

# Branch

County, Michigan



2021 ANNUAL REPORT  
COUNTY TREASURER  
June 30, 2022

Steven Rutz -Treasurer

Kelli Talbot – Chief Deputy

Kalie Beemer – Deputy

Mandy Hubbard -Deputy

To the Honorable Board of Commissioners

The Office of the County Treasurer was established by the Michigan State Constitution (Article VII, Section 4). It is a four-year term of office that is filled by partisan election. The duties and powers of the County Treasurer are first and foremost by state law and by authorization of the County Board of Commissioners. State statutes, under the guidance of the Bureau of Local Government Services Audit Division and the State Treasury Department, dictate the functions of the Treasurer's Office.

The two main roles of the County Treasurer are as the **custodian of all county funds and the collection of delinquent taxes**. Additionally, the County Treasurer fulfills several other responsibilities including, member of the Plat Board, Elections Commission, County Apportionment Commission, Treasurer of the County Building Authority, Treasurer of the Brownfield Redevelopment Authority.

The County receives money from many sources. The principle source of revenue is an ad valorem real property tax. Other income is received from state and federal grants, interest income and various service and license fees. Many of the County's departments collect money during their daily business. This money is deposited with the Treasurer, who serves as the county's banker. Besides revenue items, the Treasurer is responsible for all monies coming into the County including statutory responsibility for the Medical Care Facility and County Road Funds.

The mission of the Branch County Treasurer is to serve taxpayers with respect, professionalism and commitment to customer service above and beyond what is expected.

## RECEIPT OF ALL COUNTY FUNDS

*MCL 48.40 County treasurer; duties as to county moneys.*

*Sec. 40. It shall be the duty of the county treasurer to receive all moneys belonging to the county, from whatever source they may be derived; and all moneys received by him for the use of the county, shall be paid by him only on the order of the board of supervisors, signed by their clerk, and countersigned by their chairman, except when special provision for the payment thereof is or shall be otherwise made by law.*

|   | <b>2021</b> | Vs Prior<br>Year                           | <b>2020</b> | Vs Prior<br>Year                            | <b>2019</b> | Vs Prior<br>Year |
|---|-------------|--|-------------|---|-------------|------------------|
| <b>Receipt of all County funds</b>          |             |  |             |   |             |                  |
| Total number of counter/department receipts | 8,864       | 0.82% <span style="color: green;">▲</span> | 8,792       | -0.27% <span style="color: green;">▲</span> | 8,816       | 2.77%            |
| Total Counter/department receipt amount     | 56,565,733  | 6.63%                                      | 53,046,310  | 0.24%                                       | 52,917,831  | 6.82%            |
| Electronic Deposits                         | 14,613,684  | -5.63%                                     | 15,484,816  | 4.71%                                       | 14,788,285  |                  |

To carry out this requirement, the Treasurer’s Office processes tax payments through the mail, counts and receipts County department funds, verifies distribution line items, posts receipts to the general ledger and receipts all funds received as electronic funds transfers and credit card distributions through our bank accounts.

The Treasurer’s Office maintains and reconciles twenty-four (24) bank accounts to properly account for just over \$71 million dollars in annual cash receipts received by the County and its affiliates. 2021 saw an increase in cash received because of various grant awards related to the COVID-19 pandemic.

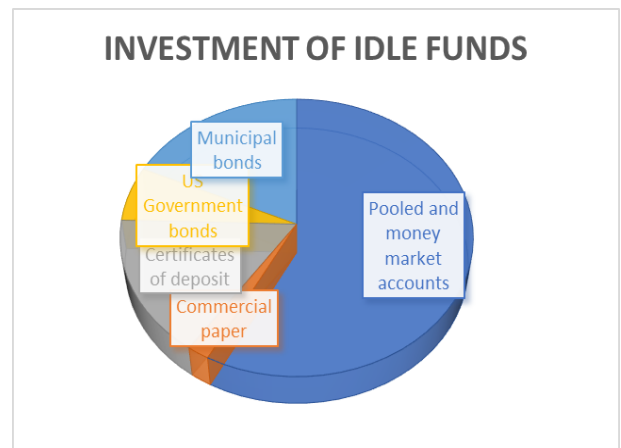
## INVESTMENT OF IDLE FUNDS

The Treasurer’s Office utilizes various cash flow analysis tools to determine the availability of idle funds for investment. The goals of any investment activity, in priority order, are:

