A Study of Financial Management Aspects of School Business Management

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A STUDY OF FINANCIAL MANAGEMENT ASPECTS
OF SCHOOL BUSINESS MANAGEMENT

by

William Paul Le Tarte

A Project Report
Submitted to the
Faculty of The Graduate College
in partial fulfillment of the
requirements for the
Degree of Specialist in Education
Department of Educational Leadership

Western Michigan University
Kalamazoo, Michigan
April 1983
A STUDY OF THE FINANCIAL MANAGEMENT ASPECTS
OF SCHOOL BUSINESS MANAGEMENT

William Paul Le Tarte, Ed.S
Western Michigan University, 1983

This internship was conducted under the direction of the
Associate Superintendent for Administrative Services for Kent Inter­
mediate School District. The scope of the resources available were
not restricted to a single school district, but included examples
available from the twenty-one districts in Kent County. This provided
a composite view of the way districts are managed.

This was further developed by participation at meetings, in-service
sessions and conferences of the Grand Valley School District Officials,
Southwest Michigan School Business Officials, in meetings with educa­
tional lobbyists and leaders of the Michigan School Business Officials,
and in meetings with area legislators.

The experience gained through this internship were many and
diverse, however this report shall deal with one component only, the
role of financial management as it applied to the school business
manager. Knowledge and skills were also developed in the areas of
budgeting, cash management, investments, and an understanding of
current legislation affecting the financial component of public
schools.
ACKNOWLEDGEMENTS

The Specialist in Education program provided a wealth of information, a diversity of experiences, and culminated in a very beneficial and rewarding internship. I thank the Graduate College and the Department of Educational Leadership for the opportunity to pursue my goals and to further my education. I would like to thank my advisor, Dr. Carol Sheffer, who has guided me through my graduate work and whose patience, assistance and criticism have been most appreciated.

Dr. Jack Oatley, who supervised my internship project deserves recognition. He has exemplified the role of the school business manager, and could not have been a better mentor.

A special thanks to my wife Kathy whose unselfish support and sacrifice have made my graduate work possible.

William Paul Le Tarte
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CHAPTER I

INTRODUCTION

Background

This paper was presented as a summary of an internship with the Associate Superintendent for Administrative Services for the Kent Intermediate School District. The intermediate school district was designed to deliver programs and services to assist local districts, thus operating as a service agency. The intermediate district also has assisted the State Department of Education in the collecting, checking and reporting of educational data. The intermediate school district has been the middle level of the educational structure in Michigan.

The Kent Intermediate School District boundaries have included all or part of seven counties, nine cities, and forty townships, serving an estimated student membership for 1982-83 of 91,136. Kent Intermediate has served the following school districts:

- Byron Center
- Caledonia
- Cedar Springs
- Comstock Park
- East Grand Rapids
- Forrest Hills
- Godfrey Lee
- Godwin Heights
- Kelloggsville
- Kenowa Hills
- Kent City
- Kentwood
- Lowell
- Northview
- Rockford
- Sparta
Grand Rapids Thornapple Kellogg
Grandville Wyoming

The total State Equalized Valuation of the Kent Intermediate
School District for 1982-83 was estimated at $4,551,978,069. Against
this valuation the twenty local districts levied an average operating
millage of 31.1372 mills, the average allocated millage rate was
9.4897 mills, and an average of 2.3251 mills were levied for debt
retirement. The Kent Intermediate School District levied .10 mills
for general education, 1.25 mills for specials education, and .744
mills for vocational education.

The Intermediate District, in cooperation with four regional
offices, has provided services and coordination of the regional
special education programs. The district also operated two vocational
Skills Centers which have trained over 2100 students daily and over
1000 adults weekly. The Howard Christensen Nature Center, also has
been owned and operated by the District, and as has been a full-Staff
Development Center.

The Kent Intermediate School District Board has been comprised
of five members, each serving a six year term. The Board has elected
its own officers during the annual Organizational Meeting in July (Kent

Top level management of the Kent Intermediate School District
consisted of Dr. L.H. (Vern) Boss, Superintendent, Dr. Jack D.
Oatley, Associate Superintendent for Administrative Services, and
Dr. George J. Woons, Associate Superintendent for Educational Services
(see Figure 1).
This internship was conducted under the field supervision of Dr. Jack Oatley, the Associate Superintendent for Administrative Services. The organizational chart for position is described in Figure 2.

According to the "Kent Intermediate Staffing Manual", as approved by the Intermediate Board, the job responsibilities of the
Associate Superintendent for Administrative Services are:

1. Supervise the financial affairs of the district, including the handling of all funds, accounting and reporting procedures and long range planning.

2. Assumes responsibility for budget development, prepares and administers the annual budget.

3. Develops and administers a program for purchasing supplies and equipment.

4. Supervises the District's support services.

5. Develops a facility expansion program and supervises plant construction.

6. Administers the operation of the District's physical plant.

7. Establishes and supervises a detailed program of accounting and reporting of the financial affairs of the district.

8. Advises the Superintendent on business, financial and personnel affairs.

9. Develops a management information system which includes evaluation and long-range forecasting.

10. Supervises both Professional and Classified staff assigned to the Administrative Services Division.

11. Serves as a consultant to any grant proposal received by the District.

12. Interprets the Administrative Services areas of the District's operation to constituent districts and to the community.

13. Manages the District's insurance, investment and real estate programs.

14. Has the responsibility for establishing and maintaining a complete inventory system for all divisions of the District.

15. Has the responsibility of recommending needed tax rates to the Superintendent and the Board.

16. Serves as a consultant in the development of policies and administrative regulations for the operation of
17. Establishes and maintains appropriate personnel records for all staff members.

18. Directs the recruitment program for Professional and Classified staff members.

19. Screens and processes all applications for employment within the District.

20. Administers all employee negotiated contracts and controls all employee benefit programs. (Kent Intermediate Staffing Manual).

Experiences

A review of the job responsibilities for the Associate Superintendent for Administrative Services indicated the wide range of areas of responsibility: budget and finance, personnel, facilities, support services and negotiations. According to Dr. Oatley, however, about 60% of his time has been spent on activities other than those as specified in his job description. Most of his day to day operations have been concerned with serving as a resource person, providing technical information to district administrators. He has assisted superintendents and business managers on financial matters, legal matters, effects of legislation, personnel matters, and negotiations, plus other items of concern to the local districts. Dr. Oatley has also served on a variety of committees, has been in local, state, and national organizations.

It was in this setting that the internship was conducted. The experiences fell into two general types; first, the review and research of legal requirements that affected local districts, especially
in financial matters. These were specific issues and required in-depth research, not an overview approach. Personal contact with public officials, school business managers, school attorneys, and the State Department of Education was required, as well as a review of the statutes.

Second, was participation in committees, organizations and classes. An active roll was held in the county-wide committee for Emergency Food as established by the governor, as well as attending other meetings with legislators, lobbyists, and Michigan School Business Officials. Attendance at monthly meetings of the Grand Valley School Business Officials, and the Southwestern Michigan School Business Officials annual winter conference were also part of the experience. Recommended by Dr. Oatley, was participation in a computer course for school business officials at the Kent Development Center. The class was not concluded until after the formal completion of the internship.

Prospectus

Internship Prospectus - William P. Le Tarte, 1/10/83

Sponsoring Organization: Kent Intermediate School District
2650 East Beltline, S.E.
Grand Rapids, Michigan 49506
(616) 949-7270

Field Supervisor: Dr. Jack Oatley, RSPA, Ph.D

University Advisor: Dr. Carol Sheffer, Western Michigan University
Major Focus of Experience: Assistance with special projects that deal with the budget and financial process. The legislative process will also be reviewed, with specific contracts, input, and review of educational role in this area.

Duration: 14 weeks commencing January 10, 1983

Rationale: One of the most important aspects of school administration is the accurate and complete development and implementation of the district's budget, and the proper financial management of the district. This includes proper record keeping according to state statutes, cash flow, investment analysis, cost analysis, expense and income projections, and budget developing.

With the current state of financial affairs in Michigan, and more specifically the condition of school funding, this area is of primary importance to any school administrator.

The current political/economic conditions of the State have placed additional pressures on local school districts, and thus it is imperative that they have a direct and regular input into the legislative process. The ability to understand the process, how it functions, and how decisions can be affected is becoming more important every year.
**Table 1**
Projected Nature of Internship Experience

<table>
<thead>
<tr>
<th>OBJECTIVES</th>
<th>EXPERIENCES</th>
<th>TERMINAL SKILLS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The intern will:</strong></td>
<td><strong>The intern will:</strong></td>
<td><strong>The intern will be able to:</strong></td>
</tr>
<tr>
<td>1. Head up a project that will create a funding source between the 20 school districts in Kent County, the KISD, and financial institutions. This will be a consortium system.</td>
<td>1.1 review the legal implications.</td>
<td>1.1 understand the complexity of school financial problems</td>
</tr>
<tr>
<td></td>
<td>1.2 survey local schools</td>
<td>1.2 relate the knowledge to other areas of school finance</td>
</tr>
<tr>
<td></td>
<td>1.3 meet with representatives of financial institutions</td>
<td>1.4 develop program guidelines</td>
</tr>
<tr>
<td></td>
<td>1.5 seek approval of the Grand Valley School Business Officials Association.</td>
<td>1.6 seek approval of the KISD Board</td>
</tr>
<tr>
<td>2. Review the KISD budget for the past three years in order to understand the budget process, and financial management processes</td>
<td>2.1 work with Dr. Oatley on the budget process, and the steps taken in its development</td>
<td>2.1 develop an understanding of budget development and implementation that can be applied to other situations</td>
</tr>
<tr>
<td></td>
<td>2.2 attend the annual KISD budget hearing</td>
<td>2.2 be able to develop a budget for a local school district</td>
</tr>
<tr>
<td>3. Gain knowledge and practical experience in understanding the legislative process</td>
<td>3.1 meet with area legislators in an informal setting to discuss the needs of education</td>
<td>3.1 gain an understanding of the legislative process</td>
</tr>
<tr>
<td></td>
<td>3.2 attend a meeting with the MSBO lobbyists in order to determine the effective methods of lobbying</td>
<td>3.2 meet with various legislators</td>
</tr>
<tr>
<td></td>
<td>3.3 seek feedback from the legislators on the role of schools in the process</td>
<td>3.3 seek feedback from the legislators on the role of schools in the process</td>
</tr>
<tr>
<td>4. Prepare a report on the effects if incremental financing that will be presented to the Kent Intermediate School Board</td>
<td>4.1 review the statutes and other pertinent materials</td>
<td>4.1 develop an understanding of the effects of the legislation</td>
</tr>
<tr>
<td></td>
<td>4.2 make necessary contacts in order to fully understand the effects of the legislation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.3 prepare final report</td>
<td></td>
</tr>
<tr>
<td>5. Complete a course in computer use for school business officials</td>
<td>5.1 meet the requirements of the course</td>
<td>5.1 gain an understanding of the variety of uses of the micro-computer in the school business office</td>
</tr>
<tr>
<td>6. Participate in the Kent County Emergency Food sub-committee</td>
<td>6.1 meet with the committee, and gain an understanding of the goals and objectives</td>
<td>6.1 gain an understanding on how to efficiently work with a committee which represents many organizations within the community</td>
</tr>
<tr>
<td></td>
<td>6.2 prepare necessary reports as requested by the committee or Dr. Oatley</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.3 observe the group dynamics and operations</td>
<td></td>
</tr>
<tr>
<td>7. Review and research legal statutes effecting school financial matters</td>
<td>7.1 make necessary contacts to understand the effects of legislation</td>
<td>7.1 understand the effects of the legislation, and when they influence the financial matters of a local district</td>
</tr>
<tr>
<td></td>
<td>7.2 review legal statutes and pertinent information</td>
<td></td>
</tr>
</tbody>
</table>
CHAPTER II

BUDGET DEVELOPMENT

In 1983 the Kent Intermediate School District operated with three separate budgets, General Education, Vocational Education and Special Education. The state law required that the General Education Budget be approved by a vote of the constituent districts, that is districts that comprise the intermediate district, in a public hearing. The intermediate districts can have either a line item budget or a function budget approved. In a line item budget, each income and expense account is approved, in the function budget only the total revenues and expenses are approved. The KISD used the function budget for adoption, thus only the total budget amount was submitted for approval. During the internship experience I had the opportunity to review the three budget documents, examine their content, and be present at the budget hearing which was held on February 17, 1983.

