

Agenda
Tuscola County Board of Commissioners
Committee of the Whole – Monday, November 6, 2017 – 8:00 A.M.
HH Purdy Building - 125 W. Lincoln, Caro, MI

Finance
Committee Leaders-Commissioners Kirkpatrick and Bierlein

Primary Finance

1. Caro Manager Information Concerning Michigan Economic Development Corporation
2. Tuscola EDC Information Concerning Michigan Economic Development Corporation
3. Update from Joe Bixler Regarding His New Role at MSU-e with Value Added Agriculture
4. Tuscola Area Airport Zoning Board of Appeals (See A)
5. Sunday Retail Sales of Spirits, Beer and Wine (See B)
6. Road Commission Organizational Alternatives (See C)
7. 2017 Audit Proposal (See D)
8. MAC Communication Regarding Possible Tax Changes (See E)
9. Vassar Township police Services Contract (See F)
10. Weigh Master Police Services Contract (See G)
11. 2018 County Budget Development – Draft for Commissioner Review

On-Going and Other Finance

1. Potential Dental Clinic Update – Waiting Legal Review
2. MREC Meeting at ISD – 11/13/17
3. Next Jail Planning Committee Meeting 12/11/17
4. Vassar EDC/TIFA – what next
5. Tuscola Area Airport Information
6. Continue Review of Road Commission Legacy Costs
7. Indigent Defense Plan

Personnel
Committee Leader-Commissioner Bardwell

Primary Personnel

On-Going and Other Personnel

1. Reporting Relationship (Nepotism Policy)
2. Union Negotiations
3. Initiate Turnover and Wage Survey to Minimize Vulnerability to Loss of Critical Positions
4. Update Personnel Policies with Federal Changes such as ACA, Exempt/non-Exempt
5. Review Re-Establishment of Judicial Committee Meetings
6. Review Formation of Quarterly Meetings with Senior Leaders and Road Commissioners
7. Method to Communicate County Concerns to State Senator and Representative
8. Court Wage Change Request

Building and Grounds
Committee Leaders-Commissioners Young and Vaughan

Primary Building and Grounds

- 1. Recycling Building Remodeling Bids**
- 2. County Property Ownership**

On-Going and Other Building and Grounds

1. Jail Plumbing Update
2. Recycling Relocation Next Steps
3. Update 10 Year Capital Improvement Plan
4. Continue Work with Jail Planning Regarding Potential Jail Renovation and Additional Jail Bed Space for Holding Cells and Potential Revenue Generation
5. Fire Safety Planning
6. Security/Safety Committee – Methods to Enhance Security – Next Steps

Other Business as Necessary

1. Former Vassar Foundry
2. Dairy Farmers of America – Cass City
3. Caro Dam
4. Airport Authority
5. Cass River Greenways

Public Comment Period

(A)

mhoagland@tuscolacounty.org

From: mhoagland@tuscolacounty.org
Sent: Friday, November 3, 2017 11:09 AM
To: 'Bardwell Thom'; 'Bierlein Matthew'; 'Kim Vaughan'; 'Kirkpatrick Craig'; 'Tom Young'
Cc: Ione Vyse; jfetting@tuscolacounty.org
Subject: FW: Airport Zoning Board of Appeals
Attachments: 29303.pdf

Commissioners

Attached per your request is the attorney opinion regarding issues concerning the Airport Zoning Board of Appeals. My reading of the opinion is the Board of Commissioners could re-appointed current members if they still want to serve or appoint new members to three year terms. One approach could be to inquiry with current members to determine if they want to continue serving. This would determine how many new members need to be appointed. You may want to ask the County Clerk to advertise to fill these vacancies. This should occur before any appeals requests are made. The Airport Zoning Board of Appeals should meet annually. Finally, the attorney recommends by-laws for the Airport Zoning Board of Appeals be developed and adopted. The attorney could develop a draft of the by-laws.

Mike

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

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From: Clayton J. Johnson [mailto:CLAJOH@BraunKendrick.com]
Sent: Thursday, November 2, 2017 9:45 AM
To: 'mhoagland@tuscolacounty.org' <mhoagland@tuscolacounty.org>
Cc: Matthew A. Tarrant <MATTAR@BraunKendrick.com>
Subject: RE: Airport Zoning Board of Appeals

Dear Mike,

Please find our memorandum regarding the Airport Zoning Board of Appeals matter attached. Of course, feel free to let us know of any additional information you would like us to provide.

Best regards,
Clay

CLAYTON J. JOHNSON
Attorney

Memo

To: Tuscola County Board of Commissioners

From: Clay Johnson and Matt Tarrant
Braun Kendrick Finkbeiner P.L.C.

Date: November 1, 2017

Subject: Tuscola Area Airport Zoning Board of Appeals

Question:

The Tuscola Area Airport Zoning Board of Appeals (AZBA) was formed in 2011, and five members were appointed by the Tuscola County Board of Commissioners. The AZBA met one time, but have not met since. It appears that an appeal to the AZBA may be forthcoming. Therefore, we have been asked what should be done in relation to the constitution (or re-constitution) of the AZBA itself, such that this appeal may be appropriately heard.

Pertinent Law:

Section 5.2 of the Tuscola Area Airport Zoning Ordinance (County Ordinance # 01-2010) (the "Ordinance") states as follows:

There is hereby created an Airport Zoning Board of Appeals consisting of an independent, five (5) person body appointed by the Tuscola County Board of Commissioners. The Board of Appeals has the powers set forth in Section 27 of the Airport Zoning Act, being MCL §259.457, and shall exercise such powers as are conferred upon it in the Airport Zoning Act and in this Ordinance.

Section 28 of the Michigan Airport Zoning Act (MCL 259.431 *et seq.*)(the "Act") states as follows, in part:

Where a zoning board of appeals already exists it may be appointed as the board of appeals under this act. Otherwise, the board of appeals shall consist of 5 members, each to be appointed for a term of 3 years and until his successor is appointed and qualified, 1 of whom shall be designated as chairman and 1 of whom shall be designated as vice-chairman, which appointments shall be made by the governing body of the political

subdivision adopting the regulations, or by the joint airport zoning board adopting the regulations, as the case may be; and said members shall be removable by the appointing body for cause shown, upon written charges and after notice and opportunity for public hearing before the appointing body. [MCL 259.458]

Neither the Ordinance nor the Airport Zoning Act provide much further detail regarding appointment, such as qualifications of a proposed member, etc.; except that a member of the AZBA cannot also be a member of the administrative agency designated to administer the Act (i.e. the Tuscola Airport Zoning Administrative Agency/Zoning Administrator). See MCL 259.456. It should be noted that it is our understanding that the AZBA may have reviewed or considered draft by-laws concerning its organization and procedures (pursuant to Section 5.2(C) of the Ordinance, and Section 28 of the Act - MCL 259.458), which may have addressed such things as appointment of a successor after expiration of a member's term. However, it is our understanding that there is no record of any such by-laws actually being adopted by the AZBA.

Analysis:

Pursuant to Section 28 of the Act, the term of each member of the AZBA is three years. Therefore, the terms of all the current AZBA members are expired. However, the Act also states that each member is "to be appointed for a term of 3 years and until his successor is appointed and qualified." MCL 259.458 (emphasis added). Under a plain reading of this provision, the current AZBA members can still serve, as their successors have not yet been appointed. Nonetheless, we would recommend re-appointing these members (or appointing other people in their place) and adhering to the three-year term going forward. It would be advisable to do so (if possible) prior to any appeal or variance request to the AZBA - simply to remove this as a potential issue.

Additionally, it should be noted that under Section 5.2(C)(3) of the Ordinance, the AZBA is supposed to meet at least once annually (during the month following the anniversary date of the Ordinance). We recommend that this be done in the future, not only to adhere to the Ordinance, but also to help ensure that the present issue of which members are serving - and the expiration of their terms - is addressed on a regular basis.

Finally, as discussed above, there is no record of the AZBA having adopted by-laws. We recommend that this be done, and preferably before any matters need to come before the AZBA. Indeed, it may cause problems if no by-laws are in place before a matter needs to come before the AZBA, as without by-laws there may not be such things as an established time limit for appeals, etc.

From: mhoagland@tuscolacounty.org
Sent: Friday, October 27, 2017 10:52 AM
To: Clayton Johnson
Cc: Ione Vyse; jfetting@tuscolacounty.org; 'Bardwell Thom'; 'Bierlein Matthew'; 'Kim Vaughan'; 'Kirkpatrick Craig'; 'Tom Young'
Subject: Airport Zoning Board of Appeals
Attachments: Airport Ordinance.pdf

Clayton

Another issue for your review.

The Tuscola Area Airport is located at the west end of Caro along M-81. The Airport Zoning Administrator (Ione Vyse) called me yesterday and explained that she was contacted by NextEra Energy regarding a wind turbine project they are planning in Juniata Township. She explained that there is no doubt that at least some if not all of the planned turbines will exceed the ordinance height limitations. After she rejects some if not all of the turbines for construction the process is not over. NextEra can appeal her decision to the Airport Zoning Board of Appeals which is a County Board of Commissioners appointed committee. The Airport Zoning Administrator has explained that NextEra may have researched alternatives to height limitations with the Federal Aviation Administration. It was explained to her by NextEra that in some cases the Federal Aviation Administration will make provisions to allow turbine construction with alternative landing instructions to pilots to avoid turbine locations.

The role of the county in all of this is to be certain that the Airport Zoning Board of Appeals which is a county board is in place and all proper procedures have been followed in forming the appeals board. I discussed this situation with the County Clerk to obtain an update regarding the status of the Airport Zoning Board of Appeals. The Board of Appeals was formed on May 26, 2011 by Board of Commissioner action. The five members appointed were: William Campbell, Keith Kosick, Paul Hoose, Don Clinesmith and Johnathon Blasius. They held one member but only three of the members were present. Keith Kosick was elected chairperson. They have not met since.

It seems the first step should be to contact these members to determine if they want to continue serving. If they are all willing to still serve maybe nothing more needs to be done. If certain members no longer want to serve then the county clerk may need to advertise requesting candidates to fill vacancies. Has it been so long since they met that the Board of Commissioners should start over and appoint a new Airport Zoning Board of Appeals. What about appointing an alternate member. Is there a statute that guides the specific areas of representative required for membership on the appeals board.

Clayton it is important that this is done properly to avoid the potential argument by other parties that this appeals board was not properly formed. For reference I have attached the Airport Zoning Ordinance. It would be appreciated if you could provide your opinion by November 2, 2016.

Thank you.

Mike

mhoagland@tuscolacounty.org

From: mhoagland@tuscolacounty.org
Sent: Friday, November 3, 2017 11:20 AM
To: 'Bardwell Thom'; 'Bierlein Matthew'; 'Kim Vaughan'; 'Kirkpatrick Craig'; 'Tom Young'
Cc: jfetting@tuscolacounty.org
Subject: FW: Sunday Spirits and Liquor Retail Sales in Tuscola County
Attachments: 29329.pdf

Commissioners

Attached per your request is the opinion from the county attorney regarding Sunday liquor, beer and wine sales. My read of the opinion is the required petition prior to the 1994 public vote may not have been conducted as part of the process. If the petition was not submitted then proper procedure may not have been followed. However, the attorney also believes a court may still rule the public vote that was held still controls the matter. If the Board of Commissioners want to reconsider Sunday liquor, beer and wine sales a public vote may be required assuming the 1994 vote is binding. This would be the least controversial approach. Again the procedure would be to obtain the required number of petitions to put to a vote. It then could be voted on at the next general state election. The attorney has prepared draft ballot language.

Mike

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

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From: Clayton J. Johnson [mailto:CLAJOH@BraunKendrick.com]
Sent: Friday, November 3, 2017 1:29 AM
To: 'mhoagland@tuscolacounty.org' <mhoagland@tuscolacounty.org>
Subject: RE: Sunday Spirits and Liquor Retail Sales in Tuscola County

Dear Mike,

Please find attached our memorandum to address your questions below regarding Sunday sales of liquor and beer and wine.

Feel free to let me know of any additional input that would be helpful.

Thank you,
Clay

From: mhoagland@tuscolacounty.org
Sent: Friday, October 27, 2017 1:47 PM
To: Clayton Johnson
Cc: jfetting@tuscolacounty.org; 'Bardwell Thom'; 'Bierlein Matthew'; 'Kim Vaughan'; 'Kirkpatrick Craig'; 'Tom Young'
Subject: Sunday Spirits and Liquor Retail Sales in Tuscola County
Attachments: Official Ballot-1994 Sunday Liquor Sales.pdf

Clayton

The Board of Commissioners have asked me to obtain your opinion regarding Sunday retail sales of alcohol.

