



Office of the Allegan County Treasurer

Sally L. Brooks

The County Treasurer acts as the “**bank**” for the depository for all county funds see *MCL 48.40*. We are required by State mandate to maintain the county treasury and are responsible for the collection and deposit of all public funds. Management activities include receipt for revenues, coordinate cash drawers and maintain bank accounts, reconcile receivables, coordinate disbursement of funds held in trust, coordinate and transfer funds to cover county disbursements.

Delinquent Property Tax Administration

It is the responsibility of the county treasurer to collect delinquent real property taxes. That process in collecting delinquent taxes include writing receipts, mailing tax notices, processing adjustments to prior year tax rolls, processing bankruptcy claims, board of review adjustments, tax tribunal adjustments, and managing the annual forfeiture and foreclosure process. The county operates a **Delinquent Tax Revolving Fund** from which taxing authorities are paid their portion of the delinquent taxes, settled as of March 1st each year. Our DTRF is used as a financing tool for capital projects.

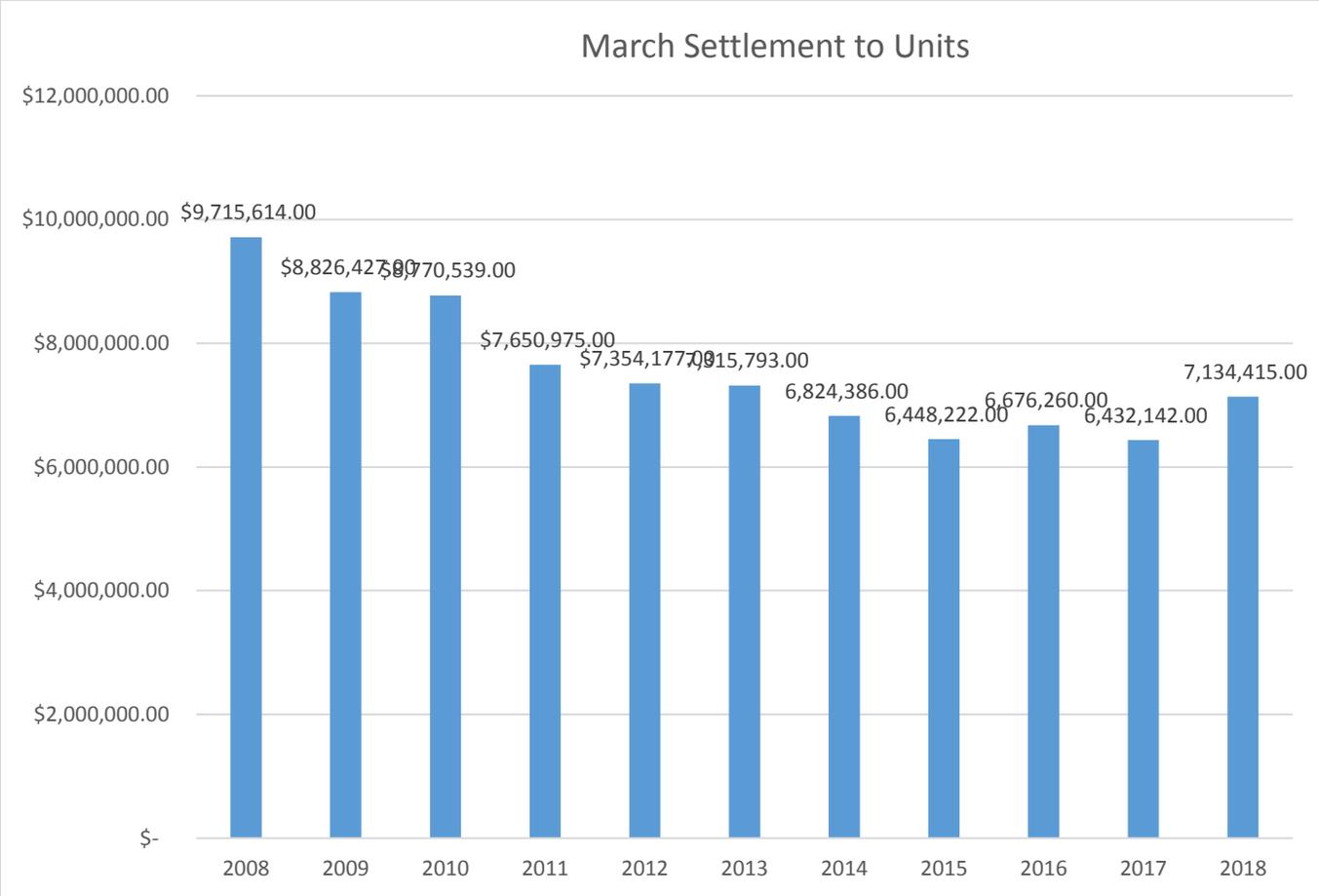


Property Taxes –

Our office will send out the delinquent property tax bills for local jurisdictions, this includes county, cities, townships, schools and special taxing authorities, we will settle with twenty-four townships, seven cities and two villages in purchasing the delinquent tax roll from each of these units of government in the month of March. With a **payout this year on the 2018 taxes of \$7,134,415**

