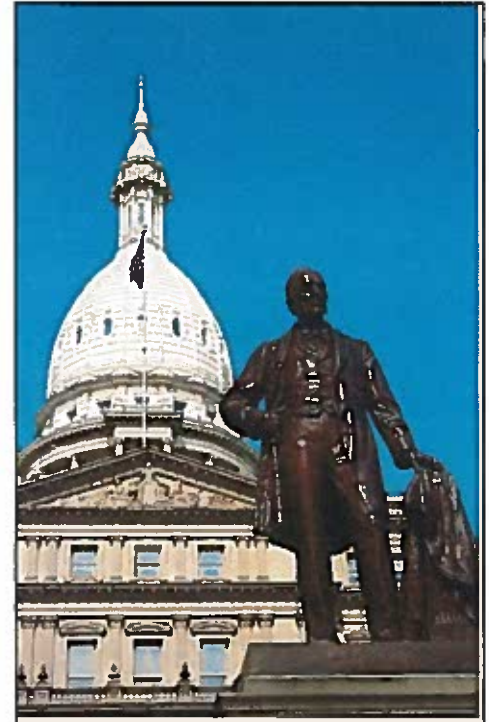


MAC

MICHIGAN ASSOCIATION OF COUNTIES

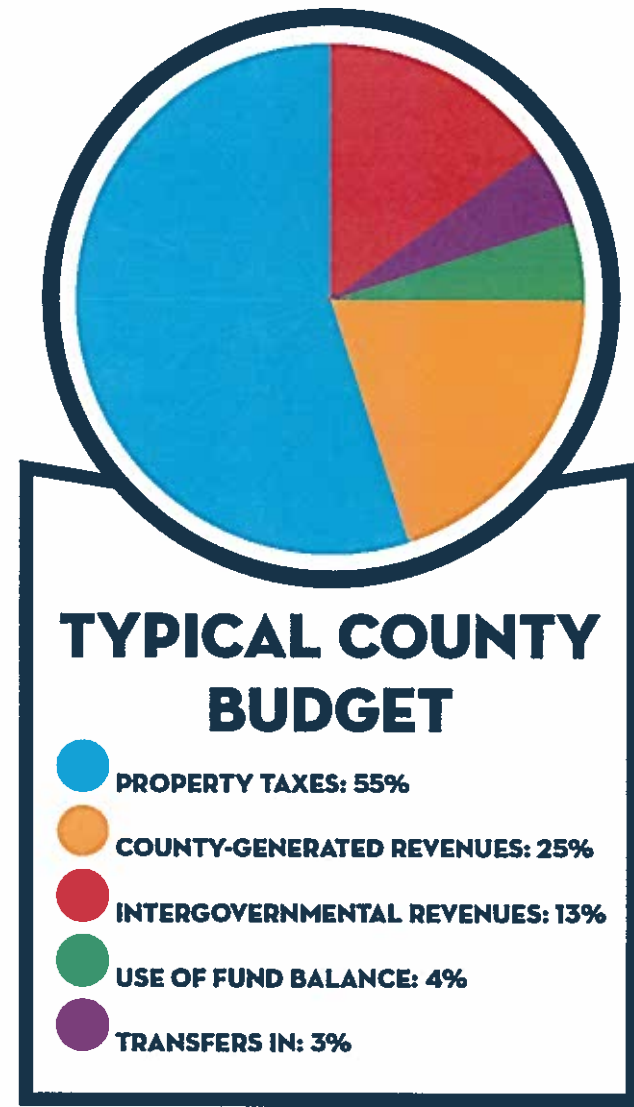
*MAC is the counties' voice
at the State Capitol,
providing legislative
support on key issues
affecting counties.*