As you know Tuscola County currently does not allow the sale of spirits and mixed drinks for consumption off the premises between the hours of 7:00 A.M. on Sunday and 2:00 A.M. on Monday in a retail establishment licensed under the Michigan liquor control code of 1998. Also, the sale of beer and wine within the County of Tuscola for consumption off the premises is prohibited between the hours of 7:00 A.M. and noon on Sunday. Recently county officials were asked by the Liquor Control Commission to clarify the county position on this matter. This has been accomplished.

In 1994 a public vote was held in the county regarding whether to allow the Sunday sale of spirits and mixed drinks off the premises in a retail establishment licensed under the Liquor Control Act. The vote to allow Sunday sales failed with 7,387 yes votes and 9,460 no votes. Attached is a copy of the official ballot results. Although this question did not address beer and wine I believe a previous Board of Commissioners made a decision to also restrict retail sale of packaged beer and wine to not before noon on Sunday.

At least one county commissioner has been contacted by one or more retail spirits/mixed drink and beer/wine entities asking that Sunday sales be allowed. Under the current law is the County Board of Commissioners the entity that has the authority to decide this matter. Is the 1994 public vote legally binding? In other words, does this vote supersede the ability of the commissioners to make a different decision? Of course this was an important vote of the people and even if county commissioners could make a counter decision it is unlikely they would want to go against the position of the majority of voters. Could this be voted on again and if so what would the language say? Seems like if enough retail alcohol sale establishments are concerned then they would petition the Board and request this be voted on again.

Please let us know the alternatives under the law. If you can provide the opinion by November 2, 2017 it would be appreciated.

Thank you.

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700

00351

COUNTY PROPOSAL
D

OFFICIAL BALLOT

(COUNTY PROPOSAL)

TUSCOLA COUNTY, MICHIGAN TUESDAY, NOVEMBER 8, 1994

INSTRUCTIONS:

To vote in favor of a proposal, place a cross (X) or check mark (✓) to the right of the word "YES"; to vote against a proposal, place a cross (X) or check mark (✓) in the square to the right of the word "NO". Before leaving the booth, fold the ballot so that the face of the ballot is not exposed and so that the numbered corner is visible.

Yes	7,387
No	9,460
Total	<u>16,847</u>

TUSCOLA COUNTY SUNDAY PACKAGE LIQUOR SALE

Shall the sale of spirits and mixed spirit drink for consumption off the premises be permitted, on Sunday, in a retail establishment licensed under the Liquor Control Act within the County of Tuscola under the provisions of the law governing the sale of spirits and mixed spirit drink for consumption?

YES

NO

Memo

To: Tuscola County Board of Commissioners
From: Clay Johnson, of
Braun Kendrick Finkbeiner P.L.C.
Date: November 2, 2017
Subject: Sunday Retail Sales of Alcohol

Question:

In Tuscola County, the sale of spirits and mixed drinks for consumption off premises is prohibited between 7:00 a.m. Sunday and 2:00 a.m. on Monday, and the sale of beer and wine for consumption off the premises is prohibited between 7:00 a.m. and noon on Sunday, as reflected within a resolution of the Board of Commissioners.

1. What procedures are available to remove these prohibitions?
2. If the removal of these prohibitions were accomplished via public vote, what ballot language would be appropriate?
3. Is the November 8, 1994 ballot question result regarding Sunday liquor sales legally binding? If so, does this limit the options available to reverse the restriction?

Analysis:

1. The procedures for adoption of a prohibition against Sunday sales of beer and wine, or liquor, are contained within MCL 436.2111 and MCL 436.2113. These two statutes each include mechanisms to enact Sunday sales restrictions through either (a) the majority vote of the local legislative body (in this case the County Board of Commissioners) or (b) pursuant to the majority vote on a ballot question.

Under MCL 436.2111, a question to prohibit Sunday beer and wine sales for off-premises consumption may be placed upon the ballot only after a petition on the matter is submitted to the county clerk with signatures of registered voters totaling at least 35% of the number of votes cast in the county for all candidates for secretary of state in the last general election for that purpose.

MCL 436.2113 states that, in order to place a question on the ballot to prohibit Sunday liquor sales for off-premises consumption, a petition must bear a number of signatures of registered voters equal to at least 8% of the number of votes cast in the county for all candidates for secretary of state in the last general election for that purpose.

The apparent reasoning for the difference in the number of signatures required for petitions in these two matters is that the legislature intended to make the prohibition of Sunday beer and wine sales more difficult to place on the ballot than for Sunday liquor sales. Under either statute, the question may appear on the ballot not more often than every 4 years.

MCL 436.2113(3) also includes information regarding procedures which may be taken after a board resolution to prohibit Sunday sales is in effect. This language pertains to spirits and mixed drinks, as well as beer and wine, for off-premises consumption. Specifically, the statute says:

With respect to an action taken by the legislative body or if the legislative body fails to act, a petition may be filed with the county clerk requesting the submission of the question regarding the prohibition of the sale of spirits and mixed spirit drink for consumption off the premises, in addition to beer and wine, in a retail establishment licensed under this act between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday. The petition shall be signed by a number of the registered and qualified electors of the county that is not less than 8% of the total number of votes cast for all candidates for the office of secretary of state in the county at the last general election held for that purpose.

Therefore, according to this statute, if a proper petition is timely submitted to the county clerk, then the question is to be placed on the next regular state election held in the county which is at least 60 days after submission of the petition. This language provides a framework for a voter referendum regarding a prohibition of Sunday sales which has previously been adopted, regarding liquor and /or beer and wine. Following this course would be an appropriate path to allow the question to be decided by the voters of the County.

Subject to the further discussion within item #3 below, another possible course may be for the Board of Commissioners to rescind its own previously adopted resolutions regarding the prohibition of Sunday alcohol sales. Nothing available within the applicable statutes or case law would indicate a limitation in the Board's ability to do so in this regard, to the extent that the current Sunday sales limitations result from the Board's resolutions. This would not remove any prohibition put in place via a ballot question.

2. MCL 436.2113 provides insight regarding the appropriate language for a ballot question regarding Sunday sales. Appropriate language in this regard would be:

“Shall the sale of spirits and mixed drinks for consumption off the premises be prohibited between the hours of 7 a.m. on Sunday and 2 a.m. on Monday in a retail establishment licensed under the Michigan liquor control code of 1998 within the County of Tuscola under the provisions of the law governing the sale of spirits and mixed drink for consumption?”

Yes..... No.....

and

“Shall the sale of beer and wine within the County of Tuscola for consumption off the premises be prohibited between the hours of 7 a.m. and 12 noon on Sunday?”

Yes..... No.....

A majority “No” vote on these questions would lift the current restrictions in this regard.

3. At this point it is not entirely clear whether the 1994 vote regarding Sunday sales of liquor is binding. It appears that whether this vote was preceded by the requisite petition initiative has been called into question when Douglas Van Essen had opined in 2006 that the 1994 ballot outcome was therefore not binding. Further inquiry into the matter could provide insight into whether this is technically accurate.

This question places form over substance. Given that the 56% of the voters on this question were in favor of prohibiting Sunday liquor sales, there is little doubt as to the necessary public support, or whether the necessary petition signatures could have been obtained at the time. On this basis, even if a petition was not submitted before the ballot question, it is possible that if a court were asked to choose whether the 1994 vote were enforceable, it would decide in the affirmative.

Conclusion:

The Board could rescind its own resolutions prohibiting Sunday sales of liquor and beer and wine, but such action would not resolve the 1994 ballot in which the voters supported the prohibition of Sunday liquor sales.

If it were desired to determine whether the applicable statutory requirements were followed with regard to the 1994 vote, additional review would be necessary but still may not produce absolute certainty as to whether the vote would be binding. Therefore, if it were desired to consider removing the prohibition of Sunday sales, the preferable approach likely would be to obtain the necessary petition signatures and to then place the question on a subsequent ballot.

voted in favor of the prohibition. The county clerk shall give notice of the effective date of the prohibition by publishing the date at least once in a newspaper published in that county or, if no newspaper is published within the county, in a newspaper published in an adjoining county.

History: 1998, Act 58, Imd. Eff. Apr. 14, 1998.

436.2109 Ordinance prohibiting retail sale of alcoholic liquor; adoption; duration; election; affirmation or revocation; prohibition.

Sec. 1109. (1) Notwithstanding section 1101, a city, village, or township in which there are no retail licenses for the sale of alcoholic liquor may, by ordinance, prohibit the retail sale of alcoholic liquor within its borders.

(2) An ordinance adopted under subsection (1) remains in effect until the next general or special election held not less than 45 days after the adoption of the ordinance. At that election, the ordinance shall be submitted to the electors of the city, village, or township for affirmation or revocation. A revocation of the ordinance is effective on the date the election results are certified.

(3) The commission shall not issue a license that violates an ordinance adopted under subsection (1).

History: 1998, Act 58, Imd. Eff. Apr. 14, 1998.

436.2111 Sunday sale of beer and wine during certain hours; circumstances for prohibiting.

Sec. 1111. (1) The sale of beer and wine between the hours of 7 a.m. on Sunday and 2 a.m. on Monday is allowed. Except as otherwise provided in subsection (6), a county, city, village, or township may prohibit the sale of beer and wine between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday under the following circumstances:

(a) By majority vote of the legislative body voting on the resolution to make such an authorization. Failure of the legislative body to act on such an authorization is grounds for the petitioning of the county, city, village, or township for submission of the question to the voters of the county, city, village, or township under subsection (2).

(b) By submission of a petition under subsection (2) by a majority vote of the electors voting at a regular state election.

(2) Upon the filing of a petition with the county, city, village, or township clerk, by a majority of the electors voting at a regular state election within that county, village, city, or township, as applicable, requesting the submission of the question of the Sunday morning sale of beer and wine or the Sunday sale of beer and wine, the clerk shall submit that question to the electors of the county, city, village, or township at the next regular state election held in that county, city, village, or township. A petition filed under this subsection shall be filed not less than 60 days before the regular state election. A ballot question under this subsection shall not be submitted more often than once in any 4-year period.

(3) In the case of a county, city, or township, the petition shall be signed by a number of the registered and qualified electors of the county, city, or township that is not less than 35% of the total number of votes cast for all candidates for the office of secretary of state in that county, city, or township at the last general election held for that purpose and, in the case of a village the petition shall be signed by a number of the registered and qualified electors of the village that is not less than 35% of the total number of votes cast for all candidates for the office of president of the village at the last village election held for that purpose.

(4) The question of the sale of beer and wine shall be submitted by ballot in substantially the following forms:

(a) For the sale between the hours of 7 a.m. and 12 noon on Sunday:

"Shall the sale of beer and wine within (the county, city, village, or township as the case may be) between the hours of 7 a.m. and 12 noon on Sunday be prohibited?"

Yes

No

(b) For the sale between the hours of 7 a.m. on Sunday and 2 a.m. on Monday:

"Shall the sale of beer and wine within (the county, city, village, or township as the case may be) between the hours of 7 a.m. on Sunday and 2 a.m. on Monday be prohibited?"

Yes

No

(5) Votes on a question submitted to the electors under this section shall be taken, counted, and canvassed in the same manner as votes cast in county, city, village, or township elections, as applicable, are taken, counted, and canvassed. Ballots shall be furnished by the election commission or similar body of the respective county, city, village, or township. If a majority of the electors voting at an election conducted under this section vote in favor of the question submitted, the sale of beer and wine within that county, city, village,

or township between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday is prohibited.

(6) The sale of beer and wine in any county between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday shall not be prohibited under the provisions of subsections (1) through (5) as applied to a motorsports entertainment complex located in more than 1 county if a resolution or referendum under this section results in the question's failing to pass in 1 county but passing in another. Under these circumstances, the commission shall determine the issue of the sale of beer and wine in the motorsports entertainment complex in those counties between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday. As used in this section, "motorsports entertainment complex" means a closed-course motorsports facility, and its ancillary grounds and facilities, that satisfies all of the following:

(a) Has at least 70,000 fixed seats for race patrons.

(b) Has at least 4 scheduled days of motorsports events each calendar year.

(c) Serves food and beverages at the motorsports entertainment complex during motorsports events each calendar year through concession outlets, which are staffed by individuals who represent or are members of 1 or more nonprofit civic or charitable organizations that directly benefit from the concession outlets' sales.

