



Grand Traverse County Treasurer 2015 Annual Report

Treasurer Heidi M Scheppe, CPFO

Cindy Green, Chief Deputy

Ann Couturier

Sarah Gum

Kristen Lambert

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

The County Treasurer:

- Is elected to a four-year term, and serves as the custodian of all County funds.
- Is responsible for handling and reconciling cash for a 145 million dollar budget.
- Is responsible for purchasing and collecting delinquent property taxes for 13 Townships, 2 Villages and the City of Traverse City.
- Works closely with the local unit Treasurers and Assessors to process any property tax adjustments and report accurate values to the State of Michigan and taxing jurisdictions.
- Is responsible for selling and maintaining accurate records of all dog licenses in the County.
- Provides passport processing services.
- Is a member of the Plat Board, Elections Commission, County Apportionment Commission, County Economic Development Corporation, Treasurer of Brownfield Redevelopment Authority and Chair of County Land Bank Authority.

June 1, 2016

I hereby submit this annual report to the County Board of Commissioners. I hope you find it informative; and I encourage you to contact me with any questions or comments. Please note the 2015 information contained in this report is unaudited.

Respectfully submitted,

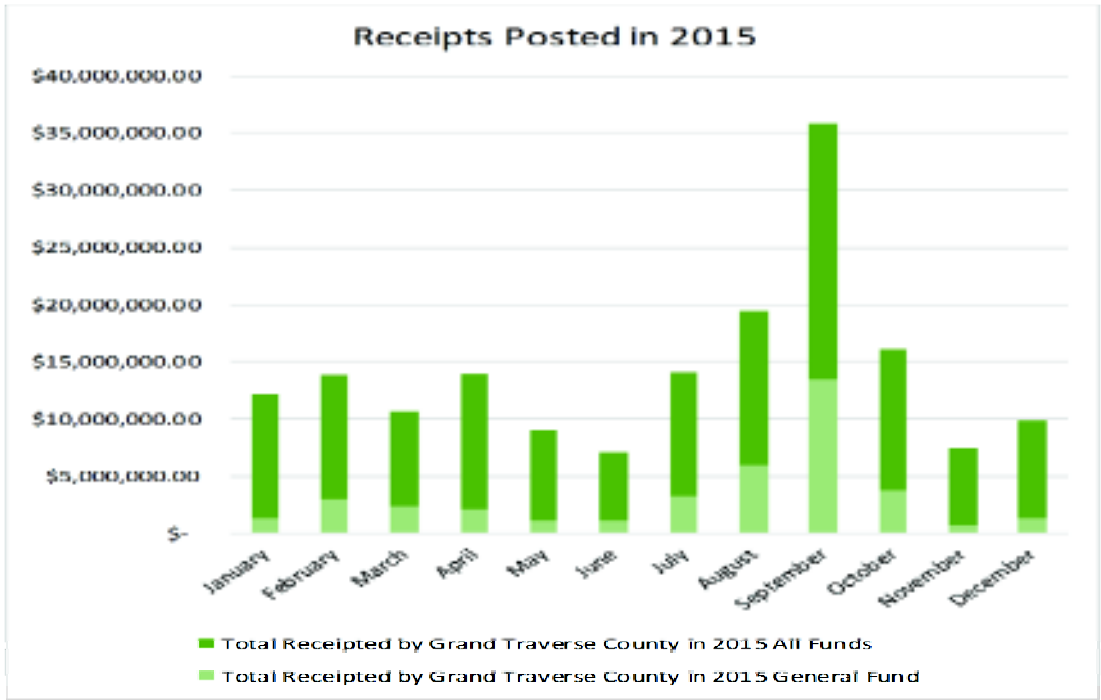
Heidi Scheppe

Receipting of Money by Treasurer

The County Treasurer’s Office is the depository for all county funds in accordance with Act No. 40, Public Acts of Michigan 1932.

It is the responsibility of the Treasurer’s Office to receipt all money coming into the County. We maintain and reconcile over 55 bank accounts to properly track and account for these funds.

Functions associated with this procedure include receipting invoice payments processed through the mail, counting/receipting department money, verifying distribution line items, posting to general ledger and receipting all monies received as EFT’s through our bank accounts.



