

## Dry Grove Salary History

### 2001-2005

October 10, 2000  
Dry Grove Town Board Meeting

Salaries for upcoming **term May 2001 through April 31, 2005** were discussed. The board reviewed responsibilities and commitments associated with each office. Trustee Denzer made a motion to accept the following salary schedule:

Supervisor: 8,000.00  
Clerk: 4,000.00  
Road Commissioner: 21,000.00  
Trustees 1,200.00

Trustee Reimer seconded the motion. The motion was not passed with 2 ayes, 2 nays and 1 abstention.

The board continued discussion concerning the salaries. Following this discussion Trustee Reinhart made a motion to accept the following salary schedule:

Supervisor: **8,000.00**  
Clerk: **4,000.00**  
Road Commissioner: **21,000.00**  
Trustees: **1,200.00**

Trustee Denzer seconded the motion. The motion carried 4 ayes 1 nay.

### 2005-2009

May 11, 2004  
Dry Grove Town Board Meeting

The board reviewed Township Officials salaries for the **2005-2009 term**. These salaries must be set 180 days prior to the election. Following discussion by all board members, Trustee Denzer made a motion to set the officials salaries as follows:

Supervisor: **8,800.00**  
Road Commissioner: **23,100.00** (Salary=\$19,800.00 Truck allowance \$3,300.00)  
Clerk: **4,400.00**  
Trustees: **1,320.00**

Trustee Reinhart seconded the motion. The motion carried 4 ayes, 0 nays and 1 absent. This reflects a 10% increase over the next 4 years (2% per year).

Trustee Grieder commented he felt the previous term's Trustee salary was adequate for the position.

**\\ 2009-2013**

July 8, 2008  
Dry Grove Town Board Meeting

A slate of salaries was proposed by Supervisor Miller and the board discussed the salaries presented. Trustee Schowerer made a motion to accept the salaries for the **2009-2013 term**.

Trustee Reinhart seconded the motion.  
The motion carried 4 ayes and 0 nays. The salaries approved are as follows:

Supervisor:	<b>9,700.00</b>
Road Commissioner:	<b>25,400.00</b>
Town Clerk:	<b>4,900.00</b>
Trustee:	<b>1,450.00</b>

**\\ 2013-2017**

October 9, 2012  
Dry Grove Town Board Meeting

5. Resolution for Setting Compensation of Township Officials: Resolution 12-13-3 for Salary Compensation was discussed. Supervisor Winters will include the duties required to receive the Supervisor Salary of \$9,700.00. If those duties are not performed the salary will be reduced by the documented amounts on the Compensation Resolution. The Road District Treasurer's salary was discussed. The Supervisor researched costs from Tyler Ernst's office for his past services. The fees from his office for W-2's, 1099's, accounting and quarterly tax reporting totaled \$6,170.00 annually. \$4,210.00 was for the Town and Road District fees for W- 2's, 1099's, semi-monthly payroll, quarterly tax returns, monthly payroll tax deposits and the Comptroller's report which is split between the two entities totaled 1,960.00. The Road District Treasurer's salary can be set between \$100.00 and \$1,000.00 annually. The Clerk salary of \$4,900.00 will remain the same. The Trustees salary of \$1,450.00 will remain the same. The board discussed the availability of funds for higher salaries. The new salaries will take effect May 20, 2013. The board discussed the Road District Treasurer's salary. Following discussion, the Road District Treasurer's salary was set at \$500.00 annually. The board discussed the Road Commissioner salary which currently is at \$25,404.00. The salaries are budgeted to the Town Fund. The Road District only committed to one year of budgeting \$5,000.00 for the Road Commissioner salary. The Trustees reviewed a salary review presented to them by the Road Commissioner from a

County survey. The survey compared Road District miles, population, vehicle, gas allotment and salary increases. The board discussed what monies were available for any increase and how Dry Grove compared to other townships. The Town Fund would not have enough monies to support the current Road Commissioner salary. The board agreed to leave the Road Commissioner salary the same as the current salary of \$25,404.00. The Road Commissioner stated his check included a fuel allowance. The Supervisor stated he was paid a salary and there is not a fuel compensation. The Road Commissioner stated there was a fuel compensation of \$200.00 per month. The board discussed there was a truck compensation included in the salary. The board discussed that the Supervisor and Clerk do not receive any mileage reimbursement. The Road Commissioner stated a fuel reimbursement of \$200.00 was discussed four years ago. The board did not have documentation of the fuel reimbursement. The Road Commissioner felt he should have a fuel reimbursement increase. He discussed what other townships were doing for their Road District. The board discussed the miles as compared to the additional help that was being paid for Road District employee salaries. The board then discussed setting a salary only without truck or mileage compensations for the Road Commissioner. They encouraged the Road Commissioner to check with his tax accountant for any deductible expenses incurred. The board decided to set a salary for the Road Commissioner at \$25,404.00 because the Town Fund does not have ample funds to increase part time salaries. The board cannot payout more than the township receives. The IMRF benefit is available to the Road Commissioner and Supervisor. The IMRF benefit qualification is for at least 1,000 hours of work. Trustee Schieber made a motion to accept Resolution 12-13/3 for Setting Compensation of Township Officials for the Four Year Term Beginning May 20, 2013 for Dry Grove Township, McLean County, Illinois and Trustee Reinhart seconded the motion.

The motion carried 5 ayes and 0 nays with the following roll call vote: Supervisor Winters - Aye, Trustee K. Schwoerer-Aye, Trustee J Schwoerer - Aye, Trustee Reinhart - Aye and Trustee Schieber - Aye.

The following salaries were set:

Supervisor:	<b>9,700.00</b>
Road District Treasurer:	<b>500.00</b>
Highway Commissioner:	<b>25,404.00</b>
Township Clerk:	<b>4,900.00</b>
Trustees:	<b>1,450.00</b>

**RESOLUTION 12-13/3**  
**SETTING COMPENSATION OF TOWNSHIP OFFICIALS**  
**FOR THE FOUR YEAR TERM BEGINNING MAY 20, 2013**  
**DRY GROVE TOWNSHIP, MCLEAN COUNTY, ILLINOIS**

**WHEREAS**, according to 60 ILCS 1-65-20, the compensation of township officers shall be set by the township board at least 180 days before the beginning of the terms of office.

**WHEREAS**, according to 60 ILCS 1-65-20, the compensation for the Township Supervisor shall be set by the Township Board at the same time the board sets the compensation for Road District Treasurer, Trustees, Clerk and Highway Commissioner.

