



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

ROBERT J. KLEINE
STATE TREASURER

MINUTES OF THE MEETING OF THE STATE TAX COMMISSION

***Lansing Center, Meeting Room 201
333 East Michigan Avenue
Lansing, Michigan***

***Monday, September 20, 2010
9:00 a.m.***

***PRESENT: Robert H. Naftaly, Chair STC
Douglas B. Roberts, Member STC
Barry N. Simon, Member STC***

***Kelli Sobel, Executive Director
LaNiece Densteadt, Recording Secretary***

The item numbers referred to in the minutes correspond to the agenda items as numbered.

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the minutes of August 16, 2010. (Item 1 on agenda)

Allison Chmielewski was scheduled, but did not appear before the Commission for a revocation hearing. The Commission received a recommendation from the Assessor Discipline Advisory Committee to revoke Ms. Chmielewski's certification. The Commission will render a decision at a future meeting. (Item 2 on agenda)

Robert Ricksgers appeared before the Commission for a revocation hearing. The Commission received a recommendation from the Assessor Discipline Advisory Committee to revoke Mr. Ricksgers certification. Mr. Ricksgers spoke regarding the reasons for his actions. The Commission will render a decision at a future meeting. (Item 3 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to accept the following recommendation of the Assessor Discipline Advisory Committee regarding Mr. James Brennan. Mr. Brennan must attend a class in MTT Procedures and office organization and provide to the STC proof that he successfully completed the class. A mini review will be completed in any unit that he is the assessor of record in 2011 in order to evaluate if there are any other problems. (Item 4 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the official order to suspend Julianne Kolbe's certificate, but hold that suspension in abeyance until September 20, 2012 provided no further valid complaints were received by the Commission. The Commission ordered Ms. Kolbe to take an ethical behavior class which must be approved by the STC. The Commission ordered random "360 Reviews" with the assessors for local units in Jackson County to evaluate Ms. Kolbe's work in improving her working relationship with assessors. The Commission ordered Ms. Kolbe be removed as an instructor and grader. (Item 5 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved Bulletin 12 of 2010 Implementation of P.A. 109 of 2010. (Item 6 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved the following policy regarding Local Unit Reappraisals and CED Review. (Item 7 on agenda) ([See attached link for file identification.](#))

It was moved by Simon, supported by Roberts, and unanimously approved Patriot Properties Assess-Pro Software for use in Michigan. (Item 8 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved an extension for Masonville Township, Delta County to complete their reappraisal until October 2011. The delay is due to receiving information from Allied Information Solutions. (Item 9 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the amended official order of assume jurisdiction of the 2010 assessment roll for Franklin Township, Clare County to require the Township complete all corrective actions by January 15, 2011. (Item 10 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the official order to certify the 2010 assessment roll for Benzonia Township, Benzie County. (Item 11 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the staff recommendation for classification appeals 10-0292 and 10-0650 thru 10-1020. (Item 12 on agenda) ([See attached link for file identification.](#))

It was moved by Simon, supported by Roberts, and unanimously approved to allow the reconsideration request of appeals 10-0034, 10-0356, 10-0350, 10-0351, and 10-0352 but to maintain the prior determination of Commercial Personal. The Commission allowed reconsideration of appeals 10-0042, 10-0091, 10-0238, 10-0428, 10-0526 thru 10-0529 and 10-0550 thru 10-0553, 10-0616, and 10-0430 but to maintain the prior determination of Commercial Real. The Commission allowed reconsideration of appeal 10-0033 and changed the classification of this parcel to Residential Real. (Item 13 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the 2011 State Tax Commission Meeting Schedule changing Wednesday, October 26, 2011 meeting to Monday, October 24, 2011. (Item 14 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the Personal Property Examiner Certifications submitted by staff. (Item 15 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the staff recommendation on the Exemptions ([See attached link for file identification](#)) and Special Items Exemptions ([See attached link for file identification](#)). (Item 16 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the staff recommendation on the Re-certifications and New Certifications of Computerized Tax Rolls for the following: (Item 17 on agenda)

These certifications will expire on **May 1, 2013**.

