

**TYRONE TOWNSHIP
PUBLIC HEARING & REGULAR BOARD MEETING AGENDA
MARCH 2, 2021 - 7:00 P.M.
(810) 629-8631**

**This meeting will be held via Zoom.
The public is invited; details to join follow this agenda.**

CALL TO ORDER – PLEDGE OF ALLEGIANCE – 7:00 P.M.

ROLL CALL

PUBLIC HEARING

The purpose of the public hearing is to review the proposed 2021-2022 Fiscal Year Township Budget. The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing.

APPROVAL OF AGENDA – OR CHANGES

APPROVAL OF CONSENT AGENDA

Regular Board Meeting Minutes – February 16, 2021
Clerk’s Warrants and Bills – February 23, 2021

COMMUNICATIONS

1. Livingston County Sheriff Report, January 31, 2021
2. Fire Service Report – January 31, 2021
3. Planning Commission Workshop Synopsis- February 17, 2021

UNFINISHED BUSINESS

NEW BUSINESS

1. Resolution to adopt the 2021-2022 budget by department totals.
2. Headlee Operating Tax Millage Rate Resolution.
3. Resolution to opt out of Senate Bill #7 health insurance provision for the 2021-2022 fiscal year.
4. Resolution to establish the 2021-2022 Trustees’ salary.
5. Resolution to establish the 2021-2022 Supervisor’s salary.
6. Resolution to establish the 2021-2022 Clerk’s salary.
7. Resolution to establish the 2021-2022 Treasurer’s salary.
8. Proposals for office copy machines.

MISCELLANEOUS BUSINESS

PUBLIC REMARKS

ADJOURNMENT

Supervisor Mike Cunningham Clerk Marcella Husted

Please note: Anyone wishing to address the Township Board may do so during Public Remarks. The Tyrone Township Board of Trustees has established a policy limiting the time a person may address the Township Board at a regular or at a special meeting during the Public Remarks section of the agenda to three minutes. The Board reserves the right to place an issue under the New Business section of the agenda if additional discussion is warranted or to respond later either verbally or in writing through an appropriately appointed Township Official. Individuals with disabilities requiring auxiliary aids or services should contact the Tyrone Township Clerk at (810) 629-8631 at least seven days prior to the meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/85976299898?pwd=Zi9TK1dqU3k5dG1PZ3Y0VEh4NEpxUT09>

Meeting ID: 859 7629 9898

Passcode: 060665

One tap mobile

+13126266799,,85976299898#,,,,*060665# US (Chicago)

+16465588656,,85976299898#,,,,*060665# US (New York)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Washington DC)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 859 7629 9898

Passcode: 060665

Find your local number: <https://us02web.zoom.us/j/85976299898?pwd=Zi9TK1dqU3k5dG1PZ3Y0VEh4NEpxUT09>

PUBLIC HEARING

2021-2022 Budget Presentation



TYRONE TOWNSHIP


2021-2022 Budget
Public Hearing
March 2, 2021

2020-2021 Events

- 2020 Year of COVID 19
- There are no scheduled elections for 2021
- Soren Pedersen resigned from Township Board
- Appointed Herman Ferguson to fill vacancy
- Zach Tucker was elected trustee
- Appointed Jon Ward to Planning Commission



2020-2021 Events

- Appointed Steve Krause to Planning Commission
 - Appointed Tim Scarberry to ZBA
 - Appointed Garrett Ladd to ZBA
 - Appointed Marcia Dicks to Board of Review
- 

2020-2021 Events

- Slight increase in revenue sharing
- Repaved White Lake Rd. to Carmer Road
- Added gravel and ditching on Linden Road from Dean Rd. to Center Road
- Added gravel on Linden Rd. from Hogan to Bennet Lake Rd.
- Continued R.O.W Tree Cutting Program
- Cider Mill Crossing growth continues

2020-2021 Events



- Tyrone Woods is getting permits from County and State to complete second phase
- Continue to work on ordinances to improve quality
- Hired new planning consultant
- Replaced 2 old furnaces and AC units
- Added Zone controlled thermostats to east side of building
- Added glass and plexiglass for Covid 19 protection

2020-2021 Events

- Updated 20 yr. sewer plan; we will not need to loan money from general fund.
- Budget surplus 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, and 2020
- Estimated budget surplus 2020-21 \$285,000 est.
- Budget Surpluses are allocated to road fund, building fund, and revolving fund




Budget Process

- Estimate revenue
 - Review township services
 - Determine need of service
 - Estimate expenses for service
 - Develop an expense budget within income
 - Review YTD budget vs. actual expense
- 
- 



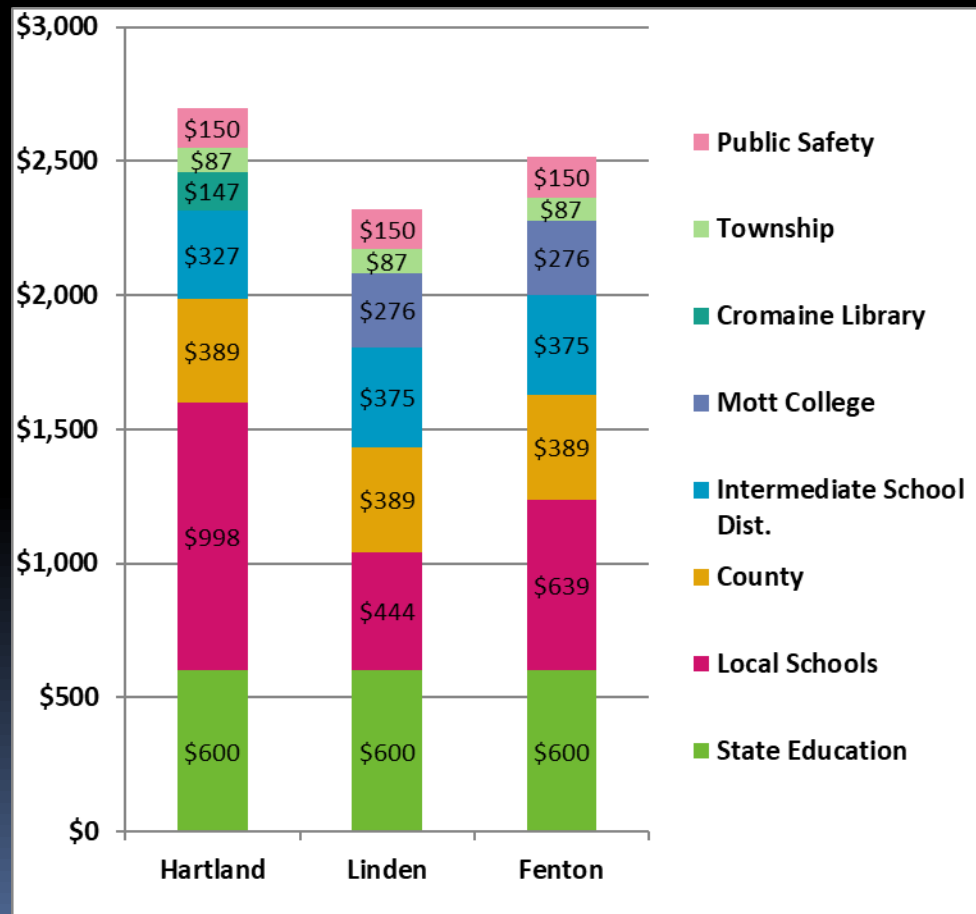
Challenges

- Revenue sharing uncertain for next year
 - Track with the 20 yr. Sewer Bond Repayment Plan
 - Continue to review all services & expenses
 - Orchard Park inter-county drain
 - Future needs
 - Roads (LCRC and state funding) new bonds will affect PA 51 future funding
- 

