

Michigan Township Focus

DECEMBER 2017

OFFICIAL PUBLICATION OF THE MICHIGAN TOWNSHIPS ASSOCIATION



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Cultivating an engaged community

Citizens aren't getting involved in their townships the way they used to. But with the right effort and methods, your township can experience a level of engagement you've only hoped for.

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Michigan's most diverse community proud of its past, present—and future

For 151 years, **Covert Township** (Van Buren Co.) has been a land of racial hopes and dreams. Settled by whites and blacks just after the Civil War, it remains the most diverse community in Michigan.

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MTA officers on state Christmas tree team honored to help make holidays merry and bright

Several members of the MTA Board of Directors are part of the crew that helps select, harvest and bring the state Christmas tree to Lansing to be on display in front of the Capitol for the holiday season.

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Michigan needs to repurpose statutory revenue sharing

Roll back the calendar to the year 2000. Michigan's strong economy generated enough tax revenue to fund quality government programs and services highly sought by job creators and expected by an educated and prosperous citizenry. The auto industry was roaring, and expectations of future revenue growth was justified by the state's strong manufacturing base. The state budget included \$684 million for statutory revenue sharing, an annual appropriation since 1967 to support essential services in every township, city and village. And a new revenue sharing formula was



just beginning to allocate more funds to communities coping with rapidly growing populations.

A year later, reality would hit in the form of a national economic downturn that would reappear even harder in 2007 and a one-state recession lasting until 2009. Tax cuts adopted in the prior decade but implemented after 2001 further eroded state resources. After running through its \$1.4 billion rainy day fund in 18 months, state leaders commenced a multi-year budget strategy consisting of one-time revenues, budget gimmicks, a chronic \$1 billion structural deficit and a detested business tax increase in 2007.

But state policymakers had two magic bullets to prop up state spending: annual cuts to local government, with statutory revenue sharing eventually absorbing a loss of 34 percent, and cuts to higher education as well.

While cumulative cuts to local governments were deeper than those to any state programs, they came with a veneer of fairness. With the governor's blessing, lawmakers each year lumped each recipient's statutory revenue sharing allocation with its constitutional share, and then cut the total by a percentage. But because the "constitutional" revenue sharing could not be legally touched, the cuts hit each entity's statutory allocation. And because the statutory funding formula historically treated townships unfairly, their share was hit disproportionately hard because they had less statutory revenue sharing to give up compared to cities and villages. Most townships saw their entire statutory revenue sharing eliminated.

If not subjected to a series of annual cuts, statutory revenue sharing payments would be about \$849 million in FY 2017-18, instead of \$250 million. While there is no accurate way to determine what any individual local government would be receiving, if statutory revenue sharing was fully funded according to law and townships received 13.2 percent—as they did in FY 2000-01—they would have \$112 million to build strong communities. If in the current fiscal year, townships received 13.2 percent instead of 5 percent of \$255 million—the actual FY 2017-18 payment—they would receive \$33.7 million this year, instead of \$12.7 million.

The Citizens Research Council of Michigan points out that "[O]nly about one-quarter of the local governments eligible for funding continue to receive statutory state revenue sharing funding today, and the methodology for determining the levels of funding distributed to each of those governments has more to do with the levels of funding in prior years than any measure of current needs." (CRC, *The Prolonged Recovery of Michigan's Taxable Values*, 2016).

While the current economic climate doesn't favor another entitlement program, establishing a contemporary statutory revenue sharing purpose through a revised funding formula doesn't have to be overly complicated or digress into yet another state attempt to micromanage local governments. Lawmakers have restored statutory revenue sharing to some disenfranchised communities. But given the multitude of intractable limitations Michigan has placed on local governments to raise their own revenues, a new statutory revenue sharing formula should support all communities that pursue essential state objectives like shouldering the impacts of tourism and placemaking to fulfill the state's Pure Michigan campaign, and communities facing exceptional challenges to build and restore infrastructure, address growth pressures and adjust to a new economy.

Conversations township officials have with candidates for statewide offices in 2018 should include how the state can support strong Michigan communities.

SURVEY SAYS

Local fiscal health improves slightly

Overall, Michigan local governments' fiscal health appears to have improved slightly this year, after last year's reversal from prior trends of gradual improvement, according to a statewide survey of local leaders.

The University of Michigan's Michigan Public Policy Survey (MPPS) showed that more than a third (35 percent) of local governments say they are now better able to meet their fiscal needs than they were last year, up from 31 percent who said the same in 2016. Meanwhile, 18 percent say they are less able to meet their needs this year, down from 22 percent last year. Township trends mirrored overall municipal responses, with just less than half (48 percent) saying their financial situation was relatively unchanged in the past year.

Some 70 percent of township officials rate their governments' current fiscal stress as low—compared to around half of all Michigan county (48 percent), city (48 percent) and village (52 percent) officials.

The greatest overall gains in fiscal health this year are found among the state's smaller jurisdictions. Michigan's mid-size and larger jurisdictions saw less overall improvement, or even net declines this year.

Jurisdictions of all sizes report modest gains in property tax revenues compared with last year, although fewer report increases in state aid. Overall, local officials' concerns regarding their current levels of general fund balances and cash flow remain relatively low.

Few local officials report plans to increase overall service provision (19 percent), although this is up slightly from 15 percent last year. That number holds true for townships specifically as well.

Looking ahead, optimism about general local economic conditions has increased (51 percent of local officials expect "good times" next year, compared with 46 percent who said the same in 2016). However, less than a third (29 percent) predict that their own local governments will be better able to meet fiscal needs next year, while 22 percent believe they will be worse off. Township officials, specifically, had similar response rates.

Further down the road, jurisdictions with low fiscal stress today are confident they will also face little stress in five years (80 percent) but among those with high fiscal stress today, pessimism about the future appears to be growing.

MTA is a partner in the MPPS, which is sent via hard copy and the internet to top elected and appointed officials in all counties, cities, villages and townships in Michigan.



UPCOMING DEADLINES

Deadlines approaching for providing, filing certain ACA information

The Internal Revenue Service has published final forms and instructions to help employers—including townships—prepare for reporting on health coverage they offered to their employees in 2017. The forms—which include IRS Forms 1095-B (Health Coverage) and 1095-C (Employer-provided Health Insurance Offer and Coverage)—must be distributed to employees and filed with the IRS early in 2018 by those townships subject to the Affordable Care Act's (ACA) reporting requirements.

- **Applicable large employers (ALEs)**—generally those with 50 or more full-time employees, including full-time equivalents—must file Forms 1094-C and 1095-C with the IRS no later than Feb. 28, 2018 (or April 2, 2018, if filing electronically). ALEs must also furnish a Form 1095-C to all full-time employees by Jan. 31, 2018.
- **Self-insuring employers that are not considered ALEs, and other parties that provide minimum essential coverage**, must file Forms 1094-B and 1095-B with the IRS no later than Feb. 28, 2018 (or April 2, 2018, if filing electronically). These entities are also required to furnish a Form 1095-B to "responsible individuals" (may be the primary insured, employee, former employee, or other related person named on the application) by Jan. 31, 2018.

For more information and resources, visit MTA's "Affordable Care Act" Web page on the members-only portion of www.michigantownships.org. After logging in, access via the "Index of Topics" under the "Answer Center" tab.

LEGAL WIN

Michigan Supreme Court denies effort to overturn 'dark stores' ruling

A recent Michigan Supreme Court order involving the harmful "dark stores" property valuation method will help to restore fairness to the assessing process.

In the MTA Legal Defense Fund case *Menard, Inc. v. City of Escanaba*, the state Court of Appeals said the Michigan Tax Tribunal (MTT) made an error of law in accepting a dark stores-style appeal by Menards and cutting the retailer's value by more than half from the original assessment. The Michigan Supreme Court denied an appeal from Menard Inc., thus the favorable Court of Appeals decision will stand.

"This is a major victory for local governments and their residents," said Attorney Stephanie Simon Morita, who wrote the LDF *amicus* brief for MTA and other local government groups that was substantially utilized by the Court of Appeals in rendering its decision.

"No longer can big box stores obtain unfair and substantial tax reductions based upon unrealistically low artificial values, while our other taxpayers contribute based upon the value of their properties," Morita said. "This order levels the playing field and helps to ensure that all taxpayers, large and small, are treated similarly."

MTA Executive Director Larry Merrill echoed those sentiments. "This precedent-setting decision validates local governments' long-standing concerns and sets a blueprint for how to successfully establish valuations on 'big box' stores," Merrill said.

Overall, this is a huge win for local government and its ability to fairly tax all property owners. In its order, the Supreme Court denied Menard's application for leave to appeal. Through the denial, the court essentially rejected Menard's claims that the Court of Appeals exceeded its permissible scope of review, that the cost approach amounts to a value-in-use standard and should not be used to value real property for tax purposes, and that it is permissible to utilize deed-restricted properties to value non-deed restricted properties. The court's decision upholds the May 26, 2016, published opinion of the Court of Appeals that found the MTT committed an error of law when the MTT rejected the cost approach and then utilized a sales comparison approach without accounting "for the effect on the market of deed restrictions" on the sales comparables, Morita said.

The ruling restores long-standing practices that call for property to be assessed based on market values based on similar properties. When major, often out-of-town retailers lower their property tax bills inappropriately, the result is often cuts in police, fire and other vital services in communities, or higher taxes for other taxpayers, including residential taxpayers.

The matter now returns to the tax tribunal for reconsideration and the presentation of additional evidence.

MAKE IT COUNT

Townships have until Dec. 15 to register for Census Bureau's LUCA program

Townships have until Dec. 15 to register with the U.S. Census Bureau to participate in the 2020 Census Local Update of Census Addresses (LUCA) program. More than 39,000 units of government were invited to participate in the program, which is the *only* opportunity for governments to verify residential addresses, ensuring a complete and accurate 2020 Census.



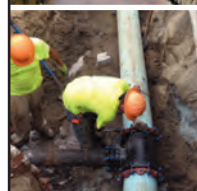
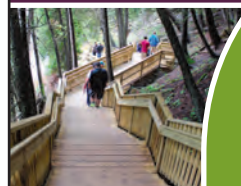
Invitation letters were mailed in July 2017, and final participation materials will be mailed in February 2018. Townships can take the following steps now to prepare:

- Start preparing your address list—make sure your list identifies multi-unit structures and distinguishes between residential and nonresidential addresses.
- Identify local address sources, such as building permits, local utility records and other files.
- Take part in a Census workshop to learn about the program.

Why participate? Participation in the Local Update of Census Addresses program can help ensure a complete and accurate 2020 Census in your community. An accurate count helps the federal government annually allocate more than \$400 billion across 26 federal agencies for local, state and tribal government programs and services. It can also help your community plan for future needs.

For more information, visit www.census.gov/geo/partnerships/luca.html.

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FREE FLOWING

Cooperation among townships, partners helps creek flow freely

After months of planning and coordinating with many local, state, nonprofit and private partners, excavation began this fall in **Orion Charter Township** (Oakland Co.) to remove the Rudds Mill Dam remnants.



