

TO ALL GUTHRIE TOWNSHIP RESIDENTS:

Your presence, input and vote concerning the following would be greatly appreciated at the Guthrie Township annual meeting at 8:00 p.m., March 12, 2002, at the Guthrie townhall.

At the annual meeting in March of 2000, the voters of Guthrie Township approved a \$5,000 annual levy for a townhall building fund. It was not decided at that time if the township would renovate, replace or buy a townhall when the time came.

Here is one idea that surfaced after the approval of the building levy in 2000. After several meetings with an attorney, some of the residents of the township, the town board, and members of Ye Olde School Ground's (YOSG) board, there has been a detailed, tentative agreement put together for Guthrie Township and YOSG to utilize the same building and grounds, which is the new YOSG building and grounds in Guthrie.

Here are the details of the tentative agreement. Guthrie Township would purchase 51% (fifty-one percent) of YOSG total assets for 51% of the total recorded expenses to build the building to date. Fifty-one percent of these expenses equals \$25,223.66 (see attachment). This \$25,223.66 payment would be paid by the township over the next four years, interest free, to YOSG. This would be paid out of the Guthrie Township building fund that was levied in 2000. In 2006 the \$5,000.00 annual levy for a building fund would then be removed. YOSG would be able to spend these payments on planned capital improvements to the building and the grounds at no additional expense to the township. A clause would be implemented that if either party ceases to operate or exist, the other party would purchase the remaining 49% or 51% of recorded expenses to build the building to the date of December 31, 2001, (forty-nine percent equals \$24, 234.49).

Guthrie Township would be responsible for providing liability, fire, wind, and collapse insurance on this property and building. Insurance is considered a fixed cost because the township has to insure their present townhall and grounds, (a township must own at least 51% of something to be able to insure it). Guthrie Township would pay \$600.00 annually towards utilities, (electric, propane and telephone). This \$600.00 is approximately twice what the township is now paying for annual utilities. Guthrie Township would be responsible for snow removal and adding maintenance gravel to the parking lot when needed. These are considered fixed costs as the township already has these costs at it's present location.

YOSG would be responsible for paying for and finishing these planned capital improvements: the parking lot, parking lot lights, and storage building addition. YOSG would be responsible for any utility costs in excess of \$600.00 annually.

Expenses to be shared by YOSG and Guthrie Township would be: routine building maintenance, and mowing and grounds maintenance, (YOSG lot and grounds are more than twice as large as the present townhall grounds, but Guthrie Township would only be responsible for every other mowing, or 50%). The increased cost to the township

would be minimal.) Routine building maintenance is considered a fixed cost because the Township has these costs at it's present location. If the Township moves to the new Townhall these expenses would be shared at 50% with YOSG.

Promoting the use of the building for fund raising activities and various other uses would be the responsibility of the YOSG and Guthrie Township. Any money generated by these activities would go to YOSG. The scheduling of meetings and events would be through one contact person (Clayton Knoshaug), and by utilizing an on-site calendar of upcoming events.

There has been and will be some costs incurred in this transaction. Guthrie Township has agreed to pay all the attorney's fees up to this point. YOSG has agreed to pay for any letters of intent to purchase and any additional closing costs that are incurred from this day forward regarding this transaction.

There will be a board consisting of the three Guthrie Township supervisor's and three YOSG board members that will be responsible for making any joint decisions. (You will not be able to serve on both boards at the same time). Guthrie Township will put a \$500.00 annual spending cap for miscellaneous joint expenses which will not be levied and will only be used if necessary, (joint misc. expenses would include a sign for the building and an outdoor bulletin board to be used by Guthrie Township and YOSG, etc.). The tentative name on the building sign would read "Guthrie Townhall and Community Center" and "Ye Olde School Grounds".

If this tentative agreement is approved by the voters it must then be approved at YOSG's annual meeting, after which time an attorney would have to finalize the sale. Any decisions regarding the old townhall and grounds would then be decided by the residents of the township.

There will be open discussion about this agreement, and any necessary changes will be made, before it is voted on.

Sincerely,

GUTHRIE TOWNSHIP BOARD

P.S. Not all insurance costs or annual routine building matinance costs were available when this letter went to press, they will be available at the annual meeting.