

**BIG RAPIDS CHARTER TOWNSHIP BOARD
REGULAR MEETING TUESDAY, MAY 1, 2018
BIG RAPIDS TOWNSHIP OFFICES, 14212 NORTHLAND DR.
BIG RAPIDS, MI 49307**

AGENDA

CALL TO ORDER: 7:00 p.m. ROLL CALL: __Stanek,__ Fountain,__ Currie,
__ Bean,__ Everett,__ Geib,__ Williams. Pledge of Allegiance.

PUBLIC COMMENT

ADDITIONS TO AGENDA:

SPECIAL APPEARANCE:

CORRESPONDENCE: **ITEM A**

APPROVAL OF: APRIL 3RD MEETING MINUTES: **ITEM B**

FINANCIAL

1. March Treasurer Report: **ITEM C**
2. Financial Report: **ITEM D**

APPROVAL OF BILLS:

1. Accounts Payable: **ITEM E**
2. Payroll: **ITEM F**

MONTHLY REPORTS:

1. Building/Planning Department: **ITEM G**
2. Cemetery and Grounds: **ITEM H**
3. Election Commission: **ITEM I**
4. Fire Department: **ITEM J**
5. Sewer Department: **ITEM K**
6. Water Department: **ITEM L**
7. Cemetery Committee: **ITEM M**
8. Policy Committee: **ITEM N**
9. Supervisor: **ITEM O**
10. Other

UNFINISHED BUSINESS:

1. Roads 2018/ Roger Schneidt: **ITEM P**
2. 13 Mile culvert/ Tim Nestle: **ITEM Q**
3. Roads 2019: **ITEM R**
4. Fire Department Pay Method: **ITEM S**
5. Other:

NEW BUSINESS:

1. Request for Fireworks: **ITEM T**
2. Health Insurance Renewal: **ITEM U**
3. Well Bids: **ITEM V**
4. Park Restroom Bids: **ITEM W**
5. Request from Policy Committee Chapter 6, 7 & 8: **ITEM X**
6. Venlo Lift Station: **ITEM Y**
7. Draft Audit: **ITEM Z**
8. Parking lot paving and steps:
9. Billboard Lease:
10. Other:

PUBLIC COMMENT:

ADJOURNMENT:

Big Rapids Charter Township will provide necessary and reasonable auxiliary aids and services, such as signers for the hearing impaired and audiotapes of printed material, if individuals with disabilities, upon five business days notice to the township. Individuals requiring auxiliary aids or services should contact Rene Fountain, Big Rapids Charter Township Clerk, 14212 Northland Drive, Big Rapids, MI 49307- call 231 796 3603 or request to 231 796 2533.

Rene Fountain

From: Rebecca Williams Jackson <rebeccawjackson@yahoo.com>
Sent: Tuesday, April 24, 2018 11:23 AM
To: clerk@bigrapidstownship.net
Cc: Kathy Klarecki; Bob and Jane; Jane Williams; Susan Bean
Subject: FOIA request

Dear Rene Fountain,

On behalf of the property owners on Madison Avenue and myself, I have a FOIA request. Pursuant to the Freedom of Information Act, I am requesting all documentation, for the last five years, related to PPN 5404 009 021 500, related to, but not limited to, email discussions between Township Board Members, Stephen Perialas, Chaille Tower Consultants for Verizon, Township Supervisor Bill Stanek, and any and all reports, texts, property information, maps, phone logs, or documentation regarding PPN 5404 009 021 500.

What would be the most convenient way for us to get this information? Should we bring in a thumb drive? What would you prefer?

Sincerely,
Rebecca Williams Jackson

MECOSTA COUNTY DRAIN COMMISSIONER'S OFFICE
Certified Soil Erosion & Sedimentation Control Agency (CEA)
Jackie Fitzgerald, Drain Commissioner
Karla Miller, Deputy Drain Commissioner



Services Building
14485 Northland Drive, Rm. 105
Big Rapids, MI 49307

Phone: (231) 592-0103
Fax: (231) 592-9446
e-mail: drain@mecostacounty.org

April 11, 2018

RE: Mecosta County Drain Commissioner – 2017 Annual Report

To All Interested Parties:

We are pleased to announce that The Mecosta County Board of Commissioners approved our 2017 Annual Report on April 5, 2018.

Please visit our website to download a copy for your review. Our website address is <http://www.mecostacounty.org/drain>.

If you have any questions regarding any of the information in this report or would like a hard copy, please feel free to contact our office.

Sincerely,

A handwritten signature in cursive script that reads "Jackie Fitzgerald".

Jackie Fitzgerald
Mecosta County Drain Commissioner / CEA

JMF/kmm

**BIG RAPIDS CHARTER TOWNSHIP BOARD
REGULAR MEETING TUESDAY, APRIL 3, 2018
UNAPPROVED**

Item "B"

CALL TO ORDER: 7:00 p.m.

ROLL CALL: Stanek, Fountain, Bean, Everett, Geib present. Currie, Williams absent
All lead in the pledge of Allegiance.

PUBLIC COMMENT: John Emmons- Medical Marijuana, Robert Carter -Madison Ave., Pat Klarecki – Madison Ave, Joe Mikols-Madison Ave, Sue Haut-Madison Ave, Bob Maguire-Roads, Pat Curie-Madison and West Ave.

ADDITIONS TO AGENDA:

SPECIAL APPEARANCE: Drain Commissioner: Jackie Fitzgerald spoke regarding the Tonkin Drain. A petition has been filed requesting maintenance on the Tonkin Drain and Jackie explained the next steps in the project and who will pay the cost of the maintenance.

CORRESPONDENCE: None

APPROVAL OF: MARCH 6th MEETING MINUTES:

APPROVAL OF: MARCH 15th SPECIAL MEETING MINUTES: A motion to approve the minutes for March 6, 2018 Regular Meeting and the March 15, 2018 Special Meeting was made by Everett. Seconded by Geib. Motion passed unanimously.

FINANCIAL

1. **February Treasurer Report:** A motion to approve the February Treasurers report was made by Fountain. Seconded by Bean. Motion passed unanimously.
2. **Financial Report:** Approved as printed.

APPROVAL OF BILLS:

1. **Accounts Payable:** A motion to approve Accounts Payable checks #30951-31004 with the exception of check #30988 to be voided in the amount of \$80,892.85 was made by Bean. Seconded by Geib. Motion passed unanimously on a roll call vote.
2. **Payroll:** A motion to approve checks #11071 - #11117 in the amount of \$21,319.27 noting checks #11067-#11070 were reissued to replace lost checks was made by Bean. Seconded by Geib. Motion passed unanimously on a roll call vote.

MONTHLY REPORTS:

1. **Building/Planning Department:**
2. **Cemetery and Grounds:**
3. **Fire Department:**
4. **Sewer Department:**
5. **Water Department:**
6. **Board of Review:**
7. **Cemetery Task Force—Brochure:**
8. **Policy Committee:**
9. **Supervisor:**
Approved as corrected.

UNFINISHED BUSINESS:

1. **User Charge:** A motion to approve the Wastewater User Charge Agreement for 2018 and approve Supervisor Stanek to sign the agreement was made by Fountain. Seconded by Bean. Motion passed unanimously.
2. **Tonkin Drain:** no action
3. **Roads 2018:** Tim Nestle answered questions and provided information regarding roads. Comments from Joe Mikols, Pat Currie, Bob Maguire, Dee Clark, Sue Haut, and Jim Tubbs regarding roads were made during the road work discussion.
A motion to Pulverize from the Seam on Garfield to Township Line on 183rd for the estimate of \$106,855.97 was made by Fountain. Seconded by Everett. Motion carried unanimously on a roll call vote.
A motion to Chip Fog 14 Mile from 205th to 215th for the estimate of \$25,634.28 was made by Fountain. Seconded by Bean. Motion carried unanimously on a roll call vote.
A motion to Chip Fog 15 Mile 190th to Arrowhead and Old millpond to Highbanks for the estimate of \$19,211.96 was made by Stanek. Seconded by Fountain. Motion passed. Stanek -yes, Fountain-yes, Bean-yes, Everett-yes, Geib-no.
A motion to Chip Fog Arthur Rd from 205th to Northland Drive for the estimate of \$20,692.31 was made by Fountain. Seconded by Stanek. Motion Failed. Stanek-yes, Fountain-yes, Bean-no, Everett-no, Geib-no.
A motion to request an updated quote for Madison Avenue was made by Bean. Seconded by Geib. Motion passed unanimously.

A motion to have Road Commission bring in 2 additional applications in the amount of \$2,000 per application was made by Fountain. Seconded by Bean. Motion passed unanimously on a roll call vote.

4. **Roads 2019:** no action.

NEW BUSINESS:

1. **Request from Fire Department to add Hannah Sprik:** A motion to add Hannah Sprik to the Fire Department Roster after receiving a letter of resignation from Brandon Maki was made by Everett. Seconded by Bean. Motion passed unanimously.
2. **Lawn mower/tractor bids:** A motion to sell the 2 units, the mower and the Kubota, for the bid of \$1,500.00 from Larry Jorgenson was made by Bean. Seconded by Everett. Motion passed unanimously on a roll call vote.
3. **Request from Policy Committee:** no action
4. **Request from Brandon for work at park:** A motion to request sealed bids to make restrooms at Highbanks Park ADA compliant and also a quote for drilling a new well at Highbanks Park was made by Bean. Seconded by Geib. Motion passed unanimously.
5. **Cemetery disinterment rate:** Public comment from Jim Tubbs regarding disinterment rate. A motion to make the disinterment fee be made the same as the applicable rate and the disinterment and reinterment be made double the applicable rate was made by Geib. Seconded by Bean. Motion passed unanimously.
6. **Millage renewal for roads:** no action.
7. **Millage renewal for fire protection:** no action.
8. **Billboard Lease:** no action.

PUBLIC COMMENT: Joe Mikols-roads, Bob Maguire-Perry Street Sidewalk, Pat Currie-Buying locally.

ADJOURNMENT: 9:20 p.m.

Item "C"

GL Number	Description	Beginning Balance
101-000-001.000	Cash - Checking	747,870.26
101-000-001.001	Cash Non-Expendable	
203-000-001.000	CASH	105,527.01
204-000-001.000	CASH	138,705.20
206-000-001.000	Cash - Checking	237,437.49
212-000-001.000	Cash - Savings	
246-000-001.000	Cash - Savings	
249-000-001.000	Cash - Savings	
271-000-001.000	CASH	132,310.87
301-000-001.000	Cash - Savings	24,361.61
401-000-001.000	CASH	
590-000-001.000	Cash - Savings	11,000.00
591-000-001.000	CASH	805,486.23
593-000-001.000	CASH	(163,306.11)
701-000-001.000	Cash - Savings	
708-000-001.000	CASH	
711-000-001.000	CASH	38,958.37
711-000-001.100	HVC Cash Expendable	
850-000-001.000	Cash - Savings	13,192.21
		(3,889.51)
Beginning GL Balance:		2,087,653.63
Add: Cash Receipts		262,011.47
Less: Cash Disbursements		(81,334.83)
Less: Payroll Disbursements		(21,621.52)
Less: Journal Entries/Other		(106.37)
Ending GL Balance:		2,246,602.38

GL Number	Description	Ending Balance
101-000-001.000	Cash - Checking	814,630.72
101-000-001.001	Cash Non-Expendable	
203-000-001.000	CASH	128,444.78
204-000-001.000	CASH	176,606.56
206-000-001.000	Cash - Checking	259,562.46
212-000-001.000	Cash - Savings	
246-000-001.000	Cash - Savings	
249-000-001.000	Cash - Savings	
271-000-001.000	CASH	130,629.64
301-000-001.000	Cash - Savings	29,414.08
401-000-001.000	CASH	
590-000-001.000	Cash - Savings	11,000.00
591-000-001.000	CASH	810,032.01
593-000-001.000	CASH	(165,868.45)
701-000-001.000	Cash - Savings	
708-000-001.000	CASH	
711-000-001.000	CASH	38,958.37
711-000-001.100	HVC Cash Expendable	
850-000-001.000	Cash - Savings	13,192.21
Ending GL Balance:		2,246,602.38
Ending Bank Balance:		2,209,903.87
Add: Deposits in Transit		
	04/04/2018 *Deposit ID: 216	15,575.40
	04/04/2018 *Deposit ID: 217	22,535.67
	MARCH INTEREST EARNED	(458.58)
Less: Outstanding Checks		37,652.49

AP Checks			
Check Date	Check Number	Name	Amount
03/31/2018	1141	BRENT MASON	249.99
Payroll Checks			
Check Date	Check Number	Name	Amount

03/01/2017	10535	BIRD, RANDY	130.39
06/01/2017	10661	FRYT, CHANDLER	135.66
12/31/2017	10970	BEAN, SUSAN	11.01
02/01/2018	11019	ZIMMERMAN JR., JOHN	36.94
03/01/2018	11039	MILKEY, ANDREW	26.43
03/01/2018	11044	HYDE, DAVID	220.25
03/01/2018	11062	SWEPPENHEISER, MARK	36.94
03/01/2018	11067	MYERS, AARON	43.41
03/02/2018	11068	FITZPATRICK, DUSTIN	13.86
03/19/2018	11069	SHELDON, ANDREW	21.70
03/28/2018	11070	HANNAH, HUNTER	27.40

Total - 12 Outstanding Checks: 953.98
Adjusted Bank Balance 2,246,602.38
Unreconciled Difference: 0.00

REVIEWED BY:

Rene Hunter

4/9/18

Jimmy Lewis

4/5/18

DATE:

Building & Zoning Department Report to the Board of Trustees:

For the month ending April 30, 2018

April activity stayed on par with March for the Building and Zoning Department. We issued six new building permits this month and two others are awaiting payment (they will be included in May's permits). Revenue for April was \$4,336.00 in permit fees and \$350.00 for a Special Use Permit (SUP18-002). There were 2 other zoning clearances that did not have fees associated with them. The total revenue for the department was \$4,686.00 (see attached).

During the April 10, 2018 Planning Commission meeting, a Site Plan Review was completed for D.P. Tire. This project will be located on property in the Highway Interchange District, on the east side of 220th Avenue approximate a quarter mile south of 15 Mile Road on the north portion of vacant property north of Trigger Time Outfitters. The site plan did have a few minor deficiencies, but the applicant will be working with their engineer and Progressive AE to resolve those relatively minor issues.

The Special Use Permit (SUP18-001) requested by Chaille Tower Consultants, representing Cellco Partnership (dba Verizon Wireless) was approved by the Planning Commission after much deliberation. Two FOIA requests have been submitted for information relating to this application, and I have had three requests for information regarding a possible appeal to the ZBA. I will keep you informed.

Resurrection Life Church at 14734 – 215th Avenue has demolished the old portion of their building in preparation for construction on the new addition. The Drain Commissioner's review is nearing completion and only a few items remain to be hammered out. Once those are completed, the building permit for the new addition will be issued.

I am still awaiting building permit applications for the Belle Tire project.

There has been a concern lodged regarding the property at 22420 Woodward again. The previous responsible party is now deceased, and junk issues have returned. I have issued a Notice of Violation letter to the owner and the occupants advising of our ordinance and penalties. On May 30, I will issue citations if the junk problems are not resolved.

Sincerely,

A handwritten signature in black ink that reads "Brent R. Mason". The signature is written in a cursive style and is followed by a long horizontal line that extends across the width of the signature area.

Brent R. Mason
Zoning Administrator,
Building and Zoning Department

Monthly Permit List

04/27/2018

Building

Permit #	Contractor	Job Address	Fee Total	Const. Value
PB18-0022	MYERS, KENNETH J.	18683 MILTON AVENUE	\$294.00	\$15,360
Work Description: Addition of a 16' x 32' sun room to the existing single family dwelling.				
PB18-0023	KNUTH, JOSHUA P. & AMAND	20330 THORNAPPLE LANE	\$372.00	\$22,660
Work Description: Conversion of garage area into bedroom suite in existing single family dwelling.				
PB18-0025	STRALEY EDWARD & KATHER	16674 MITCHELL CREEK TRAIL	\$782.00	\$159,000
Work Description: Construction of a new 1,645 sq. ft. single family dwelling with 720 sq. ft. attached garage, 192 sq. ft deck and 256 sq. ft. unattached shed.				
PB18-0026	MARTIN WILLIAM M SR & CAR	14471 220TH AVENUE	\$212.00	\$8,000
Work Description: 400 sq. ft. porch addition to existing single family dwelling.				
PB18-0027	BENKERT, DALE & CYNTHIA	14735 190TH AVENUE	\$100.00	\$0
Work Description: Complete demolition of fire damaged residential dwelling.				
PB18-0028	REHKOPF JOHN J. & TIFFANY J	14870 225TH AVENUE	\$182.00	\$12,960
Work Description: Adding an 18' x 36' swimming pool to backyard of single family dwelling.				

