



Michigan Department of **TREASURY**

Engagement. Service. Improvement.

Updates and Resources for Local Governments

Thursday, April 7, 2021

Disclaimer: The U.S. Department of Treasury has issued its final rule for the American Rescue Plan Act. The information provided during this webinar is solely intended for general reference and is not comprehensive or final information. It is recommended that local governments review all guidance from federal Treasury and contact their legal counsel and auditor for your specific situation.

Welcome Greeting

Kathleen Harrison
Departmental Analyst
Community Engagement and Finance,
Department of Treasury



I. Welcome & Introductions

Heather Frick, Deputy State Treasurer, State and Local Finance, Michigan Department of Treasury

II. Revenue Sharing and Marijuana Regulation Fund distributions

Eric Bussis, Chief Economist and Director of the Office of Revenue and Tax Analysis, Michigan Department of Treasury

III. Demographic Trends in the State of Michigan

Jaclyn Butler, State Demographer, Department Technology, Management and Budget (DTMB)

IV. Michigan Water Infrastructure Updates, Tools, and Resources

Eric Pohan, Unit Supervisor, Water Infrastructure Financing Section, Michigan Department of Environment, Great Lakes, and Energy (EGLE)

Grace Carey, Program Officer, MI Water Navigator, Michigan Municipal League Foundation

V. PA 202 of 2017 Data Implementation over 4-years

Nick Brousseau, Community Engagement and Finance Manager, Michigan Department of Treasury

VI. Treasury Update

Rod Taylor, Community Engagement and Finance Administrator, Michigan Department of Treasury

VII. Question and Answer

VIII. Closing Remarks

Heather Frick, Deputy State Treasurer, State and Local Finance, Michigan Department of Treasury

Welcome & Introductions

Heather Frick
Deputy State Treasurer
State and Local Finance
Department of Treasury



Constitutional Revenue Sharing and Marihuana Regulation Fund

Eric Bussis and Evah Cole

Office of Revenue
and Tax Analysis,
Department of Treasury



Constitutional Revenue Sharing Update

Census Adjustments

- After a decennial census is certified and published, constitutional revenue sharing payments are required to be adjusted.
- For the 2020 census, adjustments are required to correct for overpayments or underpayments since October 1, 2020.
- Due to the pandemic, the results of the 2020 census were certified and published later than in previous years.
- Payments issued in April 2022 will include these adjustments

Constitutional Revenue Sharing Update

Senate Bill 565, Public Act 53 of 2022

- Supplemental appropriation signed by the Governor on March 30, 2022, included a \$46 million appropriation for the “2020 census city, village, and township hold harmless”
- Goal of the program
 - This program will avoid claw backs because of the later than normal Census adjustment.
 - This funding will be used to offset the decrease in payments from October 2020 to February 2022.
- What the program does not accomplish
 - Offset future losses from population changes.
- Cities, Villages, and Townships can view the latest monthly payment estimates on the Treasury Revenue Sharing website, www.michigan.gov/revenuesharing.

Distributions from the Marihuana Regulation Fund (MRF)

Distributions Update

- Michigan Department of Treasury distributed MRF revenues to municipalities and counties that had licensed adult-use facilities in their jurisdiction as of September 30, 2021.
 - Cities, villages, townships and counties received over \$42.2 million under the Act.
- Sources—all revenue in the fund, including excise taxes, fees, and interest earned during state fiscal year 2021
- Distributions for FY 2021 were slightly over \$56,450 per licensed retail store and microbusiness.

Distributions from the Marihuana Regulation Fund (MRF)

FY 2021 MRF Revenue Sources: \$172.9 million

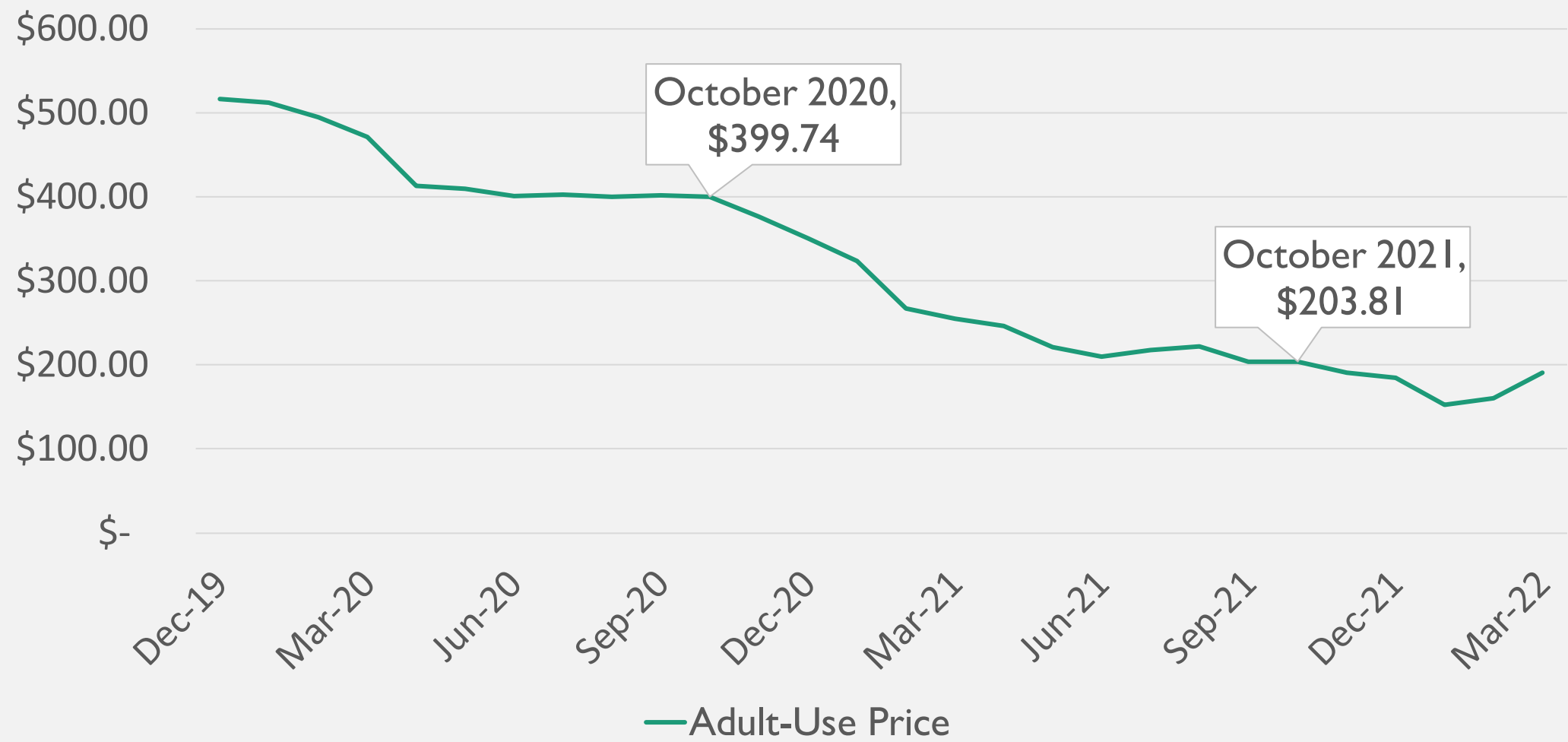
- Current Year Excise Tax: \$111.6 million
- Fees, Penalties, Interest Earnings, and Carryforward: \$61.3 million

FY 2021 MRF Distributions: \$172.9 million

- Administration, General Fund Repayment: \$12.1 million
- Clinical Trial Research Funding: \$20.0 million
- Cities, Villages, Townships: \$21.1 million
- Counties: \$21.1 million
- School Aid: \$49.3 million
- Michigan Transportation Fund: \$49.3 million

Price decreases could lower revenue in FY 2022

Michigan Adult-Use Prices
Monthly Average Price Per Ounce, Flower



State of Michigan Demographic Trends

Jaclyn Butler

State Demographer

Department of Management, Technology and Budget



MICHIGAN

DEMOGRAPHIC TRENDS

Updates & Resources Webinar for Local Governments

07 April 2022

Jaclyn Butler

State Demographer

butlerj15@michigan.gov

Functions of the Demography Team at LMISl

- Michigan's liaison with the U.S. Census Bureau for most programs including population estimates, projections, data dissemination, and the decennial census
- Advisors to state leaders, businesses, nonprofits, the media, and the general public on issues related to population and the census
- Lead for the State Data Center (SDC)

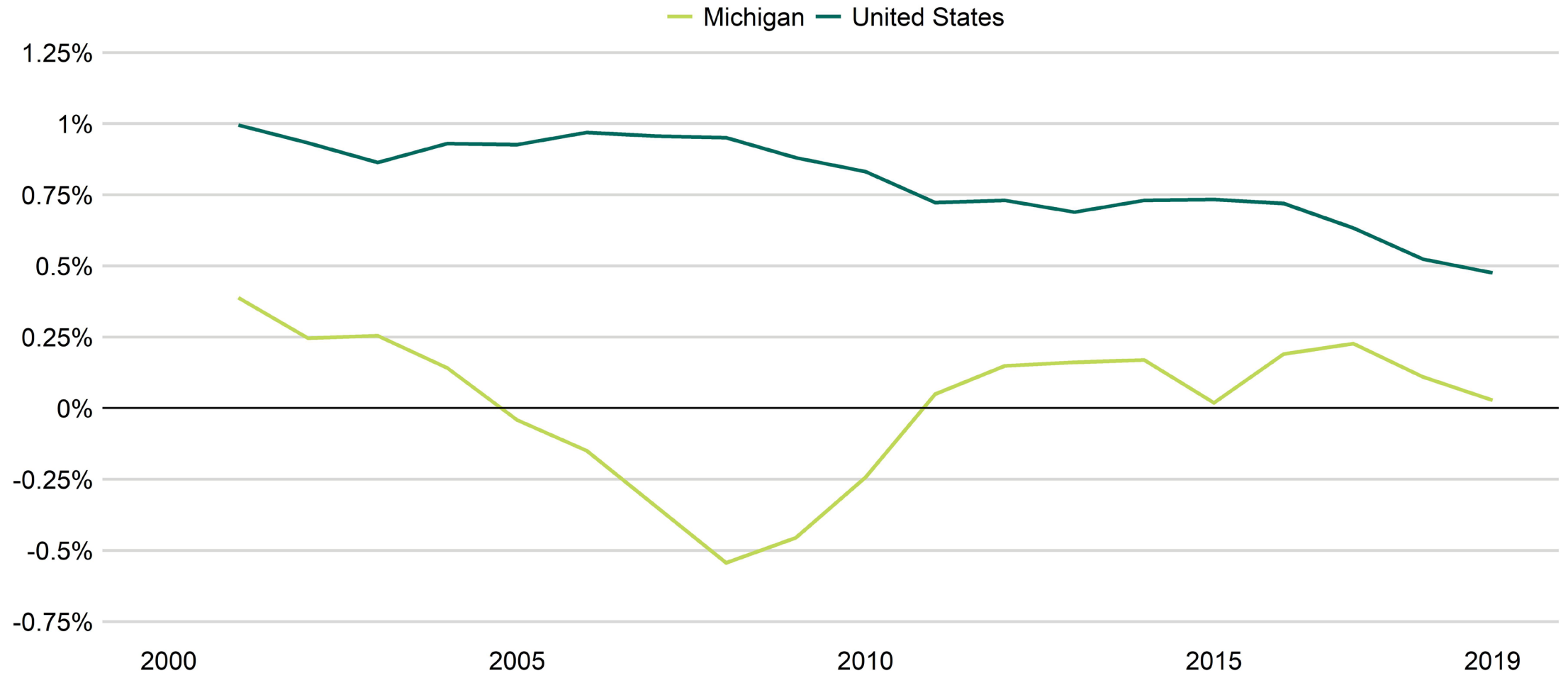
Functions of the Demography Team at LMISl

- We send out demographic analysis when there is a significant data release from the U.S. Census Bureau.
- The Bureau of Labor Market Information and Strategic Initiatives also sends out regular updates on labor market information topics.
- You can sign up for those updates and pick what topics interest you at Michigan.gov/LMISubscribe.

