

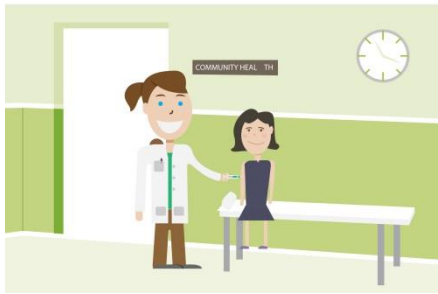


Presentation to Grand Traverse County

June 2019



Services



WWW.MICOUNTYMATTERS.ORG

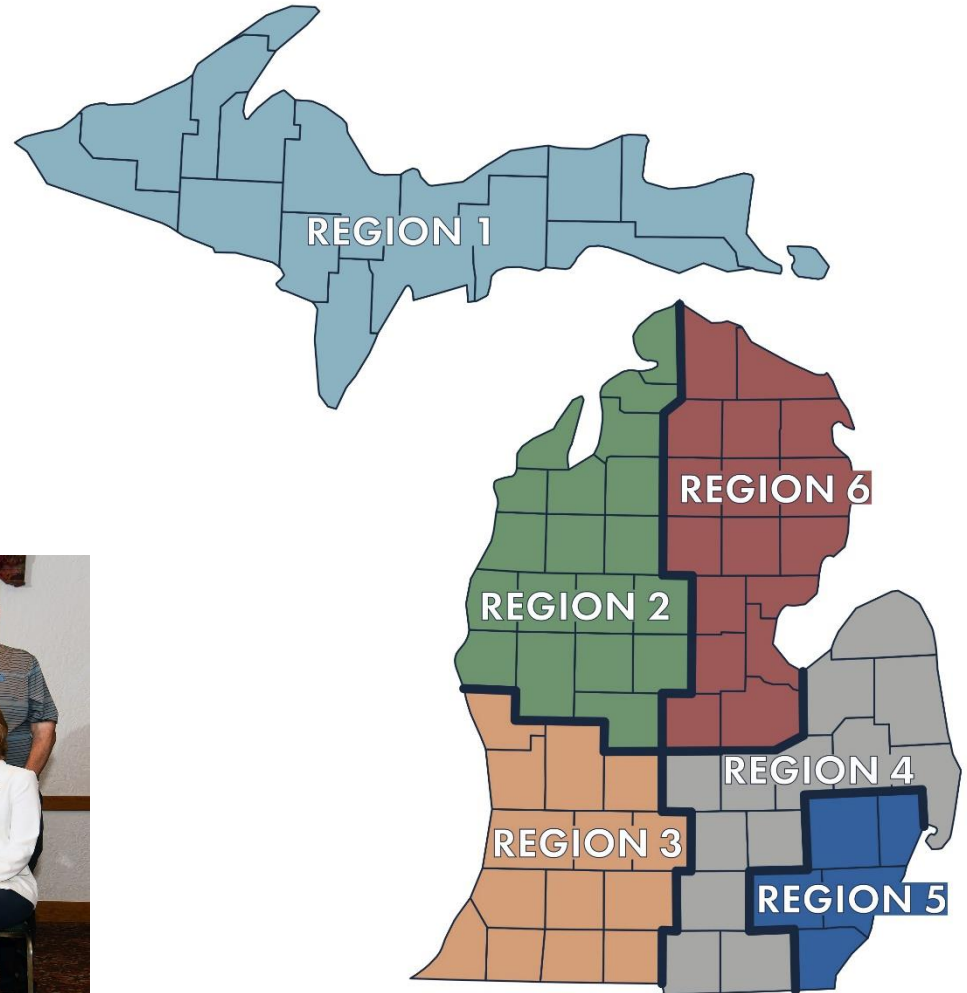
COMMISSIONERS FORUM

- Online message board gives commissioners a way to communicate directly with their peers around the state
- To register, go to <http://micounties.boards.net/>



Leadership

- **Board of 16 members elected by commissioners**
- **Two seats from each of six regions ensure broad representation**
- **Board sets policy positions and oversees staff**



