

Community Collaboration Work Group
Meeting Minutes

Wednesday, October 10, 2012 – 7:30 a.m.
Room 310 - County Administration Building

MEMBERS PRESENT: County Commissioner Jim Saalfeld (Chair); Grand Rapids City Commissioner Rosalynn Bliss (Vice-Chair); President of the Grand Rapids Chamber of Commerce Rick Baker; Attorney Jim Brown; Grand Rapids Township Supervisor Mike DeVries; County Commissioners Carol Hennessy and Dan Koorndyk; Grand Valley State University Professor of Economics Paul Isely; Walker City Manager Cathy Vander Meulen

MEMBERS ABSENT: Grand Rapids City Commissioner Jim White; President & CEO of the Hispanic Center of Western Michigan Maria Gonzalez-Cortes; President & CEO of The Right Place, Inc. Birgit Klohs; County Commissioner Michael Wawee Jr.

ALSO PRESENT: County Administrator/Controller Daryl Delabbio; Corporate Counsel Dan Ophoff; Executive Assistant to the Board Jamie Groom; Grand Rapids City Manager Greg Sundstrom; Grand Rapids Deputy City Manager Eric DeLong; County Clerk Mary Hollinrake; Grand Rapids City Clerk Lauri Parks; County Management Analyst Jen DeHaan; Equalization Director Matt Woolford; Scott Atchison

NEWS MEDIA: None.

Mr. Saalfeld called the meeting to order at 7:36 am.

I. **APPROVAL OF THE MINUTES**

The minutes from September 5, 2012, were reviewed and approved.

II. **SUMMARY OF MAJOR FUNCTIONS OF GOVERNMENT – Community Health**

Mr. Delabbio said that county health departments or regional entities are responsible for delivering health services to communities. There are a number of smaller counties in Michigan that have formed multi-county districts for their health departments; Kent has its own. Potential could exist for Ottawa, Kent and Muskegon to form a regional health department, but in terms of local units of government, there are no others who perform the same functions. Examining county to county relationships is not within the scope of this group.

The County Health Department is involved in a variety of activities, some of which include: well and septic, food inspections, immunizations, STI/HIV and TB services, WIC, Maternal and Infant Health, Vision and Hearing Screening, and Nurse Family Partnership. The Health Department is the second-largest department of the County.

III. **SUMMARY OF MAJOR FUNCTIONS OF GOVERNMENT – Tax Billing/Treasury**

Mr. Delabbio said that each local unit of government has a treasurer. In townships, the treasurer is elected and is part of the governing body; treasurers are either appointed or elected in cities. The Grand Rapids City Treasurer is appointed by the City Manager as a department director. The Kent County Treasurer is an elected position.

The two primary functions of a treasurer are the collection of taxes and investment of funds. Kent County has an investment pool that local units of government and other similar agencies are welcome to participate in. Approximately 25 local units & organizations (such as the Grand Valley Metro Council,

Regis, and the Convention and Arena Authority) utilize the Treasurer's investment pool. Enabled by State statute, the advantage of the investment pool is to gain a slightly better interest rate than if investing individually. Six to twelve counties across the state also have investment pools.

Mr. DeVries said that township treasurers are part-time, but smaller cities may have treasurers who perform other duties and work full-time.

Mr. Saalfeld added that it is required by law for each jurisdiction to have a treasurer.

Mr. Delabbio said that the Kent County Treasurer also collects the Hotel/Motel Tax, oversees the Kent County Land Bank and Delinquent Tax collections. By State statute, cities, villages, and townships administer tax bills, and then the funds collected at the local level are distributed to the other jurisdictions where due. Unpaid property taxes are purchased by Kent County as a County entity, and bonds are issued to reimburse the local units and make them whole. Then, the County collects the taxes that are delinquent. After three years, the properties go to auction or to the Land Bank Authority. Ultimately, the County collects 100% of the taxes owed on real property. The County takes on risk when buying delinquent property taxes, but the benefit is from the interest and penalties on the taxes; this generates approximately: 28-36 million dollars. Ninety percent of delinquent taxes are collected at the end of the first year, and generally by the end of three years, they are all paid. This practice is not unique to Kent County.

Mr. DeVries added that tax collection happens at the local level due to different assessment districts and school systems. After trying a combined system, it was found to be much simpler and more cost effectively individually. Fifty percent could be saved in billing costs by moving to only one billing per year, but State legislation would need to change.

Mr. DeLong stated that such legislation was just passed, however, Grand Rapids is only doing it for winter tax bills that are less than \$100. This change will save the City of Grand Rapids \$200,000 per year.

Mr. Delabbio added that all local units of government must have a treasurer. However, collaboration would have to happen with the functions of the treasurers and not the distinct offices.

Ms. Vander Meulen said that there is some collaboration at the local level regarding the printing of the bills and billing systems. The data is all the same, and 97% of municipalities in the state use VS&A.

Mr. Sundstrom feels that in back-office procedures, treasury operations could be collaborated to gain efficiencies.

Ms. Vander Meulen noted that up to a 1% administration fee can be levied to help cover the cost of tax collection.

