



Recreational Authority of Roseville & Eastpointe Board
4:00 pm - November 10, 2021
Meeting Agenda

MEETING HELD VIA ZOOM

To join the Recreational Authority Board of Roseville & Eastpointe Board meeting scheduled for November 10, 2021 at 4:00pm, please click the following link:

<https://zoom.us/j/99227007016?pwd=ZHd1emhxeENsWVdzdjdpd0taWE80QT09>

To Join Zoom Meeting: **Meeting ID: 992 2700 7016 Passcode: 225763**

Or dial-in to join by phone by calling: 1 929 205 6099 US
Phone Meeting ID: **992 2700 7016 Passcode: 225763**

- A. Roll Call
- B. 1. Approval of Minutes for Regular meeting October 13, 2021.
- C. Approval of Disbursements and Budget Report.
 - 1. Disbursement #4
 - 2. Revenue/Expense Reports
- D. Hearing of the Public - agenda items only
- E. Communications
- F. Old Business
 - Discuss requirements for youth sports organizations renting the City of Eastpointe and City of Roseville Facilities.
- G. New Business
 - 1. Presentation of Audit Report by representatives from Plante & Moran, PLLC
 - 2. Discuss Proposed Amendments to the Articles of Incorporation and By-Laws and request approval for posting for 30 days.
 - 3. Review of Organizations who have a balance for Facility Rentals.
 - 4. Update on discussion with "Stretch for Life" Senior Exercise Program
- H. Hearing of the Public.
- I. Discussion by Director
- J. Discussion by Board members
- K. Adjournment

Next Meeting: Wednesday, December 8 at 4:00 p.m.



Recreational Authority of Roseville & Eastpointe Board Meeting Minutes

Conference Room - Recreation Authority Center via ZOOM

18185 Sycamore, Roseville, MI 48066

4:00 pm October 13, 2021

Meeting called to order 4:05 p.m.

A. Roll Call

- a. Ms. Brown, Mr. Klinefelt, Mr. Switalski, Mr. Walters and Mr. Merucci are present.

B. Approval of Minutes

a. Approval of Minutes for Regular Meeting on September 8, 2021

- i. Motion to approve the September Regular Meeting minutes was made by Mr. Walters, supported by Mr. Klinefelt. All approved, none opposed. Motion passed.

C. Approval of Disbursements and Budget Report

a. Disbursement #3

- i. Motion to approve disbursement #3 was made by Mr. Switalski, supported by Mr. Klinefelt. All approved, none opposed. Motion passed.

b. Revenue/Expense Report

- i. Motion to approve the revenue/expense report was made by Mr. Switalski, supported by Mr. Klinefelt. All approved, none opposed. Motion passed.

D. Hearing of the Public – agenda items only

- a. No public spoke

E. Communications

- a. Mr. Lipinski shared a flyer for our new program, Open Swim; and the letter from Plante Moran regarding the Audit.

F. Old Business

G. New Business

a. Discuss Amendments to the Articles of Incorporation and By-Laws

- i. Mr. Switalski suggested to change the language in the By-Laws, section 4.2, regarding the fifth board member to... The residence of the fifth board member shall alternate. Mr. Klinefelt suggested to keep the language the same between the Articles of Incorporation and the By-Laws the same. He also suggested to add the language that the fifth board member must be a registered voter and that if the fifth member is recommended for a renewal that the final decision would fall upon the said participating municipality for that term. Mr. Klinefelt suggested in the Articles of Incorporation on Page 4 article XI to strike out the last sentence of the first paragraph. Mr. Walters suggested in the Articles of Incorporation on Page 1 article I to put quotation marks around the words Authority and R.A.R.E. Mr. Klinefelt asked if on Page 9 article XXII was required by the State or if it can be stricken to be printed in the newspaper.

b. Request approval of renew of Roseville Community Schools/City of Roseville/Recreation Authority Cooperative Agreement

- i. A motion to approve the renewal of the Roseville Community Schools/City of Roseville/Recreation Authority Cooperative Agreement was made by Mr. Klinefelt, supported by Ms. Brown. All approved, none opposed. Motion passed.

c. Discuss requirements for youth sports organizations renting the City of Eastpointe and City of Roseville Facilities.

- i. Mr. Lipinski is looking into the possibility of getting documentation of insurance/indemnification, an audit from the previous season or proposed budget for the upcoming season and a list of current board member including contact information. Ms. Brown questioned whether there was the possibility that these groups may not want to rent with us in the future; Mr. Lipinski responded that that could be a possibility. Mr. Switalski asked for information from surrounding cities and what they do.

H. Hearing of the Public

- a. Nancy Sarmaga - a member of the Senior Hi-Steps – Commented on the changes of Hi-Steps to Stretch for Life and the termination of the Walk of the Pounds class. She feels the senior programs are turning into preschool type programs. Ms. Sarmaga also commented on the Walk MI program for this summer being disorganized.
- b. Darolyn Brown – a member of the Senior Hi-Steps – Commented that the Hi-Steps did have a meeting with Mr. Lipinski regarding their program. She is disappointed that they did move the program to the Small Gym and that they are no longer able to utilize the mats for their floor exercises.
- c. Judith Goston – a member of the Senior Hi-Steps – Commented that the Walk of the Pounds program was disorganized this year. She also expressed her disappointment with the changes in the Stretch for Life class (formerly Hi-Steps).
- d. Comments from Board Members – Mr. Lipinski responded that working with Mary Grant and with trying to keep everything consistent across the board that they did meet with the Hi-Steps regarding their group. There were other groups that were met with as well. The mats were asked to not be utilized right now with the times that we are in. Mr. Lipinski suggested meeting again to discuss their concerns. Mr. Klinefelt suggested looking at costs of everything and determining if those need to change. Mr. Walters would like to see Mr. Lipinski meet with the Hi-Step members again. Ms. Brown agrees that there does need to be a meeting and would like to see us meet in the middle.

I. Discussion by Director

- a. Mr. Lipinski shared that Plante Moran has been in contact regarding documentation for the audit. Our preschool teacher, Chris, did get another job and we have hired on a new teacher, Jasmine. Open Swim did begin last week, and we hope to be able to introduce Water Aerobics and possibly Swim Lessons. The Senior Center did have a Breakfast Club yesterday (10/12) and it was fairly well attended. Senior Line Dancing is beginning soon, along with a couple special events – Painting Party and Trunk or Treat (Senior Edition). The Mom/Son Fall Fest is scheduled for tomorrow (10/14) and has about 70 participants enrolled. Saturday, October 23rd is the Trick or Treat Trail at Veterans Memorial Park in Roseville. A reminder that we are accepting nominations through October 22nd for the Halloween Decorating Contest. The Pumpkin Rolldown is November 1st at Spindler Park. Sunday, November 14th is the 43rd annual Big Bird Run.

J. Discussion by Board Members

- a. **Ms. Brown** – Nothing at this time
- b. **Mr. Klinefelt** – Thanked Nancy, Darolyn and Judith for speaking with us today.
- c. **Mr. Walters** – Reminded Board Members of the Audit taking place right now and almost complete with the Recreation Authority. Presentation will be at the next meeting (11/10).
- d. **Mr. Switalski** – Nothing at this time
- e. **Mr. Merucci** – Wanted to make sure everything was good to go for the Pumpkin Rolldown at Spindler Park on November 1. Requested status of outstanding invoices from organizations for the next board meeting.

Meeting adjourned – 5:02 p.m.

Recreational Authority of Roseville & Eastpointe
Disbursement #4

October 2021	44,973.53
AP Total	<u>44,973.53</u>
Pay #8 (10/13/21)	27,772.23
Pay #9 (10/27/21)	<u>28,689.01</u>
Payroll Total	<u><u>56,461.24</u></u>
Grand Total	101,434.77

*THE FOLLOWING AMOUNTS REPRESENT DISBURSEMENTS FOR
MATERIALS AND SERVICES RECEIVED.*

SUBMITTED FOR BOARD APPROVAL:

EXECUTIVE DIRECTOR



CITY CONTROLLER

THE BOARD APPROVED PAYMENT FOR THE ABOVE VOUCHERS ON:

DATE

BOARD CLERK / TREASURER

CHECK REGISTER
OCTOBER 2021
RARE

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	Check #
Fund 208 PARK/RECREATION FUND							
Dept 101 GENERAL DEPARTMENT							
208-101-402.000	CURRENT PROPERTY TAXES	MACOMB COUNTY TREASURER	INVOICE (RARE) THROUGH 8-31-21	83121	10/4/2021	1,751.63	7544
208-101-402.000	CURRENT PROPERTY TAXES	MACOMB COUNTY TREASURER	INVOICE (RARE) THROUGH 9-30-21	930021	10/27/2021	176.60	7580
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV AGGAS, ALYSSA		REFUND-RESERVATION CHANGE	130219	10/27/2021	100.00	7554
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV BEAUFORD, SANDRA		REFUND-RESERVATION CHANGE	130469	10/27/2021	100.00	7557
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV BELCHER-ALSTON, DONETTA		REFUND-RESERVATION CHANGE	130218	10/27/2021	200.00	7558
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV BORSELLINO, MIKE		REFUND-CANCELLATION	130167	10/27/2021	85.00	7560
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV COUTURE, HOLLY		REFUND-RESERVATION CHANGE	130220	10/27/2021	100.00	7565
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV DOWNEY, KRISTINE		REFUND-RESERVATION CHANGE	130467	10/27/2021	100.00	7567
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV ESCHMANN, LORA		REFUND-CANCELLATION	130261	10/27/2021	25.00	7570
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV HAMILTON, STEPHANIE		REFUND-CANCELLATION	130267	10/27/2021	100.00	7573
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV HARRIS, MONISHA		REFUND-CANCELLATION	129879	10/27/2021	60.00	7575
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV MABINS-ALFORD, NICOLE		REFUND-CANCELLATION	130445	10/27/2021	111.00	7579
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV MARENTETTE, JANICE		REFUND-CANCELLATION	130125	10/27/2021	180.00	7583
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV PAYNE, CHRISTINE		REFUND-RESERVATION CHANGE	130466	10/27/2021	200.00	7585
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV UNROE, ANGEL		REFUND-RESERVATION CHANGE	130468	10/27/2021	100.00	7592
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEV WILLIAMS-SIMS, JESSICA		REFUND-RESERVATION CHANGE	130221	10/27/2021	100.00	7593
208-101-707.000	WAGES- TEMPORARY EMPLOYEES	LEWIS, RENITA	9/29 RETURNED ACH	92921	10/4/2021	359.62	7543
208-101-725.000	UNEMPLOYMENT & WORKERS COMPENSATIO	MICHIGAN MUNICIPAL LEAGUE	2021 3RD QTR UNEMPLOYMENT COMPENSAT	93021	10/4/2021	232.35	7545
208-101-728.000	OFFICE SUPPLIES	AMERICA'S FINEST PRINTING & GRAPHI	#10 REGULAR ENVELOPES	46519	10/27/2021	145.00	7555
208-101-730.000	POSTAGE	CITY OF ROSEVILLE	SEPT 2021-POSTAGE	1727	10/27/2021	379.53	7561
208-101-740.000	SUPPLIES	AD-TECH AGENCY INC	LIFEGUARD SHIRTS (12)	57162	10/27/2021	184.00	7553
208-101-740.004	PLAYGROUND AND ATHLETIC SUPPLIES	AMERICA'S FINEST PRINTING & GRAPHI	2021 BIG BIRD RUN BROCHURE	46496	10/27/2021	441.00	7555
208-101-740.004	PLAYGROUND AND ATHLETIC SUPPLIES	NATIONAL ALLIANCE FOR YOUTH SPOR	SS/SC PART KIT SS/BK ORANGE&BLUE PART KI	31378	10/27/2021	296.07	7584
208-101-740.004	PLAYGROUND AND ATHLETIC SUPPLIES	NATIONAL ALLIANCE FOR YOUTH SPOR	MINI NEON BASKETBALLS/SOCCER BALLS/CON	31370	10/27/2021	254.07	7584
208-101-740.004	PLAYGROUND AND ATHLETIC SUPPLIES	NATIONAL ALLIANCE FOR YOUTH SPOR	SS/BK ORANGE PART KIT	31415	10/27/2021	48.22	7584
208-101-801.000	PROFESSIONAL SERVICES	CIVICPLUS LLC	PREMIUM PACKAGEPROJECT CORDINATION	215620	10/4/2021	10,307.75	7541
208-101-801.000	PROFESSIONAL SERVICES	PLANTE & MORAN PLLC	BILLING FOR AUDIT	2048443	10/4/2021	14,430.00	7546
208-101-801.000	PROFESSIONAL SERVICES	ANDERSON, ECKSTEIN & WESTRICK INC	PROJ# 1556-0002-0 RARE GENERAL ENGINEER	133829	10/27/2021	1,489.50	7556
208-101-801.000	PROFESSIONAL SERVICES	BIANCO TOURS INC	FIREKEEPERS 9/23 TRIP	9D90891	10/27/2021	1,833.00	7559
208-101-801.000	PROFESSIONAL SERVICES	GREAT LAKES SECURITY HARDWARE	KEYS DUPLICATED	64114	10/27/2021	138.00	7572
208-101-818.000	CONTRACTUAL SERVICES	HANNAFORD, WILLIAM	9/25-10/30 1ST/2ND BASKETBALL	92921	10/27/2021	492.45	7574
208-101-818.000	CONTRACTUAL SERVICES	KERSCHENHEITER, ARIEL	BONUS FOR SEASONAL STAFF-SATYING LATE/I	PR25710	10/27/2021	250.00	7576
208-101-818.000	CONTRACTUAL SERVICES	LEMANSKI, CHRISTINE	BONUS FOR SEASONAL STAFF-SATYING LATE/I	PR25710	10/27/2021	250.00	7577
208-101-818.000	CONTRACTUAL SERVICES	LEMANSKI, CHRISTINE	YOUTH AFTERSCHOOL PROGRAMS	102021	10/27/2021	720.00	7577
208-101-818.000	CONTRACTUAL SERVICES	LIPINSKI, MICHAEL	9/25-10/30 SS SOCCER	92921	10/27/2021	177.55	7578
208-101-818.000	CONTRACTUAL SERVICES	MAJOR, IAN	BONUS FOR SEASONAL STAFF-SATYING LATE/I	PR25710	10/27/2021	150.00	7581
208-101-818.000	CONTRACTUAL SERVICES	ROEGLIN, KRISTIN	BONUS FOR SEASONAL STAFF-SATYING LATE/I	PR25710	10/27/2021	250.00	7586
208-101-818.000	CONTRACTUAL SERVICES	ROSEVILLE HIGH SCHOOL	9/25-10/30 CHEER PROGRAM	92921	10/27/2021	261.30	7587
208-101-818.000	CONTRACTUAL SERVICES	SARNOWSKI, TROY	9/25-10/30 SS BASKETBALL	92921	10/27/2021	328.30	7588