“The removal of the Rudds Mill Dam remnants is truly great day for our ecosystem,” said Supervisor **Chris Barnett**. “For more than 100 years the remnants of the dam has been restricting the natural flow of Paint Creek. We are extremely fortunate to work with so many dedicated individuals in our community. Those individuals working on the project donated their time and resources to protecting and preserving our natural resources.”

Paint Creek is one of Southeast Michigan’s only remaining cold-water designated trout streams, making it

a fairly rare resource in that part of the state. According to Watershed Ecologist Matt Einheuser with the Clinton River Watershed Council, remnants from the Rudds Mill Dam laying in the creek not only detracted from the aesthetics of the stream, which runs through Bald Mountain, but also had significant impacts to the ecology of the river and its health.

“Most people don’t realize that they don’t have to travel all the way up north to have an opportunity to fly fish for Brown Trout on a river, like they can do on Paint Creek,” Einheuser said.

Large pieces of concrete and old debris found within the river have had an effect on the river, altering the natural flows within the river. These natural flows help move sediments through the system and create diverse habitats. The pieces of debris, especially during low flows, can create a “dam” effect, backing up water and acting as a barrier for aquatic species movement.

The backing up of water can contribute to the warming of the otherwise cold waters, which are necessary to support trout species. The large concrete slabs contribute to the loss of important gravel substrate that fish and aquatic macroinvertebrates use within the river. In addition, the years of paint that have been applied to these pieces of debris have the potential to add contaminants to the water.

“Overall, the removal of this debris will restore the natural flows through that section of stream, remove a potential barrier to fish passage, and help restore the natural condition of the stream and its ecology,” said Einheuser.

LOCAL UPDATES FROM ACROSS MICHIGAN

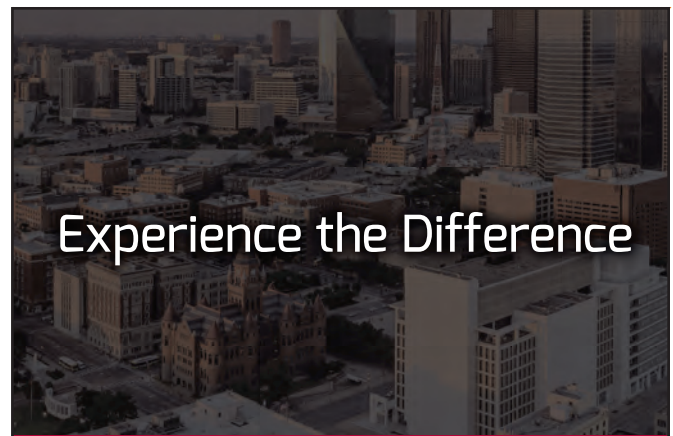
Township happenings

Clay Township (St. Clair Co.) and **Mt. Morris Charter Township** (Genesee Co.) Police Departments each received an automated external defibrillator (AED) from the Fraternal Order of Police State Lodge of Michigan as part of a \$250,000 grant from Firehouse Subs Public Safety Foundation. The AEDs can be used to equip patrol vehicles.

The restored Brady Lodge opened at **Independence Charter Township’s** (Oakland Co.) Bay Court Park recently.

The original lodge was built in 1921 and burned down in 1925, but was rebuilt by the children of the original owner, George Nexen Brady. In 1988, the park—including the lodge—became part of the township parks system. In 2015, the township began restoration of the bell tower and lodge, which is now available for rental.

A 20-foot by 10-foot cultured stone veteran’s memorial was recently dedicated in **Republic Township** (Marquette Co.). The memorial includes approximately 700 names of township residents who served in all branches of the U.S. military since the Civil War. Fundraising efforts to make the project possible garnered quadruple the original goal.



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ATTENTION TREASURERS

Reminder for tax collection office hours

The township treasurer must be in his or her office from 9 a.m. to 5 p.m. to receive tax payments on the last day taxes are due and payable before being returned as delinquent under MCL 211.55. (MCL 211.44(2)(b)) MCL 211.55 refers to the last day of February as the last day that taxes are due and payable before being returned as delinquent to the county treasurer, and provides for the unpaid taxes to be returned as delinquent to the county treasurer the next day.

In addition, the treasurer must be in his or her office from 9 a.m. to 5 p.m. one day between Dec. 25 and Jan. 1. However, the requirement to hold hours in December is waived if the township has an agreement with a local financial

institution to collect taxes on behalf of the township, and the township provides timely notification to the taxpayers of their ability to pay their taxes at this financial institution.

For 2017, the available days for required December office hours are Tuesday, Dec. 26, through Friday, Dec. 29, 2017. Treasurers **must** choose one day (unless a bank assists in collection). (MCL 211.44(2))

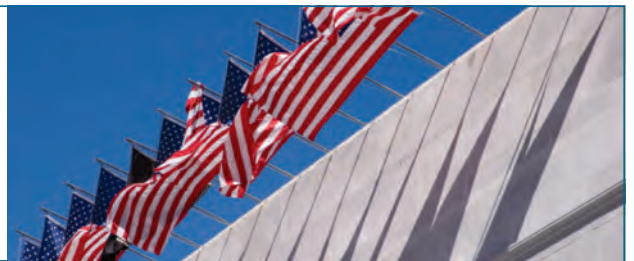
The last day to pay 2017 property taxes without incurring any penalty (or interest for deferred summer taxes) is Wednesday, Feb. 14, 2018. (MCL 211.44) Treasurers **may** choose to hold office hours.

The last day to pay 2017 property taxes before they are returned as delinquent is Wednesday, Feb. 28, 2018. (MCL 211.45) Treasurers **must** hold office hours.

Did you know that MTA has webcasts on the tax collecting process? Visit our eLearning Library at www.michigantownships.org (look under “MTA Products & Training”) to see our offerings, including “Tax Collecting” and “Fundamentals of Assessment & Taxation.”

Looking for additional resources? Purchase MTA’s *Treasurer’s Guide to Township Government* (order online at www.michigantownships.org/mta_store.asp or by calling 517-321-6467). Or visit the “Tax Collecting” Web pages on the members-only portion of www.michigantownships.org (access via the “Index of Topics” under the “Answer Center” tab after logging in).

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MTA past president, legal counsel appointed by Gov. Snyder to state commissions

MTA Past President **Denny Olson** and MTA Legal Counsel Catherine Kaufman were each recently appointed by Gov. Rick Snyder to two state commissions.

Olson, supervisor of **Breitung Charter Township** (Dickinson Co.), was appointed to Michigan's World War I Centennial Commission, which was created to develop, execute and promote programs commemorating the centennial of World War I in Michigan. Housed within the Michigan Department of Military and Veterans Affairs, the commission is tasked with compiling recommendations to the department, the governor and the Legislature.



Olson

"I'm looking forward to the challenge of being involved in this commission," said Olson, a U.S. Army veteran who served in the Vietnam War. "I just ask God to give me the strength and the wisdom to do a good job for all of our fellow veterans. If I can play a little role in making things better and promoting something I believe in, that's what I want to do."

Olson, who was 2013 MTA president, has served on the MTA Board since 2005 and has been township supervisor since 2003. He is also a board member of both the Great Lakes Timber Professionals Association and the Michigan Association of Timbermen, and is the owner and operator of Olson Sand and Gravel.

MTA Legal Counsel Catherine Kaufman was appointed by the governor to the Marijuana Advisory Panel, established by the Medical Marijuana Facilities Licensing Act. She will represent townships on the 17-member panel.



Kaufman

Housed within the Department of Licensing and Regulatory Affairs, the panel was created to make recommendations to the department and to the Medical Marijuana Licensing Board concerning the administration, implementation and enforcement of the Medical Marijuana Facilities Licensing Act and the Marijuana Tracking Act.

A frequent speaker and author for MTA, including on the topics of medical marijuana and zoning, Kaufman is a partner at the municipal law firm of Bauckham, Sparks, Thall, Seeber & Kaufman, P.C. She holds a bachelor's degree in urban policy from James Madison College, a master's degree in urban planning from the University of Michigan, and a law degree from Wayne State University Law School.

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Property tax. Foster Swift attorneys bring a long and extensive history defending local units over the range of property tax disputes from residential property tax appeals to complex commercial, industrial and power plant appeals. Foster Swift's range of expertise not only involves litigation but includes thoughtful and creative legislative and consulting advice to reach the best and most cost-effective solution.

Employee benefits. Foster Swift maintains an extensive pension and employee benefits practice. Their attorneys inform the firm's municipal clients regarding changes in the law, and provide general advice regarding employee health and retirement plans.

With five offices around the state and the use of technology, Foster Swift attorneys are accessible and able to respond quickly to your township's legal needs. For more details about Foster Swift's municipal services, visit www.fosterswift.com and search "Municipal Law," or call Anne Seurnyck at (616) 726-2240.

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MTA Life Member, long-time Supervisor Pat White retires

Pat White never had any intention of holding public office. Time and time again, members of the **Pavilion Township** (Kalamazoo Co.) board asked him to become township supervisor, but White wouldn't hear of it.

He eventually relented when a trustee position opened. But three months later, he learned the supervisor was moving to Texas, and they needed someone to finish out his term. It took some convincing, but White agreed to serve three years. After that, he was done, he told his fellow board members.

"That was 36 years ago," White said with a laugh.

For nine terms, White has offered a listening ear and a helping hand to the people of Pavilion Township. He's faithfully served while also managing his life insurance business in his evening hours. Now, at 78, the MTA life member has decided Dec. 31 will be his last day as supervisor. He's ready to retire and enjoy more time with his two children, five grandchildren and four great-grandchildren.

"It's not just about me," White said of his decades in township government. "It's about our whole community. I'm leaving with some fond memories, and also with the fact that the township's in good financial shape. I'm leaving it with good people who can take over the reins."

While leaving township government is bittersweet, White is proud of what he's helped the community to accomplish. Back when he became supervisor, the township had seven miles of gravel road. Today, every inch of road is paved. He also helped oversee an addition on the township hall and the purchase of new fire trucks. He even studied and passed the level one assessor exam in just three weeks—a feat he'd been told was impossible.

White is known throughout the community for having an open door to anyone with a question or concern. He knew earning residents' trust was one of his most important jobs.

Looking back, White considers his year as MTA Board of Directors president as a highlight of his career. For MTA Executive Director Larry Merrill, the feeling is mutual. "There are two types of people in the world—people who are friends of Pat White, and those who have not yet met Pat White," Merrill said. "He is a person of incredible good will, loyal, competent and friendly. He is knowledgeable on the finer points of being a township official without at all sounding like a 'know it all.' He leads by example and lets others take ownership for decisions to which he deftly guided them.

