

Urban and Rural Community Benefits from County Services



Prepared by the Kent County Administrator's Office

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The mission of Kent County government is to be an effective and efficient steward in delivering quality services for our diverse community. Our priority is to provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all our citizens within the constraints of sound fiscal policy.

Urban and Rural Community Benefits from County Services

Introduction

County government was designed by the Michigan State Constitution to be an extension of State government and a forum for providing services that meet local needs that are determined through local decision making. As such, the services provided by Kent County are a result of state mandates, mutual agreements between various units of government, and policy decisions of the elected Board of Commissioners.

Without County services supported by a countywide property tax levy each community would be required or requested to provide many of these services. More than likely, each would need to adopt a tax levy to provide the services and would not benefit from an economy of scale that is evidenced by the nominal tax levy used to support countywide services. There is no doubt that the provision of countywide services benefits the social welfare and quality of life in each individual community as well as the economic health and stability of the entire region.

Recently, several appointed and elected officials from both city and township governments have questioned the benefits derived from the County property tax levy, claiming their residents individually and the communities as a whole do not receive the benefit of the County tax levy. This report seeks to answer those questions and to provide an understanding of the scope of services provided by the County. Specifically, this report reviews the utilization of the County property tax: where it comes from, where it goes, and who uses the services of the County.

For the purposes of this report, and due to the way most of those questioning the benefits of County services have framed the issues, users of countywide services have been assembled into two groups, one representing the more urban cities (“core-six”) and one representing the more rural areas. This distinction also differentiates for the varying degrees of services that more urban municipalities are mandated to provide such as a district court or the establishment of necessary services such as a full-time code-enforcement or full-time police and fire department. Given that, there are more rural townships that demonstrate emerging populations, services, and needs that are comparable to that of the more urban cities but many of these communities have yet to establish the infrastructure to serve a dense urban population composed of a dense mixture of properties and developments.

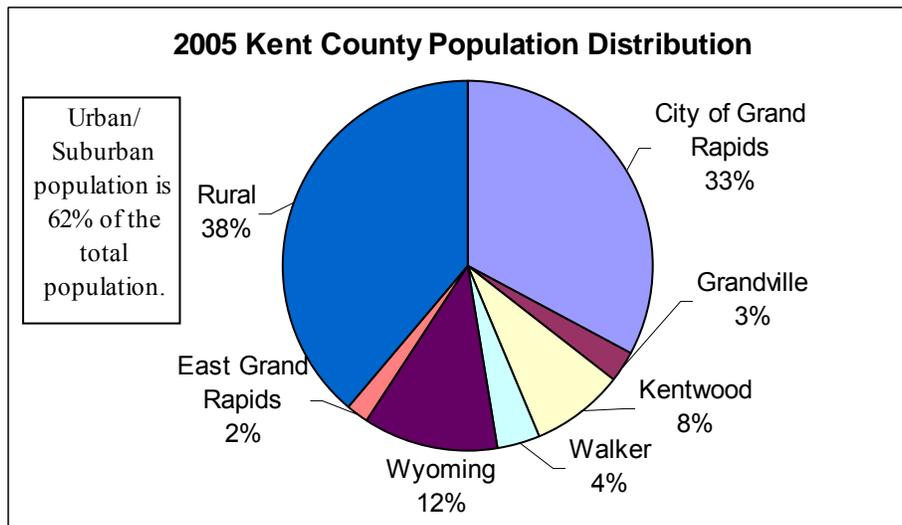
The “core-six” includes the cities of: Grand Rapids, Kentwood, Grandville, Walker, Wyoming, and East Grand Rapids. The townships of Tyrone, Solon, Nelson, Spencer, Sparta, Algoma, Courtland, Oakfield, Alpine, Plainfield, Cannon, Grattan, Vergennes, Ada, Lowell, Byron, Gaines, Caledonia, Cascade, Grand Rapids, and Bowne have been combined with the villages of Caledonia, Casnovia, Kent city, Sand Lake, Sparta, and the cities of Rockford, Lowell, and Cedar Springs to reflect the traditionally non-urban populations.

To determine where the users of the services reside, information was gleaned from County databases that provided the zip codes of the home addresses of individuals receiving County services. Although zip codes are not specific to a municipality and are based upon the United States Postal Service determination of mail volume, delivery area size, geographic location, and topography, this analysis geographically mapped the boundaries and determined the appropriate

zip codes to include in the report. Appendix “A” & “B” provide a map and listing of the zip code boundaries utilized in this report. If further research is warranted, the cities, villages, and townships could request from the United States Postal Service that the zip code boundaries be adjusted to reflect actual municipal boundaries. In any case, the data presented here provides the most accurate measure available.

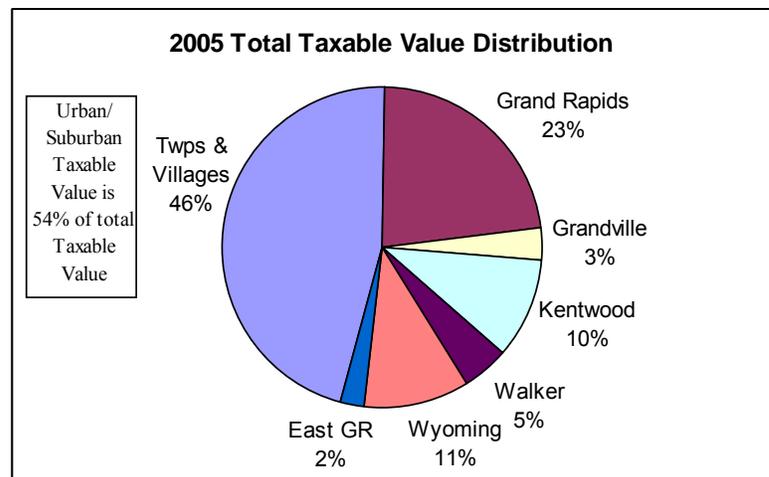
Population & Taxable Value Distribution

Based upon the US Census data projections for 2005, the graph below illustrates that 62% of the population in Kent County resides within the “core-six” communities and the remaining 38% live in the more rural cities, villages, and townships.



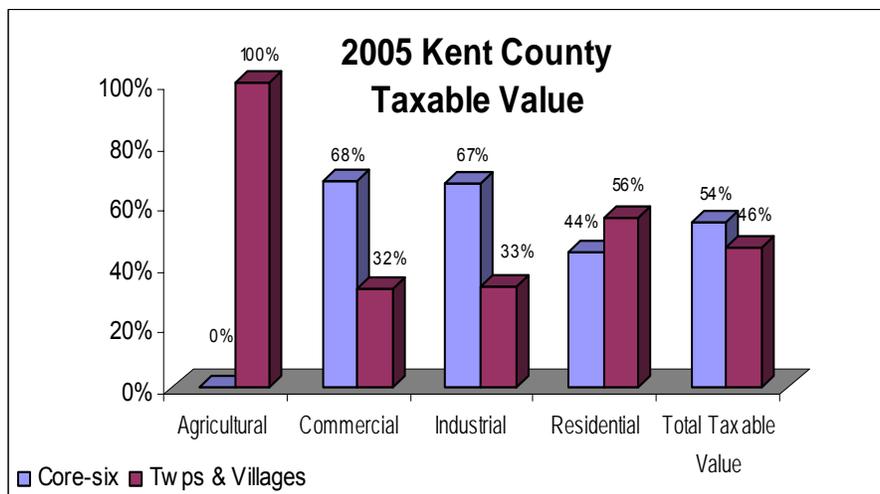
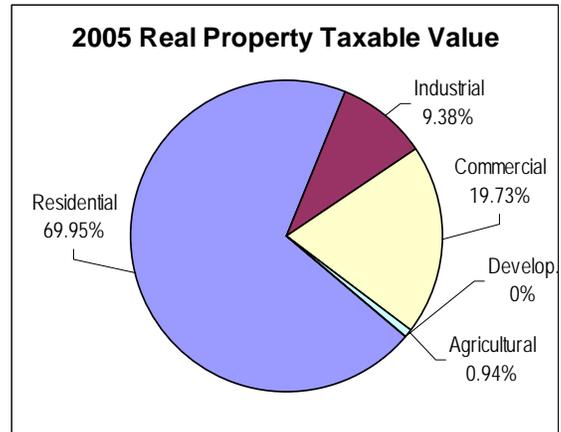
Some may presume that with 24% more of the population residing in the “core-six”, the more urban communities pay a greater proportion of the County tax. However, the County General Property Tax levy is not based upon a user-fee or a per-capita basis; it is based upon the value of the land and the structures that are built on it. The tax structure is reflective of how land is utilized and its proximity to other urban or rural areas, services, or desired and developable property. As such, it is fair to say that the economic value and the countywide property tax levy are independent of government boundaries and reflective of a society where individuals often live in one community and work or recreate in another.

