

Treasurer's Report reflects
bank account balances

Treasurer's Report

MAY 2023

LIQUIDITY PORTAL INVESTMENTS

	RUNNING BALANCE	OPENING VALUE	DIVIDEND AMOUNT
#101 General Fund	\$ 154,025.63	\$ 1,014,558.17	\$ 4,353.20
#203 Metro Authority	\$ 61,819.34		
#206 Fire Fund	\$ 104,175.75	\$ 1,044,949.51	\$ 4,586.45
#207 Police	\$ 148.62		
#590 Sewer CD Mat May 2018	\$ 183,520.09	\$ 450,000.00	\$ 1,910.33
#591 Timberlee H20	\$ 126,385.04	\$ 286,000.00	\$ 1,229.22
#592 Greilickville H20	\$ 53,249.01	\$ 115,600.00	\$ 495.50
#594 Marina	\$ 165,492.26	\$ 1,404,820.83	\$ 6,023.17
#701 Trust & Agency	\$ 17,097.63		
#703 Current Tax	\$ 218.37		
#815 E. Timberwoods	\$ 0.00		
#816 GSAD Receivable	\$ 15,032.95		
#817 SBlue & Old Orch	\$ 0.00		
#818 Old Orchard	\$ 0.00		
#820 Maintenance E.R. Rds	\$ 1,774.60		
#821 Maintenance S.B. Rds	\$ 2,521.27		
#861 Boyview Estates Lights	\$ 2,654.17		
TOTAL	\$ 888,114.73	\$ 4,315,928.51	\$ 18,597.87

INVESTMENT ACCOUNTS CD'S	PURCHASED AMOUNT	CURRENT VALUE
#101 Goldman Sachs	\$200,000.00	\$ 195,394.00
#101 SYNCHRONY BK	\$202,000.00	\$ 197,574.18
#101 FIDELITY GOV MMKT DAILY		\$ 6,687.61
#590 Ally Bank	\$250,000.00	\$ 244,480.00
#590 Morgan Stanley	\$150,000.00	\$ 149,421.00
#590 Flagstar Bank	\$250,000.00	\$ 247,415.00
#590 BMW BK	\$131,000.00	\$ 128,129.79
BOND INTEREST		\$ 16,826.96
#594 JP Morgan Chase	\$ 157,000.00	\$ 157,070.65
#594 UBS Bank	\$ 250,000.00	\$ 247,290.00
BOND INTEREST		\$ 3,540.67

TOTAL **\$ 1,593,829.86**
GRAND TOTAL \$ 6,816,470.97

Connie M. Preston, Clerk

Chris Mikowski
 Chris Mikowski, Treasurer

To: Elmwood Township Board
From: Sarah Clarren, Planner/Zoning Administrator
RE: May 2023 Planning and Zoning Report

PERMITS:	5/2023	5/2022	YTD 2023	YTD 2022
Single Family Dwelling	4	6	5	12
Attached SFD	0	0	0	0
Accessory Building	1	3	3	5
AG Building	0	0	3	0
Residential Addition	1	0	2	2
Deck	0	2	5	4
Sign	0	2	0	3
Commercial	0	0	2	2
Misc.	1	1	3	8
Total Permits	7	14	23	36
Fees Collected	\$662.48	\$1,555.40	\$1,903.41	\$2,783.92

Zoning Board of Appeals:

May Meeting – 1) Extension Request - Case #2022-02 - Erik Gruber and Chris Millward for a front yard variance request regarding property at 10238 and 10240 E Cherry Bend Rd. The applicants received a 30 foot front yard setback variance to allow parking within the 30' front yard setback. 2) Extension Request - Case #2022-03 - Erik Gruber and Chris Millward for a variance to reduce the required parking ratio, which is based on floor area, regarding property at 10238 and 10240 E Cherry Bend Rd. The applicants received a variance to reduce parking ratio for offices within the NC zoning district from 1 space per 200 sf to 1 space per 270 sf. Both granted.

June Meeting. Cancelled due to no new business.

Planning Commission:

May Meeting(s)

5/23: 1) Consent Calendar, approved, 2) SPR 2023-03, Request by GM LLC regarding property at 10240 E Cherry Bend Rd (parcel 004-320-001-00) for Site Redevelopment Project (parking lot) Granted, with conditions. 3) Introduction. PC 2017-04-17, a Zoning Ordinance Amendment Request submitted by John Gallagher Jr, to reintroduce Special Event Facilities as a Special Use within the A-R Zoning District. Gallaghers have still not submitted sufficient text per Staff and Attorney guidance. Per Attorney's suggestion, Commission discussed whether the use should be considered. Commission determined use should be considered and asked Staff to work with consultant, if possible, to establish a special workshop meeting to discuss regulations.

5/24: Special Meeting at Fire Station for continued Commission deliberations on proposed resort at Timberlee. Applicant requested the Commission postpone deliberations while a subsequent application is filed. Commission granted applicant's request.

June Meeting(s)

6/20: Agenda not yet finalized but will include 1) Site Plan Review (no hearing) SPR 2023-04 Thompson Surgical Expansion (Light Fabrication), 2) Introduction SPR/SUP 2023-05 Taproot Farmstead (a) Winery, b) Wine Tasting Room, c) Agricultural Commercial Enterprise (Farm Market))

6/22: Special Workshop Meeting to discuss reintroducing Special Event Facilities as a use in A-R District

Office Updates:

STRs. Township has issued 93 of 93 licenses. Five applications on waitlist (four submitted in May, one in June). Received complaint regarding unlicensed STRs at last Township Board meeting; sent complaint to consultant who has reviewed and drafted letters. Staff currently reviewing letters prior to sending them out.

Grants. No (official) word yet on Waterways Grant for Marina Phase 3C. Last year we heard back early June.

Work load. As indicated before, this will be a busy summer. Staff reviewed 3 SPR/SUP applications (found incomplete), 1 SPR/SUP (pending 2nd review), and is aware of 2 other 'imminent' SPR/SUP applications. If the workload remains this constant, the Board may want to consider an assistant. Staff will work with planning consultant on special event facility text amendment (see update from 5/23 meeting) unless the Board has any objections.

Planning/ Zoning Department
planner@elmwoodtownship.net

Elmwood Charter Township
10070 E. Lincoln Rd.
Traverse City, MI 49684

Contact Information
Ph: (231) 946-0921
Fax: (231) 946-9320

To: Elmwood Township Board

From: Sarah Clarren, Planner/Zoning Administrator

Date: June 7, 2023

RE: National Flood Insurance Program (NFIP) Update

On June 7, 2023, the Township received an email indicating that FEMA has reviewed and approved our updated Floodplain Ordinance; we will continue to participate in the NFIP.

No further action is required by the Township Board at this time.

Elmwood Township Marina

Peter J Moon Harbormaster

10090 E. Lincoln Road Traverse City MI 49684 - elmwoodmarina@gmail.com

June 6, 2023

Harbormaster Report

As of this date the marina is up and running with a few new staff members and one or two openings for dockhands.

Projects in the works include:

- Dock repairs on bad wood and plumbing
- Installing wooden fenders with brackets on the north wall should be done on that wall by
- Planting flowers and wood chips
- Changing over to Michigan Broadband for phones and internet
- We have updated all fire extinguisher cabinets and they look great.

The Memorial Day weekend was a warm and near perfect 3 days and the marina was the busiest I've seen in years. Lots of launches and happy boaters.

Elmwood Marina hosted once again the Northwest Michigan Bass tournament on June 3 and there were 80 boats with approximately 400 trophy bass being released into our harbor. We have folks from as far away as Arkansas. This event is well attended, the folks are polite and know what to do when launching.

While working on the docks I have found several points that I will be watching including galvanized pipe that is nearly worn through. While there is no need for alarm, suffice it to say we will be incurring some expenses in the future regarding the waterlines.

I will be getting estimates on rebuilding the center launch dock as well as the south launch dock which is showing quite a bit of wear. These will also be accompanied by repairs or replacement of 2 or 3 finger piers on A-dock.

Our rate increase has had mixed reviews, but overall people seem to understand that the cost of everything, including boating, has gone up. We are only a small part of that expense. I believe that the best explanation regarding rates is that it guarantees this beautiful harbor will be available for many generations to come.

Respectfully Submitted,

Pete Moon
Harbormaster ETM

**CHARTER TOWNSHIP OF ELMWOOD
REGULAR BOARD MEETING
MAY 8, 2023
IN THE TOWNSHIP HALL**

Call to Order:

Supervisor Shaw called the meeting to order at 6:00 p.m.

Pledge of Allegiance:

Supervisor Shaw led the Pledge of Allegiance.

Roll Call:

Present: Jeff Shaw, Connie Preston, Terry Lautner, Dave Darga, Chris Mikowski, Kyle Trevas and Jordan Gallagher

Excused: None

Declaration of Conflict of Interest:

None

Public Hearing for E. Timberwoods Dr., S. Fox Valley Ln., and S. Cottonwood Dr. Annual Adjustment to the Roll of the Special Assessment District.

Supervisor Shaw opened the public hearing at 6:02 p.m.

There were no comments. Opportunity to be heard was given to all.

Supervisor Shaw closed the public hearing at 6:02 p.m.

Public Hearing for the Annual Adjustment of the Assessment Roll for the S. Blue Ridge Ln., Old Orchard Rd., and S. Orchard Way Special Assessment District

Supervisor Shaw opened the public hearing at 6:02 p.m.

There were no comments. Opportunity to be heard was given to all.

Supervisor Shaw closed the public hearing at 6:02 p.m.

Public Comment

Sue Jones

Jim O'Rourke

Consent Calendar:

Department Reports:

Treasurer

Planning/Zoning

Fire Chief

Harbormaster

Committee Reports:

Minutes:

4-10-23

4-24-23

(Includes Closed Session)

Post Audit Invoices 4-15-23 through 4-30-23

MOTION BY TRUSTEE DARGA, SECONDED BY TRUSTEE TREVAS TO APPROVE THE CONSENT CALENDAR AS PRESENTED. The motion passed unanimously by a voice vote.

Agenda Approval

MOTION BY TRUSTEE TREVAS, SECONDED BY TRUSTEE DARGA TO APPROVE THE AGENDA AS PRESENTED. The motion passed unanimously by a voice vote.

Supervisor Remarks

Supervisor Shaw submitted a written report.

Trustee Remarks

None

Engineer's Report

None

Other Officer Remarks

None

Communications from the Clerk

Clerk Preston informed the Board that there will be a demonstration of a beach cleaning robot on Tuesday between 4:30 and 6:00 p.m.

