



Marquette County Treasurer 2013 Annual Report

Anne Giroux, Treasurer

Kamila Fassbender, Deputy Treasurer III

Cindy Bussiere, Deputy Treasurer II

Pam Korpi, Tax Clerk, Multi-Department

Denise Nurkela—Clerk, Mulit-Department

I hereby submit this annual report to the County Board of Commissioners. I hope you find it informative and I encourage you to contact me with any questions or comments.

*Respectfully submitted,
Anne Giroux*

	2013	2012	2011	2010	2009
Real property taxes returned delinquent Parcels	4,498	4,430	4,610	4,954	4,989
Amount	\$4,513,884	\$4,394,238	\$4,772,008	\$4,758,625	\$4,653,020
Parcels Forfeited	729	656	740	700	579
Parcels Foreclosed	14	41	44	26	21
Foreclosure rate	2.1%	5.5%	6.3%	4.5%	4.2%
State-wide average foreclosure rate	14%	16%	13%	16%	11%
Board of Review & other adjustments made	723	758	663	666	419
Dog licenses sold county-wide/revenue	1,164/ \$12,667	1,309/ \$12,775	1,530/ \$14,370	1,742/ \$14,329	2,308/ \$16,728
Plat books sold	169	204	145	121	134

PRELIMINARY 2013 BUDGET RESULTS

	BUDGET	ACTUAL
<u>General Fund—Treasurer</u>		
Investing Income	\$250,000	\$295,367
Real Estate Transfer Tax	\$194,000	\$227,747
Treasurer Services	\$ 7,500	\$ 11,672
Total Expenses	\$310,670	\$312,541
<u>Foreclosure Fund</u>		
Total Revenue	\$207,250	\$197,468
Total Expenses	\$207,250	\$204,127
<u>Delinquent Tax Fund</u>		
Total Revenue	\$665,570	\$612,751
Total Expenses	\$665,570	\$468,868

2013 TAX FORECLOSURES

14 properties were foreclosed in 2013. 7 were taken by the Land Bank Authority (LBA) prior to auction. 7 were sold at auction. Auction results follow:

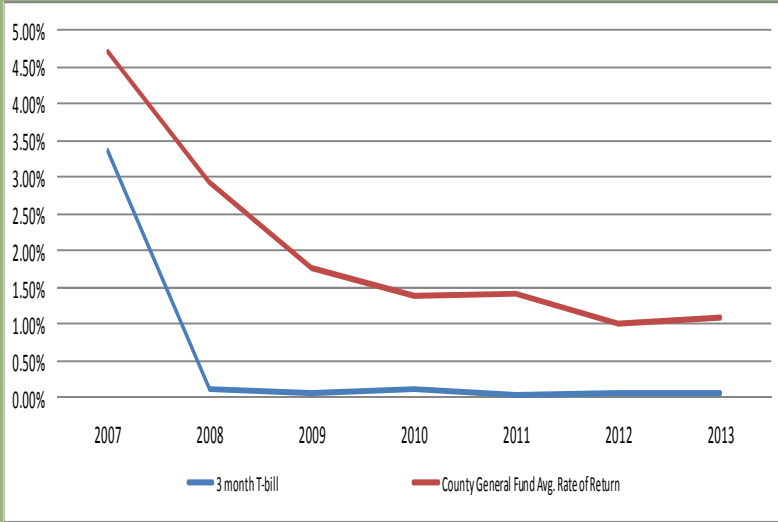
Taxes/penalties/fees due:	\$332,562
Sales Proceeds:	\$237,900
Net Loss on sale	\$(94,662)

