & ABANDON MONITOR WELL & INSTALL NEW WELL	7,540.00	500.00			500.00	7%	7,040.00
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<b>Original Contract Totals</b>		<b>\$ 4,025,365.00</b>	<b>\$ 927,110.76</b>	<b>\$ 291,824.00</b>	<b>\$ 12,884.00</b>	<b>\$ 1,231,818.76</b>	<b>31%</b>	<b>\$ 2,793,546.24</b>

USDA Phase I:  $(\$148,984 + \$12,884) - \$8,093.40 (5\%) = \$153,774.60$   
 EGLE:  $\$72,840 - \$3,642 (5\%) = \$69,198.00$   
 EPA:  $((\$25,000 + \$45,000) \times 62.95\%) - \$2,203.25 (5\%) = \$41,861.75$   
 USDA Phase II:  $((\$25,000 + \$45,000) \times 37.05\%) - \$1,296.75 (5\%) = \$24,638.25$   
 Total =  $\$289,472.60$



**Progress Estimate - Lump Sum Work**

**Contractor's Application for Payment**

<b>Owner:</b>	Tuscarora Township					<b>Owner's Project No.:</b>	22-6036	
<b>Engineer:</b>	Performance Engineers, Inc.					<b>Engineer's Project No.:</b>	22-6036	
<b>Contractor:</b>	Grand Traverse Construction					<b>Contractor's Project No.:</b>	1-24106	
<b>Project:</b>	Tuscarora Township Sewer Extension Phases I & II							
<b>Contract:</b>	Tuscarora Township WWTP Expansion							

<b>Application No.:</b>	6	<b>Application Period:</b>	From	01/01/25	to	01/31/25	<b>Application Date:</b>	01/31/25
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A	B	C	D	E	F	G	H	I
Item No.	Description	Scheduled Value (\$)	Work Completed		Materials Currently Stored (not in D or E) (\$)	Work Completed and Materials Stored to Date (D + E + F) (\$)	% of Scheduled Value (G / C) (%)	Balance to Finish (C - G) (\$)
			(D + E) From Previous Application (\$)	This Period (\$)				
<b>Change Orders</b>								
1	WWTP EXP INLC EQUIPM MATERIALS & LABOR (PH1)	13,067.41	12,560.72			12,560.72	96%	506.69
						-		-
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<b>Change Order Totals</b>		\$ 13,067.41	\$ 12,560.72	\$ -	\$ -	\$ 12,560.72	96%	\$ 506.69
<b>Original Contract and Change Orders</b>								
<b>Project Totals</b>		\$ 4,038,432.41	\$ 939,671.48	\$ 291,824.00	\$ 12,884.00	\$ 1,244,379.48	31%	\$ 2,794,052.93

# Stored Materials Summary

## Contractor's Application for Payment

Owner: Tuscarora Township  
 Engineer: Performance Engineers, Inc.  
 Contractor: Grand Traverse Construction  
 Project: Tuscarora Township Sewer Extension Phases I & II  
 Contract: Tuscarora Township WWTP Expansion

Owner's Project No.: 22-6036  
 Engineer's Project No.: 22-6036  
 Contractor's Project No.: 1-24106

Application No.:	6		Application Period:		From	01/01/25		to	01/31/25		Application Date:		01/31/25
A	B	C	D	E	F	G	H	I	J	K	L	M	
Item No. (Lump Sum Tab) or Bid Item No. (Unit Price Tab)	Supplier Invoice No.	Submittal No. (with Specification Section No.)	Description of Materials or Equipment Stored	Storage Location	Application No. When Materials Placed in Storage	Materials Stored			Incorporated in Work			Materials Remaining in Storage (I-L) (\$)	
						Previous Amount Stored (\$)	Amount Stored this Period (\$)	Amount Stored to Date (G+H) (\$)	Amount Previously Incorporated in the Work (\$)	Amount Incorporated in the Work this Period (\$)	Total Amount Incorporated in the Work (J+K) (\$)		
3	2	#6	Precast	3373 Busch Dr.	6	-	12,884.00	12,884.00			-	12,884.00	
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## SWORN STATEMENT

Owner Tuscarora Township

Date 1/27/2025

Company Name    Grand Traverse Construction

State of MICHIGAN )

Completed By

County of GRAND TRAVERSE )ss.

Phone 231-929-1000

Fax 231-929-4435

Email

Address of Improvements 4649 Brudy Road, Indian River, MI

The Project Manager of the company identified above (Contractor), the builder or general contractor for the construction of certain improvements at the property described above, hereby swears and affirms that the following is a list of each professional, subcontractor, supplier and laborer that Contractor has retained in connection with such improvements and that opposite each such name is a correct and full description of the work or materials to be provided by such party, the amount of the original contract or bid, the revised contract amount, if any, the aggregate amount of previous payments to such party, the current amount due such party as of the date set forth above and the remaining amount required to complete the particular item of work as follows:

[illegible]

The Contractor has not employed or procured materials from, contracted or subcontracted with any persons, firms, or corporations other than those set for above and owes no monies for the construction of said buildings or improvements other than the sums set forth above.