STATEWIDE

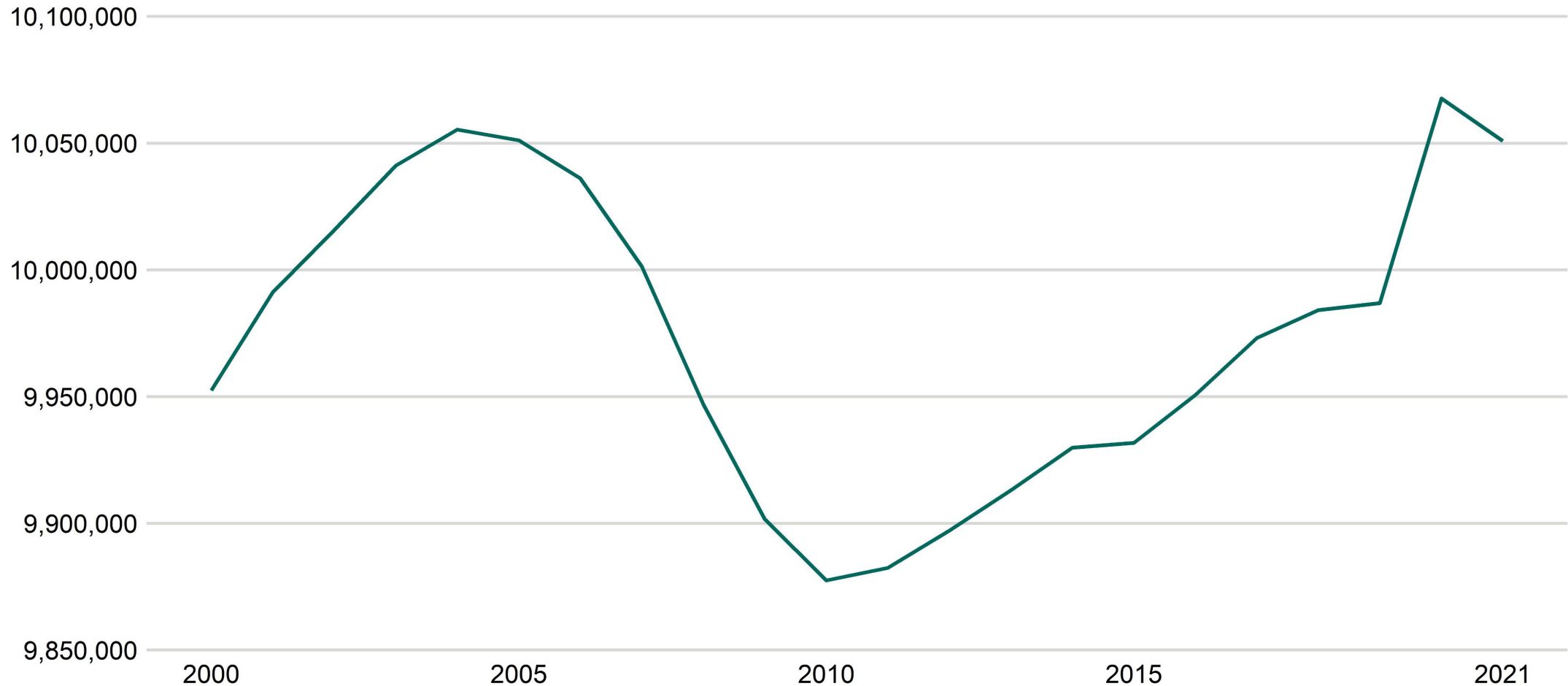
POPULATION

Michigan Population Trends, 2000 to 2019: Slow Growth and Decline



Source: U.S. Census Bureau, Population Estimates Program

Michigan's Population, 2000 to 2021



Source: U.S. Census Bureau, Population Estimates Program

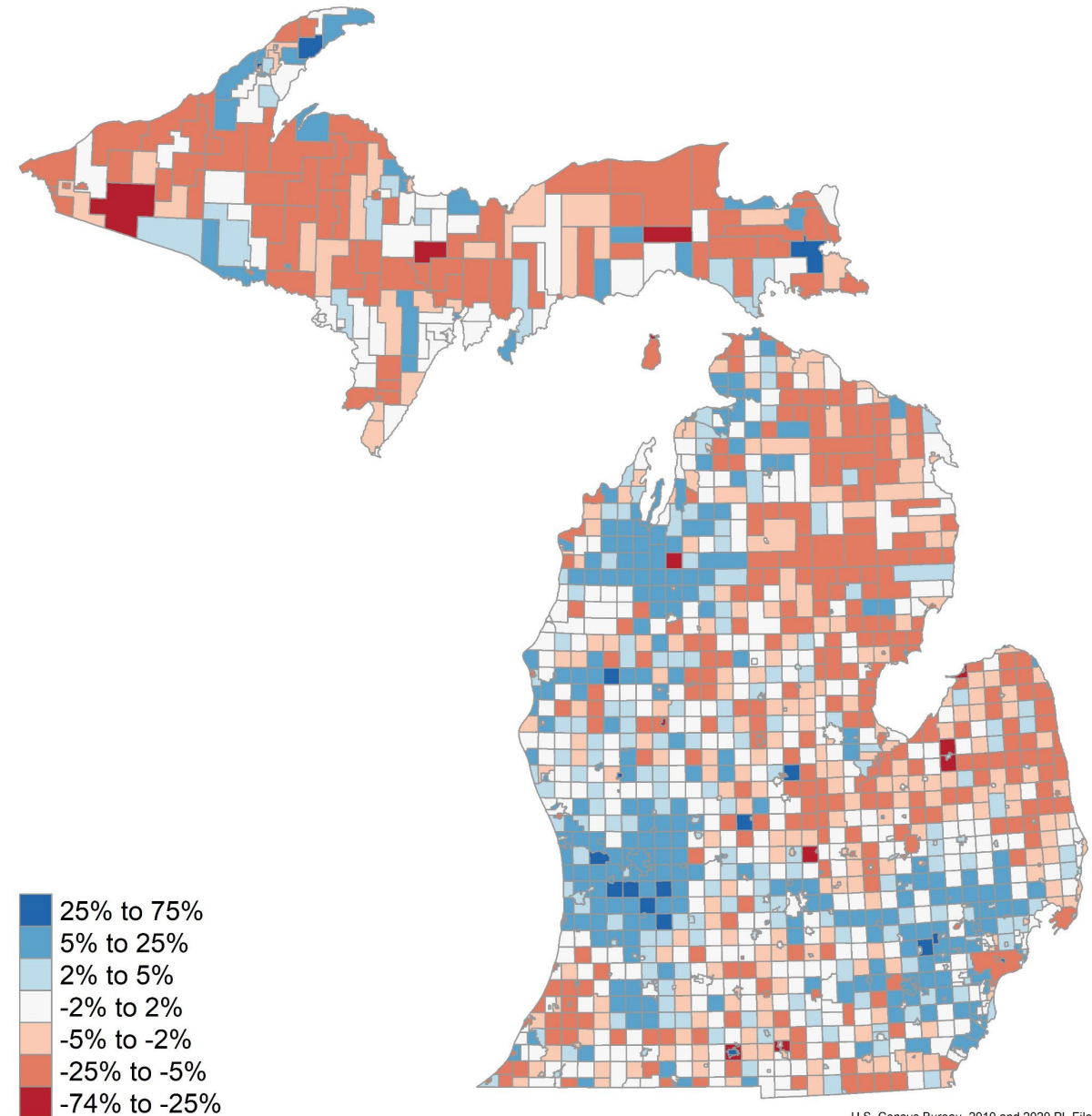
Population Change: 10 Most Populous States in 2010 and 2020

State	2010 Rank	2020 Rank	2020 Population	Percent Change
California	1	1	39,538,223	6.1
Texas	2	2	29,145,505	15.9
Florida	4	3	21,538,187	14.6
New York	3	4	20,201,249	4.2
Pennsylvania	6	5	13,002,700	2.4
Illinois	5	6	12,812,508	-0.1
Ohio	7	7	11,799,448	2.3
Georgia	9	8	10,711,908	10.6
North Carolina	10	9	10,439,388	9.5
Michigan	8	10	10,077,331	2

Patterns of population change are uneven within Michigan.

- Growth is concentrated in Southeastern Michigan, Grand Rapids, and Traverse City.
- Decline is concentrated in the Thumb, Northeastern Lower and much of the Upper Peninsula.

Percent Change in Population of Michigan's
Cities and Townships 2010 to 2020



Slow Growth and Population Decline in Michigan

Michigan's population grew by 2.0 percent from 2010 to 2020.

- The United States population increased by 7.5 percent in this period.
- Michigan had the 46th slowest population growth rate among the 47 states that experienced population growth from 2010 to 2020.

From 2020 to 2021, Michigan was among 25 states to experience natural decrease (more deaths than births) and among 18 states to experience population decline.

What are the demographic components that contribute to population change?

There are only three components to population change:

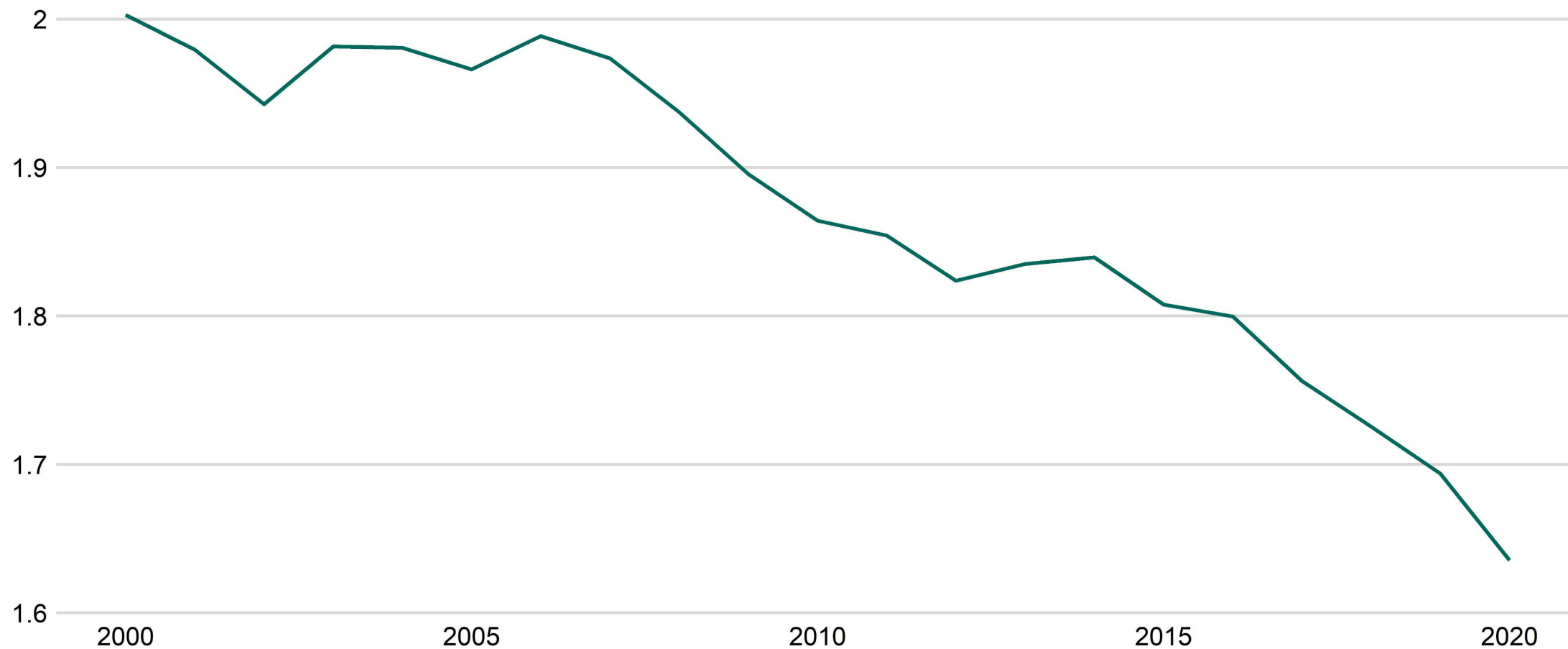
- Births
- Deaths
- Migration

$$\text{Pop}_2 = \text{Pop}_1 + \underbrace{(\text{Births} - \text{Deaths})}_{\text{Natural Change}} + \underbrace{(\text{In-Migration} - \text{Out-Migration})}_{\text{Net Migration}}$$

Migration includes international and domestic components.