208-101-818.000	CONTRACTUAL SERVICES	SMITH, JASMINE	PRESCHOOL PROGRAMS	102021	10/27/2021	947.00	7589
208-101-818.000	CONTRACTUAL SERVICES	SUCH A VOICE, LLC	10/19 VOICE OVER CLASS	102021	10/27/2021	306.00	7590
208-101-920.000	UTILITIES	CONSUMERS ENERGY	GAS SVC 1000 1006 8144 8/19-9/17	204477676055	10/4/2021	168.37	7542
208-101-920.000	UTILITIES	CONSUMERS ENERGY	GAS SVC 1000 1006 8144	203320847852	10/27/2021	207.72	7563
208-101-920.000	UTILITIES	DTE ENERGY	ELEC SVC 9100 026 8010 6	100821	10/27/2021	14.91	7568
208-101-931.000	BUILDING MAINTENANCE	SECURITAS ELECTRONIC SECURITY, INC	10/1-12/31/21 MONITORING/MAINTENANCE	7000816668	10/4/2021	294.00	7547
208-101-931.000	BUILDING MAINTENANCE	SECURITAS ELECTRONIC SECURITY, INC	10/1-12/31/21 MONITORING/MAINTENANCE	7000816787	10/4/2021	142.50	7547
208-101-931.000	BUILDING MAINTENANCE	CONTRACTORS PIPE & SUPPLY	SLOAN 111 REGAL XL 1.6 GAL.	6392940	10/27/2021	96.00	7564
208-101-931.000	BUILDING MAINTENANCE	DUNBAR MECHANICAL INC	MAINTENANCE	87917	10/27/2021	2,374.50	7569
208-101-931.000	BUILDING MAINTENANCE	GREAT LAKES PEST CONTROL CO INC	PEST CONTROL - 9-27-21	63076	10/27/2021	50.00	7571
208-101-933.000	OFFICE EQUIPMENT MAINTENANCE	MARCO TECHNOLOGIES LLC	MTHLY COPIER CHGS #MER725	INV9198777	10/27/2021	228.01	7582
208-101-933.000	OFFICE EQUIPMENT MAINTENANCE	MARCO TECHNOLOGIES LLC	MTHLY COPIER CHGS #MER725	INV9198776	10/27/2021	72.45	7582
208-101-939.000	VEHICLE MAINTENANCE	CITY OF ROSEVILLE	AUGUST 2021 MECHANCS CHARGES	Aug-21	10/4/2021	1,379.00	7540
208-101-940.000	RENTALS	TEE PEE INC	STANDARD UNIT GRAY	31794	10/27/2021	85.00	7591
208-101-940.000	RENTALS	TEE PEE INC	STANDARD UNIT GRAY	31885	10/27/2021	85.00	7591
208-101-940.000	RENTALS	TEE PEE INC	STANDARD UNIT GRAY	31907	10/27/2021	85.00	7591
			Total For Dept 101 GENERAL DEPARTMENT	43,442.40			
Dept 691 SMART							
208-691-751.000	FUEL	CITY OF ROSEVILLE	AUGUST 2021 MECHANCS CHARGES	Aug-21	10/4/2021	1,261.25	7540
208-691-850.000	COMMUNICATIONS	COMCAST	10/12/21-11/11/21 SERVICES	92821	10/27/2021	84.90	7562
208-691-850.000	COMMUNICATIONS	DIRECT TV	9/21-10/20 CHARGES	008724326X210922	10/27/2021	184.98	7566
			Total For Dept 691 SMART	1,531.13			
			Total For Fund 208 PARK/RECREATION FUND	44,973.53			

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JOURNALS POSTING REPORT
POSTING REPORT

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Post Date	Journal	Summ/Det	Ref #	Description	DR Amount	CR Amount
GL Number						
10/13/2021	PR	S	644842 431	SUMMARY PR 10/13/2021		
208-000-001.001				CASH RECR AUTH		16,104.55
208-000-258.000				ACCRUED TAXES PAYABLE		3,517.86
208-000-258.001				OTHER PAYROLL WITHHOLDING		8,149.82
208-101-706.000				WAGES- PERMANENT EMPLOYEES	13,237.34	
208-101-707.000				WAGES- TEMPORARY EMPLOYEES	6,389.41	
208-101-715.000				FICA-EMPLOYER'S	1,460.97	
208-101-718.000				RETIREMENT FUND CONTRIBUTION	2,216.36	
208-691-706.000				WAGES- PERMANENT EMPLOYEES	1,618.54	
208-691-707.000				WAGES- TEMPORARY EMPLOYEES	2,276.50	
208-691-715.000				FICA-EMPLOYER'S	297.96	
208-691-718.000				RETIREMENT FUND CONTRIBUTION	275.15	
					<u>27,772.23</u>	<u>27,772.23</u>
					<u><u>27,772.23</u></u>	<u><u>27,772.23</u></u>

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JOURNALS POSTING REPORT
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Post Date	Journal	Summ/Det	Ref #	Description	DR Amount	CR Amount
GL Number						
10/27/2021	PR	S	656047	432	SUMMARY PR 10/27/2021	
208-000-001.001				CASH RECR AUTH		16,782.51
208-000-258.000				ACCRUED TAXES PAYABLE		3,648.16
208-000-258.001				OTHER PAYROLL WITHHOLDING		8,258.34
208-101-706.000				WAGES- PERMANENT EMPLOYEES	13,037.34	
208-101-707.000				WAGES- TEMPORARY EMPLOYEES	6,864.29	
208-101-715.000				FICA-EMPLOYER'S	1,481.99	
208-101-718.000				RETIREMENT FUND CONTRIBUTION	2,216.36	
208-691-706.000				WAGES- PERMANENT EMPLOYEES	1,618.54	
208-691-707.000				WAGES- TEMPORARY EMPLOYEES	2,853.25	
208-691-715.000				FICA-EMPLOYER'S	342.09	
208-691-718.000				RETIREMENT FUND CONTRIBUTION	275.15	
					<u>28,689.01</u>	<u>28,689.01</u>
					<u><u>28,689.01</u></u>	<u><u>28,689.01</u></u>

11/05/2021		REVENUE AND EXPENDITURE REPORT FOR RARE							
		PERIOD ENDING 10/31/2021							
		% Fiscal Year Completed: 33.33							
		2021-22		YTD BALANCE		ACTIVITY FOR			
		ORIGINAL	2021-22	10/31/2021		MONTH 10/31/21	ENCUMBERED	UNENCUMBERED	% BDGT
GL NUMBER	DESCRIPTION	BUDGET	AMENDED BUDGET	NORM (ABNORM)		INCR (DECR)	YEAR-TO-DATE	BALANCE	USED
Fund 208 - PARK/RECREATION FUND									
Revenues									
208-101-402.000	CURRENT PROPERTY TAXES	1,450,025.19	1,450,025.19	47,871.60		(1,906.32)	0.00	1,402,153.59	3.30%
208-101-441.000	LOCAL COMMUNITY STABILIZATION SHARE TAX	41,413.00	41,413.00	0.00		0.00	0.00	41,413.00	0.00%
208-101-613.000	MISCELLANEOUS REVENUE	0.00	0.00	7,234.00	G	7,234.00	0.00	(7,234.00)	100.00%
208-101-614.000	VENDING REVENUE	1,000.00	1,000.00	0.00		0.00	0.00	1,000.00	0.00%
208-101-652.000	RECREATION USE AND ADMISSION FEE-ROSEVIL	450,000.00	450,000.00	85,364.17		20,908.72	0.00	364,635.83	18.97%
208-101-653.000	SMART-OPERATING CREDITS	193,712.00	193,712.00	0.00		0.00	0.00	193,712.00	0.00%
208-101-654.000	SMART- FAREBOX REVENUE	49,903.07	49,903.07	1,585.44		403.00	0.00	48,317.63	3.18%
208-101-664.000	INTEREST AND DIVIDENDS	2,000.00	2,000.00	0.00		0.00	0.00	2,000.00	0.00%
208-101-674.000	CONTRIBUTIONS AND DONATIONS	2,000.00	2,000.00	323.74		200.00	0.00	1,676.26	16.19%
TOTAL REVENUES		2,190,053.26	2,190,053.26	142,378.95		26,839.40	0.00	2,047,674.31	6.50%
Expenditures									
208-101-706.000	WAGES- PERMANENT EMPLOYEES	346,593.12	346,593.12	121,315.53		26,274.68	0.00	225,277.59	35.00%
208-101-707.000	WAGES- TEMPORARY EMPLOYEES	358,444.00	358,444.00	120,317.36		13,613.32	0.00	238,126.64	33.57%
208-101-709.000	WAGES- OVERTIME	1,000.00	1,000.00	0.00		0.00	0.00	1,000.00	0.00%
208-101-715.000	FICA-EMPLOYER'S	54,011.00	54,011.00	18,093.24		2,942.96	0.00	35,917.76	33.50%
208-101-718.000	RETIREMENT FUND CONTRIBUTION	57,627.00	57,627.00	19,891.22		4,432.72	0.00	37,735.78	34.52%
208-101-719.000	HEALTH, LIFE, DENTAL	85,957.00	85,957.00	20,014.65		12.50	0.00	65,942.35	23.28%
208-101-725.000	UNEMPLOYMENT & WORKERS COMPENSATION	7,036.10	7,036.10	12,552.35	F	12,552.35	0.00	(5,516.25)	178.40%
208-101-728.000	OFFICE SUPPLIES	8,000.00	8,000.00	1,420.99		556.18	73.49	6,579.01	17.76%
208-101-730.000	POSTAGE	17,928.00	17,928.00	6,179.44		379.53	0.00	11,748.56	34.47%
208-101-740.000	SUPPLIES	46,350.00	46,350.00	12,393.54		8,190.79	4,932.24	33,956.46	26.74%
208-101-740.004	PLAYGROUND AND ATHLETIC SUPPLIES	55,620.00	55,620.00	12,446.78		2,067.12	0.00	43,173.22	22.38%
208-101-751.000	FUEL	4,000.00	4,000.00	0.00		0.00	0.00	4,000.00	0.00%
208-101-801.000	PROFESSIONAL SERVICES	62,500.00	62,500.00	41,485.52	E	28,252.68	0.00	21,014.48	66.38%
208-101-818.000	CONTRACTUAL SERVICES	98,000.00	98,000.00	17,353.35		4,132.60	0.00	80,646.65	17.71%
208-101-826.000	LEGAL FEES	1,000.00	1,000.00	0.00		0.00	0.00	1,000.00	0.00%
208-101-850.000	COMMUNICATIONS	30,000.00	30,000.00	12,303.90		459.79	0.00	17,696.10	41.01%
208-101-861.000	AUTO EXPENSE ALLOWANCE	250.00	250.00	0.00		0.00	0.00	250.00	0.00%
208-101-864.000	CONFERENCE & WORKSHOPS	3,500.00	3,500.00	109.92		0.00	0.00	3,390.08	3.14%
208-101-880.000	COMMUNITY PROMOTION	27,550.00	27,550.00	1,395.04		497.29	0.00	26,154.96	5.06%
208-101-900.000	PRINTING & PUBLICATIONS	25,000.00	25,000.00	14,491.40	A	0.00	0.00	10,508.60	57.97%
208-101-901.000	BANK FEES	7,000.00	7,000.00	1,492.95		0.00	0.00	5,507.05	21.33%
208-101-910.000	INSURANCE AND BONDS	35,000.00	35,000.00	0.00		0.00	0.00	35,000.00	0.00%
208-101-920.000	UTILITIES	35,000.00	35,000.00	2,054.01		391.00	0.00	32,945.99	5.87%
208-101-931.000	BUILDING MAINTENANCE	59,500.00	59,500.00	18,214.61		4,337.94	0.00	41,285.39	30.61%
208-101-933.000	OFFICE EQUIPMENT MAINTENANCE	11,500.00	11,500.00	1,282.52		300.46	0.00	10,217.48	11.15%
208-101-939.000	VEHICLE MAINTENANCE	7,000.00	7,000.00	1,379.00		1,379.00	0.00	5,621.00	19.70%
208-101-940.000	RENTALS	6,000.00	6,000.00	1,785.00		255.00	0.00	4,215.00	29.75%
208-101-958.000	MEMBERSHIPS AND DUES	2,500.00	2,500.00	0.00		0.00	0.00	2,500.00	0.00%
208-101-960.000	EDUCATION AND TRAINING	5,000.00	5,000.00	420.36		0.00	0.00	4,579.64	8.41%
208-101-961.000	CERTIFICATIONS & LICENSES	1,000.00	1,000.00	400.00		400.00	0.00	600.00	40.00%
208-101-993.000	LAND USE FEE	120,000.00	120,000.00	0.00		0.00	0.00	120,000.00	0.00%