Deponent further says that he or she makes the foregoing statements as the (owner) (contractor) (subcontractor) or as the (owner) (contractor) (subcontractor) for the purpose of representing to the owner or lessee of the above described premises and his or her agents that the above described property is free from claims of construction liens, or the possibility of construction liens, except as specifically set forth above and except for claims of Construction Liens by laborers which may be provided pursuant to Section 109 of the Construction Lien Act, Act No. 497 of the Public Acts of 1980, as amended, being Section 570.1109 of Michigan Compiled Laws.

WARNING TO OWNER OR LESSEE: AN OWNER OR LESSEE OF THE ABOVE DESCRIBED PROPERTY MAY NOT RELY ON THIS SWORN STATEMENT TO AVOID THE CLAIM OF A SUBCONTRACTOR, SUPPLIER OR LABORER WHO HAS PROVIDED A NOTICE OF FURNISHINGS OR A LABORER WHO MAY PROVIDE A NOTICE OF FURNISHINGS PURSUANT TO SECTION 109 OF THE CONSTRUCTION LIEN ACT TO THE DESIGNEE OR TO THE OWNER OF LESSEE IF THE DESIGNEE OR TO THE OWNER OR LESSEE IF THE DESIGNEE IS NOT NAMED OR HAS DIED.

WARNING TO DEPONENT: A PERSON, WHO WITH INTENT TO DEFRAUD, GIVES FALSE SWORN STATEMENT IS SUBJECT TO CRIMINAL PENALTIES AS PROVIDED IN SECTION 110 OF THE CONSTRUCTION LIEN ACT, ACT NO. 497 OF THE PUBLIC ACTS OF 1980, AS AMENDED, BEING SECTION 570.1110 OF THE MICHIGAN COMPILED LAWS.

ON RECEIPT OF THIS SWORN STATEMENT, THE OWNER OR LESSEE, OR THE OWNER'S OR LESSEE'S DESIGNEE, MUST GIVE NOTICE OF ITS RECEIPT, EITHER IN WRITING, TELEPHONE OR PERSONALLY, TO EACH SUBCONTRACTOR, SUPPLIER AND LABORER WHO HAS PROVIDED A NOTICE OF FURNISHING UNDER SECTION 109 OR, IF A NOTICE OF FURNISHING IS EXCUSED UNDER SECTION 108 OR 108A, TO EACH SUBCONTRACTOR, SUPPLIER AND LABORER NAMED IN THE SWORN STATEMENT. IF A SUBCONTRACTOR, SUPPLIER OR LABORER WHO HAS PROVIDED A NOTICE OF FURNISHING OR WHO IS NAMED IN THE SWORN STATEMENT MAKES A REQUEST, THE OWNER, LESSEE OR DESIGNEE SHALL PROVIDE THE REQUESTER A COPY OF THE SWORN STATEMENT WITHIN 10 BUSINESS DAYS OF RECEIVING THE REQUEST.

Paul E. Mahon  
Project Manager

Paul Mahon, Senior Project Manager  
Printed Name and Title

1-27-2025  
Date

Subscribed and sworn to me this 27 day of January 2027

Ashley A. Meeuwes  
Notary Public Signature

Ashley A. Meeuwes  
Printed Name

Grand Traverse  
Acting in Grand Traverse  
My Commission Expires 8/1/2027

County, Michigan  
County





**Performance Engineers, Inc.**

Civil • Structural • Site Design

# INVOICE

Customer Project:  
Sewer Expansion – Phase I  
Project No.: 22-5797-32

Date: January 31, 2025

INVOICE # 15053

To: Tuscarora Township  
Attn.: Trudy Maves  
3546 S. Straits Highway  
Indian River, Michigan 49749  
(231)238-7088

For Professional Services Rendered: 12/16/2024 through 1/25/2025

Engineering Services:

Contract admin, RFIs, engineering design revisions,  
and construction oversight \$ 12,510.00

RPR Services:

Construction Inspection \$ 18,677.50

Project Expenses:

None \$ 0


**Total Due This Invoice: \$ 31,187.50**

Explanation of Services: Engineering Services are included for the above referenced project, where Subcontracted Services are used, copies of these direct invoices to PEI are provided, where Project Expenses are incurred, copies of these receipts are provided.

Engineering Services Contract Summary:

Authorized Fee	\$ 786,238.00
Net Change by Change Order	(\$113,978.00)
Current Authorized Fee	\$ 672,260.00
Previously Invoiced Total	\$ 589,777.80
Current Invoice Total	\$ 31,187.50
Balance to Complete	\$ 51,294.70

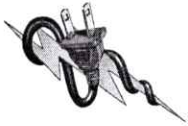
The undersigned does hereby certify that the above summary of bills and invoices were reviewed and they are in accordance with the Engineering Services Agreement dated 05/11/2022 and only for labor and materials directly related to the approved project.

  
Aaron Nordman, P.E, Principal

Please make checks payable to Performance Engineers, Inc.

