

2018 Annual Report of the County Treasurer



Treasurer of Jackson County

Karen A. Coffman

March 2019

County of Jackson

Office of the County Treasurer

2018 Annual Report

March 2019

Honorable Commissioners

Jackson County Board of Commissioners

The Office of the County Treasurer was established by the Michigan State Constitution (Article VII, Section 4). The four-year term of office is filled by partisan election. The duties and powers of the County Treasurer are provided, 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 many other responsibilities.

The County receives money from many sources. The principle source of revenue is an ad valorem property tax. Other income is received from state and federal grants, interest income, inheritance taxes and various service and license fees. Many of the County's departments collect money in the course of their 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 Medical Care Facility and County Road Funds.

The Office is responsible for accounting of all revenue, investments, and monies in financial institutions; sales and distribution of dog licenses to local units of government and the public; collection of the inheritance tax for the State of Michigan; re-conveyance of property; certification of deeds and plat maps and other documents pertaining to tax histories and litigation; also conducts the annual auction of tax foreclosed properties according to Public Act 123 of 1999.

The County Treasurer, by virtue of the Office, is a member of the County Elections Commission, Apportionment Committee, County Plat Board, and County Tax Allocation Board. The Jackson County Treasurer is also the Administrative Agent for the Delinquent Tax Revolving Fund and Tax Administration Funds.

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We are pleased to submit the annual report of the County Treasurer's Office for 2018. It is our intent, by presenting this annual report to provide statistics and numbers as a result of the services we provide as well as report the monetary impact of these services to the general fund.

Foreclosure Prevention

The Jackson County Treasurers office has continued its scope of foreclosure prevention this past year through a three pronged approach.

Federal and State Funding Available

The Michigan State Housing Development Authority announced a new program in January of 2013 designed to assist homeowners who have endured a financial hardship. This program, **Step Forward Michigan**, continues to work directly with County Treasurers to pay delinquent property taxes for those homeowners that were eligible for the program. Hundreds of citizens in our community have been able to receive this much needed financial assistance of federal and state funding to prevent tax foreclosure.

Community Partners, Collaboration, and Resources

With the announcement of this comprehensive, statewide program aimed to help homeowners who are at high risk of foreclosure, **Community Action Agency** in Jackson continues to be a valuable partner in the implementation and outreach for our community. We were able to refer citizens to Community Action Agency and their staff provided assistance to homeowners in filling out the application for the Step Forward program.

For the sixth year we have continued our partnership with **Legal Services of South Central Michigan**. The purpose of this partnership was to assist low and moderate income owners and or occupants who were in jeopardy of losing their homes due to tax foreclosure or were in jeopardy due to predatory mortgage practices associated with or triggered by the nonpayment of property taxes. Other legal issues that could be addressed were rescue scams, predatory loans, hardship or poverty exemptions, homestead, probate or competency issues.

Hardship Deferrals

Each year we have two hearings, one in January and one in February, for citizens who are concerned about their ability to pay the delinquent taxes before the deadline. A total of **135 hardships** were granted allowing these taxpayers more time to pay the delinquent balance owed on a total of **154 parcels** and preventing foreclosure for that year.

As an additional prevention method, we added an additional personal service visit for each delinquent taxpayer with a house on the property. The law requires that we must do at least one visit to make contact with the taxpayer and or interested parties to notify of the delinquent taxes and possible pending foreclosure. We visited **1,159 properties** on the first round of required personal service visits. The second round of personal visits we visited **445 properties**. By adding this additional visit, we believe it is one more opportunity to prevent foreclosure.

Outreach, Communication & Education

The Jackson County Treasurer's office continues to improve outreach, communication and education to the public and the local units of government. Specific activities and initiatives included:

- Partnering with Ingham County and Eaton County Treasurers in conjunction with WLNS TV 6 on a joint initiative to promote foreclosure prevention, referring citizens to local nonprofit organizations through 2 – 1 – 1.
- Providing printed publications on topics such as the forfeiture and foreclosure timelines; information about property taxes and steps to take to avoid tax foreclosure; information on mortgage foreclosure and steps to take to avoid losing your home; information about mortgage foreclosure scams and what to be aware of to prevent becoming a victim, and dog licensing.
- Participated, collaborated and sponsored a Show Me The Money Day program on January 24, 2018 to boost financial awareness, literacy and education in our community. This program featured community resources, savings products, and free financial workshops.
- In collaboration with the League of Women Voters and the Jackson District Library, I participated in a panel discussion about Tax Foreclosure and issues related to the Tax Foreclosure process on November 9, 2018.

GOALS for 2019

- Collaborate with the County Information Technology department and research On Base digital platform for records archival in office
- Research and explore converting records and information to a digital or electronic format for archiving and retention where appropriate
- Continue to utilize technology upgrades and improvements aimed at improving efficiency, saving taxpayer resources and increase productivity
- Continue to provide educational training for Jackson County employees and local units of government on topics such as cash handling, fraud prevention and related financial or banking issues
- Work in partnership with Community Action Agency and local financial institutions to create resources for financial education classes with the intent to improve financial literacy in our community
- Work in partnership with Community Action Agency and Habitat for Humanity to create resources and opportunities to prevent tax foreclosure
- Work with Animal Shelter Director and Animal Control staff to increase issuance and sales of dog licenses in the County

- Work with County IT to explore G2G (Government to Government) program for County credit card processing
- Prepare and issue a Request for Proposal for Banking Services for the County's depository accounts and banking needs
- Play an integral part in analyzing current credit card infrastructure and vendors throughout the County and look to consolidate to one primary vendor in an effort to reduce costs to the County
- Maintain contact and communications with district state representatives and senators to inform and apprise them of the local impact of state legislation

The Treasurer's Office continues to seek opportunities to work closely with those inside and outside of the County, to build solid relationships, to utilize new technology, to obtain better pricing and to find cost reductions.

We would like to thank our dedicated staff in the County Treasurers office for the continuing excellent customer service they provide the citizens of Jackson County. I look forward to continuing to work with the Board of Commissioners, as we look for ways to improve our delivery of services.

