# Troy Township
## Finance Committee Meeting Notes
## Monday, October 17, 2022
## 6:00 p.m.

Committee Vice-Chairman Trustee Jerry Nudera called the meeting to order at 6:00 p.m.

The Pledge of Allegiance was recited.

Committee Members in Attendance:

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| Trustee Jerry Nudera (Vice-Chairman) | Highway Commissioner Thomas R. Ward |
| Supervisor Joseph D. Baltz | Assessor Kimberly Anderson |
| Administrator Jennifer Dylik non-voting member (acting as Secretary) | |

Committee Members not in Attendance: Chairman Trustee Bryan Kopman (arrives later at 6:17 p.m.)

Others in attendance: Trustee Johnnie Greenwood, Collector Dawn Damiani, and Clerk Larry Ryan.

A quorum is established.

Vice-Chairman Nudera opened the meeting for citizen comments. After asking three times Vice-Chairman Nudera closed the meeting for citizen comments. No citizens were present.

Vice-Chairman Nudera opened the meeting for the review and discussion of the 2022 proposed Road and Bridge Fund levy and the proposed Town Fund Levy.

Administrator Dylik began with a general overview of the levy presentation. With agreement from the attendees, she moved directly into the review of the Road District levy.

Dylik reviewed the summary chart on page 25 of the levy while explaining the effects of CPI, increase to existing property, new construction values on the levy, and the cost of the levy to an existing homeowner. Dylik reported that the current estimate for new property is approximately $32,000,000.00 but the proposed levy will use an estimate of $40,000,000.00 to make sure that all possible new property has been accounted. The maximum value that can be used for the CPI is 5%.

Taking that into consideration it is proposed that the Road District levy be filed using 5% for CPI and $40,000,000.00 for new construction resulting in a levy amount of $1,613,720.00 (7.3% increase from the prior year) and a tax rate of .0867 which is down from the 2021 tax rate of .0875.

Dylik further explained the municipal half-share and the need to levy to the maximum allowable rate for the Road District to be able to petition the County for County Aid to Road and Bridge. The Road District is currently working on the Shepley Road Bridge project under County Aid to Road and Bridge with an estimated cost of over $8,000,000.00. In order to petition the County for aid, the cost of the project must be more than .02% of the value of all the taxable property in the road district. With a current estimate from Assessor Anderson of total assessed value for 2022 at $2,006,002,399.00, .02% of that equals $401,200.48.

The proposal further details the full formula for estimating the levy including the limiting rate, the municipal half-share and how the Road District will only receive approximately 53% of the extended levy, and factors that support the levy including County Aid to Road and Bridge including the Shepley Road Bridge project, preliminary estimates for new construction being used, financial security, and saving for upcoming capital improvement projects. Page 29 of the proposal highlights capital improvement projects for the Road District. Highway Commissioner Ward summarized the Ron Lee Estates storm water project.

Vice-Chairman Nudera confirmed that the tax rate is proposed to go down resulting in a decrease for taxpayers. Dylik reviewed the five-year summary chart on page 31 showing the levy as filed, the levy as extended, actual dollars received, and the corresponding annual tax rates which have been declining each year.

The committee discussed new property, the estimate of new property, how partial values may be applied, and the need to overestimate the value of new property when estimating the levy amounts.

Dylik explained the rules of PTELL (Property Tax Extension Limitation Law) and Truth in Taxation laws. Because the levy is proposed to be filed at more than 105% of the prior year's extension, the Road District will need to publish a black-border notice and hold a public hearing.

Dylik then reviewed the timeline for the approving the levy:

- Committee meeting(s) to discuss the levy from October 17th through November 20th.
- At the November 21, 2022, board meeting, the Board will adopt a resolution to set the estimate of each levy. Setting the estimate is when the Board confirms the dollar value of the levy and that the value is more than 105% of last year's extension. This is what will trigger the need to publish a notice and hold a hearing.
- On December 19, 2022, a hearing will be held regarding the levies. The levy ordinances will then be adopted on that same evening.

The committee discussed inflation and the increased cost of goods and services including gas, oil, office supplies, utilities, etc.

Clerk Ryan asked when the last time was that the township had to black-border. Supervisor Baltz did not know but estimated it was in the late 1980's or early 1990's. Administrator Dylik reported that it has not happened during her tenure with the Township which will be 12 years in November. She then reviewed the 16-year history of CPI charted on page 20 of the proposal.

Chairman Bryan Kopman arrived at 6:17 p.m.

Dylik asked for any further questions about the Road District levy. Supervisor Baltz recapped that the tax rate for the proposed levy will decrease from the prior year's tax rate. No other statements were made and no additional questions were asked.

Dylik began the review of the proposed Town Fund levy which funds the Assessor's department and General Assistance.

The 2021 extended Town Fund levy totaled $1,275,277.26 with a tax rate of .0742. Using the same values as the Road District of $40,000,000 in new property and a CPI value of 5%, the 2022 Town Fund levy rate would go down to .0735 and result in approximately $93,157.30 additional dollars (from the 2021 extension), for a levy amount of $1,368,434.56. Dylik reminded that that Township (just as the Road District) would be limited down by the County once final values for new property are used.

Dylik reviewed pages 34 and 35 of the levy proposal summarizing the Town Fund's future capital improvement needs.

Dylik reported that $5,000 is proposed to be allocated towards General Assistance via the levy. This is a decrease from prior years. As a reminder, if the need is there, the Town Fund is legally obligated to provide funds for General Assistance. As highlighted in the proposal, expenses in General Assistance decreased significantly when all salaries and benefits were moved from General Assistance to the Town Fund in the 2022-2023 fiscal year. By reducing the funds allocated to General Assistance via the levy, it allows the Township to monitor the carry-over balance (accumulation of funds) so that it does not exceed and statutory limitations. The Town Fund will have a budget line item for transferring funds to General Assistance if needed.

Supervisor Baltz reminded the Committee that once funds are in General Assistance, they are restricted, and cannot be transferred out of General Assistance.

The Committee discussed this history of some of the larger expenses of General Assistance including salaries, benefits, and financial assistance for rent and utilities. Other local social service agencies that provide assistance were also discussed.

The Town Fund would need to follow the procedures for Truth-in-Taxation just like the Road District. Two separate black box notices must be published; one notice for the Road District and one for the Town Fund.

Dylik asked for any further questions on the Town Fund levy. No questions were raised.

Motion made by Supervisor Baltz; seconded by Assessor Anderson to recommend the Board approve the Road and Bridge Fund Levy and Town Fund Levy (including General Assistance) as presented. Dylik clarified for the motion that the Road District Levy is proposed to be filed with CPI at 5%, new property at $40,000,000 the levy would be filed at $1,613,720.00 or 7.3% higher that last year's extension and the Town Fund levy filed with CPI at 5%, new property at $40,000,000 would be filed at $1,368,434.56 or 7.3% higher than last year's extension. Chairman Kopman ask for any questions on the clarification. No questions were raised. Motion carried.

Any future committee meetings will be scheduled as needed.

Motion made by Supervisor Baltz; seconded by Vice-Chairman Trustee Nudera to adjourn the meeting at 6:35 p.m. Motion carried.

Submitted:
Jennifer Dylik
Jennifer Dylik
Secretary