



AGENDA
ADA TOWNSHIP REGULAR BOARD MEETING
MONDAY SEPTEMBER 26, 2022 at 7:00 P.M.
ADA TOWNSHIP HALL
7330 THORNAPPLE RIVER DRIVE

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. MOMENT OF SILENCE
- IV. ROLL CALL
- V. APPROVAL OF AGENDA
- VI. GENERAL TOWNSHIP BUSINESS
 - Motion to approve minutes and accept and file reports/communications under consent agenda
 - A. APPROVAL OF TOWNSHIP BOARD MINUTES
 - 1. Regular Board Meeting Minutes – September 12, 2022
 - B. RECEIVE AND FILE VARIOUS REPORTS AND COMMUNICATIONS
 - 1. Planning Commission Regular Meeting Minutes – August 18, 2022
 - 2. Utility Advisory Board Meeting Minutes – July 21, 2022
 - 3. Michigan Department of Treasury Audit Letter of Deficiency – September 14, 2022
- VII. APPROVAL OF WARRANTS
 - A. Township General Warrants
- VIII. PUBLIC COMMENT (*Limit of 3 Minutes Per Speaker*)
- IX. UNFINISHED BUSINESS –
 - A. Roselle Park Update & Request to Extend Project Completion Date
- X. PUBLIC HEARING – NONE
- XI. NEW BUSINESS
 - A. Presentation of FY 2021 Audit – Dan Veldhuizen, Siegfried Crandall
 - B. Resolution R-092622-1: A Resolution to Extend the Downtown Ada Social District Dates/Hours of Operation
 - C. Ordinance O-092622-1: An Ordinance to Rezone 3201 Egypt Valley Ave NE (Parcel #41-15-05-400-002) from RP-1 to RP-1/Planned Unit Development (PUD)

- D. Resolution R-092622-2: A Resolution to Approve Preliminary PUD Plan for the Hidden Lakes at Ada LLC Planned Unit Development located at 3201 Egypt Valley Ave. NE (Parcel #41-15-05-400-002)
- E. Consider Purchase of Fire Department Boots from Apollo Fire Equipment for an Amount Not to Exceed \$7,760.00
- F. Consider Purchase of Fire Department Turnout Gear from West Shore Fire Inc. for an Amount Not to Exceed \$10,605.00
- G. Consider Recommendation from Information Technology Committee to Approve Managed I.T. Services Proposal from I.T. Right
- H. Township Manager Review – Personnel Committee

XII. DEPARTMENT REPORTS

- A. Township Manager Report – September 21, 2022

XIII. CLOSED SESSION

- a. Consider Written Legal Opinion related to 1100 Pettis Ave Property

XIV. BOARD MEMBER COMMENT

XV. OPPORTUNITY FOR ADDITIONAL PUBLIC COMMENT (*Limit of 3 Minutes Per Speaker*)

XVI. ADJOURNMENT



ADA TOWNSHIP PLANNING COMMISSION MEETING MINUTES OF THE AUGUST 18, 2022 REGULAR MEETING

A regular meeting of the Ada Township Planning Commission was held on Thursday, August 18, 2022 at 5:30 p.m., at the Ada Township Hall Assembly Room, 7330 Thornapple River Dr., Ada Michigan.

I. CALL TO ORDER

Chair Korth called the meeting to order at 5:30 p.m.

II. ROLL CALL

Members Present: Burton, Butterfield, Easter, Heglund, Jacobs, Korth

Member Easter arrived at 5:36 p.m.

Staff Present: Buckley, Said

Others Present: 4

III. APPROVAL OF AGENDA

Moved by Jacobs, supported by Burton, to approve the agenda as presented. Motion carried.

IV. APPROVAL OF MINUTES OF THE JULY 21, 2022, REGULAR MEETING

Moved by Burton, supported by Heglund, to approve the July 21, 2022, minutes as presented. Motion carried.

V. PUBLIC HEARING - none

VI. UNFINISHED BUSINESS

1. Proposed Text Amendment to Section 78-20 of the Zoning Ordinance Regarding Accessory Buildings

Planning Director Said explained that the request for proposed text amendment arose in part due to a recent request regarding a proposed accessory building in a front yard, along with inquiries for commercial accessory buildings.

Said summarized that at the July 21 Planning Commission meeting, the commission was agreeable to the following recommended text alterations:

- * Site plan approval by the Planning Commission for proposed front yard accessory buildings (allowed only in AGP, RP-1, RP-2, and RR districts).
- * Special use approval by the Planning Commission for all proposed front yard accessory buildings not matching the design of the dwelling unit (as determined by the Zoning Administrator).

- * New language to identify accessory building requirements in non-residential zoning districts.

At the July 21 meeting, the commission asked the planning department to provide further information about possibly altering accessory building side wall height also. In response, Said researched the special use requests and provided history on wall height special use approvals over the last several years and noted that from staff's perspective the number and frequency did not rise to the level of mandating a Zoning Ordinance change.

There was discussion amongst commissioners regarding; the difference between a variance request vs. special use approval, and the difference between an addition vs. an accessory building. The commissioners agreed that they liked the procedure to go before the Planning Commission for site plan approval and/or special use approval, and that the proposed changes/updates provided more creativity and was an improvement to the current process.

Moved by Easter, supported by Jacobs, to recommend to the Township Board, approval of the proposed revisions to the Zoning Ordinance (Sec. 78-20) on accessory buildings and uses as presented. Motion carried.

2. Site Plan Review, Installation of a 12' x 28' Substation Control Enclosure in the R3-Medium Density Single-Family Residential District, 7050 Rix Street SE, Parcel No. 41-15-33-226-019, Consumers Energy (Thornapple Substation), Joe Lawson

Said gave an update on the status of the site plan review and informed that the applicant advised that the substation request was still on hold within the Consumers Energy management team.

VII. NEW BUSINESS - none

VIII. COMMISSION MEMBER / STAFF REPORTS

Said introduced Mr. James Moyer to the commission and shared that James is a candidate for appointment to the Planning Commission, which would take place at the next Township Board meeting on September 12. The commissioners welcomed Mr. Moyer.

Said gave an update on the Master Plan process and the next steps. Said noted that public input has been magnificent. Easter shared that she also participated and that she was excited about all the new ideas. Easter said she was impressed with the intelligent and creative marketing by Progressive AE. Commissioners concurred that they liked to see the Ada enhancements and felt good about the process.

IX. PUBLIC COMMENT

Andy Steenstra, 6781 3 Mile Road, said he was in attendance for the ZBA meeting about the accessory building in the front yard of the property at 6679 3 Mile Road, and the neighbors of the applicant were all in support of the proposed building with upgraded materials. Mr. Steenstra shared concern about the text revisions for accessory buildings/front yard use, in that the decisions to approve or deny rely on the Planning Commission and its members and he would like to see examples of exceptions be put in writing.

Said noted that a number of Mr. Steenstra's comments were factually incorrect, including how a front yard is defined.

There was brief commission discussion to understand the definition of what/where/how 'front yard' is established and related zoning clarifications.

X. ADJOURNMENT

Moved by Easter, supported by Burton, to adjourn the meeting at 6:15 p.m. Motion carried.

Respectfully submitted,

Jacqueline Smith, Ada Township Clerk

rs:eb

UTILITY ADVISORY BOARD
Thursday, July 21, 2022
8:30 – 9:30 am
1300 Market Ave SW
MINUTES

Call to Order

The meeting was called to order at 8:35 am by Mr. Hurt.

Members Present

James Ouzts, Kolene Allen, Alex Fleet, Darrel Schmalzel, Mark Bennett, Sam Giffel, Doug LaFave, James Hurt, Wayne Jernberg, James Kirkwood, Mike Grenier, Chuck Schroeder, Jeff McCaul, William Kaiser, Tim Burkman, Tai Verbrugge

Others Present

Tiffany Berry (City of GR)

Approval of Minutes – June 16

Motion to approve the minutes by Mr. Jernberg, second by Mr. Grenier.

MOTION CARRIED.

Public Comments on Agenda Items

None

Approval of Agenda

Motion to approve the agenda by Mr. Jernberg, second by Mr. Grenier.

MOTION CARRIED.

Adoption of the 2022 Water/Sewer Rate Study USD Size Recommendations

Mr. Verbrugge presented the USD Size recommendations for the 2022 Water/Sewer Rate Study. The maps per partner community and tracking sheet highlighting historical changes are attached to the agenda. Mr. Jernberg noted that in the tracking sheet, Tallmadge Township's USD Size increased, not decreased. The utility finance team will make the edit.

Mr. Jernberg said that the USD Size affects the new assets online and rates for each partner community.

Motion to adopt the 2022 Water/Sewer Rate Study USD Size Recommendations by Mr.Jernberg, second by Mr. Grenier.

MOTION CARRIED.

Updates

June Awards – Jeff McCaul

In June, seven projects were awarded; the projects include the reconstruction of Ottawa Avenue and Norwich Avenue, the Pretreatment Improvement project at the Lake Michigan Filtration Plant, Biodigester, and Pressure Reducing Valve Replacement at the Alger Pressure District. The Pretreatment Improvement project at the Lake Michigan Filtration Plant was awarded in 2018, but due to delays and other contractor issues, an additional \$1.7 million is needed to complete the project.

The second award is for a \$1.1 million increase to the Biodigester project for purchasing additional pumps to help with the issue experienced with the thickening process and biodigester tanks.

Kent County Community Action (KCCA)

Mrs. Giffel gave the board an update on the Kent County Community Action (KCCA) Program for the last quarter of 2021. KCCA withdrew a total of \$37,969 for 2021; the remaining balance of \$129,161 will be returned to the water/sewer rates to help mitigate rate impacts for partner communities. KCCA is undergoing staffing changes resulting in a delay in reporting. Mrs. Giffel will provide an update for the calendar year 2022 at the next board meeting.

Biodigester

Gas is being sold to DTE, and the newly rebuilt pumps are being worked on. Staff is working with the prebuilt pumps to help bring the second biodigester tank online.

A press release for the Biodigester is set to be published in August, and the press will be covering the project that will include a tour of the facility. If partner communities are interested in having ESD staff present to their communities about the project, please get in touch with Mr.Grenier.

State Budget FY23

Mr. Hurt informed the members of funding in the state's FY23 budget. The Department of Environment, Great Lake & Energy is allocated \$48 million for lead line replacements, \$7.2 million for energy efficiency projects, and \$500k for PFAS remediation efforts.

Public Works Summer Camp 6-9th Graders & GRCC Water Career Program

Mr. Jernberg said ESD and Water are hosting a Public Works Summer Camp for 6-9th graders in late July and early August. This initiative with GRCC educates students on water industry jobs and public services.

The City and GRCC are working on finalizing a Memo of Understanding that would reimburse the City for all expenses related to the Public Works Camp and internship program. The City is finalizing details on the internship program that allows GRCC students to job shadow various positions in Water and ESD.

Public Comment

None

Items from Members

Mrs. Giffel said that if partner communities have questions about Cayenta or need help navigating it, please let her know.

Mr. Jernberg informed the board that the EPA announced new PFAS health advisory levels for drinking water. EGLE is analyzing the scientific data used by the EPA to establish the health advisory levels. EGLE is scheduled to sample the raw water at the Filtration Plant for PFAS compounds. Various levels of PFAS compounds were detected during the last round of testing, but other community water supplies detected similar levels.

Next Meeting – August 18, 2022

Due to the lack of agenda items for next month, Mr. Hurt recommends that the meeting is canceled.

Motion to cancel the August meeting by Mr. Schmalzel, second by Mr. LaFave.

MOTION CARRIED.

Adjournment

The meeting was adjourned at 9:15 by Mr. Hurt.



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

September 14, 2022

**Request for Improvement
of Deficiencies -
Corrective Action Plan**

Fiscal Year: 2022

Municipality Code: 411010

Report ID Number: 133367

Sent Via Email

Ada Township

jsuchy@adatownshipmi.com

Dear Governing Body:

The Community Engagement and Finance Division has received the audit report for the fiscal year referenced above. It is the responsibility of this division to administer certain State statutes. Consequently, your audit has been reviewed to determine compliance with budgeting, accounting, auditing, and statutory compliance related activities. This review has identified issues that we believe need your attention.

Please note the following issues corresponding to response(s) on the auditing procedures report:

- Actual expenditures exceeded the amounts authorized in the budget. Please describe actions being taken to prevent budget variances.
- Bank reconciliations were not performed timely. Provide a bank reconciliation for the last month reconciled for the account(s) in question.

The matter(s) described above are either violations of state statute or are deficiencies of the local unit that may impede the local unit's ability to comply with state statute.

Additional deficiencies in your report are usually found in the form of comments and recommendations located toward the end of the report or may be filed separately. The plan should identify each Auditing Procedure Report question listed above, each additional deficiency, the corrective action to be taken, the supporting documentation requested, if any, and the date in which the action is to be implemented.

Therefore, within **30 days** from the date of this letter, please submit to us a detailed Corrective Action Plan to resolve the above-mentioned matter(s), including other deficiencies noted in your audit report. To submit your Corrective Action Plan, visit the department's online filing site at Michigan.gov/localfinancialreporting and select the File Online Reports tab. You must request local unit user access if one does not already exist. We do not accept hard-copy or emailed responses. Please combine multiple documents as only one document can be uploaded.

Failure to respond within 30 days or an inability to demonstrate that corrective action

has been implemented may result in one or more of the following:

- Denial of subsequent year qualified status under Public Act 34 of 2001, the Revised Municipal Finance Act (possibly preventing your municipality the ability to borrow money);
- Subject the local unit to an audit and/or review performed by Department of Treasury auditors at the expense of the local unit.

Please contact the audit review staff at LAFD_Audits@michigan.gov if you have any questions.

Sincerely,



Cary Jay Vaughn, CPA, CGFM
Community Engagement and Finance Division

**ADA TOWNSHIP
WARRANTS FOR BOARD APPROVAL
ON BOARD MEETING DATE: September 26, 2022**

HAND CHECKS

#101	#	E182, E184, E186, E189	\$	4,601.25
#205	#	E184, E186, 53803	\$	4,088.87
#208	#	E183, E184, E186, E188	\$	3,408.90
#211	#	53801	\$	628,694.82
#213	#			
#243	#			
#248	#	E184, E187	\$	799.77
#249	#			
#401	#			
#590	#			
#591	#	53802	\$	250,016.73
#597	#			
#701	#			
TOTAL ALL HAND CHECKS			\$	891,610.34

WARRANTS

#101	GENERAL FUND	\$	23,732.63	
#205	PUBLIC SAFETY FUND	\$	32,608.92	
#208	PARKS & RECREATION	\$	3,490.53	
#211	TOWNSHIP TRAILS			
#213	PARKS & OPEN SPACE			
#243	BROWNFIELD REDEVELOPMENT			
#248	DDA FUND	\$	892.13	
#249	BUILDING DEPARTMENT			
#401	CAPITAL PROJECT			
#590	SEWER OPERATION FUND	\$	676.07	
#591	WATER OPERATION FUND	\$	8,091.53	
#597	GRAND VALLEY ESTATES FUND	\$	936.29	
#701	ESCROW ACCT			
TOTAL WARRANTS			\$	70,428.10

TOTAL ALL CHECKS & WARRANTS**\$ 962,038.44**

Vendor Name	Description	Amount	Check #	Check Date
1. AMAZON CAPITAL SERVICES, INC.	FALL FESTIVAL SUPPLIES	27.25	187	09/20/2022
	OUTDOOR CAMERAS-ELECTIONS	753.49	182	09/13/2022
	TOTAL	780.74		
2. BEVERLY VANDER WAL	UB REFUND FOR ACCOUNT: SCAR-006562-05	22.53		
3. BRENNER EXCAVATING INC	PETTIS AVE TRAIL PAY APP #3	628,694.82	53801	09/16/2022
4. BUIST ELECTRIC, INC.	ROSELLE PARK MAINTENANCE	990.00		
	FIRE #1 MAINTENANCE	855.00		
	TOTAL	1,845.00		
5. CL TRUCKING & EXCAVATING LLC	ADACROFT WATERMAIN PHASES 11 & 111	250,016.73	53802	09/16/2022
6. CLEAN CUT LANDSCAPE MAINTENANCE	EQUIPMENT USE - PARKS	100.00		
7. COMCAST	TOWNSHIP HALL	801.85	189	09/20/2022
	INTERNET-ROSELLE PARK	147.24	188	09/20/2022
	INTERNET-ADA PARK	279.50	183	09/13/2022
	TOTAL	1,228.59		
8. GODWIN HARDWARE, INC	SUPPLIES-PARKS	78.72		
	SUPPLIES-PARKS	59.98		
	SUPPLIES-PARKS	36.12		
	SUPPLIES-FIRE	80.94		
	SUPPLIES-PARKS	137.85		
	SUPPLIES-FIRE	69.30		
	SUPPLIES-B&G	94.73		
	SUPPLIES-PARKS	53.97		
	SUPPLIES-GRAND VALLEY ESTATES	8.37		
	SUPPLIES-WATER	4.99		
	SUPPLIES-PARKS	44.63		
	SUPPLIES-WATER	17.57		
	TOTAL	687.17		
9. GRANITE TELECOMMUNICATIONS	TELEPHONE SERVICES	2,741.30		
10. HAYES, ELI	MILEAGE REIMBURSEMENT	100.00		
11. HOPE NETWORK WEST MICHIGAN				

Vendor Name	Description	Amount	Check #	Check Date
	TRANSPORTATION-AUGUST	42.00		
12. KENT COMMUNICATIONS, INC				
	WATER BILLS - SEPTEMBER	783.45		
13. KENT COUNTY ROAD COMMISSION				
	CHIP SEAL - MCCABE AVE	6,473.14		
14. KENT COUNTY TREASURER				
	TOWNSHIP LAW - JULY	28,092.51		
15. KINGSLAND'S ACE HARDWARE				
	SUPPLIES-PARKS	72.15		
	SUPPLIES-PARKS	23.77		
	CREDIT RETURN - PARKS	(8.59)		
	SUPPLIES-PARKS	30.97		
	TOTAL	118.30		
16. LEE'S TRENCHING SERVICE INC				
	111 CARL DR	7,500.00		
17. MARK HYZER				
	MEDIC INSERT INSTALL	2,738.22	53803	09/16/2022
18. MCCALLUM, KATIE				
	UB REFUND FOR ACCOUNT: DOGW-001033-14	101.06		
19. MILLER, JOHNSON, SNELL, & CUMM				
	HILLIKER MTT	137.50		
20. NATIONAL HOSE TESTING SPECIALITIES				
	2022 FIRE HOSE TESTING	2,771.00		
21. NYE UNIFORM CO.				
	UNIFORMS - COLIN	155.00		
22. PINNACLE CLEANING SERVICES, INC				
	CLEANING SERVICES - TOWNSHIP HALL	1,029.00		
	CLEANING SERVICES - LIBRARY	125.00		
	TOTAL	1,154.00		
23. PROGRESSIVE AE				
	MASTER PLAN	5,086.65		
	MASTER PLAN	8,745.57		
	TOTAL	13,832.22		
24. ROOKS LANDSCAPING				
	ADA GARDENS MAINTENANCE - 3RD QUARTER	600.00		
	ADA FIRE GARDEN MAINTENANCE - 3RD QUARTER	300.00		
	TOTAL	900.00		
25. SEYFERTH PR				
	BEERS AT THE BRIDGE	892.13		
26. THORNAPPLE, INC				
	SPRINKLER SERVICE	165.29		

Vendor Name	Description	Amount	Check #	Check Date
27. UTILITY SUPPLY OF AMERICA INC DB	FOR GRAND VALLEY ESTATES WELL HOUSE QUOTE#897394	607.11		
28. VERIZON WIRELESS	TELEPHONE/TABLET SERVICES	160.89		
29. WEST MICHIGAN OFFICE INTERIORS	OFFICE CHAIRS - PARKS	1,046.50		
30. WEX BANK	FUEL SERVICES	3,111.92	186	09/13/2022
<hr/>				
PURCHASE CARD VENDOR: 1003 FIRST BANK				
31. 1 & 1 INTERNET, INC	INTERNET SERVICES	76.85	184	09/13/2022
32. ADA MARKET	WATER - GEN	9.94	184	09/13/2022
	SUPPLIES-GEN	9.78	184	09/13/2022
	TOTAL	19.72		
33. ADOBE SYSTEMS	ADOBE SERVICES - DDA	42.39	184	09/13/2022
	ADOBE SERVICES - PLANNING	15.89	184	09/13/2022
	TOTAL	58.28		
34. AMAZON CAPITAL SERVICES, INC.	SUPPLIES-PLANNING	20.13	184	09/13/2022
	SUPPLIES-PLANNING	10.59	184	09/13/2022
	SUPPLIES- PLANNING	79.49	184	09/13/2022
	SUPPLIES-GEN	149.23	184	09/13/2022
	TOTAL	259.44		
35. APPLEBEE'S	ASSESSING EXPENSE	19.53	184	09/13/2022
36. CONSTANT CONTACT	WEB SERVICES	70.00	184	09/13/2022
37. CUSTOM ENGRAVING	SOFTBALL TROPHIES	90.00	184	09/13/2022
38. FACEBOOK	BATB AD - AUGUST	15.00	184	09/13/2022
	BATB ADS- JULY	10.05	184	09/13/2022
	TOTAL	25.05		
39. HAWORTH INN	MME SUMMER CONFERENCE LODGING - JULIUS	595.35	184	09/13/2022
40. HOME DEPOT CREDIT SERVICES	RETURN - BATB FENCING	(69.00)	184	09/13/2022
41. KENT COUNTY TREASURER				

Vendor Name	Description	Amount	Check #	Check Date
42. MEIJER	TEMP FOOD LICENSE/GRAVEL BOTTOM/AUGUST	159.00	184	09/13/2022
	SUPPLIES-GEN	57.63	184	09/13/2022
	WATER-FIRE	28.72	184	09/13/2022
	TOTAL	<u>86.35</u>		
43. MUDPENNY	MASTER PLAN SUPPLIES	898.00	184	09/13/2022
44. PAYPAL	MI FIRE INSPECTOR CONFERENCE	455.00	184	09/13/2022
45. SA MORMAN & CO	BASE ACCESS CONTROL - PARKS	1,135.00	184	09/13/2022
46. SPARTAN STORES, LLC	SUPPLIES-ELECTIONS	29.67	184	09/13/2022
47. SPRINKLES	BOR REFRESHMENTS	16.80	184	09/13/2022
48. STAPLES	SUPPLIES-GEN	99.88	184	09/13/2022
49. SUNRISE CITGO	BATB ICE - JULY	162.95	184	09/13/2022
50. SURVEYMONK	ANNUAL PLAN - DDA	384.00	184	09/13/2022
51. VITALE'S PIZZA OF ADA, INC	ELECTION DAY FOOD	357.13	184	09/13/2022
52. ZOOM.COM	VIDEO MEETING HOST	14.99	184	09/13/2022
	VIDEO MEETING HOST - PLANNING	95.33	184	09/13/2022
	TOTAL	<u>110.32</u>		
TOTAL PURCHASE CARD VENDOR: 1003 FIRST BANK		<u>5,039.32</u>		
TOTAL - ALL VENDORS		962,038.44		



**To: Ada Township Board of Trustees
Julius Suchy, Ada Township Manager**
From: Mark Fitzpatrick, Parks Director
Re: Change of Substantial Completion Date - Redline Exc. - Roselle Park Parking Lot
Date: September 20, 2022

In regards to completing the Roselle Parking lot project, we have been on hold waiting for approval from EGLE of a revised permit. Earlier communications OCBA staff had with EGLE gave the impression that permit review process would have been completed already. As of today, the staff from OCBA have not received a final update or confirmation from EGLE.

There is still a chance we will hear from EGLE in the next few days with an approved revised permit, and if so, we will update everyone and proceed with the completion of the project. Staff from Redline Excavating LLC have commented that they can complete the work within three weeks once they get going again.

With the delay in the permit review processes, and the related the delay in the project, we will clearly extend past the current “substantial completion date” of September 30 noted in the contract with Redline Excavating LLC. Even if the permit gets approved this week, the work will continue past September 30.

Staff from OCBA are preparing the documentation necessary to amend the contract with Redline Excavating LLC to note a change in the “substantial completion date” and an updated project schedule. They plan to have that for us on Monday, September 26 to present at the Board meeting.

We will be requesting of the Ada Township Board meeting on Monday the 26th to approve a change of the “substantial completion date” in the contract with Redline Excavating LLC for the Roselle Parking Lot project. We hesitate to give a definitive date for that revision today having not received the EGLE permit approval yet. We expect to have a revised date on Monday along with the update from OCBA.

Thank you

Township of Ada

Kent County, Michigan

FINANCIAL STATEMENTS

Year ended March 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Township Board of Trustees
Township of Ada, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Township of Ada, Michigan (the Township), as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Township, as of March 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Siegfried Crandall P.C.

July 21, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Township of Ada's (the Township) financial performance provides a narrative overview of the Township's financial activities for the fiscal year ended March 31, 2022. Please read it in conjunction with the Township's financial statements.

FINANCIAL HIGHLIGHTS

- The Township's total net position increased by \$2,057,790 (4.7 percent) as a result of this year's activities. The net position of the governmental activities increased by \$1,330,533, and the net position of the business-type activities increased by \$727,257.
- Of the \$45,501,766 total net position reported, \$9,637,665 (21 percent) is available to be used to meet the Township's ongoing obligations to its citizens and customers, without constraints established by debt covenants, enabling legislation, or other legal requirements.
- The General Fund's unassigned fund balance at the end of the fiscal year was \$3,230,822, which represents 87 percent of the actual total General Fund expenditures for the current fiscal year.

Overview of the financial statements

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

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

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

A comparative analysis of the government-wide financial statements for 2022 and 2021 is also presented.

Government-wide financial statements

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

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

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

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

- *Governmental activities* - Most of the Township's basic services are included here, such as police and fire protection and general government. Property taxes and state shared revenue finance most of these activities.
- *Business-type activities* - The Township charges fees to customers to help it cover the costs of certain services it provides. The Township's sewer and water systems and construction code inspection operations are reported here.
- *Component units* - The Township includes two other entities in its report - the Ada Downtown Development Authority and the Ada Brownfield Redevelopment Authority. Although legally separate, these "component units" are important because the Township is financially accountable for them.

Fund financial statements

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

- Some funds are required by state law and bond agreements.
- The Township Board establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and other revenues (like the public safety millage).