Total Permits For Type:	6
Total Fees For Type:	\$1,942.00
Total Const. Value For Type:	\$217,980

Electrical

Permit #	Contractor	Job Address	Fee Total	Const. Value
PE18-0026	LATTIMORE, ANDY C & CATH	12380 185TH AVE LOT 06	\$85.00	\$0
Work Description: Mobile Home service				
PE18-0027	LATTIMORE, ANDY C & CATH	12380 185TH AVE LOT 01	\$85.00	\$0
Work Description: Mobile Home service				
PE18-0028	KNUTH, JOSHUA P. & AMAND	20330 THORNAPPLE LANE	\$136.00	\$0
Work Description: 3 breakers, 25 lights, 2 inspections				

Total Permits For Type:	3
Total Fees For Type:	\$306.00
Total Const. Value For Type:	\$0

Mechanical

Permit #	Contractor	Job Address	Fee Total	Const. Value
PM18-0031	BROOKS MATTHEW & LEAH	15925 220TH AVENUE	\$230.00	\$0
Work Description: Residential Heating, gas fireplace, gas piping, air conditioning, 4 exhaust fans, 1 inspection, certification fee.				
PM18-0032	MEIJER INC	15400 WALDRON WAY	\$200.00	\$0
Work Description: Fire Suppression System, 1 inspection.				
PM18-0033	SCHEBIL FAMILY TRUST	22567 WOODWARD AVENUE	\$150.00	\$0
Work Description: Gas burning fireplace, 2 inspections.				
PM18-0034	RESURRECTION LIFE CHURCH	14734 215TH AVENUE	\$310.00	\$0
Work Description: 3 gas burning furnaces, 3 exhaust fans, <500 ft. of piping, <250 ft. of Duct, 2 unit heaters, 2 inspections.				
PM18-0035	BOSS, JULIE A & MACDONALD,	14710 190TH AVENUE	\$175.00	\$0
Work Description: 2 residential heating systems, 1 inspection.				
PM18-0036	DEAL BRADLEY C & KATHY L	13395 GOLFVIEW DRIVE	\$155.00	\$0
Work Description: Gas piping, air test, unit heater, 2 inspections.				
PM18-0037	PHILLIPS CURTIS W & KAREN	880 WEST AVENUE	\$110.00	\$0
Work Description: Gas/oil burning furnace, water heater, flue/vent, 1 inspection.				
PM18-0038	KNUTH, JOSHUA P. & AMAND	20330 THORNAPPLE LANE	\$105.00	\$0
Work Description: Exhaust fan, up to 500 feet of piping, 1 inspection.				

Total Permits For Type: 8
Total Fees For Type: \$1,435.00
Total Const. Value For Type: \$0

Plumbing

Permit #	Contractor	Job Address	Fee Total	Const. Value
PP18-0020	RESURRECTION LIFE CHURCH	14734 215TH AVENUE	\$380.00	\$0
Work Description: 29 fixtures, 5 stacks, 2" water distribution pipe, 4 inspections.				
PP18-0021	BOSS, JULIE A & MACDONALD,	14710 190TH AVENUE	\$90.00	\$0
Work Description: 3 fixtures, 1 inspection.				
PP18-0022	KNUTH, JOSHUA P. & AMAND	20330 THORNAPPLE LANE	\$183.00	\$0
Work Description: 3 fixtures, 1 stack, 1 sewer connection, .75" water distribution system, 3 inspections.				

Total Permits For Type: 3
Total Fees For Type: \$653.00

Total Const. Value For Type: \$0

Zoning Clearance

Permit #	Contractor	Job Address	Fee Total	Const. Value
PZ18-0012	COLE, PAUL B. ET UX	18025 15 MILE ROAD	\$0.00	\$0
Work Description: 20' x 16' x 10' high Addition to agricultural building.				
PZ18-0013	JOHNSON, MICHELLE I	NORTHLAND DRIVE	\$350.00	\$0
Work Description: Application for SUP18-002 for construction and operation of a Drone sales, service, rental and operation of drone course.				
PZ18-0014	REHKOPF JOHN J. & TIFFANY J	14870 225TH AVENUE	\$0.00	\$12,960
Work Description: Adding an 18' x 36' in-ground swimming pool in rear yard.				

Total Permits For Type: 3

Total Fees For Type: \$350.00

Total Const. Value For Type: \$12,960

Report Summary

Population: All Records
Permit.DateIssued Between
4/1/2018 12:00:00 AM AND
4/30/2018 11:59:59 PM

Grand Total Fees: \$4,686.00
Grand Total Permits: 23
Grand Total Const. Value: \$230,940

Big Rapids Charter Township

Cemetery and Grounds Monthly Report

April 2018

April activity:

- Total of 4 deceased people interred to cemetery vault
- Total of 2 burials
 - 0 Regular
 - 2 Cremain
- Sold 1 mower and 1 garden tractor
- Brought Scott Winget back for season
- Purchased 10 yards of topsoil for cemetery
- Re-mulched flower beds at township hall

Highlights of the month:

April has been a heavy battle with mother nature. However, the weather seems to have finally turned towards spring. Spring cleaning is in full swing, and the township grounds are looking great. We have already received much help from the corrections office and are on schedule to receive more in the month of May.

On that note, it goes without saying that May is the busiest month for Highlandview Cemetery, and I would like to invite the board members, and all community members to join at the cemetery on Memorial Day, for a very special ceremony. This service does a great job honoring those who have served, and also showcases what a beautiful place Highlandview is.

Overall, the Grounds Department is operating well, and will continue to do so for the approaching season.

Respectfully submitted,

Brandon Maneke
Cemetery and Grounds Manager

**BIG RAPIDS CHARTER TOWNSHIP
ELECTION COMMISSION MEETING APRIL 3, 2018
BIG RAPIDS TOWNSHIP HALL**

Township Clerk Fountain called the meeting to order at 6:30 p.m. Fountain, Everett and Geib were present.

Fountain presented the following list of people for consideration of being appointed to perform the duties of election inspectors for the May 8, 2018 Special Election.

Sherri Gilbert Chairperson
Jan Eckert
Rachel Schumacher
Mackenzie Gilbert
Kim Pellerito
Mary Luchies
Becca Luchies
Cindy Erbes

Kathy Bouwman Alternate
Joe Normand Alternate
Jill Ruppel Alternate


Geib moved that the list of people be approved as election inspectors for the May 8, 2018 Special Election. Seconded by Everett. Motion carried.

Fountain presented the following list of people for approval as the receiving board for the May 8, 2018 Special Election.

Jan Eckert
Mackenzie Gilbert

The public test of the Dominion voting equipment will be conducted on April 17, 2018 at 11:00 a.m.

Adjourned: 6:40 p.m.


Chairperson

FIRE DEPARTMENT REPORT
APRIL 3, 2018

General:

The department continues to run well. We have seen a reduction in call volume again this month. The department has created a proposal for the board to consider regarding payroll and it has been sent with this report.

Call Volume:

Total calls for the month of April 2018: 28

16 Medical, 0 Structure Fire, 2 Grass Fire/Controlled Burn, 3 Auto Accident, 0 Power Line Down, 0 Vehicle Fire, 0 Smoke/Odor, 0 Dumpster Fire, 1 Standby, 0 Collapse, 0 Gas Leak, 0 Inspection, 0 Airport Emergency, 6 Fire Alarm, 0 Water Rescues, 0 Service Call, 0 Fire Investigation, 0 Elevator/Technical Rescue and 0 Drone Activations.

Year to Date Call volume 2018: 130

Year to Date Response Times:

Turnout Time (dispatch to truck en-route): 4 minutes and 35 seconds.

Response Time (dispatch to on scene): 11 minutes and 01 seconds.

Year to Date Call Locations:

Austin	1
Barton	2
BR TWP	105
City of Big Rapids	3
Colfax	1
Ewart	1
Grant	1
Green	5
Mecosta	3
Morley	2
Morton	1
Norwich	3

Personnel:

No issues at this time.

Training:

Training this month consisted of monthly truck checks, Hose Testing, Medical Refresher and Urban Tactics.

Repairs Completed:

None to report.

Station Maintenance:

No repairs to report.

Budget/Purchasing over \$2,500.00:

None at this time.



Northwest Kent Mechanical Co.

Commercial • Industrial • Institutional

P.O. Box 216K • 4095 16 Mile Road

Cedar Springs, MI 49319

(616) 696-9026 • Fax (616) 696-9327

www.nwkentmech.com

April 27, 2018

Mr. Bill Stanek
Big Rapids Twp.
14212 Northland Dr.
Big Rapids, MI 49307

RE: Monthly Lift Station Report

Dear Bill,

April has been a little busier month than normal. The Venlo station has a controls issue that we were able to trouble shoot as to what the problem was but not how the problem occurred. We pin pointed the problem to the PLC. In discussions with the Service Manager at DuBois Cooper, they recommended removing the PLC instead of replacing it. The cost would be greater to replace and since the station is fifteen years old, the EPS might be the next thing to go. We did get a price for the new controller but still waiting on an install price.

Through numerous phone calls with tech support and the DuBois Cooper Service Manager, we were sent a schematic to wire the EPS direct to the hand-off-auto switch to run the pumps automatically. We also wired in a high alarm float directly to the Sensaphone. The station does not have a float back-up system like the other Gorman Rupp stations. We are getting a price to have a back-up system installed along with the price for the new controller installation.

Jim received a call from Sheridan St. station April 25 at 3:30 am with an alert condition two which is a high alarm. He interrogated the Sensaphone a few minutes later and the alerts were clear. I went there first thing that morning to investigate the issue and found that the pump one windings are shorted to ground, which locked up the rotor, in turn, tripping the overload. When the alternator was in the pump one position, the pump would not run, therefore tripping the high alarm and the lag pump. I stopped back there today to pull the dead pump to verify the style of pump bracket in that station. I ordered a new pump with an adapter bracket today and it should be at our shop Monday.

At this point all the other stations are running fine with no issues.

Sincerely,

Todd Shank
Northwest Kent Mechanical Co.

Big Rapids Charter Township Industrial Park Water Treatment Plant Monthly Report

April 2017

All operations are normal at the water plant are normal, Sensaphone working good with no issues. Regular checks weekly of generator, diesel fuel level at around 7/8 full. Great job of township and Brandon keeping snow removed, just a bit of shoveling here and there. All pumps working good, well number 2 working good, all effluent and jockey pumps working good. Chemical feed chlorine pumps working good and feeding the around a .40 to .45 parts per million of chlorine in the water system. Variable frequency drives working good as well at pressure gauges and valves. Annual partial chem. sample submitted in April and results came back good from Kent County Laboratory in Grand Rapids, was able to drop off sample there running errands. Received Hach chlorine analyzer chemical reagents at township offices and delivered to plant. Will be purchasing more liquid chlorine from Skips Pool and Supply and will still need to order another box of Honeywell plant recorder paper discs from somewhere, probably USA Bluebook, Hach is a regular company we order from but they don't carry the 12 inch round papers for the recorder.

supervisorstane@bigrapidstowship.net

From: Mary Hively <maryk@chartermi.net>
Sent: Tuesday, April 10, 2018 5:32 PM
To: glgawne@gmail.com; 'Rene Fountain'; 'Brandon Maneke'; 'Gordon Telfer'; 'Bill Stanek'
Cc: maryk@chartermi.net
Subject: April 2018 HighlandView Cemetery Committee minutes

Highland View Cemetery Advisory Committee
Big Rapids Charter Township
Minutes: April 10, 2018

Attending: Gordy Telfer, Bill Stanek, Rene Fountain, Brandon Maneke, Mary Hively

Excused: Gary Gawne, Rose Mary Jennings

Meeting called to order: 2:05pm by Vice Chairperson, Gordy Telfer

Announcements: The Cemetery Committee did not meet during the months of February and March 2018 due to lack of quorum.

New Business: Gary Gawne has gathered and submitted to the Cemetery Committee a compilation, all about gravestones: A historical perspective, descriptive preservation and cleaning of gravestones, as well as the legalities of maintaining a cemetery. The Committee would like to begin discussion of this wealth of information at our next meeting in February.

State of the Cemetery:

1) Memorial Day, May 28th, approximately 1100 flags will be placed on Veteran grave sites by local Boy Scouts of America.

2) One of three grass mowers was retired/put up for public bid/ and replaced with a new Gravelly mower.

3) With the snow melt, general clean-up of Highland View Cemetery has begun. As in past years, Brandon manages a crew of two paid employees and is always seeking volunteers from the BR community; such as, FSU's Big Event.

4) New front entrance signage is sought.

1921 Building & Task Force Committee:

Big Rapids Township Board voted \$10,000 as first donation toward the 1921 Building Renovation Project. The Task Force is now actively seeking donations with goal of \$80,000. All will be made new again; except for the front brick façade, original two round windows and iron door. The purpose of this renovation is to provide a quiet place for reflection and meditation and accommodate funeral services in winter. At a later date possible storage of cremation urns (columbarium.)

Green Burials: None

*****Unless otherwise notified, the Next Meeting of the Cemetery Committee will be held at 2PM on Tuesday, May 15, 2018 at the Big Rapids Charter Township Offices. Our meetings are normally held on the second Tuesday of every month. The May meeting was moved to the third Tuesday in May due to Election Day.**

Item “N”

ORDINANCE/POLICY REVIEW COMMITTEE

Tuesday April 10, 2018.

Meeting opened at 4:00 p.m.

Present: Woolen, Fountain, Stanek present.

Absent: Clark, Fleury, Spedowski

Recommended Section 8 and addition of Preferred Vendor wording in Section 4.78 and Appendix 4A for board approval.

Meeting adjourned at 5:10.

Supervisor's Report April 2018

This will be a short report for April. I was out of the office for two weeks. Thanks to everyone that covered for me while I was gone. The last few days that I was gone I was at the MTA conference in Traverse City. This year's conference was great with over 1100 township officials present. I always learn so much at these conferences as well as enjoy the time to network with other supervisors. I also attended a preconference session on cemeteries. Cindy Dodge from MTA was the presenter for this session. She is an expert on cemeteries and had a lot of good information. I invited her to come see our cemetery, and she is going to take me up on it. She will be here on July 30th to view the cemetery and then stay for our county association meeting that evening that we will be hosting. Please put this on your calendar to attend this meeting. Each township in the county hosts this meeting every four years. We will probably have a potluck and hold the meeting at Highbanks Park. We did that the last time we hosted it. It was July and so cold we had to have a fire going out there! We have our quarterly meeting this Monday, the 31st, at Austin Township.

Out of the seven breakout sessions I attended, five were excellent, one was OK, and one I should have chosen something else to attend. It was also great to visit with some of our vendors there. Thank you for allowing me the opportunity to attend the conference.

I started the month by attending a city commission meeting and presenting the building renovation at the cemetery. I asked them match the \$10,000 that we had committed, and they approved it at their next meeting. I also had a meeting with the city to go over items that we are working together on. I try to meet once a month with the city manager and mayor.

This month I attended the cemetery committee, the policy committee, the cemetery task force, and the planning commission meetings. I was also able to attend the city well head protection meeting that I am part of.

I also had a meeting with a potential developer that is looking at putting up student housing in the area.

On my time off I was able to lead a mission trip to Spain as I have done in the past. This time I was able to take 16 others with me. We accomplished a lot and had a wonderful trip. Again, thanks for all that covered for me while I was gone.

