



THE REQUEST: TO RESET THE COUNTY AND TOWNSHIP OPERATING MILLAGES TO PREVIOUSLY APPROVED LIMITS.

Benzie County and all Benzie County Townships have a fixed millage rate, while some counties in Michigan have an allocated millage rate. In Michigan, the choice between an allocated millage system and a fixed operating millage system is made at the county level through a vote of the local electors. **The decision as to how to move forward in Benzie County was determined by the voter in 1982, leading to a 5.29 millage request for the County and a 1.21 millage request for each township. Since that time these millage requests have rolled back due to the Headlee Amendment.**

The 2025 Tax Year represented a 3.2399 levy for Benzie County and a varied lower levy for Townships, with some townships being close to half the original levy.

In Benzie County, the **General Operating Millage** is the primary engine that powers everyday government functions. Unlike "special millages", like Benzie EMS or the Jail that are locked into specific uses, the general fund covers the essential services that keep the county running. Examples include the Treasurer's Office, Clerk's Office, Register of Deeds, Public Safety including Road Patrol Deputies, 911/Central Dispatch, Prosecutor and the Courts.

It's important to note that the Benzie County General Operating millage is **directly linked to each individual Township in Benzie County**. The County cannot change its primary funding source without each Township doing the same. Townships utilize funding to provide park and cemetery maintenance, fire protection services, election administration, community clean up days, community events, and zoning administration.

If a "Headlee Reset" or an operating millage restoration fails in 2026, the county's and each township's general revenue is **ELIMINATED!**

Here are the specific services at risk when funding is not levied:

1. Public Safety & Law Enforcement

While separate millages fund the jail, the **General Fund** pays for the Sheriff's Department's operations. Additionally, some Townships rely on their **General Fund** to fund Fire Protection Services.

Sheriff's Office Road Patrol: Failure to reset the millage will lead to a reduction and elimination of road patrol deputies on the road.

Animal Control: This is a non-mandated service that is often one of the first to face budget cuts or elimination. The Benzie County Animal Control special millage has expired, and the proposal would add this service to the general fund with a General Operation millage reset.

School and Youth Resource Officer Program: The proposed reset of the General Operating millage is to include this service into the general fund. If this millage is not successful, this program faces possible elimination when the special millage revenue runs out.

Drug Enforcement/TNT Office Program: This program, similar to the School and Youth Resource Officer Program, is proposed to also be funded through the general fund. Without a reset, this program cannot be absorbed into the general fund and faces possible elimination.

Fire Protection: Some Benzie County townships rely on the General Operating millage to fund fire services for their residents. Without a reset, the funding for this service is eliminated.

2. Quality of Life & Economic Services

These services **face elimination** or drastic reduction in service level without funding.

- **Local Planning and Zoning:** Staffing for community development and local ordinance enforcement.
- **Parks and Recreation:** Maintenance of county and township parks, trails, and public access points.
- **MSU Extension:** Programs for local 4-H, agricultural education, and nutritional services.

3. Operational "Slowdown"

General fund dollars pay for the staff who process the community's daily needs. A failure to reset the millage could result in:

- **Reduced Hours:** County offices (like the Clerk, Treasurer, Register of Deeds or Equalization) may have shorter public hours or longer wait times for processing deeds, licenses, and permits.
- **Deferred Maintenance:** Repairs to county and township buildings, technology upgrades, and vehicle replacements for the Sheriff's Office, Animal Control, etc. will be postponed, leading to higher costs later, and infrastructure deterioration.

Benzie County Mandated Services: The county is legally *required* by Michigan law to provide certain services (like the Courts, the Prosecutor's Office, and the Register of Deeds). When revenue is low, these mandated services "eat" the rest of the budget, leaving zero funding for the "extra" services like parks and animal control, MSU Extension, and Sheriff's Office Road Patrol.

When the General Fund shrinks, the county is forced to prioritize "**Mandated Services**" (those required by state law, like courts and the constitutional officers) over "**Discretionary Services**" (the quality-of-life programs we use every day).

