

THE PAR PLAN NEWS

ISSUE 113

JUNE 2013



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Notice of Annual Business and Quarterly Board of Directors Meetings

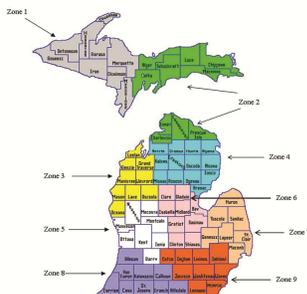
The annual business and quarterly meeting of the Michigan Township Participating Plan is being held at the Inn at Bay Harbor in Bay Harbor, Michigan on July 11th, 2013. Registration will begin at 8:30 a.m. and the meeting will begin at 9:00 a.m. in the Arlington Room on the lower level.

The Plan's annual business and quarterly meetings are open meetings for members who are interested in the detailed activities of the program and its outstanding committees that has transpired over the past twelve months. Additionally, the Plan's service providers will present their annual reports outlining their activity on behalf of the program.

Par Plan members are encouraged to attend.

MTPP BOARD OF DIRECTORS

- Zone 1
Paul Lehto
Calumet Township
(906) 337-2410
- Zone 2
Marvin Besteman, Jr.
Kinross Charter Township
(906) 495-5381
- Zone 3
Open
- Zone 4
Barbara J. Stevenson
Roscommon Township
(989) 422-4116
- Zone 5
Don Hilton, Sr., Vice Chairman
Gaines Charter Township
(616) 698-6640
- Zone 6
Jon Sherwood
Beaverton Township
(989) 465-9176
- Zone 7
William Walters
City of Brown City
(810) 346-2325
- Zone 8
Ronald Reid, Secretary
Kalamazoo Charter Township
(269) 381-8083
- Zone 9
William Bamber, Chairman
Oceola Township
(517) 546-3259



Par Plan Board of Director nomination results:

On April 5th, 2013 election nomination forms were mailed to all Par Plan members in Zones 3, 6 & 9 to receive nominations for the regular election of the board of directors serving a three year term.

On May 10th, 2013 the Par Plan Election committee confirmed nomination forms, member resolutions and candidate disclosure statements. The following candidates were confirmed and placed on the election ballots that were mailed out May 31st, 2013.

Zone 3: Glen K. Lile, Supervisor, East Bay Charter Township, Grand Traverse County —Seeking Election

Zone 6: Dr. Raymond Augenstein, Supervisor, Hayes Township, Clare County— Seeking election

Earl Arnold, Trustee, Charter Township of Monitor, Bay County — Seeking election

Zone 9: Incumbent William Bamber, Director—Seeking Re-election

The remaining election time table is as follows:

June 20th – Election ballots must be postmarked to receive vote consideration

June 26th – Election ballots will be counted and new directors confirmed

July 1st – Directors take office

July 11th – Par Plan Annual Business Meeting

New directors of the Par Plan program are selected based on the highest number of votes. Elected positions require directors to attend at least four (4) board meetings per year in addition to the Par Plan’s appointed committee meetings.

The Michigan Township Participating Plan is a tailored property and casualty risk management program developed to meet the needs of public entities. The Par Plan is a program controlled by public officials that understand the needs of local governments and the confined guidelines that governments have to work within.



Jon Sherwood Retires From Par Plan Board of Directors

Jon Sherwood, long time Par Plan Board of Director announces his retirement to be effective June 30, 2013 after a 12 year career with the Michigan Township Participating Plan. We extend to Jon our appreciation for his involvement with the program that has been invaluable to its continued success.

Jon has held various positions with the board from past Chairman of the Convention Committee and Chairman of the Newsletter Committee.

Jon intends to enjoy relaxing days with his family and spoiling his granddaughter.