Thanks, Bill

ROAD INFORMATION**Approved for 2018**

Campus View		39,486.80
less 1/3 for road commission		-13,162.27
property owners share		-10,450.00
township share		15,874.53
Isabella Drive		18,814.85
Garfield/183		111,957.91
14 mile chip/fog		25,634.28
15 mile chip/fog		19,211.96
Brine		4,000.00
	Total to date	195,493.53

Disapproved for 2018

Arthur chip/fog		20,692.31
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No Action

215th Perry to Menards		143,559.46
14 Mile Northland Dr to apartments		36,531.04
185th Garfield to twp. line		83,734.41

	subtotal	480,010.75
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No Action

Golfview chip/fog		35,247.35
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2019 Recommendation

Madison Ave		261,699.98
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2018

- Mill and fill Isabella Drive between Waldron Way and Walmart
- Provide one third of the total cost to overlay the roads of Campus View Apartments
- Approve the list of recommendations for chip and fog treatments that the MCRC will provide at a later date
- Request an estimate from the MCRC for tree clearing and stump grinding of the entire right of way of 220th Avenue from Trigger Time Outfitters to 13 Mile Road.
 - Roads last longer and ice and snow melt faster when roads are not shaded
- Pulverize and pave Gilbert Drive west of Northland Drive.
 - The understanding is that construction in the new apartment complex is complete for the foreseeable future
- Pulverize and pave the portion of 185th Avenue, Garfield Road, and 183rd Avenue that is located inside the Township
 - This section of roads is considered one project, many residents are located here

2019

- Pulverize and pave 17 Mile Road between 230th Avenue and the city limits.
 - 17 Mile Road is degrading quickly and has a considerable amount of traffic.
 - This will also compliment the work recently completed on 220th Avenue between 17 Mile and Woodward.
- Approve the list of recommendations for chip and fog treatments that the MCRC will provide at a later date

2020

- Pulverize and pave Madison Road between 230th Avenue and the city limits
 - Originally on the list to be done in 2016
 - Once work began, it is my understanding that some residents were not in favor of trees being cleared and that it was their opinion that other roads needed attention before Madison.
 - I believe, this was cut due to budget restraints as well.
- Approve the list of recommendations for chip and fog treatments that the MCRC will provide at a later date

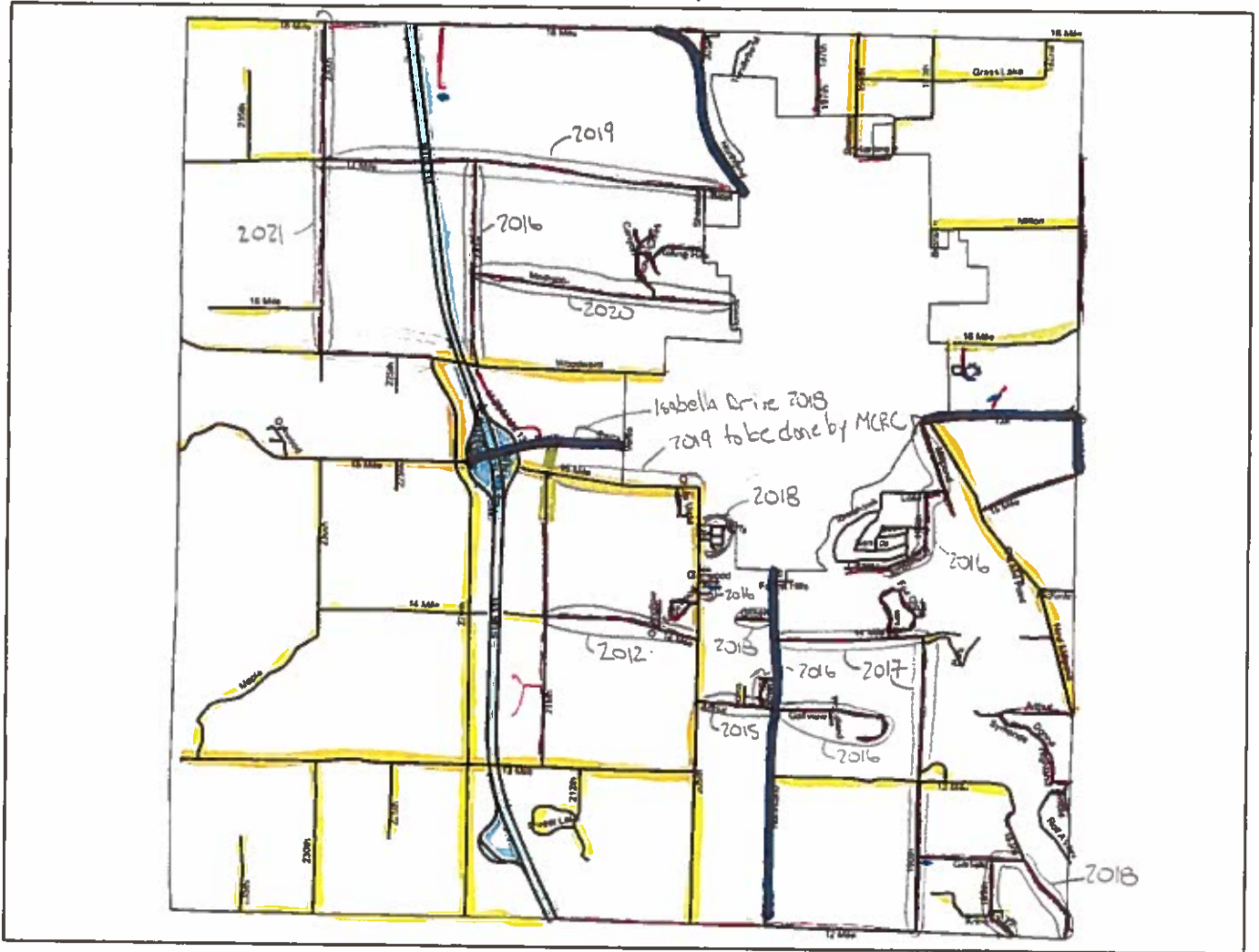
2021

- Pulverize and pave 230th Avenue between Woodward Avenue and 18 Mile Road
- Approve the list of recommendations for chip and fog treatments that the MCRC will provide at a later date

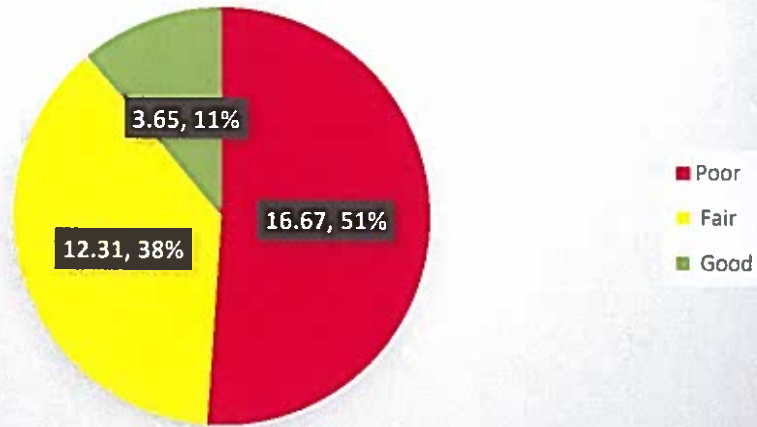
The committee did not look out to 2022 at our November meeting. Some possible projects would be Woodward between 230th and 220th, 215th between 15 Mile and 13 Mile, as well as roads on the township lines, which include 18 Mile, 180th, and 12 Mile.

Recommendations are primarily based on safety, PASER ratings, annual traffic data, and population. The committee relies on many years of related experience. Requests from residents, as well as location of past projects are included in the decision making process.

Big Rapids Township Roads

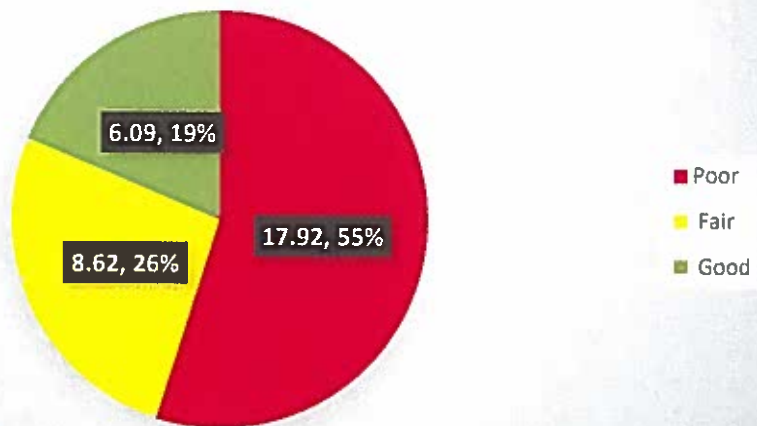


2014 Road Quality



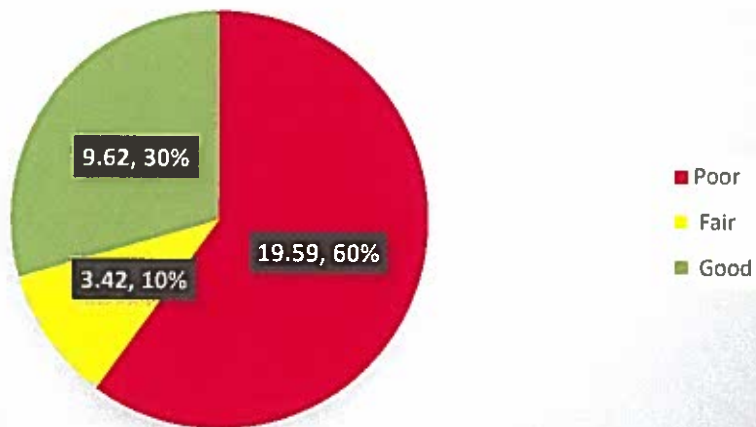
Note: Over half of the roads are in poor condition and 38% are close to poor condition.

2016 Road Quality



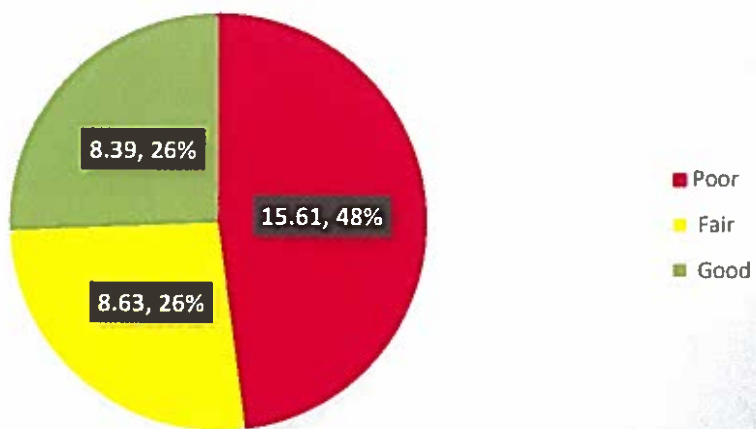
Note: The amount of roads in poor condition is trending down and the distribution of poor and good roads is in better proportions (that is to say that there are almost as many good road miles than fair road miles).

2015 Road Quality



Note: Roads in poor condition increased to 60% (meaning many of the fair roads in 2014 degraded to poor), lots of chip and fog treatments were done this year which shows up as in good condition for about 1-2 years.

2017 Road Quality



Note: Roads in poor condition are under 50% for the first time in 4 years, there is a very good distribution of good roads compared to fair roads. Fair roads can be maintained the cheapest with chip and fog treatments. Good roads last longest when crack sealing is done appropriately.

**MECOSTA COUNTY ROAD COMMISSION
ESTIMATE**

PROJECT DESCRIPTION

TOWNSHIP: Big Rapids
 PROJECT NAME: Arthur
 LOCATION: 205th-NLD
 DATE: 12/4/2017

ITEM DESCRIPTION	ESTIMATED QUANTITY		UNIT PRICE	EXTENDED PRICE
Chip Fog 4262	11,460	SQYD	\$ 1.77	\$ 20,330.04
Centerline Paint Lineal Feet	8,524	LF	\$ 0.0425	\$ 362.27
Township Total				\$ 20,692.31

Unit pricing based on best available data and subject to change.

**MECOSTA COUNTY ROAD COMMISSION
ESTIMATE**

PROJECT DESCRIPTION

TOWNSHIP: Big Rapids
 PROJECT NAME: 215th
 LOCATION: Perry - Menards
 DATE: 3/28/2018

ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT PRICE	EXTENDED PRICE
Mill	14,520	SQYD \$ 0.55	\$ 7,986.00
Curbed Areas			
HMA, 4213'	2,450	TON \$ 54.45	\$ 133,402.50
Gravel (4213' x 3' wd x 2")	253	CYD \$ 5.75	\$ 1,454.75
Centerline Paint (Lineal Feet)	16,852	LF \$ 0.0425	\$ 716.21
Total			\$ 143,559.46

Unit pricing based on best available data and subject to change.

**MECOSTA COUNTY ROAD COMMISSION
ESTIMATE**

PROJECT DESCRIPTION

TOWNSHIP: Big Rapids
 PROJECT NAME: 14 Mile
 LOCATION: NLD - Seam at Oakwood
 DATE: 3/28/2018

ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	PRICE	EXTENDED PRICE
Mill (1400' x 24')	4,825	SQYD	\$ 0.55	\$ 2,653.94
HMA, (1400' x 220 lb)	531	TON	\$ 62.60	\$ 33,240.60
Gravel (1400' x 3' wd x 2")	90	CYD	\$ 5.75	\$ 517.50
Centerline Paint (Lineal Feet)	2,800	LF	\$ 0.0425	\$ 119.00
			Total	\$ 36,531.04

Unit pricing based on best available data and subject to change.

**MECOSTA COUNTY ROAD COMMISSION
ESTIMATE**

PROJECT DESCRIPTION

TOWNSHIP: Big Rapids
 PROJECT NAME: 185th
 LOCATION: Twp Line - Garfield
 DATE: 3/28/2018

ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	PRICE	EXTENDED PRICE
HMA, Pulverize (3054' x 22')	8,212	SQYD	\$ 0.36	\$ 2,956.32
HMA, (3054' x 22' wd x 330 lb)	1,355	TON	\$ 54.45	\$ 73,779.75
HMA intersections	100	TON	\$ 54.45	\$ 5,445.00
Shoulder Gravel (2 x 3054' x 3' wd x 3")	225	CYD	\$ 5.75	\$ 1,293.75
Centerline Paint (Lineal Feet)	6,108	LF	\$ 0.0425	\$ 259.59
			Total	\$ 83,734.41

Unit pricing based on best available data and subject to change.

**MECOSTA COUNTY ROAD COMMISSION
ESTIMATE**

PROJECT DESCRIPTION

TOWNSHIP: Big Rapids
 PROJECT NAME: Golfview
 LOCATION: NLD-End
 DATE: 12/4/2017

ITEM DESCRIPTION	ESTIMATED QUANTITY		UNIT PRICE	EXTENDED PRICE
Chip Fog 7260	19,521	SQYD	\$ 1.77	\$ 34,630.25
Centerline Paint Lineal Feet	14,520	LF	\$ 0.0425	\$ 617.10
Township Total				\$ 35,247.35

Unit pricing based on best available data and subject to change.

supervisorstanek@bigrapidstownship.net

From: Tim Nestle <tneastle@mecostaroads.org>
Sent: Tuesday, April 24, 2018 3:33 PM
To: supervisorstanek@bigrapidstownship.net; clerk@bigrapidstownship.net
Subject: 13 Mile west of 190th

Bill and Rene,

I wanted to let you both know about the culvert issue on 13 Mile west of 190th. The culvert allows the Winter Creek/County Drain to pass under 13 mile road. The culvert has failed and needs to be replaced. We have an approved DEQ permit to do the work however the cost of the project is fairly substantial. I have discussed the project with my board and here are the options we came up so far.

1. Close the road until we can afford to fund the project.
2. Remove the structure permanently and construct a turnaround at either side of the stream.
3. Get funding help from other entities (Township, residents, and/or Drain Commission)

If this is something your board would be willing to participate in, the estimated cost at this point is \$32,000. Please let me know if you have any questions or concerns.

Also, I plan on attending your May 1st board meeting in case anyone has any questions regarding road projects or other issues.

Thank you.

Tim Nestle
Superintendent Manager
Mecosta County Road Commission
231-796-2611
tneastle@mecostaroads.org

supervisorstanek@bigrapidstowship.net

From: Tim Nestle <tneastle@mecostaroads.org>
Sent: Wednesday, April 18, 2018 4:03 PM
To: supervisorstanek@bigrapidstowship.net; clerk@bigrapidstowship.net
Subject: Madison Rd Estimate
Attachments: Madison (220th - City Limit) Pulve and Pave.pdf

Bill and Rene,

I have attached the estimate for Madison Ave as requested.

Please keep in mind these prices are good for the 2018 construction season however, with the amount of prep work needed on that project we may not be able to have this ready until the 2019 construction year.

As always, I highly recommend looking at your preventative maintenance (Chip & Fog, overlays, Mill and fill) projects first as your money will go much farther and it is a good idea to get the newer pavements sealed before too much oxidation occurs. By doing this your pavement lifecycles will be greatly increased.

Please let me know if you have any questions.

Thank you.

Tim Nestle
Superintendent Manager
Mecosta County Road Commission
231-796-2611
tneastle@mecostaroads.org

**MECOSTA COUNTY ROAD COMMISSION
ESTIMATE**

PROJECT DESCRIPTION

TOWNSHIP: Big Rapids
 PROJECT NAME: Madison
 LOCATION: 220th - city limits
 DATE: 4/4/2018

ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT PRICE	EXTENDED PRICE
HMA, Pulverize (9100' x 22')	24,468	SQYD \$ 0.36	\$ 8,808.48
HMA, (9100' x 22' wd x 330 lb)	4,500	TON \$ 54.45	\$ 245,025.00
Culverts (126')	126	LF \$ 10.45	\$ 1,316.70
HMA intersections	50	TON \$ 54.45	\$ 2,722.50
Shoulder Gravel (2 x 8951' x 3' wd x 3") (Hansen)	622	CYD \$ 4.93	\$ 3,066.46
Centerline Paint (Lineal Feet)	17,902	LF \$ 0.0425	\$ 760.84
Guardrail	555	LF \$ 30.00	\$ 16,650.00
Township Total			\$ 261,699.98

Unit pricing based on best available data and subject to change.

FIRE DEPARTMENT PAYROLL PROPOSAL

After reviewing the available data and lengthy discussion regarding the Points Payroll System, The Fire Department proposes the following:

- A dual points payroll system with Fire and Medical calls being logged separately.
- The monthly Fire call budget will be \$4500.00.
- The monthly Medical call budget will be \$2000.00.
- The Fire Chief and Deputy Fire Chief are not able to participate in the points system per MTA. Therefore, it is proposed that the Fire Chief Salary be set at \$12,500.00 per year and the Deputy Chief Salary be set at \$10,000.00 per year paid monthly.

Below is the proposed points based on type of call. The department took the average hours spent per call type and converted that to points. It should be noted that staff without Firefighter certification will receive half of the listed amount of points until they are certified. Staff without medical certification will not receive any points for medical calls unless requested to assist by an officer.

- Structure Fire 5 points
- Wildland Fire 2 points
- Motor Vehicle Accident 2 points
- Motor Vehicle Accident with Extrication 3 points
- Medical Call 1 point
- Training Meeting 1 point
- Standby for Major Incident 3 points
- Standby for Minor Incident 1 point
- Technical Rescue 2 points
- Drone Activation 2 points
- General Standby 1 point
- False Alarm 1 point
- Structure Fire-Out on Arrival 2 points
- Dumpster/Trash/Rubbish Fire 2 points

The points will be issued using the current call roster and entered into a spreadsheet which will be provided to the Township Clerk by the Chief. The Chief reserves the right to add or subtract points for calls that do not fit into one of the above categories.