General Fund Budget

The General Fund Budget as presented and adopted established the maximum dollar amount of monies for fiscal year 1983-84 at $1,643,304, plus $1,248,055 in revenue from various grants for a total budget of $2,891,359. The revenue projections included a 5% increase in State Equalized Valuation (S.E.V.), a levy of .10 mills, no increase in State Aid, and an overall increase in federal grant
monies.

With changes in revenues, there were parallel changes in expenditures, these included program and curriculum changes, staffing changes and wage increases. It is important to note that the wage increases as projected were quite consistent with wage settlements of local districts around the county.

The total budget also had a projected reduction in the fund balance from $862,285 to $577,918. This reduction was as much philosophical as it was financially necessary. During the budget hearing the Associate Superintendent, in charge of finance, indicated that with the overall economic conditions in Michigan, that a large fund balance, although possible, would not be suitable. Thus additional expenses to aid local districts were built into the budget and the fund balance was reduced by some $284,367.

The budget, as presented and reviewed at the public hearing, was a line item budget showing each account. The document also provided a three year comparison of expenditures and revenues, and a full accounting number system was used as prescribed by P.A. 621, the Uniform Budgeting Act. One section from the expense account section was as follows:

Table 2

Example of KISD Budget Accounts and Expenditures

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Account Description</th>
<th>1981-82 Actual Expenditures</th>
<th>1982-83 Estimated Expenditures</th>
<th>1983-84 Estimated Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1E2111680CM</td>
<td>Attendance</td>
<td>16,350</td>
<td>18,000</td>
<td>19,080</td>
</tr>
<tr>
<td>1E2111620CM</td>
<td>Secretarial</td>
<td>12,240</td>
<td>12,075</td>
<td>13,000</td>
</tr>
<tr>
<td>1E2115910CM</td>
<td>Office Supplies</td>
<td>5,625</td>
<td>10,000</td>
<td>8,000</td>
</tr>
<tr>
<td>1E2113210CM</td>
<td>Local Staff Travel</td>
<td>923</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td>Attendance and Child Accounting</td>
<td>35,138</td>
<td>41,875</td>
<td>41,880</td>
<td></td>
</tr>
</tbody>
</table>

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The experiences of the internship showed that the development and execution of the budget is critical. Local districts must meet the requirements of the State Department of Education and the districts auditor, but the Intermediate district must also satisfy the requirements of accounting/bookkeeping guidelines as established by various state and federal agencies due to the large amount of grant monies in the budget.

The Kent Intermediate School District utilized an approved function budget. That is, the total dollar amount is approved and cannot be changed without another hearing (this does not include grant, or soft monies). Thus the business official has the ability to amend the budget between line item accounts so long as the approved amount is not exceeded.

Although by law, only the General Education Budget must be approved by the constituent districts, the other two budgets, Vocational and Special Education, were also presented at the hearing for information.

The Vocational Education Budget totaled $7,353,831 with an expected $1,900,230 fund balance at the end of 1983-84. The KISD levied .774 mills for vocational education to operate two skills centers, the College Avenue Skills Center and the East Beltline Skills Center, plus administration of the program.

The proper managing of funds, and a sound investment program allowed the Intermediate District not to levy the total millage rate as approved by the voters. In 1982-83 .80 mills was levied, and .774 was expected to be levied in 1983-84. If interest income increased
above the expected level the .774 would be reduced even further.

The Special Education Budget totaled $9,157,773 from a levied 1.25 mills, and projected a July 1, 1984 fund balance of $600,000. A large portion of this budget was flow-through money to the local districts that is, the KISD only distributes the funds. In that the KISD had approved a 100% summer tax collection for 1983-84, these monies would be made available sooner. The special education payments to local districts were to be made in the fall rather than in the spring as they had been. This would have the effect of lowering the investment income for the Intermediate, but would place the local districts in a better cash flow position.
CHAPTER III

LOBBYING

If it is to survive, education, like other interest groups in the state, must attempt to have an impact on the legislation which directly or indirectly affects it. A review of the legislative process would show that the most critical time for involvement is at the legislative committee level where laws are being reviewed and amended.

On January 24, 1983, I was invited to attend a meeting at the Kellogg Center at Michigan State University. The meeting was with the officers and representatives of the Michigan School Business Officials (MSBO) and educational lobbyists. Those present at the meeting included:

Wally Piper, East Lansing School Board, MSBO Executive Director
Ron Rohlman, Southfield, MSBO Director
Bill Wade, Ann Arbor, MSBO Director
Jack Hamm, Warren
Richard Lowe, Carmon-Ainsworth
Stan Rumbaugh, Oak Park
Robert Ackerman, Gennesee ISD
Richard Kelley, Michigan Department of Education
Clare Ebersole, Wayne ISD, MSBO Director
Mike Sepesy, Muskegon
Bob Hubley, Bloomfield Hills
Jim Koster, Howell
Dick Eyler, Michigan Center
Clement Sutton, Detroit
Julius Tiziani, Marquette, MSBO Director
Jack Oatley, Kent ISD, ASBO
Ron Nyenhuis, Northview, MSBO Director
William Le Tarte, Caledonia

Lobbyists:
Jerry Dunn, Surburban Detroit Districts
Dick Smith, City of Detroit
Mike Boulus, Michigan Association of School Administrators (MASA)
Al Deal, Muskegon ISD
Dick Farnum, Out-of-formula districts

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The meeting, arranged by MSBO, was an attempt to coordinate efforts to impact legislation at the state level. Prior to the official meeting, the MSBO leadership met in order to clarify their position and goals. During this session it was ascertained that the organization should refrain from a political position on legislation, for that roll was reserved for superintendents and boards of education and their respective organizations. The goal for the upcoming session was then developed to be a facilitator, and thus to provide information as needed by lobbyists or legislators when the impact of pending legislation is being investigated.

It was this objective that MSBO outlined to the lobbyists at the meeting. Lengthy discussions developed around topics such as: how could information quickly be made available, specifically within 24 to 25 hours, how could the organization remain out of the political realm, and what type of information network could be developed which would provide a state-wide sampling of legislative effects. The lobbyists indicated that supposedly such information sources were already available, specifically the Department of Education, and the Department of Management and Budget, but that information from these sources has been virtually impossible to obtain in the format required. The Senate fiscal agency did provide some information on educational matters for the lobbyists and legislators. Two problems with current information were pointed out: first, the time delay in obtaining the information; and second, getting the correct information, or getting it in the format required for the problem at hand.

Several key points of the meeting, and its outcome, were
significant:

1. School business officials have had a reputation of providing accurate and unbiased information to state officials. The creation of an organization as discussed could develop political overtones and thus undermine the credibility that was currently in place.

2. The concept of utilizing an already existing organization or system rather than creating a new one seemed to have the most potential for success. There was to be a review of existing channels and contacts made to consider the possibilities of a joint effort. The political concerns of such a relationship was a major issue, for the initial objective was to be non-political, and that could be lost in such a relationship.

3. With several lobbyists present, it was clear that they did not wish to publicly commit themselves to any organization. Their survival was dependent upon their representing a specific interest group, and thus their involvement in a coalition could jeopardize that position if opposing political views emerged. The lobbyists were protective of their position, and with one exception, would not indicate that they did not have all the factual information they required to complete their tasks. It was evident that one-to-one contacts with the lobbyists would be required in order to gain the necessary support.
Observations

One of the responsibilities of the school business official is to ascertain the financial effects of pending legislation on the local school district. This information must be presented in an unbiased format to the superintendent and/or board of education. The business official should not, unless otherwise directed, take a political position on pending legislation, for it may be perceived that the position is the official position of the school district, which may not, in fact, be the case.

The business official must be able to review pending legislation, determine its effects, and establish the effect it may have on other existing legislation. It may be necessary to make personal contact with the schools legal council, state organizations, State Department officials, or legislators in order to fully understand the impact of the legislation. The business official must be able to sort fact from political position, discuss clearly and concisely factual data, ask relevant questions, and not place the district in a position of jeopardy. This requires the business official to be politically astute, to be able to communicate effectively, and to understand the full operations of the district.
CHAPTER IV

TRUTH IN TAXATION

Act No. 5, Public Acts of 1982, commonly known as the "Truth in Taxation" law, directly impacted the financial operations of local school districts. The law placed a limit on the ad valorem property taxes which could be levied for operational purposes. This level was set at the prior year's level unless the local Board of Education approved an additional rate. For example, if levying 20 mills produced $3 million, and with no change in the millage rate the following year, with the increased S.E.V. (State Equalized Valuation) the same 20 mills would produce $3.2 million, then the taxing unit would have to reduce the millage rate. The reduction in the rate would be that amount necessary to bring the revenues back to the $3 million level, let's say 19.2 mills. The 19.2 mills would be the new authorized rate, and a special hearing would be required to raise it back to the 20 mill rate. The 20 mill rate, as approved by the voters, could not be exceeded. The 19.2 could be brought up to the 20 mill rate without a vote of the people, authorization by the Board of Education was all that would be required. This did not, however, apply to millages approved after May 31 of the taxing year. If the voters approved a millage rate after that date, the full millage would be levied, and it would not be subject to the reduction.

The statutes required specific language and format for public notification and board action. The legal firm of Thurn, Maatsch and
Nordberg, recommended language for school districts to meet the legal requirements (see Appendix A for complete legal forms) for board resolution to levy additional millage rate, public notice for hearing, and board action to determine millage rate.

Of primary concern to the school business official was the financial implications of the legislation. In order to calculate the millage reduction factor as outlines in 1982 P.A. 5, Section 211.24e of the Michigan Compiled Laws, the Department of Treasury has provided the following guidelines:

The information needed to determine the base tax rate is the same as has been required to implement the Headlee constitutional limitation. Reports which will be filed by each assessing officer will be the source of assessed valuations. The county equalization directors will convert reported assessed valuations into state equalized valuations (SEV) by multiplying losses by the 1981 SEV multipliers and additions by the 1982 SEV multipliers. The assessing officers reports on form L-4025 for 1982 will list losses excluding transfer and also additions excluding transfers. Therefore, there will be no new reports required from assessors beyond those already required by section 211.34d, MCL

Required information:
1. 1981 total state equalized valuation.
2. 1982 total state equalized valuation.
3. 1982 losses S.E.V., without transfers to another classification.
4. 1982 additions S.E.V., without transfers from another classification.

Base Tax Rate Fraction = \[
\frac{1981 \text{ Total SEV} - 1982 \text{ losses SEV}}{1982 \text{ Total SEV} - 1982 \text{ additions SEV}}
\]

Base Tax Rate = 1981 operating rate \( \times \) \[
\frac{1981 \text{ total SEV} - 1982 \text{ losses SEV}}{1982 \text{ total SEV} - 1982 \text{ additions SEV}}
\]

Note: 1982 P.A. 5 uses information from assessors and the county equalization director, but it impacts on the legislative body of each unit of local government.
Note: 1982 P.A. 5 is based on the rate actually levied in the concluding fiscal year whereas Headlee and 1981 P.A. 213 rollbacks are based on maximum authorized operating rates regardless of the rate which was actually levied in the preceding year (cited in Michigan Department of Treasury memorandum, 1982).