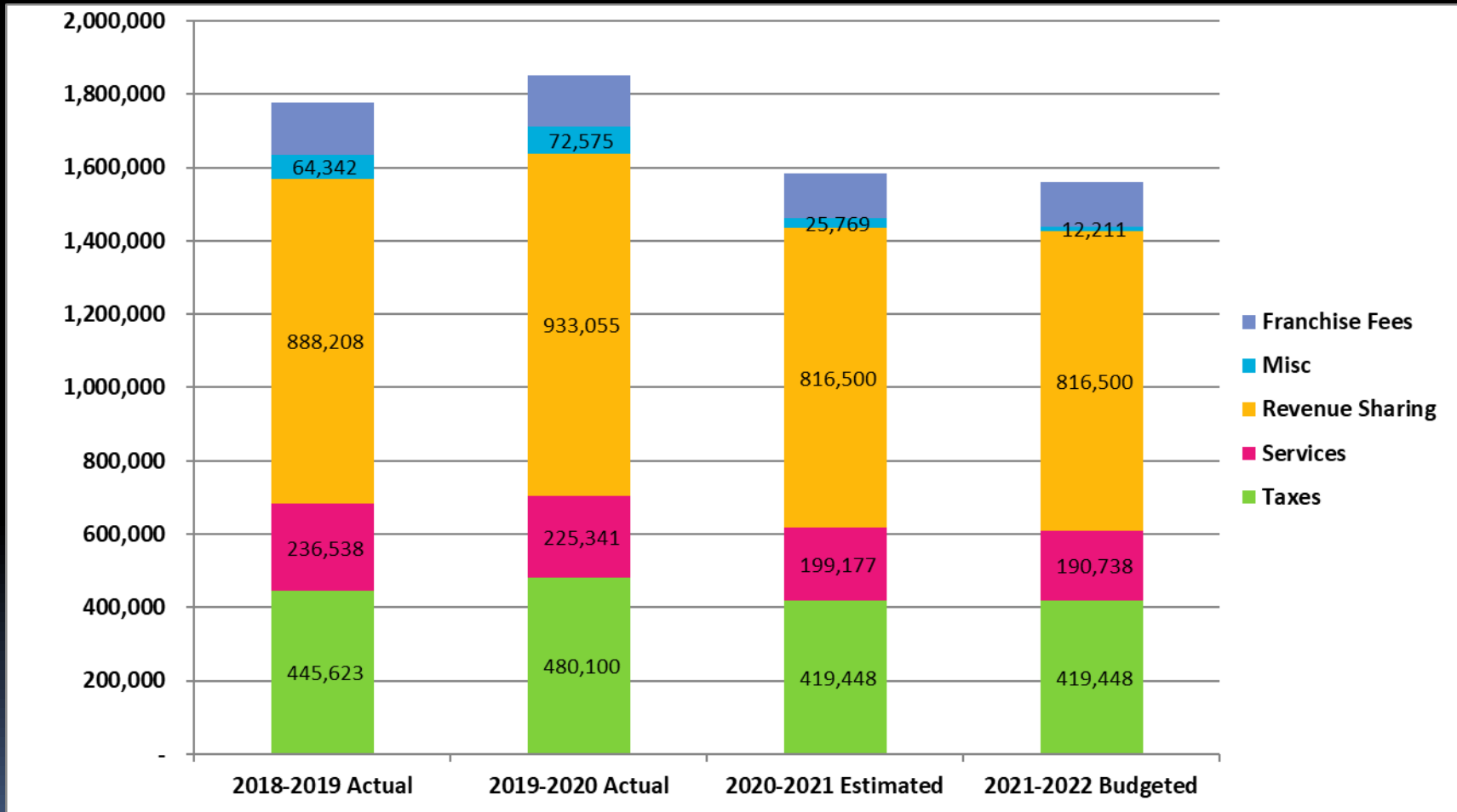
YOUR TAX DOLLARS - TYRONE

TOWNSHIP MILLAGE RATE 0.8736

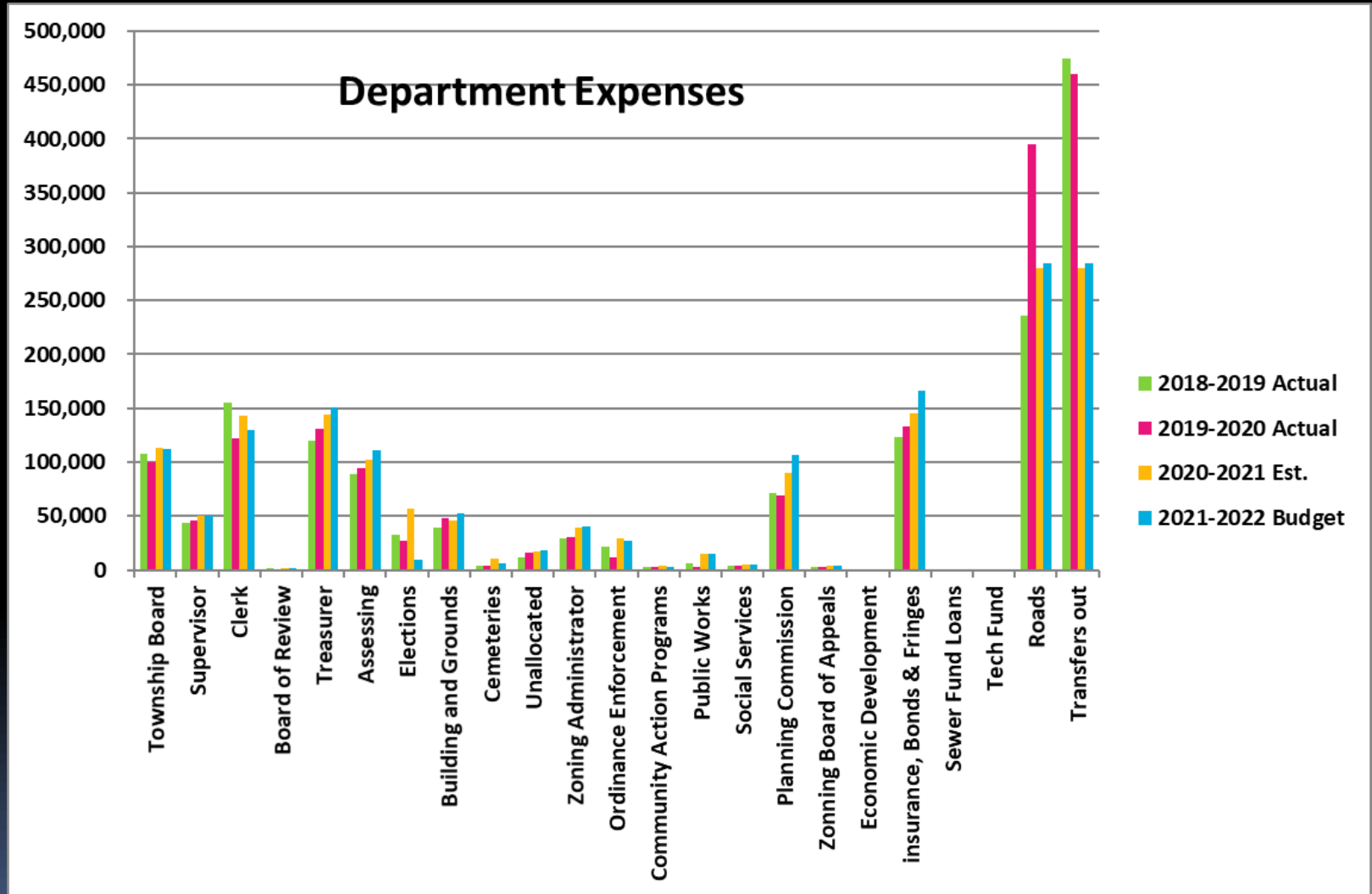
Residential Tax Rate Per \$100,000 Taxable Value



Annual Revenue By Source



Expenses By Department



General Fund Revenue and Expenses

| 101 | Revenue | \$ 1,776,495 | \$ 1,851,874 | \$ 1,582,675 | \$ 1,560,678 |
|-----|----------------------------|--------------------|--------------------|--------------------|--------------------|
| | Departments | 2018-2019 Actual | 2019-2020 Actual | 2020-2021 Est. | 2021-2022 Budget |
| 101 | Township Board | 107,544 | 100,402 | 112,771 | 112,666 |
| 171 | Supervisor | 43,582 | 45,595 | 50,398 | 50,267 |
| 215 | Clerk | 154,861 | 121,986 | 142,850 | 129,493 |
| 247 | Board of Review | 1,563 | 1,178 | 2,200 | 2,200 |
| 253 | Treasurer | 119,498 | 130,653 | 144,071 | 151,089 |
| 257 | Assessing | 89,178 | 95,020 | 102,748 | 111,375 |
| 262 | Elections | 32,933 | 27,659 | 57,271 | 9,860 |
| 265 | Building and Grounds | 39,742 | 48,196 | 45,839 | 52,339 |
| 276 | Cemeteries | 4,268 | 4,168 | 10,424 | 6,000 |
| 299 | Unallocated | 11,330 | 15,719 | 17,073 | 17,841 |
| 723 | Zoning Administrator | 29,129 | 30,585 | 39,834 | 40,874 |
| 724 | Ordinance Enforcement | 21,572 | 11,664 | 29,770 | 27,048 |
| 747 | Community Action Programs | 3,031 | 3,032 | 3,500 | 2,500 |
| 441 | Public Works | 6,506 | 885 | 12,000 | 12,000 |
| 448 | Street Lighting | 2,237 | 2,121 | 2,546 | 2,546 |
| 685 | Social Services | 4,400 | 4,400 | 4,600 | 5,000 |
| 721 | Planning Commission | 71,782 | 68,822 | 89,867 | 106,134 |
| 722 | Zonning Board of Appeals | 3,286 | 3,008 | 4,016 | 4,016 |
| 851 | Insurance, Bonds & Fringes | 122,851 | 132,817 | 145,400 | 166,600 |
| 966 | Transfers out | 475,000 | 460,355 | 280,000 | 285,000 |
| | Total Expenses | \$1,344,293 | \$1,308,265 | \$1,297,178 | \$1,294,848 |

Restricted Fund Budgets

| | <u>Revenue</u> | <u>Expenses</u> | <u>Surplus (Deficit)</u> | |
|---|----------------|-----------------|--------------------------|------------------|
| 145 Public Improvement Bldg & Site | \$ - | \$ 79,000 | \$ (79,000) | Use fund balance |
| 205 Public Safety | 668,670 | 595,565 | 73,105 | |
| 212 Liquor Law Enforcement | 3,000 | 3,000 | - | |
| 218 Jayne Hill Street Lighting | 520 | 1,300 | (780) | Use fund balance |
| 219 Walnut Shores Street Lighting | 100 | 160 | (60) | Use fund balance |
| 225 Shannon Glen Rubbish Removal | 5,096 | 5,316 | (220) | Use fund balance |
| 226 Jayne Hill Rubbish Removal | 18,029 | 22,971 | (4,942) | Use fund balance |
| 227 Apple Orchard Rubbish Removal | 6,601 | 6,396 | 205 | |
| 228 Silver Lake Estates Rubbish Removal | 14,025 | 14,209 | (184) | Use fund balance |
| 231 Parkin Lane Snow Removal | 6,510 | 10,200 | (3,690) | Use fund balance |
| 232 Great Oaks Drive | 2,960 | 3,250 | (290) | Use fund balance |
| 233 Laurel Springs Rubbish Removal | 5,600 | 5,851 | (251) | Use fund balance |
| 245 Public Improvement Road | 285,000 | 285,000 | - | |
| 246 Township Improvement Revolving | - | - | - | |
| 260 Right of Way | 8,800 | 10,000 | (1,200) | Use fund balance |
| 274 Public Education Grant | 50,000 | 60,000 | (10,000) | Use fund balance |
| 396 Parkin Lane Road Improvement | 30,734 | 40,378 | (9,644) | Use fund balance |
| 399 Lake Shannon Road Improvement | 120,502 | 136,825 | (16,323) | Use fund balance |
| 400 Laurel Springs Road Improvement | 15,289 | 5,650 | 9,639 | |
| 401 Irish Hills Road Improvement | 66,491 | 65,793 | 698 | |
| 392 Sewer 2003 | 635,072 | 1,595,057 | (959,985) | Use fund balance |
| 590 Public Works Sewer O&M | 640,476 | 781,400 | (140,924) | Use fund balance |



End Of Presentation

PUBLIC COMMENTS



CONSENT AGENDA

1. Regular Board Meeting Minutes-Feb. 16, 2021.
2. Clerk's Warrants and Bills-Feb. 23, 2021.

**TYRONE TOWNSHIP
REGULAR BOARD MEETING
APPROVED MINUTES – FEBRUARY 16, 2021**

CALL TO ORDER

Supervisor Cunningham called the meeting of the Tyrone Township Board to order with the Pledge of Allegiance on February 16, 2021 at 7:06 p.m. electronically via Zoom per Covid-19 restrictions.

