

# **AGENDA**

## **CHOCOLAY TOWNSHIP BOARD**

Township Fire Hall Room  
June 12, 2023 – 5:30 P.M.

- I. MEETING CALLED TO ORDER**
- II. PLEDGE OF ALLEGIANCE**
- III. ROLL CALL:** Richard Bohjanen (Supervisor), Max Engle (Clerk), Ben Zyburt (Treasurer), Dave Lynch, Kendra Symbal, Donald Rhein, Judy White (Trustees).
- IV. APPROVAL OF AGENDA – Additions/Deletions.**
- V. PUBLIC COMMENT**
- VI. CONSENT AGENDA**
  - A. Approve Minutes of Previous Meeting – Regular Meeting, May 8, 2023.
  - B. Approve Revenues and Expenditure Reports – May 2023.
  - C. Approve Bills Payable, Check Register Reports – May 11, 17, and 25, 2023.
  - D. Approve Regular Payroll – May 11 and 25, 2023.
- VII. TREASURER’S REPORT**
- VIII. CLERK’S REPORT**
  - A. Chocolay Township May 2023 Special Election Results
  - B. How We Voted in 2022
- IX. PUBLIC HEARING**
- X. PRESENTATIONS**
  - A. Jeff Johnson – 30-Year Fire Fighter Retirement
  - B. FY 2022 Audit – Anderson, Tackman & Company, PLC.
- XI. UNFINISHED BUSINESS**
- XII. NEW BUSINESS**
  - A. Consider Acceptance of the Fiscal Year 2022 Audit Findings.
  - B. Consider Six-Month Budget Amendments.
    - 1. Capital Improvement BA #1 – Allocation of KBIC 2% Gaming Funds
    - 2. Capital Improvement BA #2 – Insurance Settlement for 2021 Silverado
    - 3. Capital Improvement BA #3 – Allocation of Cell Tower Rent (first 6 months)
    - 4. Capital Improvement BA #4 – Sale of Old Fire Truck, Unit 2142
    - 5. Capital Improvement BA #5 – Grant from Marquette County Police & Fire – Police Department
    - 6. General Fund BA #3 – Overtime Reimbursement – Police Department
    - 7. General Fund BA #4 – Grant from Marquette County Police & Fire – Fire Department along with Authorization to Expend
    - 8. Road Fund BA #1 – Increase in Road Fund Revenue
  - C. Discussion of Budget Priorities and Updates.
  - D. Consider Award of Township Hall Siding Project.
  - E. Manager Update for the Sewer and Budget.
- XIII. BOARD MEMBER’S COMMENTS**

**XIV. PUBLIC COMMENT**

**XV. CORRESPONDENCE, MEETING MINUTES AND INFORMATION.**

- A. Minutes – Chocolay Township Planning Commission; Regular Meeting of May 15, 2023, Draft.
- B. Minutes - Marquette County Solid Waste Management Authority; Regular Meeting of May 17, 2023, Draft.
- C. Minutes – Marquette Area Wastewater Advisory Board; Regular Meeting of April 20, 2023.
- D. Information – Chocolay Township Newsletter – May 2023.

**XVII. ADJOURNMENT**

May 8, 2023

The regular meeting of the Chocolay Township Board was held on Monday, May 8, 2023, in the Chocolay Township Fire Hall. Supervisor Bohjanen called the meeting to order at 5:30 p.m.

PLEDGE OF ALLEGIANCE.

TOWNSHIP BOARD.

PRESENT: Richard Bohjanen, Max Engle, Ben Zyburt, David Lynch, Don Rhein, Judy White, Kendra Symbal

STAFF PRESENT: William De Groot, Suzanne Sundell

APPROVAL OF AGENDA.

White moved, Lynch supported to approve the agenda as amended (***addition of Supervisor's Report after Consent Agenda***).

MOTION CARRIED

PUBLIC COMMENT

Jennifer Baldwin, 6565 US 41 South – spoke regarding the property at 6565 US 41 South and zoning associated with the parcel. This parcel is currently zoned Industrial – this was a family home for the past 50 years. Has interested buyers but would not be able to rebuild if something were to happen.

CONSENT AGENDA

- A. Approve Minutes of Previous Meeting – Regular Meeting, April 10, 2023.
- B. Approve Revenue and Expenditure Reports –April 2023.
- C. Approve Bills Payable, Check Register Reports – April 13, 2023 (Check # 26066 - 26085, in the amount of \$14,272.17), and April 26, 2023 (Check # 26086 – 26115, in the amount of \$44,844.24).
- D. Approve Bills Payable – Regular Payroll of April 13, 2023 (Check #'s DD3215 – DD3250 and Check #'s 11344 - 11349, Federal, State, and MERS in the amount of \$43,608.45), and Regular Payroll of April 27, 2023 (Check #'s DD3251 – DD3280 and Check #'s 11350 – 11355, Federal State, and MERS in the amount of \$45,183.35).

Zyburt moved, Lynch supported to approve the consent agenda as presented.

MOTION CARRIED

SUPERVISOR'S REPORT

FEMA Flood Plain Risk Map – FEMA has published 2 notifications in the Mining Journal. This gives property owners the opportunity to challenge the map. Property owners have 90 days to contest the map. Our FEMA coordinator at the Township is Dale Throenle.

Kendra Symbal (Trustee) has taken a new position and is unable to attend the Monday night meetings. Supervisor Bohjanen asked if the Board would be okay with moving the meeting time to 6:00 on Monday.

Engle moved, Zyburt supported that the meeting time be changed from 5:30 pm to 6:00 pm. The motion was amended by Zyburt, supported by Engle to begin this time change with the July meeting.

MOTION CARRIED

Symbal will also not be able to be our representative at the Marquette County Solid Waste Management Authority (Landfill) meeting – the third Wednesday of the month at 4:00 pm at the landfill. There is also a Zoom option. White volunteered to be the representative.

TREASURER'S REPORT - NONE

CLERK'S REPORT

Clerk Engle stated that the election went well – no trouble with the pollbooks. The proposal passed by about 1,500 votes. White asked about in person voting – Engle indicated that 95 voted in Precinct 2, 77 in Precinct 1, and 1,046 voted absentee.

PUBLIC HEARING – NONE

PRESENTATION – NONE

INDUSTRIAL DISTRICT ORDINANCE AMENDMENT – FIRST READING.

White asked about what type of feedback was given at the Public Hearing in the Planning Commission. S. Gencheff (Planning Commissioner) was at the meeting and replied that residents were concerned that residential was going to be popping up in the Industrial zone. This was then explained that it was a Conditional Use.

Rhein questioned if the Board would be able to approve after the first reading. Township Manager De Groot indicated that at this point we have met the legal requirements, so the Board would be able to proceed with approval. Supervisor Bohjanen also indicated that it is a pretty minimal change, but one step that has been taken before passing is sending the draft to the Marquette County Planning Commission for recommendation.

White moved, Rhein supported that the Chocolay Township Board accept the draft Industrial District Conditional Use Proposal as presented and foregoing the second reading.

MOTION CARRIED

APPROPRIATE FUNDS FROM THE SEWER FUND TO COMPLETE THE SEWER MAIN INSPECTION PROGRAM.

**2023 SEWER FUND BUDGET AMENDMENT TO REFLECT INCREASE IN CAPITAL OUTLAY ACCOUNT**

Lynch moved, Rhein supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Sewer Fund expenditures of the Township on December 12, 2022 for fiscal year 2023, and Whereas, as a result of unanticipated expenditures it is necessary to modify the aforesaid budget, Now Therefore, Be It Hereby Resolved, that the aforesaid budget be modified as follows:

<b>ACCOUNT</b>	<b>PREVIOUS BUDGET</b>	<b>CHANGE</b>	<b>AMENDED BUDGET</b>
<b>REVENUE</b>			
Wastewater Treatment – Miscellaneous 571.571.698	5,000.00	30,000.00	35,000.00
<b>EXPENDITURE</b>			
Wastewater Treatment – Capital Outlay 571.571.957.000	20,000.00	30,000.00	50,000.00

ROLL CALL

AYES: Rhein, Lynch, White, Zyburt, Engle, Bohjanen

NAYS: None

ABSENT: Symbal

MOTION CARRIED

**AUTHORIZATION TO EXPEND**

Zyburt moved, White supported that the Chocolay Township Board authorize the expenditure of funds from 571.571.957 not to exceed \$45,000.00 to Great Lakes T.V. Seal to televise and complete our sewer main inspection program.

ROLL CALL

AYES: Rhein, Lynch, White, Zyburt, Engle, Bohjanen

NAYS: None

ABSENT: Symbal

MOTION CARRIED

SILVER CREEK TENNIS COURT IMPROVEMENT PROJECT, PASSPORT GRANT APPLICATION.

**RECREATION PASSPORT GRANT PROGRAM  
RESOLUTION OF AUTHORIZATION-LOCAL UNIT OF GOVERNMENT MATCH WITH DONATED FUNDS**

White moved, Lynch supported that:

**WHEREAS**, The Chocolay Township Board supports the submission of an application titled “Silver Creek Tennis Court Improvement” to the Recreation Passport Grant Program for development of a renovated pickleball/tennis facility at Silver Creek Recreation Area; and,

**WHEREAS**, the proposed application is supported by the Township’s 5-Year Approved Parks and Recreation Plan; and,

**WHEREAS**, Charter Township of Chocolay is hereby making a financial commitment to the project in the amount of \$28,250 matching funds, in cash and/or force account; and,

**NOW THEREFORE, BE IT RESOLVED** that the Chocolay Township Board hereby authorizes submission of a Recreation Passport Grant Program application for \$84,750, and further resolves to make available a local match through financial commitment of \$28,250 (25%) of a \$113,000 project cost during the 2024 fiscal year.

AYES: Rhein, Lynch, White, Zybert, Engle, Bohjanen

NAYS: None

ABSENT: Symbal

RESOLUTION APPROVED.

I HEREBY CERTIFY, that the foregoing is a Resolution duly made and passed by the Chocolay Township Board of Trustees of the Charter Township of Chocolay at their regular meeting held on May 8<sup>th</sup>, 2023 at 5:30p.m. in the Chocolay Township Fire Hall, with a quorum present.

\_\_\_\_\_ Dated: \_\_\_\_\_  
Clerk

**DISCUSS REPLACEMENT OF THE FIRE DEPARTMENT BRUSH TRUCK.**

Manager De Groot stated that last December we had a DOT inspection on our brush truck. Historically we would take a DPW truck to outfit for its brush truck. At the DOT inspection, it was determined that this truck should be taken out of operation.

There is now discussion going on in the Fire Department as to what is needed, capabilities, and how often the truck would get used. There are duty ready wildland trucks which run about \$175,000 - \$200,000. They are outfitted with an enclosed tank and are a step-down version of our newest truck. There are also ¾ or 1 ton trucks that could be used and outfitted. The department has been challenged to compare these two types of trucks. No proposal has been put together yet. This is not in our budget for this year.

Mutual aid had brush trucks available and we have notified Central Dispatch that we are not able to respond. The DNR continues to be backup.

Engle felt that to purchase the totally outfitted truck would make more sense.

Manager De Groot indicated that the Fire Department would still need to be able to justify the purchase. There may also be a timing issue with a specialized truck. Discussion right now is to determine the actual use of the truck. Wildland truck versus multi use truck versus command vehicle.

Rhein asked if the old truck had ever been sold – De Groot indicated that it had been sold to Wells Township and they are extremely happy with it.

DISCUSS PARTICIPATION IN THE COUNTY HOUSING TARGET ANALYSIS STUDY.

Lynch moved, Zyburt supported that the Chocolay Township Board amend the FY 2023 Budget, Township Board allocation, from 101-103.000-956.000 Miscellaneous from \$11,700.00 to \$15,200.00 (increase \$3,500.00) to include the participation in a County Target Market Analysis.

ROLL CALL VOTE

AYES: Rhein, Lynch, Zyburt, Engle, Bohjanen

NAYS: White

ABSENT: Symbal

MOTION CARRIED

MANAGER UPDATE FOR THE SEWER AND BUDGET

Sewer – almost over as we will soon be able to see if our grass is growing. Once this happens, he will start working with Oberstar to close out the project.

Budget – he will be bring the priority discussion to the next meeting in preparation for beginning to put together the draft budget for 2024.

BOARD MEMBER COMMENTS

Don Rhein – None

Kendra Symbal – Absent

Judy White – Attended the funeral on Saturday for Leo Goodwin (belonged to the senior group and was a past firefighter and fire chief). Wanted to commend the Fire Department (past and present members) for their attendance and the “Final Call” and sirens given in respect to Leo.

Dave Lynch – None

Ben Zyburt – None

Max Engle - None

Richard Bohjanen – Thanked the Board for carrying out the meeting in his absence last month and to Dave Lynch for “efficiently” running the meeting.

PUBLIC COMMENT - NONE

Rhein moved, Lynch supported that the meeting be adjourned.

MOTION CARRIED

The meeting was adjourned at 6:14 p.m.

INFORMATIONAL REPORTS AND COMMUNICATIONS.

- A. Minutes – Chocolay Township Planning Commission; Regular Meeting of April 17, 2023, Draft.
- B. Minutes - Marquette County Solid Waste Management Authority, Regular Meeting of April 19, 2023, Draft.

- C. Minutes – Marquette County Solid Waste Management Authority, Stockholder’s Meeting of April 19, 2023, Draft
- D. Minutes – Marquette Area Wastewater Advisory Board, Regular Meeting of March 14, 2023.
- E. Information – Chocolay Township Newsletter – April 2023

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Max Engle, Clerk

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Richard Bohjanen, Supervisor

DRAFT



REVENUE AND EXPENDITURE REPORT FOR CHOCOLAY TOWNSHIP  
 PERIOD ENDING 05/31/2023  
 % Fiscal Year Completed: 41.37

ACCOUNT DESCRIPTION	2023		YTD BALANCE 05/31/2023	AVAILABLE BALANCE	% BDGT USED
	ORIGINAL BUDGET	2023 AMENDED BUDGET			
Fund 101 - GENERAL FUND					
000.000	2,779,572.00	2,783,072.00	386,494.09	2,396,577.91	13.89
TOTAL REVENUES	<u>2,779,572.00</u>	<u>2,783,072.00</u>	<u>386,494.09</u>	<u>2,396,577.91</u>	<u>13.89</u>
103.000 - TOWNSHIP BOARD	192,694.00	196,194.00	71,608.28	124,585.72	36.50
175.000 - TOWNSHIP SUPERVISOR	20,399.00	20,399.00	5,486.77	14,912.23	26.90
190.000 - ELECTION DEPARTMENT	30,192.00	30,192.00	9,129.60	21,062.40	30.24
202.000 - ASSESSOR	73,936.00	73,936.00	22,975.06	50,960.94	31.07
215.000 - CLERK	142,503.00	142,503.00	54,836.37	87,666.63	38.48
247.000 - BOARD OF REVIEW	2,753.00	2,753.00	1,081.52	1,671.48	39.29
253.000 - TREASURER	75,625.00	75,625.00	32,241.30	43,383.70	42.63
258.000 - TECHNOLOGY	47,321.00	47,321.00	18,960.17	28,360.83	40.07
265.000 - TOWNSHIP HALL & GROUNDS	200,455.00	200,455.00	17,670.80	182,784.20	8.82
285.000 - OTHER GENERAL GOVERNMENT	466,562.00	466,562.00	221,646.30	244,915.70	47.51
305.000 - POLICE DEPARTMENT	531,101.00	531,101.00	153,061.38	378,039.62	28.82
340.000 - FIRE DEPARTMENT	207,447.00	207,447.00	26,547.68	180,899.32	12.80
440.000 - STREETS	22,750.00	22,750.00	6,830.58	15,919.42	30.02
526.000 - SANITARY LANDFILL	35,300.00	35,300.00	1,674.30	33,625.70	4.74
756.000 - RECREATION AND PROPERTIES	570,751.00	570,751.00	54,897.20	515,853.80	9.62
800.000 - ZONING	124,965.00	124,965.00	46,593.67	78,371.33	37.29
805.000 - ZONING/PLANNING COMMISSION	12,754.00	12,754.00	2,849.27	9,904.73	22.34
815.000 - ZONING/APPEALS BOARD	4,569.00	4,569.00	605.84	3,963.16	13.26
TOTAL EXPENDITURES	<u>2,762,077.00</u>	<u>2,765,577.00</u>	<u>748,696.09</u>	<u>2,016,880.91</u>	<u>27.07</u>
Fund 101 - GENERAL FUND:					
TOTAL REVENUES	2,779,572.00	2,783,072.00	386,494.09	2,396,577.91	13.89
TOTAL EXPENDITURES	<u>2,762,077.00</u>	<u>2,765,577.00</u>	<u>748,696.09</u>	<u>2,016,880.91</u>	<u>27.07</u>
NET OF REVENUES & EXPENDITURES	17,495.00	17,495.00	(362,202.00)	379,697.00	2,070.32

05/11/2023

CHECK REGISTER FOR CHOCOLAY TOWNSHIP  
CHECK DATE FROM 05/11/2023 - 05/11/2023

Check Date	Check	Vendor Name	Amount
Bank GEN GENERAL CHECKING			
05/11/2023	26116	ACE HARDWARE	59.98
05/11/2023	26117	ALGER-DELTA CO-OPERATIVE	1,798.68
05/11/2023	26118	AMAZON CAPITAL SERVICES	553.58
05/11/2023	26119	BARAGA TELEPHONE COMPANY	2.50
05/11/2023	26120	BENSINGER, COTANT, & MENKES,PC	276.00
05/11/2023	26121	BRAD BURKE	89.00
05/11/2023	26122	CHOCOLAY TWP. VOL. FIRE. DEPT.	327.60
05/11/2023	26123	CORE TECHNOLOGY CORPORATION	3,722.00
05/11/2023	26124	DALCO	187.08
05/11/2023	26125	EJ USA INC.	1,221.49
05/11/2023	26126	ELAN FINANCIAL SERVICES	1,592.72
05/11/2023	26127	ELISABETH NORRIS-HARR	30.00
05/11/2023	26128	JEFFERSON FIRE & SAFETY	840.55
05/11/2023	26129	LISA PERRY	58.77
05/11/2023	26130	MARQUETTE CO. FIRE FIGHTERS	1,160.00
05/11/2023	26131	MARQUETTE EMBROIDERY &	1,400.00
05/11/2023	26132	MENARDS	375.37
05/11/2023	26133	MIDAMERICA ADMINISTRATIVE &	1,609.05
05/11/2023	26134	NAPA AUTO PARTS	12.99
05/11/2023	26135	PENINSULA FIBER NETWORK LLC	506.90
05/11/2023	26136	SUZANNE SUNDELL	15.00
05/11/2023	26137	U P OFFICE FURNISHINGS, INC	750.00
05/11/2023	26138	VERIZON	323.00
05/11/2023	26139	WASTE MANAGEMENT OF WI-MN	274.86

GEN TOTALS:

Total of 24 Checks:	17,187.12
Less 0 Void Checks:	0.00
Total of 24 Disbursements:	17,187.12

<b>GENERAL FUND</b>	\$	<b>14,292.44</b>
<b>SEWER FUND</b>	\$	<b>2,894.68</b>
	\$	<b>17,187.12</b>

05/17/2023

CHECK REGISTER FOR CHOCOLAY TOWNSHIP  
CHECK DATE FROM 05/17/2023 - 05/17/2023

Check Date	Check	Vendor Name	Amount
Bank GEN GENERAL CHECKING			
05/17/2023	26140	CHARLES HENRY	35.40
05/17/2023	26141	CITY OF MARQUETTE	4,474.12
05/17/2023	26142	FASTENAL	22.08
05/17/2023	26143	HEDMARK SALES AND SERVICE	22.00
05/17/2023	26144	MARQUETTE CO. TWP. ASSOCIATION	111.30
05/17/2023	26145	MEDICAL AIR SERVICES ASSOCIATION	156.00
05/17/2023	26146	MENARDS	598.15
05/17/2023	26147	O'REILLY AUTOMOTIVE INC.	12.79
05/17/2023	26148	SCOTT ELIASSEN	23.33
05/17/2023	26149	UP HEALTH SYSTEM - MARQUETTE	170.00
05/17/2023	26150	VERIZON	341.87
05/17/2023	26151	WEX BANK	3,821.23

GEN TOTALS:

Total of 12 Checks:	9,788.27
Less 0 Void Checks:	0.00
Total of 12 Disbursements:	9,788.27

<b>GENERAL FUND</b>	<b>\$ 5,314.15</b>
<b>SEWER FUND</b>	<b>\$ 4,474.12</b>
	<b>\$ 9,788.27</b>

05/25/2023

CHECK REGISTER FOR CHOCOLAY TOWNSHIP  
CHECK DATE FROM 05/25/2023 - 05/25/2023

Check Date	Check	Vendor Name	Amount
<b>Bank GEN GENERAL CHECKING</b>			
05/25/2023	26152	ACE HARDWARE	5.47
05/25/2023	26153	BERGDAHL'S EQUIPMENT	351.99
05/25/2023	26154	COUNTRY MILE DOCUMENT DESTRUCTION	57.77
05/25/2023	26155	DALCO	223.01
05/25/2023	26156	DELTA DENTAL	959.43
05/25/2023	26157	DIGITAL-ALLY	1,080.00
05/25/2023	26158	ELISABETH NORRIS-HARR	85.15
05/25/2023	26159	JEFFERSON FIRE & SAFETY	608.64
05/25/2023	26160	LAKE SUPERIOR PRESS	345.00
05/25/2023	26161	LISA PERRY	85.15
05/25/2023	26162	MARES-Z-DOATS FEED	89.88
05/25/2023	26163	MAX ENGLE	85.15
05/25/2023	26164	MENARDS	272.25
05/25/2023	26165	N.M.U.	12,880.00
05/25/2023	26166	O'REILLY AUTOMOTIVE INC.	77.49
05/25/2023	26167	ODP BUSINESS SOLUTIONS LLC	51.67
05/25/2023	26168	PRO-TECH SALES	595.00
05/25/2023	26169	RINGCENTRAL INC	713.68
05/25/2023	26170	SBAM PLAN	15,239.92
05/25/2023	26171	SEMCO ENERGY GAS COMPANY	1,028.82
05/25/2023	26172	STANDARD INSURANCE COMPANY	923.15
05/25/2023	26173	TIMBER RIDGE CONSTRUCTION	6,445.00
05/25/2023	26174	U P OFFICE FURNISHINGS, INC	375.00
05/25/2023	26175	VSP-VISION SERVICE PLAN	590.75
<b>GEN TOTALS:</b>			
Total of 24 Checks:			43,169.37
Less 0 Void Checks:			0.00
Total of 24 Disbursements:			43,169.37
<b>GENERAL FUND</b>	<b>\$</b>	<b>41,978.34</b>	
<b>SEWER FUND</b>	<b>\$</b>	<b>1,191.03</b>	
	<b>\$</b>	<b>43,169.37</b>	

# Chocolay Township Payroll

Date	Amount	Check Numbers
May 11, 2023	\$ 29,133.51	DD3281 - DD3332
BIWKLY / FIRE / ELECTIONS	\$ 4,046.56	11356-11361
	\$ 8,303.24	Federal ACH
	\$ 1,343.62	Michigan ACH
	\$ 3,660.88	Mers ACH Employer/Employee
	\$ 46,487.81	Total Payroll
May 25, 2023	\$ 27,895.04	DD3333- DD3361
BIWKLY / MTHLY	\$ 4,024.91	11362 - 11367
	\$ 8,765.60	Federal ACH
	\$ 1,454.33	Michigan ACH
	\$ 3,529.59	Mers ACH Employer/Employee
	\$ 45,669.47	Total Payroll

**Chocolay Township**  
**May 2, 2023 Special Election Results**

**VIII.A**

**PROPOSAL SECTION--COUNTY**

Marquette-Alger Regional Educational Service Agency Special Education Millage Proposal

This proposal will increase the levy by the intermediate school district of special education millage previously approved by the electors. Shall the limitation on the annual property tax previously approved by the electors of Marquette-Alger REgional Educational Service Agency, Michigan, for the education of students with a disability be increased by 1.5 mills (\$1.50 on each \$1,000 of taxable valuation) for a period of 20 years, 2023 to 2042, inclusive; the estimate of the revenue the intermediate school district will collect if the millage is approved and levied in 2023 is approximately \$4,765,811 from local property taxes authorized herein?

	<b>Precinct 1</b>	<b>Precinct 2</b>	<b>Total</b>
<b>YES</b>	319	382	<b>701</b>
<b>NO</b>	246	247	<b>493</b>
<b>TOTAL</b>	<b>565</b>	<b>629</b>	<b>1194</b>

**STATISTICS**

		<b>Precinct 1</b>	<b>Precinct 2</b>	<b>Total</b>
<b>Registered Voters</b>		2,634	2,440	5,074
<b>Ballot Count (In Person)</b>		77	95	172
<b>Ballot Count (Absentee)</b>		488	536	1,024
<b>Ballot Count (In Person &amp; Absentee)</b>		565	631	1,196
<b>Percent of Registered Voters</b>		<b>21.45%</b>	<b>25.86%</b>	<b>23.57%</b>
<b>Absentee Ballots</b>	Issued	543	612	1155
	Returned on Time	488	536	1024
	Percentage	<b>89.87%</b>	<b>87.58%</b>	<b>88.66%</b>

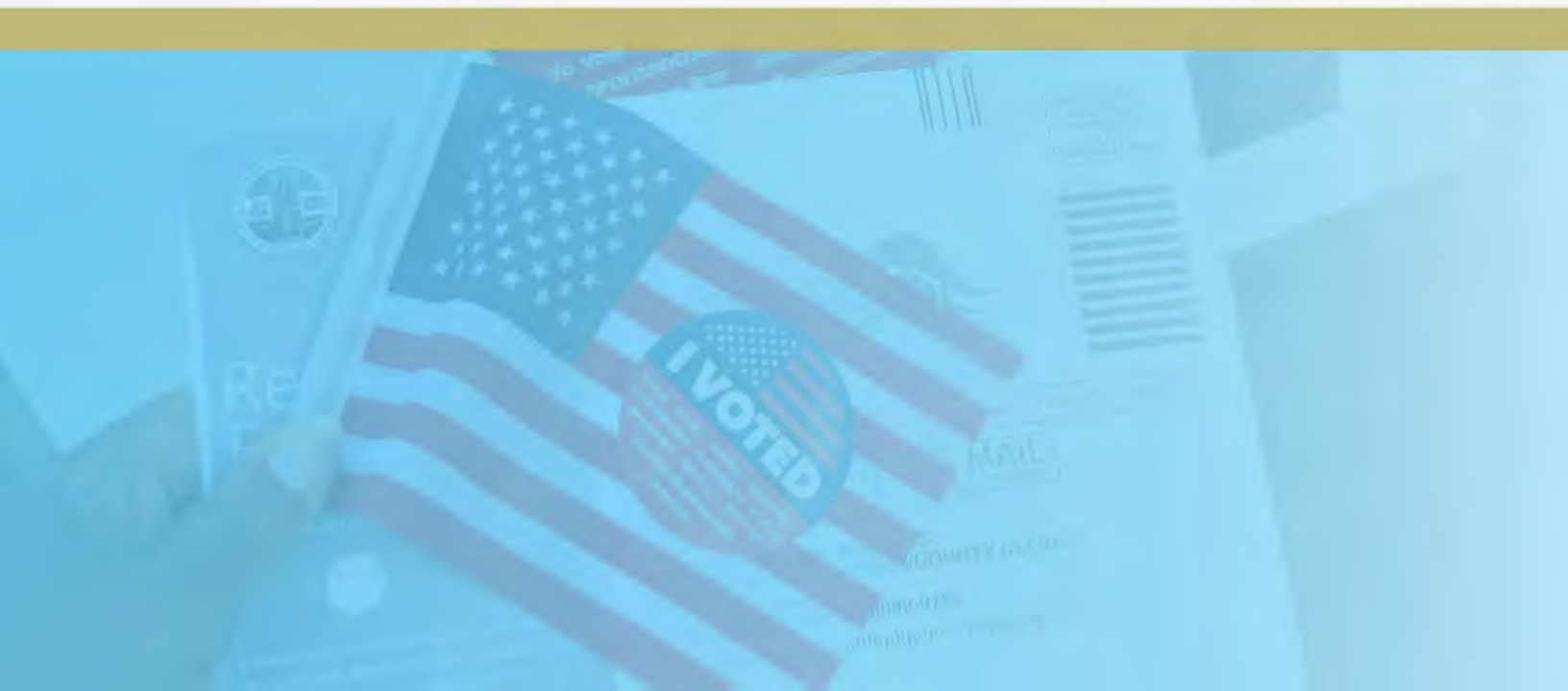


MIT ELECTION DATA  
+ SCIENCE LAB

# HOW WE VOTED IN 2022

A TOPICAL LOOK AT THE SURVEY OF THE  
PERFORMANCE OF AMERICAN ELECTIONS

Charles Stewart III



## ACKNOWLEDGMENTS

Charles Stewart III is the Kenan Sahin Distinguished Professor of Political Science and the Director of the [MIT Election Data and Science Lab](#).

The 2022 Survey of the Performance of American Elections was supported by the Election Trust Initiative. Judd Chocate, Colorado Election Director, and Justin Roebuck, Ottawa County Clerk, provided valuable advice to the design of the survey, especially concerning new questions related to polling place disruptions, ballot tracking, and practices intended to increase confidence in elections. Claire DeSoi, Camilla Valerio, and the staff of the MIT Election Data and Science Lab were integral in bringing this report to life.

## ABOUT THIS REPORT

The findings, interpretations, and conclusions expressed in this report do not necessarily represent the views or opinions of the Massachusetts Institute of Technology, the Election Trust Initiative, or other organizations or individuals who provided advice for the 2022 survey or report.

The MIT Election Data & Science Lab encourages dissemination of knowledge and research; this report may be reproduced in whole or in part for non-commercial or educational purposes so long as full attribution to its authors is given.



## EXECUTIVE SUMMARY

The Survey of the Performance of American Elections (SPAЕ) provides information about how Americans experienced voting in the most recent federal election. Conducted in every presidential election since 2008, the SPAЕ is the only national survey of election administration that focuses on the process of voting and provides insights into the performance of elections in the individual states.

In 2022, 10,200 registered voters responded to the survey, which was administered by YouGov—200 observations in each state plus the District of Columbia. The study was supported by the Election Trust Initiative.

Among the findings discussed in this report are the following:

### VOTING BY MAIL

- » The percentage of voters casting ballots by mail retreated to 32 percent, down more than 10 points from 2020 and more than doubling the fraction from 2016. The share of voters casting ballots on Election Day grew to 50 percent, from 31 percent in 2020.
- » Forty-six percent of Democrats, compared to 27 percent of Republicans, reported voting by mail. This is down from 60 percent for Democrats and 32 percent for Republicans in 2020.
- » The use of mail to return ballots that were mailed to voters rebounded in 2022 to 62 percent, compared to 53 percent in 2020. Twenty-one percent of mail ballots were returned to drop boxes, which is virtually unchanged from 2020.
- » Almost five percent of voters who returned their ballot to a drop box reported seeing something disruptive, such as demonstrators, when they dropped off their ballot.
- » Forty percent of mail voters reported using online ballot tracking.

### IN-PERSON VOTING

- » The use of schools to vote in-person continued its decade-long gradual decline.
- » Average wait times to vote were roughly equal to the last midterm election for Election Day voters (6 percent waiting over 30 minutes compared to 5 percent in 2020); they declined for early voters (4 percent reported waiting over 30 minutes compared to 7 percent in 2020).

- » Ten percent of Election Day voters and 9 percent of early voters reported seeing something disruptive when they voted. The most common disruptions were voters talking loudly and voters in a dispute with an election worker or other voter.
- » Approximately 3 percent of in-person voters reported seeing demonstrators outside their polling place claiming the election was fraudulent.

### SATISFACTION WITH VOTING

- » Voters who cast ballots in person and by mail continued to express high levels of satisfaction with the process, as in past years.

### REASONS FOR NOT VOTING

- » The primary reported reason for not voting in 2022 was not knowing enough about the choices (12.1 percent of non-voters), followed by not being interested (11.7 percent) and being too busy (9.8 percent).

### VOTER CONFIDENCE

- » Measured across all voters, confidence that votes were counted as intended remained similar to past years.
- » The partisan gap in confidence that opened up in 2020 closed somewhat in 2022, with the primary reason being Republicans becoming more confident.
- » Compared to 2020, the Democratic-Republican gap in state-level confidence declined significantly in most states. Major exceptions were Pennsylvania and Arizona.
- » Among Republicans, lack of confidence in whether votes were counted as intended at the state level was strongly correlated with whether Donald Trump won the respondent's state and with the fraction of votes cast by mail in the state.

### ELECTION SECURITY MEASURES

- » Of a set of common security measures used by election officials, respondents were most aware of logic-and-accuracy testing and securing paper ballots. One-third of respondents stated that election officials used none of the measures asked about.
- » Respondents stated that the security measures that would give them the greatest assurance about

the security and integrity of elections were logic-and-accuracy testing (74 percent), securing paper ballots (74 percent), and post-election audits (72 percent).

### **FRAUD**

- » Partisan attitudes about the prevalence of several types of vote fraud remained polarized in 2020, although less so than in 2020.

### **REFORM**

- » Requiring electronic voting machines to have paper backups, requiring a photo ID to vote, automatically changing registrations when voters move, requiring election officials to be nonpartisan, and declaring Election Day a holiday were supported by majorities of both Democrats and Republicans.
- » Adopting automatic voter registration, moving Election Day to the weekend, and Election-Day registration are supported by a majority of respondents, but not by a majority of Republicans.
- » Ranked-choice voting, conducting elections entirely by mail, and allowing Internet voting were opposed by a majority of respondents but supported by a majority of Democrats; hand-counting paper ballots was opposed by a majority of respondents but supported by a majority of Republicans.
- » Voting on cell phones was opposed by majorities of Democrats and Republicans.

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## INTRODUCTION

The Survey of the Performance of American Elections (SPAЕ) provides information about how Americans experienced voting in the most recent federal election. Conducted in every presidential election since 2008 and in the federal midterm elections of 2014 and 2022, the SPAЕ is the only national survey of election administration that focuses on the process of voting and provides insights into the performance of elections in the individual states.

In 2022, 10,200 registered voters—200 from every state and the District of Columbia—responded to the survey, which was administered by YouGov. The 2022 SPAЕ was supported by the Election Trust Initiative.

This document provides a look into some of the findings from the survey. It is an update of the 2020 report, with one important difference. The 2020 report did not include results from the 2014 SPAЕ—the only one at the time that was administered during a midterm—and only included comparisons to the results from the presidential elections of 2008, 2012, and 2016. This report includes the 2014 results, to allow comparison with that midterm. In addition, a few items that appear on the SPAЕ also appear in the Cooperative Election Study (CES). Where they are available, midterm results from 2010 and 2018 are also included using items from the CES. Finally, to provide long-term context about voter turnout and use of voting modes, we take advantage of the Voting and Registration Supplement of the Current Population Survey, conducted by the U.S Census Bureau.

More information about the SPAЕ, including the questionnaire and data, may be downloaded at the Harvard Dataverse.<sup>1</sup>

The two biggest issues for election administration that affected the experience of voters when they cast their ballots were:

- » the echoes from the disruptions that occurred in 2020 due to the COVID-19 pandemic, and
- » threats of disruptions and violence in polling places that some feared, owing to threats that were aimed at election officials themselves.

In addition, the security and accuracy of the electoral process has come under question from some quarters. Therefore, in this edition of the SPAЕ, we revisit some issues that were explored in the 2020 SPAЕ, notably, voting by mail, and add analysis of questions asked to gauge the degree to which voters experienced disruptions when they voted. We also pay particular attention to voter attitudes about confidence in the system and shifting opinions about the prevalence of fraud and support for reforms.

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<sup>1</sup> The URL for the SPAЕ Dataverse is <https://dataverse.harvard.edu/dataverse/SPAЕ>.

## VOTING BY MAIL

The 2020 election cycle saw the biggest and most dramatic shift in how Americans vote in American history. Because of permanent and temporary changes made to state election laws, emergency declarations, and voter concern about public health, the percentage of voters casting ballots by mail in 2020 doubled compared to 2016. The 2022 election saw some backing off this surge, mostly by Democrats, but overall, voting by mail in 2022 was well ahead of the trend that had been established over the previous two decades.

### MAIL BALLOT USAGE

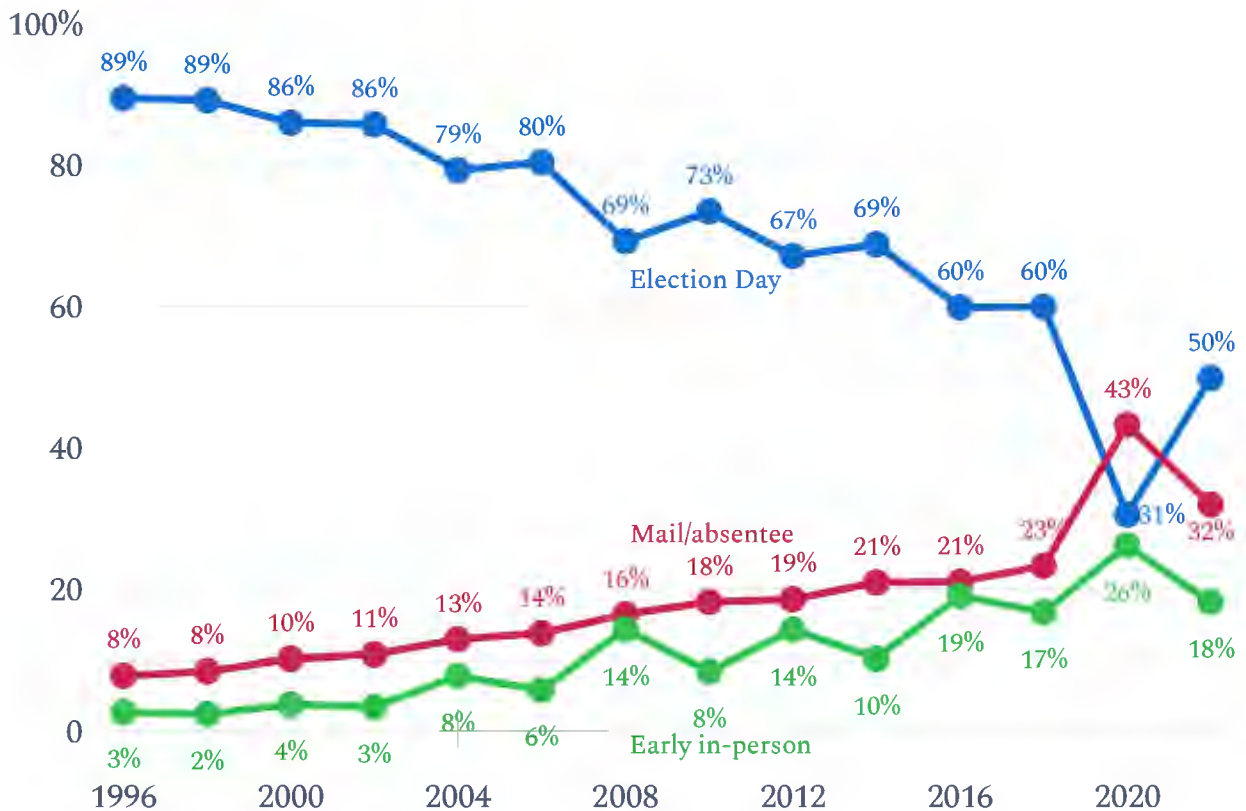
For the past three decades, the percentage of voters casting ballots in person on Election Day has declined, as more have cast ballots either in person before Election Day or by mail. These changes, particularly regarding voting by mail, accelerated dramatically in

2020, with the percentage of voters casting votes on Election Day dropping from 60% in 2016 to 31% in 2020.<sup>2</sup> Ballots cast by mail nearly doubled, from 23% to 43%, while votes cast early and in person continued their steady pace upward.