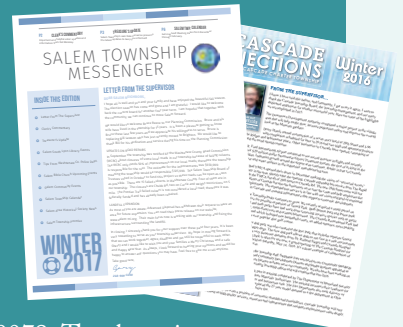
"As MTA president, Pat instilled into the MTA Board of Directors a strong sense of purpose and collegiality by modelling strong, effective, selfless and ethical leadership," Merrill added. "I am honored to have known Pat White and to consider him a great friend."



White

Does your township have a print or electronic newsletter for residents?

Help MTA stay on top of what's happening in your township by adding us your mailing list! Enewsletters can be emailed to jenn@michigantownships.org; print newsletters can be mailed to: Michigan Townships Association, Attn. Jenn Fiedler, PO Box 80078, Lansing, MI 48908-0078. Thank you!



mta events | December

- 6 *Policy Matters! Using Board & Administrative Policies to Manage Your Township* workshop, Gaylord
- 12 *Policy Matters! Using Board & Administrative Policies to Manage Your Township* workshop, Kalamazoo
- 14 *Policy Matters! Using Board & Administrative Policies to Manage Your Township* workshop, Frankenmuth

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DECEMBER

By 1 County treasurer delivers to township supervisor a signed statement of approval of the bond and the township supervisor delivers the tax roll to the township treasurer.

2017 taxes due and payable to local unit treasurer are a lien on real property. (MCL 211.4)

Deadline for foreclosing governmental units to transfer list of unsold 2017 tax foreclosure parcels to the clerk of the municipality in which the parcels are located. (MCL 211.78m(6))

Results of equalization studies should be reported to each township assessor.

By 7 Post-general election campaign statements filed (books closed Nov. 27).

12 *Tuesday after the second Monday in December.* Special board of review meeting may be convened by assessing officer to correct qualified errors. (MCL 211.53b) The township board may authorize, by adoption of an ordinance or resolution, an alternative meeting date during the week of the second Monday in December. (MCL 211.53b(7))

An owner who owned and occupied a principal residence on May 1 for taxes levied before Jan. 1, 2012, for which the exemption was not on the tax roll may file an appeal with the December board of review in the year for which the exemption was claimed or the immediately succeeding three years. (MCL 211.7cc(19))

An owner of a property that is qualified agricultural property on May 1 may appeal to the December board of review for the current year and the immediately preceding year if the exemption was not on the tax roll. (MCL 211.7ee(6))

December board of review to hear appeals for current year poverty exemptions only, but not poverty exemptions denied by the March board of review. (MCL 211.7u)

29 Deadline for an owner who had claimed a conditional rescission of a principal residence exemption to verify to the assessor that the property still meets the requirements for the conditional rescission through a second and third year annual verification of a conditional rescission of principal residence exemption (Form 4640). (MCL 211.7cc(5))

Deadline for a land contract vendor, bank, credit union or other lending institution that had claimed a foreclosure entity conditional rescission

of a principal residence exemption to verify to the assessor that the property still meets the requirements for the conditional rescission through the filing of an annual verification of a foreclosure entity. (MCL 211.7cc(5))

A rescission affidavit (Form 5277) shall be filed with the assessor of the township in which the personal property is located, no later than Dec. 31 of the year in which the exempted property is no longer eligible for the eligible manufacturing personal property tax exemption. *Dec. 31 is a Sunday.*

31 Tax day for 2018 property taxes. (MCL 211.2(2))

All taxes due and liens are canceled for otherwise unsold 2017 tax foreclosure parcels purchased by the state or transferred to the local unit or the Michigan Land Bank Fast Track Authority. (MCLs 211.78m(12) and 211.78m(13))

JANUARY

3 Deadline for counties to file equalization studies for 2018 starting bases with State Tax Commission (STC) for all classifications in all units on STC Form L-4018. (R 209.41(5))

10 *No later than Jan. 10.* Except as otherwise provided in Section 9m (bank or trust), 9n (farm products) or 9o (sugar from sugar beets), assessors and/or supervisors are required to annually send a personal property statement to any taxpayer they believe has personal property in their possession in their township.

Form 632—*Personal Property Statements* must be sent or delivered. (MCL 211.19)

24 Local units with a state equalized value of \$15 million or less must distribute taxes collected through Jan. 10, within 10 business days of Jan. 10. All other local units must disburse taxes collected within 10 business days after the 1st and 15th of each month, except during March. (MCL 211.43)

31 Deadline for employers providing Affordable Care Act information, including IRS Forms 1095-B (Health Coverage) and 1095-C (Employer-provided Health Insurance Offer and Coverage), that must be reported to covered individuals and employees.





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Be heard.
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MTA's 2018 Capital Conference

January 31 | Lansing

Join MTA and fellow township officials for this important event where you will learn about legislative issues impacting townships, and have the opportunity to meet with state decision-makers and legislators. Look for registration details in *Township Focus* and MTA newsletters, and on www.michigantownships.org.



The township has covered all elected officials under an 'employee dishonesty coverage form' from our insurer, in the amounts of \$99,000 for treasurer and deputy treasurer, and \$10,000 for all others. Is this sufficient compliance with the statutes?

The complete answer will depend on what that insurance coverage actually includes, so be sure to check with your insurance provider for an explanation of what your policy covers. And this subject can be confusing, so a little explanation is in order.

When we talk about bonds required for township officials, we are actually talking about two different bonds: 1) the bond required when certain officers take the oath of office and 2) the bond required of the treasurer when collecting taxes.

To comply with the statutory requirements, both types of bonds must meet the definition of a "surety bond." A surety bond is a performance bond that guarantees that the bonded officials will act in compliance with certain laws. If an official fails to do so, the bond covers resulting damages or losses.

1) Surety bond upon taking office: Michigan law requires a township clerk, treasurer and deputy treasurer, and constable, if the township has one, to file a bond upon taking the oath of office.

MCL 41.69 requires that, "Each township clerk, within the time limited for filing the oath of office and before entering upon the duties of the office, shall give a bond to the township in the sum and with sureties that the township board requires and approves, conditioned for the faithful discharge of the duties of the office according to law, including the safekeeping of the records, books, and papers of the township in the manner required by law, and for their delivery on demand to the township clerk's successor in office. The bond shall be filed in the office of the supervisor."

MCL 41.77 requires that, "A township treasurer, within the time limited for filing the oath of office and before entering upon the duties of the office, shall give a bond to the township in the sum and with the sureties as the township board shall require and approve, conditioned on the faithful discharge of the duties of the office and that the treasurer will account for and pay over according to law, all money that comes into the treasurer's hands as treasurer, and the supervisor shall indorse approval on the bond. The treasurer shall file, within the time above mentioned, the

bond with the township clerk of the township, who shall record the bond in a book to be provided for that purpose. The township clerk, after recording the bond, shall deliver it to the supervisor, who shall file it in the supervisor's office."

MCL 41.77(5) also requires the deputy treasurer to "give a bond to the township as required by the township board."

Under MCL 41.80, a constable, "before taking office and within the time prescribed by law for filing the official oath, shall execute, with sufficient sureties to be approved by the township board, an instrument in writing by which the constable and his or her sureties jointly and severally agree to pay to each person who may be entitled money that the constable becomes liable to pay on account of the neglect or default of the constable in the service or return of process that may be delivered to him or her for service or collection or on account of misfeasance of the constable in the discharge of, or failure of the constable to faithfully perform, the duties of his or her office."

It is not required by law, but general practice is to also have the supervisor and deputy clerk bonded. This bond is to cover the township funds these officers may deal with on a day-to-day basis. The township should consult with its auditor to determine an appropriate amount for the bond for each of the offices that are required to be bonded.

Note that a "blanket bond" would not meet the requirement for a surety bond. A blanket bond is a form of fidelity bond, which, according to *Black's Law Dictionary*, is a bond to indemnify the township for losses "due to embezzlement, larceny, or gross negligence by an employee or other person holding a position of trust." Typically, a blanket bond would cover all other employees or officers of the township and may also provide additional coverage for the above named offices.

In the case of a treasurer, the surety bond provided upon taking office is to cover the township funds the treasurer deals with on a day-to-day basis, as well as the township portion of the taxes collected. There is not a specified amount because the coverage depends on how much money that a particular treasurer will be handling. Some property and liability insurance providers provide bonds automatically every four years (for a new term). For example, one we are aware of provides a \$25,000 bond for the treasurer. It's our understanding that the \$25,000 is an aggregate amount for the four-year term. That is probably low for many townships. The township could discuss the appropriate amount with its auditor. Additional coverage can be purchased.

However, this first type of bond does not eliminate the need for a tax collection surety bond.

2) Tax collection surety bond: The treasurer is required by MCL 211.43 to also provide a tax collection bond to the county treasurer to cover the amount of taxes the township treasurer will collect for the other tax jurisdictions (not the township), including the county, schools, intermediate school district, and a transportation authority, if there is one in the township.

MCL 211.43 provides three options for obtaining this bond:

Option 1: The treasurer provides a bond to the county treasurer for the actual amount of state, county and school taxes. The bond may be issued by anyone (not a surety bond). The township pays the cost of the bond.

Option 2: If the treasurer provides a corporate surety bond issued by a surety company authorized to do business in Michigan, and the bond is for 40 percent of the total of the state, county and school taxes, then the county pays the cost of the bond. The county may bill the school districts a prorated portion of the premium.

Option 3: If the county treasurer and township supervisor determine that the surety bond the treasurer filed with the township clerk upon taking office is sufficient enough to also cover the tax collections of the other jurisdictions, then no additional bond is necessary.

The second option probably makes the most sense for townships. It requires bonding up to 40 percent of the collections, and it also requires the county to pay the cost. The county can in turn bill each school district for its proportionate share.

Whether or not to use option one or two is the choice of the township treasurer.

In many counties, the county treasurer obtains the bond on behalf of all the units in the county. Likely they do this anticipating that most treasurers would choose option two, which would require the county to pay the cost anyway. When the county treasurer obtains the bond, it ensures that all the units have a bond in place.

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.



Got township questions? MTA's got answers!

Member township officials and employees may contact MTA Member Information Services staff with questions Monday through Friday, from 8 a.m. to 5 p.m. Inquiries can be submitted via phone at (517) 321-6467, fax at (517) 321-8908, or email to:

- MTA Director of Member Information Services
Michael Selden: michael@michigantownships.org
- MTA Staff Attorney Catherine Mullhaupt:
catherine@michigantownships.org
- MTA Member Information Services Liaison
Cindy Dodge: cindy@michigantownships.org



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State provides guidance on medical marijuana facilities, licensing

As the first day to accept medical marijuana license applications nears, the state has issued guidance to help both local units and potential licensees prepare for the new licensing.

Starting Dec. 15, medical marijuana operations can apply to be licensed under the Medical Marijuana Facilities Licensing Act (MMFLA). This 2016 law provides a regulatory framework for medical marijuana facilities and gives townships and other local units the final say over whether any medical marijuana facilities are located in their jurisdiction, as well as the type and number of facilities.