Michigan Total Fertility Rate

(Average number of children per woman)

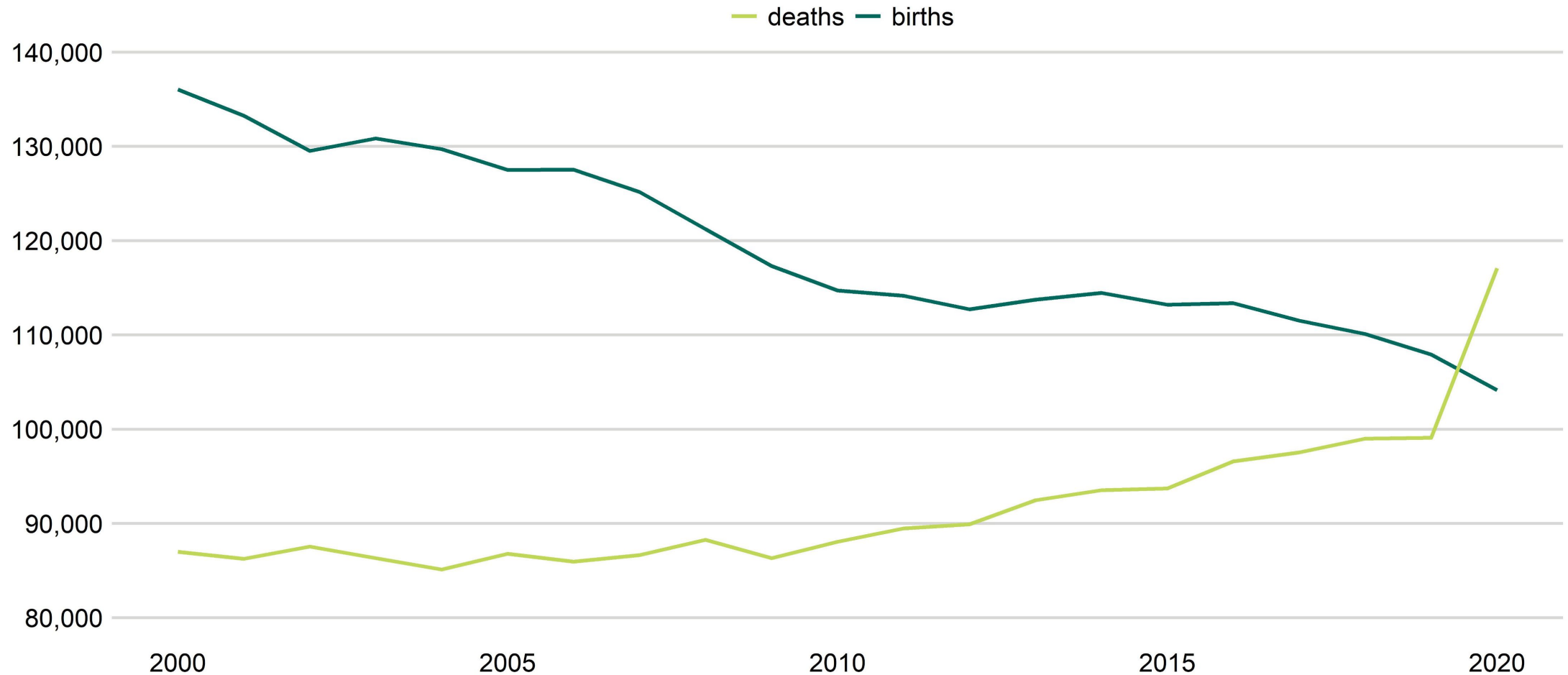


Source: Michigan Department of Health and Human Services, CDC Wonder

Natural Change in Michigan

(Births and Deaths)

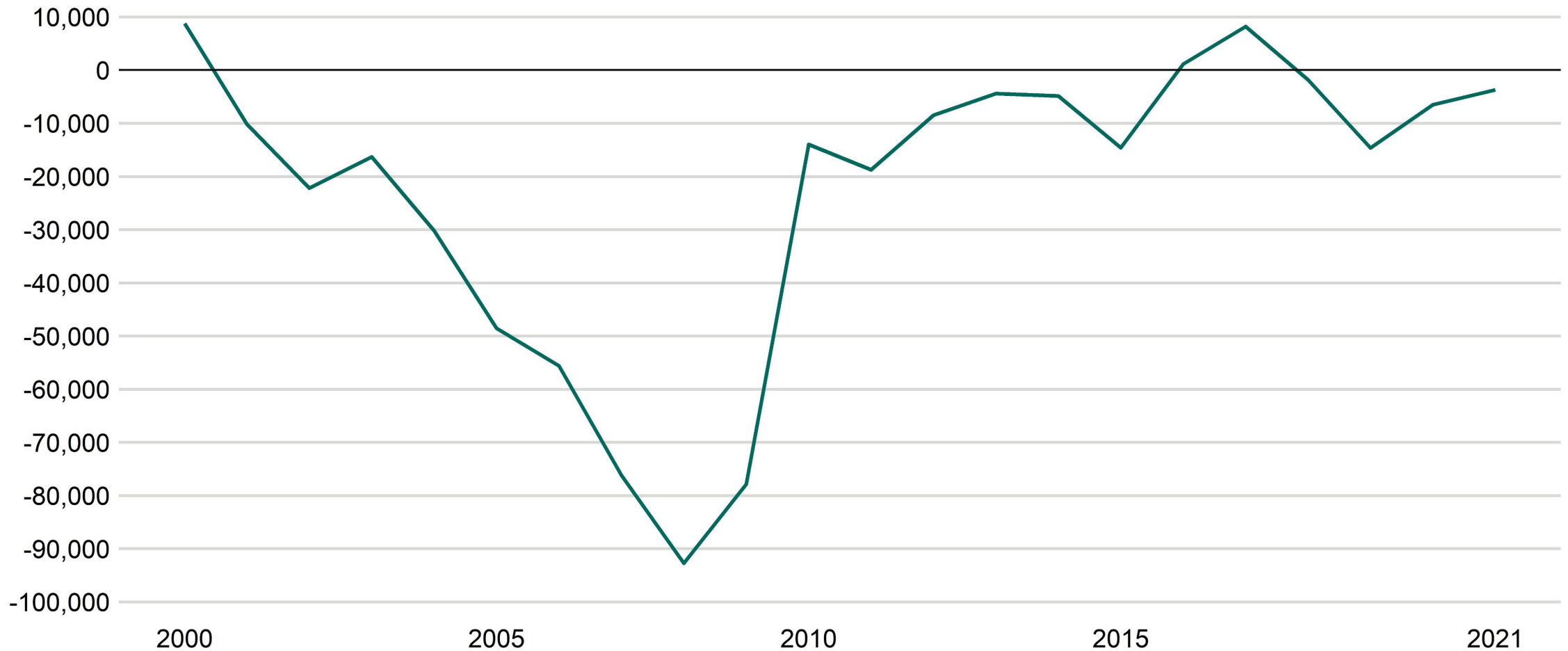
$$\text{Pop}_2 = \text{Pop}_1 + \underbrace{(\text{Births} - \text{Deaths})}_{\text{Natural Change}} + \underbrace{(\text{In-Migration} - \text{Out-Migration})}_{\text{Net Migration}}$$



Net Migration in Michigan

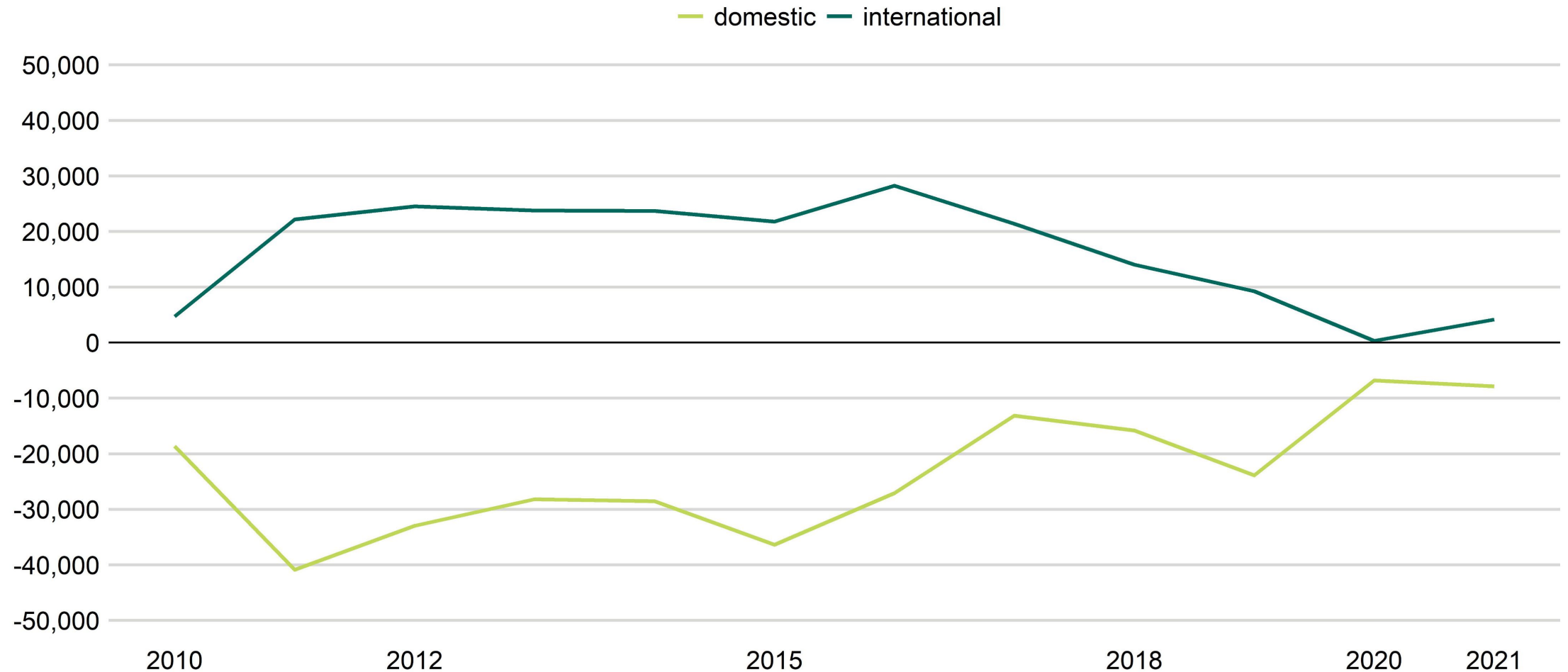
(In-Migration – Out-migration)

$$\text{Pop}_2 = \text{Pop}_1 + \underbrace{(\text{Births} - \text{Deaths})}_{\text{Natural Change}} + \underbrace{(\text{In-Migration} - \text{Out-Migration})}_{\text{Net Migration}}$$



Source: MILMI and U.S. Census Bureau, Population Estimates Program

Population decline from domestic out-migration would be more severe without international migration.



Source: U.S. Census Bureau, Population Estimates Program

Michigan's population is aging.



Michigan's population is aging.

