



**2020 Ottawa County
Treasurer's Annual Report
Amanda Price Treasurer
January, 2020**



The activities and programs of the Treasurer's office are funded by the people of Ottawa County and approved by the members of the Ottawa County Board of Commissioners.

The 2019 Annual Report of the Ottawa County Treasurer's office is submitted to the following members of the Ottawa County Board of Commissioners in January 2020:

Commissioner Francisco C. Garcia, District 1
Commissioner Joseph S. Baumann, District 2
Commissioner Doug Zylstra, District 3
Commissioner Allen Dennenberg, District 4
Commissioner Randy Meppelink, District 5
Commissioner Kyle Terpstra, District 6
Commissioner James H. Holtvluwer, District 7
Commissioner Greg J. DeJong, Chair, District 8
Commissioner Philip D. Kuyers, District 9
Commissioner Roger A Bergman, District 10
Commissioner Matthew Fenske, District 11

Office of the County Treasurer

January 2020

Members of the **Ottawa County Board:**

It is the mission of the Ottawa County Treasurer to administer all roles and duties in a professional, effective and responsive manner thereby assuring confidence that both sound management and the best interest(s) of the public are of foremost importance. In the Treasurer's office, we live this mission every day.

Overview

The majority of the work completed in the County Treasurer's Office is mandated by Michigan law. However, service levels are not mandated and excellent customer service can only be provided by the Treasurer's office if supported by the Board of Commissioners. In light of that partnership, this Annual Report not only presents the numeric facts, it also includes some of the ways the Treasurer's Office, in conjunction with the Board, is expanding access to information, encouraging automation, reducing costs, or benefiting our citizens in other ways.

2018-19 Review

Change in Primary Bank Relationship

Michigan law requires that the county banking relationship and services be bid out every 2 years. However, the Ottawa County Investment Policy modifies this requirement by requiring the bid be done every four years.

In the summer of 2018, the Treasurer's office issued a Request for Proposal (RFP) for banking services and the banking services contract was awarded to Chase Bank.

As of October 1, 2018, all of our checking account accounts were changed to Chase Bank. The Treasurer's office has moved beyond the implementation phase of the banking services contract with Chase and is working well with Chase and its more robust technology platform.

2019 Projected Initiatives

- Implementation of check scanners in Fillmore Office and Grand Haven Public Service Center.
- Implementation of Smart Safe technology for daily cash deposits.
- A Request for Proposal (RFP) to be issued for the potential implementation of a single vendor for credit card processing and the software necessary to eliminate dual entry for credit card transactions.
- Explore additional ways to reduce expense through other payment options for witness and juror fees

- Continuing safety training and upgrades for our staff which includes: office reconfiguration to increase sightlines, staff attendance at CRAZE training, and reconfiguration of office to allow for an externally accessed conference room.
- Issuance of an RFP for Financial Advisor for County Portfolio management.
- Test & plan for expected transition to new Tyler Cashiering upgrade.

It is my privilege to work for the County of Ottawa, and in conjunction with the Board of Commissioners and other elected officials, to ensure that the work on behalf of our citizens is done well.

Amanda Price
County Treasurer

Custodian of County Funds

The Office of the County Treasurer is the depository for all county funds in accordance with Public Act 40 of 1932, and by board resolution.

Fund management activities include receipting for revenues, coordinating cash drawers and imprest cash for all departments, maintaining bank accounts, reconcile receivables, coordinate disbursement of funds held in trust, and coordinate signature on and transfer of funds to cover county disbursements.

Michigan law requires that the County's banking relationship be bid out on a regular basis. The last Request for Proposal (RFP) was completed in 2018.

Performance measurements for this function are:

- safety of funds
- meet the cash operating needs of departments
- increase efficiency
- reduce operating costs

Striking

Each year, the Treasurer along with Corporate Counsel, assist the local units of government in "striking" Personal Property taxes that have been delinquent more than 5 years and are uncollectable. In 2019, the Treasurer's office helped 15 local units of government strike 129 uncollectable Personal Properties from their rolls. For each unit that participates in this joint filing there is a direct reduction in that municipality's legal expenses.