That being said, it is plausible to analyze the tax revenue derived from the taxable value of the residential, commercial, industrial, and agricultural properties. Residential properties in Kent County make up almost 70% of the total taxable value; 20% from commercial properties, nearly 10% is taxable value generated from industrial properties, and



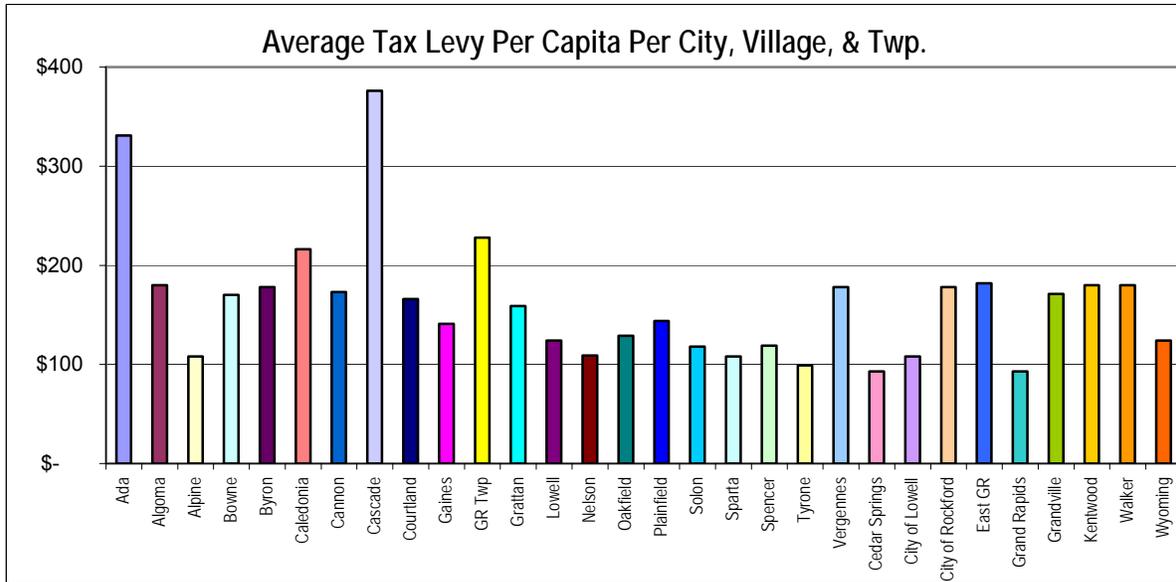
agricultural properties represent less than 1% of the total taxable value.

As mentioned prior, the “core-six” communities contain 62% of the total population and comprise 54% of the total taxable value; thus paying 54% of the General Property Tax Levy; likewise, the more rural communities comprise 38% of the total population and contain 46% of the total taxable value. Broken down further, the “core-six” cities comprise 68% of the commercial and 67% of the industrial taxable value; while the more rural communities retain 100% of the agricultural land.



In all, the residents of the more rural communities generate approximately 1/3 of the total commercial and industrial taxable value but contribute 46% of the total taxable value due to the fact that 56% of the County’s residential taxable value is located in the more rural cities, townships, and villages.

When the taxable value or the General Property Tax levy is analyzed to determine the actual per-capita cost for countywide services, the data reveals that a sparsely populated community with higher value properties has a higher cost per-capita than a more densely populated community with a mix of property values. The graph on the following page demonstrates that Cascade and Ada Townships pay a higher per capita tax levy than other communities as a result of being less populous communities composed of higher property values.



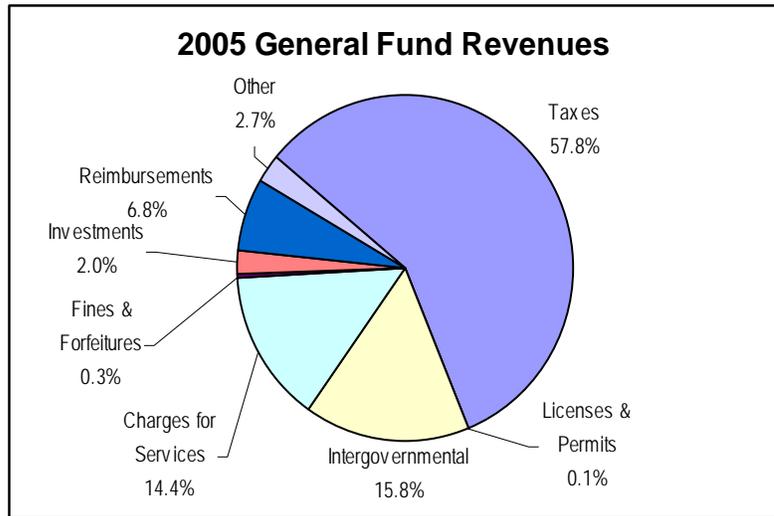
Although not intended to be the topic of this analysis but deserving of a brief note, the social and economic differences between the urban and rural communities undoubtedly impact the breakdown of taxable value and the users of Countywide services as does their proximity to each other. For example, the concentration of people in the urban core may be a result of the access and availability of affordable housing, public transportation, and the availability of social services. Whereas, the more rural communities demonstrate higher property values, smaller populations, and less dependence upon social services. At the same time, the population that desires to live in a rural area of Kent County may do so because they want to have access to an urban core but not necessarily reside within a busier industrial, commercial, and residential area.

Stepping away from the “individual” contribution and looking instead at the “local community” contribution offers another perspective. The total County operating levy is less than ½ of 1% of the total taxable value of each community, regardless of the total population or the total amount of services received; in other words, each community pays an equal portion of its total taxable value to support countywide services.

To financially support countywide programs, the County levies a General Property Tax levy of 4.2803 mills of the 4.8 mills it is authorized to levy in order to support operating costs. This is a rate far less than that which may be assessed by other local units of government if each municipality were required to provide these services without the economies of scale evidenced through countywide service delivery.

General Fund Revenues & Distribution

The General Property Tax Levy provides the funding for 57.8% of the total General Fund Expenditures. The remaining funds that support the General Fund are generated from user fees (14.4%), intergovernmental revenue (15.8%), reimbursements (6.8%), investment earnings (2.0%), fines and forfeitures (.3%), licenses and permits (.1%), and other revenues (2.7%). These funds are generated from a variety of countywide services that may include court fines and fees, marriage license fees, pistol permits, penalties and interest on taxes, payments in lieu of taxes, bond forfeitures, State grants, cigarette tax, and fees for other services.

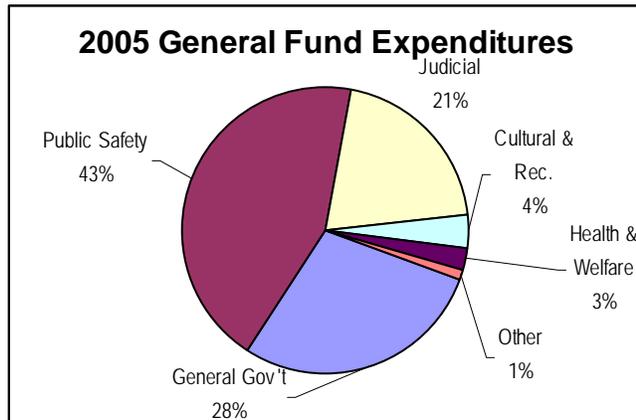


In all, the revenue generated from the General Property Tax levy provides the baseline funding for the provision of countywide services. Without this baseline level of operations and the supplemental funding that is generated, the General Property Tax levy would have to be increased to maintain the current level of countywide services.

The General Property Tax levy is authorized through Public Act 206 of 1893 and is utilized by the County to support the operations and services that are provided by the County. Funding from the tax levy provides support for the County General Fund which is the County's main operating fund to provide public safety services, judicial services, cultural and recreational opportunities, health and welfare services, and general government activities. While most functions are self-explanatory the general government function includes those services which are mandated by the State and those services necessary to maintain the infrastructure and staff to support the move of direct services that are provided through the courts, corrections, road patrol, the health department, and for quality of life amenities such as parks and the zoo. The General Property Tax levy is not the sole source of funding for the County General Fund and the general government operations are not the sole function of the General Fund but are an integral component to providing efficient and effective services.

Of the General Fund dedicated to direct services provided by the County, 43% is allocated to public safety for the Kent County Correctional Facility, Work Release, Honor Camp, Road Patrol, E911 Dispatch and Emergency Services; 21% is allocated for judicial services including the 17th Circuit Court Criminal and Family Division, Probate Court, 63rd District Court, and Prosecuting Attorney; while 28% of the General Fund supports primarily mandated, general government and administrative services including such functions as the County Clerk, County Treasurer, Community Development, Bureau of Equalization and Drain Commissioner,

as well as the administrative infrastructure necessary to deliver countywide services; 4% is allocated for cultural and recreational services such as the County Parks, John Ball Zoological Garden and Kent/MSU Extension, 3% is allocated to Health & Welfare Services and to leverage additional funding from the state and federal government (an additional \$31.8 million is transferred to special revenue funds and not included in the General Fund Functional Areas); and the remaining 1% is utilized for fleet & central services, economic development, and other services. Appendix “C” provides a listing of the General Fund expenditures and the major services that are included and funded through each functional area.



While not included in the above functional areas and not necessarily funded by the General Property Tax levy but through other revenue sources, the Board of Commissioners also appropriates General Fund dollars to special revenue funds. The General Fund contribution is categorized as a “transfer-out” pursuant to the standards of the Government Finance Officers Association. These are the activities whose budgets are primarily derived from specific sources.

In 2005, the Board of Commissioners allocated \$31.8 million in “transfers-out” to fund the Fire Commission, Friend of the Court, Health Department, Circuit Court Child Care Fund, Debt Service, Special Projects, and the Michigan Department of Human Services. These funds are often utilized to provide a “match” or supplement other funding sources in the best interest of countywide residents.