In order for the local board of education to approve increasing the millage levy, several legal requirements had to be met. These requirements were as follows:

(1) the board of education must adopt a resolution proposing an additional millage rate, and hold a public hearing for the purpose of receiving public comment, testimony, and discussing a levy of an additional millage rate for the ensuing fiscal year;

(2) notice of the public hearing must satisfy the requirements of the Open Meetings Act, and must be published in a newspaper of general circulation within the school district. Such notice must be published at least six days before the public hearing and must specify the time, date and place of the public hearing, and must include a statement indicating the proposed additional millage rate and the percentage by which such proposed additional millage rate would increase revenues for operating purposes from ad valorem property tax levies otherwise permitted under the Act. The notice must also provide a statement that the school district has complete authority to establish the number of mills to be levied from within its authorized millage rate. Further, the Act provides that the notice shall be printed in at least 12-point type, preceded by a headline stating "Notice of a Public Hearing on Increasing Property Taxes" which must be in at least 18-point type. The notice must be at least eight vertical column inches and four horizontal column inches and not be placed in the portion of the newspaper reserved for legal notices and classified advertisements. Additionally, the school district must send timely written notice of the time, date and place of the public hearing to all newspapers of general circulation within the school district;

(3) the public hearing must be held;

(4) not less than seven days following the public hearing, the board of education may approve the levy of an additional millage rate, which may be any rate less than or equal to the proposed additional millage rate (cited in letter from Thurn, Maatsch & Nordberg, March 8, 1982).
It was the responsibility of the school business official to use these guidelines as well as other pertinent information to develop the financial impact statements. There must therefore be accurate and adequate knowledge of the law, and understanding of the district finances, and the relationship of the two.

One of the most difficult components that the business manager or superintendent must deal with is the effect that legislation has on the legal requirements already in place. The Truth in Taxation legislation was no exception. The Headlee Rollback (Constitutional Article 9, Section 31 and Section 211.34d, M.C.L.) as approved by the voters in 1978, was not altered by P.A. 5, and the Rollback had to be computed prior to the millage reduction as required by P.A. 5. The millage rate increase could be approved by the board of education to meet the statutory requirements of Truth in Taxation, whereas to alter the effects of the Headlee Rollback a vote of the people would be required.

The Uniform Budgeting Act, P.A. 621, could also have affected the timing of public hearings and board decisions regarding the finances of the district. The act required that a budget, either continuing or operational, be approved by the board of education no later than July 1. By law, these were no time elements in the Truth in Taxation legislation as to when it must be approved. However, how could a millage levy be established prior to the developments of the budget, or, the converse, how could the budget be developed prior to knowing what the millage levy would be. These types of concerns must be addressed, and the business manager must be able to recommend the
most advantageous position, economically and politically, to the Board of Education and the Superintendent.
CHAPTER V

PUBLIC SCHOOL BORROWING

At the time of this writing, the method of financing public schools in Michigan had created a wide range of funding patterns. For those districts receiving state-aid (in-formula districts) on a per pupil basis, there was some consistency built into their revenues, being bi-monthly payments which were front loaded (that is, earlier payments are greater than later ones). With the current economic conditions, declining enrollment, and increased costs, these districts generally operated on tight financial constraints.

Additional difficulties arose when expected revenues were reduced or delayed, due to state cutbacks. When this occurred, in order to meet its financial obligations, the district would have to borrow money in anticipation of revenues.

Those districts which were out-of-formula, and did not receive state aid, but rather the largest portion of their revenues was from directly collected property taxes had a different situation. It was impossible for those districts to receive virtually all of their taxes, some 80% to 90% of the total revenue, at one time. The remainder of the revenue from grants, categorical aid, investment income etc., was not substantial enough to offset this unbalanced cash flow situation.

These out-of-formula districts, even though they had a higher level of revenue per student, were often also forced into a borrowing situation due to the timing of revenue receipts.
If school districts could maintain a sizable fund balance, 25% to 35% of the total budget, the need for borrowing operating capital should be drastically reduced. With poor economic conditions in the state, sizable fund balances were a rarity, and as a rule were declining. Many districts operated with a fund balance below the 5% level. There was also a political component at play here, voters in a school district felt they paid even more property taxes then required if the district maintained a large fund balance. Larger fund balances also triggered demands by employee groups who believe this is a measure of the district's ability to pay higher salaries. Thus there were some offsetting effects to a district maintaining a sizable fund balance for operating purposes.

The need to maintain a sufficient level of operating capital in order to meet financial obligations required school districts to borrow against anticipated revenues, either state aid or taxes. Public Act 469 of 1982 provided districts with this authority, Chapter IV, Sect. 1 (1) states:

Any municipality may, by resolution of its governing body, and without a vote of the electors, borrow money and issue its notes in anticipation of the collection of the taxes and other revenues prescribed by this chapter for its then next succeeding fiscal year, or the taxes or other revenues for a current fiscal year.

When the need for additional revenue occurred, school districts would have to go to the financial marketplace in order to secure the needed funds. General market conditions had a substantial impact on the availability of funds, the cost of funds, and the salability of bonds or notes. School districts who had to borrow against anticipated
state aid had not found their obligations to be highly marketable due to the poor financial condition of the State of Michigan.

Districts that had borrowed against anticipated tax revenues had found it easier to sell their obligations. One advantage that school districts had in the bond market is that the profits from the obligation were tax free municipals, thus there was a market for such securities. However, in times of economic difficulties, more and more obligations were put on the market, thus the demand dropped and the cost increased. Some financial institutions were also limited to the amount of tax free municipal borrowing they could engage in.

The Borrowing Process

The process for securing the necessary funding for continued district operations required both in-house planning and the meeting of legal requirements, which were:

1. Determination of need: A district's cash flow projection need be completed as well as an accurate recording of income and expenditure projections. Accuracy here is essential, for the district should not borrow more than is actually required, and to borrow less could be disastrous. If initial projections are not adequate, a second loan could be sought, but this is not recommended due to the possibility of not being successful and the additional labor required to secure the second loan.

2. Board resolution: The board of education must approve a resolution to direct the administration to seek bids for the required loan. The language required in the motion is very specific, and the
schools attorney should be consulted in this matter (see Appendix C for a sample of this resolution).

3. Approval process: The selling of general obligation notes or bonds must have the approval of the Municipal Finance Commission. The passage of P.A. 469 of 1982 has also allowed approval by the Treasury Department (see next subsection). In order to receive approval, the district must submit the required financial reporting forms which will determine need, financial condition, and ability to pay.

4. Bidding process: After securing approval from the Municipal Finance Commission or the Treasury Department, the bonds or notes can be let out for bids. The development of a prospectus is important, and should include all pertinent information including:
(a) statement of board approval, (b) bidding instructions, time date and location are critically important, (c) specifications including loan period, amount, and any other necessary information, (d) financial statements, and (e) board resolutions and approval forms.

The prospectus should then be mailed out to prospective bidders.

5. Publication: The law requires that the request for bids be published in a newspaper of general circulation which serves the district, and a financial journal, i.e. The Michigan Investor, The Detroit Legal News, The Bond Buyer (see Appendix C for a sample publication). The accuracy and timing of the publication of notice is critical. The published information is the governing criteria. The notice must be published at least 7 days prior to the sale. The ad must also meet specific requirements of language and size. The district must also obtain certification of the publication of the notice and forward
this to the Municipal Finance Commission to insure that all the legal requirements have been met. The public notices will be added to the bond sale calendar (see Appendix C for a sample calendar) and from this and the published notice the prospective bidders will submit their bids.

6. Bid approval: Upon receipt of sealed bids, each should be carefully marked as to the time and date of receipt. The formal opening of the bids must be at an open session of the board of education. The bids should be reviewed, and those which did not meet the time limits or the specifications must be eliminated. The bids are then compared, and the board, by formal action, must approve the acceptance of the bid selected. The board could not award the bid at all if they felt extenuating circumstances prevailed, but this is unusual. All bidders must receive notification within 24 hours.

The ability of a district to secure the necessary funds via the selling of notes or bonds depended upon the financial condition of the district and the State. Care had to be taken that all required procedures be properly carried out, for a delay in the process due to improper filing or whatever, could be critical when the district was planning on the availability of the revenues.

One other component had to be considered, the lead time of the sale. Districts could set the date of the bids in advance of the date of the actual sale in order to have some flexibility in any portion of the process became delayed. The problem, especially in times of market fluctuation, was that a 10 day or 2 week buffer between the two dates could result in higher interest rates being bid out due to
market uncertainty. Bond buyers would submit their bid based on the
projected rate, not the exact current rate.

Public Act 469

The enactment of Public Act 469 (P.A. 469) amended the Municipal
Finance Act, P.A. 202 of 1943. This amendment allowed a municipality,
including school districts, to sell bonds or notes by applying directly
to the Treasury Department. Prior to this amendment all approvals had
to go to the Municipal Finance Commission. Chapter III, Sec.11 (2)
states:

A municipality desiring an exception from prior approval
for the issuance of an obligation shall notify the Depart­
ment of Treasury, in writing on a form prescribed by the
Department of Treasury, of its intent to issue the obliga­
tion and the purpose for which the obligation is issued.
This notification shall include an agreement to pay a
filing fee of $100.00 for a filing related to the issuance
of an obligation of less than $500,00.00 and of $400.00
for a filing related to an obligation of $500,000.00 or
more. The notification and the agreement to pay a filing
fee required by this subsection and to file the documen­
tation required by section 10 of this chapter shall be
made before the date the municipality delivers the obli­
gation to the purchaser. The payment of the filing fee
shall be made within 10 calendar days after delivery of
the obligation to the purchaser.

Of primary advantage to the school district was the time element,
for too often the approvals had been delayed by the Municipal Finance
Commission and thus prove disastrous to a districts borrowing or
cash flow situation. It was expected that the Treasury Department
approval would be more timely.

In general, there should be no effect on the marketability of
the bonds or notes. Approval by either the Municipal Finance Commission

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or the Treasury Department will require a legal opinion from a bonding attorney, it is this bonding opinion that has the greatest effect on the marketability of the obligation.
The passage of Act. No. 333, Public Acts of 1982 allowed school districts to impose a summer property tax levy. The act permitted the summer tax by approval of the local boards of education, and did not require a vote of the people, providing that all legal requirements had been met. The tax levy could either be a 50% or a 100% collection of the school property tax levy, and had to be collected on or before September 14.

With the general financial conditions, and cash flow problems that many school districts faced, the passage of this legislation could prove to be very beneficial, for many districts borrowed a substantial portion of their budget annually. The ability to collect all, or a portion of their tax revenue in the summer would eliminate or drastically reduce this borrowing need. This would in turn reduce the interest costs, and increase the interest income of the district. Overall, this had the effect of additional revenue without imposing additional millage rates on the local taxpayers.

The implementation of the summer tax could have an adverse effect on special segments of our population, the legislation had taken this into account.

Summer school taxes may be deferred without penalty or interest until the following February 15, upon proper application to the collecting unit, for senior citizens (age 65) and blind, paraplegic, quadriplegic, and other disabled people if their prior year's income was $10,000

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or less. Owners of agricultural property may defer their summer school taxes until February 15 if their gross farm receipts exceed their household income (MASA/MASB Report, Dec. 10, 1982).

For the summer of 1983, 19 of the 20 local districts in Kent County would be collecting all or part of their taxes in the summer, plus the Intermediate School District went from a 50% collection to a 100% collection. The one district that did not elect to collect summer taxes was a highly agricultural district. There would be summer tax collection in 49 taxing units, and on at least 90% of the State Equalized Valuation. (It is common for a school district to have more than one taxing unit, taxing units are cities and townships.) The Kent Intermediate School District would not be collecting their portion of the summer taxes where the local district was not also collecting.

The Michigan School Investment Association (1982) report to one of the local districts in the county projected that on a 50/50 summer tax collection schedule, that approximately $1.6 million would be collected in the summer, and $2.0 million in the winter (See Appendix A). This would have the effect of eliminating all borrowing and that net investment income would double even with a decline in interest rates. The cash availability ratio would increase to 19.56% and if interest rates hold at 9.5% over $84,000 would be earned. For larger districts the cash flow/borrowing advantages would rise proportionately. This equates to approximately .3 or .4 of a mill for this district.

The largest obstacle to the smooth implementation of the summer tax levy was expected to be the collection itself. The law provided that the local districts were to contact the townships and cities in
their jurisdiction to agree to serve as the collecting agent, and negotiate the cost of the collection.

If within 30 days, agreement had not been reached the district could negotiate with the county treasurer to be the collecting agent. If agreement here could not be reached, the district could collect its own taxes.

Within Kent County, collection fees had been negotiated from $1.30 to $2.70 per parcel, and some townships were still requesting $3.00 and $3.50 per parcel but had not reached agreement. Some of the governmental units had utilized the 1% collection fee as authorized by statute and did not charge the districts extra for this collection. One of the larger units agreed not to charge a fee due to the float condition, the money would be invested and the interest earned would offset any additional costs that may be incurred. One of the other governmental units had formally contacted the Intermediate district and had asked them to rescind their motion and not even collect summer taxes in their jurisdiction. The ability to negotiate for the collection of the summer taxes was expected to continue to be a problem for the local districts.

