



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

ANDY DILLON
STATE TREASURER

September 1, 2011

Frank Homola, Supervisor
Gerrish Township, Roscommon County
2997 E. Higgins Lake Drive
Roscommon, MI 48653

Dear Mr. Homola:

As you are aware, the State Tax Commission at their meeting on August 31, 2011 received a report regarding the problems in Gerrish Township. The Commission adopted the enclosed official order to assume jurisdiction of the 2011 assessment roll for the Township and to order the Township to hire someone to fix the problem with the ECF development by December 1 and to report to my office monthly on the progress. The order also referred your former assessor to the Assessor Discipline Advisory Committee.

You notified us at the meeting that your assessor resigned and you are hiring a new assessor. That individual can be the outside party to fix the problems. Please just notify us who you have hired. Thank you for your cooperation and if you have any questions, call my office at 517-335-3429 at any time.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelli Sobel".

Kelli Sobel, Executive Director
State Tax Commission

Enc: STC Official Order
14 Point Review
Report to the STC re: Gerrish Township

Cc: Jodi Valentino, Clerk Gerrish Township
Eric Ostergren
Janice Rais, Assessment and Certification Division

**STATE OF MICHIGAN
MICHIGAN DEPARTMENT OF TREASURY
STATE TAX COMMISSION**

OFFICIAL ORDER

Whereas, the State Tax Commission at its meeting on August 31, 2011 received a report regarding Gerrish Township, Roscommon County and

Whereas, the staff report indicated that the Township underwent a Mini Review in 2010 and received a score of 12 out of 100 and

Whereas, the Township requested a full 14 point review be completed to provide a clear picture of the assessment administration problems.

Whereas, the 14 point review indicated problems with land values and ECF's. Of critical concern were the land value determinations where over 3,000 parcels did not have any land size.

Whereas, prior to the completion of the full review, staff received numerous complaints from residents in the Township alleging concerns with the development of the ECF's for the Township, specifically that lake-front and non-lake front locations were included in the same ECF neighborhood.

Whereas, the assessor responded to the residents' allegations and indicated that she had made an error in the development of her ECF that affected over 1,000 parcels, and that she is entering and analyzing parcels using only site values. She further indicated that she only recently became aware that she should be using land size.

Whereas, Michigan Compiled Law 211.10f(1) provides that "If a local assessing district does not have an assessment roll that has been certified by a qualified certified assessing officer, or if a certified assessor or a board of review for a local tax collecting unit is not in substantial compliance with the provisions of this act, the state tax commission shall assume jurisdiction over the assessment roll and provide for the preparation of a certified roll. The commission may order the county tax or equalization department to prepare the roll; may provide for the use of state employees to prepare the roll; or may order the local assessing unit to contract with a commercial appraisal firm to conduct an appraisal of the property in the assessing unit under the supervision of the county tax or equalization department and the commission. The costs of an appraisal and the preparation of the roll by the county tax or equalization department or by the commission shall be paid by the local assessing district as provided by section 10d (Michigan Compiled Law 211.10d). The commission shall consider the quality of the tax maps and appraisal records required by

section 10e (Michigan Compiled Law 211.10e) as part of its investigation of the facts before ordering the local assessing unit to contract for an appraisal."

NOW THEREFORE, in the best interest of equitable property tax administration, the State Tax Commission hereby assumes jurisdiction of the 2011 ad valorem assessment roll of Gerrish Township, Roscommon County and orders the Township to hire an outside party to correct problems with the ECF development by December 1, 2011 and to report monthly to the Commission on the progress to fix these problems.

Further, the Commission orders that a bill shall be sent to Gerrish Township, Roscommon County covering the time and expenses incurred by the State Tax Commission for implementation of this order.

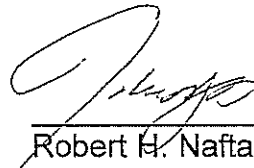
Further, the Commission orders the Township assessor be referred to the Discipline Advisory Committee for review.

The authority for the actions required by this Official Order is found in the General Property Tax Act, as amended by 1986, Public Act 223, being sections 211.1 through 211.157 of the Michigan Compiled Laws.

