

**GREEN CHARTER TOWNSHIP BOARD  
REGULAR MEETING TUESDAY, OCTOBER 8, 2024  
GREEN CHARTER TOWNSHIP HALL, 21431 NORTHLAND DR.  
PARIS, MI 49338  
6:00PM  
APPROVED**

**PLEDGE OF ALLEGIANCE**

CALL TO ORDER: 6:00pm ROLL CALL Cushway, Hoeh, Henderson, Riebow, Rasmussen, Thorne Kruse, present.

**ADDITIONS TO AGENDA: 1.** Address from Supervisor Kruse concerning the 2023-2024 Audit: Recently there was an article in the Pioneer about the Green Charter Township's most recent audit, the 2024 audit. First, I'd like to note that the audit period was our fiscal year which started in April of 2023 and ended at the end of March 2024. As you know, the prior board was in control for the majority of this audit period. The new board was in control for less than 5 months of this audit period.

The results of the audit were very consistent with prior years. The audit also noted a few areas for improvement which we are working on. And the audit indicated some areas where we have shown strong improvement and success in a short amount of time.

The first thing that everyone should know about audits is that auditors are required to point out certain concerns or deficiencies, even if they simultaneously recommend no changes. This was the case regarding many of the topics in the audit. I will go through some of those to give you some real examples.

The second thing is that audits are important to help us identify things to improve on. This audit was helpful in that regard, and we are actively working on the recommendations.

The third thing is that this audit has helped identify improvements that the new board has already made. Improvements that protect the township and its residents. Big improvements which were made in a very short amount of time. I'll get into the details of that in just a few moments as well.

Before I go thru the examples, I would like to thank the board for their support of the processes necessary to run the township and particularly the efforts of the Corri the Clerk, Rob the Treasurer and their deputies who have stepped up against all kinds of obstacles and challenges to accomplish what needed to be done and to make improvements along the way. Again, thank you.

Let me give you some brief excerpts of information regarding the audit:

First, the Pioneer reported that our 2024 audit showed, "Lack of adequate controls to produce full disclosure GAAP basis financial statements." That is the exact wording in the audit. But that wording sounds like it could be a bad thing. The wording sounds kind of negative as if the township is maybe doing something wrong. Let's read that wording again from the 2024 audit:

"Lack of adequate controls to produce full disclosure GAAP basis financial statements."

You know what is interesting, the 2023 audit had the exact same wording,

"Lack of adequate controls to produce full disclosure GAAP basis financial statements."

And the 2022 audit had the exact same wording,

"Lack of adequate controls to produce full disclosure GAAP basis financial statements."

And, you guessed it, the 2021 audit had the exact same wording,

"Lack of adequate controls to produce full disclosure GAAP basis financial statements."

Now here's what is important. You need to know what the auditors are talking about. The auditors call it a "deficiency" and the Pioneer newspaper makes it sound like a "deficiency" is a bad thing. But if this has been going on for years, is it really a bad thing. The answer is no. The reality is the auditors are simply stating that Green Charter Township is not large enough to justify hiring staff of accounts and/or a full-time CPA to prepare the financial statements. Instead, we hire a CPA firm to work on and audit our books.

Virtually every small Township has this "deficiency" in their audit because it simply doesn't make sense for small townships to hire a staff of accountants and create financial statements which meet the GAAP standards. Instead, they can hire an outside CPA firm to accomplish the job and for much less money. So, I'm not going to throw the prior board under the bus and say they have had deficiencies year after year. Instead, I'm going to be transparent and acknowledge that the prior board was correct in how they handled this matter, and I anticipate the current board will continue to handle it in the exact same way.

Here's another example. The Pioneer included this quote from the audit, "The township's decision that it is more cost effective to outsource the preparation of its financial statements to auditors than to incur the time, and expense of obtaining the necessary training and expertise required for the township to perform this task internally has resulted in the internal controls over the preparation of financial statements in accordance with GAAP being incomplete."

Again, that quote sounds rather negative and it sounds like the township may have incomplete records. Is that the case, again, the answer is No. Again, the township has decided to not produce complete GAAP financial statements, but instead to hire an outside CPA firm to do that for us.