The passage of the MMFLA left communities with a multitude of questions on how this law would be implemented. Emergency rules were expected to be issued by the Michigan Department of Licensing and Regulatory Affairs (LARA) in late November, but were not issued as of press time. In the meantime, the Bureau of Medical Marijuana Regulations (BMMR) within LARA has issued a number of bulletins to communicate with local units and potential licensees as decisions are made about processes and implementation.

According to the bulletins, BMMR will require medical marijuana facilities to demonstrate capitalization amounts from \$150,000 to \$500,000, depending on the type of facility. The bureau will rely on local municipal ordinances to determine whether an applicant is compliant with the MMFLA, and will consider the types and number of each type of facility allowed as well as applicable zoning regulations.

One bulletin outlines the application process, while another states that currently operating facilities can still receive a state license as long as the facility is located in a municipality with an authorizing ordinance. The facility is *not* guaranteed to receive a license. Testing of marijuana and marijuana-infused products will also be required at two points in the supply chain.

BMMR also intends to allow class C growers to “stack” their licenses, allowing the same applicant to receive multiple licenses in order to run a larger operation. Multiple licensees could also operate in the same facility, according to BMMR guidance. Legislation has been introduced and is pending in the state House to prohibit or limit stacking of licenses.

All guidance in these bulletins is subject to change and is advisory only. Officials can sign up to receive the BMMR’s bulletins at <https://public.govdelivery.com/accounts/MILARA/subscriber/new>. More information can also be found at www.michigan.gov/bmmr.

Landlords responsible for notifying tenants of inspection

Townships with rental inspection programs are not responsible for scheduling rental housing inspections and getting tenant permission under Senate Bill 107, sponsored by Sen. Rick Jones (R-Oneida Chtr. Twp.). The MTA-supported bill has been sent to Gov. Rick Snyder for

signature. Once enacted, the bill will require landlords to make a good-faith effort to get tenant consent before an inspection takes place. The bill also provides a step-by-step process for rental inspections and includes all rental units—including single-family rental houses—in the same process.

SB 107 increases the period between inspections for multiple dwellings or rooming houses to six years if no violations were found during the previous inspection, and the rental had not changed ownership.

Local units must only comply with the bill if they choose to conduct a rental program.

Locals can regulate electric bikes on trails

Townships will soon be able to regulate or prohibit electric bikes under three new laws. Public Acts 138, 139 and 140 of 2017, sponsored by Reps. Holly Hughes (R-White River Twp.) and Klint Kesto (R-Commerce Chtr. Twp.), were supported by MTA and take effect Jan. 28, 2018.

Electric bicycles look like regular bikes and can still be pedaled, but can travel 20 mph or faster. Under the new laws, these bikes will be allowed on trails paved with asphalt, crushed limestone or a similar surface, as well as rail trails.

Class 1 bikes—those that allow for speeds up to 20 mph with pedal assistance—will be allowed on certain trails once the laws take effect, but local units could choose to regulate or prohibit them. For Class 2 or 3 electric bikes, the opposite will be true—local units or the state must first opt in before the bikes are allowed on trails, depending on who has authority over the trail. Electric bicycles will only be allowed on trails that are specifically designed as non-motorized trails if the state or local unit—depending on who maintains authority—chooses to allow them.

Liability clarified for unpaid property taxes

No one can be held liable for unpaid property taxes on real property if they did not own the property on tax day when the unpaid tax was levied, under a bill before Gov. Rick Snyder.

House Bill 4285, sponsored by Rep. Peter Lucido (R-Shelby Chtr. Twp.), was introduced to address an issue in which one municipality brought actions against individuals for unpaid property taxes, even though they may have sold and transferred the property before the unpaid tax became due.

HB 4285 specifies that “person” refers not only to an individual but also to a partnership, corporation, association, limited liability company or any other legal entity. The bill is retroactive and is effective for any unpaid property taxes or special assessments subject to collection on and after the bill’s effective date.

However, HB 4285 could reduce a local unit’s ability to recover unpaid property taxes. Local units would no longer be able to recover taxes from the assets of a person who did not own the property at the time the taxes became due for the year in which the unpaid tax was levied. MTA monitored the bill and worked to include clarifying amendments.

Legislative lowdown

A quick look at critical bills that MTA is following as they move through the legislative process. For a complete list of bills we're following, head to MTA's "Legislative Action Center" on the members portion of www.michigan townships.org, or look to our weekly and monthly newsletters sent to all MTA member officials.

SB 45: Property tax exemption—Expands disabled veterans property tax exemption to include residential real property or agricultural real property owned by a disabled veteran, decreasing local revenue. *MTA opposes.*

SB 157: Water works projects—Preempts local ordinances restricting or prohibiting the evaluation, comparison or use of certain pipe and piping materials. *MTA opposes.*

SB 258: Disaster & Emergency Contingency Fund—Increases statutorily required fund balance and increases cap on disaster assistance grants to local units. *MTA supports.*

SB 290: Election recounts—Increases recount fee when differential separating winning candidate and petitioner is more than 5 percent of total votes cast. *MTA supports.*

SBs 302-303: State land cap—Amends requirements for acquisition/disposition of state land; requires state to make full PILT before acquiring additional land; allows county resolution approval for purchase if full PILT payments not made. *MTA monitoring.*

SBs 305-310: Tax increment financing—Modifies capture of library mills to allow libraries to opt out of tax capture and redefines "obligation" to exempt library millages automatically. *MTA opposes.*

SB 329 & HB 4503: Land use/zoning preemption—Limits local zoning regulation of vacation rentals and short-term rentals. *MTA opposes.*

SB 400: 911 Funding—Increases fees for 911, revises percentages for reimbursement and allows county commissions to assess a county charge to service users. *MTA supports.*

SB 578: Deed Restrictions—Excludes private deed restrictions from being

considered by Michigan Tax Tribunal when highest and best use of property considered subject to an assessment dispute. *MTA supports.*

SB 637: Small cell—Creates Small Wireless Communications Facilities Deployment Act that would standardize permits, fees, right-of-way use and other regulation of wireless service providers when utilizing the public right-of-way. *MTA opposes.*

HB 4077: Freedom of Information Act—Prohibits public bodies from commencing civil actions against entities making FOIA requests. *MTA opposes.*

HB 4184: Open Meetings Act—Clarifies physical presence required for vote, excluding emergency meetings and elected members called for military duty; allows board to waive one meeting for each member for good cause. *MTA neutral.*

HB 4290: Sewer backup liability—Amends definition for a sewage disposal system event, clarifies the identification of a design or construction defect in a sewage disposal system, and provides governmental agencies with expanded immunity from system overflow or backup. *MTA supports.*

HBs 4359, 4370 & 4371: Special assessments—Allows townships to create special assessment district for private utility services. *MTA supports.*

HB 4397: Dark stores—Requires Michigan Tax Tribunal determinations to consider all three methods of appraisal in assessment disputes and prohibits deed restrictions on valuation of property. *MTA supports.*

HBs 4431-4432: Legislative subpoena—Expands legislative subpoena authority to include local public bodies. *MTA opposes.*

HBs 4539 & 4543: Ambulance quality assurance assessments—Eliminates quality assurance assessment on ambulance providers. *MTA supports.*

HBs 4609-4610: Disaster & Emergency Contingency Fund—Increases statutorily required fund balance and increases cap on disaster assistance grants to local units. *MTA supports.*

HB 4671: Election administration—Allows local or county clerk to conduct election activities for a local clerk if approved by the governing bodies of both participating entities. *MTA neutral.*

HB 4679 & SB 495: Legislative fiscal note—Would require fiscal notes to be prepared on the financial impact of legislation before legislative action could occur. *MTA supports.*

HBs 4747-4748: Filing fee for township candidates—Provides option for individuals seeking township offices to a pay filing fee or file signature petitions to be on the ballot. *MTA supports.*

HBs 4814- 4815: Millage election limitation—Would limit *all* millage ballot questions—including new, increasing and renewal millages—to November general elections after Dec. 31, 2017. *MTA opposes.*

HB 4766: Open Meetings Act—Allows additional remedies for noncompliance to include attorney fees and allow a one-year window during which civil actions may be brought. *MTA opposes.*

HB 4888: Charitable donations—Expands recent law allowing solicitation in public roadways during daylight hours to include additional nonprofit organizations. *MTA monitoring.*

HB 5098: Rights-of-way—Requires local governments to provide one-year notification, and waive permit and inspection fees, and prohibits request for any study or survey when requesting the temporary or permanent relocation of facilities owned by an entity holding a license under the Michigan Telecommunications Act or a franchise under the Uniform Video Services Local Franchise Act. *MTA opposes.*

HB 5143: Alternative energy personal property tax exemption—Provides personal property tax exemption for alternative energy personal property (residential, agricultural, commercial and industrial). *MTA opposes.*

HB 5407: Semi open primary—Requires voter to indicate which political party ballot he or she wishes to vote at primary election. *MTA neutral.*

Cultivating an engaged community

The numbers don't lie—citizen engagement is lacking in most Michigan communities.

This year, a statewide survey confirmed what many township officials already know—citizens aren't getting involved the way they used to. In fact, engagement has dropped significantly in just the last four years.

Meanwhile, township officials truly want their residents' input. They're providing opportunities and spreading the word the best they can. So when meeting chairs sit empty and open spots on planning commissions and zoning boards of appeals remain vacant, officials are left scratching their heads wondering what they're doing wrong.

The implications of low citizen engagement go beyond next month's board meeting or the latest commission vacancy. Some, like **Mike Ridley**, supervisor of **Tuscarora Township** (Cheboygan Co.), worry that when today's leaders retire, no one will be waiting in the wings to take their place.

"I tell the next generation, one of these days we're going to hand your generation the keys, whether you want it or not," Ridley said. "Our board has worked really hard to get this

community moving forward. You don't want to see things come grinding to a halt."

But civic engagement experts say it doesn't have to be this way. Chances are, many residents in your township would get engaged if they were motivated to do so. What motivates them? The answer is simple, yet complicated—residents will get engaged in something that affects their daily lives. If residents care deeply about what your township is doing, your township will experience a level of engagement you've only hoped for.

The challenge is discovering just what it is that motivates your residents. Attempting to guess will only lead to frustrations, both for township officials and residents. If you want your citizens to be engaged, you have to ask them what they want—and you have to ask it in the right way.

Spurring a renaissance in civic engagement isn't a quick and easy process. But David Leckey, executive director of the Orton Family Foundation, says it's a process that



pays dividends. Not only will your government have more volunteers to choose from, but your township will also become more close-knit and vibrant. What was once just a spot on the map becomes a true community with a sense of place and an identity your residents can be proud of. That's something that attracts business and industry, too.

"When your community represents what people care about, other things will happen," Leckey said. "Economic growth and positive aspects will begin to take off when you build on the strengths of the people who live there."

How do we know civic engagement is down?

