

Branch

County, Michigan



2022 ANNUAL REPORT
COUNTY TREASURER
June 30, 2023

Steven Rutz -Treasurer

Kelli Talbot – Chief Deputy

Brooke Kline – 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 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, and 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 & 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 and professionalism with 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.

	2022	Vs Prior Year	2021	Vs Prior Year	2020	Vs Prior Year
Receipt of all County funds						
Total number of counter/department receipts	8,655	-2.36%	8,864	0.82%	8,792	-0.27%
Total Counter/department receipt amount	57,092,547	0.93%	56,565,733	6.63%	53,046,310	0.24%
Electronic Deposits	14,376,489	-1.62%	14,613,684	-5.63%	15,484,816	4.71%

The County Treasurer’s Office is the depository for ALL county funds in accordance with Act No. 40, Public Actos of Michigan 1932. Functions associated with this procedure include, receipting invoiced payments processed through the mail, counting and receipting department money, verifying distribution line items, posting to general ledger, and receipting all monies received as EFT’s 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 \$71.4 million dollars in annual cash receipts received by the County and its affiliates. 2022 saw an increase in cash received because of various grant awards related to the COVID-19 pandemic and state grants. 2023 will see an increase in tax revenue because of the Michigan law max increase of 5% on taxable values. This is the biggest increase in 28 years, as the rate of inflation was above the 5% mark.

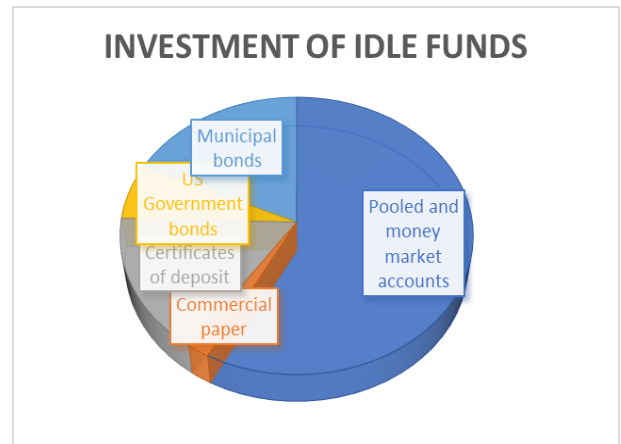
INVESTMENT OF IDLE FUNDS

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 order of priority 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 they are available to promptly issue payments to contractors. In 2022 we have seen a large turnaround in interest earnings, as rates have significantly risen. For example, funds invested in the Michigan CLASS local governmental investment pool that earned an average yield of 1.2% in December 2021 increased to 4.80% in December 2022. With a diversified portfolio, the County has taken advantage of the current interest rate environment. Due to the federal interest rate increasing several times, it has made the investments in bonds and CD’s a good place for idle funds. Interest Earnings for 2022 were **\$466,145** an increase of **76.75%** from the prior year.

Pooled and money market accounts	12,641,640
Commercial paper	907,722
Certificates of deposit	3,274,582
US Government bonds	3,709,135
Municipal bonds	3,475,000



