



## CITY COUNCIL CONSENT ITEM

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Date: January 26, 2015

To: Brian Kischnick, City Manager

From: Tom Darling, Director of Financial Services  
Aileen Bittner, City Clerk  
Sandra Kasperek, City Treasurer  
Nino Licari, City Assessor

Subject: Agreement to Continue to Collect All Warren Consolidated Schools Taxes on the Summer Levy

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### History

In the 1994/1995 fiscal year Warren Consolidated Schools (WCS) requested to change the City of Troy's collection of their taxes from the previous Summer and Winter levy, to a 100% collection on the Summer levy (per MCL 211.43). City Council agreed to that particular change.

This process has continued unchanged since that time.

They are requesting an agreement to that effect be signed by the Mayor and/or City Clerk.

In general, we do not bring a resolution before Council that does not request a change from the status quo. However, WCS has requested a newly signed agreement.

### Recommendation

Staff recommends that the City Council grant authorization to the Mayor and City Clerk to sign the attached agreement, and forward a certified copy to the Warren Consolidated School District.

### City Attorney's Review as to Form and Legality

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Lori Grigg Bluhm, City Attorney

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Date



# Warren Consolidated Schools

*Creating Dynamic Futures through Student Achievement, High Expectations, and Strong Relationships*

## ADMINISTRATION BUILDING

31300 Anita  
Warren, MI 48093  
586.825.2400

1.888.4WCS.KIDS  
www.wcskids.net  
Text WCSKIDS to 57780

### Board of Education

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Robert D. Livernois, Ph.D.  
Superintendent

December 16, 2014

City of Troy  
Mr. Dane Slater, Mayor  
500 W. Big Beaver Road  
Troy, MI 48084

Dear Mr. Slater:

Enclosed is the Resolution adopted by the Warren Consolidated Schools Board of Education on December 3, 2014. This Resolution states that the School District wishes to have the City of Troy collect our annual school property taxes with the summer tax bills in 2015 and 2016.

We would greatly appreciate you and the City Clerk signing the Resolution and returning the signed document to our office by January 31, 2015. If you have any questions regarding this letter please feel free to contact me or my Administrative Assistant, Sue Andrzejewski at (586) 698-4089. Thank you very much for your anticipated cooperation.

Sincerely,

Linda Austin  
Chief Financial Officer  
(586) 698-4139  
[LAustin@wcskids.net](mailto:LAustin@wcskids.net)

sla  
Encs.

**AGREEMENT WITH THE CITY OF TROY  
TO COLLECT THE SUMMER 2015 and 2016 SCHOOL TAX  
FOR WARREN CONSOLIDATED SCHOOLS**

THIS AGREEMENT, made and entered this 26<sup>th</sup> day of January, 2015, by and between the CITY OF TROY (hereinafter called Troy) and WARREN CONSOLIDATED SCHOOLS (hereinafter called School District);

WHEREAS, Act No. 206, P.A.1893, as amended authorizes a tax collecting unit to assess property values, to collect property tax levies and to administer the tax appeal process and further acknowledges the compensation to a tax collecting unit of a 1% administration fee for the execution of such services;

WHEREAS, Troy, by its Mayor and the School District by its authorized representative, have agreed to enter into a contract for the collection of the 2015 and 2016 summer tax which is collected in two (2) parts pursuant to the Troy City Charter;

WHEREAS, The City of Troy has also been charged by the County with the tax levies incurred prior to the indicated fiscal years;

WHEREAS, The City of Troy will incur expenses in the collection of delinquent personal property taxes for years prior to the indicated fiscal years from entities seeking protection under bankruptcy laws.

WHEREAS, The School District is willing to share in the additional expenses incurred by the City of Troy in the collection of delinquent personal property taxes from entities seeking protection under bankruptcy laws as follows: The City of Troy will incur all expenses that reflect the difference between the gross recovery of any delinquent personal property tax and the net amount due to the collecting unit for dispersal. The School District will agree to pay its pro-rata share (pro-rata is defined as the District's percent due of a net recovery collected on behalf of the District) of expenses incurred to recover delinquent personal property taxes by entities seeking protection under the bankruptcy laws;

WHEREAS, Troy and the School District both agree that Troy will avail itself to the established 1% statutory administration fee and shall further

retain interest on any and all taxes collected while said taxes are within a City account;

WHEREAS, Troy agrees to remit by wire transfer the principal of those collected taxes to the School District, biweekly, every other Friday, before 11:00 a.m., except when Friday is not the last business day of the week, in which case remittance shall be made on the last business day of the week.

WHEREAS, either party may terminate this agreement without cause by delivering to the other party a written notice of termination within sixty (60) days of the annual termination date.

NOW, THEREFORE BE IT RESOLVED, that the City of Troy and the School District shall mutually perform the covenants and commitments indicated above and further agree to share in the expenses incurred in the collection of delinquent personal property taxes from entities seeking protection under the bankruptcy laws on a pro-rata basis as described herein.

CITY OF TROY, A Michigan  
Municipal Corporation

WARREN CONSOLIDATED  
SCHOOLS

By: \_\_\_\_\_  
Dane Slater, Mayor

By:   
Robert D. Livernois, Ph.D.  
Superintendent

And: \_\_\_\_\_  
Aileen Bittner, City Clerk