Respectfully submitted,

Karen A. Coffman

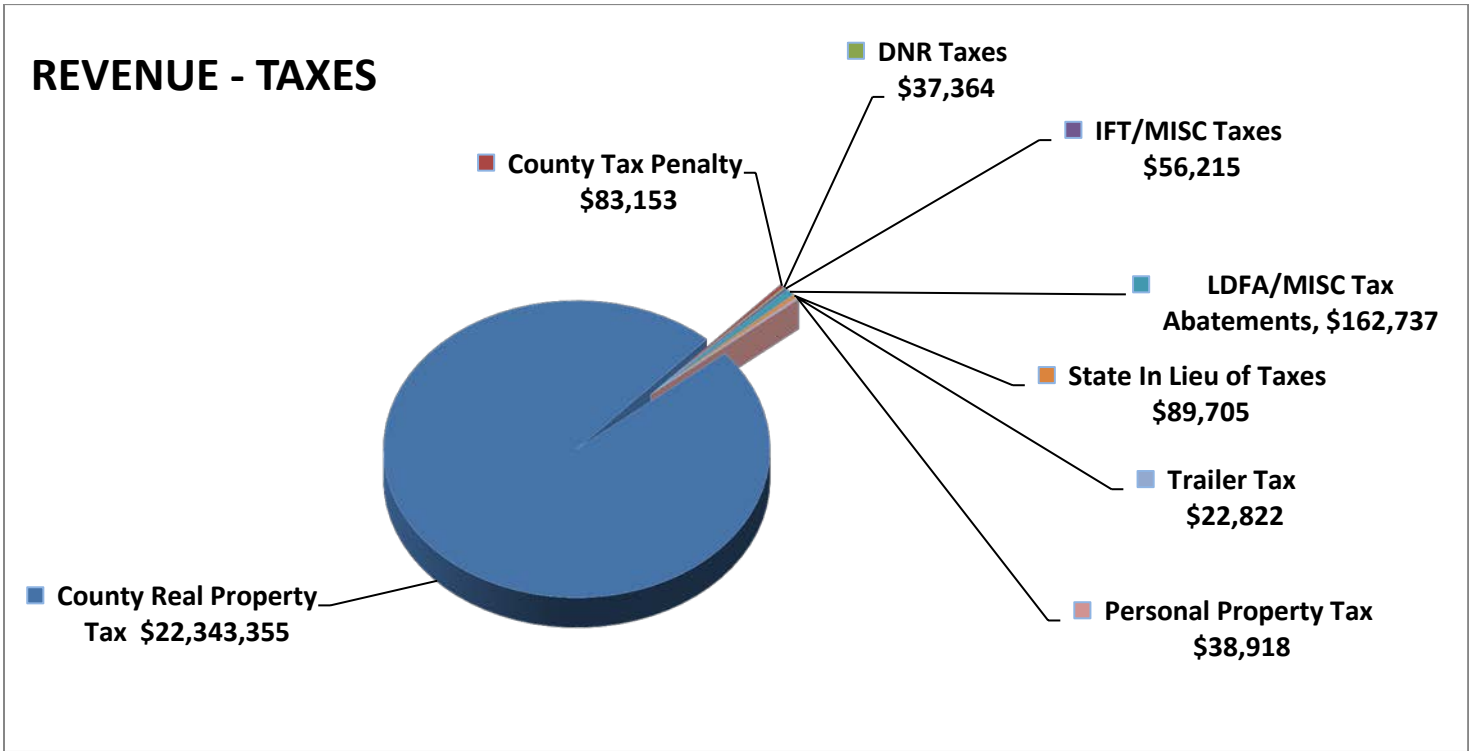
Jackson County Treasurer

James C. Bradley

Chief Deputy Treasurer

Custodian of County Funds

The County Treasurer’s Office is the depository for all county funds, by Board resolution and in accordance with Act No. 40, Public Acts of Michigan 1932 (MCL 48.40). We are required by State mandate to maintain the county treasury and are responsible for the collection and deposit of all public funds. Management activities include receipt for revenues, coordinate cash drawers and imprest cash for all departments, maintain bank accounts, reconcile receivables, and coordinate disbursement of funds held in trust, coordinate signature and transfer of funds to cover county disbursements.



Other Revenue

Interest	\$995,832
PA 105 Interest	\$3,846
Tax Search	\$1,470
Dog License	\$47,595
Deed Certification	\$20,620
Passports	\$19,960
Intergovernmental/Other	\$6,035,075
Total General Fund Revenues for 2018	\$29,283,516
Total General Fund Expenses for 2018	\$70,597

Processing – Outputs

The Office of the Treasurer began accepting credit cards payments in the main office for payment of delinquent taxes and online in 2009. We began tracking payments for delinquent taxes and the number of parcels. As you can see we have had an increase in the dollars collected and an increase in the total number of parcels in the usage of credit cards form of payment in the main office as compared to last year.

	Total Dollars of Credit Card Payments in office	Number of Parcels
2009	\$322,908.77	371
2010	\$1,064,556.80	636
2011	\$1,300,867.28	1180
2012	\$1,412,394.14	1356
2013	\$1,660,908.54	1504
2014	\$1,603,457.95	1602
2015	\$1,349,567.82	1398
2016	\$593,698.00	1080
2017	\$505,558.03	1273
2018	\$578,756.75	1502

	Total Dollars of Credit Card Online Payments	Number of Parcels
2009	\$103,608.49	117
2010	\$227,224.06	222
2011	\$222,910.06	265
2012	\$205,812.64	256
2013	\$374,127.98	386
2014	\$358,977.46	372
2015	\$555,014.30	526
2016	\$802,161.56	779
2017	\$908,645.84	979
2018	\$918,479.21	1237

Automated Clearing House (ACH) – New form of Payments accepted

The Jackson County Treasurer’s office began accepting a new form of payment for delinquent taxes in May of 2016. Interested taxpayers can choose to set up an agreement with the Treasurer to pay delinquent taxes via an ACH payment. An ACH payment is an electronic debit of the taxpayers checking or savings account. Payments can be set up to be a one-time payment, or monthly payments on the 15th of each month. Since implementation of this payment type, we have helped hundreds of taxpayers pay their delinquent taxes prior to the foreclosure deadline. As we continued to expand this program during the entire year of 2018, we have worked with and continue to work with **over 75 taxpayers** to pay their delinquent taxes totaling **over \$156,853 dollars** at average monthly revenue of just over \$13,000.00.

	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 ACTUAL	2018 ACTUAL
Number of Tax receipts processed	13,871	14,252	14,265	14,158	13,886	13,563	13,459
Total Taxes/Penalties /Fees collected	\$13,795,041	\$13,719,005	\$ 13,012,668	\$13,110,631	\$12,771,929	\$12,143,625	\$12,490,364
Total Number of Delinquent Notices mailed	25,133	24,871	24,710	23,731	23,543	23,173	22,613

Jackson County General Fund Investment Pool

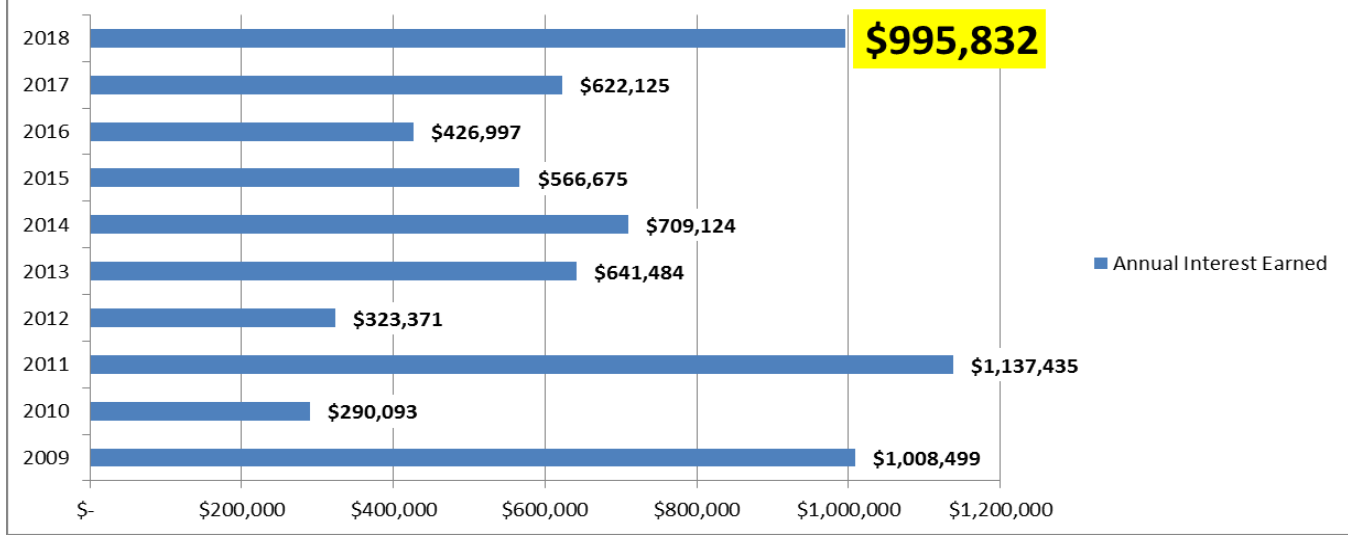
The Office of the County Treasurer, in concert with County Administration and Finance, determines cash flow needs of the County, manages cash and invests funds accordingly. The Treasurer invests idle cash in excess of \$40 million dollars of County monies following the County Investment Policy and Public Act 20 as amended.

Cash and investment activities for the 12 months ending December 31, 2018 are discussed below. This report covers only the operations of the county that fall under the responsibility of the County Board of Commissioners. This report does not include operations of the Building Authority, other post-employment benefits (OPEB) or Pension, or activities of the Drain Commissioner.

The primary objectives of the county's investment activities, in priority order are:

