

RESOLUTION

NO: 2021-05-066

LIVINGSTON COUNTY

DATE: May 10, 2021

Resolution to Call upon State Leaders to Restore the Revenue Sharing Fund - Board of Commissioners

WHEREAS, as the State of Michigan faced the great recession, they looked to find creative ways to save money in the State's general fund; and

WHEREAS, in 2004, an agreement between county governments and the State of Michigan, created a property tax collection shift to provide revenue sharing funds to the Counties while not relying on the State's general fund for that; and

WHEREAS, during this time, the proceeds from the property tax collection shift was put in a County Revenue Sharing Reserve Fund whereby a county could obtain funds from there until the fund was fully exhausted, at which time they re-entered the state revenue system and were to receive their full funding amount; and

WHEREAS, the Michigan Association of Counties has done extensive research into county revenue sharing and the impact the county revenue sharing fund has had on county allocations and indicates that the State of Michigan has cumulatively shorted 60 counties of more than \$110 million between 2009 and 2014; and

WHEREAS, Livingston County is one of those counties experiencing a shortfall of \$2,316,267; and

WHEREAS, the American Rescue Plan is slated to allocate much needed dollars to the States and the Counties directly, however those funds are restricted for pandemic related expenditures. County Revenue Sharing from the State is unrestricted and goes to the County General Fund to assist in funding essential services; and

WHEREAS, services provided by the Livingston County Courts, Prosecutor, Sheriff/Jail, County Clerk, Treasurer, Register of Deeds, Drain Commissioner, Administration and Animal Control are all funded in part by County Revenue Sharing and would be impacted by a restriction of the funds for COVID only; and

WHEREAS, a portion of the revenue sharing also goes to support operations of other functions that requires an investment of Local County matching funds to accept federal or state funded programs including Public Health, Public Defender, Friend of the Court and the Child Care Fund.

WHEREAS, paying the debt owed to the Counties must be a priority of the State of Michigan and should be paid in full, from non-restrictive funds, this year.

THEREFORE, BE IT HEREBY RESOLVED that the Livingston County Board of Commissioners call upon state leaders to restore the County Revenue Sharing Fund and to provide a one-time non-restricted payment of the cumulative shortfall owed to Counties.

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**MOVED:
SECONDED:
CARRIED:**