

# 2011 County of Otsego, Michigan Dashboard and Citizens Guide



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# 2011 County of Otsego, Michigan Dashboard



## Fiscal Stability

	2009	2010	Progress
Annual general fund expenditures per capita	\$330.08	\$307.55	↑
Fund balance as a percent of annual general fund expenditures	15.58%	15.80%	↑
Unfunded other post employment benefits (OPEB) liability as a percent of annual general fund revenues	9.53%	15.36%	↓
Debt burden per capita	\$136.26	\$123.83	↑
Ratio of active employees to pensioners	1.92	1.75	↓
Number of services delivered via cooperative venture	2	2	↔
Pension Funded at %	73%	73%	↔
Number of Employees per 1,000 Residents	6.49	6.21	↑

**KEY:** Arrows represent the change from prior to current year; The color of the arrow represents if the change was positive (**GREEN**) or negative (**RED**). A double arrow represents no change (**NEUTRAL**)

## Economic Strength

	2009	2010	Progress
Average Annual Unemployment	14.2%	14.8%	↓
Estimated Median Household Income	\$47,643	\$42,831	↓
% in Poverty (all ages)	10.1%	12.5%	↓

## Public Safety

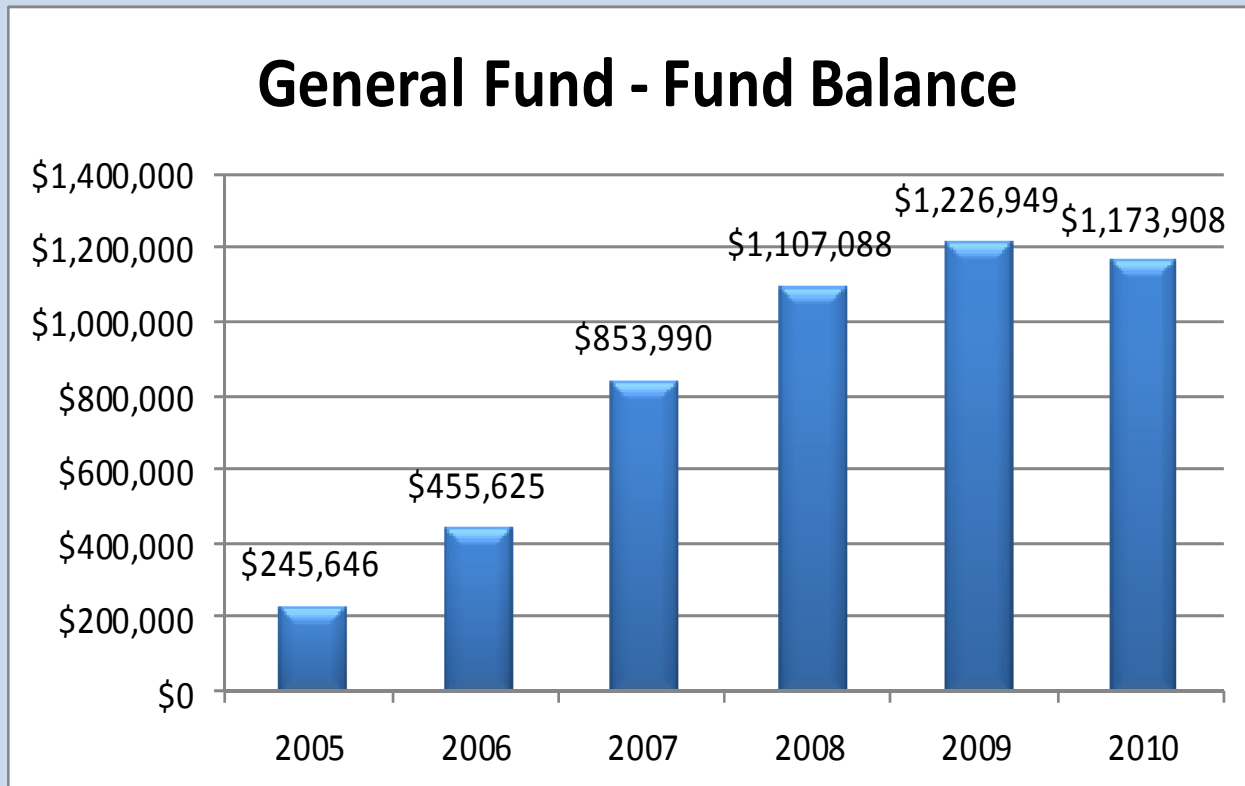
	2009	2010	Progress
Violent Crimes (Incidents) Source: MI Incident Crime Reporting	227	223	↑
Personal Property Crimes (Incidents) Source: MI Incident Crime Reporting	847	804	↑
Traffic Accidents Source: MI State Police, Traffic Crash Reporting System	849	700	↑

## Quality of Life

	2009	2010	Progress
Number of Public Parks, Playgrounds, and Campgrounds		39	
Miles of Minimum 4-Foot Paved Shoulders		22	
Number of Golf Courses	21	21	↔
Miles of Groomed, Signed, Snowmobile Trails	93	93	↔

# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

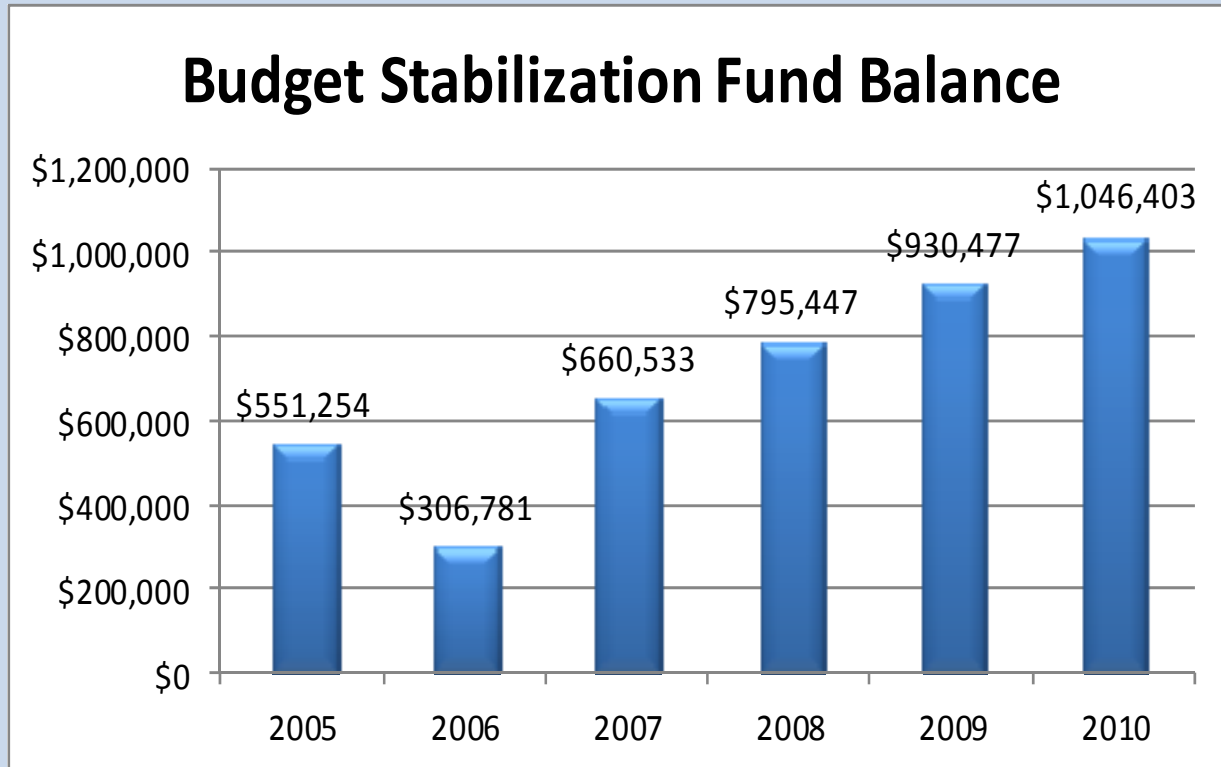


The General Fund is the primary fund of the County used to account for all revenues and expenditures of the County that are not legally restricted as to use. The primary source of funding for the General Fund is property tax revenues. Other sources of funding include fees and charges, and transfers and fund balance. The Fund Balance is needed to assist with cash flow as the County waits for property tax revenue to be collected in the fall each year.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