Election Day voting rebounded somewhat in 2022 compared to 2020, as voting by mail and early in-person voting declined a bit—mail balloting more than early voting. (The early voting decline in 2022 fits into the long-established pattern of early voting declining a bit compared to the previous presidential election.) Still, the overall usage pattern of mail ballots in 2022 was more like 2020 than the pattern in the previous midterm election, 2018.

<sup>2</sup> Voting mode statistics in this subsection are taken from the Voting and Registration Supplement of the Current Population Survey.

VOTING MODES, 1996-2022



Data sources: Census Bureau, Voting and Registration Supplement, 1996-2022

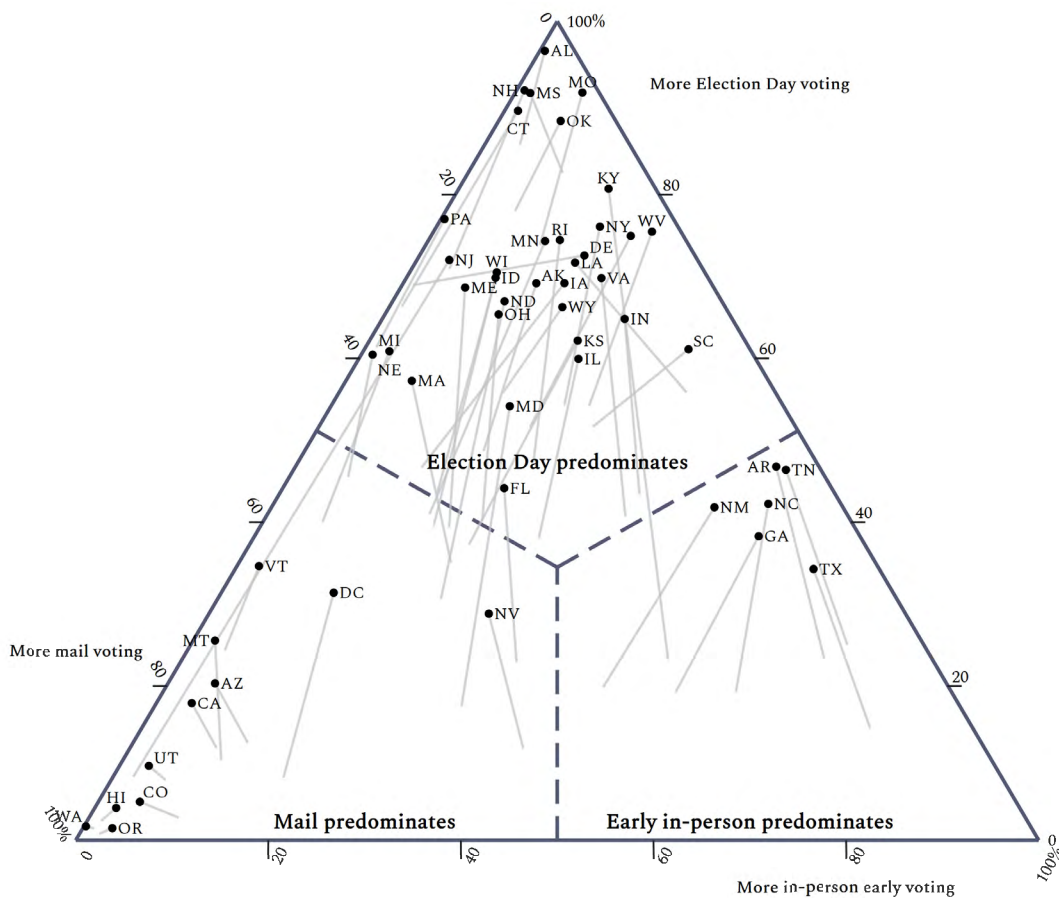
The rebound in Election Day voting proceeded at different rates across the states, as did the transition from voting in-person to voting by mail. The following graph uses a ternary (or triplot) graph to describe the mix of voting modes in each state in 2020 and 2022, at least as reported in the SPAE.<sup>3</sup> The data tokens represent the mix of voting modes reported in 2022. The gray lines attached to the data tokens trace the path of each state back to where they were in 2020. Almost all the gray lines trace some path upward, although the states in the lower left-hand corner (universal vote-by-

mail states) saw virtually no movement.<sup>4</sup> The bulk of states are seen moving on a path that is parallel to the axis that describes mail voting, which indicates voters in those states were primarily substituting mail balloting for Election Day voting. States such as Delaware, New Mexico, Georgia, and Kansas trace out primarily rightward paths, indicating shifts predominantly toward early in-person voting.

3 Voters in states at the very top of the triangle all cast their ballots on Election Day. Voters in states at the lower left corner all cast their ballots by mail. Voters in states in the lower right corner all cast their ballots early in-person.

4 The states that saw an estimated increase in the use of voting by mail in 2022 compared to 2020 were Colorado, Louisiana, Utah, and Washington.

MIX OF VOTING MODES USED BY STATES, 2020 AND 2022



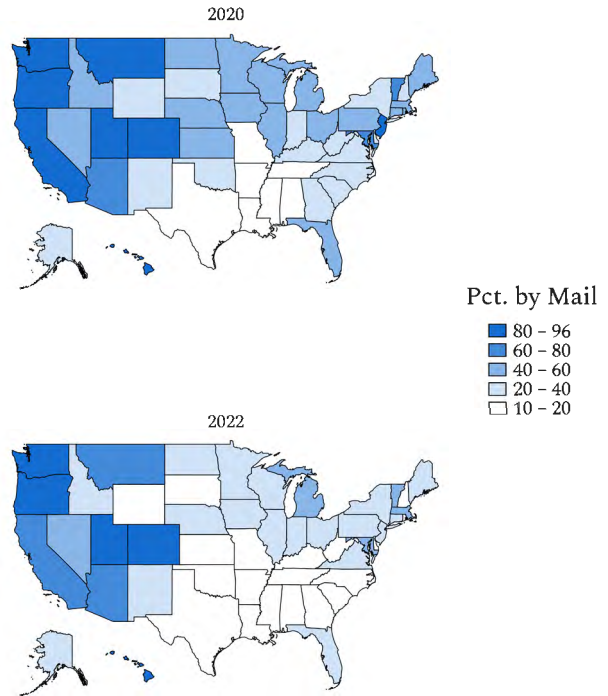
The data tokens represent the mix in 2022. The grey lines trace the path back to the mix in 2020.

Data sources: Census Bureau, Voting and Registration Supplement

Close examination of the triplot graph reveals clusters of states that had very similar vote-mode portfolios in 2022. The five states in the lower left-hand corner of the plot saw at least 85 percent of ballots cast by mail (as reported by survey participants) and single-digit percentages of voters using either in-person mode. These states—Washington, Oregon, Colorado, Hawaii, and Utah—can be called (fairly) pure “vote-by-mail” states. The six states at the top of the graph saw at least 85 percent of ballots cast on Election Day and single-digit reports of early and absentee voting. These states—Alabama, Missouri, Mississippi, New Hampshire, Connecticut, and Oklahoma—can be called (fairly) pure “Election Day” states. There are no states that even approach pure early voting states. The six states in the trapezoid in the lower right—Arkansas, Tennessee, North Carolina, New Mexico, Georgia, and Texas—each saw between 46 percent and 60 percent of ballots cast early and almost all the remaining ballots cast on Election Day. (Only Georgia and New Mexico saw more than 10 percent of ballots cast by mail—11 percent and 13 percent, respectively.)

These two maps help to visualize the geographic distribution of the decline of voting by mail from 2020 to 2022. Prior to 2020, by far the greatest percentage of mail ballots were cast in the Western states. In 2020, voting by mail occurred at very high rates nationwide, with one major exception—the south-central part of the country, ranging from Texas up to Missouri and over to Tennessee. In 2022, the Mountain West and Pacific coast states continued with high levels of mail balloting, while the area of the country with low levels—defined as fewer than 20% of voters—spread to include virtually all of the South (excepting Florida) and pockets of the upper Midwest and Northeast. In general, the upper tier of states also saw declines in voting by mail, although at levels that were significantly greater than before 2020.

**PERCENTAGE OF BALLOTS CAST BY MAIL, 2020 AND 2022**



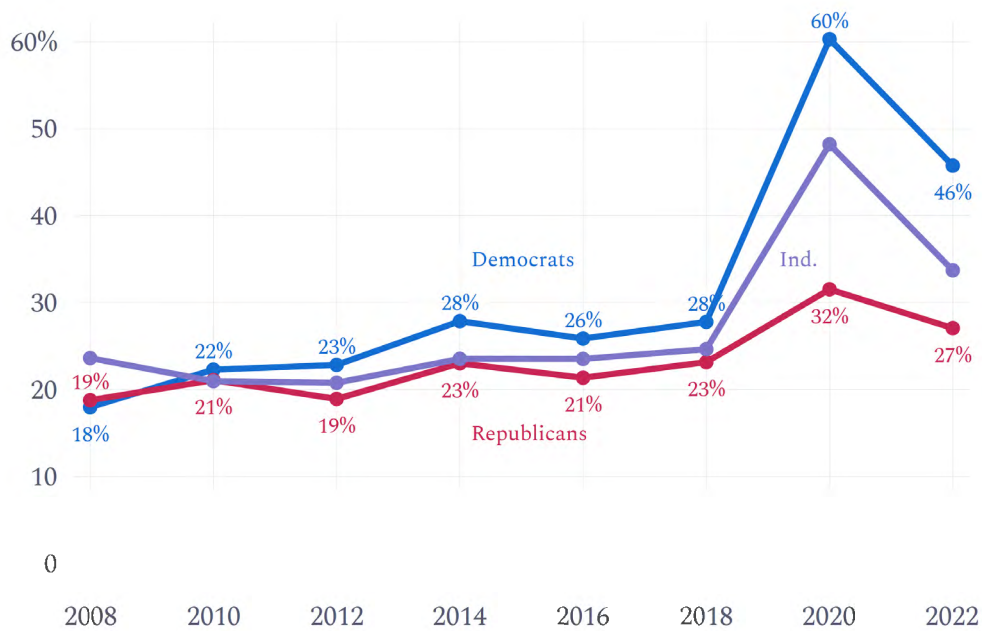
Data sources: Census Bureau, Voting and Registration Supplement, 2020; SPAE, 2022



Finally, we examine the most politically important feature of the changing patterns of voting by mail: that related to party. The 2020 election saw the development of a strong divide between Republicans and Democrats over the use of mail ballots, first at the elite level, and then at the grassroots. As the following graph shows, between 2008 and 2016 Democrats were

slightly more likely to vote by mail than Republicans. However, this difference was primarily an artifact of which states had chosen to conduct their elections entirely by mail. In 2020, the partisan gap in voting by mail opened up wide. In 2022, the gap closed somewhat, although this was primarily due more to Democrats pulling back than Republicans.

**VOTING BY MAIL, BY PARTY**



Data sources: SPAE (2008, 2012, 2014, 2016, 2020, 2022); Cooperative Election Study (2010, 2018)

**THE EXPERIENCE OF VOTING BY MAIL**

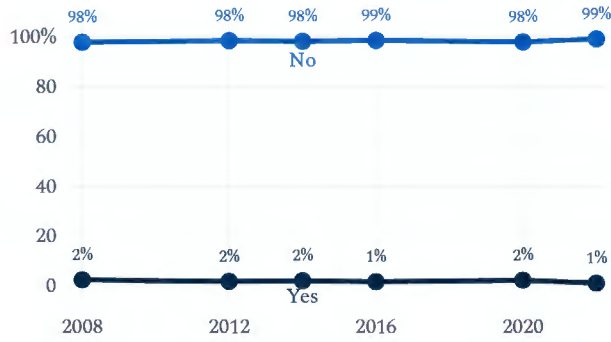
A core feature of the SPAE is that it asks voters directly about their experience voting. With respect to voting by mail, the SPAE includes three key questions, which are reflected in the following graphs. In every iteration of the survey, mail voters have been asked whether they had any problems getting their absentee or mail ballots sent to them, if they had any problems marking their ballot, and how easy it was to follow all the instructions necessary to cast their ballot and return it to be counted.

As the graphs below show, the experience of mail voters in 2022 was similar to prior years. Ninety-nine percent of mail voters stated there were no problems in getting their absentee or mail ballot sent to them, 99 percent stated they encountered no problems marking or completing their ballot, and 82 percent said it was very easy to follow all the instructions necessary to cast their ballot and return it. In the end, 73 percent of voters by mail said they were very confident that their vote was counted as intended.

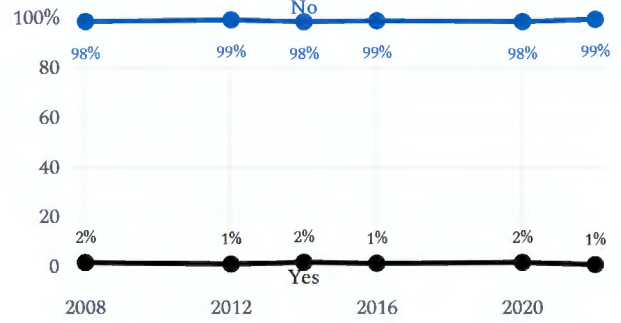


**EXPERIENCE CASTING A MAIL BALLOT**

Were there any problems getting your absentee or mail-in ballot sent to you?



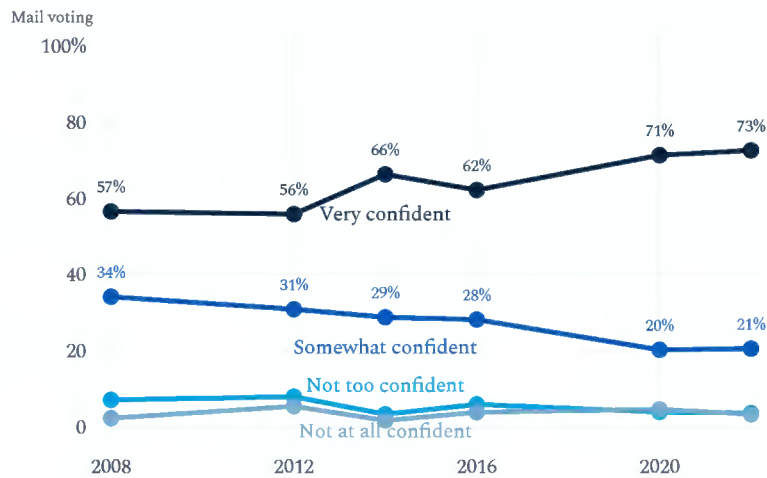
Did you encounter any problems marking or completing your ballot that may have interfered with your ability to cast your vote as intended?



Overall, how easy was it to follow all the instructions necessary to cast your ballot and return it to be counted?



How confident are you that your vote in the General Election was counted as you intended?



## RETURNING MAIL BALLOTS

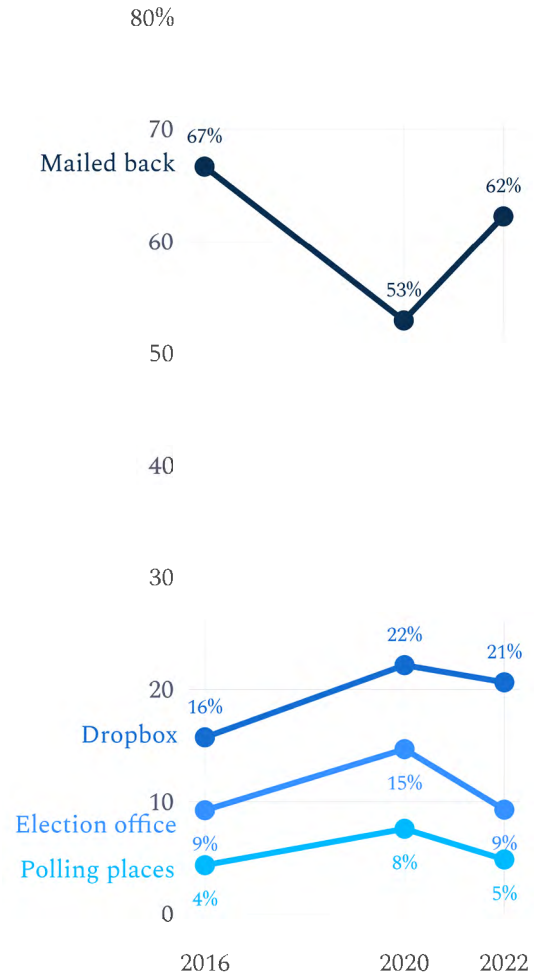
An important issue that arose in the 2020 election was how best to return mail ballots. Historically, experience in vote-by-mail states had suggested that the most secure and convenient way for voters to return their mail ballots was through drop boxes provided by the election authority. In addition, controversy arose over the capacity of the United States Postal Service to deliver mail ballots in time to be counted in November. Election administrators responded by expanding opportunities to return ballots through modes other than the mail, and voters took them up on those opportunities.

However, the use of drop boxes became politically controversial, as did most features of mail-voting policy. This led some states to outlaw the use of drop boxes after 2020. It may also have led Republicans to be less likely to use drop boxes as a means of returning mail ballots.

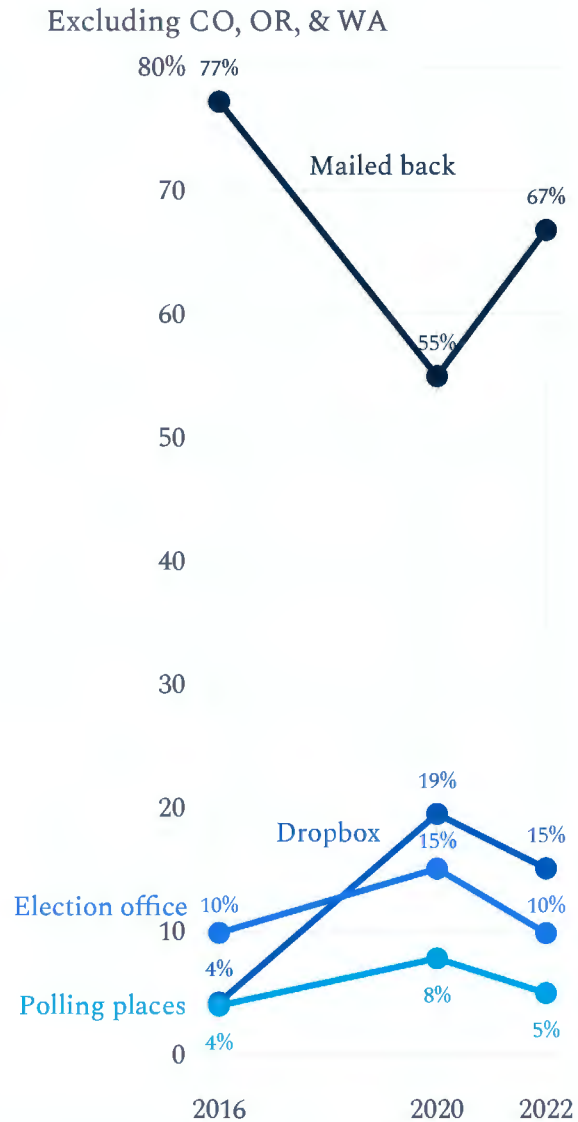
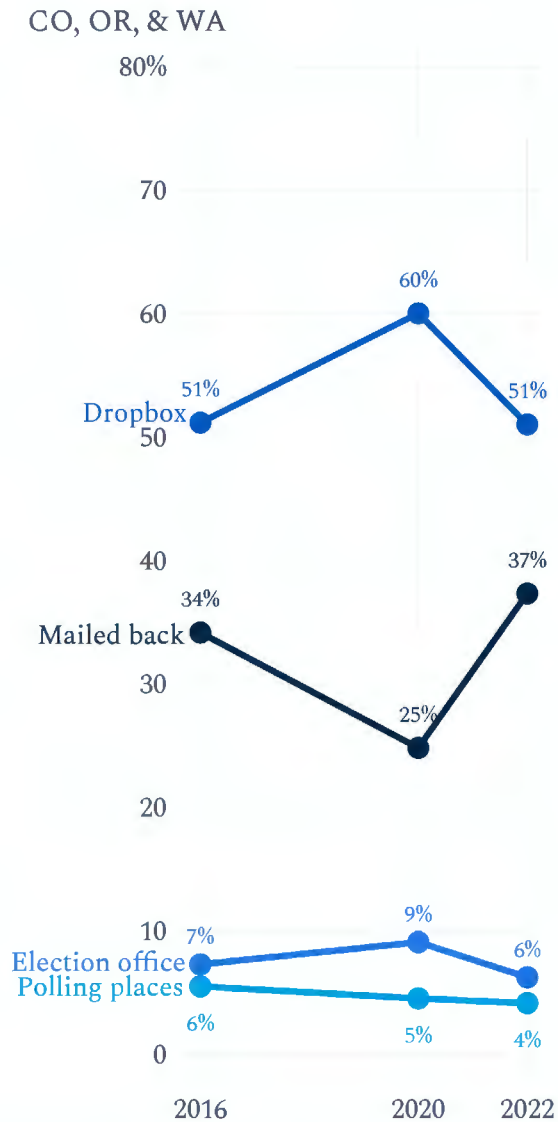
As the accompanying graph shows, although nearly half the mail ballots in 2020 were returned in person (down from 2016, when two-thirds of all mail ballots were returned through the Postal Service), the share of ballots returned by mail rebounded in 2022. One interesting detail about this rebound, however, is that the use of drop boxes did not decline in 2022. Instead, voters became less likely to report returning their ballots at election offices or polling places.

Of course, most of the country was new to the experience of voting by mail in 2020 and patterns of mail-ballot return may have been different among those new to voting by mail compared to those who were old hands. It is instructive to compare how voters returned their ballots in the more long-standing vote-by-mail states of Colorado, Oregon, and Washington to the rest of the nation; the next two graphs show how voters in those three states returned their ballots compared to voters in the other states and D.C.

HOW MAIL BALLOTS WERE RETURNED



HOW MAIL BALLOTS WERE RETURNED



It is notable that drop box usage declined in both the long-standing vote-by-mail states and in all the other states. Indeed, drop box usage dropped more in the long-standing states (9 points) than in all other states (4 points), although in proportional terms, the declines were similar.

In 2022, these rates were 62% for both parties. Explanations for these differences may include greater emphasis among Democratic campaigns to get mail ballots returned in person in 2022 or, more likely, greater skepticism among Democrats about whether the Postal Service would deliver their ballots on time.

Partisanship may have played a role in the return to the Postal Service as a mode to return mail ballots. In 2020, 58% of Republicans reported returning their mail ballots by mail, compared to 52% of Democrats.

### DISRUPTIONS AT DROP BOXES

Prior to the 2022 election, some election experts expressed concern that groups or lone individuals would intimidate voters coming to deposit their ballots at drop boxes or vote at polling places. Although there were isolated reports of disruptions at polling places, the consensus among observers was that voting went smoothly, despite these reports. Media reports and other attempts to compile lists of voter problems run into the obvious problem that they are anecdotal and rarely systematic. As a consequence, there is value to asking a representative sample of voters what they saw when they went to vote or drop off their ballot.

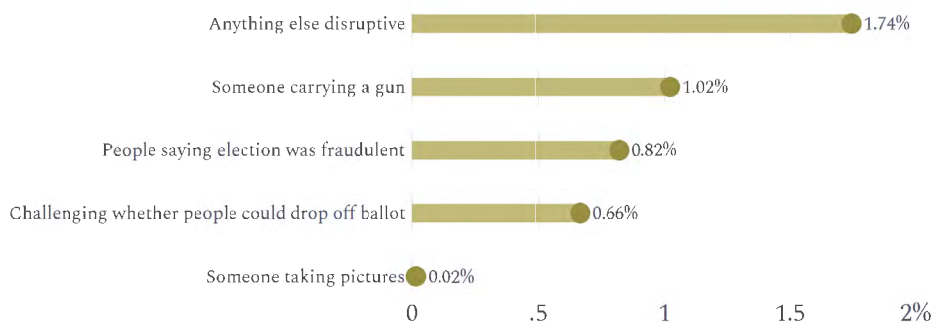
To address this issue, the SPAE asked the following question of those who reported that they deposited their ballot at a drop box: “When you returned your ballot to a drop box, did you directly observe any of the following events taking place near the drop box?” The closed-ended response categories were these:

- » People peacefully holding signs or giving out literature in support of a candidate or ballot question.
- » Individuals or groups of people casting doubt on whether the election was fraudulent.

- » Individuals or groups of people seeming to challenge whether some people were properly dropping off ballots.
- » Individuals or groups, other than police officers, carrying a gun.
- » Someone taking pictures of voters or election workers who did not seem to be a reporter.
- » Anything else that seemed disruptive.
- » Respondents were also allowed to report that they saw none of these things.

Among those who responded to the question, two percent stated that they saw people peacefully holding signs or giving out campaign literature, but nothing disruptive. Roughly one percent of drop-box returners saw someone carrying a gun, someone saying the election was fraudulent, or someone challenging people dropping off ballots. Despite being frequently covered in the press, almost no one—only 0.2 percent of those who returned a ballot at a drop box—stated they saw someone, other than a reporter, taking pictures of people returning ballots. Overall, 95.6 percent of those who returned ballots using drop boxes reported nothing disruptive when they did so.

### WHEN YOU RETURNED YOUR BALLOT TO A DROP BOX, DID YOU DIRECTLY OBSERVE ANY OF THE FOLLOWING EVENTS TAKING PLACE NEAR THE DROP BOX?



The “other” category was the most frequently chosen response, by 1.7% of relevant respondents. Only six respondents chose the “anything else” response. They were invited to describe what they observed. Here are their quotes:

- » People sitting 30 feet away from drop box, library was closed at the time.

- » There was a sign that warned people not to carry guns within 100 ft of the building.
- » Stickers were stuck onto the drop portion bashing a candidate.
- » There was a guy wearing some sort of army type clothes standing around with his cell phone but he didn’t say anything to us and we left.
- » Closed circuit camera on the area.
- » Poll watcher in car, +30ft away.

**BALLOT TRACKING**

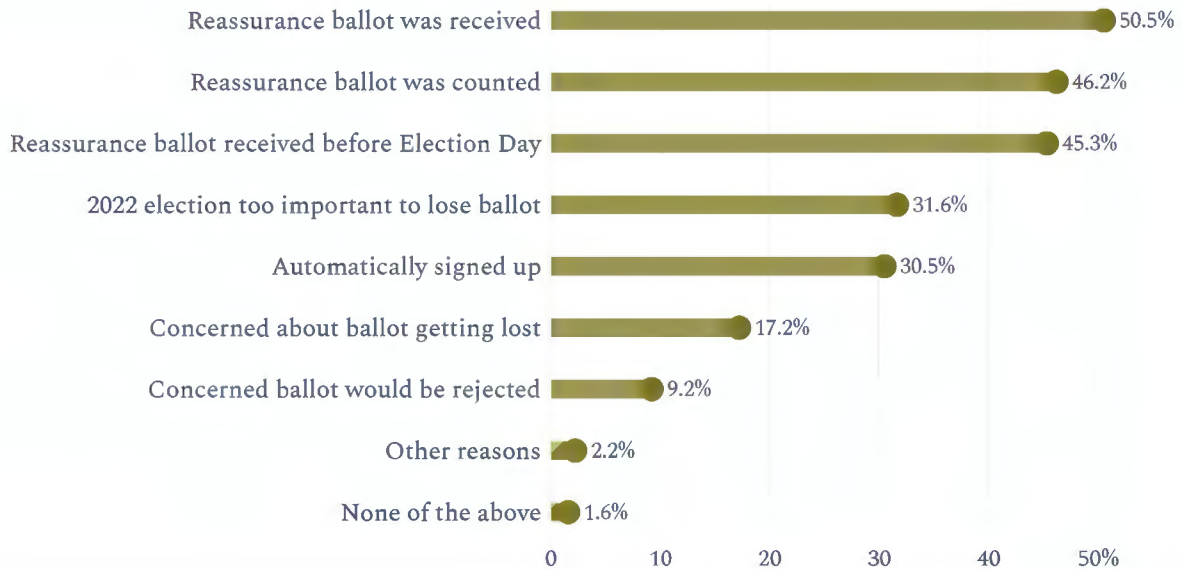
The availability of online ballot tracking for those voting by mail has grown significantly over the past few elections. The availability of ballot tracking exploded during the 2020 election, paralleling the explosion of voting by mail. In 2022, almost every state offered by-mail voters to track whether their mail ballot had been received for counting.

In 2022, for the first time, the SPAE asked respondents who reported voting by mail, “Did you track your mail/absentee ballot online or through text/email messages?” Among respondents to this question, 40 percent said they used online ballot tracking. For respondents who reported they used ballot tracking, a follow-up question asked “Which of the following describe reasons you chose to track your ballot? Choose all that apply.” The response categories were the following:

- » I was automatically signed up for ballot tracking.
- » I was concerned my ballot would be lost in the mail.
- » I wanted reassurance my ballot was received by the election authorities.
- » I wanted reassurance my ballot was counted by the election authorities.
- » I wanted reassurance my ballot would be received/accepted before Election Day deadline.
- » I was concerned my ballot would be rejected.
- » I believed the 2022 election was too important to risk my ballot being rejected.
- » Other.
- » None of the above.

The three most common reasons pertained to reassurance that the ballot was received, counted, and/or received before Election Day; 75.1 percent of respondents chose one of these three reasons.

**WHICH OF THE FOLLOWING DESCRIBE REASONS YOU CHOSE TO TRACK YOUR BALLOT? CHOOSE ALL THAT APPLY.**



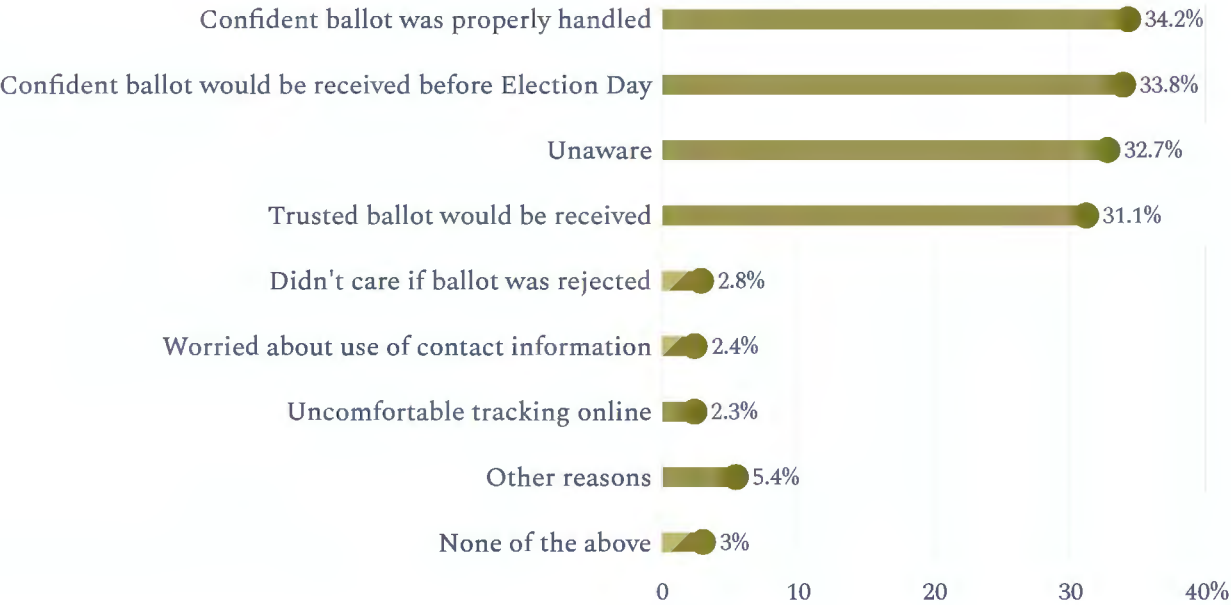
Most respondents—60 percent—who reported voting by mail also reported that they did not use ballot tracking. These respondents were asked, “Which of the following describe reasons you chose not to track your ballot? Choose all that apply.” The reasons offered were the following:

- » I was not aware that I could track my ballot.
- » I fully trusted my ballot would be received and counted by the election authorities.

- » I did not feel comfortable tracking my ballot information online or through text messages.
- » I felt confident my ballot would be received/counted before the Election Day deadline.
- » I felt confident my ballot was correctly handled and would be accepted.
- » I did not care too much if my ballot was rejected.
- » I was worried my contact information would be used for non-election purposes.
- » Other
- » None of the above

Among those who reported not using online ballot tracking, nearly one-third (32.7 percent) reported they were unaware that ballot tracking was available. Among the remaining non-tracking respondents, 82.9 percent stated that they were either confident the ballot was properly handled, confident the ballot would be received before Election Day, or trusted the ballot would be received on time to be counted. Very few respondents reported discomfort that information used by ballot trackers would be improperly used.

**WHICH OF THE FOLLOWING DESCRIBE REASONS YOU CHOSE NOT TO TRACK YOUR BALLOT? CHOOSE ALL THAT APPLY.**



## VOTING IN-PERSON

Although the expansion of voting by mail was the most notable issue in election administration in 2020, voting in person remained important. Indeed, as previously noted, in-person voting rebounded in 2022.

The challenge of voting in-person in 2020 and 2022 can be split into three categories: people, places, and things. That is, responding to the demand for voting in-person has been strained by the potential lack of poll workers, polling places, and provisions necessary to carry out voting. If voting by mail had not been so successful in 2020, the in-person voting system would perhaps have been under an insurmountable strain. On the other hand, the rebound away from mail ballots in 2022 may have exacerbated strains on the in-person voting system that had been avoided in 2020 by reducing demand on the system. Nonetheless, as in 2020, voters who cast their ballots in person in 2022 ultimately reported that their experiences were very similar to in-person voters in the past.

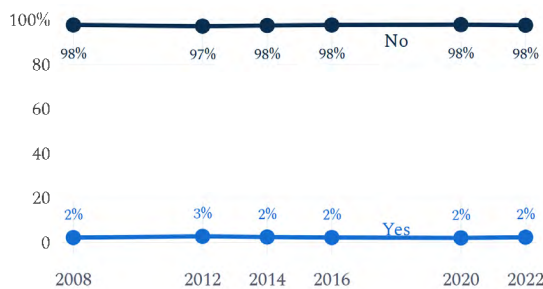
## THE IN-PERSON VOTING EXPERIENCE

The SPAE asks in-person voters about problems they had with voter registration and voting equipment, how well things were run in the polling place, and the job performance of poll workers. As with mail voting, in-person voters reported very similar, and overall positive, experiences to past years. Among those who voted on Election Day, for instance, 98 percent said they had no problems with registration when they tried to vote, 97 percent did not encounter any problems with the voting equipment, 83 percent said the polling place was very well-run, and 70 percent said the performance of the poll workers at the polling place was excellent. These statistics are virtually identical to all past SPAE studies.

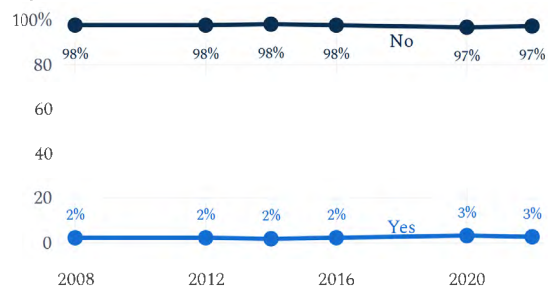
In addition, 68 percent of the Election Day voters said that they were very confident that their ballot was counted as intended, with another 24 percent saying they were somewhat confident. The percentage of Election Day voters who were very confident that their vote was counted as intended rebounded from 2020.

### EXPERIENCE VOTING ON ELECTION DAY

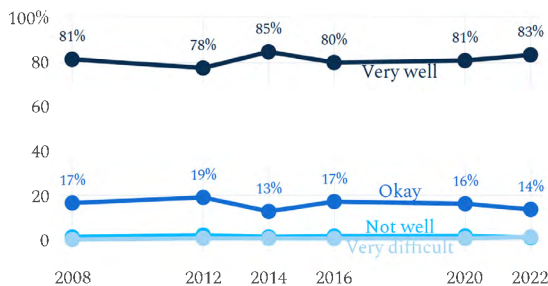
Was there a problem with your voter registration when you tried to vote?



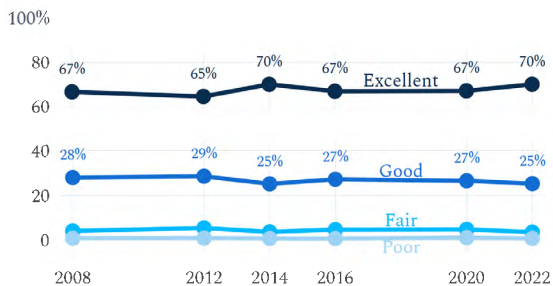
Did you encounter any problems with the voting equipment or the ballot that may have interfered with your ability to cast your vote as intended?



How well were things run at the polling place where you voted?



Please rate the job performance of the poll workers at the polling place where you voted.





**HOW CONFIDENT ARE YOU THAT YOUR VOTE IN THE GENERAL ELECTION WAS COUNTED AS YOU INTENDED?**

Election Day voting



**WHERE PEOPLE VOTED**

Arranging for places for people to vote in-person has become greater in recent years. The COVID pandemic in 2020 accelerated the pace of difficulties. In 2020, with schools closing, churches not holding services, rising concerns about infections in nursing homes, and apprehension among first responders about interacting with the public, the availability of traditional high-demand polling places — schools, churches, senior centers, and fire stations — was in question.