Escheats

Checks that remain un-cashed over one year must be escheated to the State. Under recent changes in state law, we now retain and must account for all unclaimed checks under \$25. In Fiscal Year, 2018-19, the checks were reissued and therefore there were no escheated checks.

Fiscal Year	2017	2018	2019
Depository Accounts			
Accounts	22	29	23
Bank Charges	\$13,124	\$ 7,669.29	\$ 12,373.00
Uncollected Delinquent Personal Property			
County Tax	\$39,968	\$26,502	\$29,496
Parks Tax	\$3,701	\$2,652	\$3,959
E 911 Tax	\$5,149	\$3,645	\$2,918
Roads	\$2,132	\$2,009	\$3,139
CMH	\$653	\$918	\$1,611
Taxes Stricken from Taxes Receivable			
# of Local GU	18	15	16
# of Parcels	106	100	129
Total \$	\$ 5,718.40	\$ 12,198.25	\$ 39,663.89
Unclaimed Checks - Escheated to State			
# of Checks	71	57	*
Total \$	\$5,330.77	\$9,408.09	*
Uncashed under \$25	\$ 1,263.14	\$ 1,473.41	*

General Fund Investment Pool

Cash and investment activities for the 12 months ending September 30, 2019 are discussed below. This part of the report covers only the operations of the county that fall under the direct responsibility of the County Board of Commissioners.

As such, the report that follows does not include operations of the Insurance Authority, Building Authority, the Road Commission, OPEB Trust, Land Bank Authority or certain activities of the Water Resources Commissioner, unless identified specifically.

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

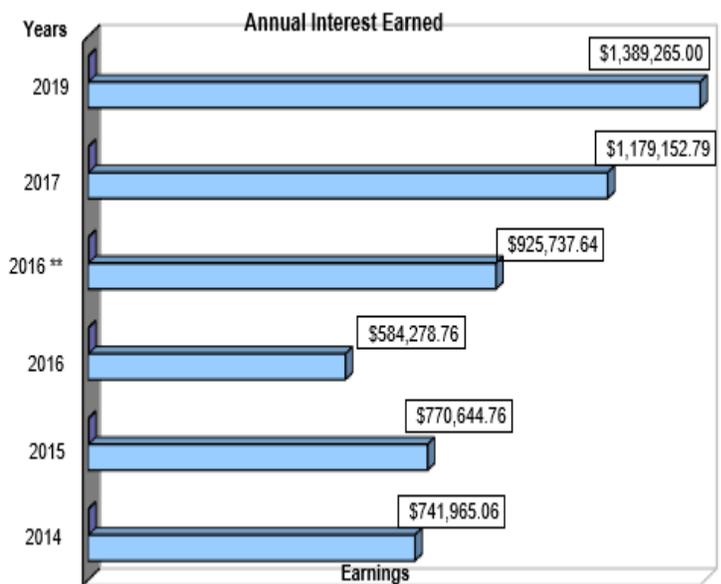
- 1) the protection of principal
- 2) liquidity
- 3) return on investments.

The investment activity throughout the year and at September 30 was in compliance with the Ottawa County Investment Policy.

The total YTD return for 2019 was 1.071% which compares with a 2018 Benchmark blended index earning of -.066% (using 2/3 Barclay's 1-5 year Government Index blended with 1/3 S&P 0-3 month T-Bill Index). The 5-year average total return on the county's investments was 1.418 as compared to for the 5 year CPI average.

On September 30, 2019, approximately \$34.2 million of the portfolio was laddered over a period with an average portfolio maturity of years. We will continue to ladder while investing to take advantage of the yield curve whenever possible.

Invested Balance at September 30, 2019	
\$121,223,647	Par Value
\$121,618,789	Market Value
\$428,192	Accumulated change in fair value
Total Return Rate (net)	
2019	3.519%
2018	0.480%
2017	0.383%
2016	1.988%
2015	0.721%
5-year average	1.418%
Gross Interest Dollars Earned	
2019	\$1,389,265
2018	\$1,179,153
2017	\$925,738
**2016	\$584,279
2015	\$770,645
** Nine Month year	



** 2016 includes only 9 months of interest due to Fiscal Year Change

Delinquent Property Tax Administration

It is the responsibility of the County Treasurer to collect delinquent real property taxes.

