Presentation Outline

I. Village Finances
II. Police Departments/Street Administrators
III. Annexation
IV. Ethics
V. Questions

Presentation is not intended as a detailed legal analysis or a comprehensive list—consult local counsel.
I. Village Finances, Taxes

Taxation:

• Taxation is an “express” power under state law;
• Village Council has authority to levy taxes/millages;
• Property taxes:
  • Headlee Amendments;
  • Proposal A;
  • Parcel taxed on taxable value.
Village Finances, Millages

Millages:

• General Law Village Act/other statutes establish millage limits:
  • General operating (general fund)—MCL 69.1(2);
  • Highway and Street—MCL 69.2, 69.5;
  • Cemetery maintenance—MCL 69.4;
  • Garbage collection—MCL 123.261;
  • Public safety—MCL 41.801.
Village Finances, Special Assessments

Special Assessments:
• Need statutory authority to make or provide underlying improvement or service;
• Special assessment district/single-lot assessments;
• Improvement/service must be proportional to benefit conferred;
• General procedures (Village ordinance: best practice):
  • Petition;
  • Hearings (necessity and apportionment);
  • Notice.
Village Finances, Tax Collection

• Village Treasurer/Township Treasurer;
• Attachment as lien to underlying property;
• Imposition of late fees and penalties;
• If remain unpaid—delinquent tax foreclosure process under Michigan General Property Tax Act.
Village Finances, Budgets

• Fiscal year—March 1 unless modified by ordinance—MCL 69.7a

• Budget requirements:
  • Revenues and expenditures: previous and proposed;
  • Surplus and deficits;
  • Capital outlays;
  • Balance between revenues and expenditures;
  • Uniform Budgeting and Accounting Act.
Budgets, cont.

- Operating Budgets (day-to-day);
- Capital Budgets (long-term view);
  - CIP;
- Adoption procedure:
  - Staff prepares proposed budget;
  - Village Council review;
  - Public hearing on rates;
  - Public hearing on budget.
II. Police Department

The General Law Village Act provides:

• For the establishment and maintenance of a police department—MCL 70.13;
• For the powers, duties and authority of Village police officers—MCL 70.14, 70.16;
• For the appointment of the Village Police Chief—MCL 70.15;
• For the creation of a public safety department—MCL 70.18;
• Police and Fire Protection Act (1951 PA 33, as amended)—interpreted by Michigan AG to mean Township provision of services is discretionary, absent a contract.
II. Street Administrator

The General Law Village Act provides:

- For the duties of the Village Street Administrator (Act 51);
- Allows for the establishment of a department of public works.
III. Annexation

The General Law Village Act provides:

• The procedures for the annexation of land to a Village—MCL 74.6;
• Differs from cities—approval at county level;
• Generally, a 7 step process:
  • (1) Resolution; (2) Notice; (3) Petition; (4) Hearing; (5) County board determination; (6) Entry of order; and (7) Notify Secretary of State.
• Annexation of property in charter townships.
IV. Ethics

Conflicts of Interest:

• Consists of statutes and case law;
• No “bright-line” rule—presumption exists that public officer will act lawfully;
• Generally—only exists where a direct personal or financial interest in an issue exists.
• Nepotism concerns.

Ethics:

• State Ethics Act (PA 196);
• Contracts of Public Servants (PA 317).
Incompatible Public Offices (PA 566):

- Provides that a public officer or employee may not hold two or more incompatible offices:
  - One office is subordinate to another;
  - One office is supervised by another;
  - Cause a breach of duty of public office.
- Contract negotiations can lead to a breach of duty.
- Number of exceptions within PA 566.
Questions?
Thank you

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