Patterns related to in-person voting locations continued from 2020 into 2022. The major long-term trend has been the decline in the use of schools, which continued in 2022. Still, 26 percent of Election-Day voters reported casting a ballot in a school, 21 percent in a community center, 20 percent in a church, 10 percent in other types of government buildings (courthouses, government office buildings, etc.), and 17 percent in all other places. None of these percentages are sta-

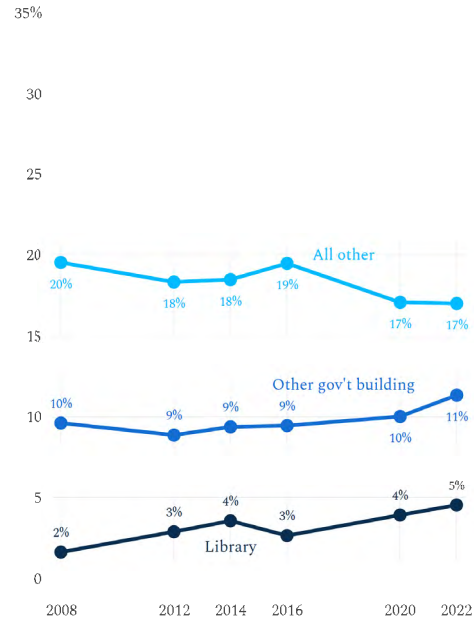
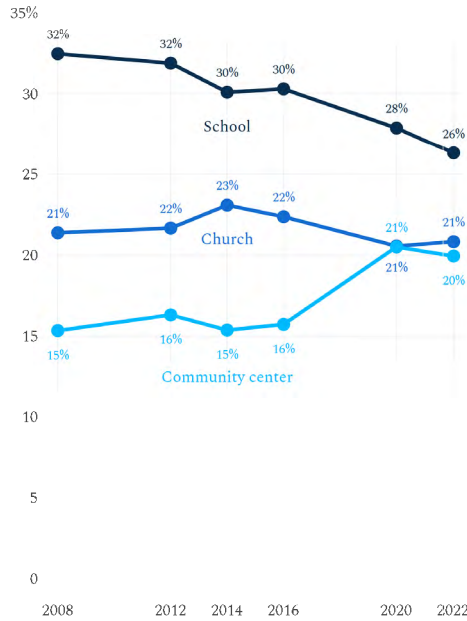
tistically different from 2020, although we can confirm that the long-term downward trend in voting in schools is significant.

Early voting typically occurs in a different collection of buildings, because voting is stretched out over a longer period and more people typically frequent them. “Other government buildings,” which includes court houses, city halls, and election offices, has been by far the most common place where early in-person votes were cast. The decline in the use of these facilities continued in 2022. As with Election Day voting, the usage rates of building types were nonetheless very similar to what was observed in 2020. In 2022, 35 percent of early in-person voters cast a ballot in an “other government building,” 21 percent in a community center, 14 percent in a library, 11 percent in a school, 5 percent in a church, and 14 percent in all other facilities.



HOW WOULD YOU DESCRIBE THE PLACE WHERE YOU VOTED?

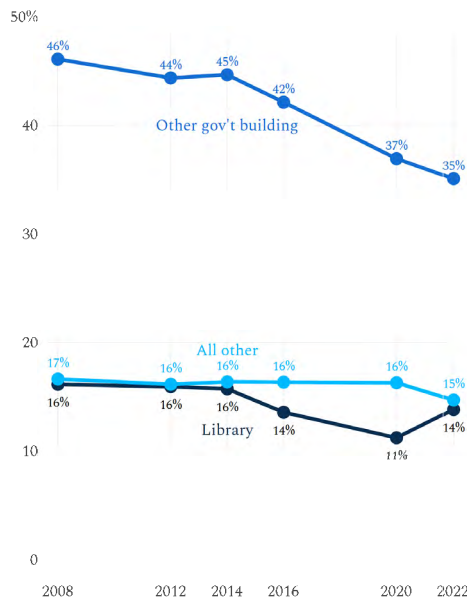
Election Day voters



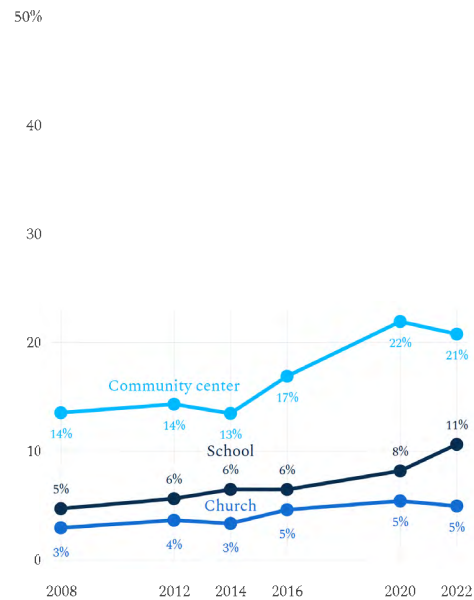
HOW WOULD YOU DESCRIBE THE PLACE WHERE YOU VOTED?

Early voters

How would you describe the place where you voted?



How would you describe the place where you voted?



**WAIT TIMES TO VOTE**

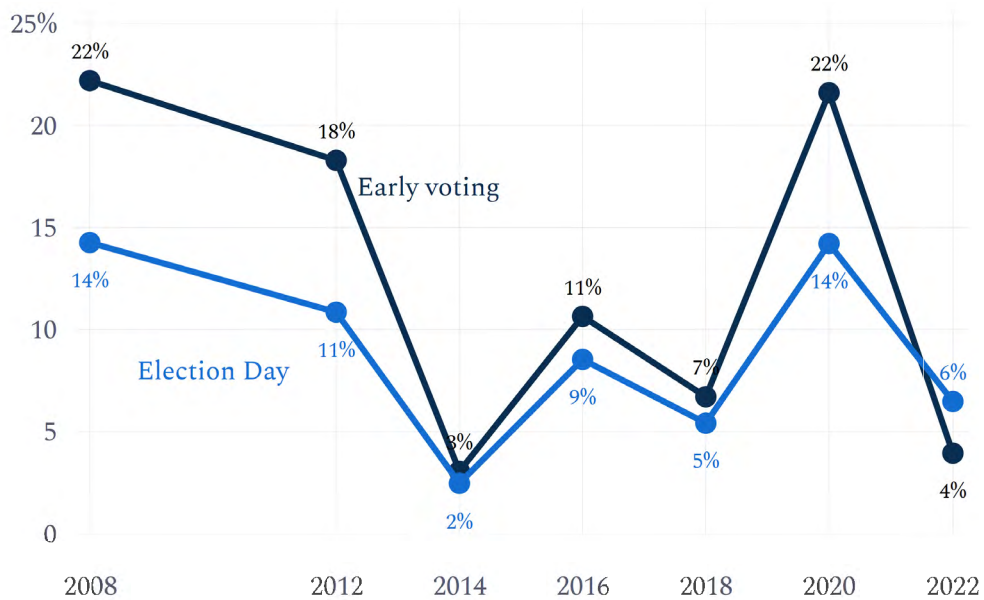
The issue of voter wait times became salient immediately after the 2012 election, when President Obama cited long lines in Florida during his victory speech, calling on Americans “to fix that.” Efforts to reduce wait times were successful in the following three federal elections, but reared back up in 2020. Wait times were much greater in 2020 than in 2016, reversing gains made over the preceding decade.

Wait times in 2022 returned to the levels seen in the 2018 midterm election, which were higher than 2014.

The average Election Day voter waited six minutes before voting; the average early voter waited four minutes. (These differences were not statistically significant.) That wait times would be much less than in 2020 is unsurprising, because long wait times are a sign of congestion in polling places as the pace of arrivals challenges the capacity of the system. In-person turnout is less in a midterm election than in a presidential election, but local officials tend not to reduce polling place capacity—measured by the number of voting booths, poll books, and voting machines/scanners—to the same degree as the decline in turnout.

**APPROXIMATELY HOW LONG DID YOU HAVE TO WAIT IN LINE TO VOTE?**

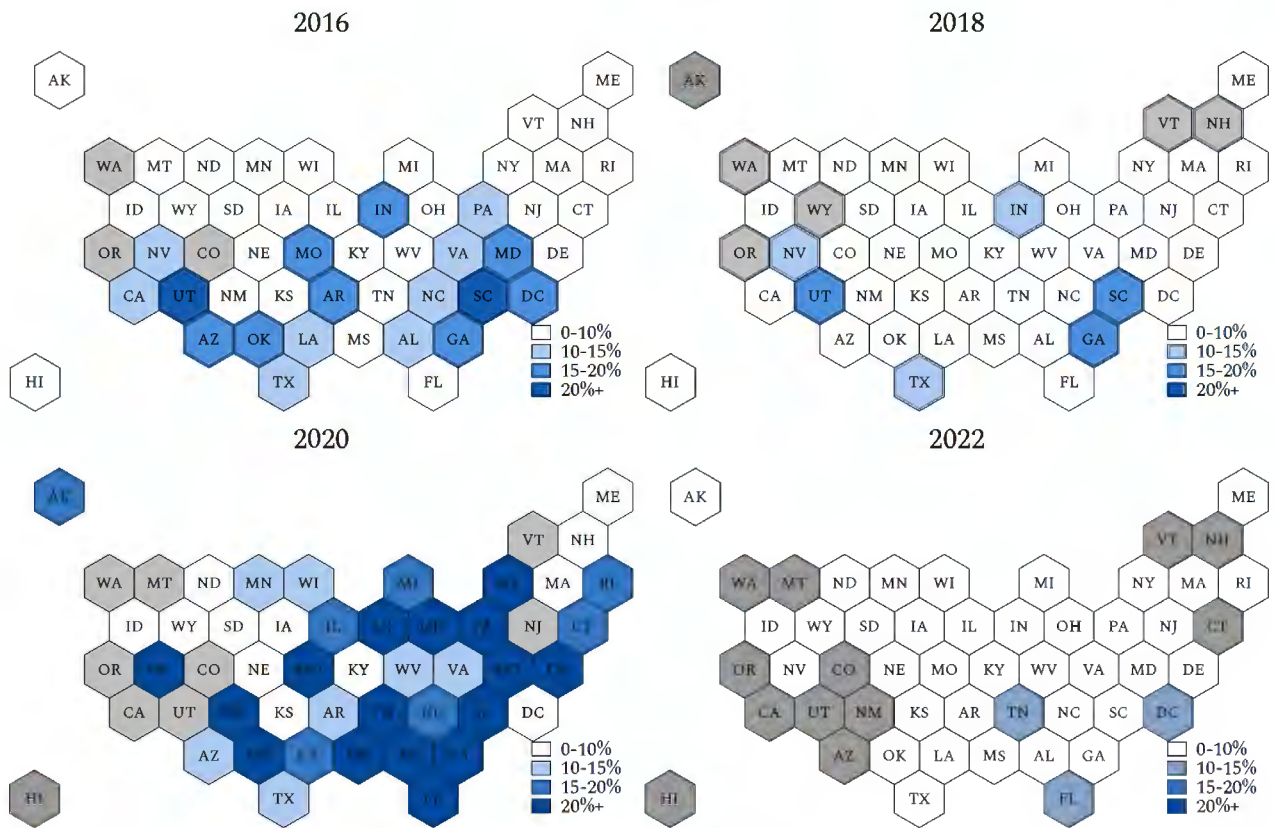
Those waiting more than 30 minutes



Note: Data from 2018 are from the Cooperative Election Study.

There were a few pockets of long wait times, measured by the percentage of voters reporting that they waited more than thirty minutes to cast a ballot. (The thirty-minute benchmark was established in the 2014 report of the Presidential Commission on Election Administration.) In 2022, two states (Florida and Tennessee) and the District of Columbia saw more than 10 percent of in-person voters waiting over thirty minutes to vote in person. As in most years, African Americans were more likely to report waiting more than 30 minutes to vote (8.2 percent) than Whites (3.4 percent).

PERCENTAGE OF IN-PERSON VOTERS WHO WAITED LONGER THAN 30 MINUTES TO VOTE



Note: States with fewer than 50 observations in the data set are colored grey.

### DISRUPTIONS IN POLLING PLACES

The 2022 election was held in the context of heightened concerns over the safety and security of election workers and facilities. Although most of the public concern pertained to election officials and their offices, the elections community also had concerns that violence, or at least disruptions, would erupt in polling places themselves.

To gauge the degree to which voters encountered concerning behavior, the SPAE included two related batteries of questions for the first time in 2022. The first asked about disruptions observed in polling places, both on Election Day and during early voting. The second asked about activities outside of polling places. (A related set of questions were asked of those who used drop boxes. See the voting-by-mail section for a discussion of these items.)

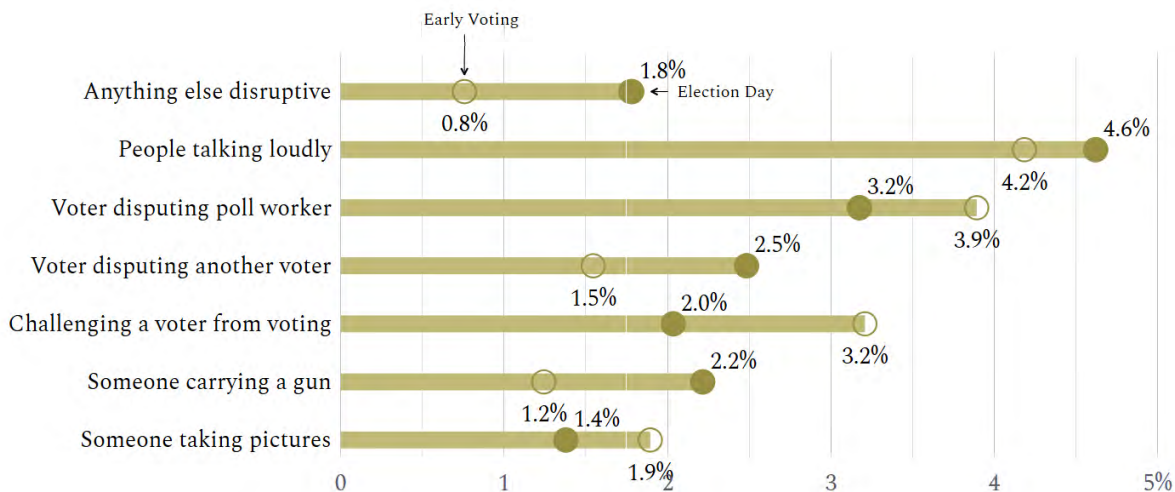
Voters who cast their votes in person, either on Election Day or early, were asked, “When you went to vote,

did you directly observe any of the following events taking place in the polling place? (Mark all that apply.)” The events mentioned were

- » People in the polling place talking loudly or acting in a way that disrupted the voting.
- » A voter in a dispute with an official election worker.
- » A voter in a dispute with another voter.
- » An individual, other than a police officer, carrying a gun.
- » Someone who was not an official election worker challenging whether someone could vote.
- » Someone taking pictures of voters or election workers who did not seem to be a reporter.
- » Anything else that seemed disruptive.

Respondents were also allowed to state that they observed none of these events.

### WHEN YOU WENT TO VOTE, DID YOU DIRECTLY OBSERVE ANY OF THE FOLLOWING EVENTS TAKING PLACE IN THE POLLING PLACE?



An overwhelming number of in-person voters—90 percent of Election Day voters and 91 percent of early voters—reported that they observed none of these potentially disruptive behaviors. The most common disruptive behaviors observed involved disputes with poll workers or voters, or people talking loudly. (Often, the loud talking was observed along with the disputes.) The disruptions observed in the two in-person vot-

ing modes were slightly different. Election Day voters were much more likely to see loud talking, voters disputing each other, and someone (other than a police officer) carrying a gun, whereas early voters were much more likely to report voters in a dispute with poll workers, voters being challenged from voting, and people taking pictures of voters.

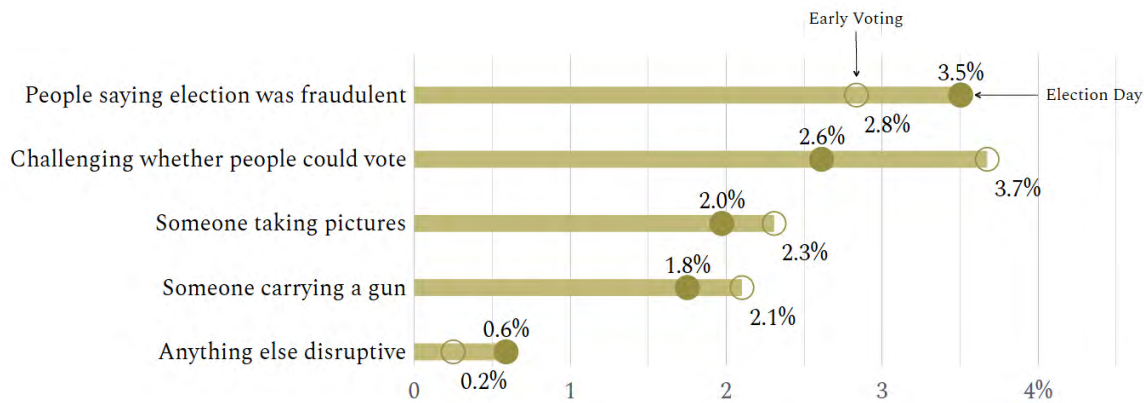
In-person voters were also asked about what they observed outside the polling place with this question: “When you went to vote, did you directly observe any of the following events taking place outside the polling place?” The possible responses were the following:

- » People peacefully holding signs or giving out literature in support of a candidate or ballot question.
- » Individuals or groups of people casting doubt on whether the election was fraudulent.
- » Individuals or groups of people seeming to challenge whether some people could enter the polling place to vote.
- » Individuals or groups, other than police officers, carrying a gun.
- » Someone taking pictures of voters or election workers who did not seem to be a reporter.

- » Anything else that seemed disruptive. (Please describe what you observed.)
- » I didn’t observe any of these things.

The first response, people peacefully holding signs or passing out literature, should not be considered a disruption, although voters may find even these activities to be intimidating. Twenty-one point five percent of respondents reported seeing this type of activity. Turning our attention to the remaining activities, the two most common outside disruptions involved people protesting that the election was fraudulent and challenging whether others could vote. Less common, but still observed by two percent of respondents, was people taking pictures of those coming to vote and someone other than a police officer carrying a gun.

**WHEN YOU WENT TO VOTE, DID YOU DIRECTLY OBSERVE ANY OF THE FOLLOWING EVENTS TAKING PLACE OUTSIDE THE POLLING PLACE?**



## NOT VOTING

Sixteen percent of respondents in 2022 reported that they did not vote. To understand the reasons, non-voting respondents were asked “What was the main reason you did not vote?” The categories these respondents were presented are the following:

- » I forgot
- » I’m not interested
- » Too busy
- » Did not like the candidates
- » I am not registered
- » I did not have the correct form of identification
- » Out of town
- » Sick or disabled
- » Transportation
- » Bad weather
- » The line at the polls was too long
- » I was not allowed to vote at the polls, even though I tried
- » I requested but did not receive an absentee ballot
- » I did not know where to vote
- » I did not feel that I knew enough about the choices
- » I was worried about the COVID-19 virus
- » Other
- » Don’t know

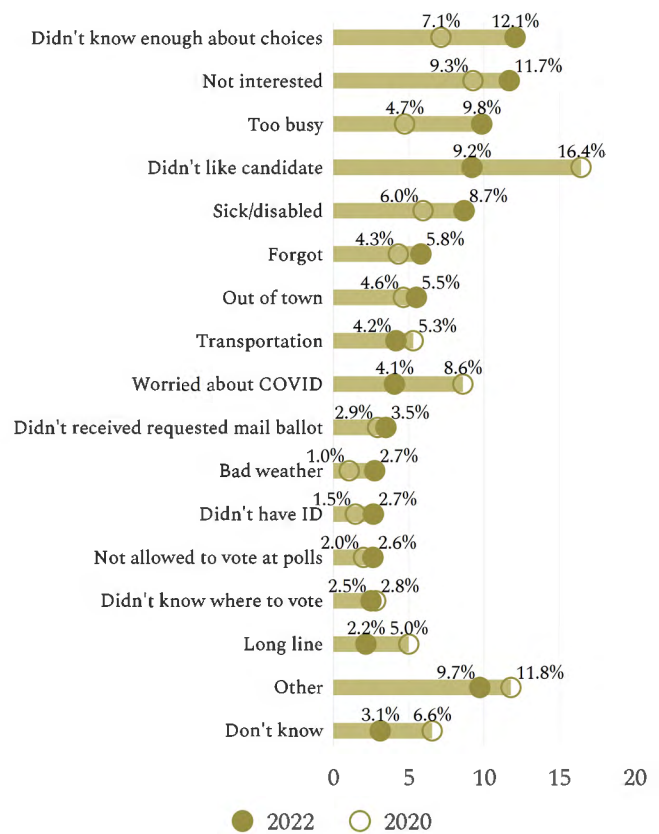
Respondents who answered “other” were invited to write in their reason.

The three most common responses in 2022 were “didn’t know enough about choice” (12.1%), “not interested” (11.7%), and “too busy” (9.8%). A sizeable number of respondents, 9.7 percent, chose the “other” response. This was truly a catch-all category, but significant numbers of respondents who chose this category mentioned believing the election was rigged, having to work, and a belief that elections were one-sided in their state.

It is notable that reasons for not voting due to election administration reasons, such as not receiving a mail ballot, not having an ID, not knowing where to vote, and long lines, were given less often in 2022 than reasons associated with the respondent’s own situation, including being disengaged from the process or being sick or out of town. The excuse of not voting because of long lines was given less often in 2022 (2.2%) than in 2020 (5.0%).

The frequencies of reasons given for not voting in 2022 were similar to those in 2020, with a few notable exceptions. Not liking the candidates was mentioned much less often in 2022 (9.2%) than in 2020 (16.4%) as was a fear of COVID (4.1% vs. 8.6%). With these reasons being reduced in 2022, excuses related to the voter’s own circumstances and disengagement from the process took on a more prominent role in 2022, as is true in most midterm elections.

### WHAT WAS THE MAIN REASON YOU DID NOT VOTE?

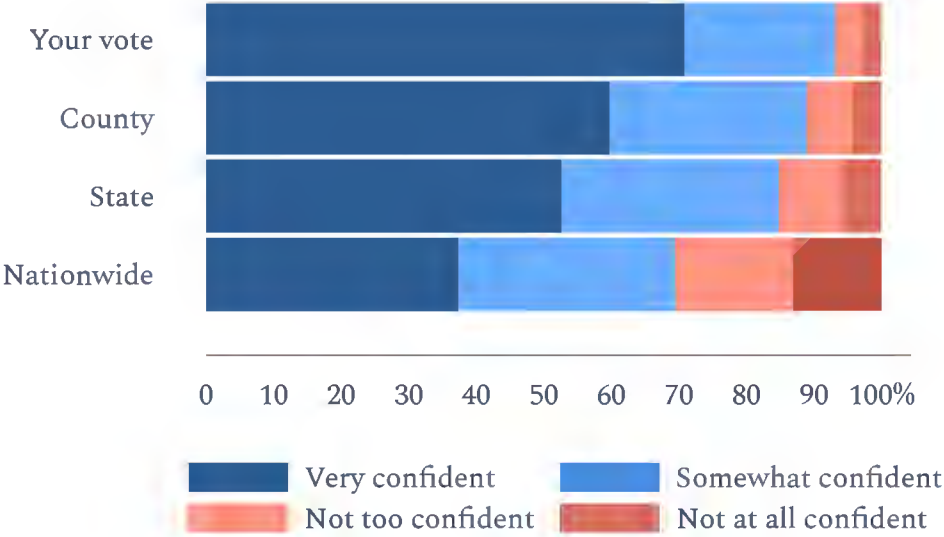




# CONFIDENCE IN THE ELECTION

With all of the discord over the postelection period, there has been renewed attention to confidence in the electoral process and confidence in our democracy. The SPAE asks a series of questions that takes a very focused approach to the issue of confidence. It asks whether voters were confident that their vote was counted as intended. In addition, it asks all respondents whether they voted or not, and whether they were confident that votes in their city, county, and nationwide were counted as intended. The general pattern of responses in 2022 was similar to that of past years. Respondents were the most confident that their own vote was counted as intended, less confident that votes in their county were counted as intended, slightly less confident about votes in the state, and the least confident about votes nationwide.

HOW CONFIDENT ARE YOU THAT VOTES [AT LEVEL] WERE COUNTED AS INTENDED?



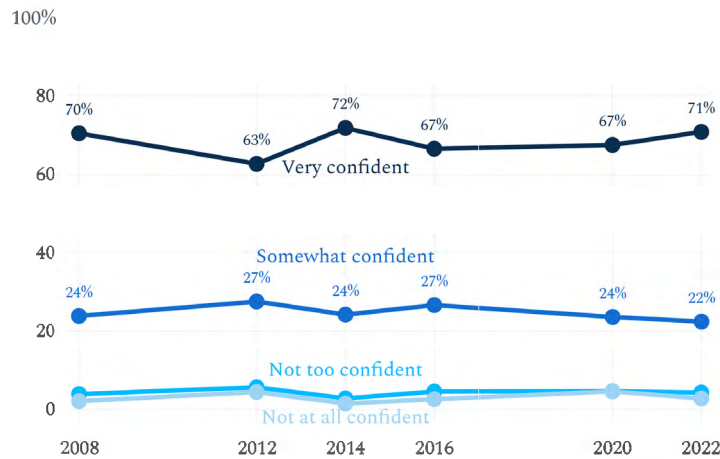
## CONFIDENCE IN ONE'S OWN VOTE VS. THE COUNTY, STATE, AND NATION

Beneath these general patterns are important dynamics that reflect how confidence has changed over time and how it varies across groups.

We start this discussion with the respondent's own vote. As was true with the past several years, two-

thirds of respondents were very confident that their own personal votes were counted as intended in 2022. The results on this score have been virtually unchanged over the past two decades.

### HOW CONFIDENT ARE YOU THAT YOUR VOTE IN THE GENERAL ELECTION WAS COUNTED AS YOU INTENDED?



Although confidence in the vote count at the county level has been lower than confidence in one's own vote, the time trend also remained stable in 2022 compared to past years.

### HOW CONFIDENT ARE YOU THAT VOTES IN YOUR CITY OR COUNTY WERE COUNTED AS INTENDED?

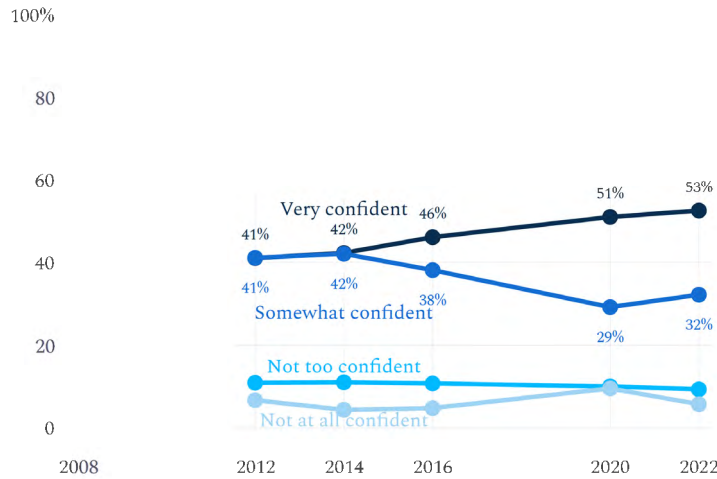




It is in asking about confidence that votes in the state were counted as intended where the movement in the time trend becomes apparent. Confidence that votes were counted as intended softened in 2020 when respondents were asked about their state. The percentage of voters who were very confident actually rose, but the percentage of those who were somewhat confident

fell significantly, from 38 percent to 29 percent. In addition, the percentage of respondents who answered “not at all confident” doubled, rising from 5 percent to 10 percent. The results in 2022 were very similar to those in 2020, although overall confidence (very confident + somewhat confident) edged up five points.

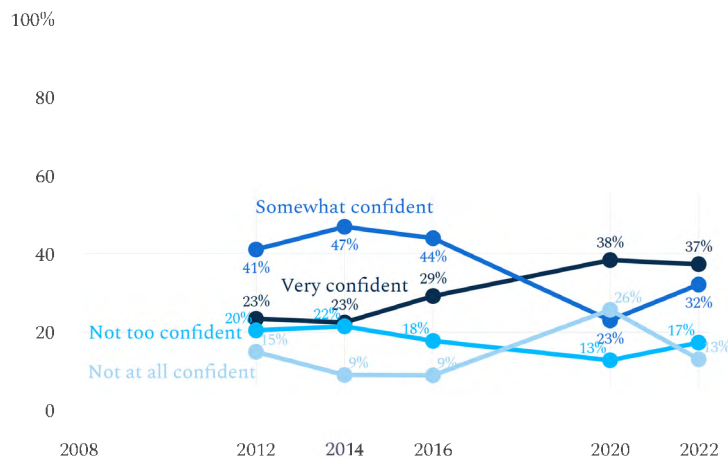
**HOW CONFIDENT ARE YOU THAT VOTES IN YOUR STATE WERE COUNTED AS INTENDED?**



Respondents’ answers to the questions about confidence in votes nationwide most clearly reflect the political polarization on the issue. In 2020, both the percentage of respondents saying they were very confident that votes were counted as intended nationwide and the percentage reporting that they were not confident at all rose from 2016. In 2022, the fraction of respondents who stated they were not at all confident

fell back to 13 percent, in line with the results prior to 2020. The share of respondents who were somewhat confident also grew by nine points. On the whole, then, more respondents expressed at least some degree of confidence in voting nationwide in 2022 than in 2020, although overall confidence did not return to pre-2020 levels.

**HOW CONFIDENT ARE YOU THAT VOTES NATIONWIDE WERE COUNTED AS VOTERS INTENDED?**

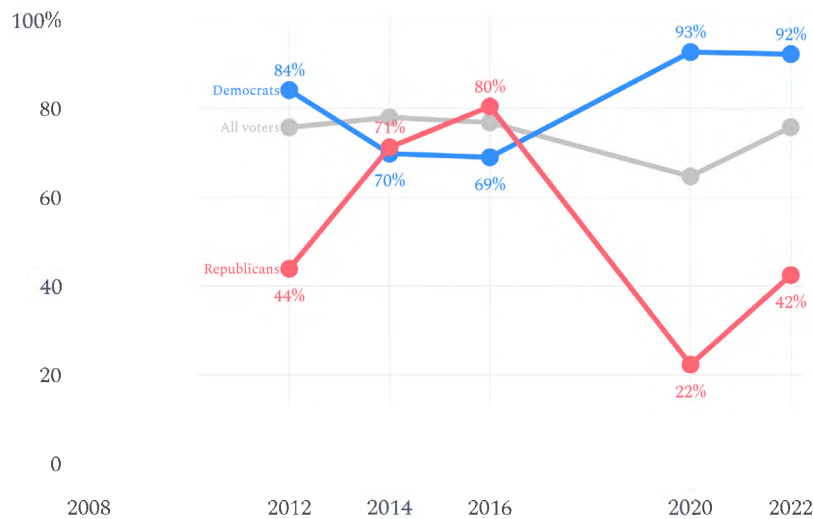


## PARTISAN POLARIZATION OF CONFIDENCE IN STATE AND NATION

Recent patterns in voter confidence, especially at the state and national levels, are a product of the polarization of attitudes about the electoral process along partisan lines. In 2016, Democrats and Republicans gave similar responses to the question about nation confidence. In 2020, confidence among Democrats rose from 69 percent to 93 percent, while the percentage of

Republicans who were either very or somewhat confident in the nationwide vote count fell from 83 percent to 22 percent. Democratic confidence remained essentially unchanged in 2022, whereas Republican confidence jumped twenty points.

### HOW CONFIDENT ARE YOU THAT VOTES **NATIONWIDE** WERE COUNTED AS VOTERS INTENDED? (VERY OR SOMEWHAT CONFIDENT)

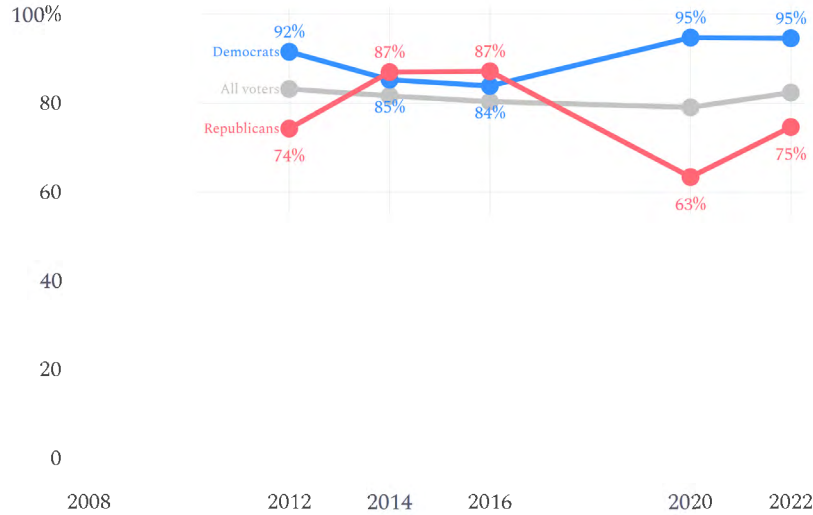


Of particular interest here is confidence about vote counting in the states. It is the states, after all, that administer elections, and that therefore bear the brunt of controversy in close and contested elections. Dissatisfaction with election administration in many states, especially battleground states, led to intense state legislative activity in 2021 and 2022.

In 2020, we reported that the gap between Democrats and Republicans in state confidence grew to a 32-point difference, after being nearly zero in 2016. While large, it was much less than the 71-point partisan gap in national confidence. In 2022, the partisan gap in statewide confidence closed somewhat, to 20 points, which was more in line with the partisan gap following the 2012 presidential election when Barack Obama defeated Mitt Romney.

In reporting on the results of the 2020 SPAE, we noted that in some states, the partisan gap in confidence about state voting was enormous, whereas in others, it was tiny or non-existent. The states that had the largest partisan gaps shared one of two characteristics: they were either states where Donald Trump barely lost (Michigan, Pennsylvania, Wisconsin, Nevada, and Georgia), or where the state used universal vote-by-mail (Nevada, New Jersey, Oregon, Washington, Colorado, and California).

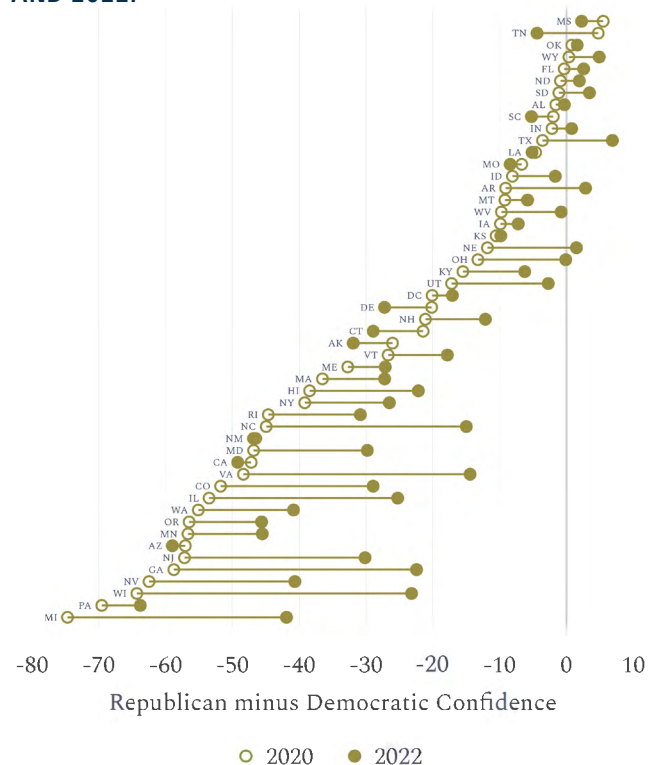
**HOW CONFIDENT ARE YOU THAT VOTES IN YOUR STATE WERE COUNTED AS VOTERS INTENDED? (VERY OR SOMEWHAT CONFIDENT)**



In 2022, the Democratic-Republican gap closed in most states, most notably in the battleground states where Trump barely lost. The Democratic-Republican gap closed by at least twenty points in nine states—Nevada (22 points), Colorado (23), New Jersey (27), Illinois (28), North Carolina (30), Michigan (33), Virginia (34), Georgia (36), and Wisconsin (41). A few of these states, notably Georgia, saw significant state legislative activity in 2021 that may have garnered the notice of skeptical Republicans. However, in most of these states, the only major development between 2020 and 2022 was the passage of time and the holding of more elections.

The Democratic-Republican gap did not close in all states, and in a few cases, grew. Among states with significant Republican skepticism in 2020 compared to Democrats, Pennsylvania, Arizona, New Mexico, and California saw little-to-no movement in the partisan divide. In four states, Republicans became notably more skeptical in 2022: Alaska, Connecticut, Delaware, and Tennessee. Finally, it is worth noting that in Texas, where there was virtually no divide between the parties in state-level trust, a gap did open up in 2022, with Democrats moving to a clearly less trustful position relative to Republicans.

**DIFFERENCE IN THE PERCENTAGE OF DEMOCRATS EXPRESSING CONFIDENCE IN STATE-LEVEL VOTING COUNTING MINUS REPUBLICAN CONFIDENCE, 2020 AND 2022.**



## INCREASING THE SECURITY OF ELECTIONS

With the 2016 election came a heightened awareness of the security threats that surround elections. Prior to 2016, those threats had mostly been physical and related to protecting ballots from being stolen or tampered with; concerns had also been expressed about the accuracy of voting equipment and the ability to catch efforts to compromise that equipment. These concerns led to a movement to require paper ballots and post-election audits. During the 2016 election, a new form of threat became salient, that of cyber-attacks against election administration infrastructure. These concerns led to new attention to cybersecurity.

Whether cyber or physical, security has become a more salient issue to the public over the past few years. To gauge where voters are on this issue, the SPAE added a battery of questions in 2022 that sought to measure how much voters know about the efforts officials take to secure the election, as well as assess which of these measures are the most reassuring to voters. The first question measured voter knowledge. All respondents were asked, “Which of the following actions, if any, are you aware of that occur to ensure elections are secure and free from fraud locally and in [your state] (Check all that apply).” The response categories were the following:

- » Election officials test every machine used in the election to ensure they are secure.
- » Non-partisan poll watchers observe the election to ensure it’s fair.
- » Poll watchers affiliated with the political parties or candidates observe the election to ensure it’s fair.
- » Election officials conduct audits of ballots after every election to confirm the results were accurate.
- » Paper ballots are stored in secure facilities so there is always a paper trail and audits and recounts can be conducted.
- » Election officials work with law enforcement to prosecute those who commit voter fraud.
- » Impartial teams of election judges conduct signature verification on each mail-in ballot received.
- » Election officials work closely with national security agencies, such as the Department of Homeland Security, and the military to prevent foreign interference.
- » Election officials work with the [state] National Guard on Election Day to prevent cyber-attacks.

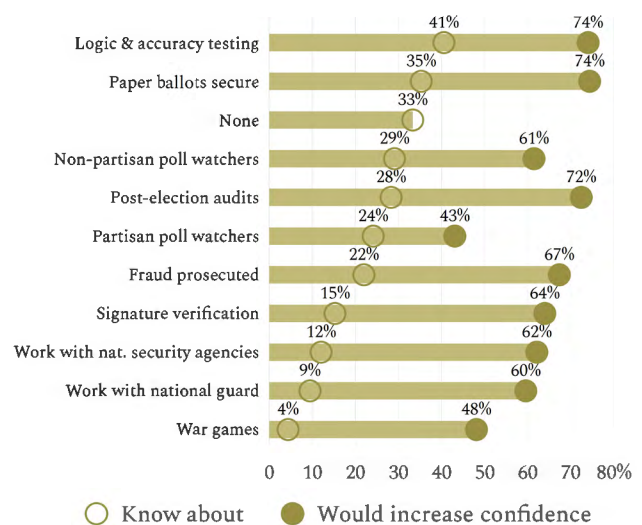
- » Election officials conduct “war games” with election officials across the state and the National Guard to protect the election from cyber-attacks.
- » None of the above.

