

Township Focus

AUGUST 2022

OFFICIAL PUBLICATION OF THE MICHIGAN TOWNSHIPS ASSOCIATION

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Is a recession coming to your township?

Most of us remember the Great Recession of 2008 to 2009. Many lived through the stagflation and recessionary economy in the 1970s. These were times of true suffering: mass unemployment, business failures, soaring prices, foreclosed homes, and challenges in planning our personal and township's budgets and finances overall. Now, financial advisors and forecasters are trying to predict whether we are already in a recession or whether one is coming and if so, how severe might it be. Economist Michael T. Kiley identifies three approaches to predicting a recession: how are the financial markets doing, what do consumer and business confidence surveys say about economic activity, and what is the state of the macroeconomy (inflation, unemployment rate and business cycle factors).¹

The United States and other major governments are now focusing on lowering the inflation rate, predominantly by raising interest rates to try to cool off the overheated economies that COVID-period factors such as spending by governments, consumers and businesses have produced. Supply chain chaos, Russia's relentless war on Ukraine, rocketing mortgage and rent payments, steep stock market declines this year and the beginnings of large layoffs are also making 2022 very troubled. On the face, all of these factors have negative implications for the next two years, even if a formal recession isn't officially declared by the National Bureau of Economic Research, which might come years after it's already over.

On the other hand, investment strategist John Stoltzfus is calling for the stock market to fully reverse its losses by year-end and continue its long-term growth in values.² Two or more quarters with declining growth in the nation's gross domestic product technically define a recession—the Federal Reserve just announced that occurred in the first half of this year.³ Most market investors and policymakers will now think more about how long and deep a recession will be experienced.

How did our townships proceed in 2007 to 2012? Most townships are fiscally conservative and began budgeting for the implications of declines in taxable values early in that recession. Inflation was far lower and consequently interest rates were too, lessening the negative impact on townships that were bonding. MTA will continue to track how the situation develops and provide updated insights on recession readiness and potential responses as warranted.

As always, we remain committed to ensuring that our members have the information they need to best serve their community. You can receive timely updates at our all-new *Regional Summits*, coming in October to five locations around the state. Scheduled for the half-way mark between our Annual Conference in the spring, these affordable, convenient and focused events are designed to keep you informed—and with a good measure of enjoyable meals and entertainment thrown in. The *Summit* brochure in this magazine includes all the details, as well as a registration form.

This month's issue tackles important topics, including our cover story, which addresses classifying township employees and determining compensation, as well as pay for elected officials. We also share insights from State Fire Marshal Kevin Sehlmeier on new Michigan Fire Fighters Training Council rules that impact township fire departments. You'll also find a Vendor Directory in the center of this issue, putting the names and contact information of companies committed to serving townships right at your fingertips.

Have you personally invested in MTA's advocacy efforts? If you're working on your relationships with your legislators and acting on our alerts, we are very grateful. Every year, many of us step up to support MTA's Political Action Committee (PAC), which is a critical tool in recognizing and attracting legislators' awareness of the township perspectives on current issues. Would you please consider joining our 2022 PAC donors listed later in the magazine? A modest contribution goes a long way.

This has certainly been a fast year. Over at the school district garages, the mechanics are already changing the school bus oil and checking tire tread depths. Enjoy the rest of your summer!

Neil



¹ "Financial and Macroeconomic Indicators of Recession Risk," by Michael T. Kiley in Fed Notes, June 21, 2022. <https://www.federalreserve.gov/econres/notes/feds-notes/financial-and-macroeconomic-indicators-of-recession-risk-20220621.htm>

² "Don't Stop Believin'" by John Stoltzfus in The Market Strategy Radar Screen, July 7, 2022 (Oppenheimer Asset Management).

³ "US Stocks Fall to Start the 3rd Quarter as Fed Forecast Suggests a Recession is Already Here," by Matthew Fox, July 1, 2022. (Business Insider). <https://markets.businessinsider.com/news/stocks/stock-market-news-today-fed-forecast-suggests-recession-already-here-2022-7?op=1>

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mission statement

The Michigan Townships Association advances local democracy by fostering township leadership and public policy essential for a strong and vibrant Michigan.

featured articles

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Decoding employee classification and compensation

Determining how to classify—and compensate—township employees can be complex and complicated. Equally tricky can be establishing compensation for elected and appointed township officials. All township board members play a role in ensuring fair and lawful classification and compensation for every member of the township team.

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Protecting people: New firefighter training rules impact township fire departments

New Michigan Fire Fighters Training Council General Rules, which guide certification standards for members of the fire service, were approved last November and continuing education requirements go into effect Oct. 1, 2022—bringing about changes impacting township fire department around the state.

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news¬es

a compendium of noteworthy items

COUNT CONFIRMED

Census Bureau: Michigan 2020 Census population count accurate

Michigan's 2020 population was among the 36 states that did not have statistically significant population undercounts or overcounts, according to results from the U.S. Census Bureau's 2020 Post-Enumeration Survey (PES). The state's decennial count of residents showed that, on Census Day, April 1, 2020, some 10.07 million individuals called the Great Lakes State home, the 10th largest state in the country. Michigan added 193,691 residents from 2010-2020, a 2% increase. Some 5.24 million residents—52%—live in Michigan townships.



Previous Census PES survey results showed that 2020 undercounts and overcounts by race, Hispanic origin, age, sex and home ownership varied. According to the Census Bureau, the PES informs the strengths and limitations of the 2020 Census and provides a foundation to improve the next census. The survey is not intended to change a decennial census count.

Additional Census updates include:

Michigan population dips in 2021 estimate—Michigan has seen a slight decline in population over the past year, according to 2021 population estimates released by the U.S. Census Bureau—decreasing .3% or 26,520, since the 2020 Census Day. The decrease is the first time the state has lost population in a decade.

Ottawa and Livingston Counties continue to be the fastest-growing counties, while half of the Upper Peninsula's counties also saw an increase in population. Wayne County experienced the largest decrease in residents since the 2020 Census, down 1% or more than 18,000 people.

Townships can request recount of group quarters—Townships with group quarters in their boundaries that they believe were not counted correctly in the 2020 Census can request a review through the 2020 Post-Census Group Quarters Review (PCGQR). If discrepancies are found, updated information will be used in the township's next population base and in the American Community Survey. Group quarters include places such as student housing, residential treatment centers, group homes, workers' group living quarters, etc. The 2020 PCGQR does not constitute a recount for the 2020 Census. Cases are accepted for review until June 30, 2023. Visit www.census.gov to learn more.

IMPORTANT REMINDER

All townships must follow requirements for poverty exemptions

Section 7u of the General Property Tax Act (MCL 211.7u) allows a property tax exemption for a principal residence if a person is unable to pay due to poverty. The township board must annually adopt poverty exemption income guidelines and an asset level test. Public Act 253 of 2020 made several changes to how townships, assessors and boards of review handle the exemption, beginning in 2021.

According to the State Tax Commission (STC), based on the Audit of Minimum Assessing Requirements reviews conducted in 2021 and thus far in 2022, *a majority of the local units reviewed were not following the new requirements in the law for poverty exemptions.* Failure to follow the requirements could result in a deficiency on your township's state assessment audit.

To request a poverty exemption, a taxpayer must file the following with the township where the property is located:

1. Form 5737 *Application for MCL 211.7u Poverty Exemption*
2. Form 5739 *Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty*
3. All required additional documentation (such as federal/state income tax returns)

The forms may be submitted to the township on or after Jan. 1 but before the day prior to the last day of the December board of review during the year in which the exemption is requested.

PA 253 removed the ability for boards of review to deviate from the policy and guidelines adopted by the township board. According to the STC, common mistakes include language allowing the board of review to act outside of the guidelines due to compelling reasons and not allowing the property owner to own any additional property. The act allows boards of review to grant a 100%, 50% or 25% reduction in taxable value. No other percentage reductions may be given by the board of review unless the township has requested and received approval from the STC to use another percentage reduction by submitting Form 5738, *Request For Approval of Percentage Reduction in Taxable Value For Poverty Exemptions Under MCL 211.7u.*

Visit www.michigan.gov/statetaxcommission for more information, including Bulletin 3 of 2021, which provides further detail about the changes to the poverty exemption that must be followed. Information and forms related to the poverty exemption can also be found on the STC's website, as well as MTA's "Poverty Exemption" webpage on www.michigantownships.org (access via the "Index of Topics" under the "Answer Center" tab after logging in).

GO GREEN

Townships recognized for environmental leadership

Ten townships were among the 44 communities recognized for environmental leadership by taking part in the Michigan Green Communities (MGC) Challenge. The MGC Challenge helps local leaders measure their progress in implementing energy, economic development and environmental improvements. MTA is an MGC partner, and commends the townships recognized for their work. The following townships earned certification as a bronze-, silver- or gold-level community:



Bronze certification: Calvin Township (Cass Co.) and Williamstown Township (Ingham Co.)

Silver certification: Northville Charter Township (Wayne Co.) and West Bloomfield Charter Township (Oakland Co.)

Gold certification: Canton Charter Township (Wayne Co.), Delhi Charter Township (Ingham Co.), Delta Charter Township (Eaton Co.), Meridian Charter Township (Ingham Co.), Orion Charter Township (Oakland Co.) and Pittsfield Charter Township (Washtenaw Co.)

“Delhi Charter Township is deeply committed to sustainable efforts that help our community in a variety of ways—both now and into the future,” said Manager Tracy Miller. “Our decision to implement energy efficiency renovations at our public facilities, for example, helps keep down emissions and allows us to save taxpayer dollars on labor costs. Being a walkable township is important to us and we’re creating even more trail options for outdoor activities.”

The challenge includes several categories, each comprised of several action items, such as embedding sustainability into planning practices, leveraging local expertise and implementing energy efficiency improvements in township buildings. Communities earn points by completing these action items. Regardless of where your township is in its sustainability journey, your community can find attainable actions that will create a more sustainable, equitable and prosperous future for your residents, visitors and businesses.

MGC is a sustainability networking, benchmarking and technical assistance program that guides and supports communities in adapting to a changing climate, protecting infrastructure, improving the quality of life for residents, and creating a more environmentally and economically sustainable future for the state of Michigan. Learn more at <https://migreencommunities.com>. Participation is free and open to all Michigan local governments.

Retirement

Daniel Arney, Sturgis Township (St. Joseph Co.) trustee for 16 years and township representative on local economic development council. “As a local farmer, Dan provided insight to the agriculture community,” said Clerk Michael Bobalik. “We thank Dan for his service and dedication to the residents of Sturgis Township.”



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LOCAL UPDATES FROM ACROSS MICHIGAN

Township happenings



Summer fun is the name of the game at **West Bloomfield Charter Township's** (Oakland Co.) Lily Pad Springs, Michigan's largest splashpad. Featuring four water slides and a 55-gallon dump bucket, the splashpad opened for its second season earlier this year. Children of all abilities can

enjoy the universally accessible attraction, which also includes shaded areas, a 2,400-foot climbable structure, restrooms, outdoor shower and free public lockers.

Berlin Charter Township (Monroe Co.) was among 15 communities to receive grant funding through the MI Clean Water Plan to help ensure residents have access to safe, clean water. Township Water/Sewer Department Superintendent **Jason Dobson** said that the township "is very appreciative of receiving" the grant, which "will allow the township to enhance our asset management plan and Distribution System Materials Inventory to identify materials that are part of the distribution system, such as lead service lines. This will help the township continue to provide high-quality drinking water to our residents at a fair price."

Email YOUR Township Happenings to jenn@michigantownships.org. Add MTA to your newsletter mailing list! Mail to MTA, Attn. Jenn Fiedler, PO Box 80078, Lansing, MI 48908-0078, or email to jenn@michigantownships.org.

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MTA congratulates Shelley Cardenas on two decades of service to Association

Countless Michigan township officials—past and present, from those newly elected or appointed to seasoned public servants—have received invaluable education on statutory requirements, key township topics and how to best serve their community under the leadership of MTA’s Education Director Shelley Cardenas. Cardenas, who joined MTA in the spring of 2002, recently celebrated her 20th anniversary serving both the Association and Michigan townships.



Cardenas

“I consider it an honor and a privilege to serve MTA’s members as they serve their communities,” she said. “I am so grateful for my colleagues here at MTA, and for their encouragement, friendship and sage advice over the years. I could not have done it without their support!”

Cardenas first joined MTA as education coordinator, helping to plan the locations and logistics for MTA’s workshops and conferences. After several years, she was elevated to the role of education specialist, taking on the task of determining which educational topics were most needed by township officials and personnel, working with speakers, marketing and managing the many aspects of MTA’s educational offerings. For the past 10 years, she has served as education director, overseeing the entire department, which has grown to offer hybrid events and MTA Online education subscriptions—in addition to the continued in-person education that member officials value.

In her time at MTA, she has helped to organize and oversee hundreds of MTA workshops, retreats, summits and webinars and 18 Annual Conferences. Under Cardenas’s leadership, officials were able to continue learning during the pandemic, with timely “MTA Q&A” online sessions, live and recorded webinars, and even MTA’s first completely virtual conference & expo. Thousands of elected and appointed officials, as well as township personnel and other local government leaders, have benefitted from Cardenas’s educational expertise and experience.