Respectfully Submitted,

Chief Tubbs

**BIG RAPIDS TOWNSHIP
FIRE/RESCUE DEPARTMENT
POINTS TEMPLATE**

	FIRE	TRAIN	MED	REPTS	PIS	TOTAL
1	AMBLER A.	1	1	1		260
2	BRYANT, E.	1	1	1		260
3	BIRD, R.	1	1	1		260
4	CHAPMAN J.	1	1	1		260
5	DOUGLASS P.	1	1	1		260
6	HANEY, P	1	1	1		260
7	HAUGER, D.	1	1	1		260
8	HYDE, D.	1	1	1		260
9	JOHNSON, C.	1	1	1		260
10	JONES, J.	1	1	1		260
11	KOPF, S.	1	1	1		260
12	LONDON, C.	1	1	1		260
13	LOWNEY, A.	1	1	1		260
14	MAKI, B,	1	1	1		260
15	MILKEY, A.	1	1	1		260
16	PRANGER, R	1	1	1		260
17	RUDD, D.	1	1	1		260
18	PEREZ, A.	1	1	1		260
19	SIMPSON, S.	1	1	1		260
20	SUGGATE, A.	1	1	1		260
21	TUBBS, J.	1	1	1		260
22	VANSICKLE, E.	1	1	1		260
23	WILLIAMS, T.	1	1	1		260
24	WYMA, N.	1	1	1		260
25	YEHLE, N.	1	1	1		260

Runs 73 to 102 **Total**
 Reports 73 to \$ 6,500.00

Total Points Fire	50	Fire Points Value	90
Total Points Medical	25	Medical Points Value	80
Fire Pay Total	4500		
Medical Pay Total	2000		

2018 Permit for Fireworks Other than Consumer or Low Impact

Authority: 2011 PA 256	The LEGISLATIVE BODY OF CITY, VILLAGE OR TOWNSHIP BOARD will not discriminate against any individual or group because of race, sex, religion, age, color, marital status, disability, or political beliefs. If you need assistance with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this Legislative Body of City, Village or Township Board.
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This permit is not transferable. Possession of this permit authorizes the herein named person to possess, transport and display fireworks in the amounts, for the purpose of and at the place listed below only through permit expiration date.

TYPE OF PERMIT(S) (Select all applicable boxes) <input type="checkbox"/> Agricultural or Wildlife Fireworks <input type="checkbox"/> Articles Pyrotechnic <input checked="" type="checkbox"/> Display Fireworks <input type="checkbox"/> Public Display <input type="checkbox"/> Private Display <input type="checkbox"/> Special Effects Manufactured for Outdoor Pest Control or Agricultural Purposes		FOR USE BY LEGISLATIVE BODY OF CITY, VILLAGE OR TOWNSHIP BOARD ONLY. PERMIT(S) EXPIRATION DATE (ENTER DATE OF EXPIRATION)
NAME OF PERSON PERMIT ISSUED TO Wolverine Fireworks Display, Inc.		AGE (18 YEARS OR OLDER) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ADDRESS OF PERSON PERMIT ISSUED TO 205 W. Seidlers Rd., Kawkawlin, MI 48631		
NAME OF ORGANIZATION, GROUP, FIRM OR CORPORATION Big Rapids Jaycees		
ADDRESS PO Box 126, Big Rapids, MI 49307		
NUMBER AND TYPES OF FIREWORKS (Please attach additional pages if necessary) <p style="text-align: center;">See Proposal</p>		
EXACT LOCATION OF DISPLAY OR USE 540 West Ave., Big Rapids, MI 49307		
CITY, VILLAGE, TOWNSHIP Big Rapids Township	DATE 7/4/18 RD 7/7/18	TIME 10:00 PM
BOND OR INSURANCE FILED <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		AMOUNT \$10,000,000.00

Issued by action of the Legislative Body of a <input type="checkbox"/> City <input type="checkbox"/> Village <input type="checkbox"/> Township of _____ on the _____ day of _____ _____ (Signature and Title of Legislative Body Representative)

THIS FORM IS VALID UNTIL THE DATE OF EXPIRATION OF PERMIT



Group Name: BIG RAPIDS TOWNSHIP		Effective Date: 6/1/2018	
Group ID: 788507		SIC Code: 9111	
Base Plan	POS 80-1 80%/60% Coinsurance - Non-Grandfathered Health Care Reform		
Office Visit Copay	\$20/\$35/\$75 Office Visit Copay		
Medical Deductible	\$500/\$1,000 - \$1,000/\$2,000 Medical Deductible		
Rx Copay	\$15/\$50/\$80/20%/20% Rx Copay, Non-Exempt Contraceptives		
Rx Deductible	NA Rx Deductible		
Out-of-Pocket Maximum	\$1,500/\$3,000 - \$3,000/\$6,000 OOP Maximum		
Emergency Room Copay	\$150 Emergency Room Copay		
Ambulance Copay	\$150 Ambulance Copay		
Coverage Rates EXCLUDING Taxes and Fees			
		Current Rates	Renewal Rates
Michigan Employees	#		
Single	2	\$607.59	\$637.17
Double	1	\$1,336.69	\$1,401.77
Family	0	\$1,670.86	\$1,752.22
Out of State Employees			
Single	0		
Double	0		
Family	0		
Monthly Premium		\$2,551.87	\$2,678.11
Yearly Premium		\$30,622.44	\$32,113.32
Percent Change			4.87%

NOTE: Please note rates, fees, and/or claims projections do not include ACA taxes and fees, the "Michigan claims tax" effective January 1, 2012, or similar fees or taxes that may be imposed by the Federal Government or the State of Michigan. Rates and fees will be adjusted as necessary to incorporate such assessments or taxes and will be communicated to you as soon as they are known. Priority Health participation rules apply; see Priority Health New Group Application. Priority Health is not liable for agent or employer group errors. For renewing groups, applications will not be processed until verification of all prerenewal documents has been completed. Benefits and generated rates may be pending and subject to final approval by the Michigan Department of Insurance and Financial Services. In general Mental Health Parity does not apply for small business. The rates produced are not valid when a group is required to comply with Mental Health Parity unless noted above. Please contact the Small Business department for assistance.

Bid opening 04/27/2018 @9 a.m.

HBP 2 inch Well

Brad Malley Well Drilling, Inc \$4,695.00 +Permit & Plug cost

Present:

Rene Fountain
Bill Stanek
Brandon Maneke

Bid opening 04/27/2018 @9 a.m.

HBP Restroom Renovation

Steve Jones Construction, Inc \$16,131.00 +Time and Material to replace vent

Gerber Construction, Co. Inc. \$17,150.00

Present:

Rene Fountain
Bill Stanek
Brandon Maneke

Property Management

8.1 Identifying Township Assets

Assets that have a value of at least ~~\$500 and a five (5) year life~~ \$2,000 shall be identified and inventoried, and safeguarded to prevent loss.

8.2 Inventory of Assets

The clerk shall maintain an inventory of the township's assets, and shall add or remove assets from the inventory at the time of acquisition or disposal.

Department heads shall inventory all assets assigned to their department, at least annually and at the time of acquisition, and shall submit the inventory to the clerk.

The inventory of assets shall include the following information on each asset:

- Acquisition date
- Description of asset
- Responsible department
- Location
- Acquisition cost (if gift, estimated fair value at time of donation)
- Estimated life
- Date and method of authorized disposition
- ~~Permanent identification number~~

8.3 Lost or Damaged Township Property or Equipment

Any lost or damaged equipment shall be reported immediately to the clerk.

8.4 Disposal of Fixed Assets

Department heads shall make note on the annual inventory, or shall notify the clerk sooner if desired, of any equipment that would be appropriate for disposal. The clerk shall prepare a list of all such equipment recommended for disposal and shall submit the recommended disposal of fixed assets list to the township board for approval.

The township shall not make a gift or donation of township property with any remaining value.

The township board shall determine, on a case-by-case basis, the method of disposal, which may include sealed bids, public auction, negotiated sale or disposal.

Township officials and employees are not eligible to purchase township fixed assets by negotiated sale without the approval of the board. An elected official shall refrain from voting with the unanimous consent of the board if a charter township on any negotiated sale involving the elected official.

Intellectual Property

8.5 Intellectual Property

Documents and files written or otherwise created by township officials, appointees, employees, volunteers and consultants/contractors in connection with performing their township duties, or for the township's use, are the creative and intellectual property of the township.

Property Maintenance

8.6 Responsibility for Maintenance

The township supervisor shall be responsible for monitoring the need for repairs and improvements to township property.

The Township board shall use the township purchasing and bidding procedures for procuring the following services as applicable:

- Cleaning
- Lawn maintenance
- Snow removal
- Fire extinguisher inspections
- Non-emergency repairs to township buildings, land, equipment and vehicles
- Other as determined by the township board

8.7 Emergency Repairs

A township board member or a department head is authorized to contract for emergency repairs without prior board approval, when a delay in initiating a repair will have a significant impact on township operations or finances.

Township Facilities

8.8 Township Board Authority for Township Facilities

Township facilities are public property, but they are not open to public use unless the township board has so directed. The township board shall determine which township facilities will be open to public access and use, and the degree of public access and use. The township board shall establish procedures for opening, closing and the security of township facilities.

8.9 Hours of Business

The hours of business for the Township office will be determined by the board. ~~at the organizational meeting in January of each year.~~

8.1 Emergency Closing

The supervisor, clerk, treasurer or administrative assistant, shall have the authority to close the township office in an emergency situation. Emergency situations include, but are not limited to, severe weather, failure of heating/mechanical systems, electrical failure, or any unusual situation that would either prohibit the normal operation of the township offices, or jeopardize the safety of the officials, employees or public.

If a closing is deemed necessary prior to normal business hours, the supervisor, or in the supervisor's absence, the clerk or treasurer shall notify employees by telephone at least one-half hour prior to the usual starting time, or as soon as possible.

8.11 Building Opening and Closing Procedures

The first person arriving each morning should make sure that:

- The security system is deactivated, if applicable
- Lights are turned on
- All public access doors are unlocked
- ~~The copier is turned on~~

Prior to leaving, each employee will make his or her workstation secure by checking that computers, typewriters, calculators and lights are turned off, filing cabinets and cash drawers are locked, and windows and doors are locked.

The last person to leave the township hall at night shall check to see that:

- ~~The copier and other office machines are turned off~~
- All doors and common area windows are locked
- All lights are turned off, except for designated security lights
- The security system is activated, if applicable

Persons working after hours are responsible for turning off the lights ~~and office machines used,~~ and checking that all doors and windows are secure.

Outside lights shall be turned on prior to any evening meeting and shall be turned off by the last person leaving the meeting.

8.12 Smoking

Smoking indoors is prohibited at all township buildings and facilities. An individual shall not smoke at a meeting of a township body, or in any enclosed, indoor area owned or operated by the township, including township facilities not open to the public or available only to township staff.

~~The township shall clearly and conspicuously post "no smoking" signs or the international, "no smoking" symbol at the entrances to and in every township building, and shall remove all ashtrays and other smoking paraphernalia from indoor township facility.~~

Township staff shall inform individuals smoking in violation of this act that they are in violation of state law and subject to penalties.

Persons wishing to smoke on township property shall smoke outside. Cigarette butts and packaging shall not be left on the grounds.

Security

8.13 Keys

The following positions are authorized to receive keys:

supervisor, clerk, treasurer, department heads, administrative assistant, deputy to the supervisor, deputy to the clerk, deputy to the treasurer, and the designated computer contractors or technicians.

If a key is lost, the supervisor shall be informed immediately. A replacement key shall be issued. If the supervisor has reason to believe that the missing key may be used for unauthorized entry, new locks will be installed.

Upon termination of employment, the employee shall return his or her office keys to the township supervisor.

No person shall duplicate a key without authorization from the township supervisor or make a key available to any unauthorized person.

Each department head shall determine who shall be issued a key to the department's door or any secured facilities, such as a safe, cash drawer or filing cabinet, within the department.

The Township Supervisor will advise the Township Clerk of any lost or replaced keys and any returned keys to assist the Township Clerk who maintains a key distribution inventory and stores keys that are not in use.

8.14 Valuables

Township officials, appointees, employees, volunteers and consultants/contractors shall not keep money or other valuables in their desks or at their workstations. The township shall not be responsible for the loss of any personal property.

8.15 Safety

All township facilities will be maintained for compliance with OSHA and liability insurance standards as they apply to fire hazards, flammable materials and other safety hazards as established by board policy and procedures.

No boxes, files and other items shall be stored in hallways, stairs and landings. Flammable liquids and power equipment shall not be stored in the township hall. Other flammable materials will not be stored in the furnace area.

In the event of a fire, all employees will immediately exit the building. All employees shall gather at the fire hall for a head count.

Use of Township Property by Township Personnel

8.16 Personal Use of Township Property

The personal use of the township premises, equipment, machines, tools, supplies, postage or personal use of township labor shall be prohibited.

8.17 Personal Mail

Personal mail and parcels may be sent from the township office by township personnel at their own expense.

The township is a business address, and all mail and deliveries received at township facilities are subject to township policies regarding how mail and deliveries will be received and whether mail or deliveries will be opened by the township.

The township is a public entity, and mail and deliveries received at township facilities may be subject to public disclosure if they constitute public records. Township officials, appointees, employees, volunteers and consultants/contractors have no expectation of privacy regarding personal mail or deliveries at township facilities.

8.18 Office Supplies

Township office supplies shall not to be used for non-township purposes.

8.19 Vehicles

Employees are not allowed to use township vehicles for personal use.

8.20 Bulletin Boards

The township bulletin board is for public notices, township business, citizen requests and other notices as approved by township personnel. Anyone who wishes to post notices on township bulletin boards must have the prior approval of personnel. Any posting is required to be dated and initialed by the issuing person.

~~**8.21 Township Facility Phone Use**~~

~~Elected officials, department heads, and employees are permitted to make brief personal local phone calls.~~

~~Elected officials, department heads, and employees are not permitted to make personal long-distance phone calls from township facilities.~~

Cell Phone Use

8.22 Cell Phone Use – Township Owned

The purpose of this policy is to provide a set of guidelines governing the use by township officials or employees of township-owned or leased cellular telephones. The supervisor shall be responsible for oversight of cell phone usage and shall monitor and review such usage on a monthly basis to ensure that use is appropriate and that prudent fiscal management guidelines are followed. Department heads shall be responsible for enforcing this policy and taking corrective action where there is a violation of the policy.

8.22(a) Type of Cell Phone

The make and model of cell phones furnished for official or employee use shall be as determined by the township board. An official or employee who wishes to upgrade the phone shall do so only with the approval of the supervisor and at his or her own expense.

8.22(b) Ownership of Phone

Cell phones leased, purchased or operated under a township account, and any accessories, manuals or equipment, shall be the property of the township. Prior to an official or employee's last day of office or employment, the phone and all accessories, manuals or equipment must be returned to the township supervisor.

8.22(c) Damaged or Lost Phone

The theft, damage to or loss of a phone must be reported to the supervisor within 24 hours of the event. Should there be any loss or damage to the phone due to negligence of the employee, then the employee shall be responsible for the cost.

8.22d) Personal Use

The phone is provided to the official or employee because of a business need and as such it is reserved primarily for official township business. Personal use of the phone is not allowed.

8.23 ~~Cell Phone Use—Personal Owned Reimbursement for Personal Cell Phone Use~~

~~The purpose of this policy is to provide a set of guidelines governing the use by township officials or employees personal cellular telephones for township business. This applies when the township does not provide cell phones, and personal cell phones are used for township business. Department heads shall be responsible for enforcing this policy and taking corrective action where there is a violation of the policy.~~

~~8.23(a) Reimbursement~~

The township board will decide who is eligible to receive the reimbursement.

Township officials, department heads or employees using personal cellular telephones for township business will be reimbursed \$30.00 a month (or the IRS allowable rate).

Computer Network, Internet, and E-mail

8.24 Purpose

The purpose of this policy is to define and establish guidelines and regulations for the use of the Big Rapids Charter Township Network by all employees, contractors, volunteers, or any other individuals who are provided access to the Network. The Internet and online services provided by Big Rapids Charter Township through the Network are established for public purposes to assist employees in conducting the business of the Township. Use of Network services provided by Big Rapids Charter Township may be revoked at any time for unacceptable use. The Township retains the right to keep, retrieve, and monitor all access to Internet and online service activity.

8.25 Definitions

The Big Rapids Charter Township Network is defined as any computer, computer software/hardware, or Internet Service, which is owned by or currently in use by Big Rapids Charter Township.

8.26 Information

All data, including electronic messages within the network, are the property of Big Rapids Charter Township unless otherwise specifically stated in a contractual agreement authorized by the Township Board.

All data files on the server will be backed up daily and stored off site.

The Township reserves the right to intercept email communications, keep, retrieve, and monitor all access to the Network. The Township also reserves the right to provide or deny access to the Network.