**WHEREAS**, according to 60 ILCS 1-65-20, the compensation for the Road District Treasurer shall be fixed by the Township Board and shall not be less than \$100 or more than \$1,000 per year.

**WHEREAS**, according to 60 ILCS 1-65-20, the compensation for the Township Clerk shall be set by the Township Board at the same time the board sets the compensation for Road District Treasurer, Supervisor, Trustees and Highway Commissioner.

**WHEREAS**, according to 60 ILCS 1-65-20, the compensation for the Township Trustees shall be set by the Township Board at the same time the board sets the compensation for Road District Treasurer, Supervisor, Clerk and Highway Commissioner

**WHEREAS**, according to 605 ILCS 5/6-207, the compensation of the Highway Commissioner shall be fixed by the Township Board at an annual salary of not less than \$3,000 to be paid in equal monthly installments, or a per diem amount for each day he or she is necessarily employed in the discharge of official duties;

**NOW, THEREFORE, BE IT ORDAINED BY** Board of Trustees of Dry Grove Township that the compensation of the township officials for the four year term beginning May 20, 2013 and ending May 15, 2017 shall be as follows:

**SECTION 1:** The salaries for township officials shall be as follows:

**Supervisor's Salary:** Effective for each of the following years:

May 20, 2013 – May 19, 2014 **\$9,700.00** May 19, 2014 – May 18, 2015 **\$9,700.00**

May 18, 2015 – May 16, 2016 **\$9,700.00** May 16, 2016 – May 15, 2017 **\$9,700.00**

**Duties included in the compensation:**

**Payroll, Quarterly payroll tax returns, W-2's, Comptroller's report, Tax levy Ordinance processing, and Budget & Appropriation Ordinance processing. If these duties are not performed by the Supervisor, the salary will be reduced by the cost of these duties being performed through Outside services.**

**Road District Treasurer:** \$ 500.00 ANNUALLY

**Duties included in the compensation:**

**Semi-monthly payroll and tax deposits, W-2's, 1099 processing, Comptroller's report.**

**If these duties are not performed by the Road District Treasurer, the salary will be reduced by the cost of these duties being performed through Outside services.**

**Township Clerk:** Effective for each of the following years:

May 20, 2013 – May 19, 2014 **\$4,900.00** May 19, 2014 – May 18, 2015 **\$4,900.00**  
May 18, 2015 – May 16, 2016 **\$4,900.00** May 16, 2016 – May 15, 2017 **\$4,900.00**  
Dry Grove McLean

**Trustees:** Effective for each of the following years:

May 20, 2013 – May 19, 2014 **\$1,450.00** May 19, 2014 – May 18, 2015 **\$1,450.00**  
May 18, 2015 – May 16, 2016 **\$1,450.00** May 16, 2016 – May 15, 2017 **\$1,450.00**

**Highway Commissioner:** Effective for each of the following years:

May 20, 2013 – May 19, 2014 \$ 25,404.00 May 19, 2014 – May 18, 2015 \$ 25,404.00  
May 18, 2015 – May 16, 2016 \$ 25,404.00 May 16, 2016 – May 15, 2017 \$ 25,404.00

**SECTION 2:** The following township offices in addition to the compensation outlined in Section 1, will received the following benefits:

Supervisor:

Clerk: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Highway Commissioner: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Trustees: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Other: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PASSED THIS** 9th day of October, 2012 by the Board of Trustees of Dry Grove Township, McLean County, Illinois.

SEAL:

\_\_\_\_\_  
Dry Grove Township Supervisor

\_\_\_\_\_  
Dry Grove Township Clerk



# Township Officials of Illinois

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**KAREN L. REESE**  
President

## Memorandum

**To:** Township Clerks  
**From:** Bryan E. Smith, Executive Director  
**Date:** June 1, 2016  
**Re:** Salary Survey Results

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During January of this year, the Township Officials of Illinois (TOI) sent a salary survey to each of the 1,431 township clerks throughout the State of Illinois. The information from the survey will help township and multi-township boards throughout the state compare their salaries with those paid in other townships of similar size, assessed valuation and population.

This year each township board and multi-township board is charged with setting the compensation for each elected township and multi-township office for the upcoming term, beginning May 15, 2017 (January 1, 2018 for assessors, multi-township assessors and collectors) and ending the third Monday in May, 2021 (December 31, 2021 for assessors, multi-township assessors and collectors).

Compensation for the elected township officials must be set by the township board at least 180 days prior to the beginning of the term of office. This includes salary and benefits such as health insurance coverage. The deadline is November 16, 2016 and must be done in an open meeting with a public vote by the board.

Similarly, compensation for the multi-township assessor and multi-township assessment district (MTAD) board members must be set at least 150 days before the election. Salaries for the multi-township assessor and MTAD board members must be done in an open meeting with a public vote by the MTAD board no later than November 5, 2016.

The enclosed survey results show the salaries of townships grouped by counties into zones. We recommend each township official review and consider this information prior to setting salaries for the new term of office. The results also indicate the number of townships responding to the survey for each office, and whether health insurance coverage or a retirement program is provided to the official. As stated in the cover letter when asking for salary information, individual township information will be kept confidential and not shared. If you wish individual township information, you will need to contact the township directly.

If you have any questions on setting salaries, we recommend you consult your township attorney or please feel free to contact our office.

*Serving The Townships of Illinois Since 1907*

## *2016 Township Salary Survey*

As many of you know, later this year each township board and multi-township board is charged with setting the compensation for each elected township and multi-township office for the upcoming term, beginning May 15, 2017 and ending the third Monday in May 2021 (beginning January 1, 2018 for assessors, multi-township assessors and collectors and ending December 31, 2021). To aid township officials with this process, during January of this year, the Township Officials of Illinois (TOI) sent a salary survey to each of the 1,431 township clerks throughout the State of Illinois. The information gained from the survey will help township and multi-township boards throughout the state compare their salaries with those paid in other townships of similar size, assessed valuation and population.

The results of the survey indicate the salaries of townships grouped by counties into zones, and we recommend each township official review and consider this information prior to setting salaries for the new term of office. The results also indicate the number of townships responding to the survey for each office, whether health insurance coverage is provided, and whether a retirement program is provided to the official. If you have any questions on setting salaries, consult your township attorney or contact TOI.

