

Presentation to Grand Traverse County

June 2019



Services



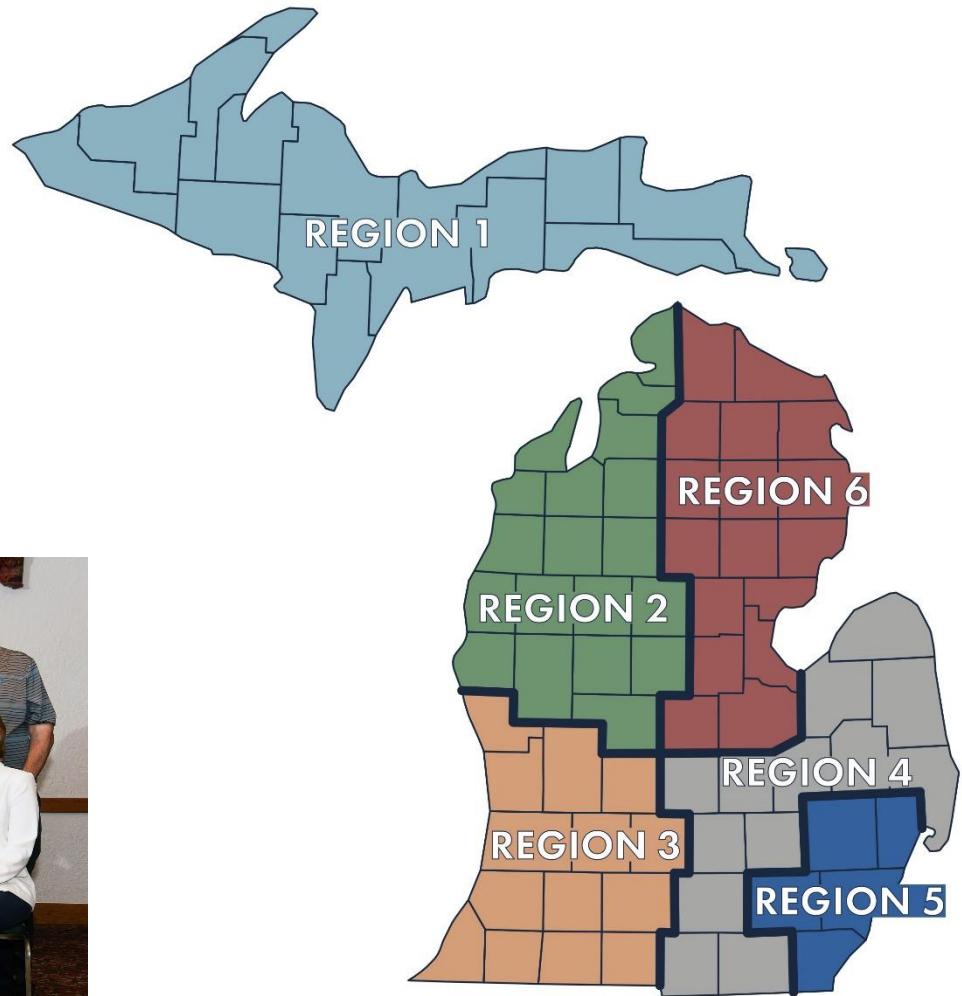
WWW.MICOUNTYMATTERS.ORG

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/>



- **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 Burton
President



Stephan W. Currie
Executive Director
scurrie@micounties.org



Veronica Klinefelt
First Vice President



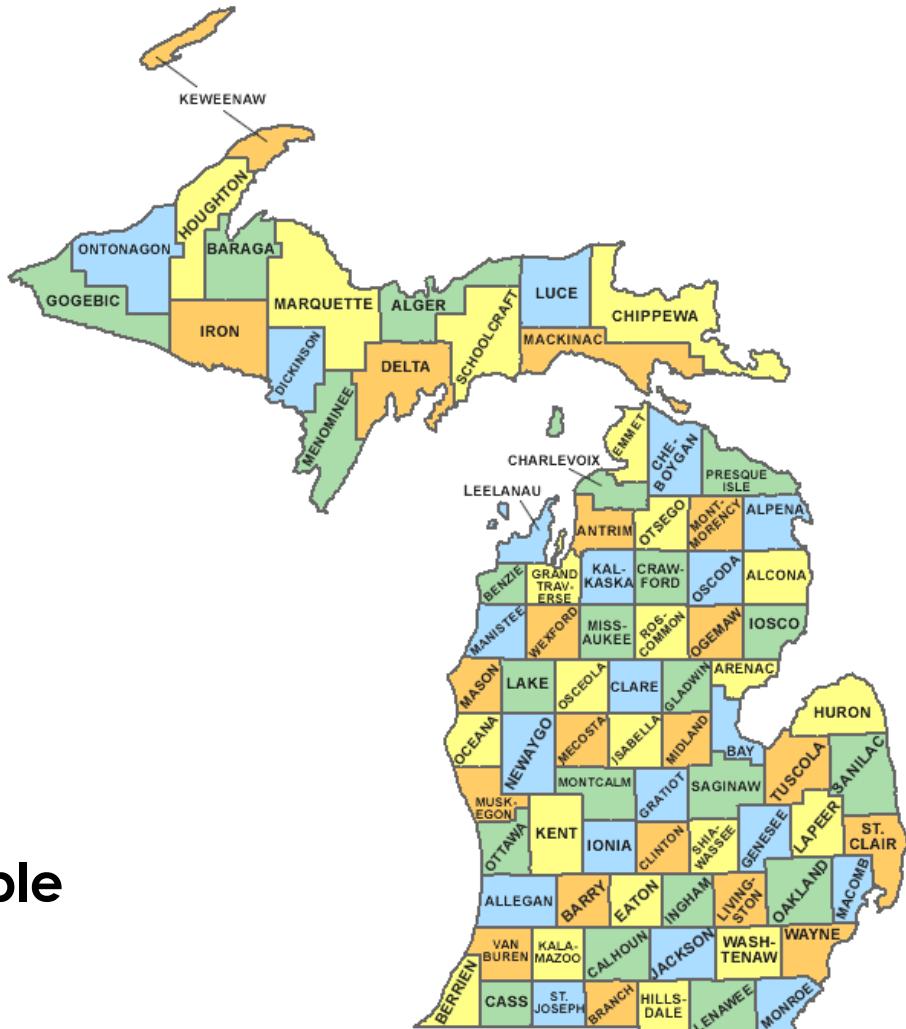
Phil Kuyers
Second Vice President



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 govn't
 - Ranks Michigan 42nd