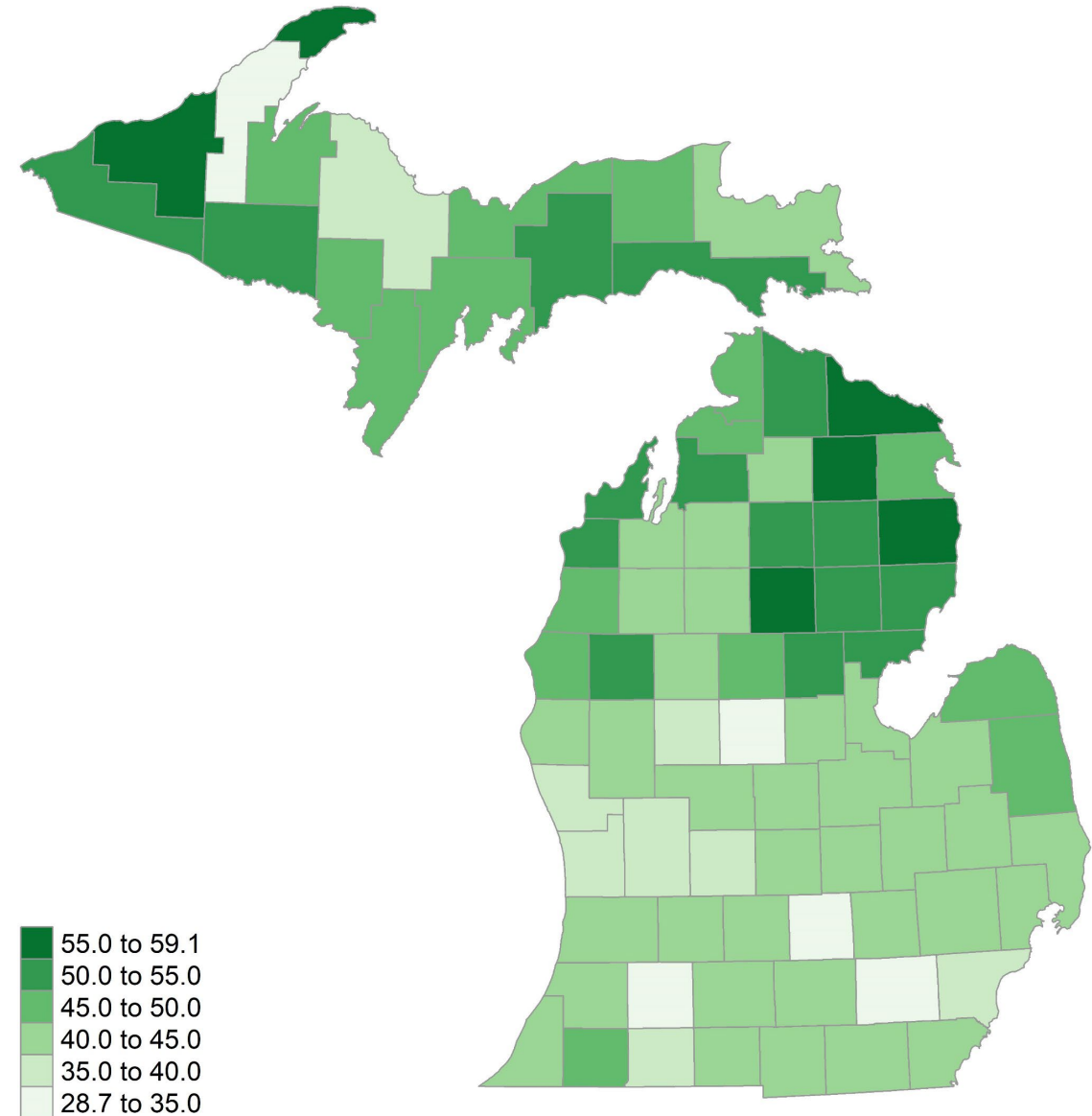
Median Age

- 1990: 32.6
- 2020: 40.0

Percent of Population Age 65+

- 1990: 11.9 percent
- 2020: 18.2 percent

Median Age of Michigan's Counties in 2020



Summary of Demographic Trends in Michigan

- Michigan has experienced slow rates of population growth and population decline from 2000 to 2021.
- Patterns of population growth and decline are uneven within Michigan.
- Michigan has experienced net out-migration over the past several decades. Most of the state's growth has been due to natural increase rather than in-migration from a different state.
- Historically low fertility rates and fewer births paired with high mortality during COVID-19 resulted in natural decrease (more deaths than births) from 2020 to 2021.
- As a result of persistent out-migration and natural decrease, Michigan's population declined from 2020 to 2021.

Where can you find this data?

- Many U.S. Census Bureau products can be found at data.census.gov.
- LMISI products including Michigan labor market information and population and labor force projections can be found at [Michigan.gov/LMI](https://michigan.gov/LMI).

Thank you!

Jaclyn Butler

State Demographer

butlerj15@michigan.gov

Michigan Water Infrastructure Updates, Tools, and Resources

Eric Pocan

Unit Supervisor

Water Infrastructure Financing Section

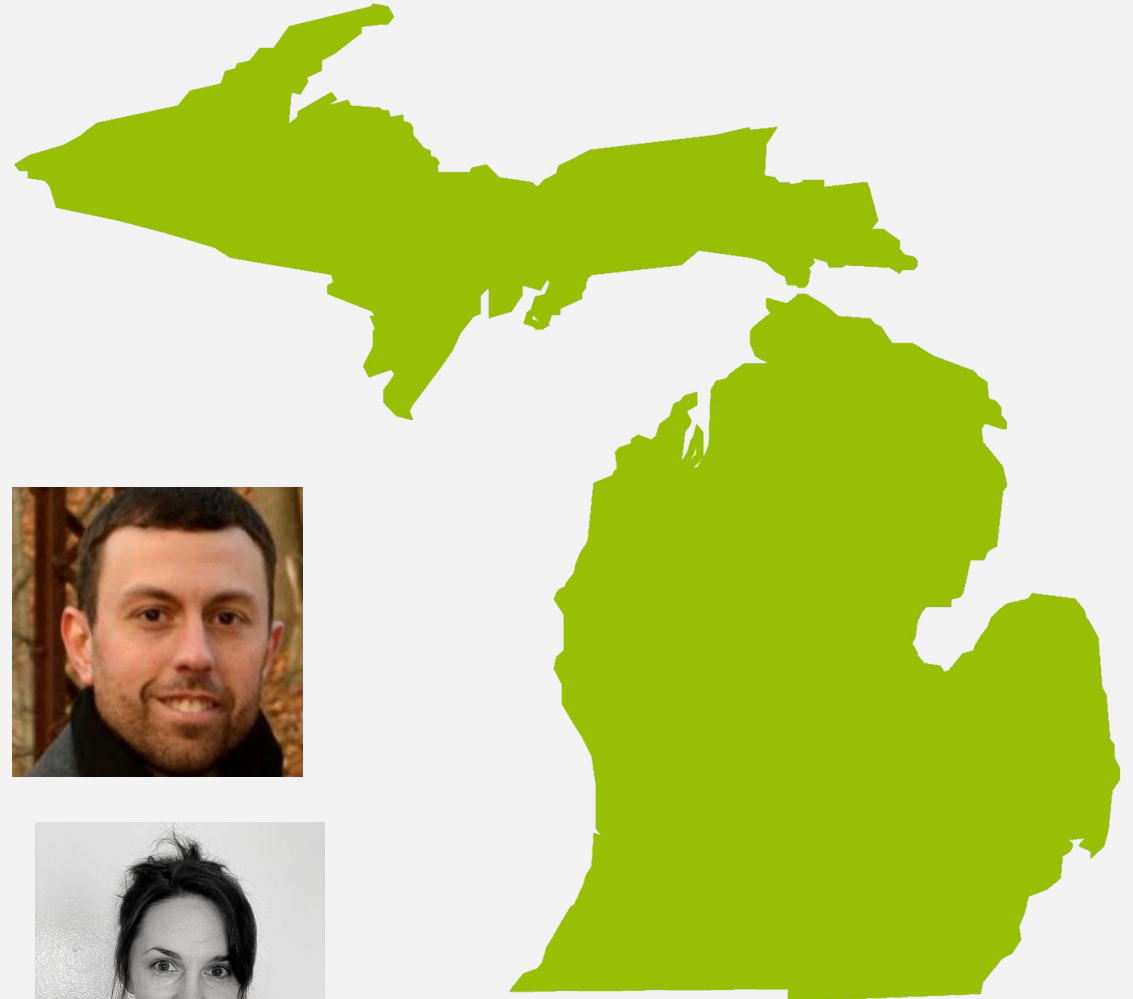
Michigan Department of Environment, Great Lakes,
and Energy

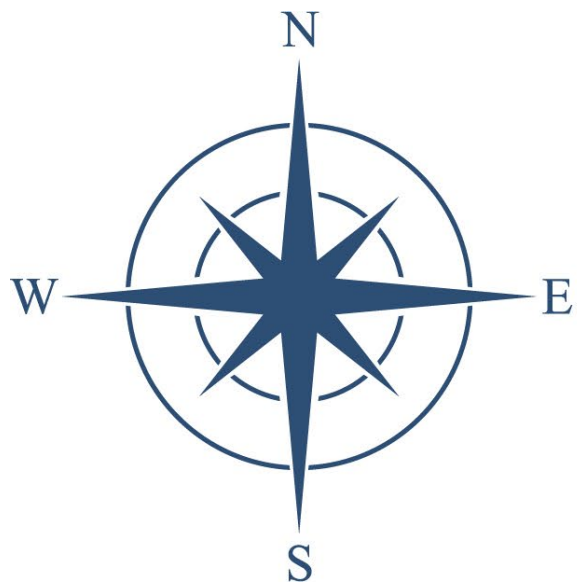
Grace Carey

Program Officer

MI Water Navigator

Michigan Municipal League Foundation





MI WATER NAVIGATOR

WATER INFRASTRUCTURE HELPDESK

A MML Foundation Initiative with Partners EGLE and EPIC






*The MI Water Navigator Helpdesk is made possible through
funding from the Charles Stewart Mott Foundation and Joyce Foundation*





What is MI Water Navigator?

MI Water Navigator is a resource for navigating Michigan drinking water infrastructure funding opportunities. Whether you are a public municipal water system or a private water utility, the **MI Water Navigator Helpdesk** and toolkit will provide direction in your search for state and federal funding.



What We Do

Our Helpdesk technical assistance team provides free individual advising across a range of state and federal funding applications including: the **Drinking Water State Revolving Fund (DWSRF)**; **USDA Rural Development Water and Environmental Programs (WEP)**, **American Rescue Plan Act (ARPA)**, and **MI Clean Water Plan**.

For those applying for **2023 Drinking Water State Revolving Fund (DWSRF)** loans and grants which meet the criteria for “*disadvantaged community*” as defined by the **Michigan Department of Environment, Great Lakes, and Energy (EGLE)** the helpdesk will have an option to request technical assistance for navigating and submitting a DWSRF application from start to finish. Requests for DWSRF technical assistance will be evaluated on a case-by-case basis, space is limited.

- **Phase I**
- Helpdesk services are available now at www.miwaternavigator.org
- **Free technical assistance to help communities and utilities:**
 - Assess available assets and drinking water infrastructure needs
 - Identify applicable state and federal funding sources
 - Apply for relevant funding
- **Phase II**
- **Additional free resources roll out in July 2022 including:**
 - Downloadable toolkits covering drinking water policies/mandates, walkthroughs of popular funding applications, and frequently submitted inquiries
 - Webinars
 - Resource Library



How to Get Started

Start navigating state and federal drinking water infrastructure funding by submitting an inquiry to the MI Water Navigator Helpdesk today.

STEP ONE



SEND REQUEST

STEP TWO


A technical advisor from the **MI Water Navigator Helpdesk** will reach out to you to discuss drinking water affordability in your community, water infrastructure needs, and your community's funding opportunities.

STEP THREE

Depending on your inquiry, the Helpdesk team will help you navigate a funding application, give advice, or connect you with resources.

STEP FOUR

Our team will assess if further assistance is needed and will follow up accordingly.





MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

Financing Water Projects: State Revolving Fund

Eric Pocan, Unit Supervisor

Water Infrastructure Financing Section

517-231-8630 | pocane@michigan.gov

Drinking Water State Revolving Fund (DWSRF)

- Community Water Suppliers
- Nonprofit, Noncommunity Water Suppliers



DWSRF Eligible Projects

- Intake Structures
- Pumping stations, storage tanks
- Treatment plants
- Pipelines and appurtenances
- Water service lines (lead and galvanized)
- Wells and well structures
- Security Systems/SCADA

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Clean Water State Revolving Fund (CWSRF)

- Publicly-owned treatment works or nonpoint source pollution control projects



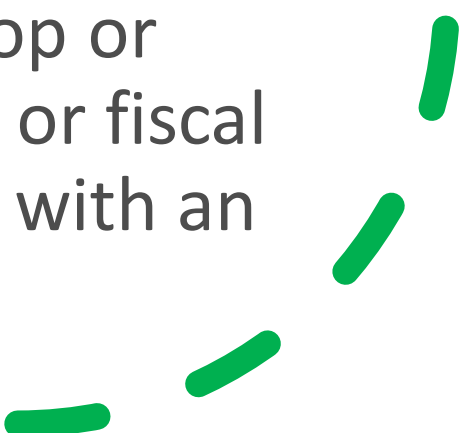


CWSRF Eligible Projects

- Wastewater treatment facility upgrades or expansion
- Combined or sanitary sewer overflow abatement
- Collection system improvements or installation
- Non-point source pollution reduction




Eligible Items:

- Project Planning Costs
 - Design and construction engineering
 - Legal and financial services
 - Construction costs (Davis Bacon wage rates and American Iron and Steel required)
 - Administration costs
 - Land acquisition/easements
 - Up to \$2 million loan to develop or expand an asset management or fiscal sustainability plan when done with an eligible SRF project
- 



Ineligible Items:

- “Oversized” project components beyond 20-year needs
 - Site restoration beyond a return to pre-existing conditions
 - Privately owned service lines that are not a public health threat
 - Other work not related to a specific goal of the eligible project
 - Primary project purpose is expansion or fire protection
- 

SRF Financing Advantages

Loan Terms

Fiscal year 2022 interest rates:

1.875% (20-year); 2.125% (30-year);

1.875% (40-year) Dis Ad DWSRF only



Loan Principal Forgiveness


Disadvantaged
Communities

Emerging Contaminants
(PFAS)

Lead or Galvanized Service
Line Replacement (DWSRF)

Steps to Apply

1. Submit an Intent to Apply (ITA) form by January 31, 2023 (for fiscal year 2024 consideration)

 MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY FINANCE DIVISION CLEAN WATER AND DRINKING WATER STATE REVOLVING FUND/ STRATEGIC WATER QUALITY INITIATIVES FUND INTENT TO APPLY FORM	
<p>This form should be submitted by all applicants seeking funding in the next five years. Applicants participating in the ITA process receive early indication of the funding outlook for their project(s).</p>	
<p>DATE: Click here to enter text. PROJECT(S) NAME (Brief Identifier): Click here to enter text. PROJECT(S) PURPOSE (Including general location and public health or water quality issue being addressed): Click here to enter text. Applicant Legal Name: Click here to enter text.</p>	
<p>Applicant Contact Name: Click here to enter text. Title: Click here to enter text.</p>	
<p>Mailing Address (street, city, state, zip+4): Click here to enter text.</p>	
<p>Phone No.: Click here to enter text. Email: Click here to enter text.</p>	
<p>Consulting Engineer Name (if applicable): Click here to enter text. Firm: Click here to enter text.</p>	
<p>Mailing Address (street, city, state, zip+4): Click here to enter text.</p>	
<p>Phone No.: Click here to enter text. Email: Click here to enter text.</p>	
<p align="center">PROJECT INFORMATION</p>	
<p>Applicant Population: Click here to enter text. Population Served by Project: Click here to enter text.</p>	
<p>Treatment Facility Name (if applicable): Click here to enter text.</p>	
<p>Estimated Total Project Cost:</p>	
<p>Year 1 Costs: Click here to enter text.</p>	<p>Estimated Year 1 Costs Financed Through SRF: Click here to enter text.</p>
<p>Future Year Costs (if applicable): Click here to enter text.</p>	<p>Estimated Future Costs Financed Through SRF: Click here to enter text.</p>
<p>Other Funding Sources (check all that apply): <input type="checkbox"/>MDOT <input type="checkbox"/>MEDC <input type="checkbox"/>USDA Rural Development <input type="checkbox"/>Other Financing/Funding Agency: Click here to enter text.</p>	
<p>Proposed Construction Start Date (mm/yyyy): Click here to enter text.</p>	
<p>Completed Project-Related Planning Documents (check all that apply; do not need to submit at this time): <input type="checkbox"/>Capital Improvements Plan <input type="checkbox"/>Asset Management Plan <input type="checkbox"/>Preliminary Engineering Report <input type="checkbox"/>Environmental Report <input type="checkbox"/>Project Plan <input type="checkbox"/>Infiltration & Inflow Study <input type="checkbox"/>Sanitary Sewer Evaluation Study <input type="checkbox"/>NASSCO Report <input type="checkbox"/>Watershed Management Plan <input type="checkbox"/>Master Plan <input type="checkbox"/>Reliability Study <input type="checkbox"/>Other: Click here to enter text.</p>	

michigan.gov/cwsrf
michigan.gov/dwsrf



MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

EGLE Contacts Permits Online Services Programs Locations MI.gov

Search



ABOUT EGLE

AIR

LAND

WASTE

WATER

SUSTAINABILITY

EGLE / GRANTS AND LOANS

Clean Water State Revolving Fund

Michigan's Clean Water State Revolving Fund (CWSRF) is a low-interest loan financing program that assists qualified local municipalities with the construction of needed water pollution control facilities.

Water Infrastructure Financing Map

This map is meant for general information about projects funded through the Clean Water State Revolving Fund and [Drinking Water State Revolving Fund](#). The project locations are meant to give a general location of where work is being done and not a specific site. To view these details, click a feature on the map. Please visit the linked web pages for details about the two funds or call 517-284-5433.

The interactive dashboard is best viewed on desktop or laptop computers using Google Chrome, Mozilla Firefox, or Apple Safari browsers.

To learn how to use the application before visiting it, please watch this [video tutorial](#).

View the Interactive Water Infrastructure Financing Map



Strategic Water Quality Initiatives Fund

The Strategic Water Quality Initiatives Fund (SWQIF) is a low interest revolving loan program that allows qualified municipalities to access financing for the construction of needed water pollution control facilities that cannot qualify for SRF assistance. Two types of projects can be financed under the SWQIF, the on site upgrade-replacement of septic systems and the removal of ground water or storm water from sewer leads.

Michigan Clean Water Plan:

Learn more about the newly announced [MI Clean Water Plan](#) by visiting the [Michigan Clean Water Plan website](#).

Intent-to-Apply (ITA) form for the CWSRF, and SWQIF loan programs - Due January 31, 2022 for year 2023 consideration

The submittal deadline for final project plans in CWSRF fiscal year 2022 is June 1, 2021.

A community interested in applying for a loan must fill this form out and submit it to EGLE-WIFS@Michigan.gov. Submittal of this form will allow the applicant to receive an indication of the funding/financing outlook as well as the next steps in the process. To help better serve our customers and improve our programs please do not begin work on a project plan prior to submitting the ITA form. Following submittal of the ITA, a Water Infrastructure Financing Section (WIFS) project manager will follow-up with the community to set up a discussion.

Steps to Apply

1. Submit an Intent-to-Apply form by January 31, 2022 (FY 2023 funding)
- 2. Have a pre-application meeting with a WIFS Project Manager**

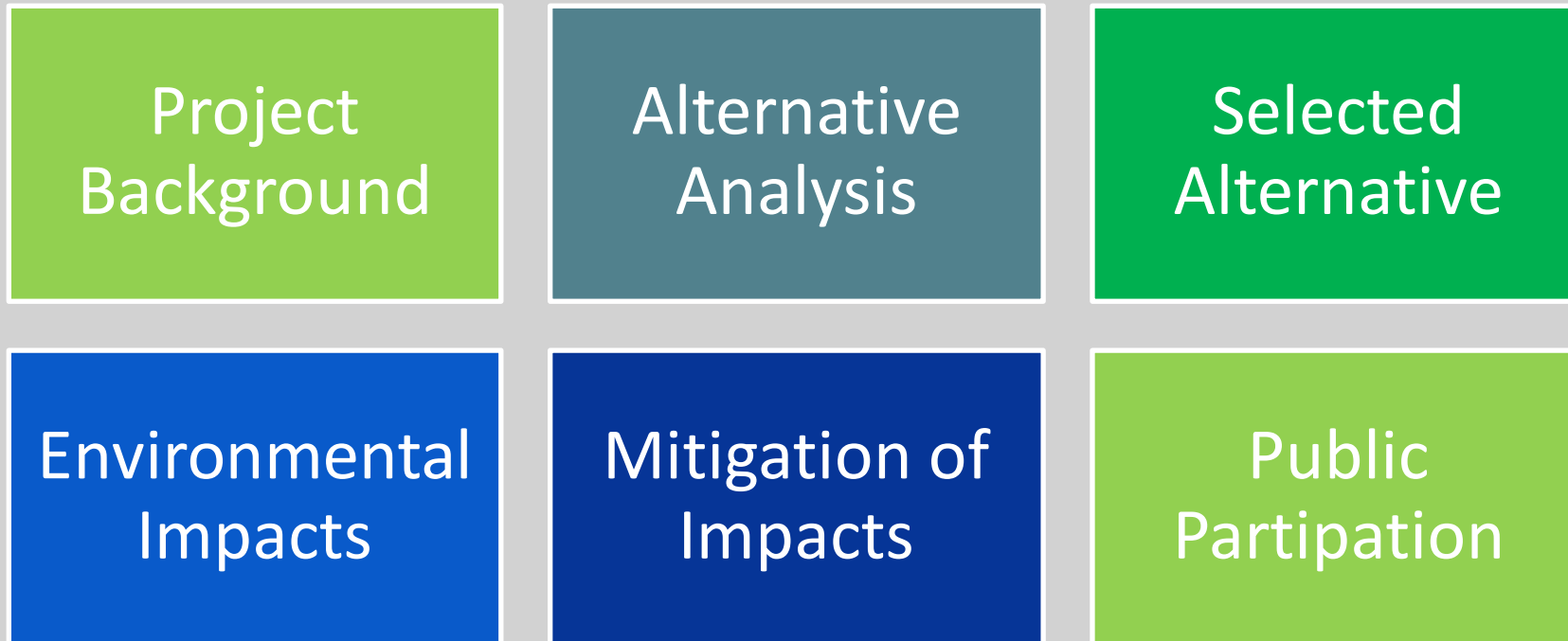


- Share project details
- Review guidance documents before meeting

Steps to Apply

1. Submit an Intent-to-Apply form by January 31, 2023 (FY 2024 funding)
2. Have a pre-application meeting with a WIFS Project Manager
- 3. Project plans due June 1 for CWSRF and July 1 for DWSRF**

The Six Project Plan Components:



DWSRF
Applicant
Need in FY 23

New ITA Projects: \$602,360,000

A dark blue downward-pointing arrow connects the first box to the second box.

Carry Over Projects \$554,000,000

A green downward-pointing arrow connects the second box to the third box.