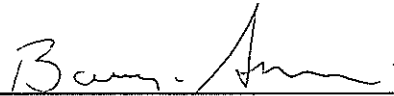
WITNESS, my hand and seal of the State Tax Commission this 31st day of August, A.D. 2011.



Douglas B. Roberts, Chairperson

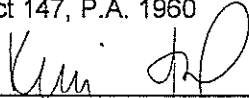


Robert H. Naftaly, Member



Barry N. Simon, Member

I hereby certify that this is a true copy of the Order of the State Tax Commission on file in The State Tax Commission Office as provided in Act 147, P.A. 1960



Kelli Sobel, Executive Director



Review of Local Unit Assessment Administration Practices, Procedures and Records

MICHIGAN STATE TAX COMMISSION

Random Review Follow Up Review Ordered Review

UNIT: Gerrish Township **COUNTY:** Roscommon

YEAR: 2011

YEAR OF ORIGINAL REVIEW (FOLLOW-UP REVIEW): 2010, Township requested a full 14 point review, following failure of mini review. Request approved by STC at February 14, 2011 meeting.

Score: 200 - 20 = 180 Compliant but significant problems with ECF see, assessor letter, causes non compliant roll.

Name of Township Supervisor/City Manager/Mayor: Supervisor, Frank Homola

Name of Assessing Officer: Cheryl A Gillman

SAB Certification No.: 7731

SAB Certification Level: II

Required Unit Level: II

1% Administration Fee added to tax collection: Yes No

Notes:

1a. On what date was the assessment roll certified by the above identified assessing officer?

General Law Date: 03/07/11

Charter Date:

Date: 03/07/11

Notes:

1b. On what date did the assessing officer deliver the certified assessment roll (original hard copy) to the local Board of Review for its required March meetings?

General Law Date: 03/08/11

Charter Date:

Date: 03/08/11

Notes:

2a. On what date was the assessment roll certified by the local Board of Review?

Date: 04/04/11

Notes:

2b. Did the local Board of Review utilize State Tax Commission form L-4035 (or equivalent)?

Yes No

Notes:

2c. Did the secretary of the local Board of Review utilize State Tax Commission form L-4035a to document valuation changes authorized by the board?

Yes No

Notes:

2d. Did the local unit Board of Review prepare minutes of the meetings and actions authorized by the local Board of Review and file the minutes with the local unit clerk (MCL 211.33)?

March BOR Session	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
July BOR Session	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
December BOR Session	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Notes: Needs to keep original petitions with the L-4035a's. Practice has been to only file 35a's with minutes and file the original petition in record card file.

2e. Is the Board of Review in substantial compliance with the requirements of the GPTA (MCL 211.10f, MCL 211.33, R209.28(4))?

March BOR Session	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
July BOR Session	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
December BOR Session	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Notes:

2f. On what date did the local unit/Board of Review Close?

March BOR Session 04/04/11

July BOR Session 07/20/10 Statutory Date 07/20/10

December BOR Session 12/14/10 Statutory Date 12/14/10

Notes:

3a. On what date was the certified copy of the assessment roll delivered to the county equalization department?

Date: 04/05/11

Notes:

3b. On what date did the assessing officer deliver State Tax Commission form L-4021 to the county equalization department?

Date: 04/05/11

Original Hard Copy Electronic/Magnetic File Transfer

Notes:

3c. On what date did the assessing officer deliver State Tax Commission form L-4022 to the county equalization department?

Date: 04/05/11

Original Hard Copy Electronic/Magnetic File Transfer

Notes:

3d. On what date did the assessing officer deliver a complete State Tax Commission form L-4025 (all property) to the county equalization department?

Date: 05/02/11

Notes:

4. Does the local unit have a printed copy of the 2003 Assessor's Manual for review by the taxpayers and a copy of the manual actually used to make the assessments?

Yes No

Notes:

5. MCL 211.10e Requirements – Pursuant to MCL 211.10e, please identify which of the following assessors' manuals is utilized by the local unit assessing officer:

a) Michigan Assessors Manual, 1998 Cost Tables

b) Michigan Assessors Manual, 2003 Cost Tables

c) Other (specify):

X 6. MCL 211.10e Requirements – Pursuant to MCL 211.10e, please identify which of the following assessment records are utilized and maintained by the local assessing officer:

a) Appraisal record card system

b) Personal property record system

c) Tax maps

d) Land value determination (maps grids, tables and analysis)

e) ECF determinations

f) Current year printed copy of the assessment roll

Original Duplicate Copy

Notes: Land value determinations-Assessor does have an analysis. The problem is that over 3,000 parcels have no land size entered. So a very limited analysis. Range of "site value" of parcels in the database is \$210 up to 264,000.