11/05/2021		REVENUE AND EXPENDITURE REPORT FOR RARE							
		PERIOD ENDING 10/31/2021							
		% Fiscal Year Completed: 33.33							
		2021-22		YTD BALANCE		ACTIVITY FOR			
		ORIGINAL	2021-22	10/31/2021		MONTH 10/31/21	ENCUMBERED	UNENCUMBERED	% BDGT
GL NUMBER	DESCRIPTION	BUDGET	AMENDED BUDGET	NORM (ABNORM)		INCR (DECR)	YEAR-TO-DATE	BALANCE	USED
208-101-993.001	VENDING EXPENSE	250.00	250.00	0.00		0.00	0.00	250.00	0.00%
208-101-996.027	ADMINISTRATION COSTS	63,672.48	63,672.48	0.00		0.00	0.00	63,672.48	0.00%
208-101-999.000	TRANSFERS OUT	302,648.00	302,648.00	0.00		0.00	0.00	302,648.00	0.00%
Total Expenditures - Dept 101-GENERAL DEPARTMENT		1,946,436.70	1,946,436.70	458,792.68		111,427.91	5,005.73	1,487,644.02	23.57%
208-691-706.000	WAGES- PERMANENT EMPLOYEES	39,249.60	39,249.60	15,309.52		3,237.08	0.00	23,940.08	39.01%
208-691-707.000	WAGES- TEMPORARY EMPLOYEES	93,937.50	93,937.50	23,380.77		5,129.75	0.00	70,556.73	24.89%
208-691-715.000	FICA-EMPLOYER'S	10,189.00	10,189.00	2,953.68		640.05	0.00	7,235.32	28.99%
208-691-718.000	RETIREMENT FUND CONTRIBUTION	6,672.00	6,672.00	2,465.03		550.30	0.00	4,206.97	36.95%
208-691-719.000	HEALTH, LIFE, DENTAL	18,597.00	18,597.00	0.00		0.00	0.00	18,597.00	0.00%
208-691-725.000	UNEMPLOYMENT & WORKERS COMPENSATION	1,314.77	1,314.77	0.00		0.00	0.00	1,314.77	0.00%
208-691-740.000	SUPPLIES	750.00	750.00	0.00		0.00	0.00	750.00	0.00%
208-691-751.000	FUEL	16,000.00	16,000.00	2,390.53		1,261.25	0.00	13,609.47	14.94%
208-691-801.000	PROFESSIONAL SERVICES	12,000.00	12,000.00	10,639.39	B	0.00	0.00	1,360.61	88.66%
208-691-818.000	CONTRACTUAL SERVICES	5,150.00	5,150.00	0.00		0.00	0.00	5,150.00	0.00%
208-691-850.000	COMMUNICATIONS	6,500.00	6,500.00	1,569.75		935.09	0.00	4,930.25	24.15%
208-691-880.000	COMMUNITY PROMOTION	5,000.00	5,000.00	0.00		0.00	0.00	5,000.00	0.00%
208-691-910.000	INSURANCE AND BONDS	2,671.00	2,671.00	0.00		0.00	0.00	2,671.00	0.00%
208-691-939.000	VEHICLE MAINTENANCE	3,713.00	3,713.00	999.22		0.00	0.00	2,713.78	26.91%
208-691-976.000	BUILDING ADDITON & IMPROVEMENT	0.00	0.00	44,677.44	C	0.00	0.00	(44,677.44)	100.00%
208-691-983.000	OFFICE EQUIPMENT	2,500.00	2,500.00	0.00		0.00	0.00	2,500.00	0.00%
208-691-996.027	ADMINISTRATION COSTS	19,371.20	19,371.20	0.00		0.00	0.00	19,371.20	0.00%
Total Expenditures - Dept 691-SMART		243,615.07	243,615.07	104,385.33		11,753.52	0.00	139,229.74	42.85%
TOTAL EXPENDITURES		2,190,051.77	2,190,051.77	563,178.01		123,181.43	5,005.73	1,626,873.76	25.72%
Fund 208 - PARK/RECREATION FUND:									
TOTAL REVENUES		2,190,053.26	2,190,053.26	142,378.95		26,839.40	0.00	2,047,674.31	
TOTAL EXPENDITURES		2,190,051.77	2,190,051.77	563,178.01		123,181.43	5,005.73	1,626,873.76	
NET OF REVENUES & EXPENDITURES		1.49	1.49	(420,799.06)		(96,342.03)	(5,005.73)	420,800.55	

11/05/2021		REVENUE AND EXPENDITURE REPORT FOR RARE						
		PERIOD ENDING 10/31/2021						
		% Fiscal Year Completed: 33.33						
		2021-22		YTD BALANCE		ACTIVITY FOR		
		ORIGINAL	2021-22	10/31/2021		MONTH 10/31/21	ENCUMBERED	UNENCUMBERED
GL NUMBER	DESCRIPTION	BUDGET	AMENDED BUDGET	NORM (ABNORM)		INCR (DECR)	YEAR-TO-DATE	BALANCE
								% BDGT USED
Fund 408 - CAPITAL PROJECTS FUND - RARE								
Revenues								
408-101-699.000	TRANSFER IN	302,648.00	302,648.00	0.00		0.00	0.00	302,648.00 0.00%
TOTAL REVENUES		302,648.00	302,648.00	0.00		0.00	0.00	302,648.00 0.00%
Expenditures								
408-101-976.000	BUILDING ADDITON & IMPROVEMENT	4,000.00	4,000.00	0.00		0.00	0.00	4,000.00 0.00%
408-101-982.000	MACHINERY	59,700.00	59,700.00	0.00		0.00	0.00	59,700.00 0.00%
408-101-984.000	FURNITURE	6,000.00	6,000.00	0.00		0.00	0.00	6,000.00 0.00%
408-101-985.000	VEHICLES	35,000.00	35,000.00	20,793.00	D	0.00	28,856.00	14,207.00 59.41%
TOTAL EXPENDITURES		104,700.00	104,700.00	20,793.00		0.00	28,856.00	83,907.00 19.86%
Fund 408 - CAPITAL PROJECTS FUND - RARE:								
TOTAL REVENUES		302,648.00	302,648.00	0.00		0.00	0.00	302,648.00
TOTAL EXPENDITURES		104,700.00	104,700.00	20,793.00		0.00	28,856.00	83,907.00
NET OF REVENUES & EXPENDITURES		197,948.00	197,948.00	(20,793.00)		0.00	(28,856.00)	218,741.00
<p>A Amount represents cost of Fall / Winter 2021 newsletter, which is approx. half the year's expenses. Spring / Summer 2021 newsletter cost to still be incurred.</p> <p>B Majority of balance relates to body repairs for SMART van that were not anticipated. A budget adjustment may be needed.</p> <p>C Amount represents cost that relates to FY21. An audit adjustment will be made in FY22 to remove this expense.</p> <p>D Amount represents purchase of F-150 that was included in the budget. A budget amendment for this account will be needed for the purchase of Director's car.</p> <p>E The YTD balance includes part of the cost of the annual audit (\$14,430) and the annual cost of Civic Plus (\$10,307). Costs running through this account for the remainder of the fiscal year are expected to be within budget.</p> <p>F Amount charged to this account represents the annual billing from Travellers. \$1,314.77 will be allocated to SMART and the Authority typically receives a refund after year end for a portion of the annual premium. No budget amendment needed at this time as final account balance is expected to fall within the budget.</p> <p>G Amount represents a refund for premium overpayments for unemployment related to years past.</p>								

November 10, 2021

To the Board of Directors
Recreational Authority of Roseville and Eastpointe

We have audited the financial statements of the Recreational Authority of Roseville and Eastpointe (the "Authority" or "RARE") as of and for the year ended June 30, 2021 and have issued our report thereon dated November 10, 2021. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Other Recommendations and Related Information

Section I includes information that current auditing standards require independent auditors to communicate to those individuals charged with governance. We will report this information annually to the board of directors of the Authority.

Section II presents recommendations related to internal control, procedures, and other matters noted during our current year audit. These comments are offered in the interest of helping RARE in its efforts toward continuous improvement, not just in the areas of internal control and accounting procedures, but also in operational or administrative efficiency and effectiveness.

We would like to take this opportunity to thank the Authority's staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

This report is intended solely for the use of the board members and management of the Recreational Authority of Roseville and Eastpointe and is not intended to be and should not be used by anyone other than these specified parties.

We welcome any questions you may have regarding the following communications, and we would be willing to discuss these and any other questions that you might have at your convenience.

Very truly yours,

Plante & Moran, PLLC

David W. Herrington
Partner

Ali H. Hijazi
Principal

Section I - Required Communications with Those Charged with Governance

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated September 28, 2021, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal controls of RARE. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on September 29, 2021.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2021. The Authority considered the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* and concluded provisions have no impact on financial statements.

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus.

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

There were no significant balances, amounts, or disclosures in the financial statements based on sensitive management estimates.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Disagreements with Management

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 10, 2021.

Management Consultations with Other Independent Accountants

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

Section II - Other Recommendations and Related Information

During our audit, we noted areas where we believe there are opportunities for RARE to further strengthen internal control or to increase operating efficiencies. Our observations on those areas are presented for your consideration.

Currently, within the financial application, there are no requirements for changing passwords after a period of time. Additionally, users are not locked out after a number of invalid login attempts. We recommend that the Authority require users to change passwords every 90 days and that users be locked out after three invalid login attempts. Further, related to environmental controls within the IT server room, we noted that there were no smoke detectors, fire suppression devices, or water sensors, and the servers are not at least three feet above the ground. As a best practice, we recommend that the Authority consider implementing these protections as a means to physically secure the data of the Authority. Lastly, we noted that there were no periodic tests of the back-up data to ensure that it came be accurately restored. We recommend that the Authority consider implementing a periodic schedule to test these back-ups to ensure they are capable of being accurately restored, if needed.

DRAFT

Recreational Authority of Roseville and Eastpointe

Financial Report with Supplemental Information June 30, 2021

Open Items

1. Report date
- 2.
- 3.
- 4.

Recreational Authority of Roseville and Eastpointe

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Recreational Authority of Roseville-Eastpointe
18185 Sycamore, Roseville, MI 48066
586-445-5480
www.rare-mi.org

November 10, 2021

To the Board of Trustees, Residents of the Roseville
and Eastpointe Authority Community

Letter of Transmittal

We are submitting herewith the financial report of the Recreation Authority of Roseville and Eastpointe (the "Authority") as of and for the year ended June 30, 2021. It is the responsibility of Authority management to present fairly, with full disclosure and in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Authority's funds. The annual financial report contains necessary disclosures useful in providing an understanding of the individual funds and full accrual financial statements. Pursuant to that requirement, we hereby issue the annual financial report of the Recreation Authority of Roseville and Eastpointe as of and for the year ended June 30, 2021. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management.

To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the funds and of the Authority. All disclosures necessary to enable the reader to gain an understanding of the Authority's activities have been included.

Plante & Moran, PLLC has issued an unmodified "clean" opinion on the Authority's financial statements as of and for the year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (the "MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

State law requires that all local governmental units, including authorities such as the Recreation Authority of Roseville and Eastpointe, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The Authority is a special district form of government operating independently of all other governmental agencies. It provides a full range of recreational activities to the residents of Roseville and Eastpointe. The purpose of the Authority is to provide recreational services and construct, operate, maintain, and/or improve recreational facilities, including but not limited to parks, swimming pools, recreation centers, auditoriums, and any other facilities authorized by Section 5 of Act 321 of the State of Michigan.

Governmental Structure, Local Economic Condition, and Outlook

The Authority was sanctioned by Public Act 321 as a metropolitan district for planning, promoting, acquiring, constructing, owning, developing, maintaining, and operating, either within or without its limits, parks connecting drives and/or limited access highways and to provide for the assessment, levy, and collection of property taxes on both real and personal properties located within its boundaries. A referendum was held on November 8, 2011 on the proposed Authority. The citizens of the cities of Roseville and Eastpointe approved the creation of a one mill levy for a period of 20 years for Authority operations.

The governing body of the Authority is a five-member Board of Trustees. Two trustees are appointed from the legislative bodies of Roseville and Eastpointe, who then appoint a trustee at large for terms of three years. Public meetings of the Board of Trustees are held on the second Wednesday of each month. The Board of Trustees is responsible, among other things, for setting policy; adopting the budget; setting fees; approving contracts, land acquisitions, and expenditures; planning new recreational services facilities, and appointing three staff officers: an executive director, a program director, and a senior director. Administrative and fiscal management services including accounting, payroll and risk management are provided by agreement from the City of Roseville.

The Executive Director is responsible for carrying out the policies of the Board of Trustees, overseeing the day-to-day operations of the recreation services system, hiring all employees, and approving all purchase commitments of the Authority. The Executive Director is also the Executive Secretary and keeps minutes of all Board of Trustee meetings, is the official custodian of all records of the Authority, coordinates the recording of all property owned by the Authority, and certifies all payment vouchers prior to approval by the Board of Trustees. The Controller of Roseville is responsible for maintaining all financial accounting records of the Authority; collecting all revenues due to the Authority; investing all Authority funds; issuing payment vouchers for goods, services, and payrolls; and maintaining property/casualty insurances under the present agreement between the Authority and the City of Roseville.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the local economic environment in which the Authority operates.

Regional Profile and Economic Conditions

The Authority encompasses the City of Roseville and the City of Eastpointe and is located near the southeast corner of Macomb County, adjacent to the southern boundary of Macomb County and north of the city of Detroit. Freeway access to the southeast Michigan region is provided by Interstate-94 (I-94) and Interstate-696 (I-696). In addition, regional access is available using the bus system of the Suburban Mobility Authority for Regional Rapid Transit (SMART) system. Both the cities of Roseville and Eastpointe have grown and prospered significantly as two of southeastern Michigan's earliest and strongest suburban communities.

The Authority was created by the municipalities of Roseville and Eastpointe and services the territories of these two established traditional yet forward-thinking communities. Both Roseville and Eastpointe continue to welcome residents, businesses, and visitors alike to enjoy vibrant and diverse community lifestyles. The Authority is ideally located in southeastern Michigan, within Macomb County, and proud of the initiative to “Make Macomb Your Home.” Roseville and Eastpointe provide a full range of services to residents, visitors, and the business community and are conveniently located for employers and employees alike.

With 60 percent of voters taxing themselves in 2011 with an additional millage of \$1.00 per thousand of taxable value to fund the Authority, it is clear that quality of life and services to young, old, and those of special needs is in the community culture of the joint cities. The residents’ action supporting the initiative to collaborate and join recreation departments indicates they are willing to pay for and improve their communities and make sure that the “sense of place” in Roseville and Eastpointe is alive and well.

Like most communities, in recent years, the cities of Roseville and Eastpointe have experienced double-digit declines in market values on its real and personal properties. Unfortunately, even as the housing market struggles to recover under Proposal A, taxable value losses will be slow to recoup due to the mandated inflationary cap on property assessments. No matter the rate of increase, it will take significant future years to restore any municipality to its prior funding level. As evidenced by a reduction in property values to tax at the one mill rate, the challenges of revenue will be a prominent issue for the continuation of operations of the Authority. The Authority will adhere to a multi-year financial plan to address the challenges of revenue reduction and increase program income along with seeking additional grant funding sources.

Major Achievements and Result of Operations for 2020-2021

The ninth year of the newly formed authority was not without challenges. Some financial challenges will remain in the foreseeable future. Despite the expected and some unexpected challenges, there were significant achievements in 2020-2021, with more anticipated in the years ahead.

