



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

September 12, 2025

**Deficit Elimination Plan
Approval**

Municipality Code: 811140
APR Form ID Number: 169669
Report ID Number: 169691

Sent Via Email

Chief Administrative Officer
Scio Township
jflintoft@sciotownship.org

Dear Chief Administrative Officer:

We have evaluated your deficit elimination plan that corrects the deficit condition in one or more of the following funds for the fiscal year ending in 2025:

- Township Road Improvement Special Assessment

The plan, as submitted under the requirements of the Glenn Steil State Revenue Sharing Act, Public Act 140 of 1971, Section 21(2), is projected to correct the deficit condition of the above-mentioned fund(s).

If you would like to speak with a member of our team, please email our office at Treas_MunicipalFinance@Michigan.gov

Sincerely,

A handwritten signature in black ink, appearing to read "Cary Jay Vaughn".

Cary Jay Vaughn, CPA, Administrator
Local Audit and Finance Division

Jillian Kerry, Supervisor
Jessica Flintoft, Clerk
Ryan Yaple, Treasurer

Township of Scio

Trustees: Kathleen Brant
Kathleen Knol
David Read
John Reiser

Harlan Goodrich, Municipal Finance
Manager Local Audit and Finance Division
P.O. Box 30728
Lansing, Michigan 48909

Township of Scio
Request for Deficit Elimination
Plan Fiscal Year: 2025
Municipality Code: 81-1-140
APR Form ID Number 169669
Report ID Number: 169691

We have prepared this letter in response to the communication received from the Local Audit and Finance Division, dated August 22, 2025, regarding the issues identified as a result of the Township's annual audit which was uploaded to Treasury on August 22, 2025.

The following deficits were noted on the Township's Auditing Procedures Report (APR):

<u>FUND NAME</u>	<u>AMOUNT</u>
Township Road Improvement Special Assessment	-\$203,250.00

This deficit is entirely the result of the unavailable revenue resulting from the long-term special assessment receivable that will be collected through FY 2032. As the receivable is collected and converted to cash, the unavailable revenue will be decreased and revenue will be recognized. As this cash is collected, the Fund will pay down the liability due to other funds. When the receivable is fully collected and the other funds liability is fully repaid, the fund will have fund balance of \$467,172.

The special assessment is expected to be collected through 2032 or sooner if any taxpayers decide to pay early or there is a change of ownership of the parcels within the SAD.

The following is the expected balance sheet of the fund as of March 31. As the special assessment receivable is collected, revenue will be recognized as the deferred inflow decreases. With the collected cash, the fund will repay the due to other funds liability which will eliminate the deficit of fund balance over time. The fund should achieve positive fund balance in fiscal year 2027.

	FY25	FY26	FY27
Cash and Investments	\$ 438,270.00	\$ 437,604	\$ 442,532
Special Assessment and other receivables	\$ 553,660.00	\$ 440,098	\$ 348,607
Deferred inflow	\$ (548,066.00)	\$ (440,098)	\$ (348,607)
Due to other funds	\$ (647,114.00)	\$ (533,552)	\$ (442,061)
Fund Balance (Deficit)	\$ (203,250.00)	\$ (95,948.37)	\$ 471.33


The fund will continue to collect the outstanding receivable through fiscal year 2032.

	FY28	FY29	FY30	FY31	FY32
Cash and Investments	\$ 447,460	\$ 452,388	\$ 457,316	\$ 462,244	\$ 467,172
Special Assessment and other receivables	\$ 261,547	\$ 182,387	\$ 103,227	\$ 48,155	\$ (0)
Deferred inflow	\$ (261,547)	\$ (182,387)	\$ (103,227)	\$ (48,155)	\$ 0
Due to other funds	\$ (355,001)	\$ (275,841)	\$ (196,681)	\$ (141,609)	\$ -
Fund Balance (Deficit)	\$ 92,459.21	\$ 176,547.22	\$ 260,634.78	\$ 320,635.04	\$ 467,172.00

The above plan was formally adopted by the Scio Township Board of Trustees on September 9, 2025. Please see attached for the Board's approved resolution.

We hope the Department of Treasury will agree with us and consider the situation resolved. If you have any further questions, feel free to contact me.

Sincerely,


 Jessica M. Flintoft
 Clerk
 Township of Scio

**TOWNSHIP OF SCIO
WASHTENAW COUNTY, MICHIGAN**

RESOLUTION #2025-26

**TO APPROVE DEFICIT ELIMINATION PLAN FOR THE
TOWNSHIP ROAD IMPROVEMENT SPECIAL ASSESSMENT FUND**

At a Regular Meeting of the Township Board of Scio Township, Washtenaw County, Michigan, held at the Scio Township Hall, 827 N. Zeeb Road, in said Township, on September 9, 2025, at 7:00pm.

Members Present: Brant, Flintoft, Kerry, Knol, Read, Reiser

Members Absent: Yaple

The following preamble and resolution were offered by Reiser and supported by Knol.

WHEREAS, the Township completed its audit for the fiscal year ended March 31, 2025 in August 2025;

WHEREAS, the Township Road Improvement Special Assessment fund ended the fiscal year with a deficit of fund balance of (\$203,250);

WHEREAS, the Glenn Steil State Revenue Sharing Act of 1971, Public Act 140 of 1971, Section 21(2) requires a unit of local government that ends their fiscal year in a deficit condition shall formulate a deficit elimination plan;

WHEREAS, the Township received a request from the Michigan Department of Treasury dated August 22, 2025 requesting a deficit elimination plan for the Township Road Improvement Special Assessment Fund be filed within 30 days;

NOW, THEREFORE BE IT RESOLVED, that the Township Board approve the deficit elimination plan as presented on September 9, 2025 and to authorize Clerk Flintoft to submit the approved plan to the Michigan Department of Treasury and regain compliance with the Glenn Steil State Revenue Sharing Act of 1971.

ROLL CALL VOTE:

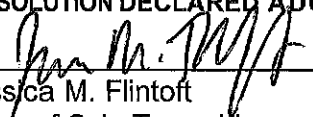
YES: Brant, Flintoft, Kerry, Knol, Read, Reiser

NO: None

ABSTAIN: None

ABSENT: Yaple

RESOLUTION DECLARED ADOPTED.

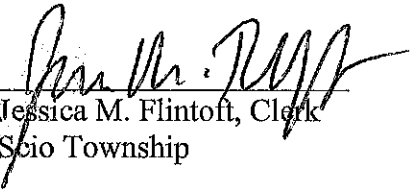


Jessica M. Flintoft
Clerk of Scio Township

Dated: September 9, 2025

CERTIFICATE

I, Jessica Flintoft, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of Scio Township, County of Washtenaw, State of Michigan, at a Regular Meeting held on September 9, 2025 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



Jessica M. Flintoft, Clerk
Scio Township

DATED: September 9, 2025