(d) Engages in tourism promotion.

(e) Has permanent exhibitions of motorsports history, events, or vehicles within the motorsports entertainment complex.

(7) Any prohibitions on the sale of beer and wine between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday adopted by a county, city, village, or township before the effective date of the amendatory act that added this subsection shall remain in effect.

History: 1998, Act 58, Imd. Eff. Apr. 14, 1998;—Am. 2010, Act 213, Eff. Dec. 1, 2010;—Am. 2011, Act 27, Imd. Eff. May 16, 2011

436.2113 Selling at retail, or buying spirits or mixed spirit drink on Sunday; sale of spirits or mixed spirit drink for consumption on or off premises on Sunday; resolution; petition; election; form of ballot; voting; violation as misdemeanor; exception; selling and buying alcoholic liquor from December 24 to 26; legislative bodies authorized to prohibit sale of alcoholic liquor on certain days; "motorsports entertainment complex" defined.

Sec. 1113. (1) Except as provided in subsection (2), (3), or (5) and subject to subsection (6), a licensee enumerated under section 525 may sell at retail, and a person may buy, spirits or mixed spirit drink between the hours of 7 a.m. on Sunday and 2 a.m. on Monday.

(2) Unless the legislative body of a county has prohibited the sale of spirits and mixed spirit drink for consumption on the premises between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday, by resolution approved by a majority of the legislative body voting on that resolution, spirits and mixed spirit drink may be sold after 7 a.m. on Sunday, in an establishment licensed under this act in which the gross receipts derived from the sale of food and other goods and services exceed 50% of the total gross receipts. With respect to an action taken by the legislative body or if the legislative body fails to act, a petition may be filed with the county clerk requesting the submission of the question regarding the prohibition of the sale of spirits and mixed spirit drink for consumption on the premises between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday. The petition shall be signed by a number of the registered and qualified electors of the county that is not less than 8% of the total number of votes cast for all candidates for the office of secretary of state in the county at the last general election held for that purpose. The question shall not be submitted to the electors of a county more than once every 4 years. The county clerk shall submit the question at the next regular state election held in the county if the petitions are filed not less than 60 days before the election. The question regarding the prohibition of the sale of spirits and mixed spirit drink for consumption on the premises shall be submitted by ballot in substantially the following forms:

(a) For the sale between the hours of 7 a.m. and 12 noon on Sunday:

"Shall the sale of spirits and mixed spirit drink for consumption on the premises be prohibited between the hours of 7 a.m. and 12 noon on Sunday within the county of under the provisions of the law governing the sale of spirits and mixed spirit drink for consumption?

Yes

No

(b) For the sale between the hours of 7 a.m. on Sunday and 2 a.m. on Monday:

"Shall the sale of spirits and mixed spirit drink for consumption on the premises be prohibited between the hours of 7 a.m. on Sunday and 2 a.m. on Monday within the county of under the provisions of the law

governing the sale of spirits and mixed spirit drink for consumption?

Yes

No

(3) Unless the legislative body of a county has prohibited the sale of spirits and mixed spirit drink for consumption off the premises between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday by resolution approved by a majority of the legislative body voting on the resolution, spirits and mixed spirit drink may be sold after 7 a.m., in a retail establishment licensed under this act. With respect to an action taken by the legislative body or if the legislative body fails to act, a petition may be filed with the county clerk requesting the submission of the question regarding the prohibition of the sale of spirits and mixed spirit drink for consumption off the premises, in addition to beer and wine, in a retail establishment licensed under this act between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday. The petition shall be signed by a number of the registered and qualified electors of the county that is not less than 8% of the total number of votes cast for all candidates for the office of secretary of state in the county at the last general election held for that purpose. The question shall not be submitted to the electors of a county more than once every 4 years. The county clerk shall submit the question at the next regular state election held in the county if the petitions are filed not less than 60 days before the election. The question regarding the prohibition of the sale of spirits and mixed spirit drink for consumption off the premises, in addition to beer and wine, in a retail establishment licensed under this act shall be submitted by ballot in substantially the following forms:

(a) For the sale between the hours of 7 a.m. and 12 noon on Sunday:

"Shall the sale of spirits and mixed spirit drink for consumption off the premises be prohibited between the hours of 7 a.m. and 12 noon on Sunday in a retail establishment licensed under the Michigan liquor control code of 1998 within the county of under the provisions of the law governing the sale of spirits and mixed spirit drink for consumption?

Yes

No

(b) For the sale between the hours of 7 a.m. on Sunday and 2 a.m. on Monday:

"Shall the sale of spirits and mixed spirit drink for consumption off the premises be prohibited between the hours of 7 a.m. on Sunday and 2 a.m. on Monday in a retail establishment licensed under the Michigan liquor control code of 1998 within the county of under the provisions of the law governing the sale of spirits and mixed spirit drink for consumption?

Yes

No

(4) Votes on a question submitted to the electors under this section shall be taken, counted, and canvassed in the same manner as votes cast in county elections are taken, counted, and canvassed. A ballot shall be furnished by the election commission or similar body of the county. If a majority of the electors voting at an election vote in favor of the proposal, the sale of spirits and mixed spirit drink may be prohibited in the county under this act for consumption on the premises or by a retail establishment for consumption off the premises, in addition to beer and wine, between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday. The sale of spirits and mixed spirit drink shall not be permitted in a city, village, or township in which the sale of spirits and mixed spirit drink is prohibited under this act. A violation of this section is a misdemeanor. This section does not apply to spirits and mixed spirit drink served to a bona fide guest in the residence of a person or sold or furnished for medicinal purposes as provided for in this act.

(5) A licensee enumerated under section 525 or any other person shall not sell at retail, and a person shall not knowingly and willfully buy, alcoholic liquor between the hours of 11:59 p.m. on December 24 and 12 noon on December 25. The legislative body of a city, village, or township, by resolution or ordinance, may prohibit the sale of alcoholic liquor on a legal holiday, primary election day, general election day, municipal election day, between the hours of 7 a.m. and 12 noon on Sunday, or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday.

(6) The sale of spirits or mixed spirit drink in any county between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday shall not be prohibited under the provisions of subsections (1) through (5) as applied to a motorsports entertainment complex located in more than 1 county if a resolution or referendum under this section results in the question's failing to pass in 1 county but passing in another. Under those circumstances, the commission shall determine the issue of the sale of spirits and mixed spirit drink in the motorsports entertainment complex in those counties between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday. As used in this section, "motorsports entertainment complex" means a closed-course motorsports facility, and its

ancillary grounds and facilities, that satisfies all of the following:

- (a) Has at least 70,000 fixed seats for race patrons.
 - (b) Has at least 4 scheduled days of motorsports events each calendar year.
 - (c) Serves food and beverages at the motorsports entertainment complex during motorsports events each calendar year through concession outlets, which are staffed by individuals who represent or are members of 1 or more nonprofit civic or charitable organizations that directly benefit from the concession outlets' sales.
 - (d) Engages in tourism promotion.
 - (e) Has permanent exhibitions of motorsports history, events, or vehicles within the motorsports entertainment complex.
- (7) Any prohibitions on the sale of alcoholic liquor between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday adopted by a county, city, village, or township before the effective date of the amendatory act that added this subsection shall remain in effect.

History: 1998, Act 58, Imd. Eff. Apr. 14, 1998;—Am. 1998, Act 416, Imd. Eff. Dec. 21, 1998;—Am. 2004, Act 134, Imd. Eff. June 7, 2004;—Am. 2010, Act 213, Eff. Dec. 1, 2010;—Am. 2011, Act 27, Imd. Eff. May 16, 2011.

436.2114 Selling, giving away, furnishing, or buying alcoholic liquor or spirits on any day; annual fee.

Sec. 1114. (1) Notwithstanding R 436.1403 and R 436.1503 of the Michigan administrative code and except as otherwise provided under this act or rule of the commission, an on-premises and an off-premises licensee shall not sell, give away, or furnish alcoholic liquor between the hours of 2 a.m. and 7 a.m. on any day.

(2) Subsection (1) does not prevent any local governmental unit from prohibiting the sale of beer and wine between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday under section 1111 and does not prevent any local governmental unit from prohibiting the sale of spirits and mixed spirit drink between the hours of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on Monday under section 1113. A licensee selling alcoholic liquor between 7 a.m. and 12 noon on Sunday shall obtain a permit and pay to the commission an annual fee of \$160.00.

(3) A reference to the time of day under this act or a rule of the commission includes daylight savings time, when observed.

History: Add. 2004, Act 134, Imd. Eff. June 7, 2004;—Am. 2010, Act 213, Eff. Dec. 1, 2010;—Am. 2011, Act 27, Imd. Eff. May 16, 2011.

436.2115 Sale of spirits or mixed spirit drink on Sunday; additional fee; disposition of revenue.

Sec. 1115. (1) A licensee who elects to sell spirits or mixed spirit drink between the hours of 12 noon on Sunday and 2 a.m. on Monday under section 1113 shall not do so until he or she first obtains a permit and pays to the commission an additional fee in the amount of 15% of the fee charged for the issuance of his or her license.

(2) The revenue received from subsection (1) for the sale of spirits or mixed spirit drink between 12 noon on Sunday and 2 a.m. on Monday shall be deposited with the state treasurer in a special fund to be used only by the department of public health in programs for the treatment of alcoholics. Any other revenue resulting from the additional \$160.00 license fee as described in section 1114 for sales of alcoholic liquor permitted under sections 1111 and 1113 shall be deposited into the general fund.

History: 1998, Act 58, Imd. Eff. Apr. 14, 1998;—Am. 2010, Act 213, Eff. Dec. 1, 2010.



mhoagland@tuscolacounty.org

From: mhoagland@tuscolacounty.org
Sent: Friday, November 3, 2017 11:03 AM
To: 'Bardwell Thom'; 'Bierlein Matthew'; 'Kim Vaughan'; 'Kirkpatrick Craig'; 'Tom Young'
Cc: Clayton Johnson; jfetting@tuscolacounty.org
Subject: FW: Road Commission Alternatives
Attachments: S1398277.pdf

Commissioners

Per your request several questions were asked of the county attorney regarding the County Road Commission. The primary question was what procedure would be required to change road commissioners back to appointed status from the current elected status. The attorney explains that the statute is silent on the question of what procedure is required to switch from elected to appointed. However, the Michigan Courts have held that a resolution adopted by a majority of the elected county board of commissioners is sufficient. The process would need to unfold gradually as the terms of current elected road commissioners expire.

Mike

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org

From: Clayton J. Johnson [mailto:CLAJOH@BraunKendrick.com]
Sent: Thursday, November 2, 2017 9:15 AM
To: 'mhoagland@tuscolacounty.org' <mhoagland@tuscolacounty.org>
Cc: Eric M. Morris <erimor@BraunKendrick.com>
Subject: RE: Road Commission Alternatives

Dear Mike,

Please find attached our memorandum regarding your questions posed below pertaining to Road Commission governance. We would be glad to provide any further input desired.

Thank you for the opportunity to analyze this matter.

Best regards,
Clay

CLAYTON J. JOHNSON
Attorney

From: mhoagland@tuscolacounty.org
Sent: Thursday, October 26, 2017 1:34 PM
To: Clayton Johnson
Cc: 'Bardwell Thom'; 'Bierlein Matthew'; 'Kim Vaughan'; 'Kirkpatrick Craig'; 'Tom Young'
Subject: Road Commission Alternatives

Clayton

The Board of Commissioners (BOC) are evaluating alternative structures for the Road Commission. Road Commissioners (RC) were appointed by the BOC until six or seven years ago when the then BOC decided to make RC elected positions. The change to elected was phased in over several years. The change for individual RC members from appointed to elected occurred when their appointed terms ended. I am not sure but I believe all RC members have now been transitioned to elected status. RC members are elected countywide and not by district. There may now be interest by some BOC members in going back to appointed rather than elected RC.

1. What is the procedure to go from elected to appointed RC?
2. Is it true a vote of the public is now required to approve a change from elected to appointed?
3. If a public vote is required and an affirmative vote occurred to appointed rather than elected would current elected RC members complete their terms before appointments are made or could all members be immediately appointed?
4. Is there any provision in the law to allow RC members to be elected or appointed by districts?
5. Do you know of any counties that have changed from elected to appointed?
6. Does the law still allow BOC to eliminate County RC and assume responsibility for the road commission operation?
7. Do you know which County BOC have assumed road commission responsibility?
8. If a County BOC eliminates the RC members and takes over a road commission operation do they also assume responsibility for all road commission liabilities and obligations such as post-retirement health insurance costs and retirement system costs?
9. Have any counties formed joint road commissions?