Recommend township continue working to complete entry of land sizes into the database.

Note regarding ECF determinations-Assessor does have an analysis. By way of example, the non waterfront ECF area consists of 12 sales with ECF ranging from .582 to 3.361, using 1.42. This could relate back to land size unknown. ECF is higher on the non-waterfront than the waterfront. Waterfront ECF is 1.35. Assessor has completed entry of lake parcel sizes for 2011.

7. MCL 211.10a Requirement – Pursuant to MCL 211.10a does the local unit provide customary business hours for inspection and copying of public records?

- Yes If Yes, please indicate designated days and times. (specify):
 No

Notes:

If the answer above is NO, has the local unit adopted a policy and/or procedure(s) to be utilized regarding the inspection and copying of public records?

- Yes If Yes, please attached a copy of policy/procedure.
 No

Notes:

8. Where are the real and personal property records, assessment roll(s) and support documents retained?

- a) Local unit public offices
 b) Office/home of township supervisor
 c) Office/home of assessing officer
 d) Other (specify):

Notes:

9. Assessment Roll Requirements – Please identify which of the following specific date or information is posted to the current assessment roll:

- a) Name & address of property owner
 b) Legal description or STC approved parcel code number
 c) School district code
 d) Property classification
 e) Assessed valuation
 f) Capped valuation
 g) Taxable valuation
 h) Board of Review valuation column
 i) MTT and/or STC valuation column
 j) Homestead or Qualified Agricultural Property Exemption & percentage
 k) Date of last transfer of ownership

Notes:

10. Does the true cash value on the appraisal record card agree with the true cash value indicated by the assessed value on the assessment roll?

Yes No If No, date(s) last calculated.

Notes:

11. Do the appraisal record cards properly account for all physical items located on the description?

90% + Accurate 80% - 89% Accurate 79% or less Accurate

Notes: 92% 11b entered 24 residential parcels a 0.5% sample.

12. MCL 211.27a (3) Requirement(s) – Pursuant to MCL 211.27a(3) is the local unit in substantial compliance with the uncapping of taxable valuations the year following a transfer of ownership?

Yes No **If NO, documentation required.**

Notes:

13. Based on a sampling of properties involving new construction which occurred in the prior year, do the current year's assessments include new construction?

Yes No **If NO, documentation required.**

Notes:

14. Based on a sampling of known "sale" properties, is the local unit in substantial compliance with STC Bulletin 19 of 1997?

Yes No **If NO, documentation required.**

Notes:

14b. Calculated Co-efficient of Dispersion: 22.19

Calculated Price Related Differential: 99.56

Notes: 1 yr SS a 1.6% sample.

Additional Notes:

CERTIFICATION: I hereby declare that the foregoing information submitted is a complete and true statement.

Electronic Signature: Janice Rais

By clicking the box, I agree the signature I have typed above will be the electronic representation of my signature for purpose when I use it on this document and is a legally-binding contract. I further understand that signing documents using this electronic signature will have the same legally-binding effect as signing my signature using pen and paper.