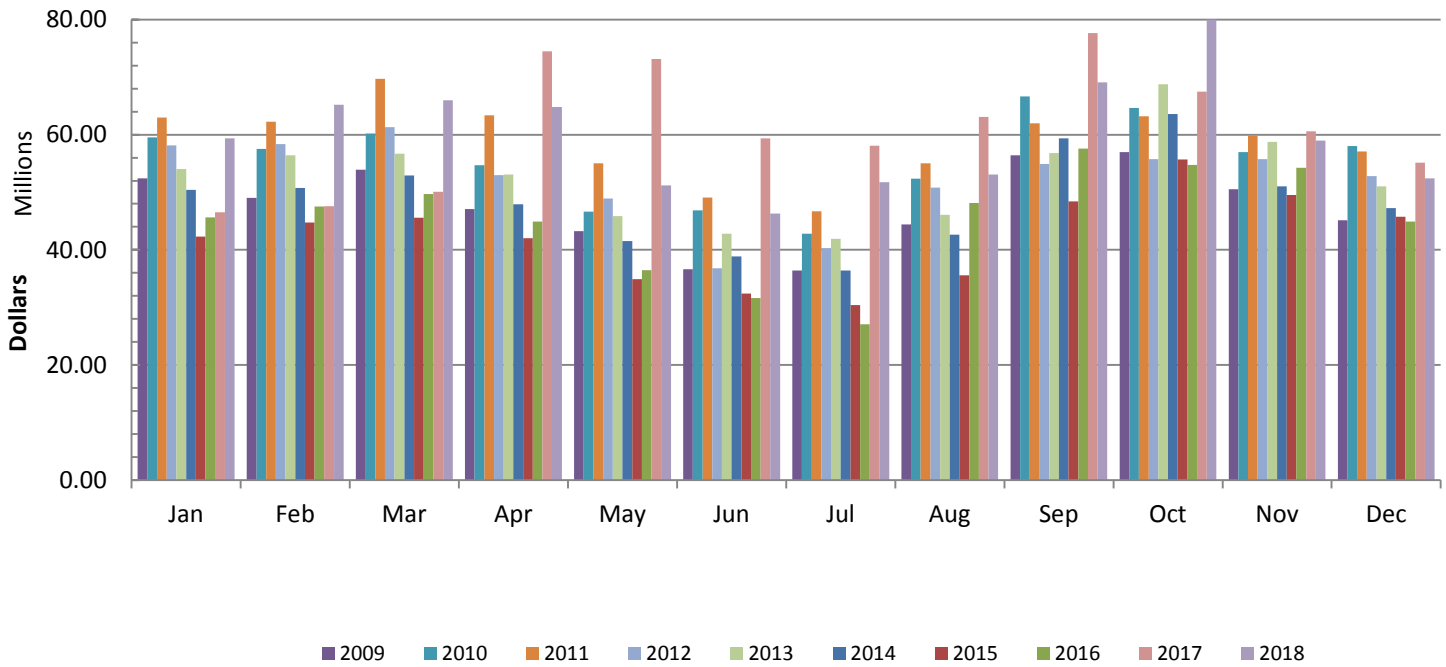
- 1) Compliance with applicable laws,
- 2) Protection and Safety of principal,
- 3) Liquidity, and
- 4) Yield or return on investments.

Annual Interest Earned



General Fund Portfolio Totals

Historical Comparison by Month



December 2018 General Account Investments

CUSIP	Issuer	Par Value	Rate	Maturity Date
Certificates of Deposit				
9497483N5	Wells Fargo	\$ 250,000.00	1.200%	2/26/2019
680061HF8	Old National Bank	\$ 250,000.00	2.100%	5/29/2019
33646CFM1	1st Source Bank	\$ 250,000.00	1.700%	8/28/2019
30447	American 1 Credit Union	\$ 500,000.00	1.750%	10/26/2019
060704BA0	Bank Birmingham	\$ 250,000.00	1.500%	2/13/2020
6591848107	Chemical Bank	\$ 250,000.00	2.750%	3/11/2020
32110YER2	First National Bank of America	\$ 250,000.00	1.500%	3/16/2020
201282GJ3	Alma Bank	\$ 250,000.00	1.500%	4/13/2020
666613GP3	Northpointe	\$ 250,000.00	2.450%	9/21/2020
61747MS69	Morgan Stanley	\$ 250,000.00	2.800%	4/5/2021
864088DN6	Sturgis Bank	\$ 250,000.00	2.500%	7/20/2021
38644ABM0	Grand River Bank	\$ 250,000.00	3.000%	8/2/2021
21923LAF0	Cornerstone	\$ 250,000.00	2.600%	9/2/2021
48128FVA7	JP Morgan Chase Bank	\$ 250,000.00	3.300%	9/28/2022
24000332	Ann Arbor State Bank	\$ 500,000.00	2.750%	4/20/2023
59452WAE8	Michigan Legacy	\$ 250,000.00	3.450%	11/9/2023
	Subtotal	\$ 4,500,000.00		
Cash/Money Markets				
	Comerica Bank	\$ 5,376,735.55		
	Michigan CLASS	\$ 6,250,775.00		
	Huntington Bank	\$ 1,288,326.01		
	County National Bank	\$ 505,864.55		
	Chemical Bank	\$ 935,044.80		
	Subtotal	\$ 14,356,745.91		
Treasuries / U.S. Agencies				
594698PB2	Michigan Strategic Fund	\$ 1,565,000.00	1.641%	4/15/2019
3137EADM8	Federal Home Loan Mortgage Corp	\$ 500,000.00	1.250%	10/2/2019
3130A9PB1	Federal Home Loan Bank	\$ 1,999,000.00	1.200%	10/25/2019
3133EFKY2	Federal Farm Credit Bank	\$ 2,000,000.00	1.360%	10/28/2019
150609HD0	Cedar Springs Mich Public School Muni	\$ 500,000.00	1.785%	5/1/2020
3133EGVK8	Federal Farm Credit Bank	\$ 2,000,000.00	1.350%	9/21/2020
3133EGLG8	Federal Farm Credit Bank	\$ 2,000,000.00	1.370%	10/13/2020
3133EGLU7	Federal Farm Credit Bank	\$ 2,000,000.00	1.480%	7/14/2021
3134GAEE0	Federal Home Loan Bank	\$ 2,000,000.00	1.500%	3/30/2021
3133EGMT9	Federal Farm Credit Bank	\$ 2,000,000.00	1.690%	7/19/2022
3130A6S57	Federal Home Loan Bank	\$ 2,000,000.00	2.375%	11/23/2022
3134G92T3	Federal Home Loan Mortgage Corp	\$ 1,000,000.00	1.500%	8/8/2023
3133EGTV7	Federal Farm Credit Bank	\$ 3,000,000.00	1.820%	9/12/2023
3133EJGX1	Federal Farm Credit Bank	\$ 2,000,000.00	3.200%	9/19/2023
3133EGUU7	Federal Farm Credit Bank	\$ 3,000,000.00	1.850%	9/20/2023
3133EJKD0	Federal Farm Credit Bank	\$ 2,000,000.00	3.320%	4/9/2024
3133EJEB1	Federal Farm Credit Bank	\$ 2,000,000.00	3.360%	2/27/2025
3133EHVU4	Federal Farm Credit Bank	\$ 2,000,000.00	2.780%	8/24/2027
	Subtotal	\$ 33,564,000.00		
	Total	\$ 52,420,745.91		

Diversification of Investment Type as of December 31, 2018

- 9 % of the investment portfolio in short term fixed type investments;
- 27 % of the investment portfolio in money market accounts; and
- 64 % of the investment portfolio in long term fixed type investments.

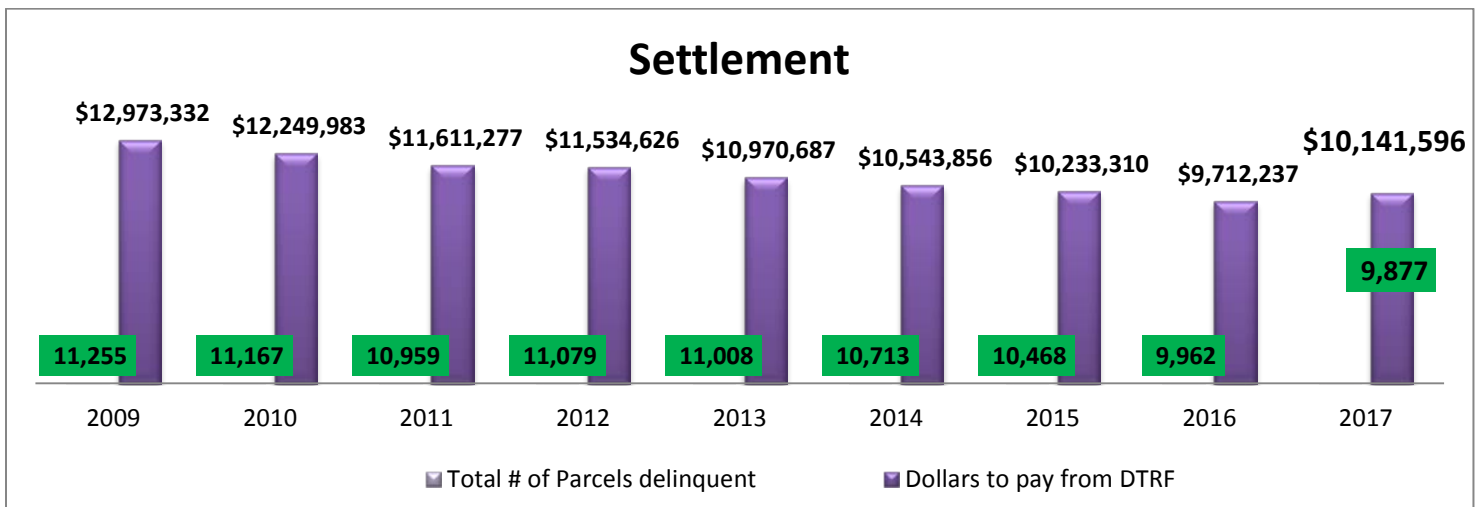
Delinquent Property Tax Administration

It is the responsibility of the County Treasurer to collect delinquent real property taxes. The process is governed by the General Property Tax Act, Public Act 206 of 1893 and Public Act 123 of 1999 as amended. Functions associated with delinquent taxes include writing receipts, processing adjustments to prior year tax rolls for up to 20 years, processing bankruptcy claims, board of review adjustments, tax tribunal adjustments, and managing the annual forfeiture and foreclosure process. The county operates a Delinquent Tax Revolving Fund which was established in the early 1980's. The purpose of this fund is to make full payment for all delinquent property taxes to local units of government. Even in the midst of higher utilization the Delinquent Tax Revolving Fund has been one of the financing tools of the county.