Ask most township officials if their residents are involved, and you're likely to hear similar concerns. But this year, the University of Michigan Center for Local, State and Urban Policy (CLOSUP) released a survey that confirmed what anyone who works in local government already knew—civic engagement has decreased even in the last few years.

This continuing education article and accompanying self-assessment are worth 2.0 elective credits in MTA's Township Governance Academy. See page 22 for details.



OBJECTIVES

- To explore ways of learning what matters to residents to help create increased civic engagement
- To discuss key methods, techniques and outcomes to encourage community involvement

CORE COMPETENCIES

- Communicates effectively
- Listen attentively
- Works effectively with individuals, departments and committees to achieve desired outcomes



Courtesy of Orton Family Foundation

Elected officials want their residents to be engaged and play a role in local governance, whether that's providing input on issues, recommending decisions or even making decisions in some cases.

The fall 2016 Michigan Public Policy Survey was sent to Michigan's 1,856 local governments and received a 71 percent response rate. The survey followed up on a similar survey sent in 2012, which found that 65 percent of local leaders said their citizens were somewhat or very engaged in local government. That number dropped to just 56 percent in the 2016 survey.

Leaders who responded to the survey overwhelmingly said they want their residents to be engaged. Nine in 10 said citizens should play a role in local governance, whether that's providing input on issues, recommending decisions or even making decisions in some cases. It's not that the opportunities aren't there—93 percent of survey respondents said they offer citizen engagement opportunities, and more than half said they offer a “great deal” of opportunities. The problem is that residents aren't taking advantage of those opportunities.

The findings were startling, especially given that they show such a large drop in just four years, CLOSUP Program Associate Director Tom Ivacko said. While civic engagement has seemingly increased at the national level, that hasn't translated to local involvement.

“It seems like citizens are pulling back from engagement, when local leaders want just the opposite,” Ivacko said. “Leaders want their residents more deeply involved.”

So what gives? The survey doesn't provide an answer, only numbers. Many times, leaders assume residents are too busy, or there just aren't as many people willing to get involved with their local government as there used to be. But Barbara Cohn Berman says the real answer is simple. The former director of the Center on Government Performance at the National Center for Civic Innovation has spent years working with focus groups made up of people of all backgrounds and demographics. What she found was a consistent result—people still want to be involved, but only when it's an issue they care about.

“I don't think it's that people don't want to be engaged,” Cohn Berman said. “They want to be engaged in something that matters to them.”

Townships see this in action when a controversial issue is on their board agenda. Board meetings that are usually empty are suddenly packed with residents. Men and women line up at the podium for their chance to speak about how a proposed change would impact their lives. They care because they're impacted, and they're willing to take action, even if that action is sitting for hours at a contentious board meeting.

The desire is there. The question is, how do townships tap into that desire in a positive way? At face value, it sounds simple—people want to get involved with issues they care about. But if it were easy, every community would have thriving civic engagement. The problem is, local governments may not truly know what their residents truly care about. And when they guess, they may guess wrong.

Go to the source

Cohn Berman says instead of guessing, township officials should go directly to the source. Instead of talking to other government officials, they need to ask their residents.

But if you want the best results, Leckey said there's a technique to doing it—and it doesn't center around hosting another meeting at your township hall. Your residents already have countless meetings, social commitments and appointments on their calendars. The other problem is, some people who show up to meetings already have an axe to grind. These are the residents who already come to board meetings and may disproportionately have an influence on what happens in your township.

Instead, go to your residents. Find out who lives in your township—ages, ethnicities, education, income level and any other factors you can find in your township data. Learn where the people of your township live, work and play. Then, make a conscious effort to go to them. Leckey has seen dialogues in doughnut shops, informal meetings in laundromats and even surveys printed on the back of coasters at a local watering hole. He's even seen local government officials meet with parents at a daycare in an effort to capture the opinions of the elusive 20- and 30-somethings.

When **Mike Dombrowski** became **Albert Township** (Montmorency Co.) supervisor last November, he knew from experience that the township had many strong, active organizations. Groups like the local chamber of commerce and downtown development authority had the movers and shakers who he wanted to reach. So when Dombrowski wanted to see more engagement and coordination in the community, he went straight to those groups.

He started meeting with the local civic and service boards and committees. Before they did anything else, Dombrowski made sure they started by creating a common calendar. He was tired of events landing on the same day solely because no one communicated with one another. With all the organizations on the same page, the township avoided competing events on the same day—and presented a united front to visitors. That initial meeting also got the stakeholders talking to one another about their events.

“Once you get everybody on board, it’s definitely the way to go,” Dombrowski said. “When you start to have a common calendar, and you’re talking to them about a calendar, you foster good communication because you’re fostering new ideas.”

Knowing who lives in your township can help your board tap into the resources that are already in your community. Everyone has a gift, Dombrowski said. If you know people in your township, you’ll know someone with the gift or skill to step in when the township needs help. Some people might not have the initiative to step up on their own and help. It’s up to township officials to get to know their residents and invite them to help in areas where they’re skilled. Dombrowski believes that’s why his township doesn’t have a problem finding volunteers anymore.

“If people are doing what they like to do or what they’re good at, they’re much more apt to volunteer,” he said.

Send the right message

Local government officials may tend to reach out for public engagement when they need to update a master plan or complete a project. Their efforts to get input from residents are often limited to asking citizens to show up to a town hall-style or board meeting. There’s nothing wrong with that, except it’s hard to get residents excited about reading and commenting on a 20-year-old document, said Leah Jaramillo, president of the International Association for Public Participation USA.

Instead, residents might be more motivated if your township board actively communicates to the public that it’s committed to engaging with them and listening to what they have to say. The commitment must also include support for taking their input and doing something with it. The public needs opportunities to give input not just on decisions the board is about to make, but on issues that shape the very fabric of the community.

Simply making this commitment as a board isn’t enough—the public needs to hear it from you. Go beyond discussing it at board meetings and communicate this message through any means you have, whether that’s social media, an article in your local newspaper or conversations with residents. When people believe that their local government truly wants their input with no strings attached, they’re more likely to engage.

Ask the right questions

Too often, local officials start their strategic conversations with residents by asking them, what’s wrong with this community? That line of questioning stifles real learning and discovery—and it leads the conversation in a negative direction.

“Everyone knows what’s wrong,” Leckey said. “Way too many people have forgotten what’s great about where they live.”

Leckey recommends keeping conversations positive and aspirational. He asks questions such as, what is it that you love about this place? You were born here and stayed all your life—what is it that makes you stay? Or, if a resident moved to the area, what brought you here? What is it that you tell your friends and family that they absolutely must do when they come to visit? These questions get your residents thinking and inevitably lead to them sharing stories. They might talk about their neighborhood, or the local restaurant where everyone on the waitstaff knows their name, or a trail where they love to walk with their children.

These conversations show local officials that they’re not the only ones who care about the township after all. People from a wide range of demographics and walks of life have the same positive emotions about this community they call home. That shared sense of community helps your community to develop a common cause, and a sense of pride and place.

Everyone—from officials to staff to volunteers—who’s charged with engaging residents in these conversations must be trained in the right questions to ask. Whether it’s handing a group of high school students cameras and a list of questions, or sending one or two board members to a local coffee shop, you can’t leave the topics of these crucial conversations to chance.

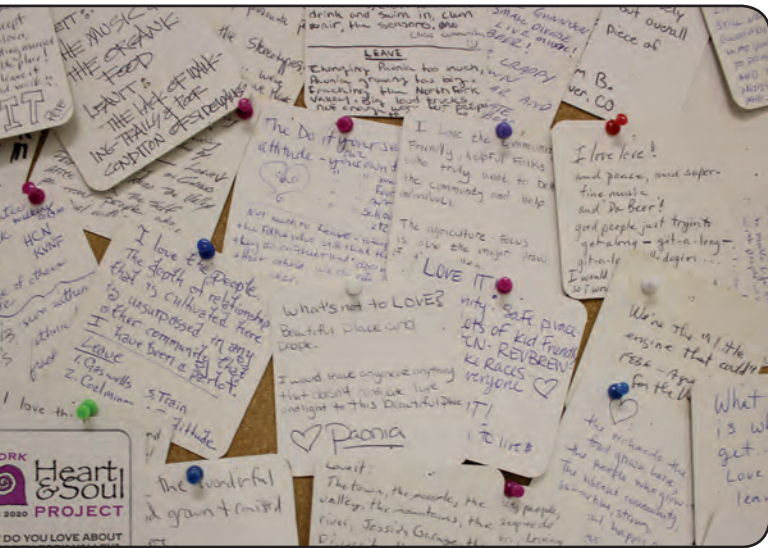
Do something

Experts agree—when you take the time to engage your community, your residents need to see results. Whatever process you use can’t result in a document that sits on a shelf never to be used. That sends a message to residents that their township never really cared about what they had to say.

But when they see their ideas and values come to life, they’re much more likely to continue to engage in the future.

“When people understand the decision-making entity has made a commitment to engage with the public, that’s when

cover story



Courtesy of Orton Family Foundation

Instead of guessing what matters most to residents, township officials should go directly to the source. Ask questions such as, what do you love about this place? What is it that makes you stay?

it's really meaningful," Jaramillo said. "It feels like there's trust and there's an actual two-way street when you commit to people that you're going to use their input in a certain way, and you tell them what you did with it."

Sometimes, this input can lead to huge projects your township wouldn't have dreamed possible. Leckey's organization, the Orton Family Foundation, leads communities through what he calls a Community Heart & Soul model, at the end of which leaders work with residents to create Heart & Soul statements that summarize what the community values and holds dear.

One community's Heart & Soul statement expressed the value of being a walkable, friendly community where neighbors can see one another as they build their community. That one statement—and the residents' input that went into it—led to the municipality investing money in tearing up a major thoroughfare to replace it with a narrower road with sidewalks and patios where people could sit and talk. The project wasn't without controversy, but that change sprouted a renaissance of development, Leckey said.

In Albert Township, residents said they had fond memories of how the township used to look and wanted to feel that same pride today. They were clear that they wanted more trails and bike paths, and they wanted a more attractive

business hub. So the township listened. With the help of the chamber of commerce and downtown development authority, the township planted flowers, cleaned up sidewalks and spruced up the business district.

That step alone has already sparked a revival, with five vacant buildings being filled in the last six months. The township worked with the county road commission to add bike paths as roads were redone and talked to the state about allowing off-road vehicles to share a snowmobile trail that traverses the township.

The township used public input even in smaller projects. Dombrowski and the board heard from township senior citizens that when they visit Florida, they play a game called pickleball—like doubles tennis with half the area, and with a paddle rather than a racket. They wanted a court where they could play that game when they were home in Michigan. The township listened and painted new lines on a tennis court for pickleball. Their work didn't go unnoticed—any given weekday, you'll see as many as 16 seniors lining up to play, Dombrowski said.

Today, the Albert Township board continues to shape its budget around the community's goals for the coming year—not just whatever was in the budget last year. And as more people see the many projects happening throughout the township, they want to help.