Total Need: \$1,156,360,000

DWSRF Funds Available in FY 2023

DWSRF	Available Loan Amount	Principal Forgiveness
Traditional	\$125 million	\$17 million
Bipartisan Infrastructure Law General	\$44 million	\$21.5 million
Bipartisan Infrastructure Law Emerging Contaminants	\$18.5 million	\$18.5 million
Bipartisan Infrastructure Law Lead Service Line Removal	\$69 million	\$34 million
Total	\$256.5 million	\$91 million

CWSRF
Applicant
Need in FY 23

New ITA Projects: \$1,390,045,000



Carry Over Projects: \$351,630,000



Total Need: \$1,741,675,000

CWSRF Funds Available in FY 2023

CWSRF	Available Loan Amount	Principal Forgiveness
Traditional	\$800 million	\$26.5 million
Bipartisan Infrastructure Law General	\$77 million	\$37.8 million
Bipartisan Infrastructure Law Emerging Contaminants	\$4 million	\$4 million
Total	\$881 million	\$68.3 million

SRF Dates to Know



January 31:

Intent-to-Apply
form deadline



June/July

(typically):

SRF Project Plan
deadline:

CWSRF June 1

DWSRF July 1



Mid-August:

Draft Intended use
Plan (IUP) and
Project Priority List
(PPL) published



End of

**September/Early
October:**

Final PPL and IUP
published

Michigan Department of
Environment, Great Lakes, and Energy

Eric Pocan
517-231-8630 | pocane@michigan.gov

EGLE-WIFS@michigan.gov



For more information on SRF programs:

CWSRF: michigan.gov/CWSRF

DWSRF: michigan.gov/DWSRF

Public Act 202 of 2017: 4-Year Review of Retirement Data and Implementation

Nick Brousseau

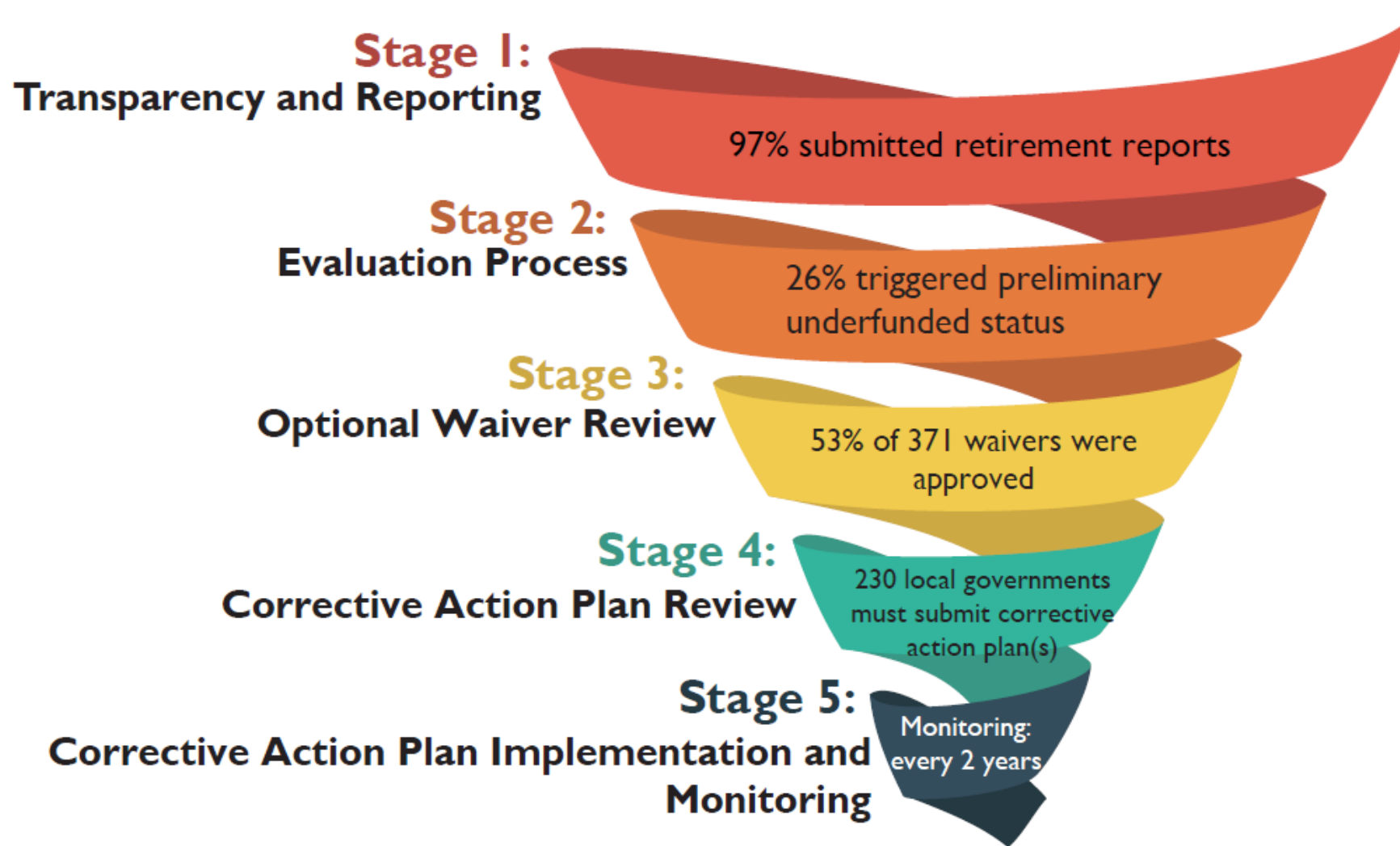
Manager

Community Engagement and Finance Division
Department of Treasury



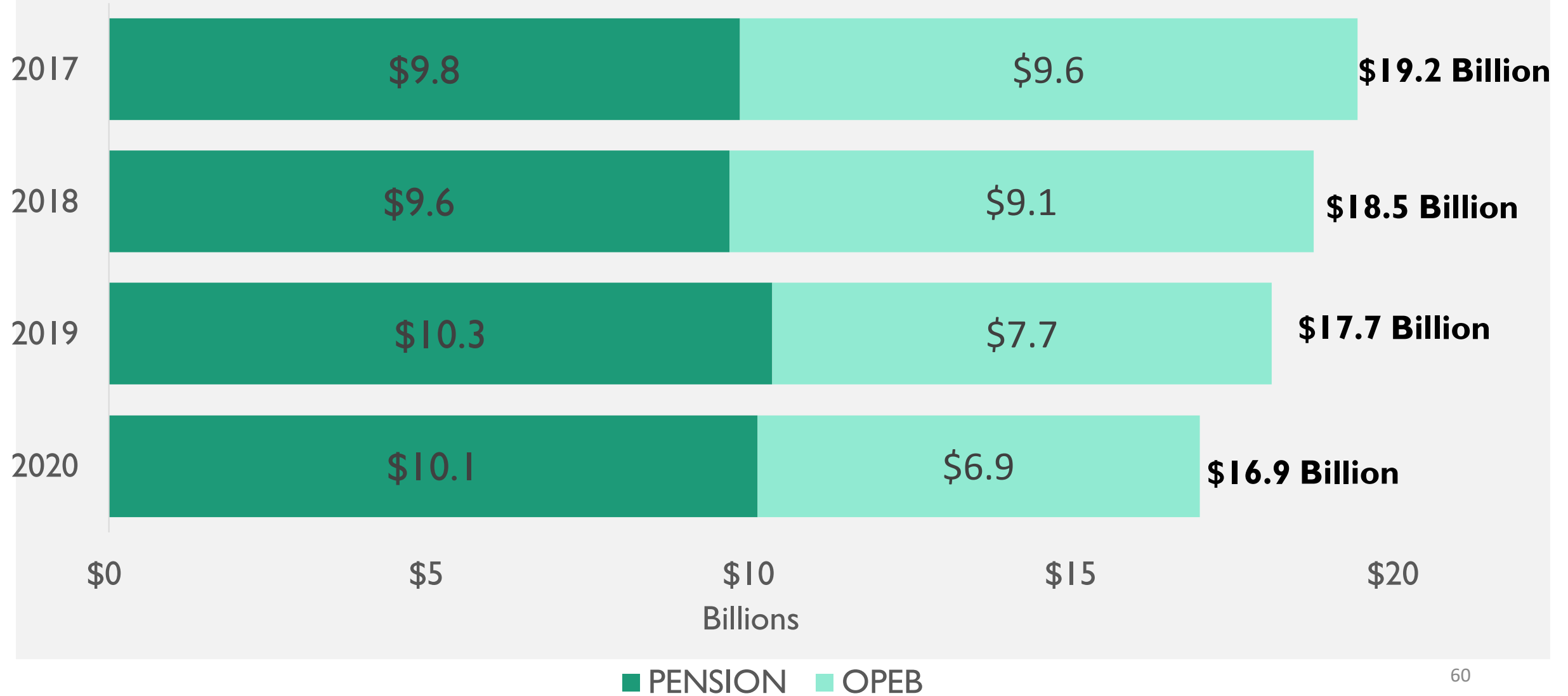
Reporting Data - Fiscal Years 2017 - 2020