 - Employment fell 8% from 2007 to 2017



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- 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
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 add'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

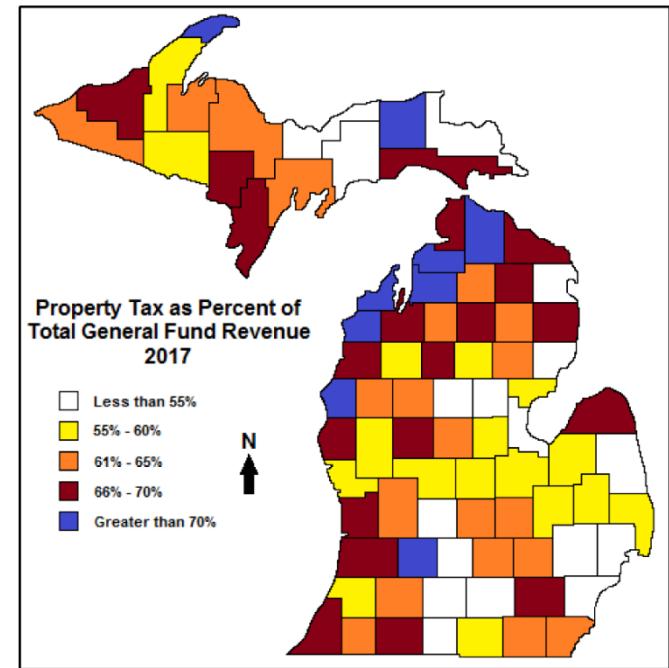
FY00 General Fund

\$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.



Advocacy



- 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



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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

