

Board agrees to join lawsuit to fight tax break for utilities

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The Farmington Board of Education last week endorsed joining tri-countywide litigation to fight a proposed special tax break for utility companies.

According to a resolution, unanimously approved by the school board, the district "endorses and pledges its support of the legal challenge" to the State Tax Commission and agreed to appropriate \$2,860 to help offset legal costs connected to litigation.

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"to go," Farmington Superintendent Bob Maxfield said during the meeting.

Later, Maxfield said the planned utility tax break would probably cost the district about \$586,000 in funding annually.

The school district's resolution stated that special utility tax breaks would "unfairly shift significant tax burdens from utilities to other Michigan businesses and citizens, forcing either increases in local taxes and/or severe reductions in educational, recreational, public safety, or other local governmental services."

School board Trustee Linda

Enberg sounded reluctant about the idea of participating in litigation — particularly so soon after the so-called Durant lawsuit settlement.

"But it is very interesting that these utility tax breaks do affect so many governmental bodies," Enberg said. "And it does seem (as though) it's an unequal break in tax revenue."

Treasurer Jack Inch added that the utility tax breaks could lead to "devastating cuts along the way. I'm very concerned."

The school board resolution followed a Jan. 5 letter from Oakland Schools Superintendent Jim Redmond to the county's 28

local school chiefs. Redmond urged them to join the lawsuit, and questioned how districts would make up revenue lost to the change.

"If it is from the school aid fund," Redmond wrote, "then we are just shifting revenue from future foundation (per-pupil spending) increases to hold us harmless."

"If the revenue is from the general fund, then we will be truly held harmless. This, however, will not be resolved until June. Regardless of whether we get replacement revenue, this is an important issue that can only get more costly in the future."

In December, the Farmington Hills City Council publicly joined the battle against what would be a \$3 billion reduction in the taxable value of utility companies' personal property. Firms such as Detroit Edison could save as much as \$200 million under the plan, but it would cost municipalities that much in tax revenues.

Whoa!



STAFF PHOTO BY DILL BRESLER

Speed bump: Ian Konopinski hits a makeshift ramp at the bottom of the sledding hill located behind the Farmington Board of Education offices. Sledders and snowboarders have gathered there to take advantage at long last of the winter's snowfall.

**I Enjoy
Working
On The
Botsford
Team!**

Jocelyn Wesley

NURSE'S ASSISTANT

WILLIAMS

WILLIAMS