- Operating a Summer Day Camp Program safely during the pandemic, however scaled back with distancing requirements - one of two communities in Macomb County able to operate a Summer Day Camp program
- Replaced stained carpeted with laminate flooring in the front of the Activity Center Room
- Continued to improve the Recreation Authority Center facility by adding new fitness equipment, new player benches, as well as continued audio and lighting upgrades
- Continue to add and/or alter programs to improve service to residents of all ages
- Participated in the County-wide “Meet Me on the Trail” event establishing events at Spindler Park in Eastpointe and Veterans Memorial Park in Roseville
- Continued cooperation with the Roseville Community Schools and the Eastpointe Public Schools to share resources and maintain low program costs for residents
- Established a Lifeguard Training Class to certify residents to become Lifeguards
- Hired and certified Lifeguards enabling the establishment of an Open Swim Program with a goal to offer Swim Lessons in the future
- Utilized SMART funding to repave the SMART parking lot behind the Recreation Authority Center including the installation of an electronic gate and construction of a Car Port for the vehicles from the SMART program to park

- Utilized volunteers and sponsors to pay for and install tee pads for the Disc Golf Course at Spindler Park

In 2020-2021, the Authority established several objectives to be accomplished in the next fiscal year that will have a material impact on services and financial planning including:

- Continue to redefine the organization and improve full cost recovery program objectives by evaluating programs and special events to efficiently provide a variety of recreational opportunities that appeal to the residents of Eastpointe and Roseville
- Provide financial assistance to fund capital improvement projects at parks within each community designed to improve park aesthetics and enhance the Recreation Authority's programs
- Continue to follow a multi-year capital equipment and facilities improvement plan for the SMART program that includes senior van maintenance, replacing older vehicles, yard expansion, van shelter installation, electronic gate and other handicapped bus service enhancements
- Continue to seek sponsors for the Authority's various programs and events
- Work closely with area communities & organizations, such as Roseville Jr. Sports, to improve and consolidate program resources
- Establish clear and safe guidelines consistent with those of the Center for Disease Control for program offerings during the pandemic keeping participants and staff safe

The Reporting Entity and Services Provided

The Authority has defined its financial reporting entity in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB).

Financial Information

Management of the Authority is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Authority are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the Authority's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Authority adopted a balanced fiscal year 2020-2021 General Fund budget. During the year, RARE utilized approximately \$79,000 from fund balance but transferred \$133,000 to the Capital Projects Fund. The COVID-19 pandemic and the slow rebound in taxable values in both cities limited by Proposal A continues to impact the Authority's budget and will seriously affect operations in the future. However,

with cost control initiatives put in place including the continued reliance on part-time staff as well as modifications to the operations of existing programs, the use of the unreserved fund balance should be avoided for several fiscal years to come. The planning and operations of the physical buildings and facilities of the Authority will significantly affect the five-year fiscal plan and, accordingly, each budget year ahead.

Budgeting Controls

In accordance with state law, the Authority's budget is prepared on the modified accrual basis for governmental-type funds, and its accounting records are also maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a liability is incurred, except for interest on long-term debt.

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Authority's governing body. Activities of the General Fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the program unit level for the General Fund. However, for internal accounting purposes, budgetary control is maintained by object class (line account) for all funds. The City of Roseville, on behalf of the Authority, also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Purchase orders that would create an over-encumbrance are not written until additional appropriations are available. Encumbered accounts lapse at year end. However, any encumbrances outstanding at June 30, 2021 are reported as reservations of fund balance.

As demonstrated by the statements and schedules included in the financial section of this report, the Authority has met and will continue to meet its financial management responsibilities.

Acknowledgments

The timely preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the Roseville Controller's Department and our independent auditors, Plante & Moran, PLLC, certified public accountants. We express our appreciation to all members of the city departments we partnered with that assisted and contributed to operations. In closing, without the leadership and support of the Board of Trustees, this report would not have been possible.

Sincerely,

Anthony J. Lipinski
Executive Director

Independent Auditor's Report

To the Members of the Board
Recreational Authority of Roseville and Eastpointe

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the General Fund, and the Capital Projects Fund of the Recreational Authority of Roseville and Eastpointe (the "Authority") as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Recreational Authority of Roseville and Eastpointe's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the General Fund, and the Capital Projects Fund of the Recreational Authority of Roseville and Eastpointe as of June 30, 2021 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

To the Members of the Board
Recreational Authority of Roseville and Eastpointe

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements. The letter of transmittal is presented for purposes of additional analysis and is not a required part of the financial statements. The letter of transmittal has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

November 10, 2021

Recreational Authority of Roseville and Eastpointe

Management's Discussion and Analysis

As management of the Recreational Authority of Roseville and Eastpointe (the "Authority"), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, the financial statements, and the notes to the financial statements.

Overview

The Authority was incorporated by the city council of Roseville, Michigan on August 9, 2011 and the city council of Eastpointe, Michigan on August 16, 2011 and operationalized in the November 8, 2011 election, whereby voters in both Roseville and Eastpointe approved a levy of one mill (\$1 per thousand of taxable value) by an average of nearly 60 percent "yes" votes. Funded operations of the Authority began on January 1, 2012. The emphasis of the Authority's annual budget and five-year plan is to provide senior recreational and transportation services and programs for youth and adult participation. The Authority's building, acquired at incorporation, is located at 18185 Sycamore in Roseville, Michigan.

Using This Annual Report

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplemental information. The basic financial statements include information that presents two different views of the Authority:

The first column of the financial statements includes information on the Authority's General Fund under the modified accrual method. This fund financial statement focuses on current financial resources and provides a more detailed view about the accountability of the Authority's sources and uses of these funds.

The second column of the financial statements includes information on the Authority's Capital Projects Fund under the modified accrual method. This fund financial statement focuses on current financial resources available for capital purchases.

The adjustments column of the financial statements represents adjustments necessary to convert the fund financial statements to the government-wide financial statements under the full accrual method.

The final column is the government-wide financial statement column. This column provides both long-term and short-term information about the Authority's overall financial status. The statements of net position and activities provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances. These statements tell how the Authority was financed in the short term and what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required information that further explains and supports the information in the financial statements.

Recreational Authority of Roseville and Eastpointe

Management's Discussion and Analysis (Continued)

The Authority's Net Position

	Governmental Activities			
	2020	2021	Change	Percent Change
Assets				
Other assets	\$ 1,274,912	\$ 1,643,056	\$ 368,144	28.9
Capital assets	3,737,457	3,661,374	(76,083)	(2.0)
Total assets	5,012,369	5,304,430	292,061	5.8
Liabilities				
Current liabilities	148,917	242,463	93,546	62.8
Noncurrent liabilities	179,780	26,184	(153,596)	(85.4)
Total liabilities	328,697	268,647	(60,050)	(18.3)
Net Position				
Net investment in capital assets	3,577,836	3,661,374	83,538	2.3
Unrestricted	1,105,836	1,374,409	268,573	24.3
Total net position	<u>\$ 4,683,672</u>	<u>\$ 5,035,783</u>	<u>\$ 352,111</u>	7.5

The Authority's Changes in Net Position

	Governmental Activities			
	2020	2021	Change	Percent Change
Revenue				
Property taxes	\$ 1,389,624	\$ 1,424,882	\$ 35,258	2.5
State sources	68,111	42,024	(26,087)	(38.3)
Charges for services to external parties	271,508	147,258	(124,250)	(45.8)
SMART operating credits	132,391	301,150	168,759	127.5
Other revenue	136	16,161	16,025	11,783.1
Capital contributions	-	56,585	56,585	-
Total revenue	1,861,770	1,988,060	126,290	6.8
Program Expenses - Recreation	1,933,524	1,635,724	(297,800)	(15.4)
Other Financing Uses - Loss on disposal of capital assets	-	(225)	(225)	-
Change in Net Position	(71,754)	352,111	423,865	(590.7)
Net Position - Beginning of year	4,755,426	4,683,672	(71,754)	(1.5)
Net Position - End of year	<u>\$ 4,683,672</u>	<u>\$ 5,035,783</u>	<u>\$ 352,111</u>	7.5

Recreational Authority of Roseville and Eastpointe

Management's Discussion and Analysis (Continued)

The Authority's total net position at June 30, 2021 was \$5,035,783, including approximately \$3.7 million in capital assets. The Authority's governmental revenue totaled \$1,988,060, of which \$1,424,882, or 72 percent, was supported by property taxes levied on both real and personal properties located within the Authority's boundaries. Program revenue generated from recreation programs and rental fees totaled \$147,258, or 7 percent. The remaining 21 percent, or \$415,920, was generated from the following activities: \$301,150 from SMART operating revenue, \$42,024 from state sources, \$56,585 from capital contributions, and \$16,161 from other miscellaneous sources. The Authority saw a decrease in revenue from recreation programs and rental fees compared to the prior year of approximately 46 percent due to the COVID 19 pandemic that forced the Authority to significantly limit these activities during the fiscal year. The Authority's government wide expenditures totaled \$1,635,724, of which \$813,296, or 50 percent, is attributed to personnel related expenditures. Program operating supplies, professional services, and administrative fees represent 16 percent of total governmental expenditures, or \$257,557. Utilities and building related expenditures represent 34 percent, or \$564,871, of total expenditures incurred.

General Fund Budgetary Highlights

The Authority's administration monitors and amends the budget to take into account unanticipated expenditures that were incurred during the year. The Authority adopted a balanced budget for fiscal year 2020-2021. The budget was formally amended twice for fiscal year 2021. A budgetary comparison statement has been provided herein to demonstrate compliance with this budget. At year end, actual revenue was \$349,201 less than the amended budgeted amounts. Actual expenditures were \$270,576 less than budgeted. The Authority utilized approximately \$0.1 million of its unreserved fund balance in fiscal year 2020-2021. As stated earlier, the main objective of the Authority's ninth annual budget and multiyear plan is to provide senior recreational and transportation services and programs for youth and adult participation. However, the mandated inflationary cap on property assessments under Proposal A limits the recovery of losses of taxable property values from prior years in both cities, which seriously affects the Authority's budgets in the future. For fiscal year 2021 and beyond, management has developed a comprehensive multiyear financial forecast that will be updated annually as part of the Authority's annual operating budget to ensure adequate financial reserves are maintained.

Capital Assets and Debt Administration

At the end of 2021, the Authority had \$3.7 million invested in capital assets, including land, buildings, and equipment, with no related outstanding debt. During fiscal year 2011-2012, the member cities transferred approximately \$3.3 million in net assets to the Recreational Authority of Roseville and Eastpointe. The Authority uses these capital assets to provide recreational services to citizens; consequently, these assets are not available for future spending. At inception, the city councils of Roseville, Michigan and Eastpointe, Michigan committed to contribute real and personal property to the Authority limited to the City of Roseville Recreation Center, 18185 Sycamore, Roseville, Michigan and the City of Eastpointe Community Center, 16435 Eight Mile Road, Eastpointe, Michigan. During the fiscal year ended June 30, 2018, the building located at 16435 Eight Mile Road was sold, and the proceeds were split evenly by each member community. The articles permit any participating municipality to withdraw upon giving one full year's budgetary notice. The articles also address dissolution of the Authority, which requires council resolution from the governing board of the participating communities, at which time all outstanding debt of the Authority is required to be paid in full. Any remaining assets of the Authority would be evenly distributed to the member communities at the time of dissolution. From fiscal year 2013-2014 through fiscal year 2015-2016, the Authority incurred approximately \$3.5 million in building improvement expenditures at the 18185 Sycamore building.

Recreational Authority of Roseville and Eastpointe

Management's Discussion and Analysis (Continued)

Economic Factors and Next Year's Budgets and Rates

The tenth year of the Authority was not without challenges. Many financial challenges remain in the foreseeable future. Funding for the Authority is supported principally by property taxes and program revenue. The COVID 19 pandemic has negatively impacted program revenue in fiscal 2021 and will likely negatively impact program revenue for the foreseeable future. In addition, like most communities, the cities of Roseville and Eastpointe experienced double digit declines in market values on their real and personal properties from a decade ago. For 2021, an increase in taxable value from property assessments in member communities is anticipated. Unfortunately, as the housing market recovers, taxable value losses from prior years will be slow to recoup due to the mandated inflationary cap on property assessments under Proposal A. No matter the rate of increase, it will take significant future years to restore any municipality to its prior funding level. For fiscal year 2020-2021, taxable value of property subject to the Authority's authorized one mill levy was \$1,483,138,675. For fiscal year 2021-2022, taxable value of property subject to the Authority's authorized one mill levy is assessed at \$1,539,695,115. Despite the increase in property values to tax at the one mill rate, the challenges of revenue will be a prominent issue for the Authority's continuing operations. The Authority will adhere to a multiyear financial plan to address the challenges of revenue reduction and increase program income, along with seeking additional grant funding sources.

Requests for Further Information

This financial report is intended to provide our member communities, taxpayers, customers, and potential new members with a general overview of the Authority's finances and demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Authority directly.

Recreational Authority of Roseville and Eastpointe

Statement of Net Position/Governmental Funds Balance Sheet

June 30, 2021

	Modified Accrual			Adjustments (Note 2)	Statement of Net Position
	General Fund	Capital Projects Fund	Total Governmental Funds		
Assets					
Cash and cash equivalents (Note 3)	\$ 1,098,049	\$ 186,402	\$ 1,284,451	\$ -	\$ 1,284,451
Receivables:					
Property taxes receivable	70,173	-	70,173	-	70,173
Other receivables	243,279	-	243,279	-	243,279
Prepaid expenses	45,153	-	45,153	-	45,153
Capital assets: (Note 5)					
Assets not subject to depreciation	-	-	-	498,830	498,830
Assets subject to depreciation - Net	-	-	-	3,162,544	3,162,544
Total assets	\$ 1,456,654	\$ 186,402	\$ 1,643,056	3,661,374	5,304,430
Liabilities					
Accounts payable	\$ 101,067	\$ -	\$ 101,067	-	101,067
Accrued liabilities and other	38,309	-	38,309	-	38,309
Unearned revenue	103,087	-	103,087	-	103,087
Noncurrent liabilities:					
Due within one year -					
Compensated absences	-	-	-	18,295	18,295
Due in more than one year -					
Compensated absences	-	-	-	7,889	7,889
Total liabilities	242,463	-	242,463	26,184	268,647
Deferred Inflows of Resources -					
Unavailable revenue	261,233	-	261,233	(261,233)	-
Total liabilities and deferred inflows of resources	503,696	-	503,696	(235,049)	268,647
Equity					
Fund balances:					
Nonspendable - Prepaids	45,153	-	45,153	(45,153)	-
Assigned - Capital improvements	-	186,402	186,402	(186,402)	-
Unassigned	907,805	-	907,805	(907,805)	-
Total fund balances	952,958	186,402	1,139,360	(1,139,360)	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,456,654	\$ 186,402	\$ 1,643,056		
Net Position:					
Net investment in capital assets				3,661,374	3,661,374
Unrestricted				1,374,409	1,374,409
Total net position				\$ 5,035,783	\$ 5,035,783

Recreational Authority of Roseville and Eastpointe

Statement of Activities/Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2021