New Certification's

Gogebic County

Bessemer Township
Erwin Township
Ironwood Township
Marenisco Township
Wakefield Township
Watersmeet Township
City of Bessemer
City of Ironwood
City of Wakefield

Recertification's:

Jackson County

Concord Township
Leoni Township
Norvell Township

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the MCL 211.154 **Concurrences**. (Item 18 on agenda) ([See attached link for file identification.](#))

It was moved by Simon, supported by Roberts, and unanimously approved to adopt the MCL 211.154 **Special Items Agenda** ([See attached link for file identification.](#)) (Item 19 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved to **postpone** the following MCL 211.154 petitions until **October 26, 2010**. (Item 20 on agenda)

City of Warren, Macomb County

154-10-0447 J M MOLD TECHNOLOGIES; 99-05-572-402; PERSONAL PROPERTY

2008 AV from \$ 40,000 to \$ 61,256 TV from \$ 40,000 to \$ 61,256
2009 AV from \$ 45,000 to \$ 54,290 TV from \$ 45,000 to \$ 54,290
2010 AV from \$ 30,574 to \$ 48,912 TV from \$ 30,574 to \$ 48,912

Clinton Township, Macomb County

154-10-0502 MACOMB COMMUNITY COLLEGE; 16-11-06-126-011; REAL PROPERTY

2008 AV from \$ 0 to \$ 460,100 TV from \$ 0 to \$ 460,100
2009 AV from \$ 0 to \$ 448,300 TV from \$ 0 to \$ 448,300

Montmorency Township, Montmorency County

154-10-0498 ARROWHEAD PROPERTIES CORP.; 60-006-004-000-010-00; REAL PROPERTY

2008 AV from \$ 92,300 to \$ 649,700 TV from \$ 92,300 to \$ 649,700

2009 AV from \$ 122,200 to \$ 679,600 TV from \$ 96,361 to \$ 653,761

2010 AV from \$ 122,200 to \$ 679,600 TV from \$ 96,071 to \$ 653,471

It was moved by Simon, supported by Roberts, and unanimously approved to **amend** the following MCL 211.154 petitions. (Item 20 on agenda)

City of Traverse City, Grand Traverse County

154-10-0281 MISSION PARTNERS PROPERTY LLC; 28-51-618-098-20; REAL PROPERTY

****This was also a concurrence.**

2008 AV from \$ 613,620 to \$ 621,226 TV from \$ 605,792 to \$ 491,221

Covert Township, VanBuren County

154-10-0124 NEW COVERT GENERATING CO. LLC; 80-70-004-003-03; REAL PROPERTY

2009 AV from \$ 92,000,000 to \$ 308,450,000 TV from \$ 76,042,454 to \$ 254,948,858

2010 AV from \$ 91,200,000 to \$ 290,498,298 TV from \$ 90,926,400 to \$ 289,626,803

It was moved by Simon, supported by Roberts, and unanimously approved to **withdraw** the following MCL 211.154 petitions. (Item 20 on agenda)

Hersey Township, Osceola County

154-10-0501 WILLIAM STRAWTER; 67-05-004-017-10; REAL PROPERTY

2008 AV from \$ 21,800 to \$ 160,400 TV from \$ 21,800 to \$ 67,776

City of Dearborn, Wayne County

154-09-2890 FORD MOTOR COMPANY; 84-0000-122250; PERSONAL PROPERTY

2007 AV from \$ 9,598,850 to \$ 12,152,300 TV from \$ 9,598,850 to \$ 12,152,300

It was moved by Simon, supported by Roberts, and unanimously approved to adopt all other MCL 211.154 petitions as **submitted**. ([See attached link for file identification.](#)) (Item 20 on agenda)

It was moved by Simon, supported by Roberts, and unanimously approved the following MCL 211.154 petitions as **concurrences**. These petitions were initially noticed as non concurrences. (Item 20 on agenda)

City of Grayling, Crawford County

154-10-0454 SAIA MOTOR FREIGHT LINE LLC; 20-070-990-019-041-00; PERSONAL PROPERTY

2008 AV from \$ 0 to \$ 7,700 TV from \$ 0 to \$ 7,700
2009 AV from \$ 0 to \$ 8,700 TV from \$ 0 to \$ 8,700
2010 AV from \$ 0 to \$ 7,400 TV from \$ 0 to \$ 7,400

City of Grand Rapids, Kent County

154-10-0710 MOO INVESTMENT LLC; 41-01-51-101-509; PERSONAL PROPERTY

2009 AV from \$ 15,000 to \$ 48,300 TV from \$ 15,000 to \$ 48,300
2010 AV from \$ 51,900 to \$ 50,400 TV from \$ 51,900 to \$ 50,400