IV. SUMMARY OF MAJOR FUNCTIONS OF GOVERNMENT – Equalization / Assessing

Mr. Matt Woolford, Equalization Director for Kent County, said that there are 21 townships and nine cities within the County. There is a combination of full-time assessors and part-time assessors in medium or smaller sized townships with a variety of local support staff. There are also reappraisal firms. At the County level, there is a full-time compliment divided into two areas: appraisals and property description and mapping.

Mr. Woolford said that the appraisal division determines market value of property in Kent County to see if the assessed values compare to the market value. If not, new values will be decided for the upcoming year. Every county must have an Equalization Department and director to decide property values for every parcel every year. Assessors will be notified of next year's values by November 15. The property description and mapping division creates a single standard for all parcels in Kent County. The division independently enters all property transfers and sales and performs all property splits/combinations in Kent County.

Mr. Woolford reported that staffing at the County is about 3,200 parcels per FTE for assessments. At the local level, the range is anywhere from 1,500 per FTE to 5,000 per FTE depending on the density and number of parcels. In larger municipalities, there will be more FTE and more parcels due to specialization. There are built-in economies of scale. In a residential area, similar types of housing makes assessing easier for multiple properties.

Mr. DeVries added that there will be a more sophisticated analysis in more densely populated areas. This is much different than residential or vacant parcels.

Mr. Woolford said that Kent County staffing is consistent with the national average. Counties and locals are doing separate functions, some are complimentary. In some cases, there are instances where property work is duplicated – such as in data entry of sold parcels or where name changes have taken place, and parcels which are appraised in a given year.

Mr. Woolford stated that it is the County's responsibility to see that all taxes are fair and equitable at their fair assessed value. Individual appraisers create values in their own communities based on a county-wide study each year. They may or may not have to adjust their numbers when the County assesses values. By statute, each property needs a review by the locals annually, and according to the 2010 statistics, there are 240,000 parcels that need to be reviewed. It isn't necessary for each parcel to be visited by an assessor every year – only on a five to eight year cycle. An equilibrium has been met where annual reassessment cycles, field visits, and budgets have met.

V. SUMMARY OF MAJOR FUNCTIONS OF GOVERNMENT - Clerk Functions

Ms. Hollinrake said that Kent County is unique, because the offices of County Clerk and Registrar of Deeds are both constitutional offices but have been combined into one elected position. The three offices Ms. Hollinrake staffs are well below the average for the state; they run very efficiently.

Ms Hollinrake's duties include being the Clerk of the Circuit Court which handles all lawsuits and pleadings. That office employs 24 people who are the main conduit to the Circuit Court for the public. This office is responsible for the collection of millions of dollars in judgments by the Circuit Court.

The County Clerk's office holds death, birth and marriage records, processes and maintains business registrations, handles veteran discharges, and oversees the Gun Board, Elections, the Apportionment Commission, and Plat Board. The Clerk is responsible for programming the election and laying out and producing the ballots. After that occurs, they are sent to the local clerks who are responsible for distributing them and running election sites (precinct workers and supplies). Absentee ballots and updating of voter registrations is also handled by the local clerks. Both the County Clerk and local clerks can train election workers. All campaign finances are recorded through the County Clerk, by law.

Ms. Hollinrake said that Kent County works hand-in-hand with the City Clerk of Grand Rapids. She added that not all clerks are full-time and have the ability to be in touch with the legislative process and the bureau of elections, so the County serves as a resource.

Mr. Saalfeld added that the most interaction the County Clerk has with other clerks is through Elections. The other three functions of the office are unique to the County. While the County has a smaller election staff than that of the City of Grand Rapids, it is the nature of the work which requires the City to have more staff.

Ms. Parks said that one of the major functions of the City Clerk's office is elections: training election workers, making sure precinct locations are secured and in place on election day, and precinct operations on election day/night. Once election results are accumulated, they are sent to the County where the Board of Canvassers audits the results. When it isn't a County-wide election, the City has its own canvassers, however, it is unique that there isn't a County-wide issue on the ballot. So, therefore, the County Board of Canvassers is more active.

Ms. Parks said that while the County Clerk keeps business registrations, the City Clerk issues business licenses which are a requirement if a business is operating in the City of Grand Rapids. The City Clerk also maintains the City Archive Center which holds all historical City records and employs one City Archivist, supports the City Commission meetings, and processes passports in coordination with the Department of State. In addition, passport photos can be taken at the Clerk's office (a service which can be utilized for citizens who need them to apply for a Concealed Carry Weapons permit at the County).

Mr. DeVries noted that Michigan has not had any major election scandals causing bad publicity; this goes to the credit of the clerks in Michigan. The integrity of the election system in Michigan is second to none.

Ms. Parks said that there are 77 precincts in the City. The City will train 600-700 people to work in the precincts. Absentee ballots were removed from the precincts so that the election workers can help voters at the polls instead of splitting their attention.

VI. OTHER BUSINESS/OPEN ITEMS

Special Extended Meeting Date: November 30; 8:00 am – 12:00 pm.

VII. PUBLIC COMMENT

None.

VIII. NEXT MEETING

The next meeting is scheduled for Wednesday, November 07, 2012, 7:30 a.m.

IX. ADJOURNMENT

Mr. Saalfeld adjourned the meeting at 8:55 a.m.