Thank you.

Mike

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org

Memo

To: Tuscola County Board of Commissioners
From: Eric Morris and Clayton Johnson, Braun Kendrick Finkbeiner P.L.C.
Date: November 2, 2017
Subject: Governance Issues for County Road Commissions

Tuscola County Administrator Mike Hoagland asked Braun Kendrick to evaluate several legal questions related to the process of appointing or electing members of the Tuscola County Road Commission. Each question posed is addressed individually below.

What is the procedure to transition from elected to appointed Road Commission?

Determining the method of selection of Road Commissioners is within the discretion of the County Board of Commissioners. MCL 224.6(4) provides that the actual appointment of Road Commissioners is accomplished by a majority of commissioners elected. The statute is silent on the question of what procedure is required to switch from an elected method to an appointed method. However, the Michigan Courts have held that a resolution adopted by a majority of elected commissioners is sufficient. Matthews v Montgomery, 275 Mich. 141, 145; 266 NW 300 (1936); Michigan Attorney General Opinion 1954, No. 1796.

Is a public vote required to transition from elected to appointed Road Commission?

A public vote is not required to change the method of selection from an election process to an appointment process.

How would appointments be handled when transitioning away from an elected Road Commission?

A decision to change selection of Road Commissioners to an appointment process would not create immediate vacancies among the currently elected Road Commission. The process would need to unfold eventually as the terms of current Road Commissioners expire or as current Road Commissioners resign. MCL 168.367 describes the circumstances that can create a vacancy on the Road Commission. The most relevant here include: death, resignation, removal from office for cause, or ceasing to be

a County resident. An attempt to remove a Road Commissioner prior to the end of his or her term would likely result in litigation.

May Road Commissioners be appointed or elected by district?

Michigan statutes generally appear to be silent as to this question. Our research does indicate that at least one county, Berrien County, had a past practice of appointing Road Commissioners using a district system. We have not identified any authority that would allow for a similar approach for elected Road Commissioners. MCL 224.7 only provides that Road Commissioners shall be "elected or appointed biennially for the full term of 6 years."

Have any counties changed from elected Road Commissions to appointed Road Commissions?

Our research shows that at least two counties, Kalkaska and Monroe, have recently opted to transition from an elected Road Commission to an appointed Road Commission. The change appears to have been adopted in Monroe County sometime after 2010. From the documents we are currently able to access, it appears that Monroe County likely completed its transition at the end of 2016 or will complete it at the latest in 2018. As discussed above, Monroe County gradually replaced elected Road Commissioners over time as each Commissioner's term expired.

Can the Board of Commissioners still eliminate the Road Commission and assume its role into a County department?

Yes, this is still a viable option. The exact process depends on whether the Road Commission at issue is elected or appointed. In the case of an appointed Road Commission, dissolution and absorption into the County is accomplished by a majority resolution of the Board of Commissioners. MCL 224.6(7). In counties that maintain an elected Road Commission, the dissolution requires both a resolution and a countywide referendum. MCL 224.6(8). Both methods require two public hearings before any action is taken by the Board of Commissioners. Any action taken under either of these provisions needs to occur prior to January 1, 2020 since this provision sunsets as of that date. The dissolution provision was originally set to expire in 2015, but it was extended until January 1, 2020. There is no guarantee it will be extended beyond its current time period.

Four counties, Berrien, Calhoun, Jackson and Ingham, opted to dissolve county Road Commissions under this provision. Ingham, Jackson and Calhoun Counties are the furthest along, having passed dissolutions in 2012 and 2013. Berrien County is the most recent, opting to dissolve its Road Commission just last month. None of these counties maintained an elected Road Commission at the time of dissolution, thus there is little precedent for implementing the countywide referendum option. Additionally, the statutes do not address the question of what length of time, if any, must pass between a decision to transition to an appointed Road Commission and a resolution to dissolve the Road Commission. Given the protections Road Commissioners enjoy against removal from

office and the lack of precedent in this area, we believe a “two-step” approach whereby the Board of Commissioners resolves to transition the Road Commission appointment closely followed by a resolution to dissolve the Road Commission carries significant risk of litigation.

What financial obligations of the current Road Commission would the County assume if it were to eliminate the Road Commission?

MCL 224.6(7) allows “the powers, duties and functions” of a county road commission to be “transferred” to the Board of Commissioners. At that point, the County itself acquires authorization to “receive and expend funds” pursuant to the state highway act. Given the fact that only three counties dissolved a road commission under this provision, there is a scarcity of case law regarding the impact of such dissolution.

The Michigan Court of Appeals has, however, evaluated one case that raises the issue of succession of rights and obligations of a dissolved road commission. In County of Ingham v. Mich. County, Rd. Comm’n Self-Insurance, 2017 Mich. App. LEXIS 1529, the three counties that dissolved their road commissions sought to collect premium refunds from a self-insurance pool in which the predecessor road commissions were members. The self-insurance pool argued that the three counties were not successors to the predecessor road commissions and therefore were not contractually entitled to the premium refunds at issue. The Court of Appeals choose to interpret the phrase “powers, duties and functions” somewhat broadly on the basis that failing to do so could lead to unconstitutional impairment of the former road commissions’ contractual obligations. The Court concluded that “the counties took on all statutory rights and responsibilities given to road commissioners” upon dissolution.

This appears to be a somewhat unique case in that the counties were arguing in favor of the position that they were the successors to the road commissions in order to access the financial benefit of the premium refunds at issue. It seems unlikely that the counties would take such a position with regard to other obligations such as current and retired employee benefits. Even so, the only direct legal authority at this time is the Ingham County decision, and that decision points to a broad assumption of responsibilities and liabilities when a county opts to dissolve its corresponding road commission.¹

Have any counties established joint Road Commissions?

We are not aware of any counties that have formed actual joint Road Commissions. However, Jackson and Calhoun Counties both opted to dissolve their respective Road Commissions and then consolidate the resulting road/transportation departments into a merged entity with common management.

¹ Any specific proposals involving potential modification to existing pension or retiree healthcare obligations should also be analyzed in more detail for issues under contractual impairment clause of the Michigan Constitution.

PUBLIC HIGHWAYS AND PRIVATE ROADS (EXCERPT)
Act 283 of 1909

224.6 Board of county road commissioners; election or appointment; notice of election; date; term of office; removal from office; notice of charges; county with population of 750,000 or more; powers and duties; reorganization; expenditure of funds; alteration of number of county road commissioners; transfer of powers and duties of county road commissioners to county board of commissioners; resolution.

Sec. 6. (1) Except as otherwise provided by law and under subsection (4), (5), (7), or (8), in a county where the county road system is adopted, a board of county road commissioners consisting of not less than 3 members or more than 5 members shall be elected by the people of the county. The initial road commissioners shall be appointed by the county board of commissioners or elected at a general or special election called for that purpose, as determined by the county board of commissioners. The county board of commissioners may by resolution provide for staggered terms of office for the road commissioners under this subsection so that not more than 2 road commissioners' terms of office expire in the same year.

(2) If the road commissioners are appointed, they shall hold office only until January 1 of the first odd numbered year following the date of appointment. If the road commissioners are to be elected at a general or special election, notice of the election, embodying a copy of the resolutions of the county board of commissioners, giving the number and terms of the office of the road commissioners to be elected, shall be published by the clerk as required by section 3 of this chapter.

(3) The regular election of county road commissioners shall be held at the general election on the first Tuesday after the first Monday in November. The term of office of an elected county road commissioner commences on January 1 in the year following his or her election. The notice of the election shall be given at the time notice is given of the general election of county officers.

(4) The election of county road commissioners is not mandatory in any county that contains all or part of 12 surveyed townships as determined by the government survey of the county. Except as provided under subsection (5), in a county under this subsection the county board of commissioners, by a majority of its members elect, may appoint the county road commissioners. A county road commissioner appointed under this subsection shall not be removed from office before the expiration of his or her term of office without being given written notice of the charges made against him or her and an opportunity to appear before the county board of commissioners for a hearing on the charges.

(5) In a county having a population of 750,000 or more that has adopted a charter under 1966 PA 293, MCL 45.501 to 45.521, the powers and duties that are otherwise provided by law for a board of county road commissioners may be reorganized by amendment to the charter. In a county having a population of 750,000 or more with a charter commission proposing a charter under 1966 PA 293, MCL 45.501 to 45.521, the powers and duties that are otherwise provided by law for a board of county road commissioners may be reorganized under the charter if, at the election considering the approval of the charter, the voters approve both the charter and a separate ballot question presented by the charter commission to reorganize the board of county road commissioners. Funds provided to the county under 1951 PA 51, MCL 247.651 to 247.675, shall only be expended for the purposes provided under 1951 PA 51, MCL 247.651 to 247.675.

(6) If the county board of commissioners proposes to alter the number of county road commissioners as allowed under this act, the county board of commissioners shall hold not less than 1 public hearing on the proposed change to the road commission. The county board of commissioners shall give notice as required under the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, of the time and place of the public hearing not less than 28 days before the hearing. The county board of commissioners shall also provide written notice of the hearing to the county road commission and, if available, by posting the notice on the county's website. The county board of commissioners may vote on whether to alter the number of county road commissioners at the meeting noticed under this subsection.

(7) Except as otherwise provided under subsection (5) and subject to the requirement provided in subsection (9), before January 1, 2020, the powers, duties, and functions that are otherwise provided by law for an appointed board of county road commissioners may be transferred to the county board of commissioners by a resolution as allowed under section 11 of 1851 PA 156, MCL 46.11. The appointed board of county road commissioners of that county is dissolved on the date specified in the resolution adopted under this subsection, and the county board of commissioners is authorized to receive and expend funds as allowed under 1951 PA 51, MCL 247.651 to 247.675.

(8) Except as otherwise provided in subsection (5) and subject to the requirement provided in subsection (9), before January 1, 2020, the county board of commissioners in a county with an elected board of county road commissioners may, by a resolution as allowed under section 11 of 1851 PA 156, MCL 46.11, submit to

the qualified and registered electors of the county at the next regular election to be held in the county the question of transferring the powers, duties, and functions of the elected board of county road commissioners of that county to the county board of commissioners. If a majority of the qualified and registered electors of the county voting on the question vote in favor of transferring the powers, duties, and functions of the elected board of county road commissioners of that county to the county board of commissioners, the elected board of county road commissioners of that county is dissolved and the county board of commissioners is authorized to receive and expend funds as allowed under 1951 PA 51, MCL 247.651 to 247.675.

(9) Before adopting a resolution under subsection (7) or (8), the county board of commissioners shall conduct, at a minimum, 2 public hearings on whether to transfer the powers, duties, and functions of the board of county road commissioners to the county board of commissioners.

History: 1909, Act 283, Eff. Sept. 1, 1909;—Am. 1911, Act 148, Eff. Aug. 1, 1911;—Am. 1913, Act 400, Eff. Aug. 14, 1913;—Am. 1915, Act 75, Eff. Aug. 24, 1915;—Am. 1915, Act 181, Eff. Aug. 24, 1915;—CL 1915, 4352;—Am. 1917, Act 356, Imd. Eff. May 10, 1917;—Am. 1929, Act 233, Eff. Aug. 28, 1929;—CL 1929, 3981;—CL 1948, 224.6;—Am. 1982, Act 299, Imd. Eff. Oct. 11, 1982;—Am. 2006, Act 598, Imd. Eff. Jan. 3, 2007;—Am. 2009, Act 39, Imd. Eff. June 12, 2009;—Am. 2012, Act 14, Imd. Eff. Feb. 21, 2012;—Am. 2015, Act 237, Imd. Eff. Dec. 22, 2015.

Compiler's note: As to inter-county highways, super-highways, and limited access highways, see MCL 252.1 et seq.

Former law: See section 6 of Act 149 of 1893, being CL 1897, § 4267; Act 197 of 1905; and Act 82 of 1907.

Popular name: County Road Law

Cty. of Ingham v. Mich. Cty. Rd. Comm'n Self-Insurance

Court of Appeals of Michigan

October 10, 2017, Decided

No. 334077

Reporter

2017 Mich. App. LEXIS 1529 *

COUNTY OF INGHAM, COUNTY OF JACKSON, and COUNTY OF CALHOUN, Plaintiffs-Appellants, v MICHIGAN COUNTY ROAD COMMISSION SELF-INSURANCE POOL, Defendant-Appellee.