ROLL CALL

Present: Supervisor Mike Cunningham, Treasurer Jennifer Eden, Clerk Marcella Husted, Trustees Kurt Schulze, Zach Tucker, David Walker, and Herman Ferguson (arrived at 7:46 p.m.).

APPROVAL OF AGENDA – OR CHANGES

Trustee Walker moved to approve the agenda as amended. (Treasurer Eden seconded.) The second Public Remarks section was moved before the closed session. The motion carried; all ayes.

APPROVAL OF CONSENT AGENDA

**Regular Meeting Minutes – February 2, 2021
Treasurer’s Report- January 31, 2021
Clerk’s Warrants and Bills**

Trustee Schulze moved to approve the consent agenda as presented. (Treasurer Eden seconded.) The motion carried; all ayes.

COMMUNICATIONS

- 1. City of Fenton Fire Department Annual Report 2020**
- 2. Planning Commission Meeting Synopsis-February 9, 2021**

Trustee Walker moved to receive and place on file Communications #1-2 as presented. (Trustee Tucker seconded.) The motion carried; all ayes.

PUBLIC REMARKS

Many people in the audience spoke in opposition to an asphalt company locating in the township.

UNFINISHED BUSINESS

- 1. Budget discussion.**

The board reviewed the preliminary budget for the 2021-2022 fiscal year. No motion was made.

NEW BUSINESS

- 1. Selection of planning consultant.**

Trustee Walker recused himself from the discussion, because he has a business relationship with one of the four companies. The board discussed the merits of each company; all had received excellent references. Trustee Ferguson moved to contract with Carlisle-Wortman Associates, Inc. to provide the township’s planning services. (Trustee Schulze seconded.) The motion carried; all ayes.

**TYRONE TOWNSHIP
REGULAR BOARD MEETING
APPROVED MINUTES – FEBRUARY 16, 2021 – PAGE 2**

PUBLIC REMARKS

Some residents had concerns about roads; poor conditions and the need for stop signs.

- 2. Closed session to discuss pending litigation and attorney-client privileged communication.**

RESOLUTION #210204
TYRONE TOWNSHIP, LIVINGSTON COUNTY

CLOSED SESSION

Treasurer Eden resolved to convene in closed session to discuss pending litigation and attorney-client privileged information. (Trustee Schulze seconded.)

Roll call: Cunningham, yes; Husted, yes; Eden, yes; Ferguson, yes; Schulze, yes; Tucker, yes; Walker, yes.

The board convened in closed session at 8:46 p.m.

* * * * * Closed Session Minutes * * * * *

The board reconvened in open session at 9:13 p.m.

MISCELLANEOUS BUSINESS

None.

ADJOURNMENT

Treasurer Eden moved to adjourn. (Trustee Schulze seconded.) The motion carried; all ayes.
The meeting adjourned at 9:13 p.m.

| Check Date | Bank | Check | Vendor Name | Description | Amount |
|--|------|-------|------------------------------------|------------------------------------|------------|
| Bank 001 STATE BANK COMMON ACCOUNT | | | | | |
| 02/17/2021 | 001 | 22641 | BLUE CROSS BLUE SHIELD OF MICHIGAN | HEALTH/DENTAL MARCH 2021 | 6,403.06 |
| 02/17/2021 | 001 | 22642 | CHARTER COMMUNICATIONS | INTERNET 2.11.21 - 3.10.21 | 114.98 |
| 02/17/2021 | 001 | 22643 | EXTEND YOUR REACH | POSTAGE FOR ASSESSMENTS | 1,850.00 |
| 02/17/2021 | 001 | 22644 | GRIFFIN PEST SOLUTIONS, INC | PEST CONTROL | 51.00 |
| 02/17/2021 | 001 | 22645 | PITNEY BOWES GLOBAL | POSTAGE METER 12.10.20 - 03.09.21 | 172.65 |
| 02/17/2021 | 001 | 22646 | RICOH USA, INC. | COPIER LEASE FEB 2021 | 124.21 |
| 001 TOTALS: | | | | | |
| Total of 6 Checks: | | | | | 8,715.90 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 6 Disbursements: | | | | | 8,715.90 |
| Bank 022 STATE BANK - PUBLIC SAFETY checking | | | | | |
| 02/17/2021 | 022 | 1230 | HARTLAND AREA FIRE DEPARTMENT | 3 FIRE RUNS 01.01.21 - 01.15.21 | 4,257.00 |
| 022 TOTALS: | | | | | |
| Total of 1 Checks: | | | | | 4,257.00 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 1 Disbursements: | | | | | 4,257.00 |
| Bank 102 SEWER O&M CHECKING 590 | | | | | |
| 02/17/2021 | 102 | 433 | TYRONE TOWNSHIP | MOVE MONEY TO CORRECT BANK ACCOUNT | 14,862.71 |
| 102 TOTALS: | | | | | |
| Total of 1 Checks: | | | | | 14,862.71 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 1 Disbursements: | | | | | 14,862.71 |
| Bank 108 TAX FUND FLAGSTAR | | | | | |
| 02/17/2021 | 108 | 2956 | CROMAINE LIBRARY | WINTER TAX DISB 2.1.21 TO 2.15.21 | 10,036.69 |
| 02/17/2021 | 108 | 2957 | FENTON SCHOOLS | SUMMER TAX DISB 2.1.21 TO 2.15.21 | 2,400.09 |
| | | | | WINTER TAX DISB 2.1.21 TO 2.15.21 | 158,968.74 |
| | | | | | 161,368.83 |
| 02/17/2021 | 108 | 2958 | GISD | SUMMER TAX DISB 2.1.21 TO 2.15.21 | 578.84 |
| | | | | WINTER TAX DISB 2.1.21 TO 2.15.21 | 96,396.73 |
| | | | | | 96,975.57 |
| 02/17/2021 | 108 | 2959 | HARTLAND CONSOLIDATED SCHOOLS | SUMMER TAX DISB 2.1.21 TO 2.15.21 | 1,442.67 |
| | | | | WINTER TAX DISB 2.1.21 TO 2.15.21 | 68,085.23 |
| | | | | | 69,527.90 |
| 02/17/2021 | 108 | 2960 | LESA | SUMMER TAX DISB 2.1.21 TO 2.15.21 | 262.29 |
| 02/17/2021 | 108 | 2961 | LINDEN COMMUNITY SCHOOLS | SUMMER TAX DISB 2.1.21 TO 2.15.21 | 423.30 |

02/23/2021 01:53 PM
User: MHUSTED
DB: Tyrone

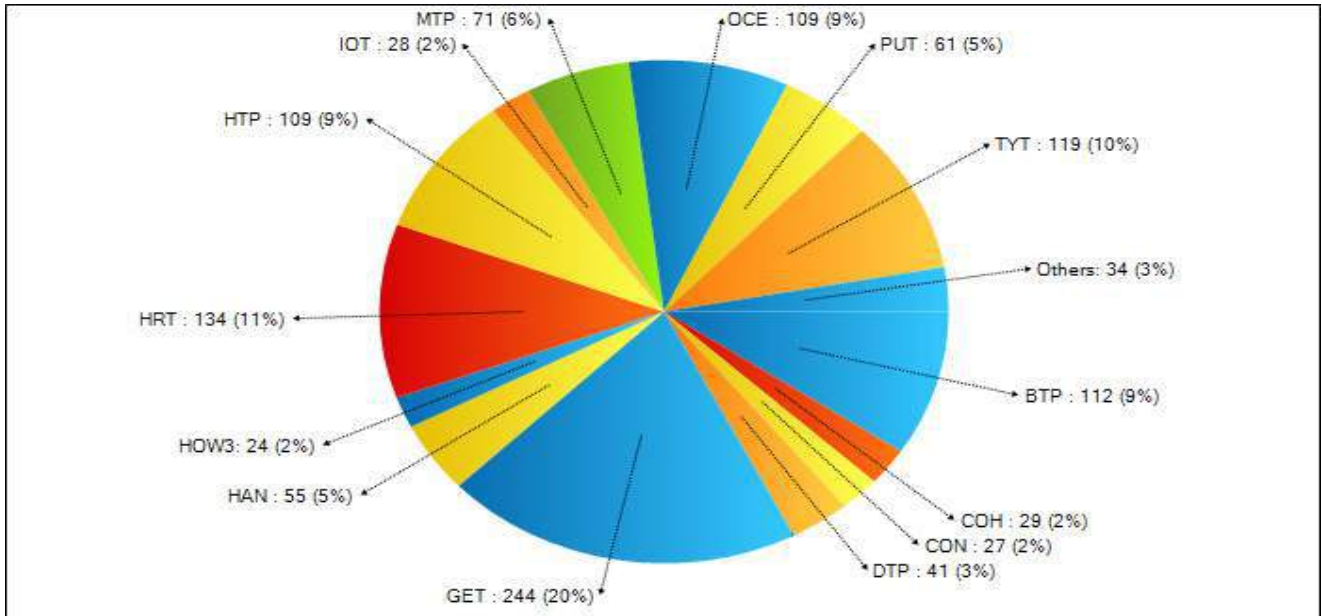
CHECK REGISTER FOR TYRONE TOWNSHIP
CHECK DATE FROM 02/11/2021 - 02/23/2021

| Check Date | Bank | Check | Vendor Name | Description | Amount |
|----------------------------|------|-------|-----------------------------|-------------------------------------|-------------------|
| | | | | WINTER TAX DISB 2.1.21 TO 2.15.21 | 43,806.50 |
| | | | | | <u>44,229.80</u> |
| 02/17/2021 | 108 | 2962 | LIVINGSTON COUNTY TREASURER | SUMMER TAX DISB 2.1.21 TO 2.15.21 | 13,704.67 |
| | | | | WINTER TAX DISB 2.1.21 TO 2.15.21 | 25,753.98 |
| | | | | | <u>39,458.65</u> |
| 02/17/2021 | 108 | 2963 | MOTT COMMUNITY COLLEGE | WINTER TAX DISB 2.1.21 TO 2.15.21 | 97,138.14 |
| 02/17/2021 | 108 | 2964 | PAULLIN LYNN M | 2020 Win Tax Refund 4704-25-400-011 | 82.46 |
| | | | | | <u>97,220.60</u> |
| 108 TOTALS: | | | | | |
| Total of 9 Checks: | | | | | 519,080.33 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 9 Disbursements: | | | | | <u>519,080.33</u> |
| <hr/> | | | | | |
| REPORT TOTALS: | | | | | |
| Total of 17 Checks: | | | | | 546,915.94 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 17 Disbursements: | | | | | <u>546,915.94</u> |