Leadership



Ken Borton
President



Stephan W. Currie
Executive Director
scurrie@micounties.org



Veronica Klinefelt
First Vice President



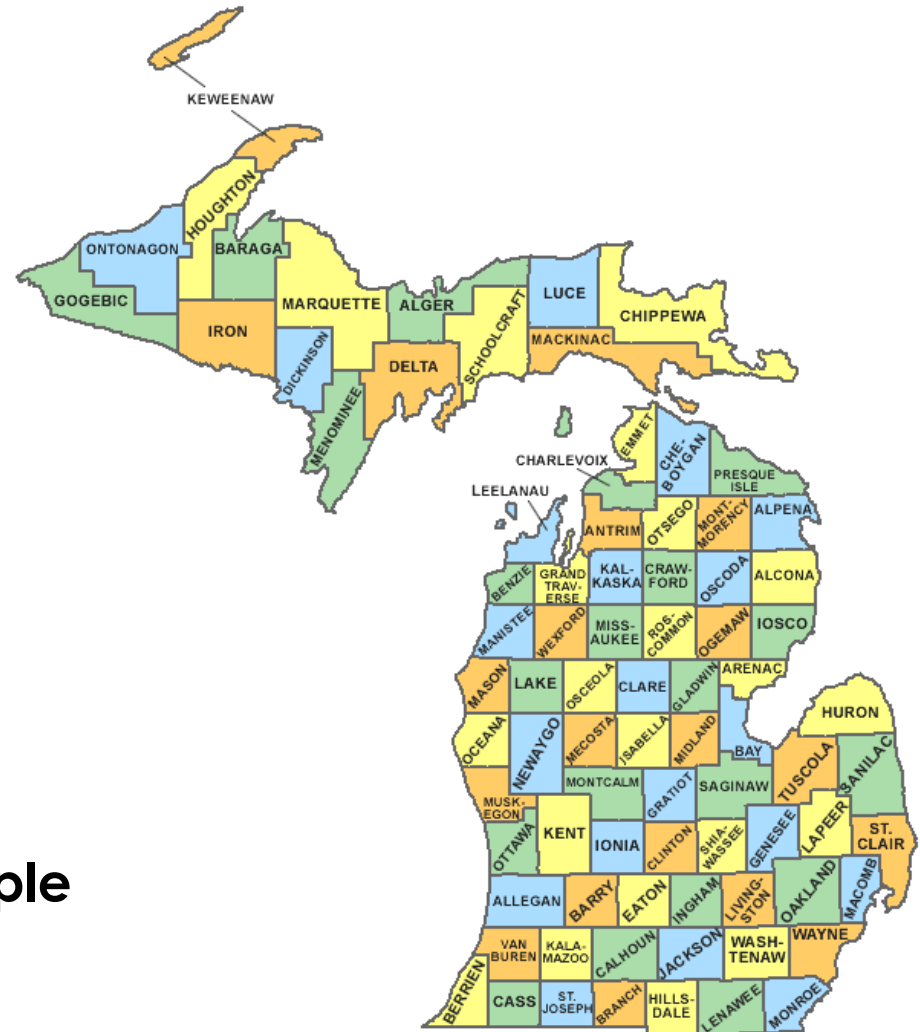
Phil Kuyers
Second Vice President



Shelley Taub
Immediate Past President

83 counties in Michigan

- **Big and small**
 - Wayne (pop. 1,754,000)
 - Keweenaw (pop. 2,105)
- **Governed by 622 county commissioners**
 - Part-time compensation
 - Two-thirds Republican
- **Employ more than 33,000 people**
 - 13.8% work in state/local gov'n't
 - Ranks Michigan 42nd
 - Employment fell 8% from 2007 to 2017



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Counties 101

- Counties are front-line agencies in providing social and public safety services:
 - Foster care system
 - Public health
 - Circuit courts
 - Sheriff and jail
 - Other constitutional offices (clerk, treasurer, prosecutor, register of deeds)
- Counties collaborate every day with other local units on tax assessment and collection
- Counties receive statutory revenue sharing **ONLY**



Victories Mark 2017-18 Session

- Protecting Local Government Retirement & Benefits Act
- Personal Property Tax changes
- Trial Court Funding Commission
- 9-1-1 Surcharge Increase
- Child Care Fund Changes
- County Veterans Service Funds
- Assessing Reform
- Small Cell Technology
- Tax Increment Financing Reporting
- Michigan Infrastructure Council (WAMC, TAMC)

**WIN
WIN
WIN
WIN**

State Priorities for 2019

- Reforming Michigan's System of Financing Local Government
- Ensuring State Funding for Changes to Juvenile Justice
- Reforming Tax Capture Districts
- Establishing Stable & Comprehensive Funding for Trial Courts
- Enhancing Programs to Divert Offenders from County Jails
- Breaking Lansing Habit of Funding Its Tax Cuts with Local Dollars
- Reforming the Michigan Tax Tribunal
- Investing in and Properly Managing Michigan's Infrastructure