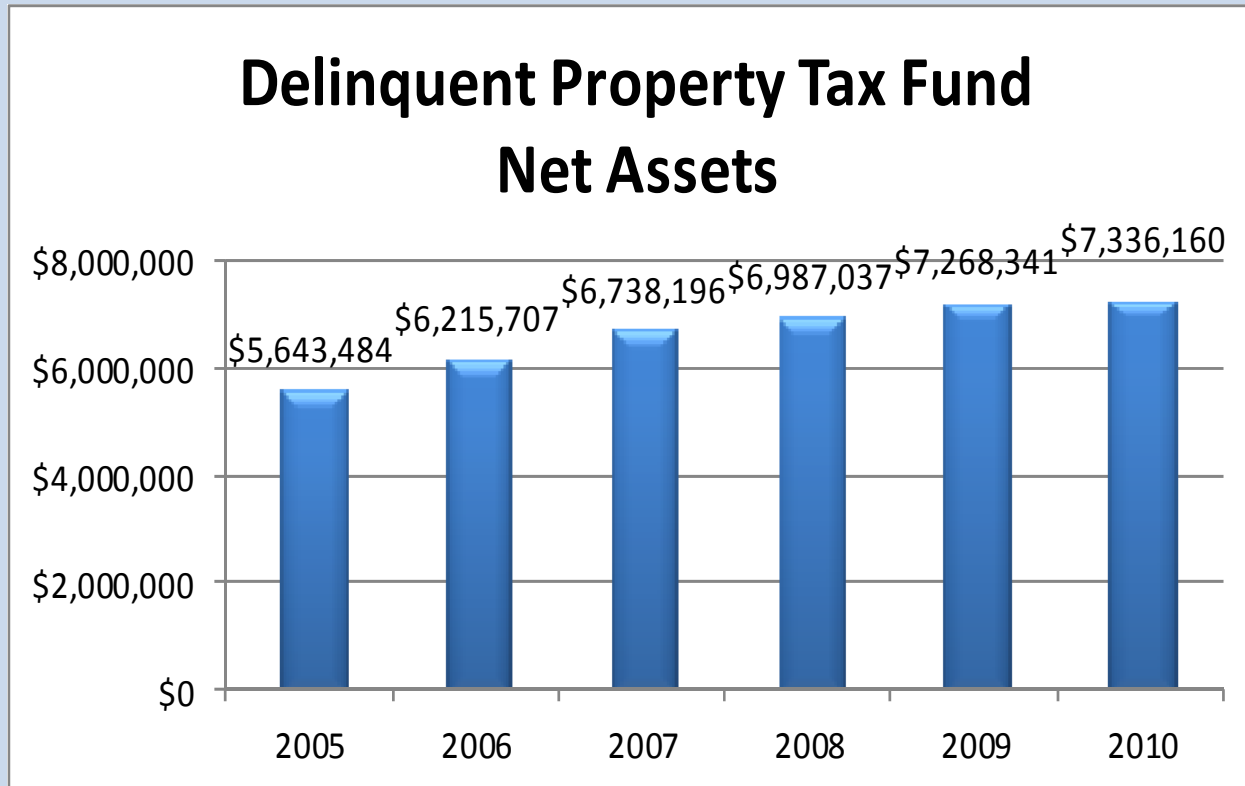


By statute, the purpose of the Budget Stabilization Fund is to set aside monies to assist the County in keeping with current service levels during difficult budget times. The monies can be used as an allocation in the County General Fund to keep existing programs and service levels, but cannot be used to develop new programs, add staffing, fund capital projects, or purchase equipment. In the case of Otsego County, the funds are borrowed and repaid each year in order to help with cash flow while waiting for property tax revenues to be collected in the fall each year.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

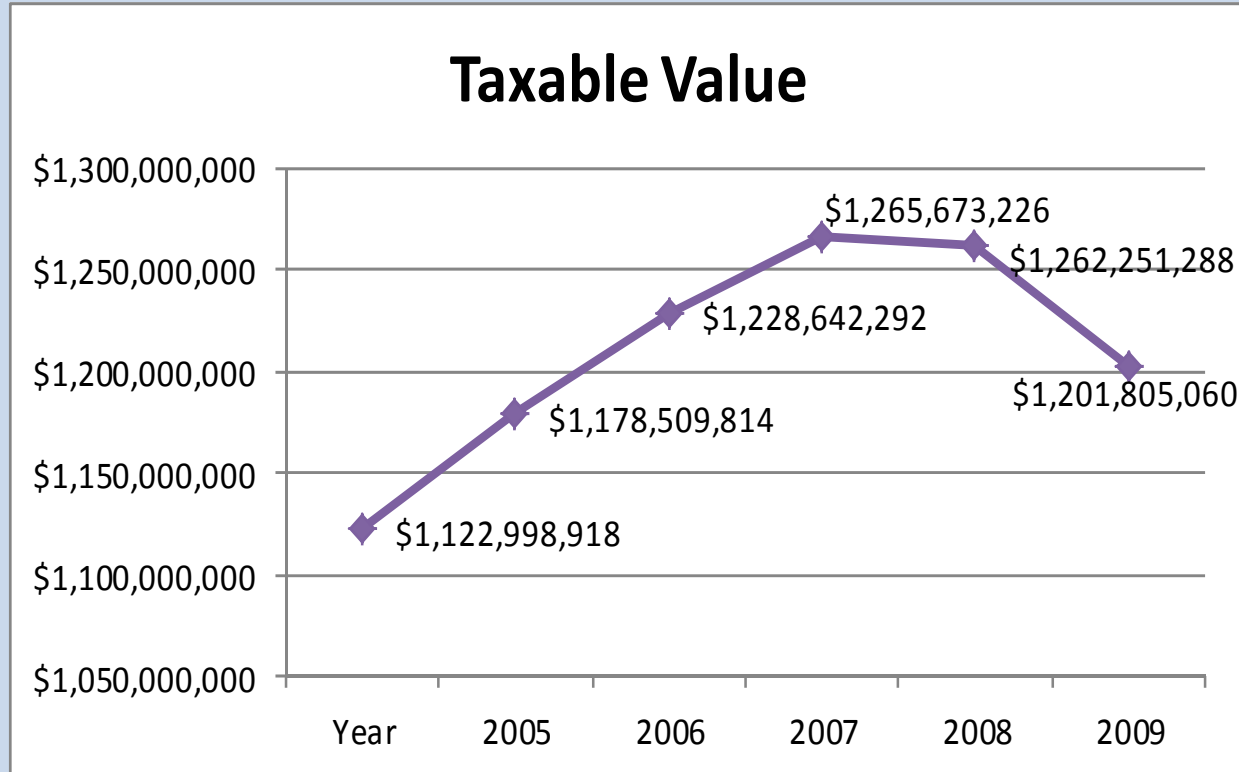


In March of each year, the County pays each taxing unit in the County, such as schools, townships, and other municipalities, the balance of their property tax levy so they are made whole. The County is then responsible for following up and collecting all delinquent real taxes plus interest and penalties. Without this fund, the County would have to borrow money annually to pay the local units their property tax levy.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

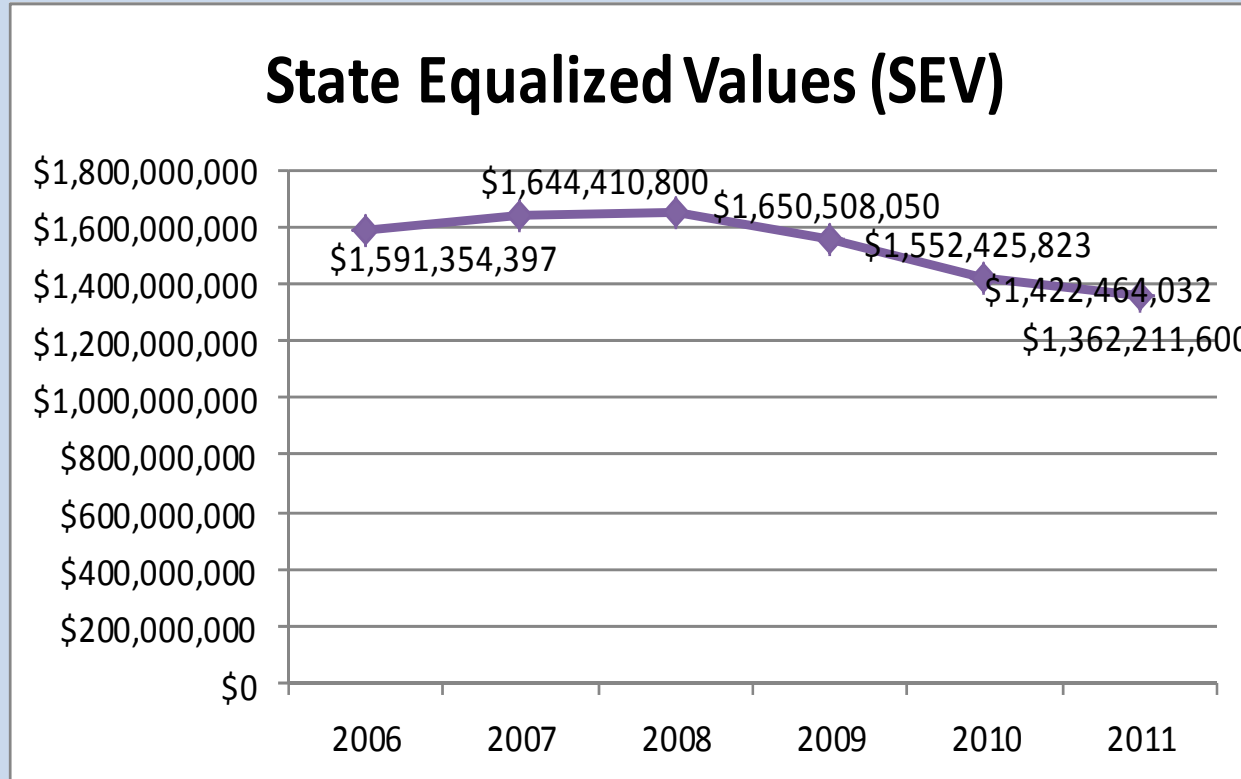


Taxable Value is the value used to calculate property taxes. Property tax revenue equals the Taxable Value multiplied by the millage rate, less and TIFs (Tax Increment Financing).