Also, while not funded through the General Property Tax Levy and supported 100% by user fees, Kent County also plays an important role in public works infrastructure – such as water, sewer and solid waste management – providing for the day-to-day operation and delivery of County services for over 593,000 (2005 population estimate) residents across 864 square miles – as well as the operation of the Gerald R. Ford International Airport – truly a regional resource.

Finally, pursuant to various state statutes local governmental units, through the creation of quasi-governmental authorities are able to capture County tax dollars that are generated from the County tax levy to support municipal or property specific reinvestment and/or economic development activities. As such, the communities in the County that have developed various authorities such as Downtown Development Authorities or Tax Increment Finance Authorities annually capture approximately \$6.2 million or approximately 8% of the total County Tax levy that is assessed through the County Tax levy but not used for countywide services.

General Government and Administrative Services

There are generally two types of services that are provided by the County; services mandated by State statute and those services that are considered discretionary but provided at the request, or demonstrated need of Kent County residents.

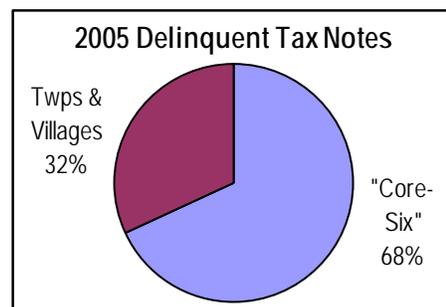
In 2005 the Kent County Board of Commissioners allocated \$34.4 million, or 28% of the General Fund, to support general government and administrative services. Through these services the County provides both statutorily required services as well as those activities which are necessary to maintain Countywide services.

The **Bureau of Equalization (BOE)** is statutorily required to report annually to the Board of Commissioners regarding the County tax roll, sources of income, and the millage rates charged throughout the County. The Property Description and Mapping Division of the BOE also creates and maintains property tax maps and property descriptions for local municipalities and taxpayers to ensure an accurate and a centralized system of property mapping. Without these services and overarching property analysis inequities may exist in valuation and taxation and result in an incomplete and fragmented system of property records that are inconsistently updated and unreliable. In 2005, the Board of Commissioners allocated \$1.6 million to support the BOE and the Property Description and Mapping Division.

Both the **County Clerk and Treasurer** are mandated functions that provide a centralized system of record keeping and fiscal accountability. Specifically, the **County Clerk** issues, indexes, and records birth, marriage and death certificates and acts as the Register of Deeds by recording all land purchases, liens, mortgages, and transfers of real property. The Elections Division works with 30 city, village, and township clerks and approximately 300 voting precincts and school districts to coordinate and oversee the elections process; every local clerk relies on the County Clerk for support and coordination of the elections process. The County Clerk also maintains and files all documents related to cases filed and adjudicated within the 17th Circuit Court. In 2005, the Board of Commissioners allocated \$3.1 million to support the services of the County Clerk.

Similarly, the **County Treasurer** is mandated by State statutes to administer a process to collect and disburse current year property taxes that are generated from the countywide General Property Tax Levy. Consistent with these mandates, the Treasurer also administers the Delinquent Tax Revolving Fund which advances delinquent property tax payments and acts as the collecting agent on behalf of local municipalities. The Delinquent Tax Revolving Fund enables the County Treasurer to sell General Obligation Limited Tax Bonds to pay local governments and school districts for real property taxes that are delinquent. This function provides local governmental units these entities with access to the funds while the County Treasurer collects the delinquent taxes, thus eliminating an administrative and cash flow burden on the local unit.

In 2005, the County issued approximately \$20 million in tax notes for the delinquent 2004 real property taxes. Of that amount, 68% of the total delinquent taxes for local governmental units were outstanding on properties located



in the “core-six” communities. The remaining property taxes were outstanding from the more rural cities, townships, and villages. The Treasurer also collects and disburses the Lodging Excise or Hotel-Motel Tax, which plays a vital role in economic development. In 2005, the Board of Commissioners allocated \$1.2 million to fund these services.

The **Drain Commissioner** provides storm water management throughout the county and maintains 518 miles of drains to protect property from flooding and erosion. The Drain Commissioner conducts watershed studies and investigates suspicious outfalls from drains where sediment or contaminants may cause environmental damage and maintains an inventory of all drains. The Drain Commissioner also supports cities and townships with storm water master plans, model storm water ordinances, flood plain mapping, reviewing development projects, and by sizing storm sewers. The Drain Commissioner is also the designated authority to maintain 18 specific lake levels that are stipulated through Court orders that are derived from resident or development concerns related to the need for consistency in lake levels. Collectively, these services enhance and protect quality of life through monitoring and managing the quality of significant natural resources through education, prevention, and regulation. In 2005, the Board of Commissioners allocated \$560,794 to fund these services.

The County also maintains essential **Administrative Services** to manage the day-to-day operations of the County. Through the development of a quality human resources department the County is able to lower costs by developing policies, services, and practices that result in a healthier and more productive workforce. It is also necessary for the County to maintain the technological staff and infrastructure to provide for the efficient and effective delivery of work-flow processes. The County also maintains all of the County buildings which provide services, including the jointly owned Courthouse, 82 Ionia, housing the Friend of the Court and Prosecutor, two District Court locations, Cooperative Extension, Health Department Main Facility and satellite clinics, Michigan Department of Human Services Building, and other facilities that provide services to residents of Kent County.

In addition, through sound fiscal management and adherence to government accounting standards, economic forecasts, and healthy decision making processes, Kent County stands out as one of only three counties in Michigan and one of only 38 in the United States that maintains a AAA bond rating from at least two of the three major credit rating agencies. This sound fiscal structure can save taxpayers money when capital investments are necessary to improve services and programs as well as provide a strong investment in the community. For example, the construction of the Kent County Courthouse required a bond issuance of \$65.6 million and by utilizing the County AAA bond rating versus an A bond rating, taxpayers are projected to save \$3.15 million over the 20-year bond or \$157,500 each year; a benefit attributable to the development of a healthy organization and a vital community.

Civil & Criminal Justice System

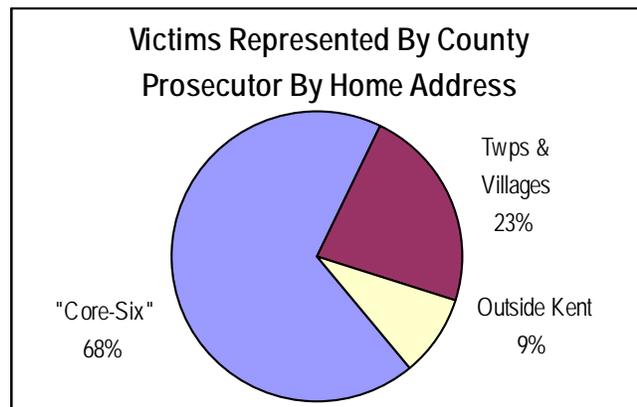
As required by Michigan State Constitution and various State statutes, Kent County provides the capital and infrastructure as well as the staffing and administration of the **17th Circuit Court, Prosecutor’s Office, Probate Court, and the 63rd District Court** to adjudicate civil and criminal matters and enforce court ordered sanctions. In 2005 the Board of Commissioners

allocated \$24.8 million or 21% of the General Fund to operate these mandated services in Kent County.

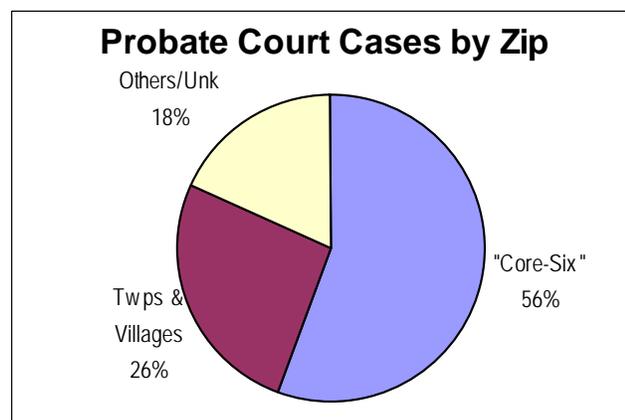
In 2005, the **Circuit Court - Civil, Criminal, and Family Divisions** processed 18,306 new cases. These cases are statutorily required to be adjudicated by the Court and include all felony or serious misdemeanors, civil cases over \$25,000, all domestic relations cases, and all child abuse, neglect, and delinquency cases. The Circuit Court also hears appeals from lower courts, appeals from local government boards such as zoning appeals, and appeals from some administrative agencies of state government. These are statutorily mandated services that cannot be provided for by any other entity in Kent County. In 2005, the County Board of Commissioners allocated \$15.9 million to support these mandated services.

The **Prosecutor's Office** performs a variety of statutorily mandated services on behalf of all Kent County residents. This includes appearances in all criminal proceedings involving charges brought on behalf of the People of the State of Michigan, as well as appearances in delinquency, neglect, mental incompetence, and guardianship matters.

The Prosecutor's Office also operates an appellate division that initiates and responds to appeals resulting from cases in which the Prosecutor's Office has appeared. The Family Law Division is responsible for the establishment of paternity and the securing of child support payments in cooperation with the Department of Human Services. In 2005, the Board of Commissioners allocated \$5.2 million to support the Prosecutor's Office.



