

HOLLY TOWNSHIP
PROPOSED AGENDA
Board of Trustees Regular Meeting
November 19, 2025 6:30 PM
Holly Township Hall (Upstairs)
102 Civic Dr. Holly, Michigan 48442

CALL TO ORDER – PLEDGE OF ALLEGIANCE

ROLL CALL: George Kullis Karin Winchester Jennifer Ryan Derek Burton
 Ryan Matson Michael McCanney Richard Kinnamon

AGENDA APPROVAL

CONSENT AGENDA:

1. Approval of Regular Meeting Minutes – October 20, 2025.
2. Approval of Financial Statement – October 2025.
3. Approval of Bills for Payment – November 2025
4. Receipt of Routine Reports:
 - A. N.O.C.F.A. Minutes – October 28, 2025.
 - B. Planning Commission Minutes – October 8, 2025.
 - C. Building Permits – October 2025.
 - D. Treasurer's Annual and Quarterly Report – NA.
5. Communications: None.

All items listed under "Consent Agenda" are considered to be routine, and non-controversial, do not require discussion by the Township Board and will be approved by one motion. There will be no separate discussion. If discussion is desired on an item, that item will be removed from the consent agenda and will automatically be moved to the last item under New Business.

PUBLIC HEARINGS: FY 2026 Community Development Block Grant Application.

PRESENTATIONS: Maner Costerisan on Holly Township 2024-2025 Audit.

REPORTS: TRUSTEES CLERK TREASURER SUPERVISOR

PUBLIC COMMENT on Agenda Items Only. Members of the public can address the Board, on agenda items only, once recognized by the Supervisor. Comments are limited to a maximum of 3 minutes. The board may extend this time by a majority vote. Prior to addressing the board, members of the public shall state their name and address for the record. A second public comment is available after New Business for all other comments. Thank you for your cooperation.

OLD BUSINESS – None.

NEW BUSINESS

1. June 30, 2025 Audited Financial Statements.
2. Auditor Contract for June 30, 2025, 2026 and 2027.
3. PY 2026 Community Development Block Grant Application – Proposed Resolution 2025-18.
4. 2026 North Oakland County Fire Authority Budget – Proposed Resolution 2025-19.
5. Proposed Amendment to Holly Township Code of Ordinances Chapter II Township Board, Article III Officers and Employees, Division 2 Benefits, Section 2-83(a) Benefits.
6. Proposal for Short/Long Term Disability for Employees excluding Elected Officials.
7. Draft Facility Use Policy.
8. Holiday Office Hours.

9. Consider Closed Session to Discuss Attorney/Client Privileged Information per MCL 15.268 (1)(h).

PUBLIC COMMENT

ADJOURNMENT

Holly Township
Board of Trustees Regular Meeting
Minutes of October 15, 2025

CALL TO ORDER: Clerk Winchester called the Regular Meeting of the Holly Township Board of Trustees to order at 6:30 pm located at the Holly Township Offices (Upstairs), 102 Civic Drive, Holly, Michigan 48442.

PLEDGE OF ALLEGIANCE

ROLL CALL

Members Present:

George Kullis, Karin Winchester, Jennifer Ryan, Derek Burton, Ryan Matson, Michael McCanney and Richard Kinnamon

Members Absent: None.

Others Present:

Lisa Hamaeh, Township Attorney.

AGENDA APPROVAL

- **Motion by Supervisor Kullis to approve the agenda as amended. Supported by Clerk Winchester. A voice vote was taken. All present voted yes. The motion carried 7/0.**

Added Holly Moose as business #5 and moved #5. Consider Closed Session to Consider Attorney/Client Information.

CONSENT AGENDA:

1. Approval of Regular Meeting Minutes – September 17, 2025.
2. Approval of Financial Statement – September 2025.
3. Approval of Bills for Payment – October 2025
4. Receipt of Routine Reports:
 - A. N.O.C.F.A. Minutes – September 23, 2025.
 - B. Planning Commission Minutes – September 10, 2025.
 - C. Building Permits – September 2025.
 - D. Treasurer's Annual and Quarterly Report – September 30, 2025.
5. Communications:
 - A. Letter and Resolution Dated September 14, 2025 from Holly Township Parks re: Stiff Mill Pond and Dam.

- **Motion by Clerk Winchester to approve the Consent Agenda. Supported by Trustee Burton. A roll call vote was taken. All present voted yes. The motion carried 7/0.**

PUBLIC HEARINGS: None.

PRESENTATIONS: None.

PUBLIC COMMENT – None.

OLD BUSINESS – None.

NEW BUSINESS

1. 123NET Metro Act Permit.

- **Motion by Clerk Winchester to move approve 123NET Bilateral Metro Act Permit. Supported by Trustee Kinnamon. A roll call vote was taken. All present voted yes. The motion carried 7/0.**

2. BS&A Cloud Software Contract.

- **Motion by Clerk Winchester to approve the BS&A Cloud Software Contract. Supported by Trustee Matson. A roll call vote was taken. All present voted yes. The motion carried 7/0.**

The Board discussed the township facility needs of the Holly Area Youth Assistance, Dickens Festival and the Holly Moose. The current policy does not allow use of facilities, except by the Boards and Commissions. It was the consensus of the Board that the policy needs to be changed.

3. Holly Area Youth Assistance.

The Board took No Action.

4. Dickens Festival.

The Board took No Action.

5. Holly Moose.

The Board took No Action.

6. Consider Closed Session to Discuss Attorney Client Privileged Information.

- **Motion by Supervisor Kullis to go into closed session to discuss attorney/client privileged information according to MCL 15.268 (1) (h). Supported by Trustee Kinnamon. A roll call vote was taken. All present voted yes. The motion carried 7/0.**
- **Motion by Supervisor Kullis to go back into open session Supported by Clerk Winchester. A voice vote was taken. All present voted yes. The motion carried 7/0.**

The Board took No Action.

PUBLIC COMMENT

No Public Comment.

ADJOURNMENT – Supervisor Kullis adjourned the meeting at 8:35 pm.

Karin Winchester, Clerk

PERIOD ENDING 10/31/2025

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 10/31/2025 NORMAL (ABNORMAL)	ACTIVITY FOR MONTH 10/31/2025 INCREASE (DECREASE)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDGT USED
Fund 101 - GENERAL FUND						
Revenues						
Dept 000 - GENERAL						
101-000-402-000	CURRENT TAX COLLECTION	487,065.00	0.00	0.00	487,065.00	0.00
101-000-434-000	MOBILE HOME FEES	1,800.00	0.00	0.00	1,800.00	0.00
101-000-445-000	PENALTIES & INTEREST	1,500.00	0.00	0.00	1,500.00	0.00
101-000-447-000	ADMINISTRATIVE FEE	175,919.00	128,777.36	3,674.75	47,141.64	73.20
101-000-448-000	SCHOOL COLLECTION	64,082.00	51,305.10	25,005.60	12,776.90	80.06
101-000-477-000	FRANCHISES FEES	58,000.00	59.32	59.32	57,940.68	0.10
101-000-522-000	COMMUNITY DEVELOPMENT - CDBG	6,650.00	0.00	0.00	6,650.00	0.00
101-000-528-000	FEDERAL GRANT - ARPA	132,000.00	0.00	0.00	132,000.00	0.00
101-000-573-000	LOCAL COMMUNITY STABILIZATION	1,800.00	0.00	0.00	1,800.00	0.00
101-000-574-000	STATE SHARED REVENUES	668,100.00	118,383.00	118,383.00	549,717.00	17.72
101-000-628-000	ZONING FEES	750.00	750.00	0.00	0.00	100.00
101-000-629-000	MINING FEES	5,750.00	1,590.00	0.00	4,160.00	27.65
101-000-630-000	PLANNING FEES	750.00	2,560.00	900.00	(1,810.00)	341.33
101-000-631-000	COPIES & PRINTED MATERIALS	300.00	108.00	6.00	192.00	36.00
101-000-665-000	INTEREST	25,000.00	9,826.20	2,712.26	15,173.80	39.30
101-000-670-000	BUILDING DEPT COST REIMBURSEMENT	65,766.00	21,922.00	5,480.50	43,844.00	33.33
101-000-671-000	BUILDING DEPARTMENT LEASE	18,000.00	6,000.00	1,500.00	12,000.00	33.33
101-000-677-000	NOCFA ADVANCE PAYMENT	0.00	0.00	0.00	0.00	0.00
101-000-678-000	MISCELLANEOUS	500.00	550.00	0.00	(50.00)	110.00
101-000-679-000	COMMISSIONS	3,850.00	0.00	0.00	3,850.00	0.00
101-000-693-000	SALE OF ASSETS	400,000.00	0.00	0.00	400,000.00	0.00
101-000-696-000	PROCEEDS FROM SALE OF BONDS	3,042,437.00	0.00	0.00	3,042,437.00	0.00
101-000-699-390	TRANSFER FROM FUND BALANCE	144,775.00	0.00	0.00	144,775.00	0.00
Total Dept 000 - GENERAL		5,304,794.00	341,830.98	157,721.43	4,962,963.02	6.44
TOTAL REVENUES		5,304,794.00	341,830.98	157,721.43	4,962,963.02	6.44
Expenditures						
Dept 101 - TOWNSHIP TRUSTEES						
101-101-702-000	SALARIES	13,400.00	2,940.00	0.00	10,460.00	21.94
101-101-715-000	SOCIAL SECURITY	1,025.00	224.91	0.00	800.09	21.94
101-101-830-000	DUES, SUBS & TUITION	1,000.00	0.00	0.00	1,000.00	0.00
101-101-860-000	MILEAGE REIMBURSEMENT	500.00	0.00	0.00	500.00	0.00
Total Dept 101 - TOWNSHIP TRUSTEES		15,925.00	3,164.91	0.00	12,760.09	19.87
Dept 171 - SUPERVISOR						
101-171-702-000	SALARIES	82,033.00	27,344.32	6,836.08	54,688.68	33.33
101-171-713-000	HEALTH OPT OUT PAYMENT	4,800.00	1,600.00	400.00	3,200.00	33.33
101-171-715-000	SOCIAL SECURITY	6,645.00	2,214.24	553.56	4,430.76	33.32
101-171-830-000	DUES, SUBS & TUITION	1,500.00	402.00	0.00	1,098.00	26.80
101-171-860-000	MILEAGE REIMBURSEMENT	1,000.00	0.00	0.00	1,000.00	0.00
101-171-861-000	LODGING & EXPENSES	1,000.00	0.00	0.00	1,000.00	0.00
Total Dept 171 - SUPERVISOR		96,978.00	31,560.56	7,789.64	65,417.44	32.54
Dept 172 - SUPERVISOR ADMINISTRATOR I						
101-172-702-000	SALARIES	10,137.84	10,137.84	0.00	0.00	100.00
101-172-715-000	SOCIAL SECURITY	775.55	775.55	0.00	0.00	100.00
101-172-830-000	DUES, SUBS & TUITION	0.00	0.00	0.00	0.00	0.00

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 10/31/2025 NORMAL (ABNORMAL)	ACTIVITY FOR MONTH 10/31/2025 INCREASE (DECREASE)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BGT USED
Fund 101 - GENERAL FUND						
Expenditures						
101-172-860-000	MILEAGE REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
101-172-861-000	LODGING & EXPENSES	0.00	0.00	0.00	0.00	0.00
Total Dept 172 - SUPERVISOR ADMINISTRATOR I		10,913.39	10,913.39	0.00	0.00	100.00
Dept 215 - CLERK						
101-215-702-000	SALARIES	82,033.00	27,344.32	6,836.08	54,688.68	33.33
101-215-715-000	SOCIAL SECURITY	6,276.00	2,091.84	522.96	4,184.16	33.33
101-215-830-000	DUES, SUBS & TUITION	1,500.00	751.75	0.00	748.25	50.12
101-215-860-000	MILEAGE REIMBURSEMENT	1,000.00	0.00	0.00	1,000.00	0.00
101-215-861-000	LODGING & EXPENSES	1,000.00	(6.75)	0.00	1,006.75	(0.68)
Total Dept 215 - CLERK		91,809.00	30,181.16	7,359.04	61,627.84	32.87
Dept 216 - CLERK ADMINISTRATION						
101-216-702-000	SALARIES	60,827.00	20,275.68	5,068.92	40,551.32	33.33
101-216-703-000	DEPUTY SALARY	1,200.00	400.00	100.00	800.00	33.33
101-216-715-000	SOCIAL SECURITY	4,746.00	1,581.68	395.42	3,164.32	33.33
101-216-830-000	DUES, SUBS & TUITION	1,500.00	100.00	0.00	1,400.00	6.67
101-216-860-000	MILEAGE REIMBURSEMENT	1,000.00	0.00	0.00	1,000.00	0.00
101-216-861-000	LODGING & EXPENSES	1,000.00	0.00	0.00	1,000.00	0.00
Total Dept 216 - CLERK ADMINISTRATION		70,273.00	22,357.36	5,564.34	47,915.64	31.82
Dept 247 - BOARD OF REVIEW						
101-247-702-000	SALARIES	1,500.00	38.00	0.00	1,462.00	2.53
101-247-715-000	SOCIAL SECURITY	115.00	2.91	0.00	112.09	2.53
101-247-830-000	DUES, SUBS & TUITION	500.00	0.00	0.00	500.00	0.00
101-247-860-000	MILEAGE REIMBURSEMENT	300.00	0.00	0.00	300.00	0.00
101-247-861-000	LODGING & EXPENSES	0.00	0.00	0.00	0.00	0.00
Total Dept 247 - BOARD OF REVIEW		2,415.00	40.91	0.00	2,374.09	1.69
Dept 253 - TREASURER						
101-253-702-000	SALARIES	82,033.00	27,344.32	6,836.08	54,688.68	33.33
101-253-715-000	SOCIAL SECURITY	6,276.00	2,091.84	522.96	4,184.16	33.33
101-253-830-000	DUES, SUBS & TUITION	1,500.00	251.00	239.00	1,249.00	16.73
101-253-860-000	MILEAGE REIMBURSEMENT	1,000.00	0.00	0.00	1,000.00	0.00
101-253-861-000	LODGING & EXPENSES	1,000.00	0.00	0.00	1,000.00	0.00
Total Dept 253 - TREASURER		91,809.00	29,687.16	7,598.04	62,121.84	32.34
Dept 255 - TREASURER ADMINISTRATION						
101-255-702-000	SALARIES	54,546.00	18,182.00	4,545.50	36,364.00	33.33
101-255-703-000	DEPUTY SALARY	1,200.00	400.00	100.00	800.00	33.33
101-255-715-000	SOCIAL SECURITY	4,264.00	1,421.52	355.37	2,842.48	33.34
101-255-830-000	DUES, SUBS & TUITION	1,500.00	650.00	239.00	850.00	43.33
101-255-860-000	MILEAGE REIMBURSEMENT	1,000.00	0.00	0.00	1,000.00	0.00
101-255-861-000	LODGING & EXPENSES	1,000.00	0.00	0.00	1,000.00	0.00

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 10/31/2025 NORMAL (ABNORMAL)	ACTIVITY FOR MONTH 10/31/2025 INCREASE (DECREASE)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDT USED
Fund 101 - GENERAL FUND						
Expenditures						
Total Dept 255 - TREASURER ADMINISTRATION		63,510.00	20,653.52	5,239.87	42,856.48	32.52
Dept 257 - ASSESSING						
101-257-802-000	CONTRACTED SERVICES	127,537.00	28,710.00	28,710.00	98,827.00	22.51
Total Dept 257 - ASSESSING		127,537.00	28,710.00	28,710.00	98,827.00	22.51
Dept 261 - CODE ENFORCEMENT						
101-261-802-000	CONTRACTED SERVICES	40,000.00	2,724.75	1,644.75	37,275.25	6.81
Total Dept 261 - CODE ENFORCEMENT		40,000.00	2,724.75	1,644.75	37,275.25	6.81
Dept 262 - ELECTIONS						
101-262-708-000	ELECTION SALARIES	35,000.00	0.00	0.00	35,000.00	0.00
101-262-740-000	OPERATING EXPENSES	20,000.00	0.00	0.00	20,000.00	0.00
Total Dept 262 - ELECTIONS		55,000.00	0.00	0.00	55,000.00	0.00
Dept 265 - TOWNSHIP PROPERTIES						
101-265-830-000	TELEPHONE	6,500.00	1,818.66	606.48	4,681.34	27.98
101-265-920-000	UTILITIES	10,800.00	3,303.17	780.73	7,496.83	30.58
101-265-930-000	MAINTENANCE & REPAIRS	50,000.00	15,087.92	3,834.29	34,912.08	30.18
Total Dept 265 - TOWNSHIP PROPERTIES		67,300.00	20,209.75	5,221.50	47,090.25	30.03
Dept 267 - ARPA OPERATING EXPENSES						
101-267-740-000	ARPA OPERATING EXPENSES	132,000.00	47,121.00	11,850.50	84,879.00	35.70
Total Dept 267 - ARPA OPERATING EXPENSES		132,000.00	47,121.00	11,850.50	84,879.00	35.70
Dept 272 - GENERAL SERVICES						
101-272-710-000	PENSION	43,485.00	13,409.52	3,098.93	30,075.48	30.84
101-272-720-000	HEALTH/LIFE INSURANCE	95,366.00	19,776.66	4,616.13	75,589.34	20.74
101-272-737-000	RETIREMENT HEALTH CARE FUNDING	0.00	0.00	0.00	0.00	0.00
101-272-740-000	OPERATING EXPENSES	35,000.00	9,821.14	3,891.43	25,178.86	28.06
101-272-801-000	ACCOUNTANT/AUDITOR	19,500.00	0.00	0.00	19,500.00	0.00
101-272-802-000	CONTRACTED SERVICES	56,002.61	500.00	0.00	55,502.61	0.89
101-272-804-000	ATTORNEY	50,000.00	15,987.65	11,414.15	34,012.35	31.98
101-272-816-000	COMPUTER MAINTENANCE	40,000.00	43,917.93	32,555.17	(3,917.93)	109.79
101-272-820-000	ORDINANCE CODIFICATION	7,000.00	1,246.87	1,246.87	5,753.13	17.81
101-272-830-000	DUES, SUBS & TUITION	8,000.00	7,737.54	0.00	262.46	96.72
101-272-900-000	LEGAL NOTICES	3,500.00	1,423.50	1,053.00	2,076.50	40.67
101-272-955-000	MISCELLANEOUS	14,500.00	0.00	0.00	500.00	0.00
101-272-956-000	INSURANCE	14,500.00	14,140.00	0.00	360.00	97.52
101-272-971-000	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
101-272-991-000	DEBT SERVICE - TOWNSHIP HALL	200,840.00	0.00	0.00	200,840.00	0.00
101-272-995-206	TRANSFER TO FIRE SAD - ADVANCE	0.00	0.00	0.00	0.00	0.00
101-272-995-390	TRANSFER TO FUND BALANCE	0.00	0.00	0.00	0.00	0.00
101-272-995-401	TO CAPITAL PROJECT FUND	3,583,697.00	0.00	0.00	3,583,697.00	0.00
101-272-995-404	TRANSFERS TO ROAD IMPROVEMENT FUND	0.00	0.00	0.00	0.00	0.00

