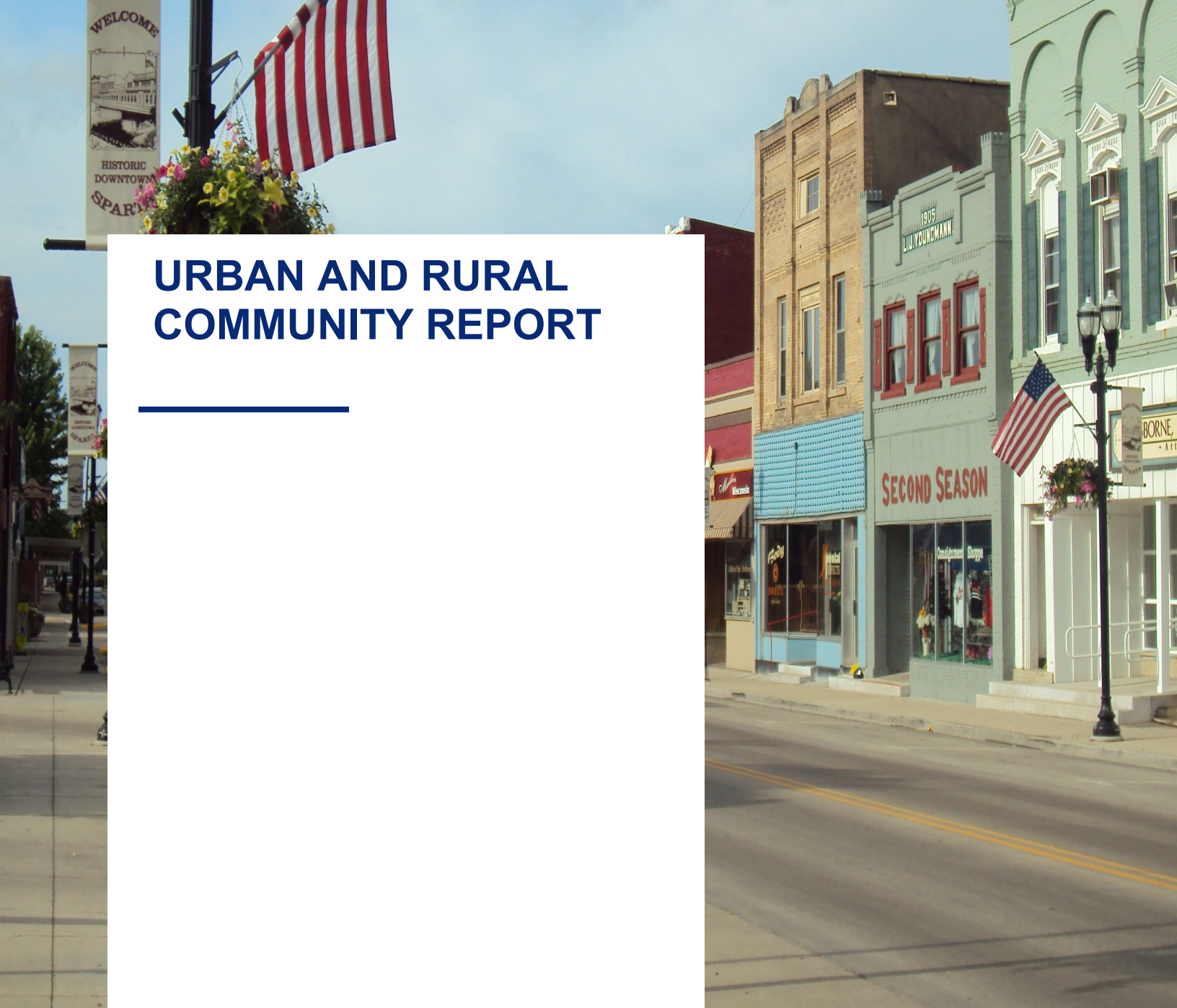


URBAN AND RURAL COMMUNITY REPORT

2019

Prepared by Kent County Administration



Through thoughtful planning and responsible budgeting, Kent County government is committed to providing resources and services that promote a high quality of life for the entire community.

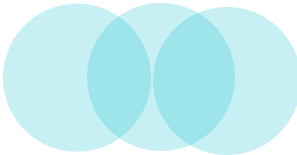


Table of Contents

Table of Contents	1
Overview	2
Introduction	3
Defining Urban and Rural Areas.....	4
Understanding the General Property Tax Levy.....	5
Taxable Value	5
Real Taxable Value	7
Tax Levy Analysis.....	7
Operating Levy	8
Property Tax Exemptions	11
County General Fund	12
Provision of Services	13
Service Type	14
Underfunded Mandates.....	16
General Fund Expenditures.....	17
General Government and Administrative Services.....	18
Civil & Criminal Justice System.....	20
Public Safety Services	25
Human Services.....	30
Veterans’ Services	37
Cultural and Recreation Services	38
Conclusion	40
Appendix A	42
Appendix B	43
Appendix C	44
Appendix D.....	45

Overview

County government is designed by the Michigan State Constitution to be an extension of State government and an agency for providing services that meet local needs. As such, the services provided by Kent County are a result of state mandates, mutual agreements between governmental units, and policy decisions by the elected Board of Commissioners.

The overall operation of government is generally referred to as public administration, which is the use of legislative, executive and judicial processes to provide regulatory functions and services. At a local level, a function of county government is to expand the capacity of services available to serve local needs while reducing fiscal constraint on local communities.

Residents from every area of Kent County access, to varying degrees, a wide variety of County-provisioned services.


The purpose of this report is threefold: to examine the scope of services provided by Kent County, to conduct an analysis of the funding of these services supported, in part, by the County property tax levy, and to identify utilization rates of these services by the residents of Kent County. Additionally, this report is intended to raise awareness about funded and underfunded mandates that Kent County is required to fulfill. In contrast to previous reports of this nature, this report contains specific information about data collection, limitations, comparisons, and further analysis.

This report will begin with a population analysis; establishing two cohorts, urban and rural. Second, in conjunction with this population analysis, an examination of the County property tax levy will provide a synopsis of total taxes collected and a breakdown of contributions by cohort and municipality, and an outline of how these funds contribute to the County General Fund. This report will include an overview of State mandated services, funded and underfunded, provided by the County. This outline will present a context for the use of County General Fund dollars and explore the distribution of State funding to County mandated services. Third, a summary of each County department and their goods and services provided will be examined. Where possible, utilization rates of services by our residents, broken down by cohort, will be included. In summary, this report will provide insight into the quantitative and qualitative aspects of a collaborative Kent County community.

Introduction

Residents from every area of Kent County access, to varying degrees, a wide variety of County services. Kent County service utilization rates are primarily reflected by residential zip code, with the users assembled into the two groups, one representing the more urban cities as the core-six and one representing the more rural communities. This distinction assists in two ways: 1) understanding the differentiation of County service usage, and 2) identifying the varying degrees of services that more urban municipalities are mandated to provide such as a district court¹, or the establishment of full-time code-enforcement, or fire department. Urban communities demonstrate uses of County services that are different in comparison to their rural counterparts. Urban and rural communities have differing needs, differing infrastructures and differing access to alternative revenue sources (charter millage, local income tax, etc.). However, urban and rural communities benefit from County services, which is the central theme of the Urban and Rural Community report.

The 2019 Urban and Rural Community report builds upon prior analysis completed in the 2006 and 2016 reports by expanding the inquiry to include a high-level examination of mandated services and population utilization rates, as well as a reassessment of zip code data. Further, the 2019 report strengthens an analysis of the County property tax levy. The content of the 2019 Urban and Rural Report reflects contemporary utilization of existing facts, figures, and illustrations with source data. The 2019 Report is focused on 2017 Kent County Department data to ensure the comprehensive countywide department reporting out for a comprehensive year.



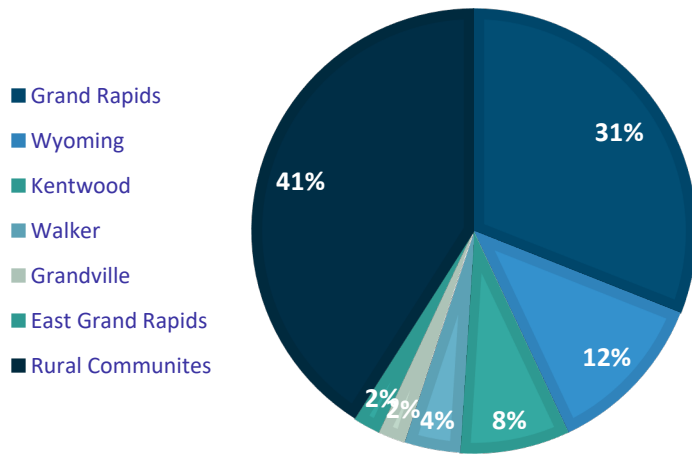
The purpose of this report is threefold: to examine the scope of services provided by Kent County, to conduct an analysis of the funding of these services supported, in part, by the County property tax levy, and to identify utilization rates of these services by the residents of Kent County.

To determine where the users of services reside, information was gleaned from County databases, when available, to identify zip code level data. Although zip codes are not specific to a municipality and are based upon the United States Postal Service determination of mail volume, delivery area size, geographic location, and topography; this analysis geographically mapped the boundaries and determined the appropriate zip codes to include in the report. Appendices “A” & “B” provide a map and listing of the zip code boundaries utilized in this report. The data presented here provides the most accurate measure available.

¹ District courts are provided county wide. Cities, based on population, may be mandated to provide their own district court.

Defining Urban and Rural Areas

FIGURE 1: 2017 KENT COUNTY POPULATION



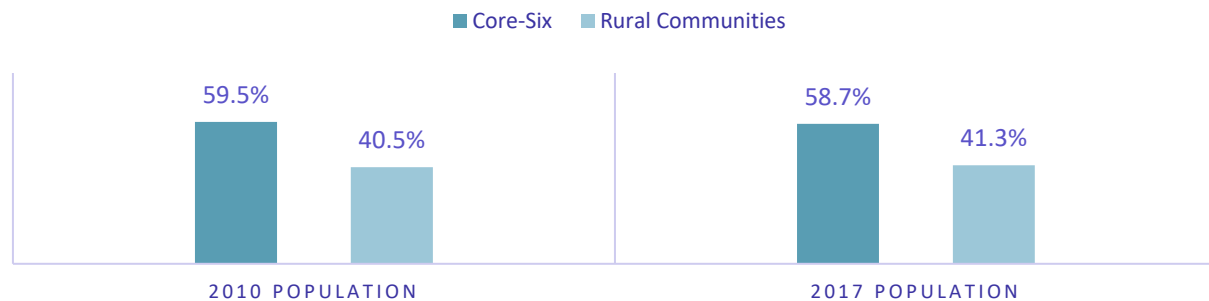
The 2017 population of Kent County is estimated at 636,376.² Fifty nine percent of the population in Kent County reside in urban communities and the remaining 41 percent reside in the rural cities, villages, and townships (Figure 1).

For this report, users of services will be reflected in population cohorts. Cohort A is the core-six cities, which has been categorized in previous reports as the more urban areas of Kent County. Cohort B is the townships, villages, and cities, which has been categorized in previous reports as the more rural areas of Kent County. Cohort A – Core-six includes *East Grand Rapids, Grand Rapids, Grandville, Kentwood, Walker, and Wyoming*. Cohort B – Rural communities

includes *Ada, Algoma, Alpine, Bowne, Byron, Caledonia, Cannon, Cascade, Courtland, Gaines, Grand Rapids, Grattan, Lowell, Nelson, Oakfield, Plainfield, Solon, Sparta, Spencer, Tyrone, and Vergennes*.

Between 2010 and 2017, Kent County’s population grew 5.6 percent. For the urban areas, the population growth was 4.13 percent. For the rural areas, the population growth was 7.6 percent. Rural communities do not currently have the same infrastructure as urban communities to serve a dense population base of mixed-use properties and developments, even as population growth continues. This distribution of population is important to understand when assessing the property values of Kent County (Figure 2).

FIGURE 2: KENT COUNTY POPULATION DISTRIBUTION



² Retrieved 2/1/2019 <https://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles/2017/>

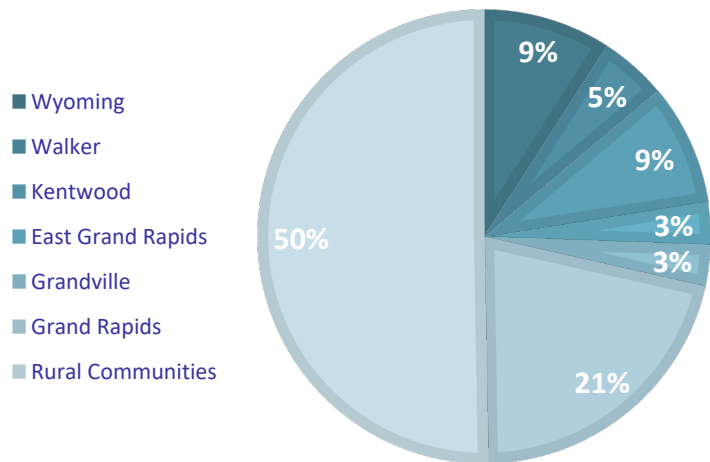
Understanding the General Property Tax Levy

Michigan property is taxed on its taxable value as limited by Proposal A.³ The assessment of property value is determined by examining similarly situated properties to current market value utilizing methods applied uniformly from the approved State Tax Commission Assessor Manual. This is an important assessment process, as it is mandated to be conducted in the State of Michigan on an annual basis.⁴ By conducting an annual assessment, Kent County establishes accurate property values, which ensures equitable property tax contributions.

At the local level, County government provides services to meet community needs. These services are funded, in part, by the General Property Tax Act. The resulting tax levy must reflect accurate values based on highest and best uses of vacant land and improved properties. There are many physical, environmental, governmental, social, and economic forces contributing to value; these attributes are shaped, in part, through the characteristics found in traditionally understood urban and rural areas.

The 2017 taxable values for the core-six cities in the metropolitan area⁵ are specific to Cohort A (Figure 3). The County's core-six communities accounted for 50 percent of the County's total taxable value, and Kent County's rural communities accounted for 50 percent of the County's taxable value.

FIGURE 3: 2017 TAXABLE VALUE



Taxable Value

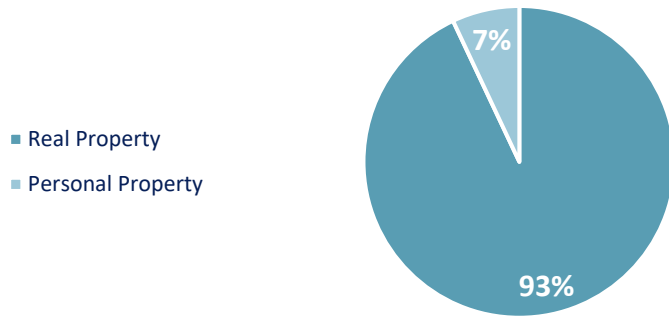
To understand the Tax Levy Analysis, a brief primer on Taxable Value is included in this section. All property can be classified as either real or personal property. Generally, real property is a class of property that cannot be moved. It comprises land and buildings. Personal property is a class of property that can be moved from one location to another and comprises furniture, fixtures, tools, vehicles, and machinery and equipment. Additionally, property value in Michigan can be differentiated as equalized value and taxable value.

³ Real Property Taxes in Michigan 2018 pg. 1

⁴ MCL 211.10

⁵ Source: 2017 Kent County Equalization Report pp. 31 - 34

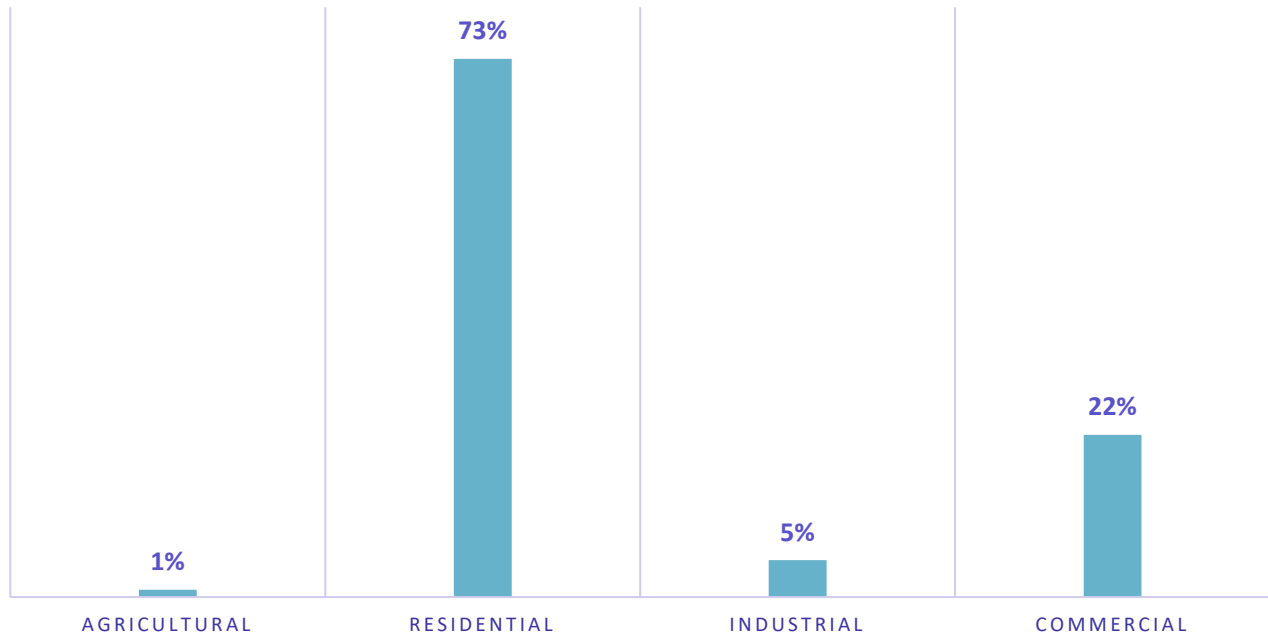
FIGURE 4: 2017 TAXABLE VALUE TYPE



For the 2019 report, the examination of property value is focused on taxable value, because taxable value is the basis of the General Property Tax Levy. Also, millage rates are applied to taxable value.⁶ Additionally, taxable value is separated by property class type: real and personal. In 2017, real taxable value equaled 93 percent and personal taxable value equaled 7 percent (Figure 4). Real property

consists of agricultural, commercial, industrial, and residential property classes. Personal property in Kent County consists of commercial personal, industrial personal, and utility personal property. Of the 7 percent from personal value, the majority was generated from commercial at 42 percent. Of the 93 percent from real taxable value, 72 percent was generated from residential properties. The remaining real taxable value is from 22 percent commercial, five percent industrial, and one percent agricultural (Figure 5).