Respondents were then asked, “Which of the following actions, if any, are you aware of that occur to ensure elections are secure and free from fraud locally and in [your state]? (Check all that apply).” The response categories were the same as the knowledge question.

Responses to the knowledge question reveal that voters are not very aware of the measures election officials undertake to secure elections. One-third of respondents stated that officials understood none of these measures. (Twenty-three percent of Democrats gave this response compared to 41 percent of Republicans.) Only 41 percent of respondents stated they knew that logic and accuracy testing was conducted and 35 percent were aware that paper ballots were stored securely.

### WHICH OF THE FOLLOWING ACTIONS, IF ANY, ARE YOU AWARE OF THAT OCCUR TO ENSURE ELECTIONS ARE SECURE AND FREE FROM FRAUD LOCALLY AND IN [YOUR STATE]? (CHECK ALL THAT APPLY)

### REGARDLESS OF WHETHER YOUR STATE DOES THE FOLLOWING, HOW WOULD KNOWING THAT [YOUR STATE] TOOK THE FOLLOWING ACTIONS IMPACT HOW MUCH CONFIDENCE YOU HAVE IN THE SECURITY AND INTEGRITY OF [YOUR STATE]’S ELECTION SYSTEM?



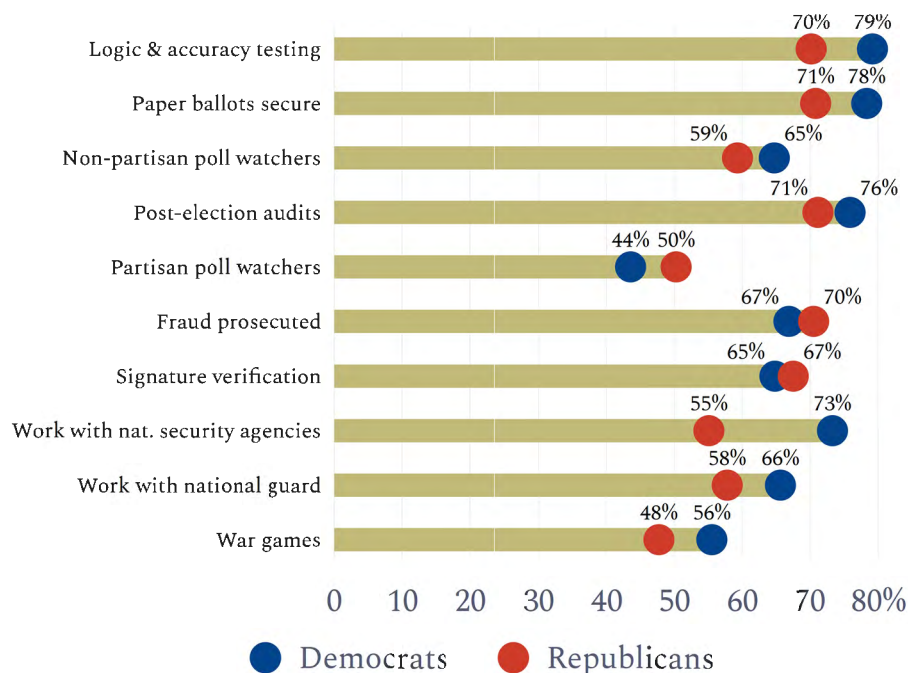
Even these percentages must be regarded skeptically. Like all areas of public policy, it is likely that few voters are highly knowledgeable about the details of election administration. This means that respondents may answer this question based on activities that sound like things election officials undertake, rather than out of actual awareness or knowledge of these activities.

The second question about security measures gets at which of these activities would be reassuring to the respondent. L&A testing, securing ballots, and post-election audits are at the top of the list when it comes to items that respondents said would assure them of the security and integrity of the election. At the bottom of the list is the presence of partisan poll watchers—nonpartisan poll watchers are much more highly regarded.

Because of the partisan divide that has opened up over confidence in elections and the longstanding partisan differences over the prevalence of fraud, it is informative to understand whether there is a partisan divide over which activities would instill trust in the security and integrity of elections. Overall, although there were some partisan differences over what increases

respondents’ confidence, these differences were small. For instance, Democrats were more likely than Republicans to be reassured by knowing election officials perform logic and accuracy testing, but the percentages were high for both parties (79 percent for Democrats and 70 percent for Republicans) and the difference is just nine points. The largest partisan difference, at 18 points, was about working with national security agencies to combat foreign interference in elections.

**REGARDLESS OF WHETHER YOUR STATE DOES THE FOLLOWING, HOW WOULD KNOWING THAT [YOUR STATE] TOOK THE FOLLOWING ACTIONS IMPACT HOW MUCH CONFIDENCE YOU HAVE IN THE SECURITY AND INTEGRITY OF [YOUR STATE’S] ELECTION SYSTEM?**



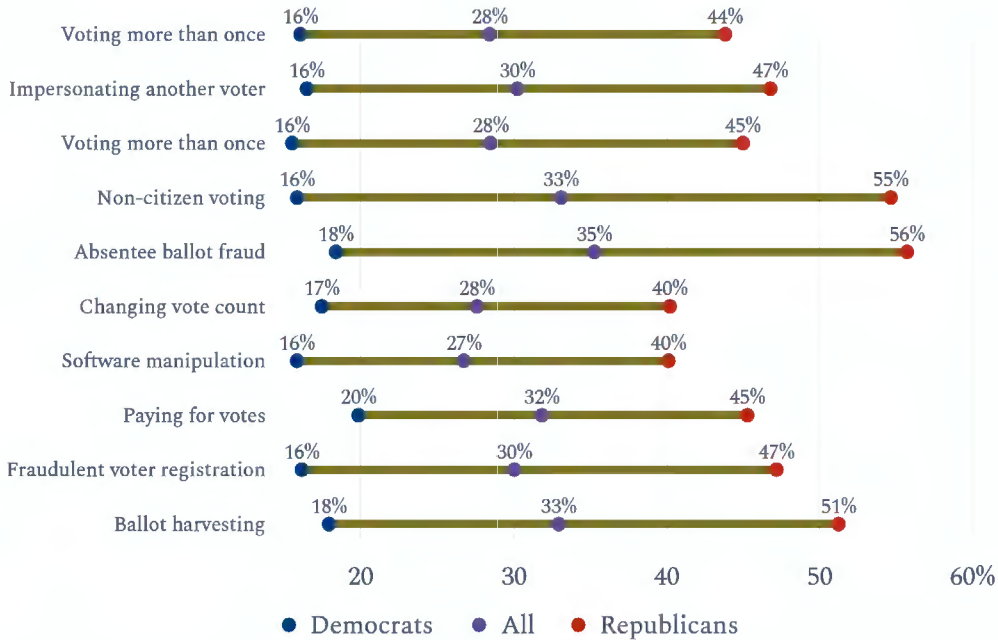
# FRAUD

For over a decade, the SPAE has asked respondents to indicate how often they believe certain fraudulent or illegal activities occur in their city or county. These activities include people voting with an absentee ballot intended for another person, noncitizens voting, voter impersonation, people voting more than once, election officials fraudulently changing the reported vote count, and people stealing or tampering with ballots that had been cast. In 2022, three new items were added: vote counting software manipulated in a way to not count ballots as intended, paying voters to cast a ballot for a particular candidate, voting under fraudu-

lent voter registrations, and submitting too many ballots in drop boxes.

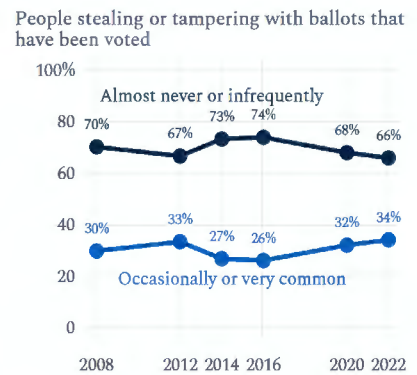
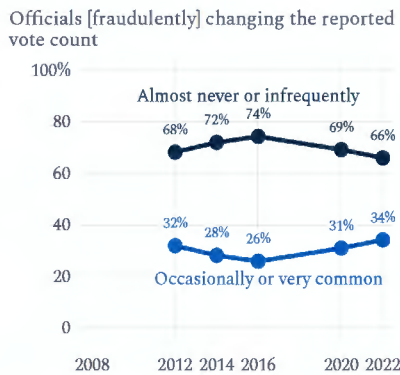
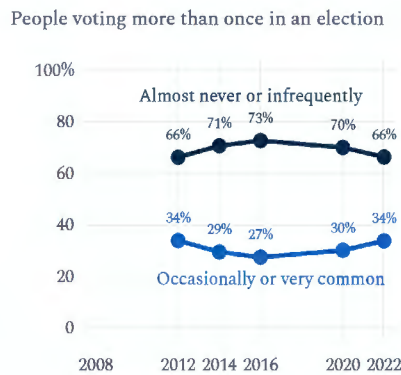
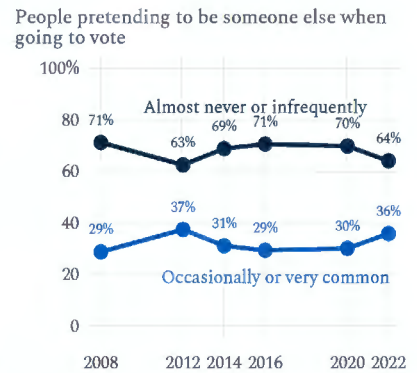
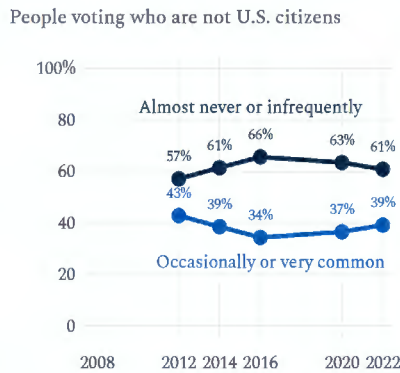
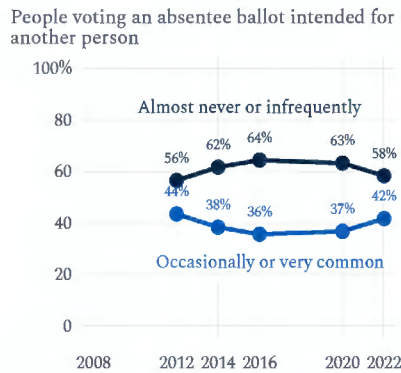
The percentage of respondents who responded that these activities were very common or occurred occasionally ranged between 27 percent (software manipulation of the votes) to 35 percent (absentee ballot fraud), although the partisan divide over all these items was significant. The overall percentage of voters who believed these activities occurred remained very similar to what we've seen over the past dozen years.

PLEASE INDICATE HOW OFTEN YOU THINK THESE ACTIVITIES OCCUR IN YOUR COUNTY OR CITY. (PERCENT ANSWERING 'VERY COMMON' OR 'OCCASIONALLY')





PLEASE INDICATE HOW OFTEN YOU THINK THESE ACTIVITIES OCCUR IN YOUR COUNTY OR CITY:



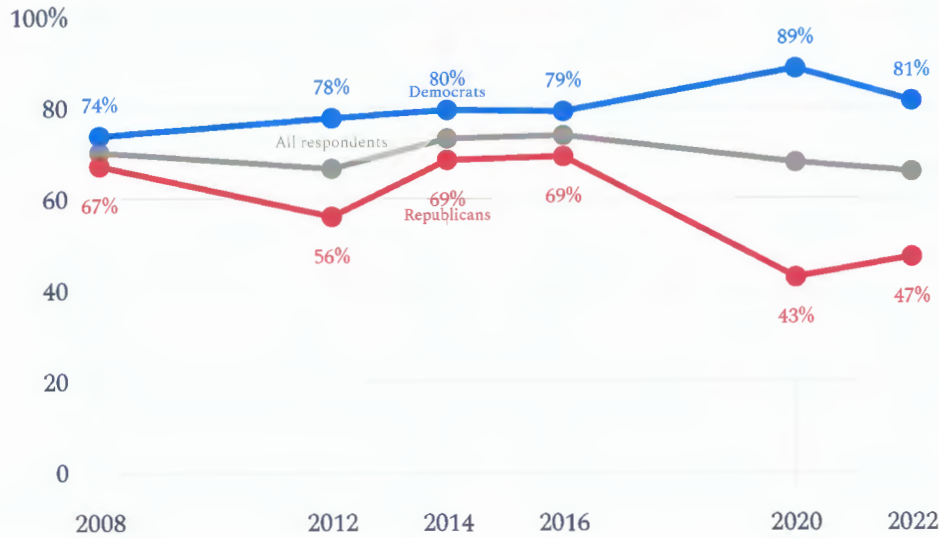
Note: Questions about software, vote-buying fraudulent voter registration, and ballot harvesting were first asked in 2022.

**PARTISAN PATTERNS IN BELIEFS ABOUT FRAUD**

Throughout the history of the SPAE, Republicans have generally been more likely than Democrats to express a belief in the high frequency of voter fraud. That gap widened dramatically in 2020 and only moderated a bit in 2022. The following graph shows one example of this, with respondents' answer to a question about stealing or tampering with ballots that have been voted. In the 2016 election, the percentage of Democrats and Republicans saying this almost never or infrequently happened was only 10 percentage points apart — 79 percent for Democrats and 69 percent for Republicans. In 2020, the gap opened to 46 points (89 percent for Democrats and 43 percent for Republicans). In 2022, the gap fell to 34 points, as the percentage of Democrats saying tampering with ballots almost never or infrequently happened dropped to 81 percent while rising to 47 percent among Republicans. Thus, the gap narrowed compared to 2020, but it was still much greater than ever measured before 2020.

**PLEASE INDICATE HOW OFTEN YOU THINK THESE ACTIVITIES OCCUR IN YOUR COUNTY OR CITY: PEOPLE STEALING OR TAMPERING WITH BALLOTS THAT HAVE BEEN VOTED.**

Those saying 'almost never' or 'infrequently.'

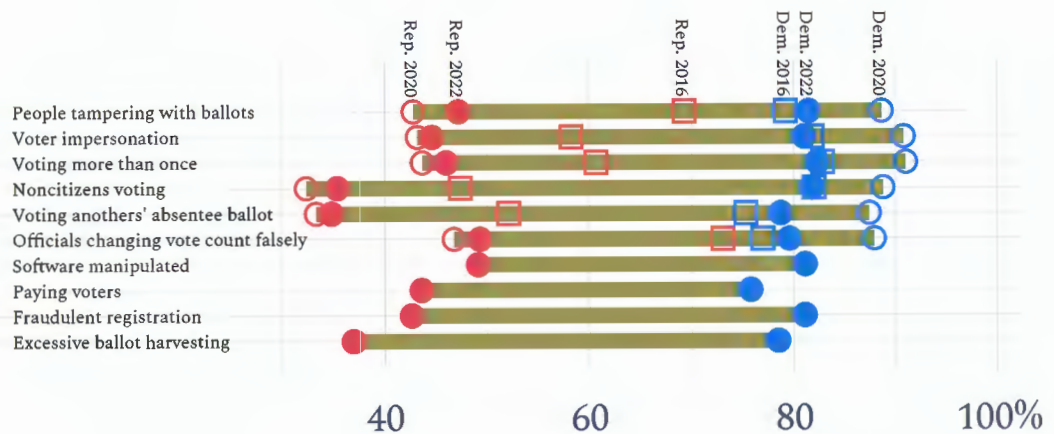


Similar patterns were evident in each of the six fraud items that were on the SPAE in 2016, 2020, and 2022. (Four items were new to 2022.) In 2016, Republicans were less likely to believe that fraud was infrequent than Democrats for each of the items on the survey instrument. In 2020, the partisan divide grew tremendously, with Republicans becoming much less likely to say that fraud was infrequent and Democrats much

more likely to say it was infrequent. In 2022, Democrats generally returned to the levels they expressed in 2016, whereas Republicans relented only slightly—if at all—in viewing fraud as an infrequent occurrence. Therefore, the slight narrowing of the partisan gap in 2022 was almost entirely due to Democrats becoming slightly more likely to say that fraud was frequent.

**CHANGE IN ATTITUDES ABOUT FREQUENCY OF FRAUD AMONG PARTISANS BETWEEN 2016 AND 2022**

Those saying these frauds happen 'almost never' or 'infrequently.'



Last four items only asked in 2022.



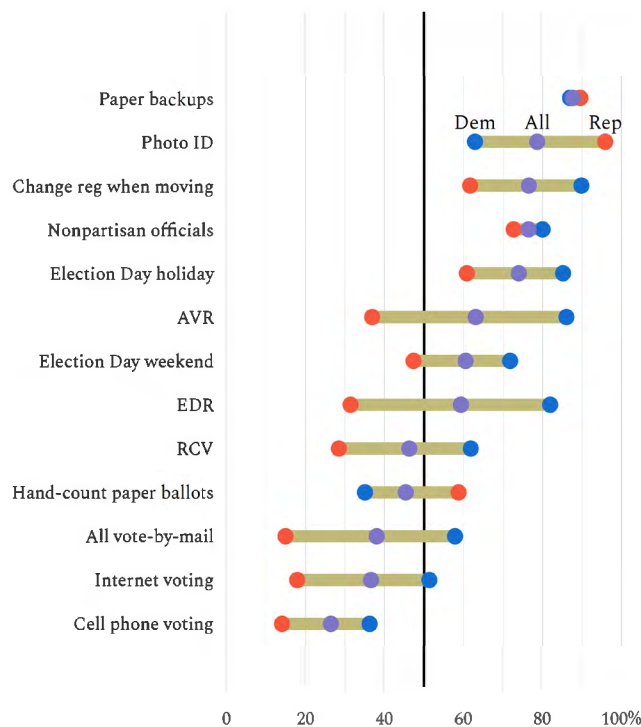
## REFORM

Finally, there is the issue of election reform. For over a dozen years, the SPAE has asked respondents their opinions about eleven reform ideas that are pursued from time to time by various reform groups. These reforms range from voting over the Internet and voting by mail to establishing Election Day as a holiday or moving it to a weekend. In 2022, two new items were

added, counting all ballots by hand and ranked-choice voting (RCV).

Among the items that appeared in the SPAE previously, responses were similar to the past. The most popular reforms, by far, were requiring computerized voting machines to have paper backups, requiring voters

### DO YOU SUPPORT OR OPPOSE ANY OF THE FOLLOWING PROPOSALS FOR NEW WAYS OF VOTING OR CONDUCTING ELECTIONS?



to show photo ID to vote, allowing automatic changes to a voter’s registration upon moving, electing officials on a bipartisan basis, and making Election Day a national holiday. The least popular reforms have long been voting by cell phone, followed by voting on the Internet and then universal voting by mail.

Among the items added in 2022, neither ranked-choice voting nor counting ballots by hand were supported by a majority of respondents. However, they each exhibited partisan support patterns, with a majority of Democrats favoring RCV and a smaller majority of Republicans favoring counting all votes by hand.

As in past years, opinions about most of these reforms were split along party lines. The only reforms without

a partisan split were requiring electronic machines to have paper backups and requiring that election officials be elected on a nonpartisan basis.

The only reform where partisan attitudes have shifted notably in recent years has been universal vote-by-mail. Prior to 2020, Democrats were more likely to favor the reform compared to Republicans, but neither set of partisans gave it majority approval. For instance, in 2016, 14 percent of Republicans and 36 percent of Democrats responded that they favored universal VBM. That 22-point gap more than doubled in 2020, to 54 points, with 10 percent of Republicans favoring it compared to 64 percent of Democrats. The gap only slimmed somewhat in 2022, to 43 points,

with 15 percent of Republicans and 58 percent of Democrats favoring.

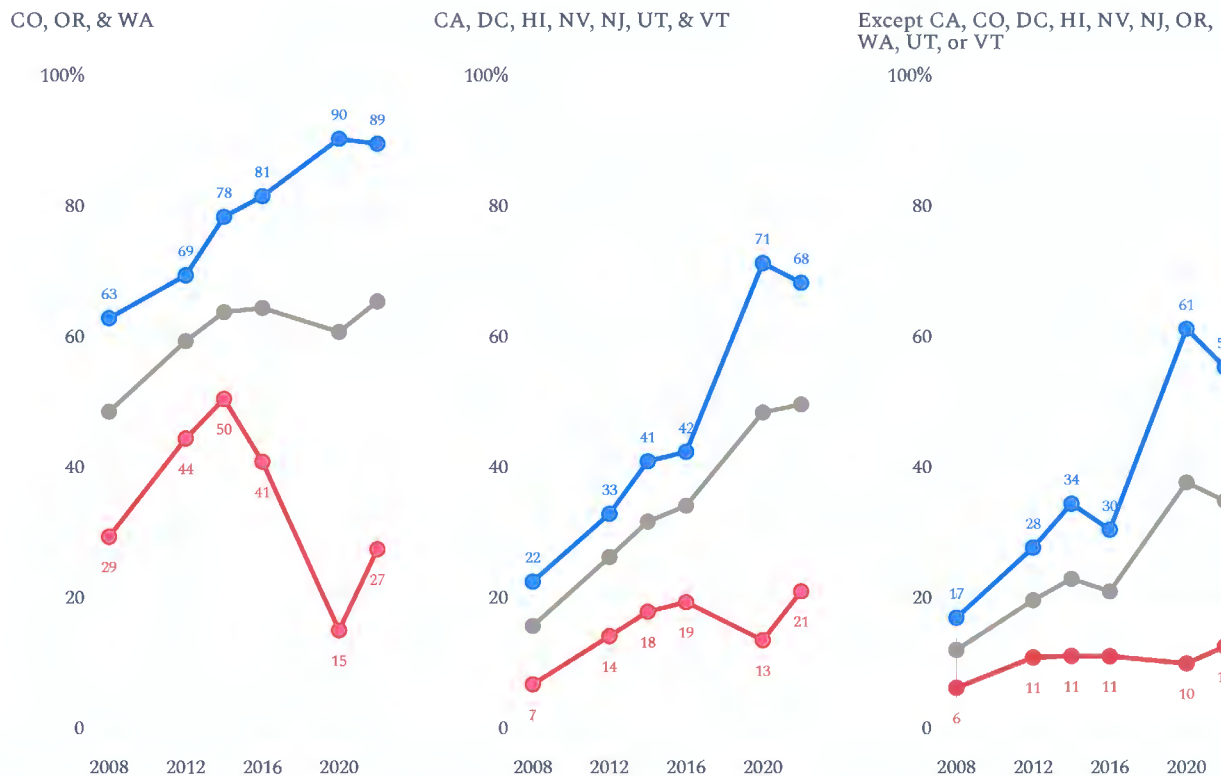
Support for universal vote-by-mail is an interesting topic to focus on because of the role of absentee/mail voting in 2020. Prior to 2020, respondents in Colorado, Oregon, and Washington — states that have conducted all vote by mail elections for several cycles — were much more supportive of voting by mail than in the rest of the nation. Although Republicans in these states tended to support voting by mail at much lower

rates the Democrats, in the 2012 and 2016 elections, Republicans supported voting by mail in the range of 40-to-50 percent. In 2020, however, support among Republicans plummeted to 15 percent in these three states, while it continued to grow to among Democrats, rising to 90 percent support.

At the same time, seven states adopted universal vote-by-mail for the first time in 2020. Hawaii and Utah had already decided to go down this path prior to 2020 and New Jersey ended up doing so for only 2020.

**SUPPORT FOR HOLDING ALL ELECTIONS BY MAIL**

Those supporting ‘strongly’ or ‘somewhat.’



Among these states, support for universal VBM had been low prior to 2020, even among Democrats. In 2020, support shot up to 71 percent among Democrats and declined among Republicans. Finally, in every other state, support for universal VBM had been lower still, among both Democrats and Republicans prior to 2020. Among Democrats in these states, support shot up to 61 percent in 2020 while staying flat among Republicans.

In 2022, the partisan divides that had opened up in 2020 receded by only a small amount. Republicans in

the legacy VBM states showed the biggest rebound in support, back to levels close to where they were in 2008, when the time series began. Still, there was a 62-point gap between the parties in these three states in 2022. Republican support grew a bit and Democratic support declined an even smaller amount in the “new” VBM states, but the gap was still at 47 points. Finally, in all the remaining states, Democrats retreated a small amount in support for universal VBM, but a majority still support it; Republican support is still barely in the double digits.

## CONCLUSION

The 2022 election was held just two years after one of the most administratively challenging elections in American history. The administrative landscape in 2022 was much less fraught in 2020, as worries over the pandemic receded in the minds of most Americans. Election officials and voters had adapted to new patterns of voting.

The election of 2022 did not fully represent a “return to normal,” as it saw some new patterns that emerged in 2020 persist. In addition, the polarization that emerged over election administration during and in the aftermath of the 2020 election continued into 2022, abating only somewhat once all the ballots were counted. Polling place violence and disruptions did not appear on a widespread basis, as some had feared.

As the country prepares to vote in yet another presidential election, citizen attitudes are likely to rest on what was observed in 2022. Partisan divisions persist and may harden further as the next campaign season comes into full swing. News that election officials are expressing frustration with the negative environment in which they work and quitting in large numbers could have significant consequences for how voters experience the 2024 election—depending on how expert their replacements are and whether inexperienced election officials have a difficult time coping with the challenges that arise in administering presidential elections. Voters have expressed positive feedback from their voting experience for over a decade (at least); 2022 was no different. Whether this continues in 2024 remains to be seen.

## METHODOLOGICAL NOTE

This report does not show the confidence intervals (“margins of error”) for the statistics reported. This is to increase the readability and flow of the report. Because of the large sample sizes used to compute most statistics, the margins of error are generally quite small, often the size of the data tokens used to display the statistics. This section gives the reader a guide to the approximate 95% confidence intervals of the statistics reported here.

The two major determinants of confidence intervals are (1) the size of the (sub)sample and (2) the size of the estimated statistics (e.g., percentage). The sample size of the complete SPAE is 10,100 for each year except 2008, when the District of Columbia was not sampled. In that year, the total sample size was 10,000. Some statistics are broken down by party. In 2022, there were 4,886 self-identified Democrats (47.9% of the sample), 3,773 Republicans (37.0%), and 1,541 either independents or identifiers of other parties (15.1%) in

the sample. Some analyses in this report break down the sample by voting mode. In 2022, the overall sample had 3,868 respondents who reported voting on Election Day, 1,719 who voted in person before Election Day, 3,080 who voted by mail, 1,502 who stated they did not vote, and 31 who stated they voted but did not remember how.

The following table reports the confidence intervals of various proportions depending on the sample size and the estimated proportion. The sample sizes correspond to the overall sample size in 2022 (10,200) and the various partisan and vote-mode subsamples. For example, if an estimate of the entire SPAE sample indicates that 10 percent of respondents responded in a certain way, then the 95% confidence interval (or margin of error) would be + 0.59 percentage points. If the statistic was calculated from among Democrats alone, the 95% confidence interval would be + 0.84 points.

Basis of sample size	Sample size	Probability				
		10%	25%	50%	75%	90%
<b>Overall</b>	10,100	0.59	0.84	0.98	0.84	0.59
<b>Democrats</b>	4,886	0.84	1.21	1.40	1.21	0.84
<b>Republicans</b>	3,773	0.96	1.38	1.60	1.38	0.96
<b>Independents</b>	1,541	1.50	2.16	2.50	2.16	1.50
<b>Election Day</b>	3,868	0.95	1.36	1.58	1.36	0.95
<b>Early</b>	1,719	1.42	2.05	2.36	2.05	1.42
<b>Mail</b>	3,080	1.06	1.53	1.77	1.53	1.06
<b>Non-voters</b>	1,502	1.52	2.19	2.53	2.19	1.52

This table shows that in most cases, the 95 percent confidence intervals of the percentages reported in this report are between 1 and 2 percentage points.

This report also compares differences between subsamples, for instance, the percentage of Democrats who said they were very confident their vote was counted as intended versus the percentage of Republicans. The 95% confidence interval of the difference of two proportions is calculated using the size of the two samples being compared and the percentage statistics associated with each sample. The following table shows examples 95% confidence intervals for a variety of percentages associated with Republican and Democratic samples. For instance, if 10 percent of Democrats agreed with a particular question and 25 percent of Republicans agreed, the confidence interval of this difference (15 points) would be + 1.6 percentage points. To be on the conservative side, percentage differences in this report of less than 3 percentage points should not be considered a statistically significant difference.

A second methodological issue, aside from that of confidence intervals, is the matter of mis-reporting whether someone has voted. It is well established in the political science literature that respondents to public opinion surveys often mis-report that they voted, a phenomenon explained by the term “social desirability bias.” (That is, non-voters often do not want to admit that they did not vote.) Therefore, it is likely that the non-voting rate among SPAE respondents was much greater than the 16 percent reported. As a part of the SPAE project, the official state voting records of SPAE respondents are double-checked and a code is added to the dataset indicating which respondents were validated as having voted. As of the writing of this report, that validation has not been completed—it usually takes a year to complete this task—therefore the statistics concerning the experience of reported voters undoubtedly includes individuals who did not vote, but said they did.

	<b>Republican %</b>				
<b>Democratic %</b>	<b>10%</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>90%</b>
<b>10%</b>	1.3	1.6	1.8	1.6	1.3
<b>25%</b>	1.5	1.8	2.0	1.8	1.5
<b>50%</b>	1.7	2.0	2.1	2.0	1.7
<b>75%</b>	1.5	1.8	2.0	1.8	1.5
<b>90%</b>	1.3	1.6	1.8	1.6	1.3



++●●● MIT ELECTION DATA  
++●●● + SCIENCE LAB  
●●●●●



## **Chocolay Township Fire-Rescue**

5010 U.S. 41 S.

Marquette, MI 49855

(906) 249-1448

Email: [fire@chocolay.org](mailto:fire@chocolay.org)

<http://www.chocolay.org/fire/fire.php>

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### **Background: Jeff Johnson Retirement**

Meeting: June Board Meeting

Date: June 12, 2023

Background: Captain Jeff Johnson Retirement

Meeting: June 12, 2023

Issue Summary: Fire Department Retirement after 32 years of service

Background:

In November of 1991, Jeff Johnson joined the Chocolay Township Fire Department. After passing the State of Michigan Firefighter class, Jeff settled into his role of being a firefighter. During his career, he worked his way up to the rank of Captain on the department. His leadership on the fire ground was unmatched. He brought a calm demeanor and was always teaching others. He sat on many committees for the purchasing of equipment, fire trucks, the building of the fire station and many others. Jeff lived through the change in the fire service from the old days of riding on the tailboard of the truck to calls, using heavy cumbersome gear and being able to work on equipment to modern standards that using a computer to diagnose equipment issues, lightweight gear and trucks with air conditioning.

Jeff's legacy on the Chocolay Township Fire Department will carry on for years to come. His guidance, leadership and passion for the fire service insured the fire department will stay strong for years to come. The Chocolay Township Fire Department is grateful for his years of service and commitment to Chocolay Township.

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Author: Lee Gould

Date: 06/07/2023



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**Suggested Motion: Consider the Acceptance of the Audit**

Meeting: June Board Meeting

Date: June 12, 2023

**Suggested Motion:**

\_\_\_\_\_ Moved; \_\_\_\_\_ Supported that the Chocolay Township Board accept the Annual Audit performed by Anderson, Tackman & Company for Fiscal Year 2022 as presented fairly.

Roll Call Vote:





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## Issue Brief: Consider the Acceptance of the Annual Audit

Meeting: Discussion June Board Meeting

Date: June 12, 2023

### **Issue Summary:**

Should the Board consider acceptance of the annual audit?

### **Background:**

Anderson, Tackman & Company completed the annual audit of the Township's finances for the fiscal year of 2022. They presented the findings.

### **Analysis:**

The acceptance of the annual audit report is required by law and is customary to show public transparency of the Township financial position. The Township has six months after the beginning of each fiscal year to complete this process. This year's audit did not find any irregularities and the Township received a fair audit listing the financial controls meet generally accepted accounting principles.

The Township net position increased from the previous year and the audit was presented fairly, which means the financial controls in place did not produce any major process weaknesses.

### **Recommendation:**

The Township Board should consider the acceptance of the audit findings for fiscal year 2022.

---

Author: William De Groot

Date: 6/7/23

**CHARTER TOWNSHIP OF  
CHOCOLAY, MICHIGAN**

**AUDITED FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2022**

Draft

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Draft



## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the  
Charter Township of Chocolay, Michigan  
5010 US Highway 41 South  
Marquette, Michigan 49855

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Chocolay, Michigan (herein referred to as "the Township"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial

statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information (as listed in the table of contents) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational,

economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying individual major and nonmajor 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 individual major and nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2023, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township's internal control over financial reporting and compliance.

*Anderson, Tackman & Company, PLLC*  
Certified Public Accountants

June 5, 2023

# Charter Township of Chocolay, Michigan

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Our discussion and analysis of the Charter Township of Chocolay, Michigan's (the Township) financial performance provides an overview of the Township's financial activities for the year ended December 31, 2022. Please read it in conjunction with the financial statements, as listed in the table of contents.

### **FINANCIAL HIGHLIGHTS**

- Net position for the Township as a whole increased by \$409,351 as a result of this year's operations. Net position of our business-type activities increased by \$389,329, or 11.5 percent, and net position of our governmental activities increased by \$20,022 or less than 1 percent.
- During the year, the Township had expenses for governmental activities that were \$2,700,211 and revenues that were \$2,720,233, resulting in an increase in net position of \$20,022.
- During the year, the Township had expenses for business-type activities that were \$348,690 and revenues that were \$738,019, resulting in an increase in net position of \$389,329.
- The General Fund reported a fund balance of \$1,979,367. The decrease in fund balance was \$100,998 less than the forecasted increase of \$39,028.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities as listed in the table of contents provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements start as listed in the table of contents. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for the future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the Township's most significant funds.

The remaining statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside the government. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Reporting the Township as a Whole**

Our analysis of the Township as a whole begins as listed on the table of contents. One of the most important questions asked about the Township's finances is "Is the Township as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Township as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.



## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

These two statements present financial information on all of the Township's assets/deferred outflows of resources and liabilities/deferred inflows of resources with the difference reported as net position. Over time, *increases* or *decreases* in the Township's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Township's patron base and the condition of the Township's capital assets, to assess the *overall financial health* of the Township.

In the Statement of Position and the Statement of Activities, we divide the Township into two kinds of activities:

- **Governmental Activities** – Most of the Township's basic services are reported here, including the legislative, elections, public safety, public works, recreation and culture, community and economic development and general services and administration. Property taxes, charges for services and state sources fund most of these activities.
- **Business-Type Activities** – The Township charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Wastewater Treatment operations are reported here.

### Reporting the Township's Most Significant Funds

Our analysis of the Township's major funds begins in the section entitled "The Township as a Whole". The fund financial statements begin as listed in the table of contents and provide detailed information on the most significant funds – not the Township as a whole. Some funds are required to be established by State law and by bond covenants. However, the Township Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using taxes, grants, and other money. The Township's two kinds of funds – *governmental and proprietary* – use different accounting approaches.

- **Governmental Funds** – Most of the Township's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed *short-term view* of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and Statement of Activities) and governmental *funds* in a reconciliation which follows the fund financial statements.
- **Proprietary Funds** – When the Township charges customers for the services it provides – whether to outside customers or to other units of the Township – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Township's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

### The Township as Trustee

The Township is the trustee, or fiduciary, for assets that – because of a trust arrangement – can be used only for the trust beneficiaries. All of the Township's fiduciary activities are reported in separate Statements of Fiduciary Net Position as listed in the Table of Contents. We exclude these activities from the Township's other financial statements because the Township cannot use these assets to finance its operations. The Township is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

### The Township as a Whole

Table 1 provides a summary of the Township's net position as of December 31, 2022 and 2021.

**Table 1**  
**Net Position**

	Governmental Activities – 2022	Business-Type Activities – 2022	Total Primary Government – 2022	Total Primary Government – 2021
Current and other assets	\$4,643,761	\$2,760,871	\$7,404,632	\$7,083,286
Capital assets	4,831,316	4,218,485	9,049,801	8,532,660
Total Assets	<u>9,475,077</u>	<u>6,979,356</u>	<u>16,454,433</u>	<u>15,615,946</u>
Deferred outflows of resources	<u>312,341</u>	<u>104,114</u>	<u>416,455</u>	<u>108,959</u>
Current liabilities	219,215	23,135	242,350	323,296
Non-current liabilities	377,632	3,280,461	3,658,093	2,730,653
Total Liabilities	<u>596,847</u>	<u>3,303,596</u>	<u>3,900,443</u>	<u>3,053,949</u>
Deferred inflows of resources	<u>1,600,305</u>	-	<u>1,600,305</u>	<u>1,710,167</u>
Net Position:				
Net investment in capital assets	4,831,316	1,008,485	5,839,801	5,672,114
Restricted	220,395	-	220,395	386,143
Unrestricted	<u>2,538,555</u>	<u>2,771,389</u>	<u>5,309,944</u>	<u>4,902,532</u>
Total Net Position	<u>\$7,590,266</u>	<u>\$3,779,874</u>	<u>\$11,370,140</u>	<u>\$10,960,789</u>

Net Position of the Township's governmental activities stood at \$7,590,266. *Unrestricted* net position—the part of net position that could be used to finance day-to-day activities without constraints established by debt covenants, enabling legislation, or other legal requirements stood at \$2,538,555.

The \$2,538,555 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. The operating results of the General Fund will have a significant impact on the change in unrestricted net assets from year to year.

The net position of our business-type activities stood at \$3,779,874. The Township can generally only use the net position to finance continuing operations of the Wastewater Treatment Facility operations.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)**

The results of this year's operations for the Township as a whole are reported in the Statement of Activities (see Table 2), which shows the changes in net position for fiscal years 2022 and 2021.

**Table 2  
Change in Net Position**

	Governmental Activities – 2022	Business-Type Activities – 2022	Total Primary Government – 2022	Total Primary Government – 2021
<b>Revenues</b>				
Program Revenues:				
Charges for services	\$108,291	\$558,928	\$667,219	\$626,803
Operating grants and contributions	-	-	-	2,571
Capital grants and contributions	330,316	200,000	530,316	177,007
General Revenues:				
Property taxes	1,546,986	-	1,546,986	1,500,353
State sources	673,962	-	673,962	589,769
Interest and investment earnings	(8,432)	(12,887)	(21,319)	31,825
Gain (loss) on disposal of assets	-	(8,022)	(8,022)	-
Miscellaneous	69,110	-	69,110	53,063
<b>Total Revenues</b>	<b>2,720,233</b>	<b>738,019</b>	<b>3,458,252</b>	<b>2,981,391</b>
Program Expenses:				
General government	1,142,403	-	1,142,403	821,128
Public safety	655,461	-	655,461	645,740
Public works	342,982	-	342,982	509,999
Community and economic development	77,512	-	77,512	73,278
Recreation and culture	481,853	-	481,853	460,791
Wastewater treatment	-	348,690	348,690	324,118
<b>Total Expenses</b>	<b>2,700,211</b>	<b>348,690</b>	<b>3,048,901</b>	<b>2,835,054</b>
Excess (deficiency) before transfers	20,022	389,329	409,351	146,337
Transfers	-	-	-	-
Increase (decrease) in net position	20,022	389,329	409,351	146,337
Net Position, beginning of the year	7,570,244	3,390,545	10,960,789	10,814,452
<b>Net Position, Ending</b>	<b>\$7,590,266</b>	<b>\$3,779,874</b>	<b>\$11,370,140</b>	<b>\$10,960,789</b>

The Township's total revenues were \$3,458,252. The total cost of all programs and services was \$3,048,901, leaving an increase in net position of \$409,351. Our analysis below separately considers the operations of governmental and business-type activities:

**Governmental Activities**

The Governmental Type activities had a net increase of \$20,022 which is made up of net gain of \$262,824 from the governmental funds, (\$169,144) net change related to capital assets, (\$55,478) net change related to pension, and (\$18,142) net change in compensated absences.