***Thank you for your business!***





TANNER ELECTRIC INC

1351 S. STRAITS HWY.  
INDIAN RIVER, MI 49749  
231-238-2700

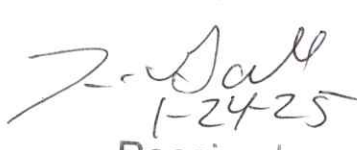
# Invoice

Date	Invoice #
1/16/2025	6167

Bill To
ATTN: BOB KRAMER Tuscarora Township PO Box 220 Indian River, MI 49749

Ship To
Lift Station Club Rd Indian River, Michigan 49749

Terms	Due Date
Net 15	1/31/2025

Description	Qty	Rate	Amount
INVOICE FOR ELECTRICAL WORK PERFORMED ON 8/27/2024 & 1/13/2025			
INVOICE FOR ADDITIONAL WORK REQUIRED PER MEAD & HUNT FOR ADDITIONAL ALARMING, EMERGENCY STOP AND REMOTE MONITORING THAT WAS NOT PART OF ORIGINAL ESTIMATE SCOPE OF WORK DETAILED ( AS NOTED IN LAST INVOICE #5288)			
- ALSO ADDED ANOTHER TRANSFORMER CONTROL CABINET THAT DID NOT HAVE ENOUGH 120 VOLT POWER AVAILABLE FOR HOOK UP OF BLOCK HEATER IN GENERATOR			
LABOR- JOSH	6.25	100.00	625.00
LABOR- WILL	3	100.00	300.00
LABOR- LUKE	3.25	100.00	325.00
LABOR- JASON	3.5	100.00	350.00
 Received JAN 24 2025 Tuscarora Township			

Thank you for your business!	Total
sent email to Aaron + Steve. Trudy * I am not sure about USDA, EGLE EPA, or Twp money.	Payments/Credits
* Credit and Debit card transactions will incur a 4% fee. A 1.5% late fee will be added to invoice total after 30 days of non-payment, non-negotiable.	Balance Due



TANNER ELECTRIC INC

1351 S. STRAITS HWY.  
INDIAN RIVER, MI 49749  
231-238-2700

# Invoice

Date	Invoice #
1/16/2025	6167

Bill To
ATTN: BOB KRAMER Tuscarora Township PO Box 220 Indian River, MI 49749

Ship To
Lift Station Club Rd Indian River, Michigan 49749

Terms	Due Date
Net 15	1/31/2025

Description	Qty	Rate	Amount
MATERIALS USED  30 FEET- BELDEN COMMS CABLE 30 FEET- 18/7 POWER CONTROL CABLE 4- 3" W.P. SEALS 10 FEET- 18/2 LOW VOLT WIRE 1- 12 VOLT ALARM/ STROBE LIGHT 1- NORMALLY OPEN E-STOP CONTACT 6 FEET- DIN RAIL 2- QO 120 BREAKERS 1- 2,000 WATT, 480 VOLT x 120 VOLT TRANSFORMER 4- 1/4"x20 STAINLESS BOLTS, LOCK PUTS 15 FEET- #12 THHN WIRE 1- EMERGENCY STOP BUTTON & BOX KIT 1- 120 VOLT SINGLE RECEPTACLES 1- SINGLE RECEPTACLE PLATE 2- 1/2" CHASE NIPPLES 2- DIN FUSE HOLDERS 2- 7 AMP FUSES 1- 12 VOLT LED 1- VAN SUPPLIES	1	2,209.28	2,209.28
Thank you for your business!		<b>Total</b>	\$3,809.28
		<b>Payments/Credits</b>	\$0.00
		<b>Balance Due</b>	\$3,809.28

\* Credit and Debit card transactions will incur a 4% fee.  
A 1.5% late fee will be added to invoice total after 30 days of non-payment, non-negotiable.



# Memo

**To:** Trudy Maves

**Date:** 1-28-25

**From:** Steve Corporon

**Re:** Tuscarora Township Sewer Extension Phase II - Gravity, Pay Request #1

---

Attached for consideration by the Board of Trustees is pay request #1 from Walton Contracting for the Tuscarora Township Sewer Extension Phase II - Gravity project in the amount of \$23,009.00. This pay request reflects the cost of their bonding for the project which is covered under the mobilization pay item.

Phase II projects have both USDA and EPA funding. According to the EPA grant agreement they will fund 62.95% of the project costs up to a maximum of \$3.5M; therefore, the EPA share of this pay request is \$14,484.17. This leaves the USDA share of this pay request at \$8,524.83.

We are scheduled to meet with Walton during the third week of February in order to establish when the on-site work for the project will commence and the anticipated sequencing of the work by streets and neighborhoods.

Please advise me if you have any questions regarding this pay request.

