

**MEETING MINUTES OF MID-MICHIGAN ASSOCIATION OF ASSESSING OFFICERS  
KALAMAZOO AIR ZOO  
KALAMAZOO, MI  
AUGUST 13, 2008 – 12:00 PM**

12:00pm: Attendees welcomed by President Julie Pulling.

Invocation: Al Nykamp - lunch was served.

1:00pm: Meeting was called to order by President Pulling at which time she recognized Andrew Falkenberg and Bonnie Payton for organizing the meeting and location. Several guests were introduced and welcomed.

The secretary gave a verbal report regarding the previous meeting that was held on June 19<sup>th</sup> at Mulberry Fore Golf Course.

The treasurer's report had been prepared and distributed showing all available funds of \$2,937.33. The report was approved.

The MMAAO logo was again recognized as the official logo for MMAAO.

President Pulling announced the nominating committee appointments that she had made which were Dan Bengel, Bill Davis and Ken Fickle.

One organization report was made. Andrew Falkenberg made a few remarks regarding the IAAO 2013 conference in Grand Rapids and members of MAA & MMAAO volunteering to help at the conference.

Program: Richard Reed, attorney, presented an informative program regarding lessee/user tax primarily relating to concessions at airports, but also addressed assessment/taxation of other activities on other exempt properties such as food equipment concessions on a municipal owned golf course, and several tribunal court cases relating to these matters. Several key points were made:

1. A concession is a privilege or space at a certain specific location intended for and available for the use by the general public.
2. A concession may be subject to the "lessee user tax" which is not an ad valorem tax. The "lessee user tax" assessment is listed on a separate section of the ad valorem roll.
3. Substantial time was spent discussing whether an activity is a concession i.e. social activities, food service, etc. at a golf course, airport or other municipal facilities etc.

Mr. Reed distributed a summary of the subject material (attached).

Mr. Reed also briefly discussed bankruptcy property valuations. He stated that his opinion is that the cost approach is the most reliable scientific approach to estimate fair market value of bankruptcy properties. Mr. Reed distributed a copy of an article he had written on this matter years back and which appeared in an issue of the Michigan Assessor Magazine (article attached).

Robert Lucas won the 50/50 drawing and said "put it back". Thank you Robert.

There were 47 people in attendance.

The next meeting date was announced, November 5, 2008, to be in the Jackson area.

3:07 pm-meeting adjourned to the Air Zoo Floor where the discussion continued.

Submitted by,

*Arthur D. Grimes*

Arthur D. Grimes, Secretary

Attachments: (2) [Program material see documents page at [www.mmaao.org](http://www.mmaao.org)]

August 13, 2008 MMAAO Meeting Minutes