FIGURE 5: 2017 TOTAL REAL TAXABLE VALUE

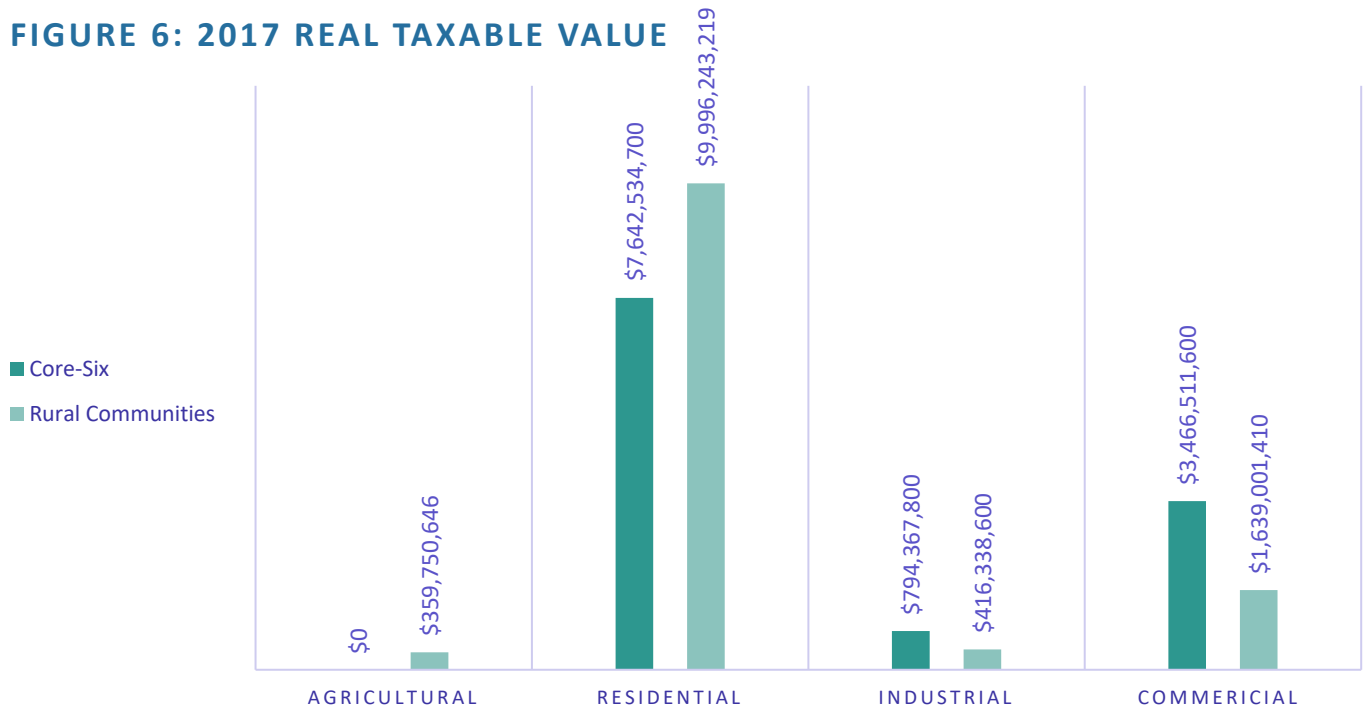


⁶ 1995 to current, millage rates are applied to Taxable Value and not Equalized Value.

Real Taxable Value

In 2017, 30 percent of the commercial and industrial taxable value was generated from rural communities and 70 percent was generated from the core-six. For residential taxable value, 55 percent was generated from rural communities and 45 percent was generated from the core-six communities. Lastly, 99 percent of agricultural taxable value is generated from rural communities. This distribution highlights that rural residential generates more taxable value than core-six residential, while core-six commercial generates more taxable value than rural commercial (Figure 6).

FIGURE 6: 2017 REAL TAXABLE VALUE



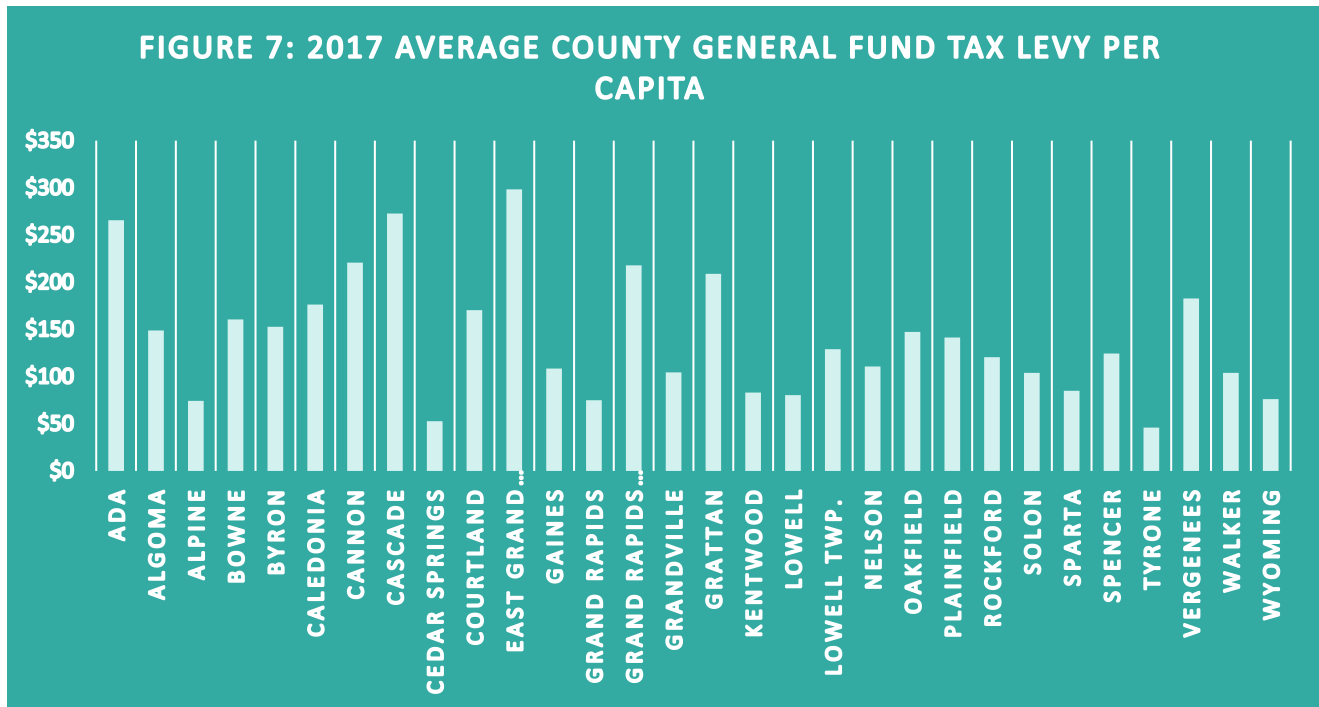
Tax Levy Analysis

The General Property Tax levy is authorized through Public Act 206 of 1893 and is based on taxable value as limited by Proposal A of 1994. In the state of Michigan, real property and personal property are taxed uniformly at the same millage rates. To draw comparisons, attention on real property taxable values and real residential values will be given. Focusing on real residential values is useful to draw a proportional analysis. Specifically, real residential taxable value⁷ can be used to determine an average County General Fund tax levy per-capita (Figure 7). This number is reached by first determining the real residential taxable value per city/township/village, then multiplying it by the set operating mill.⁸ The next step is to divide this amount by the population of that city/township/village.

⁷ Retrieved: <https://www.accesskent.com/Departments/Equalization/pdfs/MillageRates/2017.pdf>

⁸ The calculation is specific to the County operating millage. This excludes the various community specific mills.

For 2017, Cascade and Ada Townships and East Grand Rapids residents paid a higher average per capita tax levy than other communities based on the value of real property. In contrast, Alpine Township, Cedar Springs, and Tyrone Township paid less per capita based on the value of real property. The calculation⁹ is specific to 2017 real taxable value. All properties are taxed at the same general operating millage rate in a uniform manner. The County operating levy is less than ½ of 1 percent of the total taxable value of each community, regardless of the total population or amount of services received.



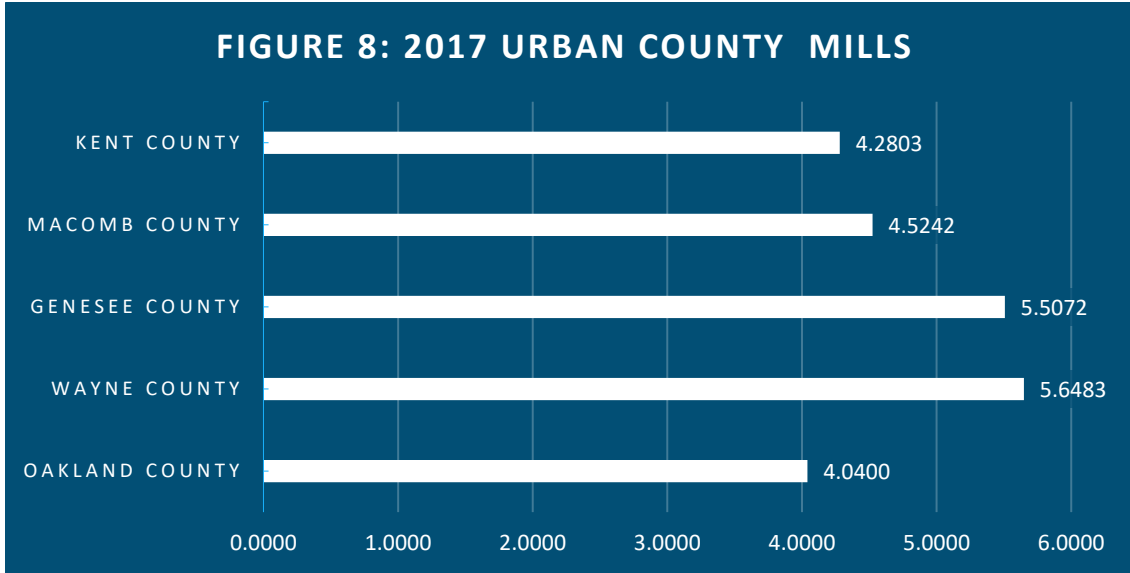
There are numerous factors that impact the taxable values. There are legislative, economic, and social factors that create differences among communities, which have a direct impact on the real and personal taxable values.

Operating Levy

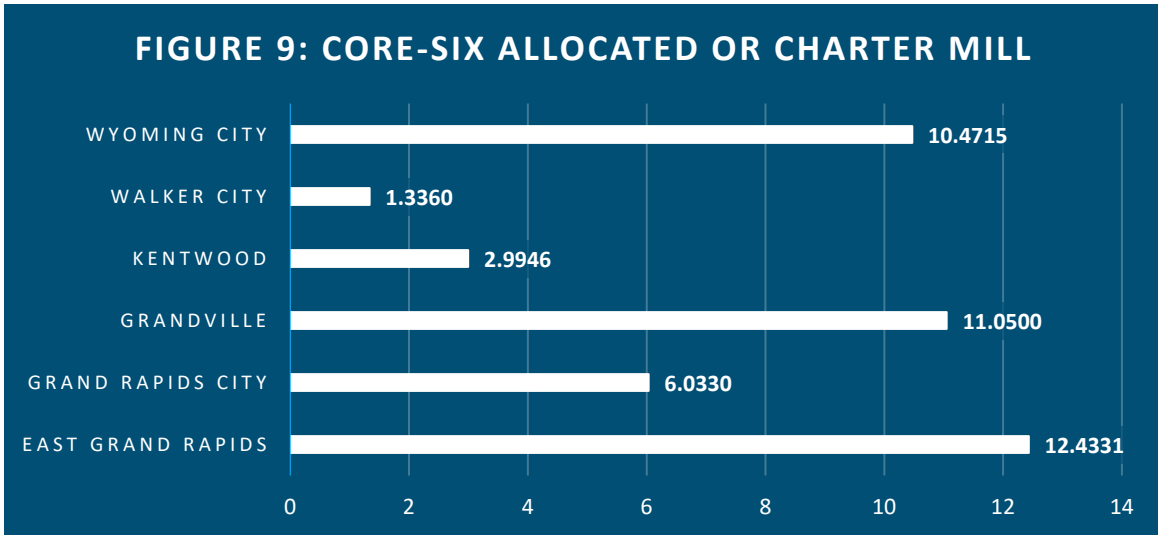
The operating levy is established each year by the Board of Commissioners. In 2017, the operating rate was 4.2803, which is the 13th lowest of 83 counties in the state of Michigan.¹⁰ Also, Kent County ranks as the second lowest operating mill in the state when comparing urban counties (Figure 8). This 4.2803 levy has been in place since 2004. For reference, the County was authorized to levy 4.3000 mills as of December 2017.

⁹ Average Tax Levy Per Capita = (Residential Real Taxable Value * Operation Mill) / Unit Population Data

¹⁰ Retrieved 3/27/2019 from https://www.michigan.gov/taxes/0,4676,7-238-4353_72736_81317---,00.html.

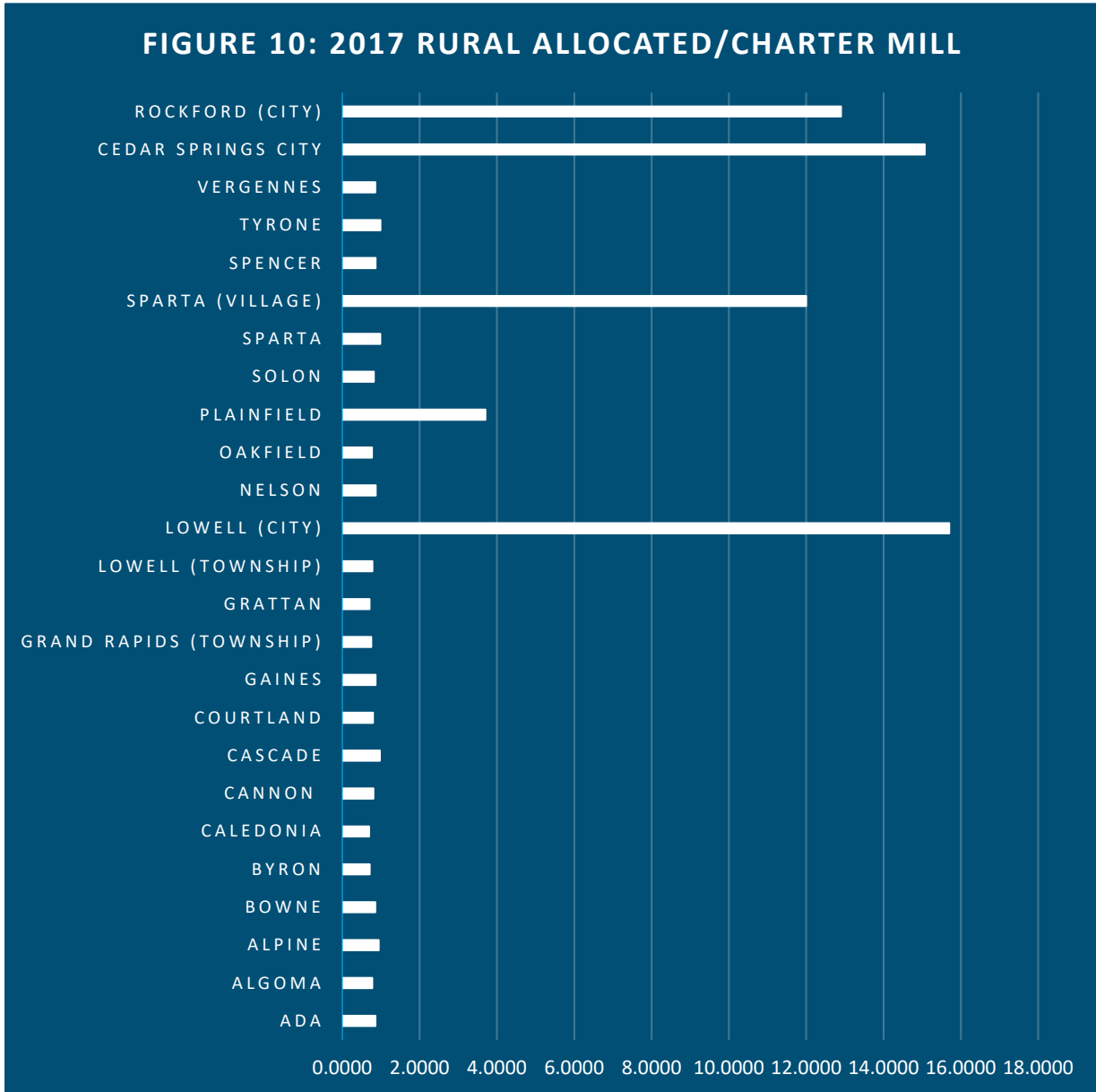


Property taxes are also levied for local level operations, which can be in the form of an allocated or charter mill.¹¹ The 2017 allocated mills for the core-six include East Grand Rapids, with the highest rate at 12.4331 mills and the City of Walker, with the lowest rate at 1.3360 mills¹² (Figure 9). It is important to note that the City of Walker collects an income tax for the city residents at one percent, as well as one-half percent for non-residents. Similarly, Grand Rapids collects an income tax of one-half percent for residents, and seventy-five percent of one percent for non-residents (.0075).