Sincerely,

*Steve Corporon*

**Performance Engineers, Inc.**

# Contractor's Application for Payment

Owner:	<u>Tuscarora Township</u>	Owner's Project No.:	<u>22-6003A</u>
Engineer:	<u>Performance Engineers, Inc.</u>	Engineer's Project No.:	<u>22-6003A</u>
Contractor:	<u>Walton Contracting</u>	Contractor's Project No.:	<u>24-1024-E</u>
Project:	<u>Tuscarora Township Sewer Phase II</u>		
Contract:	<u>Tuscarora Township Sewer Extension Phase II - Gravity</u>		
Application No.:	<u>1</u>	Application Date:	<u>1/28/2025</u>
Application Period:	From <u>1/1/2025</u>	to	<u>1/27/2025</u>

1. Original Contract Price	\$	2,919,956.45
2. Net change by Change Orders	\$	-
3. Current Contract Price (Line 1 + Line 2)	\$	2,919,956.45
4. Total Work completed and materials stored to date (Sum of Column G Lump Sum Total and Column J Unit Price Total)	\$	24,220.00
5. Retainage		
a. 5% X \$ 24,220.00 Work Completed =	\$	1,211.00
b. 5% X \$ - Stored Materials =	\$	-
c. Total Retainage (Line 5.a + Line 5.b)	\$	1,211.00
6. Amount eligible to date (Line 4 - Line 5.c)	\$	23,009.00
7. Less previous payments (Line 6 from prior application)		
8. Amount due this application	\$	23,009.00
9. Balance to finish, including retainage (Line 3 - Line 4 + Line 5.c)	\$	2,896,947.45

## Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such liens, security interest, or encumbrances); and
- (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor:	<u>Walton Contracting</u>	
Signature:		Date: <u>1/28/25</u>
Recommended by Engineer	Approved by Owner	
By: 	By: _____	
Title: <u>Project Engineer</u>	Title: _____	
Date: <u>1/27/25</u>	Date: _____	
Approved by Funding Agency		
By: _____	By: _____	
Title: _____	Title: _____	
Date: _____	Date: _____	

USDA Phase II: \$8,524.83  
EPA: \$14,484.17  
**Total: \$23,009.00**



# Progress Estimate - Unit Price Work

# Contractor's Application for Payment

Owner:	Tuscarora Township	Owner's Project No.:	22-6003A
Engineer:	Performance Engineers, Inc.	Engineer's Project No.:	22-6003A
Contractor:	Walton Contracting	Contractor's Project No.:	24-1024-E
Project:	Tuscarora Township Sewer Phase II		
Contract:	Tuscarora Township Sewer Extension Phase II - Gravity		

Application No.: 1		Application Period:		From	01/01/25	to	01/27/25	Application Date: 01/28/25			
A	B	C	D	E	F	G	H	I	J	K	L
Bid Item No.	Description	Contract Information				Work Completed		Materials Currently Stored (not in G) (\$)	Work Completed and Materials Stored to Date (H + I) (\$)	% of Value of Item (J / F) (%)	Balance to Finish (F - J) (\$)
		Item Quantity	Units	Unit Price (\$)	Value of Bid Item (C X E) (\$)	Estimated Quantity Incorporated in the Work	Value of Work Completed to Date (E X G) (\$)				
Original Contract											
1	MOBILIZATION, MAX. 10%	1	LS	\$ 225,000.00	225,000.00	0.10764443	24,220.00		24,220.00	11%	200,780.00
2	TRAFFIC CONTROL	1	LS	\$ 69,000.00	69,000.00		-		-	0%	69,000.00
3	CONSTRUCTION STAKING SP	1	LS	\$ 42,500.00	42,500.00		-		-	0%	42,500.00
4	MACHINE GRADING, MOD	95	STA	\$ 663.15	62,999.25		-		-	0%	62,999.25
5	CULV, REM, LESS THAN 24 INCH	240	FT	\$ 4.68	1,123.20		-		-	0%	1,123.20
6	CURB AND GUTTER, REM	45	FT	\$ 25.00	1,125.00		-		-	0%	1,125.00
7	HMA, SURFACE, REM	1,100	SYD	\$ 9.60	10,560.00		-		-	0%	10,560.00
8	HMA, SURFACE, PULVERIZE	20,300	SYD	\$ 1.75	35,525.00		-		-	0%	35,525.00
9	PAVT, REM	150	SYD	\$ 27.60	4,140.00		-		-	0%	4,140.00
10	SIGN, TYPE III, ERECT, SALV	45	EA	\$ 250.00	11,250.00		-		-	0%	11,250.00
11	AGGREGATE BASE, REPLACE ONSITE MATERIALS, 6 INCH	12,200	SYD	\$ 7.60	92,720.00		-		-	0%	92,720.00
12	AGGREGATE BASE, 6 INCH	2,100	CYD	\$ 43.60	91,560.00		-		-	0%	91,560.00
13	SUBGRADE UNDERCUTTING, TYPE II	100	CYD	\$ 18.50	1,850.00		-		-	0%	1,850.00
14	CULV, CL B, 12 INCH	240	FT	\$ 38.00	9,120.00		-		-	0%	9,120.00
15	DEWATERING SYSTEM, TRENCH, OTHER	8,500	FT	\$ 30.00	255,000.00		-		-	0%	255,000.00
16	SEWER, HDPE (SDR-11), 3 INCH, OPEN CUT, COMMON TRENCH	3,400	FT	\$ 11.65	39,610.00		-		-	0%	39,610.00
17	SEWER, HDPE (SDR-11), 4 INCH, OPEN CUT, COMMON TRENCH	600	FT	\$ 24.30	14,580.00		-		-	0%	14,580.00
18	SEWER, HPDE (SDR-11), 4 INCH, DRILLED	1,200	FT	\$ 50.00	60,000.00		-		-	0%	60,000.00
19	SEWER SERVICE, PVC (SCHD 40), 4 INCH	5,500	FT	\$ 40.81	224,455.00		-		-	0%	224,455.00
20	SEWER, PVC (SDR-26), 8 INCH	9,300	FT	\$ 58.00	539,400.00		-		-	0%	539,400.00
21	SAN STRUCTURE, 48 INCH DIA.	24	EA	\$ 5,355.00	128,520.00		-		-	0%	128,520.00
22	SAN STRUCTURE, 60 INCH DIA., CLEANOUT, COMPLETE	3	EA	\$ 16,243.00	48,729.00		-		-	0%	48,729.00
23	LIFT STATION WITH VALVE VAULT, COMPLETE	4	EA	\$ 80,000.00	320,000.00		-		-	0%	320,000.00
24	ELECTRICAL ALLOWANCE	4	EA	\$ 10,000.00	40,000.00		-		-	0%	40,000.00
25	SAN TIE INTO EX. STRUCTURE, COMPLETE	1	EA	\$ 4,510.00	4,510.00		-		-	0%	4,510.00
26	LIFT STATION , UPGRADES, COMPLETE	1	EA	\$ 110,350.00	110,350.00		-		-	0%	110,350.00
27	CURB AND GUTTER, CONC, DET C4	45	FT	\$ 110.00	4,950.00		-		-	0%	4,950.00
28	DRIVEWAY, NONREINF CONC, 6 INCH	150	SYD	\$ 131.00	19,650.00		-		-	0%	19,650.00
29	HMA, 4E1, MOD, TOP	2,350	TON	\$ 131.00	307,850.00		-		-	0%	307,850.00
30	SITE RESTORATION	1	LS	\$ 143,880.00	143,880.00		-		-	0%	143,880.00
					-		-		-		-
					-		-		-		-
					-		-		-		-
					-		-		-		-
Original Contract Totals					\$ 2,919,956.45		\$ 24,220.00	\$ -	\$ 24,220.00	1%	\$ 2,895,736.45