FORECLOSURE FUND

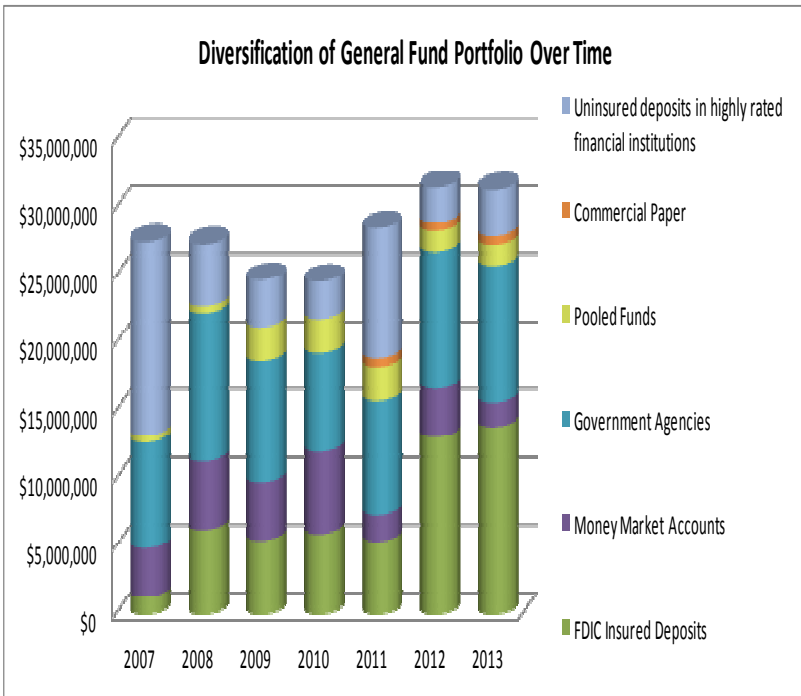
Fund Balance 12/31/12	\$429,213
FY2013 activity (prelim.)	(6,659)
Fund Balance 12/31/13	\$422,554

Treasurer customers served at the Ishpeming Service Center	2013	2012	2011	2010	2009	2008
	256	218	340	285	198	165
	17% increase	55% decrease	19% increase	44% increase	20% increase	

INVESTMENT RECAP



In 2013, short term rates remained low and continued to present a challenge for municipal investors. The chart above shows that the County’s investment portfolio continues to exceed the 3 month T-bill, in 2013 by more than 1%. The chart below shows the diversification of the general fund’s portfolio over time, showing only minor changes between 2012 and 2013.

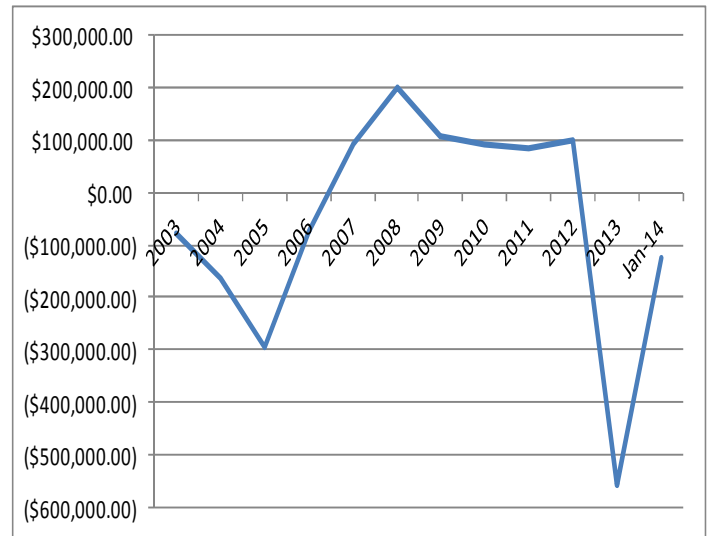


GOALS FOR 2014

- Review/update treasurer policies
- Retrain vet clinic staff on dog licensing; further mass mailings and/or explore other ideas to increase sales.
- Establish/review internal control procedures for other county departments.

ADJUSTMENTS TO FAIR MARKET VALUE (GASB 31)

GASB 31 requires that the County’s financial statements show the difference between cost basis and fair market value (FMV) for its investments. Every year, an adjustment is made to reflect this difference. FMV is a moving target and as such, the adjustment can vary greatly from year to year. It is important to realize however, that all County investments are held to maturity and the gains and losses that are recorded each year are never realized. In May 2013, rates for investments with maturities greater than 3 years saw a drastic increase and they stayed at that level through 12/31. After coming off historical lows that were seen in 2008 through 2012, this increase resulted in a 2013 accounting entry that will reduce the fund balance in the general fund by \$659,000. By the end of January 2014, that reduction was already offset by a \$533,000 gain. The chart below shows the balance of the Allowance for Fair Market Value account for the past 11 years.