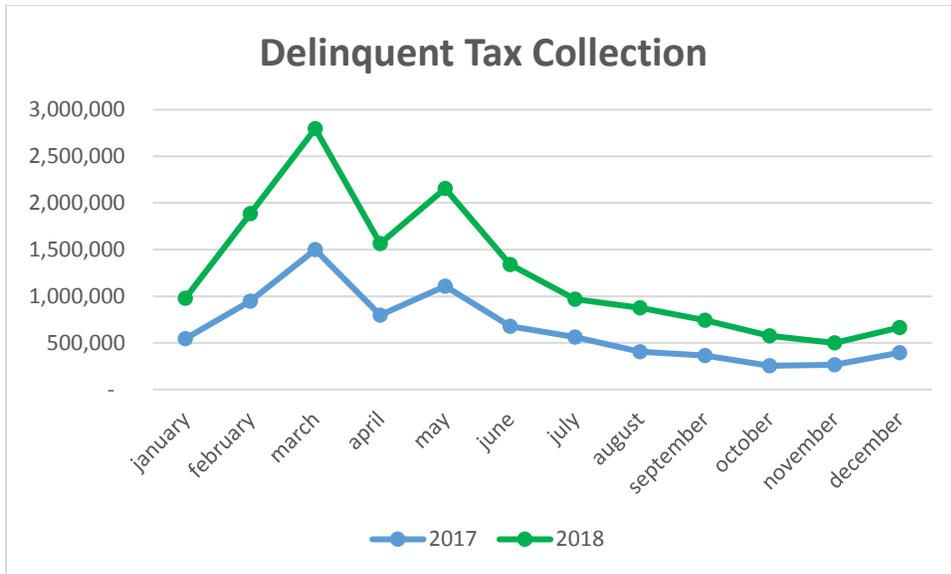
March Settlement Delinquent Taxes History

	Delinquent taxes	Borrowed	Cash Balance yr end.
1985	\$ 5,970,276.00	\$ 5,000,000	
1986	\$ 5,843,944.00	\$ 3,500,000	
1987	\$ 6,028,101.00		
1988	\$ 6,265,716.00		
1989	\$ 7,038,265.00	\$ 3,500,000	
1990	\$ 8,118,685.00	\$ 4,000,000	
1991	\$ 8,898,983.00	\$ 4,500,000	
1992	\$ 8,542,023.00	\$ 6,500,000	
1993	\$ 8,640,219.00	\$ 3,500,000	
1994	\$ 5,176,489.00		
1995	\$ 5,846,141.00		
1996	\$ 5,226,750.00		
1997	\$ 5,947,451.02		
1998	\$ 6,367,368.00		
1999	\$ 6,819,552.00		
2000	\$ 6,979,509.00		
2001	\$ 7,523,476.00		
2002	\$ 7,406,431.00		
2003	\$ 7,280,319.00		\$ 14,804,489
2004	\$ 7,030,469.00		\$ 15,297,949
2005	\$ 7,200,000.00		\$ 14,202,270
2006	\$ 8,370,354.00		\$ 15,085,688
2007	\$ 9,019,573.00		\$ 14,796,527
2008	\$ 9,715,614.00		\$ 13,126,144
2009	\$ 8,826,427.00		\$ 13,120,053
2010	\$ 8,770,539.00		\$ 13,285,750
2011	\$ 7,650,975.00		\$ 9,067,421
2012	\$ 7,354,177.00		\$ 10,740,616
2013	\$ 7,315,793.00		\$ 7,534,971
2014	\$ 6,824,386.00		\$ 8,127,033
2015	\$ 6,448,222.00		\$ 9,106,222
2016	\$ 6,676,260.00		\$ 8,221,520
2017	\$ 6,432,142.00		\$ 8,305,409
2018	\$ 7,134,415.00		\$ 8,114,951



Revenue

Treasurer's Office Revenue	
Interest	\$ 451,662
DTRF collection & interest	\$ 1,019,943
Dog License Sales	\$ 41,244
Sale of Foreclosed property	\$ 87,700
Deed Certification	\$ 23,079



Total amount of delinquent tax revenue collected by month.

