

**Village of Shepherd
Minutes of Meeting
May 22, 2018**

Special Public Hearing of the Shepherd Village Council held on Tuesday, May 22, 2018. Meeting was called to order at 7:00 pm by Village President Mike DeGraw at the Coe Township Hall

Roll Call: Koutz, Maloney, Myers (arrived later), Reynolds, Roth, Yates, DeGraw
Absent: None
Present: DPW – Davidson Treasurer – Wilmot Police Chief - Sawyer
Also Present: Tom Ramon, Mary Kay Maas, Joan Whitmore, Don Brown from the Fire Board;
and Patti Sandel, Dana Tomaski and Teresa Meyer from the Coe Township Board

President DeGraw stated that the public hearing tonight is for the special assessment roll for the Village of Shepherd Emergency Improvements and Services Special Assessment District under Act 33 of the Public Acts of 1951. Act 33 allows the village to initiate emergency improvements and services within a proposed special assessment district, which was decided upon in the last public hearing on May 1, 2018.

Clerk Gross stated that the public notice was placed in the Mt Pleasant Morning Sun on both May 11th and May 18th as required by Act 33 and that a mailing was sent 10 days prior to the hearing, which was on May 10th, to all addresses listed in the last tax roll in the special assessment district.

President DeGraw stated the fees being proposed are as follows:

Residential parcels with buildings	90.00
Multi-family units – per unit	55.00
Commercial/Ind parcels with buildings	200.00
Residential vacant parcels	30.00
Agricultural vacant parcels	30.00
Commercial vacant parcels	100.00

The Village received written comments from the following: Joel Rockafellow, 127 S Union

Motion by Roth, second by Reynolds to open the public hearing. Carried by roll call vote 6-0.

Public Comment:

Ken Jones, rental property owner in the Village, asked about the breakdown between the entities, what happens with the funds from the equipment that is sold, are there sealed bids for the items that are sold. President DeGraw and Fire Chief Brown replied that the 1977 fire truck had to be returned to the DNR as contracted and that the money from the sold equipment goes into an equipment fund account.

Chief Brown discussed the ISO ratings and that rates go up on everyone's home owner's insurance. There are many tests on all equipment to keep the ISO ratings.

Mr. Jones also asked about the water tower fund that was referenced and if money is replenished there would it help with the water issues in the village. DeGraw stated that yes it will help support some of that issue.

Trustee Koutz asked what the ISO rating was for the City of Mt Pleasant. Brown replied that he believed it was 3. The Village is at 4.

Wade Johnson, 339 N Union, asked if his money would be going to the other entities. DeGraw replied no that everyone has their own assessment through their own taxes to pay their portion of the fire department. Mr. Johnson stated since 80% of the runs are medical, can we contract with the ambulance service? Chief Brown replied that we did at one time, but they did not have the run volume to support an actual ambulance service like Deerfield Township and Weidman does. Brown also stated that the 80% includes a lot of school runs. Runs to date is at 299. MMR is out of Saginaw and they run on no tax dollars. Johnson complimented the fire department but doesn't like that there are no limits and doesn't like that the money saved is being put towards things like park benches and trash cans.

DPW Supt. Steve Davidson replied that it is how the money has shifted within the budget to cover other expenses since we lost the 1.5 mills 3 years ago. It was also stated that the Village Council voted down the cost of living increase within the assessment fee documentation as presented.

Mark Powell, business owner in the Village, asked if each property was being billed the flat rate fee? It was noted that each tax ID will be assessed. Powell asked why the Village purchased another police car and why are the cars all over the County and going places outside of the Village. DeGraw stated that grant money from the Saginaw Chippewa Tribe allowed us to purchase the police car and that the department is called out to assist in other areas.

Bill Fransted, 302 N First St, business owner in the Village, stated he talked to several people in the community that say they would like this to go to a vote and feels like this assessment is being pushed upon them and doesn't like that this could go on forever and he says it states right in the document that the increase could go up 9.9%.

Tom Ramon, Fire Board, stated that is just the language explained in the letter and the cost of increase has never been 9.9%.

Fransted stated that the people indicated to him that they and he would vote for a millage increase for this purpose.

Clerk Gross asked Fransted where he votes in which he indicated in the Village, in which Clerk Gross stated that she didn't have him as a resident of the village.

Council also stated by the Council that the cost of living increase, as stated in the standard notification letter, was voted down at the last public hearing on May 1, 2018.

Council stated that if this was approved through a voting process that the fee would be higher and with this assessment flat rate fee based on the amount each year could possibly go down in any given year.

Audience asked if assisted living homes had to pay in which the answer was yes.

Trustee Meyers arrived

Julee Stowers, business owner in the Village, stated she is not against the fire department but \$200 is a lot for a new business that is trying to get up and going in a small town and you still have to pay your employees, knowing that life isn't always fair.