	Modified Accrual				
	General Fund	Capital Projects Fund	Total Governmental Funds	Adjustments (Note 2)	Statement of Activities
Revenue					
Property taxes	\$ 1,404,235	\$ -	\$ 1,404,235	\$ 20,647	\$ 1,424,882
State sources	42,024	-	42,024	-	42,024
Charges for services to external parties	147,258	-	147,258	-	147,258
SMART operating credits	93,459	-	93,459	207,691	301,150
Other revenue	16,161	-	16,161	-	16,161
Capital contributions	-	-	-	56,585	56,585
Total revenue	1,703,137	-	1,703,137	284,923	1,988,060
Expenditures					
Salaries and wages	603,174	-	603,174	-	603,174
Fringe benefits	204,097	-	204,097	6,025	210,122
Operating supplies and sundry	42,981	-	42,981	-	42,981
Professional fees, administration fees, training, and other	214,576	-	214,576	-	214,576
Capital outlay	199,946	8,251	208,197	(208,197)	-
Utilities, maintenance, and improvements	223,498	-	223,498	-	223,498
Debt service - Principal	159,621	-	159,621	(159,621)	-
Debt service - Interest on promissory note (Note 9)	733	-	733	-	733
Depreciation expense	-	-	-	340,640	340,640
Total expenditures	1,648,626	8,251	1,656,877	(21,153)	1,635,724
Excess of Expenditures Over (Under) Revenue	54,511	(8,251)	46,260	306,076	352,336
Other Financing Sources (Uses)					
Transfers in	-	133,136	133,136	(133,136)	-
Transfers out	(133,136)	-	(133,136)	133,136	-
Loss on disposal of capital assets	-	-	-	(225)	(225)
Total other financing (uses) sources	(133,136)	133,136	-	(225)	(225)
Net Change in Fund Balances/Net Position	(78,625)	124,885	46,260	305,851	352,111
Fund Balances/Net Position - Beginning of year	1,031,583	61,517	1,093,100	3,590,572	4,683,672
Fund Balances/Net Position - End of year	<u>\$ 952,958</u>	<u>\$ 186,402</u>	<u>\$ 1,139,360</u>	<u>\$ 3,896,423</u>	<u>\$ 5,035,783</u>

June 30, 2021

Note 1 - Significant Accounting Policies

Reporting Entity

The Recreational Authority of Roseville and Eastpointe (the "Authority" or "RARE") was established under Michigan Public Act 321 of 2000. The Authority is governed by an elected five-member board. Two members are appointed by the city council of each participating member community. A neutral fifth member is appointed by the other four members. The Authority constructs, operates, maintains, and/or approves recreational facilities and provides recreational services to the participating cities of Roseville, Michigan and Eastpointe, Michigan. Revenue is derived principally from a property tax levy on each participating community.

Accounting and Reporting Principles

The Authority follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the Authority:

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The individual fund columns present their activities on the modified accrual basis of accounting, as discussed above, which demonstrates accountability for how the current resources have been spent. The government-wide columns are presented on the economic resources measurement focus and the full accrual basis of accounting in order to measure the cost of providing government services and the extent to which constituents have paid the full cost of government services.

On the full accrual basis of accounting, revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Accounting

The Authority accounts for its various activities in two funds: the General Fund and Capital Projects Fund.

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund and the Capital Projects Fund. The Authority reports both funds as major governmental funds. The General Fund represents the Authority's primary operating fund. It accounts for all financial resources of the Authority other than those related to capital assets. The Capital Projects Fund accounts for all financial resources related to capital assets and is funded solely by transfers from the General Fund.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Authority has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment.

June 30, 2021**Note 1 - Significant Accounting Policies (Continued)**

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Authority considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: current property taxes, charges for services, and SMART operating credits. Conversely, delinquent taxes, grants, and fees will be collected after the period of availability; therefore, receivables have been recorded for these, along with a deferred inflow.

Specific Balances and Transactions**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements, when applicable.

Capital Assets

Capital assets, which include land, buildings, and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. The Authority records the net book value of right-to-use assets whose title remains with a third party that are operated and maintained by RARE under a right-to-use agreement. Capital assets are defined by the Authority as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Buildings and equipment are depreciated using the straight-line method over the following useful lives:

Capital Asset Class	Depreciable Life - Years
Buildings and building improvements	20
Machinery and equipment	5-7
Right-to-use vehicles	10

Land Use Fee

Included in the utilities, maintenance, and improvements expense line item is \$120,000 that represents land use payments of \$60,000 to each community per the land use agreement.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

The Authority reported no deferred outflows.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Authority reports deferred inflows related to unavailable revenue in the governmental funds balance sheet.

June 30, 2021

Note 1 - Significant Accounting Policies (Continued)

Fund Balance Flow Assumptions

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Authority itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Authority's highest level of decision-making authority. The Authority's board is the highest level of decision-making authority for the Authority that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential either to remove or revise a commitment.

Property Tax Revenue

Property taxes are levied on each December 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed.

The Authority's 2020 property tax revenue was levied and collectible on December 31, 2020 and is recognized as revenue in the year ended June 30, 2021 when the proceeds of the levy are budgeted and available for the financing of operations.

The 2020 taxable valuation of the Authority totaled \$1.48 billion, on which taxes levied consisted of 0.9704 mills for operating purposes. This resulted in \$1.42 million for the Authority. This amount is recognized in the General Fund financial statements as tax revenue.

Compensated Absences (Vacation and Sick Leave)

It is the Authority's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. All compensated absence liabilities will eventually be extinguished by General Fund resources.

June 30, 2021

Note 1 - Significant Accounting Policies (Continued)

Use of Estimates

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

Upcoming Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2022.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The Authority does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments; deferred inflows of resources; and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets and, when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2023.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2023.

June 30, 2021

Note 2 - Reconciliation of Individual Fund Columns of the Statement of Net Position/Statement of Activities

Net position reported in the statement of net position column is different than the fund balance reported in the individual fund columns because of the different measurement focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

Fund Balances Reported in Governmental Funds	\$ 1,139,360
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	3,661,374
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities	(26,184)
Unavailable revenue that is earned during the fiscal year but not yet collected is recognized as a deferred inflow of resources in the fund but are revenue in the statement of net position	261,233
Net Position of Governmental Activities	<u><u>\$ 5,035,783</u></u>

The change in net position reported in the statement of activities column is different than the change in fund balance reported in the individual fund columns because of the different measurement focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

Net Change in Fund Balances Reported in Governmental Funds	\$ 46,260
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	264,782
Depreciation expense	(340,640)
Net book value of assets disposed of	(225)
Increase in accumulated employee sick and vacation pay and other similar expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported in the fund statements until they come due for payment	(6,025)
Revenue is recorded in the statement of activities when earned; it is not reported in the funds until collected or collectible within 60 days of year end	228,338
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	159,621
Change in Net Position of Governmental Activities	<u><u>\$ 352,111</u></u>

June 30, 2021

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Authority has designated two banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs but not the remainder of state statutory authority, as listed above. The Authority's deposits and investments are in accordance with statutory authority.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. At year end, the Authority had \$829,337 of bank deposits (checking and savings accounts) that were uninsured and uncollateralized. The Authority believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Note 4 - Deferred Inflows of Resources and Unearned Revenue

Governmental funds report deferred inflows of resources in connection with receivables that are not collectible soon enough after the end of the year (60 days) that they are considered to be available to liquidate liabilities of the current period. On the full accrual basis, the Authority also defers revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue are as follows:

	General Fund - Modified Accrual Deferred Inflows of Resources	General Fund and Governmental Activities - Unearned Revenue
SMART revenue	\$ 233,290	\$ -
Other revenue	20,709	-
Insurance rebate	7,234	-
Recreation use fees	-	89,877
Rental fees	-	13,210
Total	<u>\$ 261,233</u>	<u>\$ 103,087</u>

Recreational Authority of Roseville and Eastpointe

Notes to Financial Statements

June 30, 2021

Note 5 - Capital Assets

Capital asset activity of the Authority's governmental activities was as follows:

Governmental Activities

	Balance July 1, 2020	Additions	Disposals	Balance June 30, 2021
Capital assets not being depreciated - Land	\$ 498,830	\$ -	\$ -	\$ 498,830
Capital assets being depreciated:				
Buildings and improvements	4,517,638	199,946	-	4,717,584
Machinery and equipment	493,348	8,251	(14,343)	487,256
Right-to-use vehicles	304,319	56,585	(32,763)	328,141
Subtotal	5,315,305	264,782	(47,106)	5,532,981
Accumulated depreciation				
Buildings and improvements	1,562,600	278,081	-	1,840,681
Machinery and equipment	361,442	30,937	(14,118)	378,261
Right-to-use vehicles	152,636	31,622	(32,763)	151,495
Net capital assets being depreciated	3,238,627	(75,858)	(225)	3,162,544
Net governmental activities capital assets	<u>\$ 3,737,457</u>	<u>\$ (75,858)</u>	<u>\$ (225)</u>	<u>\$ 3,661,374</u>

Depreciation expense for the year ended June 30, 2021 is \$340,640.

Construction Commitments

The Authority has active construction projects at year end. At year end, the Authority's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Parking Lot Project	\$ 178,760	\$ 34,495
Total	<u>\$ 178,760</u>	<u>\$ 34,495</u>

Note 6 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority has purchased commercial insurance for property loss, torts, errors and omissions, and workers' compensation insurance claims that fulfill statutory requirements. The Authority is insured for medical benefit claims through the City of Roseville, Michigan's employee medical benefit plan, which is liable for claims up to \$200,000 on an individual level annually. Excess insurance coverage for medical benefit claims has been purchased by the City of Roseville, Michigan. Settled claims have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 7 - Defined Contribution Pension Plan

The Authority provides pension benefits to all of its full-time employees through a defined contribution plan administered by Transamerica Investments. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. As established by the employment agreement (authority under which the pension obligation is established), the Authority contributes 15 percent of employees' gross earnings, and the employees can contribute up to 5 percent. The employee contributions for each employee plus interest allocated to the employee's account are fully vested after five years of service.

June 30, 2021**Note 7 - Defined Contribution Pension Plan (Continued)**

The Authority's total payroll during the current year was \$603,174. The current year contribution was calculated based on covered payroll of \$369,074, resulting in an employer contribution of \$55,361 and employee contributions of \$18,454.

Note 8 - Other Postemployment Benefits

The Authority provides retiree health care benefits to eligible employees and their spouses. This is a defined contribution plan administered by Transamerica Investments. The benefits are provided under employment agreements. The agreements require the Authority to contribute 2 percent of the employees' base wages. Employees are required to contribute 1 percent of their base pay.

During the year ended June 30, 2021, the Authority made contributions of \$7,381, and the plan members contributed \$3,691 to the plan.

Note 9 - Long-term Liabilities

Long-term debt activity for the year ended June 30, 2021 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct borrowings - Promissory notes	\$ 159,621	\$ -	\$ (159,621)	\$ -	\$ -

Total interest expense for the year was \$733.

Note 10 - Tax Abatements

One of the member communities in the Authority, the City of Roseville, Michigan, uses the industrial facilities tax exemption (PA 198 of 1974) to enter into agreements with local businesses to construct new industrial facilities or rehabilitate historical facilities. Under the program, the City of Roseville, Michigan grants reductions of 50 percent of the property tax bill for new property (or it can freeze taxable values for rehabilitation properties) for up to 16 years.

For the fiscal year ended June 30, 2021, the Authority abated approximately \$8,400 of taxes under this program. There are no provisions to recapture taxes; however, the abatement may be eliminated if taxes are not paid timely.

Required Supplemental Information

Recreational Authority of Roseville and Eastpointe

Required Supplemental Information Budgetary Comparison Schedule General Fund

Year Ended June 30, 2021

	Original Budget	Amended Budget	Actual	Variance with Final Budget
Revenue				
Property taxes	\$ 1,419,137	\$ 1,419,137	\$ 1,404,235	\$ (14,902)
State sources	35,993	42,024	42,024	-
Charges for services to external parties	450,000	170,000	147,258	(22,742)
SMART operating credits	241,166	414,166	93,459	(320,707)
Other revenue	8,011	7,011	16,161	9,150
Total revenue	2,154,307	2,052,338	1,703,137	(349,201)
Expenditures				
Salaries and wages	823,568	654,086	603,174	50,912
Fringe benefits	246,237	233,271	204,097	29,174
Operating supplies and sundry	148,148	113,000	42,981	70,019
Professional fees, administration fees, training, and other	363,030	325,783	214,576	111,207
Capital outlay	2,500	152,500	199,946	(47,446)
Utilities, maintenance, and improvements	277,334	280,208	223,498	56,710
Debt service - Principal	159,621	159,621	159,621	-
Debt service - Interest on promissory note	733	733	733	-
Total expenditures	2,021,171	1,919,202	1,648,626	270,576
Excess of Expenditures Over Revenue	133,136	133,136	54,511	(78,625)
Other Financing Uses - Transfers out	(133,136)	(133,136)	(133,136)	-
Net Change in Fund Balance	-	-	(78,625)	(78,625)
Fund Balance - Beginning of year	1,031,583	1,031,583	1,031,583	-
Fund Balance - End of year	<u>\$ 1,031,583</u>	<u>\$ 1,031,583</u>	<u>\$ 952,958</u>	<u>\$ (78,625)</u>

Recreational Authority of Roseville and Eastpointe

Note to Required Supplemental Information

June 30, 2021

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. All annual appropriations lapse at fiscal year end; encumbrances are not included as expenditures. The annual budget is prepared and adopted by the Authority's members; subsequent amendments are approved by the Authority's members. During the current year, the budget was amended in a legally permissible manner.

The budget statement is presented in accordance with accounting principles generally accepted in the United States of America, which is the same basis of accounting used in preparing the adopted budget, except for reporting proceeds from debt as revenue rather than other financing sources. The budget has been adopted at a line-item level; expenditures at this level in excess of amounts budgeted are a violation of Michigan law.

The following line items had unfavorable expenditure budget variances. During the year, the Authority incurred expenditures that were in excess of the amounts budgeted due to parking lot improvement project cost overruns.

	Amended Budget	Actual	Variance
Capital outlay	\$ 152,500	\$ 199,946	\$ (47,446)

Articles of Incorporation Recreation~~al~~ Authority of Roseville and Eastpointe

ARTICLE I

NAME

The name of the Authority shall be and is the "Recreation~~al~~ Authority of Roseville and Eastpointe", hereinafter referred to as the "Authority" or "R.A.R.E."