Date: 05-13-11

Title: Property Analyst

Summary of ARC Review

County: Roscommon

Unit: Gerrish

ACD Recap Analysis Of Assessment Records Sampled

Record #	Property Class	Parcel Code	House Class As % of "C"			Observed % Good			Scoring % Calculation By		
			ACD Field Staff	Local Unit	Variance	ACD Field Staff	Local Unit	Variance	Agreement	Actual Accuracy	Weighted Accuracy
1	401	004-020-010-0180	121%	100%	21%	95.0%	99.0%	4%	58.8%	94.2%	96.2%
2	401	004-004-025-0160	100%	100%		85.0%	94.0%	9%	70.6%	91.3%	95.3%
3	401	004-003-026-0024	90%	100%	10%	75.0%	80.0%	5%	47.1%	82.9%	83.5%
4	401	004-004-003-0110	95%	100%	5%	80.0%	79.0%	1%	29.4%	63.1%	80.7%
5	401	004-020-006-0317	110%	105%	5%	90.0%	93.0%	3%	52.9%	71.7%	84.3%
6	401	004-032-008-0240	100%	90%	10%	75.0%	68.0%	7%	58.8%	90.1%	91.8%
7	401	004-101-003-1000	100%	100%		85.0%	93.0%	8%	82.4%	97.1%	99.6%
8	401	004-102-015-0000	95%	90%	5%	70.0%	68.0%	2%	76.5%	99.5%	99.8%
9	401	004-110-032-1000	100%	100%		85.0%	89.0%	4%	70.6%	99.1%	99.0%
10	401	004-160-025-00	100%	110%	10%	80.0%	91.0%	11%	52.9%	88.8%	88.2%
11	401	004-170-041-0000	110%	121%	11%	95.0%	59.0%	36%	52.9%	81.3%	82.5%
12	401	004-180-025-0000	95%	100%	5%	70.0%	77.0%	7%	58.8%	85.7%	92.0%
13	401	004-180-031-0000	90%	100%	10%	75.0%	89.0%	14%	76.5%	88.2%	91.9%
14	401	004-291-016-0000	100%	90%	10%	75.0%	72.0%	3%	70.6%	96.8%	95.7%
15	401	004-423-045-0000	90%	100%	10%	60.0%	74.0%	14%	64.7%	93.7%	76.4%
16	401	004-426-026-0000	90%	90%		65.0%	63.0%	2%	70.6%	99.1%	98.8%
17	401	004-586-005-0000	90%	90%		70.0%	68.0%	2%	76.5%	95.9%	94.6%
18	401	004-611-027-0000	105%	100%	5%	85.0%	83.0%	2%	52.9%	84.6%	92.9%
19	401	004-613-069-0000	95%	100%	5%	75.0%	72.0%	3%	47.1%	84.1%	86.6%
20	401	004-625-023-0000	90%	100%	10%	65.0%	55.0%	10%	52.9%	85.7%	97.3%
21	401	004-625-027-0000	95%	90%	5%	75.0%	74.0%	1%	82.4%	99.1%	99.7%
22	401	004-800-025-0000	90%	100%	10%	80.0%	95.0%	15%	47.1%	85.5%	92.8%
23	401	004-625-028-0000	95%	100%	5%	75.0%	93.0%	18%	64.7%	90.6%	93.9%
24	401	004-714-012-0000	90%	100%	10%	65.0%	72.0%	7%	70.6%	97.6%	99.6%
25									70.6%		
		Mean	97%	99%	7%	77%	79%	8%	62%	89%	92%
		Median	95%	100%	5%	75%	78%	6%	62%	90%	93%
		Mode	90%	100%	10%	75%	93%	3%	71%	NA	NA

Category Range Of Percentage Calculations For Individual Parcels

By Item % Of Agreement	29%	to	82%
By Item % Of Accuracy	63%	to	99%
By Weighted % Of Accuracy	76%	to	100%

STATE OF MICHIGAN
DEPARTMENT OF TREASURYRICK SNYDER
GOVERNORANDY DILLON
STATE TREASURER

DATE: August 31, 2011

TO: Members of the State Tax Commission

FROM: Kelli Sobel, Executive Director

SUBJECT: Gerrish Township, Roscommon County

Gerrish Township failed a 2010 mini review with a score of 12 out of 100. The Township asked that a full 14 point review be completed to provide a clear picture of the problems with their assessment administration. That review indicated problems with land values and ECF's but good record card accuracy. The problems with the land value determinations are significant with over 3,000 parcels with no land size.

Prior to the completion of the full review, the Commission received a number of complaints from residents in the Township, these complaints allege concerns with the development of the ECF's for the Township, specifically that lake-front and non-lake front locations were included in the same ECF neighborhood.

We asked the assessor to respond to these allegations. She indicates that she made an error in the development of her ECF that has affected over 1,000 parcels. She also indicates that she is entering and analyzing parcels using only site values and that she recently became aware that she should be using land size; the assessor is certified as a MCAO (former level II).

I recommend the Commission assume jurisdiction of the 2011 assessment roll to correct these problems with the ECF development. I also recommend you refer the assessor to the Discipline Advisory Committee for review.