¹¹ Michigan Townships Association: retrieved 3/27/2019 from https://www.michigantownships.org/mi_twps.asp
¹² 2017 Kent County Apportionment Report

The 2017 allocated or chartered mills for the rural communities included cities, townships, and villages (Figure 10). The city of Lowell has an allocated or charter mill of 15.7000, Cedar Springs City has an allocated or charter mill of 15.0642 and the city of Rockford has an allocated or charter mill of 12.900. Caledonia has an allocated or charter mill of .6929, which is the lowest mill for the rural communities.



Property Tax Exemptions

Property tax revenues are a significant source of funding for local governments but there are limitations. Specifically, tax-exempt properties (TEP) can create a fiscal constraint on county government. In 2017, the total number of tax-exempt parcels in Kent County equaled 6,283 properties (Figure 11). The number of parcels per property type and the percentage of tax-exempt parcels by government unit are important data points when examining the General Fund contribution.

FIGURE 11: 2017 PARCELS BY PROPERTY TYPE

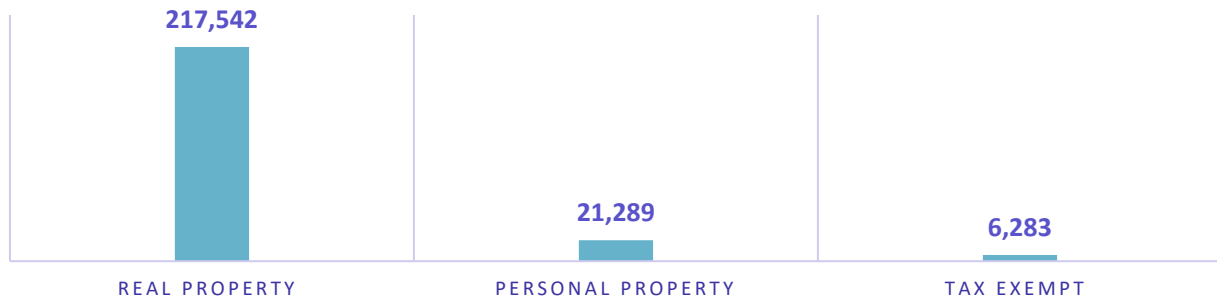
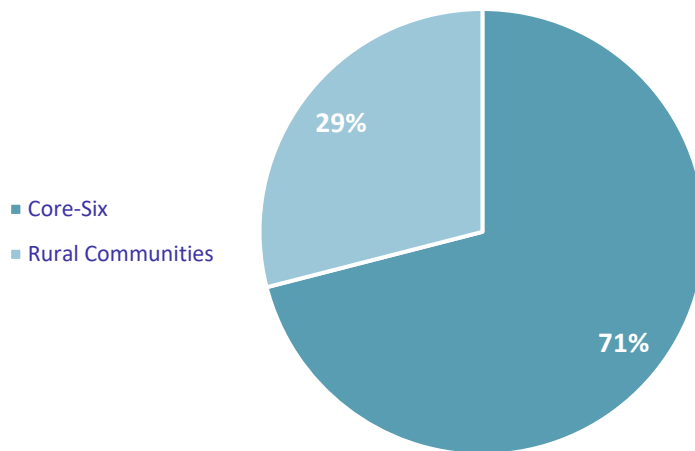


FIGURE 12: TAX EXEMPT PARCELS BY COHORT



For 2017, 71 percent of the tax-exempt parcels were in the core-six cities and 29 percent were in the rural communities (Figure 12). Some common TEP include religious properties, local K-12 education systems, medical facilities, and poverty exemptions. Still, tax exempt properties can create positive impacts on communities. These property classifications often provide homeless shelters, food pantries, and housing for the elderly and veterans with disabilities.¹³ Tax exempt properties also provide cultural amenities and education, which can increase revenues through tourism or workforce development. For example, in 2017, Kent County generated \$1.3 billion in visitor spending and ranked 1st in visitor spending among all West Michigan counties.¹⁴

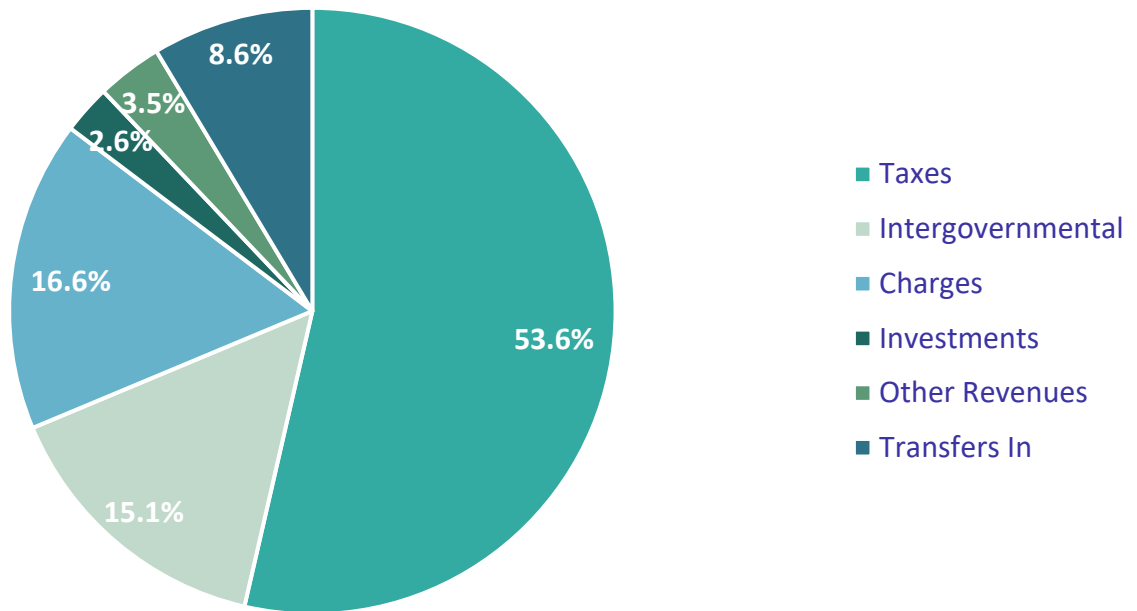
¹³ The Center for Local, State, and Urban Policy “Michigan Public Policy Survey” March 2014.

¹⁴ 2017 Tourism Economic Impact – Region and County Tables.pdf pg. 10

County General Fund

The 2017 General Fund totaled \$169,861,124¹⁵ with the General Property Tax Levy providing approximately 54 percent, equaling \$91,127,600. The remaining 46 percent of the General Fund is comprised of multiple revenues, including charges for services, intergovernmental revenue, investments, fines and licenses, and other revenues (Figure 13).

FIGURE 13: 2017 GENERAL FUND CATEGORIES



These funds are generated from a variety of countywide services, which may include court fines and fees, marriage license fees, pistol permits, penalties and interest on taxes, payments in lieu of taxes, bond forfeitures, state grants, cigarette tax, and fees for other services. The General Property Tax levy is not the single source of funding for the County General Fund.

The County property tax levy provides a service delivery baseline providing a 54 percent contribution of the total General Fund revenues.

¹⁵ Fiscal Services, 2019 Summary Budget pg. 27

Provision of Services

Kent County, as an extension of the State, has the authority to provide certain services and perform certain functions as directed by the Michigan Constitution or state statutes for the benefit of residents. Mandated services are services that the State requires the County to provide. These services often include justice, public safety, and certain health services. Additionally, the State can delegate various functions to the County including the authority to provide nonmandated services at the discretion of the Board of Commissioners.¹⁶

In 1998, the Board of Commissioners directed a review to determine which Kent County services were mandated and which services were nonmandated. The report identified a mandated service to be one that was required statewide with the following distinctions as categorized by departments:

Mandated:

- County functions performed due to being mandated by federal or state constitutions, statutes, or court orders.
- County functions performed as authorized by or emanated from contracts, grants, or other binding agreements entered into by the Board of Commissioners.
- County functions performed as authorized by one or more resolutions of the Board of Commissioners.

Nonmandated:

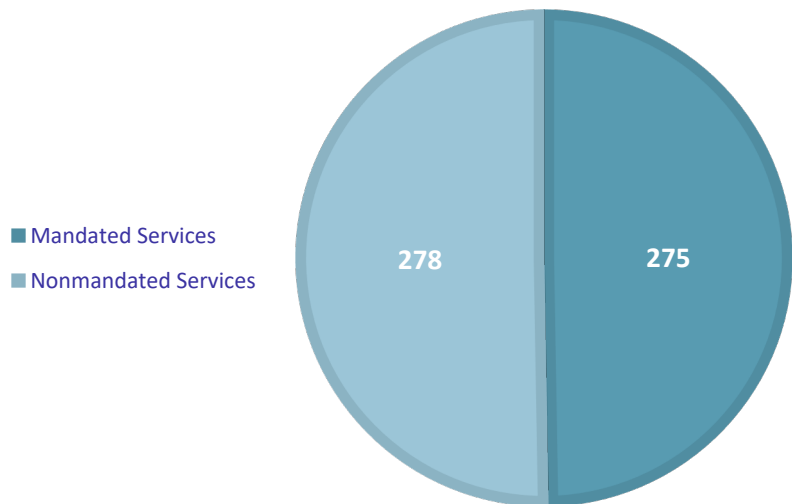
- County functions neither mandated nor authorized by contract or resolution but performed due to necessity for the performance of a mandated or authorized function by a County unit.
- County functions that do not meet any of the above criteria or are discretionary programs of a department.

¹⁶ Kent County Administration Report 2017

Service Type

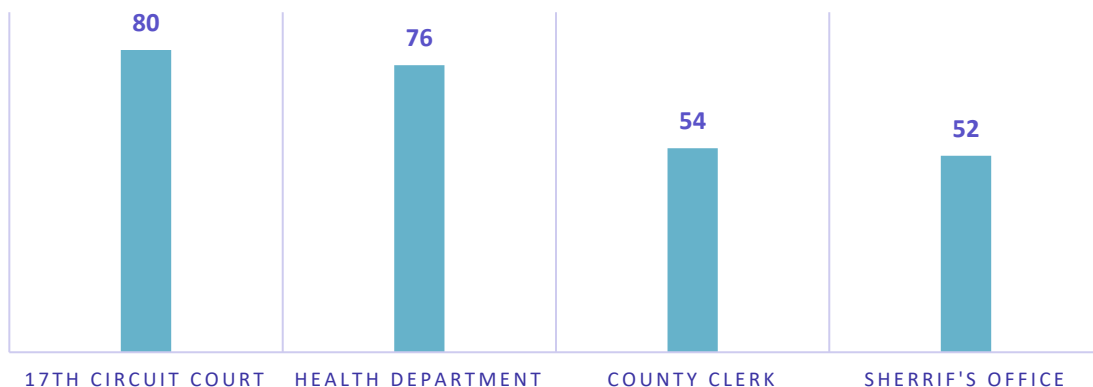
In 2010, the Board of Commissioners directed the completion of a new report with the addition of identifying underfunded mandates.¹⁷ This analysis of service type and funding was replicated in the 2017 Mandated and Discretionary Functions of Kent County Government Report. Key findings from this report were examined for the 2019 Urban and Rural Report to determine 1) the distribution of underfunded mandates across departments; and 2) the impact of underfunded mandates in Kent County. For example, Kent County provides approximately 553 services including contracted services. The 17th Circuit Court, Health Department, Sheriff's Office, and County Clerk are the top four service providers. Approximately 275 of the 553 services are identified as mandated and 278 of the 553 services are nonmandated (Figure 14).¹⁸

FIGURE 14: 2017 KENT COUNTY SERVICES



In 2017, approximately, 47 percent of all Kent County services are provided by the 17th Circuit Court, Health Department, County Clerk, and the Sheriff's Office (Figure 15).

FIGURE 15: 2017 SERVICE COUNT BY DEPARTMENT

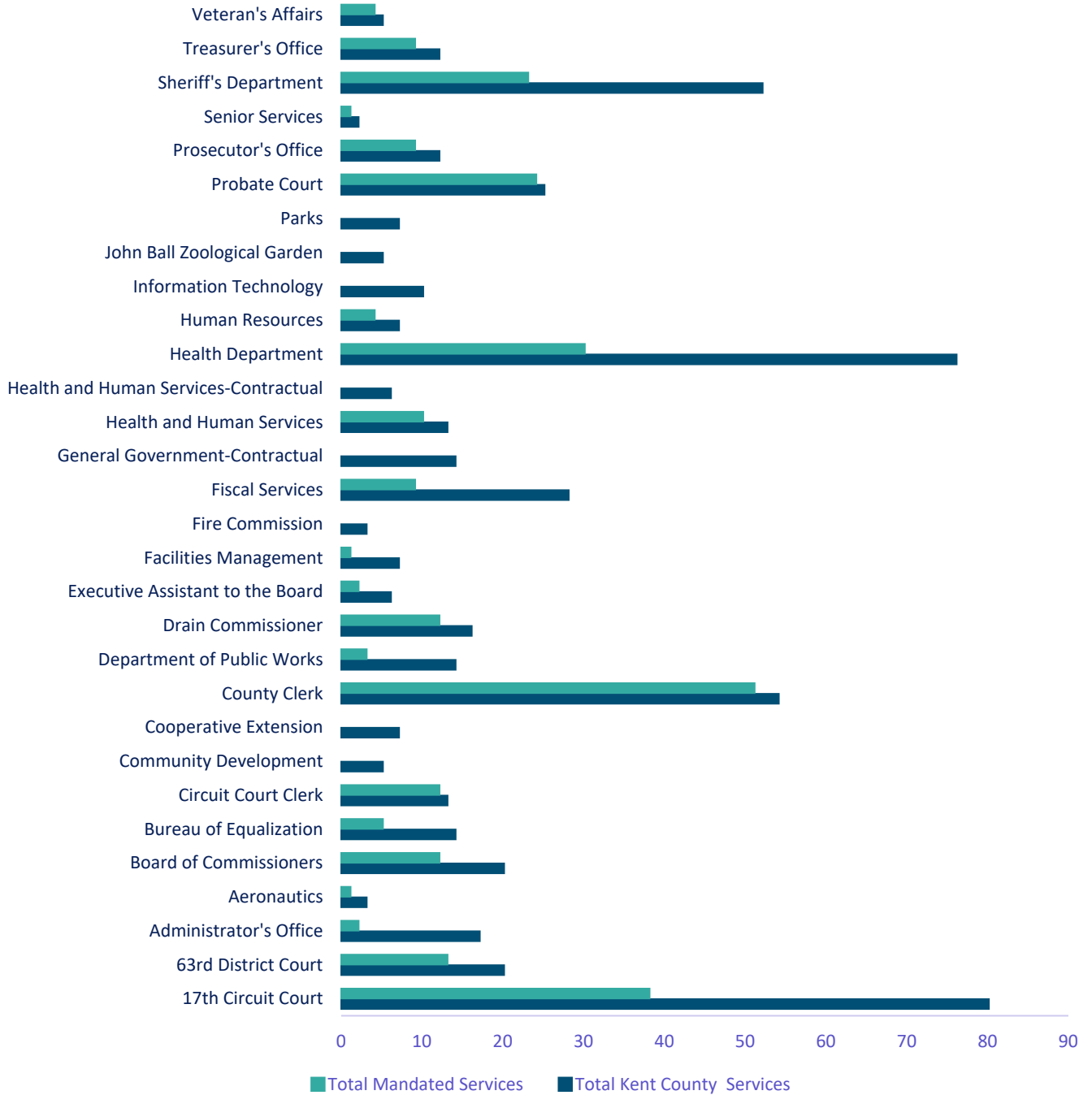


¹⁷ A State or Federal agency requires that a function/service is performed by a County but provides limited to no funding.

¹⁸ Retrieved from the Mandated and Discretionary Functions of Kent County Government July 2017 report

The distribution of mandated services varies by each Kent County department (Figure 16).