GL NUMBER	DESCRIPTION	2025-26		YTD BALANCE		ACTIVITY FOR		AVAILABLE	
		AMENDED BUDGET	NORMAL (ABNORMAL)	10/31/2025	10/31/2025	MONTH 10/31/2025	BALANCE	% BDTG	
Fund 101 - GENERAL FUND									
Expenditures									
Total Dept 272 - GENERAL SERVICES		4,157,390.61	127,960.81	57,875.68	4,029,429.80	3.08			
Dept 336 - PUBLIC SAFETY									
101-336-959-000 NOCFA CONTRIBUTION		0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total Dept 336 - PUBLIC SAFETY		0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Dept 441 - PUBLIC WORKS									
101-441-821-000 CEMETERY		5,000.00	3,460.00	2,620.00	1,540.00	69.20			
101-441-822-000 CLEANUP DAYS		10,000.00	3,953.25	3,953.25	6,046.75	39.53			
101-441-824-000 PHRAGMITE CONTROL		0.00	0.00	0.00	0.00	0.00			
101-441-825-000 ROAD GRAVEL		25,000.00	20,216.00	0.00	4,784.00	80.86			
101-441-826-000 ROAD MAINT.-CHLORIDE		86,800.00	52,077.60	43,398.00	34,722.40	60.00			
101-441-990-000 N. HOLLY RD. PROJECT		37,500.00	0.00	0.00	37,500.00	0.00			
Total Dept 441 - PUBLIC WORKS		164,300.00	79,706.85	49,971.25	84,593.15	48.51			
Dept 660 - COMMUNITY SERVICES									
101-660-844-000 YOUTH ASSISTANCE		3,500.00	3,500.00	3,500.00	0.00	100.00			
Total Dept 660 - COMMUNITY SERVICES		3,500.00	3,500.00	3,500.00	0.00	100.00			
Dept 677 - GRANTS									
101-677-802-000 CONTRACTED SERVICES		0.00	0.00	0.00	0.00	0.00			
Total Dept 677 - GRANTS		0.00	0.00	0.00	0.00	0.00			
Dept 701 - PLANNING									
101-701-702-000 SALARIES		9,035.00	1,705.00	0.00	7,330.00	18.87			
101-701-715-000 SOCIAL SECURITY		692.00	130.45	0.00	561.55	18.85			
101-701-802-000 CONTRACTED SERVICES		2,000.00	0.00	0.00	2,000.00	0.00			
101-701-811-000 PLANNER SERVICES		54,000.00	6,785.00	0.00	47,215.00	12.56			
101-701-812-000 ENGINEER SERVICES		2,000.00	7,307.73	462.00	(5,307.73)	365.39			
101-701-830-000 DUES, SUBS & TUITION		1,000.00	452.13	0.00	547.87	45.21			
101-701-860-000 MILEAGE REIMBURSEMENT		500.00	0.00	0.00	500.00	0.00			
Total Dept 701 - PLANNING		69,227.00	16,380.31	462.00	52,846.69	23.66			
Dept 702 - ZONING ADMINISTRATION									
101-702-702-000 SALARIES		8,000.00	2,666.68	666.67	5,333.32	33.33			
101-702-715-000 SOCIAL SECURITY		612.00	204.00	51.00	408.00	33.33			
101-702-802-000 CONTRACTED SERVICES		26,000.00	3,652.50	0.00	22,347.50	14.05			
101-702-830-000 DUES, SUBS & TUITION		500.00	0.00	0.00	500.00	0.00			
101-702-860-000 MILEAGE REIMBURSEMENT		500.00	0.00	0.00	500.00	0.00			
101-702-861-000 LODGING & EXPENSES		800.00	0.00	0.00	800.00	0.00			
Total Dept 702 - ZONING ADMINISTRATION		36,412.00	6,523.18	717.67	29,888.82	17.91			

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Fund 101 - GENERAL FUND						
Expenditures						
Dept 703 - COMMUNITY DEVELOPMENT						
101-703-956-000	COMMUNITY DEVELOPMENT - CDBG	6,650.00	0.00	0.00	6,650.00	0.00
Total Dept 703 - COMMUNITY DEVELOPMENT						
		6,650.00	0.00	0.00	6,650.00	0.00
Dept 704 - ZONING BOARD OF APPEALS						
101-704-702-000	SALARIES	505.00	0.00	0.00	505.00	0.00
101-704-715-000	SOCIAL SECURITY	40.00	0.00	0.00	40.00	0.00
101-704-802-000	CONTRACTED SERVICES	300.00	0.00	0.00	300.00	0.00
101-704-830-000	DUES, SUBS & TUITION	500.00	322.87	0.00	177.13	64.57
101-704-860-000	MILEAGE REIMBURSEMENT	500.00	0.00	0.00	500.00	0.00
Total Dept 704 - ZONING BOARD OF APPEALS						
		1,845.00	322.87	0.00	1,522.13	17.50
TOTAL EXPENDITURES						
		5,304,794.00	481,718.49	193,504.28	4,823,075.51	9.08
Fund 101 - GENERAL FUND:						
TOTAL REVENUES						
TOTAL EXPENDITURES						
		5,304,794.00	341,830.98	157,721.43	4,962,963.02	6.44
		5,304,794.00	481,718.49	193,504.28	4,823,075.51	9.08
NET OF REVENUES & EXPENDITURES						
		0.00	(139,887.51)	(35,782.85)	139,887.51	100.00
BEG. FUND BALANCE						
		1,494,588.65	1,494,588.65			
NET OF REVENUES/EXPENDITURES - 2024-25						
			(178,749.53)		(178,749.53)	
END FUND BALANCE						
		1,494,588.65	1,175,951.61			

PERIOD ENDING 10/31/2025

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 10/31/2025		ACTIVITY FOR MONTH 10/31/2025 INCREASE (DECREASE)	AVAILABLE BALANCE		% BDGT USED
			NORMAL (ABNORMAL)			NORMAL (ABNORMAL)		
Fund 206 - FIRE AND EMERGENCY SPECIAL ASSESSMENT								
Revenues								
Dept 000 - GENERAL								
206-000-451-000	SPECIAL ASSESSMENT COLLECTION	1,239,746.00	0.00		0.00	1,239,746.00	0.00	
206-000-665-000	INTEREST	100.00	9.81		2.50	90.19	9.81	
206-000-678-000	MISCELLANEOUS	0.00	0.00		0.00	0.00	0.00	
206-000-699-101	TRANSFER FROM GENERAL FUND	0.00	0.00		0.00	0.00	0.00	
206-000-699-390	TRANSFER FROM FUND BALANCE	0.00	0.00		0.00	0.00	0.00	
Total Dept 000 - GENERAL		1,239,846.00	9.81		2.50	1,239,836.19	0.00	
Dept 338 - FIRE AND EMERGENCY								
206-338-699-000	TRANSFERS FROM OTHER FUNDS	0.00	0.00		0.00	0.00	0.00	
Total Dept 338 - FIRE AND EMERGENCY		0.00	0.00		0.00	0.00	0.00	
TOTAL REVENUES		1,239,846.00	9.81		2.50	1,239,836.19	0.00	
Expenditures								
Dept 338 - FIRE AND EMERGENCY								
206-338-740-000	OPERATING EXPENSES	1,100.00	318.87		104.41	781.13	28.99	
206-338-802-000	CONTRACTED SERVICES	1,130,575.00	591,505.00		0.00	539,070.00	52.32	
206-338-971-000	CAPITAL OUTLAY	0.00	0.00		0.00	0.00	0.00	
206-338-995-101	TRANSFER TO GENERAL FUND	0.00	0.00		0.00	0.00	0.00	
206-338-995-390	TRANSFER TO FUND BALANCE	108,171.00	0.00		0.00	108,171.00	0.00	
Total Dept 338 - FIRE AND EMERGENCY		1,239,846.00	591,823.87		104.41	648,022.13	47.73	
TOTAL EXPENDITURES		1,239,846.00	591,823.87		104.41	648,022.13	47.73	
Fund 206 - FIRE AND EMERGENCY SPECIAL ASSESSMENT:								
TOTAL REVENUES		1,239,846.00	9.81		2.50	1,239,836.19	0.00	
TOTAL EXPENDITURES		1,239,846.00	591,823.87		104.41	648,022.13	47.73	
NET OF REVENUES & EXPENDITURES		0.00	(591,814.06)		(101.91)	591,814.06	100.00	
BEG. FUND BALANCE		432,912.49	432,912.49					
NET OF REVENUES/EXPENDITURES - 2024-25			13,298.66					
END FUND BALANCE		432,912.49	(145,602.91)			13,298.66		

GL NUMBER	DESCRIPTION	2025-26		YTD BALANCE 10/31/2025		ACTIVITY FOR MONTH 10/31/2025		AVAILABLE BALANCE		% BDDT USED
		AMENDED BUDGET	NORMAL (ABNORMAL)	NORMAL	(ABNORMAL)	INCREASE (DECREASE)	NORMAL	(ABNORMAL)		
Fund 213 - PEG FUNDS										
Revenues										
Dept 000 - GENERAL										
213-000-478-000	PEG FUNDS	6,400.00		23.73		23.73		6,376.27		0.37
213-000-665-000	INTEREST	6,000.00		1,487.27		362.78		4,512.73		24.79
213-000-699-390	TRANSFER FROM FUND BALANCE	108,232.00		0.00		0.00		108,232.00		0.00
Total Dept 000 - GENERAL		120,632.00		1,511.00		386.51		119,121.00		1.25
TOTAL REVENUES										
TOTAL REVENUES		120,632.00		1,511.00		386.51		119,121.00		1.25
Expenditures										
Dept 213 - PEG										
213-213-740-000	OPERATING EXPENSES	120,632.00		1,415.69		0.00		119,216.31		1.17
213-213-995-390	TRANSFER TO FUND BALANCE	0.00		0.00		0.00		0.00		0.00
Total Dept 213 - PEG		120,632.00		1,415.69		0.00		119,216.31		1.17
TOTAL EXPENDITURES										
TOTAL EXPENDITURES		120,632.00		1,415.69		0.00		119,216.31		1.17
Fund 213 - PEG FUNDS:										
TOTAL REVENUES										
TOTAL REVENUES		120,632.00		1,511.00		386.51		119,121.00		1.25
TOTAL EXPENDITURES										
TOTAL EXPENDITURES		120,632.00		1,415.69		0.00		119,216.31		1.17
NET OF REVENUES & EXPENDITURES										
NET OF REVENUES & EXPENDITURES		0.00		95.31		386.51		(95.31)		100.00
BEG. FUND BALANCE										
BEG. FUND BALANCE		98,559.06		98,559.06						
NET OF REVENUES/EXPENDITURES - 2024-25										
NET OF REVENUES/EXPENDITURES - 2024-25		98,559.06		5,154.88				5,154.88		
END FUND BALANCE				103,809.25						

GL NUMBER	DESCRIPTION	2025-26	YTD BALANCE		ACTIVITY FOR		AVAILABLE	% BDGT
		AMENDED BUDGET	NORMAL (ABNORMAL)	10/31/2025	INCREASE (DECREASE)	MONTH 10/31/2025		
Fund 214 - METRO ACT FUNDS								
Revenues								
Dept 000 - GENERAL								
214-000-572-000	METRO ACT PAYMENTS	8,000.00		0.00	0.00	8,000.00	0.00	
214-000-665-000	INTEREST	4,400.00		1,534.46	384.92	2,865.54	34.87	
214-000-699-390	TRANSFER FROM FUND BALANCE	109,631.00		0.00	0.00	109,631.00	0.00	
Total Dept 000 - GENERAL		122,031.00		1,534.46	384.92	120,496.54	1.26	
TOTAL REVENUES								
		122,031.00		1,534.46	384.92	120,496.54	1.26	
Expenditures								
Dept 214 - METRO ACT								
214-214-740-000	OPERATING EXPENSES	122,031.00		0.00	0.00	122,031.00	0.00	
214-214-995-390	TRANSFER TO FUND BALANCE	0.00		0.00	0.00	0.00	0.00	
Total Dept 214 - METRO ACT		122,031.00		0.00	0.00	122,031.00	0.00	
TOTAL EXPENDITURES								
		122,031.00		0.00	0.00	122,031.00	0.00	
Fund 214 - METRO ACT FUNDS:								
TOTAL REVENUES								
		122,031.00		1,534.46	384.92	120,496.54	1.26	
TOTAL EXPENDITURES								
		122,031.00		0.00	0.00	122,031.00	0.00	
NET OF REVENUES & EXPENDITURES		0.00		1,534.46	384.92	(1,534.46)	100.00	
BEG. FUND BALANCE		97,843.52		97,843.52				
NET OF REVENUES/EXPENDITURES - 2024-25		17,404.79		17,404.79		17,404.79		
END FUND BALANCE		97,843.52		116,782.77				

GL NUMBER	DESCRIPTION	2025-26		YTD BALANCE 10/31/2025	ACTIVITY FOR MONTH 10/31/2025	AVAILABLE		% BDGT USED
		AMENDED BUDGET	NORMAL (ABNORMAL)			INCREASE (DECREASE)	NORMAL (ABNORMAL)	
Fund 249 - BUILDING								
Revenues								
Dept 000 - GENERAL								
249-000-476-000	LICENSES & PERMITS	100,000.00		54,389.25	12,584.75		45,610.75	54.39
249-000-665-000	INTEREST	1,649.00		1,291.28	247.81		357.72	78.31
249-000-699-390	TRANSFER FROM FUND BALANCE	40,617.00		0.00	0.00		40,617.00	0.00
Total Dept 000 - GENERAL		142,266.00		55,680.53	12,832.56		86,585.47	39.14
TOTAL REVENUES		142,266.00		55,680.53	12,832.56		86,585.47	39.14
Expenditures								
Dept 371 - BUILDING INSPECTION								
249-371-702-000	SALARIES	0.00		0.00	0.00		0.00	0.00
249-371-710-000	PENSION	0.00		0.00	0.00		0.00	0.00
249-371-715-000	SOCIAL SECURITY	0.00		0.00	0.00		0.00	0.00
249-371-720-000	HEALTH/LIFE INSURANCE	0.00		0.00	0.00		0.00	0.00
249-371-740-000	OPERATING EXPENSES	9,000.00		7,940.60	1,674.00		1,059.40	88.23
249-371-805-000	BUILDING INSPECTOR	25,000.00		18,508.84	4,107.20		6,491.16	74.04
249-371-806-000	ELECTRICAL INSPECTOR	8,000.00		4,966.20	1,300.80		3,033.80	62.08
249-371-807-000	MECHANICAL INSPECTOR	10,000.00		5,259.60	1,614.00		4,740.40	52.60
249-371-808-000	PLUMBING INSPECTOR	6,000.00		3,841.20	1,768.80		2,158.80	64.02
249-371-830-000	DUES, SUBS & TUITION	500.00		0.00	0.00		500.00	0.00
249-371-860-000	MILEAGE REIMBURSEMENT	0.00		0.00	0.00		0.00	0.00
249-371-941-000	LEASE PAYMENT	18,000.00		6,000.00	1,500.00		12,000.00	33.33
249-371-942-000	LABOR DUE TO GENERAL FUND	65,766.00		21,922.00	5,480.50		43,844.00	33.33
249-371-955-000	MISCELLANEOUS	0.00		0.00	0.00		0.00	0.00
249-371-995-390	TRANSFER TO FUND BALANCE	0.00		0.00	0.00		0.00	0.00
Total Dept 371 - BUILDING INSPECTION		142,266.00		68,438.44	17,445.30		73,827.56	48.11
TOTAL EXPENDITURES		142,266.00		68,438.44	17,445.30		73,827.56	48.11
Fund 249 - BUILDING:								
TOTAL REVENUES		142,266.00		55,680.53	12,832.56		86,585.47	39.14
TOTAL EXPENDITURES		142,266.00		68,438.44	17,445.30		73,827.56	48.11
NET OF REVENUES & EXPENDITURES				(12,757.91)	(4,612.74)		12,757.91	100.00
BEG. FUND BALANCE		137,558.17		137,558.17				
NET OF REVENUES/EXPENDITURES - 2024-25				(26,230.61)			(26,230.61)	
END FUND BALANCE		137,558.17		98,569.65				

REVENUE AND EXPENDITURE REPORT FOR HOLLY TOWNSHIP
PERIOD ENDING 10/31/2025

GL NUMBER	DESCRIPTION	2025-26		YTD BALANCE		ACTIVITY FOR		AVAILABLE		
		AMENDED BUDGET	NORMAL (ABNORMAL)	10/31/2025	10/31/2025	MONTH 10/31/2025	INCREASE (DECREASE)	NORMAL (ABNORMAL)	BALANCE	% BUDGT USED
Fund 401 - CAPITAL IMPROVEMENT FUND										
Revenues										
Dept 000 - GENERAL										
401-000-665-000	INTEREST	0.00	17,549.26			4,240.94	(17,549.26)		100.00	
401-000-699-000	TRANSFERS FROM OTHER FUNDS	3,752,003.00	0.00			0.00	3,752,003.00		0.00	
401-000-699-390	TRANSFER FROM FUND BALANCE	1,247,997.00	0.00			0.00	1,247,997.00		0.00	
Total Dept 000 - GENERAL										
		5,000,000.00	17,549.26			4,240.94	4,982,450.74		0.35	
TOTAL REVENUES										
		5,000,000.00	17,549.26			4,240.94	4,982,450.74		0.35	
Expenditures										
Dept 000 - GENERAL										
401-000-971-000	CAPITAL OUTLAY	0.00	0.00			0.00	0.00		0.00	
Total Dept 000 - GENERAL										
		0.00	0.00			0.00	0.00		0.00	
Dept 901 - CAPITAL IMPROVEMENT										
MISCELLANEOUS										
401-901-955-000		0.00	0.00			0.00	0.00		0.00	
401-901-971-000	CAPITAL OUTLAY	0.00	0.00			0.00	0.00		0.00	
401-901-973-000	TOWNSHIP HALL SERVICES & EXPENSES	5,000,000.00	13,170.00			0.00	4,986,830.00		0.26	
401-901-974-000	FARMSTEAD PROJECT	0.00	0.00			0.00	0.00		0.00	
401-901-995-390	TRANSFER TO FUND BALANCE	0.00	0.00			0.00	0.00		0.00	
Total Dept 901 - CAPITAL IMPROVEMENT										
		5,000,000.00	13,170.00			0.00	4,986,830.00		0.26	
TOTAL EXPENDITURES										
		5,000,000.00	13,170.00			0.00	4,986,830.00		0.26	
Fund 401 - CAPITAL IMPROVEMENT FUND:										
TOTAL REVENUES		5,000,000.00	17,549.26			4,240.94	4,982,450.74		0.35	
TOTAL EXPENDITURES		5,000,000.00	13,170.00			0.00	4,986,830.00		0.26	
NET OF REVENUES & EXPENDITURES		0.00	4,379.26			4,240.94	(4,379.26)		100.00	
BEG. FUND BALANCE		749,931.17	749,931.17							
NET OF REVENUES/EXPENDITURES - 2024-25		749,931.17	528,749.30				528,749.30			
END FUND BALANCE			1,283,059.73							

PERIOD ENDING 10/31/2025

GL NUMBER	DESCRIPTION	2025-26		YTD BALANCE		ACTIVITY FOR		AVAILABLE	
		AMENDED BUDGET	NORMAL (ABNORMAL)	10/31/2025	NORMAL (ABNORMAL)	MONTH 10/31/2025	INCREASE (DECREASE)	NORMAL (ABNORMAL)	BALANCE % BDOT USED
Fund 403 - CAPITAL GRANT FUND									
Revenues									
Dept 000 - GENERAL									
403-000-665-000	INTEREST	0.00	2,436.59	413.61	(2,436.59)	100.00			
403-000-674-000	CHARLES MOTT GRANT FUNDS	0.00	15,133.32	0.00	(15,133.32)	100.00			
403-000-675-000	THE GLENMEDE TRUST GRANT FUNDS	0.00	0.00	0.00	0.00	0.00			
403-000-679-000	COMMUNITY FOUNDATION	18,000.00	21,020.94	0.00	(3,020.94)	116.78			
403-000-699-390	TRANSFER FROM FUND BALANCE	225,545.00	0.00	0.00	225,545.00	0.00			
Total Dept 000 - GENERAL		243,545.00	38,590.85	413.61	204,954.15	15.85			
TOTAL REVENUES		243,545.00	38,590.85	413.61	204,954.15	15.85			
Expenditures									
Dept 903 - CAPITAL OUTLAY									
403-903-976-000	CAPITAL OUTLAY - CHARLES MOTT GRANT	0.00	0.00	0.00	0.00	0.00			
403-903-977-000	CAPITAL OUTLAY - GLEN MEADE TRUST FUND	225,545.00	57,157.12	2,515.10	168,387.88	25.34			
403-903-978-000	COMMUNITY FOUNDATION	18,000.00	14,264.00	0.00	3,736.00	79.24			
Total Dept 903 - CAPITAL OUTLAY		243,545.00	71,421.12	2,515.10	172,123.88	29.33			
TOTAL EXPENDITURES		243,545.00	71,421.12	2,515.10	172,123.88	29.33			
Fund 403 - CAPITAL GRANT FUND:									
TOTAL REVENUES		243,545.00	38,590.85	413.61	204,954.15	15.85			
TOTAL EXPENDITURES		243,545.00	71,421.12	2,515.10	172,123.88	29.33			
NET OF REVENUES & EXPENDITURES		0.00	(32,830.27)	(2,101.49)	32,830.27	100.00			
BEG. FUND BALANCE		243,461.67	243,461.67						
NET OF REVENUES/EXPENDITURES - 2024-25			(1,575.32)		(1,575.32)				
END FUND BALANCE		243,461.67	209,056.08						