"When you get people engaged, it's contagious," Dombrowski said. "We have a fever right now, and it's volunteer fever."

Whatever you do with your residents' input, it should be communicated in such a way that residents understand why the action was taken—and that their input was the driving factor.

Look toward the future

Maybe your township already takes on projects that impact residents' lives, and those who serve on boards feel they truly do make a difference. But your residents will never get involved in something when they don't even know it exists. Some residents might not even know they live in a township, much less the volunteer opportunities it provides.

Wilber Township (Iosco Co.) Clerk **Robert White** has taken a long-term approach by focusing on educating his township's youth. He knew engagement was a problem in his township. Most board meetings, just two or three residents showed up, and filling vacant spots on the board of review or planning commission was like pulling teeth. But when he heard his grandchildren's friends didn't know the first thing about local government and weren't registered voters, he knew he had to step in.

Each year, White runs a student volunteer program almost solely through word of mouth. Students spend Saturdays or their afterschool hours dusting, vacuuming and organizing the township hall. They're also busy on Election Day emptying wastebaskets and refilling paper towel dispensers. White also brought them in for a countywide legislative candidate forum, where they helped attendees to their seats and kept the refreshment table stocked.

It's not glamorous, but White doesn't doubt that the students who come through his program leave with a good sense of what their township government does. Their parents get an education too—White meets with them when their children are selected for the volunteer program, and he sends home sample ballots and election information with the students.

He's hopeful that involving students today in their local government will lead them to continue their involvement as they become adults.

"Our youth is the future, and we need to be doing everything we can to try to engage them and make them aware of what their local government does," White said.

Where do we start?

If your board is serious about boosting your community engagement, the best place to start is by making that

commitment to the public. Tell your residents you truly want—and need—their perspectives. Make sure that everyone on the township staff and on the board is trained in engaging the community in positive-based conversations. Then, get out there and listen!






This type of engagement takes leadership and a new mindset, Jaramillo said. Some officials get so used to simply holding public meetings when they want input from residents. Stepping out from behind the lectern and sitting down with residents instead builds relationships and can take your engagement further than a town hall meeting ever could.



Bethany Mauger,
MTA Staff Writer



See page 22 for a continuing education self-assessment, worth 2.0 elective credits in MTA's Township Governance Academy.

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Continuing Education Self-Assessment

Participants enrolled in the Township Governance Academy (TGA), MTA's credentialing program, may obtain 2.0 elective credits for successful completion of this quiz. (To receive credit, this quiz must be completed by December 1, 2020.)

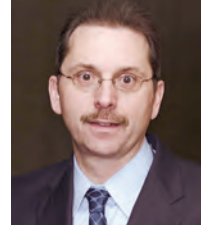
To obtain credit, participants must answer the following 10 multiple-choice questions by circling the correct answer and receive a minimum passing score of 70 percent. The questions are based on content from the article, "Cultivating an engaged community," beginning on page 16. There is no charge for MTA members to take the quiz or to obtain TGA credit. Completed quizzes should be faxed to (517) 321-8908 or mailed to: MTA, PO Box 80078, Lansing, MI 48908-0078. MTA will notify you of your results within two weeks after receiving your quiz. **IMPORTANT:** Please keep a copy of your completed quiz in your TGA binder. For information about TGA, call (517) 321-6467, email tga@michigantownships.org, or visit www.michigantownships.org/members/tga.asp on the members-only section of MTA's website.

TGA Continuing Education—December 2017 Cultivating an engaged community

NAME: _____ TOWNSHIP & COUNTY: _____

EMAIL ADDRESS: _____

1. **What has happened to civic engagement in recent years?**
 - a. Fewer government officials want citizen involvement.
 - b. Fewer citizens are involved in their local government.
 - c. Local units aren't offering opportunities for engagement.
 - d. Citizens are stepping up more than in past years.
2. **What motivates residents to get involved in their township government?**
 - a. Fixing roads.
 - b. When they see a problem in the community.
 - c. Something that affects their daily lives.
 - d. When taxes are being increased.
3. **When do most citizens tend to get involved with their local government?**
 - a. When something controversial is on the board agenda.
 - b. When the local unit asks for volunteers on a committee.
 - c. When their local unit revises its master plan.
 - d. When they want a new program or service.
4. **How can your board find out what your residents care about?**
 - a. Hold a series of town hall meetings.
 - b. Discuss the issue in a board work session.
 - c. Ask residents what they don't like about the township.
 - d. Go to the residents and ask them.
5. **Where is the best place to reach residents and get their input?**
 - a. A township board meeting.
 - b. Wherever people in your community like to gather.
 - c. Your residents' homes
 - d. Local coffee shops.
6. **What steps should the board take once it commits to engaging the public?**
 - a. Occasionally ask for an update at board meetings.
 - b. Add information to the township website so residents are aware of the township's efforts.
 - c. Communicate the desire for residents' input to the public.
 - d. Primarily ask individuals for input rather than the community at large.
7. **What is a good question to ask when getting residents' input?**
 - a. If you could change one thing about the community, what would it be?
 - b. What is your biggest complaint about our township?
 - c. What are our township's problems?
 - d. What do you love about our community?
8. **What should your township do with the results of its engagement efforts?**
 - a. Create a document and present it at a board meeting.
 - b. The answer varies, but residents need to see results.
 - c. Write an op-ed for your local newspaper.
 - d. Start a community-wide project.
9. **What benefits might your township experience from renewed community engagement?**
 - a. More residents volunteering for township projects.
 - b. Vacant businesses being filled.
 - c. A sense of place.
 - d. All of the above.
10. **How can your board increase awareness of government and the ways to get involved for years to come?**
 - a. Share an update at a special board meeting.
 - b. Include information in the township's newsletter.
 - c. Push for your local schools to boost their civics education.
 - d. Educate your local youth and their parents.



We understand that the State of Michigan has revised the Uniform Chart of Accounts. When do we have to implement these changes?

The Michigan Department of Treasury Local Audit and Finance Division issued the new Uniform Chart of Accounts (COA) for local units of government and initially required an implementation date beginning for local units with a June 30, 2018, fiscal year-end and thereafter. However, to give officials more time to convert to the new accounts, the department is delaying implementation to years ending Dec. 31, 2018, and thereafter. Early adoption is encouraged; however, the department is considering additional modifications. Watch *Township Focus* and other MTA publications for updates and changes as they may occur.

The new Chart of Accounts can be downloaded at www.michigan.gov/treasury (click on “Local Government,” then the “Uniform Chart of Accounts” link under “News and Notices”).

Townships should contact their accounting software provider to determine the steps necessary to change over to the new Uniform Chart of Account numbers. Compliance with the new COA is required by state law, and significant departures from the COA will be reported to Treasury on the auditing procedures report after the required implementation dates.



What are the significant changes to the COA?

The COA changes were designed to make annual financial statement preparation more transparent, by providing links between the local unit’s books and records and the external financials prepared under Governmental Accounting Standards Board pronouncements, while still providing the necessary information to measure compliance with the Uniform Budgeting and Accounting Act (Public Act 2 of 1968, MCL 141.421, *et seq.*).

Treasury added many “Debt Service” funds that are dependent on the statute/funding source used to issue the bonds/project financing methods. Please seek advice of bond counsel to assist in determining the appropriate fund to use.

Treasury has eliminated the “Other” departments 851-899 used to allocate “General Type” costs, such as insurance (liability, property and casualty), fringe benefits including other post-employment benefits (OPEB), and payroll taxes. The new COA requires local government to allocate these

back to functional areas (e.g., general government, public safety, etc.). Revisions are being considered that may allow incorporation of some of these costs as “Other.”

The structure of the COA remains unchanged. Its nine-digit account code format—fund number, activity and account number—remains in place.

Changes made to the **fund numbering system** include (this is not a complete set; refer to pages 17-29 of the new COA):

	Old COA Number	New COA Number
Budget stabilization	257	102
Public improvement fund	245	445
Township improvement revolving fund*	246	446
*changed fund types from special revenue to capital projects		

Revisions to the **activities numbers** include:

	Old COA Number	New COA Number
General government	101-299	101-128, 171-279
Judicial	in general gov't	281-299

Several **mandatory revenue accounts** also changed:

	Old COA Number	New COA Number
Special assessments	in Taxes	450
License and permits	450	475
Other financing sources	695	690

Mandatory expenditure accounts had modest changes as well:

	Old COA Number	New COA Number
Supplies	726	751
Other financing uses (was Transfers out)	999	995
Special and extraordinary items	n/a	998

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.



December workshop reviews policies and procedures all townships need—and why

It's essential that township boards adopt policies that are mandated by law, but also those that simply make life easier. MTA's December workshop, *Policy Matters! Using Board & Administrative Policies to Manage Your Township*, explores what makes administrative policies and procedures useful.

Participants will:

- Discover policies that give clear direction and avoid confusion
- Identify key “do’s and don’ts” for implementing new policies
- Examine best practices and practical approaches to common administrative issues, including ideas that work for any size township

Class is held from 10 a.m. to 3:30 p.m. and includes lunch served at noon. Choose from three locations:

Dec. 6 at the Treetops Resort in Gaylord; Dec. 12 at the Holiday Inn West in Kalamazoo and Dec. 14 at the Bavarian Inn Lodge in Frankenmuth.

Registration materials are available on MTA's website, www.michigantownships.org, under the “Products and Training” tab.



MTA's *Policy Matters!* publication is the reference book for this workshop and a discounted price for the book is included in the registration fee. We'll highlight sample policies and procedures in the book that can be used in townships big or small. If your township already owns a copy, bring it with you to the workshop and register at the discounted rate.

This hands-on book comes with a CD and offers sample policies, practical commentaries and expert tips on topics ranging from ethics to financial procedures, and public information to technology. Pre-purchased books will be distributed at check-in. A limited quantity will be available for purchase on-site.

2018 Board of Review Training announced

To assist board of review members, alternates, supervisors and assessors in preparing for 2018 board of review sessions, MTA is conducting half-day *Board of Review Training* at 13 locations across the state this February.



Concurrent sessions offered at each location allow participants to choose the appropriate level and topics of interest. The advanced session is geared to experienced board of review members, while the basic session acquaints newer board of review members with their statutory duties and requirements.

Dates and locations are:

- Feb. 6:** Crystal Mountain, Thompsonville
- Feb. 7:** The Shack, White Cloud
- Feb. 8:** Comfort Inn & Suites Conference Center, Mt. Pleasant
- Feb. 9:** Bavarian Inn Lodge, Frankenmuth
- Feb. 13:** Ramada Inn, Alpena
- Feb. 14:** Treetops Resort, Gaylord
- Feb. 15:** Quality Inn Forward Conference Center, West Branch
- Feb. 20:** Magnuson Franklin Square Inn, Houghton
- Feb. 21:** Island Resort & Conference Center, Harris
- Feb. 22:** Little Bear East, St. Ignace
- Feb. 26:** Lansing Community College West Campus, Lansing
- Feb. 27:** Comfort Inn & Village Conference Center, Chelsea
- Feb. 28:** Fetzer Center at WMU, Kalamazoo

Registration fees include lunch. Check-in and lunch begin at 11:30 a.m. Sessions are held from 12:30 to 4:30 p.m.