1. Protection of principal (Risk) – the initial amount invested must not lose value
2. Liquidity – funds must be available when cash flow demands it or in the case of an unforeseen circumstance
3. Investment earnings – in some cases, earnings may be utilized for general operations and provide an additional source of County revenue

The funds are being kept short-term and liquid so that they are available to promptly issue payments to contractors. In 2021 we have seen another decline in interest earnings as rates. As an example, funds invested in the Michigan CLASS local governmental investment pool earned an average yield of 1.8% in December 2019 drop to .80% December 2020 and continued to drop to .04% in December 2021. The current interest rate environment will make it difficult to achieve significant earnings for the next several years. The Interest Earnings for 2021 are \$263,737 but down 29.59% from prior year.

|                                  |            |
|----------------------------------|------------|
| Pooled and money market accounts | 12,842,683 |
| Commercial paper                 | 413,425    |
| Certificates of deposit          | 3,556,308  |
| US Government bonds              | 1,424,012  |
| Municipal bonds                  | 4,041,678  |



**COLLECTION OF DELINQUENT REAL PROPERTY TAXES**

The County Treasurer is then responsible for the collection of the delinquent real property taxes. For taxes that remain unpaid after one (1) year, we assist with the State of Michigan (the foreclosing governmental unit) with the annual forfeiture and foreclosure process. (see chart below)

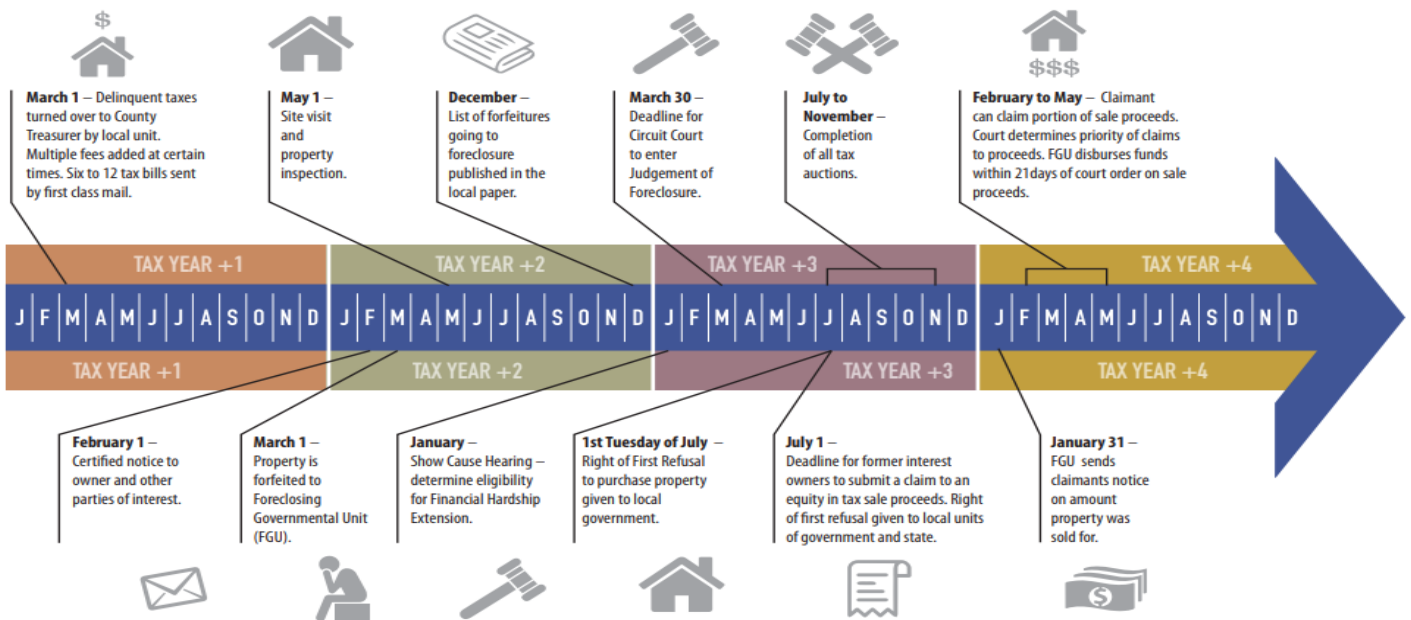
| Collection of delinquent real property taxes | 2021      | Vs Prior Year | 2020      | Vs Prior Year | 2019      | Vs Prior Year |
|--|-----------|---------------|-----------|---------------|-----------|---------------|
| Number of parcels reported as delinquent     | 2,146     | -33.99%       | 3,251     | -0.21%        | 3,258     | 2.52%         |
| Amount of taxes reported as delinquent       | 2,614,745 | -29.50%       | 3,709,071 | 1.85%         | 3,641,717 | -1.31%        |

