County Authority

Mixed/Restrictive (Mostly Dillion’s Rule): Counties in Michigan may have one of four structures – general law, unified with a county manager, unified with an elected executive and a charter government. Seventy-nine (79) counties operate under the general law form of government, limiting their power to that specifically delegated by the state. Unified forms of government, adopted by two of Michigan’s counties, have a different structure than general law counties, but the same limited authority. Counties may adopt a charter, which allows them to determine their local affairs and structure, consistent with state law. Two Michigan counties operate under a home rule charter.

TOP REVENUE SOURCES FOR MICHIGAN COUNTIES

- Intergovernmental: $5.06 B (45%)
- Charges and Fees: $2.48 B (22%)
- Property Taxes: $2.19 B (20%)
- Utilities Revenue: $115 M (1%)

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

Summary of County Services

Services counties MUST provide:
- Establish a county health department and board of health.
- Create a county department of social services.

Services counties MAY provide:
- Establish hospitals and community mental health agencies.
- Regulate land development through zoning ordinances.
- Foster economic development opportunities.

Services counties CANNOT provide:
- Supply 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.”

\(^2\)NACo Analysis of U.S. Census Bureau - 2020 Decennial Census
SUMMARY

All Michigan counties have a board of commissioners consisting of 5-35 members that exercises both legislative and executive duties. Many general law county boards also appoint a county administrator. Executive power in general law counties rests with the board of commissioners and the separately elected county officers. In the unified form, the board of commissioners may appoint a county manager or voters 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.

<table>
<thead>
<tr>
<th>Row Officers</th>
<th>Elected/ Appointed</th>
<th>Mandatory/ Optional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor</td>
<td>Appointed</td>
<td>Optional</td>
</tr>
<tr>
<td>Clerk</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
<tr>
<td>Drain Commissioner**</td>
<td>Appointed</td>
<td>Optional</td>
</tr>
<tr>
<td>Medical Examiner</td>
<td>Appointed</td>
<td>Mandatory</td>
</tr>
<tr>
<td>Prosecuting Attorney</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
<tr>
<td>Register of Deeds</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
<tr>
<td>Road Commissioner*</td>
<td>Elected</td>
<td>Optional</td>
</tr>
<tr>
<td>Sheriff</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
<tr>
<td>Treasurer</td>
<td>Elected</td>
<td>Mandatory</td>
</tr>
</tbody>
</table>

* 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 5-35 commissioners acts as the legislative decision-making body.

Executive Branch: A board of commissioners makes up the executive branch. Counties with unified government forms also have an elected executive officer.

Judicial Branch: Michigan has 57 circuit courts, 105 district courts and 78 probate courts. Circuit courts have general jurisdiction and handle 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 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: Counties may exercise any powers not expressly restricted by the state. Most of a county’s executive power lies with the sheriff, treasurer and other elected county officials.

Ability to Form Partnerships: Counties may enter into contracts or agreements with other local governments or the state to perform joint functions or powers.

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 approve regulations adopted by the health department to 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.

Special Districts: There are around 450 special districts in Michigan. Counties may create certain special districts and authorities including airport authorities, blighted area rehabilitation and zoning districts.
OVERVIEW OF COUNTY SERVICES

Home rule and general law counties have different powers to provide services. Home rule counties tend to have more freedom to provide services while general law counties are restricted to the policies set by the state. In general, Michigan counties may offer many services, including health departments, hospitals, parks, public libraries, land use regulations and ambulance services. Counties may 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 provide public services.

HEALTH AND HUMAN SERVICES

**County Health Department:** Counties must have a county health department. The governing body of a county may appoint a board of health. Two or more counties and/or cities may unite to create a district health department.

**Hospitals:** If voters approve, counties may establish and maintain public hospitals. The county must then appoint a board of trustees to oversee the hospital.

**Senior Care Facilities:** The board of commissioners may create a separate board to supervise and operate a county medical treatment and nursing care facility.

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

**Welfare:** Counties must have a county department of social services, which includes an office for children and youth services.

INFRASTRUCTURE

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

**Public Improvements:** If voters approve, counties may establish water or sewage improvements, services and facilities.

**Parking Lots:** Counties may maintain and regulate parking lots on county land, enact regulations for lot use and charge fees for parking.

**Airports:** If residents of all involved entities approve, counties may join with other governments to form an airport authority.

**Utilities:** The state regulates utilities. Counties may provide water, sewage, electric and garbage collection services.