www.micounties.org

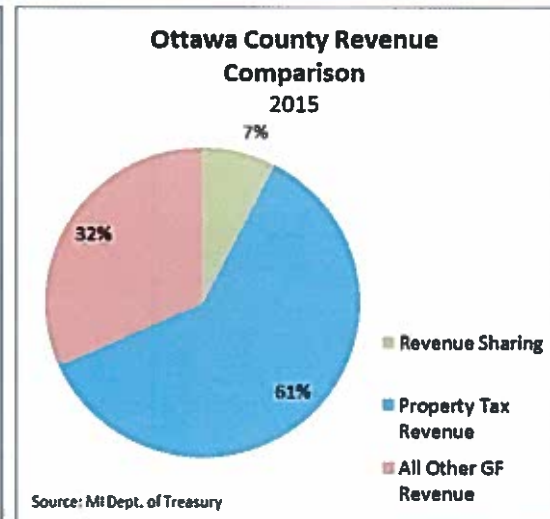
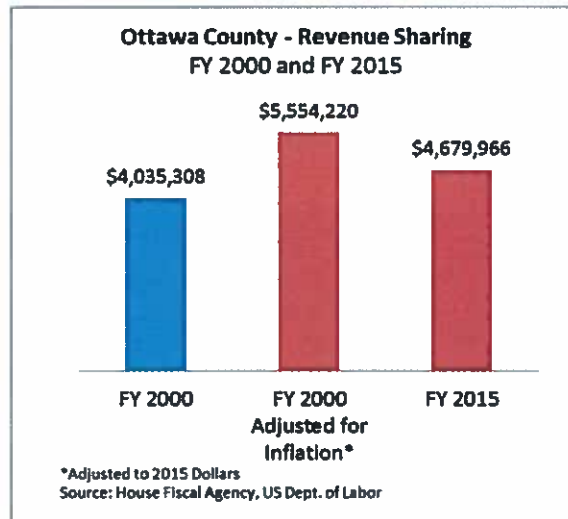
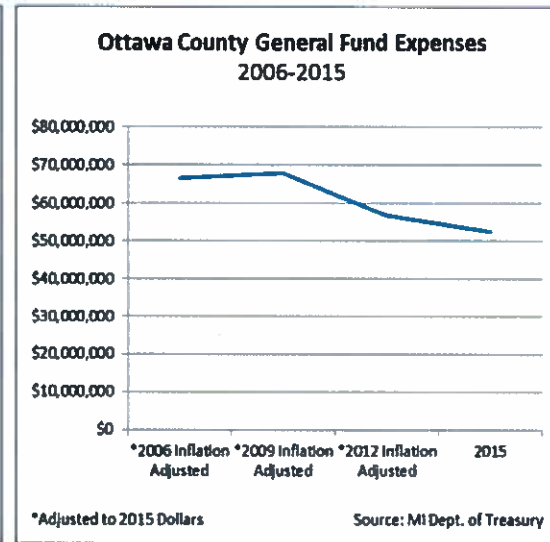
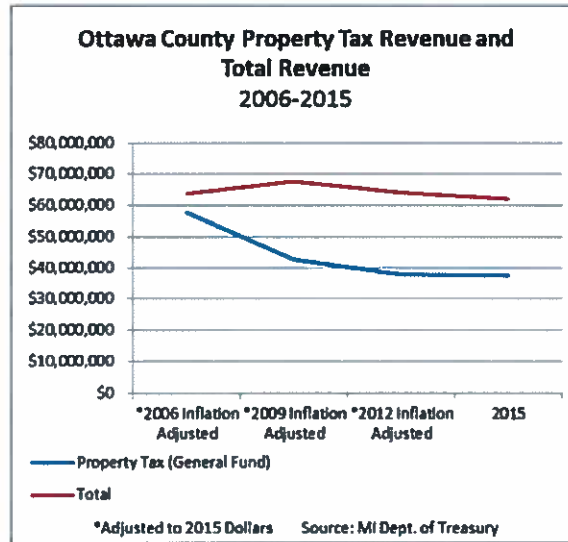
Trends are challenging

- Revenue sharing improving, but far below turn of the century levels
- **Great Recession slammed property values**
- Demands on county services haven't lessened
- Legislature and Snyder administration looking at broad reform of financing of local government