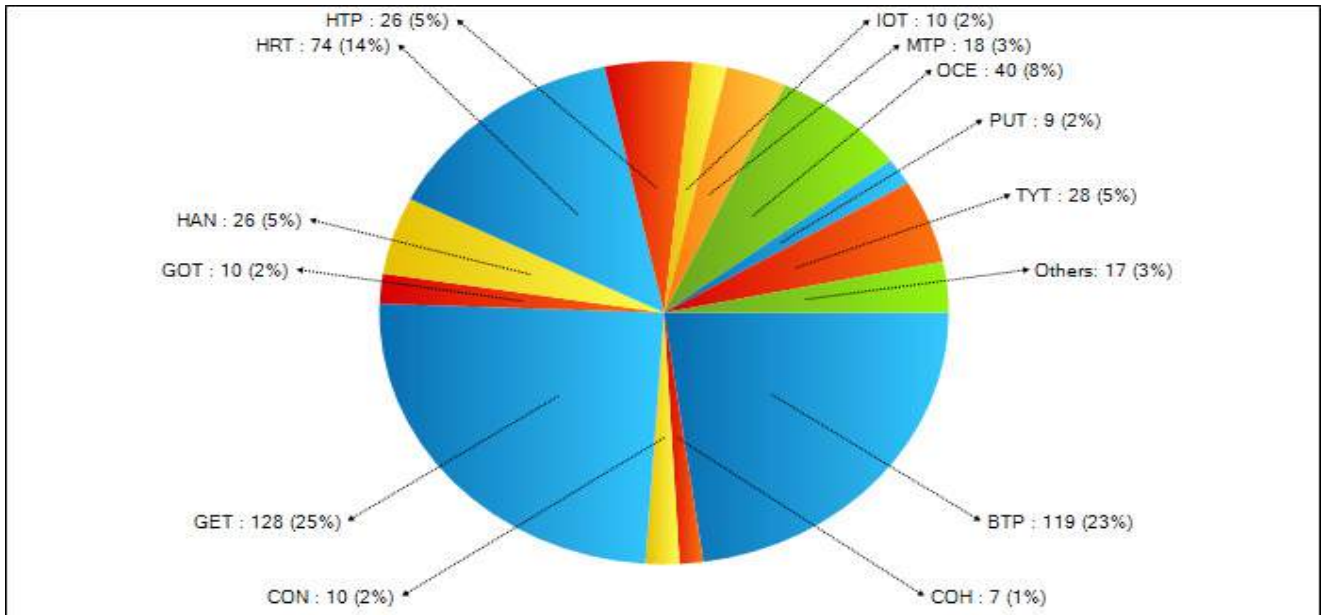
COMMUNICATION #1

**Livingston County Sheriff Report –
January 31, 2021**

**LIVINGSTON COUNTY SHERIFF'S OFFICE
JANUARY 2021 CALLS FOR SERVICE**



**MICHIGAN STATE POLICE
JANUARY 2021 CALLS FOR SERVICE**



**LIVINGSTON COUNTY SHERIFF'S OFFICE
TYRONE TOWNSHIP JANUARY 2021**

| Nature | # Events |
|--------------------------------|------------|
| 911 HANG UP | 3 |
| ABANDONED VEHICLE | 2 |
| ALARM | 7 |
| ANIMAL COMPLAINT | 7 |
| ASSIST EMS | 14 |
| ASSIST FIRE DEPARTMENT | 2 |
| ASSIST OTHER AGENCY | 2 |
| CARDIAC/RESPIRATORY ARREST | 1 |
| CITIZEN ASSIST | 5 |
| CIVIL COMPLAINT | 1 |
| DHS REFERRALS | 1 |
| DISTURBANCE/TROUBLE | 3 |
| DOMESTIC PHYSICAL IN PROGRESS | 2 |
| DOMESTIC VERBAL | 3 |
| FELONIOUS ASSAULT | 1 |
| FRAUD | 4 |
| HAZARD | 2 |
| INTIMIDATION THREATS HARASSMEN | 2 |
| LARCENY | 3 |
| LITTER VIOLATION | 1 |
| MDOP | 3 |
| MESSAGE DELIVERY | 2 |
| MISSING PERSON/RUN-A-WAY | 2 |
| MOTORIST ASSIST | 1 |
| NOISE COMPLAINTS | 3 |
| PDA | 14 |
| PERSONAL INJURY ACCIDENT | 3 |
| PIREF (REFUSE EMS) | 1 |
| ROAD RUNOFF | 2 |
| SHOTS FIRED | 2 |
| STRUCTURE FIRE | 1 |
| SUICIDAL SUBJECT | 2 |
| SUSPICIOUS PERSON | 1 |
| SUSPICIOUS SITUATION | 2 |
| SUSPICIOUS VEHICLE | 2 |
| TRESSPASSING, LOITERING | 1 |
| UNKNOWN ACCIDENT | 4 |
| VEHICLE FIRE | 1 |
| WAR ATT/SEARCH | 1 |
| WELFARE CHECK | 2 |
| TOTAL: | 116 |

| TOWNSHIP | NUMBER OF | RESPONSE TIME | NUMBER OF | RESPONSE TIME |
|-----------|-------------------------|-------------------------|-------------------------|-------------------------|
| | CALLS | CONTRACT TIME | CALLS | NON CONTRACT TIME |
| | <u>3:00PM - 11:00PM</u> | <u>3:00PM - 11:00PM</u> | <u>11:00PM - 3:00PM</u> | <u>11:00PM - 3:00PM</u> |
| BRIGHTON | 40 | 21:58 | 72 | 20:12 |
| COHOCTAH | 16 | 26:14 | 13 | 37:09 |
| CONWAY | 13 | 25:28 | 13 | 23:56 |
| DEERFIELD | 15 | 22:17 | 26 | 32:29 |
| GENOA | 87 | 19:00 | 157 | 17:13 |
| HANDY | 27 | 20:54 | 28 | 28:47 |
| HARTLAND | 48 | 16:14 | 86 | 23:24 |
| HOWELL | 37 | 14:39 | 72 | 24:52 |
| IOSCO | 12 | 25:21 | 16 | 37:51 |
| MARION | 30 | 16:55 | 41 | 24:23 |
| OCEOLA | 45 | 30:31 | 64 | 21:47 |
| PUTNAM | 35 | 14:37 | 26 | 28:59 |
| TYRONE | 72 | 26:23 | 47 | 34:29 |

TYRONE TOWNSHIP

| <u>MONTH</u> | <u>CALLS FOR SERVICE</u> | <u>TICKETS WRITTEN</u> | <u>ARRESTS</u> |
|--------------|--------------------------|------------------------|----------------|
| JANUARY | 116 | 8 | 2 |
| FEBRUARY | | | |
| MARCH | | | |
| APRIL | | | |
| MAY | | | |
| JUNE | | | |
| JULY | | | |
| AUGUST | | | |
| SEPTEMBER | | | |
| OCTOBER | | | |
| NOVEMBER | | | |
| DECEMBER | | | |
| YTD TOTALS: | 116 | 8 | 2 |

COMMUNICATION #2

Fire Service Report – January 31, 2021

**CITY OF FENTON FIRE RUNS
COLLECTION ACCOUNTS**

| INCIDENT DATE | INCIDENT # | BALANCE | STATUS |
|----------------------|-------------------|----------------|---------------|
| | | | |
| | | | |
| Feb-16 | 53 | \$1,391.00 | COLLECTIONS |
| Apr-14 | 176 | \$819.00 | COLLECTIONS |
| Feb-16 | 62 | \$1,391.00 | COLLECTIONS |
| Mar-16 | 76 | \$1,391.00 | COLLECTIONS |
| Aug-15 | 283 | \$350.00 | COLLECTIONS |
| Oct-15 | 354 | \$390.00 | COLLECTIONS |
| Jun-16 | 197 | \$1,391.00 | COLLECTIONS |
| Jun-16 | 225 | \$1,391.00 | COLLECTIONS |
| Jun-16 | 226 | \$1,391.00 | COLLECTIONS |
| Jul-16 | 285 | \$1,391.00 | COLLECTIONS |
| Jul-16 | 296 | \$1,391.00 | COLLECTIONS |
| Sep-16 | 371 | \$1,391.00 | COLLECTIONS |
| Aug-16 | 436 | \$1,391.00 | COLLECTIONS |
| Nov-16 | 461 | \$1,391.00 | COLLECTIONS |
| Jan-17 | 49 | \$1,391.00 | COLLECTIONS |
| Mar-17 | 371 | \$1,391.00 | COLLECTIONS |
| Mar-17 | 120 | \$400.00 | COLLECTIONS |
| Mar-17 | 125 | \$1,391.00 | COLLECTIONS |
| Jun-17 | 235 | \$1,405.00 | COLLECTIONS |
| Jul-17 | 323 | \$400.00 | COLLECTIONS |
| Jul-17 | 328 | \$1,405.00 | COLLECTIONS |
| Oct-17 | 431 | \$1,405.00 | COLLECTIONS |
| Nov-17 | 468 | \$1,405.00 | COLLECTIONS |
| Nov-17 | 483 | \$1,405.00 | COLLECTIONS |
| Jan-18 | 22 | \$1,405.00 | COLLECTIONS |
| Jan-18 | 27 | \$1,405.00 | COLLECTIONS |
| Mar-18 | 117 | \$1,405.00 | COLLECTIONS |
| Jul-18 | 296 | \$1,419.00 | COLLECTIONS |
| Nov-18 | 438 | \$1,419.00 | COLLECTIONS |
| Nov-18 | 484 | \$1,419.00 | COLLECTIONS |
| Apr-18 | 161 | \$1,024.00 | COLLECTIONS |
| Feb-18 | 80 | \$505.00 | COLLECTIONS |
| Aug-19 | 327 | \$1,319.00 | COLLECTIONS |
| Oct-19 | 401 | \$1,419.00 | COLLECTIONS |
| Nov-19 | 447 | \$1,419.00 | COLLECTIONS |