8.27 Computer Use

The township's computer systems (including all hardware and software) are the exclusive property of the township and are provided for creating and transmitting business related information. The township treats all computer files, including e-mail sent or received, as business information belonging to the township. In that regard, the township has the capability and reserves the right, with or without notice, to access, monitor, review, copy or delete any computer files, including e-mail sent or received, and all website communications and/or transactions. All computer users have the responsibility to use these resources in a professional, ethical and lawful manner.

8.28 E-mail Use

Some employees may have access to the township's e-mail system for township related purposes. When transmitting messages via e-mail, employees should consider that e-mail messages can be read by persons other than the addressee and that the message may be later disclosed to outside parties or a court in connection with litigation.

The public may have a right to request a copy of e-mail sent or received via the township e-mail system. Because of these concerns, employees shall maintain the highest standards of courtesy and professionalism when transmitting e-mail.

Like all electronic messages, e-mail messages are capable of being forwarded without the permission of the original author. Therefore, users must use caution in the transmission and dissemination of messages outside of the Township, and must comply with all state and federal laws.

Generally, e-mail messages are temporary communication, which are non-vital and may be deleted routinely. However, depending on the content of the message, it may be considered a more formal record and should be retained pursuant to a department's retention policy.

Limited, occasional or incidental use of township computer systems for sending or receiving e-mail for personal, non-business purposes is understandable and acceptable, but such personal use shall be kept to a minimum and shall not interfere with work responsibilities or work time. Employees should not expect personal files or e-mail to be protected from review by other employees. As a result, employees should not use the township computer system to create or transmit any information they wish to keep private.

8.29—Internet

Some employees may have access to the township's Internet connection for township-related purposes. Any incidental use of the Internet for personal use must be conducted with the highest levels of professionalism.

The public may have a right to request a record of the sites an employee has visited. The township has the capability to review website access. Employees should not have any expectation of privacy regarding the websites accessed through the computer system. Computer systems may "leave tracks" at websites visited.

8.30—Online Forums

The township recognizes that participation in some forums might be important to the performance of an employee's job. For instance, an employee might find the answer to a technical problem by consulting members of a news group devoted to the technical area. However, any messages or information sent on township provided facilities to one or more individuals via an electronic network—for example, Internet mailing lists, bulletin boards and online services—are statements identifiable and attributable to the township. The public may have a right to request a record of messages or information sent on township provided facilities.

8.31—Personal Computer/Workstation Use

Unless departmental arrangements have been made, permission must be obtained from a co-worker before using his/her personal computer or workstation. Please be considerate and refrain from changing the setup when using someone else's workstation.

8.32—Township Access to Employee Communications

Generally, electronic information created and/or communicated by an employee using e-mail, word processing, utility programs, spreadsheets, voicemail, telephones, Internet and bulletin board system access, and similar electronic media is not reviewed by the township. However, the following conditions should be noted:

Electronic communications generated by township resources are potentially subject to Freedom of Information Act requests.

The township reserves the right to gather logs for most electronic activities or monitor employee communications directly, e.g., telephone numbers dialed, websites accessed, call length, and time at which calls are made, for the following purposes:

1. Cost analysis
2. Resource allocation
3. Optimum technical management of information resources
4. Detecting patterns of use that indicate employees are violating township policies or engaging in illegal activity

The township reserves the right, at its discretion, to review any employee's electronic files and messages to the extent necessary to ensure electronic media and services are being used in compliance with the law, this policy and other township policies.

Employees should not assume electronic communications are completely private. Accordingly, if they have sensitive information to transmit, they should use other means.

8.33 Software

The installation of software and hardware may be done only following authorization from the supervisor after consultation with the Information Technician. All outside software or documents must be virus scanned before being installed or run on township equipment. The Information Technician or designee may remove any software or hardware that causes conflicts with, or the smooth operation of the Network.

The unauthorized use of township software is prohibited. Employees shall not make or use unauthorized copies of software programs.

8.34 Passwords and Encryption

All passwords shall be disclosed to the Information Technician. Security passwords do not imply confidentiality.

Employees may use encryption software supplied to them by the Information Technician for purposes of safeguarding sensitive or confidential business information. Employees who use encryption on files stored on a township computer must provide the Information Technician with a sealed hard copy record to be retained in a secure location of all of the passwords and/or encryption keys necessary to access the files.

While confidential passwords are assigned, users should be aware that this does not suggest that the Network is for personal, confidential communications, nor does it suggest that e-mail is the property right of the employee. Users should not share their passwords with anyone else.

8.35 Procedure for Reporting Abuse of Computer Privileges or Violation of This Policy

A township official, employee or volunteer who is harassed or discriminated against through the use of the township computer system must immediately report this to the supervisor.

8.36 File Downloads

Downloading of information from the Internet or opening file attachments from email communications shall be done in connection with the township's standard anti-virus software. Files from outside sources, including the Internet, must first be scanned with the anti-virus software by the user or the user's department before use. These procedures are designed to protect the Network and limit potential liability.

8.37 Deleted Files/Messages

Users should be aware that when they have deleted a file or message it might not have been deleted by the Network. A message may be residing in the recipient's mailbox or forwarded to other recipients. In addition, files and/or messages may be stored on the Network's back-up system. The township reserves the right to archive all email sent or received through the Township's mail system.

8.38 Remote Access

Remote access to the Network may be done only with approval of the supervisor and only through means that have been implemented by the Information Technician. An employee with a township email account is authorized to remotely connect to the account through the web-based portal.

8.39 Acceptable Use of Network Standards

Research/Education—Communication with professional associations, other governments, universities, businesses and/or individuals associated with the facilitation of Township business, research and education efforts, as authorized by the department head.

General Public—Distribution of information to the general public, when such information is made available under township guidelines and policies for the release of information and concurrent with the Freedom of Information Act.

Incidental Communication—Communication among township employees and professional colleagues, which facilitates work assignments and professional discussion.

Personal Use—Employees may use the Internet on-site for personal research and communications, provided the activities **do not result in additional expenses** for the township. Use shall be only **outside of work hours** and shall not interfere with township business.

8.40 Unacceptable Use of Network Standards

—**Unlawful Access/Hacking**—Efforts to gain access to information or computer and communications resources.

—**Copyright/Patent Violations**—The Township forbids any unlawful transmission and/or copying of any material that violates applicable copyright laws or patents.

—**Personal/Business Web Pages**—Development and/or browsing of a web or home page for personal use. Employees will not use the Network for private or commercial business use.

~~—General—Any use of the Network for gambling, obtaining or distribution of pornographic material, solicitation of funds for personal purposes, harassment of another, religious promotion, use of abusive/profane language, any racial or ethnical disparagement, political messages or any illegal activity is strictly forbidden.~~

~~—Malicious Code—The intentional or unintentional introduction of computer worms and/or viruses to the Network is prohibited.~~

8.41—Costs

~~The township will financially support the Network as determined by the township board. No additional Internet or online service account costs are authorized without written approval of the Board.~~

8.42—Policy Acceptance All Users

~~Each township user will sign a statement certifying they understand and accept the provisions in this policy.~~

8.43—Violations and Discipline

~~—Violations—All suspected violations of this policy will be immediately reported to the supervisor who will then report to the township board. The supervisor and the township board will evaluate any violation of this policy on a case by case basis.~~

~~—Discipline—Any township official, employee or volunteer who abuses the privilege of their access to e-mail or the Internet in violation of this policy will be subject to corrective action, such as written disciplinary action, suspension without pay, and including possible termination of employment, legal action and criminal liability. Violations of this policy may result in the suspension of privileges, including, but not limited to, the immediate removal of any connection to the Network. Any suspected illegal activity will be immediately reported to the Sheriff. Referrals may also be made that may result in civil or criminal prosecution.~~

Proper Use of Information Technology Resources

8.24 SCOPE

This policy applies to anyone using any Big Rapids Charter Township information technology (IT) resource. This includes, but is not limited to Township employees, Township Board members, and any other authorized party.

8.25 POLICY STATEMENT

The intended uses of Township IT resources are to support the Township's mission, daily operations, and legitimate Township business needs. Any individual or entity using Township IT Resources consents and agrees to comply with all of the terms and conditions set forth in this policy, all other applicable Township policies, and applicable local, state, or federal laws and regulations.

8.26 PERSONAL USE

Limited personal use of IT Resources is acceptable as part of the daily work of all Township employees and Township Board members, if the use does not violate any Township policies or applicable local, state, or federal laws and/or regulations. Use by an employee for other than work-related matters must not prevent the employee from attending to and completing work effectively and efficiently. Individual departments or units may place additional restrictions on employee's personal use of IT resources.

8.27 ACCEPTABLE USE

Service providers may have their own acceptable use policies or agreements. It is the user's responsibility to adhere to their agreements or policies. The Township cannot and will not extend any protection to a user should the user knowingly violate the policies of an external network.

8.28 PROHIBITED ACTS

The following list of prohibited acts is not intended to be exhaustive, but rather to provide some examples:

1. Any attempt to circumvent any security measures of the Township or another entity.
2. Intentional use, distribution, or creation of viruses, worms, or other malicious software.
3. Unauthorized copying or distributing of licensed software, or copyright-protected or patent-protected material.
4. Any attempt to access IT Resources or data without appropriate authorization and authentication.
5. Without authorization, destroying, altering, dismantling, disfiguring, preventing rightful access to or otherwise interfering with the integrity of IT Resources.
6. Without authorization, invading the privacy of individuals or entities that are creators, authors, users, or subjects of the IT Resources.
7. Use of IT Resources that disables other IT Resources, negatively impacts Township business or materially increases the costs of IT Resources or interferes with the intended use of the IT Resources.
8. Develop or use any unauthorized mechanisms to alter or avoid charges levied by the Township, or its service providers, for computing, network, printing, or other services.
9. Use of IT Resources for financial gain and/or commercial purposes.

8.29 WARRANTIES/DAMAGES

The Township makes no warranties of any kind, whether expressed or implied, with respect to the IT Resources it provides. The Township will not be responsible for damages resulting from the use of IT Resources, including, but not limited to, loss of data resulting from delays, non-deliveries, missed deliveries, service interruptions caused by the negligence of a Township employee, or by any user's error or omission. The Township specifically denies any responsibility for the accuracy or quality of information obtained through IT Resources, except material that is presented as an official Township record.

8.30 VIOLATIONS

Any person found to have knowingly violated this policy will be subject to appropriate disciplinary action as defined by current Township policy. Access to Township IT Resources may also be permanently removed. When appropriate, Township authorities and/or law enforcement agencies may conduct an investigation into the incident. Legal action may be taken when local, state, federal, or other laws or regulations have been violated.

8.31 DEFINITIONS

Information Technology Resources (IT Resources)

All facilities, technologies, equipment, devices, data, and information resources used for Township information processing, transfer, storage, and communications. Included in this definition are computing and electronic communications devices and services, e-mail, networks, telephones (including cellular), voicemail, fax transmissions, video, multimedia, and instructional materials.

This also includes services that are Township owned, leased, operated, or provided by the Township or otherwise used as a Township IT Resource, such as cloud and Software-as-a-Service (SaaS), third party hosted web pages, or any other connected/hosted service. Note that this definition is not all-inclusive, but rather reflects examples of electronic resources, equipment, and services.

User

Individuals or entities authorized to use Township IT Resources.

Service Provider

Any group or organization that enables technology for our users, including vendors that provide cloud solutions, contracted services, etc.

Data

Information collected, stored, transferred, or reported for any purpose, whether electronically or hard copy.

Use of Township Email

8.32 SCOPE

This policy applies to anyone granted access to a Township email account, including Township employees, Township Board members and any other authorized person/entity. This includes access to an individual or departmental account in the Township email system.

8.33 POLICY STATEMENT

Users of Township email accounts will use email in an ethical and considerate manner in compliance with applicable Federal and State laws and policies, as well as policies and guidelines established by the Township.

8.34 OWNERSHIP OF EMAIL

The Township owns any accounts provisioned by the Township. The email contents and metadata are considered public records as defined by the Michigan Freedom of Information Act (MCL 15.232) and will be managed following this and other applicable laws and Township policies.

8.35 RIGHT OF TOWNSHIP ACCESS

Under certain circumstances, it may be necessary to access authorized Township email accounts. These circumstances may include, but are not limited to, maintaining the system, investigating security or abuse incidents, or investigating violations of this or other Township policies. This may also require access to a Township email account in order to continue Township business where the Township email account holder will not or can no longer access the Township email account for any reason. Such access will be on an as-needed basis and any email accessed will only be disclosed to those individuals with a need to know or as required by law such as in response to a Freedom of Information request, as Township emails are considered public records.

8.36 PRIVACY

Privacy of content in email messages sent through a Township email account cannot be completely guaranteed. Privacy is not guaranteed when required by law, when authorized and necessary for Township business, for service quality purposes, and/or when there is reason to believe an individual has violated law and/or Township policy.

8.37 CONFIDENTIALITY

Users may not send confidential or restricted data to entities outside the Township without a business purpose or without appropriate authorization. When sending email to non-Township email addresses, users should take necessary precautions to protect the confidentiality of this type of information.

8.38 EMAIL ETIQUETTE

When you use a Township email account, you are representing the Township. You are encouraged to be professional in your communications, learn about best practices in email etiquette, and practice them. For example, write with the same respectful tone you use in verbal communications, avoid unnecessarily long messages, and use descriptive subject lines. Checking for proper spelling and grammar usage, and re-

reading for context before sending are also recommended. Please also consider the size of attachments and seek the most efficient way to share files and be judicious with the use of “reply all” responses to email.

8.39 PERSONAL USE

Township email services may be used for incidental personal purposes if such use does not:

- Directly, or indirectly interfere with Township business;
- Interfere with the email user's employment or other obligations to the Township; or
- Violate this policy, or any applicable policy or law.

Email arising from such personal use will be subject to access consistent with this policy or applicable law.

8.40 INAPPROPRIATE USE OF EMAIL

Inappropriate email usage by a person with a Township email account is prohibited. Examples of inappropriate use of the email service includes:

- Infringes on another person's copyright, trade or service mark, patent, or other property right or is intended to assist others in defeating those protections;
- Violates, or encourages the violation of, the legal rights of others or federal and state laws;
- Is unlawful, invasive, infringing, defamatory, harassing, malicious, or fraudulent purpose;
- Uses or attempts to use the accounts of others without their permission, or misrepresents the identity of the sender of an email;
- Collects or uses email addresses, screen names, or other identifiers without the consent of the person identified;
- Uses email user identifications for commercial purposes, including the loaning or selling of user identifications;
- Improperly exposes confidential or proprietary information of another person;
- Generates or facilitates unsolicited bulk commercial email that is prohibited by law;
- Intentionally distributes viruses, malware, or other items of a destructive or deceptive nature;
- Alters, disables, interferes with or circumvents any aspect of the email services;
- Constitutes, fosters, or promotes pornography;
- Creates a risk to a person's or the public's safety or health or interferes with or compromises law enforcement or national security.

This list is not intended to be exhaustive, but rather to provide some illustrative examples.

8.41 VIOLATIONS/SANCTIONS

Any person found to have violated this policy will be subject to appropriate disciplinary action as defined by current Township policy or collective bargaining agreements. Access to Township IT resources may also be permanently removed. When appropriate, Township authorities and/or law enforcement agencies may conduct an investigation into the incident. Legal action may be taken when local, state, federal, or other laws or regulations have been violated.

8.42 DEFINITIONS

Township Email Account

An account provided by the Township's business email enterprise system.

Public Record

As defined in the Michigan Freedom of Information Act, MCL 15:232:, a "Public record" means a writing prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created. This act separates public records into the following two classes: those that are exempt from disclosure under section 13; and, all other public records that are not exempt from disclosure under section 13, which are subject to disclosure under the act.

8.43 RESPONSIBILITIES

The following lists of responsibilities are not an exhaustive list.

Email account users are responsible for:

- Protecting your account from any unauthorized access, including via mobile devices and web browsers. Do not share your ID or password with others.
- Protecting data you transmit or store via your email by using a Township approved encryption method, particularly when it contains confidential or restricted data.
- Never sending an email containing confidential data from any device except a Township-managed computer or mobile device **unless** the email is encrypted.
- Understanding what to do with email that is in violation of this policy.

Computer Software Policy

8.44 PURPOSE

The purpose of this policy is to prevent the unauthorized and illegal use of computer software or the use of software in a manner that is designed to disrupt the effective use of any computer, computer system, network or software at Big Rapids Charter Township.

8.45 POLICY

It is the policy of the Township that all software used at or on behalf of the Township be properly licensed. Any computer software program used in any computer owned or leased by the Township shall be used only in accordance with the terms and conditions of the licensing agreement.

8.46 PROHIBITED ACTIONS

The Township does not approve or condone the unauthorized copying of computer software programs for home or personal business use. The creation, intentional distribution and/or infection of a computer with malware is strictly prohibited.

8.47 VIOLATIONS

Violation of this policy shall subject any Township employee to disciplinary action, up to and including dismissal or expulsion.

The person responsible may also be held liable for any criminal or civil penalty that might be imposed as a result of their action.

8.48 DEFINITIONS

Malware

Malware, short for malicious software, is an umbrella term used to refer to a variety of forms of hostile or intrusive software, including computer viruses, worms, Trojan horses, ransomware, spyware, adware, scareware, and other intentionally harmful programs. It can take the form of executable code, scripts, active content, and other software. Malware is defined by its malicious intent, acting against the requirements of the computer user — and so does not include software that causes unintentional harm due to some deficiency.