	2017	2018
January	543,549	434,166
February	946,235	938,839
March	1,499,186	1,297,010
April	796,473	768,333
May	1,109,186	1,046,092
June	677,316	663,650
July	560,107	407,986
August	403,100	473,434
September	363,842	379,370
October	254,253	321,085
November	264,220	234,610
December	394,913	270,175
	\$7,812,380	\$7,234,750

Foreclosure Prevention

We have instituted many prevention methods provided by State mandate. One of those is Hardship Extensions which gives those taxpayers that have had an unusual circumstance in their life time to set up a payment plan to keep from losing their property. It was used to protect 44 properties from foreclosure this March. In addition to the **Hardship Extension**, we direct at risk taxpayers to the **MSHDA Step Forward** program. In addition to these programs, we provide taxpayers with a variety of payment options: cash, check, credit /debit card, electronic funds transfer, and an ACH payment option, which provides the taxpayer the ability to make weekly or monthly payments.

Auction-Foreclosure

In 2018 we foreclosed on 28 parcels of base tax due of \$19,030. For our upcoming Auction in August of 2019 we will be for closing on 33 parcels with and added 24 from previous sales, with the majority of these being our very small lots of 10' by 30' along our lake shore communities.

A sale listing will be available in July. A copy can be found online at www.tax-sale.info or picked up at the office of the Allegan County Treasurer at 113 Chestnut Street, Allegan, Michigan.

2018 Tax Auction	
Taxes Due	\$ 19,030
Proceeds	\$ 87,700
Net Gain	\$ 68,670

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Lawsuits could change foreclosure auctions in Lansing region

Rachel Greco, Lansing State Journal Published 10:00 p.m. ET Aug. 18, 2019 | Updated 10:58 a.m. ET Aug. 19, 2019

Last month, 95 foreclosed properties in Ingham County were auctioned to the highest bidder, and any money the county made above what was owed in delinquent taxes it kept.

But a class-action lawsuit filed against the county earlier this year aims to change that, dictating that any money generated beyond back taxes on the properties go to their previous owners who lost them to foreclosure.

The lawsuit, which initially named Eaton, Ingham, Jackson and Calhoun counties, is among 10 filed by Hemlock property rights attorney Phillip Ellison targeting foreclosure practices in 80 counties throughout the state.

All of the lawsuits challenge state law, which allows counties to keep revenue generated at foreclosure auctions. It's a practice Ellison says is unconstitutional.

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Eaton County Treasurer Bob Robinson is reflected in the bathroom mirror in farmhouse on Steele Highway outside Eaton Rapids that will be auctioned off this fall by Eaton County. (Photo: Rachel Greco/Lansing State Journal)

"The government's taking the whole value of an individual's home rather than just the amount of the tax that's owed," he said.

But opponents disagree. If the former property owners prevail, they say counties will lose revenue used to clean up and secure foreclosed properties so they can be sold and returned to the tax rolls instead of remaining neighborhood blight. Loss of the money also would cripple county efforts to help struggling homeowners stay in their homes, they said.

Lawsuit alleges auction process is unconstitutional

When Judy Winslow failed to pay \$2,096.21 in delinquent taxes she lost her Lansing home to foreclosure in 2017.

According to the lawsuit filed by Ellison, her Mason Street property had a fair market value of at least \$63,400, but it sold for \$25,000 at an Ingham County tax auction.

The county kept more than \$20,000 of the sale, after it "destroyed equity" the home had by selling it at a "highly reduced, non-fair market" price, according to the lawsuit.

Winslow's situation isn't unique, said Ellison.

"We've got clients all over the state of Michigan," he said. "The main contention is that counties like Ingham County are basically taking property rights that belong to the individuals. As a result of that, what's happening isn't right, so what we're trying to do is help folks essentially get the government to stop stealing from them."

Last week Ingham County Circuit Court Judge Wanda Stokes dismissed Eaton, Jackson and Calhoun counties from the lawsuit, according to Grand Rapids attorney Allan Vander Laan, who represents the counties named in Ellison's lawsuit.