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 10/31/2025 NORMAL (ABNORMAL)	ACTIVITY FOR MONTH 10/31/2025 INCREASE (DECREASE)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDGT USED
Fund 404 - ROAD IMPROVEMENTS						
Revenues						
Dept 000 - GENERAL						
404-000-665-000	INTEREST	0.00	2,439.80	600.18	(2,439.80)	100.00
404-000-699-101	TRANSFER FROM GENERAL FUND	0.00	0.00	0.00	0.00	0.00
404-000-699-390	TRANSFER FROM FUND BALANCE	168,306.00	0.00	0.00	168,306.00	0.00
Total Dept 000 - GENERAL		168,306.00	2,439.80	600.18	165,866.20	1.45
TOTAL REVENUES		168,306.00	2,439.80	600.18	165,866.20	1.45
Expenditures						
Dept 404 - ROAD IMPROVEMENT FUND						
404-404-995-390	TRANSFER TO FUND BALANCE	0.00	0.00	0.00	0.00	0.00
404-404-995-401	TRANSFER TO CAPITAL PROJECT FUND	168,306.00	0.00	0.00	168,306.00	0.00
Total Dept 404 - ROAD IMPROVEMENT FUND		168,306.00	0.00	0.00	168,306.00	0.00
TOTAL EXPENDITURES		168,306.00	0.00	0.00	168,306.00	0.00
Fund 404 - ROAD IMPROVEMENTS:						
TOTAL REVENUES		168,306.00	2,439.80	600.18	165,866.20	1.45
TOTAL EXPENDITURES		168,306.00	0.00	0.00	168,306.00	0.00
NET OF REVENUES & EXPENDITURES		0.00	2,439.80	600.18	(2,439.80)	100.00
BEG. FUND BALANCE		61,884.82	61,884.82			
NET OF REVENUES/EXPENDITURES - 2024-25		61,884.82	107,041.36		107,041.36	
END FUND BALANCE			171,365.98			
TOTAL REVENUES - ALL FUNDS						
TOTAL EXPENDITURES - ALL FUNDS		12,341,420.00	459,146.69	176,582.65	11,882,273.31	3.72
NET OF REVENUES & EXPENDITURES		12,341,420.00	1,227,987.61	213,569.09	11,113,432.39	9.95
BEG. FUND BALANCE - ALL FUNDS		0.00	(768,840.92)	(36,986.44)	768,840.92	100.00
END FUND BALANCE - ALL FUNDS		3,316,739.55	3,316,739.55			
		3,316,739.55	3,012,992.16			

11/14/2025

INVOICE GL DISTRIBUTION REPORT FOR HOLLY TOWNSHIP
 POST DATES 10/16/2025 - 11/19/2025
 BOTH JOURNALIZED AND UNJOURNALIZED
 BOTH OPEN AND PAID

GL Number	Invoice Line Desc	Invoice Description	Amount
Fund 101 GENERAL FUND			
Dept 215 CLERK			
101-215-830-000	DUES, SUBS & TUITION	JAN 2026-JAN 2027 CLERK MEMBERSHIP	100.00
			100.00
Dept 216 CLERK ADMINISTRATION			
101-216-830-000	DUES, SUBS & TUITION	JAN 26-JAN 27 DEP CLERK MEMBERSHIP	100.00
			100.00
Dept 253 TREASURER			
101-253-830-000	DUES, SUBS & TUITION	9/30/25-9/30/26 MEMBERSHIP RENEWAL-TREASURER	140.00
101-253-830-000	DUES, SUBS & TUITION	OCTA MEMBERSHIP FEES & HOLIDAY LUNCHEON	55.00
			195.00
Dept 255 TREASURER ADMINISTRATION			
101-255-830-000	DUES, SUBS & TUITION	9/30/25-9/30/26 MEMBERSHIP RENEWAL-DEP TREAS	140.00
101-255-830-000	DUES, SUBS & TUITION	OCTA MEMBERSHIP FEES & HOLIDAY LUNCHEON	55.00
			195.00
Dept 262 ELECTIONS			
101-262-740-000	OPERATING EXPENSES	LICENSE & SUPPORT RENEWAL FOR 2026 TABULATO	2,500.00
			2,500.00
Dept 265 TOWNSHIP PROPERTIES			
101-265-850-000	TELEPHONE	OCT 25	606.48
101-265-920-000	UTILITIES	OCT 25-120 S. SAGINAW ST	388.65
101-265-920-000	UTILITIES	OCT 25-4092 GRANGE HALL RD	161.26
101-265-920-000	UTILITIES	OCT 25-13409 N. HOLLY RD	11.18
101-265-920-000	UTILITIES	OCT 25-13465 N. HOLLY RD	9.25
101-265-920-000	UTILITIES	OCT 25-102 CIVIC DR	59.72
101-265-920-000	UTILITIES	OCT 25-4092 GRANGE HALL RD	37.05
101-265-930-000	MAINTENANCE & REPAIRS	SEP 25-OFFICE CLEANING	500.00
101-265-930-000	MAINTENANCE & REPAIRS	SEP 25 FARMSTEAD LAWN	1,500.00
101-265-930-000	MAINTENANCE & REPAIRS	OCT 25-RUGS	191.12
101-265-930-000	MAINTENANCE & REPAIRS	OCT 25	357.21
101-265-930-000	MAINTENANCE & REPAIRS	TOWNSHIP HALL BOILER	331.20
101-265-930-000	MAINTENANCE & REPAIRS	TOWNSHIP HALL BOILER	1,057.10

101-265-930-000	MAINTENANCE & REPAIRS	TOWNSHIP HALL BOILER	395.10
101-265-930-000	MAINTENANCE & REPAIRS	OCT 25-OFFICE CLEANING	500.00
101-265-930-000	MAINTENANCE & REPAIRS	RUGS AND SUPPLIES	239.77
101-265-930-000	MAINTENANCE & REPAIRS	FENCE POST	8.49
			<u>6,353.58</u>

Dept 267 ARPA OPERATING EXPENSES

101-267-740-000	ARPA OPERATING EXPENSES	OCT 25 MOWING	14,316.50
			<u>14,316.50</u>

Dept 272 GENERAL SERVICES

101-272-740-000	OPERATING EXPENSES	TITLE SEARCH-CUTCHEY	300.00
101-272-740-000	OPERATING EXPENSES	OCT 25	3,085.89
101-272-740-000	OPERATING EXPENSES	8/28/25-11/25-25-POSTAGE MACHINE LEASE	66.45
101-272-740-000	OPERATING EXPENSES	POSTAGE MACHINE RENTAL-AUG-NOV 2025	66.45
101-272-740-000	OPERATING EXPENSES	OCT 25-SUPPLIES	334.88
101-272-740-000	OPERATING EXPENSES	OCT 25-WATER	21.95
101-272-740-000	OPERATING EXPENSES	NOV 25-WATER COOLER RENTAL	14.00
101-272-804-000	ATTORNEY	SEP 25-PROFESSIONAL SERVICES-HOLLY TWP	1,494.65
101-272-804-000	ATTORNEY	SEP 25-RON DENNIS	544.50
101-272-804-000	ATTORNEY	SEP 25-GILLESPIE	2,260.50
101-272-804-000	ATTORNEY	SEP 25-ORDINANCE ENFORCEMENT	165.00
101-272-804-000	ATTORNEY	SEP 25-SOUTH FLINT GRAVEL	33.00
101-272-804-000	ATTORNEY	HOLLY TOWNSHIP	2,100.00
101-272-804-000	ATTORNEY	SOUTH FLINT GRAVEL-CONSENT JUDGEMENT	198.00
101-272-804-000	ATTORNEY	STONY RUN-TAX TRIBUNAL	33.00
101-272-804-000	ATTORNEY	STONY RUN-TAX TRIBUNAL	297.00
101-272-804-000	ATTORNEY	RON DENNIS	132.00
101-272-804-000	ATTORNEY	GILLESPIE	3,976.50
101-272-804-000	ATTORNEY	ORDINANCE ENFORCEMENT	180.00
101-272-816-000	COMPUTER MAINTENANCE	4TH QUARTER IT SERVICE	2,875.50
101-272-816-000	COMPUTER MAINTENANCE	OCT 25	1,360.86
101-272-816-000	COMPUTER MAINTENANCE	CLOUD UPGRADE IMPLEMENTATION DEPOSIT	20,050.00
			<u>39,590.13</u>

Dept 441 PUBLIC WORKS

101-441-821-000	CEMETERY	SEP 25- CEMETERY MOWING	480.00
			<u>480.00</u>

63,830.21

Fund 206 FIRE AND EMERGENCY SPECIAL ASSESSMENT

Dept 338 FIRE AND EMERGENCY

206-338-740-000	OPERATING EXPENSES	OCT 25-2413 BELFORD RD	29.07
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206-338-740-000	OPERATING EXPENSES	OCT 25-4485 NELSON SCOTT DR	43.69
206-338-740-000	OPERATING EXPENSES	OCT 25-13323 FISH LAKE RD	29.07
			<u>101.83</u>
			<u><u>101.83</u></u>

Fund 249 BUILDING

Dept 371 BUILDING INSPECTION

249-371-740-000	OPERATING EXPENSES	BUILDING DEPT FILE MAINTENANCE	279.00
249-371-740-000	OPERATING EXPENSES	10/21/25-10/23/25	378.00
249-371-740-000	OPERATING EXPENSES	10/27/25 - 10/30/25	450.00
249-371-740-000	OPERATING EXPENSES	BUILDING DEPARTMENT FILE MAINTENANCE	333.00
249-371-740-000	OPERATING EXPENSES	BUILDING DEPARTMENT FILE MAINTENANCE	297.00
249-371-805-000	BUILDING INSPECTOR	10/01/25 - 10/15/25	2,726.49
249-371-805-000	BUILDING INSPECTOR	10/16/25 - 10/31/25	1,253.95
249-371-806-000	ELECTRICAL INSPECTOR	10/01/25 - 10/15/25	829.80
249-371-806-000	ELECTRICAL INSPECTOR	10/16/25 - 10/31/25	616.20
249-371-807-000	MECHANICAL INSPECTOR	10/01/25 - 10/15/25	883.80
249-371-807-000	MECHANICAL INSPECTOR	10/16/25 - 10/31/25	318.60
249-371-808-000	PLUMBING INSPECTOR	10/01/25 - 10/15/25	935.40
249-371-808-000	PLUMBING INSPECTOR	10/16/25 - 10/31/25	253.80
			<u>9,555.04</u>
			<u><u>9,555.04</u></u>

Fund 401 CAPITAL IMPROVEMENT FUND

Dept 901 CAPITAL IMPROVEMENT

401-901-973-000	TOWNSHIP HALL SERVICES & TOWNSHIP HALL-SITE PLAN	4,622.42
		<u>4,622.42</u>
		<u><u>4,622.42</u></u>

Fund 101 GENERAL FUND	63,830.21
Fund 206 FIRE AND EMERGENCY SPECIAL ASSESSMEI	101.83
Fund 249 BUILDING	9,555.04
Fund 401 CAPITAL IMPROVEMENT FUND	4,622.42
Total For All Funds:	<u><u>78,109.50</u></u>

NORTH OAKLAND COUNTY FIRE AUTHORITY
Board of Directors Meeting
October 28, 2025
MINUTES

Location: Rose Township Offices, 9080 Mason St, Holly, MI 48442

CALL TO ORDER: Chairperson Kullis called the meeting to order at 6:31 pm.

MEMBERS PRESENT: Kullis, Winchester, Stilwell, Miller, Johnson

MEMBERS ABSENT: None

AGENDA APPROVAL

Motion by Winchester to approve the agenda as presented. Supported by Johnson. A voice vote was taken. All present voted yes. The motion was carried 5/0.

CONSENT AGENDA APPROVAL

Motion by Winchester to approve the Consent Agenda as presented. Supported by Miller. A roll call vote was taken. All present voted yes. The motion was carried 5/0.

PUBLIC COMMENT – ON AGENDA ITEMS ONLY – No public comment

PRESENTATIONS – None

UNFINISHED BUSINESS

1. Fire and Emergency Services Consolidation

All present unanimously agreed that this issue was more appropriately handled by the local governments. No action taken.

NEW BUSINESS

1. Consider Closed Session to Discuss Strategy and Negotiation in Connection with the NOCFA collective Bargaining Agreement in Accordance with MCL 15.268(l)(c)

Motion by Winchester to enter into closed session to discuss strategy and negotiation in connection with the NOCFA collective bargaining agreement in accordance with MCL 15.268(l)(c) at 6:43 pm. Supported by Johnson. A roll call vote was taken. All present voted yes. The motion was carried 5/0.

Motion by Winchester to come out of closed session to discuss strategy and negotiation in connection with the NOCFA collective bargaining agreement in accordance with MCL 15.268(l)(c) at 6:43 pm. Supported by Miller. A voice vote was taken. All present voted yes. The motion was carried 5/0.

Motion by Winchester to amend the agenda to move the closed session, New Business Item #1, to the end of the meeting. Supported by Kullis. A voice vote was taken. All present voted yes. The motion was carried 5/0.

REPORTS

- ☐ Chief's Report – Matt Weil
 - The board agreed that they would like a report format that details the purpose of each run
 - 123 calls -11 in-district; 12 out-of-district; average run time is 7.5 minutes
 - I-75 project is winding down
 - Uncovered shifts 2.58%; OT will exceed budgeted amount as anticipated
 - Mutual aid – 11% of calls (3 in Village of Holly, 5 in Groveland)
 - Significant incident responses: Grand Blanc church shooter and fire (note: department does not currently have ballistic protection); assistance and support provided to Springfield Twp. in accidental death of one of their firefighters
 - Training: Capt. Dunbar participated in dive team training/aircraft water rescue in St. Ignace
 - Events:
 - Capt. Finkbeiner did a presentation at Wilderness Rescue
 - Open House was well attended – Hurley handed out 38 gun locks; Lions Club did 28 vision screenings for children; bike give-away was a big hit
 - Participated in Homecoming parade and trucks displayed at the game
- ☐ Firefighters Association – Lt. Blaska
 - Doing lots of outreach, including Village of Holly
 - Truck & Treat at Mission Point was very successful
 - Participated in post-secondary event at HHS – recruitment of future firefighters
 - Deputy Chief Smith reported that the department has applied for a grant to replace missing address signs in both townships free of charge
- ☐ Holly Township
 - Trilogy Health has begun moving earth at the Fish Lake Rd. site
- ☐ Rose Township
 - Supervisor Stilwell is participating in NOCFA union negotiations
 - Tire collection is Saturday at noon; 5 trailer loads have been removed to date
- ☐ Citizen at Large – Johnson
 - Attended the Open House; noted that people loved it and the opportunity to see the equipment

PUBLIC COMMENT

Comment: omitting addresses from public comment is a trend in public meetings; expressed concern about OT coverage – cost and effect on staffing.

NEW BUSINESS, Item #1

1. Consider Closed Session to Discuss Strategy and Negotiation in Connection with the NOCFA collective Bargaining Agreement in Accordance with MCL 15.268(l)(c)

Motion by Kullis to enter into closed session to discuss strategy and negotiation in connection with the NOCFA collective bargaining agreement in accordance with MCL 15.268(l)(c) at 7:23 pm. Supported by Johnson. A roll call vote was taken. All present voted yes. The motion was carried 5/0.

Motion by Kullis to come out of closed session to discuss strategy and negotiation in connection with the NOCFA collective bargaining agreement in accordance with MCL 15.268(l)(c) at 9:17 pm. Supported by Johnson. A voice vote was taken. All present voted yes. The motion was carried 5/0.

No action taken.

ADJOURNMENT – Chairperson Kullis adjourned the meeting at 9:18 pm.

Submitted by: Diane Hill, Recording Secretary

Holly Township
Planning Commission – Regular Meeting
Minutes of October 8, 2025

CALL TO ORDER: Commissioner Mitchell called the regular meeting of the Holly Township Planning Commission to order at 6:30 p.m. located at the Holly Township Offices (Upstairs), 102 Civic Drive, Holly, Michigan 48442

PLEDGE OF ALLEGIANCE

ROLL CALL

Present

Glen Mitchell, Michael McCanney, Ben Armstead, Ray Kerton, Chuck Stoner, Leslie Jorgensen and Derek Sommer.

Members Absent

None.

Others Present

Paige Smith, Planner and Clerk Winchester.

AGENDA APPROVAL

- **Motion by Commissioner Sommer to approve the agenda. Supported by Commissioner Armstead. A voice vote was taken. All present voted yes. The motion carried 7/0.**

PUBLIC COMMENT – For Items on the Agenda Only: No Public Comment.

PUBLIC HEARINGS: Special Land Use Permit Amendment Application by the Michigan Renaissance Festival to operate a Festival and other Events on parcel number 01-12-476-002 and 01-12-401-003 in an AGRE. Zoning District.

- **Motion by Commissioner Mitchell to open the public Hearing. Supported by Commissioner Stoner. A voice vote was taken. All present voted yes. The motion carried 7/0.**

Chip Schultz, Director explained that the amendment is needed due to the fact that the Hollydazzle event hours are different than what was approved for the festival's Special Land Use Permit.

- **Motion by Commissioner Sommer to close the public Hearing. Supported by Commissioner Armstead. A voice vote was taken. All present voted yes. The motion carried 7/0.**

APPROVAL OF MINUTES – September 10, 2025

- **Motion by Commissioner Sommer to approve August 13, 2025 minutes. Supported by Commissioner Armstead. A voice vote was taken. All present voted yes. The motion carried 7/0.**

COMMUNICATIONS: None.

OLD BUSINESS: None.

NEW BUSINESS

1. Special Land Use Permit Amendment Application by the Michigan Renaissance Festival to operate a Festival and other Events on parcel number 01-12-476-002 and 01-12-401-003 in an AGRE. Zoning District.
 - **Commissioner McCanney moved to approve the request to amend the special land use permit for the operation of the Michigan Renaissance Festival at 12600 Dixie Highway, Holly, MI 48442 to allow for the Hollydazzle Light Show to operate from 5:00 pm to 10:00 pm on the dates noted in the Planner's report dated September 30, 2025, and from 5:00 pm to 12:30 am the evening of December 31st, based on the findings of fact that:**
 - a) **The operation of the site will be harmonious and in accordance with the general and specific objectives of the Township master plan and will be compatible with the natural environment based on the site design and operational regulations put in place by the festival.**
 - b) **The site is designed, constructed, operated, and maintained so as to be harmonious and appropriate in appearance with the existing or intended character of the general vicinity and will not change the essential character of the area.**
 - c) **The site and operation are not hazardous or disturbing to existing or future nearby uses based on the landscape buffering and operational regulations such as parking management put in place by the festival.**
 - d) **The site and operation are compatible with adjacent uses of land and will promote the use of land in a socially and economically desirable manner, based on the landscape**

buffering and operational regulations such as parking management put in place by the festival.

e) The site and operation are served adequately by essential public services.

f) The site and operation will not create excessive additional public costs and will not significantly decrease property values of surrounding properties, based on the continuing investment into the site and its longstanding history in the Township.

g) The site and operation meets all the requirements and standards of the Holly Township Zoning Ordinance and other applicable laws, standards, ordinances, and/or regulations

Supported by Commissioner Stoner. A voice vote was taken. All present voted yes. The motion carried 7/0.

REPORTS: None.

PUBLIC COMMENT: None.

ADJOURNMENT

- Motion by Commissioner Sommer to adjourn the meeting. Supported by Commissioner Armstead. A voice vote was taken. All present voted yes. The motion carried 7/0.

ADJOURNMENT – Commissioner Mitchell adjourned the meeting at 6:53 pm.