8.49 Implementation Authority

The township board is authorized to establish any standards or procedures necessary to promote the objectives of this policy and compliance with Michigan Law.

4.78 Preferred Vendors

A preferred vendor is a unique distinction bestowed on a few suppliers who have demonstrated the best value to Big Rapids Charter Township from past experience.

The purpose of the preferred vendor is to improve customer satisfaction and reduce costs. Benefits of using a preferred vendor are:

- Maximization of overall best value to the township.**
- Ease of ordering**
- Higher service levels (because these vendors have a stronger commitment to the Township)**
- Improved pricing benefits everyone**
- No bidding required**

The township strongly encourages departments to use preferred vendors. (See Appendix 4A)

Appendix 4A

Preferred Vendor List:

Mowers: State Street Hardware

Contractors: Kevin Defever

Venlo Incident - Lift Station

4.15.18

DATE	TIME	NOTES	Cost
4.15.18	5:45pm	Notified that there was drain back up in unit 22. Tenant stated also backed up in unit 21	\$75.00 (\$50 per hr-1.5 hours)
4.15.18	6:00pm	Contacted Central Dispatch for assistance from the City of Big Rapids-Big Rapids Township	
4.15.18	6:10pm	Emailled all the tenants of Venlo Place and asked them to respond back if their apartment was affected	
4.15.18	6:15pm	Contacted Maintenance to go to apartments to assess damage	\$75.00 (\$25.00 per hr-3 hours)
4.15.18	6:30pm	Had complete list of affected apartments	
4.15.18	6:30pm	Contacted Modernistic and let them know the number of apartments and asked that we be placed on the schedule for 1st thing the morning of 4.16.18 for remediation.	
4.15.18	6:45pm	Per request of tenants in unit 22, reserved a room at Quality Inn and Suites, with the understanding that when it is determined that this issue was not caused by any neglect or on any part of Venlo Place that tenants would then reimburse Venlo Place the cost of the room	\$64.94
4.16.18	8:15am	Contacted Big Rapids Township concerning the malfunctioning of lift station-jim Arends from Northwest Kent Mechanical arrived at office to discuss. The malfunction is in the electronics, this also causes the alarm system to malfunction. They are going to install a manual float system to allow the lift to work until the electronic system can be repaired.	
4.16.18	10:30am	Modernistic arrived and began the task of remediation, removing the flooring where needed, sanitizing the area and cleaning up all debris	
4.16.18	10:30am	Owen Pelton accompanied Modernistic to each apartment, unlocking doors when needed.	
4.17.18	1:00pm	Meet with Tim Frazier to tour units affected.	
4.21.18		Spoke with Brent at Township office concerning claim. I was instructed to send claim to Township Clerk	
4.23.18		Total contract labor	\$159.50
4.23.18		Remediation Cost	\$1,834.33
4.26.18		Replacement Cost for flooring	\$36,030.82
4.26.18		Maintenance Labor cost (re-connecting appliances)	\$125.00
4.26.18		Total cost of Damages	\$38,364.59

Rene Fountain

From: Curt A. Reppuhn, CPA, CGMA <curtr@hscompanies.com>
Sent: Friday, April 27, 2018 8:07 AM
To: 'Rene Fountain'
Cc: 'supervisorstane@bigrapidstownship.net'; 'Penny Currie'; Evan Wall
Subject: DRAFT audit documents
Attachments: BRCT Audit FS DRAFT.pdf; BRCT Letter to Board DRAFT.pdf; BRCT Representation Letter.pdf

Rene,

Attached please find a DRAFT copy of the audited financial statements and our letter to the Board of Directors. Thanks for your patience as we worked through the final project. There are some changes from prior year, which I will try to highlight below:

1. The biggest change is behind the scenes. We changed the software used to prepare the FS which resulted in re-keying the reports and footnotes. This document has been read multiple times by various people, but if you see any typos please let me know.
2. Revolving Loan fund was not reported as a separate fund last year. The initial loan was set up as a transfer, which I do not believe is correct. It has been corrected for current year.
3. You will notice the beginning fund balance for revolving loan fund says restated. This is due is because the 2016 amount due from one customer was collected in 2016 yet we still had it in 2016 AR. We have corrected this.
4. You will notice a highlighted section in MD&A. This is last year's information and needs to be updated. Technically, the entire MD&A is to be prepared by the Township, but we completed as much as we could based on the current audit. That section we cannot.
5. There is a second finding this year (the first one is same as last year). Technically there should have been two last year as well. These are very typical of most small Townships. Please look at the Corrective Action Plan and feel free to make any suggested word changing.

There are some other changes to footnotes and what not to conform to best practice.

Also attached is the management representation letter. Please return a signed copy to us one the DRAFT has been approved by the Board.

If you have any questions, please include Evan on the response as I am out of the office for the next few days on assignment and he would be best able to contact me to discuss any issues and make any changes if necessary.

CAR

Curt A. Reppuhn, CPA, CGMA
 Assurance and Accounting
 H&S Companies, P.C.



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Follow us on: [Facebook](#) [Twitter](#)

We succeed when you succeed.

Are you confused or overwhelmed with all your retirement plan choices? Our Retirement Plan professionals are available to walk you through your alternatives. Click [here](#) to see our latest retirement plan newsletter.

**CHARTER TOWNSHIP OF BIG RAPIDS
MECOSTA COUNTY, MICHIGAN**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

DRAFT

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INDEPENDENT AUDITOR'S REPORT

April 20, 2018

To the Board of Trustees
Charter Township of Big Rapids, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Big Rapids, Michigan (the Township) as of and for the year ended December 31, 2017, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Big Rapids, Michigan, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Big Rapids, Michigan's basic financial statements. The combining and individual nonmajor fund financial statements are presented for the purposes of additional analysis and are not a required part of the basis financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 April 20, 2018, on our consideration of the Township's internal controls 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 the report is 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 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.

H & S Companies, P.C.

H & S Companies, P.C.
Fremont, MI

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**CHARTER TOWNSHIP OF BIG RAPIDS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

As management of the Charter Township of Big Rapids, Michigan (The "Township") we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the year ended December 31, 2017. Please read it in conjunction with the Township's financial statements.

FINANCIAL HIGHLIGHTS

- 1) The assets of the Township exceeded its liabilities at the close of the most recent fiscal year by \$7,512,711 (net position). Of this amount, \$1,943,273 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens & creditors.
- 2) As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$1,127,219. Approximately 80% of this amount \$902,929 is available for spending at the government's discretion (unassigned fund balance).
- 3) At the end of the current fiscal year, unassigned fund balance for the general fund was \$891,999, or 130% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township include general government, public works, public safety, community & economic development, recreation & culture, and debt service activity. The business-type activities of the Township include sewer and building inspection services.

**CHARTER TOWNSHIP OF BIG RAPIDS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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 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 balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Township maintains nine 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, road, fire, and Perry street sidewalk funds, which are considered to be major funds. Data from the other five governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The Township adopts an annual appropriated budget for the general, road, fire and Perry street sidewalk funds. A budgetary comparison schedule for each of these funds has been provided to demonstrate compliance with these budgets.

Proprietary Funds - The Township maintains one type of proprietary fund, which is 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 enterprise funds to account for its sewer and building inspection operations.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer and building inspection operations.

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 statements because the resources of those funds are not available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Township maintains one fiduciary fund, its agency fund. The agency fund reports resources held by the Township in a custodial capacity for individuals, private organizations and other governments.

**CHARTER TOWNSHIP OF BIG RAPIDS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTES TO THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets exceeded liabilities by \$7,512,711 at the close of the most recent fiscal year.

Statement of Net Position as of December 31, 2017 and 2016:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
ASSETS						
Current and other assets	\$1,783,348	\$2,116,215	\$1,044,525	\$882,833	\$2,827,873	\$2,999,048
Capital assets	3,835,203	3,228,958	1,924,846	2,004,188	5,760,049	5,233,146
Total assets	5,618,551	5,345,173	2,969,371	2,887,021	8,587,922	8,232,194
LIABILITIES						
Current liabilities	\$57,390	\$67,611	\$35,082	\$19,573	\$92,472	\$87,184
Noncurrent Liabilities	340,000	396,510	-	-	340,000	396,510
Total Liabilities	397,390	464,121	35,082	19,573	432,472	483,694
DEFERRED INFLOWS OF RESOURCES						
Taxes levied for a Subsequent Period	642,739	673,109	-	-	642,739	673,109
NET POSITION						
Net Investment in Capital Assets	3,451,203	2,770,904	1,924,846	2,004,188	5,376,049	4,775,092
Restricted - Nonspendable	106,234	106,234	-	-	106,234	106,234
Restricted	87,155	335,812	-	-	87,155	335,812
Unrestricted	933,830	994,993	1,009,443	863,072	1,943,273	1,858,065
Total Net Position	\$4,578,422	\$4,207,943	\$2,934,289	\$2,867,260	\$7,512,711	\$7,075,203

The largest portion of the Township's net position (\$5,376,049, or 72%) reflects its investment in capital assets (e.g., land, buildings, 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 resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Township's net position (\$193,389, or 2.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,943,273 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors. At the end of the current fiscal year, the Township is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The Township's overall net position increased \$771,541 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

**CHARTER TOWNSHIP OF BIG RAPIDS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

GOVERNMENTAL ACTIVITIES

During the current fiscal year, net position for governmental activities increased \$373,585 from the prior fiscal year for an ending balance of \$4,578,422. While the current recession certainly had an impact on the Township, management was able to take various actions (e.g., delaying certain nonrecurring expenses, reducing expenses related to non-essential ongoing programs in the culture and recreation function) that neutralized its effect on governmental activities.

The increase in the overall net position of the governmental activities of the Township is consistent with the previous year, with a couple of exceptions. Property taxes increased \$82,921 due to an increased millage for the library.

Business-type Activities

For the Township's business-type activities, the results for the current fiscal year show an increase in overall net position of \$67,029 leaving an ending balance of \$2,934,289.

The increase in the overall net position of the business-type activities of the Township is consistent with the previous year, with a couple of exceptions. Grants increases by \$58,021 due to receiving a SAW grant.

Changes in Net Position for the Fiscal Years Ended December 31, 2017 and 2016:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Revenue						
<i>Program Revenues</i>						
Charges for Services	\$ 55,508	\$ 94,688	\$ 722,319	\$ 687,423	\$ 777,827	\$ 782,111
Operating Grants & Contributions	59,952	68,817	-	-	59,952	68,817
Capital Grants & Contributions	1,315	343,787	-	192,250	1,315	536,037
Total Program Revenues	116,775	507,292	722,319	879,673	839,094	1,386,965
<i>General Revenues</i>						
Property Taxes	702,133	619,212	-	-	702,133	619,212
State Shared Revenue	358,783	334,500	-	-	358,783	334,500
Interest Income	20,998	9,708	2,357	29	23,355	9,737
Other	21,974	7,502	-	-	21,974	7,502
Total General Revenues	1,103,888	970,922	2,357	29	1,106,245	970,951
Total Revenues	1,220,663	1,478,214	724,676	879,702	1,945,339	2,357,916
Expenses						
General Government	388,780	362,622	-	-	388,780	362,622
Public Safety	284,303	355,271	-	-	284,303	355,271
Public Works	119,470	255,227	-	-	119,470	255,227
Community & Economic Development	13,432	15,341	-	-	13,432	15,341
Recreation & Culture	31,713	8,016	-	-	31,713	8,016
Inspections	-	-	70,138	57,893	70,138	57,893
Sewer	-	-	587,509	520,639	587,509	520,639
Interest	9,380	11,366	-	-	9,380	11,366
Total Expenses	847,078	1,007,843	657,647	578,532	1,504,725	1,586,375
Change in Net Position	373,585	470,371	67,029	301,170	440,614	771,541
<i>Restated Net Position at Beginning of Period</i>	<i>4,204,837</i>	<i>3,737,572</i>	<i>2,867,260</i>	<i>2,566,090</i>	<i>7,072,097</i>	<i>6,303,662</i>
Net Position at End of Period	\$ 4,578,422	\$ 4,207,943	\$ 2,934,289	\$ 2,867,260	\$ 7,512,711	\$ 7,075,203

**CHARTER TOWNSHIP OF BIG RAPIDS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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 the close of the current fiscal year, the Township's governmental funds reported combined fund balances of \$1,127,219, and decrease of \$306,714 over the prior year. Approximately 80% of this amount (\$902,929) is available for spending at the government's discretion (unassigned fund balance). The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$124,238); 2) restricted for particular purposes (\$88,702); or 3) assigned for particular purposes (\$11,350).

General Fund

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the general fund was \$891,999, while total fund balance decreased by \$45,367 to \$896,515. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 130% of total general fund expenditures, while total fund balances represents approximately 131% of that same amount.

The fund balance of the Township's general fund decreased by approximately \$45,367 during the current fiscal year. The decrease in fund balance is a result of increased expenditures.

Road Fund

The road fund, a major fund, passed a mileage in 2014 to fund road repairs. The overall fund balance of the current year decreased by approximately \$937, mostly due to the increase in expenses. This put the overall fund balance at \$10,281. This balance is legally restricted to fund future road construction and maintenance projects.

Fire Fund

The fire fund, a major fund, had an approximately \$263,765 decrease in fund balance during the current fiscal year. This put the overall fund balance at \$46,555. This balance is legally restricted to fund future operating costs of the fire fund.

Perry Street Sidewalk Fund

The Perry street sidewalk fund, a major fund, implemented a special assessment in 2015 to the property owners along Perry Street in Big Rapids, MI so that a sidewalk could be constructed along Perry Street. The assessment will be paid over a 7 year period with the majority of the work to construct the sidewalk being done during 2016 fiscal year. This put the overall fund balance at \$10,930.

**CHARTER TOWNSHIP OF BIG RAPIDS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (CONTINUED)

Proprietary Funds

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

Unrestricted net position of the sewer fund operation was \$913,779. The increase in net position of the sewer fund was \$67,742. As noted in the discussion of business-type activities, the increase for the sewer fund results from an increase of \$3,403 in charges for services related to the increased usage.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget - During the year there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations.

Final budget compared to actual results - General Fund actual expenditures were \$125,289 less than appropriated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Township's investment in capital assets for its governmental activities and business-type activities as of December 31, 2017, amounted to \$5,760,049 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, vehicles, equipment, and sewer system infrastructure. The total increase in capital assets for the current fiscal year was approximately 10%.

	<u>12/31/2017</u>	<u>12/31/2016</u>
Land	\$ 259,152	\$ 259,152
Buildings	695,422	422,412
Infrastructure	3,324,076	2,871,035
Vehicles	676,454	676,454
Equipment	206,465	192,028
Sewer System	<u>2,876,767</u>	<u>2,876,767</u>
	8,038,336	7,297,848
Less Accumulated Depreciation	<u>(2,278,287)</u>	<u>(2,064,702)</u>
Net Capital Assets	<u>\$ 5,760,049</u>	<u>\$ 5,233,146</u>

Significant fixed asset additions during the year include the fire hall addition for approximately \$273,000. Further details on capital assets can be found in the notes to the financial statements section of this document.

**CHARTER TOWNSHIP OF BIG RAPIDS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Debt Administration

At the end of the current fiscal year, the Township had total debt outstanding of \$384,000 as depicted in the table below.

	<u>12/31/2017</u>	<u>12/31/2016</u>
2005 Note Payable	\$ -	\$ 32,054
2013 Refunding Bond	384,000	426,000
	<u>\$ 384,000</u>	<u>\$ 458,054</u>

The upcoming principal payments were for the 2013 refunding bond (\$44,000). Further details on long-term debt can be found in the notes to the financial statements section of this document.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Management estimates that \$790,000 of revenues are expected to be available for appropriation in the general fund. Expenditures are expected to change by small amounts compared to 2016 with the following exceptions: cemetery capital outlay increase of \$52,000 and highways & streets contracted services increase of \$82,000. 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 2017, 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. The ongoing costs of providing essential services for the citizens of the Township will again need to be monitored in order to maintain the financial condition of the Township.

