

## ALGER COUNTY BOARD OF COMMISSIONERS

Mary Ann Froberg, Clerk  
101 COURT STREET, MUNISING, MI 49862

### **RESOLUTION #2013-09**

**WHEREAS**, In the Governor's recommendation for the FY 2014 budget, counties are scheduled to receive a 22.9% cut from what they were projected to receive based on the agreement reached in 2004/2005; and

**WHEREAS**, The Governor is recommending an appropriation of \$140.6 million, \$41.7 million less than statutorily required and counties will be required to "earn" twenty-percent of their funding by fulfilling the County Incentive Program (CIP) requirements; and

**WHEREAS**, With the proposed budget for Fiscal Year 2014, counties would receive a cut of about \$42 million and, at first glance, it appears the Governor has recommended an additional \$10 million for county revenue sharing and CIP payment, but in reality, these additional funds result in less money to each county this year; and

**WHEREAS**, Counties have worked diligently for the past decade by leading the effort to reform, consolidate, and right size government in an effort to increase efficiency and adjust to declining revenues; and

**WHEREAS**, Each local unit of government is in a different financial place, some growing, some declining, some healthy, and some are struggling with their long term liabilities and to say that all counties need to comply with a prescriptive formula on employee compensation would be a step backward for some and unattainable for others; and

**WHEREAS**, Compliance with the third category for this fiscal year is attainable because counties are following the 80/20 or hard caps healthcare law enacted last session and the category should remain the same with the State stopping all attempts to "move the bar"; and

**WHEREAS**, In 2004/2005, counties agreed to forgo revenue sharing for a period of time in order to assist the State in balancing the budget and were promised a return of that funding once a county's revenue sharing fund reserves were depleted; and

**WHEREAS**, Revenue sharing is more than just a pot of money to be allocated in whole or in part to counties but is a statutory promise made to counties in exchange for giving up local taxing authority and for a more recent change in local taxing administration; and

**WHEREAS**, The concept of earning what has already been earned through the CIP is unacceptable; and

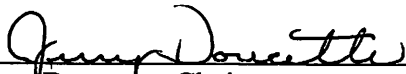
**WHEREAS**, According to the Glenn Steil State Revenue Sharing Act, 21.3% of 4% of State sales tax is supposed to go to statutory revenue sharing which amounts to over \$1 billion, however, the Governor's proposal only allocates 35% of this collection to revenue sharing while the balance is being used to bolster the State's own General Fund budget at the expense of county budgets; and

**WHEREAS**, Revenue sharing is used by counties to pay for the multitude of state mandated services including the courts, the jails, the constitutional officers, elections and the public health system and, coupled with the recent reductions in property values and increased mandated state service delivery, counties are stretched to the financial limit;

**THEREFORE BE IT RESOLVED**, That the Alger County Board of Commissioners calls upon the Governor and the State Legislature to live up to their promise by fully funding revenue sharing payments to counties in fiscal year 2014;

**BE IT FINALLY RESOLVED**, that copies of this resolution be forwarded to the Governor, our State Legislators, and the Michigan Association of Counties.


Adopted this 30th day of May, 2013.

  
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Jerry Doucette, Chair  
Alger County Board of Commissioners

STATE OF MICHIGAN)  
County of Alger )

I, Mary Ann Froberg, Clerk of the County of Alger and of the County Board of Commissioners, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the Board at a special meeting on May 30, 2013.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County of Alger, this June 5, 2013 at Munising, Michigan.

  
*Mary Ann Froberg*  
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Mary Ann Froberg, Clerk