The Township has three types of funds:

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

FINANCIAL ANALYSIS OF THE TOWNSHIP AS A WHOLE

Net position

Total net position at the end of the fiscal year was \$45,501,766. Of this total, \$30,870,896 represents a net investment in capital assets and \$4,993,205 is restricted for various purposes. Consequently, unrestricted net position was \$9,637,665, or 21 percent of the total.

Condensed financial information
Net position

	<i>Governmental activities</i>		<i>Business-type activities</i>		<i>Totals</i>	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 23,430,040	\$ 7,306,200	\$ 8,993,313	\$ 11,517,835	\$ 32,423,353	\$ 18,824,035
Capital assets	25,351,179	23,799,257	22,061,795	19,158,420	47,412,974	42,957,677
Total assets	48,781,219	31,105,457	31,055,108	30,676,255	79,836,327	61,781,712
Current and other liabilities	1,576,041	504,947	682,335	497,994	2,258,376	1,002,941
Long-term debt outstanding	20,507,539	5,233,404	11,568,646	12,101,391	32,076,185	17,334,795
Total liabilities	22,083,580	5,738,351	12,250,981	12,599,385	34,334,561	18,337,736
Net position:						
Net investment in capital assets	20,377,747	19,414,183	10,493,149	5,084,086	30,870,896	24,498,269
Restricted	2,832,217	1,997,192	2,160,988	5,857,854	4,993,205	7,855,046
Unrestricted	3,487,675	3,955,731	6,149,990	7,134,930	9,637,665	11,090,661
Total net position	\$ 26,697,639	\$ 25,367,106	\$ 18,804,127	\$ 18,076,870	\$ 45,501,766	\$ 43,443,976

Changes in net position

The Township's total revenues for the current fiscal year amounted to \$13,145,334, compared to \$12,027,025 in the prior year. Charges for services account for approximately 47 percent of the Township's revenues, while property taxes account for 34 percent of the total revenues. State grants account for about 13 percent of the Township's revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The total cost of the Township's programs for fiscal year 2022, covering a wide range of services, totaled \$11,087,544. Approximately 43 percent of the Township's costs relates to the provision of utility services. Recreation and culture and general government costs represent 15 and 14 percent of total expenses, respectively.

*Condensed financial information
Changes in net position*

	<i>Governmental activities</i>		<i>Business-type activities</i>		<i>Totals</i>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Program revenues:						
Charges for services	\$ 375,295	\$ 274,370	\$ 5,772,295	\$ 4,943,777	\$ 6,147,590	\$ 5,218,147
Operating grants and contributions	41,970	449,177	-	128,376	41,970	577,553
Capital grants and contributions	632,756	1,318,640	-	-	632,756	1,318,640
General revenues:						
Property taxes	4,460,614	3,210,387	-	-	4,460,614	3,210,387
State grants	1,676,411	1,349,517	-	-	1,676,411	1,349,517
Franchise fees	261,104	263,627	-	-	261,104	263,627
Interest	(83,849)	49,920	8,738	39,234	(75,111)	89,154
Insurance recoveries	-	-	-	-	-	-
Total revenues	<u>7,364,301</u>	<u>6,915,638</u>	<u>5,781,033</u>	<u>5,111,387</u>	<u>13,145,334</u>	<u>12,027,025</u>
Expenses:						
General government	1,597,669	1,565,352	-	-	1,597,669	1,565,352
Public safety	1,079,421	1,054,567	314,510	239,450	1,393,931	1,294,017
Public works	917,075	438,444	-	-	917,075	438,444
Recreation and culture	1,678,496	1,458,119	-	-	1,678,496	1,458,119
Community and economic development	204,956	164,240	-	-	204,956	164,240
Interest and issuance costs	556,151	150,144	-	-	556,151	150,144
Sewer	-	-	2,033,451	2,116,667	2,033,451	2,116,667
Water	-	-	2,705,815	2,565,052	2,705,815	2,565,052
Total expenses	<u>6,033,768</u>	<u>4,830,866</u>	<u>5,053,776</u>	<u>4,921,169</u>	<u>11,087,544</u>	<u>9,752,035</u>
Changes in net position	<u>\$ 1,330,533</u>	<u>\$ 2,084,772</u>	<u>\$ 727,257</u>	<u>\$ 190,218</u>	<u>\$ 2,057,790</u>	<u>\$ 2,274,990</u>
Net position, end of year	<u>\$ 26,697,639</u>	<u>\$ 25,367,106</u>	<u>\$ 18,804,127</u>	<u>\$ 18,076,870</u>	<u>\$ 45,501,766</u>	<u>\$ 43,443,976</u>

Governmental activities

Governmental activities increased the Township's net position by \$1,330,533 in the current year, compared to a \$2,084,772 increase in the prior year. The increase in net position was lower in the current year as revenues increased by \$448,663, while expenses increased by \$1,202,902. The increase in revenues is related to a \$1,250,227 increase in property taxes, as the millage rate for trails was increased and taxable values continue to grow. The increase in property taxes was offset by a \$407,207 reduction in operating grants, related to federal grants associated with COVID-19 in the prior year, and a \$685,884 reduction in capital grants, most of which related to contributions associated with the new library and community center in the prior year. Expenses increased due to higher costs in the public works function and an increase in interest and related fees. Public works costs increased by \$478,631, due to significant road improvements in the current year, and interest costs rose due to the issuance of a substantial capital improvement bond.

The following schedule shows the costs of the Township's three largest programs, as well as the net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the burden that was placed on the Township's taxpayers by each of these functions.

	<u>Total cost of services</u>	<u>Net cost of services</u>
General government	\$ 1,597,669	\$ (1,414,125)
Public safety	1,079,421	(1,059,541)
Recreation and culture	1,678,496	(1,292,707)
Other	<u>1,678,182</u>	<u>(1,217,374)</u>
Totals	<u>\$ 6,033,768</u>	<u>\$ (4,983,747)</u>

The total cost of governmental activities this year was \$6,033,768 compared to \$4,830,866 in the prior year. After subtracting the direct charges to those who directly benefited from the programs (\$375,295), operating grants (\$41,970), and capital grants (\$632,756), the "public benefit" portion covered by property taxes, state shared revenue, and other general revenues was \$4,983,747.

Business-type activities

Business-type activities increased the Township's net position by \$727,257 in the current year compared to an increase of \$190,218 in the prior year. Net position has increased because customer charges are sufficient to cover all operating and nonoperating costs, including depreciation.

The increase in net position was higher in the current year as revenues increased by \$669,646, while expenses only increased by \$132,607. Revenues rose by \$669,646, as expected, due to an increase in rates charged to customers. The increase in expenses was primarily related to higher contract costs.

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

Governmental funds

As of March 31, 2022, the Township's governmental funds reported combined ending fund balances of \$21,798,299, which represents an increase of \$15,364,816 compared to last year's balances. Almost all of the increase relates to proceeds from the issuance of capital improvement bonds which have not yet been spent.

The General Fund is the primary operating fund of the Township. Its fund balance at the end of the fiscal year was \$3,589,998, though unassigned fund balance amounted to \$3,230,822. Revenues of \$3,744,322 exceeded expenditures of \$3,698,571, causing fund balance to increase by \$45,751 in the current year.

In addition, these other changes in fund balances should be noted:

- The fund balance of the Public Safety Fund at the end of the fiscal year was \$1,200,059, an increase of \$70,387, as revenues of \$1,073,393 were sufficient to cover expenditures of \$1,003,006 in the current year. The fund accounts for operating and capital costs of the Township's fire department and policing services.
- The fund balance of the Trails Fund at the end of the fiscal year was \$15,542,750, an increase of \$14,859,062. Revenues of \$1,695,163 were less than expenditures of \$2,125,050 in the current year; however, bond proceeds of \$15,288,949 were recognized that will be spent on trail improvements in the coming years. The fund's expenditures include trail improvement and maintenance costs and debt service.
- The fund balance of the Parks and Recreation Fund at the end of the fiscal year was \$1,638,556, an increase of \$666,218. Revenues of \$842,375 were less than expenditures of \$953,079; however, bonds proceeds of \$769,320 were recognized that will be spent on capital improvements in the future. The fund also received a \$7,602 transfer from the Parks Fund. The Township's parks and recreation costs are now supported by this fund.
- The fund balance of the Parks Fund at the end of the fiscal year was \$-0-, as the fund transferred its remaining equity of \$7,602 to the Parks and Recreation Fund, as the fund's restricted tax millage had expired. Now all parks and recreation costs will be financed by the Parks and Recreation Fund.
- The fund balance of the Parks and Open Space Fund at the end of the fiscal year was \$99,140, a decrease of \$389,281. The decrease was caused by the purchase of land for \$390,287 in the current year. The fund's restricted tax millage has expired, but the remaining fund balance is restricted for parks and open space costs.
- The fund balance of the Envision Ada Fund, a capital project fund, was a deficit of \$272,204 at the end of the current year, an increase of \$120,281. The Fund recognized revenue, in the amount of \$182,092, which consisted principally of capital contributions, that were used to fund the Envision Ada project. The fund's resources financed the construction of the library and community center in prior years. The deficit is expected to be eliminated through the collection of pledges receivable over the next two years.

Proprietary funds

The Sewer Fund generated operating income of \$638,979 and net position increased by \$638,532, due to net nonoperating expenses of \$447. The increase in net position is due to the fact that user charges were set to cover the full cost of providing services. Total net position is \$9,530,031 at year end, of which \$391,050 is restricted for capital improvements and \$3,549,817 is unrestricted.

The Water Fund generated an operating income of \$185,266, and net position increased by \$88,165, due to net nonoperating expenses of \$97,101. The increase in net position is due to the fact that user charges were set to cover the full cost of providing services. Total net position is \$8,733,301 at year end, of which \$1,769,938 is restricted for capital improvements and \$2,059,378 is unrestricted.

General Fund budgetary highlights

The Township amended the General Fund budget to reflect changes in anticipated revenues and expenditures which occurred during the year. Total budgeted revenues were increased by \$945,099 during the current year. Intergovernmental revenues were increased by \$630,756, to reflect contributions from other governments, and state grant revenues were increased by \$321,872, to reflect larger than anticipated distributions from the state. Expenditures were increased by \$1,050,397, primarily due to an increase in capital outlay expenditures of \$557,000, related to the purchase of property, and an increase in road maintenance and improvement costs of \$395,262.

Total actual revenues were \$29,604 more than budgeted primarily because state grant revenue was \$34,912 more than planned, as state distributions exceeded expectations. Total expenditures were \$119,186 less than the amounts appropriated, primarily because capital outlay expenditures were \$94,426 less than budgeted, as certain improvements were delayed.

These conditions resulted in a positive budget variance of \$148,790 due to a 45,751 increase in fund balance when the budget projected a \$103,039 decrease.

CAPITAL ASSETS AND DEBT ADMINISTRATION**Capital assets**

The Township's investment in capital assets for its governmental and business-type activities as of March 31, 2022, amounts to \$47,412,974, net of accumulated depreciation. This investment includes a broad range of assets, including land, sewer and water facilities, buildings, and equipment.

	<i>Governmental activities</i>	<i>Business-type activities</i>	<i>Totals</i>
Land and assets and construction in progress	\$ 5,204,807	\$ 3,459,550	\$ 8,664,357
Utility systems	-	18,571,834	18,571,834
Buildings and improvements	19,616,491	-	19,616,491
Equipment	326,393	30,411	356,804
Vehicles	203,488	-	203,488
	<u>\$ 25,351,179</u>	<u>\$ 22,061,795</u>	<u>\$ 47,412,974</u>
Totals			

The major capital asset events during the current fiscal year included the following:

- Ada Drive trail and boardwalk improvements were made at a cost of \$1,097,412
- Property was purchased on Bronson Street for \$567,812
- Property was purchased for Chief Hazy Cloud Park for \$390,287
- Sports field lighting costs, at Leonard Park, amounted to \$231,061
- Fase Street nonmotorized path improvements were made at a cost of \$212,547
- Water system improvements, which were in progress at year end, amounted to \$3,704,977

More detailed information about the Township's capital assets is presented in Note 5 of the notes to the basic financial statements.

Debt

At the end of the fiscal year, the Township had long-term debt outstanding in the amount of \$32,076,185, which represents a net increase of \$14,741,390. Debt increased by \$16,058,269 as bonds were issued by the governmental activities to finance capital improvements. Debt was reduced by \$1,316,879 through timely principal payments. All debt is backed by the full faith and credit of the Township.

Other noncurrent liabilities, totaling \$139,150, represent accrued compensated absences.

More detailed information about the Township's long-term debt is presented in Note 7 of the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Township's 2023 fiscal year budget does not anticipate significant changes in the amounts or composition of its major revenue sources. The Township has budgeted expenditures for the upcoming year at amounts sufficient to support its ongoing programs and activities. The Township anticipates continued construction costs related to water system improvements that are being financed with bonds that were issued during fiscal year 2021.

CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT

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

Julius Suchy, Township Manager Phone: (616) 676-9191
Township of Ada
7330 Thornapple River Drive
P.O. Box 370
Ada, Michigan 49301

You may also send an e-mail to any of the addresses noted below:

Ross Leisman
Township Supervisor
rleisman@adatownshipmi.com

Jacqueline Smith
Township Clerk
jsmith@adatownshipmi.com

Kevin Moran
Township Treasurer
kmoran@adatownshipmi.com

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

March 31, 2022

	Primary government			Component units	
	Governmental activities	Business-type activities	Totals	Ada Downtown Development Authority	Ada Brownfield Redevelopment Authority
ASSETS					
Current assets:					
Cash	\$ 6,023,331	\$ 4,643,513	\$ 10,666,844	\$ 978,936	\$ 3,500
Investments	16,481,939	3,420,603	19,902,542	-	-
Receivables	774,770	923,906	1,698,676	1,360	-
Inventory	-	5,291	5,291	-	-
Total current assets	<u>23,280,040</u>	<u>8,993,313</u>	<u>32,273,353</u>	<u>980,296</u>	<u>3,500</u>
Noncurrent assets:					
Receivables	150,000	-	150,000	-	-
Capital assets not being depreciated	5,204,807	3,459,550	8,664,357	-	-
Capital assets, net of depreciation	<u>20,146,372</u>	<u>18,602,245</u>	<u>38,748,617</u>	<u>118,650</u>	<u>-</u>
Total noncurrent assets	<u>25,501,179</u>	<u>22,061,795</u>	<u>47,562,974</u>	<u>118,650</u>	<u>-</u>
Total assets	<u>48,781,219</u>	<u>31,055,108</u>	<u>79,836,327</u>	<u>1,098,946</u>	<u>3,500</u>
LIABILITIES					
Current liabilities:					
Payables	655,124	682,335	1,337,459	2,050	3,500
Unearned revenue	781,767	-	781,767	-	-
Bonds payable - due within one year	<u>925,833</u>	<u>569,167</u>	<u>1,495,000</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>2,362,724</u>	<u>1,251,502</u>	<u>3,614,226</u>	<u>2,050</u>	<u>3,500</u>
Noncurrent liabilities:					
Compensated absences	139,150	-	139,150	752	-
Bonds payable	<u>19,581,706</u>	<u>10,999,479</u>	<u>30,581,185</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>19,720,856</u>	<u>10,999,479</u>	<u>30,720,335</u>	<u>752</u>	<u>-</u>
Total liabilities	<u>22,083,580</u>	<u>12,250,981</u>	<u>34,334,561</u>	<u>2,802</u>	<u>3,500</u>
NET POSITION					
Net investment in capital assets	20,377,747	10,493,149	30,870,896	118,650	-
Restricted for:					
Public safety	78,427	-	78,427	-	-
Recreation and culture	1,327,552	-	1,327,552	-	-
Debt service	1,426,238	-	1,426,238	-	-
Capital acquisitions and improvements	-	2,160,988	2,160,988	-	-
Unrestricted	<u>3,487,675</u>	<u>6,149,990</u>	<u>9,637,665</u>	<u>977,494</u>	<u>-</u>
Total net position	<u>\$ 26,697,639</u>	<u>\$ 18,804,127</u>	<u>\$ 45,501,766</u>	<u>\$ 1,096,144</u>	<u>\$ -</u>

See notes to financial statements

STATEMENT OF ACTIVITIES

Year ended March 31, 2022

Functions/Programs	Net (expenses) revenues and changes in net position								
	Program revenues			Primary government			Component units		
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Totals	Ada Downtown Development Authority	Ada Brownfield Redevelopment Authority
Primary government									
Governmental activities:									
General government	\$ 1,597,669	\$ 183,544	\$ -	\$ -	\$ (1,414,125)		\$ (1,414,125)		
Public safety	1,079,421	7,236	12,644	-	(1,059,541)		(1,059,541)		
Public works	917,075	63,321	18,629	368,438	(466,687)		(466,687)		
Recreation and culture	1,678,496	110,774	10,697	264,318	(1,292,707)		(1,292,707)		
Community and economic development	204,956	10,420	-	-	(194,536)		(194,536)		
Interest and fees on long-term debt	556,151	-	-	-	(556,151)		(556,151)		
Total governmental activities	<u>6,033,768</u>	<u>375,295</u>	<u>41,970</u>	<u>632,756</u>	<u>(4,983,747)</u>		<u>(4,983,747)</u>		
Business-type activities:									
Sewer	2,033,451	2,667,750	-	-		\$ 634,299	634,299		
Water	2,705,815	2,790,577	-	-		84,762	84,762		
Inspections	314,510	313,968	-	-		(542)	(542)		
Total business-type activities	<u>5,053,776</u>	<u>5,772,295</u>	<u>-</u>	<u>-</u>		<u>718,519</u>	<u>718,519</u>		
Total primary government	<u>\$ 11,087,544</u>	<u>\$ 6,147,590</u>	<u>\$ 41,970</u>	<u>\$ 632,756</u>	<u>(4,983,747)</u>	<u>718,519</u>	<u>(4,265,228)</u>		
Component units									
Downtown Development Authority	\$ 453,028	\$ 66,923	\$ -	\$ -			\$ (386,105)	\$ -	
Brownfield Redevelopment Authority	<u>188,989</u>	<u>-</u>	<u>-</u>	<u>-</u>			<u>-</u>	<u>(188,989)</u>	
Total component units	<u>\$ 642,017</u>	<u>\$ 66,923</u>	<u>\$ -</u>	<u>\$ -</u>			<u>\$ (386,105)</u>	<u>\$ (188,989)</u>	
General revenues:									
Property taxes					4,460,614	-	4,460,614	427,055	188,989
State shared revenue					1,584,526	-	1,584,526	-	-
Local community stabilization share revenue					91,885	-	91,885	153,909	-
Franchise fees					261,104	-	261,104	-	-
Unrestricted investment return (loss)					(83,849)	8,738	(75,111)	1,595	-
Total general revenues					<u>6,314,280</u>	<u>8,738</u>	<u>6,323,018</u>	<u>582,559</u>	<u>188,989</u>
Changes in net position					1,330,533	727,257	2,057,790	196,454	-
Net position - beginning					<u>25,367,106</u>	<u>18,076,870</u>	<u>43,443,976</u>	<u>899,690</u>	<u>-</u>
Net position - ending					<u>\$ 26,697,639</u>	<u>\$ 18,804,127</u>	<u>\$ 45,501,766</u>	<u>\$ 1,096,144</u>	<u>\$ -</u>

See notes to financial statements

BALANCE SHEET - governmental funds

March 31, 2022

	Special revenue						Project	Total	
	General	Public Safety	Trails	Parks and Recreation	Parks	Parks and Open Space	ARPA	Envision Ada	governmental funds
ASSETS									
Cash	\$ 2,489,069	\$ 125,123	\$ 1,341,986	\$ 860,870	\$ -	\$ 99,140	\$ 779,347	\$ 327,796	\$ 6,023,331
Investments	133,638	1,121,632	14,437,112	789,557	-	-	-	-	16,481,939
Receivables	472,598	13,528	76,937	10,857	-	-	-	350,850	924,770
Due from other funds	600,000	-	-	-	-	-	-	-	600,000
Total assets	<u>\$ 3,695,305</u>	<u>\$ 1,260,283</u>	<u>\$ 15,856,035</u>	<u>\$ 1,661,284</u>	<u>\$ -</u>	<u>\$ 99,140</u>	<u>\$ 779,347</u>	<u>\$ 678,646</u>	<u>\$ 24,030,040</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Payables	\$ 102,887	\$ 60,224	\$ 313,285	\$ 22,728	\$ -	\$ -	\$ -	\$ -	\$ 499,124
Due to other funds	-	-	-	-	-	-	-	600,000	600,000
Unearned revenue	2,420	-	-	-	-	-	779,347	-	781,767
Total liabilities	<u>105,307</u>	<u>60,224</u>	<u>313,285</u>	<u>22,728</u>	<u>-</u>	<u>-</u>	<u>779,347</u>	<u>600,000</u>	<u>1,880,891</u>
Deferred inflows of resources - unavailable contributions	-	-	-	-	-	-	-	350,850	350,850
Fund balances (deficit):									
Restricted for:									
Public safety	-	78,427	-	-	-	-	-	-	78,427
Recreation and culture	359,176	-	-	869,236	-	99,140	-	-	1,327,552
Debt service	-	-	1,582,238	-	-	-	-	-	1,582,238
Capital acquisitions	-	-	13,960,512	769,320	-	-	-	-	14,729,832
Assigned for capital acquisitions	-	1,121,632	-	-	-	-	-	-	1,121,632
Unassigned	3,230,822	-	-	-	-	-	-	(272,204)	2,958,618
Total fund balances (deficit)	<u>3,589,998</u>	<u>1,200,059</u>	<u>15,542,750</u>	<u>1,638,556</u>	<u>-</u>	<u>99,140</u>	<u>-</u>	<u>(272,204)</u>	<u>21,798,299</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,695,305</u>	<u>\$ 1,260,283</u>	<u>\$ 15,856,035</u>	<u>\$ 1,661,284</u>	<u>\$ -</u>	<u>\$ 99,140</u>	<u>\$ 779,347</u>	<u>\$ 678,646</u>	<u>\$ 24,030,040</u>
Reconciliation of the balance sheet to the statement of net position:									
Total fund balance - total governmental funds									\$ 21,798,299
Amounts reported for <i>governmental activities</i> in the statement of net position (page 13) are different because:									
Capital assets used in <i>governmental activities</i> are not financial resources and, therefore, are not reported in the funds.									25,351,179
Pledges receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds.									350,850
Expense accruals:									
Interest payable									(156,000)
Compensated absences									(139,150)
Bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.									(20,507,539)
Net position of <i>governmental activities</i>									<u>\$ 26,697,639</u>

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

Year ended March 31, 2022

	Special revenue						Capital Project	Total	
	General	Public Safety	Trails	Parks and Recreation	Parks	Parks and Open Space	ARPA	Envision Ada	governmental funds
REVENUES									
Property taxes	\$ 1,024,512	\$ 1,041,194	\$ 1,704,761	\$ 712,262	\$ -	\$ -	\$ -	\$ -	\$ 4,482,729
Licenses and permits	261,104	-	-	-	-	-	-	-	261,104
Federal grants	-	12,644	-	-	-	-	-	-	12,644
State grants	1,606,571	1,381	84,635	3,953	-	-	-	-	1,696,540
Intergovernmental	630,756	-	-	-	-	-	-	-	630,756
Charges for services	40,370	-	-	48,289	-	-	-	-	88,659
Investment return (loss) and rentals	108,761	3,638	(94,876)	63,741	-	1,006	-	5	82,275
Other	72,248	14,536	643	14,130	-	-	-	182,087	283,644
Total revenues	3,744,322	1,073,393	1,695,163	842,375	-	1,006	-	182,092	7,538,351
EXPENDITURES									
Current:									
General government	1,528,732	-	-	-	-	-	-	-	1,528,732
Public safety	-	975,932	-	-	-	-	-	-	975,932
Public works	915,360	-	-	-	-	-	-	-	915,360
Recreation and culture	121,843	-	43,069	581,755	-	-	-	-	746,667
Community and economic development	201,586	-	-	-	-	-	-	-	201,586
Debt service:									
Principal	223,542	-	470,000	60,000	-	-	-	-	753,542
Interest and fees	126,484	-	5,385	9,750	-	-	-	-	141,619
Bond issuance costs	-	-	293,765	10,859	-	-	-	-	304,624
Capital outlay	581,024	27,074	1,312,831	290,715	-	390,287	-	61,811	2,663,742
Total expenditures	3,698,571	1,003,006	2,125,050	953,079	-	390,287	-	61,811	8,231,804
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,751	70,387	(429,887)	(110,704)	-	(389,281)	-	120,281	(693,453)
OTHER FINANCING SOURCES (USES)									
Bond proceeds	-	-	14,885,680	769,320	-	-	-	-	15,655,000
Bond premium	-	-	403,269	-	-	-	-	-	403,269
Transfers in	-	-	-	7,602	-	-	-	-	7,602
Transfers out	-	-	-	-	(7,602)	-	-	-	(7,602)
Net other financing sources (uses)	-	-	15,288,949	776,922	(7,602)	-	-	-	16,058,269
NET CHANGES IN FUND BALANCES	45,751	70,387	14,859,062	666,218	(7,602)	(389,281)	-	120,281	15,364,816
FUND BALANCES (DEFICIT) - BEGINNING	3,544,247	1,129,672	683,688	972,338	7,602	488,421	-	(392,485)	6,433,483
FUND BALANCES (DEFICIT) - ENDING	\$ 3,589,998	\$ 1,200,059	\$ 15,542,750	\$ 1,638,556	\$ -	\$ 99,140	\$ -	\$ (272,204)	\$ 21,798,299

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

Net change in fund balance - total governmental funds \$ 15,364,816

Amounts reported for governmental activities in the statement of activities (page 14) are different because:

Capital assets:

Assets acquired	2,568,479
Assets disposed, net	(7,300)
Provision for depreciation	(1,009,257)

Long-term debt:

Bond proceeds	(15,655,000)
Bond premium	(403,269)
Principal payments	753,542
Amortization of bond premium	30,592

Changes in other assets/liabilities:

Net increase in compensated absences	(4,820)
Net increase in interest payable	(140,500)

Change in deferred inflows of resources - decrease in unavailable capital contributions (166,750)

