FINANCE COMMITTEE  
February 20, 2019  
Minutes

Members Present: Grebner, Crenshaw, Maiville, and Polsdofer.

Members Absent: Morgan, Schafer, and Tennis.

Others Present: Rick Terrill, Tim Morgan, Alan Fox, Jason Ferguson, Michael Townsend, Tyler A Smith, and others.

The meeting was called to order by Chairperson Grebner at 6:00 p.m. in Conference Room D & E of the Human Services Building, 5303 South Cedar Street, Lansing, Michigan.

Approval of the February 7, 2019 Minutes

WITHOUT OBJECTION, CHAIRPERSON GREBNER STATED THE FEBRUARY 7, 2019 MEETING MINUTES WERE APPROVED AS PRESENTED. Absent: Commissioners Morgan, Schafer, and Tennis

Additions to the Agenda

None.

Limited Public Comment

None.

MOVED BY COMM. MAIVILLE, SUPPORTED BY COMM. CRENSHAW, TO APPROVE A CONSENT AGENDA CONSISTING OF THE FOLLOWING ACTION ITEMS:

1. Sheriff’s Office
   b. Resolution to Authorize Contracts with Identified Service Providers as Authorized by the Justice Millage

3. Prosecutor’s Office
   a. Resolution to Authorize an Amended Memorandum of Understanding Between the Ingham County Prosecutor’s Office and the Department of the Attorney General and a Sub Contract Between the Ingham County Prosecutor’s Office and End Violent Encounters (EVE)
   b. Resolution to Accept an Amendment to the Agreement Between the Michigan Department of Health and Human Services and the Ingham County Prosecutor’s Office Crime Victim Rights Grant
4. Facilities Department
   a. Resolution to Authorize an Agreement with Cusack’s Masonry Restoration, Inc. for the Building Tuck Pointing at the Ingham County Youth Center
   b. Resolution to Authorize an Agreement with HPS for the Purchase of Three Ovens for the Ingham County Jail
   c. Resolution to Authorize an Agreement with A&B Equipment & Sons, Inc. for the Purchase of Three Washers for the Ingham County Jail
   d. Resolution to Authorize an Agreement with Trane U.S. Inc. for the Overhaul of the Chillers at the Ingham County Jail

5. Special Transportation Millage – Resolution Authorizing the Fourth Amendment to the Agreement with the Capital Area Transportation Authority Dated January 1, 2016 through December 31, 2020 (Tabled at July 16, 2018 Meeting)

6. Road Department
   a. Resolution to Authorize a Professional Services Contract with Spicer Group, Inc. for the 2019 and 2020 Biennial Bridge Inspection Program
   b. Resolution to Approve a Second Party Agreement Between the Michigan Department of Transportation and the Ingham County Road Department in Relation to State Funded Bridge Projects Located at Howell Road Bridge Over Doan Creek, Olds Road Bridge Over Perry Creek, and Olds Road Bridge Over Huntoon Lake Extension Drain

7. Human Resources Department
   a. Resolution to Approve Generic Service Credit Purchase for County Employee
   b. Resolution Establishing Authorized Signatories for MERS Contracts and Service Credit Purchase Approvals

8. 911 Central Dispatch Center – Resolution to Authorize Contracts for Tower Studies Necessary for the Replacement of the Ingham County Public Safety Radio System

THE MOTION CARRIED UNANIMOUSLY. Absent: Commissioners Morgan, Schafer, and Tennis

THE MOTION TO APPROVE THE ITEMS ON THE CONSENT AGENDA CARRIED UNANIMOUSLY. Absent: Commissioners Morgan, Schafer, and Tennis

1. Sheriff’s Office
   a. Resolution to Authorize a Training Services Agreement with Bouck Corporation dba MACNLOW Associates on Behalf of the Sheriff’s Office and 9-1-1 Central Dispatch

MOVED BY COMM. MAIVILLE, SUPPORTED BY COMM. POLSDOFER, TO APPROVE THE RESOLUTION.
Chairperson Grebner stated that the County ethics policy disfavored proposals like this one, where there was a connection with a County employee. He further stated that just because they were disfavored, did not mean that they were forbidden.

Chairperson Grebner stated that in these situations, the Board of Commissioners should mention the potential problem publicly, look for other comparable sources of services with no connection to a County employee, and then decide to continue looking for other sources. He further stated that all of these had now been done, and that it was always better to say these things publicly to avoid any appearance of skullduggery.