**Business-type Activities**

During the year ended December 31, 2022, the net position of the Township's business-type activities increased by \$389,329.

The net increase of \$389,329 is due primarily to operating gain of \$267,122 and a capital contribution in the current year of \$200,000.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Table 3 presents the cost of each of the three largest programs, General Services and Administration, Public Safety, and Public Works, as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that each program placed on the Township's operation.

**Table 3**  
**Governmental Activities**

	Total Cost of Services	Net Cost of Services
General government	\$1,142,403	\$935,260
Public safety	655,461	655,461
Public works	342,982	320,818

### THE TOWNSHIP'S FUNDS

As the Township completed the year, its governmental funds (as presented in the table of contents) reported a *combined* fund balance of \$2,824,241 which is an increase of \$262,824 from the beginning of the year.

The governmental funds had a net increase of \$262,824 which was made up by: a decrease of \$61,970 in the General Fund due mainly due to loss on investments in the current year, an increase of \$106,211 in the Road Fund due to an increase of tax revenue, no change in the Library Millage Fund, an increase of \$217,144 in the Capital Improvement Fund due to additional federal revenues, and an increase of \$1,439 from non-major fund activity.

### General Fund Budgetary Highlights

Over the course of the year, the Township Board revised the budget. Amendments resulted in a increase in expense by \$10,150. With these adjustments, actual charges to expenditures were \$605,498 less than the final amended budget. Actual revenues were \$706,496 less than the final budget projection.

#### Actual Revenues vs. Final Budget

The difference between the final budget and actual revenues of (\$706,496) was due to receiving less revenues than budgeted in the following categories: taxes, licenses and permits, federal sources, charges for services, interest, and other revenues. Only state sources had actual amounts greater than budgeted.

#### Actual Expenditures vs. Final Budget

Actual expenditures were \$605,498 less than the final budget mainly due to overall conservative spending. General government was \$144,350 less than the budget due to lower fringe benefit costs; public safety was \$207,259 less than the budget due to lower capital outlay costs; and recreation and culture was \$239,538 less than the budget due to lower capital outlay costs. The additional positive variance was due to across-the-board immaterial differences.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

### Budgetary Process and Amendments

This year was a year of recovery that led to fiscal conservation because of the local contractor and supply costs. This budget holding program is expected to last through 2024 because of market volatility and general restricted availability of goods and services.

This narrative is intended to illustrate how management of the Township carried out the purchasing of goods or services connected this year. We will describe each quarter in general and how our quarterly spending related to the budget. We also describe the revenues gained by quarter. By describing the information in this manner, if there were any budget amendments or Board votes that amended the budget, we describe them in that quarter.

### **First Quarter: January through March**

In the first quarter of 2022 we had an emergency purchase of a Police Cruiser replacement. The Township owned a 2018 Dodge Charger that sustained terminal transmission issues, leading to an emergency use of revenue replacement funds. The Township made their annual interest payment for the SRF sewer bond program. All other expenditures were in line with the normal operations of the Township.

### **Second Quarter: April through June**

The second quarter predominantly was a status quo quarter with the spending for normal operations. There was one addition to the spending program and that was the payment for the first invoice for a Water Study conducted by OHM. This project was a bid project to review public water along Lake Kawbawgam and being paid through committing American Rescue dollars.

### **Third Quarter: July through September**

The major purchase this quarter was the replacement of a Ford Police Interceptor because of the lemon law reimbursement. The Township worked with Ford Motor Company to fully replace the cost of the 2020 Ford Explorer Interceptor for a 2022 model based on the repair record. The other major purchase was 14 tablets from the technology budget for the Board and Planning Commission. At the end of this quarter, estimates for year-end were projected and reconciliation processes were started. The Township paid a principal and interest payment to the SRF sewer bond in accordance with the bond schedule.

### **Fourth Quarter: October through December**

The Township settled a FOIA Court case that was an unexpected budget amendment even though it was paid from insurance, this caused our legal services line item to become overdrawn. The amount was reimbursed, but the amount was over the budgeted amount. The Township paid the Marquette County Road Commission for work performed along Lakewood Lane in accordance to summer work from the Road Millage Fund. Tax collections happen during this quarter, accounting for a large part of the Township revenues.

In summary, this year's financials were marked by staffing shortages in the police and fire departments, and the general high costs of local labor leading to a more conservative spending program. This spending effort will continue through 2024 until local economies and contractors have resolved the higher rates and longer construction timelines allowing for more capital replacement projects in the future.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2022, the Township had \$9,049,802 invested in a variety of capital assets including land, buildings, and other equipment. (See Table 4 below)

**Table 4  
Capital Assets at Year-End  
(Net of Depreciation)**

	Governmental Activities – 2022	Business-Type Activities – 2022	Total Primary Government – 2022	Total Primary Government – 2021
Land	\$190,000	\$5,555	\$195,555	\$195,555
Construction in progress	650,000	3,941,572	4,591,572	3,845,154
Land improvements	1,647,194	-	1,647,194	1,734,316
Buildings and improvements	2,192,826	231,156	2,423,982	2,549,252
Equipment and furnishings	151,296	40,202	191,498	208,383
<b>Total</b>	<b>\$4,831,316</b>	<b>\$4,218,485</b>	<b>\$9,049,801</b>	<b>\$8,532,660</b>

Governmental activities capital asset additions in the current year were \$48,954, consisting of: \$42,482 addition to public safety for the purchase of a new patrol car, and \$6,472 for the purchase of a floor scrubber at the Township offices. Capital asset disposals in the current year consisted of an outdated computer system, a thermal imaging camera, and a police patrol car. Depreciation expense for governmental activities was \$216,468.

Business-Type additions in the current year were \$746,418 for construction in progress. Current year disposals consisted of previous additions to the sewer system. Depreciation for business-type activities was \$52,111.

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

**Debt**

At the end of fiscal year 2022, the Township had \$3,210,000 in outstanding debt as depicted in Table 4 below.

**Table 4  
Outstanding Debt at Year-End**

	2022			2021
	Governmental Activities	Business- Type Activities	Total Primary Government	Total Primary Government
Bonds	\$-	\$3,210,000	\$3,210,000	\$2,860,546
<b>Total</b>	<b>\$-</b>	<b>\$3,210,000</b>	<b>\$3,210,000</b>	<b>\$2,860,546</b>

During the current fiscal year the Township made draws on an existing bond in the amount of \$3,210,000 and made principal payments of \$145,000. Further information related to debt can be found in the notes to the financial statements.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)**

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

In preparing the Township's budget for the year ending December 31, 2023 we anticipate a normal increase in expenditures being offset by normal increases in revenue.

### **CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Township's finances and to show the township's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Charter Township of Chocolay, 5010 US Highway 41 South, Marquette, MI 49855.

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Charter Township of Choccolay, Michigan

STATEMENT OF NET POSITION

December 31, 2022

	Primary Government		Total
	Governmental Activities	Business - Type Activities	
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 1,207,840	\$ 583,419	\$ 1,791,259
Investments	1,892,252	1,598,321	3,490,573
Receivables	1,539,069	54,382	1,593,451
Internal balances	-	-	-
Prepaid expense	4,600	-	4,600
Non-current Assets:			
Investment in treatment facility	-	524,749	524,749
Capital Assets			
Land and construction in progress	840,000	3,947,127	4,787,127
Other capital assets, net	3,991,316	271,358	4,262,674
Total Capital Assets	<u>4,831,316</u>	<u>4,218,485</u>	<u>9,049,801</u>
<b>TOTAL ASSETS</b>	<u>9,475,077</u>	<u>6,979,356</u>	<u>16,454,433</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of related to pension	<u>312,341</u>	<u>104,114</u>	<u>416,455</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>312,341</u>	<u>104,114</u>	<u>416,455</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	51,666	4,990	56,656
Accrued liabilities	33,318	2,164	35,482
Accrued interest payable	-	15,981	15,981
Unearned revenue	134,231	-	134,231
Non-current Liabilities:			
Portion due or payable within one year			
Bonds payable	-	150,000	150,000
Compensated absences	41,561	-	41,561
Portion due or payable after one year			
Bonds payable	-	3,060,000	3,060,000
Net pension liability (benefit)	211,386	70,461	281,847
Compensated absences	124,685	-	124,685
<b>TOTAL LIABILITIES</b>	<u>596,847</u>	<u>3,303,596</u>	<u>3,900,443</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pension	-	-	-
Taxes levied for a subsequent period	<u>1,600,305</u>	<u>-</u>	<u>1,600,305</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>1,600,305</u>	<u>-</u>	<u>1,600,305</u>
<b>NET POSITION</b>			
Net investment in capital assets	4,831,316	1,008,485	5,839,801
Restricted	220,395	-	220,395
Unrestricted	<u>2,538,555</u>	<u>2,771,389</u>	<u>5,309,944</u>
<b>TOTAL NET POSITION</b>	<u>\$ 7,590,266</u>	<u>\$ 3,779,874</u>	<u>\$ 11,370,140</u>

The accompanying notes are an integral part of these financial statements.



Charter Township of Chocolay, Michigan

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

Function / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
<b>Primary Government:</b>							
Governmental Activities:							
General Government	\$ 1,142,403	\$ 86,127	\$ -	\$ 121,016	\$ (935,260)	\$ -	\$ (935,260)
Public safety	655,461	-	-	-	(655,461)	-	(655,461)
Public works	342,982	22,164	-	-	(320,818)	-	(320,818)
Community and economic development	77,512	-	-	-	(77,512)	-	(77,512)
Recreation and culture	481,853	-	-	209,300	(272,553)	-	(272,553)
Total Governmental Activities	2,700,211	108,291	-	330,316	(2,261,604)	-	(2,261,604)
Business-Type Activities:							
Wastewater treatment	348,690	558,928	-	200,000	-	410,238	410,238
Total Business-Type Activities	348,690	558,928	-	200,000	-	410,238	410,238
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 3,048,901</b>	<b>\$ 667,219</b>	<b>\$ -</b>	<b>\$ 530,316</b>	<b>(2,261,604)</b>	<b>410,238</b>	<b>(1,851,366)</b>
<b>General Revenues:</b>							
Property taxes					1,546,986	-	1,546,986
Unrestricted State sources					673,962	-	673,962
Interest and investment earnings					(8,432)	(12,887)	(21,319)
Miscellaneous					69,110	-	69,110
Gain (loss) on disposal of assets					-	(8,022)	(8,022)
Transfers					-	-	-
<b>TOTAL GENERAL REVENUES AND TRANSFERS</b>					<b>2,281,626</b>	<b>(20,909)</b>	<b>2,260,717</b>
					<b>CHANGE IN NET POSITION</b>		
					20,022	389,329	409,351
Net position, beginning of year					7,570,244	3,390,545	10,960,789
<b>NET POSITION, END OF YEAR</b>					<b>\$ 7,590,266</b>	<b>\$ 3,779,874</b>	<b>\$ 11,370,140</b>

The accompanying notes are an integral part of these financial statements.

Charter Township of Chocolay, Michigan

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2022

	General Fund	Road Fund	Library Millage Fund	Capital Improvement Fund	Non-Major		Total Governmental Funds
					Fire Fund	Drug Law Enforcement Fund	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 301,390	\$ 164,800	\$ -	\$ 737,724	\$ -	\$ 3,926	\$ 1,207,840
Investments	1,754,951	101,525	-	35,776	-	-	1,892,252
Receivables	131,436	-	-	-	-	-	131,436
Taxes receivable	810,921	354,599	242,113	-	-	-	1,407,633
Due from other funds	-	-	-	-	-	-	-
Prepaid expense	4,600	-	-	-	-	-	4,600
<b>TOTAL ASSETS</b>	<b>3,003,298</b>	<b>620,924</b>	<b>242,113</b>	<b>773,500</b>	<b>-</b>	<b>3,926</b>	<b>4,643,761</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
	-	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 3,003,298</b>	<b>\$ 620,924</b>	<b>\$ 242,113</b>	<b>\$ 773,500</b>	<b>\$ -</b>	<b>\$ 3,926</b>	<b>\$ 4,643,761</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 41,476	\$ -	\$ -	\$ 10,190	\$ -	\$ -	\$ 51,666
Accrued payroll and related	33,318	-	-	-	-	-	33,318
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	134,231	-	-	134,231
<b>TOTAL LIABILITIES</b>	<b>74,794</b>	<b>-</b>	<b>-</b>	<b>144,421</b>	<b>-</b>	<b>-</b>	<b>219,215</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Taxes levied for a subsequent period	949,137	409,055	242,113	-	-	-	1,600,305
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>949,137</b>	<b>409,055</b>	<b>242,113</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,600,305</b>
<b>FUND BALANCE</b>							
Non-spendable	4,600	-	-	-	-	-	4,600
Restricted	-	211,869	-	-	-	3,926	215,795
Committed	-	-	-	629,079	-	-	629,079
Assigned	-	-	-	-	-	-	-
Unassigned	1,974,767	-	-	-	-	-	1,974,767
<b>TOTAL FUND BALANCE</b>	<b>1,979,367</b>	<b>211,869</b>	<b>-</b>	<b>629,079</b>	<b>-</b>	<b>3,926</b>	<b>2,824,241</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 3,003,298</b>	<b>\$ 620,924</b>	<b>\$ 242,113</b>	<b>\$ 773,500</b>	<b>\$ -</b>	<b>\$ 3,926</b>	<b>\$ 4,643,761</b>

The accompanying notes are an integral part of these financial statements.

**Charter Township of Chocolay, Michigan**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION**

December 31, 2022

**Total Fund Balances for Governmental Funds** \$ 2,824,241

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 4,831,316

Net pension liability is not due and payable in the current period and is not reported in the funds.

Net pension benefit (liability)	\$ (211,386)	
Deferred outflows related to net pension liability	312,341	
Deferred (inflows) related to net pension liability	-	100,955

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Current portion of compensated absences	41,561	
Compensated absences	124,685	
Bonds payable	-	(166,246)

**NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 7,590,266

The accompanying notes are an integral part of these financial statements.

Charter Township of Chocolay, Michigan

GOVERNMENTAL FUNDS

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended December 31, 2022

	General Fund	Road Fund	Library Millage Fund	Capital Improvement Fund	Non-Major		Total Governmental Funds
					Fire Fund	Drug Law Enforcement Fund	
<b>REVENUES:</b>							
Taxes	\$ 922,882	\$ 392,223	\$ 231,881	\$ -	\$ -	\$ -	\$ 1,546,986
Licenses and permits	4,056	-	-	-	-	-	4,056
Federal sources	-	-	-	209,300	-	-	209,300
State sources	673,962	-	-	6,016	-	-	679,978
Local sources	-	-	-	115,000	-	-	115,000
Charges for services	104,235	-	-	-	-	-	104,235
Interest	(36,006)	(1,121)	-	28,661	-	34	(8,432)
Insurance proceeds	-	-	-	-	-	-	-
Other	58,601	-	-	10,733	-	1,405	70,739
<b>TOTAL REVENUES</b>	<b>1,727,730</b>	<b>391,102</b>	<b>231,881</b>	<b>369,710</b>	<b>-</b>	<b>1,439</b>	<b>2,721,862</b>
<b>EXPENDITURES:</b>							
Current operations:							
General government	1,005,198	-	-	86,518	-	-	1,091,716
Public safety	498,853	-	-	66,048	-	-	564,901
Public works	47,198	284,891	-	-	-	-	332,089
Community and economic development	77,512	-	-	-	-	-	77,512
Recreation and culture	160,939	-	231,881	-	-	-	392,820
<b>TOTAL EXPENDITURES</b>	<b>1,789,700</b>	<b>284,891</b>	<b>231,881</b>	<b>152,566</b>	<b>-</b>	<b>-</b>	<b>2,459,038</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(61,970)</b>	<b>106,211</b>	<b>-</b>	<b>217,144</b>	<b>-</b>	<b>1,439</b>	<b>262,824</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(61,970)</b>	<b>106,211</b>	<b>-</b>	<b>217,144</b>	<b>-</b>	<b>1,439</b>	<b>262,824</b>
Fund balance, beginning of year	2,041,337	105,658	-	411,935	-	2,487	2,561,417
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 1,979,367</b>	<b>\$ 211,869</b>	<b>\$ -</b>	<b>\$ 629,079</b>	<b>\$ -</b>	<b>\$ 3,926</b>	<b>\$ 2,824,241</b>

The accompanying notes are an integral part of these financial statements.

**Charter Township of Chocolay, Michigan**

**RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2022

**Net Change in Fund Balances - Total Governmental Funds** \$ 262,824

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 48,954	
Depreciation expense	(216,469)	
Gain (loss) on disposal	<u>(1,629)</u>	(169,144)

Repayment of bond principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position.

-

Increase in net pension liability reported in the statement of activities does not require the use of current resources, and therefore, is not reported in the fund statements until it comes due for payment.

Pension expense	(55,516)	
Change in deferred outflows related to timing of pension contributions	<u>-</u>	(55,516)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(18,142)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES**

\$ 20,022

The accompanying notes are an integral part of these financial statements.

**Charter Township of Chocolay, Michigan**

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2022

	<b>Business - Type Activities Enterprise Funds Wastewater Treatment Fund</b>
<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 583,419
Investments	1,598,321
Accounts receivable	54,382
Prepaid expense	-
Non-current Assets:	
Investment in wastewater treatment facility	524,749
Capital assets:	
Land and construction in progress	3,947,127
Other capital assets, net	271,358
	Total Capital Assets 4,218,485
	<b>TOTAL ASSETS 6,979,356</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of related to pension	104,114
Contributions made subsequent to pension measurement date	-
	<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES 104,114</b>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	4,990
Accrued payroll and related liabilities	2,164
Accrued interest payable	15,981
Non-current Liabilities:	
Portion due or payable within one year	
Bond payable	150,000
Portion due or payable after one year	
Bond payable	3,060,000
Net pension liability (benefit)	70,461
	<b>TOTAL LIABILITIES 3,303,596</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to pension	-
	<b>TOTAL DEFERRED INFLOWS OF RESOURCES -</b>
<b>NET POSITION</b>	
Net investment in capital assets	1,008,485
Restricted	-
Unrestricted	2,771,389
	<b>TOTAL NET POSITION \$ 3,779,874</b>

The accompanying notes are an integral part of these financial statements.

**Charter Township of Chocolay, Michigan**

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended December 31, 2022

	<b>Business - Type Activities Enterprise Funds Wastewater Treatment Fund</b>
<b>OPERATING REVENUES:</b>	
Charges for services, net	\$ 546,560
Miscellaneous income	12,368
	<hr/>
<b>TOTAL OPERATING REVENUES</b>	<b>558,928</b>
	<hr/>
<b>OPERATING EXPENSES:</b>	
Personnel services	70,474
Supplies	3,218
Other services and charges	166,003
Depreciation	52,111
	<hr/>
<b>TOTAL OPERATING EXPENSES</b>	<b>291,806</b>
	<hr/>
<b>OPERATING INCOME (LOSS)</b>	<b>267,122</b>
	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES):</b>	
Investment income	11,430
Interest expense	(56,884)
Gain (loss) on investment in wastewater treatment facility	28,007
Gain (loss) on investment	(52,324)
Gain (loss) on disposal of assets	(8,022)
Capital contribution	200,000
	<hr/>
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>122,207</b>
	<hr/>
<b>CHANGE IN NET POSITION</b>	<b>389,329</b>
	<hr/>
Net position, beginning of year	3,390,545
	<hr/>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 3,779,874</b>
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

Charter Township of Chocoy, Michigan

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2022

	<b>Business - Type Activities Enterprise Funds Wastewater Treatment Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from charges for services	\$ 547,265
Other operating revenue	12,368
Cash payments to employees for services and fringe benefits	(52,507)
Cash payments to suppliers for goods and services	(171,424)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>335,702</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Federal grant revenue	-
Capital contributions	200,000
Cash payments for capital assets	(746,417)
Proceeds from bond issuance	494,454
Interest payments on bonds	(56,884)
Principal payments on bonds	(145,000)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(253,847)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest income	11,430
Increase (decrease) in unrealized gain (loss) on investments	(52,324)
(Additions) deductions to investments	50,181
(Additions) deductions to advances from other funds	-
(Additions) deductions to restricted assets	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>9,287</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>91,142</b>
Cash and cash equivalents, beginning of year	492,277
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 583,419</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ 267,122
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	52,111
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	705
(Increase) decrease in prepaid expense	-
(Increase) decrease in deferred outflows related to pension	(76,873)
Increase (decrease) in accounts payable	(5,887)
Increase (decrease) in accrued payroll and related liabilities	(539)
Increase (decrease) in accrued interest payable	3,684
Increase (decrease) in deferred inflows related to pension	(44,582)
Increase (decrease) in net pension liability	139,961
<b>NET ADJUSTMENTS</b>	<b>68,580</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 335,702</b>

The accompanying notes are an integral part of these financial statements.



**Charter Township of Chocolay, Michigan**

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2022

	Custodial Funds	
	Trust & Agency Fund	Tax Collection Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ 17,786	\$ 900,698
<b>TOTAL ASSETS</b>	17,786	900,698
<b>LIABILITIES</b>		
Due to local governments	17,786	900,698
<b>TOTAL LIABILITIES</b>	17,786	900,698
<b>NET POSITION</b>		
Restricted	-	-
<b>TOTAL NET POSITION</b>	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

**Charter Township of Chocolay, Michigan**

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended December 31, 2022

	Custodial Funds	
	Trust & Agency Fund	Tax Collection Fund
<b>ADDITIONS</b>		
Property tax collections for other governments	\$ -	\$ 7,990,051
Other collections for other governments	119,737	-
	<b>TOTAL ADDITIONS</b>	7,990,051
<b>DEDUCTIONS</b>		
Payments of property taxes to other governments	-	7,990,051
Other distributions	119,737	-
	<b>TOTAL DEDUCTIONS</b>	7,990,051
<b>CHANGES IN NET POSITION</b>	-	-
Net position, beginning of year	-	-
<b>NET POSITION, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of these financial statements.

# CHARTER TOWNSHIP OF CHOCOLAY, MICHIGAN

## NOTES TO FINANCIAL STATEMENTS

December 31, 2022

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of the Charter Township of Chocolay, Michigan (the Township) have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant of these accounting policies established in GAAP and used by the Township are described below.

### **REPORTING ENTITY**

The Township's financial statements present the Township (the primary government). In evaluating the Township as a reporting entity, management has addressed all potential component units (traditionally separate reporting units) for which the Township may or may not be financially accountable and, as such, be includable within the Township's financial statements.

### **BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Township's basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Township's legislative, public works, public safety, community and economic development, recreation and culture and general services and administration are classified as governmental activities. The Township's Wastewater Treatment Facility is classified as a business-type activity.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Township first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Township's functions and business-type activities. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

The government-wide focus is more on the sustainability of the Township as an entity and the change in the Township's net position resulting from the current year's activities. For the most part, the effect of inter-fund activities has been removed from these statements.

### BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the Township are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Township:

#### **Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Township:

- **General Fund** – General Fund is the general operating fund and, accordingly, it is used to account for all financial resources except those required to be accounted for in another fund.
- **Road Fund** – Road Fund is a Special Revenue Fund Type used to account for financial resources to be used for the expenditures related to road improvement.
- **Library Millage Fund** – Library Millage Fund is a Special Revenue Fund type used to account for financial resources to be used for the expenditures related to the library.
- **Fire Fund** – Fire Fund is a Special Revenue Fund type used to account for financial resources to be used for the expenditures related to fire protection services.
- **Drug Law Enforcement Fund** – Drug Law Enforcement Fund is a Special Revenue Fund type used to account for financial resources to be used for the expenditures related to drug forfeitures.
- **Capital Improvement Fund** – Capital Improvement Fund is used to account for financial resources to be used for the acquisition of construction of major capital facilities (other than those financed by business-type/proprietary funds).

#### **Proprietary Funds**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Township:

- **Enterprise Funds** – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

for capital maintenance, public policy, management control, accountability, or other purposes.

### ***Fiduciary Funds***

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Township programs. The trust and agency fund and the tax collection fund are custodial in nature and do not present results of operations or have a measurement focus.

The Township's fiduciary funds are presented in the fiduciary fund financial statements by type (custodial). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the Township, these funds are not incorporated into the government-wide statements.

### ***Major Funds***

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The Township reports the following major governmental funds:

- General Fund
- Road Fund
- Library Millage Fund
- Capital Improvement Fund

The Township reports the following major proprietary funds:

- The **Wastewater Treatment Fund** accounts for the management of wastewater treatment services including billing, maintenance and construction.

## **BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

### ***Accrual***

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when 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.

All enterprise funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

### **Modified Accrual**

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified basis of accounting, revenues are recorded when they are both measurable and available. "Available" means collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, debt service expenditures, compensated absences, and claims and judgments are recorded only when payment is due.

## FINANCIAL STATEMENT AMOUNTS

**Budgets and Budgetary Accounting** – The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The Township Supervisor submits to the Township Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Numerous opportunities exist for public comment during the budget process including at least one formal public hearing conducted at the Township Hall to obtain taxpayer comment.
- c. Pursuant to statute, prior to December 31 of each year the budget for the ensuing year is legally enacted through adoption of an Annual General Appropriations Act.
- d. The general statute governing Township budgetary activity is the State of Michigan Uniform Budgeting and Accounting Act. In addition to the provisions of the said Act and Board policy, general statements concerning the Board's intent regarding the administration of each year's budget are set out in the Annual General Appropriations Act. The Chocolay Township Board of Trustees, through policy action, specifically directs the Supervisor not to authorize or participate in any expenditure of funds except as authorized by the Annual General Appropriations Act. The Board recognized that, in addition to possible Board sanctions for willful disregard of this policy, State statutes provide for civil liability for violations of the Annual General Appropriations Act.

Supplemental appropriations are submitted to and reviewed by the Supervisor and submitted to the Township Board of Trustees for their review and approval. If approved, they are implemented by the Supervisor through a budget revision.

- a. The Charter Township of Chocolay adopts its Annual Budget on a departmental basis. At each level of detail, governmental operations are summarized into expenditure account groups. Funding sources are also identified and adopted at each level of detail.

Budgetary controls exist at the most detailed level adopted by the Board of Trustees, i.e., department for analytical purposes. A detailed line item breakdown is prepared for each program. Accounting, i.e., classification control, resides at the line item detail level.

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

- b. Budgets for the General Funds were adopted in substance on an accrual basis which is consistent with generally accepted accounting principles. Budgeted amounts as reported in the Financial Report are as originally adopted and/or amended by the Township Board of Trustees.

**Cash Equivalents and Investments** – For the purposes of balance sheet classification and the statement of cash flows, cash and equivalents consist of demand deposits, cash in savings, money market accounts and short-term certificates of deposit with original maturity of three months or less. Investments are stated at fair value. The fair value measurement of investments is based on the hierarchy established by generally accepted accounting principles, which has three levels based on the valuation inputs used to measure an asset’s fair value.

**Interfund Activity** – Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a result of the reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**Capital Assets** – Capital assets, which include property, plant, equipment and infrastructure assets (e.g. streets, bridges, and sidewalks), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Township has assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their fair value on the date donated. Depreciation on all exhaustible capital assets is charged as an expense against their operations in government-wide statements and proprietary financial statements. Accumulated depreciation is reported on government-wide and proprietary statement of net assets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Land improvements	15 years
Building, structures and improvements	40 years
Equipment	5 years
Water and Sewage System	20-50 years
Vehicles	5 years

**Deferred Outflows of Resources** – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports the following in this category:

In the financial statements, the net difference between projected and actual pension plan investment earnings, differences between expected and actual experience, changes in assumptions create a deferred outflow of resources.



## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

**Long-Term Liabilities** – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities or proprietary fund type statement of net position.

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

**Pensions** – For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Deferred Inflows of Resources** – In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government reports the following in this category:

The governmental funds report unavailable revenues, which arises only under a modified accrual basis of accounting, from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods.

In the financial statements, the net difference between projected and actual pension plan investment earnings, differences between expected and actual experience, changes in assumptions create a deferred inflow of resources.

**Compensated Absences** – The Township accrues accumulated unpaid vacation and sick leave days and associated employee-related costs when earned (or estimated to be earned) by the employee. The non-current portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

**Property Taxes** – Property taxes are levied as of December 1 of each year and are due by the last day of the following February. The taxes are collected by the local unit and periodically remitted to the third parties during the collection period.

**Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reporting of certain assets, liabilities, revenues, and expenditures. Actual results may differ from estimated amounts.



**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

**Subsequent Events** – Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through June 5, 2023, which is the date of the accompanying independent auditor’s report and the date the financial statements were available to be issued.

**NOTE B – DEPOSITS AND INVESTMENTS:**

Cash Equivalents

The following is a reconciliation of cash and investments for both the unrestricted and restricted assets for the primary government from the Statement of Net Position:

	Primary Government	Fiduciary Funds	Total
Cash and cash equivalents:			
Unrestricted	\$1,791,259	\$-	\$1,791,259
Restricted	-	918,484	918,484
Subtotal	<u>1,791,259</u>	<u>918,484</u>	<u>2,709,743</u>
Investments:			
Unrestricted	3,490,573	-	3,490,573
Restricted	-	-	-
Subtotal	<u>3,490,573</u>	<u>-</u>	<u>3,490,573</u>
Total	<u>\$5,281,832</u>	<u>\$918,484</u>	<u>\$6,200,316</u>

*Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of a bank failure, the Township’s deposits may not be returned to it. State law does not require, and the Township does not have, a deposit policy for custodial credit risk. The carrying amounts of the primary government and fiduciary fund’s deposits with financial institutions were \$2,709,743 and the bank balance was \$3,185,530. The bank balance is categorized as follows:

Amount insured by the FDIC:	\$250,000
Amount collateralized with securities held by the pledging financial institutions trust department in the Township’s name:	-
Uncollateralized and uninsured:	<u>2,935,530</u>
Total	<u>\$3,185,530</u>

Investments

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value: 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.

**NOTE B – DEPOSITS AND INVESTMENTS (Continued):**

As of December 31, 2022, the Township had the following investments:

	Level	Fair Value	Investment Maturities (in years)			
			<1	1 – 5	6 – 10	>10
<b>PRIMARY GOVERNMENT:</b>						
Unrestricted Investments:						
CD's	2	\$1,379,559	\$642,303	\$737,256	\$-	\$-
Bonds	1	1,793,728	248,375	1,545,353	-	-
Money Market	2	317,286	317,286	-	-	-
Subtotal		<u>3,490,573</u>	<u>1,207,964</u>	<u>2,282,609</u>	<u>-</u>	<u>-</u>
Restricted Investments:						
None		-	-	-	-	-
<b>TOTAL INVESTMENTS</b>		<u>\$3,490,573</u>	<u>\$1,207,964</u>	<u>\$2,282,609</u>	<u>\$-</u>	<u>\$-</u>

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the Township's investments. The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk*

Michigan statutes (Act 196, PA 1997) authorize the Township to invest in bonds, other direct obligations and repurchase agreements of the United States, certificates of deposits, savings accounts, deposit accounts or receipts of a bank which is a member of the FDIC and authorized to operate in this state, commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and matures within 270 days from date of purchase, bankers' acceptances of the United States banks, obligations of the State of Michigan and its political subdivisions, external investment pools, and certain mutual funds. Michigan law prohibits security in the form of collateral, surety bond, or another form for the deposit of public money.

The Township has no investment policy that would further limit its investment choices. The Township's investments are rated as noted above. Ratings are not required for the Township's investment in equity-type funds. The Township's investments are in accordance with statutory authority.

*Concentration of Credit Risk*

The Township places no limit on the amount the Township may invest in any one issuer.

**NOTE C – ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE:**

Receivables as of year-end for the government’s individual major funds, and major proprietary funds, including applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business- Type Activities	Total Primary Government
Property Taxes	\$1,407,633	\$-	\$1,407,633
Due From Other Gov’t Units	131,436	-	131,436
Utilities Receivable	-	54,382	54,382
Total	<u>\$1,539,069</u>	<u>\$54,382</u>	<u>\$1,593,451</u>

**NOTE D – INTERFUND RECEIVABLE/PAYABLES AND TRANSFERS IN/OUT:**

The Township reports interfund balances between its funds. The total of all balances agrees with the sum of interfund balances presented in the statements of net assets/balance sheet for governmental funds. Interfund transactions resulting in interfund receivables and payables are as follows:

		DUE FROM OTHER FUNDS		
		General Fund	Capital Improvement Fund	Total Due To Other Funds
DUE TO OTHER FUNDS	General Fund	\$-	\$-	\$-
	Road Fund	-	-	-
	Total Due From Other Funds	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>

All balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

		TRANSFERS OUT TO OTHER FUNDS			
		General Fund	Capital Improvement Fund	Liquor Law Fund	Total Transfers In From Other Funds
TRANSFERS IN FROM OTHER FUNDS	Capital Improvement Fund	\$-	\$-	\$-	\$-
	Road Fund	-	-	-	-
	Liquor Law Fund	-	-	-	-
	Total Transfers Out To Other Funds	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) moves receipts restricted to debt service from the funds collecting the receipts to the debt service funds as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations

**NOTE E – CAPITAL ASSETS:**

A summary of the capital assets of the Governmental Activities is as follows:

	Balance at January 1, 2022	Additions	Disposals	Balance at December 31, 2022
<b>GOVERNMENTAL ACTIVITIES:</b>				
Land	\$190,000	\$-	\$-	\$190,000
Construction in progress	650,000	-	-	650,000
Total Capital Assets, not being depreciated	<u>840,000</u>	<u>-</u>	<u>-</u>	<u>840,000</u>
Land improvements	2,873,481	-	-	2,873,481
Buildings and improvements	3,421,041	-	-	3,421,041
Furniture and equipment	1,519,032	48,954	(71,628)	1,496,358
Total Capital Assets, being depreciated	<u>7,813,554</u>	<u>48,954</u>	<u>(71,628)</u>	<u>7,790,880</u>
Total Capital Assets	<u>8,653,554</u>	<u>48,954</u>	<u>(71,628)</u>	<u>8,630,880</u>
Less Accumulated Depreciation:				
Land improvements	(1,139,165)	(87,122)	-	(1,226,287)
Buildings and improvements	(1,153,030)	(75,185)	-	(1,228,215)
Furniture and equipment	(1,360,900)	(54,161)	69,999	(1,345,062)
Total Accumulated Depreciation	<u>(3,653,095)</u>	<u>(216,468)</u>	<u>69,999</u>	<u>(3,799,564)</u>
Capital Assets, Net	<u>\$5,000,459</u>	<u>(\$167,514)</u>	<u>(\$1,629)</u>	<u>\$4,831,316</u>

Depreciation expense for the governmental activities was charged to the following functions and activities of the primary government:

General government	\$25,983
Public Safety	90,560
Public Works	10,893
Recreation and Culture	89,032
Total	<u>\$216,468</u>

In 2021, the Township ordered a new fire truck. As of December 31, 2022, the Township incurred \$650,000 in expenses for the new fire truck, which is classified as construction in progress as the truck is currently being built. The new fire truck is expected to be completed in fiscal year 2023 at a total cost of \$650,000 unless unforeseen circumstances increase the cost of materials.

**NOTE E – CAPITAL ASSETS (Continued):**

A summary of changes in business-type activities capital assets is as follows:

	Balance at January 1, 2022	Additions	Disposals	Balance at December 31, 2022
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Land	\$5,555	\$-	\$-	\$5,555
Construction in progress	3,195,155	746,417	-	3,941,572
Total Capital Assets, not being depreciated	3,200,710	746,417	-	3,947,127
Buildings and improvements	2,253,415	-	(220,685)	2,032,730
Furniture and equipment	93,241	-	-	93,241
Total Capital Assets, being depreciated	2,346,656	-	(220,685)	2,125,971
Total Capital Assets	5,547,366	746,417	(220,685)	6,073,098
<b>Less Accumulated Depreciation:</b>				
Buildings and improvements	(1,972,176)	(42,061)	212,663	(1,801,574)
Furniture and equipment	(42,989)	(10,050)	-	(53,039)
Total Accumulated Depreciation	(2,015,165)	(52,111)	212,663	(1,854,613)
Capital Assets, Net	<u>\$3,532,201</u>	<u>\$694,306</u>	<u>(\$8,022)</u>	<u>\$4,218,485</u>

Depreciation expense for the business-type activities was charged to the following functions and activities of the primary government:

<b>Business-Type Activities:</b>	
Wastewater Treatment Facility	\$52,111
Total	<u>\$52,111</u>

In 2018, the Township started a Lift Station Rehabilitation Project. As of December 31, 2022, the Township incurred \$3,941,572 in expenses for the project, which is classified as construction in progress. The project is expected to be completed in fiscal year 2023.

**NOTE F – LONG-TERM DEBT:**

A summary of changes in long-term is as follows:

	Balance at January 1, 2022	Additions	Deductions	Balance at December 31, 2022	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES:</b>					
None	\$-	\$-	\$-	\$-	\$-
Subtotal	-	-	-	-	-
Accrued sick and vacation	148,105	18,141	-	166,246	41,561
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$148,105</u>	<u>\$18,141</u>	<u>\$-</u>	<u>\$166,246</u>	<u>\$41,561</u>

**NOTE F – LONG-TERM DEBT (Continued):**

	January 1, 2022	Additions	Deductions	December 31, 2022	Due Within One Year
Business-Type Activities:					
2020 General Obligation Limited Tax Bonds	\$2,860,546	\$494,454	(\$145,000)	\$3,210,000	\$150,000
Total Business-Type Activities	<u>2,860,546</u>	<u>494,454</u>	<u>(145,000)</u>	<u>3,210,000</u>	<u>150,000</u>
TOTAL PRIMARY GOVERNMENT LONG-TERM DEBT	<u>\$3,008,651</u>	<u>\$512,595</u>	<u>(\$145,000)</u>	<u>\$3,376,246</u>	<u>\$191,561</u>

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

**2020 General Obligation Limited Tax Bonds  
December 31, 2022**

	October 1		April 1	Total
	Principal	Interest	Interest	
2023	\$150,000	\$32,100	\$31,963	\$214,063
2024	150,000	30,600	30,600	211,200
2025	155,000	29,100	29,100	213,200
2026	160,000	27,550	27,550	215,100
2027	165,000	29,950	29,950	224,900
2028-2032	865,000	104,550	104,550	1,074,100
2033-2037	955,000	59,550	59,550	1,074,100
2038-2040	610,000	12,250	12,250	634,500
Total	<u>\$3,210,000</u>	<u>\$325,650</u>	<u>\$325,513</u>	<u>\$3,861,163</u>

The Bond was originally issued for \$165,178 on July 23, 2020. Loan payments are due semiannually, on October 1 (principal plus interest) and on April 1 (interest only), with an interest rate of 2.00%. Only a portion of the loan was disbursed in prior years and recognized. The remaining amount of \$494,454 was disbursed in the current year making the total of the bond \$3,500,000.