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability



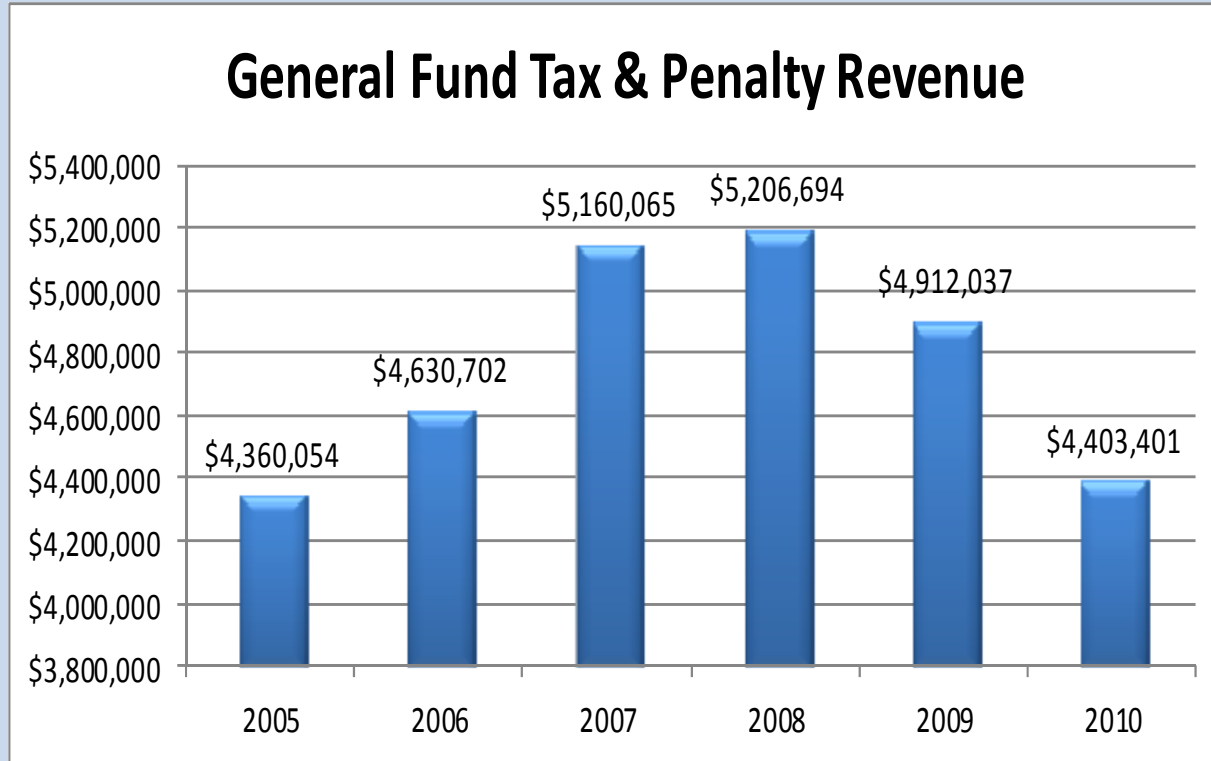
Michigan's Constitution requires that the assessed value of every property be a uniform proportion, not to exceed 50 percent, of the "true cash value," referred to as state equalized value (SEV). The assessed values are equalized among the local municipalities within a county, and among the counties, by the State Tax Commission to ensure uniformity throughout the state. Source: CCR (Citizens Research Council) Memorandum No. 1058, March 2001.





# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

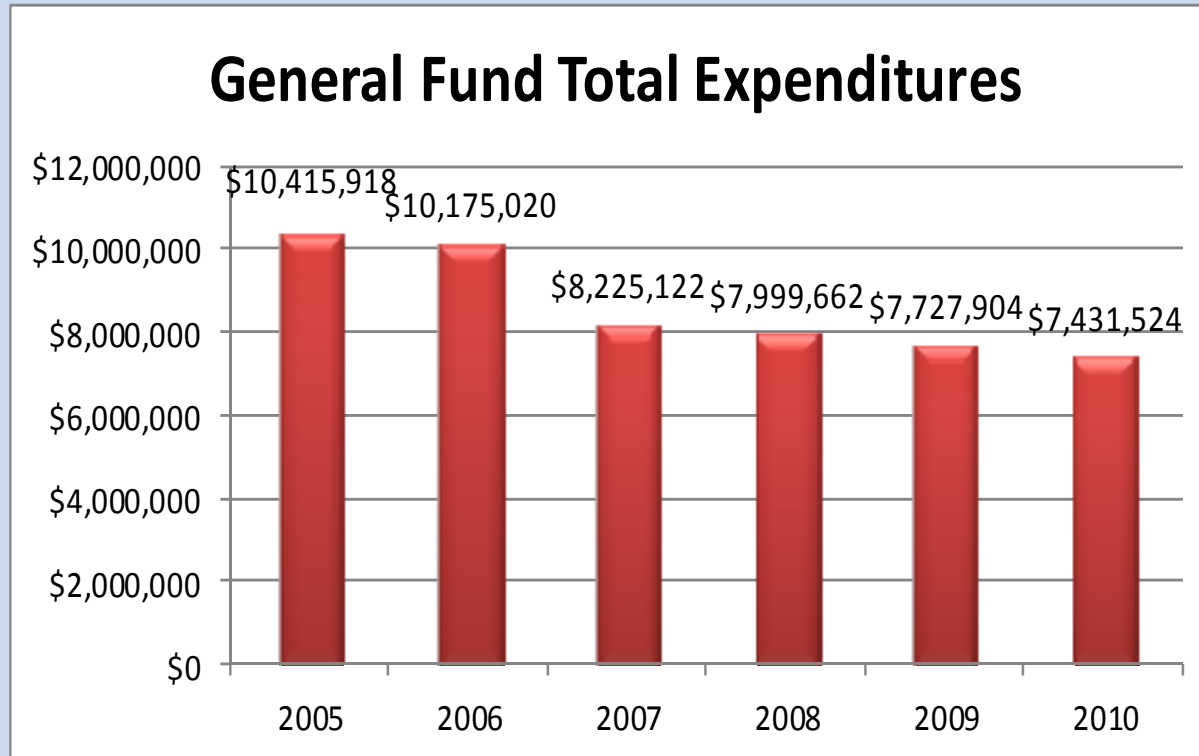


This graph shows the decline of General Fund property tax revenue over the last two years, a trend which appears to be continuing today.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability



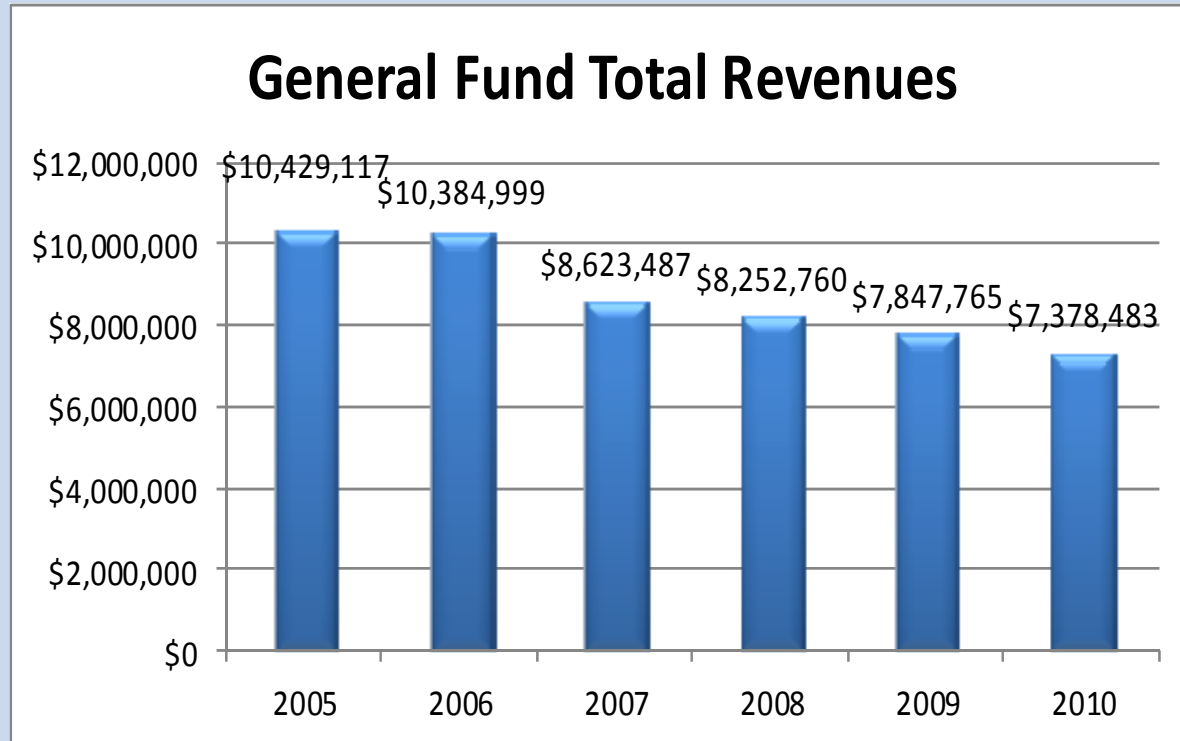
As General Fund revenues have declined, so have the General Fund Expenditures. This has been achieved by a variety of methods including employee reduction, privatization of services, and increased cost to employees for benefits.