Functions associated with delinquent taxes include writing receipts, processing tax roll adjustments to prior year tax rolls (for up to 20 years), processing bankruptcy claims, and managing the annual forfeiture and foreclosure process, and acting as the Foreclosing Unit of Government.

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 statute is a Hardship Deferral. It was used to protect 23 properties in 2018, and 24 in 2019.

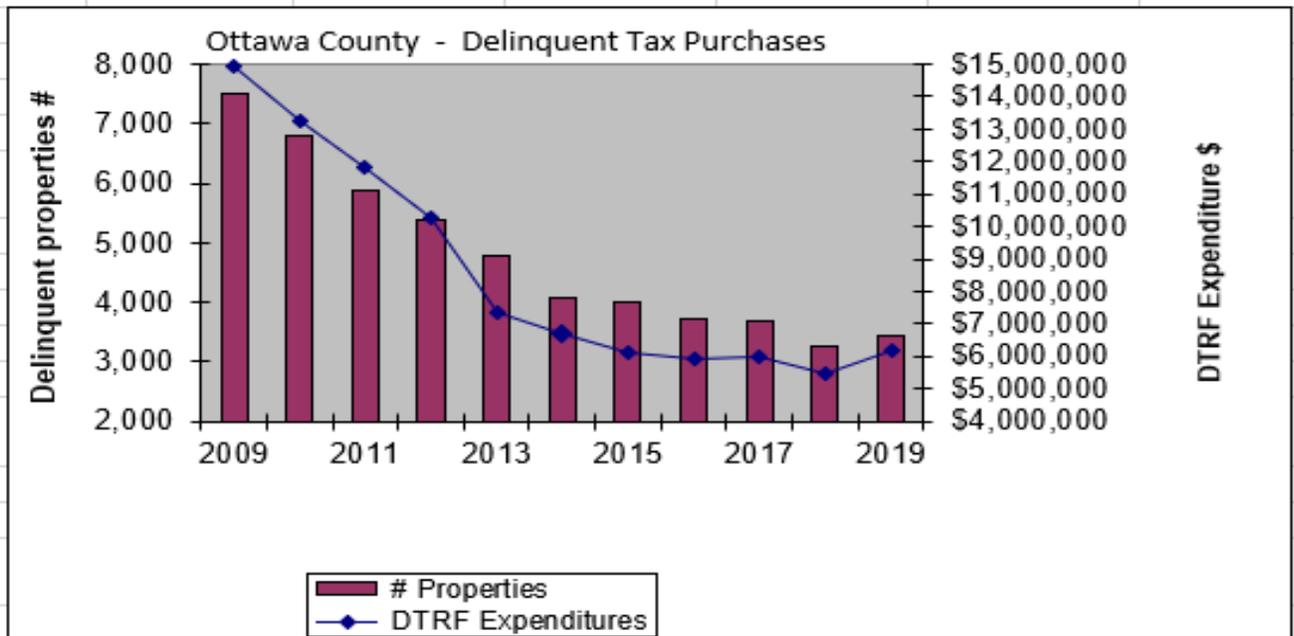
Of the 13 properties foreclosed on April 1, 2019, all but one property was sold at auction. The remaining property could have been deeded to the local unit of government, but the local unit rejected the transfer, so it will remain with the Treasurer's office.

Fiscal Year	2017	2018	2019
Real Taxes Returned Delinquent			
No. of Properties	3,675	3,276	3,239
Dollars in Millions	\$5,975,696	\$5,441,612	\$6,191,820
Forfeited and Foreclosed			
Certified Mail Count	2237	2138	2317
Property Forfeited	387	427	411
Property Foreclosed	15	17	13
Financial Hardship given	20	23	24
Tax Collections			
Receipts Written	5007	4625	4703
Dollars in Millions	\$6.8	\$6.5	\$6.7
Interest & Fees	\$791,137	\$916,963	\$901,963
Tax Roll Adjustments			
No. Processed	666	503	446
Foreclosed Land Sale in 2019			
Proceeds from Sale		\$62,300.00	\$233,580.19
Total Tax, Fees & Interest Billed		(\$15,085.62)	(\$37,535.97)
Less Charge Back to Tax Units		\$0.00	\$0.00
Total Gain (Loss) on 2015 Land Sales		\$47,214.38	\$196,044.22

Real Taxes Returned Delinquent

The County operates a Delinquent Tax Revolving Fund (DTRF) from which the County pays all the other taxing authorities their portion of the delinquent property taxes, (in essence “buying” the delinquent tax) as settled on March 1 of each year; with the payments being distributed to the local units of government annually around April 8.