Advocacy: Issues

- **Court funding**
- **Child Care Fund**
- **Brownfields**
- **Land Banks**
- **Drains**
- **Fracking**
- **Invasive Species**
- **Recycling**
- **Septage Waste**
- **Stormwater**
- **Solid Waste Management**
- **Wetlands**
- **Bonding/ Financing Projects and Debt**
- **Animal Shelters**
- **Digital Records**
- **Elections**
- **FOIA**
- **Regionalism**
- **Unfunded Mandates**
- **Foster Care**
- **Medicaid**
- **Medical Care Facilities**
- **Medical Examiners**
- **Mental Health**
- **Veterans**
- **Arbitration/Labor Contracts**
- **Land Management/Purchase/Use**
- **911**
- **Act 312**
- **Prisoner Re-Entry**
- **Probation**
- **Assessing/Assessors**
- **Personal Property Tax**
- **PILT**
- **Property Tax**
- **Act 51**

Road Funding

- **Governor**
 - \$2.5B gas tax increase of 45 cents/gallon (\$2.1B goes to roads)
 - New distribution model favors MDOT roads
- **Senate**
 - Accelerate ~\$130M from 2015 plan
 - No new revenues
- **House**
 - TBD
- **MAC Board (March 25) advised staff to:**
 - *Support addt'l road funding*
 - *Defend PA 51 funding model*
 - *Neither support nor oppose governor's plan at this time*



Fiscal 2020 Budget

- **Revenue Sharing**

- Governor: 3% increase (tied to road \$\$)
- Senate: No increase; House 2.5%

- **Indigent Defense**

- \$80.8M General Fund for ongoing MIDC requirements

- **CMH Local Funds (section 928)**

- Governor: Continue \$25.2M of local funds to CMHs to draw down additional Medicaid funds
- Senate: \$100 point of difference and cap
- House: \$200 difference, cap and phaseout language
- **MAC: End required local contribution**

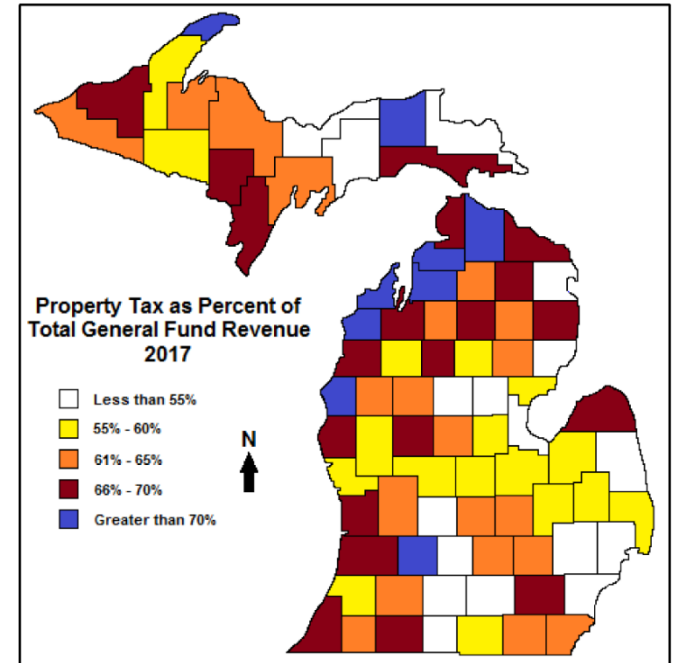
FY20 General Fund
\$10.7 billion

FY00 General Fund
\$10.7 billion*

*Not adjusted for inflation

Reforming Michigan's System of Financing Local Government

- In 2017, 66 of 83 counties relied on property taxes for at least 55 percent of GF revenue
- Proposal A prevents revenue recovery
- **MAC supports:**
 - policies that create stable and sufficiently funded revenue streams for counties by requiring state to reimburse counties for revenues lost to exemptions
 - the creation of a secure and dedicated county revenue sharing trust fund, mandated reimbursements for increases in services, flexibility in local revenue options and cost-sharing models
 - elimination of millage reduction requirement when revenues exceed inflation