2013 ACCOMPLISHMENTS

- *Interdepartmental collaboration:* Worked with Register of Deeds to create a multi-dept. position that works in both the Treasurer and ROD offices. The Treasurer’s office is now served by .6 FTE between 2 multi-dept. positions.
- *Technology:* Upgraded delinquent tax and animal license software to BS&A.net. Coordinated with IT Dept. and Equalization Dept. for training and installation.
- *Increased Revenue:* The Treasurer’s office continued its extensive audit of Principal Residence Exemptions (PRE) which resulted in 105 PRE denials, generating interest revenue of over \$20,000.

MARQUETTE COUNTY CASH AND INVESTMENTS

Account Balances as of December 31, 2013

Checking Accounts	Balance	Rate	Rate Def.	Fund*
Wells Fargo Bank	\$74,053	0.20%	EARN. CRDT.	
Range Bank	\$5,465,698	0.35%	APY	
FirstMerit Bank	\$1,153,047	0.08%	APY	Airport Passenger Facility Charge
Range Bank	\$592,071	0.35%	APY	KI Sawyer Intermed. Relending
Wells Fargo Bank	\$2,362,313	0.03%	APY	Road Commission
Peninsula Bank	\$87,397	0.05%	APY	Road Commission
Peninsula Bank	\$547,232	0.15%	APY	Medical Care Facility
Wells Fargo Bank	\$181,301			Health Department
River Valley State Bank	\$39,495	0.05%	APY	Health Department
Savings Accounts	Balance	Rate		Fund
Range Bank	\$395,531	0.25%	APY	
Peninsula Bank	\$648,480	0.40%	APY	Medical Care Facility
Pooled Funds	Balance	Rate		Fund
MBIA MI Class	\$1,523,503	0.03%	AAY	
Money Market Funds	Market Value	Rate		Fund
AIM Govt & Agency Fund	\$1,807,782	0.03%	365-day Yield	
AIM Govt & Agency Fund	\$370,367	0.03%	365-day Yield	Road Commission
AIM Govt & Agency Fund	\$1,138,921	0.03%	365-day Yield	Medical Care Facility
Certificates of Deposit	Cost Basis	Rate		Fund
CDARS	\$2,000,000	0.35%	APY	
CDARS	\$2,000,000	0.30%	APY	
CDARS	\$500,000	0.30%	APY	Road Commission
CDARS	\$500,000	0.50%	APY	Road Commission
Various Michigan Banks	\$7,655,000	.40%-5.208%	YTM	
Various Michigan Banks	\$700,000	.5%-1.077%	YTM	Road Commission
Government Securities	Cost Basis	Rate		Fund
Federal Home Loan Bank	\$5,425,000	1.005%-3.315%	YTM	
Federal Home Loan Mortgage Corp.	\$1,000,000	1.50%	YTM	
Federal National Mortgage Assoc.	\$4,650,000	.605%-3.056%	YTM	
Federal National Mortgage Assoc.	\$150,000	1.077%	YTM	Road Commission
Federal National Mortgage Assoc.	\$750,000	.605%-1.757%	YTM	Medical Care Facility
Federal Farm Credit	\$1,250,000	.44%-1.35%	YTM	Medical Care Facility
State of Michigan Bond	\$500,000	2.29%	YTM	
Birch Run Area School District Bond	\$534,225	2.80%	YTM	
Ann Arbor MI Bond	\$359,891	3.49%	YTM	
Grand Rapids Sewer District Bond	\$375,709	1.52%	YTM	
State of Michigan Bond	\$107,153	3.72%	YTM	
Commercial Paper	Cost Basis	Rate		Fund
Societe Generale N Amer	\$500,000	0.25%	YTM	
NATEXIS BANQ	\$503,000	0.35%	YTM	Medical Care Facility
ABBEY NATL N AMERICA	\$651,000	0.35%	YTM	

*If an account is associated with a specific fund, it is listed

As required by MCL 129.96, the County Treasurer is required to submit a report to the County Board of Commissioners concerning the investment of surplus funds on a quarterly basis.