OLD BUSINESS

None

NEW BUSINESS

Watershed Center Request for Swim GT Bay Event

Watershed Center Executive Director Christine Crissman presented the request to use the Greilickville Harbor Park to host the Swim GT Bay Event on August 10, 2024. In years past, the swim started at Greilickville Harbor Park but ended in Traverse City by the volleyball courts. With the scheduled reconstruction of the Grandview Parkway in 2024, it would be difficult to end in TC. The Watershed Center is requesting that the start at finish be allowed at Greilickville Harbor Park. All activities will be done by noon.

MOTION BY CLERK PRESTON, SECONDED BY TRUSTEE GALLAGHER TO AUTHORIZE SWIM GT BAY TO HOLD THE EVENT AT GREILICKVILLE HARBOR PARK ON AUGUST 10, 2024. The motion passed unanimously by a voice vote.

Pickleball Scheduling Request

MOTION BY TRUSTEE LAUTNER, SECONDED BY TRUSTEE GALLAGHER TO ALLOW THE PICKLEBALL COURT TO BE RESERVED ON MONDAYS AND WEDNESDAYS FROM 9 TO 11 A.M. The motion passed unanimously by a voice vote.

Consideration of Zoning Ordinance Amendments

Township Planner Sarah Clarren presented the first zoning ordinance amendment that was introduced at last month's meeting. She stated that there has been no change. MOTION BY CLERK PRESTON, SECONDED BY TRUSTEE DARGA TO ADOPT ORDINANCE NO. 2023-02 (ZO 2017-04-21), A ZONING ORDINANCE AMENDMENT TO AMEND SECTION 2.2 DEFINITIONS TO MODIFY THE DEFINITION OF "BASEMENT"; AND TO AMEND SECTION 3.7 TO INCORPORATE NFIP REQUIREMENTS. The motion passed 7-0 by a roll call vote.

Ms. Clarren then presented the 2nd amendment that was introduced last month explaining that the text regarding extensions has been removed. MOTION BY TRUSTEE LAUTNER, SECONDED BY CLERK PRESTON TO ADOPT ORDINANCE 2023-03 (ZO 2017-04-20), A ZONING ORDINANCE AMENDMENT TO AMEND SECTION 2.2 DEFINITIONS, TO MODIFY THE DEFINITIONS OF CLUB, BUILDING HEIGHT, CAMPGROUND, MOTEL AND ADD HOTEL; AMEND SECTION 5.4 TO HAVE THE USE ROUTINE ESSENTIAL SERVICES ALIGN WITH SECTION 9.8.B.1-3; AMEND SECTION 8.3-8.6 TO STREAMLINE SITE PLAN REVIEW; AMEND SECTION 9.5 TO CORRECT A CLERICAL ERROR. The motion passed 7-0 by a roll call vote.

Floodplain Resolution

Planner Clarren presented Resolution 9 of 2023 explaining that this is a resolution authorizing the Leelanau County Building Official to act on our behalf to enforce the National Flood Insurance Program similar to what they do for building permits. MOTION BY TRUSTEE LAUTNER, SECONDED BY TREASURER MIKOWSKI TO ADOPT RESOLUTION #9 OF 2023, MICHIGAN COMMUNITY RESOLUTION AND INTERGOVERNMENTAL AGREEMENT TO MANAGE FLOODPLAIN DEVELOPMENT FOR THE NATIONAL FLOOD INSURANCE PROGRAM, AND TO AUTHORIZE TOWNSHIP STAFF TO FACILITATE EXECUTION OF THE RESOLUTION BETWEEN THE TOWNSHIP AND THE COUNTY. The motion passed 7-0 by a roll call vote.

Introduction to Floodplain Ordinance/Schedule Special Meeting for Adoption

Planner Clarren explained that FEMA has released and scheduled adoption of new Flood Insurance Maps for Leelanau County. As a participating Township, we are required to update our Floodplain Ordinance which references dated maps. If the Township does not adopt the new maps, property owners with a dwelling or commercial building within the floodplain will not be able to obtain flood insurance.

MOTION BY TRUSTEE LAUTNER, SECONDED BY CLERK PRESTON TO ACCEPT THE INTRODUCTION OF THE FLOODPLAIN ORDINANCE AND PUBLISH FOR CONSIDERATION AT THE NEXT SPECIAL TOWNSHIP BOARD MEETING. The motion passed unanimously by a voice vote.

MOTION BY CLERK PRESTON, SECONDED BY TRUSTEE GALLAGHER TO SCHEDULE A SPECIAL MEETING FOR MAY 30TH AT 3:00 P.M FOR THE PURPOSE OF THE CONSIDERATION OF THE FLOODPLAIN ORDINANCE, THE TART TRAIL PROPOSAL, MICHIGAN BROADBAND QUOTES, DRINKING FOUNTAIN REPAIR OR REPLACEMENT, AND OUR INSURANCE RENEWAL. The motion passed unanimously by a voice vote.

Marina Surplus Equipment/Old Skiff & Non-Running 9.9 Mercury Motor

MOTION BY TRUSTEE LAUTNER, SECONDED BY TRUSTEE DARGA TO AUTHORIZE THE DISPOSAL OF THE OLD MARINA BOAT, TRAILER, AND MOTOR USING SEALED BIDS. The motion passed unanimously by a voice vote.

Marina Bids for Wall Posts with Brackets

Pete Moon presented the bids for fabricating brackets for the north seawall repair.

MOTION BY TRUSTEE DARGA, SECONDED BY TRUSTEE TREVAS TO ACCEPT THE BID FROM KEELSON METAL WORKS FOR \$3800.00 FOR 15 PIECES. The motion passed unanimously by a voice vote.

Resolutions to Approve the Rolls for Road Maintenance Special Assessment Districts

MOTION BY CLERK PRESTON, SECONDED BY TRUSTEE DARGA TO ADOPT RESOLUTION 7 OF 2023, A RESOLUTION ADJUSTING THE ANNUAL SPECIAL ASSESSMENT ROLL FOR EAST TIMBERWOODS DRIVE, S. FOX VALLEY LANE, AND S COTTONWOOD DRIVE ROAD MAINTENANCE SPECIAL ASSESSMENT DISTRICT. The motion passed 7-0 by a roll call vote.

MOTION BY CLERK PRESTON, SECONDED BY TRUSTEE GALLAGHER TO ADOPT RESOLUTION 8 OF 2023, A RESOLUTION ADJUSTING THE ANNUAL SPECIAL ASSESSMENT ROLL FOR S BLUE RIDGE LANE, E OLD ORCHARD ROAD, AND S ORCHARD WAY ROAD MAINTENANCE SPECIAL ASSESSMENT DISTRICT. The motion passed 7-0 by a roll call vote.

Ratification of Firefighters' Contract

MOTION BY TRUSTEE TREVAS, SECONDED BY TRUSTEE LAUTNER TO APPROVE THE COLLECTIVE BARGAINING AGREEMENT WITH THE FIREFIGHTERS' UNION AND TO AUTHORIZE THE SUPERVISOR AND CLERK TO SIGN THE AGREEMENT. The motion passed unanimously by a voice vote.

Commission/Committee Appointments

MOTION BY TRUSTEE DARGA, SECONDED BY TRUSTEE TREVAS TO RENEW ALL APPONTMENTS PER THE SUPERVISOR'S MEMO DATED 5-8-23.

1. Jeff Aprill to the Elmwood Township Planning Commission, 3- year term, June 8, 2023 – June 7, 2026.
2. Jeff Aprill to the Elmwood Township Zoning Board of Appeals, 3- year term, June 8, 2023 – June 7, 2026.
3. Jim O'Rourke to the Elmwood Township Safety Committee, 2- year term, May 19, 2023 – May 18, 2025.
4. Karen Britton to the Elmwood Township Safety Committee, 2- year term, May 19, 2023 – May 18, 2025.
5. Gary Bergstrom to the Elmwood Township Zoning Board of Appeals, 3 -year term, June 8, 2023 – June 7, 2026.
6. Doug Roberts to the Elmwood Township Planning Commission, 3- year term, June 8, 2023 – June 7, 2026.

The motion passed unanimously by a voice vote.

Request for Permission for a 21 Gun Military Salute During a Greilickville Harbor Park Rental

MOTION BY TRUSTEE LAUTNER, SECONDED BY TREASURER MIKOWSKI TO AUTHORIZE THE 21 GUN SALUTE AT GREILICKVILLE HARBOR PARK ON JUNE 10TH. The motion passed unanimously by a voice vote.

Payment of Invoices

MOTION BY TRUSTEE DARGA, SECONDED BY TRUSTEE TREVAS TO PAY THE INVOICES IN THE AMOUNT OF \$86, 806.73. The motion passed unanimously by a voice vote.

PUBLIC COMMENT

Robert Sokolnicki

Adjournment

Supervisor Shaw adjourned the meeting at 6:51 p.m.

**CHARTER TOWNSHIP OF ELMWOOD
SPECIAL BOARD MEETING
MAY 30, 2023 IN THE TOWNSHIP HALL**

Call to Order:

Supervisor Shaw called the meeting to order at 3:02 p.m.

Roll Call:

Present: Jeff Shaw, Connie Preston, Terry Lautner, Dave Darga, and Jordan Gallagher
Trustee Trevas arrived later.

Declaration of Conflict of Interest

None

Public Comment: None

Agenda Approval

MOTION BY CLERK PRESTON, SECONDED BY TRUSTEE LAUTNER TO APPROVE THE AGENDA AS PRESENTED. The motion passed unanimously by a voice vote.

New Business

2023-2024 Property and Liability Insurance Renewal

MOTION BY CLERK PRESTON, SECONDED BY TRUSTEE DARGA TO RENEW THE INSURANCE IN THE AMOUNT OF \$39,992.00 AND AUTHORIZE THE CLERK TO PAY THE INVOICE. The motion passed unanimously by a voice vote.

TART Trail Proposal to Lease Property from Elmwood Township

Chris Kushman from TART explained the request for space to store equipment used to maintain the trail such as a truck, tractor, lawn tractor, trimmers.

Trustee Trevas arrived at 3:15.

TART expects to need about 2000 square feet. They are wondering if the Board would be interested in granting a long-term lease so they could construct a building for storage. It was the consensus of the Board to have a plan brought forward.