Local units electronically transfer their taxes to the county each year every March 1st, however, this office performs settlement functions three different times during that current year's tax collection. We do this in an effort to provide a check and balance between the local units and the County, as well as to make March 1st settlement smoother. The tax rolls are required to be maintained and adjusted by the County Treasurer for 20 years. Electronic settlement with the local units saves hours of staff time for the County Treasurer's office and for the treasurers of the local units of government.

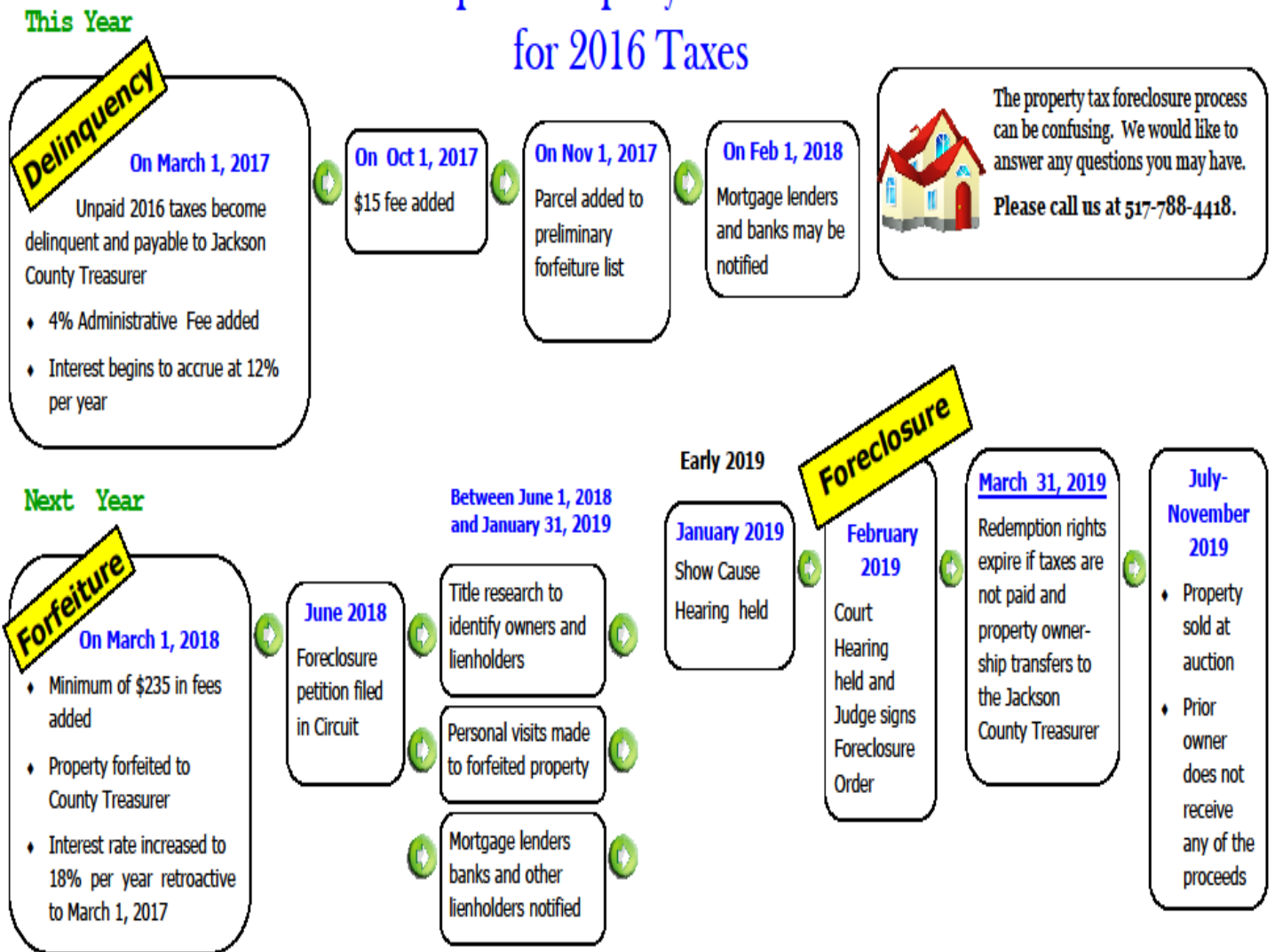
The settlement process during the month of March consists of verifying taxes collected and adjusted as well as delinquent tax rolls. This office will settle with nineteen townships, seven villages and one city. As a result of this process, each of the delinquent tax rolls are purchased by the Delinquent Tax Revolving Fund. We have been able to purchase these taxes from the local units without having to borrow or utilize Delinquent Tax Anticipation Notes since 1999. Once settlement is complete, payments are distributed around May 20th.

Below is a chart that indicates the total number of delinquent real property tax parcels (in green) that were transferred to the County Treasurers office as well as how much money the Delinquent Tax Revolving Fund had to expend to purchase these taxes. There was an increase in total dollars and a decrease in total parcels transferring over to the County Treasurer's office for settlement and collection this year.



Once the taxes have been turned over by the local units, the Office of the County Treasurer begins collection of these taxes. The chart below describes the entire process beginning when the taxes come delinquent to the Treasurer's office, the next step is Forfeiture of the taxes, in which a lien is filed on the uncollected delinquent taxes, and if the taxes still remain uncollected at the end of 25 months, the Office of the County Treasurer will foreclose on the real property for nonpayment of delinquent taxes.

Delinquent Property Tax Timeline for 2016 Taxes



This timeline is intended to describe in general terms the major elements and deadlines of the State law regarding delinquent property taxes. You may obtain a copy of an excerpt from the General Property Tax Act from the Jackson County Treasurer's Office.



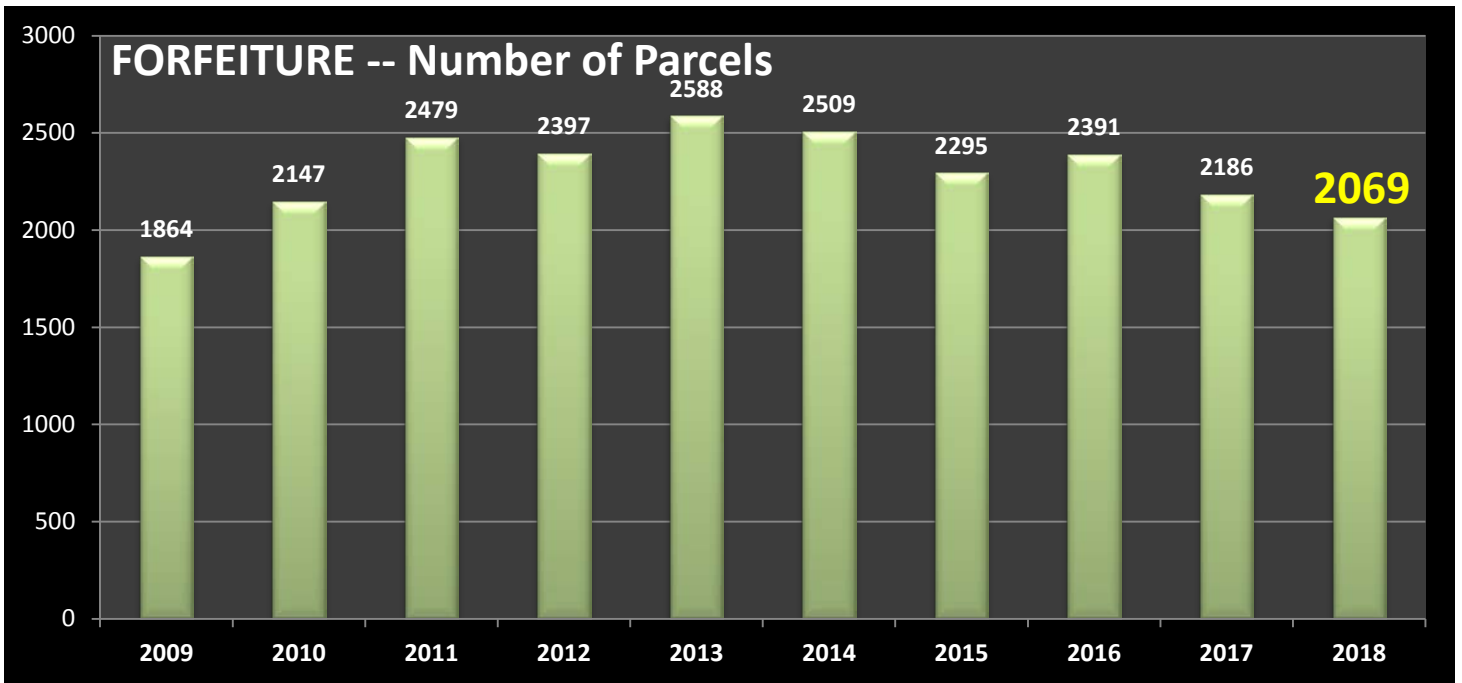
Karen A. Coffman <> Jackson County Treasurer <> 120 West Michigan Avenue Jackson Michigan 49201 <> 517.788.4418