Notice: THIS OPINION IS UNCORRECTED AND SUBJECT TO REVISION BEFORE FINAL PUBLICATION IN THE MICHIGAN COURT OF APPEALS REPORTS.

Prior History: [*1] Ingham Circuit Court. LC No. 15-000432-NZ.

Core Terms

counties, commissions, county road, dissolved, withdrawal, refunds, summary disposition, successor in interest, county board, powers, bylaws, contributions, dissolution, appointed, membership, elected, duties, trial court, functions, premiums, prior year, eligible, surplus

Case Summary

Overview

HOLDINGS: [1]-Where counties sued the Michigan County Road Commission Self-Insurance Pool for refunds of prior year contributions, the trial court erred in granting the Pool summary judgment because the counties were successors in interest to their former road commissions, which they had dissolved pursuant to MCL 46.11(s) and MCL 224.6(7), and the powers of the dissolved county road commissions passed to the respective counties' boards of commissioners; the counties were eligible for Pool membership by virtue of the statutory reference to county road commissions in the Pool's bylaws; [2]-As county one did not sign a

withdrawal agreement, and the withdrawal agreements that counties two and three signed did not affect their entitlement to refunds, the counties were entitled to receive refunds of surplus premiums from prior year contributions made by the former road commissions.

Outcome

The judgment was reversed.

LexisNexis® Headnotes

Governments > Local

Governments > Administrative Boards

HN1 [📌] Local Governments, Administrative Boards

In February 2012, the legislature amended MCL 224.6 to permit transfer of the powers, duties and functions that are otherwise provided by law for an appointed board of county road commissioners to the county board of commissioners by resolution as allowed under MCL 46.11. 2012 PA 14. At the same time, the Legislature amended § 46.11 to give a county board of commissioners the authority to pass a resolution dissolving an appointed road commission and transferring its powers, duties, and functions to the county board of commissioners. 2012 PA 15.

Civil Procedure > Appeals > Summary Judgment Review > Standards of Review

HN2 [📌] Summary Judgment Review, Standards of Review

Cty. of Ingham v. Mich. Cty. Rd. Comm'n Self-Insurance

An appellate court reviews de novo a trial court's decision to grant or deny a motion for summary disposition.

Civil Procedure > Appeals > Standards of Review > De Novo Review

Contracts Law > Contract Interpretation

Governments > Legislation > Interpretation

Civil Procedure > Appeals > Standards of Review > Questions of Fact & Law

HN3 Standards of Review, De Novo Review

An appellate court reviews de novo legal questions, including issues of statutory interpretation and contract interpretation.

Civil Procedure > Judgments > Summary Judgment > Entitlement as Matter of Law

Civil Procedure > ... > Summary Judgment > Burdens of Proof > Nonmovant Persuasion & Proof

Civil Procedure > Judgments > Summary Judgment > Evidentiary Considerations

HN4 Summary Judgment, Entitlement as Matter of Law

Summary disposition under *MCR 2.116(C)(9)* is appropriate if a defendant fails to mount a valid defense and no factual development would defeat the plaintiff's claim. A motion for summary disposition under *MCR 2.116(C)(9)* tests the sufficiency of the defendant's pleadings, and the trial court must accept as true all well-pleaded allegations. To grant summary disposition under *MCR 2.116(C)(9)*, the trial court can only consider the pleadings, including complaints, answers, and replies, but not the motion for summary disposition itself.

Civil Procedure > ... > Summary Judgment > Entitlement as Matter of Law > Genuine Disputes

HN5 Entitlement as Matter of Law, Genuine**Disputes**

Summary disposition is proper if there is no genuine issue of material fact. *MCR 2.116(C)(10)*.

Civil Procedure > Judgments > Summary Judgment > Motions for Summary Judgment

HN6 Summary Judgment, Motions for Summary Judgment

A motion for summary disposition under *MCR 2.116(C)(10)* tests the factual sufficiency of a claim.

Civil Procedure > Appeals > Summary Judgment Review > Standards of Review

HN7 Summary Judgment Review, Standards of Review

In reviewing an order granting a party summary disposition under *MCR 2.116(C)(10)*, the appellate court considers the pleadings and the evidence in the light most favorable to the nonmoving party.

Civil Procedure > ... > Summary Judgment > Motions for Summary Judgment > Cross Motions

Civil Procedure > Judgments > Summary Judgment > Entitlement as Matter of Law

HN8 Motions for Summary Judgment, Cross Motions

A trial court properly grants summary disposition to the opposing party under *MCR 2.116(I)(2)* if it determines that the opposing party, rather than the moving party, is entitled to judgment.

Governments > Local Governments > Administrative Boards

Governments > Local Governments > Elections

Governments > Public Improvements > Bridges & Roads

City of Ingham v. Mich. Cty. Rd. Comm'n Self-Insurance

Governments > Local Governments > Charters

commission.

HN9 Local Governments, Administrative Boards

MCL 224.1 permits a county to put to a vote the question of adopting a county road system. When a county has elected to adopt the county road system, the county is required to elect a board of county road commissioners, subject to four exceptions. MCL 224.6(1). The first exception permits the county board of commissioners to appoint a road commission, instead of holding an election, if the county contains all or part of 12 surveyed townships. § 224.6(4). The second exception permits charter counties with a population of 750,000 or more to reorganize the powers and duties of a board of county road commissioners by amending the county charter. § 224.6(5). The third exception permits a county board of commissioners to dissolve an appointed board of county road commissioners and transfer its powers, duties and functions to the county board of commissioners. § 224.6(7). The fourth and final exception, similar to the third exception but for a county road commission that was elected, permits an election on the question of dissolution of the county road commission and transfer of its role to the county board of commissioners. § 224.6(8).

Governments > Local

Governments > Administrative Boards

Governments > Local Governments > Charters

Governments > Local Governments > Elections

Governments > Public Improvements > Bridges & Roads

HN10 Local Governments, Administrative Boards

Reading MCL 224.6 as a whole shows that a county that has adopted a county road system must have a board of county road commissioners. The general rule in § 224.6(1) and its four exceptions make clear that a county that has adopted the county road system must have a road commission that is elected, § 224.6(1), appointed, § 224.6(4), reorganized by amendment to a county charter, § 224.6(5), or dissolved for its role to be transferred to the county board of commissioners, § 224.6(7) and (8). Therefore, when a county dissolves its road commission, the county board of commissioners becomes the successor in interest to the former road

Constitutional Law > State Constitutional Operation

Governments > Local Governments > Duties & Powers

HN11 Constitutional Law, State Constitutional Operation

Counties derive their authority from the Michigan Constitution and state statutes. Local governments have only those powers expressly conferred by the Michigan Constitution or by statute and implicit authority to implement their express powers.

Constitutional Law > The Judiciary > Case or Controversy > Constitutionality of Legislation

Governments > Legislation > Interpretation

HN12 Case or Controversy, Constitutionality of Legislation

Whenever possible, courts must interpret a statute to avoid the conclusion that it is unconstitutional or raises doubts about its constitutionality.

Governments > Legislation > Interpretation

HN13 Legislation, Interpretation

Courts must read statutes as a whole.

Constitutional Law > Congressional Duties & Powers > Contracts Clause > Application & Interpretation

Constitutional Law > The Judiciary > Case or Controversy > Constitutionality of Legislation

HN14 Contracts Clause, Application & Interpretation


A statute that substantially impairs a contractual relationship is unconstitutional unless the statutory impairment serves a legitimate public purpose and was implemented in a manner reasonably related to the

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public purpose.

Business & Corporate Law > Corporations > Articles of Incorporation & Bylaws > Interpretations of Bylaws

Contracts Law > Contract Interpretation

HN15  **Articles of Incorporation & Bylaws, Interpretations of Bylaws**

The court construes bylaws using the same rules applied to contract interpretation. It begins with the plain language of the bylaws and apply it if it is clear and unambiguous.

Judges: Before: TALBOT, C.J., and O'CONNELL and O'BRIEN, JJ.

Opinion by: Peter D. O'Connell

Opinion

O'CONNELL, J.


Plaintiffs, Ingham County, Jackson County, and Calhoun County (collectively, "the counties"), appeal as of right the trial court's order granting summary disposition in favor of defendant, Michigan County Road Commission Self-Insurance Pool ("Pool"), under *MCR 2.116(1)(2)* (opposing party, rather than moving party, entitled to judgment). Because we agree with the counties that they are successors in interest to their respective counties' former road commissions, we reverse and remand.

I. FACTUAL AND PROCEDURAL BACKGROUND

A Declaration of Trust created the Pool in April 1984. The Pool's bylaws limit membership to county road commissions located in the State of Michigan and require each member to sign an inter-local agreement. The appointed road commissions for Ingham County, Jackson County, and Calhoun County joined the Pool soon after its formation.

Members of the Pool made annual premium contributions to cover the payment of claims and the Pool's operating and administrative expenses. The Pool's bylaws and the inter-local agreements permitted the refund of surplus funds more than [*2] one year

after payment of a member's premium contribution. The counties alleged that the Pool had a longstanding practice of refunding excess contributions to members out of unused reserves in proportion to premiums paid, typically calculated and refunded several years later.

HN1  In February 2012, the Legislature amended *MCL 224.6* to permit transfer of "the powers, duties and functions that are otherwise provided by law for an appointed board of county road commissioners . . . to the county board of commissioners by resolution as allowed under section 11 of 1851 PA 156, *MCL 46.11*." 2012 PA 14. At the same time, the Legislature amended *MCL 46.11* to give a county board of commissioners the authority to pass a resolution dissolving an appointed road commission and transferring its "powers, duties, and functions" to the county board of commissioners. 2012 PA 15. Pursuant to these amendments, the Boards of Commissioners of Ingham County, Jackson County, and Calhoun County adopted resolutions to dissolve their county road commissions and take over their roles.

Ingham County adopted the dissolution resolution on April 24, 2012, effective June 1, 2012. About two weeks before adopting the resolution, Ingham County paid its contribution to the Pool for the fiscal [*3] year beginning April 1, 2012, apparently with the understanding that the Pool intended to amend its rules to permit the county successors to the dissolved road commissions to participate in the Pool. Ingham County maintained that it only learned later in May that the Pool would not allow the county to remain a member of the Pool. On May 31, 2012, the Ingham County road commission signed two agreements, one to withdraw from the Pool and one to cancel insurance through the Pool, effective June 1, 2012.

Calhoun County signed a similar withdrawal agreement, effective November 1, 2012. It appears that Jackson County did not sign a withdrawal agreement.

At Ingham County's request, the Pool agreed to refund the unused pro-rata portion of the former road commission's annual contribution for the 2012-2013 fiscal year. The Pool declined, however, to refund surplus equity flowing from prior year contributions because of the road commission's withdrawal from membership.

The counties brought a four-count complaint. The counties alleged that they were eligible for ten years' worth of refunds because the Pool was still refunding contributions from 2002 premiums. The Pool refused to

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issue these refunds [*4] to the counties. Consequently, the counties maintained, the Pool's refusal reflected unconstitutional lending under Const 1963, art 9, § 18, extortion, conversion, and breach of contract. The Pool denied the counties' allegations and disputed their claims.

The counties filed a partial motion for summary disposition as to liability under MCR 2.116(C)(9) and (10). The Pool filed a cross-motion for summary disposition under MCR 2.116(I)(2). The trial court granted summary disposition under MCR 2.116(I)(2) in favor of the Pool, rejecting all of the counties' arguments.

II. STANDARD OF REVIEW

HN2 [¶] This Court reviews de novo a trial court's decision to grant or deny a motion for summary disposition. Village of Dimondale v Grable, 240 Mich App 553, 563, 618 NW2d 23 (2000). HN3 [¶] We also review de novo legal questions, In re Judge, 228 Mich App 667, 670, 578 NW2d 704 (1998), including issues of statutory interpretation, Slater v Ann Arbor Public Schools Bd of Ed, 250 Mich App 419, 426, 648 NW2d 205 (2002), and contract interpretation, Rossow v Brentwood Farms Dev. Inc., 251 Mich App 652, 658, 651 NW2d 458 (2002).