EPA: (\$24,220 x 62.95%) - \$762.32 (5%) = \$14,484.17  
USDA Phase II: (\$24,220 x 37.05%) - \$448.68 (5%) = \$8,524.83  
Total = \$23,009.00



Progress Estimate - Unit Price Work

Contractor's Application for Payment

Owner: Tuscarora Township  
 Engineer: Performance Engineers, Inc.  
 Contractor: Walton Contracting  
 Project: Tuscarora Township Sewer Phase II  
 Contract: Tuscarora Township Sewer Extension Phase II - Gravity

Owner's Project No.: 22-6003A  
 Engineer's Project No.: 22-6003A  
 Contractor's Project No.: 24-1024-E

Application No.: 1 Application Period: From 01/01/25 to 01/27/25 Application Date: 01/28/25

A	B	C	D	E	F	G	H	I	J	K	L
Bid Item No.	Description	Contract Information				Work Completed		Materials Currently Stored (not in G) (\$)	Work Completed and Materials Stored to Date (H + I) (\$)	% of Value of Item (J / F) (%)	Balance to Finish (F - J) (\$)
		Item Quantity	Units	Unit Price (\$)	Value of Bid Item (C X E) (\$)	Estimated Quantity Incorporated in the Work	Value of Work Completed to Date (E X G) (\$)				
Change Orders											
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# SWORN STATEMENT

STATE OF MICHIGAN  
COUNTY OF GRAND TRAVERSE

Project No.: 24-1024-E  
Project Name: TUSCARORA PHASE II- GRAVITY

Dustin Schroeder being duly sworn, deposes and says:

WALTON CONTRACTING, INC. is the Contractor for an improvement to the following described real property situated in  
GRAND TRAVERSE County, Michigan, described as follows:

TUSCARORA TOWNSHIP, MI

That the following is a statement as of 1/27/2025 of each Subcontractor and Supplier and Laborer with whom the General Contractor has Subcontracted for performance under the Contract with the Owner or Lessee thereof, and that the amounts due to the persons as of the date hereof are correctly and fully set forth opposite their names, as follows:

Name of Subcontractor, Supplier or Laborer	Type of Improvement Furnished	Total Contract Price	Amount Already Paid	Amount Currently Owning	Balance to Complete
J. RYAN BONDING	BOND	\$ 24,220.00	\$ 24,220.00		\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
WALTON CONTRACTING	SITEWORK	\$ 2,895,736.45		\$ 23,009.00	\$ 2,896,947.45
Total to Date:		\$ 2,919,956.45		\$ 23,009.00	\$ 2,896,947.45

WARNING (TO OWNER): AN OWNER OR LESSEE OF THE ABOVE DESCRIBED PROPERTY MAY NOT RELY ON THIS THE CLAIM OF A SUBCONTRACTOR, SUPPLIER OR LABORER WHO HAS PROVIDED A NOTICE OF FURNISHING (OR A STATEMENT TO AVOID LABORER WHO MAY PROVIDE A NOTICE OF FURNISHING PURSUANT TO SECTION 109 OF THE CONSTRUCTION LIEN ACT) TO THE DESIGNEE OR TO THE OWNER OR LESSEE IF THE DESIGNEE IS NOT NAMED OR HAS DIED.