By maintaining the Delinquent Tax Revolving Fund, Ottawa County is not forced to borrow, and the DTRF has become one of the financing tools of the county. The graph below shows the volume of delinquent parcels and the total dollars necessary in each year to “buy in” the delinquent taxes.



Ottawa County Landbank Authority



The Ottawa County Landbank Authority was formed in 2010. The original steering committee determined that it was important for the private market to take the lead on property development as much as possible, so the Ottawa County Land Bank seeks only to acquire tax foreclosed properties if they remain unsold after both property tax auctions.

The purchase and anticipated changes to these properties will reset the property values thereby bringing additional tax revenue to the community. These are exactly the type of results that the Ottawa County Land Bank Authority was established to produce.

All ongoing support to accomplish the work of the LBA is provided by the County Treasurer's office, other than legal assistance being provided by the County's Corporate Counsel.

The Ottawa County Land Bank Authority does not have taxing authority and was established with its only funding stream coming from property sale transactions. 2018 data and financial results are below.

- No new properties were added and none sold
- Only one property is being held by the Land Bank. It is in Holland Township and it is 8.6 feet wide by 139 feet long
- In 2019, an appropriation of \$45,000 was moved from the Landbank Authority to the Ottawa County Brownfield Authority to incent brownfield clean-up throughout the county

OTTAWA COUNTY LAND BANK AUTHORITY		
2018 Actual		
REVENUE		
Sale of Property	\$	-
Tax Capture	\$	841.36
TOTAL REVENUE	\$	841.36
EXPENSES		
Insurance	\$	-
Legal Services	\$	-
Administrative Expense	\$	-
Dues & Memberships	\$	125.00
Mileage & Conference	\$	93.09
TOTAL EXPENSES	\$	218.09
NET	\$	623.27
YEAR END 2017 FUND BALANCE	\$	93,265.13
YEAR END 2018 FUND BALANCE	\$	93,888.40

Ottawa County Land Bank Authority Board Members

Amanda Price, County Treasurer, (by statute), Chair
Rebecca Hopp, Ferrysburg Mayor, Vice-chair
Joshua Westgate, Wright Twp, Supervisor, Secretary
Tim Maday, City of Zeeland, Treasurer
Alan Dannenberg, County Commissioner, Appointed County Member
Amanda Murray: Ottawa County EDC Member
Glenn Nykamp: Zeeland Twp. Supervisor, Township Member
Alan Vanderberg: County Administrator, Appointed County Member
Dale Wyngarden: Citizen Member

Current Property Tax Administration

The collection of the summer and winter tax rolls by state law has been decentralized from the county and is the responsibility of local units of government.

The **County Treasurer's Office** assists local government assessors and treasurers by verifying tax roll calculations prior to the bills being mailed. Local units are requested to electronically transfer their tax rolls to the county a minimum of three times during the tax year so that tax roll totals can be verified making our March 1 settlement smoother.

The State continues to place reliance on the County Treasurer's staff to coordinate collections and provide accountability for the State Education Tax (SET) which is billed and collected by the local units. The limited offset to this workload is the investment interest earnings on the State Education Tax levy, which can be retained by the County.

The current year tax rolls are turned over by the local units of government to the County Treasurer's Office each year on March 1. A settlement process occurs during the month of March which consists of verifying taxes billed and adjusted as well as delinquent tax rolls.

As a result of this process, the delinquent tax rolls are "purchased" using the county's **Delinquent Tax Revolving Fund**. In an effort to determine if we will need to bond for purchasing these rolls, an estimate of cash available each April 1st was done through the year 2027. Tax rolls are required to be maintained and adjusted by the County Treasurer for the previous 20 years.

Electronic settlement with the local units saves hours of staff time for the County Treasurer's Office and for the treasurers of local units of government. The County Web Site provides historical tax roll data on line. Tax rolls for 2004 thru 2019 are now saved electronically – eliminating the need for paper tax rolls and reducing the need to expand physical vault storage space.