A legal problem also arose with the difference in collection procedures. That is, could a district collect summer taxes in any of its units if it did not collect in all of its units. The attorneys for the school districts indicated that their interpretation of the law allowed for school districts to collect in some governmental units without collecting in all. The attorney for the townships interpreted the law to state that if a district did not collect in all taxing
units within its borders, it could not collect in any of them. The school districts in Kent County proceeded on their attorney's recommendation. It must be remembered that the township officials were the main force in attempting to defeat this legislation.
CHAPTER VII

THE GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY

One of the projects requested for completion of the internship experience, was to review the tax implications of the Grand Rapids Downtown Development Project No. 1 as authorized by Public Act 197. Included in this review was to be the implications of Public Act 198, the Industrial Facilities Tax Exemption Act, Public Act 255, the Commercial Facilities Tax Exemption Act, and the veto of Section 26 of the 1982-83 State Aid Act.

The materials were to be written up in report format for Dr. Oatley to present to the Kent Intermediate School Board. The report as prepared and presented in included in its entirety in Appendix D.
CHAPTER VIII

CONSORTIUM BONDING

In April of 1982, the Grand Valley School Business Officials met with Mr. Tom Gavin of the First of Michigan Corporation, and Mr. George Stevenson of the Miller, Canfield, Paddock & Stone Law firm. The presentation to GVSBO was to attempt to set up an installment purchasing plan. This plan, the first of its kind in Michigan, was designed so local school districts could reap the advantages of large volume purchasing.

The procedure would involve establishing a purchasing consortium where local schools would pool their borrowing needs to obtain a minimum $3 million, which would then be financed by a bond issue. The schools within the Kent Intermediate would be eligible for participation, and the Kent Intermediate School District would serve as a second party, and would be the co-signer to the agreement.

The bond issue would be a five year maturity, which would hit on the lowest point of the yield curve and thus be a saleable item to the bond buyers. This type of bond would also not be applied towards the districts total bonding limit, nor would it require approval of the Municipal Finance Commission.

The items that could be included in the purchasing package were any equipment type items, buses, boilers, energy conservation items, etc. It was noted that school roofs could not be included in the package. Buses could be included, but there was already legislation...
which allowed for bus financing and thus they probably would be ex-
cluded due to lack of need.

Presented (First of Michigan Corporation) were two cost analysis
examples; one for districts that could afford the equipment purchases,
and one for those districts that could not (see Table 3 and 4).

After further review, the school attorneys determined that under
the current legislation, such a consortium purchasing agreement was
illegal.

In December of 1982, Dr. Oatley was informed by the attorneys of
a change in the statutes which would now make the consortium purchasing
agreement a viable and legal option for local school districts. House
Bill 4846 amends PA-451 of 1976 states:

The Board of a school district or local act school
district may provide for energy conservation improve-
ments to be made to school facilities and may pay for
the improvements from operating funds of the school
district. Energy conservation improvements may include,
but are not limited to, heating system improvements,
fenestration improvements, roof improvements, the
installation of any insulation, the installation or
repair of heating or air conditioning controls, and
entrance or exit way closures.

The board of a school district or local act school
district may acquire 1 or more of the energy conserv-
vation improvements... by installment contract or
may borrow money and issue notes for the purpose of
securing funds for the improvements. An installment
contract for notes issued pursuant to this subsection
shall extend for a period of time not to exceed 10
years. Notes issued pursuant to this subsection shall
be full faith and credit, tax limited obligations of
the school district or local act school district,
payable from tax levies and the general fund as
pledged by the board of the school district or local
act school district. The notes shall not be subject
to the Municipal Finance Act, Act No. 202 of the
Public Acts of 1943.... (Sect. '127 A).
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982 Required Equipment Purchases</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>1982 Required Budget Expenditure without installment purchase contracts</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>1982 Required Budget Expenditure with installment purchase contracts for 5 years at 10% per annum</td>
<td>$263,797</td>
</tr>
<tr>
<td>Net Savings in 1982 Budget</td>
<td>$736,203</td>
</tr>
<tr>
<td>Required Budget Expenditure with installment purchase contracts for 5 years at 10% per annum</td>
<td>$1,318,985</td>
</tr>
<tr>
<td>Less: Investment of unused funds at 14% per annum</td>
<td>(338,409)</td>
</tr>
<tr>
<td>Reinvestment if interest received on investment of unused funds at 10% per annum</td>
<td>(62,744)</td>
</tr>
<tr>
<td>Net Cost of Equipment</td>
<td>$917,832</td>
</tr>
<tr>
<td>Net Savings with Installment Purchase Contracts</td>
<td>$82,168</td>
</tr>
</tbody>
</table>
Table 4

Installment Purchasing Cost Analysis - Example 2

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>School District with inability to fund current equipment purchases in budget.</td>
<td></td>
</tr>
<tr>
<td>1982 Required Equipment Purchases</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>1982 Required Budget Expenditure without installment purchase contracts</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>1982 Required Budget Expenditure with installment purchase contracts for 5 years at 10% per annum</td>
<td>$263,797</td>
</tr>
<tr>
<td></td>
<td>$736,203</td>
</tr>
<tr>
<td>5 year Required Equipment Purchases</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>5 year Required Budget Expenditure with installment purchase contracts for 5 years at 10%</td>
<td>$3,957,355</td>
</tr>
<tr>
<td>Net 5 years savings with installment purchase contracts</td>
<td>$1,042,645</td>
</tr>
</tbody>
</table>

After 5 years the annual budget expenditure is approximately equal to the annual required equipment purchase plus interest.
Dr. Oatley requested that as part of the internship experience that an active role be taken in the coordination and implementation of the consortium purchasing plan for the districts.

On January 14, 1983, a meeting was held to coordinate the initial activities, present were: Dr. Jack Oatley of the Kent Intermediate School District, Ron Erickson of Michigan School Investment Association, Ron Nuinhuis of Northview Schools, Dale Bush of Kentwood Schools, Jane Berends of the Grand Rapids Schools, and Bill Le Tarte of Caledonia Schools. The representatives agreed that such a purchasing agreement was needed, and that financially would be to the advantage of the local districts. It was also agreed that the minimum $5 million could be generated in order to issue a bond, and that within the first year an additional $5 million could be issued.

The legal questions, which required an attorney's opinion included: developing a clear line of liability, developing a prospectus, common maturity structure, use of a bond council or marketing firm, the indenture, and the contractual agreement format.

It was learned from the attorneys that the legislation did in fact allow consortium purchasing and bonding by local school districts, however, intermediate districts were not included in the legislation. Since the Kent Intermediate School District was to serve as the second party, and utilize its position as fiscal agent, the project was again defeated. The attorneys also did not recommend that local districts attempt such a project on their own for they should not obligate their full faith and credit where direct line of liability or collection method could not be developed and enforced.
The consortium purchasing project needed further changes in the statutes which would make it feasible for such programs to be implemented.
CHAPTER IX

KENT COUNTY EMERGENCY FOOD SUB-COMMITTEE

On December 16, 1982 former Governor William Miliken approved a 40 point emergency assistance plan for Michigan (see Appendix B for these 40 points). The Kent County Department of Social Services coordinated the efforts to implement this emergency assistance plan in Kent County. The following sub-committees were formed:

(a) Coordinating Committee, (b) Emergency Food Committee, (c) Emergency Shelter Committee, (d) Utility/Energy Conservation Committee, (e) Emergency Funds Committee, (f) Community Information Committee, and (g) Primary Health Care Committee.

The sub-committee membership comprised of members from community agencies, departments, civic groups, and organizations. The Kent Intermediate School District was named as the chair of the Emergency Food Sub-committee. Involvement at this level was incorporated into the internship experience. The membership of the sub-committee consisted of representatives from the following:

ACCESS (All County Churches Emergency Support System)
AIM
Area Agency on Aging
Catholic Human Development
Care & Share Food Program (GM/UAW)
City of Grand Rapids - Civil Defense
Farm Bureau
Kent CAP
Kent County Department of Social Services
Kent County Health Department
Kent Intermediate School District
Michigan Economics for Human Development
Michigan State Cooperative Extension Service
Red Cross

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The exact nature of the problem to be addressed was the first objective of the committee. The problem to be dealt with was, with the current economic conditions in the State of Michigan, there was an increasing need to provide emergency food supplies to families in Kent County.

This was supported by the facts that in the past year alone the number of people served by Capital Lunch had doubled, the agencies that West Michigan Gleaners Inc. provided supplies to had increased from 25 to 82. Church groups under the ACCESS Program had witnessed a 300% increase in referrals, and the VIA Information and Referral Program had tripled the number of referrals made. With this information, the sub-committee set out to reach its objective - to insure that families in need of emergency food could as easily and quickly as possible receive assistance. and that the assistance available be made known to the community as a whole so those in need could have access to the services available.

The coordination of the efforts of the 16 various agencies was a difficult task. Some of the agencies served as "wholesalers" and provided commodities to distribution vendors. Other agencies served as direct distributors by operating "soup kitchens" or "food pantries". Still other agencies provided direct services through food stamp or coupon distribution. Each of the agencies had its own organization, its own resources, and an identified population which it served. Other agencies provided support services, referral services, screening, coordination, or education. The task become to identify what services
each agency provided, and the population that was eligible for those services. To assist with identifying this information, the following chart for the committees use was developed.

The initial position of many of the agency representatives on the sub-committee was not to commit themselves to a coordinated effort, but to solicit assistance to make their own operation more effective or solve immediate problems that they were dealing with. The initial meetings held focused on what services were available, who was eligible for receiving those services, what prevented the agency from solving their problems which affected their efficiency.

From this point the task of matching the available resources to where they were most needed became one of the sub-committees tasks. The other primary goal was to review the requirements of each of the various agencies and determine if there was a need within the community that was not being met.

In order to assist with reaching the goals of the sub-committee the following guidelines were presented for review.

Kent County Emergency Needs Task Force
Emergency Food Committee

Needs Assessment

1. Declaration of an emergency situation by the governor.
2. Recommendation of state level task force.
3. Number of requests for assistance (all service agencies).
<table>
<thead>
<tr>
<th>Administering Agency Program Name</th>
<th>Population</th>
<th>Assistance</th>
<th>Eligibility Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCESS</td>
<td>Individuals in need of emergency food.</td>
<td>Food banks provide emergency food supplies to individuals or families, limited to 3 to 4 times per year.</td>
<td>As determined by VIA screening.</td>
</tr>
<tr>
<td>AIM (Farm Bureau)</td>
<td>Food Distribution organizations.</td>
<td>Collection and distribution of donated food.</td>
<td>Direct distribution, or secondary distribution agency.</td>
</tr>
<tr>
<td>Care and Share Food Program</td>
<td>Laid-off workers in need of supplemental food.</td>
<td>Food boxes are distributed twice a week, every other week.</td>
<td>Laid-off worker in need of supplemental food.</td>
</tr>
<tr>
<td>Department of Social Services</td>
<td>Low-income families.</td>
<td>Food Stamps.</td>
<td>D.S.S. eligibility requirements based on several criteria</td>
</tr>
<tr>
<td>Kent County Cooperative Extension Service Expanded Food and Nutrition Education Program</td>
<td>Low-income families with young children.</td>
<td>Improve adequacy of daily diet through increased knowledge and skills.</td>
<td>Low-income families with young children.</td>
</tr>
<tr>
<td>Kent County Health Department Women, infants, children program (WIC)</td>
<td>Pregnant women, children and infants who have inadequate diet.</td>
<td>Nutrition education and food coupons for enrollees.</td>
<td>Family income/size guidelines/</td>
</tr>
<tr>
<td>Schools, Public and some non-public (182 locations with KISD)</td>
<td>School age children.</td>
<td>Free or reduced price lunches.</td>
<td>Household income and family size.</td>
</tr>
<tr>
<td>Administering Agency Program Name</td>
<td>Population</td>
<td>Assistance</td>
<td>Eligibility Requirements</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----------------------------</td>
<td>-------------------------------------</td>
<td>----------------------------------------------------------------</td>
</tr>
<tr>
<td>Michigan Economics for Human Development</td>
<td>Migrant and seasonal farmworkers</td>
<td>Voucher plan for direct food purchase ($50 max.) plus a food pantry</td>
<td>$400 or 25 days or more in the field, poverty income guidelines, at least 50% income agricultural.</td>
</tr>
<tr>
<td>VIA</td>
<td>Individuals in need of emergency food</td>
<td>Information and Referral Program for ACCESS, screening agent, and recipient inventory. Provides coordination of community organizations.</td>
<td>(See specific agency)</td>
</tr>
<tr>
<td>West Michigan Cleaners, Inc.</td>
<td>On-site feeding programs and food pantries</td>
<td>Solicits surplus, damaged, mislabeled food from wholesalers growers and distributors or corporations. Distributes to other programs only.</td>
<td>Agencies which provide emergency assistance.</td>
</tr>
</tbody>
</table>
Figure 3. Emergency Food Committee Task Flow Chart

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5. Review of current policies negatively affecting clients (Department of Social Services).