Before getting into the results of the survey, it may be best to review the statutory guidelines on setting salaries.

According to state law, compensation for the elected township officials shall be set by the township board at least 180 days prior to the beginning of the term of office. Compensation, which includes benefits such as health insurance coverage, must be set by the board no later than November 16, 2016 and must be done in an open meeting with a public vote by the board.

According to state law, compensation set for the multi-township assessor and multi-township assessment district (MTAD) board members must be set at least 150 days before the election. Salaries for the multi-township assessor and MTAD board members must be done in an open meeting with a public vote by the MTAD board no later than November 5, 2016.

**Again, any health insurance benefit provided is considered part of the compensation package and needs to be set at the same time salary for the position is set. Health insurance payments must be made directly to the provider and not be paid directly to the elected official as a form of reimbursement.**

The Attorney General's Office has stated that even discussion of the salaries for the elected officials must be done in an open meeting. The Open Meetings Act does contain a provision that allows for a closed session to discuss the salary schedules for employees. However, the Attorney General's office has said that elected township officials do not fall under the definition of "employee" and thus discussion, deliberation and the final vote on salaries for elected township officials must all be done in an open meeting.

### **Supervisor, Township Clerks & Trustees**

Generally speaking, supervisors and clerks are paid annual salaries. However, these offices may be paid on a per diem basis. In addition to their salary, a supervisor may be compensated for serving as road district treasurer. The salary as road district treasurer may not be less than \$100 nor more than \$1,000 per year. This must also be set at the same time as the other township officials' salaries, and must be paid out of the town fund. Trustees may be paid either an annual salary, or on a per diem (per meeting) basis.

### **Highway Commissioners**

Highway commissioners may be paid an annual salary (minimum of \$3,000) or a per diem salary but not a combination of both. Highway commissioners may not legally be paid an hourly rate or overtime for hours in excess of an established number. It should be understood that per diem payments are for all duties carried out in a single 24-hour period. However, if a per diem is established, the township board must be prepared to pay the per diem for every day of the year including Sundays and holidays.

### **Assessors**

Township assessors and multi-township assessors may also be paid a per diem or an annual salary. There is no provision though for a per-parcel payment even if per-parcel compensation is utilized for establishing a fair annual salary. The salary ranges for assessors shown in the survey results do not include reimbursement of official expenses incurred by travel, training, education, postage, etc. required for administering the office of assessor or multi-township assessor.

### **SURVEY RESULTS**

The results of this survey will aid your township in comparing your salaries with those paid in townships of approximately the same population and assessed valuation. Please keep in mind the salaries set remain in effect for the four-year term beginning May 15, 2017 (January 1, 2018 for assessors, multi-township assessors and collectors). Note that it is acceptable to establish incremental increases (or decreases) for each of the four years, but the compensation must be set by the respective boards by prior to the last day to set salaries for the 2017 township election as outlined above.

### **Supervisors**

As past surveys have illustrated, salaries in Zone I are generally higher than the other zones. This zone includes Cook and the "collar" counties. According to the survey results, over 92% of the supervisors in Zone I make at least \$10,000 a year, with 50% receiving more than \$30,000. Of the supervisors in Zone II, over 38% of those responding are paid more than \$10,000 and only 6% receive \$30,000 or more. A bulk of the supervisors receive a salary between \$1,000 and \$10,000 in Zones III, IV, V, and VI with Zone III 88%, Zone IV 78%, Zone V 89, and Zone VI 78% respectively. In addition, 76% those supervisors who responded that they receive compensation as road district treasurer in Zone I receive \$1,000 as road district treasurer, with 64% in Zone II, 54% in Zone III, 57% in Zone IV, 11% in Zone V, and 70% in Zone VI receiving the same compensation.

### **Township Clerks**

As with the supervisors, the township clerks in Zone I receive a greater salary than that of the clerks in the other zones. Approximately 95% of the township clerks responding to the survey in Zone I receive at least \$5,000. In fact, in Zone I a vast majority of clerks, nearly 65%, receive an annual salary between \$5,000 and \$20,000. In Zone II, 52% of the town clerks responding receive less than \$5,000 in salary with only 46% falling in the \$5,000 to \$20,000 range. A majority of township clerks responding receive less than \$5,000 per year in Zone III 85%, Zone IV 70%, Zone V 88%, and Zone VI 66%.

### **Trustees**

A majority of the trustee respondents are compensated on a per meeting basis. As noted above, compensation of trustees is a reflection of the population figures, with Zone I experiencing the highest range. Except for Zone I, over 64% of trustees responding in all Zones receive per diem compensation. Further, all Zones except Zone I experienced a majority of trustee compensation in the below \$1,000 range.

### **Highway Commissioners**

Results indicate that in Zone I, 100% of the highway commissioners earn \$10,000 or more and 68% receive over \$30,000. Similarly in Zone II, 96% receive \$10,000 or more with 45% receiving over \$30,000. The information illustrates that highway commissioners in the \$10,000 or more range are as follows Zone III 95%, Zone IV 88%, Zone V 83%, and in Zone VI 99%.

It is safe to say that a significant number of highway commissioners serve full time. This explains the distribution of funds when comparing to other officials.

**Assessors**

In Zone I, the largest percentage of assessor (single) salaries lie in the over \$30,000 range, at 67% of the respondents. The assessor position is generally considered a full-time post in Zone I. Zone II had 44 assessors (single) responding with 95% being over \$10,000 range of which 39% is over \$30,000. Zone II showed 40 multi-township assessors responding; the largest percentage in the \$10,000 to \$19,999 range at 43%. Zones III had 50 assessor (single) responses. Though they ranged from \$1,000 to over \$30,000, the highest percentage was \$10,000 to \$19,999. Zone III had 75 multi-assessor responses; the highest percentage in the \$5,000 to \$9,999 range. Zone IV had 46 assessor (single) responses and 51 multi-township assessor responses. The assessor ranged from the \$1,000 to over \$30,000 with the largest percentage for both assessor and multi-assessor in the \$5,000 to \$9,999 range. Zone V had 16 assessor (single) responses with the highest percentages in the \$1,000 to \$4,999. Zone V multi-township assessors responded with 52 with the vast majority making \$1,000 to \$9,999. Zone VI had 50 assessor (single) responses with the majority in the \$5,000 to \$9,999 range and it had 69 multi-township assessor responses with majority in the \$5,000 to \$9,999 and the \$10,000 to \$19,999 range.