“At MTA, we often say after a new official’s election, that the first thing they ask themselves is, ‘Now what?’” said MTA Executive Director Neil Sheridan. “In times of rapid change and new challenges, more experienced officials may ask themselves, ‘Now what’s next?’ For 20 years, Shelley has shaped the education that members need to answer those questions as well as for many more learning needs. We are proud to honor Shelley’s outstanding service to our townships and her passion for our mission of building competence and confidence in all our officials, township staff and volunteers. Thank you, Shelley!”

profile



Advertorial

Fahey Schultz Burzych Rhodes PLC Expert counsel, real solutions

Fahey Schultz Burzych Rhodes PLC (FSBR) is a leading township law firm in the state of Michigan. Its attorneys have represented hundreds of townships in complex and specialized areas of township law. The firm helps address the problems that township leaders face on a daily basis, as well as the difficult legal issues that many townships have yet to encounter.



Expert counsel. The FSBR township legal group, led by William K. Fahey and Christopher S. Patterson, consists of more than 15 lawyers with hundreds of years of combined legal experience. As townships face a myriad of challenges, they need attorneys with the knowledge and expertise to offer a steady hand, deliver vigorous defense, and craft innovative approaches to your legal problems. With FSBR, your township has access to a broad range of legal talent to provide you the entire scope of services you may need in any situation. The firm serves townships as general township attorney, assists as consulting counsel, or helps on a special project basis.

Real solutions. FSBR attorneys demonstrate a strong commitment to responsive and affordable legal services to townships. They work hard to help township leaders fulfill your statutory duties and keep your communities strong. Regardless of the complexity or novelty of the issue, FSBR has the expertise to craft innovative and workable solutions to the problems you face in leading your township.

Keep up with township law. Sign up to receive FSBR’s monthly Township Law E-Letter and information on educational webinars and events. For more information, visit www.fsbrlaw.com or contact Bill Fahey at (517) 381-3150 or wfahey@fsbrlaw.com or Chris Patterson at (517) 381-3205 or cpatterson@fsbrlaw.com.

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In-person educational event
Emerging Issues in
Emergency Services

Sept. 12 • Bavarian Inn Lodge,
Frankenmuth

Providing emergency and fire protection services for your community may be one of the more complicated (and critical!) services your township provides. **MTA can help you get a handle on the hot issues facing your fire department and emergency services personnel.**

Township board members and fire officials alike can join us for a full-day event, *Emerging Issues in Emergency Services*, designed to offer both an update and a better understanding of current challenges. You'll hear from a variety of experts—including **State Fire Marshal Kevin Sehmeyer**—on hot topics like the new Fire Fighters Training Council General Rules, situational awareness and threat assessment, career survival and peer support team development, and recruitment and retention.

A registration brochure was sent to all townships and township fire personnel in our database in July. Download the brochure or register online at www.michigantownships.org (look under the "Training" tab). Watch MTA emails for additional details.



mta events | august

- 10** *What You Need to Know about the Tax Rate Request Form (L-4029) Now You Know* lunchtime webinar
- 16** *Hot Topics in Planning & Zoning* workshop, Mt. Pleasant
- 24** *Hot Topics in Planning & Zoning* workshop, Gaylord
- 31** *Hot Topics in Planning & Zoning* workshop, in person in Lawrence and online (watch live or on demand)

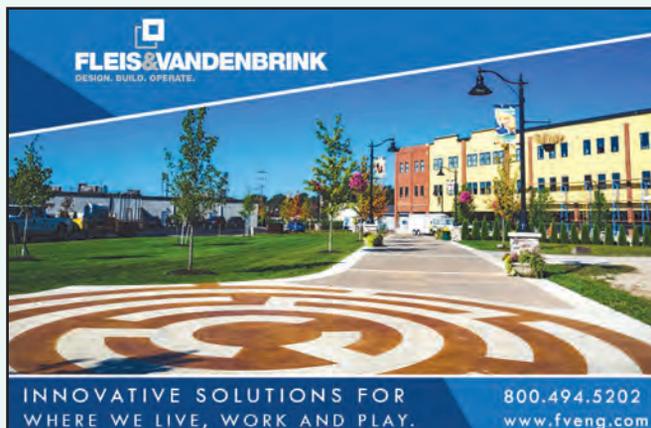
Don't miss our next *Now You Know* lunchtime webinar on **Wednesday, Aug. 10 from noon to 1 p.m.**

What YOU Need to Know about the
Tax Rate Request Form (L-4029)



The township board must set your township's tax rates every September, and the L-4029 is at the heart of that process. Learn what the board is actually authorizing and options you have regarding your township's millage(s). The L-4029 is also a source of information when considering township millage renewals or increases—and other entities' L-4029s are needed for setting the tax roll and tax bills. Every board member needs to know your L-4029! Cost for this webinar, taught by MTA Staff Attorney Catherine Mullhaupt, is just \$25! Register now at <https://bit.ly/NYKmta>

BONUS! If your township subscribes to *MTA Online* at the *Premium* level, you get **FREE** access to **EVERY** session! Visit <https://learn.michigantownships.org/nyk> for details, including how to watch previous episodes.



MACKINAC ISLAND
PLANNING MICHIGAN 2022

October 12-14, 2022

planningmi.org/planning-michigan-conference



The Michigan Association of Planning's annual conference at Mission Point Resort offers sessions customized for township land use leaders. National expert Jason Jordan, from the American Planning Association, tackles how communities can acquire and use federal funds to drive local recovery and reinvention. Breakouts include: preparing for solar energy, rural food systems, retrofitting the suburban strip and navigating contentious land use decisions. We are again hosting the MSU Extension Citizen Planner Program. Join us in person and/or online. Register today!

AUGUST

1 *On or before July 31. July 31 is a Sunday. Form 170-IFT Industrial Facilities Tax Report, Form 170-CFT Commercial Facilities Tax Report, Form 170-CRA Commercial Rehabilitation Act Tax Report, and Form 170-OPRA Obsolete Property Rehabilitation Act Tax Report must be filed with the Michigan Department of Treasury, Property Services Division on or before July 31 of the tax year involved.*

Deadline for township or local authority to file Form 5608 *Portion of 2021 Essential Services Millage Rate Dedicated for Cost of Essential Services.* (MCL 123.1353(7))

Deadline for township to file Form 5613 *Millage Rate Correction for 2022 Personal Property Tax Reimbursement Calculations.* (MCL 123.1358(4))

Deadline for local school districts to file Form 5451 *2022 School District and Intermediate School District (ISD) Debt Millage Rate for the 2022 Personal Property Tax Reimbursement Calculation and Form 5609 2022 Hold Harmless Millage Rate for the 2022 Personal Property Tax Reimbursement Calculation.* (MCL 123.1353(4))

Electors who have returned their absent voter ballot may submit a written request in person to spoil their absent voter ballot for the Aug. 2 election and receive a new ballot in the clerk's office until 10 a.m. (MCL 168.765b)

Electors may obtain an absent voter ballot for the Aug. 2 election in person in the clerk's office until 4 p.m. (MCL 168.761)

Electors who have lost their absent voter ballot or not yet received their ballot in the mail may submit a written request

in person to spoil their absent voter ballot and receive a new ballot in the clerk's office until 4 p.m. (MCL 168.765b)

2 Emergency absentee voting for the Aug. 2 election until 4 p.m. (MCL 168.759b)

Election Day registrants may obtain and vote an absent voter ballot in person in the clerk's office with proof of residency or vote in person in the proper precinct until 8 p.m. (MCL 168.761)

Election.

Petitions to place county and local questions on the Nov. 8 ballot filed with county and local clerks by 5 p.m. (If governing law sets an earlier petition filing deadline, earlier deadline must be observed.) (MCL 168.646a)

4 Boards of county canvassers meet to canvass the Aug. 2 election by 9 a.m. (MCL 168.821)

15 Deadline to certify 2022 essential services assessment statement and electronically submit essential services assessment with the state Department of Treasury without late payment penalty. (MCL 211.1057)

By the third Monday in August. Deadline for taxpayer to file appeal directly with the Michigan Tax Tribunal if final equalization multiplier exceeds tentative multiplier and a taxpayer's assessment, as equalized, is in excess of 50% of true cash value. (MCL 205.737(7))

By 16 Ballot wording of proposals qualified to appear on the Nov. 8 ballot certified to county and township clerks by 4 p.m. Local clerks receiving ballot

wording forward to county clerk within two days. (MCL 168.646a)

SEPTEMBER

By 9 Townships can establish, move or abolish a polling place for the Nov. 8 election. (MCL 168.591)

14 Summer taxes due. (MCL 211.107)

Interest of 1% per month will accrue if the payment is late for the State Education Tax and county taxes that are part of the summer tax collection. (MCLs 211.905b(9) and 211.44a(6))

Last day of deferral period for summer property tax levies, if the deferral is for qualified taxpayers. (MCL 211.51(7))

15 Deadline to amend a previously certified 2022 essential services assessment statement. (MCL 211.2057)

By 24 Clerks shall electronically transmit or mail (as requested) an absent voter ballot to each absent uniformed services or overseas voter who applied for an absent voter ballot 45 days or more before the Nov. 8

election. All requests received since Nov. 2, 2021, from a military or overseas voter must be honored for all 2022 elections. (MCL 168.759a)

County clerk delivers absent voter ballots for the Nov. 8 election to township clerks. (MCL 168.714)

By 29 Absent voter ballots must be available for issuance to voters for the Nov. 8 election. (1963 Mich. Const. Art 2, Sec 4)

29 *through Oct. 18.* Precinct inspectors appointed by local election commission for the Nov. 8 election. (MCL 168.674)

30 Township clerk delivers to supervisor and county clerk a certified copy of all statements, certificates and records of vote directing monies to be raised by taxation of property. (MCL 211.36(1))

Financial officer of each township computes tax rates in accordance with MCLs 211.34d and 211.34 and township board certifies that rates comply with Section 31, Article 9, of 1963 Constitution and MCL 211.24e, Truth in Taxation, on STC Form L-4029 on or before Sept. 30.





When does the treasurer have to disburse tax collections to the other taxing authorities?

MCL 211.43 specifically governs the disbursement by the township treasurer to the county treasurer (state and county taxes), school district(s), public transportation authorities, and intermediate school districts and community college districts.

Treasurers are generally required to remit tax collections within 10 business days of the first and 15th day of each month that taxes are collected. (MCL 211.43(3)(a))

For the 2022 summer tax collection, the township treasurer should disburse tax collections on hand on July 15, 2022, by July 29, 2022. Tax collections on hand on Aug. 1, 2022, should be disbursed by August 15, 2022. And so forth, until March 2023.

The winter tax collection is treated the same way, beginning with Dec. 1.

The Michigan Department of Treasury's *Accounting Procedures Manual* requires that, "The distribution should include all collections made up to that point."

A treasurer who willfully neglects or refuses to perform a duty of timely disbursing tax collections as required in MCL 211.43 may be guilty of a misdemeanor, punishable by imprisonment for not more than six months, or a fine of not more than \$300, and is liable to a person injured to the full extent of the injury sustained. (MCL 211.119(1))



Are there any exceptions to the disbursement schedule?

MCL 211.43(4) does allow the township serving as the tax-collecting unit and the local governmental unit for which the tax collections are made to enter into a mutual agreement establishing an alternative schedule for delivering tax collections.

Townships under \$15 million in state equalized valuation or less are also allowed to disburse winter taxes collected from Dec. 1 through Jan. 10 within 10 business days after Jan. 10 unless they have more than 25% of the amount of the taxes apportioned to the township. When collections on hand reach this percentage, the township treasurer shall immediately account for and disburse to all taxing authorities.

Although townships with a state equalized valuation of \$15 million or less may have different distribution dates per MCL 211.43(5), it is recommended by the state Department of Treasury that all tax-collecting units disburse all tax collecting money on hand within 10 business days of the first and 15th of each month. A final adjustment and delivery of the total amount of tax collections on hand for the county, community college districts, intermediate school districts, school districts and public transportation authorities shall be made not later than April 1 of each year. (MCL 211.43)



Does the township disburse its own collection on the same schedule as other disbursements?

The statute does not explicitly require it, but it makes sense to do so, giving the township access to its tax revenues and making it easier to reconcile the tax collection disbursement account each month. But many townships do wait until settlement to formally transfer the township's tax collections to the township. Regardless of whether a township disburses township funds at settlement or on the regular disbursement schedule, all funds must be transferred out of the current-year tax collection account and a zero balance should be in place after settlement.

Note that this also includes the up to 1% Property Tax Administrative Fee (PTAF) if the township board has imposed it by resolution. PTAF funds are restricted and must be used only for the property tax assessment, review, collection and appeal processes. (MCL 211.44) PTAF funds must be deposited directly into a township account, and then accounted for and spent through township-board budgeted allocations. PTAF funds are never paid directly to a specific department, contractor, official or employee.

Also note that township special assessments are not property taxes, and they are not collected on the tax bill unless they are specific ad valorem special assessments (such as a fire, police or EMS special assessment under Public Act 33 of 1951, for example) OR if they are delinquent special assessments imposed under other statutes, such as PA 188 of 1954. Current-year installment payments for PA 188 special assessments may be billed with the tax bill, but are not part of the tax bill, and payments would not go into the current-year tax collection account. However, because they are often paid at the same time as the taxes, some treasurers do deposit into the current-year tax collection account. If special assessments are collected on the tax bill—or are deposited in the current-year tax collection account—they should be disbursed to the appropriate township fund.



Is the tax collection account different from other township bank accounts?

The current-year property tax collection account is a form of "trust" account and is subject to strict rules. The funds in the current-year property tax collection account cannot be commingled with other funds.