Note: The Expenditures include Operating Transfers out to other funds, which support county programs that are accounted for in separate funds.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability



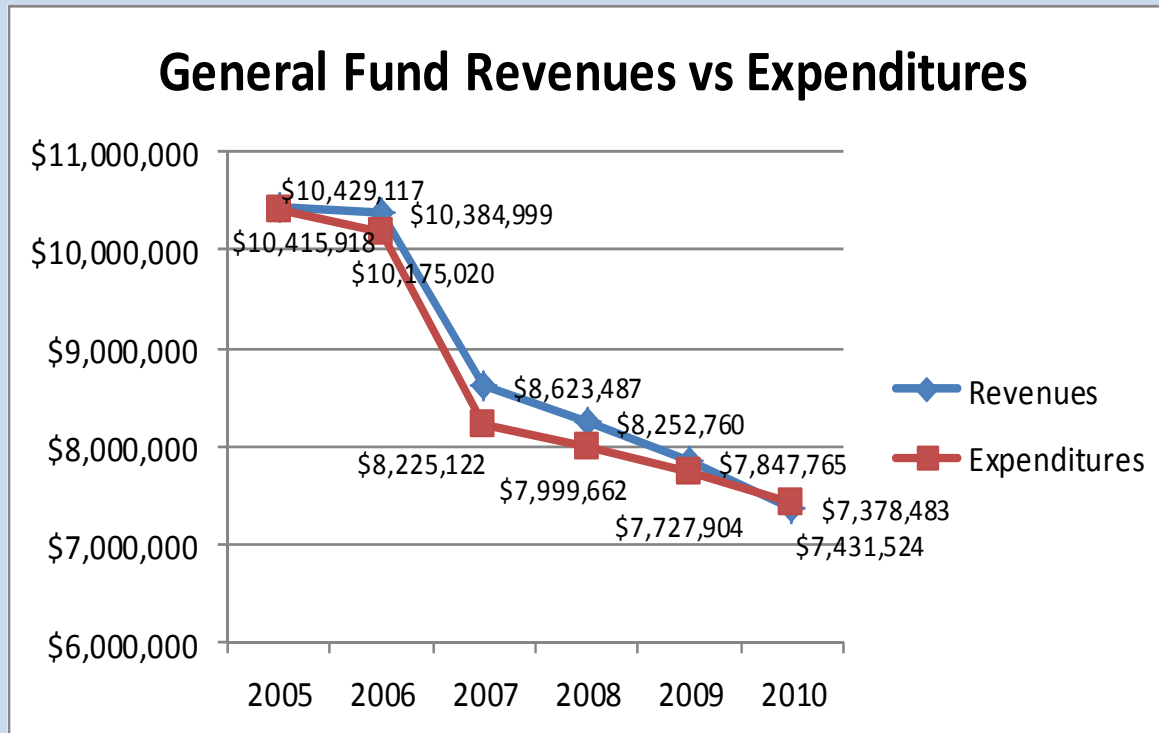
The graph above illustrates the decline in General Fund revenue referenced on the previous page.

Note: The Revenues include Operating Transfers in from other funds, which support county programs in the county's General Fund.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

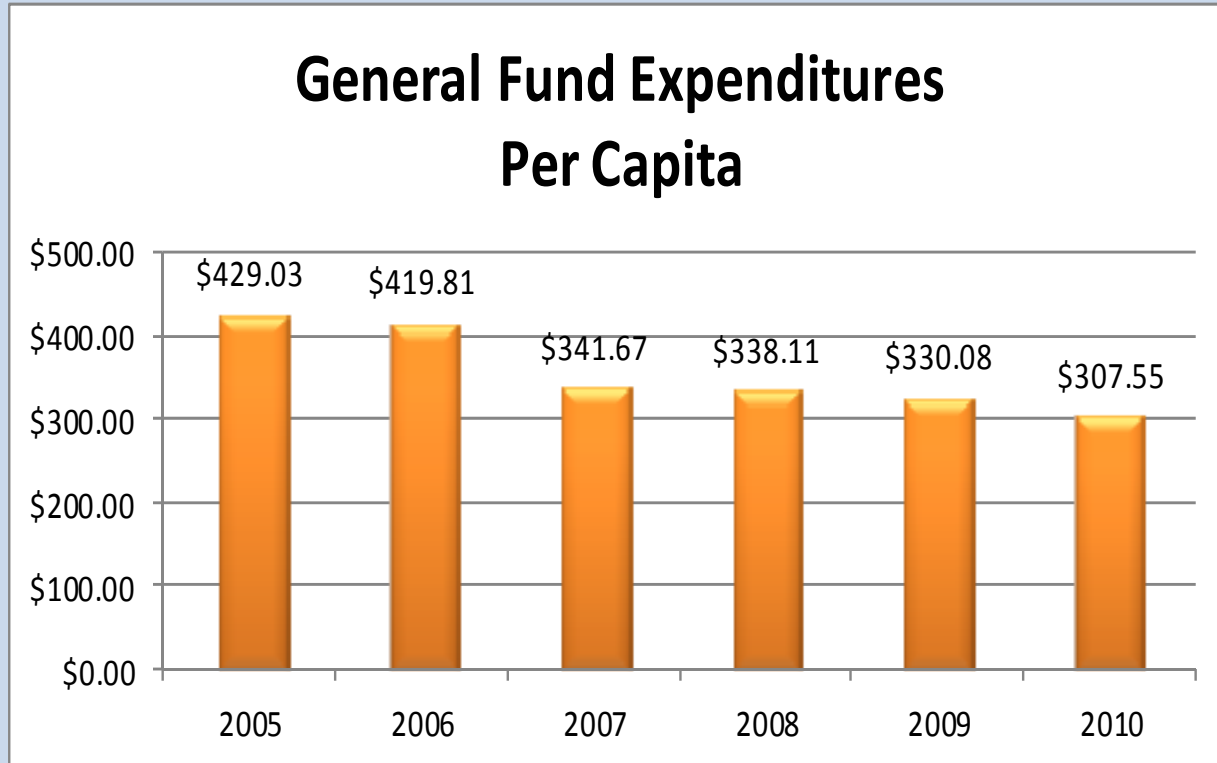


The graph above shows the success of Otsego County in reducing expenditures to match declines in revenue. The only exception was in 2010 due to higher than anticipated tax chargebacks due to challenges at the Michigan Tax Tribunal on individual property taxes.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