What's at Stake? Core Service Reductions

If the millage reset fails, the following departments, which rely heavily on General Fund support, face significant cutbacks or total elimination:

1. Public Safety: No More Road Patrol

The Sheriff's Office receives the majority of its operating budget from the General Fund.

- **The Cut:** Without adequate funding, the Sheriff would be forced to eliminate road patrol.
- **The Impact:** This means there would be limited and possibly no deputy to respond to non-emergency calls, traffic accidents, or property crimes. Response times for all calls would likely increase as Benzie County would rely on state agencies.

2. Emergency Operations & Technology

Modern safety relies on more than just boots on the ground; it requires infrastructure.

- **Emergency Management:** Reductions here weaken the county's ability to coordinate responses to natural disasters, large-scale accidents, or public health crises.
- **Information Technology (IT):** IT manages secure networks for 911 dispatch and records. Cutting IT funding leads to aging, vulnerable systems that can delay emergency response and compromise data security.

3. MSU Extension: Agriculture & Youth

A staple of rural life in Benzie County, the MSU Extension Benzie Office is partially funded by the General Fund.

- **4-H Youth Programs:** Dedicated staff and resources for youth development would be eliminated.
- **Agricultural Support:** Local farmers would lose access to research-based soil testing, pest management, and commercial farming expertise provided by extension agents.

4. Parks & Recreation and Cemetery: Maintenance & Access

Benzie County's natural beauty requires active management of county and township parks.

- **Park Closures or Neglect:** Funds for mowing, trail maintenance, and bathroom cleaning at county and township parks and cemeteries come from respective General Funds.

- **Loss of Staff:** Without a budget to manage these spaces, the county and townships may have to restrict access or allow facilities to fall into disrepair, creating long-term costs for future taxpayers.

5. Animal Control and Shelter Services

- The Shelter would be forced to closed and enforcement, outside of law enforcement level issues would be eliminated.

6. Fire Protection (if not provided by special millage)

- Townships are not mandated to provide fire protection services.

The "Mandated" vs. "Discretionary" Gap

Michigan law says the County **MUST** fund the Courts, the Prosecutor, and the Clerk, a “lockup” and the Treasurer. It **DOES NOT** have to fund road patrol, parks, animal control services, MSU Extension, and county administration.

Service Category	If Millage Fails...
Mandated (Courts, Jail, Elections)	Must stay funded, "eating" more of the budget.
Discretionary (Patrol, Parks, Extension)	Facing 50% to 100% funding cuts.

Why has this happened?

In Michigan two constitutional amendments, **The Headlee Amendment (1978) and Proposal A**, limit how much local governments can collect in property taxes. While they provide great predictability for homeowners, they create a unique challenge for Township and County services you rely on. A ballot initiative would not override the Headlee Amendment indefinitely; a roll back in the levy may happen the very next tax year.

1. The Headlee Amendment: The "Rollback" Rule

Focus: The Community as a Whole

The Headlee Amendment was designed to ensure that a local government’s total tax revenue doesn't grow faster than inflation.

- **How it works:** If property values across the entire community rise faster than the rate of inflation, the Townships and County are **forced to lower their tax rate** (millage). This is called a "**Headlee Rollback.**"

- **The Result:** Home values skyrocket, the Townships and County cannot collect "windfall" taxes. The total pot of money the Townships and County receives is capped at inflation.

2. Proposal A: The "Individual Cap"

Focus: Your Individual Property

Proposal A changed how your specific property is taxed. It created a "Taxable Value" that is separate from your home's actual market value.

- **How it works:** Your **Taxable Value** cannot increase by more than **5% or the rate of inflation** (whichever is lower) as long as you own the home.
- **The "Pop-Up":** When a house is sold, the cap is removed, and the Taxable Value "pops up" to match the current market value for the new owner.

The "Perfect Storm" for Local Revenue

Why is revenue decreasing or stagnant?