Property Tax Search

A tax search is a documented, paid tax status verification from the Ottawa County Treasurer's Office.

The verification may be of delinquent tax status, historical tax roll amounts (including if paid or not), and legal descriptions.

Tax search requests are received by US Postal Service, or through the county's web site. The fee is set by State statute at a maximum of 50 cents per parcel per year.

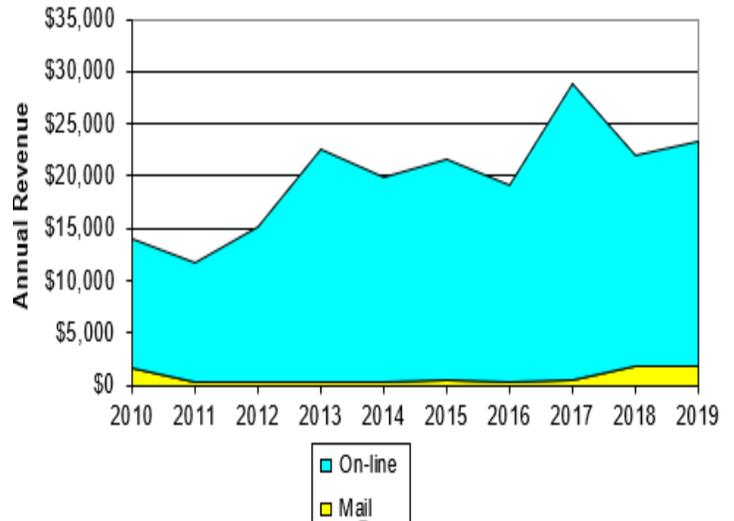
Public terminals are provided at the Fillmore and Grand Haven Treasurer offices for anyone to do their own property tax search. Public access at these terminals is available at no charge.

Tax searches are also performed for warranty deed certification. A legislative change during 2016 increased the price for certifying deeds and our revenue line has seen a significant jump in fee income. The new fee set by State statute is a minimum of \$5 for up to 25 deeds.

In 2005, the County Board decided to add online search capabilities to eliminate verbal responses to search requests from corporations. This resulted in significant reductions of staff time required to process these requests.

Through the on-line search service, customers are able to verify the property information and then obtain written documentation for delinquent and paid taxes 24 hours per day, seven days a week.

Fiscal Year	2017	2018	2019
Certification Revenue			
Deed Certification	\$45,819	\$38,368	\$36,056
Tax Search Revenue			
Mail Searches	\$447	\$1,732	\$1,787
Business On-line Search	\$23,139	\$16,190	\$17,192
Personal On-line Search	\$4,802	\$3,995	\$4,295
Total Search \$	\$28,388	\$21,917	\$23,274.00
On-Line Utilization	98%	92%	92%



2019 Dog Data

Top dog breeds:

1. Labrador Retriever
(1219)
2. Golden Retriever
(542)
3. German Shepherd
(406)

Rocky (on left) with pal, Remi at Kirk Park
Photo courtesy of: Jennifer Waters, happydogmom.com.