HN4 [¶] Summary disposition under MCR 2.116(C)(9) is appropriate if a defendant fails to mount a valid defense and no factual development would defeat the plaintiff's claim. Village of Dimondale, 240 Mich App at 56d. A motion for summary disposition under MCR 2.116(C)(9) "tests the sufficiency of the defendant's pleadings," and the "trial court must accept as true all well-pleaded allegations . . ." Slater, 250 Mich App at 425. To grant summary disposition under MCR 2.116(C)(9), the trial court can only consider the pleadings, including complaints, answers, and replies, [*5] but not the motion for summary disposition itself. Village of Dimondale, 240 Mich App at 565; MCR 2.110(A).

HN5 [¶] Summary disposition is proper if there is no genuine issue of material fact. MCR 2.116(C)(10).

HN6 [¶] A motion for summary disposition under MCR 2.116(C)(10) tests the factual sufficiency of a claim. Spiek v Mich Dep't of Transp, 456 Mich 331, 337, 572 NW2d 201 (1998). HN7 [¶] This Court considers the pleadings and the evidence in the light most favorable to the nonmoving party. Maidan v Rozwood, 461 Mich 109, 120, 597 NW2d 817 (1999).

Finally, HN8 [¶] a trial court properly grants summary

disposition to the opposing party under MCR 2.116(I)(2) if it determines that the opposing party, "rather than the moving party, is entitled to judgment." Sharper Image Corp v Dep't of Treasury, 216 Mich App 698, 701, 550 NW2d 598 (1996).

III. ANALYSIS

A. SUCCESSORS IN INTEREST

HN9 [¶] MCL 224.1 permits a county to put to a vote the question of adopting a county road system. When a county has elected to adopt the county road system, the county is required to elect a board of county road commissioners, subject to four exceptions. MCL 224.6(1). The first exception permits the county board of commissioners to appoint a road commission, instead of holding an election, if the county "contains all or part of 12 surveyed townships . . ." MCL 224.6(4). The second exception permits charter counties with a population of 750,000 or more to reorganize the powers and duties of a board of county road commissioners by amending the county charter. MCL 224.6(5). The third exception—at [*6] issue in this case—permits a county board of commissioners to dissolve an appointed board of county road commissioners and transfer its powers, duties and functions to the county board of commissioners. MCL 224.6(7). The fourth and final exception, similar to the third exception but for a county road commission that was elected, permits an election on the question of dissolution of the county road commission and transfer of its role to the county board of commissioners. MCL 224.6(8).

When the Boards of Commissioners of Ingham County, Jackson County, and Calhoun County dissolved their counties' road commissions pursuant to MCL 46.11(s) and 224.6(7), the powers, duties, and functions of the dissolved county road commissions passed to the respective counties' boards of commissioners. The parties dispute the meaning of the word "dissolved" in MCL 46.11(s) and 224.6(7). The counties argue that the county boards of commissioners absorbed the rights and interests of the road commissions. The Pool counters that the road commissions ceased to exist when the counties dissolved them, so the counties could not absorb their powers, duties, and functions. The trial court agreed with the Pool, ruling that the counties were not successors in interest to their former [*7] road commissions because the statute's reference to dissolution signified the end of the road commissions' existence.

We disagree with the trial court. HN10 [¶] Reading MCL

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224.6 as a whole shows that a county that has adopted a county road system must have a board of county road commissioners. The general rule in MCL 224.6(1) and its four exceptions make clear that a county that has adopted the county road system must have a road commission that is elected, MCL 224.6(1), appointed, MCL 224.6(4), reorganized by amendment to a county charter, MCL 224.6(5), or dissolved for its role to be transferred to the county board of commissioners, MCL 224.6(7) and (8).¹ Therefore, when a county dissolves its road commission, the county board of commissioners becomes the successor in interest to the former road commission.

The Pool argues that the counties are not successors in interest to their dissolved road commissions because the statute provides for the transfer of only the "powers, duties, and functions" of the former road commissions but not their property rights or interests. The Pool contends that because the counties have only the powers expressly authorized by statute, the dissolved road commissions' property rights and interests did not transfer to [*8] the counties. We reject this stilted reading of the statute.

HN11 [↑] Counties derive their authority from the Michigan Constitution and state statutes. Mich Muni Liability and Prop Pool v Muskegon Co Bd of Co Rd Comm'rs, 235 Mich App 183, 190; 597 NW2d 187 (1999). Local governments have only those powers expressly conferred by the state Constitution or by statute and implicit authority to implement their express powers. Id at 190-191.

Pertinent to the Pool's argument, road commissions have the authority to hold title or an interest in land and to sell or convey land that is not part of or necessary "for a public street, highway, or park." MCL 224.9(3). A typical county road commission would own a fleet of road maintenance vehicles, such as snowplows and salt trucks, in addition to a garage facility to house those vehicles along with road maintenance materials and supplies, including salt. Applying the Pool's argument, these facilities and equipment would become ownerless once a county board of commissioners dissolved its

¹ The counties argue that the Legislature provided for the dissolution, not the abolition, of an appointed road commission to allow an *elected* county board of commissioners to take the place of an *appointed* road commission. This argument ignores the distinct provisions for the dissolution of both types of road commissions, elected or appointed. See MCL 224.6(7) and (8).

county's road commission and assumed its powers.

The counties further disagree with the Pool's narrow reading of the statute because it would constitutionally impair contracts for road construction and maintenance that involved the former road commissions. See US Const, art 1, § 10; Const 193, art 1, § 10. Rather, the counties argue, [*9] the former road commissions' contractual rights devolved upon the respective counties.

We agree. HN12 [↑] Whenever possible, courts must interpret a statute to avoid the conclusion that it is unconstitutional or raises doubts about its constitutionality. People v Nyx, 479 Mich 112, 124; 734 NW2d 548 (2007). Similarly, HN13 [↑] courts must read statutes as a whole. Robinson v City of Lansing, 486 Mich 1, 15; 782 NW2d 171 (2010). HN14 [↑] A statute that substantially impairs a contractual relationship is unconstitutional unless the statutory impairment serves a "legitimate public purpose" and was implemented in a manner "reasonably related to the public purpose." Health Care Ass'n Workers Compensation Fund v Director of the Bureau of Worker's Compensation, Dep't of Consumer and Indus Servs, 265 Mich App 236, 241; 694 NW2d 761 (2005). The Pool's narrow reading of "powers, duties, and functions" would result in the unconstitutional impairment of the former road commissions' contracts, rendering the statutory provisions permitting dissolution of the road commissions unconstitutional. We avoid this result by interpreting the statutory provisions more comprehensively. Thus, we conclude that the counties became the successors in interest to their former road commissions when they exercised their statutory right to dissolve the road commissions. As successors in interest, the counties took on all statutory rights and responsibilities given to road commissions.

B. POOL MEMBERSHIP

The parties dispute whether [*10] the counties could be members of the Pool for the purpose of determining whether they are eligible for surplus refunds of prior year contributions. The Pool contends that its bylaws only permit road commissions to be members, so the counties are not qualified for membership. HN15 [↑] This Court construes bylaws using the same rules applied to contract interpretation. Tuscany Gove Ass'n v Peraino, 311 Mich App 389, 393; 875 NW2d 234 (2015). We begin with the plain language of the bylaws and apply it if it is clear and unambiguous. Rosow, 251 Mich App at 658.

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The Pool's bylaws limit membership to county road commissions, but the bylaws do not define a county road commission. Instead, the bylaws refer to the statutory authority of county road commissions. Because we concluded that the counties were successors in interest to their dissolved road commissions as a matter of statutory interpretation, we likewise conclude that the successor counties are eligible for Pool membership by virtue of the statutory reference to county road commissions in the Pool's bylaws.

Next, the Pool argues that the counties are not entitled to refunds even if deemed successors in interest because they withdrew from the Pool. We examine the language of the withdrawal agreements to determine their scope. See Rossov, 251 Mich App at 658.

First, [*11] the record contains no evidence that the Jackson County road commission signed a withdrawal agreement, and the Pool agrees that it did not. Thus, the Jackson County road commission did not withdraw from the Pool. Likewise, Jackson County's dissolution of its road commission did not automatically result in withdrawal from the Pool. Rather, Jackson County succeeded its dissolved road commission, so Jackson County is eligible for refunds from prior year contributions that its road commission made.

Ingham County's and Calhoun County's road commissions each signed an agreement to withdraw from the Pool. These withdrawal agreements began by stating that the counties dissolved their road commissions pursuant to statute. The agreements made withdrawal from the Pool effective from the date of dissolution of the road commissions. Further, the agreements contained a provision limiting their scope to withdrawal of membership without affecting "any other terms or conditions" of the Declaration of Trust, the inter-local agreement, or the bylaws. The Pool also agreed to administer claims arising from events occurring before the date of dissolution of the road commissions. Accordingly, reading the [*12] withdrawal agreements as a whole and in light of the limitation on their scope, the withdrawal agreements did not alter eligibility for the refund of surplus premiums from prior year contributions. Having determined that the counties are successors in interest to their former road commissions, we conclude that the counties are entitled to refunds of surplus premiums reflecting their former road commissions' prior year contributions through the date listed in each withdrawal agreement.

In conclusion, the trial court erred by granting summary

disposition in favor of the Pool because the counties are successors in interest to their dissolved road commissions. As successors in interest, the counties are eligible for membership in the Pool. Additionally, Jackson County did not sign a withdrawal agreement, and the withdrawal agreements that Ingham County and Jackson County signed did not affect their entitlement to refunds. Thus, the counties are entitled to receive refunds of surplus premiums from prior year contributions made by the former road commissions.²

We reverse and remand. We do not retain jurisdiction.

/s/ Peter D. O'Connell

/s/ Michael J. Talbot

/s/ Colleen A. O'Brien

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² Accordingly, we do not address the counties' remaining arguments.



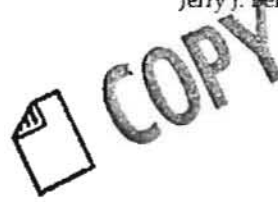
ANDERSON, TUCKEY, BERNHARDT & DORAN, P.C.

Certified Public Accountants

Thomas B. Doran, CPA
Valerie J. Hartel, CPA
Jamie L. Peasley, CPA
.....
Gary R. Anderson, CPA
Jerry J. Bernhardt, CPA

Terry L. Haske, CPA
Timothy D. Franzel
Laura J. Steffen, CPA
Angela M. Burnette, CPA
David A. Ondrajka, CPA
John M. Bungart, CPA

November 1, 2017



To: Board of Commissioners and Management
Tuscola County
125 W. Lincoln St.
Caro, MI 48723

We are pleased to confirm our understanding of the services we are to provide *Tuscola County* for the year ended **December 31, 2017**. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of *Tuscola County* as of and for the year ended **December 31, 2017**. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement *Tuscola County's* basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to *Tuscola County's* RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedules
- 3) Schedule of Funding Progress
- 4) Schedule of Changes in Net Pension Liability and Related Ratios
- 5) Schedule of Employer Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies *Tuscola County's* financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of Expenditures of Federal Awards.
- 2) Additional Supplementary Information

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Statistical Section

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our single audit. We will make reference to Gardner, Provenzano, Thomas & Luplow's audit of Tuscola County Health Department and Rehmann's audit of Tuscola County Medical Care Facility in our report on your financial statements. Our reports will be addressed to the Tuscola County Board of Commissioners. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports

required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of *Tuscola County's* compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of *Tuscola County's* major programs. The purpose of these procedures will be to express an opinion on *Tuscola County's* compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, related notes, and other nonaudit services as listed in the attached addendum of *Tuscola County* in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, related notes, and other nonaudit services as previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance

with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide as listed in the attached addendum. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to *Tuscola County*; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Anderson, Tuckey, Bernhardt & Doran, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Anderson, Tuckey, Bernhardt & Doran, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Valerie J. Hartel, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed:

December 31, 2017	\$40,250	Audit
	\$1,000	Clarity
	\$750	Other
	Fee to be negotiated	New Significant Funds (if required)

An additional fee will be negotiated if necessary for new programs and/or new accounting pronouncements and standards that require significant additional work. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

In order to help avoid a prolonged lawsuit in the event of a disagreement arising out of the performance of services under this engagement, and to help determine the value of the damages, if proven, you agree that our maximum liability to you for any wrongful action committed by us in the performance of any services contracted for under the terms of this engagement, is limited to two times the amount of our fees for this engagement. This limitation applies as well to any consulting services contracted for under this engagement. This limitation shall not, however, apply to the extent that damages arose out of our gross negligence or willful misconduct.