**CITY OF FENTON FIRE RUNS
COLLECTION ACCOUNTS**

| | | | |
|--------|-----|------------|-------------|
| | | | |
| Jul-20 | 233 | \$1,433.00 | COLLECTIONS |
| Aug-20 | 286 | \$1,433.00 | COLLECTIONS |
| | | | |
| | | | |
| | | | |
| | | | |

HARTLAND OUTSTANDING FIRE RUNS

| INCIDENT DATE | INCIDENT # | BALANCE | STATUS |
|---------------|------------|------------|-------------|
| | | | |
| | | | |
| | | | |
| Aug-13 | 13-499 | \$148.00 | COLLECTIONS |
| Sep-16 | 16-529 | \$1,391.00 | COLLECTIONS |
| Sep-16 | 16-530 | \$1,391.00 | COLLECTIONS |
| Oct-16 | 16-581 | \$1,391.00 | COLLECTIONS |
| 17-Sep | 17-660 | \$1,405.00 | COLLECTIONS |
| Dec-17 | 17-814 | \$1,405.00 | COLLECTIONS |
| Dec-17 | 17-869 | \$1,405.00 | COLLECTIONS |
| Jan-18 | 18-056 | \$1,405.00 | COLLECTIONS |
| Mar-18 | 18-189 | \$1,405.00 | COLLECTIONS |
| Jun-18 | 18-370 | \$1,419.00 | COLLECTIONS |
| Aug-18 | 18-598 | \$1,419.00 | COLLECTIONS |
| Dec-19 | 18-817 | \$1,419.00 | COLLECTIONS |
| Jun-19 | 19-366 | \$1,419.00 | COLLECTIONS |
| Jul-19 | 19-513 | \$1,419.00 | COLLECTIONS |
| Nov-19 | 19-840 | \$1,419.00 | COLLECTIONS |
| Jan-20 | 20-035 | \$1,419.00 | COLLECTIONS |
| 20-Feb | 20-142 | \$1,419.00 | COLLECTIONS |
| Jun-20 | 20-0400 | \$1,433.00 | COLLECTIONS |
| Jul-20 | 20-0425 | \$1,433.00 | COLLECTIONS |
| Nov-20 | 20-736 | \$1,433.00 | INVOICED |
| Jan-21 | 21-032 | \$1,433.00 | INVOICED |
| Jan-21 | 21-055 | \$1,433.00 | PREPARING |
| Jan-21 | 21-068 | \$1,433.00 | PREPARING |
| | | | |



UNIVERSAL CREDIT SERVICES, INC
 P.O. BOX 133
 HARTLAND, MI 48353
 800-931-3711

1

INVOICE 032851
 02/01/21

* RECAP *

No. 93

UN10
 TYR001 TYRONE TOWNSHIP FIRERUNS
 8420 RUNYAN LAKE RD
 NNEDNN FENTON, MI 48430

| Date | Name / Ref No. | Sts | COLLECTIONS | | Our Comm | Remain Princ | Net Amt Due |
|------|----------------|-----|-------------|-------|-------------|-----------------|----------------|
| | | | Pd You | Pd Us | | | |
| | *Totals* | | | | 42.50 | | 159.84- |
| | *Totals* | | 202.34 | | | | |

Gross Collections This Cycle.....\$202.34

Total Enclosed Checks.....\$159.84



Closed Report
Accounts Closed From 1/1/2021 Thru 1/31/2021

PO BOX 158
HARTLAND, MI 48353-0158
800-931-3711
www.ucscollections.com

RECEIVED
FEB 09 2021

TYR001
TYRONE TOWNSHIP
Attn: MARIAN KRAUSE
8420 RUNYAN LAKE RD

FENTON, MI 48430

| Reference # | Close Reason | Account Name | Assign Date | Closed Date | Amount Cancelled |
|-------------|---------------|----------------|-------------|-------------|------------------|
| 0000012 | UNCOLLECTIBLE | WILSON,ULYSSES | 08/30/16 | 01/05/21 | 1,562.10 |
| Totals | 1 | | | | |



PO BOX 158
HARTLAND, MI 48353-0158
800-931-3711
www.ucscollections.com

RECEIVED
FEB 09 2021

Acknowledgment Report

Placements From 1/1/2021 Thru 1/31/2021

TYR001
TYRONE TOWNSHIP
ATTN:MARIAN KRAUSE
8420 RUNYAN LAKE RD

FENTON, MI 48430

We acknowledge, with thanks, receipt of the following accounts upon our usual terms. Immediate collection action has commenced. Please report all direct payments promptly and all communication from the debtor to us.

| Reference # | Name | Date of Service | Assigned Amount | UCS Account # | |
|----------------|------------------------------|------------------------|-----------------|-----------------------|------------|
| 0000233 | BETSY'S PLACE | 07/12/20 | \$1,433.00 | 0012228817 | |
| 0000286 | PHILLIPS,ALEXANDRIA RACHELLE | 08/19/20 | \$1,433.00 | 0012228811 | |
| 20284 | MABEY,CHELSEA NICOLE | 07/08/20 | \$1,433.00 | 0012228810 | |
| Total Accounts | 3 | Average Age at Listing | 168 | Total Amount Assigned | \$4,299.00 |

We highly appreciate your business, and will consider it our goal to provide you with the most effective, and ethical service available.

Universal Credit Services, Inc.

COMMUNICATION #3

**Planning Commission Workshop Synopsis-
February 17, 2021**

**TYRONE TOWNSHIP PLANNING COMMISSION
WORKSHOP MEETING SYNOPSIS
February 17, 2021 6:00 p.m.**

Note: This meeting was held via remote access (Zoom)

PRESENT: Dan Stickel, Kurt Schulze, Steve Krause, Jon Ward, & Richard Erickson

ABSENT: Perry Green & Bill Wood

OTHERS PRESENT: Ross Nicholson

CALL TO ORDER: The meeting was called to order at 6:02 p.m. by Chairman Stickel

PLEDGE OF ALLEGIANCE:

APPROVAL OF THE AGENDA: Chairman Stickel motioned to amend the agenda by moving the “Call to the Public” to the top of the agenda. Kurt Schulze moved to approve the agenda as amended; Steve Krause seconded. The motion carried.

CALL TO THE PUBLIC: Many residents spoke in opposition of the proposed rezoning and Special Land Use application for an asphalt mixing plant.

OLD BUSINESS: Deferred to next meeting.

NEW BUSINESS: None

ADJOURNMENT: The meeting was adjourned at 7:12 p.m.

NEW BUSINESS #1

Resolution to adopt the 2021-2022 budget by
department totals.

RESOLUTION #2103xx
TYRONE TOWNSHIP, LIVINGSTON COUNTY

RESOLUTION TO ADOPT 2021-2022 BUDGET FOR THE GENERAL FUND

**2021-2022 Proposed
Budget**

| Revenues | | |
|----------------------------------|-----------|------------------|
| Taxes | | 419,448 |
| State | | 816,500 |
| Cable Rev | | 121,781 |
| Charges | | 173,697 |
| Fines | | 10,211 |
| Interest | | 2,000 |
| Licenses | | 17,041 |
| Other | | - |
| 101 General Fund Revenues | \$ | 1,560,678 |
| | | |
| Department Expenses | | |
| 101 - Township Board | | 112,666 |
| 171 - Supervisor | | 50,267 |
| 215 - Clerk | | 129,493 |
| 247 - Board of review | | 2,200 |
| 253 - Treasurer | | 151,089 |
| 257 - Assessing | | 111,375 |
| 262 - Elections | | 9,860 |
| 265 - Building and Grounds | | 52,339 |
| 276 - Cemeteries | | 6,000 |
| 299 - Unallocated | | 17,841 |
| 441 - Public Works | | 12,000 |
| 448 - Street Lighting | | 2,546 |
| 685 - Social Services | | 5,000 |
| 721 - Planning Commission | | 106,134 |
| 722 - Zoning Board of Appeals | | 4,016 |
| 723 - Zoning Administrator | | 40,874 |
| 724 - Ordinance Enforcement | | 27,048 |
| 747 - Community Action Programs | | 2,500 |
| 851 - Insurance, Bonds & Fringes | | 166,600 |
| 966 - Transfers Out | | 285,000 |
| Total Department Expenses | \$ | 1,294,848 |
| | | |
| Surplus (Deficit) | \$ | 265,830 |

| | <u>Revenue</u> | <u>Expenses</u> | <u>Surplus (Deficit)</u> | |
|---|----------------|-----------------|--------------------------|------------------|
| 145 Public Improvement Bldg & Site | \$ - | \$ 79,000 | \$ (79,000) | Use fund balance |
| 205 Public Safety | 668,670 | 595,565 | 73,105 | |
| 212 Liquor Law Enforcement | 3,000 | 3,000 | - | |
| 218 Jayne Hill Street Lighting | 520 | 1,300 | (780) | Use fund balance |
| 219 Walnut Shores Street Lighting | 100 | 160 | (60) | Use fund balance |
| 225 Shannon Glen Rubbish Removal | 5,096 | 5,316 | (220) | Use fund balance |
| 226 Jayne Hill Rubbish Removal | 18,029 | 22,971 | (4,942) | Use fund balance |
| 227 Apple Orchard Rubbish Removal | 6,601 | 6,396 | 205 | |
| 228 Silver Lake Estates Rubbish Removal | 14,025 | 14,209 | (184) | Use fund balance |
| 231 Parkin Lane Snow Removal | 6,510 | 10,200 | (3,690) | Use fund balance |
| 232 Great Oaks Drive | 2,960 | 3,250 | (290) | Use fund balance |
| 233 Laurel Springs Rubbish Removal | 5,600 | 5,851 | (251) | Use fund balance |
| 245 Public Improvement Road | 285,000 | 285,000 | - | |
| 246 Township Improvement Revolving | - | - | - | |
| 260 Right of Way | 8,800 | 10,000 | (1,200) | Use fund balance |
| 274 Public Education Grant | 50,000 | 60,000 | (10,000) | Use fund balance |
| 396 Parkin Lane Road Improvement | 30,734 | 40,378 | (9,644) | Use fund balance |
| 399 Lake Shannon Road Improvement | 120,502 | 136,825 | (16,323) | Use fund balance |
| 400 Laurel Springs Road Improvement | 15,289 | 5,650 | 9,639 | |
| 401 Irish Hills Road Improvement | 66,491 | 65,793 | 698 | |
| 392 Sewer 2003 | 635,072 | 1,595,057 | (959,985) | Use fund balance |
| 590 Public Works Sewer O&M | 640,476 | 781,400 | (140,924) | Use fund balance |

RESOLVED BY:
SUPPORTED BY:

VOTE:

ADOPTION DATE: March 2, 2021

CERTIFICATION OF THE CLERK

The undersigned, being the duly qualified and acting Clerk of Tyrone Township, Livingston County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting, held on March 2, 2021, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Marcella Husted
Township Clerk

Resolution #2103.xx
Adoption of 2021-2022 Budget for the General Fund

NEW BUSINESS #2

**Resolution Establishing Fiscal Year 2021-2022
Operating Tax Millage Rate as Directed by the
Headlee Rollback Calculation**

**RESOLUTION #2103xx
TYRONE TOWNSHIP, LIVINGSTON COUNTY**

**ESTABLISHING FISCAL YEAR 2021-2022 OPERATING TAX MILLAGE
RATE AS DIRECTED BY THE HEADLEE ROLLBACK CALCULATION**

WHEREAS, the Tyrone Township Board has carefully examined the financial circumstances of the Township for the 2021-2022 fiscal year, including estimated expenditures, estimated revenues and state equalized valuation of property located within the Township;

NOW, THEREFORE, BE IT RESOLVED, that the Tyrone Township Board has complete authority and hereby authorizes up to .9018 mils to be levied for operating purposes in Fiscal Year 2021-2022 from within its authorized millage rate.