The *Accounting Procedures Manual* requires real and personal property taxes collected by the treasurer to be deposited in a separate "zero-balance" bank account in the name of the treasurer as the current-year tax collection account. Instead of being deposited directly in township bank accounts, the current-year tax collection account is

specifically to be used to receive tax payments and hold them until they are disbursed to the taxing entities (including the township). This allows the collections to be tracked and held separately from the township's other accounts, to protect the collections as well as make it easier to reconcile the disbursements with the entities and the county treasurer. The account must begin with and be reduced to a zero balance or an imprest balance (for example, a specific minimal amount left in the account to keep it open from one year to the next) as soon as possible after tax settlement with the county.



How are the tax collections recorded?

The treasurer must give a copy of all tax collection deposits and disbursements to the clerk, who accounts for the current-year tax collection account throughout the tax collecting year. The clerk's account should also have a zero balance by April 1.

The *Accounting Procedures Manual* states: "A separate tally should be made of property tax collections, indicating the taxing unit whose taxes have been collected, and should subsequently be matched with the distributions to those taxing units.

"A separate Tax Collection Receipts Journal (as noted in this section) with a separate set of receipts must be maintained for tax collection, either manually or electronically. If maintained manually, at least one entry must be made per day for the total taxes collected. Individual entries may be made, but are not mandatory. The form of the journal may vary, but it must provide for an immediate determination of the amount collected for each tax collected.

"Upon completing the daily posting of the Tax Collection Receipts Journal, an official departmental (regular) receipt must be written for the day's collections. A copy of the official departmental receipt is given to the clerk for entry into the local unit's accounting records. Depending on the dollar amount of collections, the availability of a vault, or other means of safekeeping, deposits should be made on a daily basis or at least weekly. Deposits must be made intact and match the total posted in the journal."



Is it possible to earn interest on the tax collection account before disbursement?

The current-year property tax collection may be an account that earns interest. (Note that this is not the same thing as moving tax collections into a different account/investment vehicle prior to disbursing those collections to the respective taxing units—see question at right.)

If the current-year property tax collection account earns interest, the interest follows principle and is disbursed to the respective tax-levying units. MCL 211.43(12) states that any interest earned "shall also be accounted for and delivered to the respective taxing units on a pro rata basis."

According to the Michigan Department of Treasury's *Summer Education Tax (SET) Frequently Asked Questions*, "The general rule is that interest follows principal, unless

there is statutory language to the contrary. In 1985, the Court of Appeals in *Grand Rapids Public Schools v City of Grand Rapids* (146 Mich. App. 652) held that 'Interest on public funds designated for a specific purpose follows those funds, absent a clear statutory provision to the contrary, in general, interest is merely an incident of the principal fund, making it the property of the party owning the principal.' "

MCL 211.43 subsections (12) and (13) do allow for agreements between the township and a taxing unit that authorizes the township to retain the earned interest on that taxing unit's collections.

Note that interest earned on the SET is treated differently, according to Treasury: "County treasurers have the authority to keep earned interest on the SET. MCL 211.43(10) ... provides that 'The county treasurer may retain the interest earned on the money collected under Act No. 331 of the Public Acts of 1993 while held by the county treasurer, as reimbursement for the cost incurred by the county in collecting and transmitting the tax imposed by that act.

"Township and city treasurers have authority to keep earned interest on the SET. MCL 211.43c provides that 'Notwithstanding section 43, if there is not an agreement for alternative schedules for delivering interest earned, the local tax-collecting unit shall retain interest earned on the collections of the state education tax levied under the state education tax act, Act No. 331 of the Public Acts of 1993, being sections 211.901 to 211.906 of the Michigan Compiled Laws, while in the possession of the local tax collecting unit.' "

Interest earned on the PTAF is retained by the township.



Is it possible to invest the tax collections before disbursement?

There is no statutory authorization to remove tax collections from the current-year property tax collection account except to disburse them to the respective tax-levying units.

Per MTA Legal Counsel, the Investment of Surplus Funds of Political Subdivisions Act, PA 20 of 1943, MCL 129.91, *et seq.*, authorizes local units of government to invest surplus funds. For example, the township treasurer invests surplus funds of the township as directed by the township investment policy. Once it is disbursed to the taxing units, including the township, the tax collection revenues may be surplus funds for those taxing units, but they are not surplus funds of the township or other units while they are in the tax collection account.

MTA Legal Counsel also caution that a treasurer may be jeopardizing their bond if they invest tax collections in any account other than the current-year property tax collection account because their bond would likely not cover actions outside of their statutory authority. A treasurer has no statutory authority to move those collections out of the tax collection account or to invest other public entities' surplus funds.

Hello, MTA ... ? provides general information on typical questions asked by township officials. Readers are encouraged to contact an attorney when specific legal guidance is needed. Member township officials and personnel may contact MTA Member Information Services with questions or requests from 8 a.m. to 5 p.m., weekdays, at (517) 321-6467 or fax (517) 321-8908.

State FY 2022-23 budget includes investments in communities

The state's Fiscal Year 2022-23 budget was finalized with the passage of the state's budget bills in a marathon session on June 30 and July 1, with the governor signing the budget—Public Act 166 of 2022—on July 20. The \$76 billion budget, one of the largest budgets in the state's history, includes significant investments in communities. The budget provides additional resources to communities to help them invest in first responders, speeds up replacement of lead service lines, shores up pensions for municipal workers, and invests in infrastructure.

"We applaud Gov. Whitmer and the Legislature for their recognition in the state's historic budget of the immense value and importance that Michigan's townships and other communities have in the lives of every resident in our state," said MTA Executive Director Neil Sheridan. "The increase in City, Village and Township (CVT) Revenue Sharing, along with investments in new grant opportunities for communities for lead line replacement, will help local governments to better provide quality of life and essential services to Michiganders today, and in the future, and continue to improve the places we all call home."

General Fund revenues comprise \$15 billion, and the School Aid Fund is \$19.6 billion, with the remaining dollars coming from federal and restricted revenues. Highlights of the budget that impact townships include:

- \$16 million increase in CVT Revenue Sharing, providing a 5% increase in the base and a 1% one-time increase for the fiscal year
- Constitutional Revenue Sharing, based on sales tax revenues, increased over FY 21-22 budget levels, but is expected to decrease 1.1%, based on May revenue estimates (check updated estimates for your township's constitutional revenue sharing at www.michigan.gov/treasury/local/share/evip/constitutional)
- \$750 million in one-time funding to support municipal pensions
- \$123 million for public safety
- \$3 million for Office of Rural Development grants for rural communities, related to economic development, workforce development, affordable housing, infrastructure, education and high-speed internet access
- \$48 million for local grants to replace lead service lines and upgrade water treatment facilities to ensure projects are completed effectively
- \$27.6 million for new program to clean up legacy contaminated sites
- \$10 million for remediation of newly contaminated properties statewide
- \$1.2 million for NPDES non-stormwater program to strengthen water supply oversight and support local health departments in monitoring and testing drinking water
- \$3 million to conduct data collection and mapping data for geological survey

- \$1.4 million to increase loan-processing staff and access to federal water infrastructure loans for local communities
- \$5 million for grants to local health departments to provide free or low-cost water testing to private well owners
- \$300,000 for local boat infrastructure grants for facility maintenance and infrastructure projects at publicly accessible local harbors and boating access sites
- \$110 million for workforce development (Michigan Reconnect and Going Pro programs)
- \$75 million for blight elimination grants
- \$87 million increase from the Michigan Transportation Fund to local road agencies
- \$94 million increase for local federal aid for roads and bridges from federal bipartisan infrastructure act funds
- \$12 million to reduce congestion at local rail crossings
- \$9 million for Trooper Recruit School for 50 state troopers
- \$2 million increase for secondary road patrol
- \$180 million deposit into the state's Budget Stabilization Fund (rainy day fund)

After the enactment of the budget, approximately \$7 billion remains in unspent funds that the Legislature and governor are expected to include in a supplemental budget and/or tax relief measures before the beginning of the state's 2022-2023 fiscal year (Oct. 1).

Important changes to PRE and board of review authority

Several changes to the principal residence exemption (PRE) took effect on July 11 with the enactment of Public Act 141 of 2022, sponsored by Rep. Brad Slagh (R-Zeeland Chtr. Twp.). The new law eliminates the July and December board of review appeal process in MCL 211.7cc(15) and 211.53b regarding claiming a PRE for which the exemption was not on the property for the current and previous three years. Effective immediately, the July and December board of review have no authority to grant the exemption.

The law also eliminates requirements in MCL 211.7cc(5), MCL 211.7cc(6), MCL 211.7cc(11) that the following forms be forwarded to the state Department of Treasury: Form 2742 *Notice of Denial of PRE-Local*; Form 4075 *Notice of Denial of PRE-County*; Form 4640 *Conditional Rescission of a PRE*; and Form 4983 *Foreclosure Entity Conditional Rescission of a PRE*. The assessor must retain a copy of Forms 2742, 4640 and 4983, and the county treasurer must retain a copy of Form 4075. The assessor and county treasurer would have to forward to the state Department of Treasury a copy of these forms upon Treasury's request.

Additionally, the assessor no longer must notify state Treasury of a denial issued by the assessor. Instead, the assessor is now required to notify the county treasurer in writing of the denial. Upon request, the assessor would still have to forward

to Treasury a copy of a denial. The measure also adds the requirement that the county treasurer's denial shall be on Form 4075. The county treasurer must retain a copy of Form 4075 and would have to forward a copy upon Treasury's request.

Finally, the provision stating that an affidavit filed by an owner for a PRE rescinds all previous exemptions filed by that owner for any other property was eliminated. The Department of Treasury and State Tax Commission will update all existing guidance related to boards of review and the PRE, as needed.

Natural Resources Trust Fund dollars approved for local projects

Townships with development and land acquisition projects approved by the Michigan Natural Resources Trust Fund Board now have the funds approved. Public Act 151 of 2022, signed into law with immediate effect on July 19, appropriates \$45.6 million for 117 projects across the state. The bill was sponsored by Sen. Mark Huizenga (R-Walker).

Changes to State Revolving Fund enacted

Changes to streamline and modernize the Drinking Water and Clean Water State Revolving Fund, making it easier for local units to apply, were signed into law. Public Act 132, sponsored by Rep. Beth Griffin (R-Mattawan), PA 133, sponsored by Rep. David Martin (R-Davison Twp.), and PA 134, sponsored by Rep. Sara Cambensy (D-Marquette), allow preexisting documents to be used for applications, streamline the programs by ensuring they follow the same procedures and add flexibility into the scoring process to address pressing needs. The bills were signed into law on June 30 with immediate effect.

Increased capacity for childcare homes

If your township has an ordinance specifying the number of children permitted for a family care home or a group childcare home, you may need to check your ordinance. Public Act 106 of 2022, sponsored by Rep. Jack O'Malley (R-Almira Twp.), allows a family home provider to expand from six children to seven children. It also allows a group home provider to serve 14 children, instead of 12. The new law is part of a bipartisan package recently enacted to prioritize safety while increasing access to quality childcare and allow home-based childcare providers with a proven record of success to serve more children. The change took effect on June 23, 2022.

New setbacks on underground storage tanks from drinking water sources

To further protect drinking water, new setback requirements for underground storage tanks from drinking water sources are now in place. Public Act 160 of 2022, sponsored by Sen. Rick Outman (R-Belvidere Twp.), also allows a waiver of those setbacks only for upgraded tanks with better leak prevention systems. The measure was signed into law on July 19 with immediate effect.

COVID-19 provisions to be repealed

Three new public acts limit the effectiveness of the certain COVID-19-related provisions beginning Jan. 1, 2022 and repeal those provisions effective Jan. 1, 2023. Public Acts 138, 139 and 140 of 2022 affect the following COVID-related provisions previously established:

- PA 238 of 2020, which provides requirements for employees who are diagnosed with COVID-19, who display the principal symptoms of the disease or who have had close contact with someone else who tests positive.
- Sections 85 and 85a of the Michigan Occupation Safety and Health Act (MIOSHA), which establish conditions for immunity from civil liability for an employer whose employee is exposed to COVID-19.
- The COVID-19 Response and Reopening Liability Assurance Act, which establishes standards for immunity.

The bills were signed by the governor on July 11.

Extension for neighborhood enterprise zone certificate

The holder of a neighborhood enterprise zone certificate issued before March 23, 2020, may soon request a one-year automatic extension. House Bill 6017 was passed and is pending signature by the governor. The bill amends the Neighborhood Enterprise Zone Act to allow the holder of a neighborhood enterprise zone certificate to request in writing to the qualified assessing authority not later than one year after the certificate expired a one-year automatic extension of the deadline, in addition to any extensions already used by the holder. If signed, a loss of state and local property taxes could occur due to the one-year extension, and the potential loss would depend on the specific characteristics of the projects eligible for the extension.

Change on housing transfers from charitable nonprofit housing organization

The presumptive true cash value of eligible nonprofit housing property transferred from a charitable nonprofit housing organization to a low-income individual after Dec. 31, 2021, now changes from the purchase price to the loan amount on the closing disclosure form. The change is incorporated in Public Act 156 of 2022, sponsored by Rep. Julie Alexander (R-Hanover Twp.), which was recently signed into law. Previously, for transfers of eligible nonprofit housing property, the purchase price paid in a transfer of the property from a charitable nonprofit housing organization to a low-income person that occurred after Dec. 31, 2010, was the presumptive true cash value of the property transferred.

The new law also expands the number of individuals who would qualify as low-income individuals eligible by raising the income limit from 60% of the statewide median gross income to 80%. The statutory change was approved on July 19 with immediate effect.

Legislative lowdown

A quick look at critical bills MTA is following as they move through the legislative process. For updates, look to our *Township Insights* e-newsletter, emailed weekly to all member officials.