Change in net position of governmental activities \$ 1,330,533

See notes to financial statements

Township of Ada

STATEMENT OF NET POSITION - *proprietary funds*

March 31, 2022

	<u>Sewer</u>	<u>Water</u>	<u>Nonmajor fund</u>	<u>Totals</u>
ASSETS				
Current assets:				
Cash	\$ 2,493,022	\$ 1,616,212	\$ 534,279	\$ 4,643,513
Investments	1,068,953	2,351,650	-	3,420,603
Receivables	546,898	340,530	36,478	923,906
Inventory	-	5,291	-	5,291
	<u>4,108,873</u>	<u>4,313,683</u>	<u>570,757</u>	<u>8,993,313</u>
Total current assets				
Noncurrent assets:				
Capital assets not being depreciated	-	3,459,550	-	3,459,550
Capital assets, net of depreciation	<u>9,323,232</u>	<u>9,279,013</u>	<u>-</u>	<u>18,602,245</u>
	<u>9,323,232</u>	<u>12,738,563</u>	<u>-</u>	<u>22,061,795</u>
Total noncurrent assets				
	<u>13,432,105</u>	<u>17,052,246</u>	<u>570,757</u>	<u>31,055,108</u>
Total assets				
LIABILITIES				
Current liabilities:				
Payables	168,006	484,367	29,962	682,335
Bonds payable - due within one year	<u>238,200</u>	<u>330,967</u>	<u>-</u>	<u>569,167</u>
	<u>406,206</u>	<u>815,334</u>	<u>29,962</u>	<u>1,251,502</u>
Total current liabilities				
Noncurrent liabilities - bonds payable	<u>3,495,868</u>	<u>7,503,611</u>	<u>-</u>	<u>10,999,479</u>
	<u>3,902,074</u>	<u>8,318,945</u>	<u>29,962</u>	<u>12,250,981</u>
Total liabilities				
NET POSITION				
Net investment in capital assets	5,589,164	4,903,985	-	10,493,149
Restricted for capital improvements	391,050	1,769,938	-	2,160,988
Unrestricted	<u>3,549,817</u>	<u>2,059,378</u>	<u>540,795</u>	<u>6,149,990</u>
	<u>\$ 9,530,031</u>	<u>\$ 8,733,301</u>	<u>\$ 540,795</u>	<u>\$ 18,804,127</u>
Total net position				

See notes to financial statements

Township of Ada

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - *proprietary funds*

Year ended March 31, 2022

	<u>Sewer</u>	<u>Water</u>	<u>Nonmajor fund</u>	<u>Totals</u>
OPERATING REVENUES				
Charges for services:				
Utility charges	\$ 2,617,745	\$ 2,700,412	\$ -	\$ 5,318,157
Inspection fees	-	-	313,968	313,968
	<u>2,617,745</u>	<u>2,700,412</u>	<u>313,968</u>	<u>5,632,125</u>
OPERATING EXPENSES				
Personnel costs	56,577	78,933	56,705	192,215
Supplies	13,551	33,657	-	47,208
Contracted services:				
Sewage treatment	1,437,415	-	-	1,437,415
Water purchases	-	1,428,648	-	1,428,648
Inspections	-	-	252,391	252,391
Other	92,159	242,347	-	334,506
Utilities	60,497	31,288	-	91,785
Repairs and maintenance	84,199	117,448	5,414	207,061
Depreciation	225,583	567,909	-	793,492
Miscellaneous	8,785	14,916	-	23,701
	<u>1,978,766</u>	<u>2,515,146</u>	<u>314,510</u>	<u>4,808,422</u>
OPERATING INCOME (LOSS)	<u>638,979</u>	<u>185,266</u>	<u>(542)</u>	<u>823,703</u>
NONOPERATING REVENUES (EXPENSES)				
Connection fee revenue	27,100	50,105	-	77,205
Connection fees remitted to the City of Grand Rapids	(19,560)	(32,685)	-	(52,245)
Tap and other fees	22,905	40,060	-	62,965
Interest revenue	4,233	3,403	1,102	8,738
Interest expense	(35,125)	(157,984)	-	(193,109)
	<u>(447)</u>	<u>(97,101)</u>	<u>1,102</u>	<u>(96,446)</u>
CHANGES IN NET POSITION	638,532	88,165	560	727,257
NET POSITION - BEGINNING	<u>8,891,499</u>	<u>8,645,136</u>	<u>540,235</u>	<u>18,076,870</u>
NET POSITION - ENDING	<u>\$ 9,530,031</u>	<u>\$ 8,733,301</u>	<u>\$ 540,795</u>	<u>\$ 18,804,127</u>

See notes to financial statements

STATEMENT OF CASH FLOWS - proprietary funds

Year ended March 31, 2022

	<u>Sewer</u>	<u>Water</u>	<u>Nonmajor fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 2,536,705	\$ 2,664,042	\$ 295,767	\$ 5,496,514
Payments to vendors and suppliers	(1,683,880)	(1,830,163)	(257,680)	(3,771,723)
Payments to employees	(40,883)	(51,114)	(42,500)	(134,497)
Net cash provided by (used in) operating activities	<u>811,942</u>	<u>782,765</u>	<u>(4,413)</u>	<u>1,590,294</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection fees	27,100	50,105	-	77,205
Connection fees paid to City of Grand Rapids	(19,560)	(32,685)	-	(52,245)
Tap and other fees	22,905	40,060	-	62,965
Acquisition of capital assets	(12,481)	(3,417,400)	-	(3,429,881)
Decrease in payables	(134,013)	(35,042)	-	(169,055)
Principal payments on capital debt	(204,080)	(317,379)	-	(521,459)
Interest payments on capital debt	(59,389)	(167,306)	-	(226,695)
Net cash provided by (used in) capital and related financing activities	<u>(379,518)</u>	<u>(3,879,647)</u>	<u>-</u>	<u>(4,259,165)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
(Purchases) sales of investments	(248)	3,998,452	-	3,998,204
Interest received	4,233	3,403	1,102	8,738
Net cash provided by (used in) investing activities	<u>3,985</u>	<u>4,001,855</u>	<u>1,102</u>	<u>4,006,942</u>
NET CHANGE IN CASH	436,409	904,973	(3,311)	1,338,071
CASH - BEGINNING	<u>2,056,613</u>	<u>711,239</u>	<u>537,590</u>	<u>3,305,442</u>
CASH - ENDING	<u>\$ 2,493,022</u>	<u>\$ 1,616,212</u>	<u>\$ 534,279</u>	<u>\$ 4,643,513</u>

See notes to financial statements

STATEMENT OF CASH FLOWS - proprietary funds (Continued)

Year ended March 31, 2022

	<u>Sewer</u>	<u>Water</u>	<u>Nonmajor fund</u>	<u>Totals</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 638,979	\$ 185,266	\$ (542)	\$ 823,703
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	225,583	567,909	-	793,492
(Increase) decrease in receivables	(81,040)	(36,370)	(18,201)	(135,611)
Increase (decrease) in payables	28,420	65,960	14,330	108,710
Net cash provided by (used in) operating activities	<u>\$ 811,942</u>	<u>\$ 782,765</u>	<u>\$ (4,413)</u>	<u>\$ 1,590,294</u>
Noncash capital and related financing activities:				
Acquisition of capital assets	(12,481)	(3,704,977)	-	(3,717,458)
Less increase in payables	<u>-</u>	<u>287,577</u>	<u>-</u>	<u>287,577</u>
Cash used	<u>\$ (12,481)</u>	<u>\$ (3,417,400)</u>	<u>\$ -</u>	<u>\$ (3,429,881)</u>

See notes to financial statements

Township of Ada

STATEMENT OF FIDUCIARY NET POSITION - *Custodial Fund*

March 31, 2022

	<u><i>Tax Collection</i></u>
ASSETS	
Cash	\$ <u>14,939</u>
LIABILITIES	
Due to other governments	<u>14,939</u>
NET POSITION	
Restricted for other governments	<u><u>\$ -</u></u>

See notes to financial statements

Township of Ada

STATEMENT OF CHANGES IN FIDUCIARY NET POSTION - Custodial Fund

Year ended March 31, 2022

	<u><i>Tax Collection</i></u>
ADDITIONS	
Property taxes collected for other governments	\$ 35,983,695
DEDUCTIONS	
Property taxes distributed to other governments	<u>35,983,695</u>
NET CHANGE IN FIDUCIARY NET POSITION	-
NET POSITION - BEGINNING	<u>-</u>
NET POSTION - ENDING	<u><u>\$ -</u></u>

See notes to financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting entity:

As required by generally accepted accounting principles, these financial statements present the Township (the primary government), located in Kent County, and its component units described below, for which the Township is financially accountable. The Township exercises oversight responsibility over each component unit, as their governing bodies are appointed by the Township Supervisor, and their budgets must be approved by the Township Board. The Township is also obligated to provide some of its tax revenues to each component unit, through tax increment financing, which represents a financial burden on the Township. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government. Separate financial statements for the component units have not been issued, as management believes that these financial statements, including disclosures, contain complete information so as to constitute a fair presentation of the component units.

Discretely presented component units:

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

Ada Brownfield Redevelopment Authority - The Authority was established pursuant to Public Act 381 of 1996, as amended, to promote the revitalization of environmentally distressed areas within the Township.

Government-wide and fund financial statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Township. 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*Measurement focus, basis of accounting, and financial statement presentation (continued):*

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

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 have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

The Township reports the following major governmental funds:

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

The Public Safety Fund, a special revenue fund, accounts for all financial resources used by the Township to provide police and fire protection services. Revenues are primarily derived from property taxes.

The Trails Fund, a special revenue fund, accounts for financial resources used by the Township to construct and improve the nonmotorized pathway system. Revenues are primarily derived from property taxes.

The Parks and Recreation Fund, a special revenue fund, accounts for financial resources used by the Township for parks and recreation purposes, including the acquisition and maintenance of park property. Revenues are primarily derived from property taxes.

The Parks Fund, a special revenue fund, accounts for financial resources used by the Township to maintain and improve recreational facilities. Revenues are primarily derived from property taxes from an expired millage.

The Parks and Open Space Fund, a special revenue fund, accounts for financial resources used by the Township for parks and recreation purposes, and to preserve land. Revenues are primarily derived from property taxes from an expired millage.

The ARPA Fund, a special revenue fund, is used to account for restricted resources provided by the American Rescue Plan Act. Revenues are derived from a federal grant.

The Envision Ada Fund, a capital project fund, accounts for the financial resources used by the Township to make infrastructure improvements related to the "Envision Ada" project. Resources are derived from bond proceeds and contributions.

The Township reports the following major proprietary funds:

The Sewer Fund accounts for the activities of the Township's sewage collection system.

The Water Fund accounts for the activities of the Township's water distribution system.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*Measurement focus, basis of accounting, and financial statement presentation (continued):*

The Township also reports a custodial fund, the Tax Collection Fund, which accounts for assets held by the Township in a fiduciary capacity for other governments.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds relate to charges to customers for services. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and investments - Cash consists of cash on hand, demand deposits, and highly-liquid, short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value with changes in value recognized in the operating statement of each fund. Realized and unrealized gains and losses are included in investment income. Pooled interest income is allocated proportionately to all funds and component units.

Receivables - Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds." 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 accounting periods and are recorded as prepaid items in the fund statements and the government-wide financial statements.

Inventory - Inventories, reported in the proprietary funds, are valued at the lower of cost or market. Cost is determined under the first-in, first-out method.

Capital assets - Capital assets, which include property, equipment, and infrastructure assets (e.g., sewer and water systems), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of more than \$3,000 (\$10,000 for infrastructure assets) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date received. The Township elected to account for infrastructure assets of governmental activities either retroactively to June 15, 1980, or prospectively. The Township has elected to account for infrastructure assets prospectively, beginning April 1, 2004.

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

Buildings and improvements	50 years
Equipment	5 - 20 years
Vehicles	5 - 10 years
Infrastructure - utility systems	67 years

Unearned revenue - Unearned revenue represents resources related to a federal grant, which have been received, but not yet been earned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Compensated absences - It is the Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Vested compensated absences are accrued when earned in the government-wide and proprietary funds financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end.

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 increase in net position that applies to a future period. The related revenues will not be recognized until a future event occurs. Pledges receivable are included in this category. The pledges, which are recognized as they become available (collected within 60 days after the end of the Township's fiscal year), are deferred and recognized as an inflow of resources in the period that the revenues become available.

Net position - Net position represents the difference between assets and liabilities. 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 attributable to the acquisition, construction, or improvement of those assets; (2) *Restricted net position* is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations, such as federal or state laws or buyers of the Township's debt. Restricted net position is reduced by liabilities 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.

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

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the 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 activity level. All annual appropriations lapse at the end of the fiscal year.

Excess of expenditures over appropriations - The following schedule sets forth the reportable budget variances:

<u>Entity</u>	<u>Fund</u>	<u>Function</u>	<u>Activity</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Primary government	General	General government	Manager	\$ 137,380	\$ 140,945	\$ 3,565
			Clerk	191,492	198,884	7,392
			Building and grounds	157,668	187,385	29,717
			General administration	454,015	501,077	47,062
	Public safety	Public safety	Police protection	334,000	348,472	14,472
	Trails	Debt service	Issuance costs	30,000	293,765	263,765
	Parks and Recreation	Debt service	Capital outlay	1,280,500	1,312,831	32,331
Issuance costs			-	10,859	10,859	
Component unit - Brownfield Redevelopment Authority	Operating	Public works		181,039	188,989	7,950

Fund balance deficit - The Envision Ada Fund, a capital project fund, has a fund balance deficit of \$272,204. The deficit occurred because project costs exceeded available resources. The deficit is expected to be eliminated as pledges receivable, in the amount of \$350,850 at year end, are collected.

NOTE 3 - CASH AND INVESTMENTS

At March 31, 2022, cash and investments are classified in the accompanying financial statements as follows:

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Primary government</u>	<u>Custodial activities</u>	<u>Component units</u>	<u>Totals</u>
Per financial statements:						
Cash	\$ 6,023,331	\$ 4,643,513	\$ 10,666,844	\$ 14,939	\$ 982,436	\$ 11,664,219
Investments	<u>16,481,939</u>	<u>3,420,603</u>	<u>19,902,542</u>	-	-	<u>19,902,542</u>
Totals	<u>\$ 22,505,270</u>	<u>\$ 8,064,116</u>	<u>\$ 30,569,386</u>	<u>\$ 14,939</u>	<u>\$ 982,436</u>	<u>\$ 31,566,761</u>
Composition:						
Cash on hand	\$ 200	\$ -	\$ 200	\$ -	\$ -	\$ 200
Deposits	6,023,131	4,643,513	10,666,644	14,939	982,436	11,664,019
Investments	<u>16,481,939</u>	<u>3,420,603</u>	<u>19,902,542</u>	-	-	<u>19,902,542</u>
Totals	<u>\$ 22,505,270</u>	<u>\$ 8,064,116</u>	<u>\$ 30,569,386</u>	<u>\$ 14,939</u>	<u>\$ 982,436</u>	<u>\$ 31,566,761</u>

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

NOTE 3 - CASH AND INVESTMENTS (Continued)

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Township will not be able to recover its deposits. The Township's investment policy does not specifically address custodial credit risk for deposits. At March 31, 2022, \$10,776,536 of the Township's bank balances of \$11,276,536 was exposed to custodial credit risk because it was uninsured and uncollateralized. The Township maintains individual and pooled bank accounts for all of its funds and its component units. Due to the use of pooled deposits, it is not practicable to allocate insured and uninsured portions of certain bank balances between the primary government and the component units.

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

The Township's investments are summarized as follows:

<u>Investment</u>	<u>Fair value</u>	<u>Maturity</u>	<u>Rating</u>
U.S. government securities - FNMA collateralized mortgage obligations	\$ 858,217	2050	N/A
Michigan CLASS Pool	17,666,413	N/A	N/A
Kent County Pool	<u>1,377,912</u>	N/A	N/A
Total investments	<u>\$ 19,902,542</u>		

Fair value measurement - The Township categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Township has the following recurring fair value measurement as of March 31, 2022:

- U.S. government securities and agency are valued using observable fair values of similar assets (Level 2).

Investments in entities that calculate net asset value per share - The Township holds shares in investment pools where the fair value of the investment is measured on a recurring basis using net asset value per share of the investment pool as a practical expedient. At March 31, 2022, the fair value, unfunded commitments, and redemption rules of these investments are as follows:

	<u>Michigan CLASS Pool</u>	<u>Kent County Pool</u>
Fair value at March 31, 2022	\$ 17,666,413	\$ 1,377,912
Unfunded commitments	none	none
Redemption frequency	n/a	n/a
Notice period	none	none

NOTE 3 - CASH AND INVESTMENTS (Continued)

The Michigan CLASS investment Pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better), collateralized bank deposits, repurchase agreements (collateralized at 102% by treasury agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. The Pool purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

The Kent County Investment Pool is a local government investment pool established under Michigan state statutes for participating Michigan municipalities. This Pool, which is a nonrisk categorized qualifying investment, is carried at fair value. The fair value of the Township's position in the Pool is the same as the value of its pool shares. The Pool operates like a money market fund, with each share valued at \$1, and is not rated (credit risk); it is not subject to regulatory oversight and is not registered with the SEC; the Pool issues a separate report, which is available at 300 Monroe Avenue, N.W., Grand Rapids, Michigan 49503-2221.

The Township's investments are subject to certain types of risk, which are discussed below:

Custodial credit risk - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. State law does not require, and the Township's investment policy does not contain, requirements that would limit the exposure to custodial credit risk for investments. At year end, the U.S. government investments were uninsured and unregistered and held by the same broker-dealer (counterparty) that purchased the securities for the Township.

Interest rate risk - Interest rate risk is the risk that the value of an investment will decrease as a result of an increase in market interest rates. Generally, longer investment maturities generate more sensitivity to changes in an investment's fair value due to changes in market interest rates. The Township's investment policy has no specific limitations with respect to maturities of investments. The maturities of the Township's investments are identified above.

NOTE 4 - RECEIVABLES

Receivables as of March 31, 2022, for the Township's funds and its component units, all of which are considered fully collectible, were as follows:

<u>Fund</u>	<u>Property taxes</u>	<u>Accounts</u>	<u>Intergovern- mental</u>	<u>Pledges</u>	<u>Totals</u>
Governmental:					
General	\$ 13,424	\$ 65,382	\$ 393,792	\$ -	\$ 472,598
Public Safety	13,528	-	-	-	13,528
Trails	21,636	-	55,301	-	76,937
Parks and Recreation	9,254	1,603	-	-	10,857
Envision Ada	-	-	-	350,850	350,850
Total governmental	<u>\$ 57,842</u>	<u>\$ 66,985</u>	<u>\$ 449,093</u>	<u>\$ 350,850</u>	<u>\$ 924,770</u>
Noncurrent	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>
Proprietary:					
Sewer	\$ -	\$ 546,898	\$ -	\$ -	\$ 546,898
Water	-	340,530	-	-	340,530
Nonmajor	-	-	36,478	-	36,478
Total proprietary	<u>\$ -</u>	<u>\$ 887,428</u>	<u>\$ 36,478</u>	<u>\$ -</u>	<u>\$ 923,906</u>
Component units:					
Ada Downtown Development Authority	<u>\$ 1,360</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,360</u>

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2022, was as follows:

	<i>Beginning balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending balance</i>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,936,749	\$ 958,099	\$ -	\$ 3,894,848
Construction in progress	-	1,309,959	-	1,309,959
Total capital assets not being depreciated	<u>2,936,749</u>	<u>2,268,058</u>	<u>-</u>	<u>5,204,807</u>
Capital assets being depreciated:				
Buildings and improvements	26,674,560	279,002	-	26,953,562
Equipment	1,721,793	21,419	(124,850)	1,618,362
Vehicles	1,348,160	-	(2,000)	1,346,160
Subtotal	<u>29,744,513</u>	<u>300,421</u>	<u>(126,850)</u>	<u>29,918,084</u>
Less accumulated depreciation for:				
Buildings and improvements	(6,439,768)	(897,303)	-	(7,337,071)
Equipment	(1,338,231)	(71,288)	117,550	(1,291,969)
Vehicles	(1,104,006)	(40,666)	2,000	(1,142,672)
Subtotal	<u>(8,882,005)</u>	<u>(1,009,257)</u>	<u>119,550</u>	<u>(9,771,712)</u>
Total capital assets being depreciated	<u>20,862,508</u>	<u>(708,836)</u>	<u>(7,300)</u>	<u>20,146,372</u>
Governmental activities capital assets, net	<u>\$ 23,799,257</u>	<u>\$ 1,559,222</u>	<u>\$ (7,300)</u>	<u>\$ 25,351,179</u>
Business-type activities:				
Capital assets not being depreciated - construction in progress	<u>\$ 1,990,605</u>	<u>\$ 3,693,750</u>	<u>\$ (2,224,805)</u>	<u>\$ 3,459,550</u>
Capital assets being depreciated:				
Facilities	25,827,671	2,216,695	-	28,044,366
Buildings	41,090	-	-	41,090
Equipment	126,536	11,227	-	137,763
Subtotal	<u>25,995,297</u>	<u>2,227,922</u>	<u>-</u>	<u>28,223,219</u>
Less accumulated depreciation for:				
Facilities	(8,682,265)	(790,267)	-	(9,472,532)
Buildings	(41,090)	-	-	(41,090)
Equipment	(104,127)	(3,225)	-	(107,352)
Subtotal	<u>(8,827,482)</u>	<u>(793,492)</u>	<u>-</u>	<u>(9,620,974)</u>
Total capital assets being depreciated	<u>17,167,815</u>	<u>1,434,430</u>	<u>-</u>	<u>18,602,245</u>
Business-type activities capital assets, net	<u>\$ 19,158,420</u>	<u>\$ 5,128,180</u>	<u>\$ (2,224,805)</u>	<u>\$ 22,061,795</u>

NOTE 5 - CAPITAL ASSETS (Continued)

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
Component unit - Downtown Development Authority:				
Capital assets being depreciated:				
Improvements	\$ 161,794	\$ -	\$ -	\$ 161,794
Less accumulated depreciation for:				
Improvements	<u>(32,358)</u>	<u>(10,786)</u>	<u>-</u>	<u>(43,144)</u>
Component unit capital assets, net	<u>\$ 129,436</u>	<u>\$ (10,786)</u>	<u>\$ -</u>	<u>\$ 118,650</u>

Depreciation expense was charged to the Township's governmental activity functions as follows:

Governmental activities:	
General government	\$ 52,420
Public safety	92,211
Public works	1,585
Recreation and culture	<u>863,041</u>
Total governmental activities	<u>\$ 1,009,257</u>

NOTE 6 - PAYABLES

Payables as of March 31, 2022, for the Township's funds and its component unit, were as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Payroll</u>	<u>Interest</u>	<u>Totals</u>
Primary government:				
Governmental:				
General	\$ 70,110	\$ 32,777	\$ -	\$ 102,887
Public Safety	55,964	4,260	-	60,224
Trails	312,175	1,110	-	313,285
Parks and Recreation	<u>20,338</u>	<u>2,390</u>	-	<u>22,728</u>
Total governmental	<u>\$ 458,587</u>	<u>\$ 40,537</u>	<u>\$ -</u>	<u>\$ 499,124</u>
Proprietary:				
Sewer	\$ 158,006	\$ 400	\$ 9,600	\$ 168,006
Water	470,417	550	13,400	484,367
Nonmajor	<u>29,182</u>	<u>780</u>	-	<u>29,962</u>
Total proprietary	<u>\$ 657,605</u>	<u>\$ 1,730</u>	<u>\$ 23,000</u>	<u>\$ 682,335</u>
Component units:				
Downtown Development Authority	\$ 910	\$ 1,140	\$ -	\$ 2,050
Brownfield Redevelopment Authority	<u>3,500</u>	-	-	<u>3,500</u>
Total component units	<u>\$ 4,410</u>	<u>\$ 1,140</u>	<u>\$ -</u>	<u>\$ 5,550</u>

NOTE 7 - LONG-TERM LIABILITIES

Long-term liabilities, as of March 31, 2022, are comprised of the following individual items:

Governmental activities:

Bonds: \$1,045,000 2016 Capital improvement bonds - payable in annual installments ranging from \$70,550 to \$134,560, plus interest at 2.0% to 3.0%; final payment due March 2036	\$ 797,500
\$4,720,000 2017 Capital improvement bonds - payable in annual installments ranging from \$220,000 to \$255,000, plus interest at 2.0 % to 3.0%; final payment due March 2032	3,580,000
\$15,655,000 2021 Capital improvement bonds - payable in annual installments ranging from \$630,000 to \$940,000, plus interest at 2.0000 % to 2.125%; final payment due May 2041	15,655,000
Premium - 2016 Capital improvement bonds	6,775
Premium - 2017 Capital improvement bonds	83,473
Premium - 2021 Capital improvement bonds	<u>384,791</u>
Total bonds	20,507,539
Accrued compensated absences	<u>139,150</u>
Total governmental activities long-term liabilities	<u>\$ 20,646,689</u>

Business-type activities:

Bonds: \$1,235,000 2016 Capital improvement bonds - payable in annual installments ranging from \$70,550 to \$134,560, plus interest at 2.0% to 3.0%; final payment due March 2036	\$ 942,500
\$9,675,000, 2020 Capital improvement bonds - payable in annual installments ranging from \$360,000 to \$645,000, plus interest at 2.0%; final payment due March 2040	8,955,000
\$1,765,000 2021 General obligation limited tax refunding bonds - payable in annual installments ranging from \$140,000 to \$155,000, plus interest at .50% to 1.20%; final payment due May 2031	1,470,000
Premium - 2020 Capital improvement bonds	192,231
Premium - 2016 Capital improvement bonds	<u>8,915</u>
Total business-type activities long-term liabilities	<u>\$ 11,568,646</u>

Component unit - Downtown Development Authority:

Accrued compensated absences	<u>\$ 752</u>
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NOTE 7 - LONG-TERM LIABILITIES (Continued)

Long-term liability activity for the year ended March 31, 2022, is as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Amounts due within one year</u>
Governmental activities:					
Bonds:					
2016 Capital improvement bonds	\$ 841,042	\$ -	\$ (43,542)	\$ 797,500	\$ 45,833
2017 Refunding bonds	470,000	-	(470,000)	-	-
2017 CIP Bonds, Series 2	3,820,000	-	(240,000)	3,580,000	250,000
2021 Capital improvement bonds	-	15,655,000	-	15,655,000	630,000
Total bonds	5,131,042	15,655,000	(753,542)	20,032,500	925,833
Premium - 2016 bonds	7,287	-	(512)	6,775	-
Premium - 2017 CIP Bonds	95,075	-	(11,602)	83,473	-
Premium - 2021 CIP Bonds	-	403,269	(18,478)	384,791	-
Totals	5,233,404	16,058,269	(784,134)	20,507,539	925,833
Compensated absences	134,330	134,460	(129,640)	139,150	-
Total governmental activities	<u>\$ 5,367,734</u>	<u>\$ 16,192,729</u>	<u>\$ (913,774)</u>	<u>\$ 20,646,689</u>	<u>\$ 925,833</u>
Business-type activities:					
Bonds:					
2011 CIP Bonds Series B	\$ 110,000	\$ -	\$ (110,000)	\$ -	\$ -
2016 Capital improvement bonds	993,959	-	(51,459)	942,500	54,167
2020 CIP Bonds	9,315,000	-	(360,000)	8,955,000	375,000
2021 Refunding Bonds	1,470,000	-	-	1,470,000	140,000
Total bonds	11,888,959	-	(521,459)	11,367,500	569,167
Premium - 2016 bonds	9,522	-	(607)	8,915	-
Premium - 2020 CIP Bonds	202,910	-	(10,679)	192,231	-
Total business-type activities	<u>\$ 12,101,391</u>	<u>\$ -</u>	<u>\$ (532,745)</u>	<u>\$ 11,568,646</u>	<u>\$ 569,167</u>
Component Unit:					
Compensated absences	<u>\$ -</u>	<u>\$ 752</u>	<u>\$ -</u>	<u>\$ 752</u>	

NOTE 7 - LONG-TERM LIABILITIES (Continued)

At March 31, 2022, debt service requirements, excluding compensated absences, were as follows:

<i>Year ended</i>	<i>Governmental activities</i>		<i>Business-type activities</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
<i>March 31:</i>				
2023	\$ 925,833	\$ 453,540	\$ 569,167	\$ 221,082
2024	963,125	415,626	586,875	211,749
2025	983,125	393,614	601,875	202,042
2026	1,015,417	371,151	614,583	191,889
2027	967,708	347,893	632,292	181,302
2028 - 2032	5,178,750	1,402,916	3,431,250	727,529
2033 - 2037	5,473,542	777,463	3,056,458	402,834
2038 - 2042	4,525,000	239,184	1,875,000	85,014
	<u>\$ 20,032,500</u>	<u>\$ 4,401,387</u>	<u>\$ 11,367,500</u>	<u>\$ 2,223,441</u>

All debt is secured by the full faith and credit of the Township. None of the individual items are considered direct borrowings or direct placement of debt.