Consideration of Floodplain Ordinance Adoption

MOTION BY TRUSTEE LAUTNER, SECONDED BY TRUSTEE TREVAS TO ADOPT ORDINANCE 2023-04, A FLOODPLAIN ORDINANCE THAT ADDRESSES THE FLOODPLAIN MANAGEMENT PROVISIONS OF THE STATE CONSTRUCTION CODE. The motion passed 7-0 by a roll call vote.

Quote for Michigan Broadband Service at the Marina

Supervisor Shaw presented the quote from Michigan Broadband to provide internet and phone services for the marina using their fiber optic services. For the same or less money, we can have more dependable fiber optic service. Trustee Darga expressed concern about

any extra costs and service support. MOTION BY TRUSTEE LAUTNER, SECONDED BY TRUSTEE DARGA TO HAVE THE SUPERVISOR MOVE FORWARD WITH MICHIGAN BROADBAND AT THE MARINA AND HAVE A DISCUSSION AS TO SERVICE SUPPORT. The motion passed unanimously by a voice vote. The Supervisor will bring it back to the Board if there are any other significant costs.

Drinking Fountain Repairs or Replacement

All but two of the drinking fountains have now been repaired. These two will need to be replaced. MOTION BY TRUSTEE LAUTNER, SECONDED BY TRUSTEE DARGA TO PURCHASE TWO NEW DRINKING FOUNTAINS AND HAVE JOHN E GREEN INSTALL THEM AND PROVIDE WINTERIZATION IN THE FALL. The motion passed unanimously by a voice vote.

Public Comment

None

Adjournment

Supervisor Shaw adjourned the meeting at 3:50 p.m.

DRAFT

Check Register Report

Date: 06/06/2023

Time: 11:21 am

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ELMWOOD TOWNSHIP

BANK:

Check Number	Check Date	Status	Void/Stop Date	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
Checks								
37630	05/23/2023	Printed			A026	THE ACCUMED GROUP	Billing Services	564.34
37631	05/23/2023	Printed			A127	AT&T MOBILITY	ACCT#287303700094	152.92
37632	05/23/2023	Printed			B111	BLUECROSS BLUESHIELD OF GROUP	007015150710 MI	363.84
37633	05/23/2023	Printed			C029	CHARTER COMMUNICATIONS	ACCT#8284 12 899 0004425	521.75
37634	05/23/2023	Printed			C010	CHERRYLAND ELECTRIC COOP	ACCT#9902700	113.59
37635	05/23/2023	Printed			C040	CONSUMERS ENERGY	acct#1000 2967 1334	2,987.98
37636	05/23/2023	Printed			01029	MARK DAISY	PAVILION DEPOSIT REFUND	50.00
37637	05/23/2023	Printed			M020	DTE ENERGY	ACCT#9100 215 4419 2	692.60
37638	05/23/2023	Printed			01026	SHAWN DUNN	PAVILION CANCELTION	250.00
37639	05/23/2023	Printed			E006	EARTHWORKS EXCAVATION, LLC	BLUE RIDGE PLOWING	5,700.00
37640	05/23/2023	Printed			503	DARLA EIMERS	PAVILION DEPOSIT REFUND	50.00
37641	05/23/2023	Printed			E013	ELEVATE NET	MARINA PHONE	149.97
37642	05/23/2023	Printed			M008	GFL ENVIRONMENTAL	ACCT#0020119662	353.33
37643	05/23/2023	Printed			G425	GUARDIAN	GROUP ID 00 357534	460.05
37644	05/23/2023	Printed			01030	IDALYS GUERRERO	PAVILION DEPOSIT REFUND	50.00
37645	05/23/2023	Printed			I047	INTEGRITY BUSINESS SOLUTIONS	acct#941496	45.00
37646	05/23/2023	Printed			01027	LAURA MASON	PAVILION DEPOSIT REFUND	50.00
37647	05/23/2023	Printed			01028	NICK OSTROSKI	PAVILION DEPOSIT REFUND	50.00
37648	05/23/2023	Printed			P043	PRIORITY HEALTH	GROUP ID 790105 S001	5,157.36
37649	05/23/2023	Printed			C093	TRAVERSE CITY LIGHT & POWER	ACCT#00174230-5	22.53
37650	05/23/2023	Printed			V023	VSP	CLIENT ID 30031936	309.83
37662	05/31/2023	Printed			M100	MUNICIPAL UNDERWRITERS OF WEST	Policy#M23MTP80722-04	39,992.00

Total Checks: 22

Checks Total (excluding void checks):

58,087.09

Total Payments: 22

Bank Total (excluding void checks):

58,087.09

Check Register Report

Date: 06/06/2023

Time: 11:21 am

Page: 2

ELMWOOD TOWNSHIP

BANK: ONLINE PAYMENTS

Check Number	Check Date	Status	Void/Stop Date	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
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ONLINE PAYMENTS Checks

500024	05/24/2023	Printed			S023	SPEEDWAY SUPERAMERICA	ACCT FB627	579.42
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Total Checks: 1

Checks Total (excluding void checks): 579.42

Total Payments: 1

Bank Total (excluding void checks): 579.42

Total Payments: 23

Grand Total (excluding void checks): 58,666.51

Charter Township of Elmwood Planning Commission 2022 Annual Report

1. Introduction

The Planning Commission is an administrative body of seven residents comprised of six appointed officials and one elected official. The Planning Commission (PC) holds regular monthly meetings, typically, on the third Tuesday of each month. The Planning Commission is tasked with reviewing applications for site plan review, special land uses, planned developments, and zoning amendments (map and text). The PC also is required to hold the necessary public hearings for zoning text amendments.

2. Purpose of the Annual Report

The Michigan Planning Enabling Act contains language of the requirement of the Planning Commission to prepare an annual report to the Township Board. Further, by preparing an annual report, it increases information-sharing between staff, boards, commission, and the governing body. It is also an opportunity for Staff to thank the Planning Commission for their dedication to civic service, attention to detail, and thorough review of every application.

3. Membership

Planning Commission Member	Term Expiration
Rick Bechtold, Chair	May 31, 2025
Jeff Aprill, Vice-Chair	June 7, 2026
Jonah Kuzma, Secretary	May 31, 2024
Chris Mikowski – Township Board Rep.	November 19, 2024
Doug Roberts	June 7, 2026
Kendra Luta	June 21, 2025
Nathan McDonald	June 21, 2025

4. Meetings (Michigan Planning Enabling Act requires four meetings annually)

The Elmwood Township Planning Commission met 16 times in 2022; three of which were special meetings and one was a rescheduled regular meeting. This meets the requirements of MPEA.

Meetings 2022	Rick Bechtold Chair	Jeff Aprill Vice-Chair	Jonah Kuzma Secretary	Doug Roberts	Nate McDonald	Kendra Luta	Chris Mikowski Town Board
January 18	P	P	P	E	P	P	P
February 15	P	P	P	E	P	P	P
March 8	P	P	P	E	P	P	P
April 19	P	P	P	P	P	P	P
*May 5 (workshop)	P	P	P	P	P	P	P
May 17	P	P	P	P	P	P	P
June 21	P	P	P	E	E	P	P
*June 28	P	P	P	P	P	P	P
July 19	P	P	P	P	P	P	P
August 16	P	P	E	P	P	P	P
September 20	P	P	P	P	E	P	P
October 6	P	P	P	P	E	P	P
October 18	P	P	P	P	P	P	P
November 15	P	P	P	P	P	E	P
December 13	E	P	P	P	P	P	P
*December 20	P	P	P	E	E	E	P
Present / Total Meetings	15/16	16/16	15/16	11/16	12/16	14/16	15/16
Meeting Attendance: P=Present E=Excused A=Absent * Special Meeting							

5. Master Plan Review

In 2022, the Commission reviewed its Master Plan. It was ultimately decided that the Plan needs to be updated. Over the next two years, the Township will work with an TBD consultant, residents, and other stakeholders on the Master Plan.

6. Development Reviews (Planning Commission) and Variance Requests (ZBA)

Project Type	Location	Brief Description	Status	Date of Action
SPR/SUP	13336 S West-Bay Shore Dr	Marina with parking lot on landward side of M22	Approved with conditions	1/18/2022
SPR	13356 S West-Bay Shore Dr	Kaiser Building Motel	Approved with conditions	3/8/2022
Variance	10238 E Cherry Bend Rd	Reduce 30' front yard setback for parking to 0'	Approved	5/4/2022
Variance	10238 E Cherry Bend Rd	Reduce parking ratio from 1 space per 200 sf to 1 space per 270 sf.	Approved	5/4/2022
SPR	12868 and 12848 S West-Bay Shore Drive and 10702 and 10700 E Cherry Bend Road	Mixed Use Development	Approved with conditions	5/17/2022
Variance	9320 E Cherry Bend Rd	Reduce 50' front yard setback to 33' to replace existing dwelling	Approved with conditions	5/18/2022
Variance	10321 S Endres Hill Ct	Reduce 30' front yard setback to allow solar panels to remain	Approved	5/18/2022
SPR/SUP	8109 and 7827 E Traverse Hwy	Heritage Solar Array Expansion	Approved with conditions	6/28/2022
Variance	10406 S West-Bay Shore Dr	Reduce 30' front yard to 28' to reconstruct porch	Approved with conditions	8/3/2022
SPR/SUP	9440 and 9432 S. Center Hwy	TC Whiskey; expansion of previously permitted distillery tasting room, offices, and visitor center	Approved with conditions	9/20/2022
SPR/SUP	0 Timberlee Dr., 10901 and 10800 S. Cottonwood Dr., and 0 E. Timberwoods Dr.	Resort	Deliberations in 2023	TBD
SPR	9510 E Cherry Bend Rd	Parking Lot at DeYoung	Approved with conditions	12/13/2022

7. Zoning Ordinance Text and Map Amendments

- ZO 2017-04-16 Map Amendment Request by Jim Hill to rezone Briar Drive (004-260-018-00), E Pico Drive (004-280-019-00) and 10651 E Grandview Road (004-028-122-00) from R-1 to NC. **Action:** adopted by the Township Board, effective December 2022
- ZO 2017-04-18, a Zoning Ordinance Amendment to amend Section 5.7 Accessory Buildings; amend Section 2.2 Definitions; amend Section 3.5, 3.12, and 3.13 to clarify language regarding dwellings; amend Section 5.6, table of dimensional requirements and its footnotes; amend Section 6.5 Lighting. **Action:** Hearing held in December 2022, adopted by the Township Board in March 2023. Will be effective in April 2023.
- ZO 2017-04-19, a Zoning Ordinance Amendment to amend Section 3.17 Temporary/Seasonal Uses and Structures. **Action:** Introduced to PC in November 2022, Hearing held in January. Tabled.