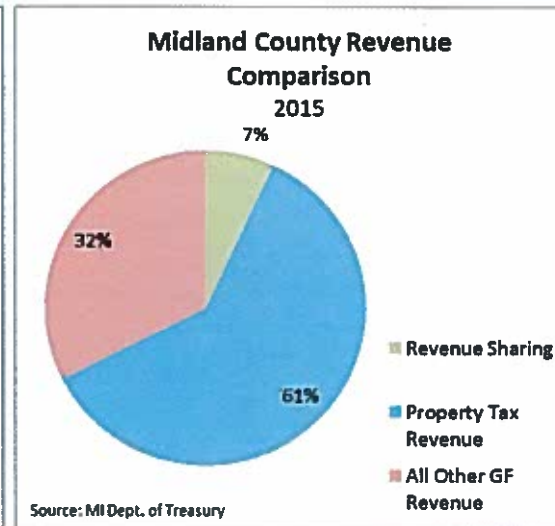
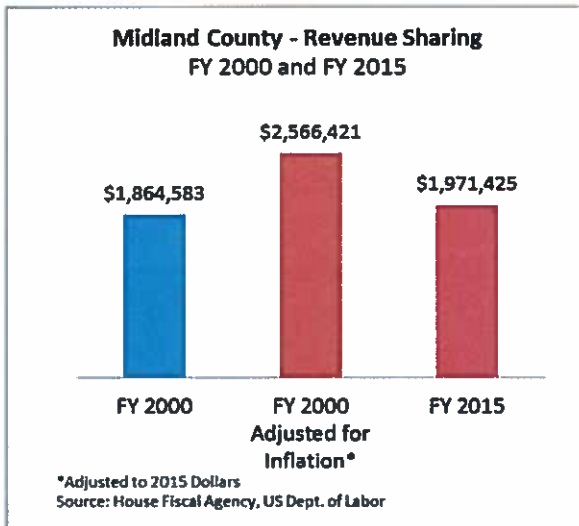
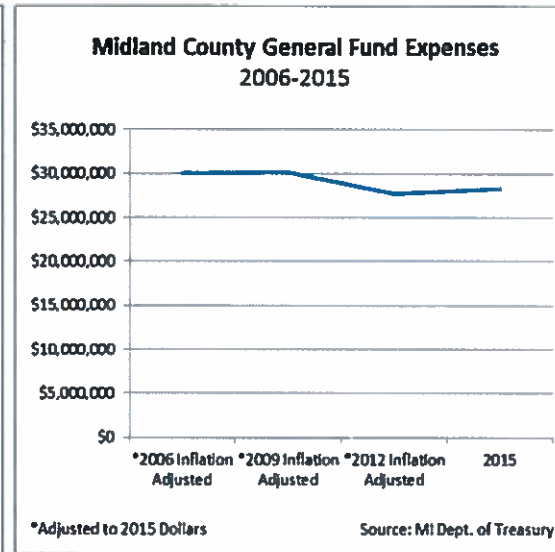
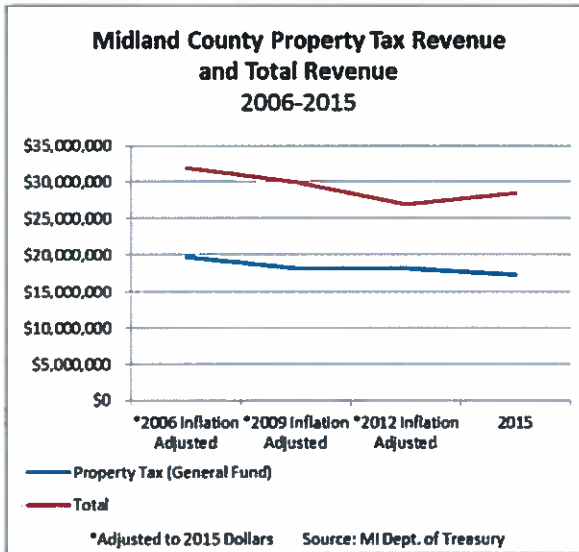


