

“ . . . a report of the proceedings of said board at such session, including a report of the receipts and expenditures, which shall contain a statement of the names of each claimant, the amount claimed and amount allowed, and a full statement of the amounts of the treasurer's account on the last settlement, as found on his balance sheet or account current in making the settlement; . . .” [MCLA 46.9; MSA 5.329]

While there are no Michigan cases on point, courts in other states have construed the word “report” to mean a synopsis or abbreviated text. Thus, in *Metropolitan Life Insurance Co v Union Trust Co of Rochester*, 268 App Div 474; 51 NYS2d 318 (1944), the Court held that a general statement of the situation which gave rise to the litigation, which called attention to the elements necessary to the cause of action alleged, which discussed the facts and laws applicable thereto, and which concluded with the statement that the complaint should be dismissed was a sufficient report on the part of the referee. Similarly, in the case of *Mandell v Board of Commissioners of Bernalillo County*, 44 NM 109; 99 P2d 108 (1940), the Court was called upon to rule whether a report submitted by a board of reviewers appointed in proceedings for the vacation of a road was sufficient. The board of viewers submitted a finding that the road was not needed, the justification for such finding, and a recommendation that it be closed. The Court held that this report was sufficient under the statute which required a report to be submitted to the county commissioners. Thus, it is apparent that courts when called upon to construe the word “report” have not construed it to mean a verbatim restatement of the proceedings. In essence, the report must be specific enough to indicate what occurred at the meeting.

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CITIES: Expenditure of funds for corporate purposes

TOWNSHIPS:

Home rule cities and townships may not expend funds for legal services to challenge school district boundaries.

Opinion No. 4819

June 10, 1974.

Honorable Jerome T. Hart
The Senate
Lansing, Michigan

You have presented the following information:

“Previously, the City of Zilwaukee and Kochville Township were encompassed in one school system. The junior high school in Zilwaukee and two elementary schools in neighboring Kochville Township will be closed. There will be one elementary school left in Zilwaukee and the junior high students from both communities will be bussed to North Intermediate School in the City of Saginaw.

"The concerned parents and others from both communities are seeking a way out of this dilemma by naming an attorney to represent both communities with the expense to be paid by the general funds of the City of Zilwaukee and Kochville Township. Both areas have had numerous inquiries from business as to the status of the school system before they move or build in the communities. Naturally, this has affected the growth in both areas which is why the City of Zilwaukee and Kochville Township governments agreed to the expense incurred for this endeavor."

I understand that the territory in question became part of the Saginaw School District in accordance with law.

You then state:

"Since the Saginaw School District is a separate entity I would like your opinion on whether the expenses incurred for this endeavor will be legal for the City of Zilwaukee and Kochville Township."

There has been a long history of separation of schools from other municipal corporations, including home rule cities, *Attorney General, ex rel McRae v Thompson*, 168 Mich 511; 134 NW 722 (1912). In fact, possibly due to schools having been operated by certain cities during the territorial days and very early days of this state, the Home Rule Cities Act, 1909 PA 279; MCLA 117.1 *et seq*; MSA 5.2071 *et seq*, in order to preserve the independence of the schools, in section 4-j specifically negates the operation of schools by such cities:

"Each city may in its charter provide:

(1) For the establishment of any department that it may deem necessary for the general welfare of the city, and for the separate incorporation thereof; *Provided, however*, That these provisions shall not be construed to extend to and include public schools; . . ."

MCLA 117.4-j; MSA 5.2083

School districts are similarly separate and distinct from township or other local government:

". . . Education belongs to the State. It is no part of the local self-government inherent in the township or municipality except so far as the legislature may choose to make it such. . . ." *MacQueen v City Commission of City of Port Huron*, 194 Mich 328, 336; 160 NW 627, 629 (1916)

It is fundamental that expenditures by a municipal corporation may be made only for its corporate purposes:

"All appropriations or expenditures of public money by municipalities and indebtedness created by them, must be for a *public purpose and corporate purpose*, as distinguished from a private purpose, . . ."

15 McQuillin, *Municipal Corporations* (3d ed), § 39.19, p 31 [Emphasis supplied.]

An opinion of the Attorney General, OAG, 1941-1942, No 16,640, p 5 (July 16, 1940) and decisions of the Michigan Supreme Court support

that principle. See *Jenney v Township of Mussey*, 121 Mich 229; 80 NW 2 (1889). In the above-referenced opinion of this office, Attorney General Read, quoting from section 541 of the second edition of McQuillin on *Municipal Corporations*, defined the test as:

“ . . . ‘Did the act done by the office relate to a matter in which the local corporation had an interest or did it affect municipal rights or property or the rights or property of the citizens which the officer was charged with an official obligation to protect and defend?’ ” OAG 1941-1942, No 16,640, p 6

Expenditures by a municipality for purposes which do not touch and concern the corporate interests of that public corporation are *ultra vires*.

Municipalities, whether cities or townships, are separate from school districts, and though school district boundaries and organization or the location of the schools within the district may concern numerous parents within a city or township, such concerns do not relate to a corporate purpose of the city or township. Hence, based on the facts before me, I must conclude that the City of Milwaukee and Kochville Township could not properly expend funds to pay an attorney to contest school district reorganization.

FRANK J. KELLEY,
Attorney General.