City of Birmingham, Oakland County

154-10-0476 RED CLOUD; 08-99-00-009-037; PERSONAL PROPERTY

2010 AV from \$ 560 to \$ 1,240 TV from \$ 560 to \$ 1,240

154-10-0477 SCHLEEDE HAMPTON ASSOC.; 08-99-01-002-103; PERSONAL PROPERTY

2010 AV from \$ 6,410 to \$ 7,410 TV from \$ 6,410 to \$ 7,410

City of Novi, Oakland County

154-10-0479 SYMBION HEALTHCARE; 50-99-00-009-042; PERSONAL PROPERTY

2009 AV from \$ 219,460 to \$ 1,058,300 TV from \$ 219,460 to \$ 1,058,300

City of Marysville, St. Clair County

154-10-0539 KOCH BUSINESS SOLUTIONS; 74-03-999-0731-000; PERSONAL PROPERTY

2010 AV from \$ 0 to \$ 800 TV from \$ 0 to \$ 800

It was moved by Simon, supported by Roberts, and unanimously approved Executive Director Sobel's recommendation to change the pass rate to 75% for the transition exam to be consistent with other STC exams. (Add on to agenda)

Chairman Naftaly discussed the Automotive Manufacturing Personal Property Tables. On March 31st the Chairman, Executive Director Sobel, and Deputy Treasurer Washington were asked to attend a meeting with Mayors, assessors, and other individuals from Wayne County and the City of Sterling Heights to discuss the Automotive Tables. The discussions at the meeting centered on a belief that the tables are not fair and are wrong. During this meeting, a former member of the Commission stated that he did not agree with the tables even though he had made the motion to support the tables. Mr. Morgan indicated that he did not read the information regarding the tables because the Chairman had told him not to read it. Chairman Naftaly stated he has never told any of the members not to read any information sent to them.

Chairman Naftaly indicated the discussion to develop these tables began when the former Wayne County Equalization Director asked the STC to convene a Committee to review the valuation of the automotive companies equipment. The Committee included the former Wayne County Equalization Director, an assessor from Oakland County who is an expert in personal property and Ford Motor Company. Accuval, an outside company, gathered information to develop the tables.

During the March meeting there was a request to release the Accuval study data. We agreed that we would release the data to any local unit that signed a non-disclosure agreement which indicated they would use the information for assessment administration purposes only. We also asked that the Equalization Director for Wayne County coordinate any response back to the Commission. In April, the Chairman met with Mr. Evanko who indicated he had some data; Chairman Naftaly asked him to coordinate it through Mr. Mastin and Mr. Evanko agreed.

From that date until a few days ago, we hadn't heard from anyone regarding the tables. Chairman Naftaly and Executive Director Sobel both talked to Mr. Mastin and he said he had not received any information. The Chairman called Mayor O'Reilly and he agreed to send him the data; we still have not received any information.

Chairman Naftaly asked for the Commission to support sending the following letter to Mayor O'Reilly:

Dear Mayor O'Reilly:

I would like to take this opportunity to formally reiterate the items we have discussed in our phone conversations since our meeting on March 31, 2010. As I indicated in our discussion immediately following that meeting, the State Tax Commission agreed to release the Accuval Study to any local unit that would like a copy of the study provided that they sign a non-disclosure agreement. That agreement simply asked that the study only be used for assessment administration purposes. To be clear, that means the study can be shared with any local unit elected official or legal counsel, provided that they use the information for assessment administration which does include defense of any Michigan Tax Tribunal or Court cases.

You, Mr. Evanko, and the other Downriver Mayors have indicated on several occasions that the automotive multiplier tables are flawed. I have asked that you provide the State Tax Commission with documentation to support your position. I have asked and Mr. Evanko agreed that it would be helpful to the Commission if any documentation was coordinated by the Wayne County Equalization Department. As of today we have not received any information.

Mayor O'Reilly, the State Tax Commission would be more than willing to assist in working with the automotive companies and the local units to develop a global settlement. However, in order to move forward, we do need all parties to agree to sit down willing to discuss any issues the parties believe are pertinent to the issue.

Please feel free to contact me at any time.

Commissioner Roberts and Commissioner Simon agreed to send the letter to the Mayor.

The next Commission meeting will be held October 26, 2010 at the Lansing Center in Room 201.

It was moved by Roberts, supported by Simon, and unanimously approved to adjourn the meeting of the State Tax Commission at 11:00 a.m.

DATED TYPED: **September 21, 2010**

DATE APPROVED: **October 26, 2010**

Robert H. Naftaly, Chair
State Tax Commission

Douglas B. Roberts, Member
State Tax Commission

Barry N. Simon, Member
State Tax Commission