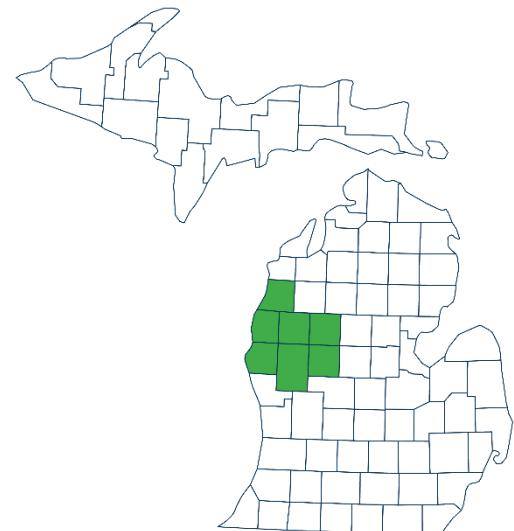
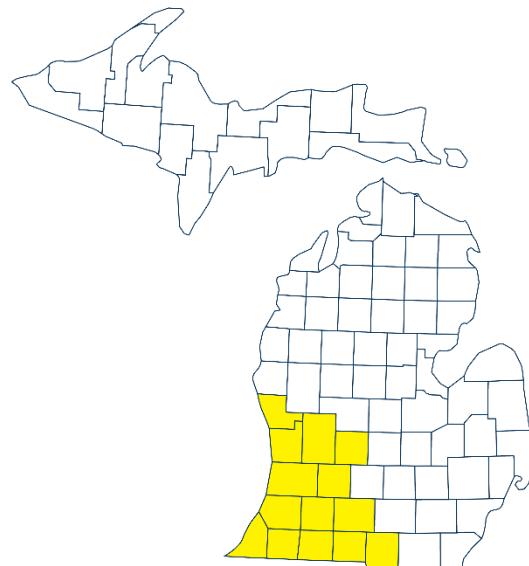
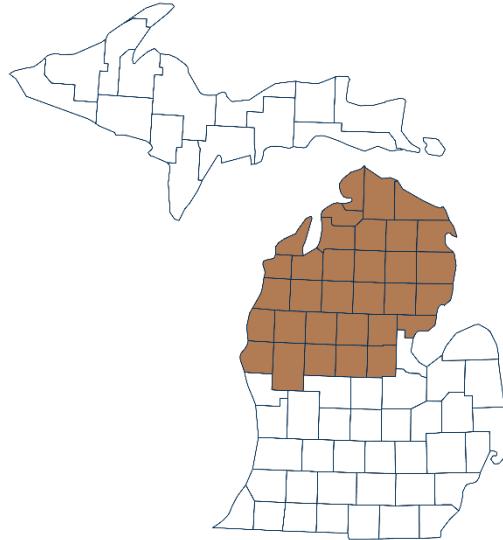


Service Corp. Sponsored Programs

- **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

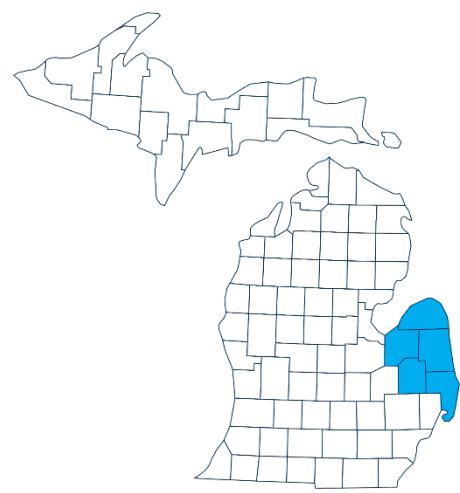
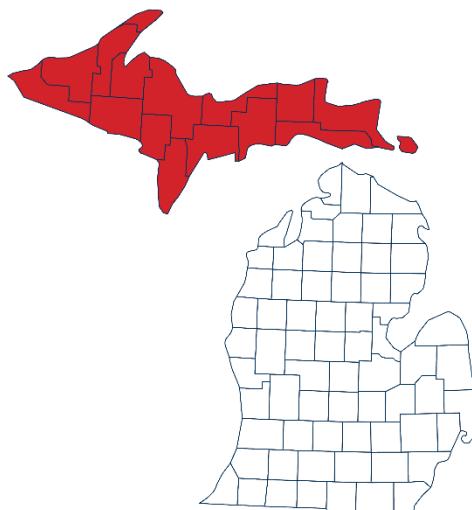
- Nonprofit owned by its members; managed by 11-member Board of Trustees whose counties participate in the fund
- Fund provides coverage to employees in counties, road commissions, medical care facilities and transit groups
- Fund has 80 members and routinely issues premium dividends in excess of \$3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





Regional County Groups

- 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



Gov. Gretchen Whitmer's proposed fiscal 2020 budget carries many positive news for county government in Michigan, said the executive director of ...

Counties praise revenue sharing deal as governor's F-120 budget call made plan a 'bold' start to debate

Candidates announce for MAC Board elections at 2019 Legislative Conference

Bowman talks collaboration with city, township counterparts

Founded on Feb. 1, 1898, MAC is the only statewide organization dedicated to the representation of all county commissioners in Michigan. MAC is a nonpartisan, nonprofit organization that advances education, communication and cooperation among county government officials in Michigan. MAC is the counties' voice at the state and federal level, providing legislative support on key issues affecting counties.

rance solutions

Communications

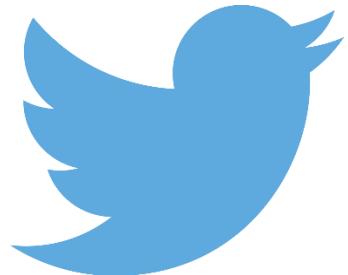
- Full suite of social media channels
- Podcast 83 is biweekly audio briefing on news and trends in county government



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