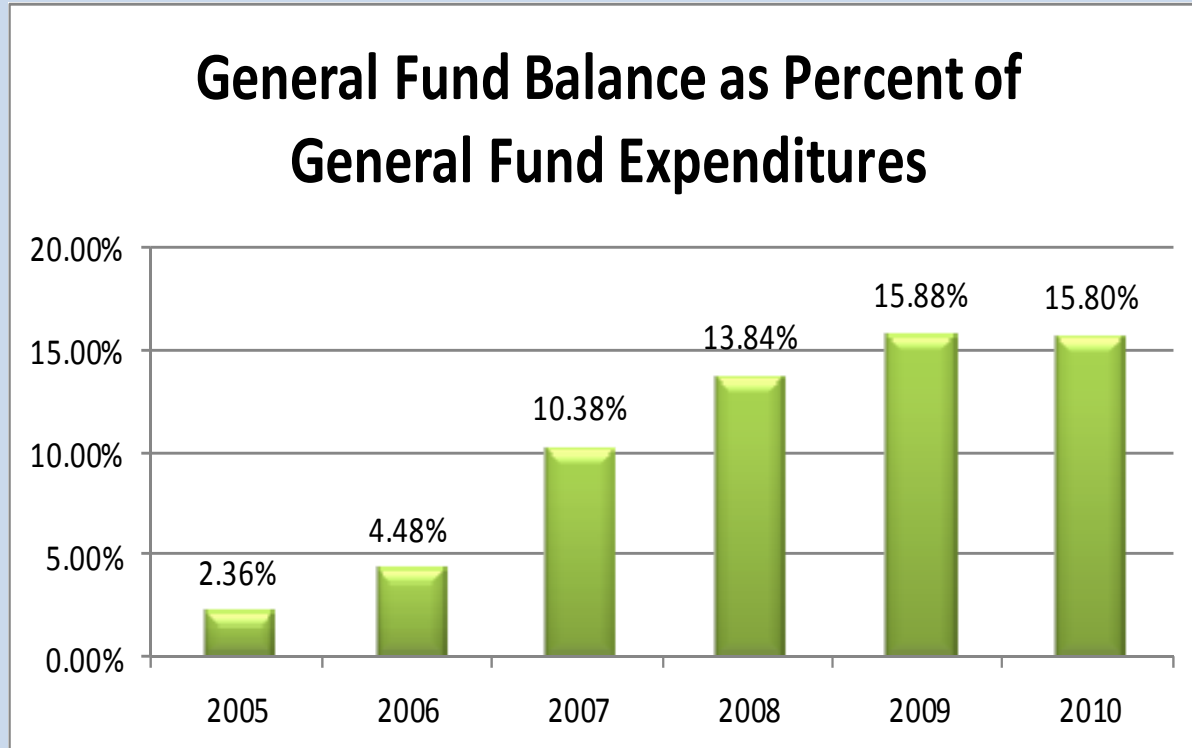


Source: Population Data: U.S. Census Bureau



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

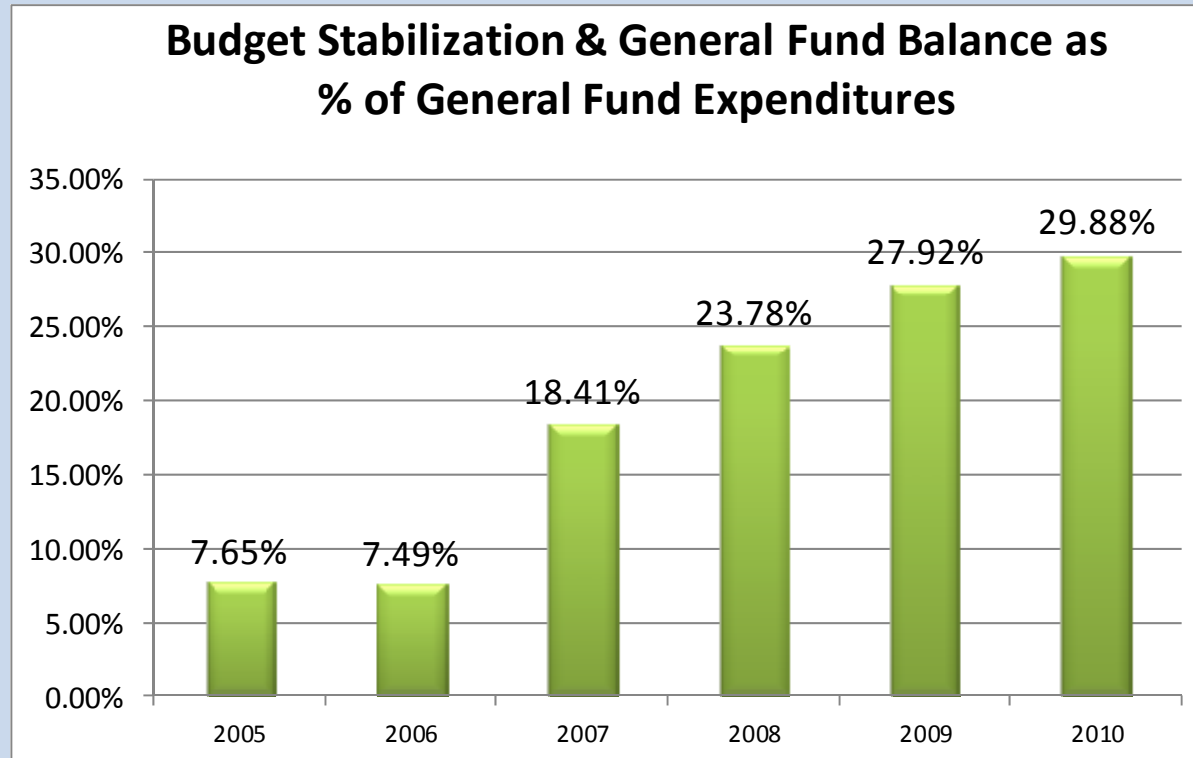


See the next page for a discussion on General Fund balance.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

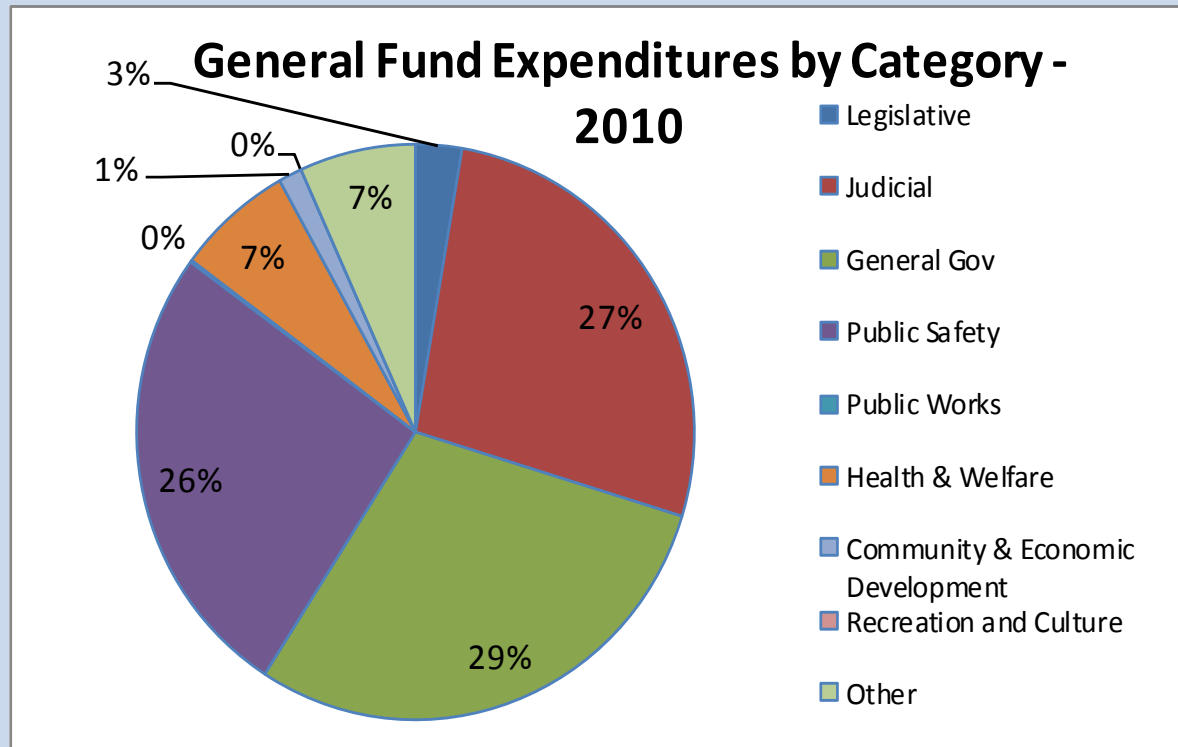


Historically, the County's property tax billing date had been December 1st. Between 2005 and 2007, the State of Michigan shifted that tax billing date to July 1st, delaying the arrival of revenue needed to operate the County General Fund. A common rule of thumb in the past has been that a fund balance of 15% of operational expenditures is needed for operations and contingency. As a consequence of the tax shift, the County must have cash resources on hand to pay bills until the property tax revenue is actually collected in the fall of each year. These July tax billings are due on September 15. So, despite having a fund balance of almost 30%, the County still has to find other sources of cash to draw from in order to operate through almost three-quarters of the year. Before the tax revenues are collected.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability



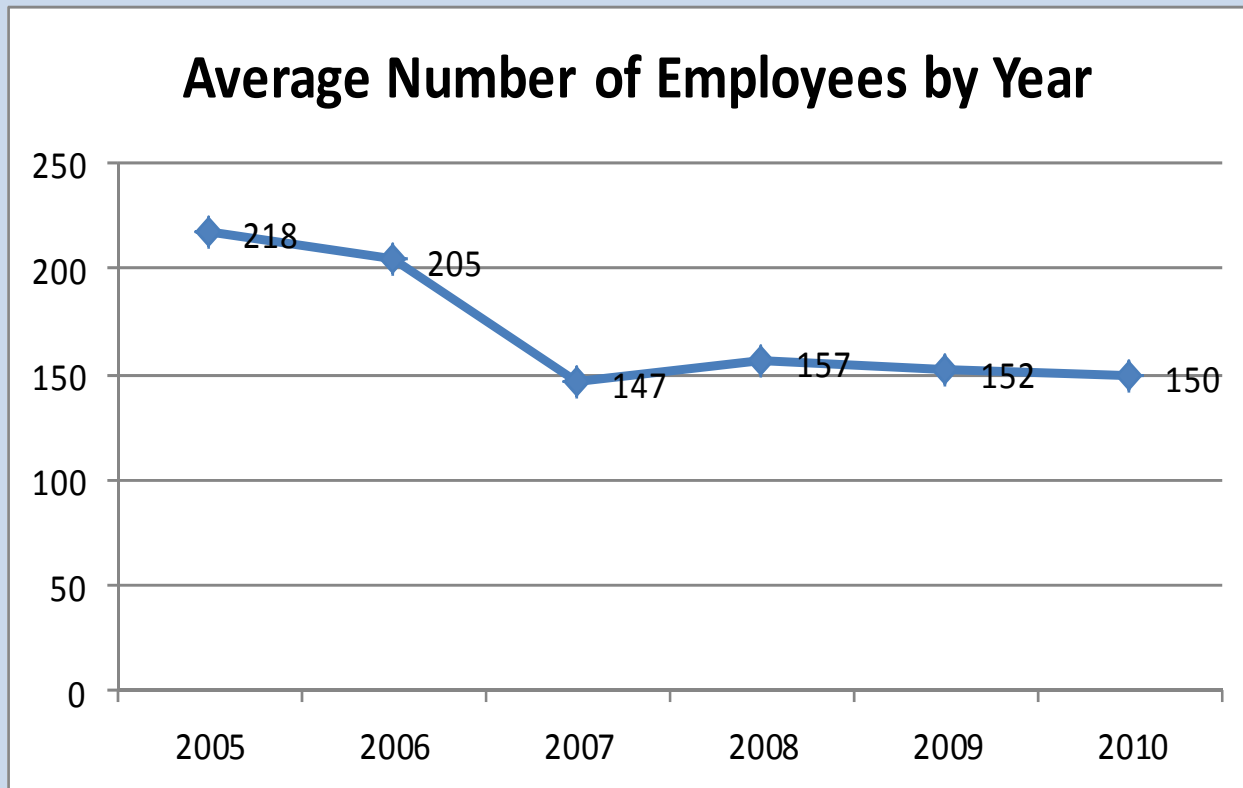
The chart above shows that the majority (53%) of the County General Fund Expenditures in 2010 went towards funding Public Safety and the Court System, while other general county functions accounted for 29% of the Expenditures.





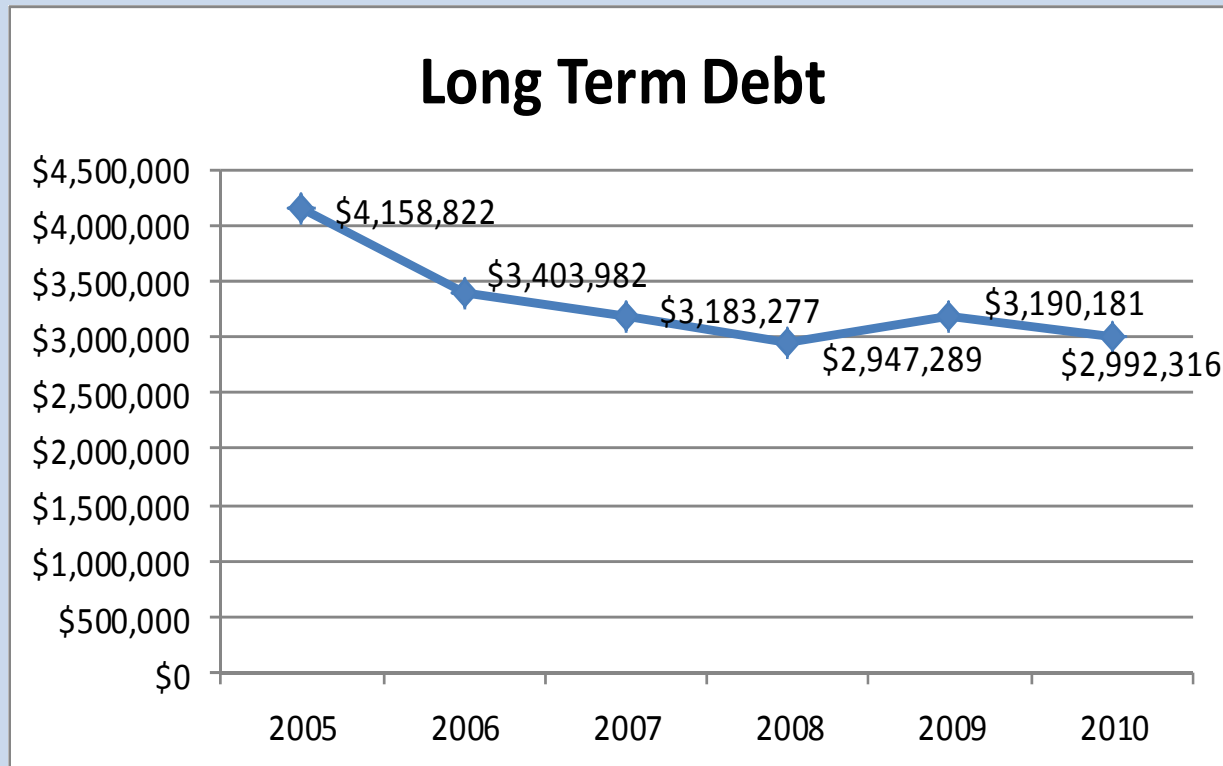
# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

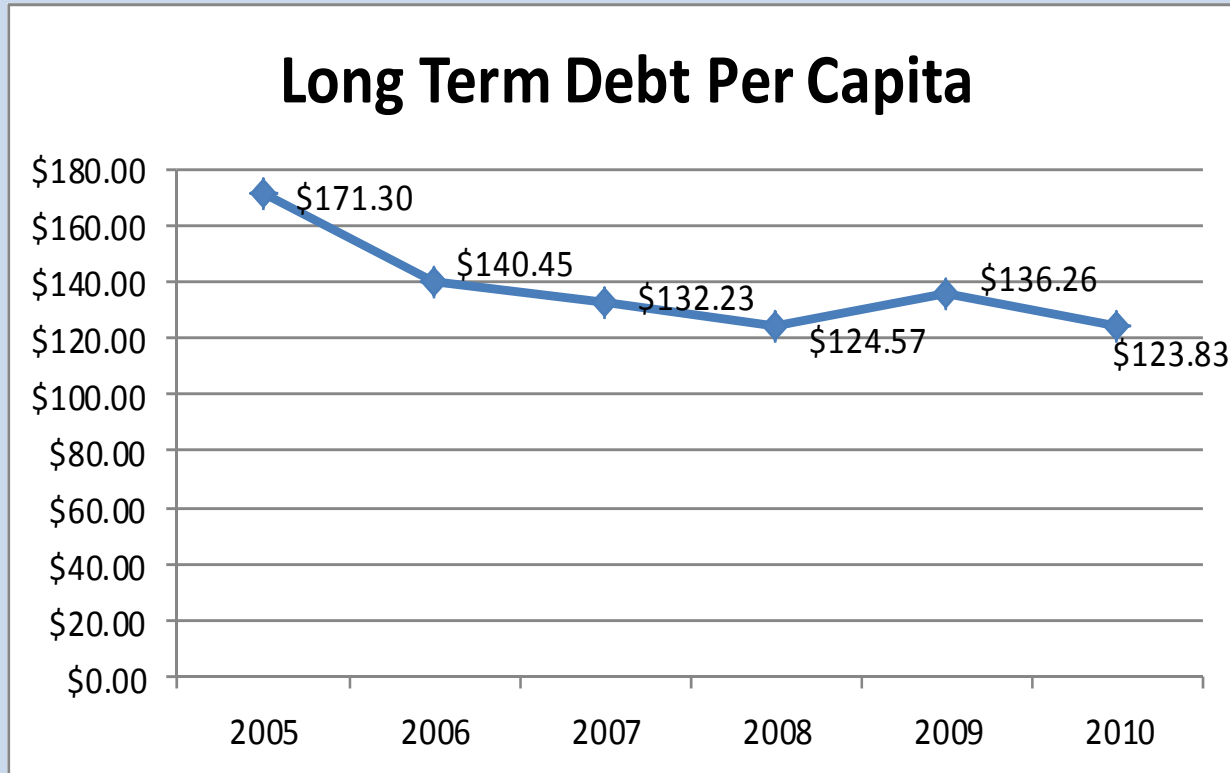


Long Term Debt includes debt incurred by the County's General Fund as well as by its Component Units. Funds used to pay for debt comes from a variety of sources including the General Fund, dedicated Special Millages, and rent charged to outside agencies.