The annual debt service requirements to maturity for the non-current principal liabilities (excluding compensated absences) are as follows:

Year	Governmental Activities	Business-Type Activities	Total Primary Government
2023	\$-	\$214,063	\$214,063
2024	-	211,200	211,200
2025	-	213,200	213,200
2026	-	215,100	215,100
2027	-	224,900	224,900
2028-2032	-	1,074,100	1,074,100
2033-2037	-	1,074,100	1,074,100
2038-2040	-	634,500	634,500
Total	<u>\$-</u>	<u>\$3,861,163</u>	<u>\$3,861,163</u>

**NOTE G – ACCUMULATED UNPAID VACATION AND SICK LEAVE:**

Employees earn sick leave at the rate of one (1) day per month, not to exceed 12 days per year. During 1994 the Township adopted a payout provision stating that upon retirement, death, or disability, employees with one or more years of service shall be paid for 50% of their accumulated leave up to a maximum of 90 days at their current rate of pay.

Employees earn vacation leave at various schedules dependent upon their length of employment. Upon retirement, death, termination or disability, employees or their estates are paid for all outstanding vacation days accumulated at their current rate of pay.

The long-term portion of the liability applicable to the governmental fund types is reported in the Statement of Net Position. The liability is recorded as follows:

	Sick Leave	Vacation	Total
GOVERNMENTAL ACTIVITIES:			
Governmental Activities	\$78,703	\$87,543	\$166,246
Total	<u>\$78,703</u>	<u>\$87,543</u>	<u>\$166,246</u>

**NOTE H – TAXES LEVIED FOR A SUBSEQUENT PERIOD:**

Property taxes levied on December 1, 2022 have met all criteria related to revenue recognition except for time and as such are recorded as a deferred inflow of resources under GASB 65. The amount of taxes levied for a subsequent period is as follows:

General Fund	\$949,137
Road Fund	409,055
Library Fund	242,113
Total	<u>\$1,600,305</u>

**NOTE I – FUND BALANCES – GOVERNMENTAL FUNDS:**

Fund balances of the governmental funds are classified as follows:

*Non-spendable* — amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

*Restricted* — amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* — amounts that can be used only for specific purposes determined by a formal action of the Board of Trustees. The Board of Trustees is the highest level of decision-making authority for the Township. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Trustees.

*Assigned* — amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Township’s adopted policy, only the Manager or the Board of Trustees may assign amounts for specific purposes.

**NOTE I – FUND BALANCES – GOVERNMENTAL FUNDS (Continued):**

*Unassigned* — all other spendable amounts.

As of December 31, 2022, fund balances are composed of the following:

	General Fund	Road Fund	Library Millage Fund	Capital Improvement Fund	Non-major Funds	Total Governmental Funds
<b>Non-spendable:</b>						
Prepaid	\$4,600	\$-	\$-	\$-	\$-	\$4,600
Advances from other funds	-	-	-	-	-	-
Subtotal	4,600	-	-	-	-	4,600
<b>Restricted:</b>						
Tax Millage	-	211,869	-	-	-	211,869
Drug Law Enforcement	-	-	-	-	3,926	3,926
Liquor Law Inspection	-	-	-	-	-	-
Subtotal	-	211,869	-	-	3,926	215,795
<b>Committed:</b>						
Future Projects	-	-	-	629,079	-	629,079
Unassigned	1,974,767	-	-	-	-	1,974,767
<b>TOTAL FUND BALANCES</b>	<b>\$1,979,367</b>	<b>\$211,869</b>	<b>\$-</b>	<b>\$629,079</b>	<b>\$3,926</b>	<b>\$2,824,241</b>

The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Manager through amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

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

**NOTE J – DEFERRED COMPENSATION PLAN:**

The Township offers its employees deferred compensation Plans created in accordance with the Internal Revenue Code, Section 457. The Plans are available to all employees. The Plans permit them to defer a portion of their current earnings until the employee’s termination, retirement, death or unforeseeable future.

Due to changes in the Internal Revenue Code, the Plan’s assets are considered to be property of the Plan’s participants and are no longer subject to the Township’s general creditors. Therefore, the Plan is no longer presented in these statements.



**NOTE J – DEFERRED COMPENSATION PLAN (Continued):**

The Plan’s participants have the right to designate how the funds will be invested. Accordingly, the Township has no liability for losses under the Plan. The Plan’s assets are held in trust for the exclusive benefit of the Plan’s participants and their beneficiaries.

The Township’s Plan is administered by Mid America Retirement Solutions (Boards and Fire Department), and as Plan Administrators, agree to hold harmless and indemnify the Board, its appointed and elected officers and participating employees from any loss resulting from Mid America or their agents’ failure to perform their duties and services pursuant to the Mid America program.

**NOTE K – DEFINED BENEFIT PENSION PLAN:**

The following information is based upon the latest available actuarial valuation (December 31, 2021).

**General Information about the Pension Plan**

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

**Benefits Provided:**

<b>01 – General: Open Division</b>	<u>2021 Valuation</u>
Benefit Multiplier:	1.50% Multiplier (no max)
Normal Retirement Age:	60
Vesting:	10 years
Early Retirement (Unreduced):	-
Early Retirement (Reduced):	50/25 55/15
Final Average Compensation:	5 years
COLA for Future Retirees:	N/A
Employee Contributions:	2.50%
Act 88:	SLIF (45 Days) Yes (Adopted 3/15/2010)

**Employees covered by benefit terms** – At the December 31, 2021 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits:	9
Inactive employees entitled to but not yet receiving*:	4
Active employees:	<u>14</u>
Total	<u>27</u>

\*Excluding pending refunds

**NOTE K – DEFINED BENEFIT PENSION PLAN (Continued):**

**Contributions** – The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

The contribution rates as a percentage of payroll as December 31, 2021 is as follows:

<u>Division</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
01 – General	4.79%	2.50%

There were no contributions requirements for closed divisions.

**Net Pension Liability** – The employer’s Net Pension Liability was measured as of December 31, 2022, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as December 31, 2021.

**Actuarial assumptions** – The total pension liability in the December 31, 2021 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

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

Investment rate of return: 7.00%, net of investment expense, including inflation

Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.

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

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

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

**NOTE K – DEFINED BENEFIT PENSION PLAN (Continued):**

Asset Class	Target Allocation	Target Allocation Gross Rate of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-Term Expected Real Rate of Return
Global Equity	60.0%	7.00%	4.20%	2.50%	2.70%
Global Fixed Income	20.0%	4.50%	0.90%	2.50%	0.40%
Private Investments	20.0%	9.50%	1.90%	2.50%	1.40%
	<u>100.0%</u>		<u>7.00%</u>		<u>4.50%</u>

**Discount rate** – The discount rate used to measure the total pension liability is 7.25%. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because, for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in Net Pension Liability**

**Calculating the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Benefit) (a) – (b)
Balances at 12/31/2021	\$2,123,823	\$2,401,821	(\$277,998)
<b>Changes for the Year</b>			
Service Cost	53,283	-	53,283
Interest on Total Pension Liability	151,242	-	151,242
Changes in benefits	-	-	-
Difference between expected and actual experience	109,563	-	109,563
Change in assumptions	110,780	-	110,780
Employer Contributions	-	79,139	(79,139)
Employee Contributions	-	19,692	(19,692)
Net Investment Income	-	(249,689)	249,689
Benefit payments, including employee refunds	(128,734)	(128,734)	-
Administrative expense	-	(4,442)	4,442
Other changes	(20,322)	1	(20,323)
<b>Net Changes</b>	<b>275,812</b>	<b>(284,033)</b>	<b>559,845</b>
<b>Balances at 12/31/2022</b>	<b>\$2,399,635</b>	<b>\$2,117,788</b>	<b>\$281,847</b>

**NOTE K – DEFINED BENEFIT PENSION PLAN (Continued):**

**Sensitivity of the Net Pension Liability to changes in the discount rate.** The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer’s Net Pension Liability would be using a discount rate that is one percentage point lower (6.25%) or 1% higher (8.25%) than the current rate.

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Benefit) at 12/31/2021	\$281,847	\$281,847	\$281,847
Change in Net Pension Liability	285,808	-	(128,622)
Calculated Net Pension Liability (Benefit)	<u>\$567,655</u>	<u>\$281,847</u>	<u>\$153,225</u>

**Note:** The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

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

For the year ended 2022 the employer recognized pension expense/(revenue) of \$55,518 in the General Fund and \$18,506 in the Wastewater Treatment Fund. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference in experience	\$110,424	\$-
Difference in assumptions	122,934	-
Excess (Deficit) investment returns	183,097	-
Total	<u>\$416,455</u>	<u>\$-</u>

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

Plan Year Ended:	Amount
2023	\$99,972
2024	90,677
2025	98,413
2026	127,393
2027	-
Thereafter	-
Total	<u>\$416,455</u>

**Payable to the Pension Plan**

At December 31, 2022, there was a reported payable of \$0 for the outstanding amount of contributions to the pension plan.

## **NOTE L – PROPERTY TAXES:**

The Township's property tax is levied on each December 1<sup>st</sup> on the taxable valuation of property (as defined by State statutes) located in the Township as of the preceding December 31<sup>st</sup>.

Although the Township 2022 ad valorem tax is levied and collectible on December 1, 2022, it is the Township's policy to recognize revenue from the current tax levy in the following year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60) days.

The 2022 taxable valuation of the Township totaled \$238,288,798, on which ad valorem taxes levied consisted of 3.5657 mills for the Local Governmental Unit operation purposes, 1.6549 mills for Road construction and 0.9801 mills for library services. These amounts are recognized in the General Fund, Road Fund, and Library Millage Fund financial statements as taxes levied for a subsequent period.

## **NOTE M – CONTINGENT LIABILITIES:**

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; injuries to employees; and natural disasters. The Township has obtained commercial insurance to handle its risk of loss.

## **NOTE N – INVESTMENT IN WASTEWATER TREATMENT FACILITY:**

On April 7, 1977, and May 31, 1983 the Charter Township of Chocolay, the City of Marquette, and Township of Marquette entered into contracts to construct and operate a secondary wastewater treatment facility to be known as the "Marquette Area Wastewater Treatment Facility". Under those agreements the Charter Township of Chocolay would own 14.7% of the facility, the Township of Marquette would own 5.5% and the City of Marquette would own 79.8%.

On July 1, 1993, there was an amendment to the Marquette County Wastewater Disposal system contract to change the ownership of the three partners involved. The Charter Township of Marquette paid to the City of Marquette and the Charter Township of Chocolay each the sum of \$54,743, representing an allocation of an additional 4.5% of the capacity of the Marquette Area Wastewater Treatment Facility to Marquette Township. During fiscal 1998, the County of Marquette issued refunding bonds – unlimited tax series 1998, to partially refund the original bond issue. The new ownership percentages for the City of Marquette, the Charter Township of Chocolay, and the Charter Township of Marquette are 77.55%, 12.45%, and 10%, respectively.

On June 26, 2006, there was an amendment to the Marquette County Wastewater Disposal System Contract to change ownership of the three partners involved. The new ownership percentages for the City of Marquette, the Charter Township of Chocolay, and the Charter Township of Marquette are 85%, 5%, and 10%, respectively.

On September 24, 2018, a resolution was passed that effective October 1, 2018, the Marquette Area Wastewater Treatment Facility's contract was changed in regards to the ownership of the three partners involved. Chocolay Township requested to purchase additional capacity at the Wastewater Treatment Plant. For a one-time payment Chocolay Township will purchase 1% each from the City of Marquette, and from Marquette Township. After the passage of the resolution and receipt of the one-time payment, the ownership allocation for the City of Marquette, the Charter Township of Chocolay, and the Charter Township of Marquette are 84%, 9%, and 7%, respectively.

**NOTE N – INVESTMENT IN WASTEWATER TREATMENT FACILITY (Continued):**

The construction of the Facility was partially financed through \$2.5 million general obligation bonds which were partially refunded during fiscal 1998 and issued by Marquette County for which the full faith and credit of the two Townships and the City of Marquette have been pledged. Repayment of the County of Marquette bonds and the interest thereon is the contractual responsibility of the owners of the project based on their share of the ownership.

The total investment in the Facility at December 31, 2022 by the Township is \$524,749 including local contributions and its proportionate share of the net equity of the Facility. The Township utilizes the equity method of accounting for the activity in its investment in the Facility. Under the equity method the investment is adjusted for any additional capital investments made and its proportionate share of the Facility's results of operations.

A summary of condensed financial information of the Facility, in the aggregate, for its fiscal year ended September 30, 2022 is as follows:

Assets	\$ 16,704,232
Deferred Outflows of Resources	234,691
Liabilities	8,814,760
Deferred Inflows of Resources	342,865
Net Position	5,972,870
Total Operating Revenues	2,235,684
Total Operating Expenses	(2,739,520)
Total Non-Operating Revenues/(Expenses)	848,395
Net income (loss)	344,559

**NOTE O – JOINT VENTURES:**

**MARQUETTE COUNTY SOLID WASTE MANAGEMENT AUTHORITY**

In June 1988, Chocolay Township joined with 22 other municipalities to create the Marquette County Solid Waste Management Authority ("Authority"). The Authority was created pursuant to Act 233 of 1955 to plan for, acquire, construct, finance, operate, maintain, repair and dispose of, whether by sale, lease, or otherwise, an Act 641 landfill, including all improvements, appurtenances, easements, accessory facilities and structures, equipment, and other property part of or incidental to the landfill sufficient to satisfy the requirements of, and function as a solid waste disposal area under Act 641 and to establish and administer procedures providing for the separation, recycling, recovery, conversion of solid waste to energy and for the disposition of such energy output and disposal at the site of Non-toxic Type II and Type III Solid Waste, to fund all of the above activities, to charge and collect fees in connection with the operation of the landfill and to provide for the reimbursement with receipt of bond proceeds to the City of Marquette and Sands Township of their respective costs and expenses incurred in connection with the establishment and administration of the Solid Waste Authority and the System Facility.

The Authority is governed by a Board of Trustees consisting of one (1) member (who is the Chairperson of the board of Trustees) designated by the Sands Township Supervisor on behalf of the Sands Township, two (2) members designated by the Marquette City Commission; three (3) members designated by the Marquette County Board of Commissioners, and one resident of the City of Marquette appointed by the other 6 Authority Board members. All decisions of the Board are made by majority vote, consisting of at least four of its members.



**NOTE O – JOINT VENTURES (Continued):**

The Township's share of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position is approximately ten percent. Summary financial information as of and for the fiscal year ended June 30, 2022, is as follows:

Assets	\$22,225,129
Deferred Outflows of Resources	348,238
Liabilities	10,589,602
Deferred Inflows of Resources	398,085
Net Position	11,585,680
Total Operating Revenues	5,756,799
Total Operating Expenses	(5,149,980)
Total Non-Operating Revenue (Expense)	(67,744)
Net Income (loss)	539,075

**MARQUETTE BOARD OF LIGHT AND POWER UTILITY REVIEW COMMITTEE**

In the 1980s, the Township joined with five other municipalities to create the Marquette Board of Light and Power Utility Review Committee ("Committee"). The Committee was created to act as the principal overseer of the activities of the Marquette Board of Light and Power on behalf of the member Townships and provide advice to the Township on short- and long-term issues affecting the distribution of electricity to the Townships.

The Committee is governed by a Board of Trustees consisting of one (1) member from each of the member townships. All decisions of the Board are made by majority vote, consisting of at least three of its members.

The Township's share of assets, liabilities, and fund equity is undetermined at this time. Summary financial information as of and for the fiscal year ended June 30, 2010, is as follows:

Assets	\$154,597,408
Liabilities	11,629,358
Total Equity	-
Total Operating Revenues	49,072,107
Total Operating Expenses	37,210,120
Net Income (loss)	4,166,898

The financial statement for the Marquette Board of Light and Power Utility Review Committee were not audited by us and therefore, we did not express an opinion on these financial amounts list above.

**NOTE P – JOINTLY GOVERNED ORGANIZATIONS:**

**IRON ORE HERITAGE RECREATION AUTHORITY**

In November 2008, the Charter Township of Chocolay joined with other municipalities to create the Iron Ore Heritage Recreation Authority. The Authority was created pursuant to Act 321 of 2000 (the "Recreation Authorities Act") to acquire, construct, operate, maintain or improve a public park for recreational purposes, specifically limited to a permanent, year-round signed and surfaced trail system open to the public, to provide amenities along the trail, to encourage tourism development along the trail system, to encourage municipalities to tie compatible links into the trail system allowing for greater access to businesses, parks and schools and to conduct other activities permitted under Act 321 of 2000.

**NOTE P – JOINTLY GOVERNED ORGANIZATIONS (Continued):**

The authority is governed by a Board of Directors consisting of an odd number of members, with one member to be appointed by the legislative body of each participating municipality. All Authority decisions must be passed by a majority of the members of the Board.

The Board shall obtain an annual audit of the Authority. A summary of financial information from the separately audited financial statements of the Authority for the year ended December 31, 2022 is as follows:

Assets	\$3,806,294
Deferred Outflows of Resources	-
Liabilities	19,796
Deferred Inflows of Resources	388,241
Net Position	3,398,257
Total Revenues	469,779
Total Expenses	(452,806)
Increase in Net Position	14,973

The Township has no equity interest nor does the Township materially contribute to the continued existence of the Iron Ore Heritage Recreation Authority.

**TOWNSHIP ADVISORY COUNCIL OF THE PETER WHITE PUBLIC LIBRARY**

The Charter Township of Chocolay joined with Charter Township of Marquette, Sands Township, Skandia Township, and West Branch Township to create the Township Advisory Council of the Peter White Public Library (Advisory Council). Each township levies a millage for library services provided by Peter White Public Library (Library). The Advisory Council was created to represent the residents of all townships served by the Library.

The Advisory Council is comprised of two members from each Township with the Library Director and/or Deputy Director being ex-officio members. All Advisory Council decisions are passed by a majority vote in a meeting where a quorum is present.

The Advisory Council shall obtain an annual audit of the Peter White Public Library. A summary of financial information from the separately audited financial statements of the Peter White Public Library for the year ended September 30, 2022 is as follows:

Assets	\$10,676,099
Deferred Outflows of Resources	217,618
Liabilities	4,188,613
Deferred Inflows of Resources	1,277,857
Net Position	5,427,247
Total Revenues	2,499,296
Total Expenses	(2,561,282)
Decrease in Net Position	61,986

The Township has no equity interest nor does the Township materially contribute to the continued existence of the Peter White Public Library.



## **NOTE Q – SINGLE AUDIT:**

The Township's audited financial statements reported Federal expenditures of \$209,300. As this amount is less than the single audit threshold of \$750,000, the Township is not required to have a single audit in accordance with Uniform Guidance for the fiscal year ended December 31, 2022.

## **NOTE R – TAX ABATEMENTS:**

For financial reporting purposes, GASB Statement No. 77, *Tax Abatement Disclosures*, defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. The Statement requires disclosure of tax abatement information about a reporting government's own tax abatement agreements and about tax abatement agreements entered into by other governments that reduce the reporting government's tax revenues.

The Township receives reduced property tax revenues as a result of Industrial Facilities Tax (IFT) exemptions, Brownfield exemptions, Neighborhood Enterprise Zone (NEZ) exemptions, Obsolete Property Rehabilitation Act (OPRA) exemptions, and Eligible Manufacturing Personal Property (EMPP) exemptions granted by other governmental agencies within the Township in accordance with State laws. These tax exemptions are intended to promote economic development and/or growth within the issuing government's jurisdiction.

For purposes of disclosure under GASB 77, the Township discloses tax abatements by issuing government and type greater than \$5,000 in the aggregate. For the fiscal year ended December 31, 2022, there were no significant tax abatements made by the Township or any other governmental unit within the Township.

## **NOTE S – NEW GASB STANDARDS:**

Management of the Township has reviewed the following pronouncements released by the Governmental Accounting Standards Board (GASB) that are effective in the current fiscal year for applicability. Pronouncements deemed applicable to the Township by management are described below in *Recently Issued and Adopted Accounting Pronouncements*; pronouncements not applicable are described in *Other Recently Issued Accounting Pronouncements*.

### Recently Issued and Adopted Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of GASB 87 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 recognize as inflows of resources or outflows of resources on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. 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. This Statement was originally effective for periods beginning after December 15, 2019. However, under GASB 95, the effective date was postponed by 18 months, to periods beginning after June 15, 2021. The Township does

## NOTE S – NEW GASB STANDARDS (Continued):

not have any activities that meet the criteria for GASB 87 in the current year.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. GASB 92 enhances comparability of accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports. This Statement also addresses reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan. The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits are also discussed along with the applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements. Lastly, the Statement discusses measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature, and terminology used to refer to derivative instruments. This Statement was originally effective for periods beginning after June 15, 2020. However, under GASB 95, the effective date was postponed by one year, to periods beginning after June 15, 2021. The Township does have activities that meet the criteria for GASB 92; therefore, GASB 92 is applicable to the Township.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. GASB 97 increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform. This Statement also mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements. Lastly, this Statement enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This statement is effective for periods beginning after June 15, 2021. The Township does have activities that meet the criteria for GASB 97; therefore, GASB 97 is applicable to the Township.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objective of GASB 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing 1) practice issues that have been identified during implementation and application of certain GASB Statements and 2) accounting and financial reporting for financial guarantees. GASB 99 includes requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in

## **NOTE S – NEW GASB STANDARDS (Continued):**

Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 and are effective upon issuance. GASB 99 also has requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022 with early implementation permitted. The last requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023 with early implementation permitted. The Township has implemented the requirements of the activities which apply to the Township under GASB 99; therefore, GASB 99 is applicable to the Township.

### Other Recently Issued Accounting Pronouncements

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. GASB 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for account and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. This Statement was originally effective for periods beginning after December 15, 2020. However, under GASB 95, the effective date was postponed by 12 months, to periods beginning after December 15, 2021. The Township does not have obligations that meet the criteria under GASB 91; therefore, GASB 91 is not applicable to the Township.

## **NOTE T – UPCOMING STANDARDS (Continued):**

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the Township in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the Township.

### GASB 94: Public-Private and Public-Public Partnerships and Availability Payment Arrangements Effective for fiscal years beginning after June 15, 2022 (Township's fiscal year 2023)

The requirements of this Statement will improve financial reporting by establishing the definitions of public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs.

Under this Statement, a PPP is defined as an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial assets, such as infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Under this Statement a PPP meets the definition of a service concession

## **NOTE T – UPCOMING STANDARDS (Continued):**

arrangement (SCA) if: (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

### **GASB 96: Subscription-Based Information Technology Arrangements**

*Effective for fiscal years beginning after June 15, 2022 (Township's fiscal year 2023)*

The requirements of this Statement will improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) for government end users (governments) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. 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.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

### **GASB 100: Accounting Changes and Error Corrections – An Amendment of GASB Stmt No. 62**

*Effective for fiscal years beginning after June 15, 2023 (Township's fiscal year 2024)*

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

## NOTE T – UPCOMING STANDARDS (Continued):

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

### GASB 101: Compensated Absences

*Effective for fiscal years beginning after December 15, 2023 (Township's fiscal year 2024)*

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.



**NOTE T – UPCOMING STANDARDS (Continued):**

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

Draft

**REQUIRED SUPPLEMENTARY  
INFORMATION**

Draft

Charter Township of Chocolate, Michigan

MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	Plan Year Ending December 31,				
	2022	2021	2020	2019	2018
<b>Total Pension Liability</b>					
Service cost	\$ 53,283	\$ 46,590	\$ 45,791	\$ 46,804	\$ 41,322
Interest	151,242	150,668	139,295	144,605	133,983
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	109,563	13,046	58,250	(21,772)	36,272
Changes of assumptions	110,780	42,091	53,066	-	-
Benefit payments including employee refunds	(128,734)	(131,545)	(112,916)	(112,916)	(69,001)
Other	(20,322)	(21,993)	(24,909)	(30,953)	9,422
<b>Net Change in Total Pension Liability</b>	<b>275,812</b>	<b>98,857</b>	<b>158,577</b>	<b>25,768</b>	<b>151,998</b>
<b>Total Pension Liability beginning</b>	<b>2,123,823</b>	<b>2,024,966</b>	<b>1,866,389</b>	<b>1,840,621</b>	<b>1,688,623</b>
<b>Total Pension Liability ending</b>	<b>\$ 2,399,635</b>	<b>\$ 2,123,823</b>	<b>\$ 2,024,966</b>	<b>\$ 1,866,389</b>	<b>\$ 1,840,621</b>
<b>Plan Fiduciary Net Position</b>					
Contributions-employer	\$ 79,139	\$ 79,386	\$ 73,454	\$ 72,384	\$ 71,546
Contributions-employee	19,692	19,847	18,364	18,096	17,887
Net Investment income	(249,689)	300,648	247,385	232,492	(71,245)
Benefit payments including employee refunds	(128,734)	(131,545)	(112,916)	(112,916)	(69,001)
Administrative expense	(4,442)	(3,449)	(3,872)	(4,007)	(3,480)
Other	1	(2)	1	-	(1)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(284,033)</b>	<b>264,885</b>	<b>222,416</b>	<b>206,049</b>	<b>(54,294)</b>
<b>Plan Fiduciary Net Position beginning</b>	<b>2,401,821</b>	<b>2,136,936</b>	<b>1,914,520</b>	<b>1,708,471</b>	<b>1,762,765</b>
<b>Plan Fiduciary Net Position ending</b>	<b>\$ 2,117,788</b>	<b>\$ 2,401,821</b>	<b>\$ 2,136,936</b>	<b>\$ 1,914,520</b>	<b>\$ 1,708,471</b>
<b>Employer Net Pension Liability (Benefit)</b>	<b>\$ 281,847</b>	<b>\$ (277,998)</b>	<b>\$ (111,970)</b>	<b>\$ (48,131)</b>	<b>\$ 132,150</b>
<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	88%	113%	106%	103%	93%
<b>Covered Employee Payroll</b>	\$ 818,529	\$ 708,974	\$ 692,874	\$ 694,033	\$ 634,212
<b>Employer's Net Pension Liability as a percentage of covered employee payroll</b>	34%	-39%	-16%	-7%	21%

Above dates are based on measurement date, which may not necessarily tie to the fiscal year.

Notes to schedule:

Benefit Changes:	NONE	NONE	NONE	NONE	NONE
Changes of Assumptions:	2022	2021	2020	NONE	NONE

2022 - The investment rate of return was decreased from 7.35% to 7.00%.

2021 - Changes were made to the demographic assumptions as a result of an experience study conducted.

2020 - The investment rate of return was decreased from 7.75% to 7.35%.  
- The assumed rate of wage inflation was decreased from 3.75% to 3.00%.

2017 - The mortality table was adjusted to reflect longer lifetimes.  
The assumed annual rate of investment return, net of all expenses, was lowered from 8% to 7.75%.  
The asset smoothing was changed from 10 to 5 years.  
The amortization period was moved to a fixed period amortization for the December 31, 2014 annual valuations.

Schedule is being build prospectively; ultimately ten years will be presented.



**Charter Township of Chocolay, Michigan**

**MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS**

Last 10 Fiscal Years  
(Continued)

	Plan Fiscal Year Ending December 31,				
	2017	2016	2015	2013	2012
<b>Total Pension Liability</b>					
Service cost	\$ 41,530	\$ 44,022	\$ 44,467	\$ -	\$ -
Interest	117,110	111,970	99,359	-	-
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	51,409	(7,019)	-	-	-
Changes of assumptions	-	66,473	-	-	-
Benefit payments including employee refunds	(32,860)	(23,244)	(23,244)	-	-
Other	4,671	(32,262)	(5,140)	-	-
<b>Net Change in Total Pension Liability</b>	<u>181,860</u>	<u>159,940</u>	<u>115,442</u>	<u>-</u>	<u>-</u>
<b>Total Pension Liability beginning</b>	<u>1,506,763</u>	<u>1,346,823</u>	<u>1,231,381</u>	<u>-</u>	<u>-</u>
<b>Total Pension Liability ending</b>	<b>\$ 1,688,623</b>	<b>\$ 1,506,763</b>	<b>\$ 1,346,823</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position</b>					
Contributions-employer	\$ 67,179	\$ 68,539	\$ 70,794	\$ -	\$ -
Contributions-employee	16,892	17,135	17,748	-	-
Net Investment income	205,358	152,852	(20,110)	-	-
Benefit payments including employee refunds	(32,860)	(23,244)	(23,244)	-	-
Administrative expense	(3,240)	(3,011)	(2,854)	-	-
Other	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>253,329</u>	<u>212,271</u>	<u>42,334</u>	<u>-</u>	<u>-</u>
<b>Plan Fiduciary Net Position beginning</b>	<u>1,509,436</u>	<u>1,297,165</u>	<u>1,254,831</u>	<u>-</u>	<u>-</u>
<b>Plan Fiduciary Net Position ending</b>	<b>\$ 1,762,765</b>	<b>\$ 1,509,436</b>	<b>\$ 1,297,165</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Employer Net Pension Liability (Benefit)</b>	<b>\$ (74,142)</b>	<b>\$ (2,673)</b>	<b>\$ 49,658</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	104%	100%	96%	N/A	N/A
<b>Covered Employee Payroll</b>	\$ 590,397	\$ 664,700	\$ 674,848	N/A	N/A
<b>Employer's Net Pension Liability as a percentage of covered employee payroll</b>	-13%	0%	7%	N/A	N/A
Above dates are based on measurement date, which may not necessarily tie to the fiscal year.					
<b>Notes to schedule:</b>					
Benefit Changes:	NONE	NONE	NONE	N/A	N/A
Changes of Assumptions:	2017	NONE	NONE	N/A	N/A

**Charter Township of Chocolay, Michigan**

**MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM  
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS**

Last 10 Fiscal Years

	Fiscal Year Ending December 31,				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarial determined contributions	\$ 59,652	\$ 46,200	\$ 50,868	\$ 48,864	\$ 71,546
Contributions in relation to the actuarially determined contribution	79,139	79,386	73,454	72,384	71,546
Contribution deficiency (excess)	<u>\$ (19,487)</u>	<u>\$ (33,186)</u>	<u>\$ (22,586)</u>	<u>\$ (23,520)</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 818,529	\$ 708,974	\$ 692,874	\$ 741,935	\$ 634,212
Contributions as a percentage of covered employee payroll	10%	11%	11%	10%	11%

**Notes to Schedule**

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	15 years
Asset valuation method	5 year smoothed
Inflation	2.50%
Salary Increases	3.00%
Investment rate of return	7.00%
Retirement age	60 normal; 50/25 or 55/15 for reduced
Mortality	Pub-2010 and fully generational MP-2019

**Previous actuarial methods and assumptions:**

<i>Benefit Changes:</i>	NONE	NONE	NONE	NONE	NONE
<i>Changes of Assumptions:</i>	2022	2021	2020	NONE	NONE

Above dates are based on the plan fiscal year, which may not necessarily tie to the measurement date

Note that these are employer contributions not employee contributions

2022 - The investment rate of return was decreased from 7.35% to 7.00%.

2021 - Changes were made to the demographic assumptions as a result of an experience study conducted.

2020 - The investment rate of return was decreased from 7.75% to 7.35%.  
- The assumed rate of wage inflation was decreased from 3.75% to 3.00%.

2017 - The mortality table was adjusted to reflect longer lifetimes.  
The assumed annual rate of investment return, net of all expenses, was lowered from 8% to 7.75%.  
The asset smoothing was changed from 10 to 5 years.  
The amortization period was moved to a fixed period amortization for the December 31, 2014 annual valuations.

**Charter Township of Chocolay, Michigan**

**MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM  
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS**

Last 10 Fiscal Years  
(Continued)

	Fiscal Year Ending December 31,				
	2017	2016	2015	2014	2013
Actuarial determined contributions	\$ 67,179	\$ 68,539	\$ 70,794	\$ 67,485	\$ 64,768
Contributions in relation to the actuarially determined contribution	67,179	68,539	70,794	67,485	64,768
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 590,397	\$ 674,848	\$ 674,848	\$ 623,991	\$ 599,442
Contributions as a percentage of covered employee payroll	11%	10%	10%	11%	11%

**Notes to Schedule**

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	15 years
Asset valuation method	5 year smoothed
Inflation	2.50%
Salary Increases	3.00%
Investment rate of return	7.00%
Retirement age	60 normal; 50/25 or 55/15 for reduced
Mortality	Pub-2010 and fully generational MP-2019

**Previous actuarial methods and assumptions:**

<i>Benefit Changes:</i>	NONE	NONE	NONE	NONE	NONE
<i>Changes of Assumptions:</i>	2017	NONE	NONE	NONE	NONE

Above dates are based on the plan fiscal year, which may not necessarily tie to the measurement date

Note that these are employer contributions not employee contributions

Charter Township of Chocolay, Michigan

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 1,010,262	\$ 1,010,262	\$ 922,882	\$ (87,380)
Licenses and permits	6,200	6,200	4,056	(2,144)
Federal Sources	344,662	344,662	-	(344,662)
State sources	604,831	604,831	673,962	69,131
Local sources	-	-	-	-
Charges for services	123,300	123,300	104,235	(19,065)
Interest	25,000	25,000	(36,006)	(61,006)
Other revenues	292,971	319,971	58,601	(261,370)
<b>TOTAL REVENUES</b>	<b>2,407,226</b>	<b>2,434,226</b>	<b>1,727,730</b>	<b>(706,496)</b>
<b>EXPENDITURES:</b>				
General Government				
Board of Trustees	210,606	210,606	199,896	10,710
Supervisor	20,119	20,119	12,661	7,458
Clerk	131,199	129,199	122,020	7,179
Technology	88,875	88,875	61,700	27,175
Board of Review	2,753	2,753	1,702	1,051
Treasurer	69,779	69,779	67,351	2,428
Assessor	71,696	71,696	63,836	7,860
Election	62,697	74,847	36,304	38,543
Township Hall and Grounds	93,933	93,933	77,259	16,674
General Other	387,741	387,741	362,469	25,272
Total General Government	1,139,398	1,149,548	1,005,198	144,350
Public Safety				
Police Department	576,415	576,415	387,616	188,799
Fire Department	129,697	129,697	111,237	18,460
Total Public Safety	706,112	706,112	498,853	207,259
Public works				
Streets	19,650	19,650	18,434	1,216
Refuse Collection	28,800	28,800	28,764	36
Total Public Works	48,450	48,450	47,198	1,252
Community and Economic Development				
Zoning	76,053	76,053	70,579	5,474
Planning Commission	10,082	10,082	5,865	4,217
Appeals Board (Zoning and Planning)	4,476	4,476	1,068	3,408
Total Community and Economic Development	90,611	90,611	77,512	13,099
Recreation and Culture				
Parks and Properties	400,477	400,477	160,939	239,538
Total Recreation and Culture	400,477	400,477	160,939	239,538
<b>TOTAL EXPENDITURES</b>	<b>2,385,048</b>	<b>2,395,198</b>	<b>1,789,700</b>	<b>605,498</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>22,178</b>	<b>39,028</b>	<b>(61,970)</b>	<b>(100,998)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN FUND BALANCE</b>	<b>22,178</b>	<b>39,028</b>	<b>(61,970)</b>	<b>(100,998)</b>
Fund balance, beginning of year	2,041,337	2,041,337	2,041,337	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 2,063,515</b>	<b>\$ 2,080,365</b>	<b>\$ 1,979,367</b>	<b>\$ (100,998)</b>

Charter Township of Chocolay, Michigan

ROAD FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 428,935	\$ 428,935	\$ 392,223	\$ (36,712)
Licenses and permits	-	-	-	-
State sources	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	(1,121)	(1,121)
Other revenues	-	-	-	-
<b>TOTAL REVENUES</b>	<b>428,935</b>	<b>428,935</b>	<b>391,102</b>	<b>(37,833)</b>
<b>EXPENDITURES:</b>				
Public Works				
Streets	100,000	284,891	284,891	-
<b>TOTAL EXPENDITURES</b>	<b>100,000</b>	<b>284,891</b>	<b>284,891</b>	<b>-</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>328,935</b>	<b>144,044</b>	<b>106,211</b>	<b>(37,833)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN FUND BALANCE</b>	<b>328,935</b>	<b>144,044</b>	<b>106,211</b>	<b>(37,833)</b>
Fund balance, beginning of year	105,658	105,658	105,658	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 434,593</b>	<b>\$ 249,702</b>	<b>\$ 211,869</b>	<b>\$ (37,833)</b>

Charter Township of Chocolay, Michigan

LIBRARY MILLAGE FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 254,048	\$ 254,048	\$ 231,881	\$ (22,167)
Licenses and permits	-	-	-	-
State sources	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Other revenues	-	-	-	-
<b>TOTAL REVENUES</b>	<b>254,048</b>	<b>254,048</b>	<b>231,881</b>	<b>(22,167)</b>
<b>EXPENDITURES:</b>				
Recreation and Culture				
Library Millage	254,048	254,048	231,881	22,167
<b>TOTAL EXPENDITURES</b>	<b>254,048</b>	<b>254,048</b>	<b>231,881</b>	<b>22,167</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balance, beginning of year	-	-	-	-
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**OTHER SUPPLEMENTARY  
INFORMATION**

Draft

**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>			
Taxes:			
Current levy	\$ 921,662	\$ 855,549	\$ (66,113)
Payment in lieu of taxes	15,000	50,503	35,503
Tax collection fees	73,600	16,830	(56,770)
Total Taxes	<u>1,010,262</u>	<u>922,882</u>	<u>(87,380)</u>
Licenses and Permits:			
Animal licenses	200	331	131
Zoning permits	6,000	3,725	(2,275)
Total Licenses and Permits	<u>6,200</u>	<u>4,056</u>	<u>(2,144)</u>
Federal Sources:			
Grant revenue	344,662	-	(344,662)
Total Federal Sources	<u>344,662</u>	<u>-</u>	<u>(344,662)</u>
State Sources:			
Grant revenue	55,500	-	(55,500)
Metro revenue	-	-	-
State revenue sharing	549,331	673,962	124,631
Total State Sources	<u>604,831</u>	<u>673,962</u>	<u>69,131</u>
Local Sources:			
Grant revenue	-	-	-
Total Local Sources	<u>-</u>	<u>-</u>	<u>-</u>
Charges for Services:			
Franchise fees	88,000	82,071	(5,929)
Refuse collection	35,300	22,164	(13,136)
Total Charges for Services	<u>123,300</u>	<u>104,235</u>	<u>(19,065)</u>
Interest and Rents:			
Interest	25,000	(36,006)	(61,006)
Total Interest and Rents	<u>25,000</u>	<u>(36,006)</u>	<u>(61,006)</u>
Other Revenues:			
Ordinance fines and costs	12,000	5,345	(6,655)
Miscellaneous other	307,971	53,256	(254,715)
Total Other Revenues	<u>319,971</u>	<u>58,601</u>	<u>(261,370)</u>
<b>TOTAL REVENUES</b>	<u>2,434,226</u>	<u>1,727,730</u>	<u>(706,496)</u>