Salaries for township and multi-township assessors show a lot of disparity between Zone I and all the other zones. Again, although a per-parcel salary is not permitted by statute, it is arguably the fairest way to determine a salary for an assessor. When setting a salary for your assessor or multi-township assessor, you may want to consider the number of parcels to help make a more reasonable salary determination. This information may be obtained by your assessor or your chief county assessment officer.

Please remember that salaries may only be legally established by statute. For each elected official here is what the statutes say:

<i>Office</i>	<i>Minimum Salary</i>	<i>Maximum Salary</i>
Supervisor	None	None
Road Dist Treasurer (Supervisor)	\$100.00	\$1000.00
Clerk	None	None
Assessor or Multi-Twp. Assessor	None	None
Highway Commissioner	\$3000 minimum annual salary	None
Trustees *	None	None
Tax Collectors <i>(only four counties, Madison, Peoria, Sangamon, and Will have township tax collectors)</i>	None	None

\*(Multi-Township Board of Trustees, which is the Supervisor and Township Clerk from each township in the MTAD, may receive additional compensation for their service, set by the multi-township board, in an amount not to exceed \$25/day for each day of service)

**There is case law which states in effect that “if no salary for an elected official is established, no salary may be paid.” Don’t let this apply to your township. Set salaries according to statute and do it early.**

# *Zone Breakdowns*

## *Zone 1*

*Cook  
Lake*

*DuPage  
McHenry*

*Kane  
Will*

## *Zone 2*

*Boone  
DeKalb  
Grundy*

*Kankakee  
Kendall  
LaSalle*

*Lee  
Ogle  
Winnebago*

## *Zone 3*

*Bureau  
Carroll  
Fulton  
Hancock  
Henderson  
Henry*

*Jo Daviess  
Knox  
Marshall  
Mercer  
McDonough  
Peoria*

*Putnam  
Rock Island  
Stark  
Stephenson  
Warren  
Whiteside*

## *Zone 4*

*Adams  
Bond  
Brown  
Cass  
Christian  
Clinton*

*Greene  
Jackson  
Jersey  
Macoupin  
Madison  
Mason*

*Montgomery  
Pike  
Sangamon  
Schuyler  
St. Clair  
Washington*

## *Zone 5*

*Clark  
Clay  
Crawford  
Cumberland  
Effingham  
Fayette*

*Franklin  
Gallatin  
Hamilton  
Jasper  
Jefferson  
Lawrence*

*Marion  
Richland  
Saline  
Shelby  
Wayne  
White*

## *Zone 6*

*Champaign  
Coles  
DeWitt  
Douglas  
Edgar  
Ford*

*Iroquois  
Livingston  
Logan  
Macon  
McLean*

*Moultrie  
Piatt  
Tazewell  
Vermilion  
Woodford*

## ZONE 1

113 Surveys Sent

62 (54.87%) Surveys Returned

Office	Responses Received	How Paid			Salary Ranges								Health Insurance Provided	Retirement Program Provided
		Annual	Per Diem or Per Mtg	Both Annual & Per Diem/Mtg	0-499	500-999	1,000-4,999	5,000-9,999	10,000-19,999	20,000-29,999	over 30,000			
Supervisor	62	100%	0.00%	0.00%	0.00%	0.00%	0.00%	8.06%	20.97%	20.97%	50.00%	26	37	
Clerk	62	100%	0.00%	0.00%	0.00%	0.00%	4.84%	32.26%	32.26%	20.97%	9.68%	11	25	
Commissioner	56	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.86%	14.29%	67.86%	5	6	
Assessor	60	100%	0.00%	0.00%	0.00%	0.00%	0.00%	3.33%	10.00%	20.00%	66.67%	29	40	
Multi-Assessor	2	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0%	100.00%	0.00%	0.00%	Included with Assessor total	Included with Assessor total	
Trustees	60	73.33%	25.00%	1.67%	0.00%	11.67%	61.67%	23.33%	1.67%	0.00%	1.67%	29	37	
Collectors	3	100.00%	0.00%	0.00%	66.67%	33.33%	0.00%	0.00%	0.00%	0.00%	0.00%	1	1	
Road Treas	41	100%	0.00%	0.00%	12.20%	12.20%	75.61%	0.00%	0.00%	0.00%	0.00%	NA	NA	

## ZONE 2

168 Surveys Sent

100 (59.53%) Surveys Returned

Office	Responses Received	How Paid			Salary Ranges								Health Insurance Provided	Retirement Program Provided
		Annual	Per Diem or Per Mtg	Both Annual & Per Diem/Mtg	0-499	500-999	1,000-4,999	5,000-9,999	10,000-19,999	20,000-29,999	over 30,000			
Supervisor	99	95.96%	2.02%	2.02%	0.00%	0.00%	19.19%	42.42%	23.23%	9.09%	6.06%	4	19	
Clerk	100	94.00%	3.00%	3.00%	0.00%	0.00%	52.00%	38.00%	8.00%	2.00%	0.00%	1	8	
Commissioner	98	97.96%	2.04%	0.00%	0.00%	0.00%	2.04%	2.04%	18.37%	32.65%	44.90%	9	31	
Assessor	44	100.00%	0.00%	0.00%	0.00%	0.00%	2.27%	2.27%	29.55%	27.27%	38.64%	7	21	
Multi-Assessor	40	97.50%	2.50%	0.00%	0.00%	0.00%	2.50%	30.00%	42.50%	17.50%	0.00%	Included with Assessor total	Included with Assessor total	
Trustees	100	45.00%	55.00%	0.00%	7.00%	49.00%	43.00%	1.00%	0.00%	0.00%	0.00%	0	0	
Collectors	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0	0	
Road Treas	39	100%	0.00%	0.00%	12.82%	23.08%	64.10%	0.00%	0.00%	0.00%	0.00%	NA	NA	

