

**Pentwater Township
Ad Hoc "City Committee" Meeting Minutes--Approved
October 27, 2022**

I. Opening:

A. Pledge of Allegiance and Roll Call

The meeting began at approximately 1:04pm.

Attendance:

Present:

Committee Members:

Brian Prescott	Karl Schrupf	Dave Spitler
Chuck Smith	Nancy Arvai	Trystin Vanderstelt

Pentwater Township Board Members:

Heather Douglas	Maureen Murphy
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Pentwater Township Staff:

Keith Edwards	Barbie Eaton
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Absent:

Carol Feltes (Committee Member)
Kathy O'Connor (Pentwater Village Council Liaison to this Committee)

II. Approval of Agenda, Minutes, and Chairperson's Remarks:

A. Approval of the Agenda:

Brian Prescott moved to approve the agenda. Nancy Arvai seconded.
Unanimously approved.

B. Approval of the Oct 25, 2022 Meeting Minutes:

Heather Douglas noted that Keith Edwards had emailed Trystin Vanderstelt that morning requesting the meeting minutes from Oct 25, 2022 be amended so that Keith Edwards is listed as a Pentwater Township Staff Member and not a Pentwater Township Board Member. As of this meeting, Trystin Vanderstelt had not seen the email but agreed to amend the meeting minutes accordingly.

Brian Prescott moved to approve the Oct 25, 2022 meeting minutes as amended. Karl Schrupf seconded. Unanimously approved.

Note: After this meeting, Maureen Murphy emailed Trystin Vanderstelt and suggested that Barbie Eaton be added to both meeting minutes, as Barbie Eaton had stepped into both meetings from her office at various times to answer questions. Trystin Vanderstelt agreed to amend the meeting minutes accordingly.

III: Public Comment:

There were no public comments at this time.

IV. Old Business:

No Old Business

V. New Business:

A. Reconvening on the consideration of the proposal from the Citizens Research Council of Michigan.

Brian Prescott and Trystin Vanderstelt thanked the other committee members for additional time to review materials before voting on the matter.

Chuck Smith moved to accept the Citizen's Research Council of Michigan's proposal to provide an analysis of the tertiary consequences of Pentwater Village's potential efforts to incorporate as a city for a sum of \$8000. Brian Prescott seconded. Unanimously approved.

Chuck Smith will formally present the motion on behalf of The Committee to the Pentwater Township Board at the November 17, 2022 Pentwater Township Board Meeting.

Brian Prescott asked if end of 2022 was still the timeline for the Citizen's Research Council's proposal to be completed (as 2 months was outlined in their proposal). Discussion determined that a completion date would depend on a start date, which was in turn dependent on whether the Pentwater Township Board's decides to move forward with the proposal. Their next meeting is scheduled for November 7th, 2022.

Heather Douglas noted that Kathy O'Connor from Pentwater Village (not present at this meeting, but present at the last meeting) will discuss with her Pentwater

Village Feasibility Committee to see if the Village wants to pay for half of the Citizen's Research Council's study.

Dave Spitler voiced that he thought the Township should keep the study separate and not have the Village involved (i.e., Pay for half) in order to avoid a conflict of interest. Several Committee members agreed.

VI. Other Items From Committee Members:

Karl Schrupf handed out hardcopies of a write up entitled, "Impact of Changing From a Village To A City" from the May 2003 Michigan Municipal Review.

Heather Douglas handed out copies of the Pentwater Village's "City Feasibility Study", which provides a timeline and process for potentially incorporating as a city. Heather pointed out that The Study was a draft and numbers provided within it are likely not correct.

Barbie Eaton spoke about corrected millages should the Village incorporate as a city.

Barbie reiterated that Pentwater Township would lose approximately 45% of its tax base should the Village incorporate as a city.

Trystin Vanderstelt asked about the impact on township resident's taxes should the Village incorporate and the Township lose that much tax base. Barbie Eaton explained that answer would depend on whether the Township decided to reduce its services as a result of the lost tax base, or raise taxes to cover the lost tax base.

Barbie Eaton explained Principal Residence Exemption vs Homestead Exemption vs Residency.

Principal Residence Exemption (PRE) is a property tax exemption on your primary residence. You can only list one property as your PRE. A Trust can have a PRE, but an LLC can't.

Homestead Exemption occurs on your income taxes.

A property owner must have claimed PRE to get a Homestead credit on income taxes.

Residency is not as easily defined. Various definitions discussed.

How does the Village of Pentwater define "Resident". Not known. Nancy Arvai will take the question to The Village Council as this Committee's liaison. Nancy will also ask the Village Council their reasons for looking at incorporating as a city.

Where a person is registered to vote is not necessarily where your primary residence is located. Can only be registered to vote in one place

The Committee looked at a Township Map of Michigan. Barbie Eaton pointed out that most townships in MI are 6 square miles. Given that Pentwater Township is on Lake MI, and not a square, it is a smaller township.

Barbie Eaton explained that Pentwater has a Commercial, Industrial, and Residential Class, but not really much of an Agricultural class.

VII: Public Comment:

There were no public comments at this time.

VIII: Adjournment:

Nancy Arvai moved to adjourn. Brian Prescott seconded. Unanimously approved. Adjourned at 2:09pm.

The Committee's next meeting will be held Tues, December 13, 2022 at 1pm at the Township Hall.