HB 4014: Speed limits—Modifies procedure for establishing speed limits. *MTA supports.*

HB 4084: Unlawful dumping—Revises criminal penalties and civil fines for unlawful dumping of garbage. *MTA supports.*

HB 4115: Liquor license—Allows a local unit to adopt a resolution for on-premises liquor licensees to sell alcoholic liquor between 2 a.m. and 4 a.m. *MTA monitoring.*

HB 4129: Elections—Requires secretary of state to post on Department of State website a list of local clerks who are not current with continuing education training. *MTA monitoring.*

HBs 4132-4133: Elections—Creates felony penalties for knowingly submitting an absent voter (AV) ballot application using another person's name and personal information, and for submitting an AV ballot application with the intent of obtaining multiple AV ballots for a person. *MTA monitoring.*

HB 4134: Elections—Allows increase in allowable precinct size and requires permanent absent voter list. *MTA supports.*

HB 4135: Elections—Requires absent voter counting boards in cities and townships with more than one election precinct. *MTA monitoring.*

HB 4192: Elections/replacement candidates—Modifies the process for appointing a replacement candidate. *MTA opposes.*

HB 4197: Local preemption—Prohibits local laws that prevent local officials from cooperating with federal authorities regarding an individual's immigration status. *MTA opposes.*

HBs 4211-4212: Law enforcement—Increases penalties for disarming a law enforcement officer of a firearm. *MTA monitoring.*

HBs 4454-4461: Solid waste—Revises Part 115 solid waste law to

create materials management plans, and places more emphasis on recycling and composting of materials. *MTA supports.*

HB 4491: Elections—Provides authority for county clerks to remove deceased individuals from the Qualified Voter File. *MTA monitoring.*

HBs 4523-4524: Local rail grant separation program—Creates a local grade separation grant program for the separation of motor vehicle traffic and railroad traffic. *MTA supports.*

HB 4530: Elections—Eliminates May and August election dates, and creates June primary. *MTA monitoring.*

HB 4722 & SB 446: Land use/local zoning preemption—Amends Michigan Zoning Enabling Act to preempt local units of government from zoning short-term rentals. *MTA opposes.*

HBs 4766-4771: Asbestos abatement—Revises laws that govern asbestos abatement in Michigan. *MTA supports.*

HB 4822: Workers' compensation—Provides for workers' compensation for COVID-19 presumption for police, firefighters and emergency medical personnel without positive test result. *MTA opposes.*

HB 4839: Elections—Allows a township clerk to offer an annual absent ballot application that could be used for any or all elections held during a calendar year. *MTA supports.*

HB 4845: Elections—Requires the secretary of state to conduct signature verification training for county, city and township clerks. *MTA supports.*

HB 4885: Removal from office—Modifies the gubernatorial removal process of local government officers from office. *MTA monitoring.*

HB 4908: Gaming—Allows veterans organization to conduct charity game using a video charity game dispenser and allocates net proceeds to include reimbursement to local units for disabled veterans property tax exemption. *MTA supports.*

HB 5282: Elections—Prohibits intimidation of an election inspector or preventing an election inspector from performing his or her duties. *MTA supports.*

HB 5293: Land use/zoning preemption—Preempts local zoning authority for child foster care institutions for a state licensed facility up to 10 children. *MTA opposes.*

HBs 5300-5302: Medical marijuana—Creates special medical grower license for certain caregivers, limits to one location, requires registration and tracking of product, and provides municipal authority for civil enforcement. *MTA supports.*

HB 5329: Property taxes—Provides an opt-out option to designated assessor requirement. *MTA neutral.*

HB 5335: Elections—Requires city and township clerks to provide challengers in each precinct or absent voter counting boards with a visible challenger identification badge. *MTA neutral.*

HBs 5633-5634: Sales and use taxes—Provides sales and use tax exemptions for pet food. *MTA opposes.*

HB 5675—Township authority—Allows the option for township supervisors to perform marriages (*creating parity with mayors*). *MTA supports.*

HB 5697: Tax tribunal—Provides privacy of taxpayer information for Michigan Tax Tribunal proceedings. *MTA opposes.*

HB 5702: Personal property taxes—Eliminates all personal property taxes, without a revenue replacement. *MTA opposes.*

HB 5706 & HB 6060: Marijuana—Allows Cannabis Regulatory Agency to contract with Indian tribes regarding the operation of marijuana and provides allocation of excise tax. *MTA monitoring.*

HBs 5921, 5923-5926: FOIA requirements—Modifies the FOIA requirements including required acknowledgement of FOIA request within two days, requires waiver or reduction of fee for request of a public record if would primarily benefit the general public, requires specific information about a record to be included in written denial, and requires a \$500 fine to public body if denial challenged in court and new basis raised for denial. *MTA opposes.*

HB 5922: FOIA requirements—

Requires disclosure of FOIA coordinator’s name and contact information. *MTA neutral.*

HB 5972: Water resource improvement district—

Modifies the definition of water resource improvement district to include certain water trails for tax increment financing. *MTA monitoring.*

HB 5981: Zoning preemption—

Preempts local zoning, including special land use permit, for qualified residential treatment programs in residential zones. *MTA opposes.*

HB 6062: Public notices—Creates Local Government Public Notice Act. *MTA supports.*

HB 6071: Polling locations—Expands the types of locations that may be used as polling places. *MTA supports.*

HB 6124: Election challengers—Provides election challenger training for county clerks, political parties and other organizations and require election challengers to be trained. *MTA supports.*

HBs 6133-6134: Revenue sharing—Creates the Revenue Sharing Trust Fund for statutory revenue sharing. *MTA supports.*

SBs 22-23: Elections—Limits millage elections to November elections. *MTA opposes.*

SB 61: Shoreline permits—Provides for expedited permit processing during high water. *MTA supports.*

SBs 130-133: Elections—Move the May and August election dates to March and June with primary to be held the Tuesday following the first Monday in June. *MTA monitoring.*

SBs 273 & 278: Elections—Provides for regulation of absent voter (AV) ballot drop boxes and modifies collection for AV ballots deposited in an AV ballot drop box. *MTA opposes SB 273.*

SB 279: Elections—Modifies and revises the number of election challengers allowed in combined absent voter counting boards. *MTA monitoring.*

SB 292: Elections—Requires the secretary of state to establish election challenger training and requires election challengers to be trained. *MTA supports.*

SB 306: Elections—Requires the secretary of state to prepare, submit and post on website a report of county, city and township clerks who are not current with training or instruction required. *MTA monitoring.*

SB 308: Elections—Requires the secretary of state to provide signature verification training for clerks and election inspectors. *MTA monitoring.*

SBs 319-320: Septic system loan program—Modifies Strategic Water Quality Initiative loan program and fund to create a municipality loan program and a resident loan program. *MTA supports.*

SBs 429-431: Land use/local preemption—Preempts local units of government on zoning and all regulation of sand and gravel mining operations, and places jurisdiction under the state Department of Environment, Great Lakes, and Energy. *MTA opposes.*

SB 441 & HB 5326: Property tax assessments—Clarifies valuation of wind energy systems. *MTA supports.*

SB 442 & HB 4875: Land use—Modifies conditions under which zoning ordinance may prohibit aggregate mining. *MTA supports.*

SB 449: Unfunded mandates—Creates the Headlee Unfunded Mandates Prohibition Act specifying a local unit of government would not be obligated to provide a new activity or service or increased level of activity or service required by state law unless the state appropriates the necessary funds to the local unit of government. *MTA supports.*

SB 563: Beach safety—Requires municipalities to post information on beach safety and anti-drowning techniques from state on website if they maintain a website. *MTA supports.*

SBs 729-730: Personal property tax exemption—Exempts from personal property tax new broadband equipment that resolves lack of service. *MTA opposes.*

SBs 783 & 1084: Property taxes—Replaces process for disabled veterans property tax exemption with an income tax credit and requires the state to reimburse local units of government. *MTA supports.*

SBs 805-806: Property tax exemptions—Modifies the filing for eligible manufacturing personal property tax exemptions and the distribution of the local community stabilization share retroactively for businesses that missed the exemption filing deadline. *MTA opposes.*

SB 807: Property tax exemptions—Provides, for 2021 year only, a process for owner of personal property that would have qualified for an exemption if failed to file due to COVID-19 to obtain an exemption and holds local units of government harmless. *MTA supports.*

SB 820: Local preemption—Prohibits local units of government imposing a ban on the use of natural gas or installation of natural gas infrastructure. *MTA opposes.*

SB 846: Disabled veterans property tax exemption—Modifies affidavit filing requirements for disabled veterans property tax exemption. *MTA monitoring.*

SB 881: Property tax exemption—Extends automatic poverty exemption for 2021 tax year through 2022 tax year for properties exempt in 2019, 2020 or 2021 tax year, and allows board of review to grant a partial poverty exemption equal to 75% reduction in taxable value. *MTA monitoring.*

SB 956: Property tax exemption—Provides tax exemption for personal property comprising certain consumer goods handling systems. *MTA opposes.*

SBs 957-958: Use and sales tax exemptions—Exempts collection of the use tax and sales tax on fully automated consumer goods handling systems. *MTA opposes.*

SBs 972-973 & 1029: Sales and use tax suspension—Exempts sale of fuel from sales and use tax at the pump from June 15 to Sept. 15, 2022. *MTA opposes.*

SBs 1060-1062: Property taxes—Provide for the replacement revenue to local units for personal property tax exemption for the small taxpayer exemption between \$80,000 and \$180,000 that takes effect in 2023. *MTA supports.*

Thank you



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Contributions made Jan. 1 - July 7, 2022

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Established in 1982, MTA-PAC is an important resource that allows MTA to assist township-friendly candidates running for the Legislature. Your contribution to MTA-PAC provides the financial resources that are necessary to help elect legislative candidates who will fight for township government.

To donate, log in to www.michigantownships.org, click "MTA-PAC" under the "Advocacy" tab or call (517) 321-6467, ext. 236.

Michigan Township Vendor Directory

2022 edition

Looking for product or service for your township? Pull out this Vendor Directory and place it somewhere convenient. When your township is looking for a company that provides the services you need to run your township efficiently, this listing will help you find a good fit! An online vendor listing, including description of services and links to company websites, is also available at www.michigantownships.org/vendor_directory.asp.



Companies that are part of MTA's Allied Service Provider program are listed in blue. We thank these companies for their participation in the program, and their dedication to serving township government.

2022 Township Vendor Directory

Architects & Engineers



Anderson, Eckstein & Westrick, Inc.
51301 Schoenherr Rd. Shelby Township, MI 48315
586-719-8716 | www.aewinc.com



Fleis & Vandenbrink Engineering, Inc.
2960 Lucerne Dr. SE Grand Rapids, MI 49546
616-977-1000 | www.fveng.com



Gourdie Fraser, Inc.
123 W. Front St. Traverse City, MI 49684
231-946-5874 | www.gfa.tc



Spalding, DeDecker & Associates
905 South Blvd. E Rochester Hills, MI 48307
248-844-5400 | www.sda-eng.com



Wade Trim, Inc.
500 Griswold St., Ste. 2500 Detroit, MI 48226
800-482-2864 | www.wadetrim.com

Asphalt, Emulsions Supplier & Calcium Chloride



Asphalt Materials, Inc.
940 N. Wynn Rd. Oregon, OH 43616
734-755-8274 | www.asphalt-materials.com



Michigan Chloride Sales
402 W Jackson Rd. Saint Louis, MI 48880
574-596-0973 | www.michiganchloride.com

Cemetery Products



Nelson Granite
PO Box 178 Vermilion Bay, ON P0V 2V0
519-807-9198 | www.nelsongranite.com

CPA Services



Kruggel Lawton CPA
526 Upton Dr. Saint Joseph, MI 49085
269-983-0131 | www.klcpas.com

Document Services & Ordinance Codification



General Code
781 Elmgrove Rd. Rochester, NY 14624
630-777-2217 | www.generalcode.com

Emergency Vehicle Transportation & Ambulance Services



Emergent Health Partners
1200 State Cir. Ann Arbor, MI 48108
734-477-6549 | www.emergenthealth.org



Emergency Vehicles Plus
670 E. 16th St. Holland, MI 49423
(616) 405-1802 | www.emergencyvehiclesplus.com

Employee Safety & Wellness



2 The Rescue LLC
1907 Millbrook St. SE Grand Rapids, MI 49508
616-262-8455 | www.twotherescue.com

Financial Services, Advisors & Retirement Consultants



MERS of Michigan

1134 Municipal Way Lansing, MI 48917
517-703-9030 | www.mersofmich.com



Northland Securities, Inc.

100 Maple Park Blvd. Saint Clair Shores, MI 48081
586-745-8065 | www.northlandsecurities.com

Insurance & Risk Management



Burnham & Flower Insurance Group

315 S. Kalamazoo Mall Kalamazoo, MI 49007
269-381-1173 | www.bfgroup.com



David Chapman Agency

5700 W. Mount Hope Hwy. Lansing, MI 48917
517-214-7837 | www.davidchapmanagency.com

HARTLEB

Hartleb Agency, An EMC Insurance Company

5840 King Hwy. Kalamazoo, MI 49048
269-385-5911 | www.hartlebagency.com



Michigan Municipal Risk Management Authority

14001 Merriman Rd. Livonia, MI 48154
734-513-0300 | www.mmrma.org



Michigan Township Participating Plan

1700 Opdyke Ct. Auburn Hills, MI 48326
248-371-3100 | www.theparplan.com



Nickel & Saph, Inc.

