



DRAFT

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TAX ALLOCATION BOARD

*Al Boggs, Mark Haag, John Kuschell,
Harvey Schmidt, Ralph Tillotson, Marilyn Woods*

MEETING LOCATION

*Chambers, 2nd Floor
Old Courthouse, 301 N. Main Street, Adrian, MI*

MINUTES: TUESDAY, APRIL 11, 2017 – 12:00 P.M.

PRESENT: Al Boggs, Mark Haag, John Kuschell, Harvey Schmidt, Ralph Tillotson, and Marilyn Woods

ALSO PRESENT: Kim Murphy, Martin Marshall, David Panian (The Daily Telegram), and Rebecca Borton

I. INTRODUCTION

The members of Tax Allocation Board introduced themselves. Martin Marshall explained that he and his office will be acting as staff for the Tax Allocation Board.

Martin Marshall distributed a binder to each member that included a copy of the re-establishment resolution passed by the Board of Commissioners and the Property Tax Limitation Act (Act 62 of 1933).

II. REVIEW OF DUTIES OF THE BOARD

Historical responsibilities: Mr. Marshall provided a summary of the Tax Allocation Board history and the Property Tax Limitation Act. He explained that there are limits on the rate of taxation that people are required to pay on property. The taxation limitation is divided between the Intermediate School District, the Townships (not charter townships), and the County. The Tax Allocation Board has the responsibility of determining how the tax limitation will be divided among these entities.

Mr. Marshall explained that the last time the Tax Allocation Board met was in 1968. The last time the voters of Lenawee County voted on the separate tax limitations was in 1968. The tax limitation rate has not changed since. The Board of Commissioners has the responsibility to review and authorize allocated millages in the County and has therefore re-established the Tax Allocation Board to review the current separate tax limitation and recommend any appropriate action to the Board of Commissioners.

Current responsibilities: The Tax Allocation Board's current responsibilities are the same as their historical responsibilities. They need to review the current tax rate limitation and determine if any changes should be recommended. Prior to making any type of recommendation they will do their due diligence by meeting with the ISD, the Non-Chartered Townships, and the County, to review their current financial condition. After hearing from all parties involved they will deliberate before making a recommendation

III. PRESENTATION: ORIGINAL CHARGE BY THE LENAWEE COUNTY BOARD OF COMMISSIONERS

The Board of Commissioners re-established the Tax Allocation Board to review the current tax limitations to determine if any changes are needed. They are to report their findings, along with any recommendations, to the Board of Commissioners at the June 14, 2017 meeting.

Mr. Marshall also noted that the duties and responsibilities of the Tax Allocation Board are identified on pages 6, 7, and 8 of the Property Tax Limit Act.

IV. ELECTION OF CHAIR & VICE-CHAIR

Motion by Harvey Schmidt, seconded by Al Boggs, to appoint Ralph Tillotson as Chair. Motion carried.

Motion by Mark Haag, seconded by Marilyn Woods, to appoint Al Boggs as Vice Chair. Motion carried.

The meeting was turned over to Ralph Tillotson.

Mr. Tillotson reviewed his experience with County government and why the Board of Commissioners decided to re-establish the Tax Allocation Board.

Mr. Marshall further explained that there are concerns over the County's ability to continue providing services with diminishing funding. He noted that there are infrastructure issues as well as concerns regarding the retention of skilled personnel.

Mr. Marshall noted that the Board may conclude one of three decisions

1. No changes recommended - *nothing is wrong*
2. Recommend the renewal of the existing tax limitations in place
3. Recommend somewhere between the 15 and 18 mills

V. SET LEVEL OF REVIEW

Mr. Marshall reviewed a couple of options for the Board to consider on how the board would like to proceed in reviewing budgets and financial statements of the

County, ISD, and those townships that follow the general law. It was noted that Charter Townships have their own authority.

The Board decided to request budget information be submitted from all townships and invite those that wish to present it to an upcoming meeting.

VI. SET SCHEDULE MEETINGS

There will be a minimum of three more meetings 1) for the County and the Intermediate School District to present budgets/financial statements; 2) for the Townships to have an opportunity to present their information; 3) to absorb, review, and discuss.

The Board set the following meeting dates:

- Monday, April 17th at 2:30 p.m.
- Monday, May 1st at 2:00 p.m.
- Monday, May 15th at 1:30 p.m.

Mr. Marshall distributed a sample of tax rates across the county sheet and Harvey Schmidt requested a complete report be prepared.

VII. PUBLIC COMMENT

Mr. Tillotson indicated that the Tax Allocation Board is an open meeting and the public is welcome to attend.

Mr. Marshall noted that any board recommendation other than "*no action*" will need to go before the electorate of Lenawee County.

VIII. ADJOURNMENT

*Motion by Harvey Schmidt, seconded by Marilyn Woods, to adjourn the meeting at 12:38 p.m.
Motion carried.*

MDM/rdb