The **Probate Court** exercises jurisdiction and supervision in probating of wills and administration of estates and trusts of deceased persons by personal representatives and trustees. The Court also hears cases relating to guardianship; conservatorship for adults and minors; and petitions for the hospitalization and/or treatment of mentally ill persons, the mentally handicapped, and addicted persons. In 2005, the Board of Commissioners allocated \$1.1 million to operate the Probate Court.



In 2005, the Probate Court adjudicated 3,810 cases for residents of Kent County of which 56% were filed by residents of the "core-six" cities, 26% were filed by the more rural cities,

townships, and villages , and 18% were either unknown or filed on behalf of a resident residing in Kent County but with a filing address outside of Kent County.

Although not included in the 21% of the General Fund categorized as Judicial functions, the **Friend of the Court** (FOC) is the enforcement division of the Circuit Court that works to enforce court orders that are issued through the Family Division. To support the efforts of the FOC, in 2005 the Board of Commissioners “transferred-out” \$2.1 million to fund the operation of the Friend of the Court; enabling the FOC to leverage an additional \$5.6 million in state grants and incentives.

The FOC also investigates and delivers services related to divorce, paternity, family support, and interstate actions and provides income reviews for parents who may be able to pay more or less child support. The FOC also provides alternative dispute resolution services for parents to resolve complaints without court intervention.

In 2005, FOC processed 13,354 new court-orders (a 20% increase over 2004), provided 2,043 account audits, and collected \$96.7 million in court-ordered child support. In order to complete these tasks, the FOC uses numerous enforcement techniques and collaborative agreements between local service providers to enforce court orders for child support. In 2005, the FOC served a total of 36,127 families, averaging 2.2 children per family, equaling 151,733 individuals. Of that total amount, the FOC provides services to 26% of the total County population of which 83% of the open child support orders are enforced on behalf of residents of the “core-six.”

State statutes mandate the establishment of District Courts and provide the classification and location of the courts. In Kent County, State statutes mandate that the County operate and maintain the **63rd District Court** which has jurisdiction over the following communities: Cedar Springs, East Grand Rapids, Lowell, and Rockford and the townships of Tyrone, Solon, Nelson, Spencer, Sparta, Algoma, Courtland, Oakfield, Alpine, Plainfield, Cannon, Grattan, Grand Rapids, Ada, Vergennes, Cascade, Lowell, Byron, Gaines, Caledonia and Bowne Township. The remaining communities of Kentwood, Wyoming, Grandville, Walker, and Grand Rapids are statutorily required to operate and maintain a District Court.

District Courts are responsible to adjudicate adult misdemeanor offenses that are punishable by up to one-year imprisonment, civil infractions, traffic violations, landlord/tenant disputes, small claims involving \$3,000 or less, and civil suits involving \$25,000 or less. These cases are filed and adjudicated in the appropriate district court where the offense took place or where the case is filed and are adjudicated by a judge elected from the district. As such, the cities of Kentwood, Wyoming, Walker, Grandville, and Grand Rapids have the statutory ability to arrest, charge, prosecute, and lock-up offenders that have committed municipal ordinance violations. In turn, each District Court is able to retain, for its funding unit, nearly all of the revenues derived from fees and fines to off-set the costs associated with the arrest, charge, prosecution, and sentencing of these offenders.

For those communities that are not statutorily mandated or enabled to operate a district court, state statutes do provide that these communities may operate an ordinance violations bureau to

generate revenue. However, most of the communities have opted not to operate a bureau as a result of the costs to staff, enforce, and collect payment. Instead, these violations are receipted, enforced, and collected through the 63rd District Court. For those communities wanting a district court and not authorized by existing statute, the establishment of a district court would require an amendment to the existing statutes.

The 63rd District Court provides access to judicial services to all residents of Kent County if the offense takes place in Cedar Springs, East Grand Rapids, Lowell, and Rockford and for the townships of Tyrone, Solon, Nelson, Spencer, Sparta, Algoma, Courtland, Oakfield, Alpine, Plainfield, Cannon, Grattan, Grand Rapids, Ada, Vergennes, Cascade, Lowell, Byron, Gaines, Caledonia and Bowne Township. The court will also provide judicial services for individuals that are not residents of Kent County but that may have been a victim of a crime or have an interest in filing a case in this specific jurisdiction (such as marriage ceremonies, small claims court, or landlord/tenant disputes). The Court operates in two locations with two judges that are elected from the jurisdiction of the court.

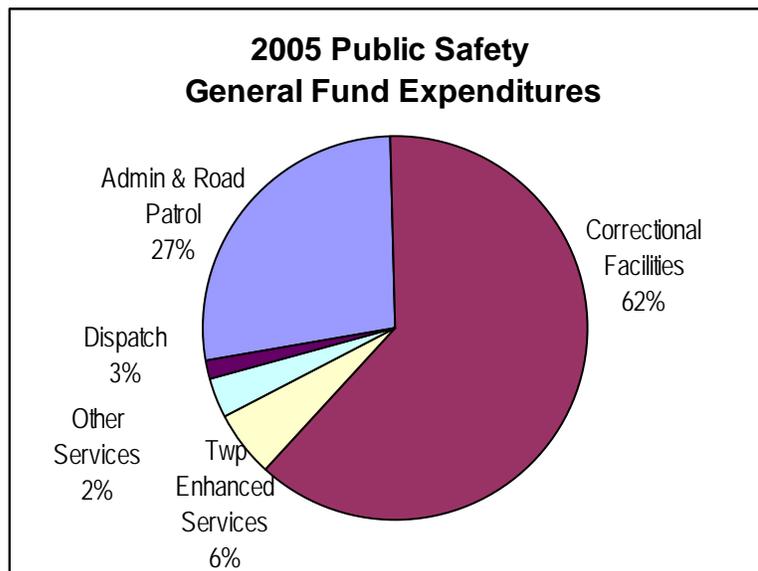
During 2005, the Court processed 48,815 cases, supported by \$2.6 million in revenue from and fines assessed by the court of which 1/3 of the fines and fees are transferred to the Kent District Library and the State receives the filing costs; the remaining is utilized to support operations. Municipalities that operate their own District Courts are not required to transfer a portion of the fines and fees to the library and are able to retain nearly all of revenue to support the operation of the District Court.

Public Safety Services

Public Safety is the single largest expenditure of the General Fund. In 2005, the Board of Commissioners allocated \$52.7 million, or 43% of the General Fund, to operate and maintain a Correctional Facility, Honor Camp, Work Release, Road Patrol, E911 Dispatch, and other emergency services. Of this amount, \$32.6 million was designated for the operation and maintenance of the Correctional Facility. In all, the cost of providing Road Patrol and the correctional facilities amounts to 89% of public safety expenditures.

The funds generated to support the provision of the correctional facility are generated from the General Property Tax levy (4.2803 mills), the Corrections and Detention Millage (.7893 mills), and from fees and charges.

Of the total budget for the Correctional Facility \$14.5 million is contributed from the General Fund that is supported by the



General Property Tax Levy, \$12.2 million is generated from Corrections and Detention Millage, \$2.2 million from the jail per diem fee charged to municipalities, and \$3.7 million from other fees.

In 2005, the County utilized all of its current revenue from the Corrections and Detention Millage and a substantial portion of the Corrections and Detention Fund Balance to retire \$6.1 million of bond principal.



The Sheriff is required by statute to house offenders that are accused of State law violations and/or convicted of State violations and sentenced to one-year or less in the County Correctional Facility. For those offenders that are charged and/or convicted of municipal ordinance violations and sentenced to serve time in a jail, State statutes provide that municipality is responsible to house the offender and may collect the fines and fees that are assessed to pay off the costs associated with adjudicating and enforcing the sentence.

Since as early as 1968 the County has cooperated with local municipalities and provided space to house municipal ordinance violators. In turn, local units pay a per diem fee to help offset the costs. This arrangement was formalized in 1998 through the development of a “Memorandum of Understanding” (MOU) between the City of Grand Rapids, Wyoming, Walker, Grandville, and Kentwood.

Nevertheless, since as early as 1872 (eighteen hundred and seventy two) municipalities throughout Michigan have contested the right of the County to assess a per-diem fee. In the earliest litigated case, the City of Manistee refused to pay Manistee County for housing ordinance violators in the County jail. In that case, the Michigan Supreme Court ruled that, “City bylaws and ordinances are entirely of local application and are intended for local benefit...” This decision has been upheld on numerous occasions including the case brought against Kent County by Grand Rapids, Walker, Grandville, Wyoming, and Kentwood in 1980.

In addition, the Michigan Attorney General’s Office (on three different occasions and through two different Attorney Generals) affirmed the right of the County to assess a fee to municipalities for housing municipal ordinance violators in the county jail (OAG 1947-1948, No. 793; OAG 1965-1966, No. 4509; OAG 1976, No. 4957). In other words, the Sheriff is statutorily responsible to house offenders charged with violations of state statutes, not municipal ordinances.