Ensuring State Funding for Changes to Juvenile Justice

- Michigan remains one of the last states to prosecute 17-year-olds as adults
- While MAC supports the concept of further accessibility to rehabilitation and community-based programs for 17-year-olds, moving them to the juvenile system will add significant costs
- **MAC supports full state funding for any mandate incorporating 17-year-olds in the juvenile justice system**



Reforming Tax Capture Districts

- Counties are at whim of tax-increment financing plans authored by ~ 1,000 tax capture districts
- Capture of special millages, approved by voters to ensure funding of specific priorities, should be prevented
- **MAC supports legislation**
 - that ensures county tax dollars are not captured without a county's approval
 - to reset baseline property values after a certain number of years of tax capture, thereby allowing counties to receive tax revenue increases they have been denied for decades
 - to require county approval of any extension of a capture or change in scope of a district capturing county revenue



Establishing Stable & Comprehensive Funding for Trial Courts

- Operation of Michigan's local courts = single largest unfunded mandate on counties
- 2014 *Cunningham* decision highlighted uncertain funding foundation for courts
- Stopgap measures since 2014 have restored fee authority to judges and established commission to identify comprehensive solution
- **MAC supports continuance of the fee system until the commission can identify a long-term funding solution that is verified by data and creates efficiencies at the local and state levels**



Enhancing Programs to Divert Offenders from County Jails

- Data needed to verify and understand anecdotal evidence from counties where jail populations and costs continue to rise
- MAC encouraged by PEW Charitable Trusts' decision to evaluate Michigan's efforts
- **MAC supports coordinated effort with PEW and the state to fully understand Michigan's jail system; and supports cost-saving efforts, such as successful jail diversion programs, without creating onerous, one-size-fits-all state mandates**



Breaking Lansing Habit of Funding Its Tax Cuts with Local Dollars

- In last decade, legislators have produced a torrent of bills to exempt specific groups or activities from the property taxes local governments use to fund local services
- State legislators should fund their tax-cutting preferences with state, not local, resources
- **MAC supports a conversion of the existing property tax exemption for veterans and surviving spouses to a credit from the state income tax**
- **MAC supports a moratorium on exemptions to real and personal property taxes**



Reforming the Michigan Tax Tribunal

- Since 2013, the Tax Tribunal has pursued policies that have reduced local revenues by more than \$100 million by incorrectly lowering values of “Big Box” retail locations
- A 2016 decision by the Michigan Court of Appeals detailed why these “Dark Stores” appeals do not conform to Michigan law
- **MAC continues to support legislation that**
 - ensures all three methods of property valuation (cost, sales, income) are considered by the tribunal
 - prevents the consideration of deed-restricted properties as fair “comparables”
 - enhances the training and qualifications of tribunal members



Investing in & Properly Managing Michigan's Infrastructure

- Counties play a central role in our states most critical infrastructure needs, from building and maintaining roads and bridges, to the preservation of drainage and ensuring safety at county beaches
- **MAC supports increased funding and efforts to address the PFAS contamination crisis of our waters**
- **MAC continues to support legislation to adequately fund infrastructure upgrades, strikes a balance between efficient use of existing revenue and new revenue to meet county infrastructure needs and develops better statewide asset management tools**



MAC POLICY COMMITTEES

- MAC has seven committees that study legislation and make recommendations to the MAC Board:
 - Finance – Meets the 1st Friday at 10 a.m.
 - Environmental, Natural Resources and Regulatory Affairs – Meets the 2nd Friday at 10 a.m.
 - General Government – Meets the 3rd Friday at 10 a.m.
 - Health and Human Services – Meets the 4th Monday at 10 a.m.
 - Judiciary and Public Safety – Meets the 4th Monday at 2 p.m.
 - Transportation – Meets the 4th Friday at 10 a.m.
 - Agriculture and Tourism – Meets at the call of the chair
- To join a MAC committee, fill out application at micounties.org

MEET WITH YOUR LEGISLATORS

- Schedule regular sessions with your state legislators back in your county
- **TIP: Set a day of the month – first Friday, third Thursday, etc.**
- TIP: Breakfasts are good focal point
- TIP: Appoint a member of your board as legislative liaison to arrange coordinate local events, etc.