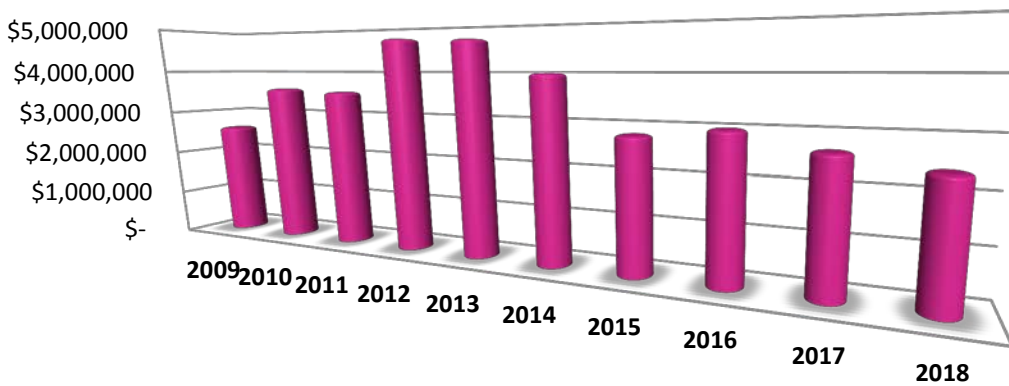
Forfeiture

The Forfeiture process begins on March 1st after one full year of collection efforts by the County Treasurer’s office. Additional fees and penalties are added as set forth by state statute and a Lien is filed with the Register of Deeds office.

Below is a chart that reports the history of forfeiture with number of real property parcels. As you can see from the data, there was a **decrease** in the number of parcels in forfeiture from 2018.



FORFEITURE - BASE TAX



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
\$2,596,115	\$3,586,593	\$3,529,548	\$4,711,085	\$4,679,387	\$3,981,888	\$2,818,520	\$2,993,352	\$2,674,198	\$2,428,634

The Office of the County Treasurer continues collection efforts on the delinquent real property taxes through the forfeiture cycle and if still unpaid, the taxes can and will be foreclosed for nonpayment on March 31st of the second year of collection (25 months).

Foreclosure Prevention

For the sixth year we have continued our efforts of active engagement to prevent foreclosure. Through a truly collaborative approach, we partnered with local agencies to reach those citizens that were experiencing financial hardships and to connect them to vital resources. Again this year was the continuation of the loan rescue program that would assist in paying delinquent property taxes for those that qualified.



The U.S. Department of the Treasury established the Hardest Hit Fund® in 2010 to provide targeted aid to families in states hit hard by the economic and housing market downturn. Michigan received a total of \$498.6 million in Emergency Economic Stabilization Act (EESA) or Troubled Asset Relief Program (TARP) funds to operate its Hardest Hit Funds® program.

Community Action Agency acted as our liaison between MSHDA and the Step Forward Program. We worked to inform, promote and communicate information about the program and direct citizens to contact CAA so they could get assistance in filling out the necessary paperwork to determine eligibility.

Throughout 2018, we had **34 citizens** apply for the program locally. The County Treasurers office received payments for delinquent taxes in the amount of \$90,684 dollars for multiple tax years on 23 parcels in our community. As part of this program, eligible applicants could also qualify to have their current taxes paid at the local units. The local units received payments for taxes in the amount of \$11,801 dollars for 14 parcels.

The Michigan State Housing Development Authority provided a report indicating that as of May 2018, \$742,232 dollars were disbursed throughout Jackson County impacting over 634 households paying delinquent property taxes to prevent foreclosure. In fact, **Jackson County has had the 10th largest number of homeowners use this program in the state since 2010.**

All in all, the program has been very successful in assisting those in need in our community. This program did have a significant impact on preventing foreclosure. In May, we were informed that this Hardest Hit program still had approximately \$22 million still available through 2020 which could assist around 5,500 eligible households.

A second approach to foreclosure prevention included working with Legal Services of South Central Michigan (LSSCM). Through collaborative efforts with LSSCM, we were able to refer prospective cases in which taxpayers were in need of specific legal guidance and information as it related to tax and mortgage foreclosure. In 2018, LSSCM opened **27 cases** for low and moderate income owners/occupants. These cases assisted a total of **90 individuals** who were in jeopardy of losing their homes due to tax or mortgage foreclosure.

Every individual, at a minimum, received legal advice on the tax or mortgage foreclosure process, analysis of their legal cases, and referrals to other agencies as appropriate.

In a majority of cases, LSSCM worked with Community Action Agency in a two pronged approach. LSSCM focused on the legal issues while CAA assisted the client(s) with completing the application for assistance through the Step Forward program through MSHDA.

The third method of foreclosure prevention, hardship deferrals, is provided for in state statute. In January, the panel granted **46 hardship deferrals** to protect **48 properties** from foreclosure. At the Judicial Foreclosure hearing held in February, another **89 hardship deferrals** were granted by Judge Wilson which protected **106 properties** from foreclosure.

Foreclosure

On March 31, 2018, we foreclosed on **137 properties** for nonpayment of delinquent real property taxes. The total base taxes including penalties and interest of these 137 properties totaled \$555,784.00. This number of parcels foreclosed was 15 LESS than the 2017 cycle.

One hundred and fifty four parcels were withheld from 2018 foreclosure through the hardship deferrals. The Township of Parma exercised their First Right of Refusal and took 1 tax foreclosed property in the amount of \$570.52. The Township of Rives exercised their First Right of Refusal and took 1 tax foreclosed property in the amount of \$5,662.75.