REQUEST OF INFORMATION

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

Charter Township of Big Rapids
Rene Fountain, Township Clerk
14212 Northland Drive
Big Rapids, MI 49307
Phone: (231) 796-3603

**CHARTER TOWNSHIP OF BIG RAPIDS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2017**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash	\$ 916,602	\$ 938,701	\$ 1,855,303
Receivables	760,971	104,821	865,792
Prepays	18,004	1,191	19,195
Internal Balances	188	(188)	-
Due from Tax Fund	87,583	-	87,583
Total Current Assets	<u>1,783,348</u>	<u>1,044,525</u>	<u>2,827,873</u>
Non-Current Assets			
Capital Assets not Being Depreciated	259,152	-	259,152
Capital Assets Being Depreciated	3,576,051	1,924,846	5,500,897
Total Non-Current Assets	<u>3,835,203</u>	<u>1,924,846</u>	<u>5,760,049</u>
Total Assets	<u>5,618,551</u>	<u>2,969,371</u>	<u>8,587,922</u>
Liabilities			
Current Liabilities			
Accounts Payable	13,390	35,082	48,472
Current Portion of Long-Term Debt	44,000	-	44,000
Total Current Liabilities	<u>57,390</u>	<u>35,082</u>	<u>92,472</u>
Non-Current Liabilities			
Long-Term Debt	<u>340,000</u>	<u>-</u>	<u>340,000</u>
Total Liabilities	<u>397,390</u>	<u>35,082</u>	<u>432,472</u>
Deferred Inflows of Resources			
Taxes Levied for a Subsequent Period	<u>642,739</u>	<u>-</u>	<u>642,739</u>
Net Position			
Net Investment in Capital Assets	3,451,203	1,924,846	5,376,049
Restricted for:			-
Fire	37,916	-	37,916
Streets	49,239	-	49,239
Nonspendable Cemetery	106,234	-	106,234
Unrestricted	<u>933,830</u>	<u>1,009,443</u>	<u>1,943,273</u>
Total Net Position	<u>\$ 4,578,422</u>	<u>\$ 2,934,289</u>	<u>\$ 7,512,711</u>

**CHARTER TOWNSHIP OF BIG RAPIDS
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government							
<i>Governmental Activities</i>							
General Government	\$ 388,780	\$ 55,508	\$ 43,750	\$ 1,315	\$ (288,207)	\$ -	\$ (288,207)
Public Works	284,303	-	-	-	(284,303)	-	(284,303)
Public Safety	119,470	-	16,202	-	(103,268)	-	(103,268)
Comm. & Econ. Development	13,432	-	-	-	(13,432)	-	(13,432)
Recreation and Culture	31,713	-	-	-	(31,713)	-	(31,713)
Interest on Long-term Debt	9,380	-	-	-	(9,380)	-	(9,380)
Total Governmental Activities	847,078	55,508	59,952	1,315	(730,303)	-	(730,303)
<i>Business-type Activities</i>							
Nonmajor Building Inspections	70,138	69,425	-	-	-	(713)	(713)
Sewer	587,509	652,894	-	-	-	65,385	65,385
Total Business-type Activities	657,647	722,319	-	-	-	64,672	64,672
Total Primary Government	\$ 1,504,725	\$ 777,827	\$ 59,952	\$ 1,315	(730,303)	64,672	(665,631)
General Revenues							
Property Taxes					702,133	-	702,133
Interest & Rent					20,998	2,357	23,355
State Shared Revenue					358,783	-	358,783
Miscellaneous					21,974	-	21,974
Total General Revenues and Transfers					1,103,888	2,357	1,106,245
Change in Net Position					373,585	67,029	440,614
Net Position - Beginning of Period (restated)					4,204,837	2,867,260	7,072,097
Net Position - Ending of Period					\$ 4,578,422	\$ 2,934,289	\$ 7,512,711

See independent auditor's report and accompanying notes to financial statements.

**CHARTER TOWNSHIP OF BIG RAPIDS
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2017**

	Special Revenue			
	General Fund	Road Fund	Fire Fund	Revolving Loan Fund
Assets				
Cash	\$ 516,181	\$ 51,701	\$ 92,158	\$ -
Receivables	236,330	139,302	139,302	-
Prepaid Expenses	4,516	-	8,639	-
Due from Tax Fund	24,602	29,523	29,523	-
Due from Other Funds	308,822	6,411	-	308,550
Total Assets	\$ 1,090,451	\$ 226,937	\$ 269,622	\$ 308,550
Liabilities				
Accounts Payable	\$ 13,390	\$ -	\$ -	\$ -
Due to Other Funds	-	-	6,411	308,550
Total Liabilities	13,390	-	6,411	308,550
Deferred Inflows of Resources				
Taxes Levied for a Subsequent Period	180,546	216,656	216,656	-
Fund Balances				
Non-Spendable	4,516	-	8,639	-
Restricted	-	10,281	37,916	-
Assigned for Cemetery Exp.	-	-	-	-
Unassigned	891,999	-	-	-
Total Fund Balances	896,515	10,281	46,555	-
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 1,090,451	\$ 226,937	\$ 269,622	\$ 308,550

<u>Capital Projects</u>		
<u>Perry St. Sidewalk Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 92,097	\$ 164,465	\$ 916,602
227,467	18,570	760,971
-	4,849	18,004
-	3,935	87,583
-	-	623,783
<u>\$ 319,564</u>	<u>\$ 191,819</u>	<u>\$ 2,406,943</u>
\$ -	\$ -	\$ 13,390
308,634	-	623,595
308,634	-	636,985
-	28,881	642,739
-	111,083	124,238
-	40,505	88,702
-	11,350	11,350
10,930	-	902,929
<u>10,930</u>	<u>162,938</u>	<u>1,127,219</u>
<u>\$ 319,564</u>	<u>\$ 191,819</u>	<u>\$ 2,406,943</u>

**CHARTER TOWNSHIP OF BIG RAPIDS
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Total Governmental Fund Balances \$ 1,127,219

Total net position reported for governmental activities in the statement of net position are different from the amount reported as total governmental funds fund balances because:

Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund statements. Long-term liabilities reported in the statement of net position that are not reported in the governmental statement of activities:

Note Payable (384,000)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position:

Governmental Capital Asset	5,161,569
Governmental Accumulated Depreciation	<u>(1,326,366)</u>

Capital Assets, Net	<u>3,835,203</u>
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Total Net Position - Governmental Activities:	<u><u>\$ 4,578,422</u></u>
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**CHARTER TOWNSHIP OF BIG RAPIDS
GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Special Revenue			
	General Fund	Road Fund	Fire Fund	Revolving Loan Fund
Revenues				
Property Taxes	\$ 259,812	\$ 207,063	\$ 207,219	\$ -
Special Assessments	1,315	-	-	-
Licenses & Permits	19,209	-	-	-
State Shared Revenue	347,921	-	-	-
Grant Revenue	-	-	675	-
Contributions	43,750	-	15,527	-
Charges for Services	31,824	-	-	-
Interest & Rents	14,581	-	1,042	-
Other	20,964	-	1,010	-
Total Revenues	739,376	207,063	225,473	-
Expenditures				
General Government	377,342	-	-	-
Public Works	290,293	208,000	-	-
Public Safety	-	-	489,238	-
Community and Economic Development	13,432	-	-	-
Recreation and Culture	5,221	-	-	-
Debt Service - Interest	-	-	-	-
Debt Service - Principal	-	-	-	-
Total Expenditures	686,288	208,000	489,238	-
Excess Revenues Over (Under) Expenditures	53,088	(937)	(263,765)	-
Other Financing Sources (Uses)				
Operating Transfers In	-	-	-	-
Operating Transfers Out	(98,455)	-	-	-
Net Other Financing Sources (Uses)	(98,455)	-	-	-
Net Change in Fund Balances	(45,367)	(937)	(263,765)	-
Fund Balances - Beginning of Period (restated)	941,882	11,218	310,320	-
Fund Balances - End of Period	\$ 896,515	\$ 10,281	\$ 46,555	\$ -

<u>Capital Projects</u>		
<u>Perry St. Sidewalk Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 28,039	\$ 702,133
-	-	1,315
-	-	19,209
-	10,862	358,783
-	-	675
-	-	59,277
-	4,475	36,299
4,997	378	20,998
-	-	21,974
<hr/>	<hr/>	<hr/>
4,997	43,754	1,220,663
-	-	377,342
6,144	21,712	526,149
-	6,069	495,307
-	-	13,432
-	26,492	31,713
-	9,380	9,380
-	74,054	74,054
<hr/>	<hr/>	<hr/>
6,144	137,707	1,527,377
<hr/>	<hr/>	<hr/>
(1,147)	(93,953)	(306,714)
-	98,455	98,455
-	-	(98,455)
<hr/>	<hr/>	<hr/>
-	98,455	-
<hr/>	<hr/>	<hr/>
(1,147)	4,502	(306,714)
<hr/>	<hr/>	<hr/>
12,077	158,436	1,433,933
<hr/>	<hr/>	<hr/>
\$ 10,930	\$ 162,938	\$ 1,127,219

See independent auditor's report and accompanying notes to financial statements.

**CHARTER TOWNSHIP OF BIG RAPIDS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Net Change in Fund Balances - Total Governmental Funds \$ (306,714)

Amounts reported for governmental activities in the statement of activities are different because:

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense.

Capital outlay reported as expenses in statement of activities	740,488	
Depreciation expense reported in the statement of activities	(134,243)	606,245

Loan proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position.

Principal Payment on Long-Term Debt		74,054

Changes in Net Position - Governmental Activities		\$ 373,585

CHARTER TOWNSHIP OF BIG RAPIDS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds		
	Nonmajor Building Inspection	Sewer	Total Enterprise Funds
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 96,573	\$ 842,128	\$ 938,701
Receivables	-	104,821	104,821
Prepays	67	1,124	1,191
Total Current Assets	96,640	948,073	1,044,713
Non-Current Assets			
Capital Assets Being Depreciated	-	1,924,846	1,924,846
Total Assets	96,640	2,872,919	2,969,559
Liabilities			
Current Liabilities			
Accounts Payable	788	34,294	35,082
Due to Other Funds	188	-	188
Total Current Liabilities	976	34,294	35,270
Net Position			
Net Investment in Capital Assets	-	1,924,846	1,924,846
Unrestricted	95,664	913,779	1,009,443
Total Net Position	\$ 95,664	\$ 2,838,625	\$ 2,934,289

CHARTER TOWNSHIP OF BIG RAPIDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds		
	Nonmajor Building Inspection	Sewer	Total Enterprise Funds
Operating Revenues			
Charges for Services	\$ 69,420	\$ 582,423	\$ 651,843
Grants	-	70,471	70,471
Other	5	-	5
Total Operating Revenues	69,425	652,894	722,319
Operating Expenses			
Operations and Maintenance	70,138	508,167	578,305
Depreciation	-	79,342	79,342
Total Operating Expenses	70,138	587,509	657,647
Operating Income (Loss)	(713)	65,385	64,672
Non-Operating Revenues (Expenses)			
Interest Income	-	2,357	2,357
Change in Net Position	(713)	67,742	67,029
Net Position - Beginning of Period	96,377	2,770,883	2,867,260
Net Position - End of Period	\$ 95,664	\$ 2,838,625	\$ 2,934,289

**CHARTER TOWNSHIP OF BIG RAPIDS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Business-type Activities - Enterprise Funds		
	Nonmajor Building Inspection	Sewer	Total Enterprise Funds
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 69,425	\$ 640,212	\$ 709,637
Cash Payments to Suppliers for Goods & Services	(69,360)	(493,475)	(562,835)
Total Cash Flows from Operating Activities	65	146,737	146,802
Cash Flows from Investing Activities			
Interest Earned	-	2,357	2,357
Net Increase in Cash	65	149,094	149,159
Cash and Cash Equivalents - Beginning of Period	96,508	693,034	789,542
Cash and Cash Equivalents - End of Period	\$ 96,573	\$ 842,128	\$ 938,701
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ (713)	\$ 65,385	\$ 64,672
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation Expense	-	79,342	79,342
Changes in Assets & Liabilities			
Receivables	-	(12,682)	(12,682)
Prepays	(10)	(29)	(39)
Accounts Payable	788	14,721	15,509
Net Cash Provided by Operating Activities	\$ 65	\$ 146,737	\$ 146,802

**CHARTER TOWNSHIP OF BIG RAPIDS
STATEMENT OF NET POSITION - FIDUCIARY FUND
DECEMBER 31, 2017**

	<u>Tax Fund</u>
Assets	
Cash and Investments	<u>\$ 274,132</u>
Liabilities	
Due to Other Funds	\$ 87,583
Due to Others	<u>186,549</u>
Total Liabilities	<u>\$ 274,132</u>

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**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Charter Township of Big Rapids, Michigan (the Township) is governed by an elected seven member board. The accounting policies of the Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant policies used by the Township.

A. Reporting Entity

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 61, "The Financial Reporting Entity," these financial statements present the Township. The criteria established by GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. There are no other units that should be included in the financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally 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.

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 revenue.

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

C. 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. Revenue is 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 revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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

State grants, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The special assessments receivable for the Perry Street Sidewalk fund is susceptible to accrual to offset the expenditures of the period consistent with the matching criterion. 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 government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The primary revenue sources include property taxes and state shared revenue.

The Road fund accounts for the resources of property tax revenue and charges for services that are restricted for road repairs. The primary revenue source is property taxes.

The Fire fund accounts for the resources of property tax revenue and charges for services that are restricted for fire services. The primary revenue source is property taxes.

The Revolving Loan fund accounts for the loan from the General Fund to the Perry Street Sidewalk fund.

The Perry Street Sidewalk fund accounts for the resources from a special assessment and related expenditures that are necessary for construction of a sidewalk on Perry Street. The primary revenue source is the special assessment to affected properties.

In addition to the major funds, the Township reports the following fund types:

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

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

Agency funds are used to account for assets held by the Township as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Township's utility functions 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.

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

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 not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Liabilities, Deferred Inflows of Resources, and Equity

Cash & Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposits, and short-term investments with a maturity of three months or less when acquired.

Investments

Investments are recorded at fair value, based on quoted market prices, or estimated fair value. Investment income is composed of interest and net changes in the fair value of applicable investments. The Township does not have any investments as of and for the year ended December 31, 2017.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year and all other outstanding balances between funds are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". No allowance for uncollectible accounts has been recorded as the Township considers all receivables to be fully collectible.

Prepays

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

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows of Resources, and Equity (Continued)

Capital Assets

Capital assets, which include property, buildings and infrastructure assets (e.g., sewer systems and shared road costs), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 (\$10,000 for infrastructure improvements) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Governments can elect to account for infrastructure assets of governmental activities either retroactively to June 15, 1980, or prospectively. The Township has elected to account for its infrastructure assets prospectively, beginning January 1, 2004.

Depreciation of all exhaustible capital assets used is charged as an expense against operations in the government-wide statements. Accumulated depreciation is reported on the government-wide statement of net position.

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

Buildings and Improvements	20 – 40 years
Equipment	3 – 10 years
Vehicles	20 years
Sewer Systems	40 years

Deferred Inflows of Resources

The governmental funds balance sheet includes a separate section for deferred inflows of resources. This separate financial statement element reflects an acquisition of net position that applies to a future reporting period. The Township has only one item, property tax revenue, which is included in this category. Property tax revenue, which is levied to finance the following period's budget (collected not later than 60 days after the end of the Township's fiscal year) is deferred and recognized as an inflow of resources in the period that it was intended to finance.

Net Position

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

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows of Resources, and Equity (Continued)

Net Position Flow Assumption

Sometimes, the Township will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary funds financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Equity

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable - Includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted - Includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed - Includes amounts that can only be used for specific purposes determined by a formal action by Board resolution. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (Board resolution) that was employed when the funds were initially committed.

Assigned - Includes amounts a government intends to use for a specific purpose. Intent can be expressed by the Board or by an official or body to which the Board delegates the authority.

Unassigned - Includes amounts that are available for any purpose. Positive amounts are only reported in the General Fund.

Restricted sources are used first when an expense is incurred for which both restricted and unrestricted resources are available. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Township considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Property Tax Revenue Recognition

Property taxes are levied each December 1 (lien date) on the taxable valuation of property as of the preceding December 31. Property taxes are considered delinquent on March 1 of the following year, at which time interest and penalties are assessed. Although the Township's 2016 ad valorem taxes were levied on December 1, 2016, it is the Township's policy to recognize revenue from that tax levy in 2017 when the proceeds are budgeted and made available for the financing of operations.

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows of Resources, and Equity (Continued)

Use of Estimates

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all general and special revenue funds. The budget document presents information by fund, function, department, and line-item. The legal level of budgetary control adopted by the governing body is the function level. All annual appropriations lapse at fiscal year end. The Township approves its originally adopted budget by the end of the current fiscal year. Amendments are approved periodically during the year. The Township does not utilize encumbrance accounting.

Excess of Expenditures Over Appropriations in Budgeted Funds - P.A. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated. Budget appropriations are considered to be spent once the goods are delivered or services rendered. There were no budget overexpenditures during the year.

NOTE C – CASH

The Township's deposits and investments were reported in the basic financial statements as follows:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Cash	\$ 916,602	\$ 938,701	\$ 274,132	\$ 2,129,435

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

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Township will not be able to recover its deposits. State law does not require, and the Township's investment policy does not specifically address, custodial credit risk for deposits. At December 31, 2017, \$1,646,057 of the Township's bank balances of \$2,146,057 was exposed to custodial credit risk because it was uninsured and uncollateralized. Due to the dollar amount of cash deposits and the limits of FDIC insurance, 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.

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE C – CASH (CONTINUED)

Investments - State statutes authorize the Township to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper, with three (3) highest rate classifications by at least two (2) rating services, maturing not later than 270 days; c) repurchase agreements, collateralized by the U.S. governmental securities; d) bankers' acceptances; e) mutual funds; and f) investment pools organized under the local government investment pool act. Michigan law prohibits security in the form of collateral, surety bond, or another form for the deposit of public money. The Township does not have any investments as of and for the year ended December 31, 2017.