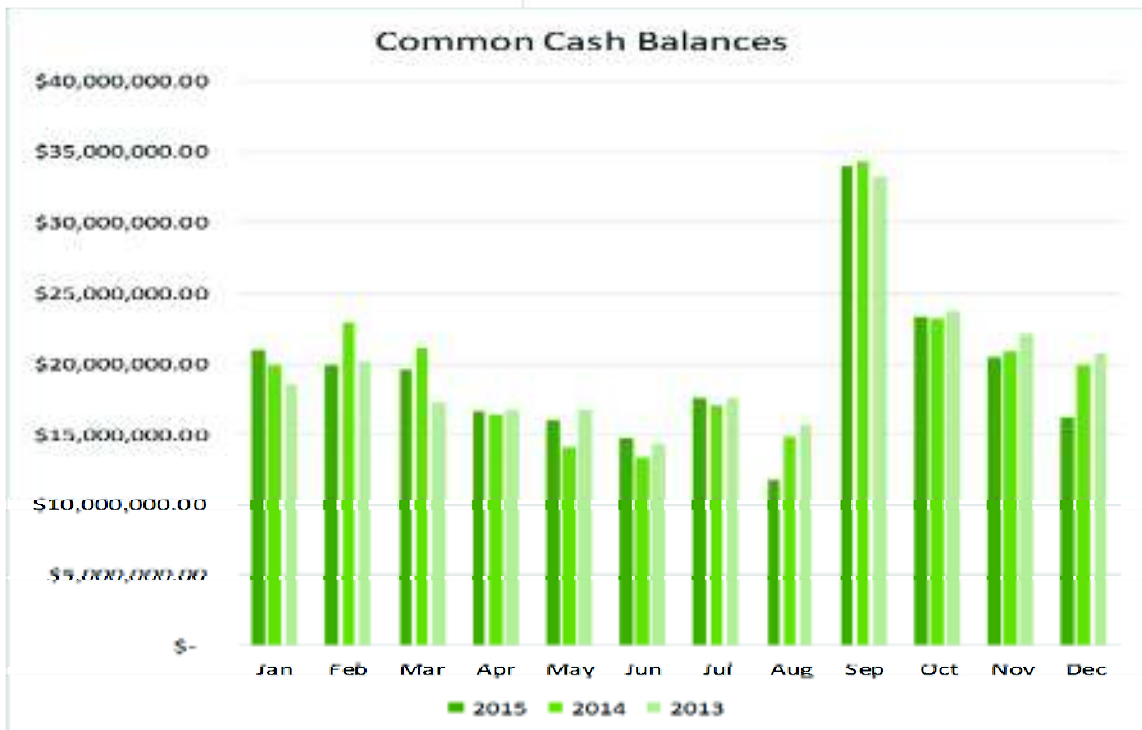
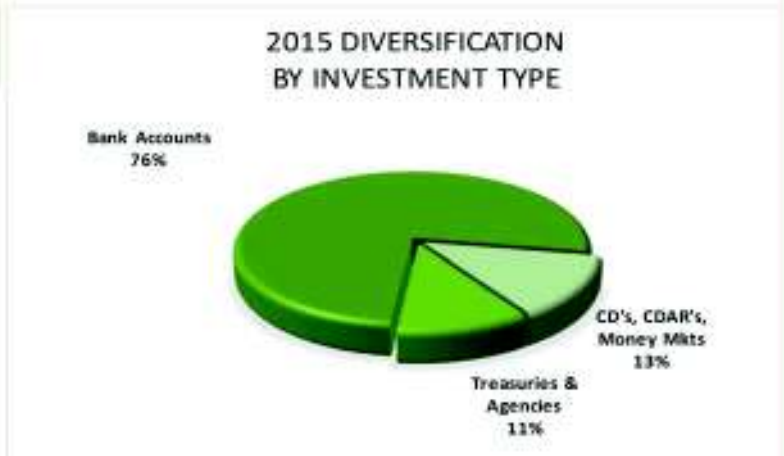
Total Received by Grand Traverse County in 2015		
	General Fund	All Funds
January	\$ 1,249,858.13	\$ 12,083,154.00
February	\$ 2,906,642.20	\$ 13,787,698.09
March	\$ 2,295,164.75	\$ 10,658,865.48
April	\$ 2,090,330.28	\$ 13,924,842.40
May	\$ 996,121.12	\$ 9,011,315.56
June	\$ 1,042,623.61	\$ 7,017,920.60
July	\$ 3,216,368.56	\$ 14,004,239.49
August	\$ 5,858,877.98	\$ 19,392,731.53
September	\$ 13,367,756.39	\$ 35,882,104.54
October	\$ 3,773,780.55	\$ 16,037,349.93
November	\$ 717,716.07	\$ 7,433,345.84
December	\$ 1,287,946.63	\$ 9,814,155.58
Total	\$ 38,803,186.27	\$ 169,047,723.04

Investments

There are many pools of funds within the County each designed to collect, report and pay out the amounts available for specific purposes. The largest of the funds is the General Fund, which is the primary operating fund of the County.