FIGURE 16: 2017 KENT COUNTY DEPARTMENT SERVICES

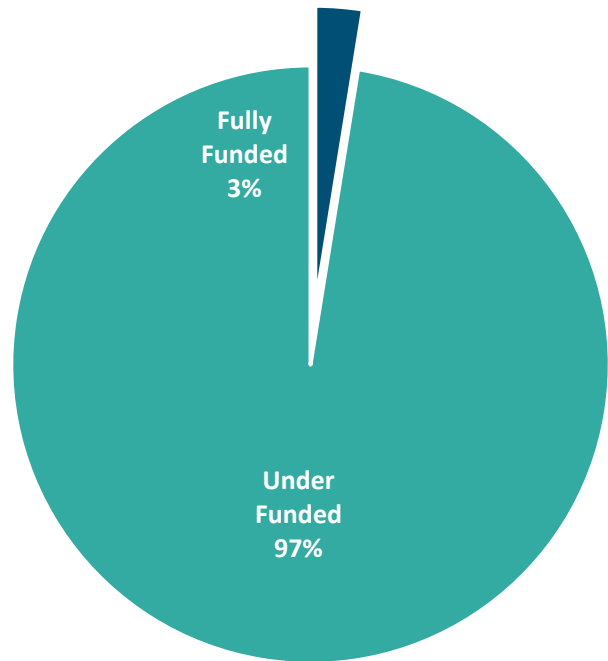


Underfunded Mandates

Kent County government supports over 550 services in its mission to provide essential services to residents. The funding levels for mandates can vary, but much of State and Federal mandates are underfunded¹⁹ or receive insufficient funding.²⁰ Underfunded mandates are a national issue for counties overall.²¹ In Kent County, many mandated services are underfunded, with approximately 3 percent of the mandated services in Kent County considered to fully funded²² (Figure 17). Based on this finding, it is recommended that an examination specific to underfunded mandates is considered in a future report. A greater examination of mandates and funding may determine the extent of gaps and strengthen alignment of Kent County resources through a collaborative decision-making process.

With the significant number of mandated services being underfunded nationally, most county governments choose to utilize general revenues to bridge the gap. According to the National Association of Counties (NACo), nationally, 72 percent of County General Revenues were generated by

FIGURE 17: 2017 MANDATED SERVICES



An underfunded mandate is a statute or regulation that requires local government to perform certain actions with little to no monies provided for fulfilling the requirements.

¹⁹ An underfunded mandate is a statute or regulation that requires local government to perform certain actions with little to no monies provided for fulfilling the requirements.

²⁰ Fully Funded: The County receives funding through either the State or Federal agency to cover the costs of providing a function or service. This may be through a designated reimbursement or through the County being enabled to access fees or fines that are sufficient to fully cover the cost of providing the service.

²¹ NACo Report "The State of County Finances Progress Through Adversity" 2016

²² Retrieved from the Mandated and Discretionary Functions of Kent County Government 2017

property taxes in 2016.²³ However, Kent County is significantly below the national average with approximately 54 percent of the general fund being derived from property taxes.

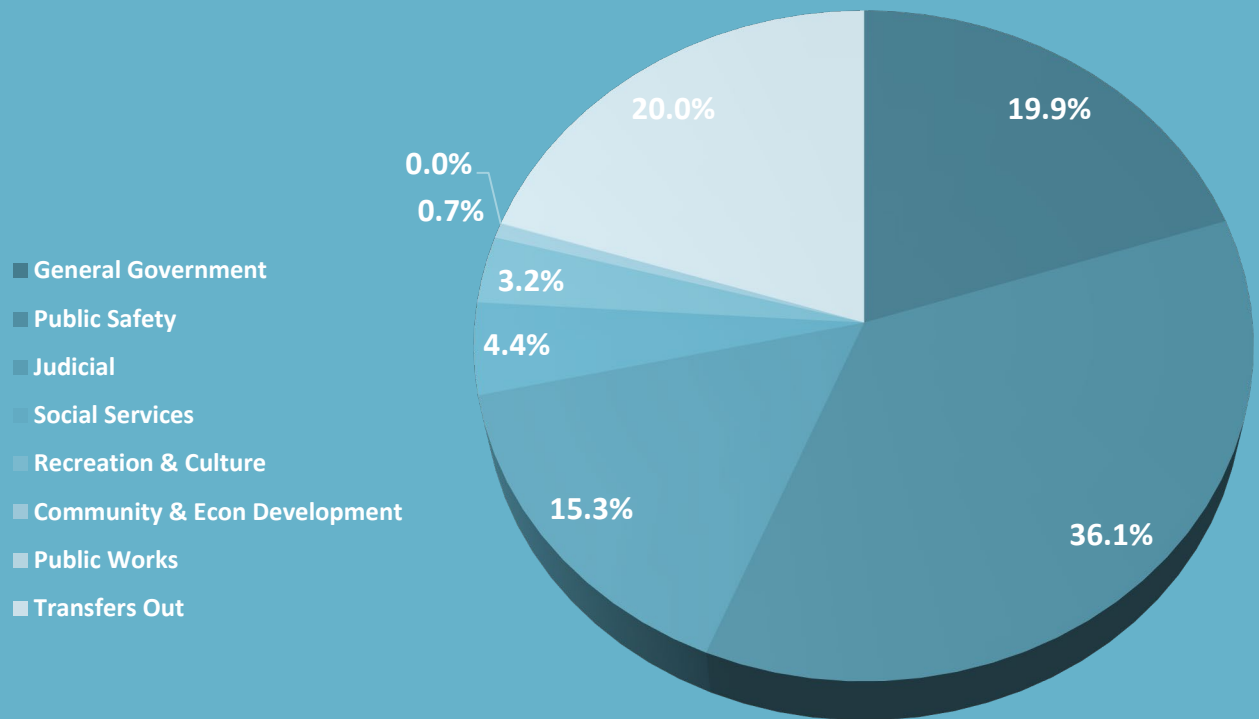
General Fund Expenditures

The 2017 General Fund allocation included multiple functional areas (Figure 18).

- \$33.6 million was allocated to primarily mandated, **general government** and administrative services including functions of the County Clerk, County Treasurer, Bureau of Equalization, and Drain Commissioner, as well as the administrative infrastructure necessary to deliver countywide services;
- \$60.8 million was allocated to **public safety** for the Kent County Correctional Facility, Work Release, Road Patrol, E911 Dispatch and Emergency Services;
- \$25.7 million was allocated for **judicial services** including the 17th Circuit Court Criminal and Family Division, Probate Court, 63rd District Court, and Prosecuting Attorney; while
- \$7.4 million was allocated to **health and welfare services** and to leverage additional funding from the state and federal government.
- \$5.4 million was allocated for **cultural and recreational services** such as the County Parks, John Ball Zoological Garden and Kent/MSU Extension.
- \$1.2 million was allocated for **community and economic development**.
- \$685,000 was appropriated to **Public Works**.
- \$33.8 million was allocated for “**transfers-out**.”

²³ NACo Report “The State of County Finances Progress Through Adversity” 2016.

FIGURE 18: 2017 EXPENDITURES BY FUNCTION



The Board of Commissioners appropriates General Fund dollars to special revenue funds categorized as a “**transfer-out**” pursuant to the standards of the Government Finance Officers Association. These “transfer-out” activities are often utilized to provide a “match,” or supplement other funding sources in the best interest of countywide residents. In 2017, the Board of Commissioners allocated \$33.8 million in “transfers-out” to fund the Fire Commission, Friend of the Court, Health Department, Circuit Court Child Care Fund, Debt Service, Special Projects, and the Michigan Department of Human Services.

General Government and Administrative Services

In 2017, the Kent County Board of Commissioners allocated \$32 million, or 19.9 percent of the General Fund, to support general government and administrative services. Through these services, the County provides statutorily required services as well as those activities that are necessary to maintain countywide services.

The **Bureau of Equalization** (BOE) is statutorily required to report annually to the Board of Commissioners regarding the County assessed and taxable values, sources of income, and the millage rates levied throughout the County for all taxing authorities. The Property Description and Mapping Division of the BOE also creates and maintains property tax maps and property descriptions for local municipalities and taxpayers to ensure an accurate and a centralized system of property mapping. Without these mandated services and overarching property analysis, inequities may exist in valuation and taxation and result in an incomplete and fragmented system of property records that are inconsistently updated and unreliable. In 2017, the Board of Commissioners allocated \$1.53 million to support Equalization and the Property Description and Mapping Division, which includes five mandated services.

Transfer-out activities are often utilized to provide a “match” or supplement other funding sources in the best interest of countywide residents.

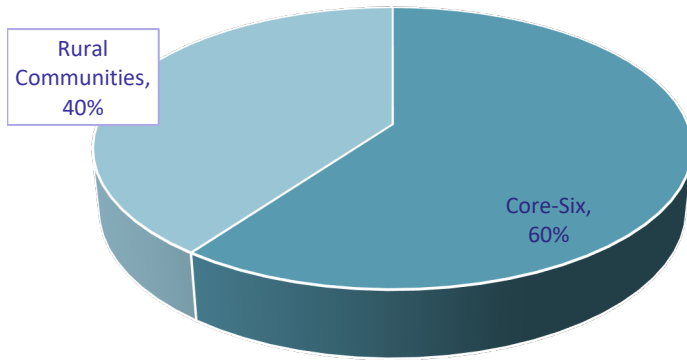
The **Kent County Clerk and Register of Deeds** offices are a combined elected office. The Clerk/Register serves as Clerk of the 17th Circuit Court and is also the Clerk of the Board of Commissioners. The Clerk’s Office files, stores, and retains original vital records including birth, death, and marriage records, and makes certified copies available to the public. The County Clerk’s **Elections Division** oversees the elections conducted in Kent County cities, villages, and townships. The Elections Division also works with all city, village, and township Clerks and approximately 300 voting precincts and school districts to coordinate and oversee the elections process; every local clerk relies on the County Clerk for support and coordination of the elections process. The Register of Deeds Office records all documents pertaining to real property in Kent County, including deeds, mortgages, land contracts, liens, and other documents pertaining to real estate. The Clerk of the Court’s financial division processes payments for court-ordered fines, costs, restitution, forensic fees, and other assessments. In 2017, the Board of Commissioners allocated \$2.8 million to support the services of the County Clerk, which include a total of 51 mandated services.

The **Drain Commissioner** maintains 536 miles of drains and 356 storm water detention ponds to protect property from flooding and erosion. The Commissioner conducts watershed studies and investigates suspicious outfalls from drains where sediment or contaminants may cause environmental damage and maintains an inventory of all drains. The Drain Commissioner supports cities and townships with storm water master plans, model storm water ordinances, flood plain mapping, reviewing development projects, and by sizing storm sewers. The Drain Commissioner is also the designated authority to maintain 19 specific lake levels stipulated through court orders that are derived from resident or development concerns related to the need for consistency in lake levels. Collectively, these services enhance and protect quality of life through monitoring and managing the value of significant natural resources through education, prevention, and regulation. In 2017, the Board of Commissioners allocated \$685,529 to fund these services, which includes a total of 12 mandated services.

The **County Treasurer** is mandated by state statutes to administer a process to collect and disburse current year property taxes that are generated from the countywide General Property Tax Levy. Consistent with these mandates, the Treasurer also administers the Delinquent Tax Revolving Fund, which advances delinquent property tax payments and acts as the collecting agent on behalf of local municipalities. The Delinquent Tax Revolving Fund enables the County Treasurer to sell General Obligation Limited Tax Bonds to pay local governments and school districts for real property taxes that are delinquent. This function

provides these entities with access to the funds while the County Treasurer collects the delinquent taxes, thus eliminating an administrative and cash flow burden on the local unit.

FIGURE 19: 2017 DELINQUENT TAXES



In 2017, the County issued approximately \$17.1 million in tax notes for the delinquent 2016 real property taxes. Sixty percent of the total delinquent taxes for local governmental units were outstanding on properties located in the core-six communities. The remaining property taxes were outstanding from rural areas (Figure 19). The Treasurer also collects and disburses the Lodging Excise Tax (also known as the Hotel-Motel Tax). In 2017, the Board of Commissioners allocated \$1.7 million to the County Treasurer, which includes a total of nine mandated services.

The County maintains **Administrative Services** to manage the day-to-day operations, which includes 30 mandated services. The **Human Resources Department** works to lower costs by developing policies, services, and practices that result in a healthier and more productive workforce. The County maintains the **Information Technology Department**, which provides efficient and effective infrastructure and delivery of technology-based services. The County’s **Facilities Management Department** maintains and furnishes County buildings, including the jointly owned Courthouse, 82 Ionia (Friend of the Court and Prosecutor), two District Court locations, Kent/MSU Cooperative Extension, Health Department Offices, and Human Services Complex.

Strong **fiscal management** makes Kent County stand out as one of a few counties in the nation that maintains a AAA bond rating from major credit rating agencies. This saves taxpayers dollars when capital investments are necessary. For example, the construction of the Kent County Courthouse required a bond issuance of \$65.6 million; by utilizing the County AAA bond rating versus an A bond rating, taxpayers were projected to save \$3.15 million over the 20-year bond or \$157,500 each year.

Kent County stands out as one of a few counties in the nation that maintains a AAA bond rating.

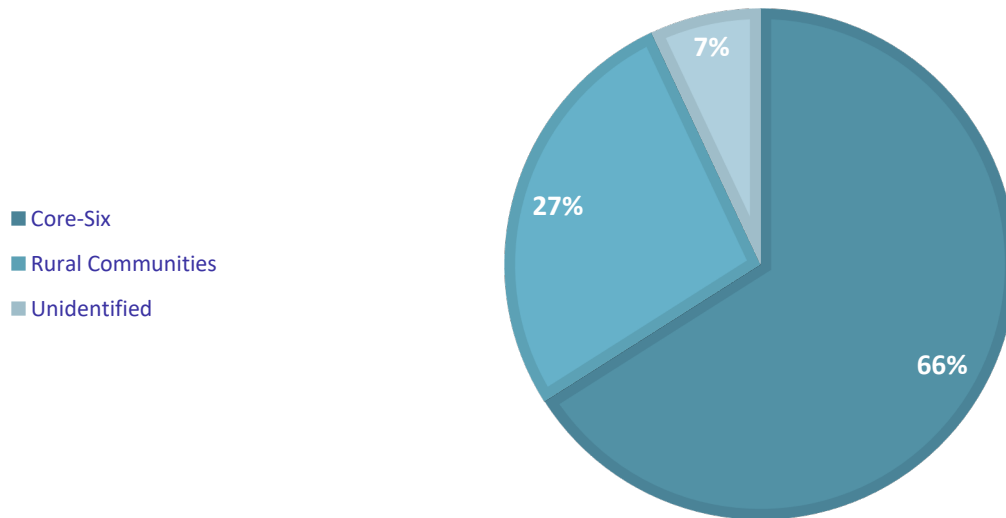
Civil & Criminal Justice System

As required by Michigan Constitution and various state statutes, Kent County provides the capital infrastructure, staffing, and administration of the **17th Circuit Court, Prosecutor’s Office, Probate Court,**

and the **63rd District Court** to adjudicate civil and criminal matters and to enforce court ordered sanctions. In 2017, the Board of Commissioners allocated \$25.7 million of the General Fund to operate the Judicial system. Currently, there are 53 underfunded mandated services in the court system.

In 2017, the **Circuit Court - Civil, Criminal, and Family Divisions** processed 15,399 new cases. These cases are statutorily required to be adjudicated by the Court and include all felonies or serious misdemeanors, civil cases, more than \$25,000, domestic relations cases, and child abuse, neglect, and delinquency cases. The Circuit Court also hears appeals from lower courts, local government boards such as zoning appeals, and some administrative agencies of state government. These are statutorily mandated services that cannot be provided by any other entity in Kent County. In 2017, the County Board of Commissioners allocated \$16.7 million to support 38 mandated services. The **Family Law Division** is responsible for the establishment of paternity and the securing of child support payments in cooperation with the Department of Human Services.

FIGURE 20: 2017 VICTIM REPRESENTATION



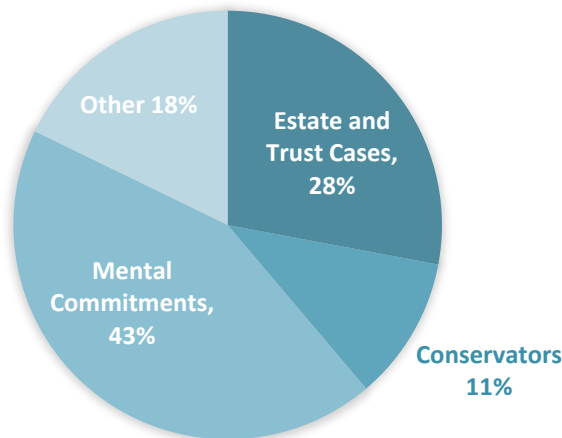
The **Prosecutor’s Office** performs services that include appearances in criminal proceedings involving charges brought on behalf of the People of the State of Michigan, as well as appearances in delinquency, neglect, mental incompetence, and guardianship matters. The Prosecutor’s Office also operates an appellate division that initiates and responds to appeals resulting from cases in which the Prosecutor’s Office has appeared. In 2017, 7,907 victims were represented by the Prosecutor’s office in the Circuit Court, District Court, and Juvenile Court.²⁴ Approximately, 27 percent were from rural communities and 66 percent were from the core-six communities²⁵ (Figure 20). In 2017, the Board of Commissioners allocated \$4.4 million to support the Prosecutor’s Office. The Prosecutor’s Office performs nine statutorily mandated

²⁴ 2017 Annual Report pg. 28

²⁵ Retrieved 3/22/2019 from Kent County Courtview database.

services on behalf of Kent County residents. The **Probate Court** exercises jurisdiction and supervision in probating of wills and administration of estates and trusts of deceased persons by personal representatives and trustees. The Court also hears cases relating to guardianship; conservatorship for adults and minors; and petitions for the hospitalization and/or treatment of persons with mental illness and persons with addictions.