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upcoming MTA workshops

REGISTRATION INFORMATION

Relevant to the entire township board ... no matter your level of experience

Join MTA in **Jackson** at the **Holiday Inn** on **Jan. 16-17** and gain insights into how your role as a board member relates to the board as a whole. We'll also help your township identify which services are most important to the residents you serve and the risks inherent with those services. Register for one (or both!) of the sessions described below:

Township Board Roles & Relations

(B-101 - 4 credits; includes lunch served at noon)

Jan. 16 from 1 to 4:30 p.m.

Examine your role as a board member and how you fit into the board as a whole. Discuss the roles of watchdog, supporter, planner, communicator and manager, as well as the relationships among board members, appointed and elected officials, and the board with the community. Identify the fundamentals of leadership and the ethical standards specific to public servants.

Presented by Larry Merrill, MTA Executive Director

At Your Service: Meeting Township Needs

(F-101 - 6 credits; includes continental breakfast & lunch)

Jan. 17 from 9 a.m. to 4 p.m.

Learn more about the role, authority and legal requirements of the township board in providing services for your residents. Explore funding options as well as the board's responsibility in assuring that the risk inherent with these services is properly managed. Discover how to evaluate whether your township's services are effectively serving the community and what considerations should be made today to ensure future viability.

Presented by Attorney Steve Mann, Miller Canfield Paddock & Stone, PLC (former Trustee, Plymouth Charter Township, Wayne Co.), and Governance Expert Susan Radwan, Owner, Leading Edge Mentoring

Cancellations & Substitutions: Written cancellation requests received at the MTA office by Jan. 2 will receive a full refund. No refunds will be issued thereafter. You may substitute another individual from your township for your registration at any time without incurring a charge; please notify MTA of the change. Substitutions are not allowed for registrations made using scholarship funds.



These courses are part of MTA's Township Governance Academy (TGA). They are designed to enhance your leadership skills and motivate you to take on the challenges and opportunities unique to those serving as an elected official. Regardless of your position on the board or amount of experience, TGA will move you to a higher level of performance and make your service more rewarding. Uncertain whether TGA is for you? Try it! You do NOT have to be enrolled in TGA to attend the courses. Credit will be assigned retroactively if you enroll within six months of attending.



Registration Form

Registration Rate* Discounted Rate*
After Jan. 2 Before Jan. 2

FULL PROGRAM: Both sessions

\$254/attendee

\$214/attendee

Board Roles (B-101)

\$109/attendee

\$ 89/attendee

At Your Service (F-101)

\$145/attendee

\$125/attendee

Township _____ County _____

Daytime Telephone _____ Email Address _____

Name & Title Both classes Board Roles At Your Service

Name & Title Both classes Board Roles At Your Service

Name & Title Both classes Board Roles At Your Service

Name & Title Both classes Board Roles At Your Service

of Sessions Registration Fee Total

_____ x _____ = _____

*Rates apply to MTA members. Non-members, call for rates.

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

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

- - -	/
Card # _____	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.



Michigan's most diverse community proud of its past, present—and future

Covert Township (Van Buren Co.), located on the shores of Lake Michigan in southwest Michigan, isn't just any community.

For 151 years, it has been a land of racial hopes and dreams. Settled by whites and blacks just after the Civil War, it remains the most diverse community in Michigan, according to an analysis of census and demographic data.

The different races sat together in one-room schoolhouses in the early 1900s, danced together at sock hops in the 1950s, and were buried side by side at the end of the century, as attested by photos at the Covert Historical Museum.

"We've always looked out for each other," said **Barbara Rose**, a former supervisor who has lived in the township since 1952. "We've always come together whenever there's bad stuff."

While Detroit and other major Midwestern cities remain largely segregated today, Rose—a former MTA District 22 director—chuckled at the audacity of a town being integrated in the 1800s.

In the 1860s, blacks and whites had shared a bond: They were both newcomers working together to carve a community out of the Michigan wilderness, historians said.

The sprawling township has dense forest, blueberry farms, 2,800 people and five churches. The one-block downtown boasts a library built in 2010 and a public safety building that opened in April.

The population is 50 percent white, 24 percent black and 30 percent Hispanic, which doesn't include migrant workers, according to the 2010 Census.

Built on good intentions

Covert wasn't created as an abolitionist community, freed-black settlement or utopian social experiment, historians said. It was just a bunch of New England whites and former slaves who didn't mind the color of each other's skin and laid a foundation of trust in one another.

The whites had been influenced by the teachings of the Congregational Church, which stridently opposed slavery, said Anna-Lisa Cox, a fellow at Harvard University's Hutchins Center for African and African American Research.

She called their cooperation a quiet radicalism. “(Covert) was founded by a group of people who had good intentions and acted on them,” Cox said.

In 1866, these common folk joined together and quietly flaunted racial laws and customs. It was illegal for whites and blacks to attend school together so the township omitted the race of students when sending rolls to Lansing for state aid, Cox said.

It also was illegal for blacks to vote, but Michigan law didn’t say anything about being elected.

In 1868, the same year Michigan voters rejected the right of blacks to vote, Covert elected Dawson Pompey, a black farmer who was the son of a slave, to supervise the building of roads. By the end of the century, the township had elected 29 African-Americans as township trustees, constables, drain commissioners and election inspectors, and the first black justice of the peace in Michigan.

Betty Colombel, who is Pompey’s great-great-granddaughter, taught at Covert public schools and continues to live in the township today.

“We accept everybody and anybody,” Colombel said. “That’s just the way things were, and they never changed.”

All of this had been lost to history until Cox wrote about it in her 2006 book, “A Stronger Kinship: One Town’s Extraordinary Story of Hope and Faith.” Before that, Covert had been covert.

Cox began to research the township because she heard it had been part of the Underground Railroad. It wasn’t a part of the slave route, she learned, but it turned out to be something even better.

Cox’s book drew attention to the township’s proud, progressive past—helping to put the township in the national spotlight. Last year, Covert earned a display in the Smithsonian Institution’s “Making a Way Out of No Way” Community Galleries, which focus on strategies black Americans used over the years to overcome slavery and racism and to ultimately succeed.

The township earned a display in the galleries because of its long history of integration. Included in the display were items donated by the township historical museum, including school books from the late 1800s, old panoramic photos of Covert school classes, and a globe from the first schoolhouse.

Undergoing another transformation

Now Covert is undergoing another cultural transformation.

The region, dubbed Michigan’s Fruit Basket, produces everything from pears to peaches, apples to apricots. It has long drawn migrant workers who left after several months, residents said. But, for the past decade, immigrants from Chicago have come and planted roots.

Many immigrants had grown up in rural parts of Mexico. They said they never liked the hustle and bustle of the city. Covert feels a lot like home. “It’s like a mecca,” said resident Ernesto Villegas, who moved with his wife and daughter from the Windy City and opened a restaurant downtown. “It’s the first time in my life where I felt like I could do anything,” he said.



Covert Township (Van Buren Co.) is the most diverse community in Michigan, according to an analysis of census and demographic data. Settled by blacks and whites after the Civil War, the different races sat together in one-room schoolhouses in the early 1900s, danced together at sock hops in the 1950s, and were buried side by side at the end of the century.

If the downtown museum tells the stories of white and black settlers, the businesses around it tell the tale of the newest arrivals. Sweet Harvest Café is now Ernie’s, owned by Villegas. Sarno’s Farm produce is now Arellano’s Fresh Fruit Market. The jazz that once flowed from J and L Soul Food Kitchen has been replaced by a television tuned to a Spanish-speaking show in La Racherita grocery store.

When Hispanics began to move into Covert in larger numbers in the early 2000s, tempered flared at the high school. Relations between students have smoothed out as they got used to each other.

As for their parents, there never was a problem. The newbies said they have been warmly welcomed by the community. Strangers frequently wave hello.

Maria Gallegos was elected to the school board in 2014 and became president last year. Gallegos, who was born in Chicago, began visiting Covert after her mom bought a blueberry farm there in 2004. She moved to Covert for good five years later after meeting her future husband on a blind date. “I like everything,” Gallegos said.

Proud of what their community represents

The old-timers said the arrival of a new group in Covert is no big deal. They didn’t have to get used to living among people of a different color, they said. They’ve been doing it their entire lives.

While they downplay their reaction, the descendants of the original settlers are proud of what their community represents.

“Nobody cares if someone is black or white or Hispanic,” said Jean Robinson, who was born in Covert and is secretary of the historical museum board. “We don’t look at color.”

Portions of this article were excerpted and reprinted with permission from the *Detroit News*, authored by Francis Donnelly and published on Sept. 18, 2017. Visit www.detroitnews.com (search for “Francis Donnelly”) to read the full article.



'Tis the season

MTA officers on state Christmas tree team honored to help make holidays merry and bright

No giant spruce or lofty balsam fir escapes **Denny Olson's** eyes as he hauls timber from the Upper Peninsula to Lower Michigan.

While his gaze is steady ahead, the corners of his eyes are constantly scanning the roadside. "That's a nice full tree there," the **Breitung Charter Township** (Dickinson Co.) supervisor thinks to himself. "That's got to be at least 65 feet tall. Sure would look nice in front of the Capitol."

More than a few times, he's even pulled over and knocked on the door after eyeballing a tree in the homeowner's yard. "Would you mind if we considered your tree to harvest for the state Capitol Christmas tree?" he asks.

Sometimes they look at him like he's from outer space. And many times, they say yes.

For 16 years, the self-described "Yoooper" has played an integral role in making the holidays merry and bright for Michiganders. The MTA past president is part of the Christmas tree program made possible by a partnership among the state Department of Technology, Management and Budget (DTMB), the Michigan Association of

Timbermen and the Great Lakes Timber Professionals Association. Each year, Olson helps select a Christmas tree, harvest it and bring it all the way to Lansing.

This year, Olson even got to drive the tree himself in a top-of-the-line Western Star semi tractor-trailer modeled after a truck featured in the movie "Transformers."

Over the years, more members of the MTA Board of Directors have joined him. Today, MTA First Vice President **Ken Gauthier**, supervisor of **Sanborn Township** (Alpena Co.), and MTA Secretary **Bill Deater**, supervisor of **Grant Township** (St. Clair Co.), are part of the Christmas tree crew. Their efforts are rewarded each year with a front row seat as the tree is lit at the climax of the annual "Silver Bells in the City" celebration in Lansing.

Sure, hauling a tree in a fancy truck is thrilling, but that's not what Olson brings up when asked about his role in the Christmas tree program. Instead, he'll tell you about the

community's excitement when one of their trees is selected, or look of wonder on children's faces when the tree lighting officially begins the Christmas season.