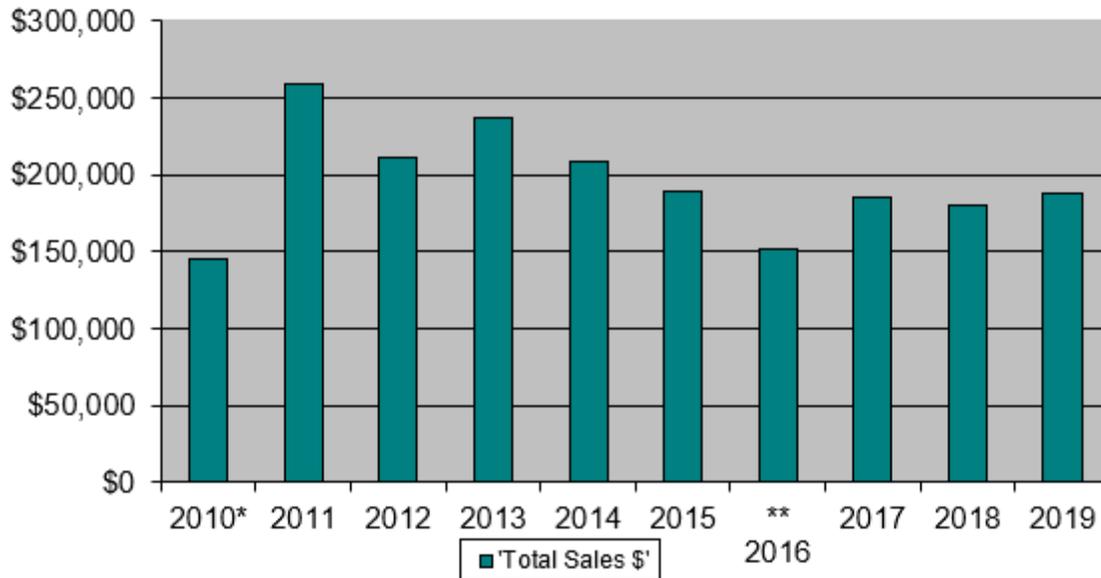
Dog and Kennel License Program

The County Treasurer's Office manages the dog and kennel license program for the County. In **2011**, Ottawa County implemented a change and began selling both one year and three year licenses on a year-round basis. Also in 2011, the license price increased for the first time in at least 10 years. Fees for yearly dog licenses are now \$25 male or female; \$10 spay or neutered; \$10 puppy (7 months or younger).

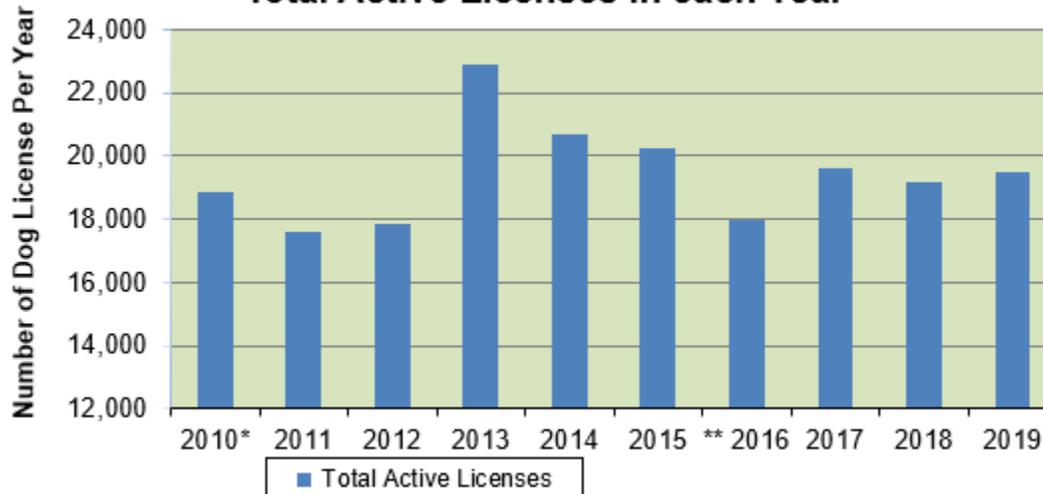
In **2013**, the Sheriff, Treasurer and County Administration created a animal census that addressed both educational efforts on preventing rabies and encouraging licensing of dogs. It was successful in covering all the program expenses and licensed over 3,500 new dogs.

In **2018**, the Animal Ordinance was updated and now reports most violations as civil infractions and not misdemeanors, which frees up animal control officers to write tickets without concern of creating a criminal record for the owner.