That the General Contractor has not procured material from, or Subcontracted with, any person other than those set forth above and owes no money for the improvement other than the sums set forth above.

Deponent further says that he or she makes the foregoing statement as the General Contractor for the purpose of representing to the Owner, Lessee or Mortgagee of the above described premises and his or her agents that the above described property is free from claims of construction liens, or the possibility of construction liens, except as specifically set forth above, and except for claims of construction liens by laborers which may be provided pursuant to Section 109 of the Construction Lien Act, Act No. 497 of the Public Acts of 1980, as amended, being Section 570.1109 of the Michigan Compiled Laws.

Deponent further says that Laborer Wages, Fringe Benefits and Withholdings are paid, except as disclosed within this Statement.

WARNING (TO DEPONENT): A PERSON, WHO WITH INTENT TO DEFRAUD, GIVES A FALSE STATEMENT IS SUBJECT TO CRIMINAL PENALTIES AS PROVIDED IN SECTION 110 OF THE CONSTRUCTION LIEN ACT, ACT NO. 497 OF THE PUBLIC ACTS OF 1980, AS AMENDED, BEING SECTION 570.110 OF THE MICHIGAN COMPILED LAWS.

**WALTON CONTRACTING, INC.**  
526 WEST 14TH STREET #209, TRAVERSE CITY, MI 49684

(Signature)

Dustin Schroeder, President

By

1.27.25

Date

Signed before me this January day of 27, 2025

Notary Public:

My Commission Expires: 10-26-2030

Kendra Kersten  
Notary Public State of Michigan  
Grand Traverse County  
My Commission Expires 10/26/2030  
Acting in the County of Grand Traverse

# PARTIAL CONDITIONAL WAIVER

I/We have an agreement with **Tuscarora Township** to provide Excavation Work for the improvement to the property as described as:

**Tuscarora Sewer Extension Phase II- GRAVITY  
Indian River, MI**

And hereby waive and release our construction lien rights against such property for labor / materials provided through January 27th, 2025; together with all previous waivers, if any, do cover all amounts due to use for improvements provided through the date shown above.

This waiver is partial conditioned pending on receipt of the actual payment in the amount of:

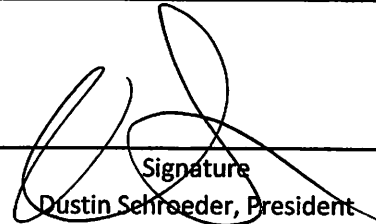
**Twenty-Three Thousand and Nine Dollars 00/100**

**\$23,009.00**

Company: **WALTON CONTRACTING, INC.**

Address: 6010 E. Traverse Highway

TRAVERSE CITY, MICHIGAN 49684

  
\_\_\_\_\_  
Signature  
Dustin Schroeder, President

1.27.25

Date

  
\_\_\_\_\_

Witness

1.27.25

Date





**Performance Engineers, Inc.**

Civil • Structural • Site Design

# INVOICE

Customer Project:  
Sewer Expansion – Phase 2  
Project No.: 23-6003

Date: January 31, 2025  
INVOICE # 15056

To: Tuscarora Township  
Attn.: Trudy Maves  
3546 S. Straits Highway  
Indian River, Michigan 49749  
(231)238-7088

For Professional Services Rendered: 8/6/2024 through 1/25/2025

Engineering Services:

Construction contract admin, easements, design

Revisions, testing, oversight \$ 46,298.49

Subcontracted Services:

None \$ 0

Project Expenses:

None \$ 0

**Total Due This Invoice: \$ 46,298.49**

**EPA: \$29,144.90 (62.95%)**


**USDA: \$17,153.59 (37.05%)**

Explanation of Services: Engineering Services are included for the above referenced project, where Subcontracted Services are used, copies of these direct invoices to PEI are provided, where Project Expenses are incurred, copies of these receipts are provided.

Engineering Services Contract Summary:

Authorized Fee	\$ 539,134.00
Previously Invoiced Total	\$ 215,981.74
Current Invoice Total	\$ 46,298.49
Balance to Complete	\$ 276,853.77

The undersigned does hereby certify that the above summary of bills and invoices were reviewed and they are in accordance with the Engineering Services Agreement dated 06/02/2023 and only for labor and materials directly related to the approved project.

  
Aaron Nordman, P.E., Principal

Please make checks payable to Performance Engineers, Inc.

**Thank you for your business!**



**DATE OF MEETING:** February 11, 2025

**TITLE:** New Bank Account

**SUMMARY:** A new bank account is needed for the EPA Funding for Sewer Phase II. Checks will also be needed. The first draw from the EPA Funding is in for approval with this board packet.