<p>Par Plan News Editorial Staff: Jon Sherwood - Beaverton Township, Gladwin County Marvin Besteman, Jr. - Kinross Charter Township, Chippewa County Barbara J. Stevenson - Roscommon Township, Roscommon County Rita Evans - MTPP Program Administrator</p> <p>The Par Plan News is published by the Michigan Township Participating Plan’s</p>	<p>Program Administrator: Kenrick Corporation 1700 Opdyke Court Auburn Hills, MI 48326 (248) 371-3100 (248) 371-3069 Fax</p> <p>All rights reserved. Although every effort to ensure the accuracy of information in this newsletter has been made, professional counsel should be sought before any action or decision is made based on material contained herein.</p>
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Planning your summer events

As the summer season fast approaches so does the special events and fireworks displays. Many of us will be making plans to attend celebrations offered by our towns, cities, villages and surrounding communities. We all appreciate the excitement of such events, but hosting such events can pose many liability situations that require extensive planning by many individuals. Planners and communities must realize that successful events are more than providing a fun atmosphere, it means ensuring a safe one also.

MTPP RISK CONTROL SPECIAL EVENT / FIREWORKS GUIDELINES

The Risk Control Department of the Michigan Township Participating Plan defines "special events" as activities that are not directly related to the day-to-day operations of governmental entities, but may occur on premises owned or controlled by the entity. However, with today's litigious society, the "risks" associated with these activities must now be carefully examined for potential liability, both against the event sponsor and or the governmental entity involved.

Special events are rated in four categories. The below definitions are not all-inclusive and serve as a guideline.

Low Hazard. No physical activity by participants and no severe exposures to spectators, such as: outdoor meetings, small theatrical performances, auctions, farmers markets and social gatherings, having no alcoholic beverages.

Medium Hazard. Limited physical activity by participants and no severe exposure to spectators, such as: dances, flea markets, picnics, parades with no floats, and "family type concerts".

High Hazard. Considerable physical activity by participants and/or moderate to severe exposure to spectators, such as: team sporting events (non-professional), circuses and carnivals with rides, stationary amusement structures (i.e. dunk tanks), inflatable play structures, parades with floats, marathons or similar events.

Special Hazard. Fireworks displays, all functions where alcoholic beverages are served, rock concerts, professional or collegiate sporting events, and events with crowd size of over 5,000 persons.

When planning your event the following are key items that an entity or sponsor should request and maintain on file.

Certificates of Insurance for any services or products being provided by outside vendors (i.e. inflatables, performers, pony rides, children's games, carnival vendors, dunk tanks, fireworks, etc. This is not an all-inclusive list). Limits of liability required should not be less than \$1,000,000.00 per occurrence and/or aggregate combined single limit for personal injury, bodily injury and property damage. Additionally, the entity and the entity Committee (if applicable) should be named as additional insured's on the vendor's policy.

Alcohol. If an event is allowing alcohol to be sold, the vendor/entity selling the alcohol will need to secure the proper special event liquor license with the State and provide proof of liability coverage. If a group other than the entity is sponsoring the alcohol, the entity will need to be named as an additional insured on the policy (unless being held on private property). Policy limit should be a minimum of \$1,000,000.00. A site plan should be developed for a beer tent to indicate a location for entrance and exit and location for identification and age checks.

Fireworks. It is the local governmental unit's responsibility to grant permits for fireworks displays. Before issuing a permit, the township board must evaluate the competency and qualifications of the pyrotechnic operator. MCL 750.243b (5) states that "the local governing authority shall rule on the competency and qualifications of operators of pyrotechnic displays, as the operator has furnished in his application form, and on the time, place and safety aspects of the displays before granting permits."

If the entity is just issuing a permit to another entity or private individual, by law it is still their responsibility to receive a site plan for review by their Fire Chief.

The operator requesting a permit should submit an application along with a site plan and should be reviewed by the entity issuing the permit. This plan should include information regarding the shell size(s) that will be used in the display, the distance between the spectators and detonation area. The entity should request a certificate of insurance from the operator evidencing liability coverage for operation of the display in addition to requesting the operator to name the entity as an additional insured.

Parade / Float entries. The entity may want to review the current policy of sponsoring the parade and encourage an outside organization to sponsor the parade and the entity's only involvement would be to grant permission to hold the parades.

In the event, the entity wishes to pursue sponsorship, participants wishing to be part of the parade and float entries should be required to complete and sign a registration form containing a hold harmless clause indemnifying the entity and from any and all claims.