When these two laws interact, they create a "one-way street" that limits local funding for police, fire, roads, animal control, park maintenance, etc.:

- **The Ratchet Effect:** When the economy is booming, **Headlee** rolls the tax rate down. However, when the economy dips and property values fall, there is no automatic "roll up." The tax rate stays low, and the revenue base shrinks. Headlee can never increase your tax rate, causing problems during a recession.
- **The "Uncapping" Trap:** When a house sells and its value "pops up" (Proposal A), that increase in value often triggers a **new** Headlee rollback for the *entire* community.
- **The Inflation Gap:** While the Townships and County's revenue is capped at inflation, the actual costs of doing business (asphalt for roads, fuel for Sheriff cruisers, health care for employees) often rise much faster than the standard inflation rate.

The Bottom Line: Our local governments are often forced to provide 2026-level services while levying less than 2/3 of the 1982 general operating millage rate.

Many of the county's special millages are needed because of the long-term limitation on its main source of operating revenue.

- **Loss of General Fund Revenue**
 - This rollback means that even as property values increase, the county does not see an increase in its general operating revenue beyond inflation, which is capped at a lower rate every year. Yet, every year, additional services are required to meet

the needs of the growing and summer population. Additions, or new homes are excluded from rollback.

- **Need for "A La Carte" Millages**
 - To continue providing necessary and expected services (like Animal Control, Parks & Recreation, or even the initial funding for EMS/Jail), the county must ask voters for separate, special tax millages (the "a la carte" method) because the main general operating fund is insufficient and inflexible.
- **Inflexible Funding**
 - The county lacks the flexibility to transfer funds from a department that has a surplus to one that is running short (e.g., supplementing the jail budget from another fund), which makes dedicated millages the only recourse for shortfalls.

What Can Be Done?

Because these are Constitutional limits, local governments cannot change them. The only way to "reset" the funding to meet community needs is through a **Headlee Override or reset** — a ballot proposal where voters must explicitly agree to restore the millage to its previous level.

THE 2026 REQUEST TO THE VOTERS ON AUGUST 4, 2026: Shall separate tax limitations be established for a **two-year period**, until altered by the voters of the county, for the County of Benzie and the townships and intermediate school districts within the County, the aggregate of which shall not exceed 5.8327 in mills as follows:

	<u>Mills</u>
County of Benzie	4.4399
Townships	1.2100
Intermediate school district	0.1828
Total	5.8327
	Yes _____
	No _____

The approval of the August 2026 ballot initiative would include wrapping in the School and Youth Resource Officer services, Drug Enforcement Services, and the Animal Control and Shelter services into the General Fund, resulting in three special millages totaling 0.4074 mills being

REMOVED from the Benzie County tax bill! These services would still be provided and have greater opportunities for expansion!

THE TOTAL IMPACT IF APPROVED BY VOTERS (USING TO 2025 TAX YEAR RATES)

Benzie County – an overall increase of 0.7926 mills. **On a home with a taxable value of \$95,000, this increase would equate to just \$0.20 per day.**

Almira Township – an overall increase of 0.5398 mills.

Benzonia Township – an overall increase of 0.4692 mills.

Blaine Township – overall increase of 0.509 mills.

Colfax Township – overall increase of 0.4242 mills.

Crystal Lake Township – overall increase of 0.5573 mills

Gilmore Township – overall increase of 0.4305 mills.

Homestead Township – overall increase of 0.384 mills.

Inland Township – overall increase of 0.4931 mills.

Joyfield Township – overall increase of 0.2504 mills.

Lake Township – overall increase of 0.6857 mills.

Platte Township – overall increase of 0.4268 mills.

Weldon Township – overall increase of 0.4968 mills.

**** Townships and Benzie County are NOT required to levy the maximum allowable. Respective elected boards set the taxing levy each year and many times levy under the maximum allowable.**

CALCULATING YOUR INDIVIDUAL IMPACT

Taxable Value / 1000 = Base Rate for Calculation.