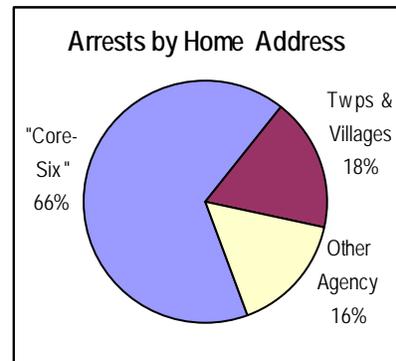
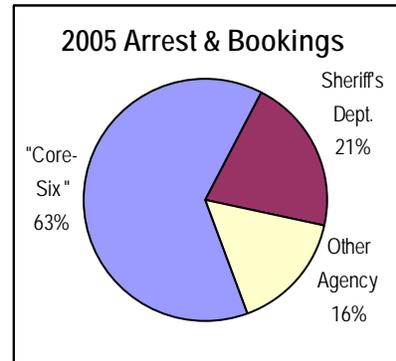
In 2005, the County assessed local municipalities that operate a district court a per-diem fee of \$52.97 to house offenders that are charged or convicted of municipal ordinance violations; this fee is far less than the actual cost of \$81 per day and is only possible because the fee is supplemented by the Corrections & Detention Millage and the Arrest Processing Fee.

Without the option to house municipal ordinance violators at the Correctional Facility each community may have to own, operate, and maintain their own correctional facility and costs would be higher than that which is evenly applied to municipalities in Kent County through the

millage. Municipalities that house municipal ordinance violators in the County Correctional Facility are now statutorily enabled to seek reimbursement from the offender through Public Act 88 of 2006; thus recouping the per-diem fee assessed by the County.

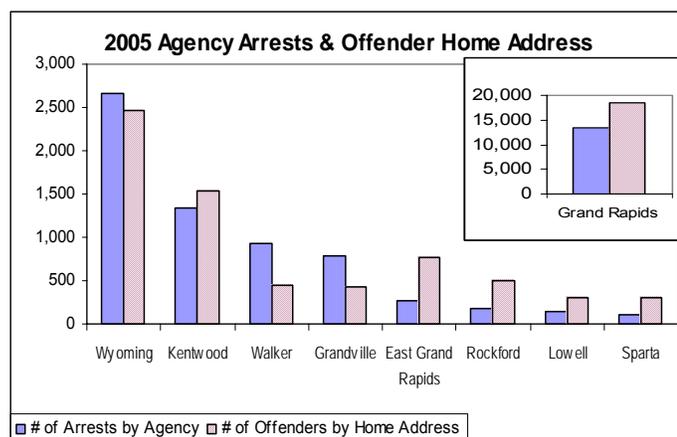
Through the arrangement to house municipal ordinance violators, the County also operates a centralized booking process that results in a standardized information gathering process that demonstrate economies of scale given the extensive technology necessary to fingerprint, photograph, and catalogue information and data. Municipalities have also signed a MOU to assist in covering the costs associated with utilizing a centralized booking process resulting in a nominal charge of less than \$18 per booking through the Arrest Processing Fee, which is credited back through the agreed upon calculation for the jail per-diem fee.

In 2005, the Sheriff’s Department booked 30,818 offenders at the Kent County Correctional Facility. Of those offenders booked at the jail, 63% were brought by the “core-six” municipalities that operate their own police department and 66% of offenders provided a home address in the “core-six” communities. The remaining 37% of the offenders were booked by other agencies including the Kent County Sheriff’s Department and Michigan State Police.



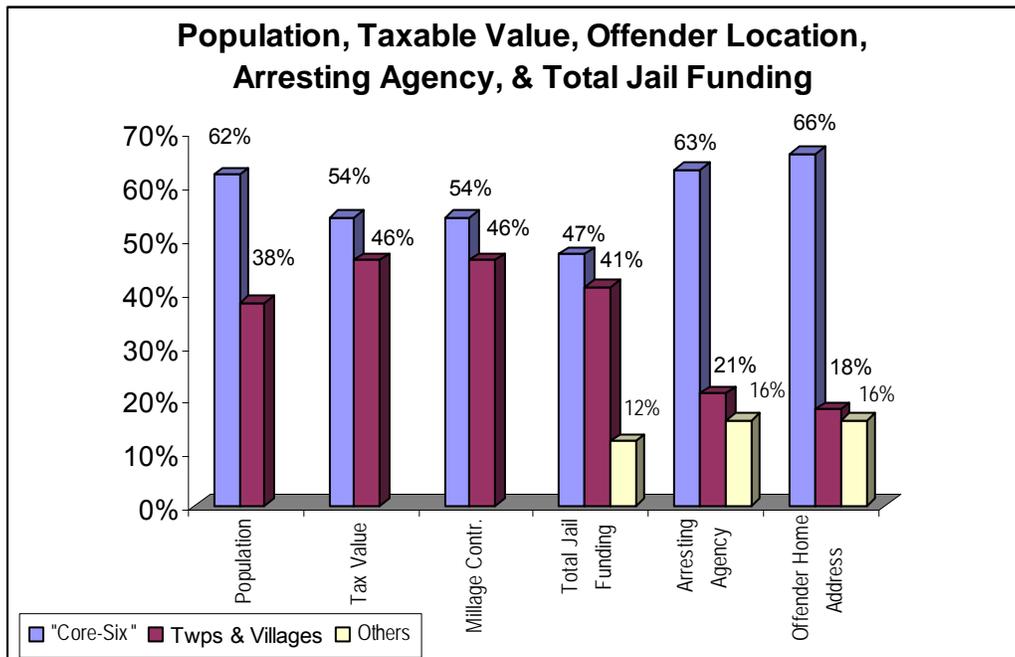
While a greater number of offenders are arrested by “core-six” communities, this does not always indicate that the offenders reside in these communities. The graph depicts that in 2005 the Wyoming Police Department, as an example, arrested more offenders than there were Wyoming residents booked into the Kent County Correctional Facility. Conversely, Grand Rapids had more residents booked than arrests made by the department. East Grand Rapids, like Kentwood, had more residents arrested than booked by the EGR Public Safety. In all, this demonstrates that crime is not restricted by municipal or political boundaries and that it is essential for the well-being and safety of the entire County that criminal justice efforts be efficient, and more importantly, effective for every unit of government.

Of all the individuals booked by the “core-six” communities, 42%, or 13,086 offenders, were charged with at least one municipal ordinance violation and utilized 11% of the total available jail beds during 2005. Absent the Kent County Correctional Facility and the collaborative agreement between the City of Grand Rapids, Wyoming, Walker, Grandville, and Kentwood these five municipalities might have to



find alternative jail space or construct, operate, and maintain city jails with a minimum of 200 jail beds. It should be noted that several municipalities previously operated their own lock-up or lock-up-like facilities but due to the extensive cost to operate and maintain municipal jails, these facilities were closed.

Overall in 2005, 63% of the offenders in the Kent County Correctional Facility were booked by the “core-six” arresting agencies of which these “core-six” communities provided 47% of the total funding for the operation of the Correctional Facility. This includes the contribution provided through the General Property Tax Levy, Corrections and Detention Millage, jail per-diem fees (paid by Grand Rapids, Grandville, Kentwood, Walker, and Wyoming) and other revenues that are not attributable to a specific municipality.



While the “core-six” communities and cities generally utilize more services at the Correctional Facility, the Sheriff’s Department also provides **Road Patrol** for purposes of seamless enforcement across township jurisdictions and for residents who work, live, or recreate outside the “core-six” communities.

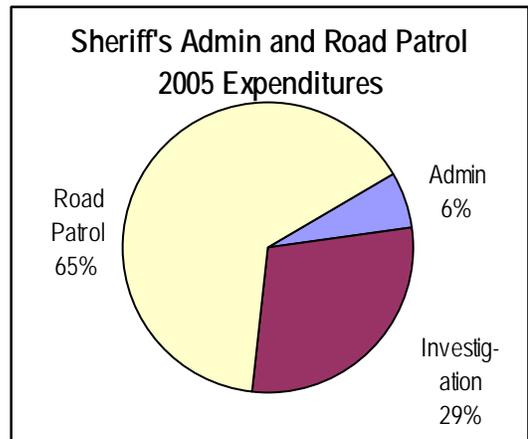
MCL 52.17 mandates the Sheriff to provide the following services on county primary roads: 1) patrolling and monitoring traffic violations; 2) Enforcing the criminal laws of this state, violations of which are observed by or brought to the attention of the Sheriff’s Department while providing the patrolling and monitoring required by this subsection; 3) Investigating accidents involving motor vehicles; 4) Providing emergency assistance to persons on or near a highway or road patrolled and monitored as required by statute.

Although the State mandates that these services be provided, the statute does not mandate the scope of the services that must be provided. As such, the Sheriff and the Board of Commissioners through the annual budget process, define a base-level of public safety and road

patrol services for residents that reside in the more rural townships and villages and for those that commute between communities that do not operate their own public safety services.

In 2005, the Board of Commissioners allocated \$14.4 million for Road Patrol and Administration Services. This funding provides a base level of service for 21 townships that includes road patrol, investigation, marine safety, and a dive team.

Of the \$14.4 million allocated approximately 6% is utilized for administrative functions for all areas of the Sheriff's Department including corrections, dispatch, marine patrol, and township road patrol supervision, 29% is for investigative costs, and the remaining 65% is utilized for approximately 100 deputies to patrol County Roads and to perform services such as DARE, engage in officer training programs, and perform the necessary records management functions. This pool of officers also provides the staffing for special collaborative teams such as the FBI counter-terrorism unit, special identity theft task forces, metropolitan task forces,



and task forces developed to address the growing methamphetamine problem throughout the County and the region. The deputies and detectives that are assigned to these specific services may investigate specific problems in specific communities that have the potential to impact the entire region if not addressed.