|                                 |    |    |    |
|---------------------------------|----|----|----|
| Number of Foreclosed Properties | 16 | 17 | 12 |
|---------------------------------|----|----|----|

For 2021 Eight (8) properties were withheld from foreclosure due to hardship and the owner was provided assistance information for them to remain in their homes. The Treasurer’s website also contains information on poverty exemption applications and other resources in hopes of assisting qualifying taxpayers to keep their homes.

<https://www.countyofbranch.com/departments/treasurer/poverty-exemption-information/>

# FORECLOSURE TIMELINE



## DOG AND KENNEL LICENSES

The County Treasurer’s Office manages the dog and kennel licensing revenue per state statute, Act 339 of 1919. Per Act 339 it shall be unlawful for any person to own any dog 6 months old or over, unless the dog is licensed as hereinafter provided. A County dog license provides ownership information, verifies the dog is currently vaccinated for rabies, and is following the State Law. There is no penalty for new dogs.

| <b>Sale of dog licenses</b>     | <b>2021</b> | Vs Prior<br>Year | <b>2020</b> | Vs Prior<br>Year | <b>2019</b> | Vs Prior<br>Year |
|---------------------------------|-------------|------------------|-------------|------------------|-------------|------------------|
| Total number of licenses issued | 2,640       | -20.02%          | 3,301       | -20.74%          | 4,165       | -3.88%           |
| License fees collected          | 41,736      | -16.60%          | 50,043      | -18.35%          | 61,292      | 21.99%           |
| License penalty fees collected  | 2,810       | -10.79%          | 3,150       | -24.64%          | 4,180       | 1.95%            |
| Most popular breed              | Labrador    |                  | Labrador    |                  | Labrador    |                  |
| Most popular dog name           | Molly       |                  | Buddy       |                  | Buddy       |                  |

Owners have until March 1 to renew licenses without penalty. After March 1, a \$20 late fee is assessed. We issue dog licenses year around as new dogs are purchased or an owner realizes that their license is expired.

## LOOKING FORWARD TO 2022

My goals for 2022 for the Treasurer’s office include the following:

- Continue to help find additional resources for taxpayers facing forfeiture or foreclosure due to delinquent real property taxes.
- Working with local township Treasurers to offer the option to access tax information on-line and to be able to pay on-line, for ALL townships.
- To offer dog owners the option purchase licenses on-line or at their veterinarian office.
- Continue to provide great experience when working with the Treasurer’s office.
- Work with the Administration and other departments to continue to move Branch County forward.

I am proud to serve and work with the citizens of Branch County. Please feel free to contact me with any questions, comments or concerns at (517)279-6447 or via email at [srutz@countyofbranch.com](mailto:srutz@countyofbranch.com)