



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

September 17, 2019

RECEIVED

SEP 25 2019

By Ensley Township

Phillip Starr, Supervisor  
Ensley Township, Newaygo County  
7163 E. 120th Street  
Sand Lake, MI 49343

Dear Phillip Starr:

Tax Management Associates recently conducted an Audit of Minimum Assessing Requirements (AMAR) on behalf of the State Tax Commission in your local unit. Following is a summary of the audit findings:

Review Item	Requirement Met (Yes/No)
Does the local unit have proper ECF's?	Yes
Does the local unit have proper land value determinations?	Yes
Does the true cash value on the record cards match the assessment roll?	Yes
Does the local unit conduct an annual personal property canvas?	Yes
Did the local unit properly process any Small Business Taxpayer Exemptions that were received?	Yes
Does the local unit have poverty exemption guidelines?	Yes
Do the local unit poverty exemption guidelines include an asset test?	Yes
Did the Board of Review meet the statutory requirements in granting poverty exemption and follow local unit policies?	Yes
Did the July/December Board of Review meet their statutory requirements?	Yes
Did the local unit meet the requirements of MCL 211.27b regarding failure to file a Property Transfer Affidavit?	Yes

A copy of the AMAR Review with detailed comments regarding each item, is enclosed. An electronic version of the form, which includes links that provide more specific information regarding each requirement is available on the State Tax Commission's website at [www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission).

Please provide a corrective action plan no later than **October 25, 2019** outlining how each requirement that was not met will be corrected, as well as specific dates when the deficiency will be corrected. Please note that specific dates are required so that we may determine the date of

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any necessary follow up review. Failure to submit a plan to correct each item **and** a date by which item will be corrected will result in the rejection of your corrective action plan.

The 2018 AMAR review includes several background questions that are designed to gather information and to ensure that local units review their policies and procedures as it relates to exemptions, PRE denials, forms filed with County Equalization and statistical information. We ask that local units review this information, particularly where an item was marked no, and discuss these issues with their assessor. No corrective action plan on these items is required, however they will be checked again at the follow up review.

If you have any questions, please do not hesitate to contact me at 517-335-3429.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelli Sobel", written in a cursive style.

Kelli Sobel  
Michigan Department of Treasury

Enc: AMAR Review

Cc: Township Clerk  
Township Assessor  
Equalization Director

**Michigan State Tax Commission**  
**Audit of Minimum Assessing Requirements**  
**AMAR Review Sheet**

The State Tax Commission, per MCL 211.10f, has jurisdiction to determine substantial compliance with the requirements of the General Property Tax Act. The AMAR review reflects the minimum assessing requirements of a local unit of government based on statute and STC Rules, Policy, Bulletins and Publications. Local units of government that do not meet one or more of the minimum requirements must submit a corrective action plan detailing how and when the deficiencies will be resolved.

Failure to submit an acceptable corrective action plan, or failure to resolve the deficiencies as outlined within the corrective action plan that is approved by the State Tax Commission, will result in a determination of substantial non-compliance and may result in the State Tax Commission assuming jurisdiction of the assessment roll of the local unit of government. Failure to meet one or more of the minimum AMAR requirements does not automatically result in State Tax Commission assumption of jurisdiction of the assessment roll.

**Local Unit Background Information:**

Year of Audit: 2019  
Name of Local Unit: ENSLEY TWP  
Name of County: NEWAYGO  
Name of Assessor: JANE KOLBE  
Assessor Certification Level: MAAO 3  
Name of Supervisor, City Manager or Mayor: PHILLIP STARR Title: SUPERVISOR  
Mailing Address for Supervisor: 7163 E. 120<sup>th</sup> St., Sand Lake MI 49343

What date did the assessor certify the assessment roll? **L-4037 signed and dated 2-27-19.**

What is the Residential Coefficient of Dispersion (COD) for the local unit? **Assessor had 49 valid sales to calculate a Residential COD of 14.39.**

What is the Residential Price Related Differential (PRD) for the local unit? **Assessor had 49 valid sales to calculate a Residential PRD of 1.02.**

Does the L-4022 in possession of the local unit match the L-4022 in possession of the County Equalization Director and the information uploaded on the L-4023 on the E-File Site?

YES:  NO:

**The local unit's L-4022 signed and dated 3-14-19 matches the L-4022 in possession of the County Equalization Director and the information uploaded on the L-4023 on the E-File Site. 1,571 total real parcels with a total assessed value of 113,145,300.**

MCL 211.7cc requires interest at a rate of 1.25% per month or fraction of a month to be charged to the owner of property that has been issued a PRE denial notice. Upon collecting the interest, MCL 211.7cc also details the required distribution of the interest depending on the governmental unit that issued the denial notice. Was Form 4142 completed and submitted to the Michigan Department of Treasury by a County, City or Township when the State's portion of PRE denial interest is remitted? YES: NO:

**Unit had 1 PRE denial notice issued for 2019, including the prior year and paid before penalties would have been applied.**

Does the local unit have written procedures, including audit procedures, for determining how to grant real property exemptions or remove real property exemptions when the property no longer qualifies for the exemption? YES:  NO:

**Unit adopted Resolution 2018-8 on 9-4-18 as Procedures for Granting and Removal of Real Property Exemptions with an application and list of documents for determining real property exemptions. Assessor is to grant or deny.**

Does the local unit have accurate Land Value Maps that meet the State Tax Commission Land Value Map Publications?