As a matter of fact, the 2024 audit official recommendation related to this topic is as follows:

"Due to the size and minimal activity, we recommend that the government continue to outsource financial statement preparation."

Do you want to know what the 2023 audit official recommendation was on this same topic, here it is:

"Due to the size and minimal activity, we recommend that the government continue to outsource financial statement preparation."

And the 2022 recommendation:

"Due to the size and minimal activity, we recommend that the government continue to outsource financial statement preparation."

And, you guessed it, the 2021 recommendation:

"Due to the size and minimal activity, we recommend that the government continue to outsource financial statement preparation."

So, although the Pioneer would like to lead you to believe that there is something wrong or different related to these topics. The reality is the current board is handling most of these topics exactly as they have been in the past. And the audit results are exactly the same.

Now, I'd like to briefly explain an audit finding that we are actively working on. Here's the issue, we live in a very dynamic environment. When we establish a budget, circumstances may change, and the budgeted amount may become quickly outdated. The township is supposed to watch this closely and amend the budget to adjust for shortages or overages. In our latest audit there is a recommendation, let me read it:

"The Township should continue to monitor expenditures against adopted budgets to make appropriate amendments as needed under the modified accrual method of accounting."

So, the audit is saying the board needs to be very diligent about updating or amending the budget as circumstances change.

Is this because the new board doesn't know what they are doing? No. The prior board received the exact same recommendation in the prior year audit, the 2023 fiscal year audit.

Here's the recommendation that Jim Chapman's board received in 2023:

"The Township should continue to monitor expenditures against adopted budgets to make appropriate amendments as needed under the modified accrual method of accounting."

Sound familiar?

So, some people, or news articles, might lead you to believe that the current board is now struggling with their financials and having all kinds of problems with their audit. The reality is this particular issue has been a concern for years. This concern was identified in an audit under the previous board and it's the kind of concern that should be fixed, so this topic is going to be fixed with the current board.

Now let me explain one last audit topic, and this is a big one. Back in 2023 which was the last full year audit of the prior board, the 2023 audit included an interesting and alarming finding and recommendation, as follows:

"As a part of your on-going evaluation of internal controls, we recommend you carefully study your controls over Information Technology. The Township should evaluate its response to potential risks related to manipulation of software programs themselves, manipulation of numbers within unmodified software programs, security of Township data to the external world, security over physical hardware, and the potential risk associated with personal use of hardware and software. In today's world, IT risks are always changing, and the above potential risks are not all inclusive."

I am proud to say that the current board has taken very aggressive actions in this area. We have addressed numerous concerns related to ISI, IT security, fiber optics, software and hardware protection and even electronic building security.

In 2023, under the prior board, the auditors commented and made recommendations regarding this area of "Internal Controls over Information Technology".

I am very proud to say that in the 2024 audit the auditors did not list any concerns or recommendations regarding Information Technology. We have made incredible progress in this area. I personally am very pleased with the audit results and look forward to working on the few areas where corrective actions is needed.

Lastly, I offer my congratulations to the board and thank them for their very hard work on all of the important audit topics.

2. Resignation letter from Treasurer Robert Henderson. A motion was made by Thorne to accept the resignation of Robert Henderson and appoint Jilliane Walsh to conclude Robert's term beginning October 21, 2024. Supported by Cushway. Motion was passed unanimously on a roll call vote.

3. There will be a special meeting next week, Tuesday October 15, 2024 at 6pm to amend the budget and further address the audit.