FIGURE 21: 2017 PROBATE COURT FILINGS

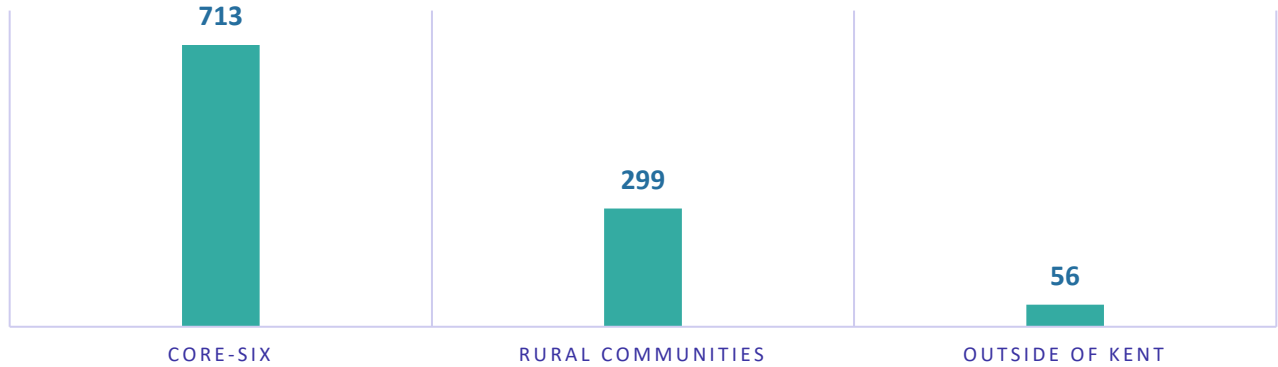


In 2017, the Board of Commissioners allocated \$1.4 million to operate the Probate Court, which provides 24 mandated services. The Probate Court adjudicated 4,852 cases for the residents of Kent County.²⁶ Of the total adjudicated cases, approximately 4,452 cases were new filings, with mental commitments having highest percentage and conservator cases having the lowest percentage (Figure 21).

In 2017, the number of open or reopened mental commitment cases equaled 1,068. Sixty-seven percent of respondents provided an address in the core-six cities and 28 percent provided an address within the rural communities. The remaining five percent of respondents provided an address outside of Kent County (Figure 22).

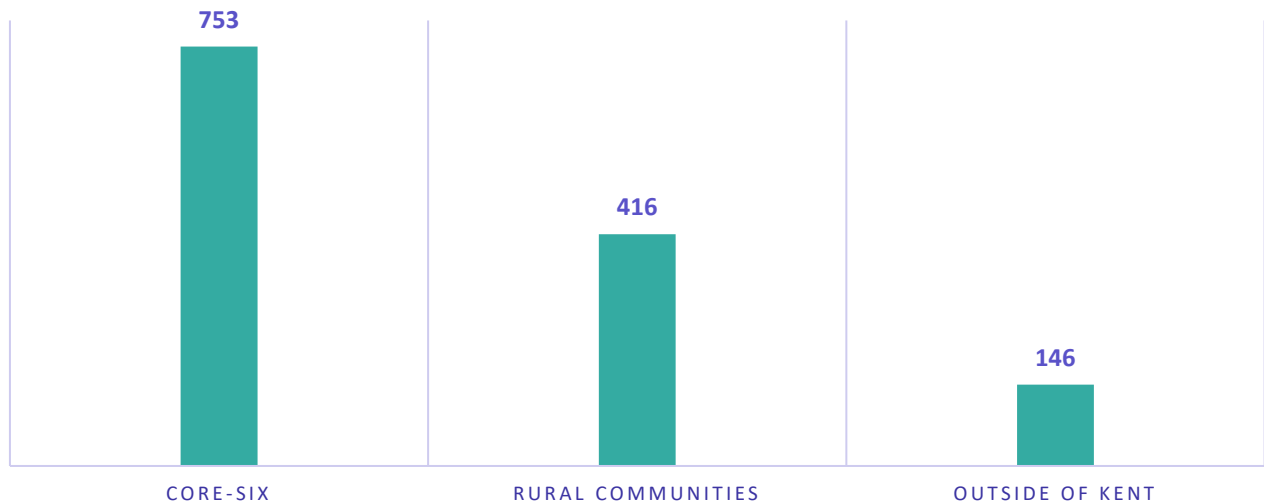
²⁶ Retrieved 2/27/2019 from the Kent County Courtview database.

FIGURE 22: 2017 MENTAL COMMITMENT OPEN CASES



In 2017, the number of open or reopened guardianship cases equaled 1,315. Fifty-seven percent of the respondents provided an address in the core-six cities and 32 percent provided an address within the rural communities. The remaining 11 percent of respondents provided an address outside of Kent County (Figure 23).

FIGURE 23: 2017 GUARDIANSHIP OPEN CASES



Although not included in the 28 percent of the General Fund categorized as Judicial Functions, the **Friend of the Court** (FOC) is the enforcement division of the Circuit Court which works to enforce court orders that are issued through the Family Division. To support the efforts of the FOC, in 2017 the Board of Commissioners “transferred-out” \$1.7 million to fund the operation of the FOC; enabling the FOC to leverage an additional \$6.5 million in state grants and incentives. The FOC also investigates and delivers services related to divorce, paternity, family support, and interstate actions and provides income reviews

for parents who may be able to pay child support. The FOC provides alternative dispute resolutions services for parents to resolve complaints without court intervention. In 2017, FOC processed 15,796 new court orders, provided 1,286 account audits, and collected \$90,247,379 in court-ordered child support. To complete these tasks, the FOC uses numerous enforcement techniques and collaborative agreements between local service providers to enforce court orders for child support.

State statutes mandate the establishment of district courts and provide the classification and location of the courts. In Kent County, state statutes mandate the County operate and maintain the **63rd District Court**, which provides 13 mandated services. The 63rd District Court has jurisdiction over the following communities: Cedar Springs, Lowell, and Rockford; and the townships of Tyrone, Solon, Nelson, Spencer, Sparta, Algoma, Courtland, Oakfield, Alpine, Plainfield, Cannon, Grattan, Grand Rapids, Ada, Vergennes, Cascade, Lowell, Byron, Gaines, Caledonia and Bowne Townships. Also, the 63rd District Court has jurisdiction over one of the core-six communities – East Grand Rapids. The remaining communities of Kentwood, Wyoming, Grandville, Walker, and Grand Rapids are required to operate and maintain their own district courts. All these courts provide certain services for residents of each jurisdiction in addition to hearing cases where offenses took place within the court’s specific jurisdiction regardless of where the alleged offender resides.

District courts are responsible for adjudicating civil infractions, traffic violations, landlord/tenant disputes, small claims involving \$6,000 or less beginning 1/1/2018 (the 2017 limit was \$5,500), civil suits involving \$25,000 or less, and adult misdemeanor offenses that are punishable by up to one-year imprisonment. The district court conducts initial arraignments, probable cause conferences, and preliminary examinations for all felonies. Civil infractions, traffic violations and criminal actions are filed and adjudicated in the district where the offense occurred; civil and small claims cases are filed and adjudicated in the district where the cause of action arose or where at least one defendant is established, resides, or is employed; and landlord-tenant cases are filed and adjudicated in the district where all or part of the premises are located. A judge elected from the district presides and adjudicates. In turn, each district court can retain, for its funding unit, nearly all revenues derived from fees and fines to off-set the costs associated with the arrest, charge, prosecution, and sentencing of offenders. For those communities that are not statutorily mandated or enabled to operate a district court, state statutes do provide that these communities may operate an ordinance violations bureau to generate revenue. However, most communities have opted not to operate a bureau as a result of the costs to staff, enforce, and collect payment. Instead, these violations are receipted, enforced, and collected through the 63rd District Court. For those communities wanting a district court and not authorized by existing statute, the establishment of a district court would require an amendment to the existing statutes.

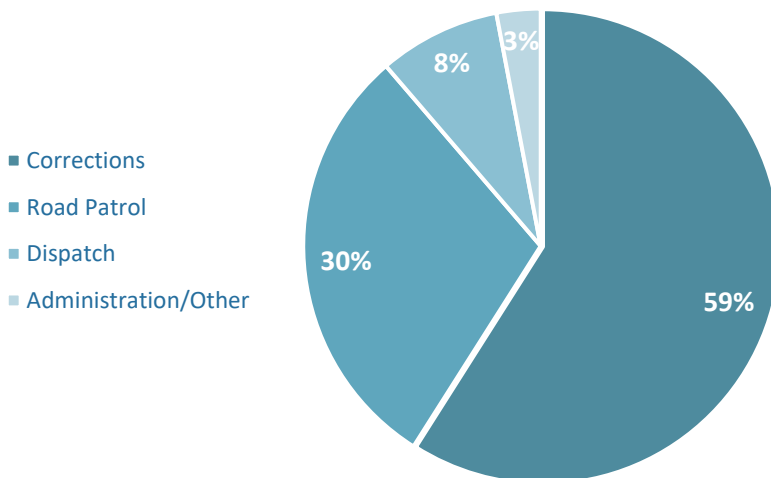
State statutes mandate the establishment of district courts and provide the classification and location of the courts.

In 2017, the **63rd District Court** caseload was 34,747 cases. After mandatory disbursements, a net \$2.7 million remained available to support the Court, comprised of monies from state funds, court filing fees,

state jury reimbursements, probation oversight fees, fines and court costs, and bond forfeiture and costs. Required by statute, the mandatory disbursements were transfers of monies to Kent District Library and, depending on case type, to the Secretary of State and/or various state funds (Civil Filing Fee Fund, Judicial Electronic Filing Fund, State Court Fund, Juror Compensation Reimbursement Fund, Justice System Fund, Crime Victim Rights Fund, State Game and Fish Protection Account). In 2017, the total distribution to Kent District Library from the 63rd District Court was \$637,816. Municipalities that operate their own district court are not required to transfer a portion of their civil ordinance violation fines and fees to the library and are able to retain nearly all those assessments to support the operation of the district court.

Public Safety Services (Kent County Sheriff's Office)

FIGURE 24: 2017 PUBLIC SAFETY



Public Safety Services are the single largest expenditure of the General Fund. In 2017, the Board of Commissioners allocated \$60 million, or 36 percent of the General Fund, to operate and maintain a correctional facility, work release, road patrol, E911 Dispatch, and other emergency services. Of this amount, \$36.4 million was designated for the operation and maintenance of the Correctional Facility. In all, the cost of providing Road Patrol and the Correctional Facility amounts to 89 percent of public safety expenditures (Figure 24).

The funds to support the provision of the correctional facility are generated from the General Property Tax levy (4.2803 mills), the Corrections and Detention Millage (.7893 mills), and from fees and charges. Of the total budget for the correctional facility, \$36.4 million is contributed from the General Fund. \$14.5 million is generated from the Corrections and Detention Millage, \$1.2 million from the jail per diem fee charged to municipalities, and \$4.3 million from other fees (Figure 25).

2 percent of the correction facility operating budget is derived from the jail per diem fee charged to municipalities.

The Sheriff is required by statute to house offenders that are accused of State law violations or convicted of State violations and sentenced to one-year or less in the County correctional facility. For offenders that are charged or convicted of municipal ordinance violations and sentenced to serve time in a jail, state statutes provide that the municipality is responsible to house the offender and may collect the fines and

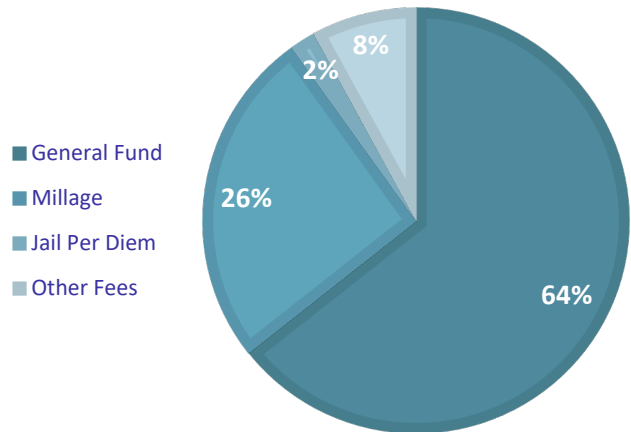
fees that are assessed to pay off the costs associated with adjudicating and enforcing the sentences.

Since 1968, the County has cooperated with local municipalities and provided space to house municipal ordinance violators. In turn, local units pay a per diem fee to help offset the costs. This arrangement was formalized in 1998 through the development of a “Memorandum of Understanding” (MOU) or agreement between the County and the Cities of Grand Rapids, Wyoming, Walker, Grandville, and Kentwood.

Historically, municipalities throughout Michigan have contested the right of the County to assess a per diem fee. In the earliest litigated case, the Michigan Supreme Court ruled that, “City bylaws and ordinances are entirely of local application and are intended for local benefit...” This decision has been upheld on numerous occasions including the case brought against Kent County by Grand Rapids, Walker, Grandville, Wyoming, and Kentwood in 1980. In addition, the Michigan Attorney General’s Office affirmed the right of the County to assess a fee to municipalities for housing municipal ordinance violators in the county jail.²⁷

In 2017, the capacity of the main jail was approximately 1,477 inmates. This jail capacity has been consistent since 2015 and includes the addition of a new kitchen and Community Re-Entry Center entrance. The jail kitchen provided almost 1,225,000 meals in 2017.

FIGURE 25: 2017 REVENUES



²⁷ OAG 1947-1948, No. 793; OAG 1965-1966, No. 4509; OAG 1976, No. 4957

In 2017, the County assessed local municipalities that operate a district court a per diem fee of \$41.18 for Grand Rapids, Grandville, Kentwood, Wyoming, and Walker to house offenders who are charged or convicted of municipal ordinance violations. This fee is less than the actual cost of \$99.97 dollars per day and is only possible because the fee is supplemented by the Corrections & Detention Millage and the Arrest Processing Fee. The per diem distribution includes eight different agencies (Figure 26). Kent County subsidizes the difference between the actual cost to house an inmate per day and the per diem amount for ordinance violations. In 2017, the subsidized amount equaled \$23.00 per day. Without the option to house municipal ordinance violators at the County correctional facility, each community would have to own, operate, and maintain their own correctional facility, and costs would be higher than that which is evenly applied to municipalities in Kent County through the millage and agreed upon per diem charges. Municipalities that house municipal ordinance violators in the County correctional facility are statutorily enabled to seek reimbursement from the offender through Public Act 88 of 2006; recouping the per diem fee assessed by the County.

FIGURE 26: 2017 FEES, REVENUES, CONTRACTS

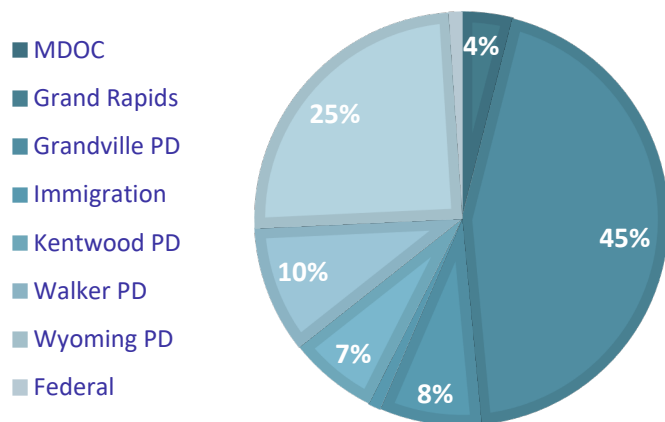
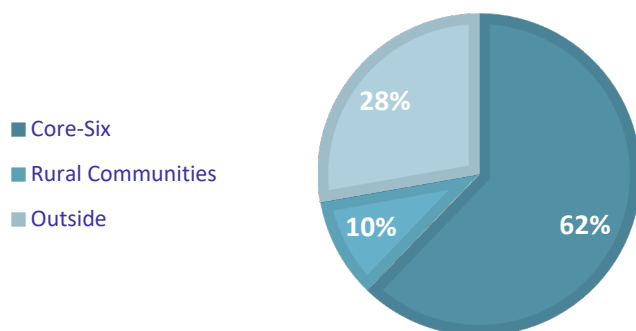


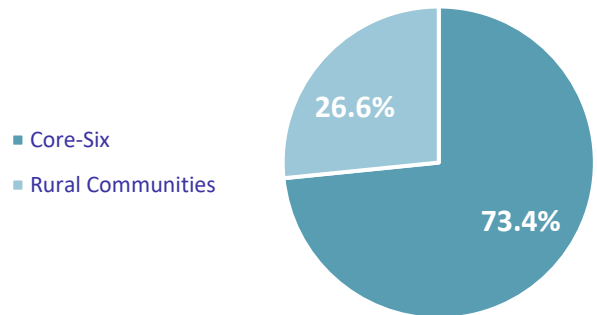
FIGURE 27: 2017 ARREST BY BOOKING AGENCY



Through the arrangement to house municipal ordinance violators, the County also operates a centralized booking process. This centralized system of fingerprinting, photographing, and cataloguing information results in a standardized process. Municipalities have signed a MOU to assist in covering the associated operating costs, which has resulted in a small charge of \$16 dollars per booking; this is the Arrest Processing Fee. This fee is credited back through the agreed upon calculation for the jail per diem fee.

