

MICHIGAN

COUNTY GOVERNMENT OVERVIEW

Counties

83

Government Form

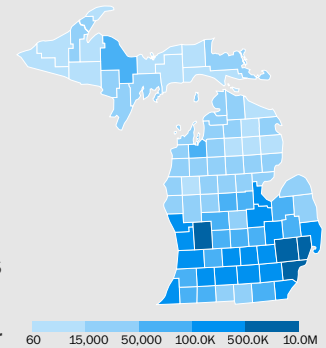
Traditional¹

Governing Body Size

5 to 21

Population (2020)

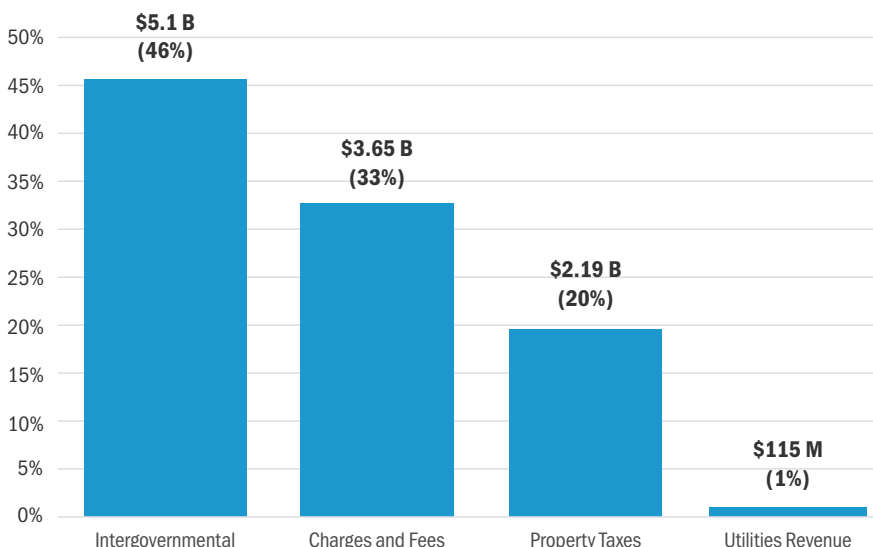
10.1 million²



County Authority

Mostly Dillon's Rule with Optional Home Rule: Counties in Michigan may organize under four structures of government – general law, an optional unified government with a county manager, an optional unified government with an elected executive and a charter government. Seventy-nine (79) counties operate under the general law form of government, limiting their power to authority specifically delegated by the state legislature. Optional unified forms of government, adopted by two of Michigan's counties, have a different government structure than general law counties, but the same limited authority. Counties can also organize under a charter which provides home rule authority allowing counties to determine their local affairs and government so long as it is not inconsistent with state law. So far only two counties operate under a home rule charter.

TOP REVENUE SOURCES FOR MICHIGAN COUNTIES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

Summary of County Services

Services counties MUST provide:

- Provide a county health department and board of health.
- Provide indigent defense services.

Services counties CAN provide:

- Establish hospitals and community mental health agencies.
- Regulate land development through zoning ordinances.
- Provide economic development opportunities.

Services counties CANNOT provide:

- Provide gas utilities.

¹“Government Form” refers to the distribution of executive decision making authority in a county. “Traditional” county states mandate that counties exercise executive decision making power solely through the board of elected officials (commissioners, supervisors, etc.). “Reformed” county states mandate that counties employ an elected or appointed county executive, manager or similar position to take on at least some of the county's executive decision making authority. “Mixed” county states means that some counties in that state are “traditional” and some are “reformed.”

²NACo Analysis of U.S. Census Bureau - 2020 Decennial Census

STRUCTURE/AUTHORITY

SUMMARY

All Michigan counties have a board of commissioners consisting of 5-21 members that exercises both the legislative and executive duties of the county. Many general law county boards also appoint a county administrator to oversee certain administrative government functions. Executive power in general law counties rests with the board of commissioners and the separately elected county officers. In the optional unified form of county government, the board of commissioners may appoint a county manager or the county may elect a county executive, though this position does not have complete executive control. In charter counties, the county executive has greater control over the executive branch, and the board of commissioners is solely a legislative body.

Row Officers	Elected/ Appointed	Required/ Optional
Auditor	Appointed	Optional
Clerk	Elected	Mandatory
Drain Commissioner**	Appointed	Optional
Medical Examiner	Appointed	Mandatory
Prosecuting Attorney	Elected	Mandatory
Register of Deeds	Elected	Mandatory
Road Commissioner*	Elected	Optional
Sheriff	Elected	Mandatory
Treasurer	Elected	Mandatory
Warden	Appointed	Optional

* The road commissioner handles the contraction, repair and maintenance of county owned roads and bridges. A county may instead appoint a road commission to provide these services.