Base Rate for Calculation * Millage Rate = Taxing Amount

Example

$\$95,000 / 1000 = \95

$\$95 * 1.21 = \114.95

A Short Summary:

Benzie County and its townships are facing a funding gap caused by decades of "tax rollbacks" mandated by State Law. While home values have risen, constitutional limits have forced tax rates down, leaving local services funded at 1990s levels.

The Problem:

- **Mandated vs. Quality of Life:** The County is legally required to fund courts and jails. As revenue stagnates, "discretionary" services like road patrol, animal control, and parks are facing total elimination.
- **The "Perfect Storm":** Current laws prevent tax rates from recovering after a dip, even when the economy booms.

The Solution (August 4, 2026 Vote):

- **A "Reset":** Voters can choose to restore the millage to a previously rolled down rate for Townships and the County.
- **Efficiency:** This proposal eliminates three separate special millages by rolling Animal Control, School Resource Officers, and Drug Enforcement into the general fund.
- **Low Cost:** For a home with a taxable value of \$95,000, the County increase is roughly 20 cents a day.



County Service Needs – Why Benzie County is asking for a General Operating Millage Reset

**Residents are encouraged to ask their local townships about their needs as a millage reset also affects Township funding.*

Deferred Capital Needs & Infrastructure

A significant portion of the requested millage funds is necessary to address years of deferred maintenance and critical capital projects that impact the safety and efficiency of county operations.

- **Buildings and Facilities Maintenance:**
 - Addressing replacement of roofs, windows and ceiling tiles across County facilities. (provide date of last replacement)
 - Complete Benzie County campus concrete repairs or replacement.
 - Replacing major mechanical components, including building condenser units and rooftop HVAC units.
 - Constructing an additional pole barn/storage space for County equipment to ensure its longevity and security
- **Vehicle Replacement**
 - Funding the replacement and maintenance of County vehicles, specifically high-usage fleet vehicles like Sheriff's office vehicles and emergency operations communication vehicles.

Public Safety and Emergency Services

Funding is required to maintain mandated services, ensure public safety, and upgrade technology to meet modern standards.

- **911/Central Dispatch Technology**
 - Securing additional funding to stay abreast of the required technology upgrades necessary to provide reliable, state-of-the-art 911 service to the community.
- **Sheriff's Road Patrol & Special Teams**
 - Maintaining the current level of service, specifically the critical 24-hour road patrol, which is an absolute NEED of the community. Funding for seasonal road patrol, marine patrol and TNT officers currently are not funded through general fund and require special millages.
- **Court Security**
 - Transitioning the current part-time Bailiff/court security program to full-time status as the program continues to grow, ensuring consistent safety within the court system.

- **Jail Operations & Increased Staffing**
 - Increased staffing to meet State of Michigan recommendations to improve officer safety. Funding is also required to provide all necessary care for jail residents, including mental health needs and medical benefits – as jail residents lose state and federal assistance upon incarceration, and the full cost becomes a Benzie County responsibility.

Service Expansion and Growth Opportunities

Millage funding is often sought to allow for the expansion of services that directly benefit the community and support local governance structure.

- **Environmental and Essential Services Infrastructure – Animal Control and Recycling**
 - Evaluating and funding the feasibility and growth opportunities for Animal Control and Recycling infrastructure to meet increasing community demand.
- **Water/Sewer Opportunities**
 - Exploring and potentially funding opportunities for the County to assist Townships and Villages with essential water/sewer infrastructure.
- **Countywide Planning and Zoning**
 - Considering and implementing countywide planning/zoning and enforcement, a constant request and critical topic from local area agencies and governments.
- **Parks and Recreation**
 - Work to maintain important public parks including, Railroad Point, Crystal Lake Outlet, and Point Betsie, which have historically relied on volunteers.
- **Economic and Community Development**
 - Securing a long-term commitment (beyond the initial 5-year commitment) to funding economic and community development opportunities.