PO Box 46907 Mount Clemens, MI 48046
586-463-4573 | www.nickelsaph.com

Land Use Consultants



Professional Code Inspections of Michigan Inc.

1575 142nd Ave. Dorr, MI 49323
616-877-2000 | www.pcimi.com

Legal Services



Bauckham, Sparks, Thall, Seeber & Kaufman

470 W. Centre Ave., Ste. A Portage, MI 49024
269-382-4500 | www.michigantownshiplaw.com



Fahey Schultz Burzych Rhodes PLC

4151 Okemos Rd. Okemos, MI 48864
517-381-0100 | www.fsbrlaw.com



Foster Swift Collins & Smith, PC

313 S. Washington Sq. Lansing, MI 48933
517-371-8100 | www.fosterswift.com



Mika Meyers PLC

900 Monroe Ave. NW Grand Rapids, MI 49503
616-632-8000 | www.mikameyers.com



Miller Canfield

150 W. Jefferson Ave., Ste. 2500 Detroit, MI 48226
313-963-6420 | www.millercanfield.com



Murphy & Spagnuolo, PC

2123 University Park Dr., Ste. 130 Okemos, MI 48864
517-351-2020 | www.mbspclaw.com



Rosati Schultz Joppich Amtsbuechler, PC

27555 Executive Dr., Ste. 250 Farmington Hills, MI 48331
248-489-4100 | www.rsjalaw.com

Planning & Zoning Consultants



Carlisle Wortman Associates

117 N First St Ste 70 Ann Arbor, MI 48104
734-662-2200 | www.cwaplan.com



McKenna Associates, Inc.

235 E Main St., Ste. 105 Northville, MI 48167
248-596-0920 | www.mcka.com

Print & Mail Services



Kent Communications, Inc.

3901 E. Paris Ave. SE Grand Rapids, MI 49512
616-957-2120 | www.kentcommunications.com

Recreation Equipment Supplier



Polly Products

12 N. Charlotte St. Mulliken, MI 48861
877-609-2243 | www.pollyproducts.com

Rural Economic Development



USDA Rural Development

1525 N. Elms Rd. Flint, MI 48532
810-605-3127 | www.rd.usda.gov

Software & Technology



CSA Software Solutions

1800 Club Manor Dr., Ste. 3 Maumelle, AR 72113
501-801-9900 | www.csasoftwaresolutions.com

Solar Energy Development & Planning



Solar Ladies Consulting

6510 Dexter Ann Arbor Rd. Dexter, MI 48130
517-204-5115 | www.solarladiesconsulting.com

Utilities



Consumers Energy

1 Energy Plaza Dr. Jackson, MI 49201
517-788-1215 | www.consumersenergy.com



DTE Energy

1210 Tracilee Dr. Howell, MI 48843
313-235-6751 | www.dteenergy.com



ITC Holdings Corp.

27175 Energy Way Novi, MI 48377
877-482-4829 | www.itc-holdings.com

Web Design



Shumaker Technology Group

3721 W. Michigan Ave., Ste. 103 Lansing, MI 48917
517-325-3121 | www.shumakergroup.com

Beyond the Vendor Directory

MTA provides many ways to connect you with companies supporting Michigan townships.

- More information, including company descriptions and links to company websites, can be found on MTA's website www.michigantownships.org/vendor_directory.asp.
- Ask your peers for recommendations on MTA's *Community Connection* via www.michigantownships.org. Use your email address on file with MTA to log in and ask questions in the "All Members" community and receive feedback from your fellow township officials.
- Meet some of the vendors listed in this directory as well as others at our *Regional Summits* held in October throughout the state or at MTA's 2023 Educational Conference & Expo in April at the Grand Traverse Resort in **Acme Township** (Grand Traverse Co.).

Decoding employee classification & compensation

Whether your township has just a handful of employees or more than 100, *every* township is an employer, and determining how to classify—and compensate—your employees can be complex and complicated. Equally tricky can be establishing compensation for elected township officials and how and what to pay appointed officials, which can be scrutinized in the public eye. All township board members must play a role in ensuring fair and lawful classification and compensation for every member of their township team.

Clarifying classification

What's the big deal with employee classification? Simply put, misclassifying employees can cost the township money, including back pay due to unpaid overtime, fines and legal fees. According to the Michigan Department of Labor and Economic Growth (LEO), employee misclassification most commonly occurs when an employer hires someone and incorrectly classifies them as an independent contractor rather than as an employee. Employees can also be misclassified as a volunteer, or be incorrectly classified as “exempt” when he or she should be nonexempt.

While it may not be simple to determine whether someone is an employee, independent contractor or volunteer, it is a very important first step toward classifying

employees. Only certain individuals can be treated as volunteers and independent contractors.

- An **employee** is a worker who performs duties for the township for wages or a salary. The township controls their hours and duties under general or direct supervision.
- An **independent contractor** is a person who contracts to do work for the township according to their own processes and methods; the contractor is not subject to the township's control except for what is specified in an independent contractor agreement. Independent contractors are paid by the job through a contract, and receive no benefits or expense reimbursement. Three broad categories are used to determine the difference



Classifying employees can be tricky, but misclassification can cost the township money, including back pay due to unpaid overtime, fines and legal fees.

between independent contractor and employee: behavioral control, financial control and relationship factors. Townships are also required by Michigan unemployment insurance law to use the IRS 20-factor right-to-control test to determine independent contractor eligibility. Other economic reality tests may also be used by courts to determine independent contractor status that may make it possible for a worker to be classified as an independent contractor under one law, but an employee under another.

- A volunteer is someone who receives no compensation for their services and offers them freely and without pressure or coercion. Volunteers may be paid expenses, reasonable benefits, or a nominal fee for their services without jeopardizing their status as a volunteer. A township employee can also be a volunteer if he or she does not perform the same type of service for the township for which they are volunteering. For example, a fire chief cannot also be a volunteer firefighter because they are the same type of service, but a maintenance worker can be a volunteer firefighter because the volunteer position is not the same type of service he or she performs as a maintenance worker.

FLSA and minimum wage laws

The federal Fair Labor Standards Act (FLSA) and the Michigan minimum wage laws establish minimum wage, overtime pay, recordkeeping and youth employment standards affecting employees in the private sector and covered workers in federal, state and local government.

Employees *not* covered by the FLSA and Michigan minimum wage laws include:

- An individual who holds a **public elected office**—this includes a township board member, elected library board member, elected park commissioner or constable.
- A **political appointee** of a person holding public elective office—such as a deputy.
- An **individual appointed to serve on a policy-making level**—such as a planning commissioner, or zoning board of appeals or board of review member.

The U.S. Department of Labor and LEO's Wage and Hour Division take no position as to whether election workers are subject to the FLSA and Michigan minimum wage laws of the township that receives their services.

Employees who are not covered by the FLSA or Michigan minimum wage laws, volunteers and independent contractors do not need to comply with federal or state regulations for the purposes of minimum wage and overtime.

Exempt or nonexempt?

After determining whether or not an employee is covered by the FLSA and Michigan minimum wage laws, a township must determine if the employee is exempt or nonexempt from minimum wage and overtime requirements. Currently, the Michigan minimum hourly wage is higher than federal minimum wage, so a nonexempt employee is entitled to the Michigan minimum wage rate of \$9.87 per hour.

To be exempt, an employee must meet two tests: the **duties test** and the **salary test**.

Under the duties test, the township must look at the duties the employee actually performs to determine if he or she is exempt under the following categories:

- **Executive:** The employee's primary duty must be management-related and the employee must customarily and regularly direct the work of two or more employees.
- **Administrative:** The employee's primary duty must be office or other non-manual work that is directly related to management or to general township operations. In other words, their work may influence township policy or is it their responsibility to execute or carry out township policy by exercising discretion and independent judgment.
- **Professional:** The employee's primary duty must require advanced knowledge in a field of science or learning, and include the consistent exercise of discretion and judgment.
- **Computer:** The employee's primary duties involve designing, developing, testing and analyzing computer systems and programs. This exemption does not apply to computer technicians who repair and install computer systems.

Under the salary test, the employee must be paid on a salary basis at least \$684 per week or \$35,568 per year to be exempt from the FLSA and state wage laws. To be paid on a salary basis means that the employee receives the same amount regardless of the number of hours worked, and the minimum base salary cannot be prorated for part-time work.

An exempt employee cannot be paid overtime without risking losing the exempt classification. To reward an exempt

employee for working additional hours, a township may want to consider providing flexibility in taking time off. Although not common practice, an exempt employee can be required to submit timesheets in order to track hours worked for the purposes of vacation and sick time, but the township cannot base the exempt employee's wage on the number of hours worked or withhold their paycheck for failure to turn in a timesheet. If the township offers personal leave time, and an exempt employee exceeds the amount of time available for use, their pay can be deducted only in full-day increments rather than for the actual hours of work missed.

A nonexempt employee must receive pay for every hour worked and must receive time-and-a-half for every hour worked over 40 hours per week at least at the current Michigan minimum wage. The method of payment for a nonexempt employee's pay can be hourly, salary or on a piece-rate basis (e.g., \$10 per hour, \$200 per week or \$30 per permit). Regardless of the payment method, timesheets must be kept to calculate wages and overtime. For example, if a nonexempt employee is paid a salary and they work over 40 hours a week, their salary must be calculated at an hourly rate and paid at time-and-a-half rate for every hour worked over 40 hours per week. If a nonexempt employee is paid a piece-rate at \$30 per permit, and it takes them more than five hours to issue one permit, then their piece-rate would fall below minimum wage and would need to be adjusted to meet minimum wage requirements.

A township may also allow nonexempt employees to bank compensatory time in lieu of monetary overtime compensation at the same time-and-a-half rate for every hour worked over 40 hours up to a maximum of 240 hours. However, because compensatory time becomes a future liability for the township and must be paid at the time of termination if not used, a township may want to limit the amount of compensatory allowed by statute.

Determining full- or part-time classification

There is no federal law that defines the term "part-time" or specifies the number of hours an employee must work per week to be considered part-time as opposed to full-time. However, many employers classify part-time employees as those who regularly work fewer than 30 hours per week. It is up to a township to determine how many hours constitute part time for the township.

Benefit eligibility is often based on full- and part-time status. There are federal and state laws that condition the number of hours that may be required for benefit eligibility. For example, the federal Employee Retirement Income Security Act (ERISA) regulates pensions and other retirement plans. In accordance with ERISA, an employer who chooses to offer these types of benefits must extend coverage to an employee who works at least 1,000 hours during a 12-month period. Thus, part-time employees who work 20 hours per week for the whole year will become eligible to participate in retirement plans unless otherwise excluded.

While classifying employees can be complicated, taking the time to understand the township's obligations under the FLSA and Michigan wage laws will help avoid the classification trap—saving the township expense and headaches as a result of noncompliance.

Next step: Determining employee compensation

As a general rule, compensation for employees is determined solely by the township board. Because employee compensation can often comprise 60 to 80% of the township budget, salary determinations should be a major focus in budget development.

Salaries and wages in smaller townships are often reviewed annually on a case-by-case basis. In larger townships with many employees, the board may adopt a compensation system that incorporates a salary range for different job classifications. Under such a merit system, the board does not decide individual salaries, but adjusts the overall compensation levels for changes in the prevailing wages paid in the labor market for similar positions. A merit system attempts to also maintain salary equity among township employees as well.

Modern personnel administration places great importance on establishing compensation levels that are equitable with the labor market (what other employers pay employees with similar positions) and that maintain "internal equity" among the various township offices. Where positions in the township have differing requirements and demands, the compensation differential between those positions commensurately reflects the difference in job requirements. Job requirement factors that are often considered in establishing compensation include education and work experience necessary to perform the job, interpersonal, verbal and written communication skills, and job complexity, among many others.

A word about deputies—The township board is authorized to determine whether the compensation of the deputy supervisor, deputy clerk or deputy treasurer will be paid by salary or by some other method, as well as the level of compensation. As employees

HOW CAN YOU PREDICT THE LEGAL RISKS YOUR COMMUNITY MIGHT FACE?

- A. CRYSTAL BALL
- B. TAROT CARDS
- C. OUIJA BOARD
- D. ROSATI, SCHULTZ, JOPPICH & AMTSBUECHLER, PC

ANSWER: D

"They are integrally involved with the day-to-day operations of the township. They anticipate what the impacts will be for the township and make recommendations on how to deal with them."

—Township Supervisor



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JOPPICH | AMTSBUECHLER



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What is a township employee? An employee is a worker who performs duties for the township for wages or a salary. The township controls their hours and duties under general or direct supervision.

of the township, deputies are paid from the general fund of the township, not by the officer who appointed the deputy.

The manner of compensating deputies varies from township to township, as some deputies are full-time employees or may hold other jobs with the township, while other deputies hold the title but perform few regular duties. A deputy position is not subject to the FLSA or minimum wage. If a person who is a deputy also holds an employment position with the township unrelated to deputy statutory duties, then that position is likely subject to the FLSA and minimum wage.

What about non-elected officials?

Compensation for members of statutory township boards and commissions, such as a planning commission, zoning board of appeals, board of review, or fire/police administrative board, etc., is guided by the statute that authorizes the specific board or commission. For example, the Michigan Planning Enabling Act states, “Members of a planning commission may be compensated for their services as provided by the legislative body,” (MCL 125.3823), while the Michigan Zoning Enabling Act states, “A member of the zoning board of appeals may be paid a reasonable per diem and reimbursed for expenses actually incurred in the discharge of his or her duties.” (MCL 125.3601)

Advisory committees or bodies established by the township board (not by statute) may be compensated as determined by the township board. Township boards should refer to the authorizing statute for any board or commission before establishing compensation for that body.