** Depending on the level of water infrastructure problems, a county may appoint the road commission to handle water duties instead of a drain commissioner.



COUNTY STRUCTURE

Legislative Branch: A board of 5-21 commissioners acts as the legislative decision-making body.

Executive Branch: A board of commissioners and, in counties with a unified form of government, an elected executive officer make up the executive branch of a county.

Judicial Branch: Michigan has 57 circuit courts, 105 district courts and 78 probate courts. Circuit courts have general jurisdiction and handle all civil cases with claims of more than \$25,000 and all felony criminal cases. District courts are limited jurisdiction trial courts that handle civil cases between \$3,000 and \$25,000, misdemeanors and other trial cases. Probate courts are also trial courts that have jurisdiction over all matters involving estates.

Optional Forms of Government:

- Board of Commissioners
- Unified Government with a County Manager
- Unified Government with an Elected Executive
- Charter Government



COUNTY AUTHORITY

Executive Power: A county may exercise its general powers subject only to limitations expressly imposed by state laws. Most of a county's executive power lies with the sheriff, treasurer and other elected county officials. Official county duties are performed by the passage of a motion, resolution, amendment or ordinance.

Ability to Form Partnerships: The state legislature can authorize two or more counties or other local government entities to enter into contractual undertakings or agreements with one another or with the state for the joint administration of any of the functions or powers that normally would be performed separately. Local governments can also form their own joint alliances.

Call a State of Emergency: Counties may have an appointed emergency management coordinator who may declare a local state of emergency. The county board may also approve regulations adopted by the health department to properly safeguard public health and to prevent the spread of diseases. The county health officer may order a response to an imminent danger to the health or lives of individuals, to avoid, correct or remove the danger.

Special Districts: There are around 450 special districts throughout the state. Counties are authorized to create certain special districts and authorities including airport authorities, blighted area rehabilitation and zoning districts.

SERVICES

OVERVIEW OF COUNTY SERVICES

The power for Michigan counties to provide services is often dependent on whether a county has home rule authority or if they are governed under general law. Home rule counties tend to have more freedom to decide on how services are provided while general law counties are restricted to the policies set by the state. In general, Michigan counties have the option to offer many services including health departments, hospitals, parks, public libraries, land use regulations and ambulance services. Counties have authority to create certain special districts to provide specialized services such as airports, utilities and economic development. Counties may also join with any other units of government to jointly provide essential public services.



HEALTH AND HUMAN SERVICES

County Health Department: The local governing entity of a county must provide for a county health department and may appoint a county board of health. Two or more counties and/or cities may unite to create a district health department.

Hospitals: Counties may establish and maintain public hospitals upon approval of electors of the county. The county must then appoint a board of trustees to oversee the hospital.

Senior Care Facilities: Upon approval of the board of commissioners, a board may be created to supervise and operate a county medical care facility which provides medical treatment and nursing care.

Mental Health Facilities: A board of commissioners may, by referendum, establish a community mental health agency, providing a comprehensive array of mental health services. The agency must run by a 12-member board that is appointed by the board of county commissioners.

Welfare: State statute establishes that each county has a county department of social services, which includes an office devoted to children and youth services.



INFRASTRUCTURE

Roads: A board of county road commissioners (or a single elected road commissioner) may lay out new roads, approve road construction, approve road improvements and construct and maintain bridges and culverts within the county.

Public Improvements: A board of county commissioners may, by resolution of the electorate, establish a system of water, sewage or sewage disposal improvements and services as well as disposal facilities to serve all or part of the county.

Parking Lots: A board of county commissioners may maintain and regulate parking lots on land owned by the county and enact regulations for the safe and proper use of those parking lots for the general public, including the charging of fees for parking.

Airports: A county may, by resolution of the electorate of all entities involved, join with one or more non-district local government entities to form an airport authority for the purpose of planning and improving the facilities of a community airport.

Utilities: Utilities are regulated by the state's public service commission. Counties may provide for water, sewage, electric power and garbage collection services for its residents.

- **Water:** A county board of commissioners may, by resolution adopted by a majority of vote of its members, establish water, sewer and sewage disposal facilities and services.
- **Solid Waste:** A county board of commissioners may, by resolution adopted by a majority vote of its members, establish garbage collection and disposal facilities and services.
- **Electric:** Counties may join with one or more cities, villages, townships or metropolitan districts to create a joint agency for the purpose of supplying electric power and energy.
- **Gas:** Counties are not authorized to provide gas utility services.

SERVICES, CONTINUED



PUBLIC AMENITIES

Parks and Recreation: A county board of commissioners may, by resolution adopted by a two-thirds vote of its members, create a county parks and recreation commission. Counties may also join together with board approval to create regional parks and recreation commissions.