In 2017, the Sheriff's Office booked 22,843 offenders at the Kent County Correctional Facility. Of the offenders booked, 14,163 (62 percent) were brought in by the core-six municipal police departments and 8,680 (38 percent) of the offenders were booked by other agencies, such as the Kent County Sheriff's Office and Michigan State Police (Figure 27). Of the 14,163 offenders booked in the core-six municipal police departments, 10,396 (73.4 percent) provided a home address in the core-six communities and 3,767 (26.6 percent) of the offenders provided home addresses outside of the core-six communities (Figure 28). While a greater number of offenders are arrested by core-six communities, this does not mean that the offenders booked reside in the core-six communities.

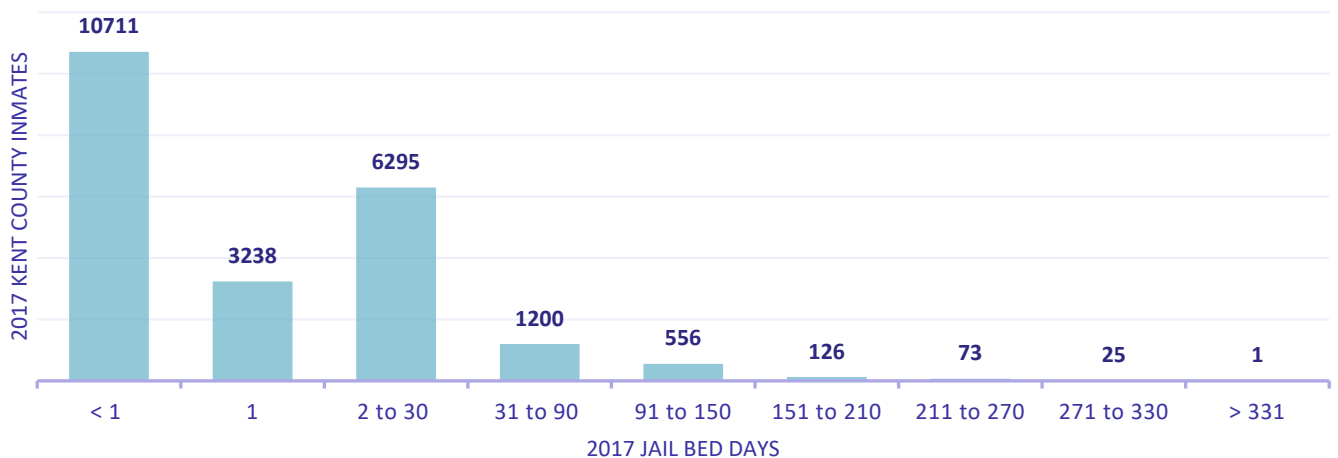
Figure 28: 2017 ARREST BY HOME ADDRESS



Of the offenders booked by the core-six communities, 35.4 percent (8,104 offenders) were charged with at least one municipal ordinance violation. Absent the Kent County Correctional Facility and the collaborative agreement between the City of Grand Rapids, Wyoming, Walker, Grandville, and Kentwood; these five municipalities would have to find alternative jail space or construct, operate, and maintain city jails. Previously, several municipalities operated their own jail space, but the facilities closed due to extensive operating and maintenance costs. This collaboration highlights how one entity can provide a service for a small fee that saves its local counterparts facility, operational and maintenance costs.

Jail bed days, which is the number of days an inmate spends in jail, is an additional operating cost for the Kent County Sheriff's Office. Jail bed days is a statistic that establishes the impact on jail bed utilization.²⁸

FIGURE 29: 2017 KENT COUNTY JAIL LENGTH OF STAY



²⁸ https://www.accesskent.com/Sheriff/pdfs/2017_Annual_Statistical_Report.pdf

In 2017, 10,711 inmates utilized a jail bed less than one day, establishing the least impact specific to length of stay. Additionally, 3,238 inmates utilized a jail bed equaling one day. The total number of inmates impacting length of stay in jail for one day or less is approximately 13,949 inmates. Lastly, in 2017 one inmate had a length of stay in jail for over 331 days (Figure 29).

While the core-six communities and cities generally utilize more services at the Correctional Facility, the Sheriff's Office also provides Road Patrol for purposes of seamless enforcement across township jurisdictions and for residents who work, live, or recreate outside the core-six communities.

While the core-six communities have higher utilization rates of the correctional facility, the Sheriff's Office provides road patrol for the rural communities. Although the State mandates that these services be provided, the statute does not mandate the scope of the services. As such, the Sheriff and the Board of Commissioners, through the annual budget process, define a base-level of public safety and road patrol services for residents that reside in rural townships and villages and for those that commute between communities without municipal public safety services. Chapter 51 of Michigan's Compiled Laws mandates the Sheriff provide the following services on county primary roads: 1) responding to calls for service and monitoring traffic violations; 2) enforcing the criminal laws of this state, violations of which are observed by or brought to the attention of the Sheriff's Office; 3) investigating accidents involving motor vehicles; and 4) providing emergency assistance to persons on or near a highway or road as required by statute.

In 2017, the Board of Commissioners allocated \$18.1 million for **Law Enforcement** and \$1 million for **Administration Services** (Figure 30). This funding provides a base level of service to 21 townships. The \$1 million designated for administration includes administrative services for Corrections, Road Patrol, Investigation, and Support Services. Approximately, \$18.1 million was utilized to patrol County roads and to perform other local services, engage in officer training programs, and perform the necessary records management functions. This pool of officers also provides the staffing for special collaborative teams such as the FBI counter-terrorism unit, special identity theft task forces, metropolitan task forces, and task forces developed to address the growing opioid and heroin problem throughout the County and the region. The deputies and detectives who are assigned to these specific services may investigate specific problems that have the potential to impact the entire region if not addressed.

The Sheriff's Office also provides opportunities for townships to purchase enhanced services such as increased patrol or target specific problem areas. The County covers the administrative cost to outfit the officer, maintain and operate the patrol car, and provide supervision. Like the jail per diem fee, the townships can supplement expenses such as salary and benefits, specialized space requirements or alternative supervision costs. This arrangement allows communities to receive enhanced services at a lower cost than if the community assumed full operation.

The Sheriff's Office manages police and fire E911 Dispatch for 25 municipalities and Emergency Management services for all Kent County, except the city of Grand Rapids. The 2017 General Fund appropriation for dispatch was \$5 million. The Sheriff also provides the Kent County Courthouse Security and Transfer Crew for the 17th Circuit Court, 61st District Court, 63rd District Court, and Juvenile Detention. The urban cities and rural communities benefit differently from the services provided by the Sheriff's Office as the department provides approximately 23 mandated services.

To promote and ensure public safety, the Fire Commission was created as a partnership between Kent County and 18 participating rural municipalities. Through this collaborative effort, the municipalities pool financial resources and the County contributes 50 percent of the funding to purchase and replace firefighting apparatus for each of the communities on a rotating basis; through mutual aid, equipment is made available to participating communities when needed. In 2017, the Board of Commissioners approved \$694,149 from the General Fund to support the Fire Commission. The Fire Commission has improved coverage and significantly reduced costs by combining communities into one insurance pool for hundreds of pieces of firefighting apparatus.

The Sheriff and the Board of Commissioners, through the budget allocation, define a base-level of public safety and road patrol services for residents that reside in rural townships and villages and for those that commute between communities without municipal public safety services.

Human Services

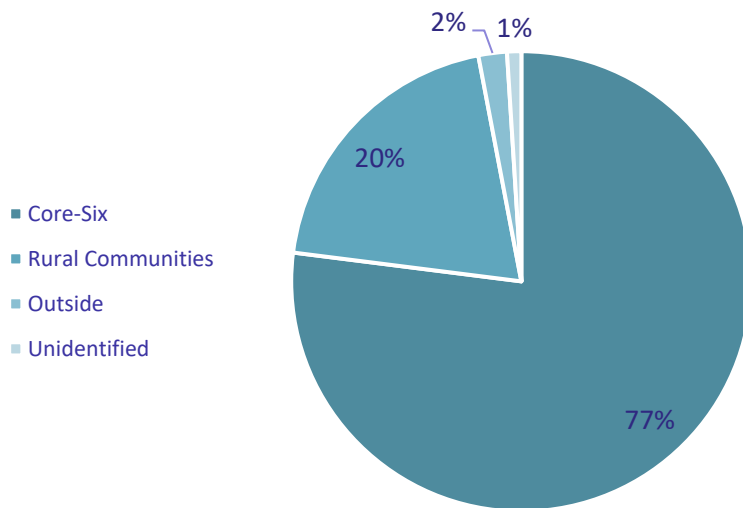
Kent County supports human services by providing financial and administrative support for **Community Action** and **Health Department** as well as financial support to the State of Michigan's Kent County Department of Human Services, Network180, and other community-based organizations. In 2017, the Board of Commissioners authorized a "transfer-out" of \$28.2 million for human services, of which \$5.8 million was budgeted to the Health Department and \$15.6 million to the Circuit Court and DHS Child Care Funds.

The **Kent County Health Department** provides essential services for County residents, and the funding provided by the County enables the Health Department to leverage additional funds from the state and federal government to support programs and services that assist in maintaining the welfare of the entire community. In 2017, 49.4 percent of the Health Department's budget was supported by state and federal funding, 24.4 percent from the County, 11.9 percent from user fees, and 14.3 percent comes from reimbursements such as Medicaid and other insurance reimbursements for services. Of the \$5.8 million in "transfer-out" monies provided to the Health Department, \$3.3 million was utilized to leverage additional

funds from the state and the remaining \$2.4 million was utilized to support ongoing operation of programs and services to meet community needs. The Kent County Health Department provides 30 mandated services by the State of Michigan.

One Health Department responsibility is to plan for, monitor, and respond to outbreaks of illnesses such as communicable diseases. The Department provides immunizations and maintains immunization data within the County as well promoting healthy living and disease prevention strategies.

FIGURE 30: 2017 WIC CLIENTS

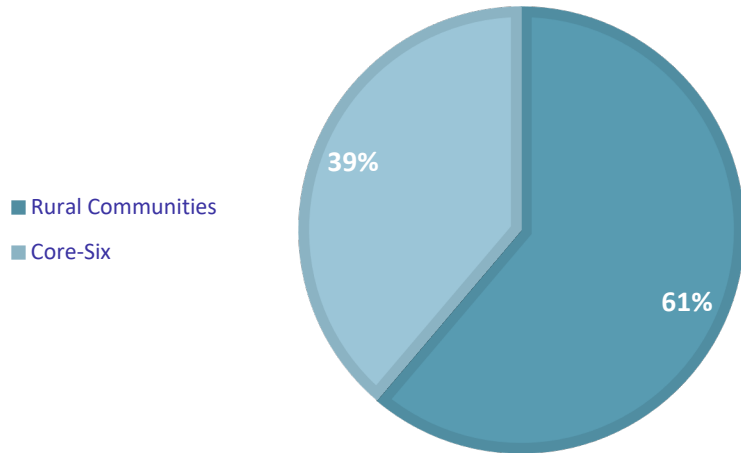


Another major program of the Kent County Health Department is the Women Infant and Children (WIC) program, serving low and moderate income pregnant, breastfeeding, and postpartum women, infants, and children up to age five who are found to be at nutritional risk. WIC is a health and nutrition program that has demonstrated a positive effect on pregnancy outcomes, child growth and development. The program provides a combination of nutrition education, supplemental foods, breastfeeding promotion and support, along with referrals to health care and community organizations.

In 2017, 17,049 residents accessed the WIC program. 77 percent of the WIC clients provided an address from the core-six communities and approximately 20 percent of clients provided an address from the rural Communities (Figure 30). The remaining three percent did not provide an associated core-six or rural community zip code. While WIC is supported through federal dollars, Kent County subsidizes the WIC program by \$356,383. This investment ensures that County residents have access to food coupon, which are valued at \$10,792,067 million and are used at local grocers. In fact, Kent County operates the third largest WIC program in the state (behind the City of Detroit and Wayne County).

Additionally, the area of public health provides direct services to meet community needs. Public health nurses and caseworkers make thousands of home visits each year, teaching parents life skills, inspecting homes that have contributed to lead poisoning in children, and supporting parents who have grieved the loss of a child. In 2017, the number of participants for the Life Skills program equaled approximately 19,879. Of the 19,879 participants, approximately 12,173 provided an address from a rural community school and approximately 7,706 provided an address from a core-six community school (Figure 31).

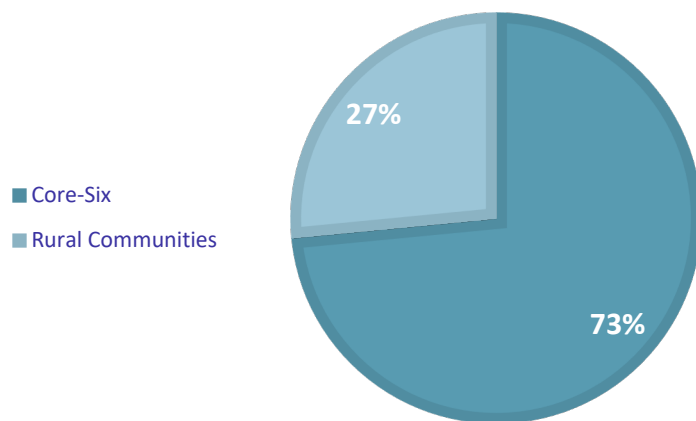
FIGURE 31: 2017 LIFE SKILLS PARTICIPANTS



The Life Skills program, focused on substance use prevention, is provided by the Health Department in area schools. Health Educators provide this service which is paid for by the Lakeshore Regional Entity. Nearly 100 percent of the Life Skills Program is covered by this grant with the remaining minimal balance coming from the General Fund. Also, the participants provided for the Life Skills program reflect the location of the school where classes are taught, rather than residential zip codes.

The Maternal Infant Health Program (MIHP) is another significant service provided by the Kent County Health Department. MIHP is a home visiting program for moms and babies on Medicaid. Approximately 2/3 of the program cost is covered by Medicaid and 1/3 of the program cost is covered by General Funds. The Health Department bills Medicaid for the services. In 2017, this program provided approximately 9,058 visits to 1,738 clients. Of the clients who participated in the MIHP, 1,277 clients provided an address from the core-six communities and 461 clients provided an address from the rural communities (Figure 32). For 2017, 6,706 visits occurred in the core-six communities and 2,352 visits occurred in the rural communities.

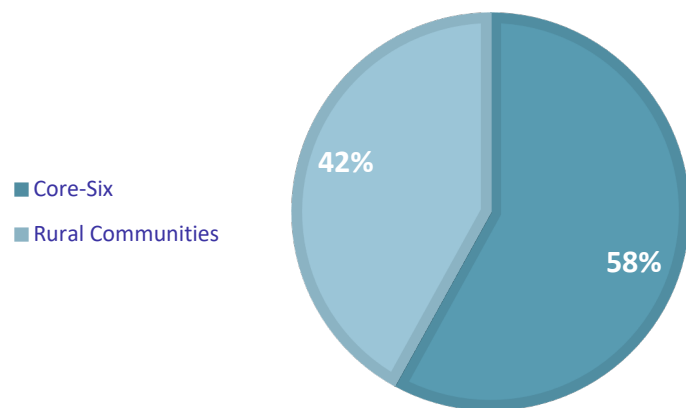
FIGURE 32: 2017 MATERNAL INFANT HEALTH PARTICIPANTS



The Maternal Infant Health Program provided 9,058 home visits in 2017. Approximately 2/3 of the program cost is covered by Medicaid and 1/3 is covered by the General Fund.

Another important program provided by the Health Department is the Breast and Cervical Cancer Control and Navigation (BCCCN) program. In 2017, the number of participants for the BCCCN program was 1,074. Of the total participants, approximately 621 participants provided an address from the core-six communities and approximately 453 participants provided an address from the rural communities of Kent County. It is important to note that the numbers reflect zip codes of the participants who received services for the program rather than the number of services provided (Figure 33). This program is funded by the Center for Disease Control and Prevention through the State of Michigan. The grant covers most of the program costs with a minimal amount coming from the County General Fund.

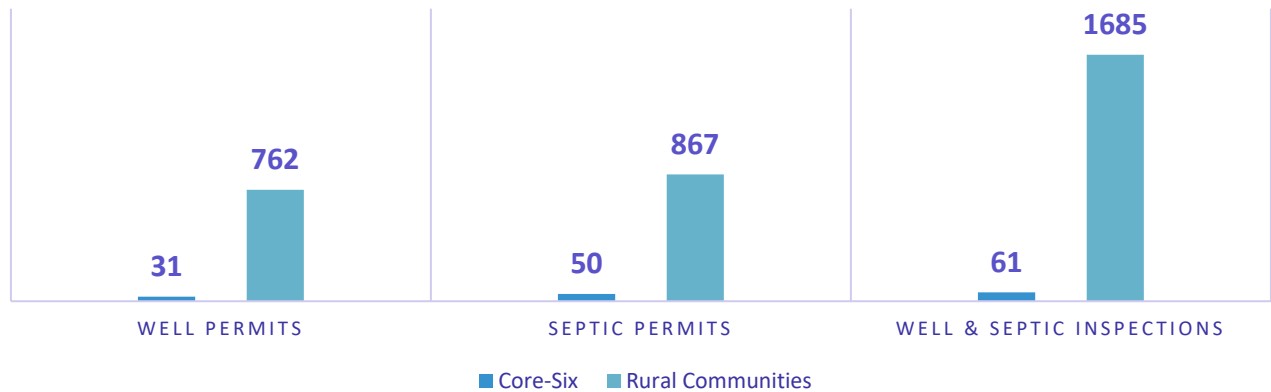
FIGURE 33: 2017 BCCCN PARTICIPANTS



Another area of responsibility for the Health Department is environmental quality. Through its Environmental Health Division, it works to maintain water quality throughout the County by inspecting wells and on-site sewer systems.