Liz Goffnett, 210 Orchard, very thankful for the fire department but not so happy with the taxes. Before her house fire, her taxes were \$1100 and afterwards increased to \$4368 and had to attend board of review to get them back down. What are the limits on funds?

Council stated that they voted they would not exceed a fire fund balance of \$15,000. Therefore, if the fund is close to that amount, the following tax roll the flat rate fee would go down.

Audience asked what happens after 10 years and the Village needs more? Council stated that they would have to go through this same process again.

Ms. Goffnett asked if property owners had time to combine their properties and when the first flat rate fee would start. Council stated that it will be applied to the 2018 taxes that will be sent out by July 1, 2018. Coe Township Supervisor, Mary Kay Maas indicated that they would have to file with her to combine the properties as there is a process.

Goffnett stated that she would like to see the Village try it (the assessment) and see how it goes.

Council also indicated that each year during the budget hearing that they would also have to review the fire assessment flat rate fee and have that be part of their budget hearing.

Mary Johnson, 339 N Union, asked if the Village decides to decrease the flat rate fee, can they increase back? Council was not certain; Clerk Gross will check with the attorney on that.

Bob Courter, 149 E Maple, asked if this is tax deductible? Also stated he would rather see this go to a vote and let the people decide.

Clerk Gross will ask the attorney to see if this is tax deductible, based on conversation in the audience some accountants have claimed these types of fees and others have not.

Kim White, North Drive, asked if it could go higher than \$90, in which the response was no unless this whole process was followed again. Mr. White asked what happens when costs go up and it was stated again that the council would have to go through this process again to increase the fees if needed.

Chief Brown stated that \$25,000 will be directed to the equipment fund from each entity every year to build up the fund for future purchases. We all know how the prices on equipment raises each year as well.

Tom Ramon, Fire Board, stated they the board has reviewed this for years and discussed how equipment is purchased and maintained and that it takes 2 years from the time of ordering a new truck to come in.

Mary Kay Maas, Coe Township Supervisor stated that the attorney the entities are working with is a municipal attorney.

Trustee Roth stated he appreciated the fire department but has an issue with the rates and would like to see it go to a vote. He also indicated that 3 years ago after losing the 1.5 mills the village asked for a vote to increase by 2 mills and it did not pass by 16 votes, per Clerk Gross, but feels that we should go for the millage increase by vote again.

President DeGraw indicated that it would take 2.4 mills just for the fire assessment.

Fransted asked how many elevator properties were being assessed. Clerk Gross stated she would be glad to review that with him at the office if he wished to see it.

Joan Whitmore, Coe Township Trustee, stated that the library is going for 1.7 mills for 20 years.

Ed Hohlbein, Boulevard St., asked when and who will decide this flat rate fee. Council stated they will and they will vote tonight.

Greg Koutz, homeowner and business owner in the village, stated he will be paying \$700 and can't afford it after internet sales have taken his business sales way down and he can't fill his vacant building and that the board needs to think about it more. Koutz thanked the Council for lowering the vacant lot fees.

Maas indicated that it would cost \$100 to combine properties and that in the long run would save.

Question regarding combining properties on vacant land and a new building is constructed does this uncap and taxes are raised? Maas indicated that they only uncap when there is transfer of ownership.

Motion by Roth, second by Maloney to close the public hearing. Carried by roll call vote 7-0.

COUNCIL DISCUSSION:

President DeGraw asked the Council of their opinions after the public hearing.

Trustee Koutz Jr. added that he wants to make sure that the 3% cost of living increase will not be part of the fire assessment. DeGraw stated that it was already approved to remove that at the last public hearing by roll call vote.

Trustee Yates and Maloney discussed lowering the rates for the vacant properties and commercial. Koutz asked if Industrial was part of the commercial since there is only 1.

Motion by Reynolds, second by Maloney to change the rates as follows: Commercial from \$200 to \$100; Commercial Vacant from \$100 to \$60 and Agricultural Vacant and Residential Vacant from \$30 to \$15. Carried by roll call vote 6-1, Roth abstained.

Motion by Reynolds, second by Myers to approve that the Village Council confirm the Village of Shepherd Emergency Improvements and Services Special Assessment District Special Assessment Roll by adopting Resolution No 3 and that there will not be a cost of living increase on these rates. Carried by roll call vote 6-1, Roth – no

President DeGraw asked if there were any other questions from the guests:

Char Birgy, East Drive asked about the development behind them along North Drive and if there was any building done there, will they also be assessed.

DeGraw stated they will be assessed as they are built.

Bob Courter, 149 E Maple, addressed Council again on the speeding situation along Maple Street between Fourth and Chippewa. DeGraw stated that he will address this with Council.

Motion approved to adjourn. Carried 7-0.