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

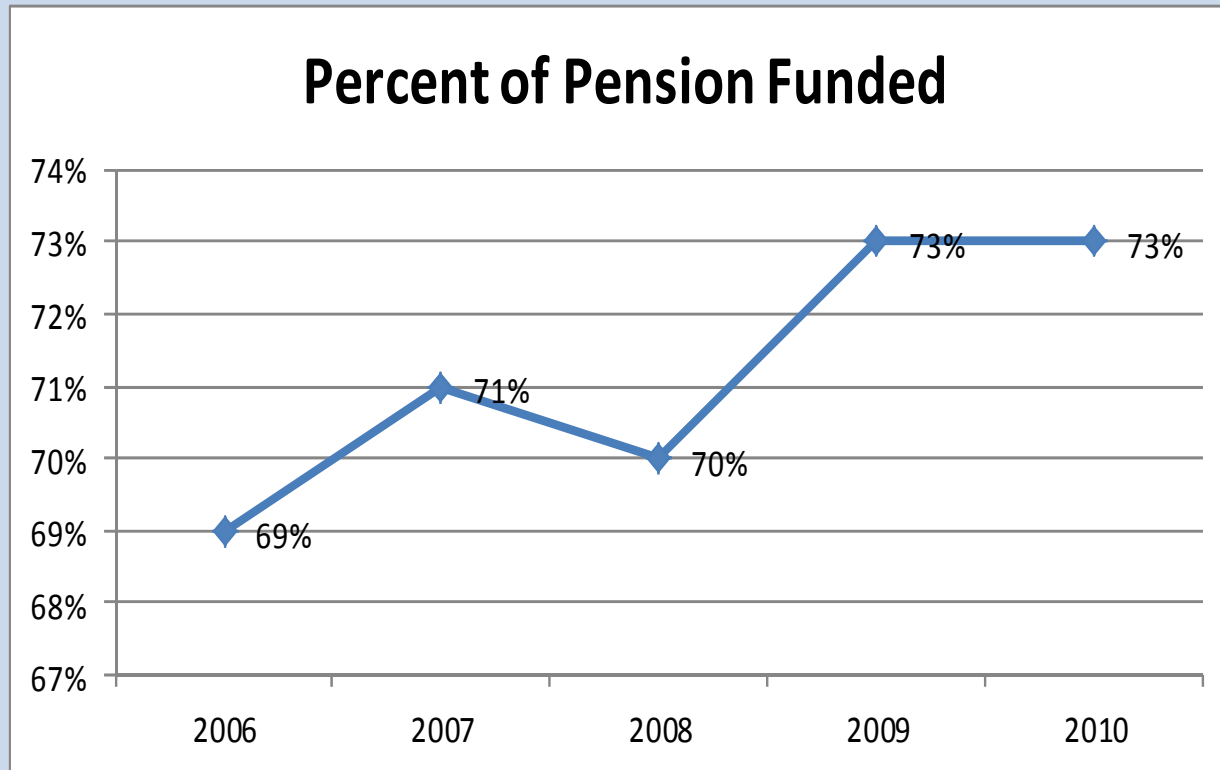


Source: Population Data: U.S. Census Bureau



# 2011 County of Otsego, Michigan Dashboard

## Fiscal Stability

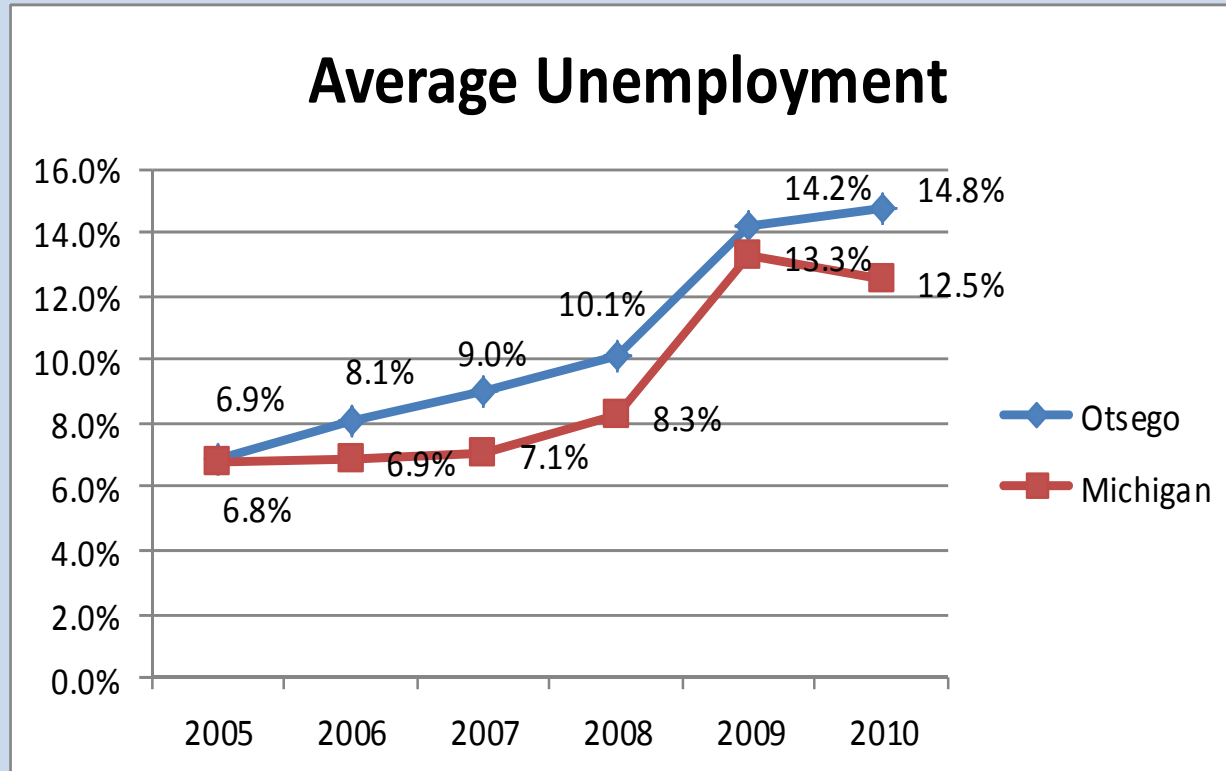


Otsego County is a member of MERS (Municipal Employees Retirement System of Michigan). MERS calculates the unfunded liability in member retirement plans based on a variety of assumptions, which are updated annually. While the amount funded of the County pensions appears to be stagnant currently, changes adopted in the last few years migrating employees to a program that uses a hybrid of defined benefits and defined contributions should begin to show a decrease in the unfunded liability in future years.



# 2011 County of Otsego, Michigan Dashboard

## Economic Strength



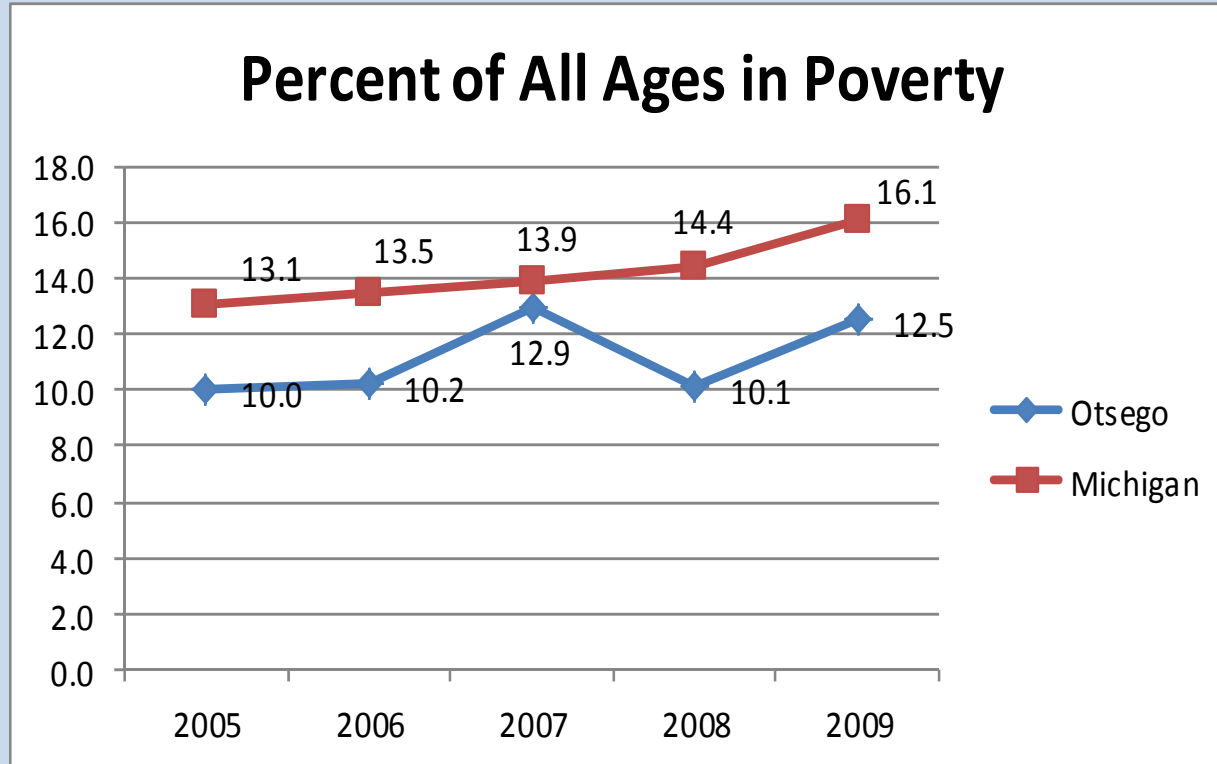
Source: Bureau of Labor Statistics @ [www.bls.gov](http://www.bls.gov)