8. In Closing & Looking Forward

The Commission and ZBA have had a busy year. Throughout 2023, in addition to reviewing applications as they are submitted, the Commission will also begin the process for updating the Master Plan, review existing CIP and update as necessary, as required by Michigan Planning Enabling Act, review Zoning Ordinance for any necessary updates, and will hold quarterly work session meetings for review of policies and ordinance, if necessary. The Commission has no recommendations to the Township Board at this time.

Approved by Planning Commission: May 23, 2023

Submitted to Township Board: June 12, 2023

**Charter Township of Elmwood
Greilickville**

Water Financial Projection Study

April 19, 2023



Submitted Respectfully by:

Dawn Lund, Vice President
Utility Financial Solutions, LLC
dlund@ufswb.com
(231) 218-9664



April 19, 2023

Mr. Jeff Shaw
Elmwood Township Supervisor
10090 E. Lincoln Rd
Traverse City, MI 49684

CC: Mr. John Divozzo

Dear Mr. Shaw,

We are pleased to present this executive summary report for a long-term financial projection for the Charter Township of Elmwood Greilickville Water Department. This report was prepared to provide the utility with a comprehensive examination of its existing financials by an outside party.

The specific purposes of this long-term financial projection study are:

- 1) Determine Water utility's revenue requirements for fiscal year 2023.
- 2) Project rate adjustments needed to meet or work toward targeted revenue requirements.

This report includes results of the long-term financial projection.

- 1) Projected rate tracks are based on the utilities ability to meet or work toward three factors listed below:
 - a. Debt Coverage Ratio
 - b. Minimum Cash Reserves
 - c. Operating Income

This report is intended for information and use by management and the Board of Directors for purposes stated above and is not intended to be used by anyone except the specified parties.

Sincerely,

Dawn Lund

Utility Financial Solutions, LLC
Dawn Lund
Vice-President

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INTRODUCTION

This report was prepared to provide the utility with a long-term financial projection and rate track. The specific purposes of the financial plan are identified below:

- 1) ***Determine Water Utility's revenue requirements for fiscal year 2023.*** The Water Utility's revenue requirements were projected for the period from 2023 – 2027 and included adjustments for the following:
 - a. Anticipated operating cost changes
 - b. Capital improvements currently underway and scheduled over next five years. The utility provided capital improvement information.

- 2) ***Proposed rate adjustments needed to meet targeted revenue requirements.*** The primary purpose of this study is to identify appropriate revenue requirements and the rate adjustments projected to meet or work toward financial targets. The report includes a long-term rate track to help ensure the financial stability of the utility in future years.

The Township retained Utility Financial Solutions, LLC to review the above items and make suggestions on the appropriate course of action. This report includes results of the long-term financial projection.

UTILITY REVENUE REQUIREMENTS

Revenue requirements for the water utility were projected for 2023 based on Fiscal Year 2022 actual expenses and Budget 2023. Revenues and expenses were analyzed with adjustments made to actual expenses to reflect projected operating characteristics. The table below summarizes the significant assumptions used in the projection:

	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Inflation Rate	4.9%	3.5%	2.9%	2.9%	2.9%
Growth	0.0%	0.0%	0.0%	0.0%	0.0%
Investment Income	0.5%	0.5%	0.5%	0.5%	0.5%

Table Two below is a summary of the financial projection for the period 2023-2027 without rate adjustments. The water department is projected to operate at a loss of (\$3,103) for 2023 losses grow throughout the projection period. Cash balances are projected to decline. The Township paid off a water bond of \$190,238 and the water department is creating a loan payback schedule of \$150,238 over 15 years at 4.5% with an initial paydown of \$40,000.

Table Two – Projected Financial Summary (without Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	0.00%	64,136	67,239	(3,103)	113,238	5,000	-	0.08
2024	0.00%	64,136	68,494	(4,358)	96,422	5,000	-	0.16
2025	0.00%	64,136	70,413	(6,277)	77,578	5,000	-	0.01
2026	0.00%	64,136	72,386	(8,250)	56,778	5,000	-	(0.13)
2027	0.00%	64,136	74,412	(10,276)	33,957	5,000	-	(0.27)
Targeted MINIMUM in 2023				\$ 12,830	\$ 43,384			1.0/1.45
Targeted MINIMUM in 2027				\$ 13,175	\$ 44,817			1.0/1.45

1. Financial projections should be updated during the budgeting process each year.
2. Additional assumptions were used in developing the financial projections.
3. The five-year capital improvement plan provided by the utility and is as follows:

Year	Projected Capital Improvement
2023	\$ 5,000
2024	5,000
2025	5,000
2026	5,000
2027	5,000

DEVELOPMENT OF FINANCIAL TARGETS

When evaluating rates to charge customers, three key factors must be considered:

1. Debt Coverage Ratio
2. Minimum Cash Reserves
3. Optimal Net Income

Each of these factors is discussed below:

- 1) **Debt Coverage Ratio - The utility does not currently have outstanding revenue bonds; the following is for informational purposes only. The debt coverage ratio in the table represents the payback to the Township and does not have an official mandated requirement.** Debt coverage ratios are typically mandated by covenants established in a revenue bond ordinance and must be maintained to ensure the utility maintains its bond rating and has the capacity to issue revenue bonds. If the utility is not meeting its debt coverage ratio obligation, even if the payment is being made, the system is technically in default. Typical revenue bond coverage ratios require that cash generated from operations exceed 1.25 times the debt payments. Due to fluctuations in sales, mainly the result of weather or the economy, a safety factor should help ensure coverage ratios requirements are met during low sales years. We have established a target of 1.45 for financial projection purposes. This becomes the minimum target and rates must be established to meet the debt coverage target.

Table Three below includes the projected debt coverage ratios for the internal loan during the projection period 2023-2027. For financial planning purposes a minimum 1.45 debt coverage ratio is usually targeted however, since the outstanding debt is an internal loan and not a revenue bond, a 1.0 minimum would be acceptable.

Table Three – Projected Debt Coverage Ratios (without Rate Adjustments)

Debt Coverage Ratio	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Add Net Income	\$ (2,345)	\$ (10,344)	\$ (12,147)	\$ (13,863)	\$ (15,628)
Add Depreciation Expense	5,657	5,757	5,857	5,957	6,057
Add Interest Expense	-	6,761	6,435	6,096	5,740
Cash Available for Debt Service	\$ 3,312	\$ 2,173	\$ 146	\$ (1,811)	\$ (3,831)
Debt Principal and Interest	\$ 40,000	\$ 13,989	\$ 13,989	\$ 13,989	\$ 13,989
Projected Debt Coverage Ratio (Covenants)	0.08	0.16	0.01	-0.13	-0.27
Minimum Debt Coverage Ratio	1.0/1.45	1.0/1.45	1.0/1.45	1.0/1.45	1.0/1.45

- 2) **Minimum Cash Reserve Target** - To help ensure timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserves attempt to quantify the minimum amount of cash the utility should keep in reserve, actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets that are currently in service. The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, rate base, capital improvements, and debt service. The establishment of minimum cash reserves should consider a number factors including:
- **Working Capital Lag** - Timing differences between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps to ensure cash exists to pay expenses in a timely manner.
 - **Investment in assets** – Catastrophic events may occur that require substantial amounts of cash reserves to replace damaged assets. Some examples of catastrophic events include earthquakes, main-breaks, floods, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA; however, FEMA reimbursements can take between 6 months to 2 years to recover. The utility should ensure adequate cash reserves exist to replace the assets in a timely fashion. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies.
 - **Annual debt service** – Debt service payments do not occur evenly throughout the year and often occurs at periodic times typically every six months. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.
 - **Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

The minimum targeted cash reserve for the water department is approximately \$45,000. The projected cash reserve available for operations in 2023 is \$113,238 and decreases to \$33,957 by 2027. Table Four below provides the minimum cash reserve calculation.

Table Four – Minimum Cash Reserves (without Rate Adjustments)

	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Operation & Maintenance Less Depreciation Expense	12.3%	\$ 7,575	\$ 7,717	\$ 7,940	\$ 8,171	\$ 8,408
Historical Rate Base	1%	16,820	16,970	17,120	17,270	17,420
Current Portion of Debt Service Reserve	100%	13,989	13,989	13,989	13,989	13,989
Five Year Capital Improvements - Net of bond proceeds	20%	5,000	5,000	5,000	5,000	5,000
Minimum Cash Reserves		\$ 43,384	\$ 43,676	\$ 44,050	\$ 44,430	\$ 44,817
Projected Cash Reserves		\$ 113,238	\$ 96,422	\$ 77,578	\$ 56,778	\$ 33,957

Targeted Minimum Cash Reserves do not meet the minimum targets in 2027.

Notes:

1. Operation and maintenance expenses exclude depreciation expense.
2. Rate base is historical investment in plant and equipment.
3. Next five years capital is budgeted capital improvements and excludes capital improvements funded through debt issuances.

3) **Optimal operating income targets** - The optimal target for setting rates is the establishment of a target operating income to help ensure the following:

1. Funding of Interest Expense on the outstanding principal on debt. Interest expense is below the operating income line and needs to be recouped through the operating income balance.
2. Funding of the inflationary increase on the assets invested in the system. The inflation on the replacement of assets invested in the utility should be recouped through the Operating Income
3. Fully funding of depreciation expense
4. Adequate rate of return on investment to help ensure current customers are paying their fair share of the use of the infrastructure and not deferring the charge to future generations.

As improvements are made to the system, the optimal operating income target will increase unless annual depreciation expense is greater than yearly capital improvements. The target established for 2023 is \$12,830 and operating income is projected at a loss of (\$3,103). The operating income is below the minimum target throughout the projection period.

Table Five - Optimal Operating Income Targets Compared to Projected

	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Outstanding Principal on Debt	0.0%	6,761	6,761	6,435	6,096	5,740
System Equity	6.4%	6,069	6,393	6,728	7,075	7,434
Target Operating Income		\$ 12,830	\$ 13,154	\$ 13,163	\$ 13,170	\$ 13,175
Projected Adjusted Operating Income		\$ (3,103)	\$ (4,358)	\$ (6,277)	\$ (8,250)	\$ (10,276)
Rate of Return in %		4.7%	4.9%	4.9%	4.9%	4.9%

Projected Operating Income does not meet optimal targeted levels throughout the projection period.