Communication


4. The development of a public/private community based food coordination system.

Community Coordination Agency

1. Agency membership.

2. Tasks and responsibilities.

Identification of Available Resources

1. Federal - (a) identification of federally owned stockpiled surplus food; (b) additional federal resources.

2. State - (a) implementation and promotion of food donations in large quantities (West Michigan Cleaners Organization, ACCESS);
(b) establishment of an emergency needs trust fund (state and federal governments); use of National Guard for transportation, storage, and distribution centers (Grand Rapids and Kent County Civil Defense Coordinators).

3. Local - (a) use of volunteers and DSS clients involved in employment programs (Department of Social Services, VIA, West Michigan Gleaners); (b) establishment of an emergency needs trust fund (United Way, federal government, Department of Social Service); (c) appropriation of surplus commodities and the expense of distribution (Kent CAP, ACCESS, West Michigan Gleaners, Kent Intermediate School District).

Other Activities

1. Solicitation of volunteers and workers.
2. Collection of available resources.
3. Transportation and storage of available resources.
4. Distribution of resources.
5. Evaluation.

As of this writing, the sub-committee was still in session, with its goal of having a final report completed and submitted to the Steering Committee by June 1, 1983.

Observations

As a part of the community, the schools must be willing to become involved in local activities. When the community is healthy, this affects the schools climate, the reverse is also true. This involvement can occur at any level, but for leadership and expertise, the community
often turns to the school administrator.

Using the Emergency Food Sub-Committee as an example, it was evident that the members felt free to turn to the school representative for leadership and guidance, and from that leadership position results were expected.

The schools were also a respected part of the committee, for the members realized that the school was the only organization that did not have a political bias, or a program to protect.

In order to maintain this position, the school administrator must be aware of the group dynamics, the political position of the members and the overall community needs. As with the Emergency Food Sub-Committee that required keeping the committee on task, not allowing individual concerns to become the concerns of the group, not allowing one of the organizations represented to overshadow any of the others, and maintaining political neutrality. Then and only then can the committee present a proposal that could be accepted by the whole community that it is supposed to represent.
CHAPTER X

CONCLUSION

The School Code of 1976 provided Boards of Education with the general authority to "employ the necessary assistants and employees, prescribe their duties, and fix their compensation" (Sec. 380.1248). This can be the employment of a fiscal officer (380.346), business manager (380.249), or other administrator. "Whatever the name of the position, the duties, responsibilities, and authority of the school business official are prescribed by the Board of Education" (Muth, Sreboth and Ames, 1980, p. 1).

It is the superintendent who is the chief executive officer of the district, and is ultimately responsible for the district's operations, however, "although the Board of Education may hold a superintendent ultimately accountable for assuring the sound business management of the school district, all eyes will turn to the business official for answers to the questions 'What went wrong', 'How did that happen.'" (Muth, Sreboth and Ames, 1980, p. 1).

Thus the school business official must be aware of the technical components of the position, be able to integrate these into the district's operations, and keep the superintendent and board informed of the status of these measures.

The managing of the funds of a school district must insure that (a) local Board policies have been met, (b) state reporting forms are complete and accurate, (c) legal requirements have been adhered to, and
(d) grant or other special requirements have been complied with.

The role of the school business official in becoming increasingly more complex, and the operations are governed by statutory principals including the Uniform Budgeting Act, School Code of 1976, Municipal Finance Act, the Public Employment Relations Act, and the Employment Security Act. The complexity of the responsibilities of the school business official is further demonstrated by the various specific "work/task clusters" identified by McGuffey (1980) which were:

- Capital Fund Management
- Cash Management
- Classified Personnel Management
- Community Relations
- Construction Management
- Data Processing
- Educational Facilities Planning
- Educational Resources Management
- Financial Planning and Budgeting
- Fiscal Accounting and Financial Reporting
- Fiscal Audits and Reports
- Food Service
- Grantsmanship
- Insurance and Risk Management
- Legal Control
- Office Management
- Payroll Management
- Plant Maintenance
- Plant Operations
- Plant Security and Property Protection
- Professional Negotiations
- Property Management
- Purchasing
- Staff Development
- Student Activity Funds
- Transportation Services
- Warehousing and Supplies Management

(Hill, 1982, p. 16).

The business official must be astute in all aspects of the financial affairs of the school district, but this in itself is not enough, for according to the National School Boards Association and the Association of School Business Officials report:
The administrator for business affairs, who once played a semiclerical role as the handler of administrative details for the board of education, has evolved into a highly specialized member of the superintendent's administrative team. The effective incumbent in this position today as a leader who is well trained and competent in decision-making. He has high-level managerial responsibilities as well as staff responsibilities as an advisor to the superintendent concerning financial affairs and matters of general importance to the educational program. He is at the same time a specialist in the financial operation of the system, a director of the logistical support component of the system, a consultant and advisor to the instructional and administrative staff, an implementor of innovations in financial planning and operations, a practitioner of good public and human relations, and an active participant in the decision-making and policy development process within the system (Hill, 1982, p. 42-43).

As has been demonstrated, the functions of the school business official are diverse and numerous, however, as the job title reflects, the paramount responsibilities are the financial management components. In that the general areas of responsibility for a school business official are often detailed in board policy or the job description of a particular district, the emphasis on this project was to outline the details of executing these specific objectives.

In meeting this goal, it was necessary to select representative areas that a business official must deal with, i.e. borrowing, tax exemptions and revenues, and summer tax collections. The task had to be developed to the extent that would be necessary as if the projects were to be reported to the superintendent of board of education. It is with the research and investigation required to develop these tasks that the real understanding of the requirements took place.

In formulating the various projects, and conducting the necessary research to insure their accuracy, the following factors became apparent:
1. There are numerous legal requirements which directly or indirectly influence the financial aspect of a school district.

2. Depending on the size of a district, its financial position, location, and policies, the laws which affect the district can vary.

3. Statutes which affect municipal governments, may also affect schools, and vice versa. The economic and political implications of these must be understood.

4. No one person knows all the answers, and conversely someone always has the information. It is necessary for a school business official to have numerous reliable contacts, and to know where to go for information.

5. Laws and departmental regulations are often written in general terms, it is necessary to possess the ability to extract the components which influence the district, and analyze the effects that may result.

6. Often one of the statutes influences, or is influenced by one of the other statutes. This, it is necessary to be able to determine the combined effects of legislation.

7. The legislation as enacted, may not always be as it seems. Often a legal opinion is required. Knowing when to contact the school attorney, and knowing what questions to ask is an important asset.

8. There are many state and national professional organizations that attempt to address specific issues and provide assistance to the practitioner. Holding membership in these organizations can be very beneficial. There are also many journals on the market, some of these
can also be quite useful.

9. Many decisions made in the financial area influence or are influenced by other factors. It is imperative to realize the full effect of any and all decisions.

10. Nothing is as simple as it may seem.
A meeting of the Board of Education of said school district was held at in said district on the day of , 1982, at o'clock, a.m.

The meeting was called to order by , President.

Present: Members

Absent: Members

The following preamble and resolution were offered by Member and supported by Member ;

WHEREAS, Act 5, Public Acts of Michigan, 1982, provides that without specific action taken by the Board of Education, the Board shall not levy ad valorem property taxes for operating purposes for the ensuing fiscal year which yields an amount more than the sum of the taxes levied at the base tax rate on additions within the school district for the ensuing fiscal year plus an amount equal to the taxes levied for operating purposes for the concluding fiscal year on existing property; and

WHEREAS, said Act 5 provides that the Board of Education may approve the levy of an additional millage rate, within its present authorized or proposed millage rate, only after providing certain notice to the public and holding a public hearing for the purpose of receiving testimony and discussing the levy of an additional millage rate for the ensuing fiscal year; and

WHEREAS, this Board of Education has been advised by the County Equalization Director that the [tentative] state equalized valuation for the 1982 tax year of property located within the school district is ; and

WHEREAS, Act 5, based upon the [tentative] state equalized valuation of the school district, would limit the district's operating tax levy to mills; and

WHEREAS, this Board of Education, after careful examination of its estimated operating expenses for the 1982-83 fiscal year and estimated revenues based on [tentative] state equalized valuation, has determined that the best interests of the school district require the levy of the additional millage rate of mills to provide sufficient revenue for the school district for operating purposes for the ensuing fiscal year;

[WHEREAS, the Board currently has the authority to levy a maximum of mills, which may be increased to a maximum of mills if the electors approve a millage proposal of mills anticipated to be submitted to the electorate;]
NOW THEREFORE, BE IT RESOLVED THAT:

1. This Board of Education, pursuant to said Act 5, proposes a tentative levy of not to exceed _______ mills for operating purposes in 1982, which includes an additional millage rate of _______ mills.

2. A public hearing shall be held on ____________, 1982, at o'clock .m. at ______________________ for the purpose of receiving testimony and discussing the levy of an additional millage rate for the 1982-83 fiscal year.

3. The Secretary of the Board of Education is hereby authorized and directed to publish notice of such public hearing, said notice to be substantially in the form of attached Exhibit A, in a newspaper of general circulation within the school district. The notice shall be published not less than six (6) days before the public hearing and shall comply with all requirements of said Act 5.

4. The Secretary of the Board of Education is hereby authorized and directed to send timely written notice of the time, date, and place of the public hearing to all newspapers of general circulation within the school district.

5. The Secretary of the Board of Education shall post notice of the public hearing in compliance with the Michigan Open Meetings Act.

Ayes: Members

Nays: Members

Motion declared adopted.

Secretary, Board of Education

I, the undersigned, Secretary of the Board of Education, ____________, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Education ____________, Michigan, at its meeting held on ____________, 198, the original of which is part of the Board's minutes.

Secretary, Board of Education

1 bracketed word to be used only when SEV has not yet been finally established.

2 bracketed paragraph to be used when resolution is passed prior to millage election.
NOTICE OF A PUBLIC HEARING
ON INCREASING PROPERTY TAXES

PLEASE TAKE NOTICE that on ____________, 1982, at ______ o'clock a.m. at ______________ the Board of Education of ______________ will hold a public hearing on the levying in 1982 of an additional proposed millage rate of ________ mills for operating purposes pursuant to Act 5, Public Acts of Michigan, 1982.

The Board of Education has the complete authority to establish that ________ mills be levied in 1982 from within its present authorized millage rate. [or, where the hearing is to be held prior to a millage election, use the following:

The Board of Education has the complete authority to establish that ________ mills be levied in 1982 if an election proposal of ________ mills receives a favorable vote.]

The maximum additional proposed millage rate would increase revenues for operating purposes from ad valorem property tax levies in 1982 otherwise permitted by Act 5, Public Acts of Michigan, 1982, by ________ percent (____%).

[The figure for increase in revenue for operating purposes is based on the latest estimate of state equalized valuation of property located within the school district. State equalized valuation will not be finalized until after the fourth Monday in May. In the event that state equalized valuation as finalized is for any reason higher that the estimate used for this hearing, the Board of Education must hold another public hearing before levying millage on any higher valuation.]