COLLECTION OF DELINQUENT REAL PROPERTY TAXES

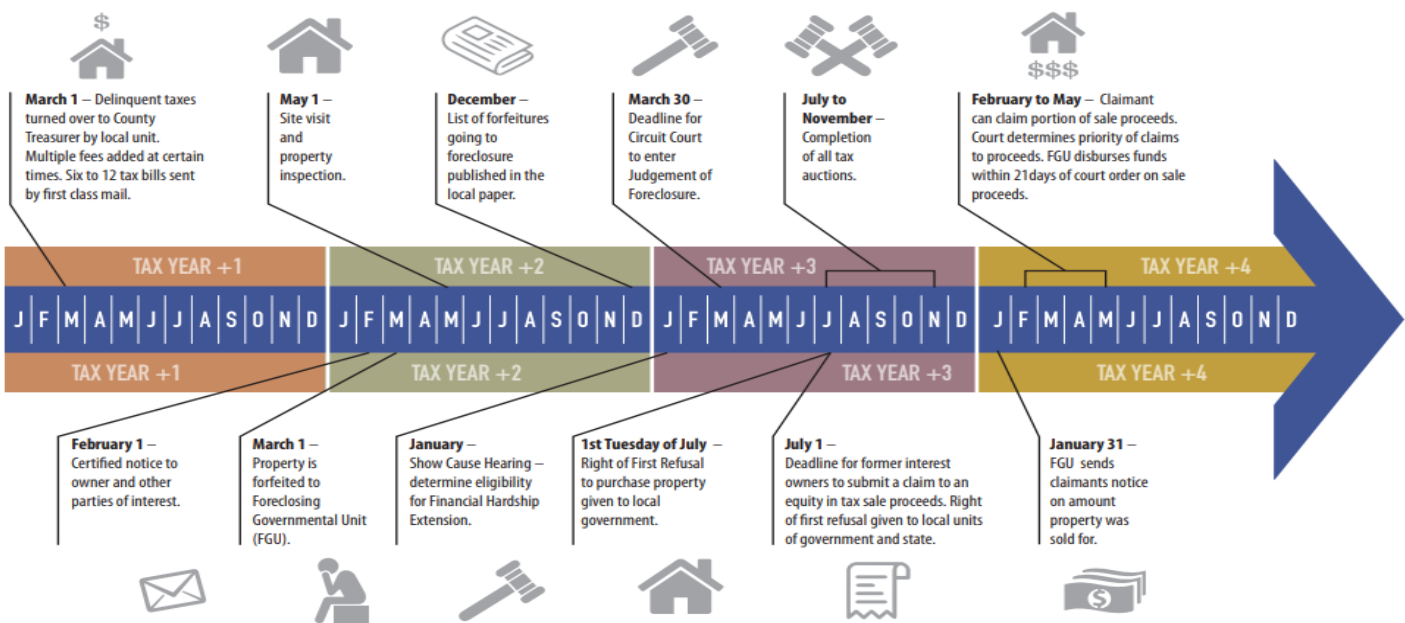
The County Treasurer is responsible for the collection of delinquent real property taxes. For taxes that remain unpaid after one (1) year, we assist the State of Michigan (the foreclosing governmental unit) with the annual forfeiture and foreclosure process. (see chart below)

Collection of delinquent real property taxes	2022	Vs Prior Year	2021	Vs Prior Year	2020	Vs Prior Year
Number of parcels reported as delinquent	2,070	-3.54%	2,146	-33.99%	3,251	-0.21%
Amount of taxes reported as delinquent	2,549,895	-2.48%	2,614,745	-29.50%	3,709,071	1.85%
Number of Foreclosed Properties	16		17		12	

For 2022, Nine (9) properties were withheld from foreclosure due to hardship and the owners were aided with information for them to remain in their homes. Additionally, the Treasurer’s website also contains information on poverty exemption applications and other resources, in hopes of assisting qualified taxpayers to keep their homes. We received over \$48,000 in MiHaf State payments for past due taxes in 2022. The MiHaf program is estimated to be ending in 2025.

<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.

Sale of dog licenses	2022	Vs Prior Year	2021	Vs Prior Year	2020	Vs Prior Year
Total number of licenses issued	2,691	1.93%	2,640	-20.02%	3,301	-20.74%
License fees collected	42,936	2.88%	41,736	-16.60%	50,043	-18.35%
License penalty fees collected	3,424	21.85%	2,810	-10.79%	3,150	-24.64%
Most popular breed	Shepherd		Labrador		Labrador	
Most popular dog name	Molly/Max		Molly		Buddy	

For the first time since 2019, we have seen an increase in the number of licenses purchased. The main reason being the option to purchase **On-Line** or at Bronson Vet. Owners have until March 1 to renew licenses without penalty. After March 1, a \$20 late fee is assessed. We issue dog licenses year round as new dogs are purchased or an owner realizes that their license is expired.

LOOKING FORWARD TO 2023

My goals for 2023 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.
- Work with local township Treasurers to offer the option to access tax information on-line and to the ability to pay on-line, for ALL townships.
- Increase the awareness of the state law for having a dog license.
- Continue to provide a great experience when working with the Treasurer's office.
- Continue working together with the Administration and other departments to continue moving 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