

**TUSCOLA COUNTY BOARD OF COMMISSIONERS AND
CONTROLLER/ADMINISTRATOR
Monthly Report of County Activities (March 2005)**

- Governor's March 23 Executive Order cut \$300 Million to balance the state budget-Tuscola County cuts include: closure of Camp Tuscola, 4% cut to Medicaid providers i.e. Medical Care Facility and funding reductions to Health Department and Friend of the Court-projections indicate for the next state fiscal year a billion dollar state budget correction must be made
- County is developing multi-year financial projections- property tax roll forward funds temporarily replacing state revenue sharing funds will be exhausted in 2008 for Tuscola County- this is shortest period of any county because of the low county allocated millage-dramatic service base changes will occur in 2008 if the state does not again pay revenue sharing or another method of funding services is determined
- County lawyers sent a letter to state officials explaining the state's legal obligation to honor contracts providing prison labor- county saves an estimated \$300,000 per year by using prison labor for drain clean outs- other work crew contracts include Fremont Township, Village of Caro and City of Vassar
- Reese/Denmark \$4.2 Million sewer improvement project is moving forward- issuing bonds for this project through the county and capitalizing on the recent county bond rating upgrade will save approximately \$50,000 in project borrowing costs
- Payment-In-Lieu of taxes on DNR land (PILT)- the county and local governments receive approximately \$108,000 per year in PILT-state has frozen payments for 5 years- Michigan Association of Counties (MAC) is seeking legislation that will prevent the state from acquiring any additional land until the freeze on PILT payments is lifted
- Tuscola County Register of Deeds and other County Registers have been sued by title companies- an important issue is at stake- title companies seek to maximize profits by forcing Register of Deeds to sell computerized records below costs-the outcome of this issue could have long-term revenue implications to all governments
- District court revenue sources provide approximately 10% of the total revenue to the county general fund- with the failed road patrol funding request there are fewer officers and thus fewer infractions being written resulting in significant revenue declines- this trend is also negatively impacting library revenues
- Future funding for 911 systems are under statewide review- wireline phones are decreasing resulting in surcharge revenue declines- the tax on a wireless phone is much less than wireline- the possibility of redistributing taxes between wireline and wireless (cell phones) is under considered- MAC 7th District passed a resolution asking the state to address these issues- the county 911 surcharge must be renewed in 2006
- Other county activities include: opposition to the Village of Caro proposed rezoning of county property, possibility of requesting the closure of Grant Street to provide more parking near the Courthouse, and all county union contracts have been settled through the end of 2006