## ZONE 3

318 Surveys Sent

181 (56.92%) Surveys Returned

Office	Responses Received	How Paid			Salary Ranges								Health Insurance Provided	Retirement Program Provided
		Annual	Per Diem or Per Mtg	Both Annual & Per Diem/Mtg	0-499	500-999	1,000-4,999	5,000-9,999	10,000-19,999	20,000-29,999	over 30,000			
Supervisor	181	92.82%	4.97%	3.31%	0.00%	0.55%	56.35%	31.49%	5.52%	2.21%	3.87%	6	15	
Clerk	181	92.27%	4.97%	2.76%	0.55%	4.42%	79.56%	12.71%	1.66%	1.10%	0.00%	2	7	
Commissioner	173	95.95%	3.47%	16.67%	0.00%	0.00%	1.73%	3.47%	21.97%	34.10%	38.73%	12	27	
Assessor	50	98.00%	0.00%	2.00%	0.00%	0.00%	18.00%	22.00%	32.00%	8.00%	20.00%	5	13	
Multi-Assessor	75	100.00%	0.00%	0.00%	0.00%	0.00%	14.67%	53.33%	25.33%	4.00%	0.00%	Included with Assessor total	Included with Assessor total	
Trustees	181	28.73%	70.17%	1.10%	34.81%	54.14%	11.05%	0.00%	0.00%	0.00%	0.00%	0	2	
Collectors	8	100.00%	0.00%	0.00%	12.50%	0.00%	62.50%	25.00%	0.00%	0.00%	0.00%	0	1	
Road Treas	50	100.00%	0.00%	0.00%	26.00%	20.00%	54.00%	0.00%	0.00%	0.00%	0.00%	NA	NA	

## ZONE 4

307 Surveys Sent

149 (48.54%) Surveys Returned

Office	Responses Received	How Paid			Salary Ranges							Health Insurance Provided	Retirement Program Provided
		Annual	Per Diem or Per Mtg	Both Annual & Per Diem/Mtg	0-499	500-999	1,000-4,999	5,000-9,999	10,000-19,999	20,000-29,999	over 30,000		
Supervisor	148	83.11%	14.19%	2.70%	0.00%	0.68%	50.00%	27.70%	11.49%	5.41%	4.73%	6	29
Clerk	148	82.43%	15.54%	2.03%	0.00%	3.38%	66.89%	22.30%	6.08%	0.68%	0.68%	4	17
Commissioner	145	91.03%	8.28%	0.69%	0.00%	0.69%	2.76%	8.28%	31.72%	25.52%	31.03%	18	41
Assessor	46	100.00%	0.00%	0.00%	0.00%	0.00%	15.22%	36.96%	30.43%	4.35%	13.04%	5	10
Multi-Assessor	51	100.00%	0.00%	0.00%	0.00%	0.00%	37.25%	52.94%	9.80%	0.00%	0.00%	Included with Assessor total	Included with Assessor total
Trustees	149	39.60%	59.06%	1.34%	24.16%	46.31%	27.52%	2.01%	0.00%	0.00%	0.00%	0	6
Collectors	7	100.00%	0.00%	0.00%	0.00%	0.00%	71.43%	28.57%	0.00%	0.00%	0.00%	0	0
Road Treas	51	98.04%	1.96%	0.00%	9.80%	33.33%	56.86%	0.00%	0.00%	0.00%	0.00%		

## ZONE 5

243 Surveys Sent

101 (41.57%) Surveys Returned

Office	Responses Received	How Paid			Salary Ranges							Health Insurance Provided	Retirement Program Provided
		Annual	Per Diem or Per Mtg	Both Annual & Per Diem/Mtg	0-499	500-999	1,000-4,999	5,000-9,999	10,000-19,999	20,000-29,999	over 30,000		
Supervisor	101	71.29%	23.76%	4.95%	0.99%	0.00%	66.34%	22.77%	6.93%	0.99%	1.98%	4	7
Clerk	101	69.31%	24.75%	5.94%	0.00%	11.88%	76.24%	9.90%	1.98%	0.00%	0.00%	2	7
Commissioner	98	89.80%	9.18%	1.02%	0.00%	0.00%	7.14%	10.20%	38.78%	31.63%	12.24%	9	19
Assessor	16	100.00%	0.00%	0.00%	0.00%	0.00%	43.75%	18.75%	18.75%	0.00%	18.75%	1	5
Multi-Assessor	53	100.00%	0.00%	0.00%	0.00%	0.00%	42.31%	40.38%	17.31%	0.00%	0.00%	Included with Assessor total	Included with Assessor total
Trustees	100	34.00%	66.00%	0.00%	76.00%	13.00%	11.00%	0.00%	0.00%	0.00%	0.00%	0	0
Collectors	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0	0
Road Treas	26	100%	0.00%	0.00%	42.31%	26.92%	30.77%	0.00%	0.00%	0.00%	0.00%	NA	NA

## ZONE 6

282 Surveys Sent

169 (59.93%) Surveys Returned

Office	Responses Received	How Paid			Salary Ranges							Health Insurance Provided	Retirement Program Provided
		Annual	Per Diem or Per Mtg	Both Annual & Per Diem/Mtg	0-499	500-999	1,000-4,999	5,000-9,999	10,000-19,999	20,000-29,999	over 30,000		
Supervisor	169	90.53%	8.88%	0.59%	0.00%	0.00%	39.05%	38.46%	15.38%	3.55%	3.55%	7	34
Clerk	168	89.29%	10.12%	0.60%	0.00%	0.00%	66.07%	27.38%	6.55%	0.00%	0.00%	1	16
Commissioner	165	98.18%	1.82%	0.00%	0.00%	0.00%	0.00%	0.61%	19.39%	29.70%	50.30%	42	69
Assessor	50	98.00%	2.00%	0.00%	0.00%	0.00%	0.00%	38.00%	32.00%	14.00%	16.00%	7	14
Multi-Assessor	69	95.65%	4.35%	0.00%	0.00%	0.00%	17.39%	46.38%	28.99%	5.80%	0.00%	Included with Assessor total	Included with Assessor total
Trustees	168	32.74%	66.07%	1.19%	17.86%	64.88%	16.67%	0.60%	0.00%	0.00%	0.00%	0	1
Collectors	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0	0
Road Treas	63	100.00%	0.00%	0.00%	7.94%	22.22%	69.84%	0.00%	0.00%	0.00%	0.00%	NA	NA

## Coterminous Townships

		19 Surveys Sent			13 (68.43%) Surveys Returned									
Office	Responses Received	How Paid			Salary Ranges								Health Insurance Provided	Retirement Program Provided
		Annual	Per Diem or Per Mtg	Both Annual & Per Diem/Mtg	0-499	500-999	1,000-4,999	5,000-9,999	10,000-19,999	20,000-29,999	over 30,000			
Supervisor	13	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.69%	21.54%	20.00%	50.77%	5	13	
Clerk	11	100.00%	0.00%	0.00%	0.00%	0.00%	27.27%	27.27%	27.27%	9.09%	9.09%	1	8	
Commissioner	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Assessor	12	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.76%	7.94%	22.22%	65.08%	8	12	
Multi-Assessor	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	<small>Included with Assessor total</small>	<small>Included with Assessor total</small>	
Trustees	10	70.00%	30.00%	0.00%	10.00%	40.00%	30.00%	0.00%	0.00%	0.00%	0.00%	1	2	
Collectors	2	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	0.00%	0.00%	50.00%	1	2	
Road Treas	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	