NOTE 8 - PROPERTY TAXES

The 2021 taxable valuation of the Township approximated \$1,124,731,000, on which ad valorem taxes levied consisted of 0.8935 mills for operating purposes, 0.9379 mills for public safety, 1.5000 mills for trails, and 0.6416 mills for parks, recreation, and land preservation, raising approximately \$1,005,000 for operating purposes, \$1,055,000 for public safety, \$1,687,000 for trails, and \$722,000 for parks, recreation, and land preservation. These amounts are recognized in the fund financial statements as property tax revenue.

The 2021 taxable valuation of the Downtown Development Authority, a component unit, approximated \$171,671,000, on which ad valorem taxes levied consisted of 1.9724 mills for operating purposes raising approximately \$339,000 for operating purposes. This amount is recognized in the component unit financial statements as property tax revenue.

NOTE 9 - TAX ABATEMENTS

The Township enters into property tax abatement agreements with local businesses for the purpose of attracting or retaining businesses within the Township. Each agreement was negotiated under a state law, which allows local units to abate property taxes for a variety of economic development purposes. The abatements may be granted to local businesses located within the Township or promising to relocate within the Township. Depending on the statute referenced for a particular abatement, the Township may grant abatements of up to 50% of annual property taxes through a direct reduction of the entity's property tax bill, not to exceed twelve years. Depending on the terms of the agreement and state law, abated taxes may be subject to recapture upon default of the entity. The Township has not made any commitments as part of the agreements other than to reduce taxes. The Township is not subject to any tax abatement agreements entered into by other governmental entities.

For the fiscal year ended March 31, 2022, the Township abated property taxes totaling \$46,787 under Public Act 198 of 1974, related to industrial facilities, which represents a 50% abatement of the millage rate on certain real and personal properties.

NOTE 10 - INTERFUND BALANCES AND TRANSFERS

At March 31, 2022, the Envision Ada Fund, a capital project fund, owes the General Fund \$600,000 related to a loan used to pay project construction costs. The loan will be repaid from the proceeds of pledged funds once received by the Township. It is anticipated that the pledged funds will be received by July, 2023. Interest on the unpaid balance of the loan shall accrue and be paid at the rate of 0.75% per annum.

During the year ended March 31, 2022, the Parks Fund was closed by transferring its remaining equity of \$7,602 to the Parks and Recreation Fund.

NOTE 11 - DEFINED CONTRIBUTION PENSION PLAN

The Township and its employees contribute to the Ada Township Group Pension Plan, a defined contribution pension plan, which is administered by a third-party administrator. The plan covers two classes of employees, as allowed under Internal Revenue Code Section 401(a). The first class of employees includes elected officials, the fire chief, and all full-time employees (30 hours per week). The second class of employees includes paid on-call firefighters.

Benefit terms, including contribution requirements, for the Plan are established, and may be amended, by the Township Board. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate as described above. The Township contributes 10% of covered payroll to the first class of qualifying employees. The Township contributes an amount equal to 5% of covered payroll to the second class of qualifying employees, with a required contribution of 6.2% of compensation by all covered employees in the second class. Covered employees may voluntarily contribute up to 10% of their compensation to the Plan. For the year ended March 31, 2022, the Township and eligible employees made contributions of \$147,333 and \$25,681, respectively. At March 31, 2022, the Township reported no accrued liability as part of the contributions to the plan.

The Township's contributions for each employee (and investment earnings allocated to the employee's account) are fully vested on the day the employee is eligible to participate in the plan, which occurs after three months of service for the first class of employees and immediately for the second class of employees.

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

NOTE 12 - DEFERRED COMPENSATION PLAN

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

NOTE 13 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and medical claims; injuries to employees; and natural disasters. The risks of loss arising from general liability, building contents, employees' health insurance, workers' compensation, and casualty 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.

NOTE 14 - ECONOMIC DEPENDENCY

For the fiscal year ended March 31, 2022, the Township received approximately 13% of its property tax revenue and 28% percent of its sewer and water utility revenue from one industrial property owner.

NOTE 15 - OPERATING LEASE

In 2018, the Township began leasing a parking lot from a property owner under a fifteen-year operating lease. The agreement provides for two automatic 10-year extensions unless terminated by either party. Written notice to terminate must be provided 120 days before the expiration of the initial lease term. The total costs associated with this lease were \$25,758 during the fiscal year ended March 31, 2022. The future minimum lease payments for this lease are as follows:

<i>Year ended</i>	
<u>March 31,</u>	<u>Amount</u>
2023	\$ 26,015
2024	26,275
2025	26,538
2026	26,803
2027	<u>27,071</u>
	<u>\$ 132,702</u>

NOTE 16 - CONSTRUCTION COMMITMENTS

At March 31, 2022, the Township had the following contractual construction commitments:

	<i>Project</i>	<i>Expended through</i>	<i>Committed</i>
	<u>authorization</u>	<u>March 31, 2022</u>	<u></u>
Adatowne and Adacraft Watermain Improvements	\$ 5,764,569	\$ 3,851,612	\$ 1,912,957
Fase Street nonmotorized path	271,291	212,547	58,744
Ade Drive Trail and boardwalk replacement	<u>835,370</u>	<u>723,049</u>	<u>112,321</u>
Total	<u>\$ 6,871,230</u>	<u>\$ 4,787,208</u>	<u>\$ 2,084,022</u>

The watermain improvements are being funded through the issuance of capital improvement bonds in fiscal year 2021 and trail and nonmotorized path improvements are being funded through a bond issued in fiscal year 2022.

NOTE 17 - AMERICAN RESCUE PLAN ACT of 2021

On March 11, 2021, the United States executed the American Rescue Plan Act of 2021 (ARPA), which included \$362 billion in funds to be awarded as economic assistance to state and local governments to prepare for and respond to COVID-19. Under the American Rescue Plan Act, the Township was awarded \$1,552,444 in federal Coronavirus Local Fiscal Recovery Funds (ARPA Funds). The Township received half of the ARPA Funds in September 2021, with the second half anticipated in 2022. The amount received in 2021 (\$779,347) is presented as unearned revenue in the ARPA Fund at March 31, 2022, as no expenditures were incurred during fiscal year 2022. The Township is subject to rules issued by the U.S. Treasury Department regarding the use of ARPA Funds and has identified the following allowable uses: support public health expenditures, address negative economic impacts caused by the COVID-19 public health emergency, replace lost public sector revenue, provide premium pay for essential workers, and invest in water, sewer, and broadband infrastructure. The Township expects to spend the awarded funds under the applicable federal guidelines.

NOTE 18 - PENDING ACCOUNTING PRONOUNCEMENT

Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, was issued by the GASB in June 2017 and will be effective for periods beginning after June 15, 2021. The objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

In May 2020, the GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the 2023 fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

Township of Ada

BUDGETARY COMPARISON SCHEDULE - General Fund

Year ended March 31, 2022

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 1,025,520	\$ 1,017,991	\$ 1,024,512	\$ 6,521
Licenses and permits	268,500	268,500	261,104	(7,396)
State grants	1,249,787	1,571,659	1,606,571	34,912
Intergovernmental	-	630,756	630,756	-
Charges for services	36,000	36,000	40,370	4,370
Interest and rentals	109,936	109,936	108,761	(1,175)
Other:				
Special assessments	64,876	64,876	63,321	(1,555)
Miscellaneous	15,000	15,000	8,927	(6,073)
Total revenues	<u>2,769,619</u>	<u>3,714,718</u>	<u>3,744,322</u>	<u>29,604</u>
EXPENDITURES				
General government:				
Legislative	36,542	36,542	33,459	3,083
Supervisor	56,093	56,093	56,593	(500)
Manager	137,380	137,380	140,945	(3,565)
Elections	25,450	25,450	1,820	23,630
Assessor	228,654	228,654	214,856	13,798
Clerk	191,492	191,492	198,884	(7,392)
Board of review	2,017	2,017	1,716	301
Treasurer	192,663	192,663	191,997	666
Building and grounds	157,668	157,668	187,385	(29,717)
General administration	454,015	454,015	501,077	(47,062)
Total general government	<u>1,481,974</u>	<u>1,481,974</u>	<u>1,528,732</u>	<u>(46,758)</u>
Public works:				
Road maintenance and improvements	417,300	812,562	802,908	9,654
Street lighting	66,500	66,500	66,089	411
Cemeteries	49,483	49,483	46,363	3,120
Total public works	<u>533,283</u>	<u>928,545</u>	<u>915,360</u>	<u>13,185</u>
Recreation and culture - library	<u>139,050</u>	<u>139,050</u>	<u>121,843</u>	<u>17,207</u>

BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)

Year ended March 31, 2022

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
EXPENDITURES (Continued)				
Community and economic development	\$ 242,916	\$ 242,916	\$ 201,586	\$ 41,330
Debt service:				
Principal	222,183	223,762	223,542	220
Interest	29,504	126,060	126,484	(424)
Capital outlay	118,450	675,450	581,024	94,426
Total expenditures	2,767,360	3,817,757	3,698,571	119,186
NET CHANGES IN FUND BALANCES	2,259	(103,039)	45,751	148,790
FUND BALANCES - BEGINNING	3,544,247	3,544,247	3,544,247	-
FUND BALANCES - ENDING	\$ 3,546,506	\$ 3,441,208	\$ 3,589,998	\$ 148,790

Township of Ada

BUDGETARY COMPARISON SCHEDULE - Public Safety Fund

Year ended March 31, 2022

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 1,043,000	\$ 1,043,000	\$ 1,041,194	\$ (1,806)
Federal grant	-	-	12,644	12,644
State grant	1,577	1,577	1,381	(196)
Interest	5,800	5,800	3,638	(2,162)
Other	-	-	14,536	14,536
Total revenues	<u>1,050,377</u>	<u>1,050,377</u>	<u>1,073,393</u>	<u>23,016</u>
EXPENDITURES				
Public safety:				
Police protection	334,000	334,000	348,472	(14,472)
Fire protection	<u>724,338</u>	<u>724,338</u>	<u>627,460</u>	<u>96,878</u>
Total public safety	1,058,338	1,058,338	975,932	82,406
Capital outlay	<u>41,000</u>	<u>41,000</u>	<u>27,074</u>	<u>13,926</u>
Total expenditures	<u>1,099,338</u>	<u>1,099,338</u>	<u>1,003,006</u>	<u>96,332</u>
NET CHANGES IN FUND BALANCES	(48,961)	(48,961)	70,387	119,348
FUND BALANCES - BEGINNING	<u>1,129,672</u>	<u>1,129,672</u>	<u>1,129,672</u>	-
FUND BALANCES - ENDING	<u>\$ 1,080,711</u>	<u>\$ 1,080,711</u>	<u>\$ 1,200,059</u>	<u>\$ 119,348</u>

Township of Ada

BUDGETARY COMPARISON SCHEDULE - Trails Fund

Year ended March 31, 2022

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 1,709,236	\$ 1,709,236	\$ 1,704,761	\$ (4,475)
State grant	-	-	84,635	84,635
Investment return (loss)	-	-	(94,876)	(94,876)
Other	-	-	643	643
Total revenues	<u>1,709,236</u>	<u>1,709,236</u>	<u>1,695,163</u>	<u>(14,073)</u>
EXPENDITURES				
Recreation and culture	112,467	112,467	43,069	69,398
Debt service:				
Principal	470,000	470,000	470,000	-
Interest and fees	5,935	5,935	5,385	550
Issuance costs	30,000	30,000	293,765	(263,765)
Capital outlay	<u>2,161,500</u>	<u>1,280,500</u>	<u>1,312,831</u>	<u>(32,331)</u>
Total expenditures	<u>2,779,902</u>	<u>1,898,902</u>	<u>2,125,050</u>	<u>(226,148)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,070,666)</u>	<u>(189,666)</u>	<u>(429,887)</u>	<u>(240,221)</u>
OTHER FINANCING SOURCES				
Bond proceeds	2,000,000	245,273	14,885,680	14,640,407
Bond premium	-	-	403,269	403,269
Total other financing sources (uses)	<u>2,000,000</u>	<u>245,273</u>	<u>15,288,949</u>	<u>15,043,676</u>
NET CHANGES IN FUND BALANCES	929,334	55,607	14,859,062	14,803,455
FUND BALANCES - BEGINNING	<u>683,688</u>	<u>683,688</u>	<u>683,688</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,613,022</u>	<u>\$ 739,295</u>	<u>\$ 15,542,750</u>	<u>\$ 14,803,455</u>

Township of Ada

BUDGETARY COMPARISON SCHEDULE - Parks and Open Space Fund

Year ended March 31, 2022

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Interest	\$ 500	\$ 500	\$ 1,006	\$ 506
EXPENDITURES				
Capital outlay	-	390,287	390,287	-
NET CHANGES IN FUND BALANCES	500	(389,787)	(389,281)	506
FUND BALANCES - BEGINNING	488,421	488,421	488,421	-
FUND BALANCES - ENDING	<u>\$ 488,921</u>	<u>\$ 98,634</u>	<u>\$ 99,140</u>	<u>\$ 506</u>

BUDGETARY COMPARISON SCHEDULE - Parks Fund

Year ended March 31, 2022

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
OTHER FINANCING USES				
Transfer out	\$ (7,602)	\$ (7,602)	\$ (7,602)	\$ -
NET CHANGES IN FUND BALANCES	(7,602)	(7,602)	(7,602)	-
FUND BALANCES - BEGINNING	<u>7,602</u>	<u>7,602</u>	<u>7,602</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Township of Ada

BUDGETARY COMPARISON SCHEDULE - Parks and Recreation Fund

Year ended March 31, 2022

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 714,108	\$ 714,108	\$ 712,262	\$ (1,846)
State grants	3,225	3,225	3,953	728
Charges for services	28,000	28,000	48,289	20,289
Interest and rentals	39,200	51,200	63,741	12,541
Other:				
Contributions	102,000	11,200	10,697	(503)
Miscellaneous	1,000	1,000	3,433	2,433
Total revenues	<u>887,533</u>	<u>808,733</u>	<u>842,375</u>	<u>33,642</u>
EXPENDITURES				
Recreation and culture	632,046	632,046	581,755	50,291
Debt service:				
Principal	60,000	60,000	60,000	-
Interest and fees	11,550	11,550	9,750	1,800
Issuance costs	-	-	10,859	(10,859)
Capital outlay	<u>384,450</u>	<u>384,450</u>	<u>290,715</u>	<u>93,735</u>
Total expenditures	<u>1,088,046</u>	<u>1,088,046</u>	<u>953,079</u>	<u>134,967</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(200,513)</u>	<u>(279,313)</u>	<u>(110,704)</u>	<u>168,609</u>
OTHER FINANCING SOURCES				
Bond proceeds	-	-	769,320	769,320
Transfer in	<u>7,602</u>	<u>7,602</u>	<u>7,602</u>	<u>-</u>
Total other financing sources	<u>7,602</u>	<u>7,602</u>	<u>776,922</u>	<u>769,320</u>
NET CHANGES IN FUND BALANCES	(192,911)	(271,711)	666,218	937,929
FUND BALANCES - BEGINNING	<u>972,338</u>	<u>972,338</u>	<u>972,338</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 779,427</u>	<u>\$ 700,627</u>	<u>\$ 1,638,556</u>	<u>\$ 937,929</u>

SUPPLEMENTARY INFORMATION

Township of Ada

BALANCE SHEET - component units

March 31, 2022

	<i>Downtown Development Authority</i>	<i>Brownfield Redevelopment Authority</i>
	<u> </u>	<u> </u>
ASSETS		
Cash	\$ 978,936	\$ 3,500
Receivables	<u>1,360</u>	<u>-</u>
Total assets	<u>\$ 980,296</u>	<u>\$ 3,500</u>
 LIABILITIES AND FUND BALANCE		
Liabilities - payables	\$ 2,050	\$ 3,500
Fund balance - unassigned	<u>978,246</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 980,296</u>	<u>\$ 3,500</u>
 Total fund balance	 \$ 978,246	 \$ -
 Amounts reported for the component units in the statement of net position (page 13) are different because:		
Capital assets used by the component units are not financial resources and, therefore, are not reported in the funds.	118,650	-
Expense accrual - compensated absences	<u>(752)</u>	<u>-</u>
Net position (unrestricted) of the component units	<u>\$ 1,096,144</u>	<u>\$ -</u>

Township of Ada

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - component units

Year ended March 31, 2022

	<u><i>Downtown Development Authority</i></u>	<u><i>Brownfield Redevelopment Authority</i></u>
REVENUES		
Property taxes	\$ 427,055	\$ -
Tax increment financing	-	188,989
State grant	153,909	-
Charges for services	64,590	-
Interest	1,595	-
Other	<u>2,333</u>	<u>-</u>
Total revenues	<u>649,482</u>	<u>188,989</u>
EXPENDITURES		
Current:		
Public works	262,318	188,989
Community and economic development	171,560	-
Capital outlay	<u>7,612</u>	<u>-</u>
Total expenditures	<u>441,490</u>	<u>188,989</u>
NET CHANGES IN FUND BALANCES	207,992	-
FUND BALANCES - BEGINNING	<u>770,254</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 978,246</u>	<u>\$ -</u>
Net change in fund balance	\$ 207,992	\$ -
Amounts reported for the component units in the statement of activities (page 14) are different because:		
Capital assets:		
Deduct - depreciation provision	(10,786)	-
Net increase in compensated absences	<u>(752)</u>	<u>-</u>
Change in net position of component units	<u>\$ 196,454</u>	<u>\$ -</u>

Township of Ada

BUDGETARY COMPARISON SCHEDULE - Downtown Development Authority -

Operating Fund

Year ended March 31, 2022

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
REVENUES				
Property taxes	\$ 427,519	\$ 427,519	\$ 427,055	\$ (464)
State grant	150,000	150,000	153,909	3,909
Charges for services	93,785	93,785	64,590	(29,195)
Interest	3,000	3,000	1,595	(1,405)
Other	1,000	1,000	2,333	1,333
Total revenues	<u>675,304</u>	<u>675,304</u>	<u>649,482</u>	<u>(25,822)</u>
EXPENDITURES				
Public works	262,308	262,308	262,318	(10)
Community and economic development	269,731	269,731	171,560	98,171
Capital outlay	67,000	67,000	7,612	59,388
Total expenditures	<u>599,039</u>	<u>599,039</u>	<u>441,490</u>	<u>157,549</u>
NET CHANGES IN FUND BALANCES	76,265	76,265	207,992	131,727
FUND BALANCES - BEGINNING	<u>770,254</u>	<u>770,254</u>	<u>770,254</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 846,519</u>	<u>\$ 846,519</u>	<u>\$ 978,246</u>	<u>\$ 131,727</u>

Township of Ada

BUDGETARY COMPARISON SCHEDULE - Brownfield Redevelopment Authority -

Operating Fund

Year ended March 31, 2022

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
REVENUES				
Tax increment financing	\$ 181,039	\$ 181,039	\$ 188,989	\$ 7,950
EXPENDITURES				
Public works	<u>181,039</u>	<u>181,039</u>	<u>188,989</u>	<u>(7,950)</u>
NET CHANGES IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MEMORANDUM

Date: 9/26/22



TO: Ada Township Board Members
FROM: Haley Stichman, DDA Director
RE: Resolution R-092622-1 Revising the Hours of Operations of the Ada Township Social District

Background:

At its meeting on September 12, the Township Board reviewed and discussed community and business member feedback and considered the Downtown Development Authority's recommendation to expand the Social District to seven days a week. Based on Township Board Member feedback, staff drafted the attached Resolution R-092622-1 and updated Management and Maintenance Plan. These documents reflect the scaled back expansion that was discussed. If Resolution R-092622-1 is approved, the Ada Township Social District would begin operating Thursday-Saturday from 12 p.m. to 9:30 p.m. through January 31, 2023.

Please note that I'm waiting to hear back from the MLCC regarding our ability to designate that we can include language that allows for the Social District to operate for special events occurring outside of these designated hours of operation. I expect to have additional information during the meeting on Monday, September 26.

Recommendation:

Staff recommends that the Township Board review and approve Resolution R-092622-1 revising the hours of operation of the Ada Township Social District through January 31, 2022.

Requested Motion: Motion to approve Resolution 092622-1 for Revising the Hours of Operations of the Ada Township Social District and adopting a new Management and Maintenance Plan.



**RESOLUTION R - 092622-1
ADA TOWNSHIP
KENT COUNTY, MICHIGAN**

A RESOLUTION REVISING THE HOURS OF OPERATIONS OF THE ADA TOWNSHIP SOCIAL DISTRICT CONTAINING A COMMONS AREA AND UPDATNG ITS MANAGEMENT AND MAINTENANCE PLAN IN ORDER TO ALLOW CERTAIN ON PREMISES LIQUOR LICENSEES EXPANDED USE OF SHARED AREAS FOR CONSUMPTION OF ALCOHOL PURSUANT TO PUBLIC ACT 124 OF 2020

At a Regular Meeting of the Township Board of Ada, Kent County, Michigan, held at the Township Hall on Monday, September 26, 2022, at 7:00 p.m., there were:

PRESENT: _____

ABSENT: _____

The following Resolution was offered by Member _____ and supported by Member _____.

WHEREAS, Public Act 124 of 2020 empowers the Township Board to designate Social Districts with Commons Areas where purchasers may consume alcoholic beverages sold by multiple qualified Michigan Liquor Control Commission licensees who obtain Social District Permits; and

WHEREAS, the Ada Township Board previously authorized the Township Manager, or designee, to designate a social district through September 7, 2022; and

WHEREAS, expanding days and times of the Social District will assist our downtown businesses in adapting to consumer preferences as well as attracting customers for enhanced outdoor dining, entertainment, and special event experiences in downtown Ada; and

WHEREAS, the Ada Township Social District would continue to be managed by the Township through a collaboration with its Downtown Development Authority; and

WHEREAS, the Township Board has considered the potential impact of expanded days and times as proposed to Social District on public health, safety, and welfare; and

NOW, THEREFORE, BE IT RESOLVED:

1. that the Township Board expands the hours of operation for the social district and commons area, establishes the attached management and maintenance plan, and authorizes the Township Manager or his designee to take all such other actions necessary in order to implement this Resolution and comply with the Act.
2. that the Ada Township Social District will operate its expanded hours of operation from September 29 through January 31, 2022, to accommodate special events, as outlined in the management and maintenance plan.

3. that the Township Manager or his designee is authorized and directed to forward this Resolution and the attached maps and management and maintenance plans to the MLCC as required by the Act together with this Resolution.

Upon a vote for the adoption of said resolution, the vote was:

YES:

NO:

ABSENT:

Resolution R-092622-1 adopted

Date: 09/26/2022

Signed _____

Jacqueline Smith
Ada Township Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Township of Ada, County of Kent, State of Michigan, at a meeting held on Monday, January 24, 2022, the original of which is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 267 of the Michigan Public Acts of 1976, as amended, including in the case a of a special or rescheduled meeting, notice by posting at least 18 hours prior to the time set for said meeting.

Dated: _____

Jacqueline Smith, Township Clerk



DRAFT

ADA TOWNSHIP SOCIAL DISTRICT (SOCIAL DISTRICT AND COMMONS AREA) MANAGEMENT AND MAINTENANCE PLAN

Pursuant to MCL 436.1551, the governing body of a local governmental unit may designate a Social District within its jurisdiction. Qualified licensees whose licensed premises are contiguous to the commons area within the Social District, and that have been approved for and issued a Social District Permit, may sell alcoholic liquor (beer, wine, mixed spirit drink, spirits, or mixed drinks) on their licensed premises to customers who may then consume the alcoholic liquor within the commons area of the Social District. The commons area is not considered part of the licensed premises for any of the licensees that hold a Social District Permit.

The term commons area is defined by MCL 436.1551(8)(a):

"Commons area" means an area within a social district clearly designated and clearly marked by the governing body of the local governmental unit that is shared by and contiguous to the premises of at least 2 other qualified licensees. Commons area does not include the licensed premises of any qualified licensee.