Local Government Finance

Ottawa

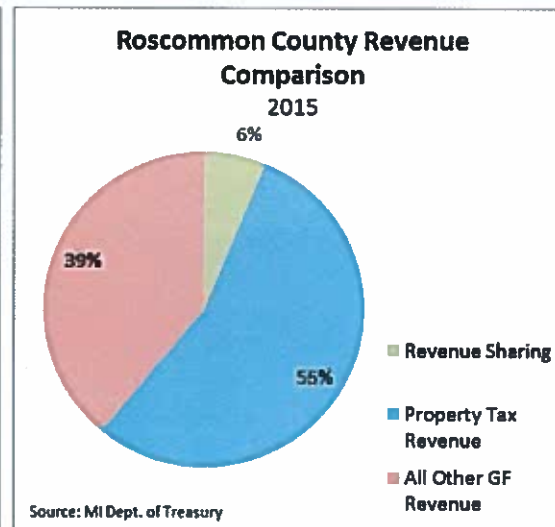
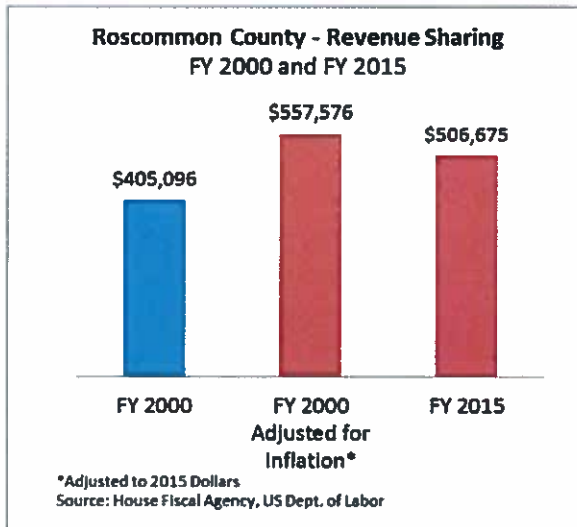
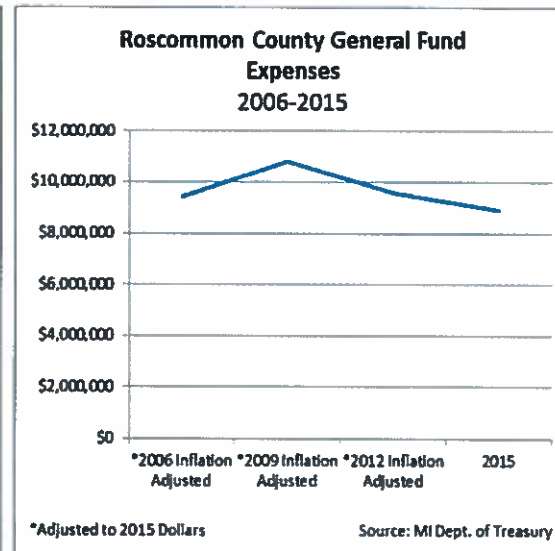
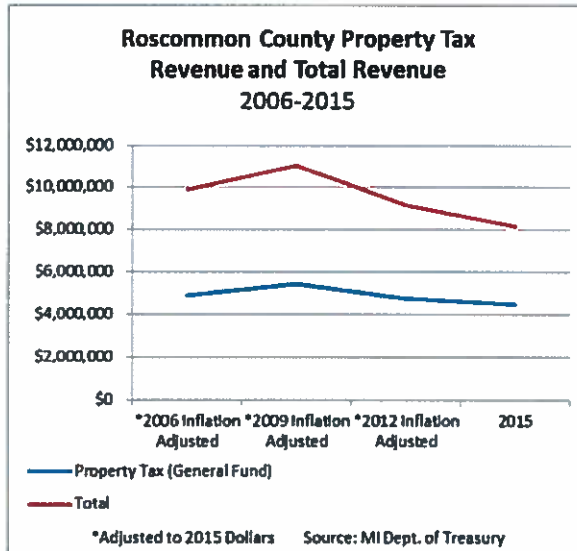


Midland



Local Government Finance

Roscommon



THREATS TO COUNTY SERVICES AND FINANCES

DARK STORES



TYPICAL COUNTY BUDGET

- PROPERTY TAXES: 58%
- COUNTY-GENERATED REVENUES: 25%
- INTERGOVERNMENTAL REVENUES: 13%
- USE OF FUND BALANCE: 4%
- TRANSFERS IN: 3%