## Zone Breakdown by Population (Figure Shown is Number of Townships Responding)

Zones	0-499	500-1000	1000-2000	2000-3500	3500- 5000	5000-10000	10000-25000	25000-50000	50000-75000	75000-100000	100000-200000	Total Twps.
	<small>population</small>											
Coterminous Twps	0	0	0	0	0	0	3	2	2	3	2	12
Zone I	0	2	2	4	3	4	12	12	9	6	8	62
Zone II	17	17	12	19	8	14	8	3	1	0	0	99
Zone III	56	40	42	21	7	4	9	1	0	0	1	181
Zone IV	29	37	26	20	11	15	3	6	0	0	1	148
Zone V	38	24	22	7	3	4	3	0	0	0	0	101
Zone VI	41	36	41	18	11	10	8	1	1	2	0	169

## Zone Breakdown by Equalized Assessed Valuation (Figure Shown is Number of Townships Responding)

Zones	0-5	5-10	10-20	20-50	50-75	75-100	100-150	150-200	200-500	500-800	800 & Up	Total Twps.
	<small>million</small>											
Coterminous Twps	0	0	0	0	0	0	0	1	2	4	5	12
Zone I	0	0	0	5	2	1	4	2	6	12	30	62
Zone II	0	2	19	30	14	8	10	4	8	3	1	99
Zone III	6	29	61	58	10	4	4	5	3	0	1	181
Zone IV	9	37	34	30	9	10	7	4	1	5	2	148
Zone V	19	36	30	8	3	0	4	0	1	0	0	101
Zone VI	0	22	55	49	16	11	4	4	4	1	3	169

**MCLEAN COUNTY TOWNSHIP ROAD DISTRICTS COMMISSIONERS SALARY**

#	ROAD DISTRICT	HIGHWAY COMMISSIONER	INSURANCE	IMRF	TRUCK	RAISES	SALARY	ROAD MILES	POPULATION
(01)	ALLIN	Ronald Dubblede	Yes	No	Yes	No	\$22,050	42.44	919
(02)	ANCHOR	Rodney Landau	No	No	\$3,500/yr + Fuel	3%/2 yr	\$36,380	58.80	286
(03)	ARROWSMITH	Bruce Butler	No	Yes	Mileage	No	\$23,940	50.45	502
(04)	BELFLOWER	Marion Shelton	No	No	Yes	No	\$32,000	68.94	585
(05)	BLOOMINGTON	Rodney Boester	No	No	Yes	No	\$21,000	38.64	2,851
(07)	BLUE MOUND	Joe Wissmiller	No	No	No	No	\$37,604	49.44	441
(08)	CHENEY'S GROVE	Paul Bottles	No	Yes	\$2,000	No	\$26,000	55.94	997
(09)	CHENOA	Tim Killian	No	No	\$500 Gas / 12	No	\$14,000	43.09	2,074
(10)	CROPSEY	Richard Miller	No	Yes	No	No	\$14,000	28.14	222
(11)	DALE	Tom Stokes	No	Yes	No	No	\$29,100	42.86	1,233
(12)	DANVERS	Aaron Elgin	No	Yes	No	No	\$30,000	58.16	1,925
(13)	DAWSON	Tim Bane	No	No	Gas as need	4%/yr	\$26,400	39.35	590
(14)	DOWNNS	Rodney Lush	No	No	Yes	5%/yr	\$30,000	64.70	1,266
(15)	DRY GROVE	Chris Hauptman	No	Yes	Yes	No	\$25,404	59.90	1,572
(16)	EMPIRE	Dean Buhrke	Yes / Full	Yes	No	No	\$50,000	56.14	4,093
(17)	FUNK'S GROVE	Russ Broadfield	No	No	No	No	\$14,000	49.39	245
(18)	GRIDLEY	Zeke Yergler	Yes / Full	Yes	Yes	No	\$48,000	79.69	1,913
(19)	HUDSON	Jeff Emmert	No	No	Gas as need	1 ?	\$38,400	40.85	2,571
(20)	LAWNDALE	Jeff Winterland	No	No	Yes	No	\$24,000	55.71	158
(21)	LEXINGTON	Randy Patton	No	Yes	Gas as need	No	\$36,500	56.12	2,399
(22)	MARTIN	Larry Baker	No	No	No	No	\$25,000	57.08	1,289
(23)	MONEY CREEK	Scott Grunloh	No	Yes	Yes	No	\$28,800	43.44	1,085
(24)	MOUNT HOPE	Todd Lynch	No	No	Yes	No	\$25,000	51.96	1,103
(25)	NORMAL	Arin Rader	Yes	Yes	Yes	1%/yrly	\$41,452	21.35	52,560
(26)	OLD TOWN	Phil Reynolds	No	No	Yes	\$1,000/yr	\$50,000	52.93	3,010
(27)	RANDOLPH	Stacy Rees	Health	No	Yes	No	\$23,900	73.06	4,375
(28)	TOWANDA	Mike Fish	No	No	No	3%/yrly	\$21,808	39.14	1,296
(29)	WEST	Mike Miller	No	No	No	\$800/yrly	\$31,600	63.57	216
(30)	WHITE OAK	Fred Grieder	No	Yes	Yes	No	\$30,000	18.43	899
(31)	YATES	Elmer Embry	No	No	Gas as need	No	\$13,000	63.52	287

per 2016 MFT      per 2010 Census

6/10/2016



# from your Associate Director

By Jerry B. Crabtree

TOI Associate Director / Education Coordinator

## TGEN Update

Exciting things continue to evolve at the TOI headquarters in Springfield. 2016 is off to a great start. We are excited to finalize plans and get organized for the first Education District Event scheduled for March 18, 2016 in Lisle. There is still time to register for the event. I am asking for all township officials to help generate support for the program events in 2016. Your help is needed. I look forward to seeing all of you.