**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
<b>EXPENDITURES:</b>			
<b>GENERAL GOVERNMENT:</b>			
Board of Trustees:			
Personnel services	\$ 146,846	\$ 144,213	\$ 2,633
Other services and charges	63,760	55,683	8,077
Total Board of Trustees	<u>210,606</u>	<u>199,896</u>	<u>10,710</u>
Supervisor:			
Personnel services	17,569	12,661	4,908
Other services and charges	2,550	-	2,550
Capital outlay	-	-	-
Total Supervisor	<u>20,119</u>	<u>12,661</u>	<u>7,458</u>
Clerk:			
Personnel services	127,659	121,225	6,434
Supplies	600	102	498
Other services and charges	940	693	247
Capital outlay	-	-	-
Total Clerk	<u>129,199</u>	<u>122,020</u>	<u>7,179</u>
Technology:			
Personnel services	-	-	-
Supplies	-	-	-
Other services and charges	35,600	32,822	2,778
Capital outlay	53,275	28,878	24,397
Total Technology	<u>88,875</u>	<u>61,700</u>	<u>27,175</u>
Board of Review:			
Personnel services	2,153	1,615	538
Other services and charges	600	87	513
Total Board of Review	<u>2,753</u>	<u>1,702</u>	<u>1,051</u>
Treasurer:			
Personnel services	51,379	50,590	789
Supplies	5,700	5,487	213
Other services and charges	12,700	11,274	1,426
Capital outlay	-	-	-
Total Treasurer	<u>69,779</u>	<u>67,351</u>	<u>2,428</u>

**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
<b>Assessor:</b>			
Personnel services	\$ 16,896	\$ 11,697	\$ 5,199
Supplies	200	44	156
Other services and charges	54,600	52,095	2,505
Capital outlay	-	-	-
<b>Total Assessor</b>	<b>71,696</b>	<b>63,836</b>	<b>7,860</b>
<b>Election:</b>			
Personnel services	36,872	16,552	20,320
Supplies	18,475	16,294	2,181
Other services and charges	13,500	615	12,885
Capital outlay	6,000	2,843	3,157
<b>Total Election</b>	<b>74,847</b>	<b>36,304</b>	<b>38,543</b>
<b>Township Hall and Grounds:</b>			
Personnel services	283	283	-
Supplies	37,776	27,579	10,197
Other services and charges	39,150	38,874	276
Capital outlay	16,724	10,523	6,201
<b>Total Township Hall and Grounds</b>	<b>93,933</b>	<b>77,259</b>	<b>16,674</b>
<b>General Other:</b>			
Personnel services	300,518	283,045	17,473
Supplies	17,296	10,017	7,279
Other services and charges	69,927	69,407	520
<b>Total General Other</b>	<b>387,741</b>	<b>362,469</b>	<b>25,272</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>1,149,548</b>	<b>1,005,198</b>	<b>144,350</b>
<b>PUBLIC SAFETY:</b>			
<b>Police Department:</b>			
Personnel services	468,670	346,122	122,548
Supplies	45,050	18,103	26,947
Other services and charges	29,695	23,161	6,534
Capital outlay	33,000	230	32,770
<b>Total Police Department</b>	<b>576,415</b>	<b>387,616</b>	<b>188,799</b>

**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Fire Department:			
Personnel services	\$ 72,097	\$ 59,449	\$ 12,648
Supplies	53,850	48,660	5,190
Other services and charges	3,750	3,128	622
Capital outlay	-	-	-
Total Fire Department	<u>129,697</u>	<u>111,237</u>	<u>18,460</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>706,112</u>	<u>498,853</u>	<u>207,259</u>
<b>PUBLIC WORKS:</b>			
Streets:			
Supplies	1,750	684	1,066
Other services and charges	17,900	17,750	150
Total Streets	<u>19,650</u>	<u>18,434</u>	<u>1,216</u>
Refuse Collection:			
Personnel services	-	-	-
Supplies	-	-	-
Other services and charges	28,800	28,764	36
Total Refuse Collection	<u>28,800</u>	<u>28,764</u>	<u>36</u>
<b>TOTAL PUBLIC WORKS</b>	<u>48,450</u>	<u>47,198</u>	<u>1,252</u>
<b>COMMUNITY AND ECONOMIC DEVELOPMENT:</b>			
Zoning:			
Personnel services	72,853	69,968	2,885
Supplies	450	-	450
Other services and charges	2,750	611	2,139
Capital outlay	-	-	-
Total Zoning	<u>76,053</u>	<u>70,579</u>	<u>5,474</u>
Planning Commission:			
Personnel services	6,782	4,403	2,379
Supplies	-	-	-
Other services and charges	3,300	1,462	1,838
Total Planning Commission	<u>10,082</u>	<u>5,865</u>	<u>4,217</u>

**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Appeals Board (Zoning and Planning):			
Personnel services	\$ 2,326	\$ 558	\$ 1,768
Supplies	-	-	-
Other services and charges	2,150	510	1,640
Total Appeals Board (Zoning and Planning)	<u>4,476</u>	<u>1,068</u>	<u>3,408</u>
<b>TOTAL COMMUNITY AND ECONOMIC DEVELOPMENT</b>	<u>90,611</u>	<u>77,512</u>	<u>13,099</u>
<b>RECREATION AND CULTURE:</b>			
Parks and Properties:			
Personnel services	143,427	127,389	16,038
Supplies	35,600	23,965	11,635
Other services and charges	6,450	4,585	1,865
Capital outlay	215,000	5,000	210,000
Total Parks and Properties	<u>400,477</u>	<u>160,939</u>	<u>239,538</u>
<b>TOTAL RECREATION AND CULTURE</b>	<u>400,477</u>	<u>160,939</u>	<u>239,538</u>
<b>TOTAL EXPENDITURES</b>	<u>2,395,198</u>	<u>1,789,700</u>	<u>605,498</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>39,028</u>	<u>(61,970)</u>	<u>(100,998)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	-
Transfers (out)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN FUND BALANCE</b>	39,028	(61,970)	(100,998)
Fund balance, beginning of year	<u>2,041,337</u>	<u>2,041,337</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 2,080,365</u>	<u>\$ 1,979,367</u>	<u>\$ (100,998)</u>

**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

ROAD FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Property taxes	\$ 428,935	\$ 392,223	\$ (36,712)
Interest	-	(1,121)	(1,121)
Other	-	-	-
<b>TOTAL REVENUES</b>	<u>428,935</u>	<u>391,102</u>	<u>(37,833)</u>
<b>EXPENDITURES:</b>			
Public Works:			
Streets:			
Personnel services	-	-	-
Supplies	-	-	-
Other services and charges	-	-	-
Capital outlay	284,891	284,891	-
Total Streets	<u>284,891</u>	<u>284,891</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>284,891</u>	<u>284,891</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>144,044</u>	<u>106,211</u>	<u>(37,833)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	-
Transfers (out)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN FUND BALANCE</b>	144,044	106,211	(37,833)
Fund balance, beginning of year	<u>105,658</u>	<u>105,658</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 249,702</u>	<u>\$ 211,869</u>	<u>\$ (37,833)</u>

**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

LIBRARY MILLAGE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Property taxes	\$ 254,048	\$ 231,881	\$ (22,167)
Interest	-	-	-
Other revenues	-	-	-
<b>TOTAL REVENUES</b>	<u>254,048</u>	<u>231,881</u>	<u>(22,167)</u>
<b>EXPENDITURES:</b>			
Recreation and Culture:			
Library Millage:			
Contractual services	254,048	231,881	22,167
Other services and charges	-	-	-
Capital outlay	-	-	-
Total Library Millage	<u>254,048</u>	<u>231,881</u>	<u>22,167</u>
<b>TOTAL EXPENDITURES</b>	<u>254,048</u>	<u>231,881</u>	<u>22,167</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	-
Transfers (out)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Charter Township of Chocolay, Michigan**

MAJOR GOVERNMENTAL FUNDS

CAPITAL IMPROVEMENT FUND

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended December 31, 2022

**REVENUES:**

Federal sources	\$ 209,300
State sources	6,016
Local sources	115,000
Interest	28,661
Insurance proceeds	-
Other	10,733
	<u>369,710</u>
<b>TOTAL REVENUES</b>	<u>369,710</u>

**EXPENDITURES:**

Capital Outlay:	
General Government	
Clerk	-
Technology	-
Treasurer	-
Assessor	-
Election department	-
Township building and grounds	29,499
Other general Government	57,019
Public Safety	
Police department	55,206
Fire department	10,842
Public Works	
Streets	-
Water and sewer	-
Community and Economic Development	
Zoning and planning	-
Recreation and Culture	
Recreation	-
	<u>152,566</u>
Total Capital Outlay	<u>152,566</u>
<b>TOTAL EXPENDITURES</b>	<u>152,566</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>217,144</u>

**OTHER FINANCING SOURCES (USES):**

Transfers in	-
Transfers (out)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>

**CHANGES IN FUND BALANCE** 217,144

Fund balance, beginning of year 411,935

**FUND BALANCE, END OF YEAR** \$ 629,079

**Charter Township of Chocolay, Michigan**

NON-MAJOR GOVERNMENTAL FUNDS

FIRE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Property taxes	\$ -	\$ -	\$ -
Interest	-	-	-
Other	-	-	-
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES:</b>			
Public Safety:			
Fire Department:			
Personnel services	-	-	-
Supplies	-	-	-
Other services and charges	-	-	-
Capital outlay	-	-	-
Total Fire Department	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	-
Transfers (out)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



**Charter Township of Chocolay, Michigan**

NON-MAJOR GOVERNMENTAL FUNDS

DRUG LAW ENFORCEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended December 31, 2022

	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Property taxes	\$ -	\$ -	\$ -
Interest	-	34	34
Other	-	1,405	1,405
<b>TOTAL REVENUES</b>	<u>-</u>	<u>1,439</u>	<u>1,439</u>
<b>EXPENDITURES:</b>			
Public Safety:			
Drug Law Enforcement:			
Personnel services	-	-	-
Supplies	-	-	-
Other services and charges	-	-	-
Capital outlay	-	-	-
Total Drug Law Enforcement	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>1,439</u>	<u>1,439</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	-
Transfers (out)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN FUND BALANCE</b>	<u>-</u>	<u>1,439</u>	<u>1,439</u>
Fund balance, beginning of year	<u>2,487</u>	<u>2,487</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u><u>\$ 2,487</u></u>	<u><u>\$ 3,926</u></u>	<u><u>\$ 1,439</u></u>

**COMPLIANCE SUPPLEMENTS**

Draft



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

To the Board of Trustees of the  
Charter Township of Chocoday, Michigan  
5010 US Highway 41 South  
Marquette, Michigan 49855

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Township of Chocoday, Michigan, (herein referred to as "the Township"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 5, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying report to management as item 2022-001 that we consider to be significant deficiencies.

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

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Township's Response to Findings**

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

## **Purpose of This Report**

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

*Anderson, Tackman & Company, PLLC*  
Certified Public Accountants

June 5, 2023

**COMMUNICATIONS SECTION**

Draft



***Charter Township of Chocolay, Michigan***  
***Report to Management***  
For the Year Ended December 31, 2022

To the Board of Trustees and Management of the  
Charter Township of Chocolay, Michigan  
5010 US Highway 41 South  
Marquette, Michigan 49855

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Chocolay, Michigan (the Township) as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in internal control to be significant deficiencies:

**SIGNIFICANT DEFICIENCIES**

**2022-001 ASSIST IN PREPARING FINANCIAL STATEMENTS AND FOOTNOTES (REPEAT)**

**Condition/Criteria:** Statement on Auditing Standards #115 requires us to communicate in writing when a client requires assistance to prepare the financial statements and footnotes required in the annual audit report in accordance with accounting principles generally accepted in the United States of America.

**Cause of Condition:** The Township did not have adequate staffing and/or time to prepare all the information included in the annual financial statements.

**Effect of Condition:** We assisted management with the external financial reporting responsibility to ensure their financial statements are in accordance with GAAP.

**Recommendation:** We do not recommend any changes to this situation at this time and communicate this as required by professional standards.

**Management Response – Corrective Action Plan:**

- Contact Person(s) Responsible for Correction:
  - Supervisor/Board of Trustees
- Corrective Action Planned:
  - See separate Corrective Action Plan
- Anticipated Completion Date:
  - Not applicable

The Township's written response to the significant deficiencies identified in our audit has not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

*Anderson, Tackman & Company, PLLC*  
Certified Public Accountants

June 5, 2023



***Charter Township of Chocolay, Michigan***  
*Communication with Those Charged with Governance*  
*For the Year Ended December 31, 2022*

June 5, 2023

To the Board of Trustees of the  
Charter Township of Chocolay, Michigan  
5010 US Highway 41 South  
Marquette, MI 49855

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Chocolay, Michigan (the Township) for the year ended December 31, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 20, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Township are described in the notes to financial statements. Newly adopted GASB standards are disclosed in the notes to the financial statements. We noted no transactions entered into by the Township during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of accumulated depreciation is based on historical cost and estimated useful life. We evaluated the key factors and assumptions used to develop the accumulated depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.



Management's estimate of the accrued sick and vacation is based on employee pay rates and the various subsidiary ledgers maintained for hour balances. We evaluated the key factors and assumptions used to develop the accrued employee benefit balances in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Net Pension Liability is based on an actuarial valuation performed for the Municipal Employees' Retirement System of Michigan to determine its liability. We evaluated the key factors and assumptions used to develop the Net Pension Liability, based on information provided by GRS Retirement Plan Services, in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Defined Benefit Pension Plan in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. GRS Retirement Plan Services was the actuarial company hired for preparation of the annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included in their report.

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

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

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

#### *Corrected and Uncorrected Misstatements*

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

#### *Disagreements with Management*

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

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated June 5, 2023.

### *Management Consultations with Other Independent Accountants*

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

### *Other Audit Findings or Issues*

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

Our consideration of internal control was for the limited purpose described in an accompanying letter and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Report to Management that we consider to be significant deficiencies (item 2022-001).

As part of obtaining reasonable assurance about whether the Township’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Other Matters

We applied certain limited procedures to the Required Supplementary Information, as listed in the table of contents, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Other Supplementary Information, as listed in the table of contents, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in

Board of Trustees of the  
Charter Township of Chocolay, Michigan

relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Very truly yours,

*Anderson, Tackman & Company, PLLC*  
Certified Public Accountants

Draft



5010 US 41 South  
Marquette, MI 49855

Corrective Action Plan  
For the Year Ended December 31, 2022

June 5, 2023

In response to the findings disclosed in the audited financial statements for the fiscal year ended December 31, 2022:

**2022-001 ASSIST IN PREPARING FINANCIAL STATEMENTS AND FOOTNOTES (REPEAT)**  
**Corrective Action Plan:**

The Township has evaluated the possibility of preparing the financial statements and has concluded that currently the Township staff does not have sufficient time and/or personnel available to prepare the financial statements and footnotes. Management is involved with preparing the Management's Discussion and Analysis. Additionally, management reviews and approves the financial statements prepared by Anderson, Tackman & Company, PLC prior to issuance and submission to the Michigan Department of Treasury. We do not foresee the need for any changes to this procedure at this time.



**Capital Improvement Fund Budget Amendment #1  
Allocation of KBIC 2% Gaming Funds**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Capital Improvement Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and

Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
<b>REVENUE</b>			
KBIC 2% Gaming Money			
401.000.582	\$ -	\$ 125,000.00	\$ 125,000.00
<b>EXPENDITURE</b>			
Fire Department Vehicles			
401.340.981	\$ 246,535.00	\$ 125,000.00	\$ 371,535.00

ROLL CALL VOTE

AYES:

NAYS:

Author: Suzanne Sundell

Date: 06/12/2023



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**Issue Brief: Budget Adjustment – Allocation of KBIC 2% to Funds**

Meeting: Discussion June Board Meeting

Date: June 12, 2023

**Issue Summary:**

In January, 2% gaming monies were received from the Ojibwa Casino – Keweenaw Bay Indian Community in the amount of \$125,000.

**Analysis:**

The Township historically requests these funds to assist with capital purchases and non-operating costs. These requests are based on projects or purchases that the Township is anticipating, which in this case is SCBA Paks which have been quoted at a total cost of \$158,575.75.

**Recommendation:**

It is recommended that the Township Board amend the Capital Improvement Fund budget to fund the purchase of these packs.

---

Author: Suzanne Sundell

Date: 06/12/23



**Capital Improvement Fund Budget Amendment #2  
Insurance Claim for 2021 Silverado**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Capital Improvement Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and

Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
REVENUE			
MMRMA - Distributions / Grants			
401.000.586	\$ -	\$ 5,519.39	\$ 5,519.39
EXPENDITURE			
Other General Government			
Miscellaneous			
401.285.956	\$ -	\$ 5,519.39	\$ 5,519.39

ROLL CALL VOTE

AYES:

NAYS:

Author: Suzanne Sundell

Date: 06/12/2023



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**Issue Brief: Budget Adjustment – Insurance Adjustment for 2021 Silverado**

Meeting: Discussion June Board Meeting

Date: June 12, 2023

**Issue Summary:**

Chocolay Township has received reimbursement from our insurance company (MMRMA) in the amount of \$5,519.39 for damages incurred on our DPW 2021 Chevy Silverado in January / February of 2023. The bumper damage resulted from a plowing accident.

**Analysis:**

Repairs to the Silverado were completed in April 2023 with final billing submitted to the insurance company. The insurance claim was paid directly to the Township, and checks were then cut for the vendor along with the deductible for both incidents.

**Recommendation:**

It is recommended that the Board amend the 2023 budget to adjust for payment of the repair bill with the insurance funds.

---

Author: Suzanne Sundell

Date: 06/12/23





**Capital Improvement Fund Budget Amendment #3  
Allocation of Cell Tower Rent**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Capital Improvement Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and

Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
<b>REVENUE</b>			
Rent			
401.000.670		\$ 8,250.00	\$ 8,250.00
<b>EXPENDITURE</b>			
Recreation & Properties			
Land Improvements			
401.756.972	\$ 3,000.00	\$ 8,250.00	\$ 11,250.00

ROLL CALL VOTE

AYES:

NAYS:

Author: Suzanne Sundell

Date: 06/12/2023



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**Issue Brief: Budget Adjustment – Allocation of Cell Tower Rent**

Meeting: Discussion June Board Meeting

Date: June 12, 2023

**Issue Summary:**

Chocolay Township receives monthly rent from American Tower for rental of the cell tower parcel.

**Analysis:**

Rent received from American Tower has historically been allocated to the capital improvement fund for Recreation and Properties and used for land improvements at Silver Creek.

**Recommendation:**

It is recommended that the Board amend the 2023 budget to allocate the first 6-months of cell tower rent to increase the land improvement fund for the Silver Creek Recreation Area.

---

Author: Suzanne Sundell

Date: 06/12/23



**Capital Improvement Fund Budget Amendment #4  
Sale of Old Fire Truck**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Capital Improvement Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and  
Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
<b>REVENUE</b>			
Miscellaneous			
401.000.698	\$ -	\$ 12,500.00	\$ 12,500.00
<b>EXPENDITURE</b>			
Fire Department Vehicles			
401.340.981	\$ 371,535.00	\$ 12,500.00	\$ 384,035.00

ROLL CALL VOTE

AYES:

NAYS:

Author: Suzanne Sundell

Date: 06/12/2023



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**Issue Brief: Budget Adjustment – Sale of Old Fire Truck, Unit 2142**

Meeting: Discussion June Board Meeting

Date: June 12, 2023

**Issue Summary:**

In July of 2022, Chocolay Township Board approved the 24-year-old Pierce as surplus property and empowered the Township Manager and Fire Chief to sell this truck once the replacement engine was delivered. After a month long advertising period, Wells Township in Marquette County was the only agency interested in the purchase of the fire vehicle.

**Analysis:**

Inquiries were made around the local community, and Wells Township in Marquette County put in an offer of \$12,500. This was accepted, and as of April of 2023 the money was received and title turned over.

**Recommendation:**

It is recommended that the Board amend the 2023 budget to allocate the \$12,500 into the Capital Improvement Fund for the Fire Department – Vehicles.

---

Author: Suzanne Sundell

Date: 06/12/23



**Capital Improvement Fund Budget Amendment #5  
Grant Money from Marquette County Police &  
Firefighter Fund - Police**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Capital Improvement Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and

Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
<b>REVENUE</b>			
Miscellaneous			
401.000.698		\$ 1,500.00	\$ 1,500.00
<b>EXPENDITURE</b>			
Police Department			
Equipment			
401.305.977	\$ 62,205.00	\$ 1,500.00	\$ 63,705.00

ROLL CALL VOTE

AYES:

NAYS:

Author: Suzanne Sundell

Date: 06/12/2023



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**Budget Adjustment – Grant Money from Marquette County Police & Fund**

Meeting: Discussion June Board Meeting

Date: June 12, 2023

**Issue Summary:**

Each year, the Marquette County Police & Firefighters’ Fund hosts a fundraiser that supports various charities and honors the county’s first responders. Part of this process is reaching out to the police and fire departments within the county to consider where funds are needed to help with new equipment, training, etc.

**Analysis:**

Funding has been received from Marquette County Police and Firefighters’ on the award of a \$1,500 grant to be used for purchase of equipment.

**Recommendation:**

It is recommended that the Board amend the Capital Improvement Fund – Police for CPR equipment.

---

Author: Suzanne Sundell

Date: 06/12/23



**General Fund Budget Amendment #3  
Grant Money – Police Department – OT Reimbursement**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated General Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and

Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
<b>REVENUE</b>			
Miscellaneous			
101.000.698	\$ 33,350.00	\$ 7,041.61	\$ 40,391.61
<b>EXPENDITURE</b>			
Police Department			
Overtime			
101.305.713	\$ 25,000.00	\$ 7,041.61	\$ 32,041.61

ROLL CALL VOTE

AYES:

NAYS:

Author: Suzanne Sundell

Date: 06/12/2023



---

**Budget Adjustment – Overtime Reimbursement - Police**

Meeting: Discussion June Board Meeting

Date: June 12, 2023

**Issue Summary:**

The police department participates in various grants throughout the year that result in overtime pay. This funding is paid for by the MCTV / Drive Safely Program.

**Analysis:**

The police department receives this funding from the State for full reimbursement for officers' overtime for Safety Belt Enforcements, Impaired Enforcement, and others. This does not cost the Township anything as it is a full reimbursement program.

**Recommendation:**

It is recommended that the Board amend the General Fund budget for the reimbursement of overtime in order to continue to participate with area law enforcement.

---

Author: Suzanne Sundell

Date: 06/12/23





**General Fund Budget Amendment #4  
Grant Money from Marquette County Police &  
Firefighter Fund - Fire**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Capital Improvement Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and

Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
<b>REVENUE</b>			
Miscellaneous			
101.000.698	\$ -	\$ 1,400.00	\$ 1,400.00
<b>EXPENDITURE</b>			
Fire Department			
Equipment			
101.340.957	\$ 90,000.00	\$ 1,400.00	\$ 91,400.00

ROLL CALL VOTE  
 AYES:  
 NAYS:

Author: Suzanne Sundell  
 Date: 06/12/2023



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**Motion - Fire Department Grant Acceptance for Thermal  
Cameras**

Meeting: Board Meeting June 12<sup>th</sup> 2023

**AUTHORIZATION TO EXPEND:**

**Motion By:** \_\_\_\_\_ **Supported By:** \_\_\_\_\_ authorizing the Township Manager to work with the Fire Chief in ordering the necessary Thermal Cameras in accordance with the grant application, and draw the funds from the Fire Department's Capital budget line item – 101.341.957.

ROLL CALL VOTE

AYES:

NAYS:



## Chocolay Township Fire-Rescue

5010 U.S. 41 S.  
 Marquette, MI 49855  
 (906) 249-1448  
 Email: [fire@chocolay.org](mailto:fire@chocolay.org)  
<http://www.chocolay.org/fire/fire.php>

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### Issue Brief: Fire Department Grant Acceptance for PPE

Meeting: Discussion June Board Meeting

Date: June 5, 2023

#### Issue Summary:

Should the Chocolay Township Board of Trustees accept the \$1,400 donation from the Marquette County Police and Firefighters Fund and put the money into the Fire Department Capital Improvement Budget for the purchase of two Seek Thermal Imaging Cameras.

#### Background:

Each year the Marquette County Police and Firefighters Fund holds a fundraiser that supports various charities and honors the counties first responders. The Executive Team reached out to the police and fire departments within the county to gauge ways they could help by allocation remaining funds to departments for new equipment, training, etc.

The fire department wrote a grant to The Marquette County Police and Firefighters Fund for \$1,400 for the cost of two new Seek Thermal Imaging Cameras. One camera will be placed in each of our two-frontline apparatus. Command officers can use them on calls to determine fire location on the initial scene size up. Once size up is complete, firefighters can use them searching for victims, fire locations and finding their way to safety should they have an emergency in a fire. We received a letter from The Marquette County Police and Firefighters Fund along with a check for \$1,400 as a donation to the fire department.

#### Analysis:

This donation of funds was not anticipated in our annual operating budget and will not have a negative financial impact on the township. The fire department is requesting the \$1,400 be accepted by the Board of Trustee and be put into our capital outlay Grant Funding 341.957. This would not create additional burden on the departmental budget.

#### Recommendation:

The fire department is requesting Chocolay Township Board of Trustees accept the \$1,400 donation from The Marquette County Police and Firefighters Fund. We are requesting the funds be allocated to our annual operating budget for the purchase of two Seek Thermal Imaging Cameras.

---

Author: Lee Gould

Date: 06/05/2023



**Road Fund Budget Amendment #1  
Increase in Road Fund Revenue**

Meeting: June Board Meeting

Date: June 12, 2023

\_\_\_\_\_ moved, \_\_\_\_\_ supported that:

Whereas, a budget was adopted by the Chocolay Township Board to govern the anticipated Road Fund expenditures of the Township on December 12, 2022 for fiscal year 2023; and

Whereas, as a result of unanticipated changes in revenues and / or expenditures, it is necessary to modify the aforesaid budget between revenues and expenditures,

Now Therefore, Be It Hereby Resolved, that the FY2023 budget be modified as follows:

	PREVIOUS	CHANGE (+ / -)	AMENDED
REVENUE			
Miscellaneous			
204.000.402	\$ 409,480.00	\$ 16,520.00	\$ 426,000.00
EXPENDITURE			
Police Department			
Equipment			
204.440.957	\$ 426,000.00	\$ -	\$ 426,000.00

ROLL CALL VOTE

AYES:

NAYS:

Author: Suzanne Sundell

Date: 06/12/2023



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**Budget Adjustment – Adjustment in Road Fund Revenue**

Meeting: Discussion June Board Meeting

Date: June 12, 2023

**Issue Summary:**

With the signing of the Construction Agreement with the Road Commission, it has become necessary to increase the revenue side of the Road Fund.

**Analysis:**

As part of the Road Improvement Spending Plan (FY 2023 – 2032) which was approved by the Board at the October 10, 2022 meeting, we enter into a Construction Agreement with the Marquette County Road Commission to coordinate the road construction projects within the County. In doing so, we have found that we will need to increase the revenue side of the project to cover cost.

**Recommendation:**

It is recommended that the Board amend the Road Fund budget.

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Author: Suzanne Sundell

Date: 06/12/23



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## Issue Brief: Budget Priorities Update and Discussion

Meeting: Discussion June Board Meeting

Date: June 12, 2023

### Issue Summary:

Should the Board discuss the budget priorities for 2024?

### Background:

Shortly after the current Board was seated, January 11, 2021, a budget priorities discussion took place. During this discussion the Board discussed overall strategic priority criteria and project-based initiatives. The information contained in this brief will attempt to represent the status of the operations to those priorities and projects.

### Update:

The Board reviewed the strategic direction based on fifteen priority criteria contained in the Master Plan. The criteria were intended to give the Township a general direction of where the Board would like the most impact over their four-year tenure. The criteria are:

1. Strengthen critical systems and public health: projects linked to critical human and environmental needs relating to water, food, energy, mobility, and public safety systems.
2. Integration with other jurisdictions. This is defined as developing strong relationships with partners to accomplish projects that help the region move forward.
3. Sustainability or resilience over time. Recognizing that many projects last over one year to help move the Township forward.
4. Renewable resources should be increased to provide greater sustainability by reducing dependance on non-renewable resources.
5. Catalytic opportunity, or in other words, greater potential for catalytic economic, environmental, or social impact or change.

Then the Board discussed some targeted projects to accomplish over a four-year period.

1. Water System/ Septic system replacement and the Township securing funding to reduce any potential health harm to the residents.
2. Asset management plans for vehicles within the Public Works, Police, and Fire Departments.
3. Melding the Master Plan priorities with the Zoning Ordinance especially for agriculture.
4. A Community Center.

Each subsequent year the budgets have started to represent projects that meet one if not more of these strategic goals to slowly change our community. Let's examine some of the major accomplishments so far:

1. The sewer upgrade project. This was a 3.5-million-dollar upgrade to improve the critical infrastructure, health, and safety for those within the sewer system and for the Township economically. This project targeted many of the priorities listed above.

2. Master Plan Update of 2021. Working with the Planning Commission to understand that the strategies identified by the public in 2013 were never tested or made into zoning policy. The Planning Commission adopted the 2021 Master Plan and has started a full review of the Zoning Ordinance to align the two documents to start policy that reflects the community vision.
3. The Planning Commission and staff have been establishing new relationships with our community partners, the County Building Department, the County Health Department, the County Drain Commission, and others to suggest ordinance revisions that can connect the master plan vision with an enforceable stance.
4. The Planning Commission and the Board are working on ordinance revisions. The Planning Commission has drafted changes to the agricultural/ forestry district that will improve and grow the principal opportunity of agricultural uses. With these options, our residents will be able to meet all the strategic items listed above. (The draft is attached)
5. A water study was conducted but unfortunately the outcome was not a solid option for the Township to continue to pursue. The results listed ways for our residents to apply for additional funding with the County Health department on an individual basis, but unfortunately there is not a solid regional funding source.
6. Changing the administration to align with the Board direction. This has taken a few years to accomplish, but the administration is now more representative of the Board direction. Each of our team members has responsibilities that require regional engagement, connections, and are volunteering for regional stakeholder positions. We have changed our pay and benefit structure to create a sustainable workplace for our employees. We have capitalized on recent changes in economic policy by creating a centralized grants management structure to ensure new revenue for critical systems replacement and asset management.
7. Catalytic opportunity was the last priority, but one that probably represents the most unseen but felt priority to our public. By improving our workplace, and our regional connections, our community is changing. Chocoday Township over the last four years has been one of the highest property sales communities within our region. We have seen an increase in development requests. Our employees have had to become more skilled and educated. To this point, we are still in control of our development and able to be nimble enough to suggest policy change that encourages controlled catalytic opportunity. We have been targeted and methodical about growth, to ensure proper environmental stewardship and not creating a different environmental problem.

**Analysis:**

The Township Board reviewed these priorities when the Board was seated in 2020. It is proper to reflect on the accomplishments during each budget cycle to ensure the course still meets expectations. Each of the major accomplishments listed above had many smaller pieces and are meant to show the strategic direction of the administration in responding to the priorities of this Board. The upcoming year will be an election year and potential change in direction. The direction should be discussed so a proper budget can be developed for the remaining two budget cycles.

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Author: William De Groot

Date: 6/7/23



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**Suggested Resolution:**

Meeting: June Board Meeting

Date: 6/6/2023

**Suggested Motion:**

\_\_\_\_\_ Moved; \_\_\_\_\_ Supported that the Chocolay Township Board approves the proposal from Timber Ridge Construction to replace the siding on the Township Office Complex. The total cost shall not exceed \$90,000.00.

Vote:





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**Issue Brief:**

Meeting: Discussion June Board Meeting

Date: 6/6/2023

**Issue Summary:**

Request to spend capital money out of the hall and grounds budget.

**Background:**

The wood siding on the Township office complex is in constant need of maintenance. The police and meeting room side gets a lot of abuse from the road salt and dirt and the south wall gets a lot of abuse from the sun. Our maintenance schedule is to repaint it every two years. The siding has reached a point where paint is not going to make it look good again. We have a lot of boards that are past their useful life. We have no fall restraint equipment in place to do any maintenance to the cupola, which is now in disrepair.

I feel that now is the time to upgrade with a more maintenance free product. This project is part of the 2023 capital budget. Over the last two months staff put this out to bid and sent it directly to 7 companies and posted it at the builder's exchange.

**Analysis:**

Upon bid closing, the Township only received two bids. Both bids suggested a composite product that is much more durable product than wood, vinyl, aluminum, or steel. The engineered composite siding forever eliminates painting or caulking. It is highly resistant to sun fading and is excellent in harsh/wet environments. Everlast siding never bows, warps splits or swells. Everlast composite siding comes with a 50-year warranty.

**Recommendation:**

I am suggesting to the Township Board that they consider the authorization to award the siding contract to Timber Ridge Construction. The overall cost is not to exceed \$90,000.00.

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Author: Brad Johnson

Date: 6/6/2023

**CHOCOLAY TOWNSHIP  
PLANNING COMMISSION  
Monday, May 15, 2023 Minutes**

**I. Meeting Call to Order**

Chair Ryan Soucy called the meeting to order at 6:00 PM.

**II. Roll Call**

Members present at roll call:

Ryan Soucy (Chair)  
George Meister (Vice Chair)  
Rebecca Sloan (Vice Secretary)  
Don Rhein (Board)  
Stephanie Gencheff  
Kendall Milton

Members absent at roll call:

Donna Mullen-Campbell (Secretary)

Staff present:

Richard Bohjanen (Township Supervisor), Bill DeGroot (Township Manager), Dale Throenle (Planning Director / Zoning Administrator)

**III. Additional Agenda Items / Approval of Agenda**

Rhein requested that new business agenda items be moved before the unfinished agenda items.

*Rhein moved, Gencheff seconded, to approve the agenda as changed.*

*Vote: Ayes: 6 Nays: 0 Motion carried*

**IV. Minutes**

**A. April 17, 2023 Meeting**

*Meister moved, Gencheff seconded, to approve the April minutes as written.*

*Vote: Ayes: 6 Nays: 0 Motion carried*

**V. Public Comment**

Maggie Johnson, 317 Lakewood Lane

Spoke in support of permitting detached accessory dwelling units in the Township.

**VI. Presentations**

None

## **VII. New Business**

### **A. Conditional Use Permit CU 23-11 – JX Truck Center**

Meister stated he had a potential conflict of interest with the project as he is employed by GEI and he was involved in the site plan for the project. The Commissioners voted to recuse him from the discussion.

*Meister moved, Rhein seconded, to recuse Meister from the conditional use discussion.*

*Vote: Ayes: 6 Nays: 0 Motion carried*

#### **Staff Introduction**

Throenle stated the reason for the conditional use request was that JX Trucking is changing the use of the former Blondeau property from the existing use of a trucking facility to a truck sales and rentals, truck repair, and parts sales at the location.

#### **Public Hearing**

##### **Commissioner Decision**

*Rhein moved, Sloan seconded, to open the public hearing.*

*Vote: Ayes: 5 Nays: 0 Motion carried*

##### **Public Comment**

Olivia Carlson, 160 East Wright Street

Had questions regarding the replacement of the fence between the project parcel and her property.

Nancy Fradette, 126 West Terrace

Spoke on both her and her husband's behalf. She stated that they had written comments on the project (included with the agenda materials), and wanted to reinforce their position that they were opposed to the project, especially regarding water concerns, noise, and diesel fumes.

James Fradette, 126 West Terrace

He added to his wife's comments that he was concerned about fuel dumping on site as part of the new project and expressed concerns regarding the effect on his well.

Carl Besola, 6262 US 41 South

He spoke in support of the project.

##### **Commissioner Decision**

*Rhein moved, Sloan seconded, to close the public hearing.*

*Vote: Ayes: 5 Nays: 0 Motion carried*

##### **Commissioner Discussion**

Throenle reviewed the documents presented in the packet regarding the project. He

stated the project would be located in the commercial zoning district with the addition of the mixed use overlay district. He stated there were no staff objections to the project; however, staff recommended that the proposed extended hours be shortened to 11 PM to conform with the times detailed in Township *Ordinance 68*.

Soucy requested an overview of the project from the applicant.

The applicant stated that there would not be any fuel on site, and that the applicant operates in similar zoning districts throughout their service area. The applicant stated that they have been in business since 1970 and did not have any violations in any of their locations. The applicant added that they have 1,350 employees and are located in four states. He added they are moving their operations from Negaunee and a showroom would be added to the current building on the site.

Soucy went through the standards outlined in the packet and explained that the standards were part of the conditional use process. He read the first standard and the related staff comments. Milton stated he had no problem with the first standard.

Sloan asked how many trucks would be entering and exiting the site, and if the traffic was coming off US 41 South. Gencheff asked if the trailers would be on trucks. The applicant stated that the traffic would be roughly 18 to 20 trucks, similar to what was there previously, with the limit being the number of bays available for repair. The applicant replied that the trucks would also include large delivery trucks, and possibly trucks with trailers.

Soucy asked the Commissioners about the proposed hours. Commissioners decided that the hours should be set to 11 PM; the applicant stated that would not be a problem.

Soucy asked about the due care compliant plan. The applicant stated that the plan was in place for the previous owner, and that the new owner would comply with all parts of the plan.

Sloan asked about the above ground tank removal; the applicant stated that the tank would be removed. Gencheff asked about the removal of contaminated soil; the applicant stated that the soils had been remediated in the past and were still being analyzed to ensure removal of any contamination.

Gencheff asked if the contaminated area would be paved over; the applicant stated yes, and that it would limit infiltration of surface water to the contaminated area. Sloan asked if the contaminated soils would be removed prior to the paving; the applicant stated that they would remove the soil if any contaminated soils were found.

Gencheff asked about storage of hazardous waste. The applicant responded that there will be an above ground tank for oil disposal and batteries, both of which will be removed from the site by licensed contractors.

Soucy asked about existing or proposed floor drains. The applicant responded that there are drains in the existing building within the shop floor and in the restrooms, but not in areas where there would be hazardous materials.

Soucy asked about the first condition as discussed. Commissioners agreed that there was not an issue with that.

For the second standard, Soucy asked about the use changing the character of the surrounding area; Commissioners did not have a problem with that.

For the third standard, Soucy asked about the potential interference with the general enjoyment with adjacent properties. Rhein stated that there would be an improvement based on what the applicant has presented. Sloan added that it met the general usage of the commercial district.

For the fourth standard, Soucy asked if the property would be improved; Commissioners agreed that it would.

For the fifth standard, Soucy asked if the use would be hazardous to neighboring properties. Rhein felt that the applicants addressed that adequately. Gencheff asked about the storage of diesel fuel; the applicant stated that there would not be a use for diesel fuel on site. Commissioners agreed that hazards would not be an issue.

For the sixth standard, Soucy asked if the use would generate a need for additional government services. Gencheff asked about stormwater in the rear of the property; the applicant stated that a detention pond would be installed to capture the runoff. Commissioners agreed that there would not be a need for additional services.

For the seventh standard, Soucy asked if the use met the general conditions of the zoning ordinance and master plan; Commissioners agreed that it did.