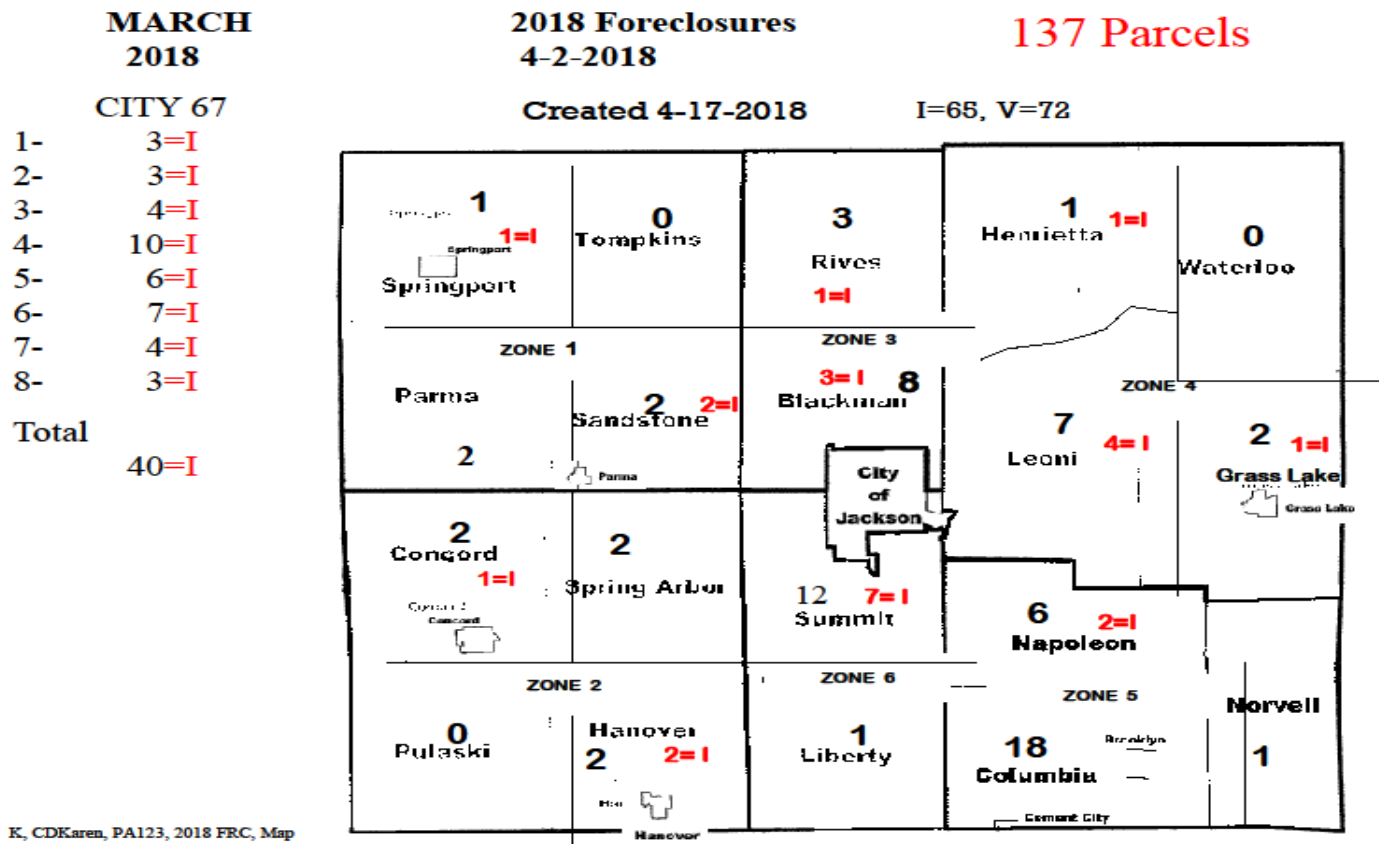
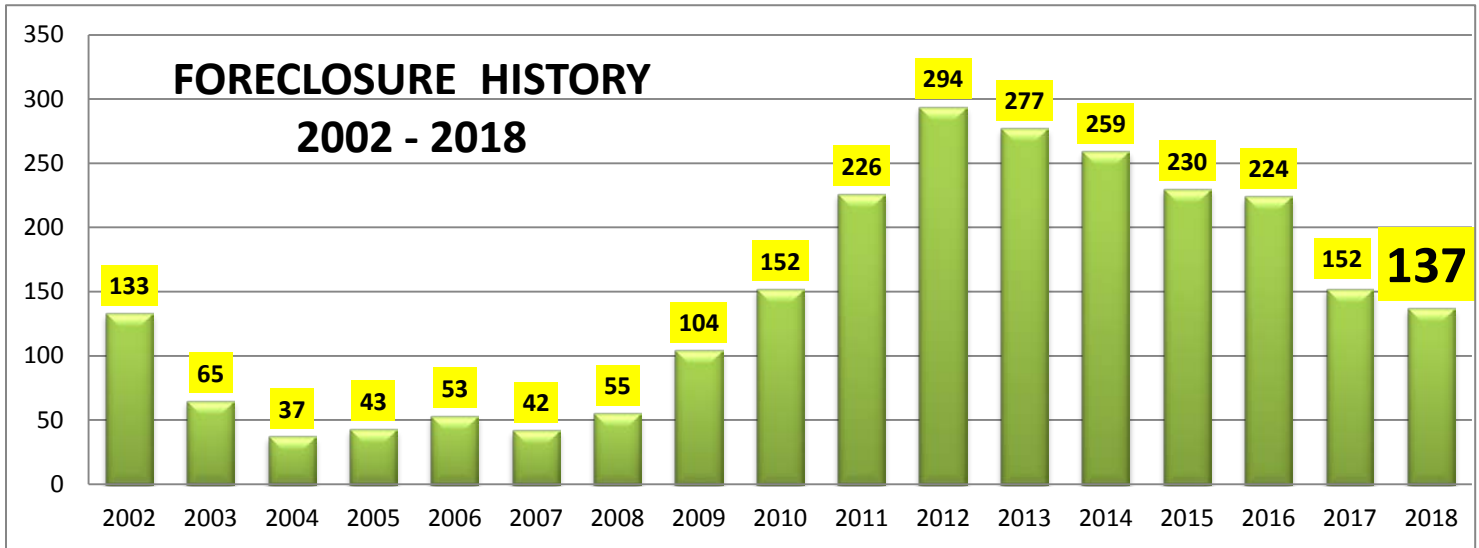
At the first tax foreclosure auction held August 30, 2018, there were 135 parcels available for purchase at the minimum bid. We sold **32 parcels** at this auction and total dollars back to the delinquent tax revolving fund was **\$409,850.00**.

The second tax foreclosure auction was held on October 15, 2018 in which we offered 103 remaining parcels at the “no minimum bid”. We bundled all remaining parcels into one lot at this auction and it did not sell.

At the end of the tax cycle this year, the City of Jackson was invoiced and charged back **\$134,662.50** for the purchase of **67** tax foreclosed properties in the City; the Township of Leoni accepted 3 tax foreclosed properties and Napoleon Township accepted 1 tax foreclosed property. Any and all remaining properties are made available for sale through Title Check and their website. We continue to sell these parcels throughout the year and return them to the tax rolls.

Below is a chart that reports the history of tax foreclosures since 2002 through 2018. The chart indicates the total number of real property parcels that the County Treasurer foreclosed on for nonpayment of real property taxes. In 2018, we foreclosed on **137** parcels.

As you can see, there was a significant increase in total number of parcels that this office has foreclosed on since 2009 to 2012, with a marked decrease in 2013 through 2018. We believe that this decrease can be attributed to the strong foreclosure prevention efforts again this year.



While the data and numbers are important to provide factual basis, sometimes it does not tell the full story of foreclosure. On March 1st 2016, the local units turned over to the County their **2015 property taxes** uncollected taxes that totaled **\$10,233,310 for 10,468 parcels**.

At Settlement, we paid all of the 57 taxing jurisdictions throughout the County, in effect, purchasing the 2015 taxes in the amount of \$10,233,310 for all 10,468 parcels, thereby making every taxing unit whole for the uncollected taxes. We then began our process of collection for 25 months till we foreclosed March 31st 2018.

- We began with a debt of **\$10,233,310 in taxes and we foreclosed on \$102,261 for the 2015 taxes**
- We began the cycle with **10,468 parcels and foreclosed on 137 parcels**
- For this collection cycle, **99% of the taxpayers paid their 2015 taxes BEFORE Foreclosure and**
- **1% of taxpayers were foreclosed upon for nonpayment of 2015 taxes**

Settlement Tax Year	Settlement Amount	Settlement Parcel Count	Foreclosure Year/Primary Tax Year FRF & FRC	Amount of Base Tax Foreclosed	Foreclosed Parcel Count	Amount/% of Settlement Base Tax Foreclosed	Amount/% of Settlement Parcels Foreclosed
2001	\$8,222,068	10,706	2004/2001	\$11,391	37	0.14%	0.35%
2002	\$8,175,245	10,073	2005/2002	\$10,284	43	0.13%	0.43%
2003	\$8,030,705	9,960	2006/2003	\$15,890	53	0.20%	0.53%
2004	\$9,123,988	10,114	2007/2004	\$17,889	42	0.20%	0.42%
2005	\$10,018,625	10,482	2008/2005	\$53,045	55	0.53%	0.52%
2006	\$11,692,887	10,980	2009/2006	\$72,614	104	0.62%	0.95%
2007	\$11,859,388	10,901	2010/2007	\$146,424	152	1.23%	1.39%
2008	\$12,273,567	10,815	2011/2008	\$164,343	226	1.34%	2.09%
2009	\$12,973,332	11,255	2012/2009	\$261,435	294	2.02%	2.61%
2010	\$12,249,983	11,167	2013/2010	\$298,095	277	2.43%	2.48%
2011	\$11,611,277	10,959	2014/2011	\$228,592	259	1.97%	2.36%
2012	\$11,534,626	11,079	2015/2012	\$221,663	230	1.92%	2.08%
2013	\$10,970,687	11,008	2016/2013	\$184,559	224	1.68%	2.03%
2014	\$10,546,856	10,713	2017/2014	\$121,101	152	1.15%	1.42%
2015	\$10,233,310	10,468	2018/2015	\$102,261	137	1.00%	1.31%

The Michigan Department of Treasury has been collecting state wide real property tax forfeiture and foreclosure statistics for several years now. The table below compares the forfeiture and foreclosure numbers against the state wide foreclosure rates. As you will see the County of Jackson has been below the state wide numbers from 2009 to 2018.