RESOLVED BY:
SUPPORTED BY:

VOTE:

ADOPTION DATE: March 2, 2021

CERTIFICATION OF THE CLERK

The undersigned, being the duly qualified and acting Clerk of Tyrone Township, Livingston County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting, held on March 2, 2021, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Marcella Husted
Township Clerk

NEW BUSINESS #3

**Resolution to Opt-out of the Senate Bill #7
Health Care Provision**

**RESOLUTION #2103xx
TYRONE TOWNSHIP, LIVINGSTON COUNTY**

TO OPT-OUT OF SENATE BILL #7 HEALTH CARE PROVISION

Trustee _____ resolved to adopt Resolution #2103xx to opt out of the Senate Bill #7 health care provision for fiscal year 2021-2022. (Trustee _____seconded). The motion carried; all ayes.

VOTE:

ADOPTION DATE: March 2, 2021

CERTIFICATION OF THE CLERK

The undersigned, being the duly qualified and acting Clerk of Tyrone Township, Livingston County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting, held on March 2, 2021, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Marcella Husted
Township Clerk

Senate Bill #7 Health Care Provision

I spoke with Tom Armintrout at Burnham & Flower Insurance Group today to discuss Senate Bill #7. He informed me that the legislature passed the Bill originally for MESA (teachers union) but didn't have enough votes to pass it. They added a provision that would include Road Commissions, Townships, Cities and other local units of government to get it to pass.

Public employers have 3 options as follows:

1. MCL 15.563 "A public employer that offers or contributes to a medical benefit plan for its employees or elected public officials shall pay no more of the annual costs or illustrative rate and any payments for reimbursement of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts, or similar accounts used for health care costs... "

There is a hard cap limit on the amount a public employer can contribute for employees and elected public officials.

2. MCL 15.564 By a majority vote of its governing body each year, prior to the beginning of the medical benefit plan coverage year, a public employer may elect to pay not more than 80% of the total annual costs of all of the medical benefit plans it offers or contributes to for its employees and elected public officials. That would mean that each employee and elected public official who participates in a medical benefit plan offered by a public employer shall be required to pay 20% or more of the total annual costs of that plan.
3. The third option is to opt-out of complying with either of the 2 above options. Per Tom, at one time this bill was tied to revenue sharing but not any longer. Tom stated that Road Commissions are the only public employer that is not allowed to opt-out. He also stated that a majority of townships choose to opt-out. The reason for this is due to the fact that health insurance premiums are aged based and that townships tend to have a more mature workforce with higher insurance premiums. This is a benefit townships like to offer their employees to help offset the lower pay. MCL 15.568 "By a 2/3 vote of its governing body each year, prior to the beginning of the medical benefit plan coverage year, a local unit of government may exempt itself from the requirements of this act for the next succeeding medical benefit plan coverage year."

Marcella Husted
April 13, 2016

Act No. 152

Public Acts of 2011

Approved by the Governor

September 24, 2011

Filed with the Secretary of State

September 27, 2011

EFFECTIVE DATE: September 27, 2011

STATE OF MICHIGAN

96TH LEGISLATURE

REGULAR SESSION OF 2011

Introduced by Senator Jansen

ENROLLED SENATE BILL No. 7

AN ACT to limit a public employer's expenditures for employee medical benefit plans; to provide the power and duties of certain state agencies and officials; to provide for exceptions; and to provide for sanctions.

The People of the State of Michigan enact:

Sec. 1. This act shall be known and may be cited as the "publicly funded health insurance contribution act".

Sec. 2. As used in this act:

(a) "Designated state official" means:

(i) For an election affecting employees and officers in the judicial branch of state government, the state court administrator.

(ii) For an election affecting senate employees and officers, the secretary of the senate.

(iii) For an election affecting house of representatives employees and officers, the clerk of the house.

(iv) For an election affecting legislative council employees, the legislative council.

(v) For an election affecting employees in the state classified service, the civil service commission.

(vi) For an election affecting executive branch employees who are not in the state classified service, the

state employer.

(b) "Flexible spending account" means a medical expense flexible spending account in conjunction with a cafeteria plan as permitted under the federal internal revenue code of 1986.

(c) "Health savings account" means an account as permitted under section 223 of the internal revenue code of 1986, 26 USC 223.

(d) "Local unit of government" means a city, village, township, or county, a municipal electric utility system as defined in section 4 of the Michigan energy employment act of 1976, 1976 PA 448, MCL 460.804, an authority created under chapter VIA of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.108 to 259.125c, or an authority created under 1939 PA 147, MCL 119.51 to 119.62.

(e) "Medical benefit plan" means a plan established and maintained by a carrier, a voluntary employees' beneficiary association described in section 501(c)(9) of the internal revenue code of 1986, 26 USC 501, or by 1 or more public employers, that provides for the payment of medical benefits, including, but not limited to, hospital and physician services, prescription drugs, and related benefits, for public employees or elected public officials. Medical benefit plan does not include benefits provided to individuals retired from a public employer.

(f) "Public employer" means this state; a local unit of government or other political subdivision of this state; any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision; a school district, a public school academy, or an intermediate school district, as those terms are defined in sections 4 to 6 of the revised school code, 1976 PA 451, MCL 380.4 to 380.6; a community college or junior college described in section 7 of article VIII of the state constitution of 1963; or an institution of higher education described in section 4 of article VIII of the state constitution of 1963.

Sec. 3. Except as otherwise provided in this act, a public employer that offers or contributes to a medical benefit plan for its employees or elected public officials shall pay no more of the annual costs or illustrative rate and any payments for reimbursement of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts, or similar accounts used for health care costs, than a total amount equal to \$5,500.00 times the number of employees with single person coverage, \$11,000.00 times the number of employees with individual and spouse coverage, plus \$15,000.00 times the number of employees with family coverage, for a medical benefit plan coverage year beginning on or after January 1, 2012. A public employer may allocate its payments for medical benefit plan costs among its employees and elected public officials as it sees fit. By October 1 of each year after 2011, the state treasurer shall adjust the maximum payment permitted under this section for each coverage category for medical benefit plan coverage years beginning the succeeding calendar year, based on the change in the medical care component of the United States consumer price index for the most recent 12-month period for which data are available from the United States department of labor, bureau of labor statistics.

Sec. 4. (1) By a majority vote of its governing body, a public employer, excluding this state, may elect to comply with this section for a medical benefit plan coverage year instead of the requirements in section 3. The designated state official may elect to comply with this section instead of section 3 as to medical benefit plans for state employees and state officers.

(2) For medical benefit plan coverage years beginning on or after January 1, 2012, a public employer shall pay not more than 80% of the total annual costs of all of the medical benefit plans it offers or contributes to for its employees and elected public officials. For purposes of this subsection, total annual costs includes the premium or illustrative rate of the medical benefit plan and all employer payments for

reimbursement of co-pays, deductibles, and payments into health savings accounts, flexible spending accounts, or similar accounts used for health care but does not include beneficiary-paid copayments, coinsurance, deductibles, other out-of-pocket expenses, other service-related fees that are assessed to the coverage beneficiary, or beneficiary payments into health savings accounts, flexible spending accounts, or similar accounts used for health care. Each elected public official who participates in a medical benefit plan offered by a public employer shall be required to pay 20% or more of the total annual costs of that plan. The public employer may allocate the employees' share of total annual costs of the medical benefit plans among the employees of the public employer as it sees fit.

Sec. 5. (1) If a collective bargaining agreement or other contract that is inconsistent with sections 3 and 4 is in effect for a group of employees of a public employer on the effective date of this act, the requirements of section 3 or 4 do not apply to that group of employees until the contract expires. A public employer's expenditures for medical benefit plans under a collective bargaining agreement or other contract described in this subsection shall be excluded from calculation of the public employer's maximum payment under section 4. The requirements of sections 3 and 4 apply to any extension or renewal of the contract.

(2) A collective bargaining agreement or other contract that is executed on or after September 15, 2011 shall not include terms that are inconsistent with the requirements of sections 3 and 4.

Sec. 6. A public employer may deduct the covered employee's or elected public official's portion of the cost of a medical benefit plan from compensation due to the covered employee or elected public official. The employer may condition eligibility for the medical benefit plan on the employee's or elected public official's authorizing the public employer to make the deduction.

Sec. 7. (1) The requirements of this act apply to medical benefit plans of all public employees and elected public officials to the greatest extent consistent with constitutionally allocated powers, whether or not a public employee is a member of a collective bargaining unit.

(2) If a court finds the requirements of section 3 to be invalid, the expenditure limit in section 4 shall apply to a public employer that does not exempt itself under section 8, except that the requirement for a majority vote of the governing body of the public employer in section 4 shall not apply. If a court finds section 4 to be invalid, the expenditure limit in section 3 shall apply to each public employer that does not exempt itself under section 8.

Sec. 8. (1) By a 2/3 vote of its governing body each year, a local unit of government may exempt itself from the requirements of this act for the next succeeding year.

(2) A 2/3 vote of the governing body of the local unit of government is required to extend an exemption under this section to a new year.