Karin S. Winchester, Clerk

Revenue Totals Report

Record Type	Exact Type	Category	Description	Entries	Amount
Permit	Building	Registration Fee	Registration - Builder	1	15.00
Permit	Building	Residential	Permit Base Fee - Residential	1	75.00
Permit	Building	Residential	PLAN REVIEW	8	520.00
Permit	Building	Residential	Res, Garage	2	135.15
Permit	Building	Residential	Res, LEAN TO	1	60.00
Permit	Building	Residential	RES, POLE BARN UP TO 3000 SQ	1	180.00
Permit	Building	Residential	Res, Porch/Deck/Balcony	1	45.00
Permit	Building	Residential	Res, Remodel	3	388.00
Permit	Building	Residential	Res, REROOF	4	1,171.90
Permit	Building	Residential	Res, REROOF	1	260.00
Permit	Building	Residential	Residential New SF	5	2,223.70
Permit	Building	Standard Item	Base fee	14	1,050.00
Permit	Electrical	Inspection	Inspection, Additional	2	150.00
Permit	Electrical	Inspection	INSPECTION, SERVICE	3	225.00
Permit	Electrical	Inspection	NEW SF DWELLING UP TO 200 AMPS	1	275.00
Permit	Electrical	License Fee	Registration - Electrical	3	45.00
Permit	Electrical	Service	Service, 15 thru 200 amps	1	35.00
Permit	Electrical	Standard Item	A/C Unit	1	10.00
Permit	Electrical	Standard Item	Circuit	2	105.00
Permit	Electrical	Standard Item	Fixture/Device	2	20.00
Permit	Electrical	Standard Item	Motor, 1 - 20 KVA/HP	3	45.00
Permit	Electrical	Standard Item	NEW SF DWELLING UP TO 150 AMPS	4	1,000.00
Permit	Electrical	Standard Item	PERMIT BASE FEE	6	450.00
Permit	Electrical	Standard Item	Power Outlet	1	30.00
Permit	Electrical	Standard Item	Trench	2	20.00
Permit	Mechanical	Cooling	CENTRAL A/C UP TO 8 HP	1	45.00
Permit	Mechanical	Heating	GAS OR SOLID FUEL MANUFACT FIREP	1	25.00
Permit	Mechanical	Inspection	Inspection, Additional	1	65.00
Permit	Mechanical	License Fee	Registration - Mechanical	6	90.00
Permit	Mechanical	Piping	Piping, Gas, per Outlet	9	192.00
Permit	Mechanical	Plan Review	Mechanical, Plan Review	1	65.00
Permit	Mechanical	Standard Item	Exhaust Fans	1	24.00
Permit	Mechanical	Standard Item	FUEL BURNING EQUIPMENT	4	180.00
Permit	Mechanical	Standard Item	Permit Base Fee	14	1,050.00
Permit	Mechanical	Standard Item	Res, New SF Dwelling	1	250.00
Permit	Mechanical	Standard Item	Water Connected Appliance	1	8.00
Permit	Mechanical	Tank	TANK, AGROUND	1	75.00
Permit	Plumbing	Distribution	WATER DISTRIBUTION PIPING, RES	5	50.00
Permit	Plumbing	Inspection	Inspection, Additional	4	260.00
Permit	Plumbing	Sewer/Drain	Sump Pump	6	60.00

Population: All Records

Transaction.DateToPostOn Between 10/1/2025
12:00:00 AM AND 10/31/2025 11:59:59 PM

Permit	Plumbing	Standard Item	Fixture	5	432.00
Permit	Plumbing	Standard Item	Meter, Sprinkler	4	40.00
Permit	Plumbing	Standard Item	Meter, Water	4	40.00
Permit	Plumbing	Standard Item	Permit Base Fee	12	900.00
Permit	Plumbing	Standard Item	Stack	4	128.00
Permit	Plumbing	Standard Item	Water-Connected Appliance	2	72.00
Totals				160	12,584.75

Population: All Records

Transaction.DateToPostOn Between 10/1/2025
12:00:00 AM AND 10/31/2025 11:59:59 PM

**TOWNSHIP OF HOLLY
NOTICE OF PUBLIC HEARING**

**PY 2026 COMMUNITY DEVELOPMENT
BLOCK GRANT APPLICATION**

NOTICE IS HEREBY GIVEN, that the Holly Township Board of Trustees will hold a public hearing on November 19, 2025 at 6:30 p.m., or shortly thereafter, at the Holly Township Hall (Upstairs) 102 Civic Dr., Holly, MI 48442 for the purpose of hearing public comments on the CDBG Program Year 2026 application to fund eligible projects.

Eligible Project List will be available for public viewing at the Clerk's Office, 102 Civic Dr., Holly MI 48442 or online at www.hollytownship.org/community/legal/publicnotices

The hearing is open to the public to voice their views or to submit written comment. Citizens are encouraged to attend and participate in the hearing. The Holly Township Board will consider any public comments received at this time. Written comments may be submitted prior to the hearing by writing to: Clerk at 102 Civic Dr., Holly, Michigan 48442.

Arrangements to reasonably accommodate special needs will be made upon receiving seven (7) day advance notice. Contact Holly Township Clerk at the number above for special services.

Karin S. Winchester, MMC
Holly Township Clerk

PY 2025 ELIGIBLE PROJECTS & CDBG MATRIX CODES

CDBG matrix codes are used to indicate-but do not establish-activity eligibility. An activity must be eligible in accordance with the regulations at 24 CFR 570.201- 570.207. If interested in activities other than those listed below contact the Grant Compliance Coordinator at (248) 858-5312 to discuss eligibility

ACQUISITION AND DISPOSITION

- 02 Disposition of Real Property
- 04 Clearance and Demolition
- 04A Cleanup of Contaminated Sites
- 08 Relocation

PUBLIC FACILITIES AND IMPROVEMENTS

- 03A Senior Center
- 03B Facilities for Persons with Disabilities
- 03C Homeless Facilities (not operating costs)
- 03D Youth Centers
- 03E Neighborhood Facilities
- 03F Parks, Recreational Facilities
- 03G Parking Facilities
- 03H Solid Waste Disposal Improvements
- 03I Flood Drainage Improvements
- 03J Water/Sewer Improvements
- 03K Street Improvements
- 03L Sidewalks
- 03M Child Care Centers
- 03N Tree Planting
- 03O Fire Stations/Equipment
- 03P Health Facilities
- 03Q Facilities for Abused and Neglected Children
- 03R Asbestos Removal
- 03S Facilities for AIDS Patients (not operating costs)
- 03Z Other Public Improvements Not Listed in 03A-03T
- 06 Interim Assistance
- 11 Privately Owned Utilities
- 16B Non-Residential Historic Preservation
- 23 Tornado Shelters Serving Private Mobile Home Parks

PUBLIC SERVICES

- 03T Homeless/AIDS Patients Programs
- 05A Senior Services
- 05B Services for Persons with Disabilities
- 05C Legal Services
- 05D Youth Services
- 05E Transportation Services
- 05F Substance Abuse Services
- 05G Services for victims of domestic violence, dating violence, sexual assault, or stalking
- 05H Employment Training
- 05I Crime Awareness/Prevention
- 05J Fair Housing Activities (subject to Public Services cap)
- 05K Tenant/Landlord Counseling
- 05L Child Care Services

PY 2025 ELIGIBLE PROJECTS & CDBG MATRIX CODES CONTINUED

PUBLIC SERVICES CONTINUED

- 05M Health Services
- 05N Services for Abused and Neglected Children
- 05O Mental Health Services
- 05P Screening for Lead Poisoning
- 05Q Subsistence Payments
- 05R Homebuyer Downpayment Assistance - Excluding Housing Counseling under 24 CFR 5.100
- 05S Rental Housing Subsidies
- 05T Security Deposits
- 05U Housing Counseling only, under 24 CFR 5.100
- 05V Neighborhood Cleanups
- 05W Food Banks
- 05X Housing Information and Referral Services
- 05Y Housing Counseling under 24 CFR 5.100 Supporting Homebuyer Downpayment Assist (05R)
- 05Z Other Public Services Not Listed in 03T and 05A-05Y (Housekeeping/Safety & Repair/Yard)

HOUSING

- 09 Loss of Rental Income
- 12 Construction of Housing
- 13A Housing Counseling, under 24 CFR 5.100, for Homeownership Assistance (13B)
- 13B Homeownership Assistance – excluding Housing Counseling under 24 CFR 5.100
- 14A Rehabilitation: Single-Unit Residential
- 14B Rehabilitation: Multi-Unit Residential
- 14C Rehabilitation: Public Housing Modernization
- 14D Rehabilitation: Other Publicly Owned Residential Buildings
- 14F Rehabilitation: Energy Efficiency Improvements
- 14G Rehabilitation: Acquisition
- 14H Rehabilitation: Administration
- 14I Lead-Based Paint/Lead Hazards Testing/Abatement
- 14J Housing Services, Excluding Housing Counseling, under 24 CFR 5.100
- 14K Housing Counseling, under 24 CFR 5.100 Supporting HOME Program Housing Activities
- 14L Housing Counseling, under 24 CFR 5.100, in Conjunction with CDBG Assisted Housing Rehab
- 15 Code Enforcement
- 16A Residential Historic Preservation
- 19E Operation and Repair of Foreclosed Property ("In-Rem Housing")

ECONOMIC DEVELOPMENT

- 14E Rehabilitation: Publicly or Privately Owned Commercial/Industrial
- 17A Commercial/Industrial: Acquisition/Disposition
- 17B Commercial/Industrial: Infrastructure Development
- 17C Commercial/Industrial: Building Acquisition, Construction, Rehabilitation
- 17D Commercial/Industrial: Other Improvements
- 18A Economic Development: Direct Financial Assistance to For-Profit Business
- 18B Economic Development: Technical Assistance
- 18C Economic Development: Microenterprise Assistance

GENERAL ADMINISTRATION

- 21A General Program Administration
- 21D Fair Housing Activities (subject to Admin cap)
- 21H CDBG Funding of HOME Admin
- 21I CDBG Funding of HOME CHDO Operating Expenses

OTHER

- 19C CDBG Non-Profit Capacity Building

**TOWNSHIP OF HOLLY
OAKLAND COUNTY, MICHIGAN**

REPORT ON FINANCIAL STATEMENTS
(with required and other supplementary information)

YEAR ENDED JUNE 30, 2025

DRAFT - SUBJECT TO REVISION

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Township Board of the
Township of Holly
Oakland County, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Holly, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Township of Holly'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, each major fund, and the aggregate remaining fund information of the Township of Holly, as of June 30, 2025, 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. 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 of Holly 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 of Holly's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Holly'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 of Holly'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 other required supplementary information, as identified 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 Township of Holly's basic financial statements. The other supplementary information, as listed in the table of contents, is 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

November 7, 2025

DRAFT - SUBJECT TO REVISION

**TOWNSHIP OF HOLLY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of the Township of Holly's (the Township) financial performance provides an overview of the Township's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the Township's financial statements.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlight for the year ended June 30, 2025:

- Property tax revenues are the Township's largest revenue source. Property tax revenue, at the governmental fund level, for the year ended June 30, 2025, was approximately \$1,809,000. The Township's millage rate of 1.00 and 4.00 for operating and fire and emergency services, respectively, stayed the same.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing government services. The Fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements by providing information about the Township's most significant funds.

Governmental Activities

The following tables show, in a condensed format, the current year's net position and changes in net position compared to the prior year:

	June 30, 2025	June 30, 2024
ASSETS		
Current and other assets	\$ 4,342,341	\$ 4,038,685
Capital assets, net	3,199,256	2,955,589
TOTAL ASSETS	7,541,597	6,994,274
LIABILITIES		
Long-term liabilities	150,000	187,500
Other liabilities	500,262	741,807
TOTAL LIABILITIES	650,262	929,307
DEFERRED INFLOWS OF RESOURCES	19,496	13,615
NET POSITION		
Investment in capital assets	3,199,256	2,955,589
Restricted	832,154	833,544
Unrestricted	2,840,429	2,262,219
TOTAL NET POSITION	\$ 6,871,839	\$ 6,051,352

**TOWNSHIP OF HOLLY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

	Year Ended	
	June 30, 2025	June 30, 2024
REVENUES		
Program revenues		
Charges for services	\$ 334,153	\$ 152,061
Operating grants and contributions	61,025	17,025
Capital grants and contributions	169,821	-
General revenues		
Property taxes	1,808,670	1,685,758
State shared revenue	654,416	658,828
Intergovernmental	17,971	13,924
Unrestricted investment earnings	136,162	122,635
Miscellaneous	12,044	10,964
TOTAL REVENUES	3,194,262	2,661,195
EXPENSES		
General government	877,380	776,434
Public safety	1,311,314	1,274,050
Public works	103,172	144,077
Community and economic development	81,909	42,715
TOTAL EXPENSES	2,373,775	2,237,276
Change in net position	820,487	423,919
Net position, beginning of year, as restated	6,051,352	5,627,433
Net position, end of year	<u>\$ 6,871,839</u>	<u>\$ 6,051,352</u>

The Township's governmental net position increased 13.6% from a year ago, from approximately \$6.05 million to \$6.87 million.

Total governmental revenues increased \$533,067 or 20%. Increase in property taxes and charges for services primarily account for this change. Property taxes increased by 7.3%, as property values in 2025 increased compared to 2024. Charges for services increased due to reimbursements to the General Fund from the Building Department Fund.

The Township's total governmental expenses increased approximately \$136,500 or 6% from the prior year. Increase in expenses were due to increases in wages, increases in attorney fees due primarily to code enforcement, increases in building inspections due to permit activity, and costs associated with the new townhall project.

The Township's Funds

Our analysis of the Township's major funds begins on page 11, following the government-wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township Trustees create funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax mileages. The Township had four major governmental funds for the current year, the General Fund, Fire and Emergency Fund, Capital Projects Fund, and Farmstead Capital Projects Fund.

**TOWNSHIP OF HOLLY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The General Fund pays for most of the Township's governmental services. However, the most significant governmental service within the General Fund is general government, which incurred expenditures of \$929,926 in 2025, which was an increase of \$131,513, or 16.5%, from 2024 due partially to moving a position from the Building Department Fund back to the General Fund. Total General Fund revenues increased from a year ago by \$165,806, due to increases in property tax values as well as intergovernmental revenues and charges for services. Total General Fund expenditures and other financing uses for 2025 were more than revenues and other financing sources resulting in a decrease in fund balance of \$147,540. Ending fund balance was \$1,539,394 of which \$230,668 was restricted or nonspendable, \$362,638 was assigned for subsequent year's expenditures, and the remaining \$946,088 was unassigned.

The Fire and Emergency fund balance increased \$13,298 from the previous year. This increase is mainly due to a larger increase in tax revenues than the increase in expenditures in the current year.

The Capital Projects fund balance increased \$528,750 from the previous year due to transfer from general fund in the current year.

The Farmstead Capital Projects fund balance decreased \$1,575 from the previous year due to direct capital expenditures incurred in the current year.

General Fund Budgetary Highlights

Over the course of the year, the Township amended the budget to take into account events during the year related to increase in tax base and treasury rate for property tax revenue and interest rate for interest income. Actual General Fund revenues totaled \$1,654,967, or \$30,681 under the final amended budget which was increased from the original budget by \$8,750.

The Township's actual General Fund expenditures and other financing uses totaled \$1,802,507, or \$503,074 below the final amended budget which was increased from the original budget by \$8,750. All departments were able to underspend their budget so overall expenditures were below the amended budget.

Capital Asset Administration

The Township's investment in capital assets for its governmental activities as of June 30, 2025, amounted to \$3,199,256, net of accumulated depreciation. This investment in capital assets includes land, construction in progress, buildings, machinery and equipment, and office equipment and furniture. In 2025, \$256,696 of expenditures were capitalized in the government-wide financial statements for additions to construction in progress related to the farmstead and Township hall. More detailed information concerning capital assets can be found within Note 4 to the basic financial statements.

Long-Term Obligations

The Township's long-term debt consist of construction debt entered into during fiscal year 2020, which amounts to \$150,000 as of June 30, 2025. More detailed information can be found within Note 5 of the basic financial statements.

**TOWNSHIP OF HOLLY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Economic Factors and Next Year's Budgets and Rates

There are several economic factors that will challenge the Township in the next several years. These include state revenue sharing not keeping up with inflation and property tax values. The Township's tax base continues to increase as the Township's valuation and construction of new single family homes increase. Future construction of new homes will continue to increase with future developments.

The Township does not consider it to be financially necessary to levy the maximum allowable millage.

These factors were considered in the preparation of the Township's fiscal year 2025-2026 budget.

Contacting the Township's Management

The financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Township of Holly at 102 Civic Dr., Holly, MI 48442.

DRAFT - SUBJECT TO REVISION

BASIC FINANCIAL STATEMENTS

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TOWNSHIP OF HOLLY
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and investments	\$ 4,117,593
Accounts receivable	18,940
Due from others	1,002
Due from other governmental units	137,449
Prepays	<u>11,705</u>
Total current assets	<u>4,286,689</u>
Noncurrent assets	
Net other postemployment benefits asset	55,652
Capital assets not being depreciated	2,985,840
Capital asset, net of accumulated depreciation	<u>213,416</u>
Total noncurrent assets	<u>3,254,908</u>
TOTAL ASSETS	<u>7,541,597</u>
LIABILITIES	
Current liabilities	
Accounts payable	110,006
Due to other governmental units	139,008
Due to others	215,094
Unearned revenue	36,154
Current portion of long-term debt	<u>37,500</u>
Total current liabilities	<u>537,762</u>
Noncurrent liabilities	
Noncurrent portion of long-term debt	<u>112,500</u>
TOTAL LIABILITIES	<u>650,262</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to OPEB	<u>19,496</u>
NET POSITION	
Investment in capital assets	3,199,256
Restricted	
Net other postemployment benefits	55,652
Public safety	557,539
Public, educational, and governmental (PEG) fees	103,714
Metro act funds	115,249
Unrestricted	<u>2,840,429</u>
TOTAL NET POSITION	<u>\$ 6,871,839</u>

See accompanying notes to financial statements.

**TOWNSHIP OF HOLLY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government	\$ 877,380	\$ 60,497	\$ 55,265	\$ 169,821	\$ (591,797)
Public safety	1,311,314	260,146	-	-	(1,051,168)
Public works	103,172	-	-	-	(103,172)
Community and economic development	81,909	13,510	5,760	-	(62,639)
Total governmental activities	<u>\$ 2,373,775</u>	<u>\$ 334,153</u>	<u>\$ 61,025</u>	<u>\$ 169,821</u>	<u>(1,808,776)</u>
General revenues					
Property taxes					1,808,670
State shared revenue					654,416
Intergovernmental					17,971
Unrestricted investment earnings					136,162
Miscellaneous					<u>12,044</u>
Total general revenues					<u>2,629,263</u>
Change in net position					<u>820,487</u>
Net position, beginning of the year as previously reported					6,276,352
Adjustment to beginning net position					(225,000)
Net position, beginning of the year as restated					<u>6,051,352</u>
Net position, end of the year					<u>\$ 6,871,839</u>

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**TOWNSHIP OF HOLLY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2025**

	General	Fire and Emergency Special Revenue Fund	Capital Projects Fund	Farmstead Capital Projects Fund	Total Nonmajor Governmental Funds	Total
ASSETS						
Cash and investments	\$ 1,635,841	\$ 596,211	\$ 1,299,962	\$ 293,603	\$ 291,976	\$ 4,117,593
Accounts receivable	15,859	-	-	-	3,081	18,940
Due from other funds	150,000	-	-	-	-	150,000
Due from other governmental units	137,449	-	-	-	-	137,449
Due from others	1,002	-	-	-	-	1,002
Prepays	11,705	-	-	-	-	11,705
TOTAL ASSETS	\$ 1,951,856	\$ 596,211	\$ 1,299,962	\$ 293,603	\$ 295,057	\$ 4,436,689
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Account payable	\$ 58,360	\$ -	\$ 21,281	\$ 15,562	\$ 14,803	\$ 110,006
Due to other governmental units	139,008	-	-	-	-	139,008
Due to others	215,094	-	-	-	-	215,094
Due to other funds	-	150,000	-	-	-	150,000
Unearned revenue	-	-	-	36,154	-	36,154
TOTAL LIABILITIES	412,462	150,000	21,281	51,716	14,803	650,262
FUND BALANCES						
Nonspendable						
Prepays	11,705	-	-	-	-	11,705
Restricted						
Public safety	-	446,211	-	-	111,328	557,539
PEG fees	103,714	-	-	-	-	103,714
Metro act funds	115,249	-	-	-	-	115,249
Assigned						
Capital projects	-	-	1,278,681	241,887	168,926	1,689,494
Subsequent year's expenditures	362,638	-	-	-	-	362,638
Unassigned	946,088	-	-	-	-	946,088
TOTAL FUND BALANCES	1,539,394	446,211	1,278,681	241,887	280,254	3,786,427
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,951,856	\$ 596,211	\$ 1,299,962	\$ 293,603	\$ 295,057	\$ 4,436,689

See accompanying notes to financial statements.