- **Year End Portfolio** provides a breakdown of where County Funds were invested at 12/31/15.
- **Diversification by Investment** shows the percentage of the fund held in each investment type.
- **Common Cash Balances** graph is used to understand trends in cash levels, and provides a multi year running look at the total dollars in the common account at month end.

2015 Year End Portfolio	
CD's, CDAR's, Money Mkts	4,320,504.11
Treasuries & Agencies	3,581,783.75
Bank Accounts	25,079,907.53
Total	32,982,195.39



New in 2015

We compiled necessary paperwork and received funds for Acme Township's road bond for Holiday Hills new special assessment district.

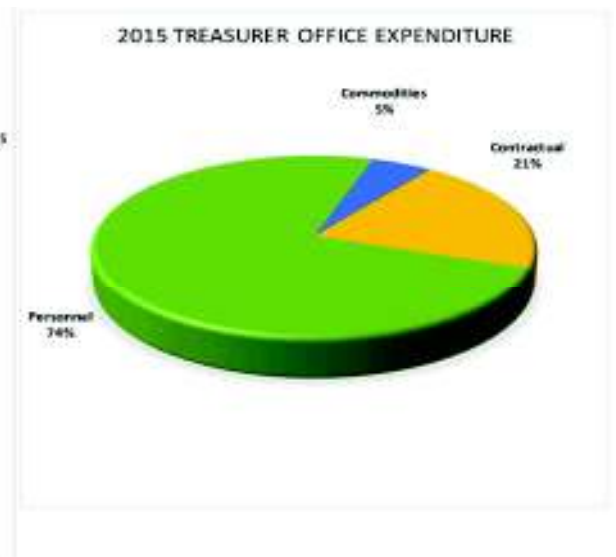
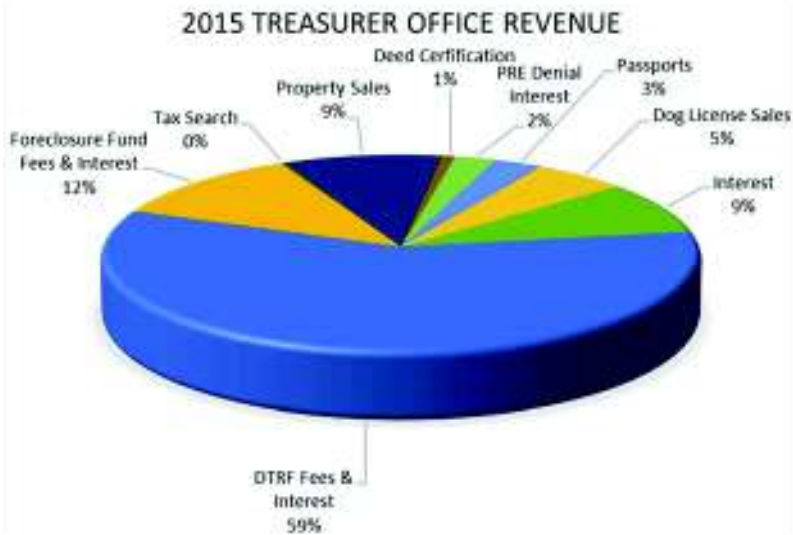
We also helped with documentation for Refunding Blair Township's 2005 Sewer bond for \$2,725,000 generating a net savings of \$519,781.38 for citizen's of Blair Township.