ARTICLE II

DEFINITIONS

Expressly Defined Terms: The terms "authority," "board," "participating municipality," "recreational purposes," "and territory of the Authority" as used in these Articles of Incorporation shall be now or hereafter defined in Section 3 of the Michigan Public Act 321 of 2000, as amended hereafter referred to as "Act 321", that being MCL 123.1131, *et seq.* Other terms shall have such meaning as may be specified in the various provisions of these Articles of Incorporation, and shall otherwise have the meanings customarily ascribed to them, considering the context and subject matter of these Articles of Incorporation.

ARTICLE III

PARTICIPATING MUNICIPALITIES AND TERRITORY

The participating and creating municipalities of the Authority are the City of Eastpointe, a Michigan Municipal Corporation, and the City of Roseville, a Michigan Municipal Corporation, both of which are hereby designated and referred to in these Articles as the "participating municipalities." The territory of the Authority shall include all of the combined territory of the participating municipalities. A municipality may become a participating municipality in the Authority only upon an affirmative vote of the Recreation Authority and the proposed participating municipality. If the Authority has been authorized to levy a tax, the addition of another participating municipality shall be contingent upon approval by the electors of the proposed municipality of a tax, equivalent to that which is being levied by the municipalities in millage rate and term at the time the proposed municipality becomes a participating municipality.

ARTICLE IV

PURPOSE

The purpose of the Authority shall be to construct, operate, maintain and/or improve recreational facilities, including but not limited to, parks, swimming pools, recreation centers, auditoriums and any other facilities authorized by Section 5 of Act 321, to acquire land for recreation purposes authorized by Section 5 of Act 321, and to provide recreational services as authorized by Act 321.

ARTICLE IVa

INITIAL ASSET CONTRIBUTION

The initial asset contribution of the participating municipalities, consisting of real and personal property, shall be limited to the following:

1. City of Roseville: Recreation Center
 18185 Sycamore, Roseville, MI 48066
 Parcel Identification No. 14-17-453-025
 Legal Description (see Exhibit A)
2. City of Eastpointe: Community Center
 16435 Eight Mile Road, Eastpointe, MI 48021
 Parcel Identification No. 50-14-31-459-001
 Legal Description (see Exhibit B)

This initial asset contribution may be modified by the majority vote of the legislative bodies of the participating municipalities.

ARTICLE V

POWERS

The Authority shall possess all the powers specified in Act 321, subject to the limitations of authority as provided by law and/or limitations as specified in these Articles of Incorporation, including the power to:

1. Acquire and hold, by purchase, lease with or without option to purchase, grant, gift, devise, land contract, installment purchase contract, bequest, or other legal means, real and personal property inside or outside the territory of the authority. The property may include franchises, easements, or rights of way on, under, or above any property. The authority may pay for the property from, or pledge for the payment of the property, revenue of the authority.
2. Apply for and accept grants or contributions from individuals, the federal government or any of its agencies, this state, a municipality, or other public or private agencies to be used for any of the purposes of the authority.
3. Hire full-time or part-time employees and retain professional services.
4. Provide for the maintenance of all of the real and personal property of the authority.
5. Assess and collect fees for services provided by and expenses incurred by the authority.
6. Receive revenue as appropriated by the legislature of this state or a participating municipality.
7. Enter into contracts incidental to or necessary for the accomplishment of the purposes of the authority.

ARTICLE VI

TERM

The Authority shall continue in existence perpetually or until dissolved by the majority vote of each of the then participating municipalities. A participating municipality shall not withdraw from the Authority during the period for which the Authority has been authorized to levy a tax by the electors of the Authority.

ARTICLE VII

FISCAL YEAR

The fiscal year of the Authority shall commence on the first day of July in each year and shall end on the last day of June of the subsequent year.

ARTICLE VIII

GOVERNING BOARD

The Authority shall be directed and governed by a five (5) member Board of Trustees, known as the "Recreational Authority of Roseville and Eastpointe Board" and hereinafter sometimes referred to as the "Board".

1. Membership of Board: The Board shall be made up of:
 - a. Two (2) members selected by the legislative body of each participating municipality, each of whom shall be a registered voter or city administrator of said participating municipality; and,
 - b. ~~A neutral fifth member selected by the four (4) members of each participating municipality.~~ A neutral fifth member, of whom shall be a registered voter of said participating municipality, shall be selected by the four (4) members of each participating municipality. The residence of the Fifth Board Member shall alternate between participating municipalities each term. Should the fifth board member be recommended for re-appointment by the four (4) board members the decision would fall upon the corresponding participating municipality for that term.
 - c. The term of each member shall be three (3) years, provided, however, the membership of the first duly appointed Board shall be subject to the following: One (1) member of each participating municipality as provided in 1a, above, and the neutral fifth member as provided in 1b, above, shall be for a term of three (3) years. The remaining two (2) members shall serve for a period of two (2) years.
2. Oath of Office: Each member of the Board shall qualify by taking the constitutional oath of office and filing it with the clerk of his or her respective participating municipality.
3. First Board; Organizational Meeting; Subsequent Board Members: The members of the first Board shall be selected within forty-five (45) days after the effective date of the incorporation of this Authority. Within sixty (60) days after the effective date of the incorporation of the Authority, the members of the first Authority Board shall qualify by taking the constitutional oath of office and shall meet for the purpose of organization. At

such organizational meeting, the Board shall select a Chairperson and a Vice Chairperson, each of whom shall be a member of the Board. The Board shall further select a Secretary and Treasurer, each of whom shall not be members of the Board. All officers shall serve until the organizational meeting of the following year, which shall be held each year in February, or until their respective successors shall be selected and qualify.

4. No selection to the Authority and no selection of an officer shall be deemed to be invalid because it was not made within the times or at the time specified in these Articles.

ARTICLE IX

COMPENSATION

Pursuant to the requirements of Act 321, members of the Board shall not be compensated for their service by the Authority. Each member of the Board shall, however, be entitled to reimbursement for all expenditures made by him or her in carrying out official duties as may be approved by the Board and to the extent authorized by the budget for the Authority for each fiscal year.

ARTICLE X

VACANCY

A vacancy occurs on the Board on the happening of any of the events set forth in MCL 201.3. Appointed members of the Board, if any, may be removed by the appointing authority for good cause after a public hearing. Vacancies shall be filled in the same manner as the original appointment for the unexpired term. In the event of a vacancy on the Board, the appointing authority selecting such representative shall fill the vacancy as expeditiously as possible.

ARTICLE XI

MEETINGS

Meetings of the Authority shall be held as required and at least monthly at such time and place as shall be prescribed by resolution of the Board. Each member of the Board shall have one vote. Special meetings of the Board may be called by the Chairperson, or any two (2) members thereof, by written notice at least twenty-four (24) hours prior to the time of such meeting. ~~Any member may waive notice of any special meeting either before or after the holding thereof.~~

Any meeting of the Board shall be held, and any notice therefore shall be given, in accordance with the provisions of Act 267, Public Acts of Michigan, 1976, as amended (the Open Meetings Act).

A majority of the members of the Board shall constitute a quorum which shall be required in order to conduct a meeting of the Board. The Board shall act by motion or resolution. A vote of the majority of the members of the Board who are present at any meeting, at which a quorum is present, shall be sufficient for passage of any motion or resolution. However, any decision regarding the annual budget, revenue sources, financing, property tax levy, capital expenditures, projected revenues, projected expenditures, budget and budget amendments, must be supported by a vote of the majority of the members of the Board. Any decision regarding a property tax levy shall also

require the vote of at least one board member of each participating municipality.

The Board shall have the right to adopt rules governing its procedures, which are not in conflict with the terms of any statute of the State of Michigan or of these Articles of Incorporation. The Board shall keep a record of its proceedings, which record shall be signed by the Secretary and open to the public. All votes shall be "Yes," "No" or "Abstain," provided where the vote is unanimous, it shall only be necessary to so state.

A writing prepared, owned, or used by an authority in the performance of an official function shall be made available in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

ARTICLE XII

DUTIES OF BOARD AND OFFICERS

The Chairperson of the Board shall be the presiding officer thereof, and shall be permitted, with the consent of the Board, to appoint committees of the Board as necessary. Except as herein otherwise provided, the Chairperson and Board Members shall not have any executive or administrative functions other than as a member of the Board. In the absence or disability of the Chairperson, the Vice-Chairperson shall perform the duties of the Chairperson.

The Secretary shall be the recording officer for the Board. The Board shall establish qualifications for such office, such as the capability of carrying out the duties of office, including, without limitation, compliance with the Freedom of Information Act and other state laws relating to record keeping and management.

The Treasurer shall be the custodian of the funds of the Authority and shall give to it a bond conditioned upon the faithful performance of the duties of his or her office. All money shall be deposited in a bank or banks, to be designated by the Board, and all checks or other forms of withdrawal therefrom shall be signed by two (2) persons, which persons shall be the Secretary, the Treasurer or their respective designees, as approved by the Board of Directors. All authorized signatories shall give a bond conditioned upon the faithful performance of the prescribed duties. The Authority shall pay the cost of the bonds. The Board shall establish qualifications for such office, including the capability of carrying out the duties of office as provided by law and these Articles of Incorporation.

ARTICLE XIII

REVENUE SOURCES, BUDGETING, AND FINANCING THE AUTHORITY

Revenue Sources

The Authority shall have the power to assess and collect fees, rents, tolls, excises, and service charges; to borrow money and issue revenue bonds in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended; to borrow money and issue bonds on the credit of the Authority a sum not to exceed 2 mills of the taxable value of the taxable property within the territory of the Authority for the purpose of acquiring, owning, purchasing, constructing, maintaining or operating a system of parks and recreational facilities or any combination thereof;

and to appropriate money annually for Authority purposes and to lay and collect taxes for Authority purposes in a sum not to exceed one (1) mill provided that it is approved in each participating municipality by a vote of the electorate, as provided in Act 321, and to raise revenue by any other levy or bond issuance authorized by Act 321. The term of any bond, note, land contract, installment purpose contract or other borrowed money shall not extend beyond the last day of the fiscal year of a property tax authorized under Article XIII.

Financing the Authority

A. Property Tax Levy

The Authority may levy a tax on all taxable property within the territory of the Authority as authorized by Section 11 of Act 321. For so long as the Authority is funded by a levy as authorized by Section 11 of Act 321, the imposition of such a levy shall preclude the Authority from requiring any further financial contributions from each participating municipality. Nothing in this paragraph shall be construed as preventing a participating municipality, by action of its governing body, from providing additional contributions to the Authority, for either general or a specific use.

Prior to making a final determination to levy a tax, as provided above, the Board must receive the approval of the legislative body of each participating ~~municipalities~~ municipality. Additionally, the Authority may levy the tax only upon the approval of a majority of the electors in each of the participating municipalities of the Authority.

B. Borrow Money/Issue Bonds ~~Or~~ or Notes

The Authority may borrow money and issue bonds or notes to finance the acquisition, construction and improvement of a public park, including the acquisition of sites and the acquisition and installation of furnishings and equipment. Prior to making a final determination to borrow money or issue bonds or notes, as provided above, the Board must receive the approval of the legislative body of each participating municipality. The Authority shall not borrow money or issue bonds or notes for a sum that, together with the total outstanding bonded indebtedness of the authority, exceeds 2 mills of the taxable value of the taxable property within the district as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a. Bonds or notes issued by the Authority are a debt of the Authority and not of the participating municipalities. A tax levied to pay a bond or note obligation by the Authority under Act 321 shall not exceed five (5) years without the approval of a majority of the electors in each of the participating municipalities of the authority.

Budgeting

The Board shall prepare a proposed annual operating and capital budget reflecting the projected revenues and projected expenditures of the Authority for the next fiscal year beginning July 1. The Board shall adopt the proposed budget by a majority vote of the members of the Board in such a manner as to assure that said budget is approved prior to July 1 of the year it is to commence. The Board's approval by majority vote shall be the final approval required for the budget. The budget may be amended from time to time upon approval of a majority of the Board. Nothing in this subsection shall be construed to require a participating municipality to fund the Authority with any general fund monies without the approval of said funding by that participating municipality's governing body, which shall retain the discretion to approve or deny general fund monies to the Authority during the time periods to which this subsection applies. The accounting and budgeting practices of the Authority shall conform with standard accounting practices, the Uniform

Budgeting and Accounting Act, Act 2, Public Acts of Michigan, 1968, as amended, and all other applicable provisions of law.

ARTICLE XIV

LIABILITIES

The Authority may contract for all appropriate insurance with an insurance company or may contract for inclusion by a participating municipality in the municipality's insurance coverage. Notwithstanding the above, the Authority's participation in any program of self-insurance will require approval of all participating municipalities.

The Authority must secure and maintain comprehensive general liability insurance, business automobile liability insurance, and if it employs any personnel, workers compensation and employer's liability insurance. The minimum liability level limits for such insurance shall be as follows:

Workers Compensation-
Statutory

Employer's Liability- \$500,000.00 each
person

Business Automobile Liability Combined \$5,000,000.00 single limit for bodily injury and property damage

Comprehensive General Liability and Public Official's Liability - \$10,000,000.00 each person and \$10,000,000.00 each occurrence for bodily injury and \$10,000,000.00 each occurrence and \$10,000,000.00 aggregate for property damage

The Authority must indemnify any participating municipality against any general losses, damages or liabilities due to the service and activities of the Authority or participation in the Authority up to the Authority's liability insurance policy limits.

ARTICLE XV

PARTICIPATING MUNICIPALITY WITHDRAWAL

A participating municipality shall not withdraw from the Authority during the period that a tax is authorized to be levied by the electors of the Authority.

A participating municipality may withdraw from the Authority, subject to the limitation in the first paragraph of this Article, by resolution of the participating municipality's legislative body approving the withdrawal. A certified copy of the resolution shall be provided to the Board at least three (3) months prior to the beginning of a new fiscal year for the Authority. Such new fiscal year shall serve as the effective date for the withdrawal.

A participating municipality that withdraws from the Authority shall remain liable for a proportion of the debts and liabilities of the Authority incurred while the participating municipality was a part of the Authority. The proportion of the Authority's debts for which a participating municipality remains liable as a result of this withdrawal from the Authority shall be determined by dividing the state equalized value of the real property in the participating municipality by the state equalized value of all real property in the Authority on the effective date of the withdrawal.

Any property owned by the Authority, which is in the possession of the withdrawing municipality or in the possession of personnel who will no longer remain with the Authority as a result of the participating municipality's withdrawal from the Authority, shall be returned to the Authority before the effective date of the withdrawal. The withdrawing municipality shall not be entitled to the return of any credit for any property or money it transferred to or paid to the Authority prior to the withdrawal.