Unfortunately, the Average Unemployment in Otsego County has been higher than that experienced by the State of Michigan over the several years.



# 2011 County of Otsego, Michigan Dashboard

## Economic Strength



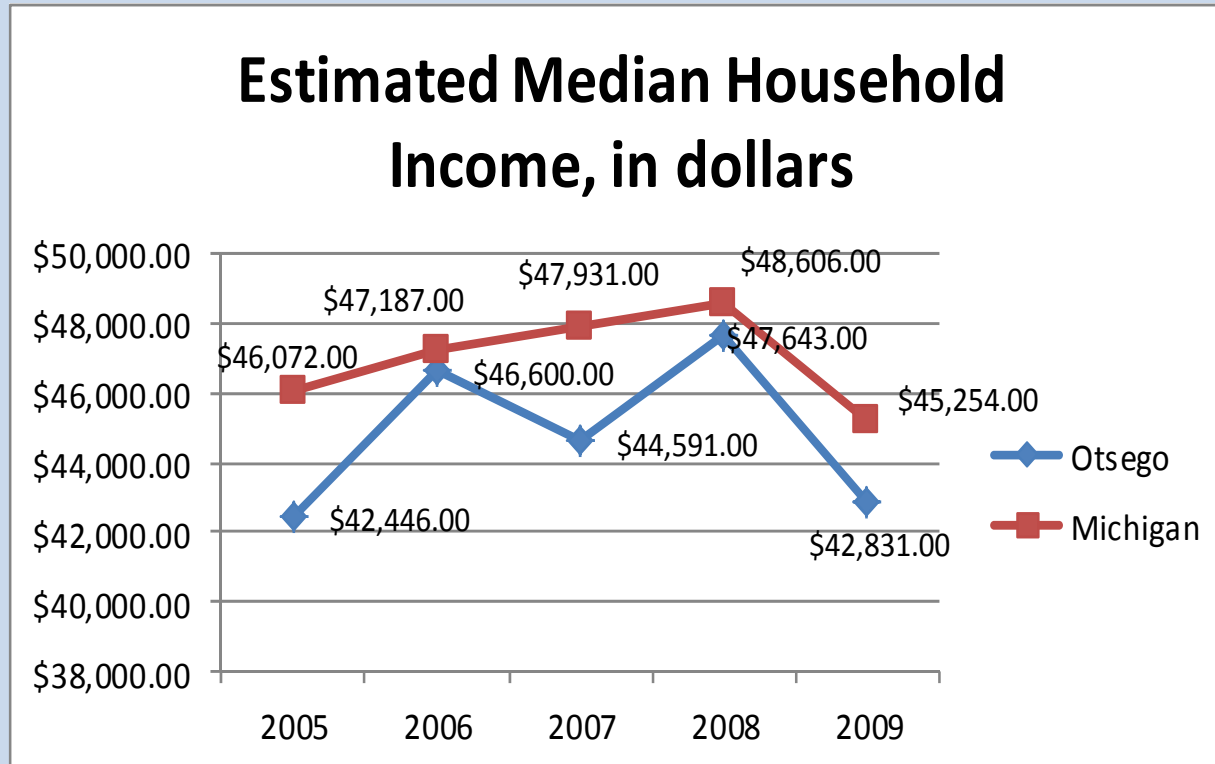
Source: U.S. Census Bureau, Small Area Income and Poverty Estimates

The graph shows that the Percent of All Ages in Poverty in Otsego County has been consistently lower than that experienced by the State of Michigan over the last several years.



# 2011 County of Otsego, Michigan Dashboard

## Economic Strength



Source: U.S. Census Bureau, Small Area Income and Poverty Estimates

The Median Household Income (MHI) in Otsego County has stayed lower than the MHI statewide, and experienced a sharp decline in 2009.



# 2011 County of Otsego, Michigan Dashboard

## Economic Strength

### Top 10 Employers in Otsego County

Company	Number Employed
Otsego Memorial Hospital	550
Wal-Mart	400
Gaylord Schools	375
Treetops Resort	360
Unipro/Van Products	165
Kohls Department Store	150
Otsego Club	150
Lowes	120
Cooper-Standard Auto	100
Tendercare	100
Total Employed by Top 10	2,470

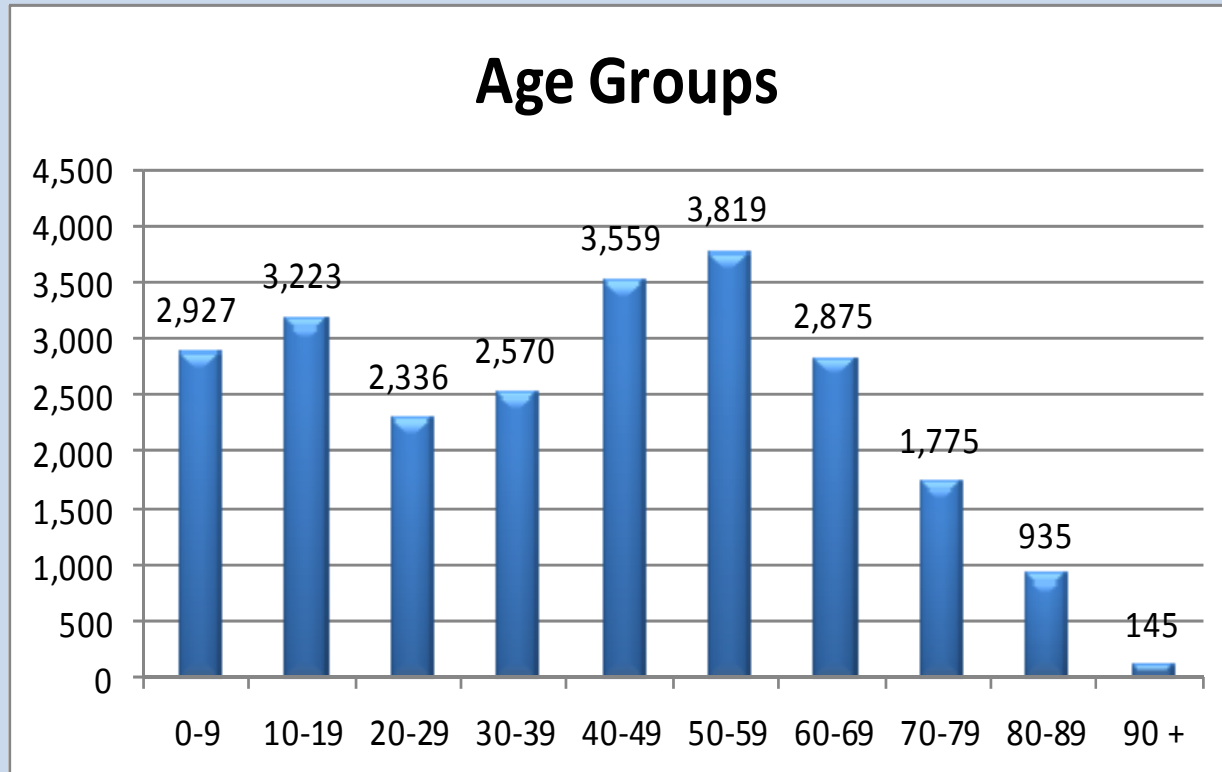
Source: Otsego County Economic Alliance





# 2011 County of Otsego, Michigan Dashboard

## Economic Strength



Source: Population Data: U.S. Census Bureau, 2010 Census

The 2010 Census shows the distribution of age groups in Otsego County. The chart above illustrates the smaller than expected number of residents in the 20 to 29 age range, as well as the 30 to 39 age range. This is thought to be a result of an insufficient number of jobs being available for those age ranges.