The Sheriff's Department also provides additional opportunities for townships to purchase enhanced services enabling the townships to increase patrols or target specific problem areas. In 2005, local townships paid an additional \$2.9 million to purchase approximately 40 additional deputies that patrol specific communities. Like the jail per-diem fee that is assessed to municipalities that operate their own district courts and house municipal ordinance violators at the jail, the townships purchase enhanced services that are supplemented by the local governmental unit. For the enhanced services, the townships supplement costs by paying the salary and benefits of the officer, as well as any specialized space requirements or supervision costs that cannot be accommodated within the existing supervisory structure. The County does absorb the cost to outfit the officer, maintain and operate the patrol car, and provide supervision. In all, the costs assessed for enhanced services are less than the cost if services were to be provided by each community due to the economies of scale that are achieved by providing an existing structure for a baseline level of service.

For the "core-six" communities that do not receive road patrol services but do benefit from the sharing of investigative units the Sheriff's Department is mandated by statute to provide road patrol services for County roads.

The Sheriff's Department also manages police and fire E911 Dispatch for 25 municipalities and Emergency Management services for 27 municipalities in Kent County. In 2005, 9% of dispatch calls for service were fire related. The 2005 General Fund appropriation for dispatch was \$1.7

million. The Sheriff also provides the Kent County Courthouse Security and Transfer Crew for the 17th Circuit Court, 61st District Court, 63rd District Court, and Juvenile Detention.

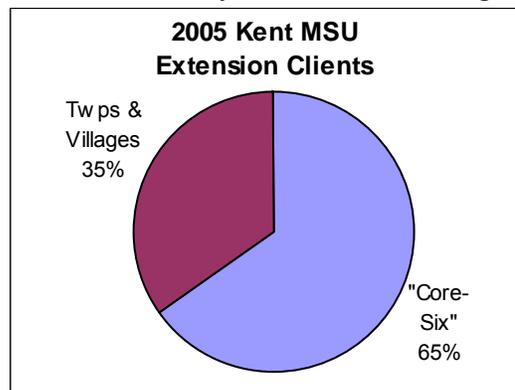
To further promote public safety, the **Fire Commission** was created as a partnership between Kent County and 20 participating municipalities – comprised of 16 townships, three cities, and one village. Through this collaborative effort the municipalities pool financial resources and the County contributes 50% of the funding to purchase and replace fire fighting apparatus for each of the communities on a rotating basis; through mutual aid, equipment is made available to participating communities when needed. In 2005, the County allocated \$100,000 from the General Fund to support the Fire Commission. The Fire Commission has improved coverage and significantly reduces costs by combining communities into one insurance pool for over 100 pieces of fire fighting apparatus. Without this collaborative effort individual participants would pay 300 to 400% more for the same commercial vehicle insurance. Participation in the program is open to any municipality within the County; none of the “core-six” urban areas participate.

In all, the urban cities and more rural communities benefit differently from the services provided by the Sheriff’s Department; but all benefit from having access to services. Like cities that pay to house offenders for municipal ordinance violations at the Correctional Facility, the townships are able to purchase enhanced services through the Sheriff Department for additional patrol, community policing and other services.

Cultural and Recreation Services

One measure of a thriving community is its ‘quality of life’ amenities. While it is often difficult to measure direct impact of ‘quality of life,’ communities that do not have zoos, aquariums, parks, beaches, and bike paths are not attractive locations to live, work, and play. In 2005, the Board of Commissioners allocated approximately 4% of the General Fund for culture and recreation services to enhance and maintain a higher ‘quality of life’ in Kent County.

Kent/MSU Extension is a partnership between MSU and Kent County connecting the many resources of the MSU campus to meet community needs here in Kent County. With General Fund support of \$636,555 the Kent/MSU Extension leveraged \$878,733 in additional funding. Efforts include land use education, agricultural, horticulture and natural resource management education for growers to advance economically and environmentally sustainable farming; and many youth and family programs that provide life skills education on nutrition, personal finances, parenting and health that strengthen the family and improve the quality of life for individuals throughout rural and urban communities in Kent County. The Board of Commissioners provided \$31,118 in 2005 to Kent/MSU Extension to staff the Agricultural Preservation Board and administer the Purchase of Development Rights (PDR) program within the County. In 2005, Kent/MSU Extension worked with over 17,000 residents of which 65% lived in urban areas while the balance of clients are from rural areas.



With an annual operating budget of \$5.2 million in 2005, **Kent County Parks** managed 37 properties and over 5,400 acres of land for use by all Kent County residents, providing scenic, natural and historic recreation resources, connecting people, recreational facilities and nature. In 2005, 52% of facility reservations were by city residents while 48% were made by residents living in the townships.

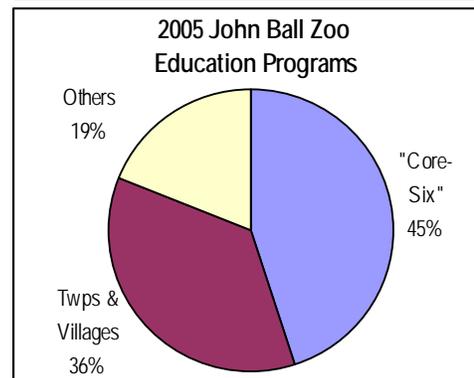
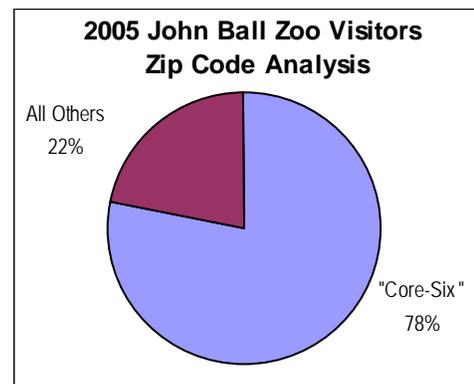
The Parks Department also plays a major role in developing the non-motorized trail network in Kent County including Kent Trails along with other major trails to provide access and connector routes linking urban and rural areas.

The Parks Department leverages state funds to strategically purchase properties to preserve and protect natural areas while providing recreational access for all County residents. The County’s goal is to provide 10 acres per 1000 residents, half of the 20 acres of parkland per 1000 residents - a standard consistent with nationally recognized guidelines to complement municipal and township park and open space development efforts. Kent County has invested in parkland acquisition and development adding 2,145 acres of parkland since 1998; a significant portion of which includes nearly 1,100 acres for Millennium Park, which encompasses land located in the cities of Grand Rapids, Grandville, Walker, and Wyoming. The remainder of the land purchased since the Parks Subcommittee Report recommended increasing the County’s greenspace holdings has been acquired throughout the County.

In 2005, Kent County provided the **John Ball Zoological Garden** with \$3.6 million in General Funds to support a quality of life amenity for County residents. Additionally, throughout its history, the Zoo has supported local education by providing various experiences to children through school visitation programs for public, private, and home schools.

As depicted, of the total number of programs that were provided during 2005, 45% were provided to residents of the “core-six” communities while the remaining 55% were provided to more rural populations in Kent County or areas outside of the County.

Additionally, in 2005, it is estimated that 78% of Kent County visitors attending the Zoo were from the “core-six” communities while remaining 22% were from the other parts of the County.



Human Services

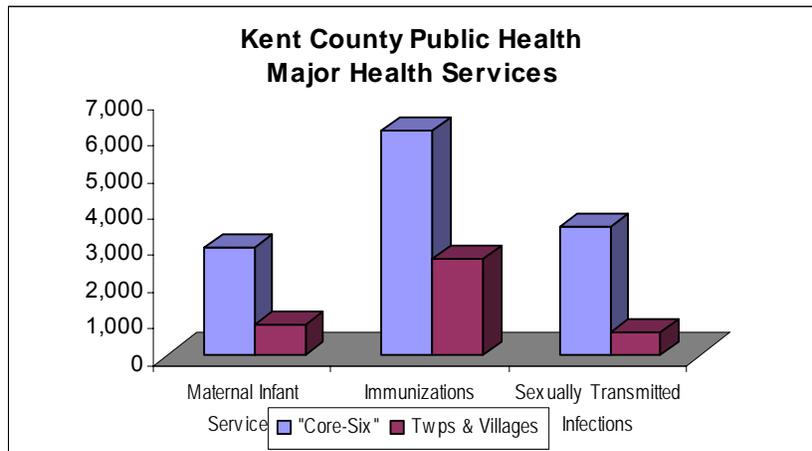
Kent County supports human services by providing financial and administrative support for the Community Development and Health Department as well as provides financial support to the State of Michigan’s Kent County Dept of Human Services, network180, and other community based organizations. The Board of Commissioners authorized the “transfer-out” of \$29.2 million

for human services of which \$9.7 million was budgeted to the Health Department, \$15.1 million for the Circuit Court and DHS Child Care Funds, \$1.68 million for the Prevention Initiative, and \$2.8 million for various other health and welfare activities.

The **Kent County Health Department** provides essential services for County residents, many of which are mandated by the State. Of the \$9.7 million allocated to the Health Department to support various programs and services, \$7.8 million was actually utilized by the Health Department in 2005; the remaining funds were retained in the County General Fund.