**FINANCIAL IMPACT:** The cost of having checks printed.

**RECOMMENDATION:** Approve

**PREPARED BY:** Treasurer

**DEPT/BOARD/COMMISSION:** Board of Trustees

**ATTACHMENTS:** None



**DATE OF MEETING:** February 11, 2025

**TITLE:** Fireworks

**SUMMARY:** Discuss fireworks for 2025

**FINANCIAL IMPACT:** TBD

**RECOMMENDATION:** Discuss/Review

**PREPARED BY:** Supervisor

**DEPT/BOARD/COMMISSION:** Board of Trustees

**ATTACHMENTS:** None

These claims shall be post-audited at the next board meeting following their issuance and the township board must still vote to approve all those payments at the next meeting. No transfers of appropriations for line items related to personnel or capital outlays may be made without prior Board approval by budget amendment.

The Township Supervisor may authorize emergency expenditures not to exceed \$20,000.00 when deemed essential due to the imminent threat to the health, safety and welfare of the township and must notify all Board members within 24 hours of the expenditure and must be post-audited at the next regular meeting.

NOTE: *Monies not budgeted for cannot be spent as mandated in Public Act 621 of 1978.*

#### **Bids and Quotes - Purchasing Policy (approved June 7, 2022)**

##### **4.86 Definitions.**

As used in this policy:

- "Board" means Board of Trustees or Parks and Recreation Board, and any other Elected/Appointed Board with a Government (local or otherwise) approved budget. .
- "Department" means the established departments within a Board.
- "Department Head" mean the administrative officials of the established departments.

**This policy does not apply to expenditures made within the Tuscarora Township Library that has an adopted policy or the Tuscarora Township Police Department, which is subject to the provisions contained within the Tuscarora Township Department Policy and Procedures Manual.**

##### **4.87 Purpose**

The purpose of this purchasing policy is to provide services, supplies and other materials, including capital outlay items, which offer Township personnel the most effective and efficient means of performing or maintaining Township operations. Except as provided otherwise, this policy shall apply to every expenditure of public funds by Department Heads and Elected Officials within Tuscarora Township, regardless of the source of funds. When the procurement involves the expenditure of federal or state assistance or contract funds, the procurement shall be conducted in accordance with any mandatory applicable federal or state laws and regulations. Adherence to this policy will facilitate budgetary control of Township funds in Township departments and budgetary oversight of Elected Officials, achieve closer oversight of and uniformity in the purchasing process, and standardize the bidding process.

##### **4.88 Routine Purchases**

1. Under the provisions of this policy, the Township Supervisor and Clerk are designated as the Purchasing Agents. In the Clerk's or Supervisor's absence, the Treasurer is authorized to act as the Purchasing Agent.
2. Every reasonable attempt must be made to ensure that purchases are being made in a manner that ensures that the Township is receiving the best value for the money being expended.
3. Department Heads are authorized to spend up to \$5,000.00 without prior approval of the Supervisor or Clerk, provided that the funds are available pursuant to the approved Department budget. No transfers of appropriations for line items related to personnel or capital outlays may be made without prior Board approval by budget amendment.
4. Purchase orders will be numbered and will be prepared in advance of any purchase greater than \$ 5,000.00.

- a. Department Heads will prepare purchase orders for the Supervisor's or Clerk's approval and signature. This purchase order will facilitate payment of invoices.
  - b. Department Heads may have subordinates make purchases. The employee making the purchase will sign the vendor's sales slip, and the Clerk will verify authorization prior to preparing payment by reviewing the purchase order. If the purchase is less than \$500, the Department Head will also sign the vendor's sales slip as authorization.
5. All purchases of goods or services in an amount higher than \$5,000.00, and all contracts for recurring services, must abide by the bid policy as set forth below.

Exempt acquisitions/purchases, regardless of the cost, include all credit card payments, lease payments (paid based on an executed agreement), payroll checks (including all fringes and taxes), postage, insurance premiums and utility billings (electric, gas, internet, and telephone) and any other payments currently deemed "prepaid"; (see separate Post Audit Policy). Also exempted are reimbursements for out-of-pocket expenses, mileage, and miscellaneous purchases while on Township business, whether by cash or credit card.

#### **4.89 Bids for Goods and Services**

It is the Board's intent to purchase the best product or service at the best price. Therefore, the following procedures shall apply to the purchase of those goods and services:

- **Up to \$5,000** - Order from any supplier in the normal course of business.
- **\$5,000.01 to \$25,000** - Written quotes may be obtained from three vendors. Internet quotes are acceptable. All written documentation should be submitted at the time the purchase order is requested.
- **\$25,000.01 and above** - Sealed bidding process applies; see Sealed Bidding Process section below.

Price quotes should include the complete cost, including shipping. If the goods or service is only available from a single source the additional quotes can be waived by writing "Sole Vendor" on the purchase order or voucher. This exception must be documented and provided to the Board prior to ordering the product or performance of the service, at which time the additional quotes may be waived. A single source supplier ("Sole Vendor") is defined as the only practical supplier available due to limitations of geographic location, timeliness of shipping, uniqueness of product (specialized equipment), or ability of supplier to serve the best interest of the Township.