TOWNSHIP OF HOLLY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total fund balances - governmental funds \$ 3,786,427

Amounts reported for the 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 as assets in the governmental funds.

The cost of capital assets is	\$	4,458,760	
Accumulated depreciation is		(1,259,504)	
		3,199,256	
Capital assets, net			3,199,256

Some assets are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. Noncurrent assets at year-end consist of:

Net other postemployment benefits asset	55,652
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Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Long-term debt	(150,000)
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OPEB-related amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.

Deferred inflows related to the net OPEB asset	(19,496)
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Net position of governmental activities	\$ 6,871,839
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**TOWNSHIP OF HOLLY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025**

	General	Fire and Emergency Special Revenue Fund	Capital Projects Fund	Farmstead Capital Projects Fund	Total Nonmajor Governmental Funds	Total
REVENUES						
Taxes	\$ 697,197	\$ 1,111,473	\$ -	\$ -	\$ -	\$ 1,808,670
Licenses and permits	56,580	-	-	-	176,046	232,626
Intergovernmental	733,412	-	-	-	-	733,412
Charges for services	101,527	-	-	-	-	101,527
Investment income	54,207	5,783	52,562	11,489	12,121	136,162
Other	12,044	-	-	169,821	-	181,865
TOTAL REVENUES	1,654,967	1,117,256	52,562	181,310	188,167	3,194,262
EXPENDITURES						
Current						
General government	929,926	-	-	-	-	929,926
Public safety	-	1,103,958	-	-	207,356	1,311,314
Public works	103,172	-	-	-	-	103,172
Community and economic development	81,909	-	-	-	-	81,909
Capital outlay	-	-	73,812	182,885	-	256,697
Debt service						
Principal	37,500	-	-	-	-	37,500
TOTAL EXPENDITURES	1,152,507	1,103,958	73,812	182,885	207,356	2,720,518
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	502,460	13,298	(21,250)	(1,575)	(19,189)	473,744
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	550,000	-	100,000	650,000
Transfers out	(650,000)	-	-	-	-	(650,000)
TOTAL OTHER FINANCING SOURCES (USES)	(650,000)	-	550,000	-	100,000	-
NET CHANGE IN FUND BALANCES	(147,540)	13,298	528,750	(1,575)	80,811	473,744
Fund balances, beginning of year	1,686,934	432,913	749,931	243,462	199,443	3,312,683
Fund balances, end of year	\$ 1,539,394	\$ 446,211	\$ 1,278,681	\$ 241,887	\$ 280,254	\$ 3,786,427

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TOWNSHIP OF HOLLY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds **\$ 473,744**

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$	256,696	
Depreciation expense		(13,029)	
Excess of capital outlay over depreciation expense			243,667

Certain transactions related to long-term debt are reported as expenditures or other financing sources/uses in governmental funds, but the borrowing increase long-term liabilities in the statement of net position. In the current year, these amounts consist of:

Principal payment on long-term debt	37,500
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Change in net OPEB liability/asset	71,457
Change in deferred inflows of resources related to OPEB	(5,881)

Change in net position of governmental activities	\$ 820,487
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**TOWNSHIP OF HOLLY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2025**

	Other Post- Employment Health Benefits Trust Fund	Tax Collection Custodial Fund
ASSETS		
Cash	\$ -	\$ 1,508
Investments	422,360	-
	<u>422,360</u>	<u>1,508</u>
TOTAL ASSETS		
	<u>422,360</u>	<u>1,508</u>
LIABILITIES		
Undistributed receipts	-	1,508
	<u>-</u>	<u>1,508</u>
NET POSITION		
Restricted for other postemployment benefits	\$ 422,360	\$ -
	<u><u>422,360</u></u>	<u><u>-</u></u>

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See accompanying notes to financial statements.

**TOWNSHIP OF HOLLY
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2025**

	Other Post- Employment Health Benefits Trust Fund	Tax Collection Custodial Fund
ADDITIONS		
Collections of taxes for other governments	\$ -	\$ 16,520,081
Investment income	37,559	-
TOTAL ADDITIONS	37,559	16,520,081
DEDUCTIONS		
Payments of taxes collected for other governments	-	16,520,081
Administrative expenses	843	-
TOTAL DEDUCTIONS	843	16,520,081
CHANGE IN FIDUCIARY NET POSITION	36,716	-
Net position, beginning of year	385,644	-
Net position, end of year	\$ 422,360	\$ -

DRAFT - SUBJECT TO REVISION

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Located in Oakland County, Michigan, the Township of Holly (the Township) is incorporated as a general law Township in which citizens elect the seven-member Board of Trustees. The Township is not included in any other governmental "reporting entity", as defined by the Governmental Accounting Standards Board (GASB), since Trustees are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. The Township provides the following services to residents: general government, public safety, public works, and community and economic development.

The financial statements of the Township have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Township's more significant accounting policies are described below.

Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the financial activities of the Township of Holly (primary government).

The inclusion of the activities of various agencies is based on the manifestation of oversight criteria, relying on such guidelines as the selection of the governing authority, the designation of management, the ability to exert significant influence on operations, and the accountability for fiscal matters. The accountability for fiscal matters considers the possession of the budgetary authority, the responsibility for surplus or deficit, the controlling of fiscal management, and the revenue characteristics, whether a levy or a charge. Consideration is also given to the scope of public service. The scope of public service considers whether the activity is for the benefit of the reporting entity and/or its residents and is within the geographic boundaries of the reporting entity and generally available to its citizens.

Based upon the application of these criteria, the financial statements of the Township of Holly contain all the funds controlled by the Board of Trustees.

Fiduciary Component Unit

The Other Postemployment Health Benefits Trust Fund was established to account for the assets set aside to fund the Township of Holly's other postemployment health benefit plan. The primary purpose of the Trust is to provide the necessary funding for the retiree health insurance premiums provided to eligible Township employees during retirement. The Trust was established through MERS Retiree Health Funding Vehicle, with the Township's Board serving as the trustees. The assets of the Trust are for the exclusive benefit of the participants and their beneficiaries, and the assets shall not be diverted to any other purchase prior to the satisfaction of all liabilities. The assets are protected from any of the Township's creditors. The Board has the ability to exercise oversight responsibility, specifically in the area of designation of management.

Related Organizations

Holly Township Parks and Recreation - Parks and Recreation is a legally separate organization established to provide and maintain recreational programs and facilities for citizens of Holly Township. Parks and Recreation is governed by an elected five-member Board. Separate audited financial statements for their most recent year ended June 30 are available at 5142 E. Holly Road, Holly, Michigan 48442.

**TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Related Organizations (continued)

Holly Township Library - the Library is a legally separate organization established to offer library services to residents of Holly Township. The Library is governed by a five-member Board elected by the governing body. Separate audited financial statements for their most recent year ended June 30 are available at 1116 N. Saginaw Street, Holly, Michigan 48442.

Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities (the government-wide financial statements) present information for the primary government as a whole. All nonfiduciary activities of the primary government are included (i.e., fiduciary fund activities are not included in the government-wide financial statements). Interfund activity has been eliminated in the preparation of these statements.

The statement of activities presents the direct functional expenses of the primary government and the program revenues that support them. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues are associated with specific functions and include charges to recipients for goods or services that are restricted to meeting the operational requirements of that function. Revenues that are not required to be presented as program revenues are general revenues. This includes taxes, interest, unrestricted state revenue sharing payments, and other general revenues and shows how governmental functions are either self-financing or supported by general revenues.

FUND FINANCIAL STATEMENTS

The fund financial statements present the Township's individual major funds and aggregated nonmajor funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the later are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Township of Holly reports the following *Major Governmental Funds*:

The *General Fund* is the Township of Holly's primary operating fund. It accounts for all financial resources of the general government except for those that are required to be accounted for in another fund.

The *Fire and Emergency Fund* is a *Special Revenue Fund* used to account for the activities of the Township's fire and emergency services, funded mainly with property tax revenues.

The *Capital Project Fund* is used to account for financing and construction of the Township's major equipment and building and improvements. Such capital projects are generally funded by transfers from the *General Fund*.

The *Farmstead Capital Project Fund* is used to account for financing and construction of the Township's farmstead building and improvements. Such capital projects are generally funded by outside contributions and grants as well as transfers from the *General Fund*.

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Basis of Presentation (continued)

FUND FINANCIAL STATEMENTS (continued)

Additionally, the Township reports the following *Fund Types*:

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

Capital Project Funds are used to account for financing and construction related to the Township's major equipment and improvements related to road improvements. Such capital projects are generally funded by transfers from the *General Fund*.

Other Postemployment Benefits Trust Fund accounts for the accumulation of resources to be used for certain healthcare costs to retirees of the Township.

Custodial Funds are custodial in nature and are used to account for assets held by the Township as the trustee or as the agent for others.

Measurement Focus

The government-wide and fiduciary financial statements are presented using the economic resources measurement focus, similar to that used by business enterprises or not-for-profit organizations. Because another measurement focus is used in the governmental fund financial statements, reconciliations to the government-wide financial statements are provided that explain the differences in detail.

All governmental funds are presented using the current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become susceptible to accrual (when they become both "measurable" and "available to finance expenditures of the current period"). The length of time used for "available" for purposes of revenue recognition in the governmental fund financial statements is 60 days. Revenues that are considered measurable but not available are recorded as a receivable and unavailable revenue. Significant revenues susceptible to accrual are special assessments and certain intergovernmental revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for interest on long-term debt which is recorded when due.

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Basis of Accounting (continued)

If/when both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

Fiduciary funds are accounted for using the accrual basis of accounting. Additions are recognized when earned, and deductions are recognized when incurred.

Budgets and Budgetary Accounting

Annual budgets for the general and special revenue funds are adopted in compliance with Michigan Law. The budgets are prepared on the modified accrual basis, which is consistent with generally accepted accounting principles.

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to July 1, the annual budgets are legally adopted at the activity level through passage of a Board resolution after a public hearing is held to obtain taxpayer comments. After the budget is adopted, all transfers of budgeted amounts between activities or any revisions that alter the total expenditures of the fund or activity must be approved by the Township Board.
- b. Formal budgetary integration is employed as a management control device during the year.
- c. The Township does not employ encumbrance accounting as an extension of formal budgetary integration. Appropriations unused at June 30 are not carried forward to the following fiscal year.
- d. Budgeted amounts are reported as originally adopted or amended by the Township Board during the year. Individual amendments were appropriately approved by the Township Board as required.

Cash

Cash includes amounts in demand deposit accounts.

Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

In accordance with Michigan Compiled Laws, the Township of Holly is authorized to invest in the following investment vehicles:

- a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

**TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Investments (continued)

- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a State or nationally chartered bank or a State or Federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under the laws of the State or the United States, but only if the bank, savings and loan association, savings bank, or credit union is eligible to be a depository of surplus funds belonging to the State under Section 6 of 1855 PA 105, MCL 21.146.
- c. Commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services, and which matures not more than 270 days after the date of purchase.
- d. The United States government or federal agency obligations repurchase agreements.
- e. Bankers' acceptances of United States banks.
- f. Mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

Michigan Compiled Laws allow for collateralization of government deposits, if the assets for pledging are acceptable to the State Treasurer under Section 3 of 1855 PA 105, MCL 21.143, to secure deposits of State surplus funds, securities issued by the Federal Loan Mortgage Corporation, Federal National Mortgage Association, or Government National Mortgage Association.

Receivables

Receivables have been recognized for all significant amounts due to the Township in accordance with the accounting principles used for the particular fund. Valuation reserves have not been provided because management believes collection is not considered doubtful and any uncollectible amounts would not be considered significant.

Prepays

Prepaid expenditures in the governmental funds are expected to be written off within the next fiscal year, are included in current assets. Reported prepaid expenditures are equally offset by nonspendable fund balance, which indicates they do not constitute "available spendable resources" even though they are a component of fund balance.

Due from Other Governmental Units

Due from other governmental units consists of amounts due from the State of Michigan or other governments for various payments and grants.

**TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Capital Assets

Capital assets are recorded (net of accumulated depreciation, if applicable) in the government-wide financial statements. Capital assets are those with an acquisition cost of at least \$5,000 and an estimated useful life of more than one year. Capital assets are not recorded in the governmental funds. Instead, capital acquisition and construction are reflected as expenditures in the governmental funds, and the related assets are reported in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition cost on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Land and construction in progress are not depreciated. The other assets are depreciated using the straight-line method over the following useful lives:

Building	20 - 50 years
Machinery and equipment	7 - 10 years
Office furniture and equipment	5 - 10 years

Long-term Obligations

Long-term debt and other long-term obligations are recognized as a liability in the government-wide financial statements when incurred. The portion of those liabilities expected to be paid within the next year is a current liability with the remaining amounts shown as long-term. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from debt proceeds received, are reported as expenses.

Unearned Revenue

The Township reports unearned revenue in connection with resources that have been received, but not yet earned.

Due to Others

Due to others consists of amounts due to other parties for various services incurred and escrows held by Township.

Net OPEB Liability (Asset)

The Township records a net OPEB liability (asset) for the difference between the total OPEB liability and the OPEB plan's fiduciary net position.

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position 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 assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Township has one item that qualifies for reporting in this category which are future resources yet to be recognized in relation to other postemployment benefits calculation.

Details of Fund Balance Classifications

Fund balance classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The following are the five classifications of fund balance under this standard:

Nonspendable - assets that are not available in a spendable form such as inventory, prepaid expenditures, and long-term receivables not expected to be converted to cash in the near term. It also includes funds that are legally or contractually required to be maintained intact such as the corpus of a permanent fund or foundation.

Restricted - amounts that are required by external parties to be used for a specific purpose. Constraints are externally imposed by creditors, grantors, contributors or laws, regulations or enabling legislation.

Committed - amounts constrained on use imposed by formal action of the government's highest level of decision-making authority (i.e., Board, Trustee, etc.).

Assigned - amounts intended to be used for specific purposes. This is determined by the governing body, the budget or finance committee, or a delegated municipality official.

Unassigned - all other resources; the remaining fund balance after nonspendable, restrictions, commitments, and assignments. This class only occurs in the General Fund, except for cases of negative fund balances. Negative fund balances are always reported as unassigned, no matter which fund the deficit occurs in.

Fund Balance Classification Policies and Procedures

For committed fund balance, the Township of Holly's highest level of decision-making authority is the Board of Trustees. The formal action that is required to be taken to establish a fund balance commitment is a resolution of the Board of Trustees. If a fund balance commitment is made, the commitment remains in effect until a resolution is made to remove it.

For assigned fund balance, the Township has not approved a policy indicating who is authorized to assign amounts to a specific purpose. In the absence of such a policy, the authority to assign fund balance remains with the Board of Trustees.

When the Township incurs an expenditure for purposes for which various fund balance classifications can be used it is the Township's policy to use restricted fund balance first, then committed, assigned, and finally unassigned.

**TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF TOWNSHIP AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Restricted Net Position

Restrictions of net position shown in the government-wide financial statements indicate restrictions that have been imposed by outside sources, which preclude a portion of net position from their use for unrestricted purposes.

Property Taxes

The Township of Holly bills and collects its own property taxes. The Township of Holly's property tax revenue recognition policy and related tax calendar disclosures are highlighted in the following paragraph:

Property taxes are levied by Township of Holly on December 1 on the taxable valuation of property located in the Township as of the preceding December 31 (the lien date) and are payable without penalty through February 14. These tax bills include the Township's own property taxes and taxes billed on behalf of Oakland County and the school districts within the Township boundaries. Taxes not collected as of March 1 are turned over to Oakland County for collection, which advances the Township 100% for the delinquent taxes. Collections and remittances of all taxes are accounted for in the Tax Collection Custodial Fund.

The Township of Holly is permitted to levy taxes up to 1.2229 mills (\$1.2229 per \$1,000 of taxable valuation) for general governmental services and 4.0000 mills (\$4.00 per \$1,000 of taxable valuation) for the fire and emergency services. For the year ended June 30, 2025, the Township levied 1.0000 mills per \$1,000 of taxable valuation for general governmental services and 4.0000 mills per \$1,000 of taxable valuation for the fire and emergency services. The total taxable value for the 2024 levy for property within the Township of Holly was \$475,369,420. The taxable value of real and personal property for the fire and emergency services special assessments was \$273,942,350.

Property taxes levied in December are recognized as revenues in the current fiscal year. Taxes collected on behalf of the school districts and Oakland County are turned over to the districts and the County immediately following collection and are accounted for in a designated custodial fund.

The Township's tax revenue have been reduced by tax abatements but management has determined these amounts to immaterial to the financial statements.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - DEPOSITS AND INVESTMENTS

As of June 30, 2025, the Township had deposits and investments subject to the following risk:

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. As of June 30, 2025, \$817,763 of the Township's bank balance of \$1,760,969 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying value on the books for deposits at the end of the year was \$1,264,789. The Township had \$700 of imprest cash on hand. The Township's investment policy states that with the exception of authorized investment pools and individual fund deposits required to meet the Township's cash flow demands, an amount not greater than the prevailing federal (FDIC/NIUA) deposit insurance limitations at the time of deposit or investment shall be deposited or invested in an individual "financial institution", as defined by MCL 129.91 subsection 5.

Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest Rate Risk

In accordance with its investment policy, the Township will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the Township's cash requirements. The average maturities of investments are noted below:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Michigan CLASS Investment Pool	\$ 2,357,432	0.1053
U.S. Treasury Securities	496,180	0.3699
	<u>\$ 2,853,612</u>	
Portfolio weighted average maturity		<u>0.4752</u>

One day maturity equals 0.0027, one year equals 1.00.

Credit Risk

State law limits investments in commercial paper and corporate bonds to a prime or better rating issued by nationally recognized statistical rating organizations (NRSROs). Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Agency</u>
Michigan CLASS Investment Pool	<u>\$ 2,357,432</u>	AAAm	S&P

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Concentration of Credit Risk

The Township has adopted a policy that indicates how the Township will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the Township's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Investment Type	Fair Value	No Maturity	Due < 1 Year	Due in 1 - 5 Years	Moody Rating
Fixed Income					
U.S. Treasury Securities	\$ 496,180	\$ -	\$ 496,180	\$ -	n/a

Foreign Currency Risk

The Township is not authorized to invest in investments which have this type of risk.

Fair Value Measurement

The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk and others.
- Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the Township's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Investments that are measured at fair value using net asset per value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

	Level 1	Level 2	Level 3	Balance at June 30, 2025
Investments by fair value level				
U.S. Treasury Securities	\$ 496,180	\$ -	\$ -	\$ 496,180

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Investments in Entities that Calculate Net Asset Value Per Share

The Township holds shares or interest in an investment pool and MERS where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

The Michigan CLASS investment pool invest in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated "A1" or better), collateralized bank deposits, repurchase agreements (collateralized at 102 percent by treasuries and agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

MERS invests assets in a manner which will seek the highest investment return consistent with the preservation of principal and meet the daily liquidity needs of participants. MERS total market portfolio are reported at their individual Net Asset Values.

At the year ended June 30, 2025, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency, if Eligible</u>	<u>Redemption Notice Period</u>
Primary Government				
Michigan CLASS Investment Pool	\$ 2,357,432	\$ -	No restrictions	None
Fiduciary Funds				
MERS Total Market Portfolio	422,360	-	No restrictions	None
	<u>\$ 2,779,792</u>	<u>\$ -</u>		

The following summarizes the categorization of deposits and investments as of June 30, 2025:

Statement of Net Position	
Cash and investments	\$ 4,117,593
Statement of Fiduciary Net Position	
Cash	1,508
Investments	422,360
Total	<u>\$ 4,541,461</u>
Deposits and Investments	
Deposits	
Checking and savings accounts	\$ 1,264,789
Investments	3,275,972
Cash on hand	700
Total	<u>\$ 4,541,461</u>

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - INTERFUND ACTIVITY

The amount of interfund receivables and payables at June 30, 2025, are as follows:

Due to General Fund from:	
Fire and Emergency Fund	<u>\$ 150,000</u>

Amounts appearing as interfund payables and receivables arise from two types of transactions. One type of transaction is where a fund will pay for a good or service that at least a portion of the benefit belongs to another fund. The second type of transaction is where one fund provides a good or service to another fund. Balances at the end of the year for transfers that have not cleared as of the balance sheet date.