ARTICLE XVI

DISSOLUTION OF AUTHORITY

The Authority may be dissolved by the concurring resolution of the governing body of a majority of the participating municipalities of the Authority at the time of such dissolution. Prior to dissolution of the Authority, any outstanding indebtedness of the Authority, including any bonds issued under Section 21 and/or Section 23 of Act 321 shall be paid. Any assets of the Authority remaining after the payment of any such outstanding indebtedness shall be distributed evenly to the participating municipalities of the Authority at the time of the dissolution. In all instances, the participating municipality in which said real estate is located shall be given the right of first refusal on the purchase of said real estate. In the event of a dissolution following a period of property tax levy by the Authority, any funds obtained via levy, and/or property purchased by such funds, which are subsequently distributed to the participating municipalities pursuant to this Article shall be assigned by the participating municipalities to public purposes consistent with the purposes approved by the electorate for the original levy.

In the event that, at the time of dissolution, the Authority is in possession of lands acquired with, or developed with, in whole or in part, grant funds from the Michigan Natural Resources Trust Fund (hereinafter the "MNRTF"), the rules and regulations governing the disposition of such lands as adopted by the MNRTF Commission, or its designee, shall control. As much as practicable, the participating municipalities shall distribute evenly the assets relating to same in calculating any credits, or set-offs in regards to any dissolution arrangements under this Article.

ARTICLE XVII

EMPLOYEES

The Board may employ such personnel and employees as it may consider desirable and may retain from time to time the services of attorneys, accountants, and other consultants, as the Board considers necessary to carry out the purpose of the Authority.

ARTICLE XVIII

AUDIT

The Board shall obtain an annual audit of the Authority pursuant to Section 27 of the act, being MCL 1 23.1157. The books and records of the Authority shall be open for inspection by any participating municipality at all reasonable times.

ARTICLE XIX

STATE, FEDERAL AND PRIVATE GRANTS

The Authority shall have the power to apply for and accept grants, loans or contributions from the United States of America or any agency or instrumentality thereof, the State of Michigan or other public or private organizations or foundations; and to do any and all requirements necessary or desirable to secure such financial or other aid or cooperation in carrying out any of the purposes of Act 321. In the event that any grant, loan or contribution shall require a ~~long-term~~ long-term obligation as to the use, maintenance, or operation of a specific piece of property, the approval of the governing body of the participating municipality in which such property is located shall be required prior to the acceptance of the grant, loan, or contribution by the Authority.

ARTICLE XX

INVESTMENT

The Treasurer of the Authority when authorized by a resolution of the Board may invest general funds of the Authority. The Board must approve the Treasurer's investment policy. Such investment by the Treasurer shall be made in compliance with the laws of the State of Michigan.

ARTICLE XXI

EXEMPTION FROM TAXATION

The property of the Authority shall be exempt from all taxation and assessments and no writ of attachment or writ of execution shall be levied upon the property of the Authority.

ARTICLE XXII

PUBLICATION?

These Articles of Incorporation shall be published not less than once ~~in a newspaper generally~~ *Circulated?* within the participating municipalities, before they are adopted. The adoption of these Articles of Incorporation by a participating municipality shall be evidenced by an endorsement on these Articles by the clerk of such participating municipality. Upon adoption of these Articles of Incorporation by each of these participating municipalities, a printed copy thereof shall be filed with the Secretary of State by the City Clerk of the City of Eastpointe.

ARTICLE XXIII

EFFECTIVE DATE

The Authority shall become effective upon the filing of certified copies of these Articles with the Secretary of State, as provided in the preceding Article.

ARTICLE XXIV

AMENDMENTS

Amendments may be made to these Articles of Incorporation at any time if adopted by the legislative body of each participating municipality of which the Authority is composed. This requirement shall apply to all amendments to the articles, including those which would otherwise be exempted by paragraph (4) of Section 5 of Act 321. Any such amendment shall be published, endorsed, and certified and printed copies thereof filed in the same manner as the original Articles of Incorporation.

ARTICLE XXV

REVERSION OF LEASES OF EXISTING PARK LAND

In the event that any land leased to the Authority shall, during the Authority's stewardship and lease of said lands, be improved or developed, in whole or in part, with the assistance of Michigan Natural Resources Trust Fund ("MNRTF") and/or Land and Water Conservation Fund ("LWCF") monies, the Authority shall, throughout the Authority's stewardship and lease of the lands, be responsible for maintaining said lands in accordance with all grant requirements attendant to funding under the MNRTF and/or LWCF requirements.

In the event of the dissolution of the Authority, or any other termination of the Authority's lease for any reason, the rules and regulations governing the disposition of such lands as adopted by the MNRTF and/or LWCF, shall control. As much as practicable, the participating municipalities shall distribute evenly the assets relating to same in calculating any credits, or set-offs, in regards to any dissolution arrangements under Article XVI.

ARTICLE XXVI

MISCELLANEOUS

These Articles of Incorporation may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The captions in these Articles of Incorporation are for convenience only and shall not be considered as part of these Articles of Incorporation or in any way limiting or amplifying the terms and provisions hereof.

These Articles have been adopted by the governing bodies of the City of Roseville and City of Eastpointe as set forth in the following endorsements, and in witness whereof the Mayor and Clerk of the City of Roseville and Mayor and Clerk of the City of Eastpointe.

The foregoing Articles of Incorporation were adopted by the City Council of the City of Roseville, Macomb County, Michigan, at a meeting duly held on the 9th day of August, 2011.

Mayor

Clerk

The foregoing Articles of Incorporation were adopted by the City Council of the City Eastpointe, Macomb County, Michigan, at a meeting duly held on the 16th day of August, 2011.

Mayor

Clerk

EXHIBIT A

Legal Description

SEC 17 COM AT SE COR SEC 17; TH NO*50'W 1351.30 FT; TH S89*02'W 1338.30 FT TO POB; THS0*52'E 269.80 FT; TH N85*24'W 510.90 FT; TH NO*52' W220.16 FT; TH N89*02'E 508.58 FT TO POB, BEING 2.86 A; ALSO ALL LOTS 10 THRU 14, ROSEVILLE FARMS NO 4 SUB

EXHIBIT B

Legal Description

"RIDGEMONT GOLF COURSE SUBDIVISION" Lots 1 to 6 INCL. ALSO LOTS 23 TO 28 INCL.

BYLAWS OF THE RECREATION~~AL~~ AUTHORITY OF ROSEVILLE AND EASTPOINTE

ARTICLE 1: MISSION

The Recreation~~al~~ Authority of Roseville and Eastpointe exists to present community recreational opportunities to youth, adults and senior citizens and in doing so to combine the resources of each participating community to enrich lives by promoting active and healthy lifestyles.

ARTICLE 2: POWERS AND AUTHORITY

These Bylaws offer further guidance and support to the Articles of Incorporation concerning the governance and operations of the Recreation~~al~~ Authority of Roseville and Eastpointe, hereafter referred to as the Authority. These Bylaws are meant to be complimentary and supportive to the Articles of Incorporation. In the event of a conflict between these Bylaws and the Articles of Incorporation, the Articles shall prevail.

ARTICLE 3: LOCATION & PARTICIPATING MUNICIPALITIES

3.1 PRINCIPAL OFFICE. The principal office of the Authority shall be located at:

Recreation~~al~~ Authority of Roseville and Eastpointe
18185 Sycamore, Roseville, Michigan 48066

or such other location as may be designated by the Board of the Authority.

3.2 PARTICIPATING MUNICIPALITIES. The participating municipalities of the Authority are the City of Roseville and the City of Eastpointe in the County of Macomb, Michigan. The territory of the Authority shall be all of the combined territory of the participating municipalities.

ARTICLE 4: BOARD OF TRUSTEES

4.1 POWERS OF BOARD. The business and affairs of the Authority shall be managed by the members of a Board of Trustees (the Board) as defined in the Articles of Incorporation, first amended.

4.2 NUMBER AND QUALIFICATION. The Board shall be directed and governed by an odd number and be made up of two (2) members selected by the governing body of each of the participating municipalities, as provided for in the Articles of Incorporation. A neutral fifth member, of whom shall be a registered voter of said participating municipality, shall be selected by the four (4) members of each participating municipality. The residence of the Fifth Board Member shall alternate between participating municipalities each term. Should the fifth board member be recommended for re-appointment by the four (4) board members the decision would fall upon the corresponding participating municipality for that term. ~~A fifth member shall be chosen by the Board, who shall be a registered voter of either participating municipality, and who shall serve for a period of three (3) years, as provided for in the Articles of Incorporation. It is recommended that the selection of subsequent fifth members from the qualified voter pools of each participating municipality shall alternate between the participating municipalities when practically possible, however, a fifth member whose term is about to expire may be reappointed by the Board for an additional terms. upon the recommendation of each of the participating municipalities. In the event~~

~~either or both of the participating municipalities do not recommend the fifth member whose term is about to expire serve an additional term, then the Board shall choose a fifth member as provided herein.~~

4.3 VACANCIES. The governing body which selected the representative shall fill the vacancy as expediently as possible.

4.5 DURATION OF TERM. The term of each member shall be three (3) years except as otherwise provided for in the Articles of Incorporation. Members of the Board shall hold office for the term which they are appointed and until their successors are assigned and qualified, or until resignation or removal.

4.6 RESIGNATION. A trustee may resign by written notice to the Authority. The resignation is effective upon receipt by the Authority or at a later time as stated in the notice.

4.7 REMOVAL. A vacancy occurs on the Board on the happening of any of the events set forth in MCL 201.3. Appointed members of the Board, if any, may be removed by the appointing authority for good cause after a public hearing. Vacancies shall be filled in the same manner as the original appointment for the unexpired term. In the event of a vacancy on the Board, the appointing authority selecting such representative shall fill the vacancy as expeditiously as possible.

4.8 DUTIES OF THE BOARD. In addition to any other responsibilities of the Board of Trustees under Michigan law, the Authority's Articles of Incorporation or these Bylaws, the Board of Trustees will have the following specific obligations and responsibilities.

4.8.1 The Board of Trustees shall establish practices and procedures to assure that funds and property received by the Authority are disbursed only for the purpose for which they were received. The Board of Trustees shall require a regular accounting of all funds held and disbursed by the Authority.

4.8.2 The Board of Trustees shall establish and approve policies governing the day-to-day operation of the Authority.

4.8.3 The Board of Trustees shall recruit, select, evaluate, and hire the paid Executive Director. It shall fix the terms of compensation, benefits, duties, and responsibilities of the Executive Director in accordance with a personnel policy approved by the Board of Trustees. The Board shall also designate a Secretary and Treasurer.

4.8.4 The Board of Trustees will require periodic reports on the operations of the Authority from the Executive Director.

4.9 COMPENSATION. Trustees shall not be compensated.

4.9.1 EXPENSES. Reimbursement of expenses may be permitted upon the resolution of the Board.

4.10 PARLIMENTARY PROCEDURE. The Board of Trustees shall operate under the latest version of Roberts Rules of Order.

ARTICLE 5: MEETINGS OF THE BOARD

5.1 REGULAR MEETINGS. Regular monthly meetings of the Board of Trustees shall be held publicly to consider all matters properly within its jurisdiction. The Board of Trustees shall determine annually at the Regular December Board meeting their monthly meeting day/time for meetings to be held during the subsequent year.

5.2 SPECIAL MEETINGS. Special meetings of the Board of Trustees may be called by the Chairman or upon written request of any two Board members then in office.

5.3 ORGANIZATIONAL MEETING. Each year in February, the Board shall hold an organizational meeting with the sole intent to elect officers of the Authority, and appoint any committee members.

5.4 NOTICE OF MEETINGS. Written notice of regular, special or organizational meetings shall be provided to all Board members not less than twenty-four (24) hours or more than thirty (30) days before a meeting. The notice of a special meeting shall contain the purpose of the meeting. Notice may be given by mail, fax, email or other electronic means of communication.

5.5 QUORUM. A majority of the members of the Board then in office constitutes a quorum for the transaction of business at any regular, special or organizational meeting.

5.6 VOTING. Each member of the Board shall have one (1) vote on any matter to come before the Board unless the member has a direct conflict of interest, as determined by the remaining members at the meeting. The vote of the majority of the members present at a meeting at which a quorum is present shall be the action of the Board.

ARTICLE 6: OFFICERS

6.1 POSITIONS. The officers of the Authority shall be the Chairman and the Vice chairman.

6.2 TERMS OF OFFICE. Officers shall be elected annually by the Board of Trustees, from among its members, at its February board meeting. Officers will hold office for one (1) year terms, and until their successors are assigned and qualified, or until resignation or removal.

6.3 RESIGNATION. An officer may resign by written notice to the Authority. The resignation is effective upon receipt by the Authority or at a later time stated in the notice.

6.4 REMOVAL. The Board of Trustees may remove an officer with or without cause. An officer may be removed from office on a majority vote of the remaining Trustees then in office at a special meeting of the Board of Trustees called for the specific purpose of voting on the removal of such officer; however, any officer to be removed shall have the right to attend such special meeting and to present any evidence which she/he may wish to present at such meeting.

6.5 VACANCIES. Vacancies for unexpired terms of officers shall be filled by the Board from among its current members.

6.6 DUTIES OF OFFICERS.

6.6.1 CHAIRMAN. The Chairman shall be the chief officer of the Authority, and shall have such powers and duties as are vested in the chairman of a corporation by law or custom, and as may be determined from time to time by the Board of Trustees, except as otherwise provided by law, the Articles of Incorporation, or these Bylaws.

6.6.2 VICE CHAIRMAN. The Vice-Chairman shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman, and shall perform such other duties as the Chairman or the Board of Trustees may prescribe.

ARTICLE 7: EXECUTIVE DIRECTOR

The Board shall select and employ a competent, experienced administrator who shall be its Executive Director in the management of the Authority. The Board shall delegate to the Executive Director the necessary authority and responsibility for the administration of the Authority and its activities, subject to policies adopted and orders issued by the Board.

ARTICLE 8: COMMITTEES

8.1 COMMITTEES. The Board of Trustees may by resolution at any meeting of the Board designate and empower standing and/or ad hoc committees to assist with the setting of policy, administering and staffing a function and/or performing other duties which will benefit the mission and purpose of the organization. The Board of Trustees shall set forth in a Resolution the purpose and powers of the respective committees.

8.2 COMMITTEE MEMBERSHIP. Each committee shall consist of at least two (2) committee members, at least one (1), but not more than two (2), of whom shall be a member of the Board. Unless otherwise provided for in these Bylaws, the chairman of each committee shall be appointed by the Chairman of the Board. Any standing or ad hoc committee designated by the Board of Trustees may include as full voting members of such committees such persons, whether or not trustees or officers of the Authority, as the Board of Trustees shall determine. Each such committee shall have power to the extent delegated to it by the Board, except that no such powers shall be delegated that are inconsistent or adverse to the Authority's Articles of Incorporation. Each committee shall keep minutes of the proceedings and report to the Board of Trustees. At least one (1) member of the management staff of the Authority shall be an ex-officio member on each committee.