(3) An exemption under this section is not effective for a city with a mayor who is both the chief executive and chief administrator, unless the mayor also approves the exemption.

(4) An exemption under this section is not effective for a county with a county executive who is both the chief executive and chief administrator, unless the county executive also approves the exemption.

Sec. 9. If a public employer fails to comply with this act, the public employer shall permit the state treasurer to reduce by 10% each economic vitality incentive program payment received under 2011 PA 63 and the department of education shall assess the public employer a penalty equal to 10% of each

payment of any funds for which the public employer qualifies under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, during the period that the public employer fails to comply with this act. Any reduction setoff or penalty amounts recovered shall be returned to the fund from which the reduction is assessed or upon which the penalty is determined. The department of education may also refer the penalty collection to the department of treasury for collection consistent with section 13 of 1941 PA 122, MCL 205.13.

This act is ordered to take immediate effect.

Secretary of the Senate

Clerk of the House of Representatives

Approved

Governor

SEP 18 2012

Bill Anderson
MTA Legislative Liaison



Senate Bill 7 has major impact on public employee health care

The Legislature has approved major legislation—Senate Bill 7, which was awaiting the governor's signature as of *Michigan Township News'* press time—that significantly impacts how local governments must handle health insurance benefits for their employees, including elected officials. The governor was expected to approve the legislation. The following is a discussion on the implementation of SB 7—and some of its consequences.

Does this impact my township?

The bill impacts every local government that offers health insurance benefits for any employee—including townships, cities, counties, authorities and school districts. It will not impact most state employees or university employees unless the state constitution is amended. Legislators and their employees are included.

What is the basic description of the proposed law?

No public employer may pay more than \$15,000 for health insurance for family coverage, \$11,000 for an individual and spouse, and \$5,500 for any individual. Costs for dental

or vision insurance are not included in the limit. The limit includes any employer payments for reimbursements of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts or similar accounts used for health care costs.

Does this mean that the individual employee automatically pays the difference?

Not necessarily. The proposed law requires the employer to evaluate the cap as a collective total. Each unit of government must make a calculation. Multiply the number of employees receiving family health care coverage by \$15,000 and then do the same with the other two categories (\$11,000 for individual plus spouse, \$5,500 for individual). Add the three resulting numbers together and that is the maximum that the township can spend for health care for all covered employees. If the actual costs are greater than this calculation, the difference must be paid by the employees.

How that difference is paid is left to the discretion of the employer. The township board may ask all employees to pay an equal share, or each group—family, married or single—to pay their respective difference, or even allow some of the lower wage employees to pay less than the higher compensated employees. The latter situation was the concern that convinced the Legislature to provide this option.

What happened to the 80/20 cost-share plan?

The proposed law allows each unit of government to opt for a medical plan where the employers are not allowed to pay for more than 80 percent of the total health care costs for its employees. The governing body, by a majority vote, may decide on this option instead of the hard cap option described earlier. Again, the bill requires the township to look at overall health care expenditures. The township can decide how the employees will be required, as a group, to pay their share of the costs.

All employer payments into health savings accounts, flexible spending accounts or reimbursement for copayments, deductibles or other similar expenditure count toward the 80 percent limit. However, total annual costs do not include employee payments for copayments, coinsurance, deductibles, other out-of-pocket expenses, service-related fees, or payments into health savings accounts, flexible spending accounts or similar accounts. Under the 20 percent plan, the bill specifies that elected officials must pay at least 20 percent of the total annual costs of the plan.

No minimum payment for elected officials is required under the hard cap option.

When is this bill implemented?

The most important date under the proposed law is the date that your township's health insurance contract begins. The bill specifies that all of the provisions will apply for any insurance plan contract that begins on or after Jan. 1, 2012. The bill does not require any changes to be made in the middle of a health plan year. If your township has a health care plan that establishes new rates and open enrollment on July 1, that is when the new provisions must be considered. This provision was put into place to ensure that both employees and employers have time to react to the proposed law. If your township's plan is renewed in December, the new provisions would not apply until December 2012.

The township would be required to recalculate the cap each year as new health care rates become known and open enrollment takes place. It is important to note that the hard caps—\$15,000, \$11,000 and \$5,500—are effective for the calculations for the 2012 calendar year. On Jan. 1 of each year thereafter, those cap rates will be adjusted by the health care inflation index that is calculated by the federal government.

How does this apply to union contracts?

The proposed law does not apply to any union contract that was entered into prior to Sept. 15, 2011. If the township is at the beginning of a three-year contract, the limits do not apply to the employees covered by that contract until it expires. If a contract is settled between Sept. 15 and the end of the year, the health care limitations will not apply until open enrollment for the health plan occurs in calendar year 2012.

Any new contract must take into account the health care limitations for all future years. Employees who are covered by an existing contract are not included in the maximum employer calculations described earlier until the existing contract expires.

How does this work when the township has multiple unions?

Not particularly well. The employer caps are calculated based on all covered employees, not all covered employees by bargaining unit. If a township is not careful, things could quickly get out of hand. If the township negotiates a contract that has health insurance that costs \$25,000 per employee

with no employee contribution, the proposed law would force that township to make up the difference with its other employees. It would seem that the goal should be to have each bargaining unit meet the requirements of the bill. It would seem reasonable for the collective bargaining agreement to spell out how the employee share is to be apportioned.

Can part of the employees be covered under the hard cap and part by the 80/20?

The bill does not seem to offer that option.

Can the township opt out of this proposed law?

SB 7 provides that townships, along with cities, counties, villages and some specific authorities, may opt out of the requirements of the proposed law by a two-thirds vote of the governing body. The opt-out must be renewed on an annual basis. Schools and most other governments do not have this escape clause. It is unknown how the proposed law would work if the township opts out in the first year of a labor contract, new members join the board and an opt-out is not approved for the second year of the contract.

There is one final "out clause" in the bill. If a public employer fails to comply, it permits the state treasurer to reduce Economic Vitality Incentive Program payments (EVIP—or statutory revenue sharing) by 10 percent as a penalty or 10 percent of their state aid if the entity is a school district. Since the vast majority of townships will not receive EVIP payments, then the township will lose 10 percent of nothing; which is ...

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Petokey, MI
231.347.2523

Traverse City, MI
231.937.8400

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September 2011



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Township Law E-Letter

Publicly Funded Health Insurance Contribution Act: Questions and Answers

The "Publicly Funded Health Insurance Contribution Act," also known as Senate Bill 7, was passed by the Michigan Legislature and signed by Governor Snyder just today. The new law limits township contributions to employee health insurance effective January 1, 2012. The Act provides two mechanisms that limit employer contributions to healthcare: a "hard cap" and an optional "80/20" plan. Some of the most pressing questions about the new law are answered below.

Overview of the New Law

Q: What employers are affected by the Act?
The new law applies broadly to "public employers," including townships and other local units of government, among other public employers.

Q: What kinds of health care benefits are covered by the Act?
The Act applies to "medical benefit plans" that provide payment of medical benefits, including hospital and physician services, prescription drugs, and related benefits. The Act does not apply to dental or vision care plans.

The "Hard Cap"

Q: What is the Hard Cap?
The Act is drafted to apply a maximum that a public employer may pay towards public employee health care costs. The limit on a public employer's total contribution for employee health insurance that will apply, if the public employer's governing body takes no action (see below), will be equivalent to:

- \$5,500 times the number of employees with single coverage, plus
- \$11,000 times the number of employees with two person coverage, plus
- \$15,000 times the number of employees with family coverage.

Any amount above this cap needed to pur-

chase health insurance for employees must be paid by employees.

Q: How is the remaining cost recovered from employees?
The remaining cost is to be recovered through payments by the employees. These payments may be spread evenly or different classifications of employees may be asked to pay a lesser or greater percentage of the cost as long as the total remaining amount is recovered.

Q: What employer costs count toward the cap?
The annual premium or illustrative rate and any payments for reimbursements of co-pays, deductibles, or payments into Health Savings Accounts, Flexible Spending Accounts, or similar accounts used for health care are included as employer costs. Benefits provided to retired employees are not included.

Q: Will the caps ever change?
Yes. The State Treasurer will adjust the caps each October 1 based on the change in the medical care component of the U.S. Consumer Price Index. The newly adjusted caps will be effective January 1. The past few years, the medical care component of the Consumer Price Index has risen 12-15% a year, so it is likely that caps will rise significantly.



Q: How can employers and employees plan for and manage the annual change in contributions?

The adjustment of the cap could be viewed as a way to encourage employer-employee cooperation in plan selection and cost maintenance or reduction: If the plan increase for the year is less than the change in the Consumer Price Index, employees may in fact see their contribution rate slow or drop.

The Optional 80/20 Plan

Q: How does an employer elect the 80/20 plan?

The township board may, by a majority vote, elect to limit its healthcare contributions differently. Instead of the hard cap, the township could simply elect not to pay more than 80% of the total annual cost of the medical benefit plans it offers, without regard to how much that means per employee with single, double, or family coverage.

Q: What employer costs are counted toward the 80/20 calculation?

Included. The annual premium or illustrative rate and any payments for reimbursements of co-pays, deductibles, or payments into Health Savings Accounts, Flexible Spending Accounts, or similar accounts used for health care.

Not Included.

- Benefits provided to retired employees
- Beneficiary or employee paid copayments, coinsurance, deductibles, other out of pocket expenses, other service-related fees that are assessed to the coverage beneficiary, or payments into Health Savings Accounts, Flexible Spending Accounts, or similar accounts used for health care
- Healthcare contributions for employees covered by a contract or agreement in effect before September 15, 2011.

Q: How are elected officials handled under the 80/20 Plan?

The 80/20 Plan requires an elected official who participates in a medical benefit plan to pay a minimum of 20% of the annual cost of that plan.

Opting Out

Q: What is the opt-out provision?

Although the new law imposes a maximum that public employers may contribute to employee health care costs, it also provides a mechanism for townships and other "local units of government" to opt out of the Act's requirements—and therefore determine on their own how much to contribute to employee health insurance.

Q: How does a township opt out?

This mechanism permits a township to exempt itself from the requirements of the Act for a one year period by a two-thirds vote of the township board. A new two-thirds vote would be required to extend the exemption in each subsequent year. By opting out, the township would be able to determine on its own how much it contributes to employee health insurance, without reference to hard caps or the 80/20 plan in the Act.