This edition of the *Perspective* provides the first release of the TGEN Policy Memorandum 2016-01. This memorandum provides a guide and explanation to setting the salary for elected officials and township employees. We are required to meet statutory guidelines in November of this year in preparation for the term commencing in 2017.

## WEBINAR UPDATE

The Webinar on January 22nd was a success with over 60 participants. Thank you to everyone who participated. From the feedback received the format and interest in future webinars is of interest to the membership. Check the website and calendar of events for future webinar topics of interest to you.

TGEN Policy Memorandum 2016-01 is available on the TOI website in the download center as well. Please share this interpretation with your board members. If you have questions regarding the topic you may want to verify them with your township attorney.

We look forward to providing additional interpretations in an effort to assist you in getting your job done effectively as a township official.

## TGEN POLICY MEMORANDUM 2016 – 01

### Salary Setting for ELECTED TOWNSHIP OFFICIALS AND EMPLOYEES

**DISCLAIMER:** *The information contained herein is provided by the Township Officials of Illinois and has been reviewed by legal counsel. It is intended to provide timely general information of interest, but should not be considered a substitute for legal advice.*

There are several limitations on how and when the compensation of elected officials must get determined.

For example, the Illinois Constitution provides “an increase or decrease in the salary of an elected officer of any unit of local government shall not take effect during the term for which that officer is elected.” The Local Government Compensation Act, 50 ILCS 145/2, also provides the compensation of elected officers of townships must be fixed at least 180 days before the beginning of the terms of the officers whose compensation is to be fixed (i.e., the third Monday in May after the election). Failing to set the compensation for the township for each term, could create grounds for an argument that the compensation has not been properly established. Therefore, with no set compensation no payment is authorized.

### The following elected or appointed salaries are SET by the TOWNSHIP BOARD:

- ✧ The Township Supervisor
- ✧ The Township Clerk
- ✧ The Township Assessor
- ✧ The Township Trustees
- ✧ The Road District Treasurer
- ✧ The Highway Commissioner
- ✧ Cemetery Trustees

The hiring and dismissal of employees of township board employees (e.g., a Township Administrator, receptionist, finance manager, etc.) are subject to approval of the township board with their rate of pay being approved as well. However, if delegated by resolution to the Supervisor, the Supervisor may manage these administrative functions independently.

The employees of the Road District (Highway Commissioner), general assistance employees hired by the Township Supervisor and the employees of the Assessor are NOT subject to township board approval. The independent elected township officials make these administrative decisions.

The township board may, in lieu of a per diem, fix an annual salary for the highway commissioner at not less than \$3,000 to be paid in equal monthly installments (605 ILCS 5/6-207).

It is recommended that highway commissioners that are under a per diem salary scale should be budgeted

for an entire 365 days (one year) as they may be called to service for any of these days.

### **WHO IS SUBJECT TO THE SALARY DISCUSSION**

The Attorney General has stated that even the discussion of the salaries of elected township officials must be done in an open meeting format. The Open Meetings Act does contain a provision that allows for a closed session to discuss the salary schedules for employees. However, the Attorney General has stated that elected township officials do not fall under the definition of "employee" and thus discussion, deliberation and the final vote on salaries for elected township officials must be in an open meeting format.

### **WHEN IS IT REQUIRED TO APPROVE THE SALARY RESOLUTION FOR THE 2017 TERM**

For the 2017 Term of office that takes effect on Monday, May 15, 2017, the last day to set salaries for the elected officials is November 16, 2016. These salaries are required to be set 180 days prior to the term commencing. There is one exception to this being for Multi Township Assessment Districts, as explained below. For these districts, the salaries must be set by November 5, 2016.

### **MULTI-TOWNSHIP ASSESSMENT DISTRICTS SALARY DEADLINE**

The salaries for Multi-Township Assessment District ASSESSOR and MTAD Board Members are required to be set 150 days prior to the election. In 2017 this date is November 5, 2016.

We suggest that you include all of the benefits that paid to elected officials in the salary resolution to avoid a misunderstanding. This includes, but is not limited to, cell phone bills, insurance, mileage reimbursement, vehicle lease, and others determined by the township/MULTI Township board.

### **REGARDING THE ROAD DISTRICT TREASURER**

By state statute, the township supervisor is the designated treasurer of the road district. 60 ILCS 1/65-20 provides that the salary for the road district treasurer shall be at least \$100 and no more than \$1,000 per year. This can be added as additional income to the responsibilities as the Supervisor of the township.

### **WHICH FUNDS ARE THE SALARIES PAID FROM**

The salary of the supervisor is most commonly paid out of the general town fund. While other arrangements can be made for partial payment of this salary, it is recommended you work with your township attorney on any variations. Employees of the township board are paid out of the town fund salary line item. Employees of the general assistance program are paid out of the

general assistance fund and the supervisor is responsible for setting and administering the salary benefits for general assistance employees.

605 ILCS 5/6-207 provides for the highway commissioner he or she shall be paid from the general township fund in districts comprised of a single township and shall be paid from the regular road fund in all other districts having highway commissioners: however, in districts comprised of a single township, a portion (not to exceed 50 percent) of the highway commissioner's salary may be paid from the corporate road and bridge fund or the permanent road fund if approved by the highway commissioner and the township board.

The Assessor's budget includes separated funds for employee salaries. The Elected assessor is responsible for setting and administering the salary benefits for employees of the assessor. The assessor's salary is paid out of the town fund.

### **INCREASING SALARY AND BENEFITS DURING AN ESTABLISHED TERM**

No increase to the fixed salary and benefits assigned to elected township officials is permitted by state law after the salary resolution is adopted for the term. The salary is set for the position of the person. The salary and benefit package is verified by a resolution approved by the township board.

This **DOES NOT** apply to regular employees of the township (non-elected positions). Accordingly, notwithstanding a separate contract or employees covered by a collective bargaining agreement, a township can generally make employee salary changes at any time.

Attorney General Opinion 94-022 issued on October 25, 1994 states that health insurance benefits provided to local elected officials constitutes salary, for the purpose of Article VII, Section 9(b) of the Illinois Constitution. Section 9(b) prohibits any INCREASE or DECREASE in the salary paid of an elected official of any unit of local government that takes effect during the term for which the officer is elected. Accordingly, if health insurance is going to be provided to elected officials, it must be contained within the salary resolution approved at least 180 days prior to the new term. This relates to our general recommendation that any and all benefits that are going to be provided should be included in the salary resolution to avoid any misunderstandings or arguments that a specific benefit cannot be paid.