8.3 COMMITTEE MEETINGS. Committees shall meet on the call of their respective chairpersons or in the event of their absence or inability to act, on the call of the Chairman of the Board of Trustees or the Executive Director of the Authority. A majority of the members then serving on a committee constitutes a quorum for the meeting of the committee and the vote of a simple majority of those present at a meeting at which a quorum is present, constitutes an action of the committee. Each committee shall determine and schedule the number of regular meetings it will hold each year.

ARTICLE 9: FISCAL YEAR AND FINANCES

9.1 FISCAL YEAR. The fiscal year of the Authority shall be from July 1 of each year through June 30 of the following year.

9.2 CONTRACTS, CHECKS, BANK ACCOUNTS, ETC. The Board of Trustees is authorized to select such banks or depositories as it shall deem proper for funds of the Authority. The Board shall determine who, if anyone, in addition to the Executive Director and the Treasurer shall be authorized from time to time on the Authority's behalf to sign checks, drafts and money orders for the payment of money, acceptances, notes and other evidences of indebtedness, to enter into contracts or to execute and deliver other documents and instruments. The Executive Director or Treasurer may individually endorse checks not to exceed \$1,000.00. Checks in excess of \$1,000.00 shall require the endorsements of both the Executive Director and the Treasurer. All persons having access to the monetary assets of the Authority shall be bonded for such purposes. The Authority shall comply with PA 2 of 1968 of the State of Michigan.

9.3 TAX COLLECTION PROCEDURES. The Authority annually shall levy and collect the voter authorized tax in each municipality by the levy being applied and collected in the same manner as other taxes levied and collected by the participating municipalities each fiscal year.

9.4 AUDIT OR FINANCIAL REVIEW. An audit of the Authority accounts shall be performed annually at the end of the fiscal year by a certified public accountant. The annual audit will be presented to the Board of Trustees for approval prior to sending three copies of the annual audit to each participating municipality and placed on file with the State of Michigan.

ARTICLE 10: LIABILITY INSURANCE, INDEMNIFICATION

10.1 LIABILITY INSURANCE. The Authority shall have and maintain liability insurance for the Authority.

10.2 INDEMNIFICATION. The Authority shall indemnify its trustees, officers, employees and agents and other persons whom it shall have power to indemnify, as permitted by law, and as determined by the Board of Trustees.

ARTICLE 11: OPEN MEETINGS AND FREEDOM OF INFORMATION PROVISIONS

All meetings of the Authority shall be open to the public and shall be held in a place available to the general public. All deliberations and decisions of the Authority shall be made at a meeting open to the public. A person shall be permitted to address the Board at a meeting of the Authority under the rules established by the Board. A person shall not be excluded from a meeting of the Authority except for a breach of the peace committed at the meeting as determined by the Chair. All records, files, publications, correspondence, and other materials are available to the public for reading, copying, and other purposes as governed by the Freedom of Information Act.

ARTICLE 12: BY-LAW AMENDMENT

These Bylaws may be amended, repealed or altered in whole or in part by the affirmative vote of two thirds (2/3) of the members of the Board of Trustees then in office, who are present at any regular meeting of the Board, except that no such action shall be taken in a manner inconsistent with or adverse to the Articles of Incorporation. Any proposal to amend these Bylaws shall be included with written notice and posted at the Recreation Authority Center and both City Halls at least thirty (30) days in advance of the meeting at which the amendment is proposed.

CERTIFICATION

I, Anthony J. Lipinski, Executive Director of the Recreation~~al~~ Authority of Roseville and Eastpointe, Macomb County, Michigan, do hereby certify that the foregoing Bylaws were offered by Trustee _____ and seconded by Trustee _____ and that the same was duly passed at a

regular meeting of said Recreation~~al~~ Authority held in the City of Roseville ~~City Hall Building~~ at The Recreation Authority Center Building on the __ day of _____, 2021~~18~~, and that the vote was as follows:

Yeas:

Nays:

Absent:

ANTHONY J. LIPINSKI
EXECUTIVE DIRECTOR



RECREATION AUTHORITY OF ROSEVILLE-EASTPOINTE

18185 SYCAMORE, ROSEVILLE, MI 48066 586-777-7177

OFFICE HOURS: 8:30 A.M.—4:00 P.M. - MONDAY—FRIDAY

www.rare-mi.org

SENIOR ACTIVITIES NEWSLETTER

NOVEMBER 2021

Mary L. Grant, Senior Director

Kim Steele, Office Support

ANNUAL SENIOR CENTER HOLIDAY PARTY

Date: Friday, December 10, 2021 **Time:** 11:00 a.m.—3:00 p.m.

Cost: \$25.00 Residents \$30.00 Non-Residents

Location: Eastpointe Manor (24611 Gratiot Avenue)

“Santa Claus is Coming to Town” has been chosen as the theme for our Holiday Party. All are welcome to join us for this fun and festive occasion. The decorations, favors, and centerpieces will tie in with the “Santa Claus” theme. The event will include a fabulous meal, sing-a-long, Christmas Jingo, a photo with Santa, door prizes, and a 50/50 raffle. Tickets can be purchased thru December 6th or until filled. Space is limited so sign up early! Transportation to this event will be provided by S.M.A.R.T. Call the Senior Office to set up a ride.

UPCOMING ACTIVITIES

“Stretch for Life” (formerly Hi-Steps)—All are welcome to join us for a new fitness opportunity. “Stretch for Life” class meets from 9:00–10:30 a.m. every Monday and Wednesday in the Small Gym. The drop-in fee is \$1.00 per class. The new format will include a “walk off the pounds video” from 9:00–9:30 a.m., floor exercises from 9:30–10:00 a.m., and wall exercises from 10:00–10:30 a.m. If you plan on participating in the floor exercises, we recommend you bring a yoga mat or a towel. We hope you will participate in this program which offers fun, fitness, and socialization!

Senior Center Smoothie Bar—How would you like to start your day in a wonderful way? Stop by the Center on Friday, November 5th and enjoy a “Berry Smoothie” for the low price of \$2.00. We will be mixing up these delicious and healthy drinks in our Drop-In Room from 9:00–10:00 a.m. Smoothies are a great way to boost your energy and improve your overall wellness. Why not join us for the “health” of it!

“Made in Michigan Bingo”—Wednesday, November 10th from 1:00—2:30 p.m. Please join us in the Activity Center for our next bingo event. The cost to participate is \$5.00 per person and includes a snack. Our prizes will consist of products that are made in the great state of Michigan. Please call the Senior Office to make a reservation. Payment due upon registration. Space is limited, so sign up early.

Breakfast Club—On Thursday, November 18th at 9:00 a.m. we will be hosting a Breakfast Club activity. Participants will be treated to a continental breakfast followed by a few rounds of card bingo with prizes. The cost is \$8.00 per person. Space is limited, so sign up early.

Painting Party—On The Gogh Studio is an art studio on wheels! They are equipped with everything we need to have an amazing art party right here at the Center. On Wednesday, November 17th at 1:00 p.m. you will paint a canvas with a winter snow globe scene. A sample of the painting is available at the Senior Office. The fee is \$18.00 and includes supplies. It doesn't matter if you're a beginner or a seasoned artist. This class is perfect for everyone! You must register and pay in advance, class size is limited.

Holiday Market—All are welcome to join us for a little holiday shopping. We have invited our senior crafters to sell their wares at our mini "Holiday Market" on Friday, December 3rd from 10:00 a.m.—12:00 noon in our Drop-In Room. All are welcome to stop by and check out the unique and creative items that will be on sale. This is a perfect way to support our Center!

HEALTH & FITNESS

STRETCH FOR LIFE: Mondays and Wednesdays from 9:00–10:30 a.m. in the Small Gym—\$1 per class

FITNESS CENTER: The current hours are: Monday–Friday, 8:30 a.m.–8:00 p.m. and Saturdays 9:00 a.m.–4:00 p.m. Please be mindful of the expiration date on your fitness cards. Many of you are up for renewal!

WALKING: Monday, Wednesday, Friday in the Large Gym from 9:00 a.m.–12:00 noon.
Please note: There will be no walking on Friday, November 12th.

PICKLEBALL: Tuesdays and Thursdays from 1:00–3:00 p.m. in the Small Gym.
\$1 Residents and \$2 Non-Residents

LINE DANCING: Every Wednesday, Basic Line Dance is from 1:00–2:00 p.m. and Improved Line Dance is from 2:00–3:00 p.m.—\$4 for Residents and \$5 for Non-Residents.

ZUMBA GOLD: Thursdays from 10:00–11:00 a.m. in the Small Gym—\$6.00 per class.

SENIOR CENTER HAPPENINGS

DROP-IN ROOM and COMPUTERS: These rooms will be open Monday, Tuesday, Thursday, and Friday from 9:00 a.m.–12:00 noon. Please be advised that there will be no coffee or cookies available during this time.

SIT 'n KNIT: Every Monday from 11:00 a.m.–1:00 p.m. in the Drop-In Room.

CRAZY RUMMY: Every Tuesday from 1:00–3:00 p.m. in the Drop-In Room.

POOL ROOM: Open for play on Tuesdays and Thursdays throughout the day by appointment only.

OPEN CARD PLAY: Wednesday and Friday from 1:00–3:00 p.m. in the Game Room.

STROKE CLUB: Every Thursday from 9:30–11:00 a.m. in the Drop-In Room.

DINING SENIOR STYLE

Macomb Community Action hosts a hot lunch program here at our Center weekdays at 11:15 a.m. There have been current changes to the program. The lunches will be “To-Go” only and will be distributed on a first-come-first-served basis.

Please note: There will be no meals served on November 11th, 25th, and 26th.

MEDICARE ASSISTANCE DURING OPEN ENROLLMENT

Sponsored by: Michigan Medicare/Medicaid Assistance Program

Medicare Open Enrollment is October 15—December 7, during this time you can review and change your Part D prescription drug plan or your Medicare Advantage plan. Michigan’s Medicare Medicaid Assistance Program will be offering telephone appointments or Zoom calls to those individuals who would like to review their plans. To make an appointment for this free, unbiased service, please call 800-803-7174.

TRAVEL OPPORTUNITIES

AN OVERNIGHT HOLIDAY GETAWAY OGLEBAY-WINTER FESTIVAL OF LIGHTS

Date: Sunday-Monday, December 5-6, 2021

Authority Member: \$300.00 per person/double occupancy

Non-Member: \$305.00 per person/double occupancy

This holiday themed overnight adventure includes: 1 night stay at the Oglebay Hotel & Resort, meals (1 breakfast, 1 lunch, 1 dinner), shopping at the Oglebay Holiday Market Place, a guided tour of the Oglebay Festival of Lights, a guided tour of the David Warther Carvings and Gift Shop, lunch at Der Dutchman, and shopping at Carlisle Gifts. To hold your reservation, a deposit of \$20.00 per person either by check, money order, or debit/credit card is required.

SENIOR VAN TRANSPORTATION

Senior Van Transportation is available Monday—Friday from 8:30 a.m. to 3:30 p.m. The dispatchers will make reservations for Eastpointe and Roseville residents, on a first come, first served basis. Rides must be scheduled in advance. The fee is \$1.00 per way. Vans will travel from 8 Mile to 15 Mile Roads and Jefferson to Hoover. For complete details, please contact the

Senior Van Transportation lines Monday—Friday, 9:00 a.m. to 3:00 p.m.

Eastpointe residents should call 586-445-5085

Roseville residents should call 586-445-5482

A SPECIAL THANK-YOU

We would like to take this opportunity to thank the following businesses for sponsoring our Trunk or Treat—Senior Center Edition and making it such a huge success: Dedicated Senior Medical Care, Oak Street Health, CaptionCall, ShorePointe Nursing Center/Cranberry Park, Senior Care Authority, Home Instead, Advantage Living Centers, Vascular Centers of America, American House Senior Living Communities—East II, and Oakmont Senior Communities.

NOVEMBER 2021 – SENIOR ACTIVITIES

Monday	Tuesday	Wednesday	Thursday	Friday
1 Drop In /Computer Room 9am-Noon Stretch for Life 9-10:30am Walking 9am-Noon Sit 'n Knit 11am	2 Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Pickleball 1-3pm Rummy 1-3pm	3 Stretch for Life 9-10:30am Walking 9am-Noon Cards 1-3pm Line Dance 1-3pm	4 Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Stroke Club 9:30-11am Zumba Gold 10am Pickleball 1-3pm	5 Smoothie Bar 9am Drop In /Computer Room 9am-Noon Walking 9am-Noon Cards 1-3pm
8 Drop In /Computer Room 9am-Noon Stretch for Life 9-10:30am Walking 9am-Noon Sit 'n Knit 11am	9 Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Pickleball 1-3pm Rummy 1-3pm	10 Stretch for Life 9-10:30am Walking 9am-Noon "Made in Michigan" Bingo 1pm Cards 1-3pm Line Dance 1-3pm	11 VETERANS DAY Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Stroke Club 9:30-11am Zumba Gold 10am Pickleball 1-3pm NO LUNCH	12 NO WALKING IN THE LARGE GYM Drop In /Computer Room 9am-Noon Walking 9am-Noon Cards 1-3pm
15 Drop In /Computer Room 9am-Noon Stretch for Life 9-10:30am Walking 9am-Noon Sit 'n Knit 11am	16 Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Pickleball 1-3pm Rummy 1-3pm	17 Stretch for Life 9-10:30am Walking 9am-Noon Cards 1-3pm Line Dance 1-3pm Painting Party 1-3pm	18 Breakfast Club 9am Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Stroke Club 9:30-11am Zumba Gold 10am Pickleball 1-3pm	19 Drop In /Computer Room 9am-Noon Walking 9am-Noon Cards 1-3pm
22 Drop In /Computer Room 9am-Noon Stretch for Life 9-10:30am Walking 9am-Noon Sit 'n Knit 11am	23 Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Pickleball 1-3pm Rummy 1-3pm	24 Stretch for Life 9-10:30am Walking 9am-Noon Cards 1-3pm Line Dance 1-3pm	25  SENIOR CENTER CLOSED	
29 Drop In /Computer Room 9am-Noon Stretch for Life 9-10:30am Walking 9am-Noon Sit 'n Knit 11am	30 Drop In /Computer Room 9am-Noon Pool Room 9am-4pm Pickleball 1-3pm Rummy 1-3pm			FITNESS ROOM HOURS Monday-Friday 8:30am – 8:00pm Saturday 9:00am – 4:00pm