DDAS/TAX CAPTURES WITHOUT COUNTY AUTHORITY TO OPT OUT

CRIMINAL JUSTICE REFORMS WITHOUT REIMBURSEMENT

ADDITIONAL TAX EXEMPTIONS TO RESIDENTIAL PROPERTY TAXES

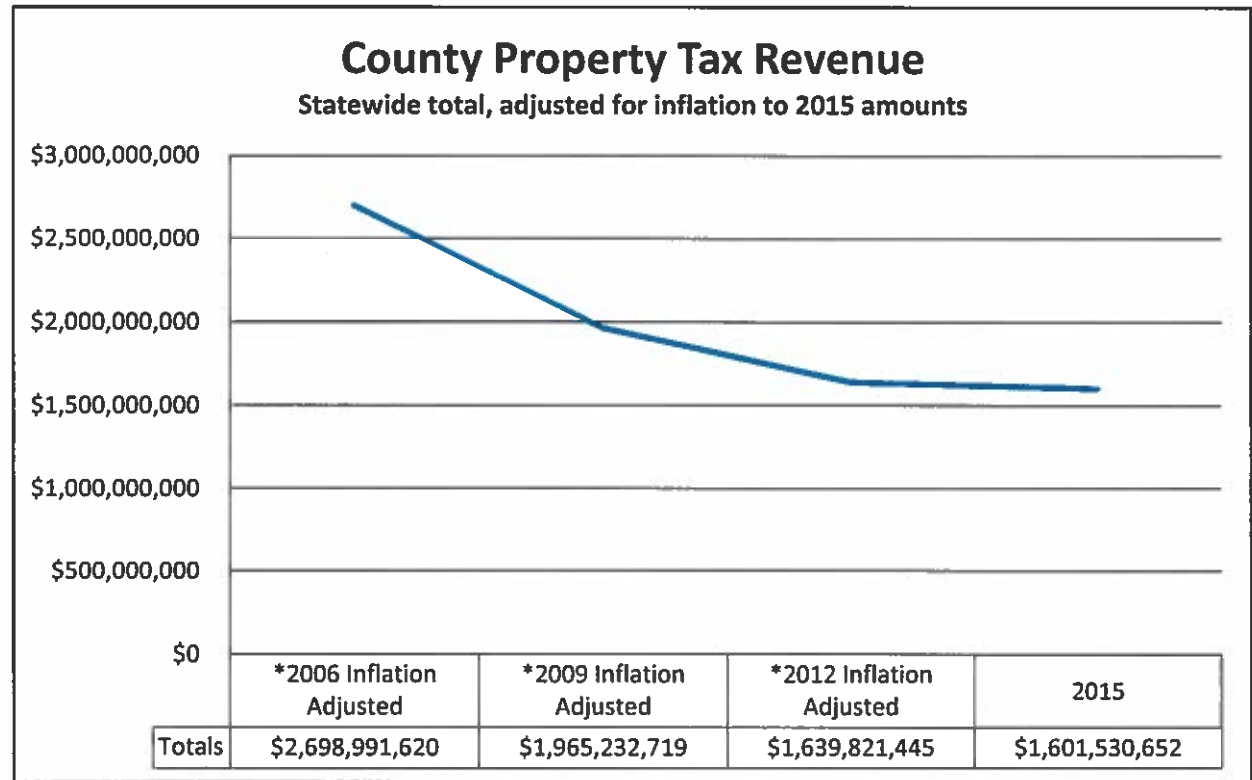
TRANSPORTATION FUNDING/ GENERAL FUND CUTS



- Counties have

60%

of the revenue they did 10 years ago!





Tax Limitations

Headlee Amendment

- Voter approval required for new or increased taxes
- Tax rate rollbacks applied if government's tax base grows faster than rate of inflation

Proposal A of 1994 Cap on Assessments

- Limited to lesser of inflation or 5%
- Reverts to state equalized value (SEV) on transfer in ownership
- **Inflation has been used every year since adopted in 1994 (average 2.3%)**