Setting elected officials' salaries

Setting the salaries of the elected members of the township can be a political issue for elected officials and residents alike. Salaries for elected officials may be set in one of three ways—by board resolution, electors at the annual meeting, or a salary compensation committee—each that

has its own procedural requirements and limitations, as well as advantages and disadvantages. Note that for charter townships, salaries can only be set by board resolution or compensation commission.

Elected township offices may be paid a “salary of the office,” which the officeholder is legally entitled to receive as long as he or she holds that office. For trustees, the salary is set for the office, and each trustee receives the same salary, regardless of their length of service or experience.

The salaries of the offices cannot be decreased during a term of office after they have been established by the township board or electors, unless the duties of the official are decreased and the official consents to the decrease in writing. (MCLs 41.95(7) and 42.6a(6)) The law does authorize a “two-part” salary to be stated in the salary resolution for the office of supervisor to compensate for the assessing function when it is performed by the supervisor, allowing for the supervisor’s salary of the office to be automatically reduced by the stated assessing portion if the current supervisor does not assess—or increased if a new supervisor does. (MCLs 41.95(2) and 42.6a))

A person appointed to fill an elected officer’s position in a general law township is entitled to the same compensation as established for the elected official whose position has become vacant. (MCL 41.95(2)) MTA believes that this also applies in charter township.

A trustee may receive, in addition to an annual salary, a payment for each meeting of the township board actually attended by the trustee, as established by the township board. (MCLs 41.95 and 42.6) This may be a per meeting payment (paying for each meeting, even multiple meetings on same day) or a per diem (“day”) payment (paying once for any day that meetings were attended). The supervisor, clerk and treasurer cannot receive additional compensation for attending meetings of the township board. (MCLs 41.95 and 42.6)

MTA has observed a fair amount of clerk and treasurer turnover, which could be related to a lack of reflection in compensation for the increased duties that these two positions have had to take on over the past several years. Township boards may wish to consider setting compensation for these positions commensurate with what is seen in the market for similar administrative positions.

Board resolution—In townships that do not hold an annual meeting, and in any charter township, the township board may set the salaries of township officials by salary resolution. (MCL 41.95(3)) More than 75% of townships set the board office salaries this way. The township board is not required to adopt salary resolutions each fiscal year or any other specific time; they may be adopted when and as the board wishes to change one or more of the salaries of the four offices. Attorney General Opinion 6422 of 1987 requires the township board to adopt a separate resolution for each official. A sample salary resolution where no annual meeting is held is available on www.michigantownships.org (search for “Compensation” on the members-only side after logging in) or by calling (517) 321-6467, ext. 1.

A township board resolution to increase salaries is subject to referendum if a citizen petition, signed by at least 10% of the registered township electors, is filed with the township clerk within 30 days after the township board passes the resolution to increase salaries. If a petition is filed with the township clerk, the township board must call a special election and submit the question to the voters. The salary is paid at the increased rate in the interim.

If the voters approve the resolution, the official continues to receive the salary increase. If the resolution is not approved, going forward, the official's salary reverts to the salary for that office in effect before the township board adopted the resolution. The salary is adjusted as of the date the board of canvassers certifies the election results.

Electors' authority to vote is limited to the salary question only—electors have no authority to determine non-taxable fringe benefits or whether the township will participate in a pension plan.

Electors at the annual meeting—If the township board adopts a resolution to hold an annual meeting of the electors and has not created a compensation commission, the electors at the annual meeting are authorized to set the salaries of the township supervisor, clerk and treasurer and trustees who are paid by salary. (MCL 41.95) If the township compensates trustees on a per diem or per meeting basis, the compensation is established by township board action and is not subject to the annual meeting of the electors' authority.

Annual meeting electors cannot set salaries for any other official or employee of the township or decide fringe benefits for any township official or employee, including board members.

MTA Legal Counsel believe that if a township holds an annual meeting, the township must pass a salary resolution for each of the four board positions (if the trustee position is paid salary) at least 30 days before the annual meeting is held. This resolution may provide that salaries remain the same during the ensuing fiscal year or that salaries for some or all officials be increased during the ensuing fiscal year; it may also provide for a reduction in the salaries of board members to commence with the beginning of the next term of office.

The resolution must be adopted by the township board at least 30 days prior to the date set for the annual meeting. The resolution must state the date within the next fiscal year upon which the salaries shall be effective. Sample salary resolutions for townships holding an annual meeting are available on the members-side of www.michigantownships.org.

Electors at the annual meeting may alter the amount of the salary established by township board resolution. Because state law prohibits reducing an elected official's salary during the official's term of office, the electors can only alter this resolution by approving an alternative salary equal to or higher than the salary authorized the prior year. If the electors fail to act on the salary resolution, the officers are entitled to the salaries established in the resolution.

Assuming that the compensation established by the electors was properly adopted, the township board does not have the authority to override the electors' decision on compensation made at an annual meeting. For instance, if the electors at the annual meeting determine the salaries of certain board members will be frozen at current levels while

Board member compensation for additional duties

Michigan law allows township boards to assign additional, non-statutory duties to elected township officials and to authorize payment for those services as the township board deems reasonable. (MCL 41.96)

In *Burton Township v Speck*, (1 Mich App 339, 1965; affirmed 378 Mich 213, 1966), the Michigan Court of Appeals determined that state law vests wide latitude in township boards to decide not only what services are compensable but also to determine the amount of compensation.

Before an official can be compensated for performing any non-statutory related duties, the township board must review the additional duties of the official. MTA attorneys strongly suggest that any additional duties taken on by board members be explicitly authorized by board action only after the board has determined that no incompatibility of offices exists.

Additional duties and incompatible offices

Townships with a population of 40,000 or more cannot assign additional duties to a township board member that would constitute an incompatible office or a contract with the township. Townships under 40,000 in population may assign additional duties that would otherwise constitute an incompatible office or a contract with the township, subject to one exception.

The Incompatible Public Offices Act, Public Act 566 of 1978 (MCL 15.181, *et seq.*), states that a public officer shall not hold two or more incompatible offices at the same time. (MCL 15.182) "Incompatible offices" are public offices held by a public official which, when the official is performing the duties of any of the public offices held by the official, results in: (1) the subordination of one public officer to another; (2) the supervision of one public office by another; or (3) a breach of duty of public office. (MCL 15.181(b)) Since the township board is the employer, any employment position with the township would result in that position being subordinate to and under the supervision of the township board.

The Contracts of Public Servants with Public Entities Act, PA 317 of 1968 (MCL 15.321, *et seq.*), prohibits, among other things, a public servant from being a party, directly or indirectly, to any contract between himself or herself and the public entity of which he or she is an officer. (MCL 15.322(1)) However, the acts both create exceptions to allow a township board member to be assigned an additional duty that would otherwise not be allowed under those acts.

In a township with a population of less than 40,000, the township board may authorize a township official to perform other additional services for the township such as emergency medical services personnel or part-time or on-call firefighter. However, a township official may not serve as a person who negotiates with the township on behalf of the firefighters.

A township board is never required to give a board member additional duties, and many township boards feel it is inappropriate to do so. However, some townships with small populations have a limited pool of candidates who are qualified, available and willing to serve as on-call firefighters, EMTs or in other township positions. The statutory exceptions were enacted to help remedy that situation.

cover story

the salaries of other officials will be increased, the township board cannot increase the frozen salaries of the board members at a subsequent township board meeting.

Salary compensation commission—Roughly 4% of townships set board office salaries by commission. By ordinance, the township board may create a five-member compensation commission of registered township electors, appointed by the supervisor with township board approval. No officer or employee of the township is eligible for an appointment.

The commission determines elected township officials' salaries and they are final, unless the township board rejects them by a resolution adopted by two-thirds of its members. If the commission's proposed salaries are rejected, the existing salaries continue.

Important for every township and every official

All township board members are directly involved in employee and compensation issues and bear responsibility for ensuring the township is properly classifying employees, for setting salaries and for keeping apprised of changing federal and state laws—essential for making these important determinations and decisions in the best interest of the community.

Information for this article was excerpted from MTA resources, including our "Understanding Compensation for Township Officials and Employees" resource toolkit. Find this, and more employee-related information, on the members side of www.michigantownships.org (access via the "Index of Topics" under the "Answer Center" tab after logging in).

Want to compare compensation to townships in your area or that are similar to yours? MTA's online salary survey makes it easier!

- See **immediate results** with "pop-up" reports.
- Download **easy-to-read charts** and township-specific data in an Excel spreadsheet format.
- Instantly **filter reports** based on population, county, total taxable value, hours the hall is open, fire or medical runs, water or sewer customers and more ...



Every township board member and manager/superintendent can access the survey! Access on the member side of www.michigantownships.org (look under "Additional MTA Programs" after logging in).

 Steven Mann +1.313.496.7509 mann@millercanfield.com	 Patrick McGow +1.313.496.7684 mcgow@millercanfield.com	 Thomas Colis +1.313.496.7677 colis@millercanfield.com	 Katrina Piligian Desmond +1.313.496.7665 desmond@millercanfield.com
 Steve Frank +1.313.496.7503 frank@millercanfield.com	 Jeffrey Aronoff +1.313.496.7678 aronoff@millercanfield.com	 Ronald Liscombe +1.313.496.7906 liscombe@millercanfield.com	 Sean Rucker +1.313.496.7671 rucker@millercanfield.com

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MILLER CANFIELD
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Who is authorized to sign checks and payments?

Both the treasurer (or deputy treasurer) and the clerk (or deputy clerk) have authorization to sign checks and payments. The state *Accounting Procedures Manual* states that two signatures are required on each check and “Dual signatures are required for all checking accounts (except the separate tax collection checking account*). The dual signatures MUST be the clerk (or deputy clerk) and the treasurer (or deputy treasurer).” According to the MCL 41.75, “The township board shall approve claims against the township and authorize payment of allowed claims. Accounts approved by the township board shall be filed and preserved by the township clerk. The payments authorized shall be paid by the treasurer, on the order of the township board, signed by the township clerk.”

It is important to note that both the clerk and the treasurer (or their deputies) share a responsibility in the approval process of paying township bills. The treasurer has a lofty task in the approval of checks and payments through the township since they are the last stop before the payment is disbursed. The treasurer is not only endorsing the checks and payments, but also approving the validity of the payment.



What is the process for accounts payable?

The process for accounts payable for the township is as follows: The clerk receives the bills and prepares the accounts payable list, the accounts payable list is then brought to the township board for approval. Once the bills have been approved, the clerk will attach a signed voucher to the invoices and pass them along to the treasurer to be disbursed.

Documentation/review required—All bills must be documented by the township clerk using proper accounting methods according to the Uniform Budgeting and Accounting Act. Per MCL 141.421, “The state treasurer shall prescribe uniform charts of accounts for all local units of similar size, function, or service designed to fulfill the requirements of good accounting practices relating to general government.” In addition to abiding by proper accounting procedures, it is important that each check or payment be presented with proper documentation.

It is not always necessary that all documentation is present for review at the time of endorsement. When the situation arises that additional documentation is needed, it must be available.

Bank reconciliation—According to the *Accounting Procedures Manual*, “Bank accounts must be promptly reconciled

(within the month following the bank statement date) by an individual not involved in the receipt/bank deposit process. In small units of government when segregation of duties is not possible, a second official must review the reconciliation”

Controls—As previously mentioned, documentation for each check or payment is imperative. Without it, the township is not able to prove the validity of the payment. There are some situations where original documentation cannot be obtained. One of the controls that a township has in place regarding bill payment is having both the clerk and the treasurer review and sign the payment before it is disbursed. Although both the clerk and the treasurer review the payment, it is important that once the payment has passed the clerk, it should never revert back to the clerk. This control is in place so that there can be no alteration of the payment after it has been approved by the township board.



How should we handle unexpected bills and payments between board meetings?

According to the *Accounting Procedures Manual*, “all disbursements must be approved by the legislative body prior to disbursement unless addressed otherwise in the charter. The legislative body may establish a formal policy to authorize limited payments prior to approval to avoid finance or late charges as well as to pay appropriated amounts and payroll (including related payroll taxes and withholdings).” These disbursements still must be approved by the township board after payment is made. Visit MTA’s “Post-Auditing Township Bills” webpage on the members-only side of www.michigantownships.org (access via the “Index of Topics” under the “Answer Center” tab after logging in) for guidance.

Information provided in *Financial Forum* should not be considered legal advice, and readers are encouraged to contact their township auditor and/or attorney for advice specific to their situation.

Find more information on MTA’s “Check-writing and Signing FAQs” webpage on the members-only side of www.michigantownships.org.



upcoming MTA workshop

REGISTRATION INFORMATION

Explore emerging issues in planning and zoning

Join MTA for a how-to guide and real-life practical experiences at the summer's hottest workshop series, *Hot Topics in Planning & Zoning*. This evening program identifies emerging issues in planning and zoning, and is a must for planning commissioners, township board members and zoning administrators.

Dig into hot-button land use and zoning issues that are key topics of conversation in townships across the state. Short-term rental regulations in residential neighborhoods and zoning provisions for solar energy are just a few of the topics up for discussion. We'll also review recommendations for how "hot potato" topics and conflict of interest get handled in your township to avoid confusion and contention, and ensure everyone knows their part in the process. You won't want to miss this discussion on matching your township's planning and zoning with the character of your community! Learn what to do when your current approach to restricting an existing use isn't working and what you can (and can't!) do to balance property rights with preservation of your neighborhood residential, or agricultural, character.