PROPOSED RATE TRACK

Increasing rates requires balancing the financial health of the utility with the financial impact on customers. The rate track was developed to work toward healthy financial targets. Cash will need to be monitored as the capital improvement program materializes to confirm the rate track. The rate track should be reviewed with the budget process as changes in revenues, expenses and capital can greatly impact the projection.

The study identified proposed rate increases of 5.0% in 2023-2027 to allow the utility to move towards the projected targets over the five-year period. Table Six below is the five-year financial projection with a proposed rate track for 2023-2027.

Table Six – Projected Financial Summary (with Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	5.00%	67,343	67,239	104	116,444	5,000	-	0.16
2024	5.00%	70,710	68,494	2,216	106,202	5,000	-	0.63
2025	5.00%	74,245	70,413	3,832	97,484	5,000	-	0.73
2026	5.00%	77,958	72,386	5,572	90,555	5,000	-	0.86
2027	5.00%	81,856	74,412	7,444	85,553	5,000	-	1.00
Targeted MINIMUM in 2023				\$ 12,830	\$ 43,384			1.0/1.45
Targeted MINIMUM in 2027				\$ 13,175	\$ 44,817			1.0/1.45

SIGNIFICANT ASSUMPTIONS

This section outlines the significant assumptions for the study.

Forecasted Operating Expenses

Forecasted expenses were based on actual Fiscal Year End 2022 and Budget 2023 adjusted for known cost changes and inflation.

Sales Forecast

A forecast of 0% growth rate was used throughout the projection period.

Capital Improvement Program

The capital improvement program was provided by the Utility and is listed below. Any changes from the numbers provided can greatly affect the cash balance.

Year	Projected Capital Improvement
2023	\$ 5,000
2024	5,000
2025	5,000
2026	5,000
2027	5,000

WATER OPERATION FINDINGS

- 1) Proposed rate increases of 5.0% in 2023-2027 will allow the utility to move towards the projected targets over the five-year period. The rate track should be reviewed as part of the annual budget process as costs, revenues, growth, and capital may vary from projections.

Projected Financial Summary (with Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	5.00%	67,343	67,239	104	116,444	5,000	-	0.16
2024	5.00%	70,710	68,494	2,216	106,202	5,000	-	0.63
2025	5.00%	74,245	70,413	3,832	97,484	5,000	-	0.73
2026	5.00%	77,958	72,386	5,572	90,555	5,000	-	0.86
2027	5.00%	81,856	74,412	7,444	85,553	5,000	-	1.00
Targeted MINIMUM in 2023				\$ 12,830	\$ 43,384			1.0/1.45
Targeted MINIMUM in 2027				\$ 13,175	\$ 44,817			1.0/1.45

RATE DESIGN

Five-Year Rate Design 5%

	Current	Proposed Year 1	Proposed Year 2	Proposed Year 3	Proposed Year 4	Proposed Year 5
Customer Charge \$	28.29	\$ 29.75	\$ 31.25	\$ 33.00	\$ 36.50	\$ 38.50
Commodity Rate	3.38	3.55	3.73	3.92	4.32	4.54

Charter Township of Elmwood

Sewer Financial Projection Study

April 19, 2023



Corporate location:

Utility Financial Solutions, LLC

185 Sun Meadow Court

Holland, MI USA 49424

Submitted Respectfully by:

Dawn Lund, Vice President
Utility Financial Solutions, LLC
dlund@ufswb.com
(231) 218-9664



April 19, 2023

Mr. Jeff Shaw
Elmwood Township Supervisor
10090 E. Lincoln Rd
Traverse City, MI 49684

CC: Mr. John Divozzo

Dear Mr. Shaw,

We are pleased to present this executive summary report for a long-term financial projection in the Sewer Department completed for the Charter Township of Elmwood. This report was prepared to provide the utility with a comprehensive examination of its existing financials by an outside party.

The specific purposes of this long-term financial projection study are:

- 1) Determine the sewer utility's revenue requirements for the fiscal year 2023.
- 2) Project rate adjustments needed to meet or work toward targeted revenue requirements.

This report includes results of the long-term financial projection.

- 1) Projected rate tracks are based on the utilities ability to meet or work toward three factors listed below:
 - a. Debt Coverage Ratio
 - b. Minimum Cash Reserves
 - c. Operating Income

This report is intended for information and use by management and the Board of Directors for purposes stated above and is not intended to be used by anyone except the specified parties.

Sincerely,

Dawn Lund

Utility Financial Solutions, LLC
Dawn Lund
Vice-President

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INTRODUCTION

This report was prepared to the sewer utility with a long-term financial projection and rate track. The specific purposes of the financial plan are identified below:

- 1) ***Determine the Sewer Utility's revenue requirements for fiscal year 2023.*** The Sewer Utility's revenue requirements were projected for the period from 2023 – 2027 and included adjustments for the following:
 - a. Anticipated treatment cost changes
 - b. Capital improvements currently underway and scheduled over next five years. The utility provided capital improvement information.

- 2) ***Proposed rate adjustments needed to meet targeted revenue requirements.*** The primary purpose of this study is to identify appropriate revenue requirements and the rate adjustments needed to help meet or work toward financial targets. This report includes a long-term rate track to help ensure the financial stability of the utility in future years.

The Charter Township of Elmwood retained Utility Financial Solutions to review the above items and make suggestions on the appropriate course of action. This report includes results of the long-term financial projection.

UTILITY REVENUE REQUIREMENTS

Revenue requirements for the utility were projected for 2023 based on Fiscal Year 2022 actual expenses and Budget 2023. Revenues and expenses were analyzed with adjustments made to actual expenses to reflect projected operating characteristics. The table below summarizes the significant assumptions used in the projection:

	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Inflation Rate	4.90%	3.50%	2.90%	2.90%	2.90%
Growth	0.0%	0.0%	0.0%	0.0%	0.0%
Investment Income	0.5%	0.5%	0.5%	0.5%	0.5%

Table Two below is a summary of the financial projection for the period 2023-2027 without rate adjustments. The sewer department is projected at an operating loss of (\$141,749) in 2023 and continues with operating losses throughout the projection period. The projected cash balance in 2023 is \$1.0 million and declines to \$607,921 by 2027. Over the next five years, the expenses in the sewer department are projected to be higher than typical due to the capital improvements planned at the City which will be reflected in the Township's treatment charges.

Table Two – Projected Financial Summary – (without Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	0.00%	363,565	505,314	(141,749)	1,031,503	52,248	-	n/a
2024	0.00%	363,565	517,169	(153,604)	944,228	52,248	-	n/a
2025	0.00%	363,565	530,461	(166,896)	844,809	52,248	-	n/a
2026	0.00%	363,565	544,092	(180,527)	732,844	52,248	-	n/a
2027	0.00%	363,565	558,073	(194,508)	607,921	52,248	-	n/a
Target in 2023				\$ 32,443				
Target in 2027				\$ 32,443				
Minimum Target 2023					\$ 281,504	1.45		
Minimum Target 2027					\$ 313,209	1.45		

*Operating expenses are expected to be higher than usual for a five-year period as the City is planning significant capital improvements that will be reflected in the Township's treatment charges

1. The five-year capital improvement plan was provided by the utility.
2. Financial projections should be updated during the budgeting process each year as expenses and capital expenditures change from projections.

DEVELOPMENT OF FINANCIAL TARGETS

When evaluating rates to charge customers, three key factors must be considered:

1. Debt Coverage Ratio
2. Minimum Cash Reserves
3. Operating Income

Each of these factors is discussed below:

- 1) **Debt Coverage Ratio - The utility does not currently have outstanding bonds; the following is for informational purposes only.** Debt coverage ratios are mandated by covenants established in the bond ordinance and must be maintained to ensure the utility maintains its bond rating and has the capacity to issue revenue bonds. Typical revenue bond coverage ratios require that cash generated from operations exceed 1.25 times the debt payments. Due to fluctuations in sales, mainly the result of weather or the economy, a safety factor should help ensure coverage ratios requirements are met during low sales years. We have established a target of 1.45 for financial projection purposes. This becomes the minimum target and rates should be established to meet or work toward the debt coverage target.

The Sewer Department does not have any current debt.

2) **Minimum Cash Reserve Target** - To help ensure timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserve attempts to quantify the minimum amount of cash the utility should keep in reserve; actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets that are currently in service. The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, rate base, capital improvements, and debt service. The establishment of minimum cash reserves should consider a number factors including:

- **Working Capital Lag** - Timing differences between when expenses are incurred, and revenues received from customers. Establishing a minimum cash reserve helps to ensure cash exists to pay expenses in a timely manner.
- **Investment in assets** – Catastrophic events may occur that require substantial amounts of cash reserves to replace damaged assets. Some examples of catastrophic events include collection or interceptor breaks, floods, heavy rains, equipment failure. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA; however, FEMA reimbursements can take between 6 months to 2 years to recover. The utility should ensure adequate cash reserves exist to replace the assets in a timely fashion. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies.
- **Annual debt service** – Debt service payments do not occur evenly throughout the year and often occurs at periodic times typically every six months. The utility should ensure adequate cash reserves exist to fund the debt service payment when the payment is due.
- **Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

The minimum targeted cash reserve for the utility is approximately \$300,000. The projected cash reserve is \$1.0 million for 2023 and decreases to \$607,921 in 2027. The cash balances should be healthy for financial planning purposes as it is anticipated the Township will be responsible for a share of a future lift station planned by the City and membrane replacements at the plant. Table four below provides the minimum cash reserve calculation.

Table Four – Minimum Cash Reserves (without Rate Adjustments, with Bond Issues)

	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Operation & Maintenance Less Depreciation Expense	12%	\$ 98,369	\$ 100,937	\$ 103,864	\$ 106,876	\$ 109,976
Historical Rate Base	1%	49,122	50,690	52,257	53,825	55,392
Current Portion of Debt Service Reserve	100%	51,045	51,045	51,045	51,045	51,045
Five Year Capital Improvements - Net of bond proceeds	20%	82,968	82,968	82,968	82,968	96,796
Minimum Cash Reserve Levels		\$ 281,504	\$ 285,640	\$ 290,134	\$ 294,714	\$ 313,209
Projected Cash Reserves		\$ 1,031,503	\$ 944,228	\$ 844,809	\$ 732,844	\$ 607,921

Notes:

1. Operation and maintenance expenses exclude depreciation expense.
2. Rate base is historical investment in plant and equipment.
3. Five-year capital is budgeted capital improvements and excludes capital improvements funded through debt issuances.