Source: CRC



Revenue Sharing History

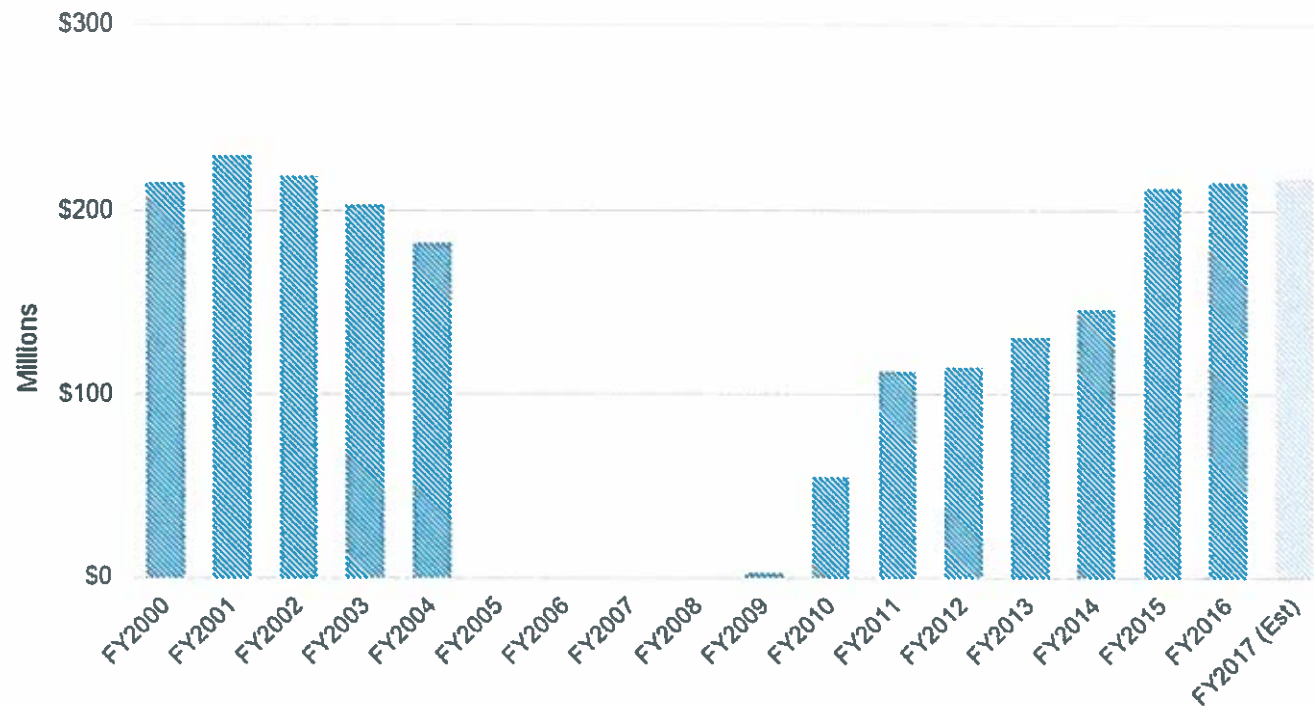
Local governments not all the same

- Counties get statutory revenue sharing only, no constitutional revenue sharing
- These counties are not back in the revenue sharing formula yet:
 - Antrim
 - Keweenaw
 - Mackinac
 - Leelanau
 - Emmet
- These counties did not get any PPT reimbursements:
 - Ionia
 - Montcalm
 - Tuscola
 - Oceana



Revenue Sharing History

State Revenue Sharing Payments to Counties





Moving Forward

MAC-CRC Report

MAC has commissioned the independent CRC to do a report on:

- County service delivery mechanism
- Overview of local government and county revenues
- **Report scheduled for release in late February/early March**

PPT reimbursement not hitting all local units





MAC Leadership



Shelley Taub
President



Steve Currie
Executive Director
scurrie@micounties.org



Matthew Bierlein
First Vice President



Ken Borton
Second Vice President



Jerry Doucette
Immediate Past President



MAC Government Team



Deena Bosworth
bosworth@micounties.org



**935 North
Washington,
Lansing, MI 48906**

517-372-5374



Elizabeth Gorz
gorz@micounties.org



Casey Steffee
steeffee@micounties.org



www.micounties.org

Facebook:

<https://www.facebook.com/Mlcounties>

Twitter:

@Mlcounties