**PUBLIC COMMENT** Dorothy J-I want to talk about the GoFundMe. At one time it had around \$2000 in it. Where did that money go? How does that money come into the township? Wondering on transparency and accountability of that. Larry V- When will the issue of attorney fees be addressed? Will that be done at the budget meeting? Can you address the mediation with Gotion? (Supervisor gave a brief update that nothing was agreed upon during mediation.) Lori B.-I am passing out information about all the corruption recently exposed in court documents. Chapman and Thelen went through my divorce records, there were bribes from Thelen to Chapman, contributions were made by the Thelen's to Chapman's campaign fund. People complain about the budget even though it's been a problem for years. Thank you for stopping that. Thelen called community members a skank, telling Chapman to "shut her up", then talks about healing the community. I'm sick of the corruption, thank you for stopping that. Joe Percy said in the primary to vote for one person then and vote for him in the general election. Joe P.- I'm running against Jason in the election. Talk about mean spiritedness concerning a mailer. Those of us running against you and your board are everyday Americans. We aren't communists. There are 256 Chinese owned companies already here. I've watched jobs be shipped to China. Now jobs are coming here. I want Gotion here if it makes sense for our community. Cushway used to push for line items and a balanced budget. I wonder why.. I was told we were denied a grant for the sewer. (Supervisor Kruse-I am not aware of that.) Henderson-in reference to the mailer, none of us know who mailed those. It didn't come from us. Linda P-Jim Peek was on the board for 35 years. I asked for an updated on SHP this spring and the grant for \$55,000. I have been hearing that you have discussed releasing the building to the county parks system. Can you confirm that? (Supervisor Kruse-The grant has been filed and everything is a go. SHP or anything else that belongs to the township will not be shed unless the people want it to go. Anything that happens on these properties will have a public hearing.) There was money channeled to that by the former board. It has been brought to life and I hope we keep it. Jessica S- There is a trunk or treat event coming up and I have flyers. Kids in Paris and surrounding areas are welcome. It has been one of my biggest goals to bring the community together. Still excited to have a community garden in the future. With all the politics going on in the community, why do we want to elect Gotion supporters on to the board again? The majority wants to stop these projects. Larry F-I'm on the Planning and Zoning board and I want to jump ahead to

the correspondence. We are working on zoning for solar, batteries and wind. We want to allow this for farmers, etc. but not huge factories. The law goes into effect November 1<sup>st</sup> (corrected to November 29<sup>th</sup>) and this must be voted on before that. We need to be able to put this together. Lansing threw this at us and Ms. Sweet put together what other townships have done. (Supervisor Kruse-The attorneys are currently working on a rough draft of an ordinance.) Roanld H- on the day that the audit reveals discrepancies headlined, the lead story was about Donald Trump. A portion of his speech focused on manufacturing, but only if the products were made here. That sounds like an endorsement for Gotion. He wants electric batteries made here. Joe Biden and Gretchen Whitmer would agree. They are making them all over the world. You probably read headlines about the hurricanes. This is global warming. Wendy S-This is a hot button for me. I didn't know about Gotion and found out from a friend after it was already decided. There was a tour at FSU where the Chinese wanted to see the cyber security. The first step is Socialism, then Communism. Don't vote for a woman just because she is female Vote for the best person. Carol B- I'm an environmentalist. I have solar panels and electric cars. Watching the destruction in Florida, we all have a choice to transition to clean energy. EVs are not without faults and if you think you can transition to this without errors, you are an idiot. Talk about caring about children. Where will we be 20 years from now? Brandi S-Green clean energy is not so green and clean. There's a lot ore than cars affecting our world. I would suggest people do some research. We are neighbors and we are all arguing over politics. Is it the government helping hurricane victims? Get over the thought of government help. It will be your neighbors helping you. The president is not going to change this. It's proven that our government and Gotion does not have our best interest in mind. Farmland and wild spaces are being attacked. Hold each other up. Richard D-EVs are causing traffic jams in Florida. They are towing them off the road to get them out of the way. 120 years ago there was a category 5 hurricane. Also one 50 years before that. It's not global warming. Tonya W-I want to address a few situations. People joined together to blackball businesses. Scott MacFarlane thinks its funny to put up a camera and a sign at the lift station and do yard work. Joe Percy made a post about who to vote for in the primary. ISI was costing the twp a lot of money and no one cared when the old board was here. Why weren't people asking about the lift station when the old board was here? Bruce B-Court docs show a friendship between Jim Chapman and Chuck Thelen. Jim was offered a paid trip to China, Jim talked about getting his passport renewed. Jim failed to disclose to the board about Chuck donating to his campaign fund. On November 30, 2023 Jim started a Fire Security Consulting business. Chuck asked Jim about fire security. Some of this may have happened before the recall and some after. In the development agreement there was \$255,000 for fire and safety protection, don't know if Jim thought he would get all that? The definition of bribery-starts with an offer, a trip, golf outing and consulting job. Bribery is illegal. Steve L- Global warming occurred before Leif Erickson sailed to Iceland. Glacial retreats have been recorded. Global warming has occurred and been recorded for a long time. Rosemarie S-Someone mentioned Donald Trump. A few weeks ago the Chinese EV Battery company and Mi Democrats claimed DT supports the EV battery plant in MI. DT addressed this and said he is 100% opposed to Gotion. Says he will make the auto industry stronger than ever. Jim Chapman never let us vote on this. Maybe even China was fooled into thinking they were welcome here. Ginny V-moving away from Gotion and politics. A lot of comments are about money. A lot of meetings I go to have a treasurer's report. Why don't we do that? John H-Thank you for all you've done. I have had to call in and verify some rumors with you guys. All this misinformation going around. We have 4 internet towers and was told that was a lie. A