- 3) **Optimal operating income targets** - The optimal target for setting rates is the establishment of a target operating income to help ensure the following:
1. Funding of Interest Expense on the outstanding principal on debt. Interest expense is below the operating income line and needs to be recouped through the operating income balance.
 2. Funding of the inflationary increase on the assets invested in the system. The inflation on the replacement of assets invested in the utility should be recouped through the Operating Income
 3. Adequate rate of return on investment to help ensure current customers are paying their fair share of the use of the infrastructure and not deferring the charge to future generations.

As improvements are made to the system, the optimal operating income target will increase unless annual depreciation expense is greater than yearly capital improvements. The target established for 2023 is \$32,443; with a projected loss of (\$141,749). Losses continue throughout the projection period and are mainly due to increased treatment expenses over the next five-years due to significant capital improvements planned at the plant.

Table Five - Optimal Operating Income Targets Compared to Projected

	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Outstanding Principal on Debt	0.0%	-	-	-	-	-
System Equity	6.4%	32,443	29,385	26,247	23,030	32,443
Target Operating Income		\$ 32,443	\$ 29,385	\$ 26,247	\$ 23,030	\$ 32,443
Projected Adjusted Operating Income		\$ (141,749)	\$ (153,604)	\$ (166,896)	\$ (180,527)	\$ (194,508)
Rate of Return in %		5.0%	5.0%	5.0%	5.0%	5.0%

Projected Operating Income does not meet optimal targeted levels throughout the projection period.

PROPOSED RATE TRACK

The projection indicates current revenues are not adequate to maintain the long-term financial stability of the utility. The table below reflects rate adjustments of 5.0% in 2023-2027. The rate track should be reviewed as part of the annual budget process as costs, revenues, growth, and capital may vary from projections.

Table Six – Projected Financial Summary (with Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	5.00%	381,743	505,314	(123,570)	1,049,681	52,248	-	n/a
2024	5.00%	400,830	517,169	(116,338)	999,763	52,248	-	n/a
2025	5.00%	420,872	530,461	(109,589)	957,928	52,248	-	n/a
2026	5.00%	441,916	544,092	(102,177)	924,879	52,248	-	n/a
2027	5.00%	464,011	558,073	(94,062)	901,363	52,248	-	n/a
Target in 2023				\$ 32,443				
Target in 2027				\$ 32,443				
Minimum Target 2023					\$ 281,504			1.45
Minimum Target 2027					\$ 313,209			1.45

*Operating expenses are expected to be higher than usual for a five-year period as the City is planning significant capital improvements that will be reflected in the Township's treatment charges

SIGNIFICANT ASSUMPTIONS

This section outlines the significant assumptions for the study.

Forecasted Operating Expenses

Forecasted expenses were based on actual Fiscal Year End 2022 and Budget 2023 adjusted for known cost changes and inflation.

Sales Forecast

A forecast of 0% growth rate was provided used throughout the projection period.

Revenue Forecast

The revenue forecast was based on 2022 usages adjusted for growth rate assumptions.

Capital Improvement Program

The capital improvement program was provided by the Utility and is listed below. Any changes from the numbers provided can greatly affect the cash balance.

Year	Projected Capital Improvement
2023	52,248
2024	52,248
2025	52,248
2026	52,248
2027	52,248

Sewer Operation Findings

1. The projection indicates current revenues are not adequate to maintain the long-term financial stability of the Utility. This projected financial summary below includes proposed rate changes of 5.0% in 2023-2027. The rate track should be reviewed as part of the annual budget process as costs, revenues, growth, and capital may vary from projections.

Projected Financial Summary (with Rate Adjustments)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	5.00%	381,743	505,314	(123,570)	1,049,681	52,248	-	n/a
2024	5.00%	400,830	517,169	(116,338)	999,763	52,248	-	n/a
2025	5.00%	420,872	530,461	(109,589)	957,928	52,248	-	n/a
2026	5.00%	441,916	544,092	(102,177)	924,879	52,248	-	n/a
2027	5.00%	464,011	558,073	(94,062)	901,363	52,248	-	n/a
Target In 2023				\$ 32,443				
Target in 2027				\$ 32,443				
Minimum Target 2023					\$ 281,504	1.45		
Minimum Target 2027					\$ 313,209	1.45		

*Operating expenses are expected to be higher than usual for a five-year period as the City is planning significant capital improvements that will be reflected in the Township's treatment charges

RATE DESIGN

Five-Year Rate Design 5%

	Current	Year 1	Year 2	Year 3	Year 4
Customer Charge	\$ 23.00	\$ 24.25	\$ 25.50	\$ 26.75	\$ 28.00

Charter Township of Elmwood

Timberlee

Water Financial Projection Study

April 19, 2023



Submitted Respectfully by:

Dawn Lund, Vice President
Utility Financial Solutions, LLC
dlund@ufsweb.com
(231) 218-9664



April 19, 2023

Mr. Jeff Shaw
Elmwood Township Supervisor
10090 E. Lincoln Rd
Traverse City, MI 49684

CC: Mr. John Divozzo

Dear Mr. Shaw,

We are pleased to present this executive summary report for a long-term financial projection for the Charter Township of Elmwood Timberlee Water Department. This report was prepared to provide the utility with a comprehensive examination of its existing financials by an outside party.

The specific purposes of this long-term financial projection study are:

- 1) Determine Water utility's revenue requirements for fiscal year 2023-2027.
- 2) Project rate adjustments needed to meet or work toward targeted revenue requirements.

This report includes results of the long-term financial projection.

- 1) Projected rate tracks are based on the utilities ability to meet or work toward three factors listed below:
 - a. Debt Coverage Ratio
 - b. Minimum Cash Reserves
 - c. Operating Income

This report is intended for information and use by management and the Board of Directors for purposes stated above and is not intended to be used by anyone except the specified parties.

Sincerely,

Dawn Lund

Utility Financial Solutions, LLC
Dawn Lund
Vice-President

	Page
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Utility Revenue Requirements	2
Development of Financial Targets	3
Proposed Rate Track	7
— Significant Assumptions	8
Rate Design and Impacts	i

INTRODUCTION

This report was prepared to provide Elmwood Twp Timberlee water utility with a long-term financial projection and rate track. The specific purposes of the financial plan are identified below:

- 1) ***Determine Water Utility's revenue requirements for fiscal year 2023.*** The Water Utility's revenue requirements were projected for the period from 2023 – 2027 and included adjustments for the following:
 - a. Anticipated operating cost changes
 - b. Capital improvements currently underway and scheduled over next five years. The Utility provided capital improvement information.

- 2) ***Proposed rate adjustments needed to meet targeted revenue requirements.*** The primary purpose of this study is to identify appropriate revenue requirements and the rate adjustments projected to meet or work toward financial targets. The report includes a long-term rate track to help ensure the financial stability of the utility in future years.

Utility Financial Solutions, LLC was retained to review the above items and make suggestions on the appropriate course of action. This report includes results of the long-term financial projection.

UTILITY REVENUE REQUIREMENTS

Revenue requirements were projected for 2023 based on Fiscal Year 2022 actual expenses and Budget 2023. Revenues and expenses were analyzed with adjustments made to actual expenses to reflect projected operating characteristics. The table below summarizes the significant assumptions used in the projection:

	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Inflation Rate	4.9%	3.5%	2.9%	2.9%	2.9%
Growth	0.0%	0.0%	0.0%	0.0%	0.0%
Investment Income	0.5%	0.5%	0.5%	0.5%	0.5%

Table Two below is a summary of the financial projection for the period 2023-2027 without rate adjustments. The projection includes an anticipated bond issue of \$210,000 in 2025 to fund a water tower in that year. Operating income for 2023 is \$18,880 and declines throughout the period to a loss of (\$2,559) without rate adjustments. Cash balances are projected to decline throughout the period.

Table Two – Projected Financial Summary (without Rate Adjustments and with Bond Issues)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	0.00%	86,304	67,424	18,880	416,567	20,000	-	n/a
2024	0.00%	86,304	69,784	16,520	427,497	20,000	-	n/a
2025	0.00%	86,304	78,115	8,189	242,103	420,000	210,000	6.21
2026	0.00%	86,304	86,494	(190)	238,364	20,000	-	2.42
2027	0.00%	86,304	88,863	(2,559)	231,935	20,000	-	2.19
Targeted MINIMUM in 2023				\$ 4,983	\$ 56,603			1.45
Targeted MINIMUM in 2027				\$ 21,604	\$ 68,960			1.45

1. Financial projections should be updated during the budgeting process each year.
2. Additional assumptions were used in developing the financial projections.
3. The five-year capital improvement plan provided by the utility and is as follows:

Year	Projected Capital Improvement
2023	\$ 20,000
2024	20,000
2025	420,000
2026	20,000
2027	20,000

DEVELOPMENT OF FINANCIAL TARGETS

When evaluating rates to charge customers, three key factors must be considered:

1. Debt Coverage Ratio
2. Minimum Cash Reserves
3. Optimal Net Income

Each of these factors is discussed below:

- 1) **Debt Coverage Ratio – The utility does not currently have outstanding debt; the following is for informational purposes as the utility may issue debt in the future for the water tower.** Debt coverage ratios are mandated by covenants established in the bond ordinance and should be met to ensure the utility maintains its bond rating and has the capacity to issue revenue bonds. If the utility is not meeting its debt coverage ratio obligation, even if the payment is being made, the system is technically in default. Typical revenue bond coverage ratios require that cash generated from operations exceed 1.25 times the debt payments. Due to fluctuations in sales, mainly the result of weather or the economy, a safety factor should help ensure coverage ratios requirements are met during low sales years. We have established a target of 1.45 for financial projection purposes. This becomes the minimum target and rates must be established to meet the debt coverage target.

Table Three below are the projected debt coverage ratios for the projection period 2023-2027. This projection includes a bond issuance of \$210,000 in 2025.