Treasurer's Office Revenue vs Expenditure

2015 Total Treasurer Revenue		2015 Total Treasurer Expenditure	
Interest	\$ 124,032.97	Personnel	\$ 322,384.71
DTRF Fees & Interest	\$ 843,060.55	Commodities	\$ 22,045.95
Foreclosure Fund Fees & Interest	\$ 169,658.06	Contractual	\$ 47,643.42
Tax Search	\$ 4,789.85	General Fund	\$ 392,074.08
Property Sales	\$ 131,911.23		
Deed Certification	\$ 11,036.60	Personnel	\$ 60,482.42
PRE Denial Interest	\$ 34,452.73	Commodities	\$ 4,011.12
Passports*	\$ 41,168.00	Contractual	\$ 58,451.32
	Subtotal \$ 1,360,109.99	Foreclosure/PRE Fund	\$ 122,944.86
Dog License Sales**	\$ 78,980.00		
Total Revenue	\$ 1,439,089.99	Total Expenditure	\$ 515,018.94

*Clerk received revenue for 2015, Treasurer's office started processing in August 2015

**Collected in office for Health Department



New in 2015

On 8/3/2015 our office assumed responsibility for providing passport processing services from the courts. We extended processing hours from four to five days a week. We accept/process applications Monday-Friday, 8:30-3:30. All employees completed training to become certified passport processing agents. We participated in the US Department of State's "Apply Early" campaign, holding evening hours 9/21/15 & 10/28/15 with the Clerk to encourage early application for passports for the 2015/2016 holiday season and had a good turnout. We created a Kid's corner with crayons, coloring books and puzzles to help occupy kid's time while their parents are processing the paperwork for passports. It has been well received by our littlest applicants.

Delinquent Tax

It is the responsibility of the County Treasurer to collect delinquent real property taxes. Functions associated with delinquent taxes include receipting payments, processing adjustments to prior year tax rolls (for up to 20 yrs.), processing bankruptcy claims, along with being the Foreclosing Governmental Unit.

Beginning March 1st of each year the County Treasurer "purchases" delinquent real property taxes from the local units utilizing the cash in the delinquent tax revolving fund. We collect payments on the delinquent parcels for a period of not less than 24 months. During that time we follow an extensive State mandated notification process which includes regular postal mail, certified mail, personal service (visit/hand deliver) to the property and publication in the local newspaper. We file a petition for foreclosure with the 13th Circuit Court. If payment is not received by the 3rd year of assessment we foreclose on the parcel and attempt to sell the parcel at auction. Prior to the auction, per Public Act 123 of 1999, the State is granted the right of first refusal to purchase any foreclosed parcels, local units and County Land Bank have a right of refusal, after the State, for any parcels in their jurisdiction.

The performance measurements for delinquent tax administration are designed to: increase efficiencies to be better able to manage additional workload without staff additions; to reduce unit costs in managing forfeitures and foreclosures; and to institute foreclosure prevention programs. One of the prevention methods provided by the board is a Hardship Extension. It was used to protect 16 properties from foreclosure in 2015. In addition to the Hardship Extension, we directed at risk taxpayers to the MSHDA Step Forward Program providing assistance to 4 taxpayers generating \$ 13,910.84 tax payments. We continue to see an increase in taxpayers using our credit card payment option which we started in 2013, as shown below. In March, the Treasurer personally visited Principal Residences at risk for foreclosure which resulted in either Hardship Extension Payment Plans or payments being made to save their residences from foreclosure.

NEW FOR 2015

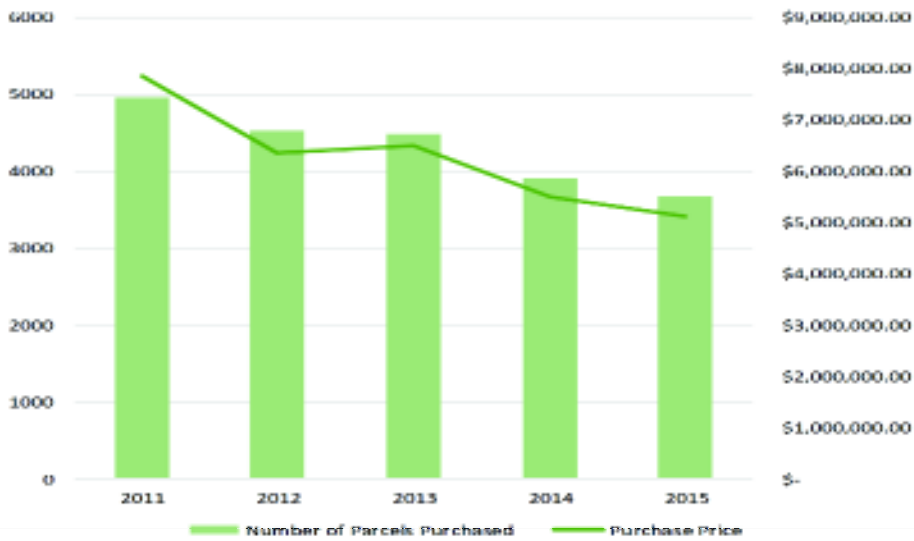
We had a second year of successful personal visits and provided notice to 270 parcels in September. We utilized a new software on site visits which allowed the use of a tablet to record information and take photos. This information was then uploaded to TitleCheck reducing administration, fieldwork and paper use. We had many conversations with taxpayers, explaining the tax law, due dates and opportunity for assistance with delinquent taxes.

