

Mary Hardies, Chair, District 1  
Michelle Hamlin, Vice-Chair, District 5  
Bob DeVriendt, District 2  
Lloyd Peltier, District 3  
Michelle LaRose, District 4



12265 M-32  
P.O. Box 789  
Atlanta, MI 49709  
Phone (989) 785-8002  
[awilliamson@montcounty.org](mailto:awilliamson@montcounty.org)  
[dhubbard@montcounty.org](mailto:dhubbard@montcounty.org)  
[asstcontroller@montcounty.org](mailto:asstcontroller@montcounty.org)

## **County of Montmorency Board of Commissioners**

---

### **Resolution #2026-03**

#### **RESOLUTION ADOPTING DELINQUENT TAX REVOLVING FUND (DTRF) USE & SURPLUS POLICY**

At the meeting of the County of Montmorency Board of Commissioners held in the County of Montmorency Building located in Atlanta, Michigan on **January 22, 2026**.

**PRESENT: Bob DeVriendt, Michelle LaRose, Mary Hardies, Lloyd Peltier and Michelle Hamlin**

**ABSENT: None**

The following resolution was made by **Mary Hardies** and seconded by **Michelle Hamlin**, to-wit:

**WHEREAS**, Montmorency County maintains a Delinquent Tax Revolving Fund (DTRF) pursuant to Public Act 123 of 1999 and MCL 211.87b to facilitate settlement of delinquent property taxes; and

**WHEREAS**, the County Board of Commissioners is the governing body responsible for all appropriations, the establishment of county financial policies, and oversight of county funds; and

**WHEREAS**, the County recognizes the need for a clear and updated policy governing the use, administration, reserve requirements, and surplus handling of the DTRF;

**NOW, THEREFORE, BE IT RESOLVED** that the County of Montmorency Board of Commissioners hereby adopts the following Delinquent Tax Revolving Fund Policy, which shall govern the DTRF effective immediately; and

**BE IT FURTHER RESOLVED** that this resolution and following policy supersede all prior resolutions, policies, or practices related to the Delinquent Tax Revolving Fund.

---

### **MONTMORENCY COUNTY DELINQUENT TAX REVOLVING FUND POLICY**

#### **1. Purpose**

The Delinquent Tax Revolving Fund (DTRF) is established under MCL 211.87b to allow the County Treasurer to advance settlement to taxing units. The DTRF may only be used for purposes authorized by law and this policy.

## **2. Governance & Authority**

### **A. County Board of Commissioners**

The Board:

1. Retains full authority over all county funds and appropriations, except as restricted by law for those expenditures involving the DTRF.
2. Approves any transfer of surplus from the DTRF.
3. Establishes, updates, or rescinds this policy.

### **B. County Treasurer**

The Treasurer:

1. Administers delinquent tax collections and is operationally responsible for the DTRF.
2. Identifies allowable delinquent-tax-related expenditures chargeable to the DTRF.
3. Calculates the annual surplus for each tax year and required reserve **by July 31** each year following the audit.
4. Provides surplus and reserve calculations to the County Controller/Administrator.
5. Ensures all expenditures comply with MCL 211.87b, i.e., to cover the costs of the delinquent tax foreclosure process, including the maintenance of tax-foreclosed properties, and contracts “in connection with any transaction relating to the fund or any borrowing made by the county.”

### **C. County Controller/Administrator**

The Controller/Administrator, as delegated by the County Board of Commissioners under this policy:

1. Reviews the Treasurer’s annual surplus and reserve calculations at the direction of the Board of Commissioners.
2. Prepares budget recommendations to the Board consistent with this policy at the direction of the Board of Commissioners.
3. Confirms that expenditures charged to the DTRF meet statutory requirements at the direction of the Board of Commissioners.

## **3. Allowable Expenditures from the DTRF**

Expenditures must be **directly related** to delinquent tax administration and may include, but not limited to:

1. BS&A software and service fees for Tax, PREA, and Delinquent Tax modules.
2. Operational costs such as postage, notices, mailings, supplies, printing, and related materials.
3. Professional services including legal, audit, or consulting services in connection with any transactions relating to the delinquent tax revolving fund.

*No other expenditures may be made from the DTRF.*

## **4. Reserve Requirement**

The Delinquent Tax Revolving Fund shall maintain the same reserve requirement previously established and adopted by the Board:

The total cash plus principal amount of investments in the DTRF shall, on April 1 of each year, equal not less than 1.50 times the estimated average of the total real property taxes returned delinquent to the County Treasurer for the immediate preceding two years, including the most recent estimate.

This reserve is mandatory and restricted unless the Board amends this policy.

### **5. Surplus Calculation and Transfers**

1. After the annual audit is completed, the Treasurer is requested to calculate unrestricted surplus as: Ending audited DTRF balance – required reserve – outstanding obligations.
2. The Treasurer's calculation of #1 above is requested to be submitted to the Controller/Administrator no later than July 31 each year.
3. The Controller/Administrator shall include surplus information in budget recommendations or a separate Board action.
4. Only the Board may authorize the transfer of surplus in the DTRF to the General Fund by motion or resolution pursuant to MCL 211.87b(7).
5. No surplus shall be transferred from the DTRF without formal Board approval pursuant to MCL 211.87b(7).

### **6. Internal Controls and Compliance**

- The Treasurer is requested to maintain detailed and current documentation supporting all DTRF expenditures per MCL 211.87b(2), as required by law consistent with all other funds under the Treasurer's custody and control.
- The Controller/Administrator and external auditors shall review statutory and policy compliance annually.
- Policy violations shall be reported to the Board for appropriate action.
- The Treasurer may be requested to provide detailed information in writing regarding any tax year in the DTRF under MCL 46.11(k).

### **7. Policy Supersession**

This policy rescinds and replaces all previously adopted DTRF policies, resolutions, or administrative practices.

**(Left blank intentionally)**