Contrary Contract Terms

Q: Our collective bargaining agreement requires a total payment by the township that exceeds the limits—Is this contract term still valid?

The Act will not apply to health insurance for employees covered by a collective bargaining agreement that is in effect on **September 15, 2011**. The Act's limits will, however, apply when those "grandfathered" contracts are extended, renewed, or amended. In the meantime, amounts expended for medical benefit plans under such contracts are excluded from the calculation of the public employer's maximum payment under the 80/20 provision, if that provision is applied for other employees.

Q: How will the Act's requirements affect what can be negotiated at the bargaining table?

Beginning September 15, 2011, a collective bargaining agreement or other employee contract may not contain terms contrary to the Act. This means that negotiation for contribution term that would result in the employer's overall contributions exceeding the Act's limits is prohibited. There will likely be some debate over the obligation of an employer to bargain over the effect of adopting the 80/20 provision, since the Act allows the employer to apportion the 20% contribution among employees. The Act's language would seem to prohibit even that possibility, however, since it provides that the employer shall apportion its 80% contribution to health care costs "as it sees fit."

Loose Ends

Q: Do public employers have any discretion under the Act?

Aside from the special rules for elected officials under the 80/20 Plan, if a township does not opt out of the Act's requirements, the township generally may allocate contributions among its employees as it sees fit, requiring certain employees to contribute more than others. The force of the Act is an absolute limit on how much an employer may contribute overall, not a hard and fast mandate as to how much each employee must contribute. Therefore, townships may use this discretion to allocate costs to reflect an understanding that some employees may not be able to afford or contribute as much as others, based on salary and hourly wages.

Ultimately, who pays how much is a policy decision, not governed by this new law: as long as overall costs do not exceed the caps or 80/20 limits, each employee or group of employees could be treated differently. An employer could therefore pay \$6,000 toward one employee's single coverage plan, and \$5,000 toward another employee's single coverage

plan, because the overall contribution is not higher than \$5,500 per employee with single coverage. Similarly, an employer may pay 90% of one group of employee's medical benefit plan and 70% of another, so long as the employer's overall contribution does not exceed 80% of the *total costs*.

Q: Are there penalties for failing to comply with the Act or opting out of the Act's requirements?

Opting out and failing to comply with the Act are two different things. If a township opts out, there are no penalties. However, certain employers who do not opt out and still fail to comply with the Act do face penalties. If a township receives payments under the economic vitality incentive program (which replaces the statutory revenue sharing system) and fails to comply with the Act, those payments would be reduced by 10% as long as the township is noncompliant.

It is an open question whether a public employer that is not affected by the penalty provision could be challenged for failure to comply with the law. As yet, it is unclear how such an issue might be raised. The Act does not confer standing on individuals or the Attorney General to challenge a failure to comply and it is difficult to identify a possible special injury or right that would confer standing. That said, we do not encourage you to ignore this Act.

Q: How will employees pay their share?

The Act permits payroll deductions and authorizes employers to condition eligibility for the medical benefit plan on the employee's authorizing the deduction.

Q: How should the township make its contributions: monthly or in a lump sum payment?

This will be up to the township. The Act does not provide guidance on this issue, which raises some practical concerns. If a township reaches its maximum contribution amount before the end of the year, it is unclear what

would happen if an employee somehow stopped paying for coverage. Would the employee be entitled to maintain coverage and, if so, at what rate? Although it is still far too early and difficult to give blanket advice as to a best practice, it is likely that spreading contributions out evenly over the year and deducting the employees' share from payroll in a similar fashion will avoid having to determine what coverage is available to an employee whose coverage lapses for lack of payment and at what rate.

Q: How can townships determine whether and how to use the hard cap or the 80/20 plan, or to opt out of the Act's requirements? Townships should reflect on a number of factors in making these decisions:

- State of the overall budget.
- Healthcare costs in preceding years—whether some of those costs will be included in calculating the township's contribution under the Act and, if so, what the difference in payments would be.
- Whether and to what extent employees are contributing on average now as a percentage of overall cost or average cost per single, double, and family coverage employee
- Whether employer costs are fairly predictable or are they tied to variable amounts of reimbursement.
- Whether and to what extent penalty provisions will apply if the Act's requirements are not met.

Important note for townships eligible to receive Economic Vitality Incentive Program payments.

As we have noted, failure to comply with the Act will result in a 10% reduction in Economic Vitality Incentive Program payments for as long as the township is noncompliant. Interestingly, the State budget bill for 2011-2012 requires these townships to adopt an "employee

compensation plan" to receive these payments. That plan must include a provision requiring new hires to pay at least 20% of their health care premium costs or a provision for the employer's share of the local health care plan costs to be cost competitive with the new state preferred provider organization health plan, on a per-employee basis.

In other words, unless the township can demonstrate that its health care costs are competitive on a per employee basis, the township *must* elect to share all of its health care costs under the 80/20 Plan for new hires. The hard cap may not be a realistic option if the township wants—or needs—all of its Economic Vitality Incentive Program payments.

Where You Can Learn More

You can read the adopted version of the law (originally Senate Bill 7), on the Michigan Legislature's [website](#). You should also discuss the practical and legal issues surrounding this new law with your township attorney, because it will undoubtedly present many challenges in budget costs and at the bargaining table in the months and years to come.

The Authors

This update was brought to you by Stephen Schultz and Helen "Lizzie" Mills of *Fahey Schultz Burzych Rhodes PLC, Your Township Attorneys™*. Fahey Schultz is a frequent contributor and advisor to townships across Michigan. This publication is intended for informational purposes only. This communication highlights specific areas of law, and is not legal advice. The reader should consult an attorney to determine how the information applies to any specific situation.

—Steve Schultz and Lizzie Mills

NEW BUSINESS #4

**Resolution to Establish the Township Trustee's
Salary for 2021-2022**

**RESOLUTION #2103xx
TYRONE TOWNSHIP, LIVINGSTON COUNTY**

**TO ESTABLISH THE TOWNSHIP
TRUSTEE'S SALARY FOR THE 2021-2022 FISCAL YEAR**

WHEREAS, pursuant to MCLA 41.95(3), which provides that in a Township that does not hold an annual meeting, the salary for Trustees composing the Township Board shall be determined by the Township Board; and

WHEREAS, the Board of Tyrone Township deems it desirable to adjust the salary of the Township Trustees to ensure that compensation for this position remains equitable and commensurate with the duties of said elective office;

NOW, THEREFORE, BE IT RESOLVED, that as of April 1, 2021, the salary for the office of Tyrone Township Trustee shall be \$205.82 per meeting attended.

RESOLVED BY:
SUPPORTED BY:

VOTE:

ADOPTION DATE: March 2, 2021

CERTIFICATION OF THE CLERK

The undersigned, being the duly qualified and acting Clerk of Tyrone Township, Livingston County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting, held on March 2, 2021, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Marcella Husted
Township Clerk

NEW BUSINESS #5

**Resolution to Establish the Township
Supervisor's Salary for 2021-2022**

**RESOLUTION #2103xx
TYRONE TOWNSHIP, LIVINGSTON COUNTY**

**TO ESTABLISH THE TOWNSHIP
SUPERVISOR'S SALARY FOR THE 2021-2022 FISCAL YEAR**

WHEREAS, pursuant to MCLA 41.95(3), which provides that in a Township that does not hold an annual meeting, the salary for officers composing the Township Board shall be determined by the Township Board; and

WHEREAS, the Board of Tyrone Township deems it desirable to adjust the salary of the Township Supervisor to ensure that compensation for this position remains equitable and commensurate with the duties of said elective office;

NOW, THEREFORE, BE IT RESOLVED, that as of April 1, 2021, the salary for the office of Tyrone Township Supervisor shall be \$46,989.00.

RESOLVED BY:
SUPPORTED BY:

VOTE:

ADOPTION DATE: March 2, 2021

CERTIFICATION OF THE CLERK

The undersigned, being the duly qualified and acting Clerk of Tyrone Township, Livingston County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting, held on March 2, 2021, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Marcella Husted
Township Clerk

NEW BUSINESS #6

**Resolution to Establish the Township Clerk's
Salary for 2021-2022**

**RESOLUTION #2103xx
TYRONE TOWNSHIP, LIVINGSTON COUNTY**

**TO ESTABLISH THE TOWNSHIP
CLERK'S SALARY FOR THE 2021-2022 FISCAL YEAR**

WHEREAS, pursuant to MCLA 41.95(3), which provides that in a Township that does not hold an annual meeting, the salary for officers composing the Township Board shall be determined by the Township Board; and

WHEREAS, the Board of Tyrone Township deems it desirable to adjust the salary of the Township Clerk to ensure that compensation for this position remains equitable and commensurate with the duties of said elective office;

NOW, THEREFORE, BE IT RESOLVED, that as of April 1, 2021, the salary for the office of Tyrone Township Clerk shall be \$46,989.00.

RESOLVED BY:
SUPPORTED BY:

VOTE:

ADOPTION DATE: March 2, 2021

CERTIFICATION OF THE CLERK

The undersigned, being the duly qualified and acting Clerk of Tyrone Township, Livingston County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting, held on March 2, 2021, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Marcella Husted
Township Clerk

NEW BUSINESS #7

**Resolution to Establish the Township
Treasurer's Salary for 2021-2022**

**RESOLUTION #2103xx
TYRONE TOWNSHIP, LIVINGSTON COUNTY**

**TO ESTABLISH THE TOWNSHIP
TREASURER'S SALARY FOR THE 2021-2022 FISCAL YEAR**

WHEREAS, pursuant to MCLA 41.95(3), which provides that in a Township that does not hold an annual meeting, the salary for officers composing the Township Board shall be determined by the Township Board; and

WHEREAS, the Board of Tyrone Township deems it desirable to adjust the salary of the Township Treasurer to ensure that compensation for this position remains equitable and commensurate with the duties of said elective office;

NOW, THEREFORE, BE IT RESOLVED, that as of April 1, 2021, the salary for the office of Tyrone Township Treasurer shall be \$46,989.00.

RESOLVED BY:
SUPPORTED BY:

VOTE:

ADOPTION DATE: March 2, 2021

CERTIFICATION OF THE CLERK

The undersigned, being the duly qualified and acting Clerk of Tyrone Township, Livingston County, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting, held on March 2, 2021, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Marcella Husted
Township Clerk

NEW BUSINESS #8

Proposals for office copy machines

No documents attached at this time.