### **TRUSTEE'S SALARY**

It is important to note that the wording of the salary resolution needs to state whether or not TRUSTEES are paid per meeting or per month for their service. Additionally, the budget must be able to accommodate a per diem fee structure. This is important to clarify for those

townships that have more than one meeting per month and if it is the intention of the board to pay an annual salary or a meeting per diem fee.

### CEMETERY TRUSTEES

The township board may authorize that such cemetery trustees be paid compensation not to exceed \$1,000 per year. The Supervisor is the designated treasurer of cemetery funds but does not receive additional payment for this responsibility.

### PAID INSURANCE PREMIUM PAYMENTS IN ADDITION TO SALARY (monthly)

For those townships that provide health insurance benefits it is important to review the recent changes mandated by the Affordable Care Act in 2015. It is our understanding that some townships provide direct payment of premiums to the health insurance company and others provide a cash payment directly to the elected official monthly in addition to their approved salary. Direct payments to elected officials are no longer permissible under the Affordable Care Act. If provided, insurance premiums must be paid directly to the insurance provider.

As of 2015, payments made directly to elected officials are considered group health plans and are subject to market reforms, including the prohibition on annual

limits for essential health benefits and the requirement to provide certain preventative care without cost sharing. They are subject to payroll taxes.

The employer (township) payment plan made directly to an elected official fails to satisfy the market reforms required under the Affordable Care Act. Additionally, this fails to comply with the annual dollar limitation prohibition of the Affordable Care Act because: (1) the township payment plan is considered to impose an annual limit up to the cost of the individual market coverage purchased through the arrangement; and (2) an employer payment plan cannot be integrated with any individual health insurance policy purchased under the arrangement.

A violation of these provisions may subject the township to a \$100 per day excise tax per applicable employee. (IRS Notice 2013-54). If your township has questions regarding its payment of health insurance premiums or other compliance questions with the Affordable Care Act, you are encouraged to speak with a professional who works in this area.

**References:** *Township Code 60 ILCS 1/65-20; 87 C.J.S. Section 71; 605 ILCS 5/6-207*  
*Article VII, Section 9(b), 1970 Illinois Constitution*  
*Attorney General Opinion 99-009; 94-022*  
*IRS Notice 2013-54*

## Serving the legal needs of townships and road districts

HEYL ROYSTER HAS PRACTICED IN THE FIELD OF GOVERNMENTAL LAW FOR MORE THAN THREE DECADES, WITH A SPECIFIC EMPHASIS ON TOWNSHIP REPRESENTATION.

OUR CLIENTELE IS FOUND IN COUNTIES, LARGE AND SMALL, OVER ROUGHLY 65% OF THE STATE.



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The employees of the Road District (Highway Commissioner), general assistance employees hired by the Township Supervisor and the employees of the Assessor are **NOT** subject to township board approval. The independent elected township officials make these administrative decisions.

The township board may, in lieu of a per diem, fix an annual salary for the highway commissioner at not less than \$3,000 to be paid in equal monthly installments (605 ILCS 5/6-207).

It is recommended that highway commissioners that are under a per diem salary scale should be budgeted for an entire 365 days (one year) as they may be called to service for any of these days.

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**No** increase to the fixed salary and benefits assigned to elected township officials is permitted by state law after the salary resolution is adopted for the term. The salary is set for the position of the person. The salary and benefit package is verified by a resolution approved by the township board.

This **DOES NOT** apply to regular employees of the township (non-elected positions). Accordingly, notwithstanding a separate contract or employees covered by a collective bargaining agreement, a township can generally make employee salary changes at any time.

Attorney General Opinion 94-022 issued on October 25, 1994 states that health insurance benefits provided to local elected officials constitutes salary, for the purpose of Article VII, Section 9(b) of the Illinois Constitution. Section 9(b) prohibits any INCREASE or DECREASE in the salary paid of an elected official of any unit of local government that takes effect during the term for which the officer is elected. Accordingly, if health insurance is going to be provided to elected officials, it must be contained within the salary resolution approved at least 180 days prior to the new term. This relates to our general recommendation that any and all benefits that are going to be provided should be included in the salary resolution to avoid any misunderstandings or arguments that a specific benefit cannot be paid.

#### **TRUSTEE'S SALARY**

It is important to note that the wording of the salary resolution needs to state whether or not TRUSTEES are paid per meeting or per month for their service. Additionally, the budget must be able to accommodate a per diem fee structure. This is important to clarify for those townships that have more than one meeting per month and if it is the intention of the board to pay an annual salary or a meeting per diem fee.

#### **CEMETERY TRUSTEES**

The township board may authorize that such cemetery trustees be paid compensation not to exceed \$1,000 per year. The Supervisor is the designated treasurer of cemetery funds but does not receive additional payment for this responsibility.

#### **PAID INSURANCE PREMIUM PAYMENTS IN ADDITION TO SALARY (monthly)**

For those townships that provide health insurance benefits it is important to review the recent changes mandated by the Affordable Care Act in 2015. It is our understanding that some townships provide direct payment of premiums to the health insurance company and others provide a cash payment directly to the elected official monthly in addition to their approved salary. Direct payments to elected officials are no longer permissible under the Affordable Care Act. If provided, insurance premiums must be paid directly to the insurance provider.

As of 2015, payments made directly to elected officials are considered group health plans and are subject to market reforms, including the prohibition on annual limits for essential health benefits and the requirement to provide certain preventative care without cost sharing. They are subject to payroll taxes.

The employer (township) payment plan made directly to an elected official fails to satisfy the market reforms required under the Affordable Care Act. Additionally, this fails to comply with the annual dollar limitation prohibition of the Affordable Care Act because: (1) the township payment plan is considered to impose an annual limit up to the cost of the individual market coverage purchased through the

arrangement: and (2) an employer payment plan cannot be integrated with any individual health insurance policy purchased under the arrangement.

A violation of these provisions may subject the township to a \$100 per day excise tax per applicable employee. (IRS Notice 2013-54). If your township has questions regarding its payment of health insurance premiums or other compliance questions with the Affordable Care Act, you are encouraged to speak with a professional who works in this area.

**References:** *Township Code 60 ILCS 1/65-20; 87 C.J.S. Section 71; 605 ILCS 5/6-207*

*Article VII, Section 9(b), 1970 Illinois Constitution*

*Attorney General Opinion 99-009; 94-022*

IRS Notice 2013-54