The soft-hearted Olson can't help but get choked up as he reflects on his experiences. "To be able to be part of this is another blessing that God has given me," Olson said. "When you pull up in front of the Capitol hauling that tree, it's for every person in the state of Michigan. That's their official Christmas tree for the year. To play a little role in that is pretty special to me."

'Wow, what a fun project it's been'

While the tree lighting is the highlight of Silver Bells in the City, the tradition didn't begin until 1986, the third year for the event. Lobbyist Judy Augenstein, who lobbies for both timber associations, had the idea to add a Christmas tree lighting to Silver Bells in the City—and she told then-Gov. James Blanchard that the Michigan Association of Timbermen could provide it.

For the next 31 years, the tree has been the star of the show thanks to Michigan timber workers, first through the Michigan Association of Timbermen and, eight years ago, the Great Lakes Timber Professionals Association.

Olson, a member of both associations, got involved with the tree program 16 years ago. He was president of the Michigan Association of Timbermen board when the executive director retired, and the responsibility of providing a tree fell into his lap. The rest, he says, is history.

"And wow, what a fun project it's been," Olson said.

The search for the state Christmas tree starts months before ornaments and wreaths start showing up in department stores. As early as May, the DTMB issues a callout for nominations. Not just any tree will do. The tree must be a spruce or fir at a minimum height of 65 feet. Its limbs must grow freely, without being stunted by nearby trees. That's why most of the time, the selected tree is in someone's yard rather than a forest. Olson and others on the crew inspect each tree that's nominated, but most of the time, the winning tree is found just by spotting one while out driving around.

Searching for a tree is in Olson's blood now. He can't help but notice potential candidates wherever he goes.

While the tree lighting is the main event, Olson and his fellow timbermen take great pains to make sure the tree harvest is just as special. Local dignitaries, a military color guard, high school bands and even school children turn out for a tree-cutting ceremony, complete with local TV and newspaper reporters there to document the event.

The community is often just as good to the tree-cutting crew. The homeowner opens his or her yard and garage to the crew of 30 to 40 people for the process that takes as long as 10 hours. One year, MTA President **Diane Randall**, supervisor of **Roscommon Township** (Roscommon Co.) cooked hamburgers for the entire crew when the selected tree was in her community. Olson treasures those moments with his crew, and with the homeowner.



MTA First Vice President Ken Gauthier, Sanborn Township (Alpena Co.) supervisor, has been part of the state Christmas tree crew for a number of years, helping kick off the holiday season for Michigan residents.

As they stand in the yard, the homeowner inevitably tells stories starring the tree as a central character. Olson is always amazed at the histories and personalities something as simple as a tree can bring out in people.

Once the tree is safely strapped to the flatbed truck, a long journey lies ahead—especially when the tree is harvested in the Upper Peninsula, as it often is. A tree that size can't be driven at posted speed limits, and the trip usually takes a few extra hours. Olson always feels a sense of responsibility when he's tasked with hauling the state tree, but this year was an even greater honor. He had the opportunity to drive the shiny Western Star truck brought all the way from Georgia, complete with an 84-inch walk-in sleeper and countless other bells and whistles.

"I was nervous," Olson admitted. "You don't want to put a scratch in a truck like this. But it really was an honor."

The job isn't done when Olson's truck slows to a stop in front of the state Capitol building, with a small crowd waiting to catch a glimpse of a tree and the truck. A crane is there waiting to hoist the tree into the air and lower it into a metal tube held steady by a giant concrete cube. Workers are there to fix up the damaged branches and adorn the tree with lights in time for the big moment at Silver Bells, always held the Friday before Thanksgiving.

After 16 years, the job still brings a smile to Olson's face. To him, the Christmas tree program is an example of what can be possible with teamwork—from his timber associations to the state DTMB and his MTA family.

"I love to see people happy and bring people together," Olson said. "It isn't about any individual. Individuals might win a trophy or get the glory, but that isn't what this is about. It's about the team. Teams win championships. That's what makes this special."



Public body cannot deny FOIA request because single report of information does not exist

Ellison v. Department of State, ___ Mich. App. ___, June 13, 2017 (Docket No. 336759)—The Michigan Court of Appeals held that a Freedom of Information Act (FOIA) request need only be descriptive enough that the public body can find the records containing the information that the requester is seeking, and the public body must provide the records that do include the information, even if a single record containing all of that information (or just that information) does not exist.

Referring to a request for information in the Department of State’s vehicle registration database, the court stated, “When a plaintiff does not ask the defendant to create a new record, ‘the fact that the [defendant] had no obligation to create a record says nothing about its obligation to satisfy plaintiff’s request in some other manner ...’ ... Plaintiff requested ‘any’ information that was included in its list. The database’s tables contained much of the information plaintiff sought.”

However, the court upheld the denial of the FOIA request because, under the Motor Vehicle Code (MVC), MCL 257.208b(9) prohibits the Department of State from providing the database or records from the database unless it charges a fee under the MVC (not the FOIA) for each individual record that the file contains, and Ellison did not pay the fee.

Unjust enrichment claims not barred by governmental immunity

Genesee County Drain Commissioner v. Genesee County, ___ Mich. App. ___, Aug. 22, 2017 (Docket No. 331023)—The Michigan Court of Appeals held that governmental immunity does not bar a claim of unjust enrichment.

According to the court opinion, Genesee County Drain Commissioner Wright, “along with the other plaintiffs, participated in a county health plan through Blue Cross and Blue Shield. Premiums were paid both by the county and the participants. Those premiums were set annually and were based upon an estimate of the amount that the claims would be for the upcoming year, along with the administrative costs of the plan. Unbeknownst to plaintiffs, at the end of each year, Blue Cross would refund to the county the amount by which the premiums exceeded the amount necessary to pay the claims and costs. The ... suit was instituted to recover the portion of the refunds that represented the participants’ share of the premiums paid.”

In an issue of first impression, the court affirmed the trial court decision that a claim of unjust enrichment is not barred by governmental immunity, looking to the Supreme Court’s analysis in *In re Bradley Estate*, 494 Mich. 367 (2013), which concluded that “‘tort liability’ as used in MCL 691.1407(1) means all legal responsibility arising from a noncontractual civil wrong for which a remedy may be obtained in the form of compensatory damages.”

The court concluded that “a claim under the equitable doctrine of unjust enrichment ultimately involves contract liability, not tort liability. It merely involves a situation in

which the contract is an implied one imposed by the court in the interests of equity rather than an express contract entered into by the parties. Accordingly, the claim is not barred by the GTLA.”

The court remanded to the trial court for further proceedings to determine whether the plaintiffs had stated a claim under unjust enrichment.

Zoning regulation must be ‘substantial burden’ for RLUIPA claim

Livingston Christian Schools v. Genoa Charter Township, U.S. Court of Appeals, Sixth Circuit, (for publication) Docket No. 16-2060, June 2, 2017—In upholding the township’s denial of a special use permit for a religious school to operate on a property already used by a church, based on the concerns about traffic and the church’s violation of its own special use permit and where the school still owned the property where it had previously operated, the Sixth Circuit clarified the definition of “substantial burden” under the federal Religious Land Use and Institutionalized Persons Act (RLUIPA) and concluded that the school was not substantially burdened because it had the other property as an adequate alternative and its limitations in using that property were self-created.

The court said, “One principle that clearly emerges ... is that not just any imposition on religious exercise will

constitute a violation of RLUIPA. Instead, a burden must have some degree of severity to be considered ‘substantial.’ ... As this court recognized ... taking seriously the requirement that a burden be ‘substantial’ is necessary in order to avoid an interpretation of RLUIPA that would exempt religious institutions from all land-use regulations.”

“Holding that a religious institution is substantially burdened any time that it cannot locate within such a small area [a specific township]—even if it could locate just across the border of the town limits—would be tantamount to giving religious institutions a free pass from zoning laws. ... In sum, RLUIPA does not automatically require every minor municipality to have at least one religious school within its borders. We therefore conclude that the proper inquiry should be more functional and factually driven. When a religious institution has an available alternative outside of a desired jurisdiction, and where the distance from the desired location to the alternative property is reasonably close, the artificial boundaries of a particular jurisdiction become less important.

“Our decision should not be taken to mean that a religious institution can never establish a RLUIPA claim based on the inability to locate within a particular jurisdiction. We simply hold that the determination of whether a substantial burden exists due to geographical limitations is factual in nature.”



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townships in the spotlight



Spring Lake Township

Spring Lake Township (Ottawa Co.) has more than 14,000 residents who call the township home. The township board strives to create the very best community possible for their residents, and in 2013, earned the first complete Michigan Townships Association “Township of Excellence” designation. And they didn’t stop there—the board has been busy working on many projects to better their community.



One of the many projects recently completed is a new state-of-the-art fire station. The fire department and township board worked together to make decisions that would allow the building to be built without any tax increases to residents. According to officials, the station will have at least a LEED silver certification, and all indications are that it will be LEED gold certified. Along with the new station came a new, Michigan-made fire truck designed to fit the township’s needs.

After collaborative negotiations with Spring Lake Village, officials developed a plan to share the Spring Lake Village

Hall. This plan provided significant savings for both municipalities and increased technical advantages. Residents have one-stop “shopping,” eliminating any past confusion as to which building to go to. The township and the village have been living together happily for more than two years.

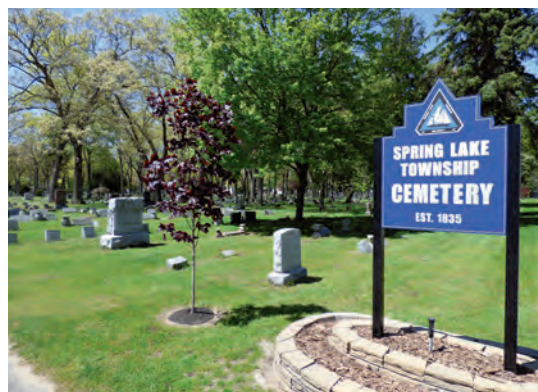
The township recently took on the major task of identifying every plot in the Spring Lake Township Cemetery. The cemetery is 182 years old, and the township now has pictures and individual data of each and every plot, which can be accessed on the township website. The township also added a total cemetery irrigation system and re-surfaced all cemetery roads, at no additional cost to taxpayers.

Spring Lake Township has more than 26 miles of paved bike paths, including the North Bank Trail, which is 3.5 miles long and is planned to reach all the way to Grand Rapids in the future. The township is working to complete the newest section of bike path and is doing a great deal of



path maintenance work to existing paths to ensure their safety and condition.

Spring Lake Township—“Where Nature Smiles For Seven Miles”—may be known for its beauty, but local officials and residents agree that there is so much more than meets the eye.





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The Conference will be held **April 23-26** at the **Grand Traverse Resort** in Acme Township (near Traverse City).

Registration materials appear in the January *Township Focus*. Registration opens Jan. 3. Housing opens Jan. 23.

Visit www.michigantownships.org/conference.asp for more details.



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