friend asked to see a ballot. Someone walked up and told me your guys were terrible. It was a kid from the Pioneer. I FOIA'd the Big Rapids towers, they have 5, we have 4. They get \$129,899 a year for theirs. With sweetheart deals here, we got nothing. We could get \$78,000 a year with just 3 towers. A lot going on behind the scenes. United Front was brought in to our meeting last August. These people should not have been brought here to tell us to F-off. Bruce B-in 2013 I was a brand new police chief and wondered what I was doing. You all came into this for the same reason. Everyone that comes into this does it for the first time. We do not choose our battlefield. God does that for us. You're going to make mistakes but I hope the community will support you.

**CORRESPONDENCE:** Email from Brandi Sweet concerning wind, solar and battery storage ordinance.

### **CONSENT AGENDA**

1. Approve Previous Minutes **Item A**
2. September Treasurer's Report **Item B**
3. Sewer Department Report
4. Legislative report: Randy Vetter, not much to report. MET funds and contracts finalized.
5. Planning and Zoning Report for Septmember **Item C**
6. Sheriff's Report **Item D**

A motion was made by Cushway to approve the consent agenda. Supported by Riebow. Motion was passed unanimously on a roll call vote.

### **OLD BUSINESS:**

1. **BOR:** Still seeking members for our Board Of Review. This is a paid position and your training is paid for as well. For more information contact the Clerk at [clerk@greentownship.org](mailto:clerk@greentownship.org) or call 231-796-6201

### **NEW BUSINESS:**

**FINANCIAL:** A motion was made by Cushway to approve the monthly checks #16609-16642 from GF and #4476-4479 from SF. Supported by Henderson. Motion was passed unanimously on a roll call vote.

**PUBLIC COMMENT:** Terry P-I think you guys are doing a wonderful job. I have been a resident for 48 years and subscribed to the Pioneer for many years. When Hearst bought it, it went from a middle of the road paper to a leftist paper. Myself and my wife have written letters to the editor and the editor doesn't follow their own rules. I have called Darren and left messages and he never calls back. God is in control of everything whether we like it or not and that includes the weather. Billie M- I wanted to address Rob. You have stopped at my shop and my house. My family has supported you and I am sorry to see you go. Rhonda L-I used to be a GCT resident. I just wanted you to know that Osceola County is in the process of doing a resolution to try and get legislators more involved in who we do business with. To look into what is in our best interest. Maybe this board could look at it and do their

own. Off the wall, Pioneer, do your due diligence and fact check. They ran a headline before a vot took place and printed incorrect info.

**ADJOURNMENT:** Motion was made by Thorne at 7:51pm to adjourn the meeting.

Prepared by

A handwritten signature in black ink, appearing to read 'Corri Riebow', with a stylized, cursive script.

Corri Riebow  
Clerk of Green Charter Township  
Mecosta County