THE MOTION CARRIED UNANIMOUSLY. Absent: Commissioners Morgan, Schafer, and Tennis

2. Treasurer’s Office – Resolution to Set Policy for Certain Delinquent Tax Payments

MOVED BY COMM. MAIVILLE, SUPPORTED BY COMM. CRENSHAW, TO APPROVE THE RESOLUTION.

Discussion.

Chairperson Grebner stated that under this resolution, the County was waiving penalties and interest for a class of disadvantaged people who pay their taxes late. He further stated that it was hard to tell what the limits were, and who exactly was a member of the class.

Alan Fox, Chief Deputy Treasurer, stated that the resolution was tied to a portion of the State income tax law that provided for a credit on income taxes for property taxes paid by certain taxpayers. He further stated that this always involved people getting a credit in the current year for property taxes paid in the previous year.

Mr. Fox stated that the point of the resolution was to allow enough time for these taxpayers to receive their tax returns and use that money to pay down delinquent property taxes, and that it was limited to the first two months of delinquency, in no event later than May 1 of the year. He further stated that the portion of the statute quoted in the resolution referred mainly to people with disabilities, but the actual effect of the section did not necessarily involve any people with disabilities.

Mr. Fox stated that all of the taxpayers claiming the credit had homesteads, and were not businesses. He further stated that many of the eligible groups listed in the resolution were not paying very much in property taxes anyway, so they would not receive much of a credit if they made a claim.

Mr. Fox stated that the main beneficiaries of the credit would be owners of agricultural land that qualified under an expansive definition in the tax code as homestead. He further stated that the credit applied to landowners who had been on the land ten or more years, and who were otherwise qualified.
Mr. Fox stated that these individuals could have property taxes credited on large quantities of agricultural or horticultural land, and the approximately one dozen people claiming the credit in the County were mostly elderly farmers. He further stated that claimants of the credit would need to show that they qualified each year to receive the credit.

Mr. Fox stated that qualified individuals were allowed two additional months to pay property taxes in full without incurring the interest and fees that would otherwise be charged. He further stated that the financial effect on the County was approximately $5,000, and possibly significantly less.

Mr. Fox stated that this was perhaps the only provision in Michigan tax law that allowed interest and fees to be waived.

Commissioner Crenshaw stated that the third “whereas” in the resolution appeared to state that the claim must be made by February 15.

Mr. Fox stated that the claim must be made to the State by that date, and that the claimant would have until May 1 to pay property taxes to the County that had become delinquent on March 1. He further stated that in some cases, the credit also applied to village taxes that became due in the previous September.

Commissioner Maiville stated that paraplegic people, veterans, and others might have access to other mechanisms reducing or eliminating their property tax obligations in the first place. He further stated that it sounded like the individuals claiming the credit were actually senior farmers rather than people with disabilities.

Mr. Fox stated that the township boards of review also had the power to use a poverty exemption.

Commissioner Crenshaw stated that he would like to know, if someone fell within one of the classes laid out in the statute, whether the Treasurer’s Office would notify them of the availability of the tax credit.

Mr. Fox stated that the individual claiming the credit had to bring it to the attention of the Treasurer’s Office, because they had no way of knowing who might qualify. He further stated that the triggering event was making a claim to the State.

Mr. Fox stated that because claims had to be made to the State by February 15, and property taxes did not become delinquent until March 1, it was not possible to identify and notify qualifying individuals about the tax credit ahead of time. He further stated that the resolution required the County to communicate the availability of the credit to all local taxing authorities, so that they could notify people.
Commissioner Crenshaw stated that there had been issues in the past with ambiguous notification requirements in resolutions, and confusion about whether the Clerk or another party was required to notify. He further stated that the resolution needed to specify who would notify the local authorities.

MOVED BY COMM. CRENSHAW, TO AMEND THE RESOLUTION AS FOLLOWS:

BE IT FURTHER RESOLVED, that a copy of this resolution shall be forwarded to all local taxing authorities in Ingham County, by the County Clerk.

This was considered a friendly amendment.

Chairperson Grebner stated that the County collected $450-500 million in taxes, and the present discussion concerned only approximately $5,000. He further stated that interestingly, the statute provided benefits for widows of Mexican-American War veterans.

Discussion.

THE MOTION CARRIED UNANIMOUSLY. Absent: Commissioners Morgan, Schafer, and Tennis

Announcements

None.

Public Comment

None.

Adjournment

The meeting was adjourned at 6:15 p.m.

BARB BYRUM, CLERK OF THE BOARD