The term qualified licensee is defined by MCL 436.1551(8)(c):

"Qualified licensee" means any of the following:

- *A retailer that holds a license, other than a special license, to sell alcoholic liquor for consumption on the licensed premises. (This includes the following license types: Class C, Tavern, A-Hotel, B-Hotel, Club, G-1, G-2, Brewpub.)*
- *A manufacturer with an on-premises tasting room permit issued under section 536.*
- *A manufacturer that holds an off-premises tasting room license issued under section 536.*
- *A manufacturer that holds a joint off-premises tasting room license issued under section 536.*

Ada Township wishes to establish a Social District and Commons Area in its downtown that shall help promote its businesses and enhance its residents and visitors' enjoyment of the Village area. The establishment of the social district and commons area is intended to be a pilot program.

1. The Township shall file the designation or revocation of a Social District with the MLCC as required under the rules. Upon designation of a Social District, the Township shall send copies of the following items to the MLCC:
 - a. A copy of the resolution passed by the governing body designating the Social District and Commons Area.
 - b. A copy of the management and maintenance plans, including the hours of operation, established by the local governmental unit for the Social District and Commons Area.
 - c. A diagram or map that clearly shows the boundaries of the Social District and commons area. Please indicate the name, address, and location of the qualified licensees that are contiguous to the commons area on the diagram or map.
 - d. Such items shall be sent to:

By Mail: Michigan Liquor Control Commission - P.O. Box 30005 - Lansing, MI 48933

By Fax: (517) 763-0059

By Email: mlccrecords@michigan.gov

2. Prior to any business applying to the MLCC for a Social District Permit, a qualified licensee must obtain approval from the Township Board. To receive approval from the Township Board, the qualified licensee shall submit a completed Page 2 of the [Social District Permit Application \(LCC-208\)](#) and any supporting documents to the Township at least fourteen (14) days prior to the next Ada Township Board meeting. If the Township Board approves of that application, the Township Clerk shall complete Page 3 of that same document and return a copy to the qualified licensee. The qualified licensee shall thereafter submit the completed application to the MLCC with the appropriate fees attached thereto.

A Management and Maintenance Plan for Ada Township's Social District and Commons Area is outlined below. This plan establishes the rules and regulations that govern the Social District and Commons Area in order to help maintain the health, safety, or welfare of the Public. Violations of these rules shall operate as violations of Michigan Liquor Control Commission rules or other ordinances, rules and laws that remain in full force and effect within the Township and the Townships' Social District and Commons Area.

Note: All State of Michigan and Ada Township laws apply, including but not limited to those prohibiting public intoxication, impaired driving, open containers and serving alcohol to minors.

Operation:

1. The permitted hours of the Social District and Commons Area shall be open for use Thursday-Saturday from 12:00 p.m. to 9:30 p.m. through January 31, 2022. These hours are subject to change as necessary to maintain the public health, safety, and welfare of the Ada community.
2. The Social District and Commons Area boundaries are outlined in Exhibit A. The selling, service, or public possession of any alcoholic drink outside of those described areas of the Township or the adjoining MLCC qualified businesses is prohibited.
3. No tents or lighting or privately owned tables or chairs or heating mechanisms or fire pits of any kind shall be installed within the Social District or Commons Area without Township permission in advance.
4. No amplified sound shall be used in the Social District or Commons Area without Township permission.
5. Umbrellas may be installed with Township permission but shall not be mechanically fastened to street or sidewalk surfaces.
6. Dogs are permitted in the Social District and Commons Area (the Township's leash laws still apply, as does the obligation to pick up after your dog).
7. Always remember to leave a place a little better than you found it.

Access:

1. Pedestrian access shall be maintained to all buildings within the Social District and Commons Area as required by Ada Township.
2. Emergency access shall be maintained to all adjacent properties in the Social District and Commons Area as required by Ada Township.

Alcohol:

1. Alcoholic beverages are allowed in the Commons Area only in accordance with a Social District Permit issued by the Michigan Liquor Control Commission (MLCC), any accompanying MLCC regulations, and Ada Township requirements.
2. ONLY Alcoholic beverages purchased by an adult 21 or over from the licensed premises of a Social District Permit holder may be consumed by an adult 21 or over within the designated Commons Area.
3. NO OUTSIDE ALCOHOL ALLOWED. Alcohol purchased from any place other than the licensed premises of a Social District Permit holder (bar or restaurant) may not be brought within the Social District or Commons area. You may NOT bring alcohol from home or purchased from outside of the Social District into the Social District.
4. Only alcohol purchased from a specific MLCC qualified business may be possessed or consumed within that MLCC qualified business. A qualified licensee shall prohibit entry into its licensed premises to any person who has within their possession a container that contains any amount of alcohol that has not been purchased from the qualified licensee.
5. Alcoholic beverages consumed in the Commons Area are required to be in designated cups per the requirements of the MLCC and Ada Township. All licensed premises need to follow these specific guidelines when serving alcohol:
 - a. The serving container must prominently display the licensee's trade name or logo or some other mark that is unique to the licensee that sold the alcohol.
 - b. The serving container must prominently display a logo or some other mark that is unique to the commons area.
 - c. The serving container is not made of glass.
 - d. The serving container does not have a liquid capacity over 16 ounces.
6. Social District Permit holders are responsible for the sale of alcohol on their licensed premises in accordance with their individual Social District Permits and all MLCC rules and regulations, including but not limited to, confirming the consumer's identification and age, and prohibiting the sale of alcohol to intoxicated parties.
7. During regular patrols, the Kent County Sheriff will monitor the Social District and Commons Area as assigned for compliance with MLCC and Ada Township rules and regulations.
8. Township staff, and/or contractors may also monitor the Commons Area and report compliance issues to the proper authorities.

Seating, Tables, and Related Furnishings:

1. Township staff, the Downtown Development Authority (DDA), and/or contractors will maintain any seating, tables, and related furnishings that have been purchased and deployed by the Township or the DDA within the Social District.
2. Seating, tables, and related furnishings that have been provided by individual Social District Permit Holders shall be the sole responsibility of the Social District Permit Holders and must comply with ADA accessibility requirements. Under certain circumstances, Social District Permit holders may use public space for seating, tables, and related furnishings. Interested Social District Permit holders must contact the Ada Township DDA Director for necessary reviews and municipal approvals.
3. Related furnishings are defined as planters, fencing, spatial delineators or other elements that are deployed as part of a seating expansion within the Social District.
4. Ada Township is not responsible for providing, deployment, maintenance, operations, or security of any seating, tables, or related furnishings that are deployed within the Commons Area.

Signage:

1. Township staff, the Downtown Development Authority (DDA), and/or contractors will provide signage that designates the Commons Area and Commons Area boundaries.
2. Existing Ada Township sign ordinances are still applicable within the Social District and Commons Area.

Trash and Recycling:

1. Township staff, the Downtown Development Authority (DDA), and/or contractors will provide temporary trash cans and/or recycling cans within the Commons Area and at Commons Area boundaries and will maintain these trash cans and/or recycling cans and conduct trash removal operations at these locations for the duration of the Social District and Commons Area operation.
2. At locations where existing trash cans are already installed, Ada Township will continue their current maintenance and trash removal operations.

Review:

1. The Management and Maintenance Plan shall be included in any future Social District reviews conducted by Ada Township.
2. The DDA Director and Township Manager shall be included in any review and consulted on any revisions to the Social District and Management and Maintenance Plan.
3. The hours of operation will be subject to change in order to accommodate Special Events and as necessary to maintain the public health, safety, and welfare of the Township.
4. Additional Commons Areas may be considered at a future date by the Ada Township Board.
5. Ada Township reserves the right to close the Social District and/or Commons Area at any time.
6. The Ada Township Board may revoke the Social District and/or Commons Area if their continued use may, in the opinion of the Township Board, threaten the health, safety, or welfare of the Public or has become a public nuisance. The Township Board maintains the authority to end any event that becomes a public nuisance or threatens the health, safety, or welfare of the public prior to revocation of the Social District and/or Commons Area and may designate someone to make that determination in an emergency. Prior to revocation of the Social District or Commons Area, the Township Board shall hold at least 1 public hearing on that proposed revocation and that public hearing shall occur at a public meeting that meets the requirements of a public meeting under the Open Meetings Act.

Social Distancing and COVID-19 Response:

1. All users of the Social District and the Commons Area shall follow all applicable State of Michigan social distancing and mask guidance and requirements.
2. All users of Commons Area shall comply with State of Michigan Department of Health and Human Services, including but not limited to, complying with limits on social gatherings and requirements relating to face masks.
3. All users of the Social District and Commons Area shall use them at their own risk.

Contact:

All questions or concerns should be directed to the Downtown Development Authority (DDA): Haley Stichman, DDA Director, hstichman@adatownshipmi.com, (616) 676-9191 ext. 35.

EXHIBIT A

ADA TOWNSHIP SOCIAL DISTRICT MAP

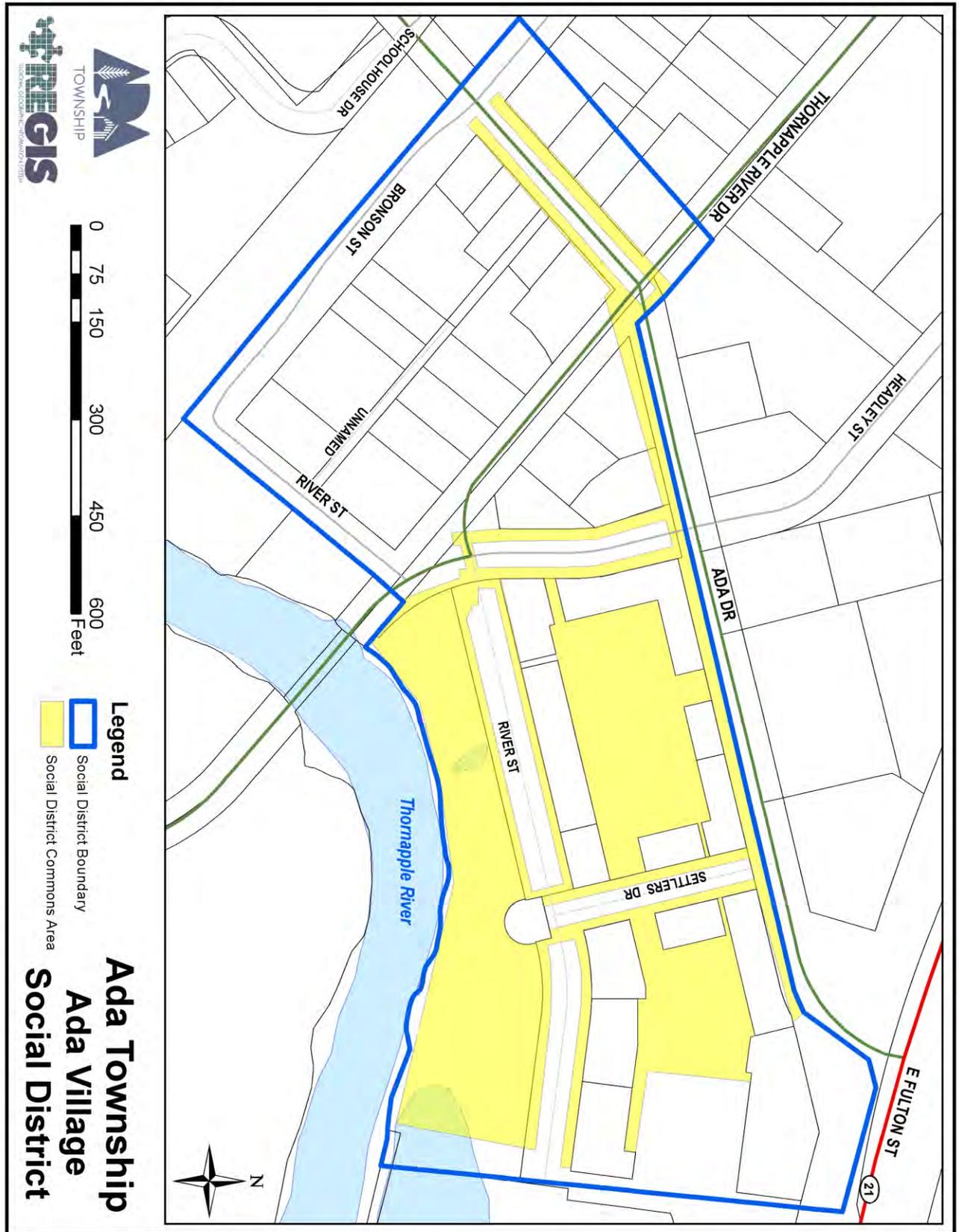


EXHIBIT B

LIQUOR LICENSES ELIGIBLE FOR SOCIAL DISTRICT PERMIT*

(*ESTABLISHMENTS LOCATED WITHIN THE PROPOSED SOCIAL DISTRICT BOUNDARIES.)

ADA GARAGE BAR & GRILL, 518 ADA DR SE ADA, MI 49301

ADA VILLAGE GENERAL STORE, 7430 RIVER ST SE ADA, MI 49301 (*IN PROCESS – CLASS C REDEVELOPMENT LIQUOR LICENSE*)

GRAVEL BOTTOM CRAFT BREWERY, 452 ADA DR SE STE 100 ADA, MI 49301

LUNA OF ADA, 7471 RIVER ST ADA, MI 49301 (*IN PROCESS – CLASS C REDEVELOPMENT LIQUOR LICENSE*)

NONNA'S: THE TRATTORIA, 584 ADA DR SE ADA, MI 49301

MUDPENNY, 496 ADA DR SE STE 101 ADA, MI 49301

SCHNITZ ADA GRILL, 597 ADA DR SE ADA, MI 49301

ZEY TIN TURKISH RESTAURANT, 7437 RIVER ST SE ADA, MI 49301



MEMORANDUM

Date: 09/20/22

TO: Ada Township Board
FROM: Department of Planning
RE: Request for Rezoning to the PUD District and for Approval of Preliminary PUD Plan for the "Hidden Lakes at Ada, LLC" Planned Unit Development

Overview of Request:

A RP-1 Planned Unit Development (PUD) is proposed for a 13-lot single-family home development on the subject property as depicted on the submitted plans.

The subject site contains about 60 acres (59.69 acres) and is zoned RP-1, with a court ruling from 1972 allowing for development of mobile homes on the property. The developer is now pursuing Planned Unit Development (PUD) approval for a 12-lot (previously 13 lots; see below) single family home development on this property as depicted in the submitted concept plan. The Township Master Plan designates the property as Rural Preservation (RP).

The subject site is located on the west side of Egypt Valley Ave., between 3 Mile and 4 Mile Roads. The site contains significant topography with significant changes in slope, as well as extensive woodlands, and (per the applicant's information) wetlands.

As part of the PUD application, the applicant requested the following deviations from the applicable requirements of the RP-1 Zoning District:

- Minimum front yard setbacks: 40' requested; 50' required.
- Minimum side yard setbacks: 40' total between buildings; 50' total required between buildings (20' minimum side yards requested and allowed by Ordinance).
- Minimum rear yard setbacks: 40' requested; 50' required.
- Minimum lot areas: 1.5 acres requested; 5 acres required (actual net density equates to approximately one home per 4.6 acres due to open space preservation).
- Minimum lot widths: 200' requested; 270' required.

Concerning lot size/density, Section 78-449 of the Zoning Ordinance (Variation from other zoning standards for PUDs), a density of up to one home per 3 acres is allowed if 40% or more of the site is designated as open space. The applicant's plan shows approximately 41.4 – 43.9 % of the entire property being designated as open space (24.76 to 26.26 acres). The applicant is currently working with the Township to dedicate the permanent open space.

The proposed layout, as shown on the attached plan, initially consisted of eleven home lots along the primary internal road, with two additional home lots (12 and 13) utilizing a separate, shared access driveway; however, at the Planning Commission meeting the applicant made the decision to combine lots 12 and 13 into a single lot.

The proposed private road will be placed opposite Roma Terrace Dr. (at Egypt Valley), which is an optimal design solution to avoid offset intersections. The middle portion of the site is generally the lowest portion of the site, with most of the wetlands and open space being shown in this area (approx. 15.23 acres). An additional open space area totaling about 5.05 acres is proposed for the northwest and western edge of the property; this area will include the common septic fields for the entire development.

Summary of Public Input:

Public comment was heard from four (4) residents in the immediate area. Concerns that were expressed included proposed lot sizes, existing wetland areas, and potential on-site waste disposal system and stormwater issues.

Recommended Action:

1. Approval of the attached Ordinance to rezone the property to the RP-1/PUD zoning district.
2. Approval of the attached Resolution approving the Preliminary PUD Plan, subject to conditions.

Following approval of the rezoning and Preliminary PUD Plan, the applicant will be required to submit a Final PUD Plan application to the Planning Commission for approval.



ADA TOWNSHIP ORDINANCE NO. O-092622-1

**AN ORDINANCE TO AMEND THE ADA TOWNSHIP ZONING ORDINANCE
(Chapter 78 of the Ada Township Code of Ordinances, as Amended)**

Whereas Hidden Lakes at Ada, LLC has submitted a petition requesting that the official Zoning Map of Ada Township be amended to change the zoning district of the property described below from the RP-1 District to the RP-1/PUD “Rural Preservation 1/Planned Unit Development” Districts; and

Whereas, the applicant has also submitted a Preliminary Planned Unit Development for the development of 12 single-family lots to be accessed from Egypt Valley Avenue via a private road (Lots 1-11) and Egypt Valley Avenue (Lot 12), and

Whereas, the Ada Township Planning Commission held a public hearing on September 15, 2022 on the petition for rezoning and the Preliminary Planned Unit Development; and

Whereas, following the public hearing, the Ada Township Planning Commission recommended that the Preliminary Development Plan be approved and that the subject property be rezoned to the RP-1 and PUD Districts; now therefore

THE TOWNSHIP OF ADA ORDAINS:

Section 1. Rezoning of Property from the RP-1 Zoning District to the RP-1 and PUD Zoning Districts.

The following described property is hereby rezoned from the RP-1 District to the RP-1 “Rural Preservation 1” and PUD “Planned Unit Development” Districts. The Zoning Map of Ada Township, Kent County, Michigan shall be amended to show that said property is within both the “RP-1” and the “PUD” Districts:

The East 60 acres of the North half of the Southeast quarter of Section 5, Town 7 North, Range 10 West (3201 Egypt Valley Ave. NE; Parcel No. 41-15-05-400-002)

Section 2. Severability.

The various parts, sections and clauses of this ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the ordinance shall not be affected thereby.

Section 3. Effective Date.

This Ordinance shall become effective immediately upon the expiration of seven (7) days after publication in a newspaper of general circulation in the Township.

Jacqueline Smith, Township Clerk

Ross Leisman, Township Supervisor



**ADA TOWNSHIP PLANNING COMMISSION MEETING
MINUTES OF THE SEPTEMBER 15, 2022 REGULAR MEETING**

(Excerpted)

Draft

A regular meeting of the Ada Township Planning Commission was held on Thursday, September 15, 2022 at 5:30 p.m., at the Ada Township Hall Assembly Room, 7330 Thornapple River Dr., Ada Michigan.

I. CALL TO ORDER

Chair Korth called the meeting to order at 5:30 p.m.

II. ROLL CALL

Members Present: Burton, Easter, Heglund, Korth, Moyer

Members Absent: Butterfield, Jacobs

Staff Present: Bajdek, Buckley, Fitzpatrick, Said, Suchy

Others Present: 18

Chair Korth welcomed Mr. James Moyer to the Planning Commission.

III. APPROVAL OF AGENDA

Moved by Heglund, supported by Easter, to approve the agenda as presented. Motion carried.

IV. APPROVAL OF MINUTES OF THE AUGUST 18, 2022, REGULAR MEETING

Moved by Heglund, supported by Moyer, to approve the August 18, 2022, minutes as presented. Motion carried.

V. PUBLIC HEARING

- 1. Preliminary PUD Plan, proposal for 13 single family residential home sites on 60 acres in the RP-1 Zoning District, 3201 Egypt Valley Ave. NE, Parcel No. 41-15-05-400-002, Paul C. Heule, Manager, Hidden Lakes at Ada, LLC, (property owner Egypt Valley 3201 LLC)**

Ed Pynnonen, 7114 Gladys SE, Grand Rapids MI 49546, representing property owner, Paul Heule, presented his request for a 13-lot community with approximately 40% open space. He said each lot would be serviced by individual septic tanks and wells and with a community drainfield.

Korth opened the public hearing at 5:34 p.m.

Jim Crosby, 2975 Egypt Valley Avenue NE, said he thinks the lots should be limited to a 5-acre minimum and due to wetlands, limited to buildable acres.

Nevin Zolenski, 6151 3 Mile Road NE, said that he felt the number of units proposed was excessive and he thought 6 units was enough. He shared concerns about the amount of wetlands area and possible drainfield/storm water/septic issues.

Todd VanDoorne, 3233 Egypt Valley Avenue NE, said that he felt the 5-acre minimum should be withheld and he shared concern about the wetlands.

Jennifer Marsh, 6169 3 Mile Road NE, said that looking at the proposal she was disappointed to see lots that were less than 5-acres especially since it was an Ada Township requirement that in the RP-1 district there was a 5-acre minimum lot size. She also shared concerns about the wetlands and that it should be limited to buildable acreage.

There was no other public comment and the public hearing was closed at 5:49 p.m.

Director of Planning, Said, stated that the Planning staff and Township Engineer met with the applicant at a Plan Review Meeting and no major concerns were identified at that time. Said explained that this was a Preliminary PUD process and at the time of the Final PUD, they would need to come back and ensure approval from the Kent County Health Department for the well and septic and address other aspects; riparian protection and drainage/storm water requirement.

Mr. Pynnonen went over the details on the development plan drawing and explained: the location of the drainfield and the drainage process, locations of the designated open space area, showed how the smaller lot sizes allowed flexibility to carve out lots outside of the wetland areas, the septic systems would be maintained by a waste water treatment operator, and plan to put in a test well and have inspected by the Kent County Health Department.

Bajdek explained/clarified the zoning requirements of a PUD development (40% or greater is open space) within the RP-1 district. Bajdek stated that if a parcel was developed under a PUD (Planned Unit Development), the zoning ordinance allows for a density of up to 1 home per 3 acres vs. the 5-acre minimum requirement if not developed under a PUD.

There was extended discussion amongst the Commissioners, Planning Staff and the applicant regarding: details on homeowner's association protection vs. home owner responsibility, the process of how an agreement between the association and the Township would work, the wetland areas and what was buildable/riparian protection, the density of lot size for a PUD vs. not PUD, and the overall drainfield/septic system process/routing.

John Male, Exxel Engineering, said he was representing the developer and briefly explained the wetland areas and the 25' riparian protection on the development plans.

Mr. Pynnonen concluded that the proposed preliminary plan met the requirements of the PUD, and that he would consider any conditions the Planning Commission required, to move forward with an approval.

There was additional Commissioner discussion about the zoning language and clarification of the gross density of the lot size and Mr. Pynnonen agreed to reduce the number of lots proposed from 13 to 12 lots by combining lots 12 and 13 into 1 single lot.

Moved by Burton, supported by Moyer, to recommend approval to the Township Board, of the Preliminary PUD Plan for 12 single family residential home sites at 3201 Egypt Valley Avenue, subject to the following conditions:

1. The approved PUD Plan shall be carried out in substantial conformance with the "Hidden Lakes at Ada Preliminary Development Plan" dated 8/17/22 and prepared by Exxel Engineering, and with the change of combining lots 12 and 13 into a single lot.
2. The proposed development shall consist of a maximum of 12 single-family dwelling units.
3. A storm water permit application and accompanying construction plans for the storm water management system shall be submitted, subject to review and approval of a permit by the Planning Department, prior to initiation of site improvements.
4. There shall be no street lighting on the property.
5. The Construction plans for public water and sewer main extensions shall be subject to issuance of required State permits and approval by the Utilities Director, prior to initiation of site improvements, and prior to issuance of building permits.
6. A wetland permit shall be obtained from the State of Michigan prior to issuance of any building permit.
7. Final PUD plans shall include all submittals as specified in the Zoning Ordinance, including but not limited to:
 - Proposed site elevations, at contours of two feet.
 - Proposed landscaping including species, sizes, and quantities of all plant materials to be installed, and irrigation system coverage.
 - All significant existing plant materials (specifically trees) to be retained and removed on the site. Any trees over 18" caliper and 5' height that would be removed be identified.
 - Layout and dimensions of all proposed driveways.
 - All existing and proposed utility lines, including gas and electric.
 - Location, height, and design of all proposed fencing or walls.
 - Location, height and style of all proposed exterior lighting.
 - Elevation drawings including façade materials.
 - Stormwater drainage plan.
8. At the time of final PUD review, the applicant shall identify all homeowner association responsibilities, including, but not limited to, the following:
 - Road maintenance.
 - Septic system.
 - Open space/common area maintenance.
 - Stormwater management.
9. The applicant shall finalize an agreement with the Township for dismissal of the previous 1972 court order prior to the issuance of any permits for the site.
10. Identify building envelopes not to exceed 4,000 sq. ft. each lot.

Motion carried by roll call vote 5-0.

**MEMORANDUM**

Date: 09-06-22

TO: Ada Township Planning Commission
FROM: Department of Planning
RE: **September 15, 2022 – Preliminary Planned Unit Development (PUD) - 13 Single-Family Residential Home Sites on +/- 60 acres, 3201 Egypt Valley Ave., Parcel No. 41-15-05-400-002, Hidden Lakes at Ada LLC/Paul C. Heule**

Request Overview

The applicant requests preliminary approval of a Planned Unit Development (PUD) for a 13-lot single-family home development on the subject property as depicted on the submitted plans.

The subject site contains about 60 acres (59.69 acres) and is zoned RP-1, with a court ruling from 1972 allowing for development of mobile homes on the property. The developer intends to pursue Planned Unit Development (PUD) review and approval for a 13-lot single family home development on this property as depicted in the submitted concept plan. The Township Master Plan designates the property as Rural Preservation (RP).

The subject site is located on the west side of Egypt Valley Ave., between 3 Mile and 4 Mile Roads. The site contains significant topography with significant changes in slope, as well as extensive woodlands, and (per the applicant's information) wetlands.

The applicant appeared at the July 21, 2022 Planning Commission meeting for the required PUD Pre-Application Conference and received concurrence and support for the conceptual request from the Planning Commission.

Analysis

As part of the PUD application, the applicant requests the following deviations from the applicable requirements of the RP-1 Zoning District:

- Minimum front yard setbacks: 40' requested; 50' required.
- Minimum side yard setbacks: 40' total between buildings; 50' total required between buildings (20' minimum side yards requested and allowed by Ordinance).
- Minimum rear yard setbacks: 40' requested; 50' required.
- Minimum lot areas: 1.5 acres requested; 5 acres required (actual net density equates to approximately one home per 4.6 acres due to open space preservation).
- Minimum lot widths: 200' requested; 270 feet required.

