

"Menominee County – Where the Best of Michigan Begins"

MENOMINEE COUNTY BOARD OF COMMISSIONERS

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RESOLUTION – 2021-15

RESOLUTION REQUESTING THAT THE STATE OF MICHIGAN FULFILLS ITS STATUTORY OBLIGATION WITH REGARD TO STATE REVENUE SHARING PAYMENTS

WHEREAS, in 2004 an agreement was made between the State of Michigan and the counties that eliminated county revenue sharing payments for a period of time during which counties were allowed to pay themselves an equivalent amount to their statutory revenue sharing payments. Each proceeding year the Michigan Department of Treasury authorized each county an inflationary increase over the base amount established in 2004; and

WHEREAS, this agreement saved the State of Michigan from allocating general fund dollars by funding the County Revenue Sharing Reserve Fund (CRSRF) through a property tax collection shift. However, once a county exhausted their reserve fund, they were to re-enter the state revenue sharing system. By statute, the State was required to allocate the county their full revenue sharing amount when they re-entered the system. Full-funding is defined as the 2004 base amount plus inflation until the county re-entered the system; and

WHEREAS, counties that re-entered the state revenue sharing system prior to 2014 endured cuts to their base revenue sharing payments that were never restored. Counties that re-entered the system after 2014 did not endure the same cuts to their base revenue sharing payments; and

WHEREAS, the Michigan Association of Counties has identified 61 counties that endured cuts to their base revenue sharing payments, which together accounts for a cumulative shortfall in revenue sharing payments to the counties of \$117,617,804; and

WHEREAS, Menominee County re-entered the state revenue sharing system in 2012 and is owed \$229,938 from the State of Michigan; and

WHEREAS, the State of Michigan may question the necessity of making these payments to the counties now in light of the counties slated to receive COVID-19 funding from the American Rescue Plan; however, those funds are tied to a number of restrictions on how the money can be used. County revenue sharing payments is unrestricted and can be used as necessary.

NOW THEREFORE, BE IT RESOLVED, that the Menominee County Board of Commissioners calls upon the State of Michigan to fulfill its statutory obligation to the counties that were shorted on their county revenue sharing payments.

BE IT FURTHER RESOLVED, that a copy of Resolution 2021-15 be sent to Representative Beau LaFave, Senator Ed McBroom, Governor Gretchen Whitmer, the Michigan Association of Counties, and to each county in the State of Michigan.

Roll call vote: AYES: 8 NAYS: 0

RESOLUTION DECLARED ADOPTED.

Larry Phelps, Chairman

5/11/2021
Date

STATE OF MICHIGAN

COUNTY OF MENOMINEE

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I hereby certify that the foregoing is a true and complete copy of **Resolution 2021-15** adopted by the County Board of Commissioners at a regular meeting held on **May 11, 2021**, and I further certify that the public notice of such meeting was given as provided by law.


Marc Kleiman, Menominee County Clerk