Reporting dates: December 20, 2017 - June 30, 2021

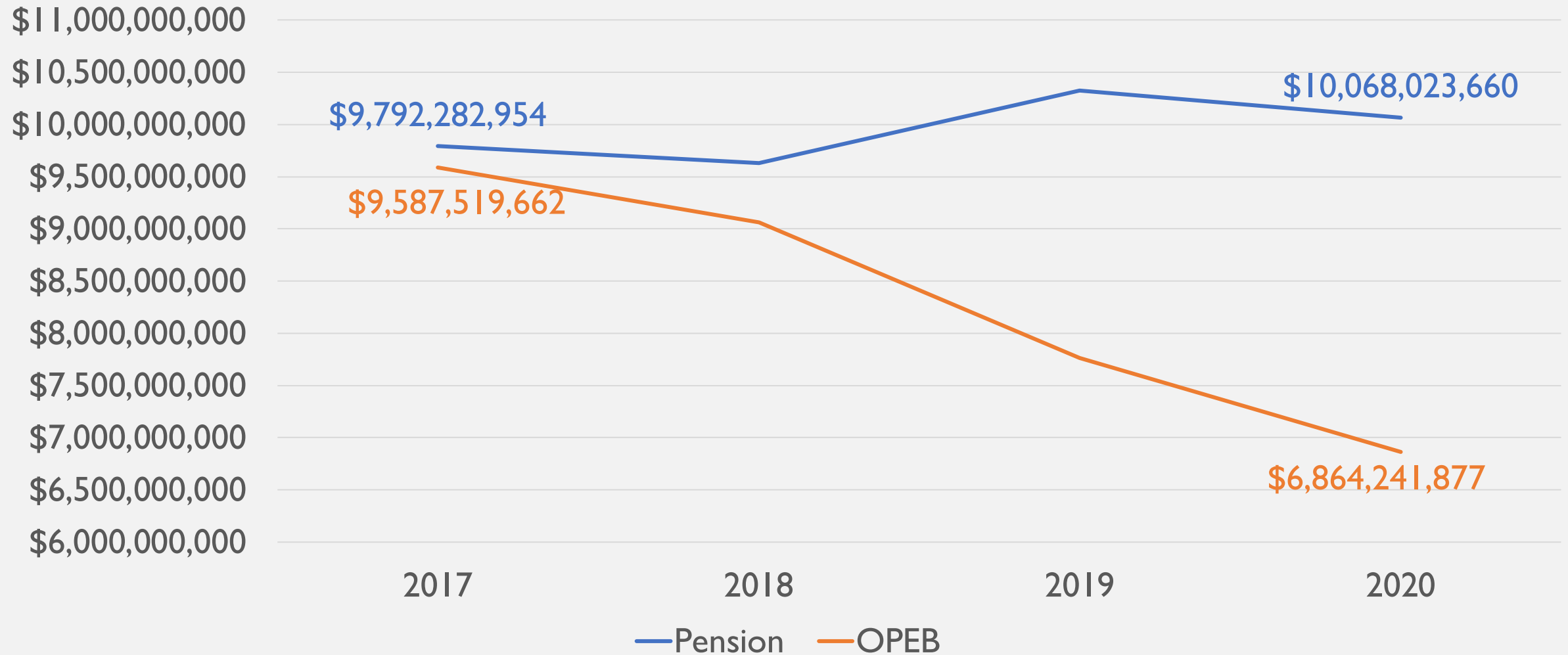


***Amounts and percentages are subject to rounding.*

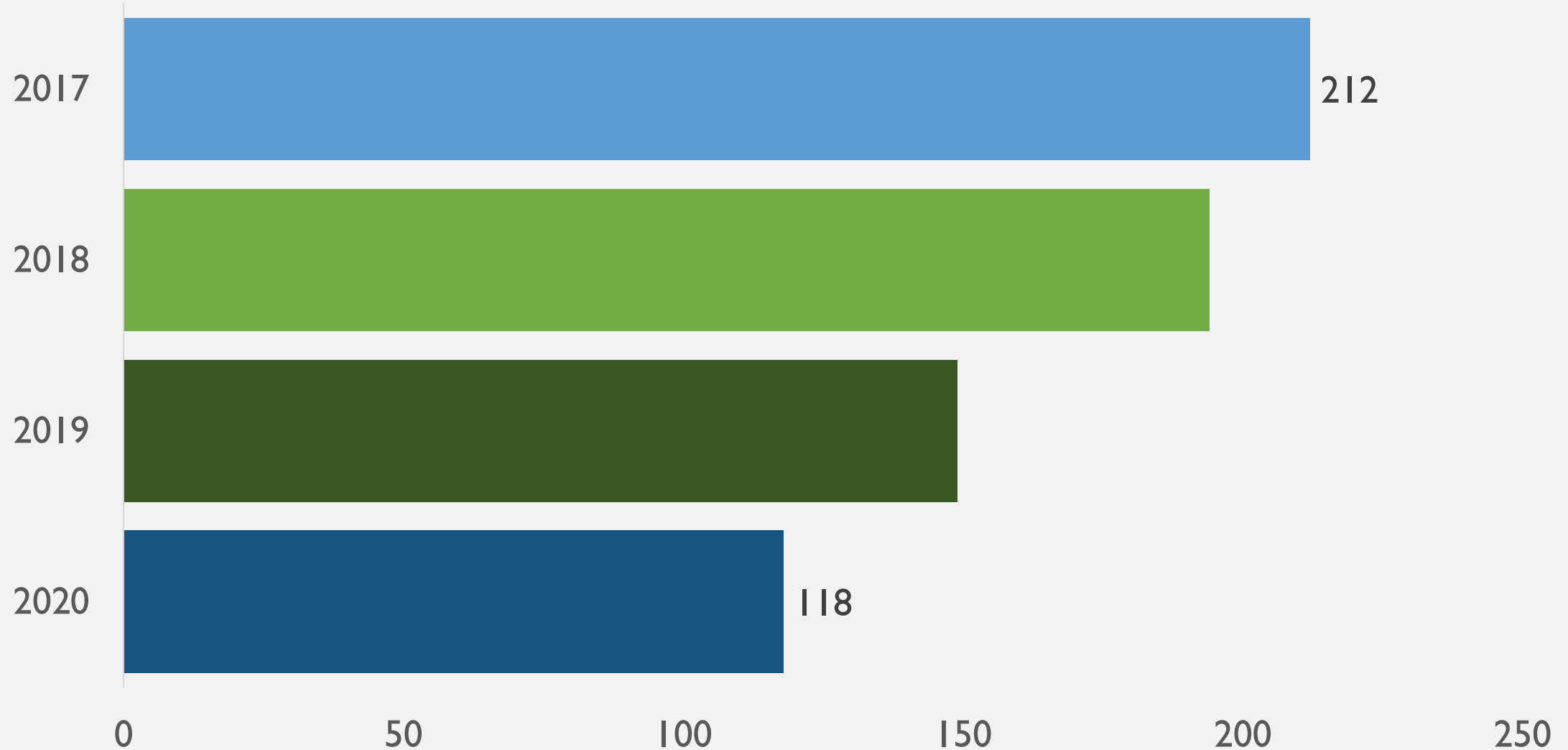
Unfunded Liabilities 2017-2020



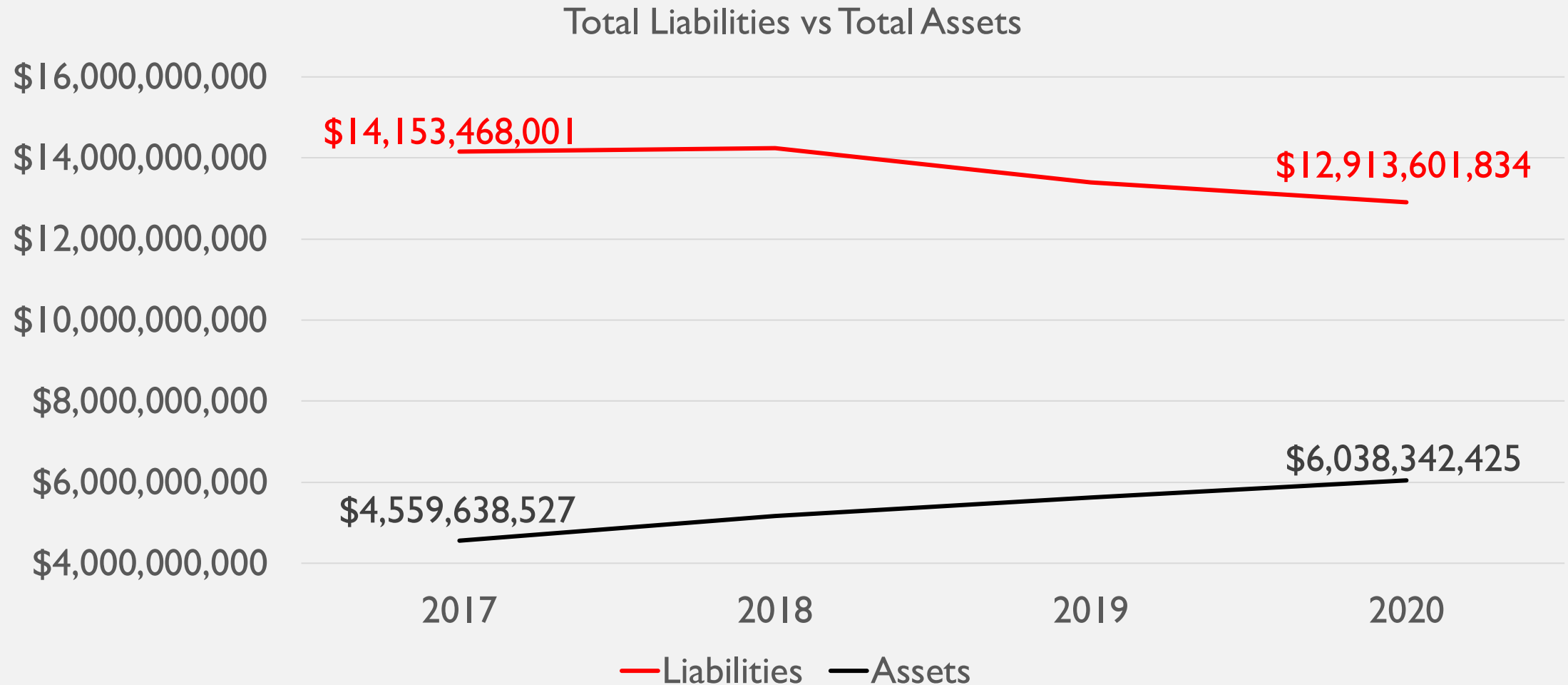
Unfunded Liabilities 2017-2020



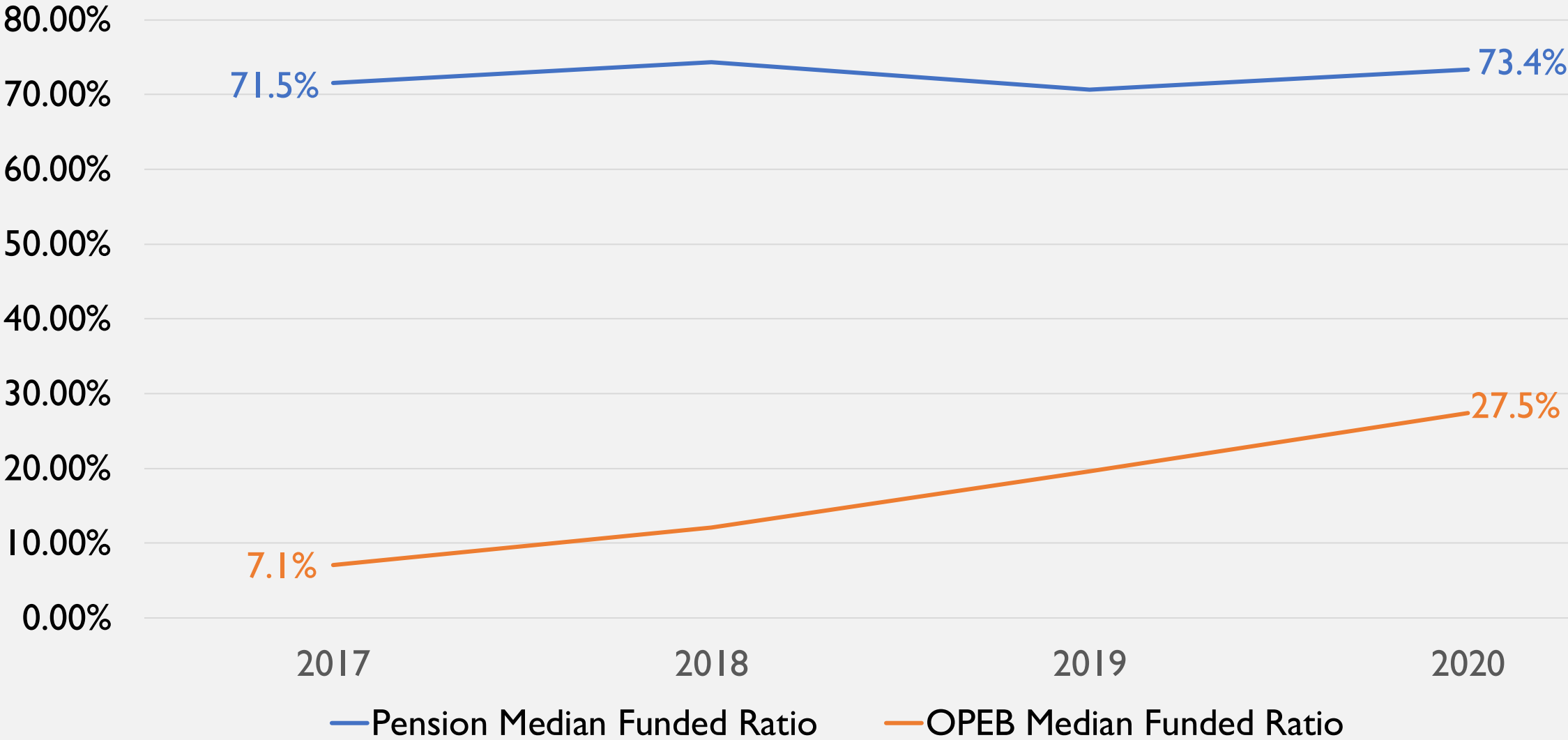
Unfunded (\$0 Assets) OPEB Systems 2017-2020



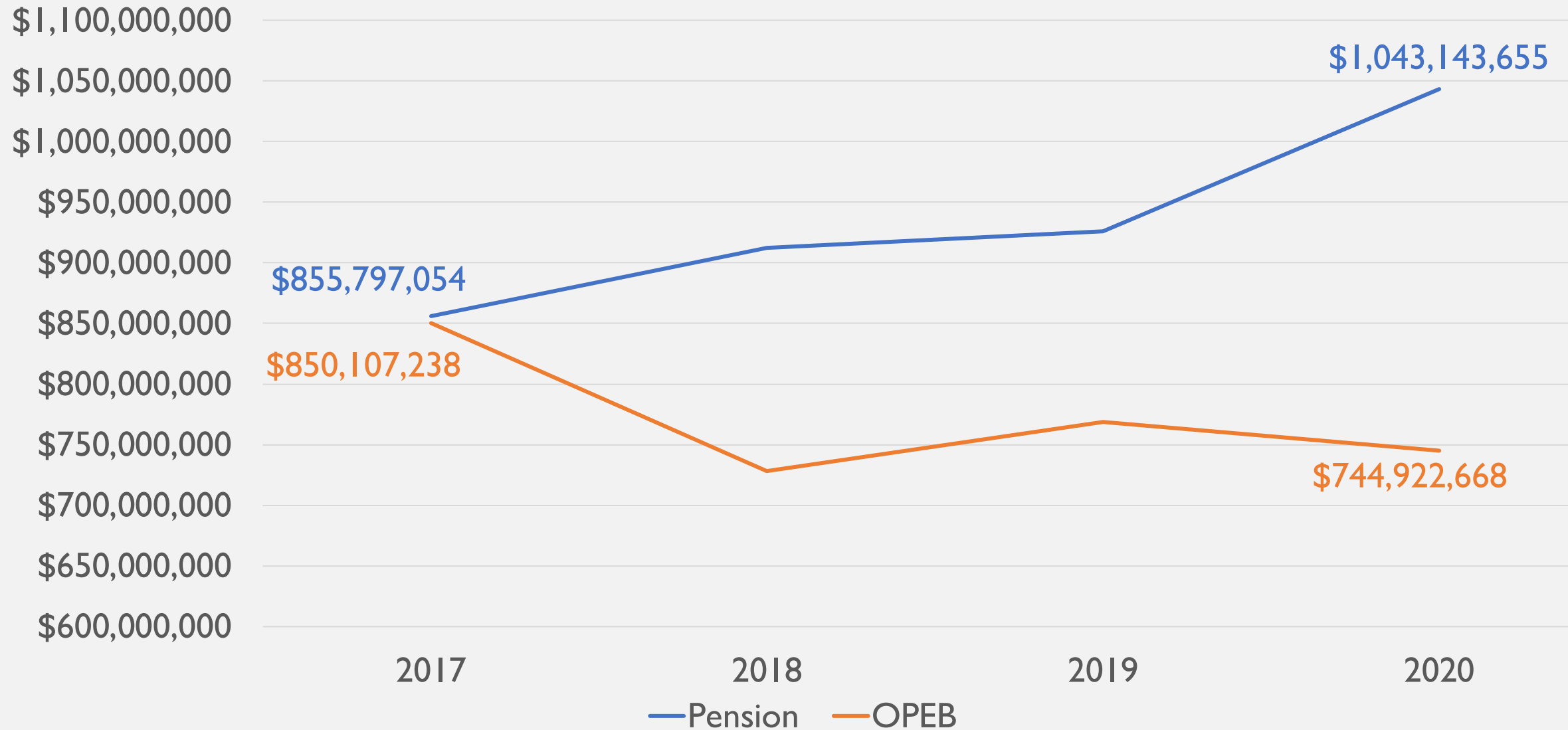
Total Assets & Total Liabilities 2017-2020: OPEB