- Provides financial support to incumbent state legislators who are friends of county government
- 27 former county commissioners now serving in the Michigan Legislature (MAC County Caucus)

Donate at www.micounties.org

YOUR MAC TEAM



Deena Bosworth
Director of
Governmental Affairs
bosworth@micounties.org



Meghann Keit
Governmental Affairs
Associate
keit@micounties.org



Robert Kosowski
Governmental Affairs
Associate
kosowski@micounties.org



Michael Ruddock
Governmental Affairs
Assistant
ruddock@micounties.org

Conferences

Legislative Conference (winter/spring)

- April 15-17, 2020
- April 27-29, 2021

Annual Conference (summer/fall)

- Aug. 18-20, 2019
- Aug, 16-19, 2020

MAC conferences provide top speakers, intensive policy workshops and plenty of opportunities to network with county leaders



Regional Summits

- One-day “mini-conferences” held in summer

Four locations across Michigan

- *June 3 in Grand Rapids*
 - *June 10 in Escanaba*
 - *June 17 in Frankenmuth*
 - *July 23 in Gaylord*
- Designed for busy county leaders
 - Registration now open at micounties.org



Service Corp. Sponsored Programs

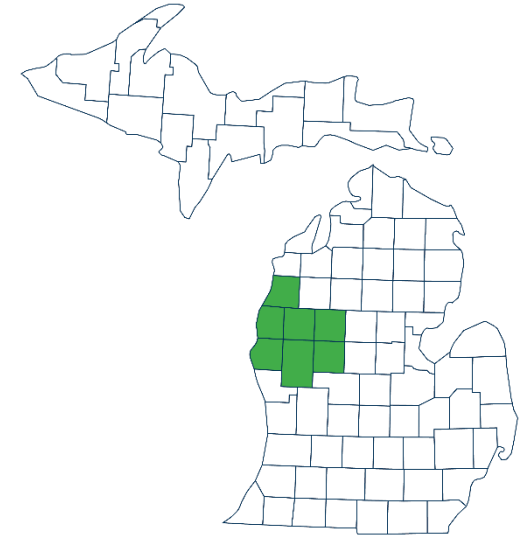
- **Abilita** program — Telecommunication consulting services, with average savings of 29 percent
- **AllState Voluntary Benefits** — Voluntary benefits on accident and critical illness coverages
- **Blue Cross Blue Shield Administrative** program — Health insurance with one-stop customer service
- **COBRA Administration** program — free administration and compliance with all COBRA regulations
- **CoPro+** program — Collaborative purchasing with bulk pricing and shareholder rewards
- **Lincoln Financial** program — 10 percent discount on current life and disability insurance rates as a MAC member
- **Nationwide 457** program — State-of-the-art retirement planning with more than \$1 billion of Michigan public funds under management



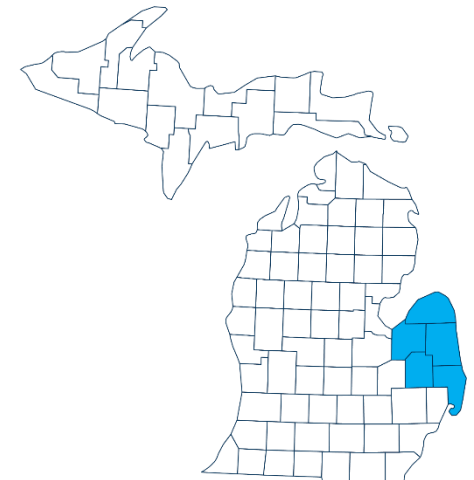
Services

- Nonprofit owned by its members; managed by 11-member Board of Trustees whose counties participate in the fund
- Fund provides coverage to employees in counties, road commissions, medical care facilities and transit groups
- Fund has 80 members and routinely issues premium dividends in excess of \$3 million each year
- Bookmark website: www.michigancountieswcf.org





- SMART
- UPCAP
- 7th District
- Northern
- WCMA



NEW micounties.org

- Revamped website (April 2019)
 - Single county logon to ease access
 - Improved site navigation
 - County resolutions database
 - Direct access to digital advocacy tool



Advocacy Center



Communications

- Full suite of social media channels
- Podcast 83 is biweekly audio briefing on news and trends in county government

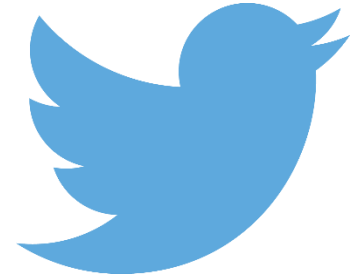


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Podcast 83

Services



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MIAC

MICHIGAN ASSOCIATION OF COUNTIES