Further, because of the difficulties inherent in recalling communications and preserving all relevant information, you further agree that, notwithstanding the applicable period of limitations for bringing a lawsuit based upon services performed under this engagement, any such lawsuit, except actions brought by us to enforce payment of our invoices, must be brought within 12 months from the date of the completion of the services giving rise to such claim, unless you, within this same 12 month period, provide us with a written notice of the specific defect in our services that forms the basis of the claim.

In the event that we become obligated to pay any penalties, assessments, judgments or similar awards related to, arising out of or resulting from inaccurate or incomplete information that you have provided us in the course of the engagement, you agree to pay, indemnify, defend, and hold us harmless against all such obligations and costs.

In the event of a dispute related in any way to our services, our firm and you agree to discuss the dispute and, if necessary, to promptly mediate, in a good faith effort, to resolve it. We will agree on a mediator, but if we cannot, either of us may apply to a court having personal jurisdiction over the parties for appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorney fees and costs of the mediation.

Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 90 days from the date either of us first requests in writing to mediate the dispute.

The mediation shall be confidential in all respects, as allowed or required by law, except that our final settlement positions at mediation shall be admissible in litigation solely to determine the identity of the prevailing party for purposes of the award of attorney fees.

After considering the qualifications of the accounting personnel of *Tuscola County*, we believe they have the qualifications and abilities to generate financial statements, including the required footnotes, in accordance with accounting principles generally accepted in the United States of America. However, for convenience and other issues, we may contract with you to prepare our financial statements.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2015 peer review report accompanies this letter.

We appreciate the opportunity to be of service to *Tuscola County* and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Anderson, Tuckey, Bernhardt & Doran, P.C.

Anderson, Tuckey, Bernhardt & Doran, P.C.
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of *Tuscola County*.

Management signature: _____

Title: _____

Date: _____

ADDENDUM

As part of the audit engagement, you have requested our assistance with the following services. *Government Auditing Standards* considers these services as "non-attest" or "non-audit" services. Management is required to review, approve and accept responsibility for any non-audit services we may perform.

- Preparation of the financial statements, including the related notes, MDA tables, required and additional supplementary information.
- Assistance with the preparation and submission of audit financial information, data collection form, CAFR and form F-65 required by law or regulations.
- Assistance with, or the preparation of, year-end adjusting journal entries and work papers.
- Assistance with conversion from cash to accrual financial statements.
- Assistance with the net pension liability and related calculations.

System Review Report

November 11, 2015

To the Shareholders of Anderson, Tuckey, Bernhardt & Doran, P.C. and the
Peer Review Committee of the Michigan Association of CPA's

We have reviewed the system of quality control for the accounting and auditing practice of Anderson, Tuckey, Bernhardt & Doran, P.C. (the firm) in effect for the year ended May 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and an audit of an employee benefit plan.

In our opinion, the system of quality control for the accounting and auditing practice of Anderson, Tuckey, Bernhardt & Doran, P.C. in effect for the year ended May 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Anderson, Tuckey, Bernhardt & Doran, P.C. has received a peer review rating of *pass*.

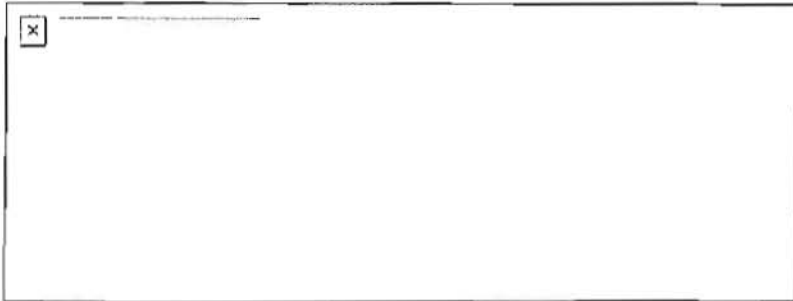
Maner Costerisan PC

mhoagland@tuscolacounty.org

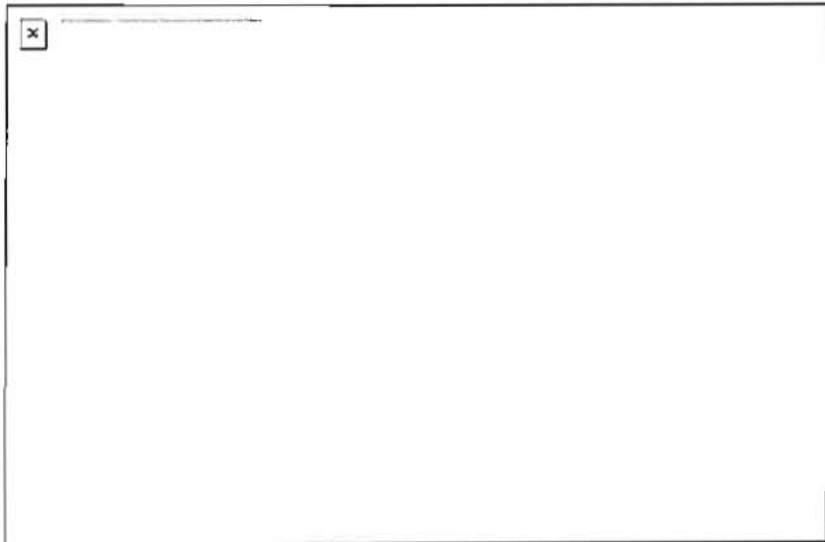
From: Michigan Association of Counties <info@micounties.org>
Sent: Thursday, November 2, 2017 3:02 PM
To: mhoagland@tuscolacounty.org
Subject: Call Congress and urge protection for SALT deduction for Michigan families

To view this email as a webpage [click here](#)

CALL TO ACTION: FEDERAL INCOME TAX PLAN



Nov. 2, 2017



Call Congress and urge protection for Michigan families on federal taxes

Michigan's 622 county commissioners and other county leaders are urged to contact their members of Congress in opposition to an expected federal tax proposal that will impose new burdens on many state residents.

U.S. House members contact list

The proposal is branded as a tax cut, but will actually create a tax increase for huge swathes of Michigan, due to its provisions on state and local tax deductions, or SALT.

A calculator developed by the Government Finance Officers Association (GFOA) shows that a Michigan couple with two children filing jointly **would see a tax increase of \$408** -- or 6.9 percent -- if their income is between \$50,000 and \$200,000.

The GFOA analysis is based on 2015 IRS SOI data that modeled the impact of Brady's plan on an average family of four who owns a home and earns between \$50,000 and \$200,000 on a state-by-state basis. The analysis assumes the new plan will have three tax brackets (a potential fourth bracket would be unlikely to affect taxpayers in this income range), doubles the standard deduction, eliminates personal exemptions, and includes the property tax deduction without limitation. It also keeps the mortgage interest and charitable deductions intact and maintains a \$1,000 child tax credit.

Based on these figures, this plan is bad news for most Michigan families and for Michigan counties. This is money that is now spent in our communities; and a rising federal tax burden will only make taxpayers less open to appeals by county officials on millages to fund vital public services.

We urge members to reach out to their congressional representative and tell them to oppose a tax plan that reduces the SALT deduction and thereby harms Michigan families. For more information on this issue, visit americansagainstdoubletaxation.org.

Michigan Association of Counties
110 W. Michigan Ave., Suite 200
Lansing, Michigan 48933
Tel: (800) 258-1152 or (517) 372-5374
Fax: (517) 482-4599
www.micounties.org



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

AGREEMENT FOR ENFORCEMENT SERVICES

TUSCOLA COUNTY SHERIFF

TOWNSHIP OF VASSAR

ONE OFFICER FOR YEAR 2018

THIS AGREEMENT, made and entered into on this first day of January 2018 by and between the SHERIFF of the County of Tuscola, Michigan, hereafter called the "SHERIFF", and the TOWNSHIP of Vassar, Tuscola County, Michigan, hereafter called the "TOWNSHIP".

WHEREAS, the TOWNSHIP is authorized and empowered under the provisions of Act 246 of the Public Acts of 1945, as amended, (MCLA 41.181 et seq) to employ and establish a police department with full power to enforce Township Ordinances and state laws and for the that purpose to call upon the SHERIFF to provide special police protection for the TOWNSHIP; and

WHEREAS, the TOWNSHIP has by resolution appropriated funds to provide special police protection for the TOWNSHIP; and

WHEREAS, the TOWNSHIP desires to employ and establish a police department with full power to enforce Township Ordinances and state laws and desires to call upon the SHERIFF to provide special police protection for the TOWNSHIP and enforce local Township Ordinances; and

WHEREAS, the SHERIFF is agreeable to rendering such services on the terms and conditions hereinafter set forth.

Now therefore the parties agree:

ARTICLE I

THE SHERIFF SHALL PROVIDE:

1. One officer, deputy sheriff, for forty hours of duty in the TOWNSHIP each week for 52 weeks of the year and necessary overtime as hereinafter set forth, less the officers approved annual vacation leave, compensatory time, personal business day (s), compensation days, and sick leave. Hours of regular duty shall be at such time as shall be agreed to by the SHERIFF and the TOWNSHIP from time to time.
2. The officers on duty as provided herein shall be under the jurisdiction of and solely responsible to the SHERIFF. The officers provided under the terms of this agreement are not and shall never be employees of the TOWNSHIP. The rendition of services, the



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

VASSAR TOWNSHIP – SHERIFF AGREEMENT (One Officer FY-2018)

standards of performance, discipline of officers, and other matters incident to the performance of such services and the control of personnel so employed shall be at the sole discretion and in the sole control of the SHERIFF. The Supervisor of the TOWNSHIP shall at all times speak for the TOWNSHIP on all matters pertaining to this agreement. Any comments, complaints, or recommendation shall be made directly to the SHERIFF by the Supervisor of the TOWNSHIP only. In the event of a substantial difference of opinion between the SHERIFF and VASSAR TOWNSHIP, which cannot be resolved, either party may terminate this agreement on sixty days' notice.

3. The SHERIFF shall enforce all Township Ordinances of the TOWNSHIP of Vassar and statutes of the State of Michigan in the corporate limits of the TOWNSHIP of Vassar. The services to be performed by the SHERIFF pursuant to this agreement shall be in addition to the law enforcement presently performed in the TOWNSHIP by the SHERIFF.

4. The SHERIFF shall provide all necessary supervision, dispatching, report material, weapons, arms and armaments, uniforms, police type equipment, restraints and restraining equipment, guarding and transportation of criminals and suspects, patrol vehicle oil changes, and any other items or equipment necessary and ordinary to the activities and duties of police. The TOWNSHIP shall not be obligated to pay costs which are attributable to services or facilities normally provided or available to all cities and townships within the County of Tuscola as part of the County of Tuscola's obligation to enforce the law.

5. The SHERIFF shall provide all necessary insurance for any employees of the SHERIFF acting under this agreement including workers compensation insurance, unemployment insurance, general liability insurance, and any other necessary insurance in connection with any duties of any employee of the SHERIFF acting pursuant to this agreement. The SHERIFF shall provide all payment of salaries, wages, fringe benefits, compensation for injury, compensation sickness, or sick pay, unemployment benefits, vacation or holiday pay, or other compensation to any county personnel performing services hereunder for the TOWNSHIP. The SHERIFF shall hold and save harmless the TOWNSHIP from any claim of any kind or nature whatsoever of any employee of the SHERIFF made in connection with the duties or activities of the SHERIFF in connection with this agreement.

ARTICLE II

THE TOWNSHIP SHALL:

1. The TOWNSHIP shall provide adequate office space for the SHERIFF'S employees to prepare reports and telephone equipment necessary for said employee to make and receive telephone calls, gasoline, and repairs as needed on such equipment as shall be provided by the TOWNSHIP hereunder.



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

VASSAR TOWNSHIP – SHERIFF AGREEMENT (One Officer FY –2018)

2. The car will not be sent outside the limits of the TOWNSHIP of Vassar on any call except in case of hot pursuit or in an emergency situation necessary for protection of life or property, and in case of emergency, only upon the verbal direction of a Sergeant or higher ranking officer. If any car is sent out of the TOWNSHIP on such emergency, it will be sent only to assist and not to investigate a complaint. Timely and full reports of each incident when the Township police car is sent outside of the Township shall be made at least once a month in the report of the SHERIFF as provided in paragraph 3 below.