Concerning lot size/density, Section 78-449 of the Zoning Ordinance (Variation from other zoning standards for PUDs), a density of up to one home per 3 acres is allowed if 40% or more of the site is designated as open space. The applicant's plan shows approximately 41.4 – 43.9 % of the entire property being designated as open space (24.76 to 26.26 acres). The applicant is currently working

with the Township to dedicate the permanent open space.

The proposed layout consists of eleven home lots along the primary internal road, with two additional home lots (12 and 13) utilizing a separate, shared access driveway. The proposed primary road will be placed opposite Roma Terrace Dr. (also private) at Egypt Valley, which is an optimal design solution to avoid offset intersections. The middle portion of the site is generally the lowest portion of the site, with most of the wetlands and open space being shown in this area (approx. 15.23 acres). An additional open space area totaling about 5.05 acres is proposed for the northwest and western edge of the property; this area will include the common septic fields for the entire development.

The following additional comments are also provided:

- Plans now show the hiking path within the open spaces around Lots 3 – 10, with extensions connecting to Lots 1, Lots 12-13, and into the open space area adjacent to Lot 11.
- Final plans will need to include required riparian protection adjacent to the wetland areas, per Sec. 78-32 of the Zoning Ordinance. This includes indicating a 15-foot natural vegetation zone and a 10-foot transition zone, each, for a 25' total buffer area.
- The applicant will need to secure a professional operator for maintenance and operation of the on-site water and sewer systems and will need to establish an agreement with the Township for maintenance of the system should there ever be a system failure.
- No streetlights are proposed for this project; a Condition of Approval is included to address this.
- Because the proposed development consists of less than 40 units, per the Zoning Ordinance no traffic study is required.
- In preliminary communications with the Township, the applicant has agreed in concept to a written agreement dismissing the 1972 court judgement allowing mobile home development on this property.
- In addition to requirements specified in the Zoning Ordinance, the applicant will need to identify the following at the time of final PUD review:
 - o All planned homeowner association responsibilities, including, but not limited to, the following:
 - Road maintenance.
 - Septic system.
 - Open space/common area maintenance.
 - Stormwater management.
 - o Clarification of proposed open space amounts (including whether the stormwater management area is counted separately from the adjacent open space area).
 - o Forested areas, and areas and methods of tree retention, to retain as much of the natural area as possible (which also helps reduce erosion).

- Grading plans and adherence to all required PUD submittal requirements.
- The following for well and septic:
 - Kent County Health Department approval for the proposed well and septic.
 - Explanation of placement of the septic field at the highest point on the site, and proposed pumping to be used.
- Confirmation of adherence to Township riparian protection standards as specified in the Zoning Ordinance.
- Confirmation of wetlands location(s) and wetland mitigation approval (from the State of Michigan) for any wetland disturbance/removal (such as for the proposed shared driveway for Lots 12 and 13).

PUD Standards and Commentary

The following standards for review as part of a PUD application are provided, from Sec. 78-458 of the Zoning Ordinance, along with Staff commentary:

- a. The PUD conforms with the policies, goals, guidelines and recommendations contained in the master plan concerning land use, density, vehicular access and circulation, pedestrian circulation, building placement, character and design, landscaping, signage and amenities.

Staff believes that the proposed development complies with the Master Plan recommendations for this property. It is a low-density residential development with significant open space preservation.

- b. The PUD is consistent with and promotes the intent of this article and this chapter.

Staff believes that this standard is met.

- c. If the PUD contains more than one type of use, the uses are arranged in a manner, and buffers are provided as necessary and appropriate, so as to prevent adverse impacts of one use upon another, and so as to create a logical relationship of one use to another.

Not applicable.

- d. The PUD is compatible with surrounding uses of land and the character of the surrounding area. The design and placement of buildings and other structures, parking, lighting, signs, refuse storage, landscaping and other elements of the proposed PUD ensures compatibility with surrounding properties and properties within the PUD, and ensures that the development, when viewed from public rights-of-way, contributes to the desired character of the surrounding area.

Staff believes this standard is met.

- e. The PUD is designed to have minimal adverse effect on the environment and to preserve and maintain to the maximum extent feasible the quality of surface and groundwater resources and the natural topography, vegetation and other natural features of the site.

Staff believes this standard is met, due to preservation of more than 40% of the property as open space.

- f. The PUD will not place demands on public services and facilities in excess of their capacity.

Staff believes this standard is met, as there will be only 13 homes on the subject property, with minimal impact on traffic and no impact on local utilities.

- g. Any approved community water or sewer facilities which are not connected to a public system at the time of construction shall be designed as a complete unit to serve the entire PUD project, with provision for connection to a public system if and when a public system is provided at a future date.

The applicant proposes a unified septic sewer system to serve the entire development, but also proposes individual wells for each development lot. However, it is not expected that this site will be served by public water and sewer in the foreseeable future.

- h. Safe and efficient ingress and egress has been provided to the property, especially with regard to pedestrian safety and convenience, traffic flow and control, and access in case of fire or another emergency. The amount and type of traffic generated by the PUD shall not exceed the capacity of existing and proposed streets. Curbs, gutters and sidewalks may be required if it is determined that such improvements are necessary for reasons of public safety.

Staff believes this standard has been met; one primary street is provided accessing Egypt Valley, opposite the Roma Terrace driveway to minimize conflicts. A cul-de-sac bulb meeting Township requirements is proposed for the terminus of the primary street. An internal natural walking trail is included in the plans for the convenience of future residents.

- i. The PUD shall be designed so that the additional traffic generated by the PUD will not create a substantial detrimental effect on neighboring properties or on the health, safety and welfare of township residents, including the residents of the proposed PUD.

Staff believes this standard has been met with the plan as proposed.

- j. The PUD is otherwise consistent with the public health, safety and welfare of the township.

Staff believes this standard has been met with the plan as proposed

- k. Except to the extent that conformance with the standards of this chapter is explicitly waived in the proposed PUD as permitted in this article, the PUD shall conform with all other applicable standards and requirements of this chapter.

No response required.

Summation and Recommendation

The proposed PUD has been prepared to reflect the conditions of the subject site and is consistent with the area around the subject site. As such, Staff recommends approval of the Preliminary PUD Plan, subject to the following conditions:

1. The approved PUD Plan shall be carried out in substantial conformance with the "Hidden Lakes at Ada Preliminary Development Plan" dated 8/17/22 and prepared by Exxel Engineering.
2. The proposed development shall consist of a maximum of 13 single-family dwelling units.
3. A storm water permit application and accompanying construction plans for the storm water management system shall be submitted, subject to review and approval of a permit by the Planning Department, prior to initiation of site improvements.
4. There shall be no street lighting on the property.
5. The Construction plans for public water and sewer main extensions shall be subject to issuance of required State permits and approval by the Utilities Director, prior to initiation of site improvements, and prior to issuance of building permits.
6. A wetland permit shall be obtained from the State of Michigan prior to issuance of any building permit.
7. Final PUD plans shall include all submittals as specified in the Zoning Ordinance, including but not limited to:
 - Proposed site elevations, at contours of two feet.
 - Proposed landscaping including species, sizes, and quantities of all plant materials to be installed, and irrigation system coverage.
 - All significant existing plant materials (specifically trees) to be retained and removed on the site.
 - Layout and dimensions of all proposed driveways.
 - All existing and proposed utility lines, including gas and electric.
 - Location, height, and design of all proposed fencing or walls.
 - Location, height and style of all proposed exterior lighting.
 - Elevation drawings including façade materials.
 - Stormwater drainage plan.
8. At the time of final PUD review, the applicant shall identify all homeowner association responsibilities, including, but not limited to, the following:
 - Road maintenance.
 - Septic system.
 - Open space/common area maintenance.
 - Stormwater management.
9. The applicant shall finalize an agreement with the Township for dismissal of the previous 1972 court order prior to the issuance of any permits for the site.

(Upon conclusion of Planning Commission review, the request will go on to the Township Board for final action. After that, the applicant may submit a request for final Planned Unit Development approval.)



ADA TOWNSHIP RESOLUTION R- 092622-2

A Resolution to approve a Preliminary PUD Plan for the "Hidden Lakes at Ada, LLC" Planned Unit Development.

At a Regular Meeting of the Township Board of Ada, Kent County, Michigan, held on Monday, September 26, 2022, at 7:00 p.m., there were:

PRESENT:

ABSENT:

WHEREAS, Hidden Lakes at Ada, LLC has submitted an application for approval of a Preliminary Development Plan for property located at 3201 Egypt Valley Ave. NE, and

WHEREAS, the Ada Township Planning Commission, after the holding of a public hearing regarding the application, has recommended that the Township Board approve the Preliminary Development Plan,

NOW, THEREFORE, BE IT RESOLVED,

1. The Preliminary Development Plan, hereinafter referred to as the "PUD", for the property referenced above is hereby approved.
2. Approval of the PUD, subject to the conditions set forth herein, is based on the following findings and conclusions:
 - a. The proposed PUD conforms with the policies, goals, guidelines and recommendations contained in the Ada Township Master Plan, and achieves the goals of the above plan to a greater extent than would development of the property under the conventional zoning standards.
 - b. The PUD is consistent with and promotes the intent of the Planned Unit Development provisions of the Zoning Ordinance.
 - c. The PUD is compatible with surrounding uses of land and the character of the surrounding area.
 - d. The PUD is designed to have minimal adverse effect on the environment.
 - e. The PUD will not place demands on public services and facilities in excess of their capacity.
 - f. The PUD provides safe and efficient vehicular and pedestrian circulation and traffic.
 - g. Additional traffic generated by the PUD will not create a substantial detrimental effect on neighboring properties or the Township at-large.

h. The PUD is consistent with the public health, safety and welfare of the Township.

3. Approval of the PUD is subject to conformance with the following conditions, which are deemed necessary to meet the intent and purpose of the PUD provisions of the Zoning Ordinance, to protect the public health, safety and welfare, and to comply with the standards for approval of PUD's contained in the Zoning Ordinance:

a. The approved PUD Plan shall be carried out in substantial conformance with the "Hidden Lakes at Ada Preliminary Development Plan" dated 8/17/22 and prepared by Exxel Engineering, and with the change of combining lots 12 and 13 into a single lot.

b. The proposed development shall consist of a maximum of 12 single-family dwelling units.

c. A storm water permit application and accompanying construction plans for the storm water management system shall be submitted, subject to review and approval of a permit by the Planning Department, prior to initiation of site improvements.

d. There shall be no street lighting on the property.

e. The Construction plans for public water and sewer main extensions shall be subject to issuance of required State permits and approval by the Utilities Director, prior to initiation of site improvements, and prior to issuance of building permits.

f. A wetland permit shall be obtained from the State of Michigan prior to issuance of any building permit.

g. Final PUD plans shall include all submittals as specified in the Zoning Ordinance, including but not limited to:

- Proposed site elevations, at contours of two feet.
- Proposed landscaping including species, sizes, and quantities of all plant materials to be installed, and irrigation system coverage.
- All significant existing plant materials (specifically trees) to be retained and removed on the site. Any trees over 18" caliper and 5' height that would be removed be identified.
- Layout and dimensions of all proposed driveways.
- All existing and proposed utility lines, including gas and electric.
- Location, height, and design of all proposed fencing or walls.
- Location, height and style of all proposed exterior lighting.
- Elevation drawings including façade materials.
- Stormwater drainage plan.

h. At the time of final PUD review, the applicant shall identify all homeowner association responsibilities including, but not limited to, the following:

- Road maintenance.
- Septic system.
- Open space/common area maintenance.
- Stormwater management.

i. The applicant shall finalize an agreement with the Township for dismissal of the previous 1972 court order prior to the issuance of any permits for the site.

j. Identify building envelopes not to exceed 4,000 sq. ft. each lot.

Upon a vote for the adoption of said resolution, the vote was:

AYES:

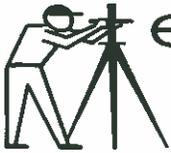
NAYS:

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Township of Ada, County of Kent, State of Michigan, at a meeting held on September 26, 2022, the original of which is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act.

Dated: _____

Jacqueline Smith, Township Clerk



RECEIVED

AUG 17 2022

PLANNING & ZONING
ADA TOWNSHIP

Transmittal to:

John Said
Ada Township
7330 Thornapple River Drive
Ada, MI 49301

Date: August 17, 2022
Job No:
Re: Hidden Lakes at Ada
Preliminary PUD Submission

We are enclosing the following:

COPIES	DATE	DESCRIPTION
5		Application
5		PUD Narrative
5		Preliminary Development Plan and Alternate Plan
1		\$400 Fee

Enclosed for:

Approval Your use _____

Remarks:

John,

Attached is a packet of information for the Hidden Lakes at Ada PUD for preliminary PUD and rezone consideration at the September 15 planning commission meeting.

Please let me know if you have any questions or need additional information.

Thanks,

Submitted by: Jon Male
Jon Male, P.E.
jmale@exxelengineering.com



RECEIVED

AUG 18 2022

PLANNING & ZONING
ADA TOWNSHIP

PLANNED UNIT DEVELOPMENT (PUD) APPLICATION

An application fee and escrow deposit must accompany this form. See reverse side for fee schedule.

Applicant Information:

Name: Hidden Lakes at Ada, LLC

Address: 231 W. Fulton, Grand Rapids, MI 49503

Phone Number: (616) 530-5500 Email: pcheule@eenhoorn.com

Property Owner Name and Address (if different than above): Same as applicant

Property Information:

Property Address: 3201 Egypt Valley Avenue NE

Parcel Number: 41 - 1 5 - 0 5 - 4 0 0 - 0 0 2

Current Zone District Classification: Court ordered rezone (Mobile Home Park)

Name of Project: Hidden Lakes of Ada

Summary Description of Project: PUD for single family residential home sites

- Type of Application: Pre-Application Conference
 Preliminary PUD or Revised Preliminary PUD
 Final PUD
 Revised Final PUD

I (we), the undersigned, do hereby make application and petition the Township to amend the Ada Township Zoning Ordinance and associated zoning map and also hereby grant permission to Ada Township and its officials and staff to enter upon the subject property for purposes of review and evaluation of this request.

Applicant's Signature(s): [Signature] Date: 8/17/2022

Property Owner's Signature(s): _____ Date: _____
(If different than above)

TO BE COMPLETED BY ADA TOWNSHIP

Application Received: <u>8-18-2022</u>	Initial: <u>eb</u>		
	mm / dd / yy		
Application Fee of \$ <u>400.00</u>	Received: <u>8/18/22</u>	Initial: <u>[Signature]</u>	Check # <u>41809</u> Receipt # <u>334666</u>
	mm / dd / yy		<u>Excel Engineering Inc</u>
Escrow Deposit of \$ <u>1000.00</u>	Received: <u>8/18/22</u>	Initial: <u>[Signature]</u>	Check # <u>1074</u> Receipt # <u>331665</u>
	mm / dd / yy		<u>Realliance LLC</u>

Updated 11/20/18



August 18, 2022

Hidden Lakes at Ada
PUD Narrative – Preliminary Approval

Hidden Lakes at Ada is a proposed residential community located at 3201 Egypt Valley Avenue (Parcel No. 41-15-05-400-002). The property is owned by **HIDDEN LAKES AT ADA, LLC**. The property is 60 acres in size and is currently wooded.

In 1972, a court order was issued for this property that allowed it be developed as a mobile home park. While acknowledging that this use is an option for this property, the developer is planning to construct 13 residential homes sites along with open space on this 60 acres. In order to develop the property efficiently, we are seeking a PUD rezoning with Ada Township.

A majority of the proposed residential homes sites are designed to be accessed from a private roadway with a connection to Egypt Valley Avenue across from Roma Terrace Drive. Units 12 and 13 are proposed to be access via a shared driveway at the south border of the property. The development will be served with individual wells and individual septic tanks which will be pumped to a community drainfield location shown on the plan. The improvements of the wells and septic design will be done to the standards of the Kent County Health Department. The private driveway will also be designed with storm sewer drainage which will be conveyed to a stormwater management area which will be designed per the latest Ada Township stormwater management ordinance.

With the site being primarily wooded, every intent will be made to minimize the proposed grading and tree clearing within the development. The layout of the proposed roadway and home sites will fit the existing terrain of the site and limit the extents of grading that is required. The 13 home sites were carefully chosen based on areas that could be developed with minimal impact and the more environmentally sensitive areas will be preserved within the proposed open space. Walking trails are proposed within the open space to allow the homeowners to enjoy the preserved woodlands and natural beauty of this property.

A copy of an alternate plan is also provided for review by the township. It is a possible layout based on the allowed court ordered mobile home park. This layout would require extensive grading and tree remove to become a reality, so it is in the best interest of the township and neighboring properties to pursue to requested PUD plan.

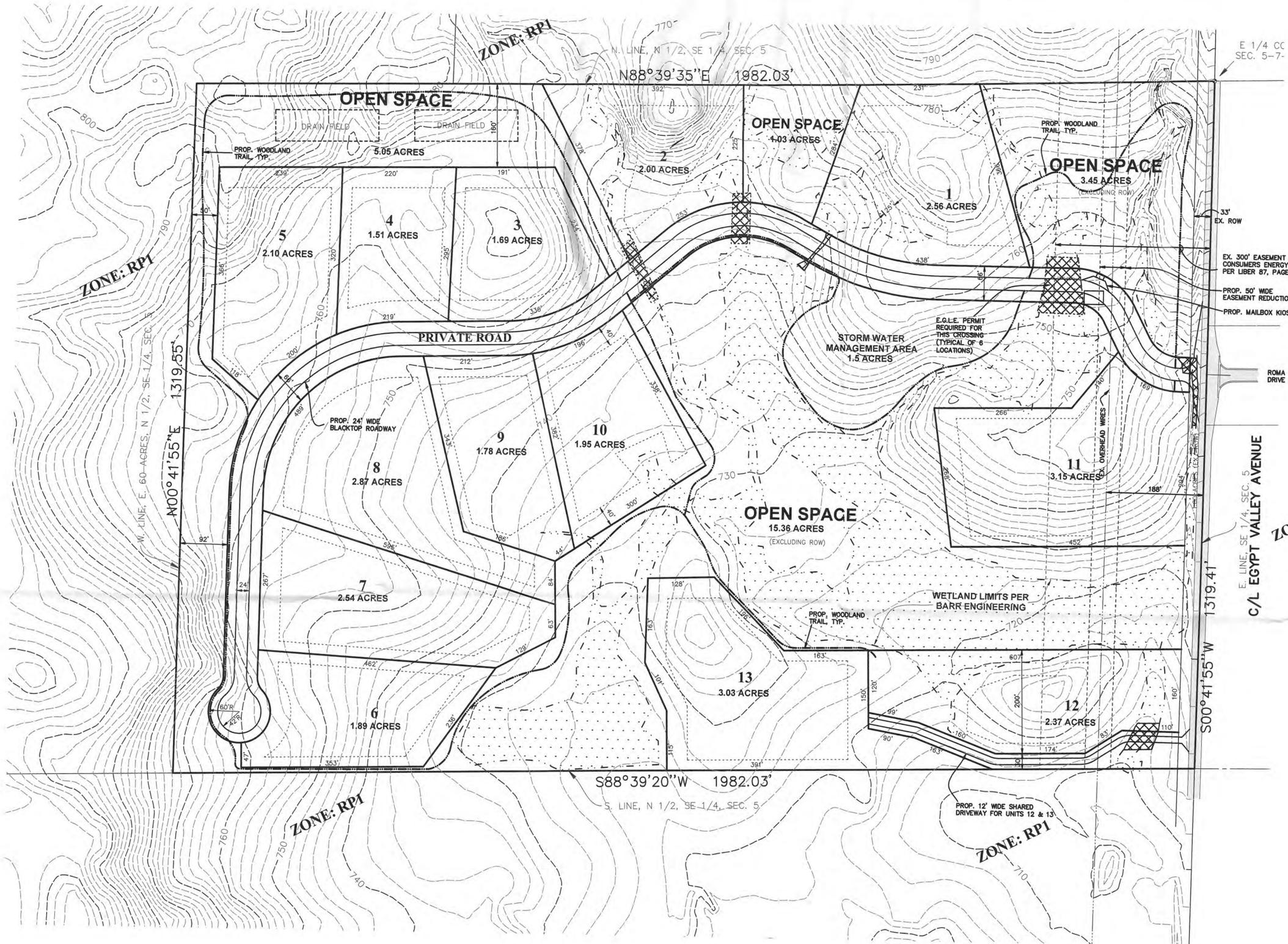
The area surrounding the proposed development is all zoned RP-1. Below is a table of the minimum lot information required for the RP-1 and the proposed deviations requested within this PUD.

Current RP-1 District Regulations

- Front Yard Setback – 50' minimum
- Side Yard Setback – 50' total and 20' min.
- Rear Yard Setback – 50' min.
- Unit Area – 5 acres
- Net Density – 1 home per 3 acres with 40% open space
- Unit Width – 270'
- Building Height – 35'

Proposed PUD Deviations

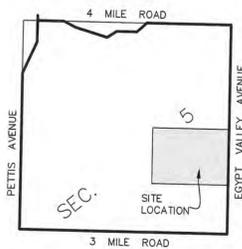
- Front Yard Setback – 40' minimum
- Side Yard Setback – 20' min.
- Rear Yard Setback – 40' min.
- Individual Unit Area – 1.5 Ac. Min
- Unit Width – 200' Min.



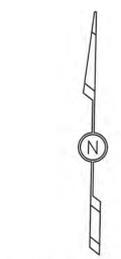
E 1/4 CC
SEC. 5-7-

C/L EGYPT VALLEY AVENUE
E. LINE, SE 1/4, SEC. 5

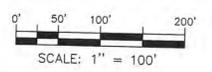
ZONE: RP1



LOCATION MAP



SCALE: 1" = 100'



GENERAL NOTES:

- Description:
The East 60 acres of the North 1/2 of the SE 1/4 of Section 5, T7N, R10W, Ada Township, Kent County, Michigan. Subject to highway right of way over the East 33 feet there of.
- Zoning: Existing classification is RP1 with a Court Ordered Rezoning (allows a mobile home park)
RP1 District regulations
Front setback = 50' min
Side yard = 50' total and 20' min
Rear yard = 50' min
Unit area = 5 acres
Unit width = 270'
Building height = 35'
- Summary of Land Use:
Total area (inc. ROW) 60.0 acres
ROW (existing) (1.0 acres)
ROW (prop) (4.6 acres)
Open space (24.9 acres)
Unit area (29.5 acres)
No. of Units 13
Average lot area 2.28 acres
Gross Density 60.0 ac./13 units = 4.61
- Proposed Land Use: PUD - Single Family Residential
Proposed Minimum Regulations:
Front setback 40'
Side yard 20'
Rear yard 40'
Unit area 1.5 acres min
Unit width 200' min at the minimum front yard setback
Building height 35'
Riparian Setback from Wetland 25'
- Open Space
Total Site 60.0 Ac
ROW (ex. and prop.) 5.5 Ac
Net Site 54.5 Ac
Open Space 24.9 Ac / 54.5 Ac = 45.7%
- Proposed Improvements:
 - This PUD is intended for construction of single family homes with developer restrictions.
 - Utilities
- This PUD will be serviced by individual wells and a septic system with individual septic tanks and a community drainfield systems subject to Kent County Health Department approval.
- This PUD will be serviced by enclosed storm sewer and underground telephone, power, cable TV and gas.
 - The proposed private street construction shall conform to the Ada Township Standards.
 - This PUD will conform to the Kent County Soil Erosion and Sedimentation Control Ordinance.
 - The proposed common open space will be owned and maintained by a (to be established) association of benefiting homeowners.
 - This project will be developed in one phase.
 - No street lights are planned for the project.