(The board may insert any other pertinent information ie. impact, if any, on Section 21(1) membership state aid.)

The purpose of the hearing is to receive testimony and discuss the levy of an additional millage rate. Not less than seven (7) days following the public hearing, the Board of Education may approve all or any portion of the proposed additional millage rate.

This notice is given by order of the Board of Education.

____________________, Secretary
A meeting of the Board of Education of said school district was held at __________ in said district on the ______ day of __________, 1982, at ______ o'clock, __.m.

The meeting was called to order by ______________, President.

Present: Members

Absent: Members

The following preamble and resolution were offered by Member ______________ and supported by Member ______________;

WHEREAS, the Board of Education by resolution of __________, 1982, proposed a total authorized levy of ____ mills within the school district for operating purposes for 1982, which included an additional rate of ____ mills; and

WHEREAS, the Board of Education has carefully examined the financial circumstances of the school district for the 1982-83 fiscal year, including estimated expenditures, estimated revenues, and state equalized valuation of property located within the district, and determined that the levy of an additional millage rate will be necessary for the sound management and operation of the school district;

WHEREAS, the Board of Education has complete authority to establish that a maximum of ____ mills be levied for operating purposes in 1982 from within its authorized millage rate; and

WHEREAS, more than six (6) days have elapsed since the public hearing of __________, 1982; and, under said Act 5, the Board of Education may now authorize a maximum total levy of ____ mills for operating purposes for 1982, within its present authorized millage rate [and ____ mills within its authorized rate if a millage proposal of ____ mills is passed.] which includes an additional millage rate of ____ mills; and

NOW THEREFORE, BE IT RESOLVED THAT:

1. For 1982, the total millage rate of ____ mills, which includes an additional rate of ____ mills, shall be levied upon property located within the school district.
2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

Ayes: Members

Nays: Members

Motion declared adopted.

Secretary, Board of Education

I, the undersigned, Secretary of the Board of Education, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Education __________, Michigan, at its _______________ meeting held on _____________. 188 , the original of which is part of the Board's minutes.

Secretary, Board of Education

1 bracketed word to be used only when SEV has not yet been finally established.

2 bracketed phrase to be used only when resolution is passed prior to millage election.
Table 6
Cash Flow Analysis From UPD/EST

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Summary

Annual Average Cash Availability: $890,112
Investment Base: $174,475
Investment Income: $84,561
Interest Expense: $0
Net. Int. Income: $84,561
Gross Return on Cash Availability: 9.50%
Availability Ratio: 19.56%
Equity Ratio: 5.62%
Inc/FTE: $43.48
Fct. State Aid: 3.3%
Tax Collection Group: SW
Annual Budget: $4,550,770
Amount Borrowed: $0
Adj. Revenue: $4,550,770
Net Return on Cash Availability: 9.50%
Cash Utilization Factor: 185.82
Fund Equity: $255,920

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In response to Governor William Milliken's December 16, 1982, call for statewide attention to the emergency needs of low-income and destitute Michigan citizens, the Kent County Controller's Office requested on December 28, 1982, that representatives of the public and private human service sector cooperatively implement a plan under the coordination of the Kent County Department of Social Services to meet the needs of local citizens facing immediate crisis situations. The Kent County Board of Commissioners has subsequently reviewed and endorsed the Kent County Emergency Assistance Plan. Governor Milliken's call for action in meeting emergency needs throughout the state included a 40 point program addressing various areas of emergency needs and those statewide resources potentially available to meet them.

To meet the basic goal of assisting Kent County residents to maintain themselves in their own homes with sufficient food and heat, Kent County's public and private human service funders and providers have addressed each of the Governor's 40 points appropriate to Kent County seeking to assure that maximum emergency needs support is available. As implementation of the 40 point plan occurs locally, participation of all segments of the community including churches, businesses and private citizens as well as human service agencies, local governmental human service departments, the United Way and foundations will be necessary to assure success.

Currently in Kent County, requests for emergency food, including meals and groceries, shelter and utility payments are on the increase as reported by local human service providers, churches and governmental agencies. Although Kent County's unemployment rate, which is approaching 11 percent, is not as high as the statewide 17 percent, eligibility for public welfare and payment levels have been drastically reduced through budget cuts, policy changes and inflation. Additionally, the newly unemployed who may currently be ineligible for or waiting to be determined eligible for public assistance are facing immediate cash shortage crises as regular income is drastically reduced. In combination, these factors indicate the need for immediate deployment of available emergency need resources throughout the county with the addition of increased resources if the situation warrants it.

Kent County through its numerous human service agencies, Boards of Education, and governmental bodies as well as through local churches involved in the Countywide ACCESS emergency resource distribution project has available the key components of a countywide emergency distribution system. The Kent County plan of response to the Governor's 40 point plan targets those service need components and key community providers who are essential to the success of this community effort.

To assure effective provision of emergency services in the county, the following parameters should be agreed upon prior to implementation. It is recommended that:

1. A countywide emergency assistance task force including representatives from county and city governments; boards of education, key human service provider agencies including churches who are or may be represented by the ACCESS project as well as local foundations, the Kent County United Way
and interested citizens be convened to provide oversight to the
development of an effective emergency assistance system in Kent County.
The Kent County Department of Social Services has been designated as the
local county agency responsible for coordinating the implementation of
this plan.

2. Commitments must be obtained from local governments, businesses, funding
sources, agencies, boards of education and other willing participants to
support a countywide emergency assistance distribution system. These
commitments will specify the roles and responsibilities of individual
participants.

3. A determination must be made of necessary additional financial, personnel
and other resources needed to implement an emergency distribution system.
The development of those resources will proceed under the direction of
the task force.

4. The ACCESS emergency assistance project must be recognized as the key
mechanism for assisting Kent County residents in need to the appropriate
source of assistance.

5. Agreement by emergency assistance distribution task force members must
be reached on implementation of those components in the Governor's 40
point plan that immediately impact on Kent County's emergency assistance
distribution needs and additional components be identified where
appropriate.

DS:pIR
Point 1: Calls for the establishment of a statewide coordinator. Mr. C. Patrick Babcock, Michigan Department of Mental Health Director, has been appointed coordinator for emergency assistance on a statewide basis. Locally the Kent County Department of Social Services has been designated to coordinate community efforts, with VIA/ACCESS being the primary agency for client referral. A task force comprised of representatives from participating agencies will be formed to serve in an ongoing oversight role. The task force will direct countywide emergency assistance activities through subcommittee responsible for at least food, shelter, utility services and public relations.

Point 2: Recommends that the Governor direct the Department of Treasury to look for alternatives to encourage individual and corporate donations. Locally, individual church and corporate contributions, along with private agency in-kind services, government and foundation resources must be directed through the United Way to effectively impact on Kent County emergency assistance needs.

Points 5, 6, and 7: These points call for implementation and promotion of food donations in large quantities. Kent County is unique in that the West Michigan Gleaners Organization is already carrying out community distribution. The capacity of the Gleaners Organization to effectively support the ACCESS food distribution system as well as continuing ongoing commitments to local residential, prepared food and commodity distribution agencies must be evaluated with additional support provided as necessary.

Point 8: This point calls for a waiver of food service regulations in emergency situations. The Kent County Health Department has responded positively that this waiver can be accomplished in emergency situations. (See report from the Kent County Health Department 12/29/82.)

Point 9: Calls for an increase in the public awareness of the emergency needs problem. The Michigan State Cooperative Extension Service is responsible for such educational activity and distribution of information regarding nutrition information and emergency food services. Local education systems as well as the media should be additional enlisted to complete this task. The Kent County Community Mental Health Services office will assist in these educational and publicity activities.

Point 10: This point calls for the expansion of the WIC (Women, Infant and Children's Program). The Kent County Health Department has responded in their report of 12/29/82 that this program could be expanded to serve twice as many clients if funding for additional clerical and nursing staff were obtained to expand this service as needed.

Point 11: Calls for a survey of need in the target counties through the Department of Education. Contact has been made with local colleges to elicit involved social work students to conduct the survey. Effective documentation of emergency needs must be developed immediately to verify the extent of the problem locally and to better direct available resources. The Kent Intermediate School District is responsible for coordinating this.
Point 12: Calls for the establishment of primary health care services in high risk counties, especially for those citizens who have no Medicaid or other health care coverage. The Kent County Health Department has responded that the neighborhood health services program at Sheldon Complex meets such a need as no one is denied services for inability to pay. The Kent County Health Department also operates public health nursing clinics at ten sites throughout the county. The Kent County Health Department must publicize this information.

Point 13: Is a recommendation for a statewide nutrition commission to provide information. Locally the Michigan State Cooperative Extension Service will continue to provide such service. This component should be carried out in conjunction with Point 9 as well.

Point 14: Calls for the establishment of a one million dollar fund from the DSS emergency needs program as seed money. The Kent County Department of Social Services has supported development and the distribution of Kent County's share of these funds to several local emergency service agencies including:

1. Salvation Army Family Shelter - $10,875
2. Catholic Human Development Office, Capital Lunch - $10,800

Point 15: Recommends that the Department of Social Services complete an immediate review of current policies negatively impacting on clients, which were implemented due to budget constraints. Locally, Kent County Department of Social Services will establish a committee to review such policies and provide recommendations for appropriate changes to the DSS Central Office.

Point 16: Calls for the use of volunteers and DSS clients involved in employment programs to assist in providing emergency services. VIA must develop appropriate volunteer resources.

Point 17: Calls for the establishment of an emergency needs trust fund. Locally, the United Way and the foundations are encouraged to establish such funds with matching funds being sought from the federal government. The United Way should additionally develop proposals from the community and work with the local DSS to obtain state and federal funding as described in the Governor's plan.

Points 18, 19, and 20: Call for the involvement of the National Guard in the use of Armories for food storage and the use of National Guard vehicles for transportation of commodities, along with the use of mess halls as possible sites for food kitchens. Locally the Grand Rapids and Kent County Civil Defense Coordinators should plan for effective participation of the National Guard to provide this support as needed.

Points 21 and 22: Discuss the appropriation of surplus commodities and the expense of distribution. In the past, Kent CAP has assisted in the distribution of surplus cheese to eligible clients and intends to continue this activity on a regular basis. The ACCESS and Gleaners agencies can also respond to food distribution needs. The agencies listed here as well as any others capable of assisting in food distribution should refine a plan in the food distribution subcommittees of the emergency assistance task force, under the direction of the coordination of the Kent Intermediate School District to assure effective commodity distribution at levels needed in the county.
Point 23: Calls for communication for the reestablishment of a breakfast program in schools with high numbers of needy children. Necessary implementation on a countywide basis should be completed by the Intermediate School District.

Points 24 and 25: Call for the development of plans to distribute surplus state owned supplies, facilities and commodities to citizens in need. The Kent DSS will assist the task force and appropriate subcommittees to obtain available resources.

Point 26: Recommends that the Department of Social Services to take the lead in developing a response to the problem of shelter for homeless families and individuals. Locally, the city of Grand Rapids, United Way of Kent County and the Kent County Department of Social Services fund emergency shelter programs through several agencies. Additional needs in this area, especially for the Salvation Army Men's Community Shelter, should be evaluated by the housing subcommittee of the task force with additional resources targeted for housing as necessary.

Point 27: Calls for recommendations for energy and weatherization programs. Local weatherization agencies exist including Kent Community Action Program and Kent County Action Housing Corporation. Evaluation of needs and implementation of countywide activities involving at a minimum the agencies listed here as well as the Kent County DSS and the United Way should commence immediately through the utility services subcommittee.

Point 28: Recommends that the Governor potentially declare an emergency situation in all or parts of the state pursuant to state law. The Kent DSS will take local responsibility for following this issue.

Point 29: Recommends that initiatives be made to secure large quantities of surplus food commodities for use in institutions, school lunch programs and for distribution to homes. This component should be included under Points 21 and 22.

Points 30, 31 and 32: Call for development of additional resources from the federal government to especially support emergency food distribution throughout the state. These should be considered by the food subcommittee as defined in Points 21 and 22.

Point 33: Asks for identification of federally owned stockpiled surplus food. This component should be included under points 21 and 22.

Point 34: States that local initiatives should be made to coordinate all community efforts toward identifying needs and resources. The Emergency Assistance Task Force will coordinate these efforts.