Libraries: Counties have the power to establish a public library for county residents. The board of commissioners may annually levy a tax to fund the library.

Agricultural Fairs: A board of county commissioners may take over the management and control of an agricultural fair that is within the county.

Farmers Markets and Flea Markets: A county board of commissioners may establish a farmers' market or flea market in the county.



ZONING AND DEVELOPMENT

Zoning Power: A county may regulate land development through zoning ordinances and establish one or more districts in the unincorporated areas of the county which regulate the use of land and structures.

Zoning Restriction: County zoning ordinances cannot regulate the location or operation of hazardous waste disposal/storage facilities, solid waste facilities, utility power lines, railroads, state prisons and public correctional facilities, oil and gas wells or wind energy transmission lines. County zoning of agriculture cannot conflict with existing laws surrounding farming and agricultural practices.

Housing Authority: A county may create, by ordinance, a housing commission with the power to purchase, construct, maintain and operate housing facilities and eliminate housing conditions which are detrimental to public peace, health, safety, morals or welfare.

Economic Development: The board of commissioners of a county may create a county economic development commission, as a separate agency of or by designation of an existing county board. Two or more counties may join to create a regional economic development commission. A county may also grant or loan funds to a nonprofit corporation organized for the purpose of providing loans for private sector economic development initiatives.

Energy Conservation: A county board of commissioners may provide, by resolution, for the acquisition or financing of energy conservation improvements to be made to county facilities or infrastructure. Counties may also pay for the improvements, financing or refunding of the improvements from the general fund of the county or from the savings that result from the energy conservation improvements.

SERVICES, CONTINUED



PUBLIC SAFETY

Law Enforcement: In counties with a population over 400,000, a board of civil service commissioners is created by state statute to reside in the sheriffs' departments to regulate the hiring, employment and working conditions of law enforcement officers. Michigan counties are also required to appoint a county medical examiner tasked with investigating certain types of deaths, including homicides.

Jails: Every county must finance and provide a suitable and sufficient jail, and the county sheriff has the charge and custody of the jails and prisoners. A board of commissioners may also, by resolution, authorize the county to become a county juvenile agency and provide an effective program of supervision, care and rehabilitation for incarcerated juveniles.

Courthouses: Every county must finance and provide a suitable courthouse at the county seat.

Fire: In counties with over 5,000 inhabitants, the board of commissioners, by a two-thirds vote of its membership, has the authority to provide fire protection to unincorporated areas of the county and to contract with any township, city or village within the county for fire protection services.

Ambulance: The county board of commissioners may operate or join with another municipality or contract with individuals, firms, organization or corporations in operating or furnishing ambulance service for county inhabitants. This service may be in connection with fire protection service or act as a separate operation.

Emergency Management Agency: The county board of commissioners of each county must appoint an emergency management coordinator.



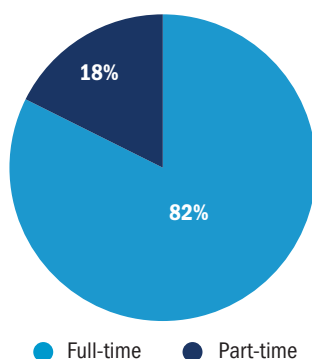
SCHOOLS

Education, Generally: The Michigan State Board of Education oversees the public school system and distributes state and federal school aid. The state is made up of school districts, which operate public education at the local level. Counties have no role in K-12 public education.

School Board: Every school district is governed by a locally elected school board and a superintendent employed by the board.

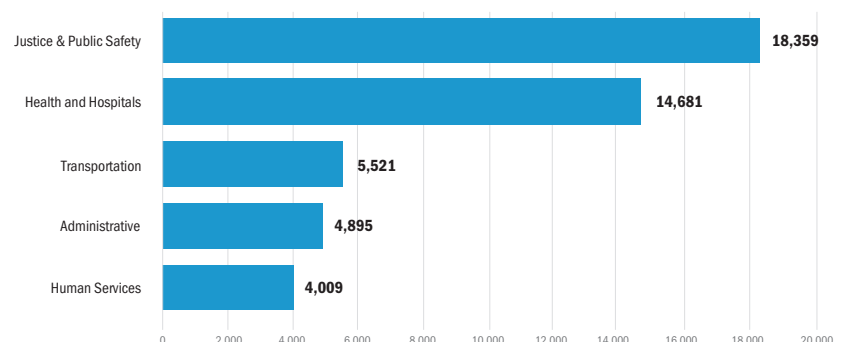
Community Colleges: One or more counties may join to form a community college district by a majority vote of the electors residing in the proposed district. The district must then be governed by a board of seven trustees.