In 2017, the **Environmental Health Division** processed 762 well permits and 867 septic permits for residents in the County's townships and villages while processing 31 well permits and 50 septic permits for core-six residents. Furthermore, the Environmental Health Division conducted 636 well and 1,049 septic inspections in the more rural areas of the County while conducting 21 well and 40 septic final inspections within the core-six communities (Figure 34). The County's General Fund contributes \$106,365 for this service which is 10.1 percent of the total cost to provide this service.

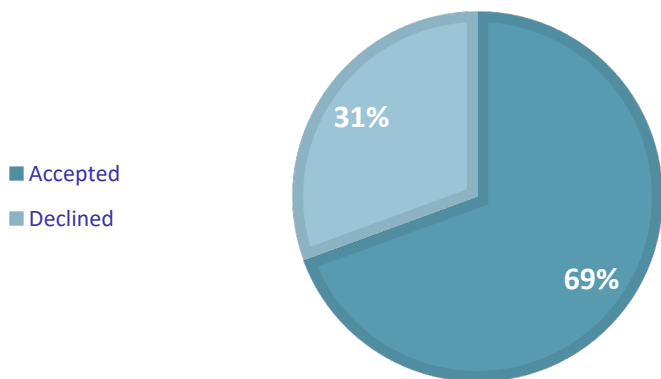
FIGURE 34: 2017 WATER & SEPTIC SERVICES



The Health Department works to ensure proper sanitation at restaurants in the County. Each year, every restaurant in the County is inspected a minimum of one time. Through countywide services to maintain health and safety standards, residents can enjoy food safely prepared and served throughout the County, building a stronger economy to attract employers and residents. While fees supplement the costs to provide inspection services, the County’s General Fund contributes a small amount as well.

Another major service provided by the Health Department is the operation of the Animal Shelter. Services include the control of stray animals to prevent animal bites and disease, as well as adopting unwanted pets while proactively providing dog bite prevention education to grade school children. In 2017, the County’s General Fund provided \$2.3 million for the operation of the Animal Shelter with a total intake of 2,070 dogs and 1,569 cats.

FIGURE 35: 2017 MEDICAL EXAMINER CASES



Finally, the Health Department has responsibility in two other areas. First, in a multi-agency, collaborative effort, the Health Department coordinates emergency planning and preparedness including disaster response for natural disaster and terrorist-related threats where chemical, biological, or radiological events might occur. Also, the County General Fund transfers \$1.7 million to provide Medical Examiner services that are mandated by the State. The Office of the Medical Examiner is mandated by law under Act 181, P.A. 1953, as amended, to investigate certain types of death. These deaths

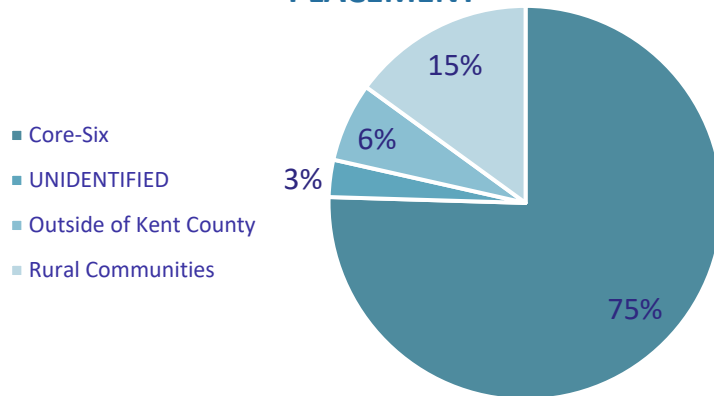
include sudden and unexpected deaths, accidental deaths, violent deaths, and deaths of children 18 and under without significant medical history. The Medical Examiner has the authority under Public Act 181, P.A. 1953, as amended and the Michigan Public Health Code, Act 368 of 1978, to order an autopsy to

determine or confirm the cause and manner of death. In 2017, a total of 1,810 cases were referred to the Medical Examiner’s Office. Of the 1,810²⁹ referred cases, a total of 1,256 were accepted by the Medical Examiner (Figure 35).

The **Department of Health and Human Services (DHHS)** is a State agency to which the County is mandated to “within its discretion” appropriate funds for certain activities. There are approximately 10 services mandated by the State, with zero of the services being fully funded.

In 2017, Kent County provided \$382,476 to fund 15 programs for 10 community-based organizations with unmet needs. Specifically, these programs provide services to families throughout the County. The County’s unmet needs funding creates a safety-net for residents in areas of the county where revenue sources are depleted or not available. Kent County is one of a few counties in the State of Michigan that provide local funding to support DHHS. The County also pays 50 percent of the costs to provide care for children who are delinquent or at risk of abuse and neglect (as determined by the Court). Administered by either the Circuit Court (for delinquent children) or the Department of Human Services, the Child Care Fund Program includes juvenile detention, foster care, and community probation, among others.

FIGURE 36: 2017 OUT-OF-HOME PLACEMENT



In 2017, the County provided \$10.6 million dollars between the Circuit Court and DHHS Childcare. For fiscal year 2017, a total of 2,016 youth was served through “In-Home Care” programs. There are approximately 13 “In-Home Care” services including the Child Sexual Abuse Intervention Program, Parenting Education Classes, Family Life Skills, and Substance Use Disorder Treatment Programs. The Child Care Fund also includes “Out-of-Home” care services for Kent County youth. For the fiscal year 2017, approximately 787 youth experienced an “out-of-home” placement. Of the 787 youth, 712 were from Kent County and 75 youth were

from outside of the County or had blank zip code data. This data point does not include youth who were removed before 10/1/2017 and discharged before 10/1/2017.³⁰ Based on 2017 fiscal year zip code analysis, it is estimated that 75 percent of youth served by the program were from the core-six communities and 15 percent of the youth served were from the rural communities (Figure 36).

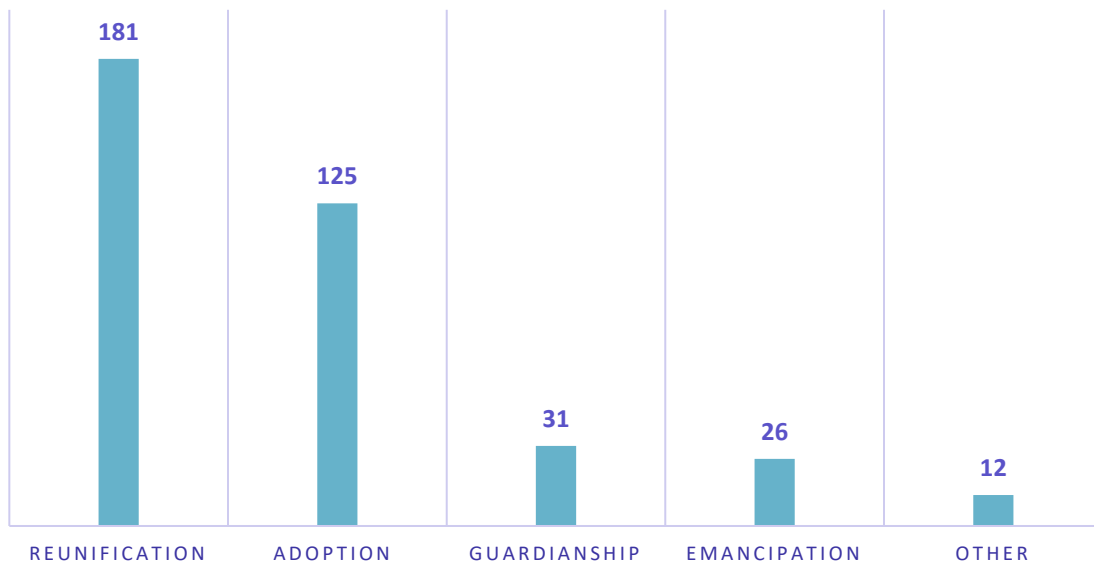
²⁹ Medical Examiner 2017 Annual Report pg. 4

³⁰ “Out-of-Home” youth data retrieved 4/1/2019 from the Mindshare Data system, which does not include DHHS youth removed prior to 10/1/2017 nor discharged prior to 10/1/2017.

In October of 2017, the West Michigan Partnership for Children (WMPC) began a performance based funding model, which facilitated foster care for children and families in partnership with Bethany Christian Services, Catholic Charities of West Michigan, D.A. Blodgett – St. John’s, Samaritas, and Wellspring Lutheran Services through a contract with the Michigan Department of Health and Human services. WMPC is the result of collaborative efforts between Kent County government, the Michigan Department of Health and Human Services, and other statewide public and private child welfare leaders who researched best practices nationwide. The mission of WMPC is to empower communities to create better futures for children and families through innovation and collaboration.

WMPC and its partners value keeping families together. However, if a youth is removed from their home, the goal of WMPC is to safely reunify a child with their family by working alongside a family to help address the situations that led to a child’s removal. From October 2017 to September 2018, the number of youths who were discharged from foster care equaled 375.³¹ Of the 375 youths discharged from foster care, approximately 50 percent of the youth had a discharge reason of reunification (Figure 37).

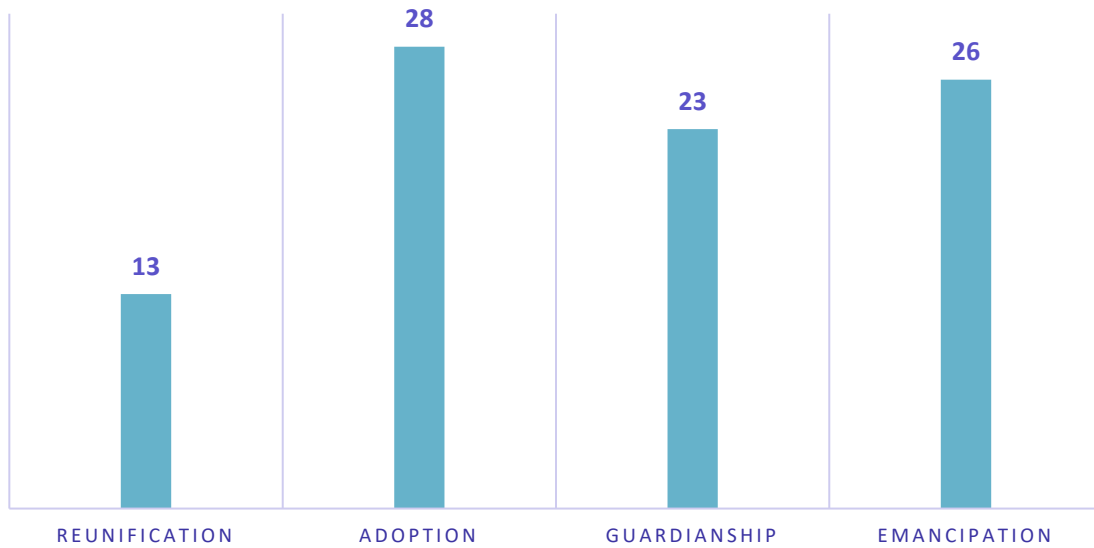
FIGURE 37: 2017 - 2018 DISCHARGE REASONS



The average length of stay in foster care for youth discharged equaled 21 months with a minimum foster care experience of less than one month and a maximum foster care experience of 107 months (Figure 38).

³¹ WMPC annual data is specific to 10/1/2017 – 9/30/2018 because oversight of Foster Care began 10/1/2017.

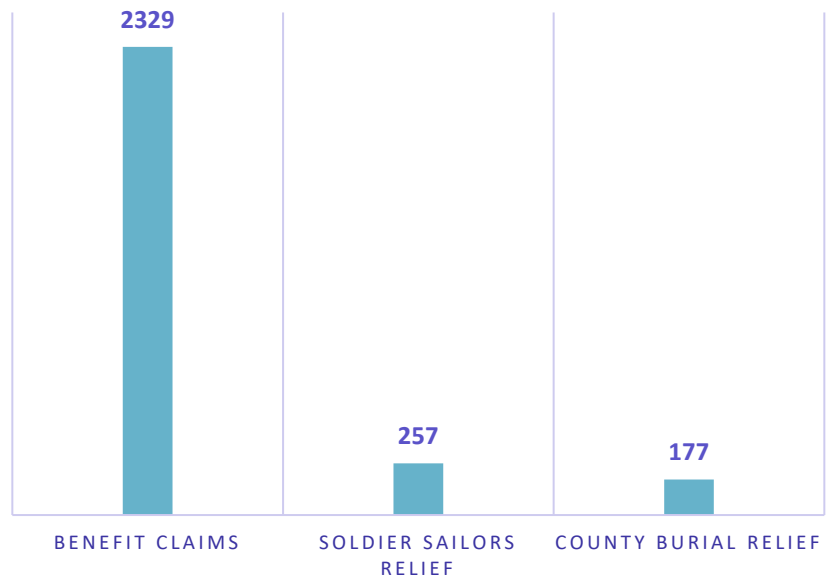
FIGURE 38: 2017 - 2018 DISCHARGE IN MONTHS



Veterans' Services

The Kent County **Veteran's Services Department** provides information, referrals, and support services to honorably discharged wartime veterans and their families. In 2014, the Board of Commissioners approved a 2014 ballot request for a .05 mill dedicated to Veteran's Services. The community voted in favor of an eight-year millage generating approximately \$1 million for increased outreach and emergency services annually. With the increased funding, the Veteran's Affairs Office expanded federal claims assistance.

FIGURE 39: 2017 VETERAN SERVICES CLAIMS



In 2017, the Department had 2,763 claimants through the Kent County office and secured over \$5.9 million in services for local veterans (Figure 39). Additionally, the County General Fund provides approximately \$300,000 annually to Veteran's Services, which includes approximately four mandated services. The

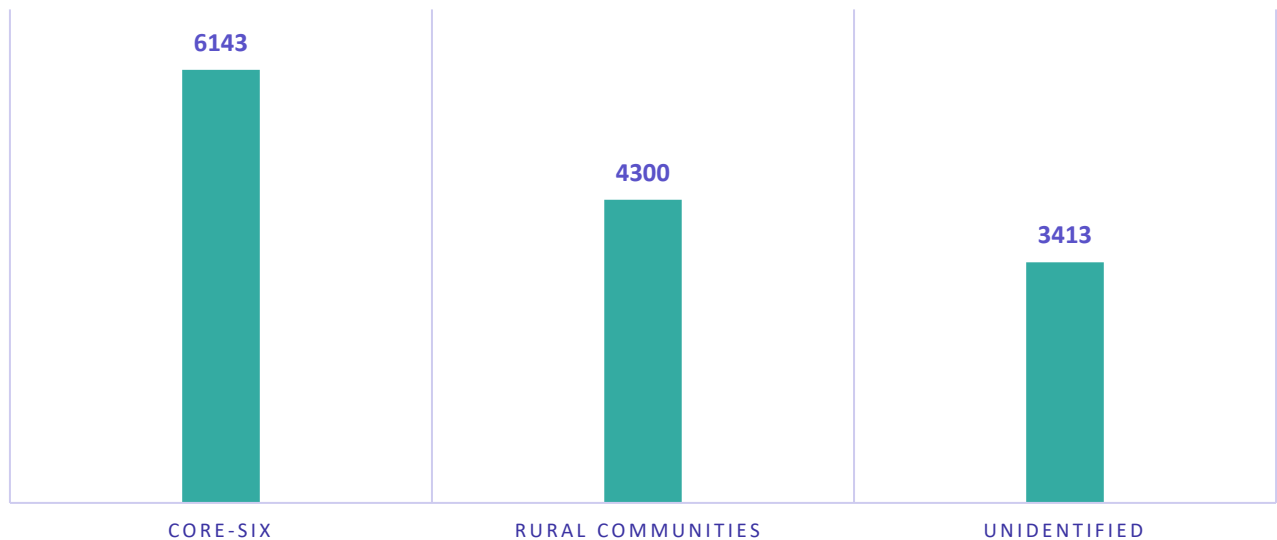
veteran’s millage combined with county financial support raises monies to provide support to Kent County’s 36,000 veterans.

Cultural and Recreation Services

In 2017, the Board of Commissioners allocated approximately three percent of the General Fund for culture and recreation services to enhance and maintain a higher quality of life in Kent County.

Kent/MSU Cooperative Extension is a partnership between Michigan State University Extension and Kent County. The Cooperative Extension helps Kent County residents improve their quality of life by bringing the vast knowledge and resources of MSU directly to individuals, communities and business. With General Fund support of \$453,749, Kent/MSU Extension provides programs across four main services areas: Agriculture and Agribusiness, Children and Youth Development, Community Food and Environment, and Health and Nutrition. Specific programs are implemented based on identified needs of county residents. In Kent County, MSU Extension provides education to Kent County farmers to increase farmers’ success while protecting the environment, ensuring food safety, reaching new markets, and advancing agriculture through applied research. MSU Extension’s robust health education delivery model reaches both urban and rural areas with topics in nutrition education, social and emotional health, food safety and preservation, and chronic disease prevention. Additionally, MSU Extension promotes youth development programs ranging from science and technology to clothing and textiles in locations across farms, townships, cities, and suburbs. MSU Extension’s delivery model allows specialists and subject matter experts across the state to support Kent County residents with a variety of educational programs.