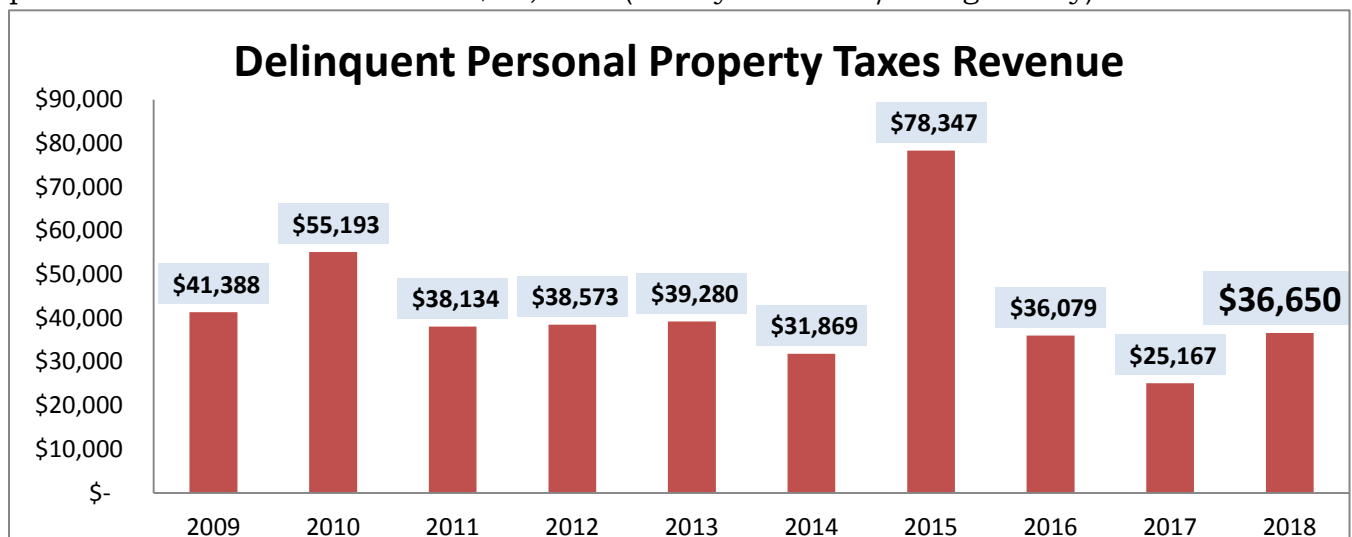
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Parcels Forfeited - Jackson	1864	2147	2479	2397	2588	2509	2295	2391	2186	2069
Parcels Foreclosed - Jackson	104	152	226	294	277	259	230	224	152	137
Foreclosure Rate - Jackson	7%	8%	11%	12%	11%	10%	9%	10%	6%	6%
State wide Foreclosure Rate	11%	15%	13%	16%	14%	16%	17%	11%	8%	7%

Delinquent Personal Property Tax

The Office of the Jackson County Treasurer is one of just a few in the State of Michigan that collects delinquent personal property taxes for the city, townships, and villages in the County of Jackson. The Treasurer’s office began collecting delinquent personal property taxes in 1988, as allowed per the MCL 211.56(3). The law states that the governing body of the local property tax collecting unit and the County of Board of Commissioners with the concurrence of the county treasurer, that the county treasurer shall be responsible for the collection of the delinquent personal property taxes of the city, township, or villages.

It is the Office of the Treasurers’ fiduciary responsibility to collect personal property taxes and per this agreement between the Treasurer’s office and the 27 local units; we are able to ease the workload at the local level for collection of these taxes and ensure that these tax dollars are then dispersed to the public schools, the Intermediate School District, the local community college and the State of Michigan.

This past year we sent out just under 4,000 notices for 1,200 delinquent personal property parcels and collected over \$36,650 (county revenue/millage only) as a result.



Dog and Kennel License Program

The County Treasurer’s office manages the dog and kennel license program. As part of an initiative to increase dog licensing in our County, the Treasurer created a mass mailing postcard to inform all citizens in the County of the laws of being a dog owner.

Specifically:

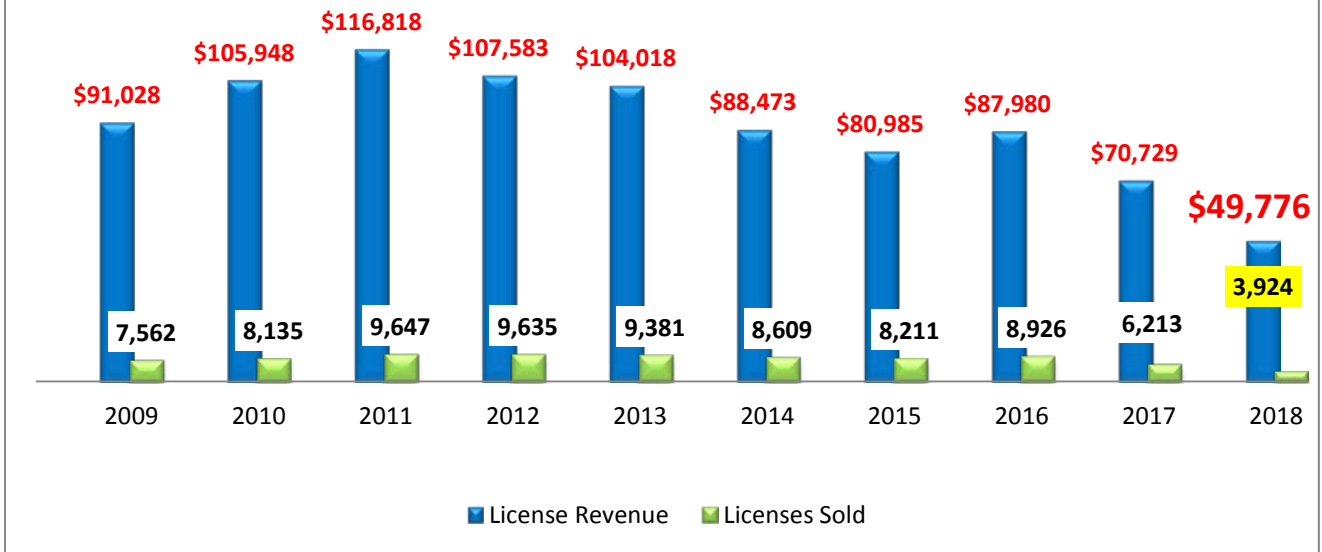
- Michigan Law requires all dogs shall be licensed.
- Dog licenses are sold in accordance to provisions of the Dog Law Act 339 of 1919 as amended and the Jackson County Animal Control and Protection Ordinance.
- All Jackson County residents who own a dog(s) that are four (4) months old or older must have a current Jackson County dog license (MCL 287.266).
- Dog Licensing benefits the public health of the community. Rabies is a current threat to human and animal health. By licensing your dog, the overall cost and health risk is lowered by making certain that dogs are vaccinated.
- Dog Licensing also helps in the recovery of lost or stray animals.

In July of 2016, the Treasurer’s office implemented a new dog licensing fee schedule and a new online licensing program. These changes **expanded options** for dog owners in that they could purchase a one year dog license OR a three year dog license based on the date of the dog’s rabies vaccination expiration. The change in the fee schedule also removed any and all late penalties if the dog owner did not purchase a license within a certain time frame. The new fee schedule **did not increase** the fees to license a dog.

The new fee schedule actually entices dog owners to try to align the dog’s rabies vaccination to coincide with a three year dog license, thereby receiving a discounted price for the license versus the cost of the one year license. Effectively, issuing dog licenses can now be done year round, at any time, and online.

2018	Male / Female Dog	# Licenses issued	Neutered / Spayed	# Licenses issued
One Year License	\$20.00	361	\$10.00	1221
Three Year License	\$60.00	24	\$25.00	572
Senior Citizen Discount				
One Year License	\$10.00	126	\$5.00	883
Three Year License	\$24.00	39	\$12.00	465
Service Dog				10

DOG / KENNEL LICENSES 2009 - 2018



In 2016, with the implementation of the new 3 year license, and the mass marketing mailing of the new program, we did experience a slight increase in revenue as a result. In 2017, we saw a leveling out of dog licenses issued as we anticipated. Each month our office sends out renewal notices to existing dog owners.

Another new statistic to report since the implementation of the new dog license program that allows for payment by credit card, we receipted in \$4,811 dollars in credit card payments in the latter part of 2016; \$16,669 dollars in credit card payments in 2017, and \$14,673 dollars in credit card payments in 2018.

It is interesting to note that our final numbers of licenses sold and total revenue dollars for the licenses decreased from the previous year. One possible explanation is that those dog owners that are purchasing licenses are now buying the three licenses which will impact the total number of licenses purchased each year.

In August 2018, the millage proposal for funding the Jackson County Animal Control and Animal Shelter was voted in by the taxpayers of Jackson County. As this County department begins to rebuild, it will be interesting to see if the enforcement aspect of dog licensing impacts the issuance of dog licenses next year and into the future. We will look to continue our education and marketing of licensing dogs in 2019 with another mass mailing.