The General Fund transferred \$550,000 to the Capital Projects Fund and \$100,000 to nonmajor governmental funds for the purpose of current year capital outlay needs as well as preparing for needs in the future.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Restated Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Governmental activities				
Capital assets not being depreciated				
Land	\$ 1,022,159	\$ -	\$ -	\$ 1,022,159
Construction in progress	1,706,985	256,696	-	1,963,681
Capital assets not being depreciated	2,729,144	256,696	-	2,985,840
Capital assets being depreciated				
Buildings	613,919	-	-	613,919
Machinery & Equipment	571,562	-	-	571,562
Office Equipment & Furniture	287,439	-	-	287,439
Subtotal	1,472,920	-	-	1,472,920
Less accumulated depreciation for:				
Buildings	(606,767)	(1,160)	-	(607,927)
Machinery & Equipment	(365,284)	(8,552)	-	(373,836)
Office Equipment & Furniture	(274,424)	(3,317)	-	(277,741)
Subtotal	(1,246,475)	(13,029)	-	(1,259,504)
Net capital assets being depreciated	226,445	(13,029)	-	213,416
Total net capital assets	<u>\$ 2,955,589</u>	<u>\$ 243,667</u>	<u>\$ -</u>	<u>\$ 3,199,256</u>

Depreciation expense was charged to general government functions in governmental activities in the amount of \$13,029.

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations (including current portion) of the Township for the year ended June 30, 2025:

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025	Amounts Due Within One Year
Direct placement North Holly Road Construction debt	\$ 187,500	\$ -	\$ (37,500)	\$ 150,000	\$ 37,500

In 2020, the Township entered into an agreement with Oakland County for the North Holly Road construction project where the Township agreed to contribute \$375,000 toward the project divided into ten equal principal-only installments of \$37,500 through January 1, 2029. Debt service requirements to maturity are as follows:

Year Ending June 30,	Amount
2026	\$ 37,500
2027	37,500
2028	37,500
2029	37,500
Total	\$ 150,000

The Township's outstanding notes from direct borrowings and direct placements related to governmental activities of \$150,000 contains provisions that in an event of default, either by (1) unable to make principal or interest payments (2) false or misrepresentation is made to the lender (3) become insolvent or make an assignment for the benefit of its creditors (4) if the lender at any time in good faith believes that the prospect of payment of any indebtedness is impaired. Upon the occurrence of any default event, the outstanding amounts, including accrued interest become immediately due and payable.

NOTE 6 - 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 carries commercial insurance to cover any potential claims associated with these risks and has had no claims that exceeded the insurance coverage during the past three years.

NOTE 7 - DEFINED CONTRIBUTION PENSION PLAN

The Township of Holly Group Pension Plan is a defined contribution pension plan, held in trust by an outside third-party administrator.

Those eligible for the Plan include all elected officials, the Building Administrator and all other appointed officials working 35 hours or more per week. The Township contributes 10% of a participant's compensation. The participants may make voluntary, after-tax contributions from 1% to 10% of their compensation. Total contributions by the Township for the year ended June 30, 2025, were \$41,314. There were six participants in the Plan for the year ended June 30, 2025.

**TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - DEFINED CONTRIBUTION PENSION PLAN (continued)

Benefits attributable to all contributions vest immediately, investment of plan assets is the responsibility of the participant (e.g., self-directed investment of individual accounts by participants).

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Township provides postemployment healthcare benefits to certain retirees under a single employer defined benefit plan (the "Plan"), effective July 1, 2016, governed by the Township Board. Those eligible for the Plan include any person who has continuously served the Township for a period of 25 years or more as an employee, elected official, or both. Eligible retirees receive Township-paid health insurance following retirement from the Township. The Plan does not issue a separate stand-alone financial statement. As of June 30, 2025, the date of the most recent alternative measurement method, the Plan covered six members, all active.

Benefits Provided and Contributions

The Township's contribution is based on projected pay-as-you-go financing requirements. For the year ended June 30, 2025, the Township did not make any contributions to the Plan. There are no contributions required by the Plan participants.

Net OPEB Liability (Asset)

The Township's net OPEB liability (asset) was measured as of June 30, 2025, and was determined using the alternative measurement method, as permitted in GASB 75, as of that date.

Changes in Net OPEB Liability (Asset)

The components of the change in the net OPEB liability (asset) are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2024	\$ 401,449	\$ 385,644	\$ 15,805
Changes for the year			
Service cost	16,065	-	16,065
Interest	16,179	-	16,179
Differences between expected and actual experience	30,839	-	30,839
Effect of changes in assumptions	(97,824)	-	(97,824)
Net investment income	-	37,559	(37,559)
Administrative expenses	-	(843)	843
Net changes	(34,741)	36,716	(71,457)
Balances at June 30, 2025	\$ 366,708	\$ 422,360	\$ (55,652)

**TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS**

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Assumptions

The net OPEB liability (asset) was determined using the alternative measurement method as of June 30, 2025 using the following actuarial assumptions (which were determined by management utilizing the best information available), applied to all periods included in the measurement, unless otherwise specified:

Discount Rate - 5.0%

Long-Term Rate of Return - 5.0%

Salary Increases - 2.5%

Healthcare Cost Trend Rate - 5.80%, decreasing 0.1% in year 2 and 3 then decreasing 0.2% each year until an ultimate rate of 4.10% is achieved.

Retirement Age for Active Employees - Based on the historical average retirement age for the covered group, active OPEB Plan members were assumed to retire at age 65.

Mortality Tables - Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

Turnover - Turnover data was obtained from the U.S. Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System.

Health Insurance Premiums - 2024 health insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

Probability of Accepting Benefits - The probability of participants accepting benefits once they meet the 25 year service requirement was assumed at 100%.

Future Contributions - It is assumed that future contributions to the plan will remain a level percent of the total cost over time.

Long-term Expected Rate of Return

The long-term expected rate of return on OPEB 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>	<u>Rate of Return</u>
Moderately conservative balanced	<u>100.00%</u>	5.00%	5.00%
Risk adjustment			<u>0.00%</u>
Investment rate of return			<u>5.00%</u>

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (continued)

Changes in Assumptions

- The discount rate increased from 3.875% to 5.00%.
- The bond yield rate increased from 3.50% to 4.00%.
- The salary increase changed from 3.00% to 2.50%.
- Health care cost trend rate increased from 4.70% to 5.80%, as a result of factors such as medical inflation, utilization of health care services, plan design, and technological improvements.

Changes in Benefits

There were no changes in benefit terms during plan year 2025.

Discount Rate

The discount rate used to measure the total OPEB liability is 5.00% for 2025. The discount rate was based on a bond yield of 4.00%. 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 OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the Township, calculated using the discount rate of 5.00%, as well as what the Township's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1% lower (4.00%) or 1% higher (6.00%) than the current rate:

<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<u>\$ 29,816</u>	<u>\$ (55,652)</u>	<u>\$ (121,718)</u>

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability (asset) of the Township, calculated using the healthcare cost trend rate of 5.80%, as well as what the Township's net OPEB liability (asset) would be if it were calculated using a healthcare cost trend rate that is 1% lower (4.80%) or 1% higher (6.80%) than the current rate:

<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
<u>\$ (128,322)</u>	<u>\$ (55,652)</u>	<u>\$ 39,987</u>

For the year ended June 30, 2025, the Township recognized OPEB benefit of \$65,576.

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (continued)

The Township reported deferred inflows of resources related to OPEB for the net difference between projected and actual earnings on plan investments in the amount of \$19,496.

The amount reported as OPEB-related deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 476
2027	(8,961)
2028	(7,353)
2029	(3,658)
Total	<u>\$ (19,496)</u>

NOTE 9 - CONTINGENCIES

From time to time, the Township may be named as a defendant in various lawsuits and claims arising in the normal course of operations. In the aggregate, these claims may seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probably financial loss to the Township, such loss has been accrued in the accompanying basic financial statements. Litigation where loss to the Township is reasonable possible has not been accrued. In the opinion of management, the ultimate outcome of these claims will not materially affect the operations of the Township.

NOTE 10 - ADJUSTMENTS TO BEGINNING NET POSITION

The beginning net position was restated to remove capital assets related to infrastructure from the Township's capital assets. During fiscal year 2025, the change to beginning net position is as follows:

	<u>Net Position</u>
Balances as of June 30, 2024, as previously stated	\$ 6,276,352
Error correction	<u>(225,000)</u>
Balances as of July 1, 2024, as restated	<u>\$ 6,051,352</u>

TOWNSHIP OF HOLLY
NOTES TO FINANCIAL STATEMENTS

NOTE 11 - UPCOMING ACCOUNTING PRONOUNCEMENTS

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement establishes new accounting and financial reporting requirements - or modifies existing requirements - related to the following:

- a. Management's discussion and analysis (MD&A);
 - i. Requires that the information presented in MD&A be limited to the related topics discussed in five specific sections:
 - 1) Overview of the Financial Statements,
 - 2) Financial Summary,
 - 3) Detailed Analyses,
 - 4) Significant Capital Asset and Long-Term Financing Activity,
 - 5) Currently Known Facts, Decisions, or Conditions;
 - ii. Stresses detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed;
 - iii. Removes the requirement for discussion of significant variations between original and final budget amounts and between final budget amounts and actual results;
- b. Unusual or infrequent items;
- c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;
 - i. Requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses and clarifies the definition of operating and nonoperating revenues and expenses;
 - ii. Requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses and defines subsidies;
- d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements of should be presented after the fund financial statements;
- e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT - SUBJECT TO REVISION

**TOWNSHIP OF HOLLY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 709,750	\$ 709,750	\$ 697,197	\$ (12,553)
Licenses and permits	63,000	63,000	56,580	(6,420)
Intergovernmental	657,780	657,780	733,412	75,632
Charges for services	93,606	93,606	101,527	7,921
Investment income	18,600	18,600	54,207	35,607
Other	134,162	142,912	12,044	(130,868)
TOTAL REVENUES	1,676,898	1,685,648	1,654,967	(30,681)
EXPENDITURES				
Current				
General government				
Board of trustees	18,925	18,925	10,081	8,844
Supervisor	95,822	95,822	93,451	2,371
Elections	55,000	55,000	33,160	21,840
Assessor	106,000	106,000	102,220	3,780
Clerk	160,330	160,330	151,854	8,476
Board of review	2,915	2,915	907	2,008
Treasurer	150,450	150,450	146,038	4,412
Code Enforcement	61,703	61,703	58,325	3,378
General services	379,227	392,102	329,035	63,067
Other	188,000	188,000	4,855	183,145
Total general government	1,218,372	1,231,247	929,926	301,321
Public works				
Department of public works	144,796	139,796	103,172	36,624
Community and economic development				
Community development	123,401	124,276	81,909	42,367
Debt service				
Principal	37,500	37,500	37,500	-
TOTAL EXPENDITURES	1,524,069	1,532,819	1,152,507	380,312
EXCESS OF REVENUES OVER EXPENDITURES	152,829	152,829	502,460	349,631
OTHER FINANCING (USES)				
Transfers out	(772,762)	(772,762)	(650,000)	122,762
NET CHANGE IN FUND BALANCE	(619,933)	(619,933)	(147,540)	472,393
Fund balance, beginning of year	1,686,934	1,686,934	1,686,934	-
Fund balance, end of year	\$ 1,067,001	\$ 1,067,001	\$ 1,539,394	\$ 472,393

**TOWNSHIP OF HOLLY
FIRE AND EMERGENCY FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,129,000	\$ 1,129,000	\$ 1,111,473	\$ (17,527)
Interest	1,000	1,000	5,783	4,783
TOTAL REVENUES	1,130,000	1,130,000	1,117,256	(12,744)
EXPENDITURES				
Current				
Public safety				
Contracted services	1,103,000	1,103,000	1,103,000	-
Other	1,000	1,000	958	42
TOTAL EXPENDITURES	1,104,000	1,104,000	1,103,958	42
EXCESS OF REVENUES OVER EXPENDITURES	26,000	26,000	13,298	(12,702)
OTHER FINANCING SOURCES (USES)				
Transfers in	122,762	122,762	-	(122,762)
Transfers out	(122,762)	(122,762)	-	122,762
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	26,000	26,000	13,298	(12,702)
Fund balance, beginning of year	432,913	432,913	432,913	-
Fund balance, end of year	\$ 458,913	\$ 458,913	\$ 446,211	\$ (12,702)

TOWNSHIP OF HOLLY
OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF CHANGES IN TOWNSHIP'S NET OPEB LIABILITY (ASSET) AND RELATED RATIOS
LAST NINE FISCAL YEARS (ULTIMATELY TEN FISCAL YEARS WILL BE DISPLAYED)
(AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability									
Service cost	\$ 16,065	\$ 16,065	\$ 16,065	\$ 16,066	\$ 25,040	\$ 25,041	\$ 13,437	\$ 14,872	\$ 270,951
Interest	16,179	14,304	11,487	9,897	13,765	12,373	10,276	9,264	-
Differences between expected and actual experience	30,839	18,017	45,415	5,037	-	76,268	(46,842)	(13,385)	-
Effect of changes in assumptions	(97,824)	-	(32,049)	(39,665)	52,306	-	-	-	-
Effect of economic/demographic changes	-	-	-	-	(11,320)	-	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-	-	-	(7,559)	(7,559)	(7,559)	(7,559)
Net change in total OPEB liability	(34,741)	48,386	40,918	(8,665)	(21,209)	106,123	(30,688)	3,192	263,392
Total OPEB liability, beginning of year	401,449	353,063	312,145	320,810	342,019	235,896	266,584	263,392	-
Total OPEB liability, end of year	\$ 366,708	\$ 401,449	\$ 353,063	\$ 312,145	\$ 320,810	\$ 342,019	\$ 235,896	\$ 266,584	\$ 263,392
Plan fiduciary net position									
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,559	\$ 274,143	\$ -	\$ -
Net investment income (loss)	37,559	35,972	24,746	(29,353)	78,393	5,869	6,434	-	-
Benefit payments	-	-	-	-	-	(7,559)	(7,559)	-	-
Administrative expenses	(843)	(768)	(616)	(640)	(577)	-	-	-	-
Net change in plan fiduciary net position	36,716	35,204	23,730	(29,993)	77,816	5,869	273,018	-	-
Plan fiduciary net position, beginning of year	385,644	350,440	326,710	356,703	278,887	273,018	-	-	-
Plan fiduciary net position, end of year	\$ 422,360	\$ 385,644	\$ 350,440	\$ 326,710	\$ 356,703	\$ 278,887	\$ 273,018	\$ -	\$ -
Township's net OPEB (asset) liability	\$ (55,652)	\$ 15,805	\$ 2,623	\$ (14,565)	\$ (35,893)	\$ 63,132	\$ (37,122)	\$ 266,584	\$ 263,392
Plan fiduciary net position as a percentage of total OPEB liability	115.19%	96.06%	99.26%	104.67%	111.19%	81.54%	115.74%	0.00%	0.00%
Covered-employee payroll	\$ 417,942	\$ 397,656	\$ 293,751	\$ 350,737	\$ 300,372	\$ 131,314	\$ 95,255	\$ 93,387	\$ 93,387
Township's net OPEB (asset) liability as a percentage of covered-employee payroll	-13.37%	3.97%	0.89%	-4.15%	-11.95%	48.08%	-38.97%	285.46%	282.04%

GASB 75 was implemented in fiscal year 2017 and the Township created and began funding the trust in fiscal year 2019. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

TOWNSHIP OF HOLLY
OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF TOWNSHIP CONTRIBUTIONS
LAST SEVEN MEASUREMENT DATES (ULTIMATELY TEN FISCAL YEARS WILL BE DISPLAYED)
(AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)

	2025	2024	2023	2022	2021	2020	2019
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,932	\$ 7,250
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	7,559	274,143
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,373	\$ (266,893)
Covered-employee payroll	\$ 417,942	\$ 397,656	\$ 293,751	\$ 350,737	\$ 300,372	\$ 131,314	\$ 95,255
Contributions as percentage of covered-employee payroll	0.0%	0.0%	0.0%	0.0%	0.0%	5.8%	287.8%

GASB 75 was implemented in fiscal year 2017 and the Township created and began funding the trust in fiscal year 2019. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

**TOWNSHIP OF HOLLY
OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF INVESTMENT RETURNS
LAST SEVEN MEASUREMENT DATES
(ULTIMATELY TEN FISCAL YEARS WILL BE DISPLAYED)**

Year Ended June 30,	Annual Money-Weighted Rate of Return, Net of Investment Expense
2025	9.09%
2024	9.57%
2023	7.01%
2022	-8.78%
2021	24.50%
2020	2.36%
2019	3.21%

GASB 75 was implemented in fiscal year 2017 and the Township created and began funding the trust in fiscal year 2019. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

DRAFT - SUBJECT TO REVISION

TOWNSHIP OF HOLLY
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1 - OTHER POST-EMPLOYMENT BENEFITS PLAN

Actuarial valuation information relative to the determination of contributions:

Alternative measurement method date: June 30, 2025

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Every-age normal
Amortization method	Level percentage of payroll
Remaining amortization period	20 years
Asset valuation method	5-year smooth market
Investment rates of return	5.00%
Salary rate increase	2.50%
Discount rate	5.000%
Normal retirement age	Age 65
Healthcare cost trend rate	5.80%, decreasing 0.1% in year 2 and 3 then decreasing 0.2% each year until an ultimate rate of 4.10% is achieved.
Mortality tables	Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for ten years.

Changes in Assumptions

There were no changes in assumptions for each of the reported plan years ended June 30 except for the following:

- 2025 - The discount rate increased from 3.875% to 5.00%. The bond yield rate increased from 3.50% to 4.00%. The salary increase changed from 3.00% to 2.50%. Health care cost trend rate increased from 4.70% to 5.80%, as a result of factors such as medical inflation, utilization of health care services, plan design, and technological improvements.
- 2023 - The discount rate increased from 3.50% to 3.875%. The bond yield rate increased from 3.00% to 3.50%.
- 2022 - The discount rate increased from 2.938% to 3.50%. The bond yield rate increased from 2.25% to 3.00%. The salary rate increase changed from 2.00% to 3.00%.
- 2021 - Mortality tables are based on Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years. The prior year Life expectancies were based on mortality tables from the National Vital Statistics Report. The 2012 United States Life Tables for Males and for Females were used. The discount rate decreased from 5.000% to 2.983%. The salary rate increase was changed from 3.50% to 2.00%.

Changes in Benefits

There were no changes of benefit terms for each of the reported plan years ended June 30.