Table Three – Projected Debt Coverage Ratios (without Rate Adjustments and with Bond Issues)

Debt Coverage Ratio	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Add Net Income	\$ 20,953	\$ 18,538	\$ 5,547	\$ (7,503)	\$ (10,710)
Add Depreciation Expense	11,973	12,392	19,059	25,726	26,332
Add Interest Expense	-	-	4,725	9,450	9,362
Cash Available for Debt Service	\$ 32,926	\$ 30,930	\$ 29,331	\$ 27,673	\$ 24,983
Debt Principal and Interest	\$ -	\$ -	\$ 4,725	\$ 11,412	\$ 11,412
Projected Debt Coverage Ratio (Covenants)	n/a	n/a	6.21	2.42	2.19
Minimum Debt Coverage Ratio	1.45	1.45	1.45	1.45	1.45

- 2) **Minimum Cash Reserve Target** - To help ensure timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserves attempt to quantify the minimum amount of cash the utility should keep in reserve, actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets that are currently in service. The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, rate base, capital improvements, and debt service. The establishment of minimum cash reserves should consider a number factors including:
- **Working Capital Lag** - Timing differences between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps to ensure cash exists to pay expenses in a timely manner.
 - **Investment in assets** – Catastrophic events may occur that require substantial amounts of cash reserves to replace damaged assets. Some examples of catastrophic events include earthquakes, main-breaks, floods, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA; however, FEMA reimbursements can take between 6 months to 2 years to recover. The utility should ensure adequate cash reserves exist to replace the assets in a timely fashion. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies.
 - **Annual debt service** – Debt service payments do not occur evenly throughout the year and often occurs at periodic times typically every six months. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.
 - **Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

The minimum target cash reserve for the water department is approximately \$70,000. For 2024, the projected cash reserve available for operations is \$416,000 and decreases to \$231,935 by 2027. Table Four below provides the minimum cash reserve calculation.

Table Four – Minimum Cash Reserves (without Rate Adjustments and with Bond Issues)

	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Operation & Maintenance Less Depreciation Expense	12.3%	\$ 6,820	\$ 7,059	\$ 7,264	\$ 7,475	\$ 7,691
Historical Rate Base	1%	1,557	1,757	5,957	6,157	6,357
Current Portion of Debt Service Reserve	100%	4,725	4,725	11,412	11,412	11,412
Five Year Capital Improvements - Net of bond proceeds	15%	43,500	43,500	43,500	43,500	43,500
Minimum Cash Reserves		\$ 56,603	\$ 57,041	\$ 68,133	\$ 68,544	\$ 68,960
Projected Cash Reserves		\$ 416,567	\$ 427,497	\$ 242,103	\$ 238,364	\$ 231,935

Targeted Minimum Cash Reserves are declining but meet the minimum throughout the projection period.

Notes:

1. Operation and maintenance expenses exclude depreciation expense.
2. Rate base is historical investment in plant and equipment.
3. Next five years capital is budgeted capital improvements and excludes capital improvements funded through debt issuances.

- 3) **Optimal operating income targets** - The optimal target for setting rates is the establishment of an operating income to help ensure the following:
1. Funding of Interest Expense on the outstanding principal on debt. Interest expense is below the operating income line and needs to be recouped through the operating income balance.
 2. Funding of the inflationary increase on the assets invested in the system. The inflation on the replacement of assets invested in the utility should be recouped through the Operating Income
 3. Fully funding of depreciation expense
 4. Adequate rate of return on investment to help ensure current customers are paying their fair share of the use of the infrastructure and not deferring the charge to future generations.

As improvements are made to the system, the optimal operating income target will increase unless annual depreciation expense is greater than yearly capital improvements. The target established increases throughout the projection period to \$21,604 by 2027. Operating income falls below the minimum after 2024 and turns to losses.

Table Five - Optimal Operating Income Targets Compared to Projected

	Percent Allocated	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Outstanding Principal on Debt	0.0%	-	-	4,725	9,450	9,362
System Equity	3.6%	4,983	5,623	11,500	11,875	12,242
Target Operating Income		\$ 4,983	\$ 5,623	\$ 16,225	\$ 21,325	\$ 21,604
Projected Adjusted Operating Income		\$ 18,880	\$ 16,520	\$ 8,189	\$ (190)	\$ (2,559)
Rate of Return in %		4.1%	4.4%	3.1%	4.1%	4.2%

Projected Operating Income does not meet optimal targeted levels beyond 2024

PROPOSED RATE TRACK

Increasing rates requires balancing the financial health of the utility with the financial impact on customers. The rate track was developed to work toward healthy financial targets. Cash will need to be monitored as the capital improvement program materializes to confirm the rate track. The rate track should be reviewed with the budget process as changes in revenues, expenses and capital can greatly impact the projection.

The study identified proposed rate increases of 5.0% in 2023-2027 to allow the utility to move towards the projected targets over the five-year period. The projection includes a \$210,000 bond issue in 2025 to help fund the capital improvement program. Table Six below is the five-year financial projection with a proposed rate track for 2023-2027.

Table Six – Projected Financial Summary (with Rate Adjustments and with Bond Issues)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	5.00%	90,619	67,424	23,195	420,882	20,000	-	n/a
2024	5.00%	95,150	69,784	25,366	440,659	20,000	-	n/a
2025	5.00%	99,908	78,115	21,793	268,890	420,000	210,000	9.09
2026	5.00%	104,903	86,494	18,409	283,815	20,000	-	4.06
2027	5.00%	110,148	88,863	21,286	301,365	20,000	-	4.29
Targeted MINIMUM in 2023				\$ 4,983	\$ 56,603			1.45
Targeted MINIMUM in 2027				\$ 21,604	\$ 68,960			1.45

SIGNIFICANT ASSUMPTIONS

This section outlines the significant assumptions for the study.

Forecasted Operating Expenses

Forecasted expenses were based on actual Fiscal Year End 2022 and Budget 2023 adjusted for known cost changes and inflation.

Sales Forecast

A forecast of 0% growth rate was used throughout the projection period.

Capital Improvement Program

The capital improvement program was provided by the utility and is listed below. Any changes from the numbers provided can greatly affect the cash balance.

Year	Capital Improvement
2023	\$ 20,000
2024	20,000
2025	420,000
2026	20,000
2027	20,000

WATER OPERATION FINDINGS

- 1) Proposed rate increases of 5% in 2023-2027 will allow the utility to move towards the projected targets over the five-year period. The projection includes a \$210,000 bond issue in 2025 to help fund the capital improvement program. The rate track should be reviewed as part of the annual budget process as costs, revenues, growth, and capital may vary from projections.

Projected Financial Summary (with Rate Adjustments and with Bond Issues)

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2023	5.00%	90,619	67,424	23,195	420,882	20,000	-	n/a
2024	5.00%	95,150	69,784	25,366	440,659	20,000	-	n/a
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2026	5.00%	104,903	86,494	18,409	283,815	20,000	-	4.06
2027	5.00%	110,148	88,863	21,286	301,365	20,000	-	4.29
Targeted MINIMUM in 2023				\$ 4,983	\$ 56,603			1.45
Targeted MINIMUM in 2027				\$ 21,604	\$ 68,960			1.45

RATE DESIGN AND IMPACTS

Five-Year Rate Design 5%

	Current	Year 1	Year 2	Year 3	Year 4
Customer Charge	\$ 31.00	\$ 32.50	\$ 34.25	\$ 36.00	\$ 37.75

CHARTER TOWNSHIP OF ELMWOOD, MI
Water and Sewer Connection Fee Report
April 19, 2023



PO Box 582
Leland, MI 49654
(231)-218-9664
dlund@ufsweb.com

Submitted Respectfully by:
Dawn Lund
Vice-President, Utility Financial Solutions, LLC

INTRODUCTION

This report was prepared to provide the Charter Township of Elmwood with a connection fee calculation. The specific purpose of this study is to ensure new connections are put on the same equity basis as existing customers based on meter equivalents.

The analysis includes the current determination of the charges per meter equivalent based on the "Equity Method". This method identifies the equity each existing customer has in the water or sewer system and charges new customers based on that existing equity.

The per meter equivalent using the Equity Method is calculated as follows:

- a. Determine historical investment and accumulated depreciation
- b. Determine cash balance
- c. Determine total system meter equivalents
- d. Calculate connection charge per meter equivalent by dividing sum of a and b by c

The NBV, contributed capital, cash balances, principal on debt and meter sizes were derived from reports as provided by the Township. The AWWA standard for calculating the meter equivalent conversion was used in the study. The Water connection fee was calculated using a customer meter equivalent and the charges will be progressive by meter size.

The recommended fee per 5/8" meter equivalent for the Greilickville Water Department is \$2,890 as calculated on page 3, Table 1A.

The recommended fee per 5/8" meter equivalent for the Timberlee Water Department is \$2,676 as calculated on page 4, Table 2A.

The recommended fee per 5/8" meter equivalent for the Township of Elmwood Sewer Department is \$1,429 as calculated on page 5, Table 3A.

WATER DEPARTMENT - GREILICKVILLE

TABLE 1A – DETERMINATION OF WATER CONNECTION FEE PER 5/8" METER EQUIVALENT

	December 2022
Total Net Book Value of Assets	272,283
Less NBV of Contributed Capital	-
NBV of Assets used for Connection Charges	272,283
Plus Cash Balances	154,926
Equity before principal on Debt	\$ 427,209
Less Outstanding Principal Balance on Debt	190,238
System Equity after Principal on Debt	236,971
Meter Equivalents	81
Charge per REU	\$ 2,925.56
Proposed Charge Per REU	\$ 2,890

TABLE 1B – DETERMINATION OF WATER CONNECTION FEE PER 5/8" METER EQUIVALENT BY METER SIZE

Meter Size	Fee per 5/8" Meter Equiv
5/8"	\$ 2,890
3/4	4,335
1	7,225
1 1/2	14,450
2	23,120
3	43,350
4	72,250
6	144,500

WATER DEPARTMENT - TIMBERLEE

TABLE 2A – DETERMINATION OF WATER CONNECTION FEE PER 5/8" METER EQUIVALENT

	Dec-22
Total Net Book Value of Assets	112,784
Less NBV of Contributed Capital	-
NBV of Assets used for Connection Charges	112,784
Plus Cash Balances	403,641
Equity before principal on Debt	\$ 516,426
Less Outstanding Principal Balance on Debt	-
System Equity after Principal on Debt	516,426
Meter Equivalents	193
Charge per Number Cust	2,676
Proposed Charge Per Number of Cust	\$ 2,676

TABLE 2B – DETERMINATION OF WATER CONNECTION FEE PER 5/8" METER EQUIVALENT BY METER SIZE

Meter Size	Fee per 5/8" Meter Equiv
5/8"	\$ 2,676
3/4	4,014
1	6,689
1 1/2	13,379
2	21,406
3	40,137
4	66,895
6	133,789

SEWER DEPARTMENT

TABLE 3A – DETERMINATION OF SEWER CONNECTION FEE PER CUSTOMER METER EQUIVALENT

	December 2022
Total Net Book Value of Assets	708,451
Less NBV of Contributed Capital	-
NBV of Assets used for Connection Charges	708,451
Plus Cash Balances	1,108,123
Equity before principal on Debt	\$ 1,816,574
Less Outstanding Principal Balance on Debt	-
System Equity after Principal on Debt	1,816,574
Meter Equivalents	1,271
Charge per Customer	1,429
Proposed Charge Per Customer	\$ 1,429

TABLE 3B – DETERMINATION OF SEWER CONNECTION FEE PER 5/8" METER EQUIVALENT BY METER SIZE

Meter Size	Fee per 5/8" Meter Equiv
5/8"	\$ 1,429
3/4"	2,144
1"	3,573
1 1/2	7,146
2	11,434
3	21,439
4	35,731
6	71,462

Connie Preston

From: Jeff Shaw
Sent: Thursday, June 01, 2023 4:08 PM
To: Connie Preston
Subject: FW: pavilion use

For the June 12, 2023 meeting.