Point 35: Recommends that a public/private community based emergency food coordination system be implemented. This component should be included under points 21 and 22.

Point 36: Calls for the Governor to involve local political entities and coordinate efforts. The county Controllers Office should coordinate this activity.
Point 37: Recommends the use of volunteers in the gathering of food from food warehouses, farms, restaurants and eating establishments. The Gleaners Organization is already involved in this activity. In addition, this component should be included under point 16, 21 and 22.

Point 38: Calls for publicity to educate the public to the level of emergency need. The United Way and VIA should accomplish this in conjunction with Kent County DMH services. Item 38 also calls for the establishment of coupon banks where clients could obtain coupons for food items. Various local agencies and churches could distribute these coupons.

Point 39: Calls for statewide involvement of representatives from large corporations, labor and religious groups in assisting those with emergency needs. Locally the Kent County United Way should coordinate such activities.

Point 40: Calls for the Governor to initiate awards for exemplary community programs. The United Way could recommend certain programs already in effect for such awards.
NOTICE OF SALE

$8,500,000
Walled Lake
Consolidated
School District
County of Oakland
State of Michigan
Tax Anticipation
Notes
(Limited Tax
General Obligations)

SEALED BIDS for the purchase of the above notes will be received by the undersigned at the Administration Building located at 695 North Pontiac Trail, Walled Lake, Michigan 48088 on Monday, the 12th day of July, 1982, until 2:00 o'clock p.m., Eastern Daylight Time, at which time and place said bids will be publicly opened and read.

NOTE DETAILS: The notes will be dated July 1, 1982, will mature April 1, 1983 and will bear interest at a rate or rates not exceeding 18% per annum fixed by the bids therefor. The notes will be in denominations of $5,000 or multiples or combinations thereof, designated by the original purchaser of the notes.

Notes of this issue will not be subject to prior redemption.

PAYING AGENT: Both principal and interest shall be payable at a bank or trust company located in Michigan qualified to act as paying agent under State or United States law, to be designated by the original purchaser of the notes.

PURPOSE AND SECURITY: The notes are issued in anticipation of operating taxes for the fiscal year ending June 30, 1983. From the first collections of the operating taxes the School District is required to set aside in a separate depositary account a portion of each dollar which is not less than 125% of the percentage that the principal amount of the notes bears to the amount of the operating taxes until the amount so set aside is sufficient for the payment of principal and interest on the notes herein offered and any additional notes of equal standing hereafter issued in anticipation of said taxes. In case of the insufficiency of the taxes pledged for the payment thereof the School District is required to pay the notes from any funds legally available therefor including subsequent tax levies of the School District. The School District does not have the power to levy taxes for the payment of the notes in excess of its constitutional and statutory tax rate limits. The rights or remedies of note holders may be affected by bankruptcy laws or other creditor's rights legislation now existing or hereafter enacted.

ADDITIONAL NOTES: The School District has reserved the right to issue additional notes of equal standing with the notes offered herein, subject to the limitations provided by law.

GOOD FAITH: A certified or cashier's check in the amount of 2% of par value of the notes drawn upon an incorporated bank or trust company and payable to the order of the Treasurer of the School District must accompany each bid as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the notes. No interest shall be allowed on the notes. No interest shall be allowed on the good faith checks and checks of the unsuccessful bidders will be promptly returned to each bidder's representative or by registered mail.

AWARD OF NOTES: For the purpose of awarding the notes, the interest cost of each bid will be computed by determining, at the rate specified therein, the total dollar value of all interest on the notes from July 12, 1982 to their maturity and adding thereto any discount or deducting therefrom any premium and determining the annual percentage rate that amount produces on the par of the notes plus any premium or less any discount. Interest will be calculated on the basis of a 360 day year-30 day month. The notes will be awarded to the bidder whose bid on the above computation produces the lowest interest cost to the School District. No bid for any of the notes at a price less than 98½% of their par value will be considered.

LEGAL OPINION: Bids shall be conditioned upon the unqualified approving opinion of Miller, Canfield, Paddock and Stone, attorneys of Detroit, Michigan, which will be furnished without expense to the purchaser of the notes at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone for services rendered in connection with such approving opinion are expected to be paid from note proceeds. Except to the extent necessary to issue their unqualified approving opinion as to the validity of the above notes and the exemption of the notes and the interest thereon from taxation, Miller, Canfield, Paddock and Stone has made no inquiry of any School District officials or other persons as to any financial information, documents, statements or materials and has not independently verified any marketing of the notes, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial information, documents, statements or materials.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

PRINTING AND DELIVERY OF NOTES: The School District will furnish printed notes with legal opinion thereon at its expense. Notes will be delivered without expense to the purchaser at Detroit, Michigan or Chicago, Illinois. The School District will furnish the purchaser with the usual closing documents including certificate that no litigation is pending affecting the right of the School District to issue the notes. Accrued interest to the date of delivery of the notes shall be paid by the purchaser at the time of delivery.

ENVELOPES: Containing the bids should be plainly marked "Proposal for Notes."

DAVID RODDY
Secretary, Board of Education
Walled Lake Consolidated
School District

APPROVED: June 15, 1982
STATE OF MICHIGAN
MUNICIPAL FINANCE
COMMISSION

Published in MICHIGAN INVESTOR,
July 2, 1982.
**BOND SALES CALENDAR**

As reported by the Municipal Advisory Council

**SALES WEEK BEGINNING JULY 5**

<table>
<thead>
<tr>
<th>Sale</th>
<th>E.D.T. Time</th>
<th>Amount</th>
<th>Municipality</th>
<th>County</th>
<th>Kind</th>
<th>Max. Rate</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>7-6</td>
<td>2:00 PM.</td>
<td>500M</td>
<td>*Mackinac Island State Park</td>
<td>Saginaw</td>
<td>Revenue</td>
<td>18%</td>
<td>84/97</td>
</tr>
<tr>
<td>7-6</td>
<td>3:30 PM.</td>
<td>785M</td>
<td>*Saginaw Co.-Tittabawassee Sewer</td>
<td>Saginaw</td>
<td>Act 185</td>
<td>15%</td>
<td>83/01</td>
</tr>
<tr>
<td>7-7</td>
<td>2:00 PM.</td>
<td>3,550M</td>
<td>Kent Co.-Solid Waste</td>
<td>Kent</td>
<td>Act 185</td>
<td>18%</td>
<td>83/93</td>
</tr>
</tbody>
</table>

**SALES JULY 12 AND AFTER**

<table>
<thead>
<tr>
<th>Sale</th>
<th>E.D.T. Time</th>
<th>Amount</th>
<th>Municipality</th>
<th>County</th>
<th>Kind</th>
<th>Max. Rate</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>7-15</td>
<td>4:00 P.M.</td>
<td>500M</td>
<td>*City of Brighton</td>
<td>Livingston</td>
<td>UTGO Fire Station</td>
<td>14%</td>
<td>83/95</td>
</tr>
<tr>
<td>7-19</td>
<td>4:00 P.M.</td>
<td>400M</td>
<td>*City of West Branch</td>
<td>Ogemaw</td>
<td>UTGO Improvements</td>
<td>13%</td>
<td>84/00</td>
</tr>
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</table>

**NOTES**

<table>
<thead>
<tr>
<th>Publication Date</th>
<th>Publication Location</th>
<th>Publication Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-18</td>
<td>TAN</td>
<td>MI</td>
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<tr>
<td>6-25</td>
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<td>MI</td>
</tr>
<tr>
<td>6-25</td>
<td>TAN</td>
<td>MI</td>
</tr>
</tbody>
</table>

*Bids accepted in Detroit
MI - Michigan Investor
DLN - Detroit Legal News
TAN - Tax Anticipation Notes
1 - legal opinion provided by municipality at its expense

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DIAGRAM OF MUNICIPAL BORROWING PROCESS
P.A. 469 of 1982

Municipality Decides to Issue Obligation

Decision to Seek Exception From Prior Approval

YES

File Notice of Intent w/MFD for Exception From Prior Approval

NO

File Application w/MFD for MFC Approval Prior to Issuance

Order of Denial From Treasurer

MFD Decides Within 10 Days Whether to Approve Exception

YES (or no response)

Order of Approval From Treasurer

Municipality Issues Obligation

Municipality Files Required Info. w/MFD and pays fee

Analysis By MFD

Review by Attorney General’s Office

MFC Issues Order of Approval or Denial

Figure 4. Diagram of Municipal Borrowing Process

MFD = Municipal Finance Division
MFC = Municipal Finance Commission

Effective July 1, 1984 (or earlier if MFC should choose to delegate its authority to the Departments) MFC is abolished and the Department of Treasury assumes prior approval authority for all obligations except school district bonds which go to the Department of Education.

*A fee is charged by MFD for processing of each Notice of Intent whether the approval of an exception is granted or not. $100 - issues less than $500,000; $400 - issues greater than $500,000.

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REPORT ON THE IMPLICATION OF THE GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY PROJECT NO. 1
AND THE EFFECTS OF SCHOOL REVENUES WITHIN THE
KENT INTERMEDIATE SCHOOL DISTRICT

by
WILLIAM LE TARTE

MARCH 16, 1983
On October 16, 1979 the City Commission of the City of Grand Rapids adopted an ordinance which created the Grand Rapids Downtown Development Authority under the authority of Public Act 197 of 1975, the Downtown Development Authority Act.

The intention of the act is to prevent deterioration and promote economic growth in large and medium cities in Michigan. The Grand Rapids Downtown Development Authority has identified one area of this project, referred to as Project No. 1. The area comprises of 46 acres, of which 28.9 acres or 63% of the area is in the public domain, and 16.7 acres or 37% is in the private.

Financing for the project will be primarily from "Captured Assessed Values" of the properties within the boundaries of the development area. The Authorities plan states "a tax increment financing plan seeks to capitalize on and make use of the increased tax base created by economic development within the boundaries of a development area of the downtown district."

The total cost of completing all improvements undertaken and financed by the Authority are estimated at $5,402,000. From tax studies the Authority has determined "that the Development Area No. 1 as delineated will produce the tax increment revenues needed to finance their accomplishments." Other revenues will include the issuing of revenue bonds, donations, and the sale or lease of property, however incremental financing is the primary funding source.

According to the Tax Increment Financing plan, a base year, that is the initial assessed value of the properties at the time the
ordinance is adopted is established. Included in this are the Captured Assessed Value of all real and personal property located within the development area, including all commercial property which has been granted a PA-255 tax exemption. Tax exempt property shall be entered at zero. The difference between the base year valuation and the valuation in subsequent years shall be taxed accordingly, and the revenues from the increased value will revert back to the Authority to fund the development project. It is the responsibility of the owners of the property to file an annual report with the assessors as to the real value of the property.

According to Mr. Charles Krupp of the Economic Development Office, there can be changes in the PA-198 and PA-255 tax rolls which may effect the tax increment. Any change in ownership, the vacating or demolition of property can have the effect of having that property placed back on the ad valorem tax rolls and the exemption rescinded. This can also occur if the owners do not develop according to the plan as submitted on their application for tax exemp status. If a business has a second or third expansion project these may be individually approved, the initial approval will not be expanded. A PA-198 or PA-255 exemption also requires that the property receive an annual inspection by the assessor for valuation review. The effect of this annual review may be that these properties may have an annual increase in valuation which exceeds the average for the area. If this is the case, when the exemption expires the value of the property may exceed the valuation if it had not been on the PA-198 or PA-255 rolls, thus in the long run there may be no financial advantage.
Under PA-198, a firm can also apply for a tax freeze, under this the valuation subject to taxation will not increase for 12 years. This is applied to older manufacturing facilities which plan to modernize and bring their plants up to code, and is in the $2 - $3 million range. This is used to keep those manufacturers from moving their facilities out of the area, and at the same time will create new jobs and new markets in the area.

Mr. James H. Knack, Executive Director of the Grand Rapids Downtown Development Authority had indicated possible changes in the tax rules as it applies to incremental financing. If there is a partial loss in valuation, this will be deducted from the overall increase and the balance subject to incremental financing. There is a very unlikely possibility that there will be an overall loss in property valuation. Property valuation loss can occur when a facility is left vacant or is demolished. A change in ownership of a property that is subject to the implications of incremental financing plan has no effect, the new owner assumes all responsibilities.