Designed and presented by MTA Legal Counsel Catherine Kaufman, who brings her unique experience as both a planner and an attorney, and Seth Koches, with the firm Bauckham, Sparks, Thall, Seeber & Kaufman PC, this workshop offers real-life, practical application. This course was designated by Michigan State University Extension for Master Citizen Planner (MCP) program credit. Registration and dinner begin at 4 p.m.; class is held from 5 to 8 p.m. on:

Aug. 16: Comfort Inn, Mt. Pleasant **Aug. 24:** Otsego Club, Gaylord **Aug. 31:** Van Buren ISD, Lawrence

Can't make the date? Prefer to join online? Catch a live stream online from the computer nearest you on Aug. 31 OR watch a recorded version (available in September) at your convenience until Dec. 1. Watch live or recorded—or both—whichever works for you!



Discounted book package available: Participants can pre-purchase MTA's Planning & Zoning Book Package, which includes *The Township Guide to Planning & Zoning* and *Planning & Zoning Decision-making*, for \$77 (\$82 for online attendees to cover shipping & handling)—an 18% discount over regular rates! The *P&Z Guide* provides a detailed look at the planning process and outlines a successful program, while *Decision-making* aims to help you reach defensible decisions and build a strong community based on sound planning principles and procedures. Books will be distributed onsite at check-in or shipped to online registrants.

Cancellation, substitution & switching policy: Written cancellation requests received at the MTA office by Aug. 2 will receive a full refund. No refunds will be issued after this date. In-person event "no shows" or those who cancel after Aug. 2 will be converted to online access. If space allows, you may switch locations at no charge if you notify MTA of the change at least one week prior to the workshop; otherwise, a \$25/person fee will be assessed. You may substitute another individual from your township without incurring a charge; please notify MTA of the change.

Hot Topics in P&Z Registration Form

Township	County
Name & Title	Email
Joining: <input type="checkbox"/> In Person <input type="checkbox"/> Online	
Purchase P&Z books? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Name & Title	Email
Joining: <input type="checkbox"/> In Person <input type="checkbox"/> Online	
Purchase P&Z books? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Name & Title	Email
Joining: <input type="checkbox"/> In Person <input type="checkbox"/> Online	
Purchase P&Z books? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Which location will you attend?

Aug. 16: Mt. Pleasant

Aug. 24: Gaylord

Aug. 31: Lawrence

Online option:

Aug. 31: Join live AND watch on demand later

Early-bird Rate*: Expires Aug. 2
\$103/person (*Premium subscribers pay \$82/person***)

Regular Rate*: After Aug. 2
\$123/person (*Premium subscribers pay \$98/person***)

_____ (# registered) x \$ _____ (rate*) = \$ _____

_____ (# of book packages) x \$77/package per package; \$82 for online registrants*) = \$ _____

AMOUNT ENCLOSED = \$ _____

*Rate applies to MTA members. Non-members, call for rates.

***Premium subscribers are townships that have purchased an annual online learning subscription to MTA Online at the premium level. Wondering whether your township subscribes? Visit www.michigantownships.org/mtaonline.asp to learn more.*

NOTE: Payment must accompany form in order to be processed.

Check enclosed (payable to MTA) Charge to credit card (below)

Card #	CSV (3-digit code)	Expires
Print Card Holder's Name	Signature	



Send your completed registration form with payment to MTA, P.O. Box 80078, Lansing, MI 48908-0078; fax: (517) 321-8908. Or register online at www.michigantownships.org. Questions? Call (517) 321-6467, ext. 221.



Valuable plenary and breakout
educational sessions |
Connecting with fellow officials
and MTA leadership | **Mini-expo** |
Evening **entertainment**

Introducing
MTA's all-new
**Regional
Summits**

An extraordinary learning
and networking opportunity,
connecting the township
community.

We look forward to seeing you!

Oct. 4-5: Marquette

Oct. 10-11: Kalamazoo

Oct. 12-13: Bellaire

Oct. 18-19: Mt. Pleasant

Oct. 25-26: Port Huron

Take advantage of discounted early-bird rates.
Register by Sept. 20 and save!



As an MTA member, you are part of the largest community of local government officials in the state.

Our all-new **Regional Summits** celebrate that community and offer you a chance to come together for an extended learning and networking opportunity—at a location near you.

We are excited to premier our new regional events, which are amped-up versions of our popular *MTA On the Road* meetings held throughout the state that brought together MTA leadership, vendors, local government experts, lawmakers, and—most importantly—YOU! We have crafted an enlightening program, delving into important information and updates on current issues that are critical to Michigan townships. Each **Summit** features thought-provoking general sessions—including an insightful legislative update—and breakout sessions on timely topics all designed to keep you informed and help you better serve your community. Join us, and your fellow officials, for an experience like no other.

Practical techniques and valuable resources

The one-and-a-half-day program is packed with informative sessions featuring topics relevant to elected township leaders and your entire township team. Take advantage of this opportunity to learn and connect with the experts who can help make your role in the township more fulfilling and beneficial. It's an investment in you and your community!

Educational sessions include:

Financial Fundamentals and Insights

You won't want to miss this opportunity to hear directly from experts within the Michigan Department of Treasury on financial issues impacting townships. Get an overview of best practices in budgeting, review the five-year budgeting tool and walk away with techniques for measuring your township's financial health. Gain insights into the most common questions surrounding accruals, bank reconciliation, internal controls, auditor recommendations and more!
Speakers: Representatives from the Michigan Department of Treasury

Top Topics for Today's Townships

This insightful speed round offers a quick update on each topic and time to get your questions answered! Topics include:

- Open Meetings Act
- Freedom of Information Act
- Using ARPA funds (lawful expenditures)
- "Onboarding" new board members after the November mid-term election

Speakers: MTA's Member Information Services Team

Legislative Lowdown

Get the latest on the legislative issues at the forefront at the state Capitol as well as insights into the political landscape. Hear the latest conversations on budget issues and learn what will be considered in the remaining weeks of the 101st session—including tax issues and implications for your township, election measures that may be considered,

infrastructure investment and much more. With the November election fast approaching, new challenges and opportunities exist; learn how you can influence the issues expected to be addressed during the remainder of 2022 and in the 2023 legislative session.

Speakers: MTA's Government Relations Team

Show Me the Money! What Townships Need to Know about Grants

Finding the right grant to apply for is half the battle! Learn to identify funding sources for township projects, including partnership resources, and walk away armed with tips and techniques designed to ensure you get your share. Get a general overview of the process, from where to find grants to what you need to know about applying. We'll review key points of the American Rescue Plan and Infrastructure Investment and Jobs Acts, Michigan Natural Resources Trust Fund grants and additional opportunities available through the U.S. Department of Agriculture.

Speaker: Mickey Bittner, PE, Regional Director, Wightman

Ins and Outs of Township Ordinances

There are no advantages—and plenty of disadvantages—to having ordinances or provisions that you don't want or need. This overview of statutory authority for both zoning and non-zoning ordinances will help you understand and evaluate your township's ordinance needs. You'll walk away better prepared to prevent

conflicts and complaints and put your township in the driver's seat for steering the character of your community.

Speaker: MTA Legal Counsel, Bauckham, Sparks, Thall, Seeber & Kaufman, PC

Broadband: The Middle-Mile and Your Township

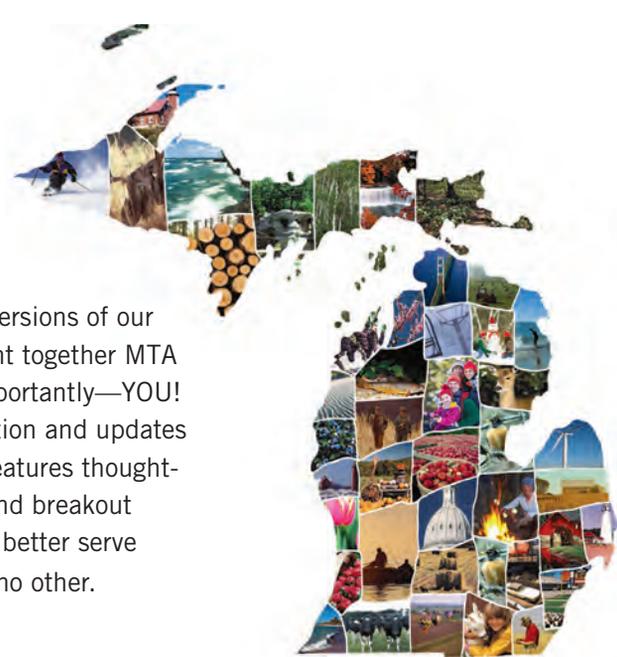
One township can make a difference! Join the discussion on how your township can help fill the infrastructure gaps in underserved internet pathways across the state. Learn more about cooperative partnerships that can help reduce costs and accelerate broadband projects in Michigan.

Speakers: Eric Frederick, Vice President, Broadband Planning, and Executive Director, Connect Michigan; and Merit representatives

Nuances of the Right to Farm Act (RTFA)

What can townships regulate when it comes to agriculture? What is (and is NOT) considered agriculture? And who has to follow the Generally Accepted Agriculture and Management Practices (GAAMPs)? Learn what falls under the RTFA, what GAAMPs address and how it all impacts your township.

Speakers: Michael Wozniak, Program Manager, and Stephen Mahoney, Resource Analyst, Right to Farm Program, Michigan Department of Agriculture and Rural Development; and Ryan Coffey Hoag, Extension Educator, Government & Community Vitality, Michigan State University Extension



Our all-new Summits offer you ...

Value ... Officials are encouraged to register for the full program to get the most out of this educational experience. Registration fees include all meals and activities. Can't get away for more than one day? Single-day rates are also available.

Connection ... Your fellow local leaders know better than anyone the challenges you face! Like all members of the township team, you serve your community to make a difference. You won't want to miss this unique opportunity to gather with dedicated public servants from your area (and municipal experts!) for education, networking and fun.

Vendor showcase ... This mini expo is designed to help you find providers of products and services that can help your township run more efficiently. Visit with vendors, gather information and get your questions answered.

Evening event ... Get out of the classroom and into the fun! Join us and your fellow officials for a night of food and festivities.

Lifelong learning ... Your attendance at MTA's *Regional Summit* qualifies for continuing education credit in the following MTA educational programming:

- One point toward Chapter 17 in the *Red Book Ready* learning series.



- Four elective credits in our *Township Governance Academy* credentialing program. No project required!



Learn more about these continuing education programs, including how you can get enrolled, at www.michigantownships.org (look under the "Training" tab).



Agenda

DAY ONE

- 3 p.m.**
Registration check-in
- 4 p.m.**
Welcome and opening educational session, Financial Fundamentals and Insights
- 6 p.m.**
Dinner
- 7 p.m.**
Leadership remarks
- 7:45 p.m.**
Evening event

DAY TWO

- 8 a.m.**
Vendor showcase with continental breakfast
- 9 a.m.**
Top Topics for Today's Townships
- 10:30 a.m.**
Vendor showcase and mid-morning break
- 11 a.m.**
Legislative Lowdown
- 12:15 p.m.**
Networking lunch

- 1 p.m.**
Concurrent sessions
 - What Townships Need to Know about Grants
 - Ins and Outs of Township Ordinances
- 2:30 p.m.**
Stretch and refreshment break
- 3 p.m.**
Concurrent sessions
 - Broadband: The Middle Mile and Your Township
 - Nuances of the Right to Farm Act
- 4:15 p.m.**
Adjourn

Can't make the date but don't want to miss out on this valuable information? A recorded version will be available after the event; watch MTA publications and emails for details.

When, where and sign me up!

Register for the *Summit* nearest you by Sept. 20 to take advantage of discounted registration fees. A limited number of hotel rooms are available at discounted rates. Contact the hotel directly and reference this MTA event to book your room. Your registration confirmation (sent via email) will have all the details.

Oct. 4-5: Holiday Inn

1951 U.S. 41 West, Marquette (906) 225-1351

Oct. 10-11: Four Points by Sheraton

3600 E. Cork Street Ct., Kalamazoo (269) 385-3922

Oct. 12-13: Shanty Creek Resort

Lakeview Hotel & Conference Center, 5780 Shanty Creek Rd., Bellaire (866) 486-7790

Oct. 18-19: Comfort Inn Hotel & Conference Center

2424 S. Mission St., Mt. Pleasant (989) 772-4000

Oct. 25-26: DoubleTree by Hilton and Bluewater Convention Center

800 Harker St., Port Huron (810) 984-8000

Joining us in Marquette? *Add on a pre-Summit Assessing Your Township's Assessing class (scheduled to be held downstate later this year) and/or a post-Summit Hot Topics in Planning & Zoning class (held downstate in August). Details will appear in registration materials mailed to U.P. officials.*

Cancellations and substitutions: *Written cancellation requests received at the MTA office by Sept. 20 will receive a full refund. "No shows" or those who cancel after Sept. 20 will receive access to the recorded sessions. No refunds will be issued after Sept. 20 without extenuating circumstances. If space allows, you may switch locations at no charge with advance notice of one week or more. Otherwise, meal-fee penalties for late notice will be assessed. You may substitute another individual from your township for your registration at any time without incurring a charge; please notify MTA of any changes as early as possible.*

Summit Registration Form

Name & Title _____ Email _____

Name & Title _____ Email _____

Name & Title _____ Email _____

Township _____ County _____

Daytime Telephone _____

- Check enclosed (payable to MTA)
- Charge to: (circle one) MasterCard VISA

Card # _____ CSV (3-digit code) _____ Expires _____

Print Card Holder's Name _____ Signature _____

Which location will you attend?