OTHER SUPPLEMENTARY INFORMATION

DRAFT - SUBJECT TO REVISION

**TOWNSHIP OF HOLLY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025**

	<u>Special Revenue</u>	<u>Capital Project</u>	
	<u>Building</u>	<u>Road</u>	
	<u>Department</u>	<u>Improvement</u>	<u>Total</u>
	<u>Fund</u>		
ASSETS			
Cash and investments	\$ 123,050	\$ 168,926	\$ 291,976
Accounts receivable	3,081	-	3,081
TOTAL ASSETS	<u>\$ 126,131</u>	<u>\$ 168,926</u>	<u>\$ 295,057</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Account payable	\$ 14,803	\$ -	\$ 14,803
FUND BALANCES			
Restricted			
Public safety	111,328	-	111,328
Assigned			
Capital projects	-	168,926	168,926
TOTAL FUND BALANCES	<u>111,328</u>	<u>168,926</u>	<u>280,254</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 126,131</u>	<u>\$ 168,926</u>	<u>\$ 295,057</u>

DRAFT - SUBJECT TO REVISION

TOWNSHIP OF HOLLY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	<u>Special Revenue</u>	<u>Capital Project</u>	
	<u>Building</u>	<u>Road</u>	
	<u>Department</u>	<u>Improvement</u>	<u>Total</u>
		<u>Fund</u>	
REVENUES			
Licenses and permits	\$ 176,046	\$ -	\$ 176,046
Investment income	5,080	7,041	12,121
	<u>181,126</u>	<u>7,041</u>	<u>188,167</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
Public safety	207,356	-	207,356
	<u>(26,230)</u>	<u>7,041</u>	<u>(19,189)</u>
EXCESS OF REVENUES (OVER)			
UNDER EXPENDITURES			
OTHER FINANCING SOURCES			
Transfers in	-	100,000	100,000
	<u>(26,230)</u>	<u>107,041</u>	<u>80,811</u>
NET CHANGE IN FUND BALANCES			
Fund balances, beginning of year	137,558	61,885	199,443
Fund balances, end of year	<u>\$ 111,328</u>	<u>\$ 168,926</u>	<u>\$ 280,254</u>



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August 6, 2025

Township of Holly
102 Civic Dr
Holly, MI 48442

We are pleased to confirm our understanding of the services we are to provide Township of Holly for the year(s) ended June 30, 2025, 2026, and 2027.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Township of Holly as of and for the year(s) ended June 30, 2025, 2026, and 2027. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Township of Holly's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Township of Holly's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist 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 will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison schedules
3. Required supplementary pension schedules
4. Required supplementary other post-employment benefit schedules

We have also been engaged to report on supplementary information other than RSI that accompanies Township of Holly's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

1. Combining fiduciary funds financial statements

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures - Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Township of Holly's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Other Services

We will also assist in preparing the financial statements and related notes of Township of Holly in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Maner Costerisan and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Maner Costerisan personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the oversight agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Aaron M. Stevens, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

The fees for audit services will be as follows:

Year Ended <u>June 30,</u>	Financial <u>Audit</u>	<u>F-65</u>
2025	\$ 19,000	\$ 1,000
2026	19,700	1,000
2027	20,400	1,000

Our invoices for these fees will be rendered as work progresses and are payable on presentation. Past due amounts are subject to a service fee of 1.5% per month. In accordance with firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. Third-party confirmation providers for certain financial institutions may invoice us for responding to confirmation requests and we will pass those costs through to you.

Because we are extremely interested in continuing to serve Township of Holly and the fact that our audit team members have a great deal of experience working with similar entities, we are proposing a discount to our audit cost estimate. The price schedule detailed above is a firm price assuming Township of Holly records are in reasonable condition and that we are provided reasonable staff assistance. If our team members spend more hours than the projected hours detailed above that are not due to unusual circumstances (i.e., unrecorded accruals, unbalanced records, improperly recorded activities, the state of the records being significantly different than what was stated, inadequate staff assistance, significant changes in auditing standards, etc.) then we will not bill for any amounts over the audit cost estimate. During the audit, we will spend approximately 20% more in fees than what is projected above, however, we will not bill you for that additional time, unless it exceeds the 20% amount which would be caused by circumstances such as those items listed above.

Our proposal is to provide Township of Holly with auditing services, rather than accounting services. The cost schedule detailed on the previous page assumes that extensive journal entries to adjust the accounting records (i.e., bookkeeping) will not be required as part of the audit process. If auditor-proposed journal entries are required in order for the financial statements to be fairly presented in accordance with generally accepted accounting principles, we propose a per entry fee of \$200.

If additional procedures are necessary to assist with implementation or continuation of accounting standards (such as GASB Statement Nos. 68, 75, 87, 96, 101 or any other accounting standard impacting the financial statements of the Township of Holly), such assistance is considered outside the scope of the audit and our fees will be based on the services rendered at our standard hourly rates. Creation of required schedules will be the responsibility of the Township of Holly but if the Township of Holly needs assistance to prepare any of the necessary supporting schedules, we will assist in this and we will perform these services at our standard hourly rates.

In any year that Township of Holly would like us to prepare any additional State or other required forms, we will bill the Township of Holly at an hourly rate of \$300.

Included as part of this agreement, refer to Addendum A and Addendum B.

Reporting

We will issue a written report upon completion of our audit of Township of Holly's financial statements. Our report will be addressed to management and those charged with governance of Township of Holly. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We appreciate the opportunity to be of service to Township of Holly and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Maney Costeian PC

RESPONSE:

This letter correctly sets forth the understanding of Township of Holly.

By: _____

Title: _____

Date: _____

To: Maner Costerisan

After considering the qualifications of the accounting personnel of Township of Holly we believe they have the qualifications and abilities to generate financial statements, including the required footnotes, in accordance with U.S. generally accepted accounting principles. However, for convenience and other issues, we may contract with you to prepare our financial statements.

Signature: _____

Title: _____

Date: _____

ADDENDUM A: MANER COSTERISAN PC'S TERMS AND CONDITIONS

Overview

This addendum to the engagement letter describes our standard terms and conditions ("Terms and Conditions") related to our provision of services to you. This addendum, and the accompanying engagement letter, comprise your agreement with us ("Agreement"). If there is any inconsistency between the engagement letter and this *Terms and Conditions Addendum*, the engagement letter will prevail to the extent of the inconsistency.

For the purposes of this *Terms and Conditions Addendum*, any reference to "firm," "we," "us," or "our" is a reference to Maner Costerisan, and any reference to "you," or "your" is a reference to the party or parties that have engaged us to provide services.

Billing and Payment Terms

We will bill you for our professional fees as noted above. Payment is due within 30 days of the date on the billing statement. If payment is not received by the due date, you will be assessed interest charges of 1.5% per month on the unpaid balance. You have 30 days from the invoice date to review the invoice and to communicate to us, in writing, any disagreement with the charges, after which you waive the right to contest the invoice.

We reserve the right to suspend or terminate our work for non-payment of fees. In the event that work is discontinued, either temporarily or permanently, as a result of delinquent payment, we shall not be liable for any damages you may incur as a result of the work stoppage.

Termination and Withdrawal

Either party may terminate this Agreement at any time, and we reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, non-payment of fees, your failure to comply with the terms of this Agreement, if there is disagreement with our recommendations, or disclosures to be made. In addition, we reserve the right to terminate the relationship if applicable professional standards require our withdrawal for any other reason. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, or for any liability, including but not limited to, penalties or interest that may be assessed against you resulting from your failure to meet such deadlines.

If this Agreement is terminated before services are completed, you agree to compensate us for the services performed and expenses incurred through the effective date of termination.

Proprietary Information

You acknowledge that proprietary information, documents, materials, management techniques and other intellectual property are a material source of the services we perform and were developed prior to our association with you. Any new forms, software, documents, or intellectual property we develop during this engagement for your use shall belong to us, and you shall have the limited right to use them solely within your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements, and other documents which we make available to you are confidential and proprietary to us. Neither you, nor any of your agents, will copy, electronically store, reproduce, or make available to anyone other than your personnel, any such documents. This provision will apply to all materials whether in digital, "hard copy" format or other medium.

Conflicts of Interest

If we, in our sole discretion, believe a conflict of interest has arisen affecting our ability to deliver services to you in accordance with either the ethical standards of our firm or the ethical standards of our profession, we may be required to suspend or terminate our services without issuing our work product.

Client Portals

We will utilize Suralink, a collaborative, virtual workspace in a protected, online environment. Suralink permits real-time collaboration across geographic boundaries and time zones and allows Maner Costerisan and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use Suralink, you may be required by the provider of Suralink to execute a client portal agreement and agree to be bound by the terms, conditions, and limitations of such agreement. You agree that we have no responsibility for the activities of Suralink and agree to indemnify and hold us harmless with respect to any and all claims arising from your misuse of Suralink.

Maner Costerisan is not a host for any of your information. You are responsible for maintaining your own copy of this information. We do not provide back-up services for any of your data or records, including information we provide to you. Portals are utilized solely as a method of transferring data and are not intended for the storage of your information. Information on a portal may be deleted by Maner Costerisan.

If you decide to transmit your confidential information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to your confidential information. If you request that we transmit confidential information to you in a manner other than a secure portal, you agree that we are not responsible for any liability, including but not limited to, (a) any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending confidential information in a manner other than a secure portal, and (b) any damages arising as a result of any virus being passed on or with, or arising from any alteration of, any email message.

Third-Party Service Providers or Subcontractors

We may use a third-party service provider to assist us where necessary to help provide professional services to you or support the needs of our firm. This may include provision of your confidential information to the third-party service provider. We require our third-party service providers to have established procedures and controls designed to protect client confidentiality and maintain data security. As the paid provider of professional services, our firm remains responsible for exercising reasonable care in providing such services, and our work product will be subjected to our firm's customary quality control procedures.

By accepting the terms and conditions of our engagement, you consent to the disclosure of your confidential information to third-party service providers, if such disclosure is necessary to deliver professional services to you or provide support services to our firm. In certain circumstances, we may require a separate written consent from you before your information is transmitted to a third party.

Records Management

Record Retention and Ownership

We do not accept original records and documents. Electronic versions of original records and documents should be provided to us through the secure portal noted above. These copies of your records and documents are solely for our documentation purposes and are not a substitute for your own records and do not mitigate your record retention obligations under any applicable laws or regulations. You are responsible for maintaining complete and accurate books and records, which may include financial statements, schedules, and other deliverables provided to you by us. If we provide deliverables or other records to you via an information portal, you must download this information within 60 days (unless otherwise stated). Professional standards preclude us from being the sole repository of your original data, records, or information.

Workpapers and other documents created by us are our property and will remain in our control. Copies are not to be distributed without your written request and our prior written consent. Our workpapers will be maintained by us in accordance with our firm's record retention policy and any applicable legal and regulatory requirements. A copy of our record retention policy is available upon request.

Our firm destroys workpaper files after a period of eight years. Catastrophic events or physical deterioration may result in damage to or destruction of our firm's records, causing the records to be unavailable before the expiration of the retention period, as stated in our record retention policy.

Working Paper Access Requests by Regulators and Others

State, federal, and foreign regulators may request access to or copies of certain workpapers pursuant to applicable legal or regulatory requirements. Requests also may arise with respect to peer review, an ethics investigation, the sale of your organization, or the sale of our accounting practice. If requested, access to such workpapers will be provided under the supervision of firm personnel. Regulators may request copies of selected workpapers to distribute the copies or information contained therein to others, including other governmental agencies.

If we receive a request for copies of selected workpapers, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such request as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit the disclosure of information. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

Summons or Subpoenas

All information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

Confidentiality

In providing services to you, we may require information that is considered confidential and may include Personally Identifiable Information (PII), i.e., information that can be used to distinguish or trace an individual's identity such as address, bank account and social security information. We treat all client information, including PII, as confidential and have a duty to do so based on the standards promulgated by the American Institute of Certified Public Accountants as well as applicable laws and regulations. You agree to only provide us with information, including PII, that is necessary for us to provide services to you in accordance with the Agreement.

Referrals

In the course of providing services to you, you may request referrals to products or professionals such as attorneys, brokers, or investment advisors. We may identify professional(s) or product(s) for your consideration. However, you are responsible for evaluating, selecting, and retaining any professional or product and determining if the professional or product meets your needs. You agree that we will not oversee the activities of and have no responsibility for the work product of any professional or the suitability of any product we refer to you or that you separately retain. Further, we are not responsible for any services we perform that fail to meet the intended outcomes as a result of relying on the services of other professionals or products you may retain.

Limitations on Oral and Email Communications

We may discuss with you our views regarding the treatment of certain items or decisions you may encounter. We may also provide you with information in an email. Any advice or information delivered orally or in an email (rather than through a memorandum delivered as an email attachment) will be based upon limited research and a limited discussion and analysis of the underlying facts. Additional research or a more complete review of the facts may affect our analysis and conclusions.

Due to these limitations and the related risks, it may or may not be appropriate to proceed with a decision solely on the basis of any oral or email communication from us. You accept all responsibility, except to the extent caused by our gross negligence or willful misconduct, for any liability, including but not limited to additional tax, penalties or interest resulting from your decision (i) not to have us perform the research and analysis necessary to reach a more definitive conclusion and (ii) to instead rely on an oral or email communication. The limitation in this paragraph will not apply to an item of written advice that is a deliverable of a separate engagement. If you wish to engage us to provide formal advice on a matter on which we have communicated orally or by email, we will confirm this service in a separate agreement.

Disclaimer of Legal and Investment Advice

Our services under this Agreement do not constitute investment advice. Our services under this Agreement do not constitute legal advice.

Electronic Data Communication and Storage

In the interest of facilitating our services to you, we may send data over the Internet, temporarily store electronic data via computer software applications hosted remotely on the Internet, or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of these electronic devices and applications during this engagement.

Marketing and Educational Communications

Newsletters, updates, explanations of technical developments or similar communications to you we may periodically send to you are strictly for marketing or general educational purposes and should not be construed as professional advice on which you may rely. These communications, by themselves, do not create a contractual relationship between us and you, a binding obligation for us to provide services to you, nor a requirement on our part to monitor issues for you.

Mediation

This agreement shall be governed by the laws of the State of Michigan. If a dispute arises out of the engagement described herein and if the dispute cannot be settled through negotiations, the parties agree first to try in good faith to settle the dispute by mediation using an agreed upon mediator. If mediation is unsuccessful and either party resorts to litigation, the claims must be asserted in court within one year of the date of the service at issue and be brought in the Ingham County Court which will have exclusive jurisdiction over the dispute.

The mediation will be treated as a settlement discussion and, therefore, all discussions during the mediation will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs of legal representation shall be borne by the hiring party.

This provision shall not apply to any dispute related to our billing and/or invoices.

Limitation of Liability

You agree that our maximum liability to you for any negligent errors or omissions committed by us in the performance of the engagement will be limited to the amount of our fees for this engagement, except to the extent determined to result from our gross negligence or willful misconduct.

Limitation of Damages

Notwithstanding anything to the contrary in this agreement, Maner Costerisan shall not be liable for any lost profits, indirect, special, incidental, punitive, consequential, or similar damages, to the extent such damages may be lawfully limited or excluded, of any nature even if we have been advised by you of the possibility of such damages.

Indemnification of Maner Costerisan PC

Unless otherwise stated in the Agreement, you agree to indemnify, defend, and hold harmless Maner Costerisan and any of its partners, principals, shareholders, officers, directors, members, employees, agents or assigns with respect to any and all claims made by third parties arising from this engagement, regardless of the nature of the claim, and including the negligence of any party, excepting claims arising from the gross negligence or intentional acts of Maner Costerisan.

Designation of Venue and Jurisdiction

In the event of a dispute, the courts of the state of Michigan shall have jurisdiction, and all disputes will be submitted to the state of Michigan, which is the proper and most convenient venue for resolution. We also agree that the law of the state of Michigan shall govern all such disputes.

Timing for Disputes

You agree that any claim arising out of this Agreement shall be commenced within 12 months after performance of our service, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against Maner Costerisan.

Insurance

Maner Costerisan shall, during the term of the engagement and for three years after termination of same by either you or us, maintain in full force and effect, accountants professional liability and cyber liability insurance coverage from an insurer or insurers licensed to conduct business in the state of Michigan. Premiums for said insurance policy shall be paid by Maner Costerisan.

Upon your written request, Maner Costerisan shall furnish certificates of insurance for the required insurance coverage. Such certificate of insurance shall indicate the minimum limits of liability per claim and in the aggregate, as required by you.

Independent Contractor

When providing services to your company, we will be functioning as an independent contractor and in no event will we or any of our employees be an officer of you, nor will our relationship be that of joint venturers, partners, employer and employee, principal and agent, or any similar relationship giving rise to a fiduciary duty to you.

Our obligations under this Agreement are solely obligations of Maner Costerisan, and no partner, principal, employee, or agent of Maner Costerisan shall be subjected to any personal liability whatsoever to you or any person or entity.

Severability

If any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Agreement.

Survivability

The following sections of this Terms and Conditions Addendum shall survive termination of the Agreement: Limitation of Liability, Limitation of Damages, Indemnification, and Statute of Limitations.

Assignment

All parties acknowledge and agree that the terms and conditions of this Agreement shall be binding upon and inure to the parties' successors and assigns, subject to applicable laws and regulations.

Force Majeure

Neither party shall be held liable for any delays resulting from circumstances or causes beyond our reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, epidemics or pandemics as defined by The Centers for Disease Control and Prevention, or any law, order or requirement of any governmental agency or authority. However, no Force Majeure event shall excuse you of any obligation to pay any outstanding invoice or fee or from any indemnification obligation under this Agreement.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature is intended to authenticate a written signature, shall be valid, and shall have the same force and effect as a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, a scanned copy of a manual signature, an electronic copy of a manual signature affixed to a document, a signature incorporated into a document utilizing touchscreen capabilities, or a digital signature. Documents may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement.

Other

During the term of this engagement and for a period of one year thereafter, neither party shall directly or indirectly, solicit for employment or for engagement as an independent contractor, or encourage leaving their employment or engagement, any employee or independent contractor of the other party. For the avoidance of doubt, general advertisements for employment and responses thereto, shall not be deemed a violation of the paragraph. The parties agree that any breach of this paragraph would damage the other party in an amount difficult to ascertain with certainty, and that in the event that either party breaches this provision resulting in the other party losing the services of an employee or independent contractor for any period of time, the breaching party shall pay to the other party an amount equal to the annual rate of compensation (paid by the non-breaching party for the immediate prior calendar year) of the applicable employee or independent contractor.

Our most recent external peer review report accompanies this letter.

If reproduction or publication of financial statements audited by us, or any portion thereof, is intended, it is our policy that any master of printer's proofs be submitted to us for review prior to publication.

We will continue to perform our services under the arrangements discussed above from year to year unless for some reason you or we find that some change is necessary. However, the performance of each audit is a separate and severable engagement. Each separate engagement shall be deemed complete and Maner Costerisan will not have a continuing responsibility to perform additional services with respect to that completed engagement when we present to you the final audit report that relates to any given year.

Our audit report on the financial statements to be issued pursuant to this engagement is for your use. If it is your primary intent that our report will benefit or influence a third-party user, we must be informed prior to the beginning of the annual audit engagement.

Entire Agreement

This Agreement, including this *Terms and Conditions Addendum* and any other attachments, encompass the entire agreement of the parties and supersedes all previous understandings and agreements between the parties, whether oral or written. Any modification to the terms of this Agreement must be made in writing and signed by both parties. This Agreement has been entered into solely between you and Maner Costerisan, and no third-party beneficiaries are created hereby.

ADDENDUM B: NON-ATTEST SERVICES

As part of the audit engagement, you have requested our assistance with the following services. *Government Auditing Standards* considers these services as "non-attest" or "non-audit" services. Management is required to review, approve, and accept responsibility for any non-audit services we may perform.

- Preparation of the financial statements, including the related notes, required and additional supplementary information.
- Calculation of the provision for depreciation, if applicable.
- Assistance with the preparation and submission of audit financial information required by law or regulations.
- Assistance with, or the preparation of, year-end adjusting journal entries and workpapers.
- Access to a secure website to exchange information electronically.
- Assistance with the preparation of other financial reporting required by law or regulation (i.e., Forms F-65, Act 51, 5572, and Qualifying Statement).



Report on the Firm's System of Quality Control

July 31, 2023

To the Principals of Maner Costerisan PC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Maner Costerisan PC (the firm) in effect for the year ended March 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Maner Costerisan PC in effect for the year ended March 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Maner Costerisan PC has received a peer review rating of *pass*.

Reilly, Penner & Benton LLP

Reilly, Penner & Benton LLP

1233 N. Mayfair Road Suite #302 • Milwaukee, WI 53226-3255 • 414-271-7800

www.rpb.biz

Office of the Clerk
248-634-9331
Fax: 248-634-5482



George A. Kullis, Supervisor
Karin S. Winchester, Clerk
Jennifer Ryan, Treasurer
Derek Burton, Trustee
Ryan Matson, Trustee
Michael McCanney
Richard Kinnamon

**RESOLUTION 2025-18:
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

WHEREAS, Oakland County is preparing an Annual Action Plan to meet application requirements for the Community Development Block Grant (CDBG) program, and other Community Planning and Development; and

WHEREAS, Oakland County has requested CDBG – Eligible projects from participating communities for inclusion in the Action Plan; and

WHEREAS, the Township of Holly has duly advertised and held a public hearing on November 19, 2025 for the purpose of receiving public comments regarding the proposed use of 2026 Program Year Community Development Block Grant Funds; and

WHEREAS, the Township of Holly found that the following projects, in the approximate amount of \$154,639.00, meet the federal objectives of the CDBG program and are prioritized by the community as high priority need.