NOTE D – RECEIVABLES

Receivables as of December 31, 2017, for the Township's individual major funds, and non-major funds in the aggregate, were as follows:

	<u>Accounts</u>	<u>Property Taxes</u>	<u>Special Assessments</u>	<u>Inter- Governmental</u>	<u>Totals</u>
<u>Governmental Funds</u>					
General Fund	\$ 4,716	\$116,084	\$ -	\$ 115,530	\$236,330
Perry St. Sidewalk	-	-	227,467	-	227,467
Road Fund	-	139,302	-	-	139,302
Fire Fund	-	139,302	-	-	139,302
Non-Major Funds	-	18,570	-	-	18,570
Total	<u>\$ 4,716</u>	<u>\$413,258</u>	<u>\$ 227,467</u>	<u>\$ 115,530</u>	<u>\$760,971</u>
<u>Business-Type Funds</u>					
Sewer	<u>\$ 98,220</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,601</u>	<u>\$104,821</u>

All receivables are considered fully collectible.

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CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE E – CAPITAL ASSETS

Capital asset activity of the primary government of the current year was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets not Depreciated				
Land	\$ 259,152	\$ -	\$ -	\$ 259,152
Capital Assets - Depreciated				
Buildings	422,412	273,010	-	695,422
Infrastructure	2,871,035	453,041	-	3,324,076
Vehicles	676,454	-	-	676,454
Equipment	192,028	14,437	-	206,465
Subtotal	4,161,929	740,488	-	4,902,417
Less Accumulated Depreciation for				
Buildings	110,050	15,013	-	125,063
Infrastructure	612,979	73,775	-	686,754
Vehicles	333,860	32,640	-	366,500
Equipment	135,234	12,815	-	148,049
Subtotal	1,192,123	134,243	-	1,326,366
Net Capital Assets Depreciated	2,969,806	606,245	-	3,576,051
Capital Assets, Net	<u>\$3,228,958</u>	<u>\$606,245</u>	<u>\$ -</u>	<u>\$3,835,203</u>
Business-Type Activities				
Capital Assets - Depreciated				
Sewer System	\$2,876,767	\$ -	\$ -	\$2,876,767
Less Accumulated Depreciation for				
Sewer System	872,579	79,342	-	951,921
Capital Assets, Net	<u>\$2,004,188</u>	<u>\$ (79,342)</u>	<u>\$ -</u>	<u>\$1,924,846</u>

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE E – CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to programs of the Township for the year as follows:

Governmental Activities	
General Government	\$ 26,038
Public Works	45,601
Public Safety	62,604
	<u>\$ 134,243</u>
Business-Type Activities	
Sewer	<u>\$ 79,342</u>

NOTE F – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

		Due To				Total
		Building Inspection Fund	Revolving Loan Fund	Perry St. Sidewalk Fund	Fire Fund	
Due From	General Fund	\$ 188	\$ 308,550	\$ 84	\$ -	\$308,822
	Road Fund	-	-	-	6,411	6,411
	Revolving Loan Fund	-	-	308,550	-	308,550
	Total	<u>\$ 188</u>	<u>\$ 308,550</u>	<u>\$ 308,634</u>	<u>\$ 6,411</u>	<u>\$623,783</u>

The balance between the General Fund and the Revolving Loan Fund is due to amounts loaned by the General Fund to cover expenditures from the Perry Street Sidewalk special assessment. The loan is payable at 2% per annum as the special assessments are collected. The amount due to the Road Fund from the Fire Fund represents misclassification of tax revenue. The amount due to the General Fund from the Building Inspection Fund is to cover rent income due to the General Fund.

<u>Transfer In</u>	<u>Transfer Out</u>
Water Project Fund	General Fund
	<u>\$ 98,455</u>

The amount transferred from the General Fund to the Water Project Fund represent the amount transferred to cover negative cash in the Water Project Fund.

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE G – LONG-TERM DEBT

Individual bond and contractual obligation activity can be summarized as follows:

1) 2013 Refunding Bond - was originally issued for \$551,000. Annual installments are payable ranging from \$42,000 to \$51,000, plus interest payable semi-annually at rates between .70% and 2.65%. The final payment is due July 2025. The repayment schedule is as follows:

December 31:	2013 Refunding Bond		
	Principal	Interest	Total
2018	\$ 44,000	\$ 8,797	\$ 52,797
2019	45,000	8,027	53,027
2020	46,000	7,150	53,150
2021	48,000	6,184	54,184
2022	49,000	5,104	54,104
2023-2025	152,000	7,957	159,957
	\$ 384,000	\$ 43,219	\$ 427,219

Long-term obligation activity can be summarized as follows:

	January 1, 2017	Additions	Deletions	December 31, 2017	Amount Due Within One Year
Governmental Activities					
2013 Refunding Bond	\$ 426,000	\$ -	\$ (42,000)	\$ 384,000	\$ 44,000
2005 Note Payable	32,054	-	(32,054)	-	-
	\$ 458,054	\$ -	\$ (74,054)	\$ 384,000	\$ 44,000

Interest expense for year ended December 31, 2017 was \$9,380.

NOTE H – RISK MANAGEMENT

The Township is exposed to various risks of loss to general liability, property and casualty, workers' compensation, and employee medical claims. The risks of loss arising from general liability up to \$5,000,000, property losses, workers' compensation, and employee medical costs are managed through purchased commercial insurance. For all risks of loss, there have been no significant reductions in insurance coverage from coverage provided in prior years. Also, in the past three years, settlements did not exceed insurance coverage.

**CHARTER TOWNSHIP OF BIG RAPIDS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE I – DEFINED CONTRIBUTION PLAN

The Township provides pension benefits for its board members and full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Michigan statutes assign the authority to establish and amend benefit provisions to the Township Board of Trustees. Employees are eligible to participate from the date of employment. The Township contributes 12.5% of each elected official's base salary and 10% of each qualified full-time employee's base salary to the plan. The Township's contributions are fully vested immediately. The Township made the required contributions of \$20,545 for the year ended December 31, 2017. Employees are not required to contribute to the pension plan. The Township is not a trustee of the plan, nor is the Township responsible for investment management of plan assets. Accordingly, plan assets and changes therein are not reported in these financial statements.

NOTE J – SUBSEQUENT EVENTS

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2017, the most recent balance sheet presented herein, through April 20, 2018, the date these financial statements were available to be issued. No significant events or transactions were identified.

NOTE K – RESTAMENT OF BEGINNING NET POSITION

Beginning net position and fund balance has been restated for the overstatement of receivables in the governmental activities and the Perry Street Sidewalk Fund.

	Governmental Activities	Perry St. Sidewalk Fund
Beginning net position	\$ 4,207,943	\$ 15,183
Overstated receivable	(3,106)	(3,106)
Restated beginning net position	\$ 4,204,837	\$ 12,077

**CHARTER TOWNSHIP OF BIG RAPIDS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budgeted Amounts		Actual	Variance to Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 225,150	\$ 225,150	\$ 259,812	\$ 34,662
Special Assessments	-	-	1,315	1,315
Licenses & Permits	19,000	19,000	19,209	209
State Shared Revenue	323,500	323,500	347,921	24,421
Contributions	43,000	43,000	43,750	750
Charges for Services	23,900	23,900	31,824	7,924
Interest & Rent	3,250	3,250	14,581	11,331
Other	2,200	19,200	20,964	1,764
Total Revenues	640,000	657,000	739,376	82,376
Expenditures				
General Government				
Legislative	106,240	106,240	93,603	12,637
Supervisor	32,338	32,338	29,421	2,917
Elections	9,025	9,025	3,372	5,653
Assessor	43,750	43,750	37,279	6,471
Clerk	52,524	52,524	47,489	5,035
Treasurer	39,720	39,720	38,715	1,005
Board of Review	1,380	1,380	722	658
Township Hall & Grounds	11,560	11,560	9,020	2,540
Cemetery	166,105	166,105	117,721	48,384
Total General Government	462,642	462,642	377,342	85,300
Public Works				
Road Maintenance	215,000	237,000	232,760	4,240
Street Lighting	9,900	9,900	7,605	2,295
Industrial Park Infrastructure	71,590	71,590	49,928	21,662
Total Public Works	296,490	318,490	290,293	28,197
Community and Economic Development				
Economic Development	5,900	5,900	3,500	2,400
Planning & Zoning	15,130	15,130	9,932	5,198
Total Comm. and Economic Develop.	21,030	21,030	13,432	7,598
Recreation and Culture				
Parks	9,415	9,415	5,221	4,194
Total Expenditures	789,577	811,577	686,288	125,289
Excess of Revenues (Under) Over Expenditures	(149,577)	(154,577)	53,088	207,665
Other Financing Sources (Uses)				
Transfer In	50,000	50,000	-	(50,000)
Transfer Out	-	-	(98,455)	(98,455)
Total Other Financing Sources (Uses)	50,000	50,000	(98,455)	(148,455)
Net Change in Fund Balance	(99,577)	(104,577)	(45,367)	59,210
Fund Balance - Beginning of Period	941,882	941,882	941,882	-
Fund Balance - End of Period	\$ 842,305	\$ 837,305	\$ 896,515	\$ 59,210

**CHARTER TOWNSHIP OF BIG RAPIDS
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE FOR PERRY STREET SIDEWALK FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budgeted Amounts		Actual	Variance to Final Budget
	Original	Final		
Revenues				
Special Assessment Revenue	\$ 49,971	\$ 49,971	\$ -	\$ (49,971)
Interest Income	6,045	6,045	4,997	(1,048)
Total Revenues	56,016	56,016	4,997	(51,019)
Expenditures				
Public Works	57,560	57,560	6,144	51,416
Total Expenditures	57,560	57,560	6,144	51,416
Excess of Revenues Over Expenditures	(1,544)	(1,544)	(1,147)	397
Restated Fund Balance - Beginning of Period	12,077	12,077	12,077	-
Fund Balance - End of Period	<u>\$ 10,533</u>	<u>\$ 10,533</u>	<u>\$ 10,930</u>	<u>\$ 397</u>

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**CHARTER TOWNSHIP OF BIG RAPIDS
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE FOR ROAD FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budgeted Amounts		Actual	Variance to Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 210,000	\$ 210,000	\$ 207,063	\$ (2,937)
Interest	50	50	-	(50)
Total Revenues	210,050	210,050	207,063	(2,987)
Expenditures				
Public Works	208,000	208,000	208,000	-
Net Change in Fund Balance	2,050	2,050	(937)	(2,987)
Fund Balance - Beginning of Period	11,218	11,218	11,218	-
Fund Balance - End of Period	<u>\$ 13,268</u>	<u>\$ 13,268</u>	<u>\$ 10,281</u>	<u>\$ (2,987)</u>

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**CHARTER TOWNSHIP OF BIG RAPIDS
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE FOR THE FIRE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budgeted Amounts		Actual	Variance to Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 208,500	\$ 208,500	\$ 207,219	\$ (1,281)
Contributions	15,000	15,000	15,527	527
Interest Income	50	50	1,042	992
Other Income	50	50	1,010	960
Total Revenues	223,600	223,600	225,473	1,873
Expenditures				
Public Safety	167,385	491,885	489,238	2,647
Net Change in Fund Balance	56,215	(268,285)	(263,765)	4,520
Fund Balance - Beginning of Period	310,320	310,320	310,320	-
Fund Balance - End of Period	<u>\$ 366,535</u>	<u>\$ 42,035</u>	<u>\$ 46,555</u>	<u>\$ 4,520</u>

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**CHARTER TOWNSHIP OF BIG RAPIDS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	Special Revenue Funds			Capital Projects Fund	Permanent Fund	Total Non-Major Governmental Funds
	Liquor Law Fund	Library Fund	Metro Act Fund	Water Project Fund	Perpetual Care	
Assets						
Cash and Investments	\$ -	\$ 7,923	\$ 38,958	\$ -	\$ 117,584	\$ 164,465
Receivables	-	18,570	-	-	-	18,570
Prepays	-	-	-	4,849	-	4,849
Due from Tax Fund	-	3,935	-	-	-	3,935
Total Assets	<u>\$ -</u>	<u>\$ 30,428</u>	<u>\$ 38,958</u>	<u>\$ 4,849</u>	<u>\$ 117,584</u>	<u>\$ 191,819</u>
Deferred Inflows of Resources						
Unavailable Property Taxes	\$ -	\$ 28,881	\$ -	\$ -	\$ -	\$ 28,881
Fund Balance						
Non-Spendable	-	-	-	4,849	106,234	111,083
Restricted	-	1,547	38,958	-	-	40,505
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	11,350	11,350
Total Fund Balance	<u>-</u>	<u>1,547</u>	<u>38,958</u>	<u>4,849</u>	<u>117,584</u>	<u>162,938</u>
Total Liabilities, Def. Inflows, and Fund Balance	<u>\$ -</u>	<u>\$ 30,428</u>	<u>\$ 38,958</u>	<u>\$ 4,849</u>	<u>\$ 117,584</u>	<u>\$ 191,819</u>

**CHARTER TOWNSHIP OF BIG RAPIDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Special Revenue Funds			Capital Projects Fund	Permanent Fund	Total Non-Major
	Liquor Law Fund	Library Fund	Metro Act Fund	Water Project Fund	Perpetual Care Fund	
Revenues						
Property Tax	\$ -	\$ 28,039	\$ -	\$ -	\$ -	\$ 28,039
State Shared Revenue	5,890	-	4,972	-	-	10,862
Charges for Services	-	-	-	1,615	2,860	4,475
Interest	-	-	-	-	378	378
Total Revenues	5,890	28,039	4,972	1,615	3,238	43,754
Expenditures						
Public Safety	6,069	-	-	-	-	6,069
Public Works	-	-	-	21,712	-	21,712
Recreation and Culture	-	26,492	-	-	-	26,492
Debt Service - Interest	-	-	-	9,380	-	9,380
Debt Service - Principal	-	-	-	74,054	-	74,054
Total Expenditures	6,069	26,492	-	105,146	-	137,707
Excess Revenue Over (Under) Expenditures	(179)	1,547	4,972	(103,531)	3,238	(93,953)
Other Financing Sources (Uses)						
Transfers In	-	-	-	98,455	-	98,455
Net Change in Fund Balance	(179)	1,547	4,972	(5,076)	3,238	4,502
Fund Balance - Beginning of Period (restated)	179	-	33,986	9,925	114,346	158,436
Fund Balance - End of Period	\$ -	\$ 1,547	\$ 38,958	\$ 4,849	\$ 117,584	\$ 162,938

**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**

April 20, 2018

To the Board of Trustees
Charter Township of Big Rapids, 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, each major fund, and the aggregate remaining fund information of the Charter Township of Big Rapids, Michigan (the Township), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Charter Township of Big Rapids, Michigan's basic financial statements, and have issued our report thereon dated April 20, 2018.

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) to determine the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies: 2017-001 and 2017-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed test 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 determination of financial statements amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Charter Township of Big Rapids Response to Findings

The Townships response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Township's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

H&S Companies, P.C.

H&S Companies, P.C.
Fremont, MI

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**CHARTER TOWNSHIP OF BIG RAPIDS
SCHEDULE OF FINDINGS AND REPSONSES
FOR THE YEAR ENDED DECEMBER 31, 2017**

2017-001 – Preparation of Financial Statements

Criteria: The Township does not have policies and procedures in place to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. This includes recording accruals, maintenance of fixed assets and depreciation schedules, conversion to full accrual government-wide financial statements and developing appropriate footnote disclosures. Having the auditor draft the annual financial statements is allowable under current auditing standards and ethical guidelines and may be the most efficient and effective method for preparation of the Township's financial statements; however, when an entity lacks the ability to produce financial statements that conform to generally accepted accounting principles, or when material audit adjustments are identified by the auditor, auditing standards require that such conditions be communicated in writing.

Condition: The Township's financial reporting system does not produce financial statements in accordance with accounting principles generally accepted in the United States of America.

Effect: The Township's financial reporting system does not produce financial statements in accordance with accounting principles generally accepted in the United States of America.

Cause: The Township has relied upon the auditor to identify and develop material adjustments necessary to prepare the financial statements and appropriate disclosures.

Recommendation: We recommend that management analyze the costs and benefits of securing resources necessary to develop material adjustments and prepare the financial statements and note disclosures.

Views of Responsible Officials and Planned Corrective Action: Management has concluded that the cost to be in compliance with this recommendation is not an effective use of the Township's resources.

**CHARTER TOWNSHIP OF BIG RAPIDS
SCHEDULE OF FINDINGS AND REPSONSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017**

2017-002 Material Journal Entries

Criteria: Management is responsible for establishing, maintaining, and monitoring internal controls, and for the fair presentation in the financial statements of financial position, results of operations, and cash flows (where applicable), including the recording of all adjustments necessary, other than standard cash to accrual adjustments, such that the general ledger reflects amounts that are in conformity accounting principles generally accepted in the United States of America. The auditor cannot be a part of internal controls.

Condition: Material journal entries for the adjustment of due from tax fund, accounts receivable, taxes receivable, special assessment receivable, accumulated depreciation and related depreciation expense, and deferred revenue and related revenue were proposed by the auditors in order for the financial statements to be materially stated..

Effect: Through the identification of material journal entries that were not otherwise identified by management, the general ledger was materially misstated if the entries had not been identifies and recorded.

Cause: The Township's internal controls over financial reporting failed to identify these misstatements.

Recommendation: We recommend that the Township take steps to ensure that all accounts are materially accurate and reconcile to supporting documentations prior to commencement of audit.

Views of Responsible Officials and Planned Corrective Action: We concur with the auditors' recommendation. Management will work with the auditors' to ensure the accuracy of certain accounts subject to adjustment prior to closing the general ledger in future years before commencement of the audit process.