The funding provided by the County enables the Health Department to leverage additional funds from the State and Federal government to support programs and services that assist in maintaining the welfare of the entire community. In 2005, 56% of the Health Department Budget was supported by State and Federal funding; 33% from the County; and 11% from user fees. Of the \$7.8 million utilized by the Health Department, \$5.2 million was utilized to leverage additional funds from the state and the remaining \$2.6 million was utilized to support ongoing operation of programs and services to meet the needs of the community.

One Health Department responsibility is to plan for, monitor, and respond to outbreaks of disease including such concerns as pandemic flu, West Nile Virus and other communicable disease. The Department provides immunizations and maintains immunization data within the County as well promoting healthy living and disease prevention to reduce obesity, smoking, chronic heart disease, diabetes and other costly, long-term health care problems.

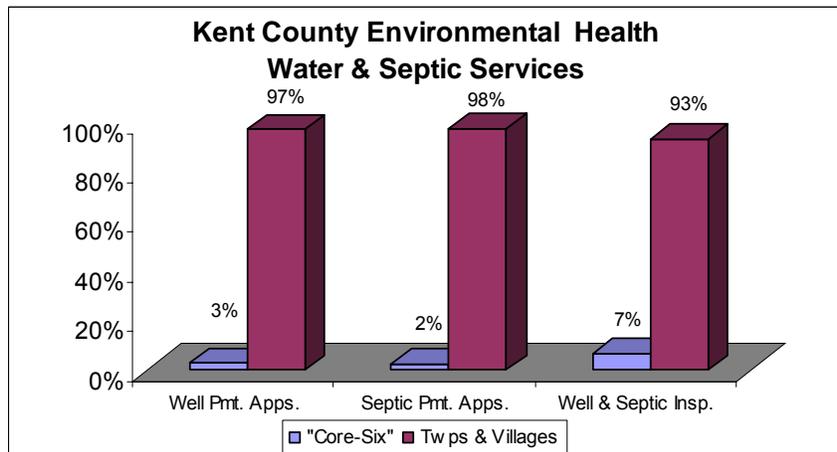


Another major program of the Kent County Health Department is the Women Infant and Children (WIC) program, which serves low and moderate income pregnant, breastfeeding, and postpartum women, infants, and children. These clients may receive a combination of services including nutrition education, supplemental foods, breastfeeding promotion and support, and referrals to health care and social services. Ninety percent (90%) of the WIC clients are residents from the “core-six” communities. While WIC is supported through federal dollars, the County subsidizes the WIC program by \$2.3 million. This investment ensures that county residents have access to food coupons which are valued at \$9.4 million and are used at local grocers. In fact, Kent County operates the second largest WIC program in the State of Michigan.

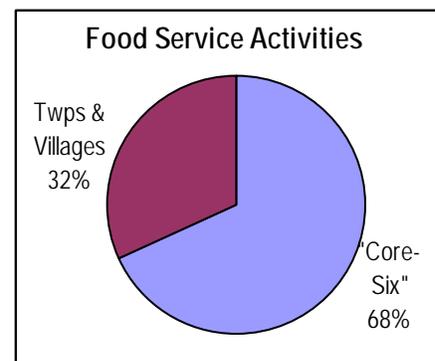
Another area of responsibility for the Health Department is environmental quality. Through its **Environmental Health Division**, the Health Department works to maintain water quality throughout the County by inspecting wells and on-site sewer systems during construction or repair. This ensures that septic systems are functioning properly and that the water is safe to

drink. In 2005, nearly \$1.67 million of the \$9.4 million allocated from the County General Fund was allocated for environmental health activities.

In 2005 the Environmental Health Division processed 1,333 well permits and 1,209 septic permits for residents in the outlying areas of the County while processing 38 well permits and 29 septic permits for “core-six” residents. Furthermore, the Environmental Health Division conducted 719 well and septic inspections in the more rural areas of the County while only conducting 51 within the “core-six” communities. The County’s general fund contributes \$340,000 for this service which is 30% of the total cost to provide this service.



Finally, with an increasing number of restaurants and people dining out, the Health Department works to ensure proper sanitation at restaurants in the County. Each year, every restaurant in the County is inspected a minimum of two times. Through countywide services to maintain health and safety standards, residents are able to cross municipal and political boundaries to enjoy food safely prepared and served throughout the County, building a stronger economy to attract employers and residents. While fees supplement the costs to provide inspection services, the County’s General Fund contributes \$234,664 or 22% of the total cost for this service.



Another major service provided by the Health Department is the operation of the **Animal Shelter**. Services include the control of stray animals to prevent animal bites and disease as well as adopting unwanted pets while proactively providing Dog Bite Prevention education to grade school children. In 2005, the County’s general fund provided \$875,386 for the operation of the Animal Shelter which is 60% of the operating budget for this service.

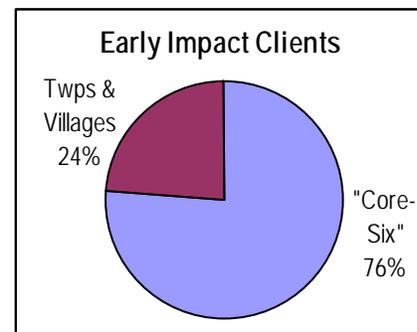
Finally, the Health Department has responsibility in two other areas. First, in a multi-agency, collaborative effort, the Health Department coordinates emergency planning and preparedness including disaster response for natural disaster and terrorist related threats where chemical, biological, or radiological events might occur. And second, the County General Fund transfers \$1.2 million to the Health Department to provide Medical Examiner services that are mandated by the State.

The **Department of Human Services (DHS)** is a State agency to which the County is mandated to, “within its discretion,” appropriate funds for certain activities. In 2005, Kent County provided

\$770,000 in discretionary dollars to DHS to support various community based organizations that provide services to families in need throughout the County. By doing so, the County ensures a safety net for residents in areas where revenue sources are depleted or not available. In fact, Kent County is one of only a few counties in the State of Michigan that provide local funding to support DHS.

The County also pays 50% of the costs to provide care for children who are delinquent or at risk of abuse and neglect (as determined by the Court). Administered by either the Circuit Court (for delinquent children) or the Department of Human Services, the **Child Care Fund Programs** include juvenile detention, foster care, and community probation, among others. In 2005, the County provided \$15.1 million dollars between the Circuit Court and DHS Childcare funds, which leveraged an additional \$15.1 million from the State. Based on zip code analysis, it is estimated that 89% of children placed served by the program are from the “core-six” communities.

Finally, in an effort to further strengthen families and mitigate future costs, the County provides \$430,000 from its **Prevention Initiative** to DHS’ Early Impact program which serves families being referred to Child Protective Services, but not meeting the threshold for a case to be substantiated. Since 2003, the Early Impact program has served over 2,500 families with 76% of these clients residing in the “core-six” communities.



Summary and Discussion

Throughout this analysis data has been gathered and assessed to determine if each community gets a “bang-for-its buck.” The data confirms that despite population size or social or economic status the County levies an equally assessed property tax which is less than ½ of 1% (.0042803) of the total taxable value of each community. This levy provides a baseline level of service by contributing 57.8% of the total General Fund revenues to provide services to residents countywide: a definite “bang-for-the-buck.”

Through the countywide General Property Tax levy residents contribute to a quality of life that is unique to each community whether it is an urban or rural setting - but made possible through the access and availability of countywide services. This quality of life is enhanced and preserved through the provision of countywide services that are both mandated and discretionary. These services include, but are not limited to:

- a centralized record keeping source for vital records;
- tax collection services to advance funds to local municipalities and school districts;
- coordinated voting processes that provide a standardized process and equal access;
- equalization of property valuations resulting in fair tax assessments and property valuations;
- a centralized property mapping division to provide updated and consistent information to support economic growth;

- the management of the countywide drain system to preserve the environmental health of our lakes and streams;
- a criminal justice system that provides each aspect of protecting the community, including the arrest, prosecution, adjudication, and incarceration of offenders;
- a family court system to adjudicate matters pertaining to the health and welfare of children;
- road patrol and emergency management services to provide seamless enforcement of state statutes;
- adjudication of cases involving wills and estates;
- cooperative research and education programs;
- a county parks system and zoo to attract visitors, employers and residents to the County, and;
- various health and human service programs that target prevention and education and services to improve the quality of life for all residents.

Without these services, municipalities in Kent County would be required by law or requested by their constituents to provide the services and may not be able to benefit from economies of scale or other efficiencies available to the larger community, nor able to leverage other funds (federal, state or private) at the same level as the County. The information also points out that municipalities and townships benefit from the opportunity to purchase additional services at a lower cost than providing these services entirely on their own, i.e. jail beds for municipal ordinance violators and enhanced road patrol services for townships.

Without a coordinated countywide effort, issues and concerns such as the West Nile Virus or pandemic flu, violent crime, and child abuse and neglect could become rampant, dissolving the social and economic vitality of the entire County - resulting in decreasing investments, limited growth, and an undesirable location for new businesses, new residents, and new opportunities.

In all, the data suggests that the majority of the users of many County services reside within the “core-six” communities. It is reasonable for the “core-six” communities to utilize more services, given a more dense population and in light of the need to sustain a social and economically healthy community. At the same time, the infrastructure and array of services that are required to meet the needs of significant population centers are more substantial than those expected or required for smaller populations. Along those same lines, the volume of service required by the “core six” allow the entire community to benefit from efficiencies and economies of scale, as well as benefit from the overall enhanced service availability, quality and diversity that comes with being within or adjacent to an urban core of significant population. Consider for example, the array of services available to residents of Lake County as compared to those available in Kent County.

