

Apportionment 2023

When presenting the Apportionment Report in the past, my predecessor would go through the report page by page, statistic by statistic. That's not the approach that I am going to take today. You have the report in front of you with all the various statistics and my office is always available to you to address any questions you may have.

The approach I would like to take today is briefer and, I hope, more educational with a focus on hitting the highlights of the report itself.

So why are we here, why do we have an apportionment session beyond "well, the State of Michigan says we have to?"

The General Property Tax Act lays out two chief responsibilities for Boards of Commissioners when it comes to property assessment and taxation.

The first responsibility of the Board is the process of Equalization. Equalization happens in the spring and is the process through which the Board ensures fairness and uniformity in assessing by making sure that all property is assessed at 50% of its True Cash Value.

The second responsibility of the Board is the process of Apportionment. And what that basically means is that the Board of Commissioners exercises oversight on how the overall taxable value of the county and the revenue generated by that taxable value is distributed across the various governmental units (townships, villages, cities) as well as tax levying authorities (school districts, libraries, emergency services, public transit) that operate within the county.

You may recall that at its last regular session on September 19th, the Board approved the county's L-4029 Tax Rate Request Form. That form identified all of the items or programs that the county levies a millage to support – county operations, road commission, senior services and the early childhood program.

In addition to the county itself, every taxing entity within the county also had to fill out an L-4029, have a board meeting and approve the millage rates that that authority intends to levy in 2023. Some units set their millages rates in the spring time for the July levy and some units set these rates in the fall for the December levy. The county levies for operations in July, but levies for roads, seniors and early childhood in December.

The Apportionment Report summarizes all of the millages to be levied and provides an estimate of the revenue to be generated by those millages in each jurisdiction or by each authority that operates in the county.

While the packet in front of you is labeled as the “Apportionment Report” the official Apportionment Report is the L-4402 report which is under tab 15 and starts on page 67 of the report.

So if you want to dive deep into the millages levied in each township and the estimated revenue that each township is receiving that information is provided within the L-4402 and is broken down by whether that revenue is allocated revenue, extra voted revenue or revenue to cover debt. So when you are voting to approve the “Apportionment Report” you're approving the L-4402.

So if you can bear with some statistics, I will finish by quickly highlighting some of the things that jumped out to me in the Apportionment Report.

The County's taxable value increased 8.79% from 2022 to 2023 (\$3,317,449,286 to \$3,609,202,761).

The County's taxable value has increased 289.12% since 1994 (\$927,525,200 to \$3,609,202,761).

The top ten taxpayers represent 2.30% (\$83,089,458) of the total taxable value of the county and are diverse geographically and diverse by industry (real estate, agricultural, retail, etc.).

The single largest source of taxable value comes from the Residential Class (89.63%), followed by Commercial (5.68%), Agricultural (2.93%), Utility (1.37%) and, lastly, Industrial (0.39%).

The county contains 1,147 tax exempt parcels (4.39% of all parcels) representing 56,756 acres (36% of total acres). The largest holder of tax-exempt property is the National Park Service.

The township with the highest estimated 2023 revenue is Leelanau Township (\$2,969,247), followed by Leland Township (\$2,268,046).

The tax levying authority with the highest estimated 2023 revenue is the Suttons Bay – Bingham Fire Authority (\$2,004,571).

The public school district with the highest estimated 2023 revenue is the Glen Lake Community School District (\$10,757,283).

That concludes my overview of the highlights of the Apportionment Report and I welcome any questions that you may have.