Account #172160-732185: 05D Youth Services \$ 4,639.00

03Z Other Public Improvements Not Listed in 03A-03T (Removal of Architectural Barriers)
\$ 50,000.00

Account #132290-730898: 14A Rehabilitation: Single Unit Residential (Minor and Mobile Home Repair Program) \$ 50,000.00

Account #172170-731280: 16B Non-Residential Historic Preservation \$ 50,000.00

THEREFORE, BE IT RESOLVED, that the Holly Township Board of Trustees hereby approves the 2026 Program year CDBG Application and Subrecipient Agreement and authorizes the application to be submitted to Oakland County for inclusion in the Oakland County's Action Plan to the U.S. Department of Housing and Urban Development.

BE IT FURTHER RESOLVED, that the Holly Township Board of Trustees hereby authorizes the Holly Township Clerk to execute all documents, agreements, or contracts which result from this application to Oakland County.

ADOPTED by the Holly Township Board of Trustees this 19th day of November 2025.

Office of the Clerk
248-634-9331
Fax: 248-634-5482



George A. Kullis, Supervisor
Karin S. Winchester, Clerk
Jennifer Ryan, Treasurer
Derek Burton, Trustee
Ryan Matson, Trustee
Michael McCanney
Richard Kinnamon

Motion by:
Supported by:
Ayes:
Nays:
Absent:

Certification

I The undersigned, being the duly qualified and acting Clerk of the Township of Holly, Oakland County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of Resolution 2025-18 duly adopted by the Township Board at a regular meeting held on the 20th day of November, 2024 at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office; (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Karin S. Winchester, MMC
Holly Township Clerk
Oakland County, Michigan

Office of the Clerk
248-634-9331 ext. 301
Fax: 248-634-5482



George A. Kullis, Supervisor
Karin S. Winchester, Clerk
Jennifer Ryan, Treasurer
Derek Burton, Trustee
Ryan Matson, Trustee
Michael McCanney, Trustee
Richard Kinnamon, Trustee

RESOLUTION 2025-19
2026 NORTH OAKLAND COUNTY FIRE AUTHORITY BUDGET

BE IT RESOLVED that the Holly Township Board of Trustees hereby approves the 2026 North Oakland County Fire Authority Budget by Cost Center as follows:

Revenues

401 · Holly Township Contribution	\$	1,243,327.00
402 · Rose Township Contribution	\$	1,243,327.00
403 · Training / Education Revenues	\$	6,000.00
404 · Fire Cost Recovery	\$	1,000.00
405 · Grant Receipts	\$	-
405.5 - SAFER Grant Receipts		
406 · Medical Cost Recovery	\$	470,000.00
410 · Sales-Small Items	\$	-
412 · Sales-Capital Items	\$	-
413 · Review and Inspection Services	\$	30,000.00
414 · Interest Earned	\$	14,000.00
416 · Donations	\$	100.00
419 - Insurance Reimbursement		
419.1 - Wages Reimbursement	\$	1,000.00
Total Revenues	\$	3,008,754.00

Expenditures

Insurance

Total - Insurance	\$	98,500.00
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Personnel

Total - Personnel	\$	2,274,353.20
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Supplies

Total - Supplies	\$	45,500.00
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Contracted Services

Total - Contracted Services	\$	147,039.00
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Operating

Total - Operating Expenses	\$	418,361.80
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HT
Holly Township
102 Civic Drive
Holly, MI 48442
(248) 634-9331

George A. Kullis, Supervisor
Karin S. Winchester, Clerk
Jennifer Ryan, Treasurer
Derek Burton, Trustee
Ryan Matson, Trustee
Michael McCanney, Trustee
Richard Kinnamon, Trustee

Purchases

Total - Purchases	\$	25,000.00
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Total All Expenditures \$ 3,008,754.00

Difference	\$	0
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ADOPTED by the Holly Township Board of Trustees this 19th day of November, 2025

Motion made by _____ and supported by _____ to adopt the forgoing resolution.

Upon roll call vote, the following voted:

Ayes:

Nays:

Absent:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss
COUNTY OF OAKLAND)

Clerk's Certificate

The undersigned, being the duly qualified and acting Clerk of the Township of Holly, Oakland County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution duly adopted by the Township Board at a regular meeting held on the 19th day of November, 2025, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office; (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Karin S. Winchester, MMC
Holly Township Clerk
Oakland County, Michigan

TOWNSHIP OF HOLLY
CODE OF ORDINANCE AMENDMENT
CHAPTER II TOWNSHIP BOARD, ARTICLE III OFFICERS AND EMPLOYEES,
DIVISION 2 BENEFITS, SECTION 2-83 (a) BENEFITS.

AN ORDINANCE TO AMEND THE HOLLY TOWNSHIP CODE OF ORDINANCES,
CHAPTER II TOWNSHIP BOARD, ARTICLE III OFFICERS AND EMPLOYEES,
DIVISION 2 BENEFITS, SECTION 2-83 (a) BENEFITS.

THE TOWNSHIP OF HOLLY ORDAINS:

ARTICLE 1. AMENDMENT

The following sections and subsections of Chapter II Township Board, Article III Officers and Employees, Division 2 Benefits, Section 2-83 (a) Benefits. is hereby amended as set forth. The remaining section in Chapter II of the Code of Ordinances are otherwise unaffected by this amendment and shall remain in full force and effect.

Sec. 2-83. - Insurance.

- (a) *Generally.* Pursuant to Public Act No. 77 of 1989 (MCL 41.16 et seq.), the township board is hereby authorized to make arrangements with a prepayment plan authorized to transact business within the state, to insure and cover township elected or appointed officers and employees or any class of elected or appointed officers and employees under the policies of group insurance or prepayment plan contracts, or both, covering life, accident, *disability*, health, hospitalization, dental, medical and surgical service insurance, including hospitalization, and medical and surgical service and expense for dependents of the officers and employees.

ARTICLE 2 - SEVERABILITY

If any portion, subsection, sentence, clause, provision, or requirement of this section shall be deemed invalid or unenforceable by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof which shall remain in full force and effect. It is the express intent of this ordinance that the next most valid and enforceable but restrictive provision be substituted in its place in order to effect the intent of this Section.

ARTICLE 3 -REPEALER

All other ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

ARTICLE 4 - SAVINGS CLAUSE

Nothing in this Ordinance shall be construed to affect any suit or proceeding pending in any court or any liability incurred, or any cause or causes of action acquired or existing, under any act or Ordinance hereby repealed; nor shall any just or legal right or remedy of any character be lost, impaired, or affected by this Ordinance.

ARTICLE 5 - EFFECTIVE DATE

This Ordinance shall take effect immediately following publication in the manner prescribed by law.

ARTICLE 6 - ADOPTION

At a regular meeting of the Township Board of the Township of Holly held on November 19, 2025 adoption of the foregoing ordinance was moved by _____ and supported by _____. This ordinance is hereby declared adopted and ordered to be given publication in a manner prescribed by law.

Ayes:

Nays:

Absent:

CERTIFICATION

I, duly elected clerk of the Township of Holly, County of Oakland, and State of Michigan, do hereby certify that the foregoing is a true copy of the Amendment to the Holly Township Code of Ordinances Chapter II Township Board, Article III Officers and Employees, Division 2 Benefits, Section 2-83 (a) Benefits. adopted by the Township Board of Trustees of the Township of Holly at the regular meeting held on the 19th of November 2025 at which a quorum was present.

Karin S. Winchester, MMC
Holly Township Clerk
Oakland County, Michigan

Attest:

George A. Kullis
Holly Township Supervisor
Oakland County, Michigan

Holly Township Code of Ordinance Amendment Chapter II Township Board, Article III Officers and Employees, Division 2 Benefits, Section 2-

83 (a) Benefits.

Published:

Effective:

HOLLY TOWNSHIP



“UP NORTH IN OAKLAND COUNTY”

102 CIVIC DRIVE
HOLLY, MI 48442
P: 248.634.9331
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WWW.HOLLYTOWNSHIP.ORG

TO: Holly Township Board Members

FROM: Jenn Ryan
Holly Township Treasurer
248-634-9331
treasurer@hollytownship.org

SUBJECT: Short-term and Long-term Disability Insurance

DATE: November 19, 2025

Currently, Holly Township does not provide short-term or long-term disability insurance as a benefit for its employees. In coordination with the Supervisor and Treasurer, the Clerk reached out to the Township benefits coordinator to obtain quotes for ST and LT disability.

Below is information on the quotes received. If the Township were to add ST and/or LT disability to the employee benefits packages, an ordinance amendment would be required.

The Township uses Security First Benefits Corporation (SFBC) Micah Widder Group to bid out its employee benefits, including medical, dental, vision, and life insurance. Micah received four quotes for ST disability and three quotes for LT disability.

Short-term Disability Insurance	<u>MetLife</u>	<u>Lincoln</u>	<u>Principal</u>	<u>Kansas City</u>
Benefit Percentage	60.00%	66.67%	60.00%	60.00%
Max Weekly Benefit	\$1,000	\$1,250	\$1,250	\$1,500
Monthly Premium Rates per \$10	\$0.421	\$0.423	\$0.34-\$1.11	\$0.38-\$0.89
Estimated Annual Cost	\$2,503	\$2,816	\$3,037	\$3,571

The ST disability is paid as a percentage of the employee's wages. Based on the percentages in the quotes, no current employee would hit the max weekly benefit. The rates for Principal and Kansas City are based on the age of the employee, so I've given them in a range.

Long-term Disability Insurance	<u>Lincoln (1)</u>	<u>Lincoln (2)</u>	<u>Principal</u>	<u>Kansas City</u>
Benefit Percentage	60.00%	66.67%	60.00%	60.00%
Max Monthly Benefit	\$6,000	\$6,000	\$6,000	\$6,000
Monthly Premium Rates per \$10	\$0.413	\$0.542	\$0.11-\$1.62	\$0.25-\$1.33
Estimated Annual Cost	\$1,787	\$2,345	\$3,597	\$3,944

The LT disability is paid as a percentage of the employee's wages. Based on the percentages in the quotes, no current employee would hit the max monthly benefit. The rates for Principal and Kansas City are based on the age of the employee, so I've given them in a range. Lincoln provided two options, at 60% or 66.67%. MetLife declined to provide a bid for LT disability.

Based on a review of the quotes with Micah, the administrative team requested updated information from Lincoln. This updated quote removes the elected staff from the ST disability quote. Micah has also reached out to Lincoln for a quote on life insurance, as it includes a discount on the rates and would reduce the administrative burden. The Township currently has life insurance through Principal Life at \$1044.00 per year.

Lincoln	Original	Updated
<u>ST Disability</u>		
Rate	\$0.423	\$0.384
Annual Cost	\$2,816	\$1,055
<u>LT Disability</u>		
Rate for 60%	\$0.413	\$0.400
Annual Cost	\$1,787	\$1,731
Rate for 66.7%	\$0.542	\$0.526
Annual Cost	\$2,345	\$2,276
<u>Life Insurance</u>		
Rate	\$0.829	\$0.283
Annual Cost	\$1,313	\$437
Total Annual Cost		\$5,499

The Township administrative team recommends adding ST and LT disability to its employee benefits through Lincoln National Corporation, and moving the life insurance coverage to Lincoln to take advantage of the discounts.

Holly Township Facility Use Policy

- I. Purpose and Objective. Holly Township's public facilities include community rooms in government buildings. The intent of this Policy is to establish uniform content-neutral time, place and manner regulations and procedures for the usage of rooms in Township buildings; to identify rooms available for usage for non-Township events; to provide sufficient forums for gathering and expression of speech; and, to ensure the efficient uninterrupted administration of the Township government and use of Township buildings and their premises. The approval of any non-Township activity under this Policy is not to be construed as, and is not, an endorsement of any non-Township event, User or group, or of any opinions or viewpoints expressed by any non-Township User, group, or event attendees.
- II. Applicability. The following rooms are available for private use under this Policy (the "Rooms"): the front room of 4092 Grange Hall Road, Holly Township. Any rooms in any building that are not listed in this section are not available for private use. [list, if more than one]
- III. Permissible Users. Rooms may be used by registered non-profit organizations that provide a benefit to Holly Township.
- IV. Prohibited Uses. Rooms may not be used in a manner that would constitute an in-kind contribution to any type of political campaign or event, or for any use that would violate Township, State, or Federal laws.
- V. Procedures for Applications and Review and Decisions on Applications.
 - a. Applications to be made to Township Clerk. Applications for facility usage shall be made to, and decided upon, by the Township Clerk. The Clerk may refer the application for review and recommendations to other Township departments as appropriate to ensure the ability of a facility to host the proposed event, and to address any public health, safety, and welfare concerns.
 - b. Application Availability and Submission Format. Applications shall be available at the Township Hall and, and may be submitted as hard copies in-person or by mail to the Township Clerk's office, or via e-mail to the Township Clerk.
 - c. Application Content. Applications shall include the following information:

- i. Name and contact information of the applicant (the "User"), who shall attend the event and be responsible for compliance with this Policy;
 - ii. Name and contact information of any organization on behalf of which the application is being submitted (if applicable);
 - iii. Date and time of the event;
 - iv. A brief description of the nature of the event to be held;
 - v. Whether food/beverages will be served;
 - vi. Anticipated number of attendees;
 - vii. An agreement, signed by the User, acknowledging receipt of this Policy and any facility-specific policies; agreeing to abide by all applicable policies and the terms of the application; and agreeing to hold the Township harmless as provided for in this Policy.
- d. Timing of Application. Applications to use a facility may not be submitted more than twelve (12) weeks in advance of the desired usage date. To guarantee processing, applications must be submitted no closer than five (5) days before the desired usage date. Applications submitted less than five (5) days before the desired usage date are not guaranteed to be processed in time for the event.
- e. Frequency and Duration of Usage. No facilities may be used by the same User, or on behalf of the same organization, more than ~~x~~ (x) time per calendar month/year of for more than ~~xx~~ consecutive days. [if the Township wants to include such a restriction]
- f. Priority. Township use of its own facilities shall have priority over private uses. Facilities are available to private Users on a first-come, first-served basis, based on the date of the Township Clerk's approval of a complete application that complies with all terms of this Policy, including payment of any required fees and security deposits.
- g. Limitation and Denial of Applications. The Township reserves the right to limit and/or deny requests for facility usage. In reviewing a request, the Township shall consider factors including, but not limited to: (a) the applicant's history of compliance with facility use policies; (b) the conformity of the application to this Policy; (c) the consistency of the proposed event with the facility's design, capacity, and available furniture and equipment; (d) the availability of the facility; and (e) whether the event would conflict with the administration or needs of the Township government.

VI. General Policies Applicable to All Facilities.

- a. Compliance with Laws and Policies. All persons using a Township facility shall comply with this Policy, all applicable ordinances, rules, and regulations of Holly Township, and all applicable state and federal laws. The User is responsible for ensuring compliance by all persons participating in an event.
- b. Non-Interference with Facility. All activities of the User shall be confined to the interior of the Room, unless approved in advance, and shall not interfere with the primary purpose of the building or the use of the other portions of the building used by others.
- c. Fees & Security Deposit: The Township Board may adopt, by resolution, a schedule of fees and/or security deposits for any or all facilities, which may include a schedule of cancellation fees and terms for the use and return of a security deposit. All required fees and security deposits shall be paid in full at the time that the facility usage is approved. A facility usage approval is not complete until all fees and deposits are paid. The facility will remain available to other applicants until fees and deposits are paid.
- d. Insurance: Insurance is required for any facility usage that will feature an inflatable device, interactive entertainment, professional catering of food, or the service of alcohol. The User (or User's vendor, if applicable), shall provide a Certificate of Liability Insurance with minimum limits of \$1 million each occurrence and \$1 million aggregate. The Township shall be listed as an additional insured on an endorsement. The Township must receive policy verification, including dates of coverage and financial limits, within one week after the date a facility use permit has been approved (or at the time of facility usage approval, if less than a week before the event date).
- e. Hold Harmless Agreement: The User and any group they represent hereby agree to indemnify and hold harmless Holly Township, its elected and appointed officials employees, and volunteers and others working on behalf of Holly Township, against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against the Township by reason of personal injury, including bodily injury or death and/or property damages, including loss of use thereof, which arises out of or is in any way connected or associated with the use of a Holly Township facility.
- f. Room Capacities: Room capacities must be adhered to. The Township Clerk shall maintain a list of room capacities for all facilities as

determined by the Fire Marshal available under this Policy, including any variations in room capacity based on room set-up. If facility capacity is exceeded, the User shall be responsible for taking measures to reduce attendance of the event to conform with the posted Room capacity. The Township reserves the right to act to extinguish any threats to public health, safety, and welfare and/or to otherwise bring the event into compliance with this Policy. The User shall be liable for any costs incurred and/or any damage sustained to Township property.

- g. Damage / Prohibited Items. The cost of any damage to the building and/or grounds shall be withheld by the Township from any security deposit, and any costs for repair of excessive wear and tear shall be charged to the User. No nails, tacks, staples, adhesive materials or other material that may physically damage any Township structure or property may be used in a facility. Use of glitter, confetti, and other similar items is prohibited. The User shall remove and properly dispose of any decorations at the conclusion of the event, and is responsible for ensuring that the room is clean and free of damage.
- h. Chaperones for Minors: One chaperone at least 21 years of age must be provided for every 10 minors at any facility.
- i. Alcoholic Beverages. No alcoholic beverages are allowed in facilities unless the User has provided the Township Clerk proof of proper permitting/licensing from the State of Michigan and liquor liability insurance.
- j. Non-Smoking Policy. All Township facilities, including the facilities, are smoke-free, vape-free, and tobacco-free facilities.
- k. Animals. No animals are allowed in Rooms, Township Buildings, or on Township properties, except: 1) police dogs; and 2) service animals, as defined by Title II and Title III of the Americans with Disabilities Act, subject to applicable Township Code requirements, unless exempted from such requirements by law.
- l. No Indicators of Township Endorsement or Sponsorship. No User or any other person/organization shall use the name, address, contact information, seals, or other imagery of Holly Township or its facilities as their official address or contact information, and they shall not publicize their event in such a manner as to imply Township endorsement or sponsorship. The Township shall not promote or appear to promote any non-Township events in the Room(s), and shall not favor, promote, or appear to favor or promote, any views or opinions expressed

during events in the Room(s) or of any User, organization, or advertiser or attendee of an event.

- m. Assignment/Transfer: No usage approval shall be assigned or transferred without the Township Clerk's consent.
 - n. Cancellation: Cancellation by a User must be made at least two (2) weeks in advance of the reservation date, unless the event is rescheduled. If notice is given with less than 2 weeks notice, the security deposit shall be forfeited to the Township. The Township reserves the right to cancel any Room usage for any reason in its sole discretion. In cases where the Township cancels a facility usage and suitable replacement facilities are not available or the event cannot be rescheduled, the Township shall refund any fee and security deposit to the User.
 - o. Policy Enforcement/Penalties. Failure to comply with this Policy may result in any or all of the following: 1) forfeiture of some or all of any fee and/or security deposit; 2) cancellation of the Room usage fee; 3) immediate termination of the Room usage, without notice or warning; 4) immediate removal of individuals from the premises by Township; 5) payment to the Township of the costs of replacement in excess of the security deposit for any and all destroyed, damaged or missing Township property caused by the User, User's guests, independent contractors, or any other person; 6) payment of costs in excess of the security deposit for the time of Township staff in bringing an event into compliance with this Policy; 7) rejection of all future requests to use the Township's Rooms and other facilities; 8) criminal prosecution for any violations of laws or ordinances; and, 9) any other civil remedies to which the Township may be entitled in law or equity.
 - p. Facility-Specific Policies. The Township Board may establish such facility-specific regulations as deemed necessary pertaining to the operation of facilities under their control, which are consistent with this Policy. If any facility-specific policies conflict with this Policy, this Policy shall control.
- VII. Disputes and Appeals. Questions and disputes regarding this Policy or its application shall be brought to the Township Supervisor. If a Room usage application is denied, the reasons for denial will be provided by the Township Clerk in writing. Any applicant may appeal the Township Clerk's decision to the Township Supervisor, who shall issue a written decision on the appeal within ten (10) business days. The Township Supervisor's decision shall be

final decision. The Township Supervisor may affirm, reverse, or modify the Township Clerk's decision based upon a finding that the decision was: any or all of: 1) arbitrary and capricious; 2) an abuse of discretion; 3) based on an erroneous interpretation or application of facts, this Policy, or any other applicable law or regulation, including a) whether granting Room usage approval would threaten the public health, safety, and welfare; and/or b) whether denying approval would cause the applicant to be without any means of communication.