The total dollar amount of "Captured Assessed Value" for 1981 was $6,510,300 and will have increased to $23,348,500 by 1982. To this amount will be levied 48.1440 mills (24.0720 mills for PA-255 projects, new construction only), which will create revenues of $169,931 in 1981 and $776,960 in 1982. The full 100% of the revenues collected under this plan shall be retained by the Authority. If the revenues generated exceed the amount required to meet the financial obligations, the Authority can redistribute the surplus funds proportionately to the various taxing units, i.e. the City of Grand Rapids,
Grand Rapids Public Schools, Kent County, and Kent Intermediate
School District (see Schedule A).

The project will be funded by the sale of bonds in 1981, 1982
and 1983, the payment of the principal and interest will be made by
the "Captured Assessed Value" revenues. This plan is in effect for
30 years.

In the proposed 1982-83 State Aid Act, Act 276, Public Acts of
1982 as approved on October 5, 1982, the governor vetoed Section 26.

That section read as follows:

For the purpose of computations made under this act, the
valuation of a district or intermediate district shall
not include the captured assessed value included in a
tax increment financing plan established within the
district or intermediate district pursuant to either Act
No. 197 of the Public Acts of 1975 as amended, being
sections 125.1651 to 125.1680 of the Michigan Compiled
Laws or the tax increment finance authority act, Act. No.
450 of the Public Acts of 1980, being sections 125.1801
to 125.1827 of the Michigan Compiled Laws. A district or
intermediate district receiving money pursuant to either
section 14 of Act No. 197 of the Public Acts of 1975, as
amended being section 125.1664 of the Michigan Compiled
Laws or section 13 of the tax increment finance authority
act, Act No. 450 of the Public Acts of 1980, being section
125.1813 of the Michigan Compiled Laws shall have its
state funds reduced by an amount equal to the added local
money.

According to Robert McKerr, Associate Superintendent of Finance,
State Department of Education, had the bill passed as written, incre­
mental financing as authorized by PA-450 would have been excluded
from the valuation of local and intermediate school districts. The
veto of this section thus put the language of the previous state aid
act into effect. Under the prior language, incremental financing
under PA-197 was not included in the assessed valuation as applicable
to local and intermediate school districts, however, incremental
financing under PA-450 was to be included. Thus the veto has had no negative effect on the level of assessed valuation as it applied to local and intermediate districts. A bill has been proposed which has reintroduced the language as vetoed in Section 26 of the state aid act. If this is approved it could have a negative effect on school funding in Michigan in areas that have PA-450 incremental financing plans in effect. This would not affect schools within the Kent Intermediate School District in that the incremental financing is authorized under PA-197.

The revenues of local school districts and intermediate districts can be affected by PA-198, PA-255, and PA-197, all of which can also effect each other and the tax rolls for the different units of government.

**PA-197**

Public Act 197, the incremental financing act can effect the amount of state equalized valuation that the school districts authorized millage rate can be applied to. When the Authority establishes the effected properties, the valuation at that time becomes the base year, and this is the level that the districts can apply their tax rate to. All increases in the valuation of the property, and the revenues subsequently collected revert back to the Authority. Thus there is a cap placed on the valuation of the property as applicable to school taxation.

If the revenues generated exceed the financial obligations of the Authority, the excess funds can be distributed to the taxing units
on a proportional basis. In that the project can have a lengthy
duration, this may occur in the later stages of the project, depend­
ing upon the increased valuation of the properties and the projects
requiring funding as approved by the Authority.

**PA-198 and PA-255**

Public Act 198 provides for a 50% tax break for industrial firms
to encourage expansion for development in Michigan. Public Act 255 also
provides a 50% exemption but for commercial facilities. The effects
of both pieces of legislation are very similar.

For in-formula school districts, the revenues from PA-198 and
PA-255 properties are sent directly to the state, and the state
utilizes this revenue to support the state aid payments to local
districts. Since the state guarantees a minimum dollar amount per
pupil the local districts should not then receive the revenues
developed by these acts. The exemption does apply to a district's
debt retirement, that is, 50% of the district's debt retirement
millage rate can be levied against the valuation of PA-198 and PA-255
exempt properties. When the exemption expires, the debt retirement
is applied at 100%.

There may be another effect of the expiration of PA-198 or PA-255
exemptions for the in-formula school district, that is when the exemp­
tion expires, the property goes back on the regular ad valorem tax
rolls at 100% of its State Equalized Valuation. If the local district
is close to going out-of-formula, this may have the effect of putting
the district over the necessary level, for when the property comes
off the PA-198 or PA-255 tax roll, the SEV of the property is doubled.

For out-of-formula districts the taxes received from properties having a PA-198 or PA-255 exemption go directly to the local school district(s). The revenue is determined by applying 50% of the districts operating tax levy against the SEV of the property. As with the in-formula districts the debt retirement remains with the local district.

When a PA-198 or PA-255 exemption expires, there is a definite impact on the out-of-formula school districts. The property, when the exemption expires, is transferred to the ad valorem tax rolls, and is then subject to the full authorized millage rate at the full SEV. Thus the revenue received by the local districts from these properties would double. It is to the advantage of out-of-formula districts to have exemptions approved for a shorter duration. Politically however, the additional building that may occur due to the exemption is also an advantage.

It should be noted that the PA-198, PA-255 and ad valorem tax rolls are all separate rolls. If a local district goes out-of-formula the township or city treasurers may be unaware of the change and its effects, and thus the revenues that should be directed to the local districts may continue to be forwarded to the state, and when this is discovered may result in an unexpected and possibly embarrassing increase in revenue of a substantial amount. Thus when a district goes out-of-formula they should be sure to contact all taxing authorities and the state treasury department of the change in status.
## ESTIMATES OF CAPTURED ASSESSED VALUES (1981-82)

**GRAND RAPIDS DOWNTOWN DEVELOPMENT AREA NO. 1**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Real Property</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Ad Valorem</td>
<td>8,805,600</td>
<td>8,480,400</td>
<td>-325,200</td>
<td>11,858,300</td>
<td>3,052,700</td>
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<tr>
<td>2. P.A. 255 Commercial Facilities Exemption</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Restoration Projects</td>
<td>19,900</td>
<td>571,900</td>
<td>552,000</td>
<td>571,900</td>
<td>552,000</td>
</tr>
<tr>
<td>b. New Construction</td>
<td>859,500</td>
<td>6,820,800</td>
<td>5,961,300</td>
<td>15,280,000</td>
<td>14,420,500</td>
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<tr>
<td><strong>B. Personal Property</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Ad Valorem</td>
<td>3,068,800</td>
<td>3,391,000</td>
<td>322,200</td>
<td>8,392,100</td>
<td>5,323,300</td>
</tr>
<tr>
<td><strong>GRAND TOTAL (Items A &amp; B)</strong></td>
<td>12,753,800</td>
<td>19,264,100</td>
<td>6,510,300</td>
<td>36,102,300</td>
<td>23,348,500</td>
</tr>
</tbody>
</table>

1. See Schedule A of Attachment 6  
2. See Schedule C of Attachment 6  
3. See Schedule B of Attachment 6

All estimates based on the experience of the City Assessor for the City of Grand Rapids.

Prepared By: GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY
### ESTIMATES OF TAX INCREMENT REVENUE

**GRAND RAPIDS DOWNTOWN DEVELOPMENT AREA NO. 1**

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Real Property</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Ad Valorem (.0481440 x A.V.)</td>
<td>$423,937</td>
<td>$408,280</td>
<td>$-15,657</td>
<td>$570,906</td>
<td>$146,969</td>
</tr>
<tr>
<td>2. P.A. 255 Commercial Facilities Exemption</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Restoration Projects (.0481440 x A.V.)</td>
<td>958</td>
<td>27,534</td>
<td>26,576</td>
<td>27,534</td>
<td>26,576</td>
</tr>
<tr>
<td>b. New Construction (.0240720 x A.V.)</td>
<td>20,690</td>
<td>164,190</td>
<td>143,500</td>
<td>367,820</td>
<td>347,130</td>
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<tr>
<td><strong>B. Personal Property</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Ad Valorem</td>
<td>147,744</td>
<td>163,256</td>
<td>15,512</td>
<td>404,029</td>
<td>256,285</td>
</tr>
<tr>
<td><strong>TOTAL TAX INCREMENT</strong></td>
<td>—</td>
<td>—</td>
<td>$169,931</td>
<td>—</td>
<td>776,960</td>
</tr>
</tbody>
</table>

**Note:** Tax Revenues for 1980 current year, 1981 and 1982 tax years determined by multiplying assessed values (see Schedule A) by appropriate tax millage rates. Tax millage rates used include 48.1440 mills (current year) for ad valorem real and personal property, 48.1440 mills for P.A. 255 assisted restoration projects and 24.0720 mills (one half current year rate) for P.A. 255 assisted new construction projects.

**Prepared By:** GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY
## ASSESSED VALUATION FOR ACT 255
### COMMERCIAL FACILITIES TAX EXEMPTION PROPERTIES
(1980 Current Year)

**GRAND RAPIDS DOWNTOWN DEVELOPMENT AREA NO. 1**

<table>
<thead>
<tr>
<th>Permanent Parcel Number</th>
<th>Name of Facility</th>
<th>Street Address</th>
<th>Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. New Construction Facilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41-13-25-231-001, 002, 003, 004, 007, 008, 009, 012</td>
<td>Calder Plaza Office Building (Condominiums)</td>
<td>200 Monroe Avenue, N.W.</td>
<td>$621,000</td>
</tr>
<tr>
<td>41-13-25-231-005</td>
<td>Certificate No. 79-11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>41-13-25-231-006</td>
<td>Certificate No. 79-12</td>
<td></td>
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</tr>
<tr>
<td>41-13-25-280-016</td>
<td>Mutual Home Office Building</td>
<td>171 Monroe Avenue, N.W.</td>
<td>$238,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>TOTAL NEW CONSTRUCTION $859,500</td>
</tr>
</tbody>
</table>

| **B. Restoration Facilities** | | | |
| 41-13-25-277-004 | Churchill's Pub | 188 Monroe Avenue, N.W. | $400 |
| 41-13-25-277-014 | MBM Investment | 180 Monroe Avenue, N.W. | $19,900 |
| | Certificate No. 79-2 | Certificate No. 79-17 | |
| | | | TOTAL RESTORATION $19,900 |

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## Schedule A

**Summary of Tax Increment Revenues According to Taxing Jurisdictions for 1981 and 1982 Tax Year**

**Grand Rapids Downtown Development Area No. 1**

<table>
<thead>
<tr>
<th>Taxing Jurisdiction</th>
<th>1981 Tax Year</th>
<th>1982 Tax Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Captured 3</td>
<td>Tax 4</td>
</tr>
<tr>
<td></td>
<td>Assessed</td>
<td>Millage</td>
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<tr>
<td></td>
<td>Value</td>
<td>Rate</td>
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<tr>
<td></td>
<td>Increment</td>
<td>Revenue</td>
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<tr>
<td>A. Real and Personal Property</td>
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<tr>
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<tr>
<td>G.R. Public School Dist.</td>
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<td>Kent County</td>
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<tr>
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<td>549,000</td>
<td>.0021968</td>
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<td><strong>TOTAL</strong></td>
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<tr>
<td>B. P.A. 255 Assisted Commercial Facilities Exemption (New Construction)</td>
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<td><strong>TOTAL</strong></td>
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1. Includes real and personal (ad valorem) assessment roll property plus, P.A. 255 assisted (Commercial Facilities Exemption) assessment roll property for restoration projects only.
2. Includes P.A. 255 assisted new construction projects assessment roll only.
4. Based on current 1980 year tax millage allocations. P.A. 255 assisted new construction taxed at over half millage rate.

Prepared by: GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY.
BIBLIOGRAPHY

Act No. 333, Public Acts of 1982
Act No. 469, Public Acts of 1982


House Bill 4846, Sect. 127-A.


Michigan Department of Treasury memorandum to County Equalization Directors & County Treasurers on Truth-in-Taxation, 1982.