FIGURE 40: KENT MSU PARTICIPANTS

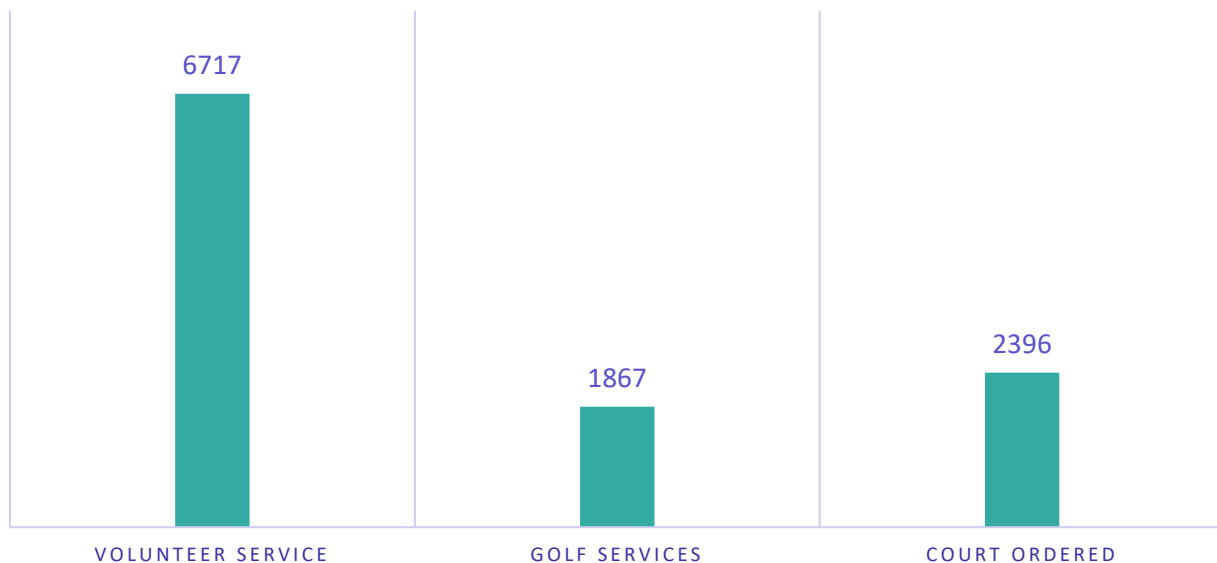


In 2017, Kent/MSU Extension worked with over 13,856 residents in Kent County, of which 6,143 or 44 percent lived in core-six areas, while 4,300 or 31 percent lived in rural areas (Figure 40). Demographic information was not collected for approximately 3,413 or 25 percent of program participants; however, they noted they were residents of the County. In 2017, there were over 85 different types of programs provided in Kent County. The Board of Commissioners also provided \$25,000 in 2017 to Kent/MSU Extension to staff the Agricultural Preservation Board and administer the Purchase of Development Rights (PDR) program within the County.

Cooperative Extension helps Kent County residents improve their quality of life by bringing the vast knowledge and resources of Michigan State University directly to individuals, communities and business.

With an annual operating budget of \$5.5 million in 2017, the **Kent County Parks Department** provides residents with traditional park amenities as well as recreational opportunities not typically found in local city and township parks. From a recent Parks Department survey, 50 percent of household respondents visited Millennium Park within the last year, and 80 percent of households who responded visited a park or trail in the last year. Individuals also volunteer a significant amount of time at the various Kent County Parks. In 2017, individuals provided over 10,000 hours of community service throughout County parks (Figure 41). To this end, the Department emphasizes large regional parks offering diverse natural areas to explore. With a total 7,300 acres under management, 80 percent is concentrated in 14 parks of 200 acres or more. These parks often are characterized by extensive trail systems; spacious forests and fields; scenic streams, rivers and lakes; and a sense of seclusion from the bustle of urban life.

FIGURE 41: 2017 VOLUNTEER HOURS BY TYPE



To complement this emphasis on natural areas, Kent County Parks also provides an array of more developed park and trail facilities throughout the County. Examples include 22 picnic shelters; more than 60 picnic areas; seven enclosed shelters; 31 playgrounds; a highly-rated 18-hole golf course; four public beaches; a campground; three disc-golf courses; numerous boat launches and fishing access sites; two boat rental sites; multiple sports fields, courts, and ball diamonds; and much more. More than 50 miles of natural and paved trails explore the reaches of County parks, catering to hikers, runners, mountain bikers, nature observers, and equestrians. In addition, Kent County Parks manages 40 miles of regional multi-use trails that link communities, parks, and other attractions.

The provision of countywide services enriches the social welfare and quality of life in each individual community as well as the economic health and stability of the entire region.

Conclusion

The 2019 Urban and Rural Community Report began with a population analysis; creating two specific cohorts, urban and rural. While the population spread differs between the two cohorts, the taxable value – the amount levied towards the General Fund – is an equal distribution between urban and rural. Also, just over half of the General Fund is supported through the County Property Tax Levy. It is important to note that some of the General Fund dollars go directly into services received by residents, while others go toward leveraging state and federal funds to ultimately increase services provided to our residents. In the end, urban and rural areas benefit from the services and funding leverage that Kent County provides.

A new discussion was introduced in this report that provided an overview of the funding constraint for mandated services, which the County is required to fulfill. The purpose of this new topic is to present a context for the use of County General Fund dollars and explore the distribution of State and Federal funding of County mandated services. This funding constraint has resulted in many Kent County Departments seeking partnerships with various stakeholders to provide a growing population with essential services. When considering the number of available mandated and nonmandated services, the Urban and Rural Community Report establishes Kent County's commitment to providing essential services to County residents. This information is imperative to the General Fund decision-making process.

Further, this report outlines a fundamental difference in provision of services for urban municipalities that are not often found in rural communities. District courts, police forces, and local park and recreation departments are areas that urban communities select to provide. This can add to a perception that residents are utilizing County services at a disparate rate. This report demonstrates circumstances where rural communities use certain services at a higher rate than their urban counterparts, and likewise urban communities use other services at a higher rate.

Lastly, the County provides facilities and functions such as the Correctional Facility and Health Department that, without the countywide provision of these services, each community in Kent County would have to offer the necessary resources to build the infrastructure, administer the programs, and deliver the services. This additional fiscal responsibility would take valuable resources away from other community needs were each municipality to provide these services separately.

Overall, it is important to highlight successful initiatives that have resulted from the countywide Tax Levy, because Kent County's operating mill is set below 85 percent of 83 counties in Michigan while providing 271 underfunded mandated services. In summary, this report offers insight into the quantitative and qualitative aspects of a collaborative Kent County community. The provision of countywide services enriches the social welfare and quality of life in each individual community as well as the economic health and stability of the entire region.

This report demonstrates many circumstances where rural communities use certain services at a higher rate than their urban counterparts, and likewise urban communities use other services at a higher rate.

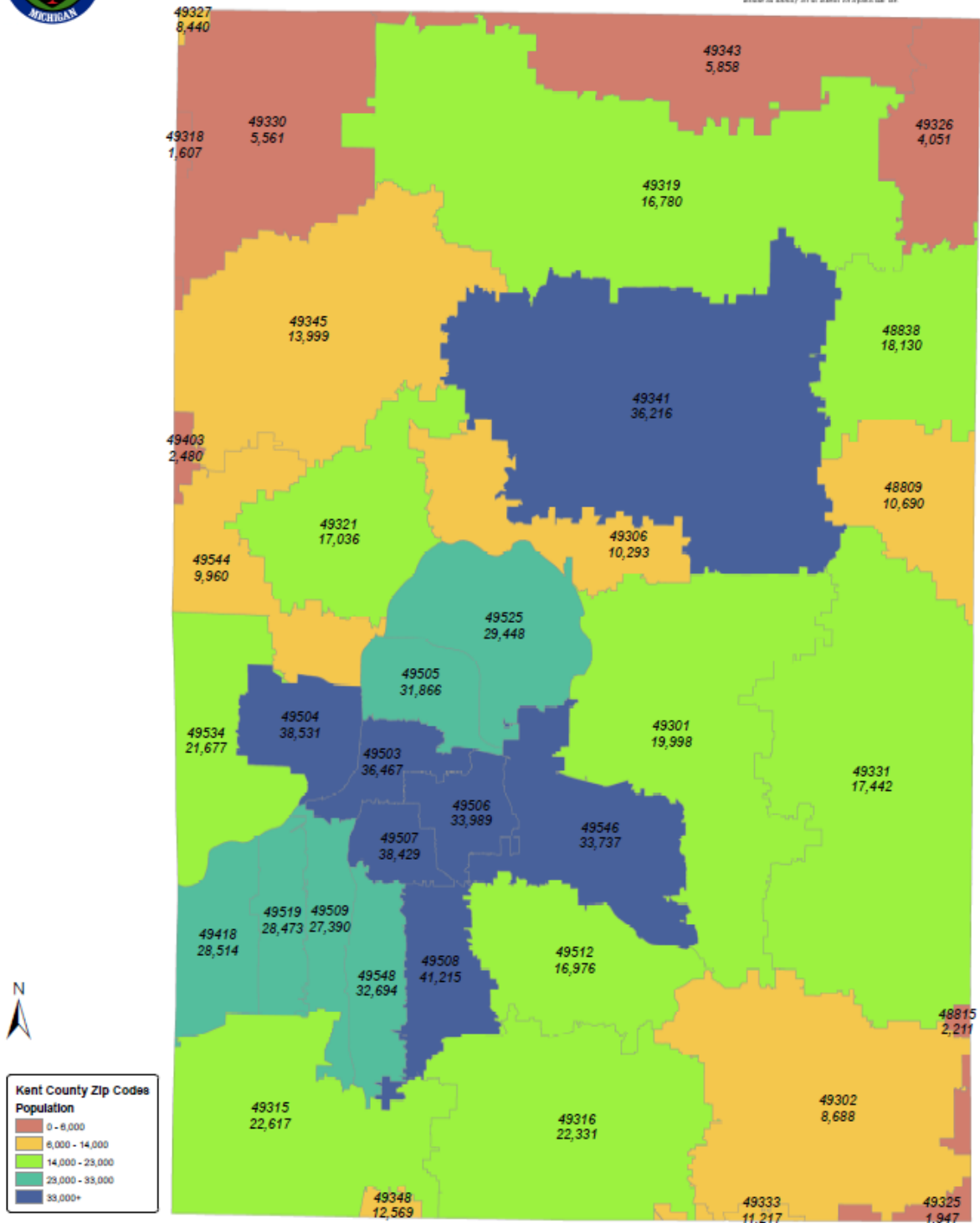
Appendix A



Kent County Population by Zip Code

Source: US Census, 2017 American Community Survey

Kent County, MI makes no warranty, expressed or implied, regarding the accuracy, completeness or suitability of information presented. Users of this information assume all liability for its use for a particular use.



Appendix B

Population Cohort	2017 Zip Code	2017 Zip Code Population
Rural	48809	10,690
Rural	48815	2,211
Rural	48838	18,130
Rural	49301	19,998
Rural	49302	8,688
Rural	49306	10,293
Rural	49315	22,617
Rural	49316	22,331
Rural	49318	1,607
Rural	49319	16,780
Rural	49321	17,036
Rural	49325	1,947
Rural	49326	4,051
Rural	49327	8,440
Rural	49330	5,561
Rural	49331	17,442
Rural	49333	11,217
Rural	49341	36,216
Rural	49343	5,858
Rural	49345	13,999
Rural	49348	12,569
Rural	49403	2,480
Core-Six	49418	28,514
Null	49501	
Core-Six	49503	36,467
Core-Six	49504	38,531
Core-Six	49505	31,866
Core-Six	49506	33,989
Core-Six	49507	38,429
Core-Six	49508	41,215
Core-Six	49509	27,390
Core-Six	49512	16,976
Null	49514	
Null	49516	
Null	49518	
Core-Six	49519	28,473
Rural	49525	29,448
Null	49528	
Core-Six	49534	21677
Core-Six	49544	9,960
Rural	49546	33,737
Core-Six	49548	32,694

Appendix C

GENERAL FUND

County of Kent, Michigan

General Fund By Function

Statement of Revenues, Expenditures, and Changes in Fund Balances

	2017		2018		2019		
	Actual	% of Tot	Adopted	% of Tot	Proposed	% of Tot	% of Chg
Revenues By Category							
Taxes	\$ 91,127,600	53.6%	\$ 92,813,600	53.9%	\$ 98,158,010	54.3%	5.8%
Intergovernmental	25,572,734	15.1%	23,083,035	13.4%	23,438,312	13.0%	1.5%
Charges for services	28,205,182	16.6%	27,465,329	15.9%	28,719,080	15.9%	4.6%
Investments, Rents & Royalties	4,390,134	2.6%	4,085,428	2.4%	4,407,458	2.4%	7.9%
Other Revenue	5,962,852	3.5%	7,387,641	4.3%	7,299,100	4.0%	-1.2%
Total Revenues	155,258,502	91.4%	154,835,033	89.8%	162,021,960	89.7%	4.6%
Transfers In & Other Fin Sources	14,602,622	8.6%	17,500,000	10.2%	18,603,000	10.3%	6.3%
Total Sources	169,861,124	100.0%	172,335,033	100.0%	180,624,960	100.0%	4.8%
Expenditures By Function							
General Government	33,622,445	19.9%	34,981,574	20.3%	35,597,415	19.8%	1.8%
Public Safety	60,838,946	36.1%	62,998,586	36.6%	65,046,293	36.2%	3.3%
Judicial	25,784,383	15.3%	27,253,969	15.8%	26,302,660	14.6%	-3.5%
Social Services	7,399,220	4.4%	7,444,438	4.3%	7,854,485	4.4%	5.5%
Recreation & Culture	5,361,917	3.2%	5,851,128	3.4%	6,022,937	3.4%	2.9%
Community & Econ Development	1,153,489	0.7%	1,245,235	0.7%	1,270,846	0.7%	2.1%
Public Works	685,529	0.4%	701,494	0.4%	730,513	0.4%	4.1%
Appropriation lapse	-	0.0%	(6,500,000)	-3.8%	(6,500,000)	-3.6%	0.0%
Total Expenditures	134,845,928	80.0%	133,976,424	77.7%	136,325,149	75.9%	1.8%
Transfers Out & Other Fin Uses	33,786,738	20.0%	38,358,609	22.3%	43,369,811	24.1%	13.1%
Total Uses	168,632,666	100.0%	172,335,033	100.0%	179,694,960	100.0%	4.3%
Net Inc (Dec) in Fund Balance	\$ 1,228,458		\$ -		\$ 930,000		

Appendix D

ALL FUNDS SUMMARY

County of Kent, Michigan

All Funds By Function

Statement of Revenues, Expenditures, and Changes in Fund Balances

	2017		2018		2019		
	Actual	Percent	Adopted	Percent	Requested	Proposed ⁽¹⁾	Percent
Revenues By Category							
Taxes	\$ 141,850,994	30.2%	\$ 144,517,900	35.1%	\$ 152,799,515	\$ 152,799,515	34.7%
Intergovernmental	72,165,282	15.4%	63,884,561	15.5%	71,808,723	71,890,784	16.3%
Charges for services	89,103,853	19.0%	91,654,571	22.2%	96,292,932	96,292,932	21.9%
Investments, Rents & Royalties	15,695,515	3.3%	12,899,026	3.1%	13,381,757	13,381,757	3.0%
Other Revenue	42,209,818	9.0%	38,442,631	9.3%	40,221,656	40,221,656	9.1%
Total Revenues	361,025,462	76.8%	351,398,689	85.2%	374,504,583	374,586,644	85.0%
Transfers In & Other Fin Sources	109,014,384	23.2%	60,819,311	14.8%	64,691,392	66,070,192	15.0%
Total Sources	470,039,845	100.0%	412,218,000	100.0%	439,195,975	440,656,836	100.0%
Expenditures By Function							
General Government	68,113,752	15.0%	67,410,177	16.1%	68,961,057	68,494,156	15.4%
Public Safety	94,824,068	20.9%	86,847,173	20.8%	90,584,900	90,531,444	20.4%
Judicial	39,622,251	8.7%	41,996,733	10.1%	46,063,406	46,045,534	10.4%
Social Services	82,128,314	18.1%	81,034,035	19.4%	84,779,138	84,583,901	19.0%
Recreation & Culture	16,175,805	3.6%	16,301,391	3.9%	21,260,220	20,926,554	4.7%
Community & Econ Development ⁽²⁾	10,548,276	2.3%	11,159,060	2.7%	11,704,719	11,394,719	2.6%
Public Works	42,896,912	9.5%	42,994,838	10.3%	47,132,648	47,132,648	10.6%
Debt Service	15,554,767	3.4%	15,003,412	3.6%	15,605,440	15,605,440	3.5%
Appropriation lapse	-	0.0%	(6,500,000)	-1.6%	(6,500,000)	(6,500,000)	-1.5%
Total Expenditures	369,864,143	81.6%	356,246,819	85.3%	379,591,528	378,214,396	85.1%
Transfers Out & Other Fin Uses	83,665,496	18.4%	61,399,292	14.7%	64,811,538	66,189,936	14.9%
Total Uses	453,529,640	100.0%	417,646,111	100.0%	444,403,066	444,404,332	100.0%
Net Inc (Dec) in Fund Balance	\$ 16,510,205		\$ (5,428,111)		\$ (5,207,091)	\$ (3,747,496)	

(1) Includes memorandum budgets previously approved by the Kent County Board of Commissioners.

(2) This activity does not reflect the property taxes captured/exempted by local units, within Kent County for economic development, effectively reducing the County's net property tax revenue.