-----Original Message-----

From: Patrick Kenny <pjkenny4lw@gmail.com>
Sent: Thursday, June 1, 2023 3:45 PM
To: Jeff Shaw <supervisor@elmwoodmi.gov>
Subject: pavilion use

Hi Jeff,

As discussed over the phone, a non-defined group of dancers is requesting the use of the Elmwood Township Park pavilion each Wednesday evening from 7-11pm using the space to partner dance together, as we did most of the summer last year. We are also curious if we could dance there Saturday evenings from 7-11 as well. If the opportunity to use the space had to come down to only one evening per week, we would request the Wednesday slot.

If you'd have any questions, please contact me at your convenience

Thanks,

Patrick Kenny
260.463.6644 Cel
pjkenny4lw@gmail.com

Grant Writer

Carl Ferguson is a grant writer. He is on retainer with the City of Traverse City, does grant writing for East Bay Township and writes the grants for Discovery Center. He is very familiar with the process and knows where to look for, and how to pursue grants. He charges \$45 per hour. I'd like the Boards permission to have him look for and apply for grants for the Cherry Bend sidewalk project and future projects. Having a professional with his experience and connections can potentially help secure millions of dollars of federal and state grants.

Jeff Shaw

CARL H. FERGUSON

(231) 620-7068 | carlhferguson@gmail.com
2300 Raven Lane, Traverse City, MI 49686

EDUCATION

1993 - 1995

The University of Michigan

Ann Arbor, MI

M.S., Environmental Science, December, 1995; School of Natural Resources and the Environment

M.B.A. with Distinction, December, 1995; School of Business Administration

1986 - 1990

B.S., Geological Sciences, December, 1990; College of Literature, Science and the Arts

EXPERIENCE

2009 - Present

Independent Consultant

Traverse City, MI

Research, Grant Writing and Development

- Contracted research and grant writing for non-profit, private, and local government clients in support of municipal infrastructure, economic development, land use planning, and natural resource projects
- Secured in excess of \$15 million in funding from federal (USDA, NSF, NOAA, EPA among others), state (MDNR, MEDC, EGLE, MDARD among others) and private foundation programs

2002 - 2009

Land Information Access Association

Traverse City, MI

Program Development Specialist

- Responsible for development and marketing for non-profit community services organization
- Successfully wrote and administered grants from numerous local, state, federal and private funding sources
- Managed numerous projects designed to assist local officials with the use of technology in land use planning and civic engagement
- Developed, successfully funded and managed a \$1.4M National Science Foundation project to educate youth blending technology and watershed science

1996 - 2001

Clean Tech, Inc.

Plymouth, MI

Manager, Marketing and Business Planning

- Responsible for all marketing functions for large plastic recycling company
- Responsible for all plant-level financial management including cost control, budgeting, reporting and annual planning
- Assisted in the administrative and financial start-up of new facility in Sao Paulo, Brazil; involved in hiring of permanent Brazilian workforce, negotiating with and selecting accounting, computer and utility providers
- Played key role in company-wide Personnel Development Committee, responsible for evaluating and revamping personnel policies throughout an 11 facility, 3,200 employee organization

1991 - 1993

Dames & Moore, Inc.

Bethesda, MD

Staff Geologist

- Conducted field investigations including multi-media sampling, monitoring well installation, soil gas surveys and geologic mapping under RCRA and CERCLA, Phase I and II environmental site audits
- Compiled Remedial Investigation/Feasibility Study field data, prepared and wrote contamination/risk assessments for work under CERCLA
- Prepared in-house compendium of environmental fate and transport characteristics for common site contaminants resulting in a 40% time savings for report preparation
- Managed and trained multi-disciplinary teams of employees during field investigations
- Youngest employee to achieve staff level within 250-person office

Elmwood Township Parks and Recreation Committee Appointment

6/12/23

Please appoint Hannah Preston to the Elmwood Township Parks and Recreation Committee, 2 year term, June 12, 2023 to November 24, 2024.

Application to Become Involved

Thank you for your interest in serving on a board or committee of Elmwood Township. While there may not be a current vacancy, applications on file may be reviewed for future appointments.



Elmwood

*The Charter Township
of Elmwood*

Leelanau County

*10090 E. Lincoln Rd.
Traverse City, Mi 49684
Office (231) 946-0921
Fax (231) 946-9320*

Name: Hannah Preston

Address: 9139 Lake Leelanau Dr.

Traverse City, MI 49684

Phone Number: _____

Email: _____

Board/Committee Interested In:

Planning Commission Board of Review

Zoning Board of Appeals Marina Committee

Park and Recreation Committee

Other: _____

Why are you interested in serving on this board/committee?

I believe I have ideas to better the local
parks and make them more appealing/accessible
to the public.

What work experience or education do you have related to the board/committee you are interested in serving on?

Previous experience in ^{early} childhood development,

I also have a child that enjoys parks and after
observing many, I've found things that are more
fun than others.

Hannah M Preston 5.22.23
Signature Date

INVOICE APPROVAL LIST REPORT - SUMMARY BY VENDOR

PRELIMINARY

Date: 06/06/2023

Time: 4:24 pm

Page: 1

ELMWOOD TOWNSHIP

Vendor Name	Vendor No.	Invoice Description	Check No.	Check Date	Check Amount
ACE HARDWARE	A020	ACCT#23467	0	00/00/0000	303.15
				Vendor Total:	303.15
ALLEN SUPPLY	A036	DOOR LOCK	0	00/00/0000	130.00
				Vendor Total:	130.00
BREEZE HILL FARMS LLC	B086	MARINA FLOWERS	0	00/00/0000	427.40
				Vendor Total:	427.40
CONSUMERS ENERGY	C040	ACCT#1000 0031 1660	0	00/00/0000	517.40
				Vendor Total:	517.40
TOM DONLEY	D006	INSTALL SWIM BUOYS AND FLOATS	0	00/00/0000	225.00
				Vendor Total:	225.00
GRAND TRAVERSE COUNTY DPW	G040	ACCT#47003411	0	00/00/0000	1,784.47
				Vendor Total:	1,784.47
GRAND TRAVERSE COUNTY	G200	CUST ID 100040 TIMB WATER	0	00/00/0000	12,817.31
				Vendor Total:	12,817.31
GRANICUS	G039	STR COMPLIANCE MONITORING	0	00/00/0000	10,434.06
				Vendor Total:	10,434.06
HOMETOWN LAWN SERVICE	H024	PARKS/FERTILIZER, WEED CONTROL	0	00/00/0000	2,130.00
				Vendor Total:	2,130.00
INTEGRITY BUSINESS SOLUTIONS	I047	ACCT#941496/ENVELOPES	0	00/00/0000	68.83
				Vendor Total:	68.83
JEN TEES CUSTOM PRINTING	J008	T-SHIRTS, CAPS	0	00/00/0000	327.31
				Vendor Total:	327.31
JOHN E. GREEN COMPANY	J031	DRINKING FOUNTAIN REPAIR	0	00/00/0000	480.00
				Vendor Total:	480.00
MICHIGAN TOWNSHIPS ASSOCIAT	M090	ANNUAL MEMBERSHIP 42916	0	00/00/0000	7,318.00
				Vendor Total:	7,318.00
NETLINK	M185	QTR MAINT	0	00/00/0000	3,409.12
				Vendor Total:	3,409.12
PREMIER MARINE SERVICES	P051	2022 SHRINK WRAP FISH CLN STAT	0	00/00/0000	175.00
				Vendor Total:	175.00
SOS ANALYTICAL	S058	WATER TESTING	0	00/00/0000	75.00
				Vendor Total:	75.00
SOUND ENVIRONMENTS	S059	AUDIO EQUIP RENTAL/PC	0	00/00/0000	430.00
				Vendor Total:	430.00
STEVEN H. SCHWARTZ & ASSOC F	S076	LABOR ATTORNEY	0	00/00/0000	1,190.00
				Vendor Total:	1,190.00
SUMMIT FIRE PROTECTION	K038	FIRE EXTINGUISHER MAINT/INSPEC	0	00/00/0000	294.00
				Vendor Total:	294.00
VERIZON WIRELESS	V014	682962913-00001	0	00/00/0000	91.25
				Vendor Total:	91.25
VISIBLE DIFFERENCE BLDG. MAIN	V002		0	00/00/0000	300.00
				Vendor Total:	300.00
WADE TRIM	W107	BREWERY CREEK PARKING/DRAINAGE	0	00/00/0000	2,563.03
				Vendor Total:	2,563.03
WELLS FARGO VENDOR FINANCIA	W027	CONT NUMBER 450-0093930-000	0	00/00/0000	90.71
				Vendor Total:	90.71
X-CEL CHEMICAL SPECIALTIES	X010	CLEANING SUPPLIES	0	00/00/0000	161.05
				Vendor Total:	161.05

INVOICE APPROVAL LIST REPORT - SUMMARY BY VENDOR

PRELIMINARY

Date: 06/06/2023

Time: 4:24 pm

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ELMWOOD TOWNSHIP

Vendor Name	Vendor No.	Invoice Description	Check No.	Check Date	Check Amount
				Grand Total:	46,045.12
				Less Credit Memos:	-303.03
				Net Total:	45,742.09
				Less Hand Check Total:	0.00
				Outstanding Invoice Total :	45,742.09
	Total Invoices:	48			