Of additional importance is the realization that a regional healthy community provides for a vital economy; when one major core area fails each community is impacted. David Rusk, author of Cities Without Suburbs, Jane Jacobs author of The Death and Life of Great American Cities, Myron Orfield author of Metropolitics: A Regional Agenda for Community and Stability, and John Norquist, former mayor of Milwaukee and author of The Wealth of Cities, all assert that the development of a vital urban core is necessary to promote the well-being of the entire region as

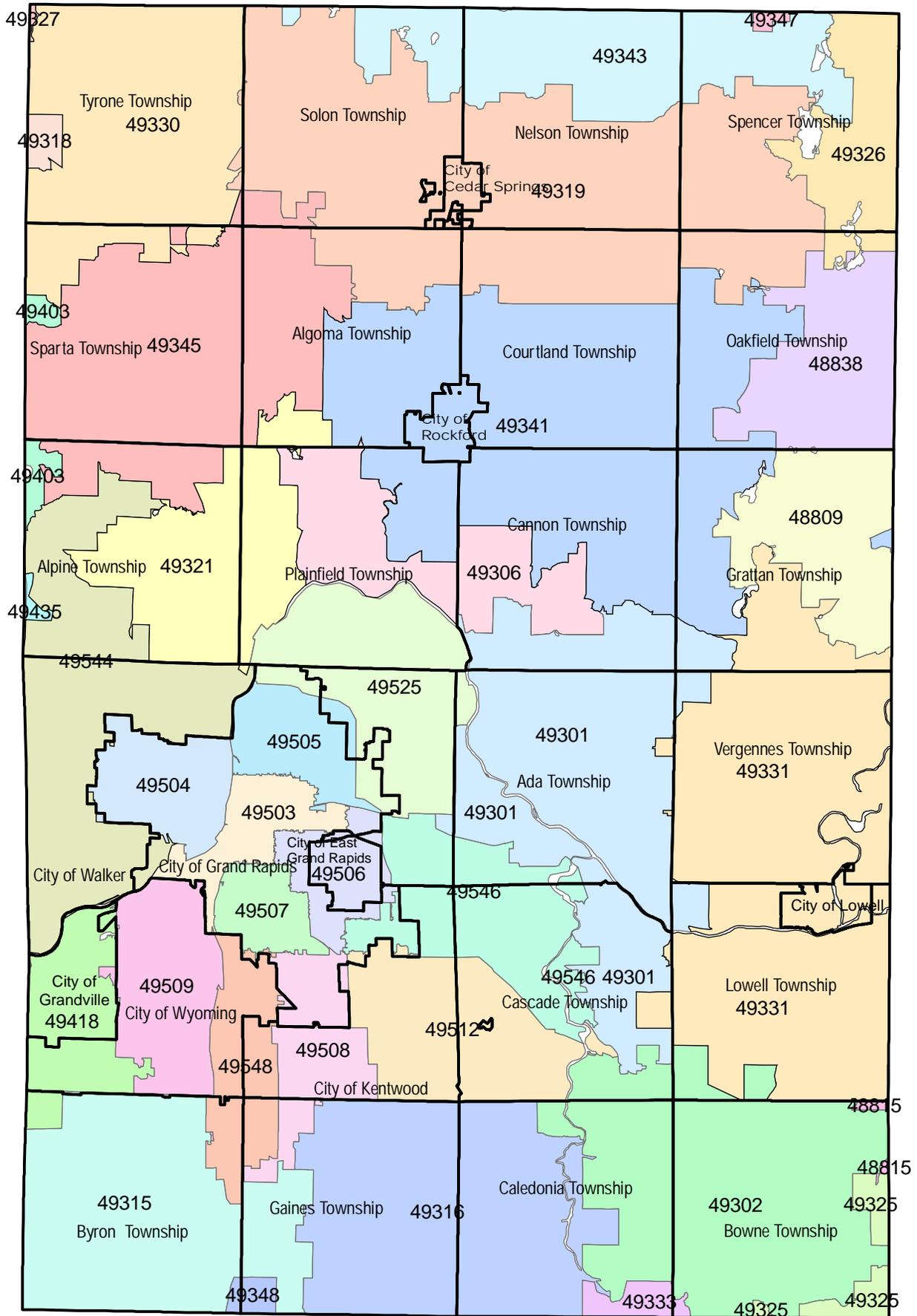
the social and economic problems are not restricted by municipal boundaries. Jane Jacobs noted that turning on the street lights in one neighborhood will certainly deter crime but it will not diminish the criminal activity; instead it will simply move to the next dark street and the next dark corner. So, when one community provides exceptional public safety services the crime doesn't stop due to the municipal boundaries-it only shifts to the next closest location. Through the coordination of services and the collaborative efforts of integrated service delivery the County works to ensure that the services are delivered across municipal boundaries to support and enhance the social and economic health of the County.

Kent County continues to work to maximize the efficient delivery of many state mandated services and those services necessary and agreed upon by the local governmental units. Without the countywide provision of these services, each community in Kent County (9 cities, 21 townships, and 5 villages) would have to provide the resources to build the infrastructure, administer the programs, and deliver the services. This additional fiscal pressure within each community would take valuable resources away from other community needs and were each municipality to provide these services separately, the quality of service would suffer from fragmentation.

If an argument still stands that each community does not receive a sufficient "bang-for-its-buck," would the local governments believe they would be better off if the County could levy a charge to each municipality for each service or charge them a per-capita rate? The fact is that this only places additional fiscal pressure on already cash-strapped communities and ignores the larger community's (i.e. all Kent County residents) desire for and benefits received from both a vital urban core and the opportunity to live in a more rural area. Therefore, through the utilization of a countywide tax levy and the countywide delivery of services, the cities, townships, and villages across Kent County directly and indirectly benefit from the economies of scale in the services that are provided.

Overall, while there is little question that each community possesses unique characteristics and has differing needs - each citizen and community represented in the County benefit from the access and availability of high-quality services that positively impact the social health of the community and in turn, impact the economic health and stability of our entire community.

Appendix "A" - Zip Code Map



Appendix "B" –Zip Code Listing

"Core-Six"		KENT County TWPS
Wyoming	49548	49546
	49519	49525
	49509	49403
Walker	49544	49348
Kentwood	49512	49347
	49508	49345
East Grand	49506	49343
Grandville	49418	49341
GR	49507	49333
GR	49505	49331
GR	49504	49330
GR	49503	49327
GR	49501	49326
GR	49502	49325
GR	49510	49321
GR	49514	49319
GR	49516	49318
GR	49518	49316
GR	49528	49315
GR	49534	49306
		49302
		49301
		48838
		48815
		48809
<p>Note: Zips are not specific to municipality and therefore an overlap may exist between each municipality. Best data analyzed utilizing "core-six" with the appropriate zips.</p>		

Appendix "C"

2005 General Fund Expenditures by Functional Area

	2005 Expenditures
Admin/Road Patrol*	\$ 14,426,208
Admin/Road Patrol Millennium Park	\$ 305,000
LE Computer Net	\$ 100,580
Marine Safety	\$ 184,726
Lake Bella Vista	\$ 32,572
TWP LE	\$ 1,646,322
TWP LE East Precinct	\$ 1,304,761
Dispatch	\$ 1,734,156
Emergency Mgmt	\$ 251,574
Corrections*	\$ 32,676,174
Public Safety	\$ 52,662,073
Circuit Court*	\$ 15,928,781
Probate Ct.*	\$ 1,035,284
Prosecutor*	\$ 5,254,518
District Court*	\$ 2,622,461
Judicial	\$ 24,841,044
Co-Op	\$ 607,308
Zoo	\$ 3,682,162
Culture & Recreation	\$ 4,289,470
Medical Examiner*	\$ 1,197,200
Soldiers & Sailors Relief*	\$ 188,017
Prevention Initiative	\$ 1,680,000
Health & Welfare	\$ 3,065,217

	2005 Expenditures
Bureau of Equalization*	\$ 1,499,232
County Clerk*	\$ 1,842,446
Drain Commission*	\$ 560,794
Treasurer's Office*	\$ 1,260,184
Facilities Mgmt*	\$ 13,370,575
Information Technology*	\$ 5,896,722
Policy/Admin*	\$ 2,233,090
Fiscal*	\$ 2,134,337
Human Resources*	\$ 2,130,396
Intergovernmental	\$ 3,452,386
General Government	\$ 34,380,162
Fleet Services*	\$ 438,940
Central Services*	\$ 824,405
Alliance for Health	\$ 14,546
Area Agency on Aging	\$ 4,750
ASCET	\$ 65,000
Economic Development	\$ 75,000
Other	\$ 1,422,641
General Fund	\$ 120,660,607
Parks	\$ 3,245,223
Friend of the Court*	\$ 2,142,211
Health*	\$ 9,471,709
Special Projects	\$ 809,423
DHS Social Welfare	\$ 770,000
Circuit Court Child Care Fund*	\$ 11,589,657
DHS Child Care*	\$ 3,673,781
Debt Service	\$ 24,055
Fire Commission	\$ 100,000
"Transfers Out" of General Fund	\$ 31,826,059
TOTAL GENERAL FUND	\$ 152,486,666

*The majority of the services provided are mandated by State statute or are necessary to the delivery of a mandated function.

Appendix “D”—County Service User Summary