3. Once each month the SHERIFF shall prepare and submit to the TOWNSHIP, a monthly report of activities of the SHERIFF done in connection with this agreement with any recommendations or requests that the SHERIFF may feel it appropriate to include, with copies of the daily activity reports of the officers on duty as provided herein. In addition the SHERIFF shall respond promptly and to the best of his ability, to any reasonable request of the Supervisor of the TOWNSHIP for information. The SHERIFF agrees to make himself, or when necessary an empowered designee, available for conference which may be requested by the Supervisor of the TOWNSHIP in connection with this agreement.

4. The TOWNSHIP agrees to engage in no activity which would in any way bring about any liability of any kind or nature whatsoever to the SHERIFF other than such as may naturally result from the execution and performance of its duties. The TOWNSHIP shall hold and save harmless the SHERIFF from any claim of any kind or nature whatsoever of any employee of the TOWNSHIP or any other person, corporation or entity for any activity done or made in connection with this agreement.

5. When a violation of law is charged, such charge shall be made under State Law so long as an appropriate state law is available. All traffic offenses shall be charged under state law. The SHERIFF shall arrange to provide necessary personnel for witnesses as required. Any fines collected pursuant to Township Ordinances shall be paid over to the TOWNSHIP and other entities as required by law.

ARTICLE III

THE TOWNSHIP SHALL PAY SHERIFF CHARGES FOR COST OF SERVICE AS FOLLOWS:

1. The TOWNSHIP shall pay to the SHERIFF all of the costs of performing the enforcement services as set forth above as follows.

2. Computation of annual charge for one officer.



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

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VASSAR TOWNSHIP – SHERIFF AGREEMENT (One Officer – FY 2018)

C. 2018 Salary, one officer per week at top pay (includes longevity and college as appropriate):

		\$ 48,984.00
1.	Shift Premium	\$ 400.00
2.	Workers Compensation	\$ 505.00
3.	Overtime	\$ 3,900.00
4.	Health, Dental & Vision Insurance	\$ 15,270.00
5.	Disability	\$ 457.00
6.	FICA	\$ 4,081.00
7.	Life Insurance	\$ 44.00
8.	Retirement	\$ 4895.00
9.	Supplies	\$ 100.00
10.	Unused sick time payout	\$ 200.00
11.	Gas, Oil & Grease	\$ 4,500.00
12.	Laundry	\$ 250.00
13.	Health Services	\$ 200.00
14.	Insurance & Bonds	\$ 3650.00
15.	Equip. Repair & Maintenance	\$ 500.00
16.	Vehicle Repair & Maintenance	\$ 1500.00
17. **	Add work station @ twp. Hall	\$ 1,128.00
18. **	Upgrade patrol computer to make CJIS compliant	\$ 580.00
	Total:	\$ 91,144.00

* Will bill actual cost only. Wages and benefits vary depending on officer assigned.

* A possible 2% is included in this amount but has not been officially approved yet.

3. The amounts set forth in paragraph two (2) are based on the TOWNSHIP paying for regular time worked by the SHERIFF employees at the contractual rate of base pay. The TOWNSHIP shall pay for any overtime worked by the SHERIFF employees at the rate of regular time and one-half. The TOWNSHIP shall pay the overtime rate for any time that an officer spends testifying in court on TOWNSHIP matters, and for any time over a 40 hour week necessary to complete work on emergency matters, or any overtime work approved verbal direction of a Sergeant or Senior officer on duty in the absence of a Sergeant or higher ranking officer. The SHERIFF agrees that overtime salaries incurred shall be kept at a minimum.

4. By the tenth day of each month with not more than one month in arrears, the SHERIFF shall prepare a detailed statement of billing prepared pursuant to the above. Such a bill will be presented to the TOWNSHIP to be voted on at the next meeting of the TOWNSHIP BOARD and paid promptly in accordance with the regular bill paying procedures of the TOWNSHIP.



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

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VASSAR TOWNSHIP – SHERIFF AGREEMENT (One Officer FY 2018)

5. The SHERIFF will provide for service in the Township, under terms of this agreement, officers with necessary experience and the ability to work alone on their own direction when necessary. The SHERIFF and TOWNSHIP will agree on the officers who are assigned for work in the TOWNSHIP under the terms of this agreement.

ARTICLE IV

TERM OF AGREEMENT

1. This agreement shall be for the term commencing as of January 1, 2018 and ending December 31, 2018; thereafter, at the option of the TOWNSHIP and with the consent of the SHERIFF, this agreement shall be renewable for successive periods agreed upon by the parties.

ARTICLE V

SERVICE TO TOWNSHIP RESIDENTS

1. Residents of the TOWNSHIP will be able to request emergency police assistance by telephoning 9-1-1 at all hours and may obtain information by telephoning 989-673-8161 at all hours.

2. The SHERIFF agrees to make himself available for consultation with the Township at reasonable times.

3. IN WITNESS WHEREOF, the Township Board of Vassar, by resolution adopted by its Township Board, caused this agreement to be subscribed by its Supervisor and its Clerk, and the County of Tuscola, by order of its Board of Commissioners has caused these presents to be subscribed by the Chairperson of said Board to be affixed hereto and attested by the County Clerk, all on the day of and year first above written.



SHERIFF TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

VASSAR TOWNSHIP – SHERIFF AGREEMENT (One Officer FY-2018)

TOWNSHIP OF VASSAR

By:

Bruce Foether, Supervisor

By:

Clerk

VASSAR TOWNSHIP – SHERIFF AGREEMENT (One Officer FY-2018)

County of TUSCOLA

By:

Thomas Bardwell, Chairman of the

Tuscola County Board of County Commissioners

By:

Jodi Fetting - County Clerk

By:

Glen Skrent, Sheriff



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

AGREEMENT FOR ENFORCEMENT SERVICES

TUSCOLA COUNTY SHERIFF

TUSCOLA COUNTY ROAD COMMISSION

ONE OFFICER FY 2018

THIS AGREEMENT, made and entered into on this 1st day of January 2018, by and between the SHERIFF of the County of Tuscola, Michigan, hereafter called the "SHERIFF", and the Tuscola County Road Commission, Tuscola County, hereafter called the "ROAD COMMISSION".

WHEREAS, the ROAD COMMISSION is desirous of contracting with the SHERIFF for the performance of weigh master functions within the boundaries of the county and Whereas, the SHERIFF is agreeable to rendering such services on the terms and conditions as hereinafter set forth.

NOW THEREFORE IT IS AGREED AS FOLLOWS:

Control of the Deputy Sheriff assigned to provide such services, standards of performance, discipline of officer and other incidents involving the performance of such services shall remain with the SHERIFF. The deputy sheriff shall report to work at the road commission or wherever his ROAD COMMISSION supervisor advises them to. The ROAD COMMISSION shall direct the deputy sheriff to their daily duties and responsibilities.

The ROAD COMMISSION agrees to provide a non-pursuit enforcement vehicle and to supply the equipment and training necessary to perform Weighmaster duties. In the event that this agreement is terminated, the enforcement vehicle along with any and all equipment provided by the ROAD COMMISSION shall be returned to the possession of the ROAD COMMISSION.

The SHERIFF shall assume the responsibility of recording hours and supplying an account activity to the ROAD COMMISSION on a monthly basis. The deputy sheriff assigned as Weighmaster shall present a bi-monthly report of activity to the ROAD COMMISSION.

The ROAD COMMISSION agrees to engage in no activity which would in any way bring about any liability of any kind or nature whatsoever to the SHERIFF other than that should naturally result from the execution and performance of its duties. The ROAD COMMISSION shall hold and save harmless the SHERIFF from any claim of any kind or nature whatsoever that is/are not covered or defended by the terms of the policy/policies of insurance described in Article 1, Par 2.

Either party may cancel this agreement upon Sixty, (60) days written notice to the other party. In the event that either of the parties herein defined, namely the TUSCOLA COUNTY SHERIFF'S OFFICE or the



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

TUSCOLA COUNTY ROAD COMMISSION exercise its right to cancel, the entire contract shall become null and void.

Now therefore the parties agree:

ARTICLE 1

THE SHERIFF SHALL PROVIDE:

1. One deputy sheriff, 40 hours of duty at the ROAD COMMISSION each week for 52 weeks of the year and necessary overtime as hereinafter set forth, less the officers approved annual vacation leave, compensatory time, personal business day(s) compensation days, and sick leave. Hours of regular duty shall be at such a time as shall be agreed to by the SHERIFF'S OFFICE and the ROAD COMMISSION.
2. The SHERIFF shall provide all necessary insurance for any employees of the SHERIFF acting under this agreement including workers compensation insurance, unemployment insurance, general liability insurance, and any other necessary insurance in connection with any duties of any employee of the SHERIFF acting pursuant to this agreement. The SHERIFF shall provide all payment of salaries, wages, fringe benefits, compensation for injury, compensation sickness, or sick pay, unemployment benefits, vacation or holiday pay, or other compensation to any county personnel performing services hereunder for the ROAD COMMISSION. The SHERIFF shall hold and save harmless the ROAD COMMISSION from any claim of any kind or nature whatsoever of any employee of the SHERIFF made in connection with the duties or activities of the SHERIFF in connection with this agreement.
3. This contract unless otherwise terminated by either party shall be in effect for one year from the date of signing. At that time the contract shall be reviewed and can be terminated by either party or renewed upon the agreement of both parties involved.

ARTICLE II

THE ROAD COMMISSION SHALL:

1. The ROAD COMMISSION shall provide adequate office space for the SHERIFF'S employee to prepare reports and telephone equipment necessary for said employee to make and receive telephone calls, a vehicle, vehicle insurance, mobile radio communications including laptop and modem, gasoline and repair as needed on such equipment as shall be provided the ROAD COMMISSION hereunder.



SHERIFF TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

ROAD COMMISSION- SHERIFF'S OFFICE AGREEMENT (One Officer FY-2018)

ARTICLE III

COST OF SERVICE

1. The ROAD COMMISSION shall pay to the SHERIFF all of the costs of performing the enforcement services set forth above as follows.

2. Computation of annual charge for One Officer.

A.	Salary, one officer (includes longevity and college as appropriate).	\$ 49,920.00*
1.	Disability Insurance	\$ 475.00
2.	Unused sick time payout	\$ 400.00
3.	Overtime	\$ 500.00
4.	Workers Compensation	\$ 519.00
5.	Health, Dental & Vision Insurance	\$ 15,270.00
6.	FICA	\$ 3,888.00
7.	Life Insurance	\$ 45.00
8.	Retirement	\$ 6,960.00
9.	Liability insurance	\$ 3,650.00
10.	Uniform/equipment	\$ 300.00
11.	Laundry	\$ 100.00
12.	Training	\$ 200.00
13.	Shift Premium	\$.00

Total: \$ 82,227.00

*The SHERIFF'S OFFICE will only bill for actual costs incurred. Regular pay is defined as the regular rate of pay times 2080 hours. Overtime pay is defined as one and a half times regular pay.

* A 2% wage increase has been included but has not been officially adopted yet.



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

TUSCOLA COUNTY ROAD COMMISSION – SHERIFF AGREEMENT (One Officer FY –2018)

ARTICLE IV

TERM OF AGREEMENT

1. Unless sooner terminated, as provided for herein, this agreement shall be for the term commencing as of January 1 2018, and ending December 31, 2018; thereafter, at the option of the ROAD COMMISSION and with the consent of the SHERIFF, this agreement shall be renewable for successive periods agreed upon by the parties.

2. In the event the ROAD COMMISSION desires to renew this agreement for any succeeding period, the ROAD COMMISSION shall, not later than 60 days preceding the expiration date of this agreement, notify the SHERIFF, that it wishes to renew the same;

Whereupon the SHERIFF not later than 30 days from receipt of notice, shall notify the ROAD COMMISSION, in writing of his willingness to accept renewal for an additional period or such other terms as he deems advisable, otherwise such agreement shall terminate at the end of such agreed upon period.



SHERIFF TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

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TUSCOLA COUNTY ROAD COMMISSION-SHERIFF'S OFFICE AGREEMENT

ONE OFFICER FY 2018

IN WITNESS WHEREOF, the TUSCOLA COUNTY ROAD COMMISSION, by resolution adopted by its Board, and the County of Tuscola, by order of its Board of Commissioners has caused these presents to be subscribed by the Chairperson of said Board to be affixed hereto and attested by the County Clerk, all on the day of the year first above written.

TUSCOLA COUNTY ROAD COMMISSION BOARD

By: John T. Laurie
By: [Signature]

County of TUSCOLA

By: _____
Thomas Bardwell, Chairman of the
Tuscola County Board of County Commissioners

By: _____
Jodi Fetting, County Clerk

By: _____
Glen Skrent, Sheriff