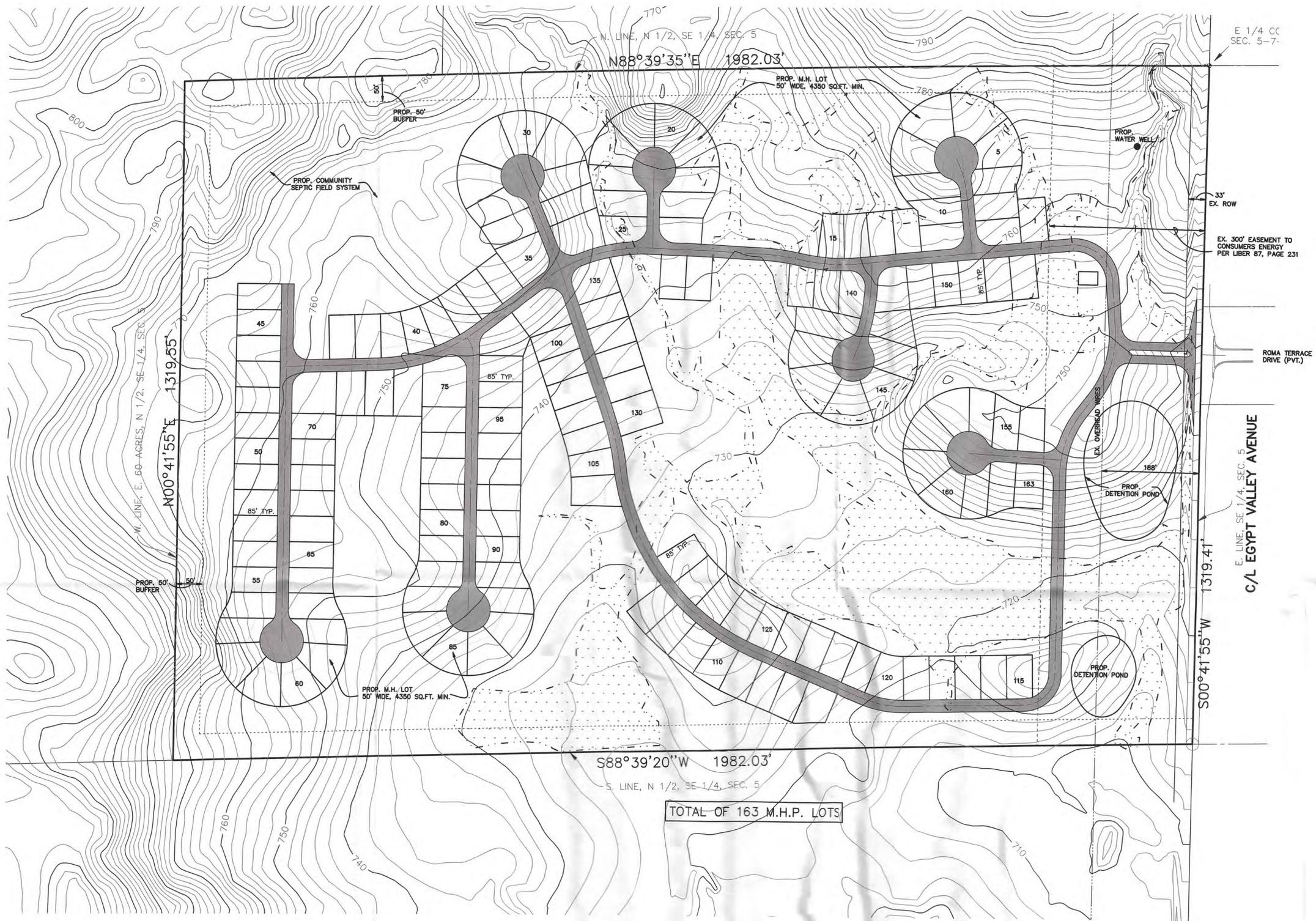
**HIDDEN LAKES AT ADA
PRELIMINARY DEVELOPMENT PLAN**

FOR: HIDDEN LAKES AT ADA LLC
PAUL HEULE
231 W. FULTON STREET
GRAND RAPIDS, MI 49503

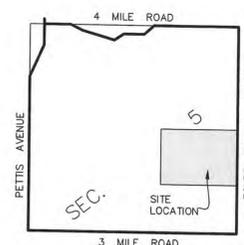
IN: PART OF THE SE 1/4, SECTION 5, T7N, R10W,
ADA TOWNSHIP, KENT COUNTY, MICHIGAN

DATE	REVISION	BY	DRAWN BY: CDG APPROVED BY: JM FILE NO.: 221097E	PROJ. ENG.: JM PROJ. SURV.: BF DATE: 08-17-2022	SHEET 1 of 1
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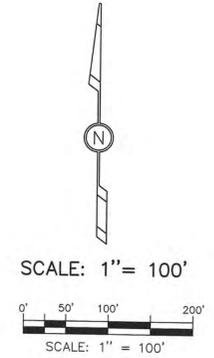
exxel engineering, inc.
planners · engineers · surveyors
5252 Clyde Park, S.W. • Grand Rapids, MI 49509
Phone: (616) 531-3680 www.exxelengineering.com



TOTAL OF 163 M.H.P. LOTS



LOCATION MAP



HIDDEN LAKES AT ADA-ALTERNATE PLAN-MOBILE HOME PARK

FOR: HIDDEN LAKES AT ADA, LLC
 PAUL HEULE
 231 W. FULTON STREET
 GRAND RAPIDS, MI 49503

IN: PART OF THE SE 1/4, SECTION 5, T7N, R10W,
 ADA TOWNSHIP, KENT COUNTY, MICHIGAN

08/11/22	REVISION	DATE	BY	FILE NO.	DATE	SHEET
						1 of 1

DRAWN BY: CDG
 APPROVED BY: JM
 PROJ. ENG.: JM
 PROJ. SURV.: BF
 FILE NO.: 221097E
 DATE: 02-08-2022

exel engineering, inc.
 planners · engineers · surveyors
 5252 Clyde Park, S.W. • Grand Rapids, MI 49509
 Phone: (616) 531-3660 www.exelengineering.com



MEMORANDUM

Date: 9/20/22

TO: Ada Township Board
FROM: Julius Suchy, Township Manager
RE: Purchase of Boots for Fire Department

Background:

The Township budgeted \$10,000 in public safety funds for the purchase of new boots for the Fire Department in the current fiscal year. Chief Murray has provided the attached memo and quote from Apollo Fire Equipment.

The total cost for 16 pairs of boots per the attached quote is \$7,760.00 (\$485.00 per pair). The Township has submitted a claim for seven of the boots to be replaced due to them being damaged in a fire the department responded to in Plainfield Township. If/when this money is received it would be receipted against the expenditure to offset the cost as a reimbursement. If the full cost of those seven pairs of boots is reimbursed it would lower the cost to the Township to \$4,365.00.

The Public Safety Committee reviewed the attached request from Chief Murray at their August 31, 2022 meeting. The committee has reviewed the request and recommends approval to the Township board.

Recommendation:

Staff supports the recommendation from the Public Safety Committee to purchase 16 pairs of boots as quoted by Apollo Fire Equipment.

Requested Motion: Motion to Approve Public Safety Committee Recommendation to Purchase 16 Pairs of Boots from Apollo Fire Equipment for an Amount Not to Exceed \$7,760.00.



Ada Township Fire Department



September 16, 2022

To: Julius Suchy, Township Manager
From: David Murray Fire Chief
RE: Firefighting boots

The National Fire Protection Association (NFPA) recommends that firefighting boots be replaced on a ten-year rotation. We have nine pair that have reached the replacement date. There are an additional seven pair that were damaged at an August fire in Plainfield Township. We are working with the Plainfield Fire Chief to seek reimbursement from the insurance company of the building which burned. In the interim we will need to replace these boots along with expired boots for a total of 16 pair.



MEMORANDUM

Date: 9/20/22

TO: Ada Township Board
FROM: Julius Suchy, Township Manager
RE: Purchase of Turnout Gear Pants for Fire Department

Background:

Chief Murray has provided a memo outlining that seven pairs of turnout gear pants were damaged in the Township's response to the fire in Plainfield Township last month. This information has been submitted to the insurance company related to this fire, but the Township does not to move forward and purchase new equipment while it waits for any potential reimbursement.

The attached quote from West Shore Fire Inc. will replace seven sets of turnout gear pants at a cost of \$1,515.00 per set for a total cost of \$10,605.00.

The Public Safety Committee reviewed the attached request from Chief Murray at their August 31, 2022 meeting. The committee has reviewed the request and recommends approval to the Township board.

Recommendation:

Staff supports the recommendation from the Public Safety Committee to purchase seven pairs of turnout gear pants as quoted by West Shore Fire Inc.

Requested Motion: Motion to Approve Public Safety Committee Recommendation to Purchase 7 Pairs of Turnout Gear Pants from West Shore Fire Inc. for an Amount Not to Exceed \$10,605.00.



Ada Township Fire Department



September 16, 2022

To: Julius Suchy, Township Manager
From: David Murray Fire Chief
RE: Firefighting bunker pants

In the same Plainfield Township fire that damaged our boots it also damaged seven pair of bunker pants/ turn out gear. This damage occurred while extinguishing the fire that involved motor oil which penetrated the gear and was not able to be cleaned. This too is part of the claim made for reimbursement from the property owners insurance company. Attached is a quote for the replacement of this gear.

WEST SHORE FIRE



6620 Lake Michigan Drive
 P.O. Box 188
 Allendale, MI 49401
 (616)895-4347

WHERE SALES SERVICE COME TOGETHER

West Shore Fire Inc.
 6620 Lake Michigan Dr.
 PO Box 188
 Allendale MI 49401
 Phone: 616-895-4347
 Watts: 800-632-6184
 Fax: 616-895-7158



Office of:
 Eric Johnson
ejohnson@westshorefire.com

QUOTATION

*****		*****	
Bill to Address	ADA TOWNSHIP FIRE DEPARTMENT 7330 THORNAPPLE RIVER DR ADA, MI 49301	PO #	
Ship to Address		Ship Via	Best Way
Name		Date:	8/25/2022
Phone #		County:	Kent
Fax #		QUOTE VALID FOR 15 DAYS	
E-mail			
QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
7	Fire-Dex Custom FX-R TecGen 71 Turnout Pant	1,515.00	\$10,605.00
NOTICE TO PURCHASERS		Subtotal	\$10,605.00
To Whom It May Concern		FREIGHT NOT INCLUDED IN QUOTE	
Fire-Dex personal protective equipment that utilizes moisture barriers or woven outer shell materials may contain PFAS. These materials are required to meet fire fighting gear standards such as NFPA 1971, NFPA 1951 and NFPA 1999 as well as medical isolation garments where protection from water, chemicals, blood borne pathogens and other hazards are required		Tax (If Applicable)	
		15% RESTOCKING FEE	
		NO RETURNS ON SPECIAL ORDERS	
		TOTAL QUOTE	\$10,605.00

MEMORANDUM

Date: 9/20/22



TO: Ada Township Board
FROM: Julius Suchy, Township Manager
RE: Approve Managed IT Services Proposal from IT Right

Background:

The Township currently utilizes I.T. Right for IT services, but only on a reactive basis because we are not currently operating under a contract for services. IT Right began working for the Township when Jon Gibson ended his contract services for IT with the Township in the Spring of 2021. I.T. Right had been setup as a backup for Mr. Gibson's clients and that is when they stepped in and started working for the Township.

Over the past year I.T. Right has pushed for the Township to enter into an annual contract like their other clients. The Township currently pays for IT services based on an hourly rate of approximately \$147.00 per hour.

The IT Committee requested proposals from I.T. Right and Microvisions an IT company that other municipalities in West Michigan had provided positive references on. Following receipt of the proposals the companies provided presentations to the IT Committee over the past few weeks. Microvisions provided a quote to provide services on an annual basis for \$63,600.00 (with a \$6,000 onboarding fee) and I.T. Right provided a quote of \$39,360.00 (with a \$4,000 onboarding fee).

The IT Committee believes that both firms are qualified and capable of providing IT services and is recommending I.T. Right to be awarded the managed IT services contract. The committee felt that I.T. Right would be a better fit moving forward for the Township based on their presentation and as a bonus their proposal was more affordable. I have provided a copy of the contract as well as a copy of the PPT proposal that was presented by I.T. Right. Below is a summary of the services covered by the contract:

In short, the contract would cover the following...

- *Unlimited Remote Service (24/7/365)*
- *Unlimited Onsite Service*
- *Windows and 3rd party Software Patching*
- *Anti-Virus/Anti-Ransomware protection*
- *24/7 Endpoint Detection and Response Monitoring by Security Operating Center (SOC)*
- *Managed Online Backup*
- *Cyber Security Management:*
 - *Proactive TAM (Technology Alignment Management) emphasizing Industry Best Practices*
 - *VCIO (Virtual Chief Info Officer) Account Management*
 - *Center for Internet Security Benchmark testing and Controls implementation*
 - *End User Security Training*

Entering an annual contract with I.T. Right will allow the Township to have piece of mind when it comes to cyber security management and end user security training, something that the Township does not currently offer. This will also allow the Township to completely end its contract services with Aunalytics who had previously been providing end point protection but at a very basic level. The proposal will also allow the Township to meet quarterly in a proactive manner with I.T. Right as it works to constantly improve its IT environment.

This will be a shift for the Township to move from paying an hourly rate for reactive services to an annual fee that will allow for actively managed IT services which will result in an improved IT environment for the Township and its staff.

The annual fee of \$39,360 will be split up as indicated below – this is based on the number of computers and potential IT issues by department. This allocation can be revisited in the future if needed.

Fund	% Allocation	Cost
General (101)	50%	\$ 19,680.00
Public Safety (205)	10%	\$ 3,936.00
Parks & Recreation (208)	15%	\$ 5,904.00
DDA (248)	5%	\$ 1,968.00
Sewer (590)	10%	\$ 3,936.00
Water (591)	10%	\$ 3,936.00
Total	100%	\$ 39,360.00

Recommendation:

Staff supports the recommendation from the IT Committee to approve the managed IT services agreement with I.T. Right for a period of three years. Although it is a three-year agreement, the Township can exit the agreement if it is unsatisfied with the level of services received.

Requested Motion: Motion to Approve I.T. Right Three-Year Managed Services Proposal for an Amount Not to Exceed \$39,360.00 Annually with a \$4,000 One-Time Onboarding Fee.

This Agreement is made effective as of _____ by and between _____, and I.T. Right, of 5815 East Clark Road, Bath Michigan 48808.

In this Agreement, the party who is contracting to receive services shall be referred to as "The Client", and the party who will be providing the services shall be referred to as "I.T. RIGHT". I.T. RIGHT has a background in Computer technology and is willing to provide services to The Client based on this background. The Client desires to have services provided by I.T. RIGHT.

Therefore, the parties agree as follows:

1. DESCRIPTION OF SERVICES.

Beginning on 10/01/2022 I.T. RIGHT will provide the following services (collectively, the "Services"): Repair and maintenance of computer equipment and the computer network. This includes the existing computers and related network equipment within the client's office(s).

2. SERVICES NOT COVERED. I.T. Right reserves the right to charge an hourly rate for labor related to the design and implementation of new equipment or technologies. The client will be notified ahead of time of any extra charges involved before the work is started. Projects expected to exceed Eight (8) hours of labor including but not limited to the replacement of servers are considered new technology, are not covered under this contract and will be billed separately.

3. Services Not Provided. I.T. Right will not provide structured cabling services. I.T. Right will not climb into ceilings, attics or crawlspaces. I.T. Right will not climb upon roofs, trees or polls; or use equipment like tall ladders or bucket trucks to service or replace equipment.

4. Third Party Support Agreements. To the extent that I.T. Right is asked to support third party software or hardware; The Client agrees to maintain appropriate support agreements with the manufacturers or resellers of those products such as software support contracts and/or onsite extended warranties for applicable hardware.

5. PAYMENT. The Client will pay an annual fee to I.T. RIGHT for the Services in the amount listed in the payment schedule (Appendix A). This fee shall be payable in full within 30 days unless otherwise notated in this document.

6. PERFORMANCE OF SERVICES. I.T. RIGHT shall determine the manner in which the Services are to be performed and the specific hours to be worked by I.T. RIGHT. The Client will rely on I.T. RIGHT to work as many hours as may be reasonably necessary to fulfill I.T. RIGHT's obligations under this Agreement.

7. LIABILITY LIMITATIONS. The client agrees that in no event shall IT Right, Its Officers or Directors, be liable for any damages of any kind, including but not limited to any direct, indirect, incidental, special or punitive damages. The exclusive remedy for any breach of this agreement is limited to an amount equivalent to three monthly payments. In the event of extreme error or negligence, damages will be limited to the limits of the liability insurance referred to in section eight. Further, IT Right also agrees that damages from the client may in no circumstances exceed an amount equivalent to three monthly payments of the contract. Thus, under no circumstances will either party be liable to the other for damages that exceed the value of three-monthly payments.

8. INSURANCE. During the Term, I.T. Right shall procure and maintain the following insurance coverage: (a) workers' compensation and employer's liability insurance as required by the laws of the State in which the Services are being performed, (b) comprehensive general liability insurance in the amount that is commercially reasonable with respect to the Services, and (c) cyber-liability insurance in the amount that is commercially reasonable with respect to the Services. The Client shall not rely exclusively on I.T. Right for insurance or as an insurance provider; but shall procure and maintain its own insurance coverage (or agree to accept risk itself) as follows: cyber-liability insurance in the amount that is commercially reasonable with respect to The Client's servers, hardware, software, data and/or computer networks.

9. THIS SECTION INTENTIONALLY LEFT BLANK.

10. CLIENT NEW PROJECT APPROVAL. I.T. RIGHT and The Client recognize that I.T. RIGHT's Services will include working on various projects for The Client. I.T. RIGHT shall obtain the approval of the Client prior to the commencement of a new project.

11. Site Liaison/Primary Contact. The Client agrees to assign one employee or elected official to be the primary contact person to I.T. Right. The roll of the Primary Contact shall be to, (i) Meet and discuss with I.T. Right status of projects and initiatives (ii) Communicate to I.T. Right the decisions of The Client including but not limited to technology policies and their enforcement, (iii) Approve quotes or communicate the same to I.T. Right. Should the client fail to appoint a Primary Contact, The Client agrees that I.T. Right may work with any elected official in these capacities.

12. Other Client Appointed Contacts. I.T. Right recognizes The Client may for compliance, legal, or other reasons appoint individuals other than the primary contact to positions of responsibility concerning line of business technology concerns. These positions include but are not limited to "CJIS Officer" and "FOIA Officer." I.T. Right will work with these individuals as it pertains to their reasonably assigned duties. The Client represents that I.T. Right can depend on these individuals for guidance pertaining to their respective areas of responsibility.

13. TERM/TERMINATION. This Agreement shall be effective for THREE year(s). Continuation of and payment for services beyond this agreement stated term will constitute a renewal 1 year under the existing terms. Either party reserves the right to terminate this contract at any time provided 90 days' notice is given. The remaining time will be prorated and paid to the client within 120 days of receipt of the termination notice.

14. EMPLOYEES. I.T. RIGHT's employees, if any, who perform services for The Client under this Agreement shall also be bound by the provisions of this Agreement.

15. Employment Restrictions. The Client shall not solicit to hire, hire or engage any of IT RIGHT'S employees (or anyone employed by IT RIGHT in the prior twelve calendar months) while this Agreement is in effect and for the twelve-calendar month period immediately after termination or completion of this Agreement for any reason. If Client does solicit to hire, hire or engage any of the IT RIGHT'S employees, The Client shall immediately pay Company an amount equal to 100% of the then-current or most recent annual salary or wages paid by Company to such employee.

16. NOTICES. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

IF for The Client:

IF for I.T. RIGHT:

I.T. Right
Dan Eggleston
Director of Information Technology
5815 East Clark Road Suite G
Bath Michigan 48808

Either party may change such address from time to time, by providing written notice to the other in the manner set forth above.

17. CPI-Index At the expiration of this contract period and each year thereafter, the rates described in "Appendix A" will be adjusted by 4% or by a CPI factor, whichever is greater. For the purposes of this document the CPI shall be defined by and will not exceed the US BLS Unadjusted annual rate for the most recently reported 12-month period.

18. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

19. AMENDMENT. This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

20. APPLICABLE LAW. The laws of the State of Michigan shall govern this Agreement.

Party receiving services:

Accepted By: _____

Title: _____

Party providing services: I.T. Right

Proposed By _____
Dan Eggleston, Founder

Appendix A: Price Sheet:

RA

Year	Amount	Term/Option
2022	\$39,360 + \$4,000 one-time Onboarding	Regular Term
2023	\$39,360	Regular Term
2024	\$39,360	Regular Term

I.T. RIGHT

*Secure Information Technology Solutions
That Work For Local Government*

Ada Township IT Support

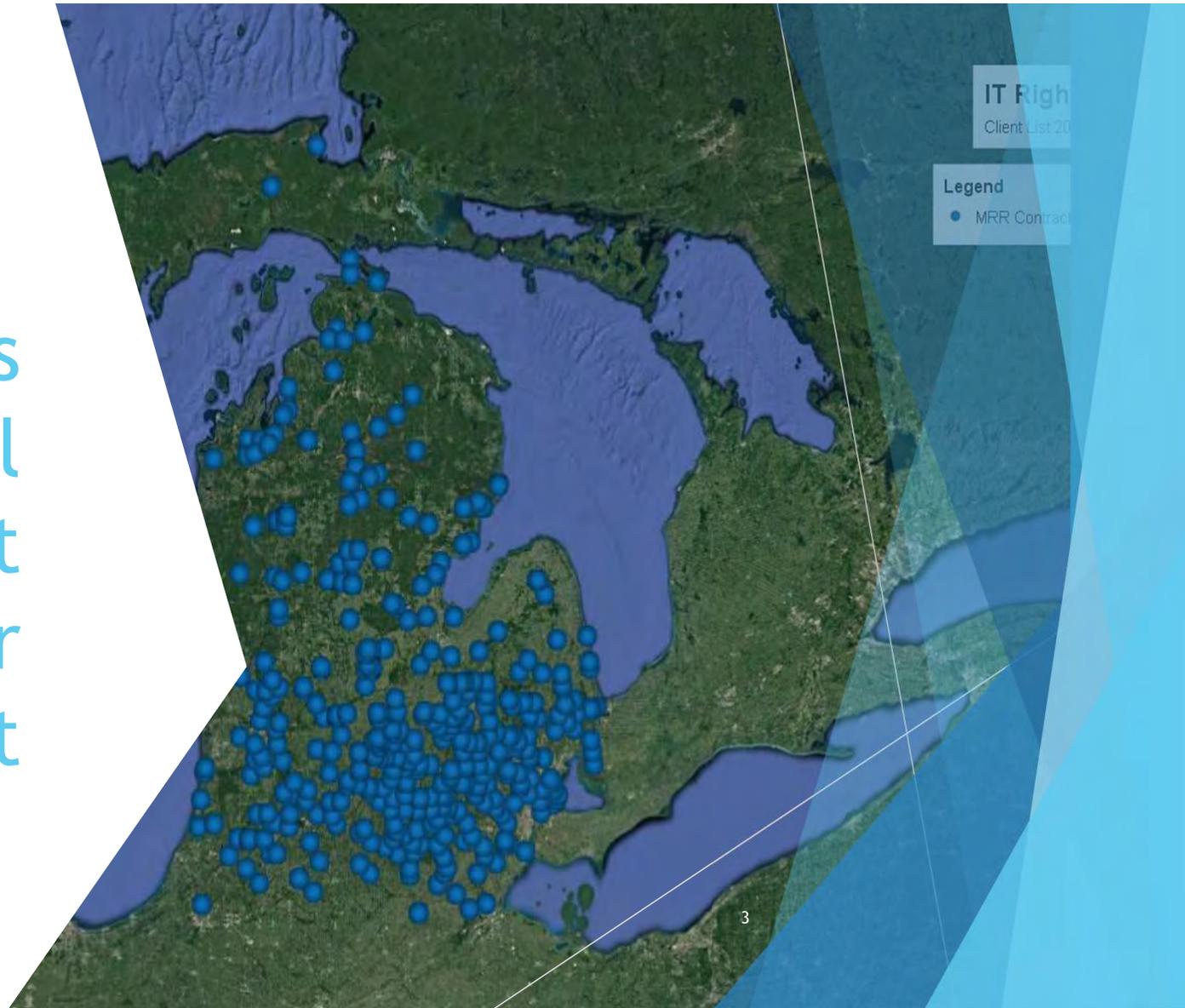


Who is I.T. Right

- **Head Quartered in Bath, Michigan**
- **100% U.S. Based Help Desk**
- **50 IT professionals across Michigan and beyond**
- **Focused on Government only**
 - **Experts in the Government Vertical space**
 - **BS&A Recommended**
 - **CJIS (Criminal Justice Info System) / LEIN (Law Enforcement Info Network)**

Compliant

IT Right Serves
450+ local
government
entities under
contract



What to Expect

Core Values

1. **Knowledge**—Culture of learning, intellectual honesty, Best idea wins
2. **Leadership**—Use of our knowledge to serve and guide others
3. **Transparency**---No politics, no hidden agendas
4. **Dependability**—Set and exceed expectations, there when needed
5. **Ownership**—Our duty, our responsibility, our problem, our victory

Our Motto is bad English but good advice
“BE EASY TO DO BUSINESS WITH”

World Class Support

- Local, Unlimited, U.S.-based help desk
 - Enhanced with Secure, FIPS compliant, remote access by I.T. Right Technicians
 - Enhanced with FCR team as of September '22.
- Unlimited field response
- Automated systems monitoring
 - Windows and 3rd party patch management
- Secure managed remote backup of data
 - Enhanced with Image based Backups
- Monitored Endpoint Detection & Response
 - Enhanced with live 24/7 SOC center monitoring
- Anti-Ransomware / Quarantine
 - Enhanced with AI that can stop “Zero Day” threats
 - Enhanced with Rollback Technology



Focused on Cyber Security

- Our primary goal is your security
- Immediate response to cyber attacks
- The threat landscape has changed. Ransomware attacks are up over 66% in the local government space
- 3 out of 4 attacks are against local government
 - City of Keene was held up for \$2.5 Million in ransom
 - Gas Pipeline attack last year
 - Water Supply attack in Florida
 - Multiple attacks in MI



I.T. RIGHT

Secure Information Technology Solutions
That Work For Local Government

<https://www.npr.org/2019/08/20/752695554/23-texas-towns-hit-with-ransomware-attack-in-new-front-of-cyberassault>

"They got into our software provider, the guys who run our IT systems," Heinrich said. "A lot of folks in Texas use providers to do that because we don't have a staff big enough to have IT in house."

<https://www.bleepingcomputer.com/news/security/hackers-want-25-million-ransom-for-texas-ransomware-attacks/>

"Keene Mayor Gary Heinrich said that the threat actor demanded \$2.5 million in exchange for the key that decrypts the locked files." Keene is a city of 6,440 people.

<https://www.zdnet.com/article/at-least-20-texas-local-governments-hit-in-coordinated-ransomware-attack/>

"SODINOKIBI RANSOMWARE BLAMED FOR INCIDENT

Initially, *ZDNet* learned from a local source that the ransomware that infected the networks of the 23 local Texas governments encrypted files and then added the.JSE extension at the end."

S1 Catching and rolling back Sodinokibi...(S1 video)

<https://www.youtube.com/watch?v=PfYAPbj3UQA&t=5s>

Proactive Account Management

- Dedicated Technical Alignment Manager (TAM)
 - Proactive alignment emphasizing Industry Standard Best Practices
- Dedicated Virtual Chief Information Officer (VCIO) /Senior Account Manager
- End User Security Training and Phishing Campaign
- Project management
 - Dedicated Projects Team
- Increased Helpdesk and Field Staffing
 - Adding a live 3rd shift in Q4 2022
- Center for Internet Security (CIS)
 - Benchmark testing and Controls implementation
 - Compliant with State of MI and State Police recommended Security Measures



Technical Alignment Manager (TAM)

TAM: Technology Alignment Manager

- Is responsible for standards and alignment of technology
- The TAM is your most technical resource
- A TAM takes a methodical and detailed approach
- The TAM is the person who goes on site (or virtually, in pandemic times) and answers questions about the client having the right things in place
- The TAM is gathering information to give to the vCIO. They will make judgement calls on the severity of any situation

Security and Infrastructure Audits



Client: [REDACTED]

Summary Score: **50%**

Core Infrastructure

✔ : 16 △ : 0 ✖ : 17

Local Area Network | 57.1 %

✔ : 8 △ : 0 ✖ : 6

Impact	Question	Why Are We Asking	Technical Analysis	Recommendation
✔	Enterprise Switches: Production switches are enterprise grade?	Enterprise-rated hardware is designed to support the bandwidth, stress, and user capacity required for organizations to operate effectively.		
✖ ✖ ✖ ✖	Gigabit Switches: All core production switches are gigabit speed?	It is highly recommended that gigabit switches be in production and any 10/100 switches be retired/replaced as soon as possible.	They have an HP 1810-24 that is only 100mb and this needs replaced. Documentation provided by previous IT does not match what i see this at. Documentation showed this switch at the community center with an ip at .53. I see this at ip .56. Notes on the switch say "water". The other switches i have listed for twp hall are gigabit.	High Priority. 100 Mb switches are under-performing in today's environment. IT Right will provide quote.
✔	Core Server Connectivity: All production hardware is patched to a gigabit switch?	Modern throughput standards recommend gigabit (1000mbps) interconnectivity. The 10/100 speed is not recommended.		
✖ ✖ ✖ ✖	Workstation Connectivity: All workstations are patched into gigabit switches?	Modern throughput standards recommend gigabit (1000mbps) interconnectivity. The 10/100 speed is not recommended.	They have at least one switch that is 100mb so there may be 1 or two pcs on there	

New Initiatives

Pro-Active Network Admin & VCIO Visits

300+ Industry
Best Practices Audited and Remediated
CJIS/HIPPA/PCI Audits.