MICHIGAN COUNTIES EMPLOY 52,123 GOVERNMENT EMPLOYEES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

MICHIGAN COUNTY GOVERNMENT EMPLOYEES BY TOP FUNCTIONAL CATEGORIES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

TAXATION/FINANCES

OVERVIEW OF COUNTY FINANCE STRUCTURE

Michigan counties are not authorized to levy taxes on income or the selling of goods and services. Instead, counties primarily earn revenue from charges, fees and property taxes. Intergovernmental revenues, including sales tax revenue paid from the state and county-generated revenues such as fees associated with courts and registering deeds, also help finance various county services. Counties are authorized by state law to issue bonds so long as they raise sufficient tax revenue to cover interest throughout the life of the bonds. The boards of commissioners in certain counties may also create a finance committee to audit bills and perform certain other duties.



FINANCES, TAXES AND LIMITATIONS

Property Tax: Counties may levy a tax on all property, real and personal, within the county. The total amount of ad valorem taxes imposed upon real and tangible personal property for all purposes in one year cannot exceed 15 mills, generally. If there is approval by a majority vote of county electors, the limit can go up to 18 mills on each dollar of the assessed valuation of property.

Personal Property: Tangible personal property is taxed the same as real property. Many types of personal property are exempt from taxation, such as property owned by a non-profit, educational institutions and all commercial personal property valued at \$80,000 or less.

Income Tax: Counties cannot impose income taxes.

Sales Tax: Counties cannot impose local sales taxes.

Mineral Tax: Counties cannot impose a mineral tax.

Gas/Fuel Taxes: Counties cannot impose a gas or fuel taxes.

State Shares:

- **State Real Estate Transfer Tax Act:** Each county receives a monthly share of tax revenue collected from the state real estate transfer tax which applies to the transfer of real estate. The tax rate is \$3.75 for each \$500.00 of total assessed value of the property being transferred. Each county receives a portion of the tax revenue collected from the transfers that occur within its boundaries.

- **Sales Tax Share:** Michigan has a 6 percent state sales tax. The state department of treasury collects sales tax revenue and distributes a portion to counties.

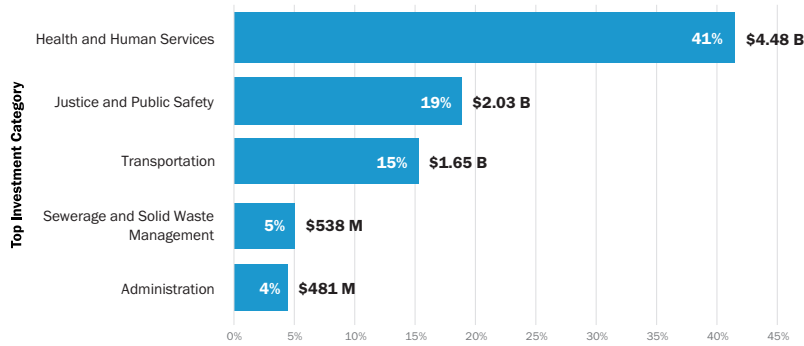
Debt and Debt Limit: A county cannot incur any indebtedness that will increase its total debt beyond 10 percent of its assessed valuation. Before any county issues any bonds, except serial bonds and bonds having a special security, the legislative body of the county must pass a resolution providing for the levying and assessment of a tax which must raise annually a sufficient sum to pay the interest on said bonds. A county board of commissioners may also borrow a sum of money, not exceeding 50 percent of the tax to be levied or collected for the general fund of the county, necessary to defray current expenses of the county.

Other Finance Info:

- **Advertisement of Agricultural Advantages:** The board of county commissioners in certain counties may levy a special tax for the purpose of advertising the agricultural advantages of the state or for displaying the products and industries of the county for the purpose of encouraging immigration and increasing trade opportunities.
- **Finance Committees:** A board of commissioners in a county having a population of less than 75,000 may create a finance committee to audit bills and perform certain other duties.

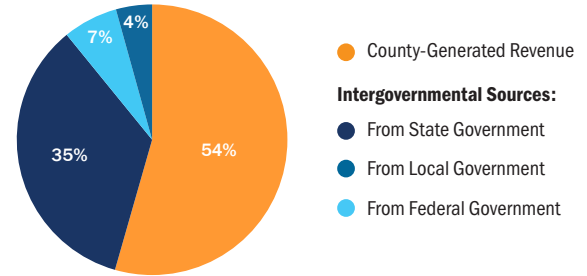
TAXATION/FINANCES, CONTINUED

MICHIGAN COUNTIES INVEST \$10.8 BILLION ANNUALLY



Source: NACo Analysis of U.S. Census Bureau - 2017 Census of Individual Governments: Finance

MICHIGAN COUNTIES RECEIVE \$5.1 BILLION FROM INTERGOVERNMENTAL SOURCES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Finance, 2017