For the eighth standard, Soucy asked if the use met the requirements of Federal, State and other local ordinances; Commissioners agreed that it did.

Soucy asked the applicant if applications were in for all other required permits; the applicant replied they were in progress.

Soucy asked the Commissioners if there were any conditions to add to the use; Rhein responded that the 11 PM deadline for the proposed hours should be included.

#### **Commissioner Decision**

*Soucy moved, Rhein seconded, that after Commissioner and staff review and analysis in consideration of Conditional Use application CU 23-11, and the understanding that the proposed use is compliant with all terms of Section 16.2 Conditional Use Permits Basis of Determination and General Standards and the intent of the Township Zoning Ordinance, the Planning Commission approves Conditional Use Permit 23-11 with the following conditions:*

- 1) *Shall not commence repair operations between 11 PM and 7 AM.*

*Vote: Ayes: 5 Nays: 0 Motion carried*

#### **B. Final Site Plan Review Application SR 23-12 – JX Enterprises, Inc.**

##### **Staff Introduction**

Throenle reviewed the final site plan staff report for the JX Truck Center regarding a proposed trucking facility that will be located on US 41 South at the former Blondeau property. He stated that the plan was for a facility that would sell, rent, and repair trucks, and that would also be set up to sell truck parts. He requested that the applicant provide

more detail on snow removal and stormwater flow, and suggested that the applicants consider permeable solutions where possible for the project.

### **Commissioner Discussion**

Gencheff asked about the retention pond location; the applicant stated that it would be located in the far east corner of the parcel as shown on page C-130 of the submitted site plans. Soucy stated he was not clear as to how drainage would go to the north of the property as shown on C-120; the applicant stated that C-120 showed existing, and page C-150 showed the proposed.

Soucy asked about snow storage and dumpster location. The applicant stated that C-130 showed the dumpster location. The applicant stated that snow storage would be moved to the south if necessary.

Sloan asked about the parking spots along the rear of the property; the applicant stated that the parking spots were not in the setback.

Sloan asked about the entrance into the property. The applicant stated that the easement was north of the Dry Dock.

The applicant presented the plan starting with page G-130. The applicant started with the traffic flow into the property. The applicant added that trucks in for repair would be located in the back of the property. The applicant stated that the north cut-through to the surrounding neighborhood would be removed and sodded, and that a fence would be installed as a separation between the applicant and the neighbors.

The applicant stated that the contractors and all working on the site would be required to follow the due care compliant plan.

The applicant explained the details of the architectural plans shown on the plans. The applicant added that a business sign would be placed on the property so that traffic on the highway could see it.

The applicant covered removal and demolition, including the above ground tanks, parking, paving, and general location of items on the site.

The applicant covered snow storage and general site grading. Soucy asked where the stormwater went after it left the site; the applicant stated it went into a wet area, then eventually into the creek.

The applicant covered the utility plan, including the water and sewer connections, and landscaping.

The applicant stated that the lighting would be contained within the property. Rhein asked if the lighting would be downcast; the applicant stated yes. Gencheff expressed a concern that there would be a large casting distance based on the location on the poles. The applicant stated that the lights would be casting light toward the site that would provide site security and site safety.

Soucy asked if there would be a key provided for the fire department for site access; the applicant stated that a lock box would be provided.

The applicant covered the site boring details and the remaining construction areas.

Gencheff asked about the fencing; the applicant stated that it would be either a wood or vinyl privacy fence. Gencheff asked if there was a problem with the fencing in relation to the light at other locations. The applicant stated that the truck lights would not be an issue as they are generally three feet or less in height. Gencheff expressed a concern that the residents will see the light; Sloan added that the residents will see the ambient light. Sloan asked if the lights could be further in from the setback; the applicant stated that it would create a problem for snow removal and movement on the site based on the concrete base for the lights.

Soucy asked the capacity size of the detention pond. The applicant stated that it was sized to contain nearly the same amount of discharge that is currently being discharged from the site.

### **Commissioner Decision**

*After Commissioner review, Rhein moved, Sloan seconded, that Site Plan Review Application SR 23-12 be approved as presented.*

*Vote: Ayes: 5 Nays: 0 Motion carried*

## **C. Planning Commission Training – Site Plan Review.**

### **Staff Introduction**

Township Manager Bill DeGroot presented training materials on site plan review as the Planning Commissioners requested.

Sloan asked about the concerns about stormwater. DeGroot stated that stormwater should be considered regardless of what other agencies did as the Township should be concerned with the effects. Meister added that the County Drain Commissioner did not do site plan reviews for stormwater, and that those plans would be sent to outside consultants to make that determination. Bohjanen added that the Township responsibility included protecting neighbors.

DeGroot asked about future topics. Gencheff expressed an interest in training regarding attached and detached dwellings. DeGroot stated that training could be presented in the future. DeGroot also stated that natural features would be a great topic in the future.

## **VIII. Unfinished Business**

### **A. Proposed Zoning Ordinance Definitions**

#### **Staff Introduction**

Throenle stated that the definitions presented were from previous meetings. He asked if there were specific definitions that needed to be changed versus addressing each definition.

Meister stated that the definitions needed to be finished. Sloan asked if the definitions should be done as homework and brought back to the next meeting.

Throenle explained the highlighting found in the document. Throenle suggested that Commissioners look at the definitions prior to the next meeting and complete the

definitions by the next meeting.

Gencheff asked about communication towers as essential services; Throenle explained that private wireless towers would not be considered essential towers as much as the towers for public use.

Soucy requested staff look at the State-oriented definitions to determine what changes should be included.

Meister commented on the accessory dwelling unit. He requested that the regulation be removed from the definition, and that the accessory dwelling unit definition should be removed.

Meister recommended that all definitions that are not used should be removed from the definitions. Soucy agreed, with the understanding that the definitions could be brought back as needed.

Commissioners stopped the discussion on page three of the provided document.

Soucy stated that the rest of the definitions would be tabled until the next meeting.

#### **B. Proposed Agriculture Zoning District Language**

Soucy tabled this item until a future meeting.

#### **IX. Public Comment**

Maggie Johnson, 317 Lakewood Lane

Spoke about concerns about the increase in traffic to the new trucking site and where parking would be for the new project location and the Dry Dock Bar & Grill as the Dry Dock increases its business.

#### **X. Commissioner's Comments**

Rhein

No comments.

Sloan

No comments.

Milton

No comments.

Soucy

Expressed a "good work" compliment to the Commissioners.

Meister

Expressed that he wanted to see faster progress on getting the ordinance completed. Soucy added that a work session would be scheduled if significant progress was not made at the next meeting.

Gencheff

Expressed that she was in the middle of a deep learning curve; other Commissioners expressed that she was doing well with that progress.



## **XI. Director's Report**

### Planning / Zoning Administrator Throenle

Throenle stated that the zoning ordinance updates for the Industrial zoning district were approved by the Board and would be official before the end of May. He added that there will be a conditional use hearing on the agenda for June related to that zoning ordinance update.

Throenle stated there was a virtual training opportunity available that Commissioners could attend and that the details were available at the Commissioner's table.

He added that the Commissioners each had a book in front of them that had a copy of the zoning ordinance, master plan, and other documents that would serve as reference materials for future meetings.

Throenle stated that FEMA published notices in the *Mining Journal* that the flood plain maps are in the process of being updated, and that comments to FEMA would be open until August. He added that those in the flood plain would be required to purchase insurance if they have a Federally backed mortgage or if their bank requires it. He added that an elevation study for an owner's property could reduce the cost of the insurance for that property.

Throenle asked the Commissioners what items they would like to see on the agenda for June. He added that there would be a conditional use hearing for the meeting.

Commissioners decided that three items should be on the agenda:

- 1) Conditional use hearing
- 2) Definitions starting with "D"
- 3) Agriculture district discussion

Throenle thanked the Commissioners for their efforts for the site plan review during the meeting.

## **XII. Informational Items and Correspondence**

- A.** Township Board minutes – 04.10.23
- B.** Township Newsletter – April 2023
- C.** Marquette County Planning Commission minutes 04.18.23

## **XIII. Adjournment**

*Rhein moved, Sloan seconded, to adjourn the meeting.*

*Vote: Ayes: 6 Nays: 0 Motion carried*

Soucy adjourned the meeting at 7:47 PM

Submitted by:

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Planning Commission Secretary

Donna Mullen-Campbell

DRAFT

## MARQUETTE COUNTY SOLID WASTE MANAGEMENT AUTHORITY

## Board Meeting Minutes

## Regular Meeting

May 17, 2023

**DATE:** Wednesday, May 17, 2023**PLACE:** Landfill Administration Complex  
600 County Road NP  
Marquette, MI 49855**MEMBERS PRESENT:** In Person: Randall Yelle, Glenn Adams, C. Baldwin, Dennis Honch, Dave Campana, Joe Minelli, and Amy Manning**MEMBERS ABSENT:** Helen Amiri (Alternate Board Member)**EX OFFICIO:** Brad Austin (in person)**OTHERS:** In Person: Beth Bonanni, Recording Secretary; Chris Magnuson, MCSWMA; John Anderson, MCSWMA; Jim Belpedio, Champion Township; Gary Wommer, Negaunee Township and Judy White, Chocolay Township. By Zoom: John Ison, Republic Township

1. Call to Order: R. Yelle called the meeting to order at 4:00 p.m.
2. Approval of Agenda: R. Yelle indicated there are two additional items that have been placed on the Agenda. 6 e. Director's Letter of Resignation and Subcommittee and 6 f. Subcommittee on Union Concerns. G. Adams made a motion to approve the Agenda with additions 6 e. and 6 f. to the Agenda. C. Baldwin supported. Motion passed unanimously.
3. Public Comment: None.
4. Approval of Minutes
  - a. 4/19/23 – Regular Meeting
  - b. 4/19/23- Stockholder's Meeting

C. Baldwin commented that he was at both meetings on April 19, 2023 but was not listed in either Meeting Minutes as being present. A. Manning made a motion to approve the 4/19/23 Regular Meeting Minutes and 4/19/23 Stockholder's Meeting

Minutes with the correction to the Meeting Minutes indicating that C. Baldwin was present at both meetings. D. Campana supported. Motion passed unanimously.

5. Consent Agenda

- a. Statistics – April 2023
- b. Accounts Payable
- c. Comprehensive In-Compliance Inspection
- d. Publication of Environmental Assessment
- e. Gas Migration Plan Approval

A. Manning made a motion to approve the Consent Agenda. D. Honch supported. Motion passed unanimously.

6. Business

- a. Banking – A. Manning made a motion to approve the banking. D. Campana supported. Motion passed unanimously. C. Baldwin noted that under Perpetual Care Fund, the checking for perpetual care shows there is a little over a million dollars in it and was wondering why there is even a checking account for perpetual care? C. Magnuson said Honor Credit Union required it for post-closure costs. C. Baldwin said he knew that but wanted to know why those funds were in a checking account and not an interest-bearing account?. C. Magnuson indicated that was how it was set up when he started with MCSWMA but will research it.
- b. Financials – D. Honch made a motion to approve the financials. J. Minelli supported. Motion passed unanimously.
- c. Recycling Financials – A. Manning made a motion to approve the Recycling Financials. D. Honch supported. Motion approved unanimously. C. Baldwin said metals is on the report but since we now have aluminum, and magnetic metals (steel), these should be separated and put on separate line items. C. Magnuson said the items can be paralleled off from the report that is sent to the Closed Loop Fund and be separated into another report.
- d. Reimbursements – C. Baldwin made a motion to pay the reimbursements. G. Adams supported. Motion passed unanimously.
- e. Director's Letter of Resignation & Subcommittee – R. Yelle said on May 15, 2023, he received a letter of resignation from the Director indicating his last day of employment at MCSWMA will be on August 15, 2023. R. Yelle made a motion to approve the resignation of Director Brad Austin. D. Honch supported. Motion passed unanimously. A draft advertisement for the Director's position was provided to the Board and R. Yelle requested the Board members review it and let him know if they approved of the advertisement. R. Yelle also requested that a subcommittee be formed to assist with the

Director's replacement and suggested C. Baldwin, D. Honch and A. Manning.. D. Campana made a motion to set up a subcommittee consisting of Board Members, C. Baldwin, D. Honch, and A. Manning to deal with the replacement of the Director. J. Minelli supported. Motion passed unanimously.

- f. Subcommittee on Union Concerns – R. Yelle asked that J. Minelli, D. Campana and H. Amiri be appointed as subcommittee to handle the Union concerns. A. Manning made a motion to appoint Board Members, J. Minelli, D. Campana and H. Amiri to be in a subcommittee to address the Union concerns. D. Honch supported. Motion passed unanimously.

## 7. Reports

- a. Director Report – B. Austin reported that there have been different EGLE site inspections completed at the facility, which is noted in the Consent Agenda. The Landfill gas mitigation plan was accepted and approved by the state. There are some regulatory components with the state that are evolving with wastewater and PFAS treatment and will also include landfill gas. Landfill staff is in Lower Michigan attending a site presentation by the State of Michigan on landfill gas systems.

A compliance communication will be coming next month from EGLE. There was a leachate breach due to the recent storm. Some leachate escaped on the Southside of the Landfill. Cleanup started over a week ago and the situation is now under control. It has been a while since the Landfill had a compliance communication from EGLE (at least over 5 years ago).

The design process has stopped effective May 19<sup>th</sup> on the new Wastewater Treatment Plant construction. B. Nordeen will be providing an update during his report. The RFP for this project is on hold. Work is being done with EGLE on tentative dates to determine what this project will look like in the future. It won't be until the first or second quarter of 2024 that MCSWMA will be pursuing state funds for this project.

The Landfill/Solid Waste has been a hot-button item as work with the County has begun. Last June, the Board set tipping fee rates for biosolids containing PFAS from KI Sawyer, and the material was brought to the Landfill as a special project. Since then, there has been more inquiry from the County about more materials with PFAS coming to the Landfill. B. Austin said the Landfill should minimize the number of materials coming in with PFAS until there is a better understanding of where things stand with the Wastewater Treatment Plant. There will be requirements moving forward with wastewater treatment from the state. MCSWMA does not want to refuse the materials but would like to work with the County and furnish the County with a plan and hold the materials until

MCSWMA gets situated. There are other avenues the Landfill can take by using sealed bags for some of the material from KI Sawyer. The Wastewater Treatment Plants in our area do not want MCSWMA's water because the PFAS contamination would foul up their systems.

The fire upgrades are complete in the Regional Recycling facility. There are a few more things that have to be done with dust control.

Commodity markets are better. There was a 10-12% increase in plastics and paper has increased to \$5.00-\$10.00/ton depending on the commodity. Out-of-county tipping fees were increased to \$40.00/ton outside of Menominee County. Menominee County makes up for 50% of out-of-county material received at the Landfill.

Josh Wales (MCSWMA employee) was at Bay Cliff Health Camp last week conducting an outreach program. The kids at Bay Cliff really enjoyed the program and a lot of pictures were posted on social media.

The scrap tire grant clean-up event will be held on May 20, 2023 at Forsyth Township. The HHW collection event will be on June 7, 2023 at the West End Transfer Station.

Houghton County had a tour of MCSWMA's Recycling Facility. MCSWMA is working with NMU and U.S. Forest Service on a pilot study of PFAS. They will explore possibilities such as using fungi to combat PFAS levels. This idea was addressed at the Townhall meeting by Dr. Putnam of NMU.

Grand Valley State University students will be at the Landfill in July for a municipal solid waste study.

Seasonal hours at MCSWMA will start on December 1, 2023. The hours will be 7:00 a.m. to 3:00 p.m.

D. Honch made a motion to accept the Director's Report. A. Manning supported. Motion passed unanimously.

- b. Attorney Report – B. Nordeen handed out his attorney report to the Board Members.

A significant issue was the delay in funding for the proposed new water plant. In order to get the project funded for the Wastewater Treatment Plant, MCSWMA obtained a 10% bond and a 90% loan. In order to get the loan, a bond had to be obtained. Bond counsel (Miller-Canfield) has been retained. The problem with

bonds, it takes 3-5 months to go through the whole process and costs a bunch of money. When MCSWMA borrowed money from Honor to build the Regional Recycling Facility, instead of using hired bond counsel, MCSWMA directed that Mr. Nordeen review the statutes. Act 233 allows the Landfill to issue general payment bonds. Mr. Nordeen went through the process outlined in the statutes to obtain the bond for the Landfill for the Regional Recycling Facility project. Miller-Canfield, who will be assisting on the bond for the Wastewater Treatment Plant project noticed that the bond from 2020 had a technical issue wrong with it. Even though the constituent municipalities provided full faith and credit in the Intergovernmental Agreement, Miller-Canfield said that MCSWMA should have had each constituent municipality do a Resolution and provide their full faith and credit. Miller-Canfield will be fixing the 2020 bond and obtain a new bond for the Wastewater Treatment Plant project. We cannot have the bond in place by the end of the fiscal year. As of today, the Director stopped all work on the project for now and will push the project to the next fiscal year, which starts on October 1, 2023.

J. Minelli made a motion to approve the Attorney's Report. D. Honch supported. Motion passed unanimously.

8. Public Comment – None
9. Trustee Comments – R. Yelle said he would like to meet with one person of each subcommittee at some point in time at their earliest convenience.
10. Adjournment. R. Yelle adjourned the meeting at 4:30 p.m.

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Randall L. Yelle, Chairperson

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Dennis Honch, Secretary



**MARQUETTE AREA WASTEWATER TREATMENT FACILITY  
ADVISORY BOARD MEETING MINUTES  
April 20, 2023**

A regular meeting of the Marquette Area Wastewater Treatment Facility Advisory Board was held at 10:07 a.m., April 20, 2023, at the Chocolay Township Fire Hall.

**ROLL CALL**

**PRESENT** Brad Johnson, Chocolay Township (Chair)  
George Patrick, City of Marquette  
Jim Compton, City of Marquette  
Sean Hobbins, City of Marquette

**ABSENT** Leonard Bodenus, Marquette Township

**OTHERS** Dan Johnston, City of Marquette  
Mark O'Neill, City of Marquette  
Melissa Erkkila, City of Marquette  
Mary Schlicht, City Marquette

**AGENDA** It was moved by S. Hobbins, supported by J. Compton to approve the agenda. Approved 4-0.

**MINUTES** It was moved by S. Hobbins, supported by J. Compton to approve the March 2, 2023, meeting minutes as written. Approved 4-0.

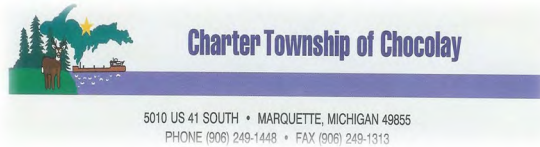
It was moved by S. Hobbins, supported by J. Compton to approve the March 14, 2023, special meeting minutes as written. Approved 4-0.

**FINANCIAL REPORT**

M. Schlicht, City of Marquette, presented the Financial Report.

M. Schlicht stated all the audit adjustments have been made. This is all the revenue being accounted for. The expenditures are a little ahead of revenue due to the billing process but will catch up. M. Schlicht stated she will begin putting the balance sheet information on the report since it became important as we reviewed the reserve account for the upcoming project. The FY22 audit went through fine, and she would like to invite Michael Greutz next month to give the audit report. Then we will begin the FY24 budget process.





**OPERATIONS REPORT**

D. Johnston, City of Marquette, presented the Operations Report.

**PERMIT COMPLIANCE FOR THE MONTH(S):**

- **PERMIT COMPLIANCE:** No violations occurred during the months of February or March.

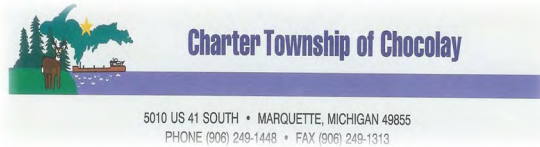
**PLANT NOTES:**

- Staff continues weekly COVID-19 tracing sampling for NMU from the WWTP’s influent, our four major lift stations, and from the sewer leaving the Marquette Branch Prison.
- We are once again at full strength staffing-wise with the addition of Adam Kiddle. He comes to us with a lot of environmental and treatment expertise, and I am pleased to have him as a member of our team.
- Kraft was on site to install new cylinder heads on CoGen #1. This repair was not unexpected and needs to be completed at regular intervals.
- Kraft also performed routine maintenance on CoGen #2.
- I have been experimenting with programming changes to the controls for both CoGen units in an effort to prevent unnecessary downtime that can occur when the gas skid fails to start up on its own. These events typically occur after normal working hours, and there have been many instances where a CoGen unit would shut down and stay off all night long...which is not a desirable situation.
- We ran out of room to store biosolids cake around mid-March. We are managing to get by with transferring liquid biosolids to our storage tanks and decanting from the #3 Digester. Springtime and the lifting of weight restrictions cannot come too soon.
- Staff performed repairs to the refrigeration unit on our Influent Sampler.
- Work continues on the upgrade of our fire alarm system.
- JCI was on site to perform annual boiler inspections/tuning on all four of our boilers.
- I diagnosed a shorted “ON” indicator lamp as the cause of a blown fuse for the control panel of our #3 sodium aluminate metering pump. I ordered and installed a replacement lamp assembly.

**INDUSTRIAL WASTEWATER ACCEPTANCE ACTIVITY FOR FEBRUARY 2023**

Source	Volume (gallons)	Total
Fabick/CAT	2,400	\$336.00
UPS	5,500	\$770.00
LS&I	30,000	\$4,200.00
RMS	6,700	\$938.00
Wisconsin Electric	16,000	\$640.00
Tunnel Vision	1 yd <sup>3</sup>	\$200.00
<b>Grand Totals</b>	<b>60,600</b>	<b>\$7,084.00</b>

**INDUSTRIAL WASTEWATER ACCEPTANCE ACTIVITY FOR MARCH 2023**



Source	Volume (gallons)	Total
Fabick/CAT	3,500	\$490.00
UPS	15,000	\$2,100.00
LS&I	26,700	\$3,738.00
Wisconsin Electric	63,500	\$2,540.00
<b>Grand Totals</b>	<b>108,700</b>	<b>\$8,868.00</b>

### MAINTENANCE MANAGEMENT

- Preventive Maintenance Work Orders: staff continues to perform routine maintenance tasks. I continue to create work orders that have not been created since we began using Lucy.

### NEW BUSINESS

- **MJ VanDamme Biosolids Hauling Contract:** Mark O'Neill stated MJ VanDamme is the only vendor in the area with the equipment and expertise to haul the biosolids and apply it. MJ VanDamme can apply biosolids at Cleveland Cliffs and haul/apply cake to area farms, including theirs. They also coordinate with local farmers and the Escanaba paper mill's applications. The pricing is a 30% increase, but we will not be paying a 12% fuel surcharge as we did in the past. M. O'Neill stated we spend approximately \$150,000 a year on biosolids hauling. Our only other option would be to purchase a truck and have an employee haul it, which would be more expensive. The goal is to take the spring and fall applications to the farmer and the summer application to Cleveland Cliffs. It was moved by S. Hobbins, supported by J. Compton to approve the MJ VanDamme contract. Approved 4-0.
- **Wet Weather Plan:** As a background, M. O'Neill stated in 2018 a rainstorm occurred. Water infiltrated the collection system and washed out the plant on a massive scale which occurred twice in the fall. Then during the spring melt, the river rose high enough that it exceeded the design elevation of the secondary clarifiers. At that time, EGLE required a Wet Weather Plan to be initiated. A gate valve was installed to stop the flow to the river when needed and then pump water around it out to the river. A new pump was purchased this year for this purpose. This year's snow melt required staff to close the gate valve and begin running pumps. The new pump did have a regeneration hiccup that is being addressed by the manufacturer but is running again. Water infiltration in the system is normal this time of year. J. Compton stated the City staff as a whole have been dedicated to correct as many system issues they find immediately to help eliminate that. M. O'Neill says the plant has noticed the effort over the years.
- **Draft Permit:** M. O'Neill stated he received our draft permit from EGLE. A ph regulation change may cause future issues. The current ph allowed into the river is between 6-9 and they want to change it to 6.5 – 9 which will be a problem for us. We have had approximately six times in the last three years where we were at a 6.4. The problem is we nitrify which uses up alkalinity and Lake Superior is naturally low in alkalinity. M. O'Neill stated he has challenged it and is requesting they prove why it is necessary. The worst-case scenario is



## Charter Township of Chocolay

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PHONE (906) 249-1448 • FAX (906) 249-1111



we will have to install a chemical feed. One good item coming from the new permit is the toxicity testing requirement. We currently ship two gallons of water, three days in one week, every three months and ship them to Detroit. They take our water and add fish to it. They monitor the survival and reproduction of the fish. The testing is approximately \$1,200 with shipping costs of \$150 per sample. If shipping is lost or delayed, the test needs to be completely redone. The new permit is now changing that to only four events during the permit cycle. A round table discussion is occurring in three weeks to discuss this topic at the Wastewater Conference.

### OLD BUSINESS

- **Solids Handling:** M. O'Neill stated the project was approved by the Commission. Staff is currently working with EGLE and the Treasury Department to finalize necessary paperwork and then we should receive a notice to proceed. Miron Construction will be coming to the plant in May for a tour and to assess the project.

### PUBLIC COMMENT


- No public attended.

### BOARD COMMENT

- S. Hobbins stated he admires how well run the plant is.
- B. Johnson stated the Casino is moving forward with a 78-room hotel and pool house. They will begin construction this summer and complete it sometime next year. The reservation lift station should be up and running in June. Then they will begin connecting all the houses. This will add about 40 connections. Next month, Chocolay Township will begin televising their entire system except the recently constructed M-28 sanitary lines. They will then create an asset management plan. B. Johnson believes they have a lot of infiltration. They will also begin working on their manhole rehabilitations. B. Johnson thanked D. Johnston for the tour of the plant he and their new employee received.

### ADJOURNMENT

The meeting was adjourned at 10:42 a.m.

  
\_\_\_\_\_  
Reviewed by:  
Mark O'Neill  
Director of Municipal Utilities

Prepared by:  
Melissa Erkkila

**CHOCOLAY TOWNSHIP NEWSLETTER**

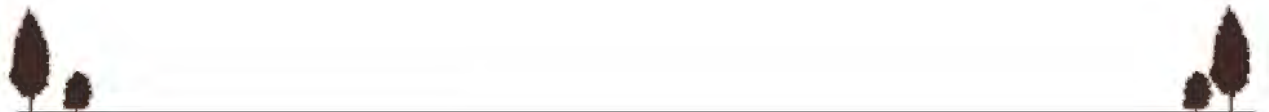
**May 2023  
DEPARTMENT REPORTS**

**Clerk**

**By Lisa Perry**

Mother Nature sure showed us that she is still in charge. The May 2, 2023 Special was held even though the county was cleaning up from a major snow storm. The following are some of the stats from this election. Thank you to everyone that came out to vote.

PROPOSAL SECTION—COUNTY				
<u>Marquette-Alger Regional Educational Service Agency Special Education Millage Proposal</u>				
This proposal will increase the levy by the intermediate school district of special education millage previously approved by the electors. Shall the limitation on the annual property tax previously approved by the electors of Marquette-Alger Regional Educational Service Agency, Michigan, for the education of students with a disability be increased by 1.5 mills (\$1.50 on each \$1,000 of taxable valuation) for a period of 20 years, 2023 to 2042, inclusive; the estimate of the revenue the intermediate school district will collect if the millage is approved and levied in 2023 is approximately \$4,765,811 from local property taxes authorized herein?				
	<b>Precinct 1</b>	<b>Precinct 2</b>	<b>Total</b>	
<b>YES</b>	319	382	<b>701</b>	
<b>NO</b>	246	247	<b>493</b>	
<b>TOTAL</b>	<b>565</b>	<b>629</b>	<b>1194</b>	
STATISTICS				
		<b>Precinct 1</b>	<b>Precinct 2</b>	<b>Total</b>
<b>Registered Voters</b>		2,634	2,440	5,074
<b>Ballot Count (In Person)</b>		77	95	172
<b>Ballot Count (Absentee)</b>		488	536	1,024
<b>Ballot Count (In Person &amp; Absentee)</b>		565	631	1,196
<b>Percent of Registered Voters</b>		<b>21.45%</b>	<b>25.86%</b>	<b>23.57%</b>
<b>Absentee Ballots</b>	Issued	543	612	1155
	Returned on Time	488	536	1024
	Percentage	<b>89.87%</b>	<b>87.58%</b>	<b>88.66%</b>





## Assessing

### By John Gehres

We have begun reappraisal training with our new field person Justin Vasseau. Once our new appraiser is trained, he will be handling the bulk of field work. Other ongoing duties would include administering [principal residence exemptions](#), [principal residence exemption rescissions](#), [conditional rescission of principal residence exemption](#), the review of all deeds to reflect current property ownership, processing land division applications or any legal description changes to the assessment or tax rolls, and entering property transfer affidavits.

## Fire Department

### By Lee Gould

The fire department completely transitioned to the warm season for rescue calls which includes water and land-based rescue. Our water rescue gear is out and ready and the rescue 4-wheeler is loaded. Each year we get a few rescue calls.

May usually brings the Wildland Fire season. This year was overly wet for most of May due to the late spring. We only responded to one Wildland Fire that was bigger once the drought started. Fire calls overall in May started slow but ended the month in a frenzy. We had an 8 day stretch with 12 calls that kept us busy.

We continue to work on our project of replacing our Wildland truck and our oldest Tanker. Our former Wildland truck was taken out of service in late 2022 due to major degradation. We are looking at what would serve our needs for our mixed rural/commercial areas. Our tanker replacement project will take some time. Trucks are still 35-48 months out from delivery once ordered. We are looking at what our needs are and what is the best

option for a tanker to serve the community for the next 20 years.

## Public Works

### By Brad Johnson

The brush drop off is over for this spring. We received a fair amount and now have fresh wood chips available for residents.

We are now in full summer mode. Mowing has started, baseball and soccer has started, the dock is in, clean up from the winter is over and lots of people have been out in the recreation areas.

There will be a full road closure on Cherry Creek Road for about 2-3 weeks to replace a culvert under the road for Cedar Creek. There will be a detour in place and letters have been sent to the residents that will be affected by this project.

I have been working with MDOT on a fix for the water pooling in front of our fire station every time it rains hard and during the spring melt. At times I have seen the water pool out to the center lane, this causes a significant safety issue for drivers. The problem is the storm drain has a very low slope to it and it drains into Silver Creek over by the Quick Lube. If the creek happens to be high, the water has no way to drain resulting it to back up in the pipe and catch basin and into the highway. My suggestion to them was to put another pipe in the catch basin at a higher level than the current discharge pipe and drain it in our retention pond on the North side of the fire station. MDOT sent out a survey crew to shoot some measurements to see if the grades will allow them to move forward with this fix. I have not received the results from the surveyors at this point.



## Technology

### By Dale Throenle

Comments regarding the proposed Township web site have been submitted to the developer for review.

Tentative go-live for the new web site is late May/early June.

## Planning / Zoning

### By Dale Throenle

#### Planning Commission

The Planning Commissioners participated in a meeting held on May 15 in the Township Fire Hall.

There were five items on the agenda for the regularly scheduled meeting; two were considered old business, and three were considered new business. The Commissioners also conducted a public hearing regarding a conditional use permit for JX Trucking Center.

Commissioners decided to address new business before old business.

#### **New Business**

- 1) Conditional Use Permit CU 23-11 - JX Trucking Center

JX Trucking Center requested a conditional use permit for their business proposal that will be located in the former Blondeau Trucking building behind the Dry Dock; Commissioners conducted a public hearing prior to discussing this item. After discussion, the Commissioners decided to grant the conditional use permit for the project.

- 2) Final Site Plan Review Application SR 23-12 - JX Enterprises, Inc.

Commissioners reviewed and discussed site plans with the applicants for the proposed trucking facility that will be located on in the former Blondeau Trucking building. The

applicants stated that the facility will have an addition added to accommodate a proposed sales area.

After discussion, the Commissioners approved the site plan.

- 3) Planning Commissioner Training - Site Plan Review

Township Manager Bill DeGroot presented training to the Commissioners regarding site plan review.

#### **Old Business**

- 1) Proposed Zoning Ordinance Definitions  
Commissioners reviewed several definitions and decided to table the remaining discussion until the June meeting.

- 2) Proposed Agriculture Zoning District Language

Commissioners decided to table the remaining discussion until the June meeting.

## Zoning

### **New Flood Maps**

FEMA has released a preliminary set of flood plain maps for Marquette County. This new set of maps includes flood plain determinations for those living along Lake Superior.

Please review the maps and related information to determine if the data represented on the maps is accurate for your location. There is an appeal process that began on May 5 and will be open through August 3. Click [maps and information](#) to view the appeal process, the insurance study, and the proposed maps.

### **Zoning Board of Appeals**

The Zoning Board of Appeals did not meet for its regular meeting in May and will not meet in June.



## Police

### By Liz Norris-Harr

Cadet Mitchell and Cadet Harvala have completed their first few weeks of the academy. They are doing very well and learning a lot. Keep an eye out in the community for them as they have been volunteering through the academy for security at local events!

Sgt Carrick took it upon himself to attend an American Sign Language class at NMU this semester. Sgt Carrick feels ASL is a tool that will help him communicate with civilians he meets

whether it be a traffic stop or in Cherry Creek School. Thank you, Sgt Carrick, for going above and beyond!

Sgt Carrick also completed his Taser Instructor training this month. This will recertify him to continue instructing our department in taser use.

Administrative Assistant Liz graduated from NMU this semester. She obtained a certificate in Applied Workplace Leadership. The focus of this certificate was diversity and inclusion in the workplace. Liz says she took these classes to help build and strengthen a cohesive team. Thank you, Liz, for taking that initiative.

## Prescription Drug Collection

Prescription drug collection through the drop-off box at the Township Police Station.

Month 2019	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Pounds To-Date	5.5	4	8.5	7	2.5							
Pounds Year To-Date	5.5	9.5	18	25	27.5							

## FOIA

REQ #	Date Rec	Res by Date	Invoice Sent	48 Days Invoice	10 day Ext Sent	10 day Ext	Response Date	Link to Documentation	Description	First Name	Last Name
23-1	2/6/2023	2/16/2023					2/7/2023	23-1 Glennon	Police Reports	Jessica	Glendon
23-2	2/15/2023	2/21/2023					2/15/2023	23-2 Dankin	Police Reports		Ferrell
23-3	2/24/2023	3/3/2023					2/28/2023	23-3 Skyline Lien Search 02.24.23	Property Information	Skyline Lien Search	
23-4	3/6/2023	3/10/2023					3/10/2023	23-4 Hyde 03.06.23	Police Reports	George	Hyde
23-5	3/14/2023	3/20/2023					3/17/2023	23-5 Mulcahey 3-14-23	Job descriptions	Deborah	Mulcahey
23-6	3/14/2023	3/20/2023					3/16/2023	23-6 Wccoughlin 3-14-23	Police Reports	Michelle	Philips
23-7	3/17/2023	3/24/2023					3/21/2023	23-7 Brjoser Request 3-17-23	Police Reports	Nicole	Broser
23-8	3/20/2023	3/27/2023		03/24/2023	4/11/2023		4/5/2023	23-8 Mulcahey request 3-20-23	Job descriptions	Deborah	Mulcahey
23-9	3/14/2023	3/21/2023		03/21/2023	4/4/2023		3/23/2023	23-9 Metropolitan request 3-14-23	Fire Report	Metropolitain	Reporting Bureau
23-10	4/5/2023	4/12/2023					4/12/2023	23-10 Eric Riney-Of Environmental	Refuse/Recycle Information	Eric	Riley
23-11	4/12/2023	4/18/2023					4/18/2023	23-11 Carrie Vanlandshoot 04-12-23	Police Reports	Carrie	Vanlandshoot
23-12	4/14/2023	4/21/2023					4/18/2023	23-12 Tormis Request 4-14-23	Contracts and accounts receivable	Angel	Tormis/ Steep Steel
23-13	4/19/2023	4/25/2023					4/19/2023	23-13 Ryan Talbot-Flagstar Bank 4-19-23	Police Reports	Ryan	Talbot/Flagstar Bank
23-14	4/25/2023	5/2/2023	5/10/2023	6/27/2023	04/25/2023	5/16/2023		23-14 Miller request 4-25-23	Election Materials	Yehuda	Miller michiganops
23-15	5/3/2023	5/9/2023					5/8/2023	23-15 Nicole Brozek-Curran & Co 05.03.23	Police Reports	Nicole	Brozek/Curran & Co.
23-16	5/4/2023	5/10/2023					5/8/2023	23-16 Lombard 05.04.23	Police Reports	Kristen	Lombard
23-17	5/17/2023	5/24/2023					5/24/2023	23-17 Cass 05.17.23	Police Reports	Cheyenne	Cass

## Web Page Statistics

Year to date totals through May are shown in the table.

Month	Unique Visits	Number of Visits	Pages	Hits	Bandwidth (GB)
January	2,166	4,268	16,517	31,093	14.68
February	1,972	4,032	22,272	34,526	20.39
March	1,808	4,059	18,225	30,410	13.34
April	1,843	4,028	17,535	29,540	17.12
May	702	1,379	5,299	6,399	3.11
<b>Totals</b>	<b>8,491</b>	<b>17,766</b>	<b>79,848</b>	<b>131,968</b>	<b>68.64</b>
<b>Averages</b>	<b>1,698</b>	<b>3,553</b>	<b>15,970</b>	<b>26,394</b>	<b>13.73</b>

Highest hits per day in May for the Township web site occurred on Monday and the highest peak usage time was 11 PM to 12 AM.

## Downloads

There were 481 downloaded documents in May. The top ten documents downloaded were:

Page	Number of Downloads
FEMA Flood plain map revisions	73
2023 Meeting Dates	35
2023 Notification Dates	35
Township Board minutes – 03.13.23	26
Township Board minutes – 02.13.23 joint meeting	24
Township Board minutes – 04.10.23 draft	24
Township siding RFP	24
Township Board minutes – 01.09.23	24
Township Board agenda materials – 05.08.23	23
FOIA request for public records	22



## Page Visits

Top ten pages visited in May were:

Top ten pages visited in July were: Page	Number of Views
Agendas and Minutes – Township Board	152
Agendas and Minutes – Board of Review	83
Contacts	121
Information and Newsletters	126
Public Notices	117
Forms	110
Recreation directory	108
Recycling	92
Fire	83
Public Works	82

## Zoning Permit Counts

Zoning permit counts through May, 2023:

2023 Reviewed Permits by Month		2023 Reviewed Permits by Type		
Month	Number of Permits	Permit Type	Approved Number	Denied Number
January	0	Addition	2	0
February	0	Alteration	0	0
March	6	Commercial Outbuilding	0	0
April	11	Conditional Use	2	0
May	11	Deck	2	0
		Fence	8	0
		Garage	2	0
		Grading	0	0
		Home	3	0
		Home / Garage	0	0
		Home Occupation	1	0
		New Commercial	0	0

2023 Reviewed Permits by Month		2023 Reviewed Permits by Type		
			Approved	Denied
		Outbuilding	4	0
		Pole Building	0	0
		Rezoning Application	1	0
		Sign	1	0
		Site Plan Review	2	0
		Zoning Variance Request	0	0
<b>Total</b>	<b>28</b>	<b>Total</b>	<b>28</b>	<b>0</b>