Dog License Sale Revenues



Total Active Licenses in each Year



** 2016 only shows 9 months of sales until Sept 30, 2016 in transition to new fiscal year end.

Municipal Civil Infraction Bureau

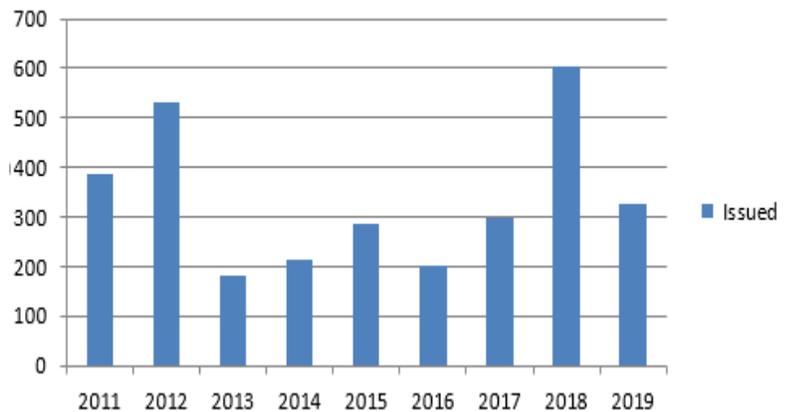
The Municipal Civil Infraction Bureau was established by the Board of Commissioners in 1995. The County Treasurer's Office is the designated collecting agency for the Bureau. The Revenue Accounting Supervisor is assigned the responsibility of managing these activities. The fines are established by County Ordinance. The Bureau processes violation tickets issued by the County Parks Department, County Water Resources Commission, Environmental Health, and the Sheriff's Office animal control officers.

Violations that are not paid as due to the Bureau are turned over to the District Court to be processed as any other citation in the court.

Beginning in 2013, the Parks Department issued a notice that a citation could be voided if a County Parks Pass was purchased inside of two weeks.

Fiscal Year	2017	2018	2019
Citations Disposition			
Issued	300	604	328
Paid in Person	130	170	183
Collected \$	\$ 9,993.00	\$ 9,237.00	\$ 10,734.00
Paid on Line	71	247	112
Paid on Line \$	\$ 2,869.00	\$ 10,138.00	\$ 5,521.00
Total Revenue	\$ 12,862.00	\$ 19,375.00	\$ 16,255.00
To District Court	73	142	9
Dismissed	1	-	1
Pending	28	5	-

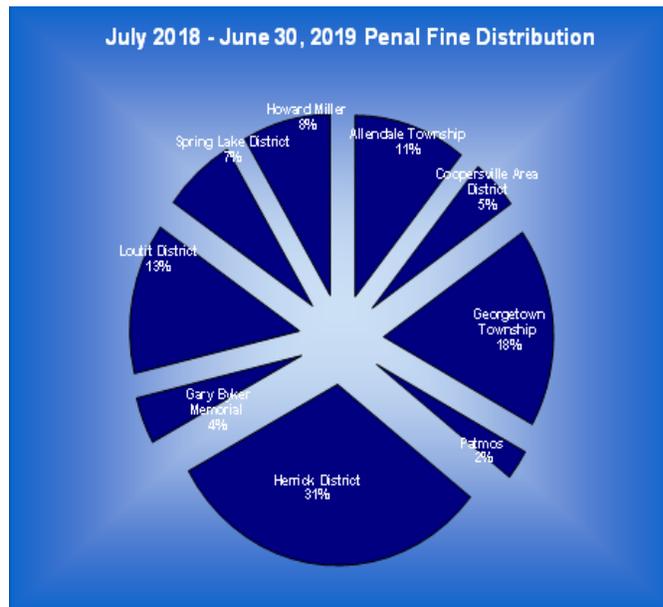
Citations Issued



Library Penal Fines

Distribution by Library

Allendale	\$ 91,105.97
Coopersville	\$ 38,210.19
Georgetown Twp.	\$151,349.35
Patmos (Jamestown)	\$ 22,658.12
Herrick District	\$266,521.10
Gary Byker Mem.	\$ 35,378.74
Loutit District	\$114,482.41
Spring Lake District	\$ 58,819.61
Howard Miller	\$ 71,237.44



Public Act 59 of 1964 established the Penal Fine distribution laws that are designed to establish and support public libraries, which are to be available to all residents of the state. This law also established the collection and distribution of penal fines based on population of the jurisdiction the local library serves.

Ottawa County has nine public libraries. The County Treasurer's office receives the penal fines throughout the year. In July, the Library of Michigan sends out a listing of the eligible libraries and associated populations, and the County Treasurer's office disburses the collected penal fine funds to each library. In recent years the penal fines distribution total has ranged from \$700,000 to over \$920,000. In 2019, the total distributed was \$849,762.93, and was divided in the percentages shown in the graph above.