Center for Internet Security MS-ISAC/EI-ISAC State of Michigan Cyber Security Partnerships

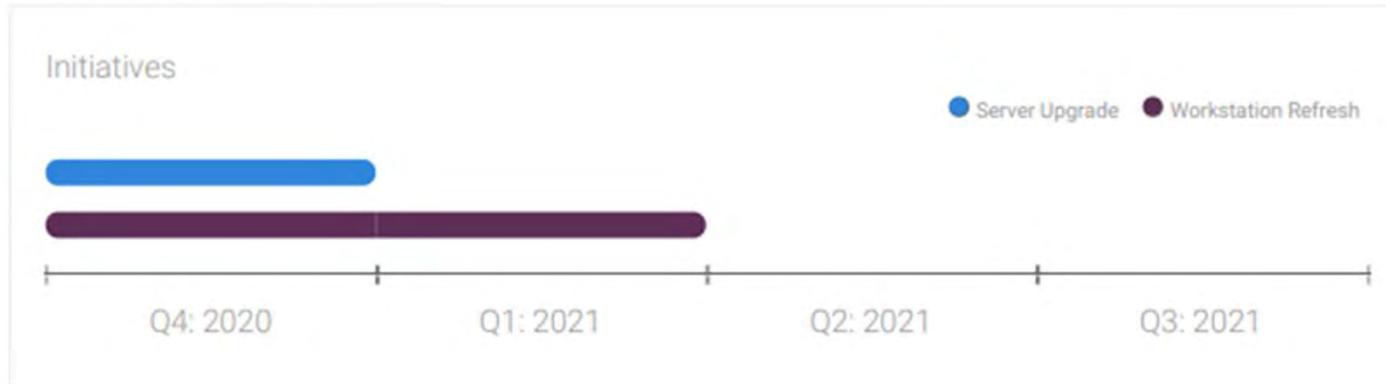
Virtual Chief Information Officer - VCIO

vCIO: Virtual Chief Information Officer –

- The vCIO is responsible for owning the business impact and strategic client relationship
- The vCIO bridges the gap between the technology alignment information and what is important to the client
- The vCIO, with the TAM, decide how vulnerable a client is based on the questions and answers received by the TAM and present projects, solutions, and ideas to the customer using the Strategic Roadmap
- The vCIO acts as an ombudsman for the client

Strategic Roadmap

Roadmap overview



I.T. Right will help with development of a strategic roadmap of projects and regularly scheduled replacements of equipment.

Strategic Roadmap

Recommendations

2020: \$21,000		2021: \$6,000		
Q4: \$21,000	Q1: \$6,000	Q2: \$0	Q3: \$0	
Server Replacement / Upgrade \$5,000 Not discussed	Replace Workstations \$6,000 Not discussed	No recommendations	No recommendations	
Server Replacement / Upgrade \$15,000 Not discussed				
Replace Workstations \$1,000 Not discussed				

I.T. Right will help with development of recommendations and development of a budget.

Center for Internet Security (CIS)

CIS-CAT Benchmarks

Executive Summary

5/12/2021

The CIS Benchmarks are proven guidelines that will enable you to safeguard operating systems, software and networks that are most vulnerable to cyber-attacks. They are continuously verified by a volunteer IT community to combat evolving cybersecurity challenges and have been adopted by the State of Michigan. I.T. Right has included this as a part of your support contract with us.

This tool evaluates the cybersecurity posture of a system against recommended policy settings. It helps save time and resources by supporting automated content with policy setting recommendations based on the globally recognized CIS Benchmarks. It also provides IT and security professionals peace of mind by providing vulnerability scanning functionality for missed system patches.

I.T. Right has run this tool on the following machines prior to implementing security enhancements. Based on the findings, we implemented policies to fix some of the vulnerabilities without causing too many issues for end users. We then ran the tool again to show the increase in security scores that were achieved. While we have more to do, we have made great strides forward in the security posture for the City. I have summarized the results below.

Results:

Machine	Pre-Score	Post-Score
Domain Controller	34%	87%
Member Server	31%	88%
Client Machine	31%	86%

Measurable Improvement!

Reducing Your Attackable Footprint

- Shifting to a Security First Mindset
- Setting Corporate Policies
- Setting Network Policies
- Reigning in Rouge IT
- Just Enough, Just In Time System and File Rights
- Patch it/Update it or Remove it.
- Taking a layered approach to security

Measurable Support

Survey Sent / Completed: Oct-01-2021 9:45 AM (EST) / Oct-01-2021 10:01 AM (EST)

Survey Score: 5.00 out of 5.00

===== Survey Results =====

Question 1: How would you rate the timeliness of the initial response to your issue?

Response: 5

Question 2: How would you rate the timeliness of the resolution of your issue?

Response: 5

Question 3: Was the problem or task resolved to your satisfaction?

Response: 5

Question 4: How would you rate the support representative's ability?

Response: 5

Question 5: How would you rate the support representative's professionalism?

Response: 5

Question 6: How satisfied were you with the overall service you received?

Response: 5

Question: 7. Did we explain the problem to your satisfaction?

Response: Everything was explained nicely, I understood all of it

Question: 8. Will you call again?

Response: 5

Question: 9. How likely are you to recommend us to others?

Response: 5

Question 10: Please add any other comments.

Response: Andrew helped me with my issue and insured I had the best access to my email account. More than I needed done and the extra effort was appreciated.

What Our Client's Say

- Just a note to say that Ken Young came out and worked diligently with his team to get the city website issue resolved. In my judgment he did an excellent job and should be commended. We certainly appreciate it and this goes out to Ken and the team from me and the City of Fraser.

Best,

Vincent Neyland

Assistant City Manager/Finance Director

- I am a new customer. I have 38 yrs of Corporate Experience before entering into the Township and Your IT Support is AMAZING. Very Impressed with Knowledge, Customer Service, and Dispatch. - Eric, Alamo Twp.
- Andrew was awesome. My wait time on the phone and his resolution to my problem was done in less then ten minutes. Very appreciative of his help! - Daria, OPC

Case Study - IT Problems

City of Hamtramck

Problem:

The entire network was aging and causing widespread problems. Slowness and downtime were a normal part of each day. Productivity was at an all time low.

Solution:

Performed detailed needs analysis. Worked with the City to apply for grants to upgrade all technology in the city. Once the grant was in place, I.T. Right worked with the City to plan a complete overhaul of the network. The plan was implemented (in stages) over a 6-month period.

Results:

Network is now stable, and staff is much more productive. The City experiences very little downtime and staff is much happier.



Huntress Labs is a blended Artificial Intelligence security solution. It uses a blend of AI and actual technicians to review and research potential threats. They then report them back to IT Right for with instructions for remediation.



The mission of the MS-ISAC is to improve the overall cybersecurity posture of the nation's state, local, tribal and territorial governments through focused cyber threat prevention, protection, response, and recovery.

[See Our FAQ](#) → [Read the MS-ISAC Mission & Charter](#) →

Services Included with Membership

- | | |
|---|---|
| • 24/7 Security Operation Center | • Weekly Top Malicious Domains/IP Report |
| • Incident Response Services | • Monthly Members-only Webcasts |
| • Cybersecurity Advisories and Notifications | • Access to Cybersecurity Table-top Exercises |
| • Access to Secure Portals for Communication and Document Sharing | • Vulnerability Management Program (VMP) |
| • Cyber Alert Map | • Nationwide Cyber Security Review (NCSR) |
| • Malicious Code Analysis Platform (MCAP) | • Awareness and Education Materials |



The Elections Infrastructure Information Sharing and Analysis Center™ (EI-ISAC®) was established by the EIS-GCC to support the cybersecurity needs of the elections subsector. Through the EI-ISAC, election agencies will gain access to an elections-focused cyber defense suite, including sector-specific threat intelligence products, incident response and remediation, threat and vulnerability monitoring, cybersecurity awareness and training products, and tools for implementing security best practices. [FAQ](#) →

[Read the EI-ISAC Mission & Charter](#) →

[Join EI-ISAC](#) →

[See list of members](#) →

[Report an Incident](#) →

I Joined the EI-ISAC
Now What?
[Learn More](#)

 **MS-ISAC®** [Learn More](#) →

EI-ISAC Resources

A Handbook for Elections Infrastructure Security – Protect your elections infrastructure with this free best practices handbook from CIS and its election partners. [View or Download the Handbook](#) →

Incident Response Checklist – Learn how to identify, respond to, and communicate information about a breach. [Download the Checklist](#) →

Elections Security Checklist – A checklist that highlights key services recommended in A Handbook for Elections Infrastructure Security and available opportunities to implement them. [Download the Checklist](#) →

About the EI-ISAC – Learn about the EI-ISAC, why it was created, and the support it offers U.S. SLTTs. [Download the Overview](#) →

CIS SecureSuite Membership – Free for U.S. SLTTs, CIS SecureSuite provides integrated cybersecurity resources to help your organization start secure and stay secure. [Learn More](#) →

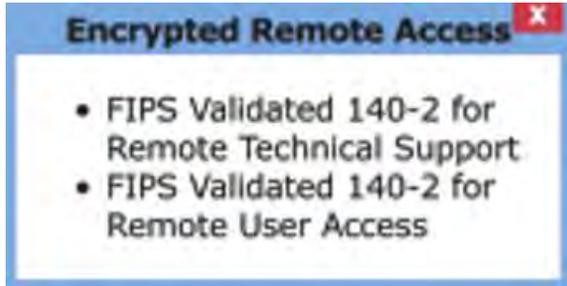
3 Steps to Secure Your Elections Infrastructure Today – Resource to help U.S. elections organizations improve their cybersecurity readiness. [Download the 3 Steps](#) →

Backup AND Disaster Recovery

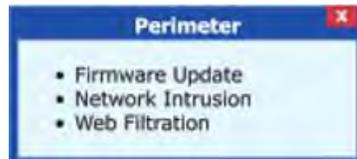


- 321 Rule of Backup
 - 3 Copies of your Data
 - 2 Backups
 - 1 Offsite Backup (Automated & Air Gapped)
- VSS enabled for quick items
- Application Backup/Not just files
- Local Appliances Speed Disaster Recovery
- At least one storage location must be air gapped
 - No USB Drives
 - No Backup to the SAN
 - Backup must be permanently separate
- CJIS Needs FIPS Validated Encryption





- VPN Remote Access Only
 - Robust/Certified Encryption Levels
- MGMT Approval
 - Users & Access Method
- Vendor Access Limited
 - Just Enough/ Just In Time
- All remote users need
 - Complex Passwords
 - Force Password Changes
 - Force Lockout and Alert on wrong guess
- Criminal Justice must be FIPS compliant.



- Enterprise Class Firewalls
- Stateful Packet Inspection
- Next Gen Intrusion Prevention
- Block Malicious Sites at the Gateway
 - Stops malware from getting in
- Block TOR
 - Stops malware from getting access to require rouge servers.



Landing Pages are bold, obvious and contain highlighted areas revealing the red flags that could have Tipped them off.

At the end of each campaign a list of “clickers” is developed and associated training videos are recommended as a remedial training action.

Pre-training clicking averages between 15% & 25% of emails sent.

I.T. RIGHT

Oops! You clicked on a simulated phishing test.
Remember these three 'Rules to Stay Safe Online'

Rule Number One:

- Stop, Look, Think!
- Use that delete key.

Rule Number Two:

- Do I spot a Red Flag?
- Verify suspicious email with the sender via a different medium.

Rule Number Three:

- "When in doubt, throw it out." There are a thousand ways that internet criminals will try to scam you, and only one way to stay safe: Stay alert as YOU are the last line of defense!

Please review the Social Engineering Indicators found in the email you clicked on. Always THINK before you click! Hover over the red flags to see details.

To: administrator@csasoftware.com
From: Wells Fargo <transfers@wells.fargo.net>
Reply-to: Wells Fargo <transfers@wells.fargo.net>
Subject: Your transfer was sent

WELLS FARGO
wellsfargo.com

Your transfer was sent

You sent the following transfer to Xia Ming:

Date:	Yesterday
To Account:	XXXXXXXXXX1049
Amount:	\$472.00
Fee:	\$0.00
Description:	Payment
Confirmation Number:	G1104-12-075

If you did not send this transfer, please [CLICK HERE](#) to cancel this transfer.

Sincerely,
Wells Fargo Online Customer Service
[wellsfargo.com](#) | [Fraud Information Center](#)

Please do not reply to this automated email.
45D4b07d8-a46f-ac03-4c16-d4b05d8b-49e95c



Hundreds of Interactive online security courses covering multiple subjects.

Video courses range from 4-45 minutes, and vary in complexity/difficulty.

Video courses require user interaction, and contain quizzes throughout.

Results are audited and can be sent to mgmt. for review.

Displaying results 1 - 21 of 360 in total

 <p>Security Awareness News See Something, Say Something! Security Incidents & Where to Report Them Incident Response: REACTION & ALL THREE DOMAINS PHOTO: The Three Lines of Incident Response</p> <p>June 2017 Security Awareness News Published: Jun 20th, 2017 Category: Newsletters & Security Docs Learn more...</p>	 <p>Welcome to Security Awareness Training Published: May 17th, 2017 Category: Videos Learn more...</p>	 <p>Your Role, Internet Security and You Published: May 10th, 2017 Category: Training Modules Learn more...</p>
 <p>The Danger Zone Published: May 10th, 2017 Category: Training Modules Learn more...</p>	 <p>HIPAA (For Non-medical Professionals) Published: Apr 27th, 2017 Category: Training Modules Learn more...</p>	 <p>Kevin Mitnick Security Awareness Training - 45 Min Published: Apr 26th, 2017 Category: Training Modules Already Purchased</p>
 <p>Common Threats Published: Apr 24th, 2017 Category: Training Modules Learn more...</p>	 <p>The Top 10 Security Awareness Fundamentals Published: Apr 24th, 2017 Category: Training Modules Learn more...</p>	 <p>KnowBe4 Security Awareness Training Published: Apr 24th, 2017 Category: Training Modules Learn more...</p>

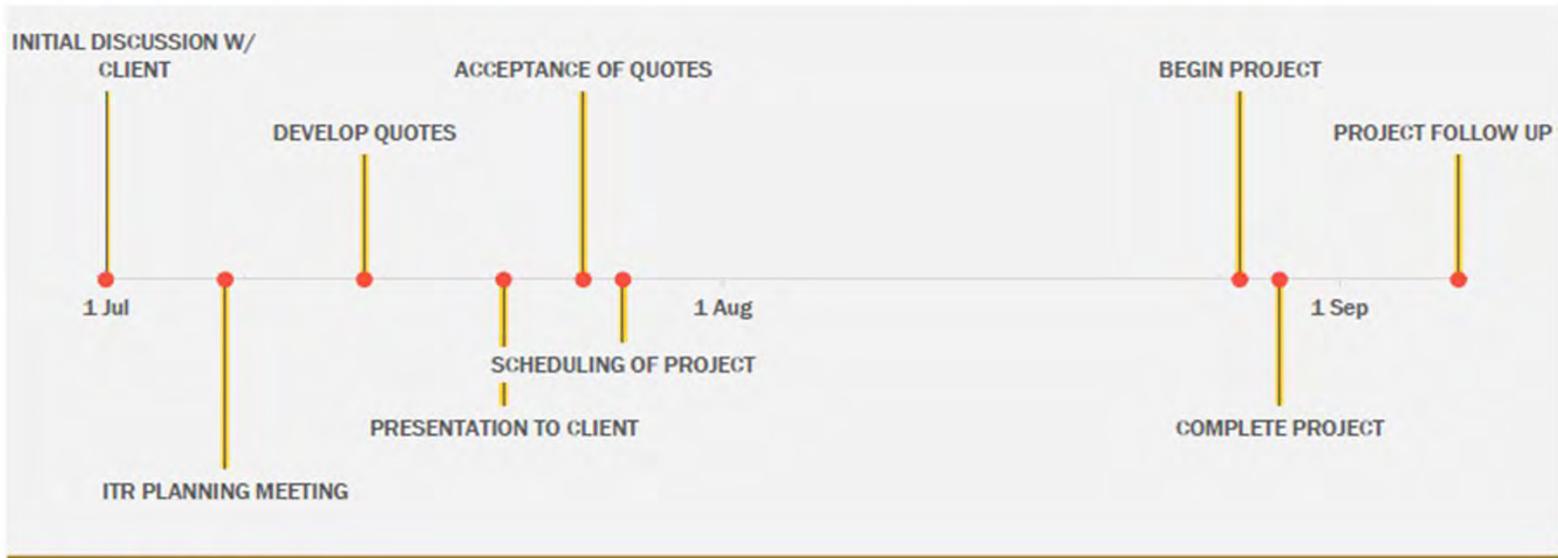
Projects Team

PROJECT TIMELINE

Jon Thelen - Project Manager - 855-487-4448

Sample - BS&A Server Replacement Project

Engineer - Name



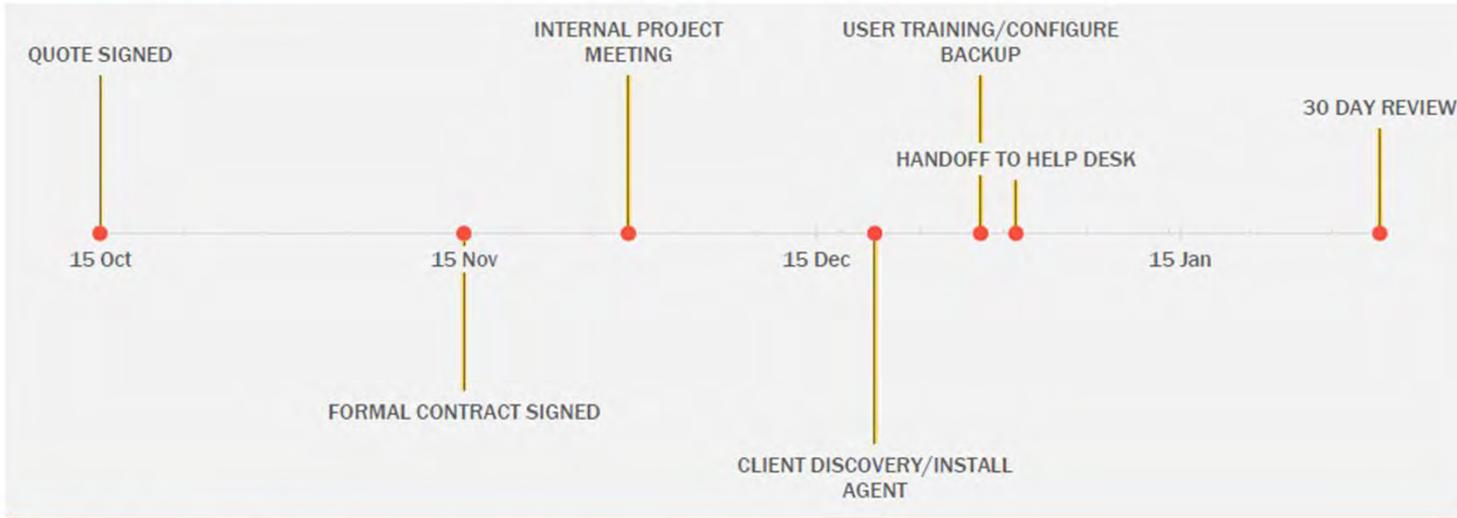
Contact Support at:
Phone: 855-487-4448, Option 1
Email: support@itright.com

Onboarding Process

ONBOARDING TIMELINE

Formal Onboarding begins 2 months after quotes are signed

Sample: Macomb Township



Day 1 -3 - Client Discovery
Build client portal, Password list, Onboard checklist, Gather vendor and contact information

Day 2 -5 - Onboard Users
Add info to CRM, Install security suite and agents, User training, and configure backup

Contact Support at:
Phone: 855-487-4448, Option 1
Email: support@itright.com



HOW TO SECURE YOUR NETWORK



I.T. RIGHT SECURITY AND VULNERABILITY ASSESSMENT

1-855-ITRIGHT (1-855-487-4448)
support@itright.com
www.itright.com

SIGN & DATE

I.T. RIGHT

Secure IT Solutions
that Work for
Local Government

I.T. RIGHT

Secure Information Technology Solutions
That Work For Local Government

What the Future Holds

- IT Right has partnered with VC3 and is expanding our capabilities
- Now part of the largest IT MSP in the nation
 - Representing 1000 municipalities in 23 States
- Benefits Coming Soon:
 - Added Helpdesk Staff here in MI.
 - Adding 3rd shift for true 24/7 LIVE (CJIS certified) Support
 - Phone Systems, Custom Programming, and more
- **BHAG: 1 Billion Protected User Days by 2032!**



I.T. RIGHT

*Secure Information Technology Solutions
That Work For Local Government*

Thank you for your time



Randy Allen
President, IT Right
VC3

 855-487-4448 Opt #5
 517-798-1509
 vc3.com



[Sign up for the VC3 newsletter!](#)



Township Manager Report for September 21, 2022

Submitted by Township Manager Julius Suchy

Audit Deficiency Letter:

Under the consent agenda I have provided a copy of the letter the Township received from the Department of Treasury related to deficiencies identified in our audit. Auditor Dan Veldhuizen will discuss this letter when presenting the audit to the Township Board.

Supervisor Leisman, Clerk Smith, Treasurer Moran, Accountant Cassie Rodriguez and I met with Mr. Veldhuizen last week to review the audit and discuss improvements that can be made over the next year to ensure the Township doesn't have any audit deficiencies and the Township rely less on auditor adjustments.

Potential Items to Be Added to 9/26 Board Agenda:

The BGU Committee will be reviewing the following items at their meeting on 9/22:

- Ada Drive Change Order #1 from Katerberg Verhage & Pay Application
- Ada Drive Liquidated Damages
- Adatowne Watermain Project Phase III Completion Date Extension Request
- Adatowne Watermain Additional Engineering Fee Request from Moore+Bruggink

Depending on the outcome of these discussions they might be added to the board agenda and e-mailed out on Friday 9/23 for the board meeting on Monday.

Kent County Trail Summit Update:

Ada Township will be participating in the Kent County Trail Summit on Wednesday September 28th. Ada has been invited to be one of the communities that will be presenting to the rest of the County showcasing the trails work that is currently being completed and what is being looked at for the upcoming years.

Kent County Animal Control Ordinance:

Kent County has shifted animal control oversight from the Health Department to the Kent County Sheriff Department. With this change Kent County has adopted an animal control ordinance that the Sheriff Department will be able to enforce throughout the county.

Supervisor Leisman and I met with Lieutenant John Degroot to discuss the changes and he provided a draft copy of the ordinance. Since Ada Township has its own animal control ordinance, the Sheriff department will not be able to enforce the Kent County ordinance.

Staff is in the process of reviewing our ordinance and what could be moved to other sections of the code while allowing improved assistance from the Sheriffs department under the new county ordinance. This will be presented to the Township board following review by the admin committee.

H2S Study Update:

Moore+Bruggink is finalizing the H2S report and anticipates it will be completed in the next few weeks. Once the study is complete the building, grounds, utilities committee will review and follow up with any questions prior to Moore+Bruggink presenting this report to the Township Board.

Committee Updates:

- Trail Committee - The next committee meeting has not been scheduled. Staff is waiting for additional information from Moore+Bruggink to make sure the committee has plenty of time to review information as opposed to receiving it the day before the meeting.
- Public Safety Committee – At the August 30th meeting the committee discussed moving forward with a purchase of a rescue boat (likely on the October 10th agenda) as well as moving forward with purchase of a truck computer and then budgeting for two more next year to replace the three that are no longer in service. The old truck computers were purchased used from Walker several years ago and are no longer operational. The committee also discussed wages related to full time lieutenants and Chief Murray and I will be reviewing and then report back before discussing with the personnel committee and then the Township Board.
- Personnel Committee – A meeting of the committee needs to be scheduled to review a draft a employee evaluation process for the Township to utilize.

2nd Shift Maintenance Position Job Posting Update:

The Township has hired Matt Donald as our second shift buildings, facilities and grounds maintenance position. Many of you may know Mr. Donald as he is a part-time firefighter for Ada Township. Mr. Donald will start on Monday September 26th and will start on a regular shift for training purposes and then move to second shift once training has been completed. We are very excited to have Matt join our maintenance staff.

Mobile Antenna Updates:

I am currently working on two proposals related to mobile antennas for the Township:

- Dish Wireless did a site assessment last week to confirm there were no issues with potential placement on the Ada Drive water tower. I anticipate this lease proposal being presented to the Township Board at the October 10th board meeting.
- I followed up with AT&T on their monthly lease rate. In 2014 the Township was approached by a company that renegotiates leases and if they get the community to agree to a cut, they get paid by the mobile provider. The Township reduces its monthly lease rate and extended the agreement through 2044.
- Following approval of the T-Mobile extension I will be following up with T-Mobile to execute all documents related to the extension.

Amy Van Andel Library – Ada Community Center Update:

- Maintenance Items –
 - Waiting on an update from Erhardt Construction on roof leak where the building was modified to add the hallway near the children's area.

- Rooftop Unit – New valves were installed this past week. DHE has been working with the factory that built the rooftop units to try and optimize operation without downtime.
- Reviewing options for portable coat racks for fall/winter season.
- New art rails have been installed on the lower level to allow for artist displays
- Staff is working with the original AV installer to explore option of making floor plugs in community rooms flush to ground eliminating the trip hazard. Also exploring addition of handheld microphones.
- Rental Items –
 - Lobby Rental Policy – a draft of the lobby rental policy has been created and is currently being reviewed by the Parks Department who handles rentals of all Township facilities before presenting this policy to the admin committee.