We sent an early 2014 delinquent tax notice in April as soon as we took possession of the 2014 delinquent tax rolls. Noticing taxpayers earlier allowed them time to pay their bills with less interest before the required notice on June 1st.

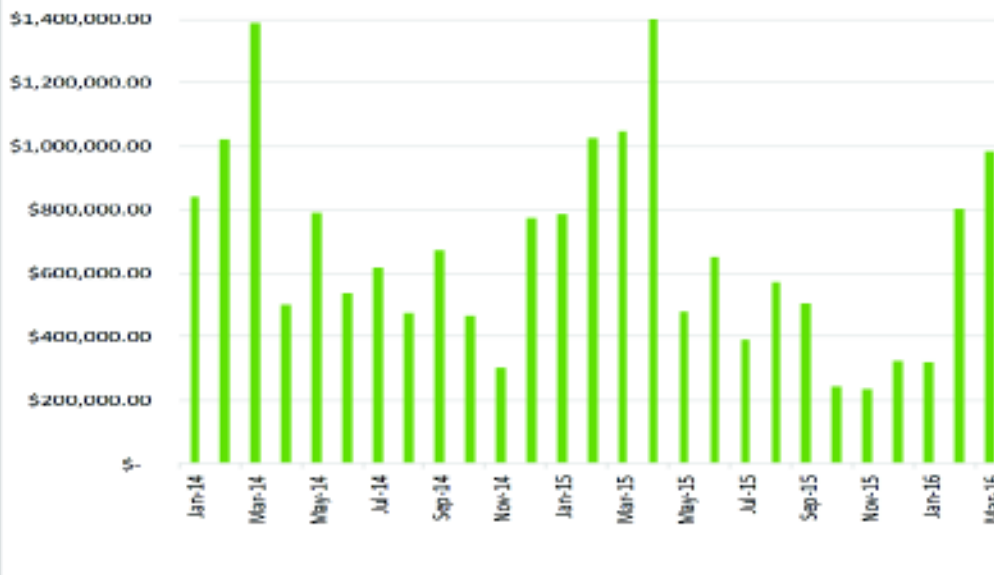
With the help of the township treasurers, we educated seniors who qualify for a Summer Tax Deferment of the ability to also defer their winter taxes at the County. This gives them until April 30th to pay their tax bills without additional interest. Our Winter Deferments increased from 12 in 2014 to 55 in 2015 saving seniors on limited incomes from having the additional penalties and interest added while waiting for their property tax refund.

Real Taxes Returned Delinquent			
Tax Year	2015	2014	2013
No. of Properties	3670	3915	4478
Amount Purchased	\$ 5,120,958.18	\$ 5,504,078.62	\$ 6,511,371.09
Tax Collections, Calendar Year	2015	2014	2013
No. of Receipts	6197	5898	4899
Delinquent Tax Collected	\$ 6,725,269.79	\$ 8,340,799.70	\$ 7,970,059.04
Interest & Fees	\$ 1,227,032.74	\$ 1,322,479.66	\$ 1,291,052.05
Credit Cards / EFT	\$ 623,706.31	\$ 325,132.30	\$ 71,961.94
Tax Roll Adjustments, Calendar Year	2015	2014	2013
Michigan Tax Tribunal, Board of Review PRE Denials, etc.	690	607	642
Tax Year	2013 Taxes	2012 Taxes	2011 Taxes
Properties Forfeited	556	848	805
Properties Foreclosed	21	21	24
Hardship Extension	16	15	11