Requirement Met: YES: NO:

Notes:

**Land value maps were from 2018, not for 2019. They were color coded by neighborhood with a matching legend, land value rates, sales and detailed information were listed.**

### Assessment Roll Analysis:

1. Does the local unit have properly calculated and appropriately documented Economic Condition Factors that meet State Tax Commission requirements per MCL 211.10e and STC ECF Publications?

Requirement Met: YES:  NO:

Notes:

**Assessor had properly calculated and appropriately documented ECF studies for the agricultural, commercial and residential classes. There are no improved industrial parcels. Assessor reviews and analyzes the commercial class with other areas.**

2. Does the local unit have Land Value Determinations that are appropriately documented, properly calculated and meet State Tax Commission requirements per MCL 211.10e and State Tax Commission Land Value Determination Publications and less than 1% land adjustments without reason?

Requirement Met: YES:  NO:

Notes:

**Unit has 0 parcels with a land adjustment and no reason. 36 total adjustments. Land value analysis was performed and was reviewed during the interview. It was appropriate with documented sales and analysis of front foot rates, site values or acreage rates for all property classes in the unit.**

3. Does the true cash value on the local unit record cards agree with the true cash value indicated on the assessment roll with less than 1% overrides and less than 1% flat land values – excluding DNR PILT Property (STC Policy)?

Requirement Met: YES:  NO:

Notes:

**Unit has 0 parcels on override.**

**Unit has 0 flat land values with no reason. 3 have an inappropriate reason (shed or raze home).**

4. Personal Property Review:

a) Does the local unit conduct an annual personal property canvass?  
YES:  NO:  
**Unit conducts an annual personal property canvass by printing a list, comparing it to last year and driving by businesses to update changes or add new accounts.**

b) Did the local unit grant any exemptions under MCL 211.9o (Small Business Taxpayer Exemption)?  
YES:  NO:  
**Unit has 69 personal property parcels. 30 have the Form 5076 Accepted, granting an exemption.**

c) If the answer to item 5b is yes, does a sampling indicate the local unit properly processed the exemptions received? This includes: Form 5076 filled out completely, timely received and received annually. If Form 5076 is not received the exemption is removed, parcel number created for any business that was granted an exemption, ensuring that a parcel with the exemption is not retired, all locations within the local unit are considered when granting the exemption.

Requirement Met: YES:  NO:

Notes:

**Based upon a sample, Form 5076 was filled out, timely received (date stamp was on or before Feb 20) and received annually.**

5. Review of Exemptions Granted under MCL 211.7u (poverty exemptions)

a) Did the local unit grant any exemptions under MCL 211.7u (Poverty Exemption)?  
YES:  NO:  
**Unit had 1 Poverty Exemption granted by the MBOR for 2019.**

b) Does the local unit have poverty exemption guidelines?  
YES:  NO:  
**Unit adopted Resolution 2019-4 on 2-5-19 for poverty exemption guidelines with Federal income guidelines and an application.**

c) Does the local unit poverty exemption guidelines include an asset level test?  
YES:  NO:  
**The asset level test is not to exceed \$50,000 and the home cannot have more than 10 acres.**

d) Does a sampling of the exemptions granted under MCL 211.7u indicate that the statutory requirements were met and that the local unit policy was followed?

Requirement Met: YES:  NO:

Notes:

**Unit had 1 Poverty and 11 Veteran Exemptions granted by the MBOR for 2019. Local unit policy was followed when granting an exemption.**

6. Does a sample of the July and December Board of Review actions indicate the Board met the requirements of MCL 211.53b and considered only those items over which they have statutory authority?

Requirement Met: YES: X NO:

Notes:

**JBOR and DBOR actions indicate the Board met the requirements on those items which they have statutory authority. JBOR and DBOR each granted prior year(s) PRE requests.**

7. Does the local unit follow the requirements under MCL 211.27b to levy the interest and penalty for failure to file a Property Transfer Affidavit? If waived did the local unit waive the interest and penalty by resolution and is that resolution kept on file?

Requirement Met: YES: X NO:

Notes:

**Unit adopted Resolution 2018-9 on 9-4-18 to Waive Penalty and Interest Fees for Failure to File a Property Transfer Affidavit. Resolution is kept on file. Unit had 130 transfers, 10 did not have a PTA and 2 had the PTA filed after 45 days. There was no penalty billed.**

**Comments:**

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

Alfonso A Consiglio

Signature

9/5/19

Date

By checking this box, I agree and confirm that the signature I have typed above is the electronic representation of my original, handwritten signature when used on this document and creates a legally-binding contract. I further understand that signing this document using my electronic signature will have the same legally-binding effect as signing my signature using pen and paper.