All drivers must hold a valid driver's license, if driving a motor vehicle or float in the parade. Additionally, proof of insurance for private vehicles (as required by law) is required from participants. This may be accomplished by requesting a copy of the participant's declaration page showing these (3) areas of concern: Current dates of coverage, Limits of Liability and Driver's personal vehicle listed on the policy.

Emergency Vehicles. Non-emergency personnel (even family members) should not be allowed to ride on or in emergency vehicles under any circumstance, unless a ride-along waiver is obtained. Should any mishaps occur the entity and department could be held liable. One of the exceptions to the governmental immunity protection afforded to municipal entities is from the negligent operation of municipal owned vehicles. Consequently, should someone other than an employee be injured, the municipality could possibly be exposed to a lawsuit in which the doctrine of common law would apply and possibly forfeit governmental immunity.

All of the above recommendations will help you in managing your risk exposures during your special event. The Risk Control Department will review a special event application for your entity to assist you and your entity in identifying possible liability exposures in sponsored events such as these.

Remember the MTPP Risk Control department is available to further assist and answer questions that you may have. Risk Control may be reached at 800.536.7425.



DEFINING THE DIFFERENCE BETWEEN **FIRE DEPARTMENT** & **FIRE ASSOCIATION**

By: Pam Baker, MTPP Risk Control Field Representative

Does your municipality have a Fire Department? Does the Fire Department have a separate Fire Association? What is the difference between the two? And, what are the guidelines for appropriate funding?

The Fire Department is a legal government operation as a department under the operations of the municipal unit's governing board as provided by Michigan laws (Public Act 33 of 1951) to provide fire and rescue service to its community through support of taxes and fees. All personnel of the department are employees of the municipal unit, all expenses of the department (including payroll even if personnel are only volunteers) must be paid by the municipal unit, and all fees collected through the Fire Department, including donations, must be deposited with the municipal Treasurer (MCL 41.76) and then dispersed appropriately. The Fire Department property (building, vehicles, and equipment) should only be used for official fire business.

Many Fire Departments perform fund raising or special events, such as Pancake Breakfast or Spaghetti Dinner, to raise monies for a particular piece of equipment or to contribute to the purchase of a new vehicle when the general fund does not provide enough funding. The governing board must approve the event and all monies collected must be deposited with the municipal Treasurer.

The Fire Association is developed by members of the Fire Department through a membership fee, which is maintained in a separate bank account by the association, to perform fundraising events, which are typically to obtain additional fire equipment and clothing not being provided by the municipal unit or to contribute to charities. The association board is voted in by the membership. However, in order for the association to be a legal entity, they must be properly organized, which means incorporated under the laws of Michigan (Public Act 162 of 1982) by obtaining a 501c3 non-profit status. A properly organized association may obtain a tax identification number and open bank accounts in their own name.

When the Fire Association sponsors an event, and it is held at the fire hall, the governing board should ensure the association is a legal entity (check this link if unsure (<http://www.dleg.state.mi.us>) and again, the board must approve the event. Additionally, the municipal unit should require the association to provide adequate proof of insurance for the event that also names the government unit as an additional insured. The association may also be subject to the Public Safety Solicitation Act (Public Act 298 of 1992)

KEEP IN MIND - When the Fire Association is performing a fundraising event, many people believe they are paying monies that will go directly to the Fire Department; however, most often the monies collected is being deposited into the Fire Association's bank account. There must be a distinction between the municipal Fire Department and the Fire Association, which means that a properly organized Fire Association should not include "Township" or "Fire Department" within their organizations name.

Lastly, special events or fundraising events are not considered an essential government operation. If a Fire Department is sponsoring an event that includes alcohol, a raffle, or any gambling type activity, the proper permits and licenses should be obtained through the State of Michigan. Alcohol use during an event can create an adverse liability exposure and should be carefully reviewed. We **encourage** government units to consult with your Legal Counsel, Auditor, or Risk Control Representative for further assistance. The Risk Control Department can be reached at 800-536-7425.

Visit us on the web
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