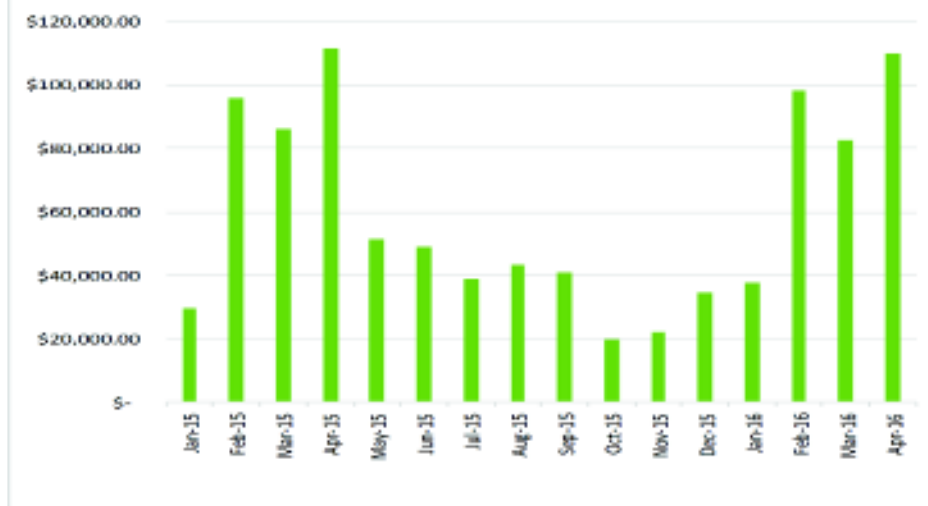
Real Taxes Returned Delinquent



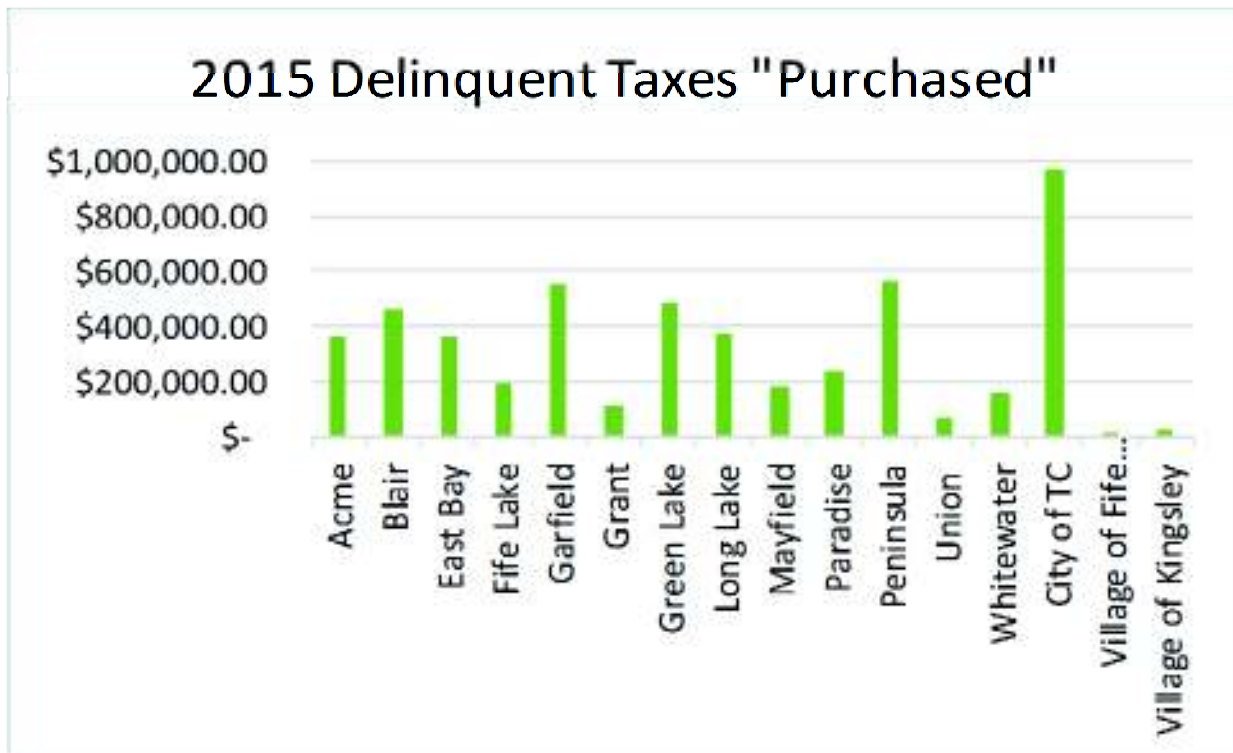
Delinquent Tax Collection



Credit Card/EFT Payments



2015 Delinquent Taxes "Purchased"



Township	2015 Total Adjusted Levy	Payments Made at Township/Village	Amount "Purchased" by County	Balance to Collect by Township/ Village (Personal Property)
Acme	\$ 10,668,087.32	\$ 10,299,047.41	\$ 367,511.46	\$ 12,979.72
Blair	\$ 8,938,262.98	\$ 8,302,204.12	\$ 464,188.64	\$ 11,787.61
East Bay	\$ 17,704,773.79	\$ 17,354,258.92	\$ 361,717.24	\$ 3,181.97
Fife Lake	\$ 1,851,429.40	\$ 1,655,287.63	\$ 194,122.48	\$ 4,549.01
Garfield	\$ 30,322,367.17	\$ 29,757,850.40	\$ 556,920.82	\$ 27,804.37
Grant	\$ 1,622,158.74	\$ 1,512,126.42	\$ 112,111.97	\$ 406.74
Green Lake	\$ 8,746,637.98	\$ 8,176,504.59	\$ 483,757.32	\$ 105,521.14
Long Lake	\$ 13,249,429.40	\$ 12,894,368.37	\$ 369,230.88	\$ 1,518.45
Mayfield	\$ 1,628,439.42	\$ 1,443,048.92	\$ 183,889.84	\$ 4,380.88
Paradise	\$ 3,552,205.94	\$ 3,309,622.47	\$ 239,612.62	\$ 6,593.71
Peninsula	\$ 20,493,300.31	\$ 19,944,712.29	\$ 559,456.87	\$ 9,341.95
Union	\$ 786,214.08	\$ 714,223.91	\$ 73,008.20	\$ 0.00
Whitewater	\$ 6,045,767.87	\$ 5,886,313.28	\$ 163,088.19	\$ 2,091.15
City of TC	\$ 39,305,164.46	\$ 38,279,533.56	\$ 969,711.01	\$ 98,513.41
Village of Fife Lake	\$ 109,273.24	\$ 95,297.45	\$ 13,222.83	\$ 752.96
Village of Kingsley	\$ 279,922.58	\$ 259,214.14	\$ 20,530.78	\$ 177.66
2015 Totals	\$ 165,303,434.68	\$ 159,883,613.88	\$ 5,132,081.15	\$ 289,600.73

Dog and Kennel License Program

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.