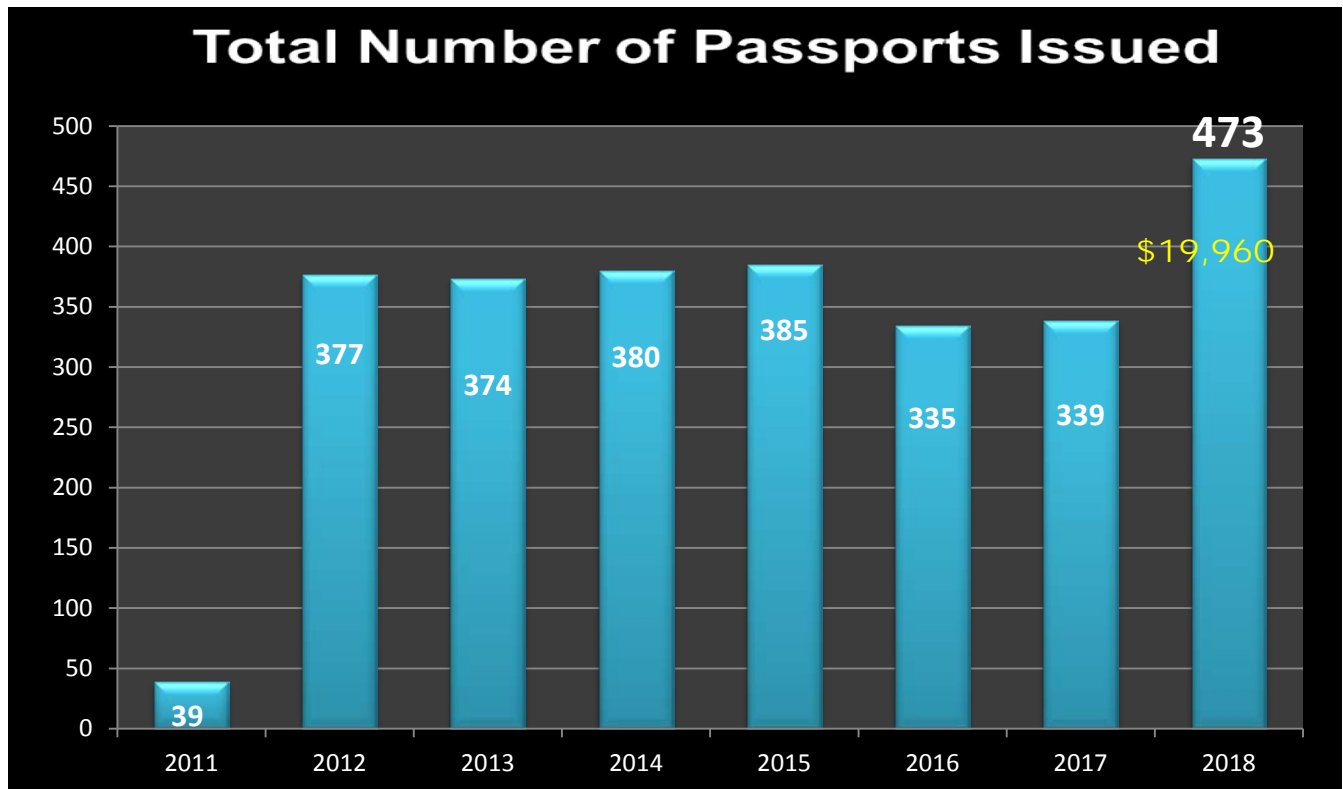
It is our goal to expand dog licensing services in the future to include veterinarian offices if they wish to participate. Ideally, we would like to create a one stop shopping experience for dog owners in that if they vaccinate their dogs they could also obtain a dog license at the same time.

Passports

The Office of the County Treasurer is a certified US Department of State Passport Acceptance Facility providing passport processing services Monday through Friday, 8:00am to 3:30pm. The office accepts and processes new passport applications which requires review of applications and required documentation (identity, citizenship, and parental relationship for applicants under the age of 16) for completeness and accuracy. We also provide taking passport photos in office. Once the applications are reviewed, staff fully executes and submits the application according to US Department of State guidelines. An annual re-certification process is required for all staff members by the US Department of State to keep up to date on changing guidelines and processing effectiveness.

In 2018, we processed **473** passports and generated just over **\$19,960** in general fund revenue. We issued **134 more** passports this year and generated an additional **\$7,700** dollars in revenue as compared to last year.

Our office saw an increase in the issuance of passports in May when the post office changed their acceptance of passports to an appointment only basis. We take great pride in this value added service that we have been able to provide for the citizens of our community.



AFFILIATE UPDATE

TREASURERS WORK TO FORESTALL FORECLOSURES

By Karen Coffman, Treasurer, Jackson County

My name is Karen Coffman and chances are you've never heard of me. And that's OK by me! You see, I am the Jackson County treasurer, one of 83 county treasurers around our great state whose business usually goes unnoticed. We are responsible for ensuring the safety of public funds; managing county investments; collecting delinquent property taxes on behalf of townships, cities and villages; and stabilizing the local units' revenue streams by purchasing their delinquent taxes. We take over the collection process and follow the prescriptive process outlined in state law. We also issue county dog licenses and serve on the Elections Commission, the Brownfield Authority and much, much more. Being a county treasurer is not always glamorous, but it is of critical importance to Michigan citizens!



Coffman

There is, however, one element of my job I wish I never had to perform: foreclose on properties for unpaid taxes. No treasurer enjoys this task, but under Michigan law, when the treasurer's office is the Foreclosing Governmental Unit, this responsibility falls on us — and we take it very seriously. Local units of government set their budgets based on county treasurers advancing them the total amount of all unpaid property taxes, and the local units count on those funds for operating revenues. Most importantly, we take this role seriously because citizens facing tax foreclosure are looking for guidance on what their options might be — AND they deserve it!

I know many of you are in a role of public service, and you may already have a firm grasp on the property tax foreclosure process. So, I may be "preaching to the choir." However, it is of critical importance that all taxpayers understand this three-year process. Knowing how the process works and understanding the tools available can help avoid foreclosure on the front end.

Cities and townships issue property tax bills that are based on the taxable value of property. Let's assume we're looking at 2017 taxes. For property owners who paid their property taxes before March 1, 2018, the process ends there! When the taxpayer makes their tax payment, the funds are distributed to all the other taxing entities (such as your local library, your local public schools, etc.). For property taxes that were not paid, there is a legal responsibility for the county treasurer to collect them. These collection efforts last for two years and include numerous notices, personal visits, certified mail and more.

On March 31, 2020, the two-year collection process ends. If the 2017 property taxes are still unpaid, treasurers are legally required to take the final step by foreclosing on property. Unlike mortgage foreclosures, which can be redeemed after

"Foreclosures continue to demand our urgent attention, and we recognize the need to help taxpayers struggling with this issue. We can't erase the foreclosures or the economic challenges these taxpayers face, but we are always fighting back in Newaygo County. In 2017, we had the fewest foreclosures since we opted into PA 123 in 1999. The earlier taxpayers reach out to us for help, the more options we can provide for them."

-Holly Moon, Newaygo County treasurer

"When a taxpayer is facing foreclosure in Marquette County and they come to me for help, the first thing I do is see if they are eligible for a financial hardship extension. I then work with them on a payment plan and look to see if other programs can assist as well. We always encourage our taxpayers to talk to us as early in the process as possible, so we have time to help them get back on track and get their taxes paid."

-Anne Giroux, Marquette County treasurer

foreclosure, property tax foreclosures are FINAL. There is no redemption after the foreclosure date.

We want to help keep families in their homes: it's better for families, it's better for neighborhoods and it's better for our communities and tax base. Treasurers will use all the tools at their disposal to keep citizens and their families in their homes. These include:

- 1) Setting up payment plans to allow homeowners to catch up on delinquent taxes.
- 2) Assisting with applications to Step Forward Michigan (www.StepForwardMichigan.org) to help qualified homeowners pay off delinquent taxes.
- 3) Working with agencies, including MSHDA and DHHS.
- 4) Partnering with local nonprofits.

In addition, we are dedicated at looking for new and innovative ways to reach, inform and educate taxpayers to prevent foreclosure in ways beyond what is required by law. This includes: postings, mailings, phone calls, home visits by treasurers and staff and PSA campaigns. We work closely with property owners to keep them out of a foreclosure situation.

We are committed to educating our delinquent taxpayers about these important resources available to save their homes. We strive to ensure homeowners are claiming the Principal Residence Exemption and educate them about credits that may be available to them on their taxes.

County treasurers are passionate about serving our constituents and keeping families in their homes. We look forward to continuing to partner and collaborate with statewide and local agencies, as well as other county officials, to best serve all our residents!