He said county officials are simply following state law.

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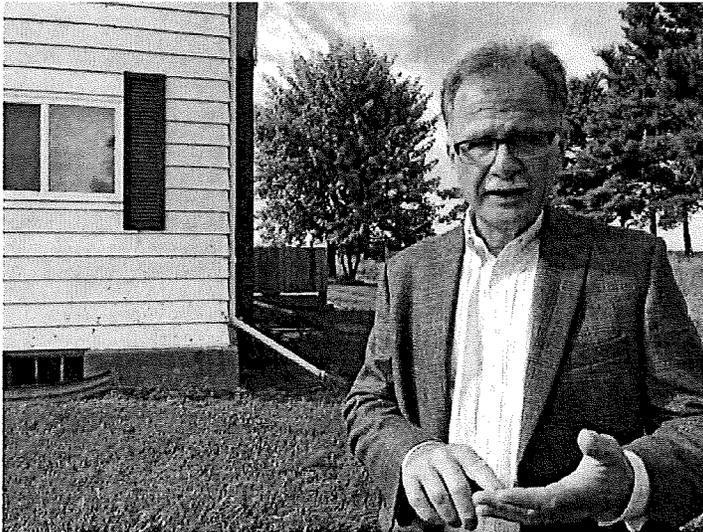
rrobinson@eatoncounty.org



"All the counties and the treasurers are doing is following state law, and they have no choice but to do that," he said. "It's not a county statute. It is a state statute."

Ellison's lawsuits unfairly frame what county treasurers do, said Eaton County Treasurer Bob Robinson.

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Eaton County Treasurer Bob Robinson talks about the 27 foreclosed properties headed for auction in September on Monday, July 22 just outside Eaton Rapids at a farmhouse on three acres that will be part of the event. (Photo: Rachel Greco/Lansing State Journal)

"Our job, as treasurers see it, is to prevent foreclosure, not to facilitate it, said Robinson, who also serves as second vice president for the Michigan Association of County Treasurers. "For each parcel that's going to the tax auction, there's at least a dozen, and as many as two dozen, that we've prevented."

Robinson estimates 25% of foreclosed properties sell at auction for what is owed on them in back taxes or more. The rest sell for less, he said.

Revenue from foreclosure auctions that exceeds back taxes is designated to pay for efforts to help struggling homeowners avoid foreclosure.

The money also pays to secure, clean up and maintain foreclosed properties before an auction, and to remediate contamination at foreclosure sites.

Robinson said counties wouldn't have money for either of those efforts if the revenue beyond taxes owed was paid to previous property owners.

"Every tax auction, if this suit's successful, would be nothing but loss," he said. "There'd be no gain if it had to be paid to the previous owners."

Charles Lawler, attorney for the Eaton County Treasurer's Office, said the lawsuits could have costly implications for local municipalities too.

Revenue from tax foreclosure auctions is first applied toward back taxes owed throughout the county. Cities and townships then have to make up for back taxes those revenues don't offset.

So if Ellison's lawsuits succeed, many communities will lose money, Lawler said.

"My biggest concern is the impact it would have on the locals," he said.

Next steps in court

Four of Ellison's lawsuits have been dismissed, but Stokes hasn't dismissed Ingham County from the local case.

Lawler said the lawsuits could be influenced by a similar property rights case against Oakland County that's been appealed to the Michigan Supreme Court.

The case, filed three years ago on behalf of Uri Rafaeli, will continue with oral arguments in October. Whatever the court rules "could decide the landscape of the whole thing," Lawler said.

Ellison maintains that anything made on foreclosures at auction beyond what's owed in delinquent taxes should be paid to the previous property owner.

"My hope would be that the State of Michigan would change its practices against stealing from citizens," Ellison said. "They're entitled to collect the tax that's owed, but I don't think they're entitled to destroy a person's life to obtain that tax payment."

When a property is foreclosed on liens, mortgages are wiped out, Lawler said. He questioned whether former property owners should make money on a foreclosure after those liens have been forgiven.

"Is that really fair and equitable?" he said.

Robinson said foreclosure is a three-year process. Property owners receive more than 20 notices during that time and have the opportunity to meet with him directly to discuss extensions on payment of delinquent taxes.

"Essentially what is being suggested is that we socialize the loss, or in other words burden the public with the losses, while we privatize the gains," Robinson said. "It would burden taxpayers who pay their taxes on time with the expenses of those who wouldn't or couldn't."