- **Water:** Counties may establish water, sewer and sewage disposal facilities and services.
- **Solid Waste:** Counties may establish garbage collection and disposal facilities and services.
- **Electric:** Counties may join with other governmental entities to supply electric power and energy.
- **Gas:** Counties cannot provide gas utility services.
PUBLIC AMENITIES

Parks and Recreation: Counties may create a county parks and recreation commission. Multiple counties may create joint regional parks and recreation commissions.

Libraries: Counties may establish a public library. 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.

Farmers Markets and Flea Markets: Counties may establish a farmers’ market or flea market.

ZONING AND DEVELOPMENT

Zoning Power: Counties may regulate land development and establish one or more districts in unincorporated areas to regulate use of land and structures.

Zoning Restriction: Counties 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 cannot conflict with existing farming and agricultural laws.

Housing Authority: Counties may create a housing commission to purchase, construct, maintain and operate housing facilities and eliminate unsafe housing conditions.

Economic Development: The board of commissioners 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 grant or loan funds to a nonprofit corporation for private sector economic development initiatives.

Energy Conservation: Counties may fund energy conservation improvements to be made to county facilities or infrastructure. Counties may fund these improvements through the general fund or from resulting savings.
PUBLIC SAFETY

**Law Enforcement:** Counties with a population of over 400,000 must have a board of civil service commissioners in the sheriffs’ department to regulate hiring, employment and working conditions for law enforcement officers. Counties must also appoint a county medical examiner tasked with investigating certain types of deaths, including homicides.

**Jails:** Counties must finance and provide a suitable and sufficient jail, and the county sheriff has the charge and custody of the jails and prisoners. Counties may provide a program for supervision, care and rehabilitation for incarcerated juveniles.

**Courthouses:** Counties must finance and provide a courthouse at the county seat.

**Fire:** In unincorporated areas, counties with a population of over 5,000 people may provide fire protection or contract with municipalities to provide these services.

**Ambulance:** Counties may join with another municipality or contract with individuals, firms, organizations or corporations to operate and furnish ambulance services. This service may be connected to fire protection or act as a separate operation.

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

SCHOOLS

**Education, Generally:** The state 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:** If voters approve, counties may join to form a community college 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
OVERVIEW OF COUNTY FINANCE STRUCTURE

Michigan counties cannot 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 court fees, also help finance various county services. Counties may issue bonds if 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 tax real and personal property. 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 voters approve, 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 tax gas or fuel.

State Shares: The state shares a portion of its 6 percent sales tax with counties, as well as a portion of the real estate transfer tax and a portion state liquor tax revenues.

Debt and Debt Limit: A county cannot incur debt that will increase its total debt beyond 10 percent of its assessed valuation. Counties must levy taxes to cover interest before issuing bonds (exceptions are serial bonds and bonds with a special security). Counties may borrow up to 50 percent of the taxes levied for the general fund to defray expenses.

Other Finance Info:

- Advertisement of Agricultural Advantages: Some counties may levy a special tax to fund advertising for agricultural advantages, displaying products and industries of the county or encouraging trade and immigration opportunities.

- Finance Committees: Counties with a population under 75,000 may create a finance committee to audit bills and perform other duties.

MICHIGAN COUNTIES INVEST $10.8 BILLION ANNUALLY

<table>
<thead>
<tr>
<th>Top Investment Category</th>
<th>Amount</th>
<th>Percentage</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Health and Human Services</td>
<td>$4.48 B</td>
<td>41%</td>
<td>$4.48 B</td>
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<tr>
<td>Justice and Public Safety</td>
<td>$2.03 B</td>
<td>19%</td>
<td>$2.03 B</td>
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<tr>
<td>Transportation</td>
<td>$1.65 B</td>
<td>15%</td>
<td>$1.65 B</td>
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<tr>
<td>Sewerage and Solid Waste Management</td>
<td>$538 M</td>
<td>5%</td>
<td>$538 M</td>
</tr>
<tr>
<td>Administration</td>
<td>$481 M</td>
<td>4%</td>
<td>$481 M</td>
</tr>
</tbody>
</table>

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

MICHIGAN COUNTIES RECEIVE $5.1 BILLION FROM INTERGOVERNMENTAL SOURCES

- County-Generated Revenue: 4%
- Intergovernmental Sources:
  - From State Government: 54%
  - From Local Government: 35%
  - From Federal Government: 7%

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