Our office, along with most of the local Veterinarian offices sell the licenses year-round. We sell 1, 2, and 3 year licenses at a rate of \$10.00, \$15.00, and \$20.00 for spayed/neutered dogs or \$20.00, \$30.00, and \$40.00 for intact dogs, along with a \$5.00 license for puppies under 6 months of age.

	No. of Licenses	Dog Licenses	Kennel Licenses
2015 Revenue	4580	\$ 78,980.00	\$ 280.00
2014 Revenue	4811	\$ 80,665.00	\$ 320.00
2013 Revenue	4615	\$ 75,815.00	\$ 350.00

We continue to provide our online dog license lookup on our website to help the public reunite lost dogs with their owners. It has been a hit and is referenced frequently in social media posts for lost dogs in Grand Traverse County.

Tax Certifications and Searches

It is the Treasurer's Office responsibility to certify that all taxes are paid on instruments transferring real estate in Grand Traverse County prior to them being recorded with the County Register of Deed's Office (State Statute MCL 48.101.) The fee for each Tax Certification was changed from \$1.00 to \$5.00 effective July 1, 2015 resulting in an increase in revenue for certifications

A tax search is a written tax status verification from the Grand Traverse County Treasurer's Office. The tax search requests are received by FAX, email and US Postal service. We offer delinquent tax look up online where owners can research their own properties for free or a \$2.00 fee for properties other than their own. Two public terminals are located in the Governmental Center for the public to do their own free property tax search.

	2015	2015 Revenue	2014	2014 Revenue
Certifications	3483	\$ 11,038.00	3154	\$ 3,154.00
Delinquent Searches	2911	\$ 2,911.00	3078	\$ 3,078.00
Complete Database*	2	\$ 1,879.25	2	\$ 3,633.75

*Decrease in revenue is due to fewer delinquencies at time of purchase.