#### **4.90 Sealed Bid Process**

Requests for sealed bids with appropriate bid specifications shall be solicited by advertising in a suitable medium for a minimum of one week. For products or services available from a limited number of sources, direct contact with potential bidders may be made by soliciting sealed bids and providing appropriate bid specifications as necessary. Internet quotes (price and terms) may be researched for the purpose of a benchmark. If the price and terms of the formal bids exceed the Internet quote, the Board can accept the Internet quote and reject all bids.

Exceptions to the sealed bidding process are as follows:

Emergency repairs, intergovernmental contracts and reauthorization of contracts that have been previously approved.

Third party competitive bids for materials, supplies and equipment through programs such as the State of Michigan Department of Management and Budget or similar programs. However, at the discretion of the Department Head, Elected Official, other bids may be solicited.



**DATE OF MEETING:** February 11, 2025

**TITLE:** Parks Commission appointments

**SUMMARY:**

**FINANCIAL IMPACT:** None

**RECOMMENDATION:** Discuss/Review

**PREPARED BY:** Supervisor

**DEPT/BOARD/COMMISSION:** Board of Trustees

**ATTACHMENTS:** None

APPLICATION FOR APPOINTMENT TO BOARDS, COMMISSIONS, COMMITTEES or  
CITIZEN TASK FORCES

APPOINTMENT POLICY GUIDELINES

Authority: All applications for appointment to boards, commissions, committees and Citizen Task Forces that the Board of Trustees shall have the authority to make shall be submitted to all Board members and voted upon by the Board of Trustees at a scheduled Board of Trustees meeting.

By state statute, the Downtown Development Authority Members are appointed by the Township Supervisor with the Township Board of Trustees' approval.

Applications: Interested individuals in an appointment to boards, commissions, and/or committees shall complete an Application for Appointment.

Application Submission: All applications will be submitted to the Administrative Assistant no later than two weeks before the date of voting thereon. The cut-off date will be specified on each posting.

The Clerk will notify all Board Members 60 days in advance of an appointee's term expiration.

**Applicant must be 18 years or older to apply.**

**Board, commission, or committee you are applying for:** *MARKS*

**I understand the terms for this appointment to be:** *4 YEARS*

**Enter term appointment date and term expiration date:**

**PERSONAL INFORMATION**

First Name, Last Name: *ALLEN MAVES*

Address: *43 S. PARK TRAIL IR*

Home Phone Number: *231-420-3768*

Email Address: *allenmaves@gmail.com*

Employer: *KEN'S VILLAGE MARKET*

Business Address:

Business Phone Number:

Are you at least 18 years of age: *YES*

**RESIDENCY INFORMATION**

Are you a US Citizen? *YES*

Are you a full-time resident of Tuscarora Township? *YES*

If not, do you own property or have a business in Tuscarora Township?

**EDUCATION AND ACTIVITIES (OPTIONAL, NOT REQUIRED)**

High School: *INLAND LAKES*

Name of school, city, State/degree earned:

College: *ALMA BACHELORS  
MARYGROVE-MASTERS  
(DETROIT)*

Name of school, city, State/degree(s) earned:

Trade or Business School:

Name of school, city, State/degree(s) earned:

**Activities:**

List civic, fraternal, charitable, professional organizations you are a member of

*MEMBER*

**ORGANIZATIONAL MEMBERSHIP INFORMATION**

Is this an application for reappointment? *YES*

If yes, how many years have you served on this board, commission, committee? *2*

Are you currently serving on other boards, commissions, or committees in the Township or elsewhere? *NO*

If yes, please describe and include dates of terms.

Have you served on a board, commission, or committee before? *YES*

If yes, list them, including dates of terms. *-*

Briefly indicate your qualifications for appointment to this board, commission, committee, and why you believe your appointment will benefit Tuscarora Township] *LIFETIME MEMBER OF TUSCARORA, PAST EXPERIENCE ON BOARD - CONCERN FOR OUR PARKS*  
Please list areas of special interest.

*MAINTAIN & IMPROVE THE PARKS AND ALL THAT THEY OFFER TO OUR CITIZENS, BUILD FINANCIAL SECURITY SO OUR I ACKNOWLEDGE PARKS CONTINUE TO IMPROVE*

(1) if appointed, I will comply with all Statutory and other requirements and obligations of my appointment, including adhering to relevant State, County, and Township laws, ordinances, regulations, and policies (2) if I cease to comply with such requirements, I automatically forfeit said appointed position; (3) I hold no position or appointment which is a conflict of interest with the appointed position applied for; (4) to the best of my knowledge and belief, I possess the requisite qualifications for the office I am seeking ; and (5) I understand that this application and all information contained therein, will become part of the Board of Trustees agenda packet, which will be publicly available.

Signature/Date:

*Allen J. Mason 12-6-24*





**DATE OF MEETING:** February 11, 2024

**TITLE:** Tuscarora Township Police Department and Chief Gordon Temple Contracts

**SUMMARY:** The contracts for the police department and Chief Temple are due to expire in June 2025.

**FINANCIAL IMPACT:** TBD

**RECOMMENDATION:** Discuss negotiations

**PREPARED BY:** Supervisor

**DEPT/BOARD/COMMISSION:** Board of Trustees

**ATTACHMENTS:** None