- Marquette Kalamazoo Bellaire
- Mt. Pleasant Port Huron

Full Summit

Includes all sessions, meals, refreshments and activities

	<u>By Sept. 20</u>	<u>After Sept. 20</u>
<input type="checkbox"/> Regular rate	\$195/person	\$225/person
<input type="checkbox"/> Premium subscriber rate	\$156/person	\$186/person

Single-day Summit rates:

Includes that day's sessions, meals, refreshments and activities

	<u>By Sept. 20</u>	<u>After Sept. 20</u>
<input type="checkbox"/> Day One Regular rate	\$ 75/person	\$105
<input type="checkbox"/> Day Two Regular rate	\$130/person	\$160
<input type="checkbox"/> Day One Premium rate	\$ 60/person	\$ 90
<input type="checkbox"/> Day Two Premium rate	\$104/person	\$134

Guest dinner and evening event only:

- \$45/person
- Guest name: _____
- Guest name: _____
- Guest name: _____

Dietary/accessibility needs: _____

TOTAL DUE: \$ _____ *Above rates are for MTA members; non-members, call MTA for rates.*

***Premium subscribers are townships that have purchased an online learning subscription to MTA Online at the premium level. Find out if your township is a premium subscriber at www.michigantownships.org/mtaonline.asp.*



Send your completed registration form with payment to MTA, P.O. Box 80078, Lansing, MI 48908-0078; fax: (517) 321-8908. Or register online at www.michigantownships.org (look under the "Training" tab). Questions? Call (517) 321-6467, ext. 221.

Protecting people

New firefighter training rules impact township fire departments

Fire doesn't discriminate. And members of the fire service put their lives on the line every day to protect residents and property.

State Fire Marshal Kevin Sehlmeier hopes that new firefighter certification and training requirements will help keep the dedicated individuals serving Michigan's 1,100 fire departments safer, as well as the communities they protect.

"What we're trying to do is take care of people," said Sehlmeier. "We are providing for the basic needs for a very dangerous occupation. Fire is science—and science knows one thing. It's going to do what it wants until you counteract it with something else, and that's usually us bringing water to the scene. Until then, it's fluid.

"I want everyone to go home."

New Michigan Fire Fighters Training Council (MFFTC) General Rules, which guide certification standards for members of the fire service, were approved last November and continuing education requirements go into effect on Oct. 1, 2022—bringing about possible changes impacting township fire departments around the state.

Why new rules?

The overhaul of the MFFTC rules was put into motion by Public Act 144 of 2017, which revised the Fire Fighters Training Council Act (PA 291 of 1966) and went into effect in January 2018. PA 144 sought to update the training standards for today's fire services personnel, which had not previously been revised in 30 years. The act also expanded the council from seven members to nine and expanded membership to include the Michigan Fire Inspectors Society. (MTA also shares with the Michigan Municipal League a rotating seat on the council; 2022 MTA Secretary **Kevin Beeson** was recently appointed to a term on the council.)

After three years, more than 40 meetings, and hours upon hours of discussion and negotiation, the council

approved the rules, which then underwent a review and approval process before the Joint Committee on Legislative Rules (JCAR) in summer 2021. Prior to being presented to JCAR, a public comment period was also held, garnering more than 100 individual comments from fire departments, chiefs and personnel, and organizations representing the fire service. After the public comment period, additional changes were made to the rules to address numerous concerns that were brought up, including reciprocity, virtual training and continuing education requirements.

The new rules seek to provide greater clarity and guidance for both initial training and ongoing education for all fire department members—including leadership—and apply to every department, regardless if it is volunteer, paid on-call or full time.

"The council thought it was very important to have a rule set that works in all 83 counties; that was really the goal," Sehlmeier said, who has been meeting with local governments and organizations throughout the state over the past few months to discuss the new rules and answer any questions or concerns that individuals or departments may have.

Ongoing training requirements

Under the rules, every member of a municipal fire department must complete 12 hours of continuing education training every year, for a total of 36 hours over three years. All individuals on the township's fire department roster and who are in the state's System Maintenance of Knowledge and Education (SMOKE) system, where firefighter certifications are recorded, must complete the number of annual training hours. Township boards or the authority having department jurisdiction,

feature

can—and many do—require their departments to complete more training hours, but the minimum amount of training hours that every member of the department must take is 12. The vast majority of departments likely put in far more training hours each year, and in fact, may be required to do so by their insurance companies in order to maintain their department's ISO rating. The minimum ongoing training requirement, however, ensures that all departments and their members are working to maintain and improve their skills—keeping both their peers and their community safe.

The way in which the hours can be earned was designed to be flexible. Many departments hold their own training in-house, conducted by one of their personnel. Contrary to the belief of some departments, the continuing education training does not need to be conducted by a certified instructor, and each department can determine for itself on which areas to focus the training.

“Each department knows what they need to train their people on,” Sehlmeier said. “You do what’s best for you.” It is also important to note that departments are not required to notify or get approval from the MFFTC in advance of training. Documentation is simply maintained by the local fire department following a training event.

Departments may also choose to collaborate with other departments in their area, attend county-led trainings, take an online course, or attend in-person education, such as MTA's fall *Emerging Issues in Emergency Services* course (Sehlmeier is presenting at this September event; turn to page 8 for details). An individual seeking a higher level of certification—such as from Firefighter II to Fire Inspector—could also count that coursework toward the new continuing education hours. Trainings held out of state also qualify for this new requirement.

While the continuing education requirements may seem like an additional burden to some, it is important to know that “continuing training” has long been a part of firefighters' duties, under the Michigan Occupational Safety and Health Administration (MIOSHA) Part 74 requirement, the general industry safety and health standard over firefighting. Part 74 dictates that each firefighter “receives initial and continuing training and education commensurate with and specific to the duties and functions that the employee is expected to perform.”

Those who hold a Fire Instructor or Fire Officer I or II certification must receive an additional four hours of continuing education training each year—for a total of 12 hours over three years.

Expanding certification—and reciprocity

The rules also expanded the number of certifications and examination requirements for fire service positions that must minimally meet the National Fire Protection Association (NFPA) standard. In Michigan, to join the fire service, an



Photo source: Plainfield Charter Township (Kent Co.) Fire Department Facebook page

Under new Fire Fighters Training Council rules, all members of township fire departments must complete, at a minimum, a dozen hours of continuing education training each year.

individual must apply to a department and be hired as an employee (this includes paid on-call and volunteer personal as well as part- and full-time employees), or enroll in a recognized training program. Previously, the state rules only included certification requirements for two levels: Firefighter I and Firefighter II. In addition to those two roles, the new rules now outline classification and requirements for Fire Officer I, II, III and IV, Fire Instructor I and II, Fire Inspector I, II and III, and Fire Investigator.

While, of course, those positions have long existed in the state, the change in the rules now requires a certification exam to be completed and passed successfully. The exam consists of both written and practical skills components. In addition, previously, individuals could “challenge” the firefighter exam—complete the exam without taking the required course. Now, however, every individual must complete the course and take the exam in order to get certified. Successful certifications do not expire.

The number of hours required to complete the initial Firefighter I and II certification did not change, nor did the curriculum. What has changed is the instructor-to-student ratio in the hands-on Firefighter I and II certification training. After hearing complaints of larger class sizes during skills trainings, the rules now require one instructor for every five students—ensuring greater access to instruction and guidance.

The rules also explicitly recognize that if an individual moves to Michigan, was certified in another state and was in good standing in their previous state, their certification will apply in Michigan, following submission of a “Request for Reciprocity Application” to the state Bureau of Fire Services (BFS) and verification from the person's former state. Reciprocity also applies to honorably discharged military veterans who worked in fire service and would like to serve

Michigan fire departments, as well as for individuals who have received certification through International Fire Service Accreditation Congress (IFSAC) or Pro Board® training programs.

“You’ll be able to put them to work pretty quick,” Sehlmeier said. “Reciprocity is a big change. It’s pretty progressive in the fire world of credentialing. Michigan is the easiest state in the U.S. to come to work as a firefighter from the military or another state.”

Sehlmeier believes this change in reciprocity can assist townships and other fire authorities with the pervasive issue of attracting people to the fire service. “If somebody was in the military, for example, for six, 10 or even 20 years and was trained as a firefighter, why wouldn’t we allow them to come home and apply this skill that they have?” he said. “This will help recruiting and retention and it’s good for all of our communities.”

The rules also put time frames in place for certification of new hires. For example, a new fire chief hired after Nov. 3, 2022, must have certification at the Firefighter II level within one year—and has three years from his or her hire date to complete the Fire Instructor I course and Fire Officer I and II certification.

Funding for training

Each county receives state funding for firefighter training, under PA 145 of 2017, which was signed into law simultaneously with PA 144. The funding—a pot of \$2.3 million—is brought in from fireworks safety fees, a fee assessed on the sale of fireworks in Michigan. Each county receives a minimum of \$17,500, with 26 counties receiving additional funds determined by a formula based on square miles and population. Each county determines how best to put those funds to use through a county training chairperson.

“The state does not tell a county what they do with their [firefighter training] money; we give the money and they get to make the choices,” Sehlmeier said.

Every county has a training committee, with a representative from each fire and public safety department in the county. The committee must conduct a training needs survey each year, submit a report of survey results to the BFS by June 15 and then designate training courses to be held that year. These are shared in the bureau’s Training Information Network, allowing departments and personnel from around the state to see what training is taking place, when and where. Counties and other local governments are not limited to using fireworks safety fees alone for trainings; they may contribute additional funds as necessary, including charging a fee to cover costs.

The rules also require that MFFTC trainings be opened up beyond a specific department or county if space remains available—for example, if a department or county is holding a training with a capacity of 20 individuals and only 10 sign up to attend, 10 individuals from any other department may attend. In addition, if a fee is charged for the training, the same fee must be charged to each individual. One department cannot have the training be free for their personnel, but charge another department a fee to participate.

Another important caveat to note is that in order to receive funding, the departments must complete the reporting required for all fire incidents. “PA 291 is very clear if you are not doing fire reporting at your department level, nobody from your department is eligible to get access to \$1 of that county training money,” Sehlmeier said.

Both the federal government and BFS can provide local departments assistance in securing, free of charge, reporting software by utilizing the National Fire Incident Reporting System.

A system for safety

With approximately 25,000 individuals in the fire service in Michigan, the new MFFTC rules aim to ensure that training is more uniform and consistent, and that every firefighter can feel confident that they are going into emergencies with a team who are equally trained and qualified. “You’re putting your life on the line,” Sehlmeier said. “You want to know that everyone else around you is prepared. We want these folks to be part of our community, we want them to be available in our time of need. We owe it to them to make sure that they have the right gear to wear, the right equipment and training to do their job.

“Firefighters serve their community and we want them to know that their safety is being looked out for, too.”

Township officials and fire personnel can sign up to receive GovDelivery email updates from the state Bureau of Fire Services at www.michigan.gov/bfs. There, you can also find more information about the MFFTC, its rules and governing statutes. Sehlmeier also conducts a biweekly Zoom meeting to provide updates from the state fire marshal. Information to participate is sent via the GovDelivery system on the day of each “Wednesday Wrap Up.”



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aroundthestate

townships in the spotlight



Garfield Township

Garfield Township (Clare Co.), with a population just over 1,800 according to the 2020 Census, is a water recreation destination, with numerous lakes in the area, including Eight Point, Crooked, Big Cranberry, Gray, Perch and Big Mud Lakes to name a few.



Because of its proximity to Crooked Lake, the settlement of “Lake Station” began in 1877 as a depot on the Pere Marquette Railway. A post office with the same name was also established that year and its name was later shortened in the early 1900s to simply “Lake.” Even today, the community is still referred to as Lake Station, though it is also a familiar refrain from residents to clarify that they are from “Lake, Michigan,” not the Great Lake “Lake Michigan.”

After five years of studies and grant applications, the Lake Station Trailhead was built in 2018 along the paved Pere Marquette State Trail that runs through the community, allowing walkers, runners, bikers, snowmobilers and others to head out in 12 uninterrupted miles east to Clare or 45 miles west to Baldwin. It continues 27 miles to Reed City, where trail users can intersect the Fred Meijer White Pine State Trail south to Grand Rapids or north to Cadillac. The trailhead features air service, bike racks, a picnic pavilion, restrooms, running water, and nearby food and drink locations.



The latest addition near the trail is a standalone 10-foot by 20-foot pop-up shop available for rent by local artists, makers, farmers and others, with the hope to attract tourists to the area while supporting local businesses.

Along the trail is a unique sight—one of the state’s two readily accessible coal docks, a 75-foot-high concrete tower built to supply coal to steam locomotives in need of fuel. The docks, also called tipples, operated until diesel replaced coal as fuel for the trains. Just 15 towers remain in Michigan.

The township has welcomed new and improving businesses recently and is also working to enhance access to popular Crooked Lake for visitors and nearby residents. A retrofitted beach area, picnic shelter, re-engineered parking lot and kayak launch, among other amenities, are part of a two-phase plan.



What makes your township special? We want to know!

Tell us—and *Township Focus* readers—about your township! In each issue of *Township Focus* magazine, you'll find one of our favorite features, "Around the State," which profiles one MTA-member township and shares information about what makes it unique—its history, community characteristics, new ventures, or whatever makes you proud—along with photos to showcase your township. No matter the size or location of your township, we'd love to profile you in an upcoming issue!

Want to see your township in the pages of *Township Focus*? It's easy! Simply contact ashley@michigantownships.org to get started. You can submit article copy and photos, or supply us with the details and we'll write it for you. (Check out our latest profile on the opposite page!)





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