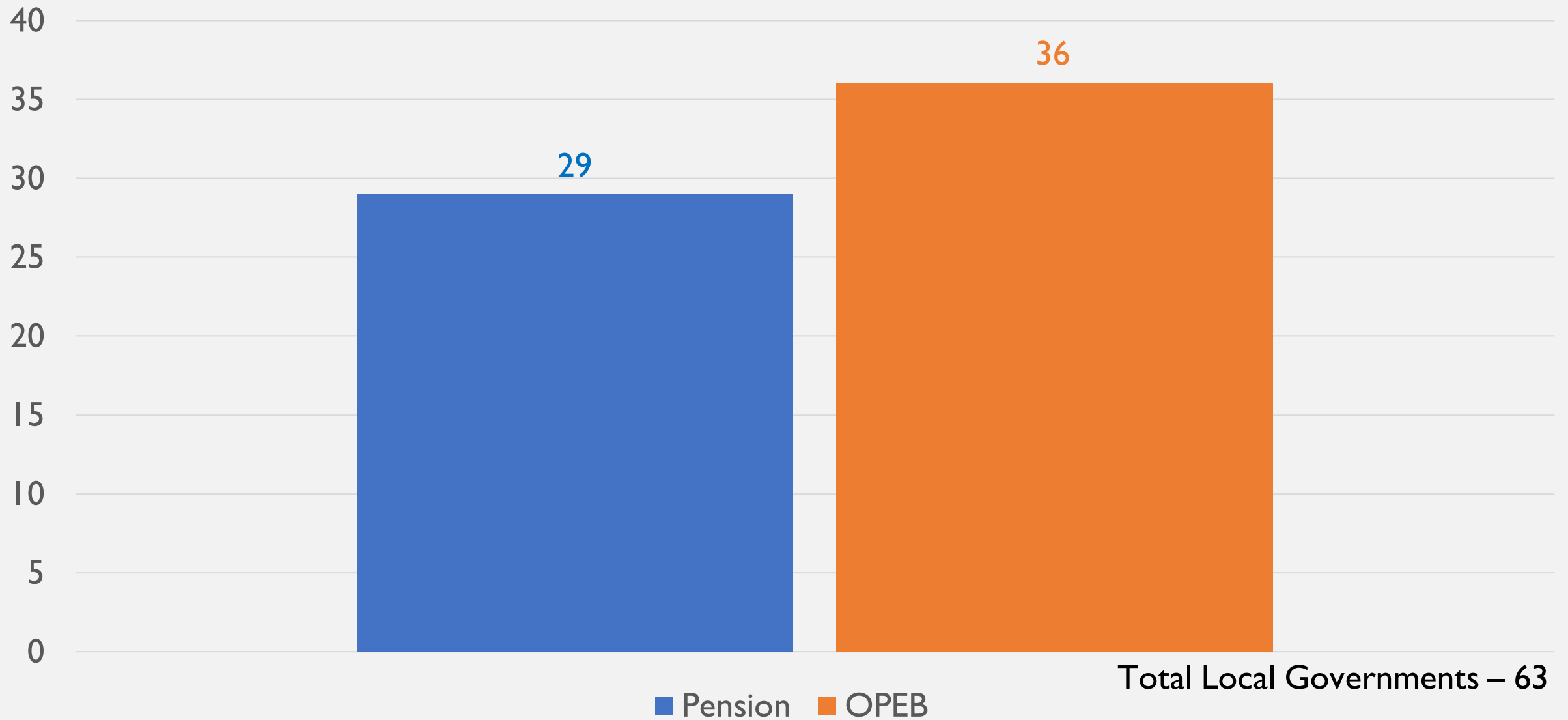
Median Funded Ratio 2017-2020



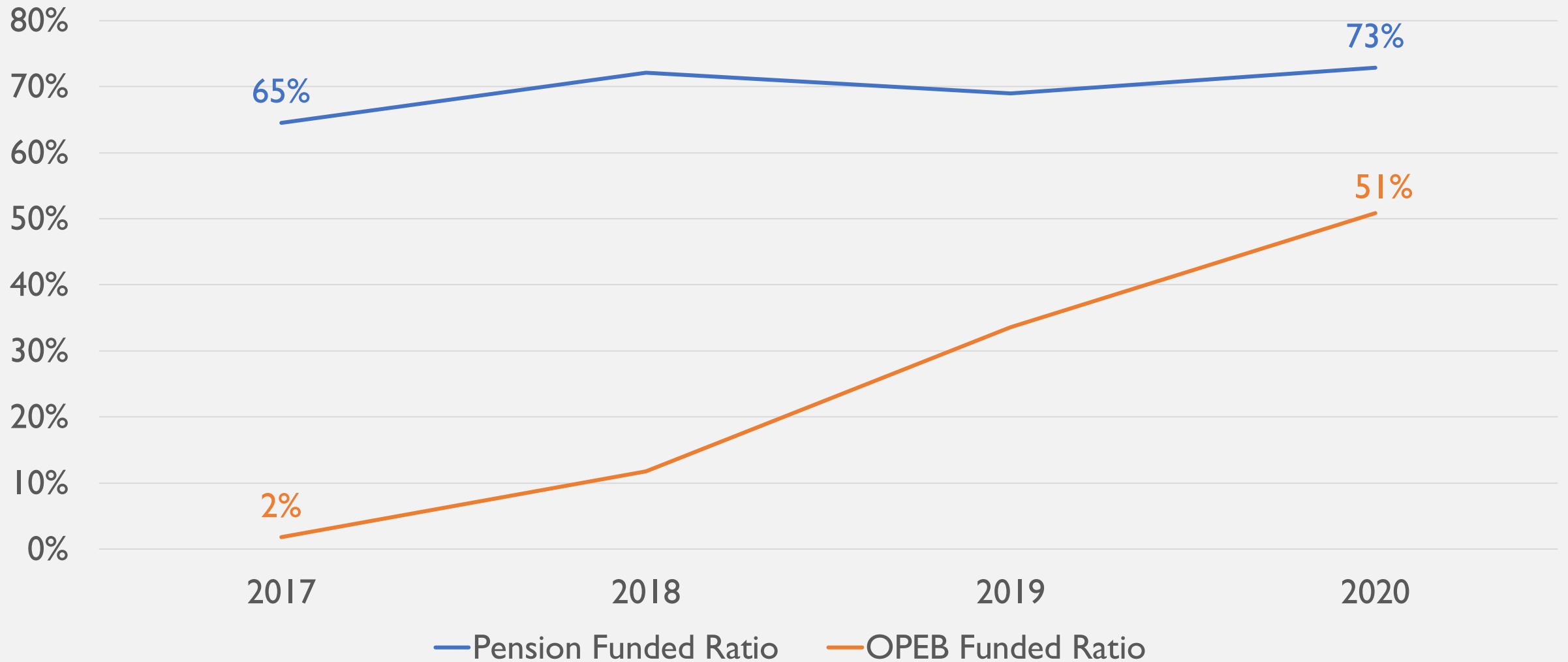
Total ADC 2017-2020



Local Government Plans Removed from CAP

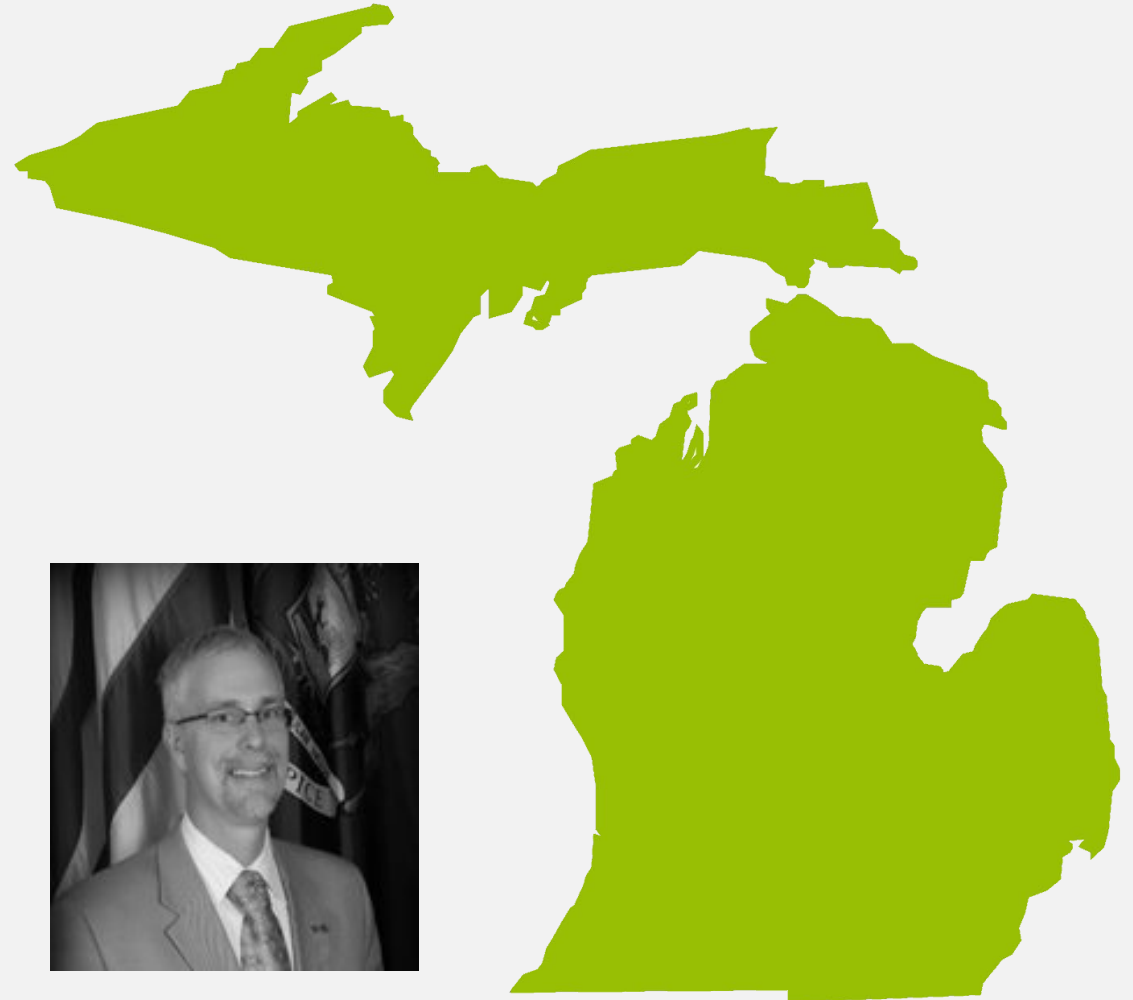


Median Funded Ratio - Local Governments Removed from CAP



Treasury Updates

Rod Taylor
Administrator
Community Engagement and Finance
Department of Treasury



Project and Expenditure Report

- Due April 30, 2022
- US Treasury Portal
 1. Register with Login.gov
 2. [Access portal](#)
 1. E-mail SLFRP@treasury.gov if no matching records found
 3. Update contact information
 4. Upload supporting documentation
 1. Award terms and conditions
 2. Title VI of the Civil Rights Act of 1964
 3. Documentation on top line budget
 5. Complete project and expenditure report

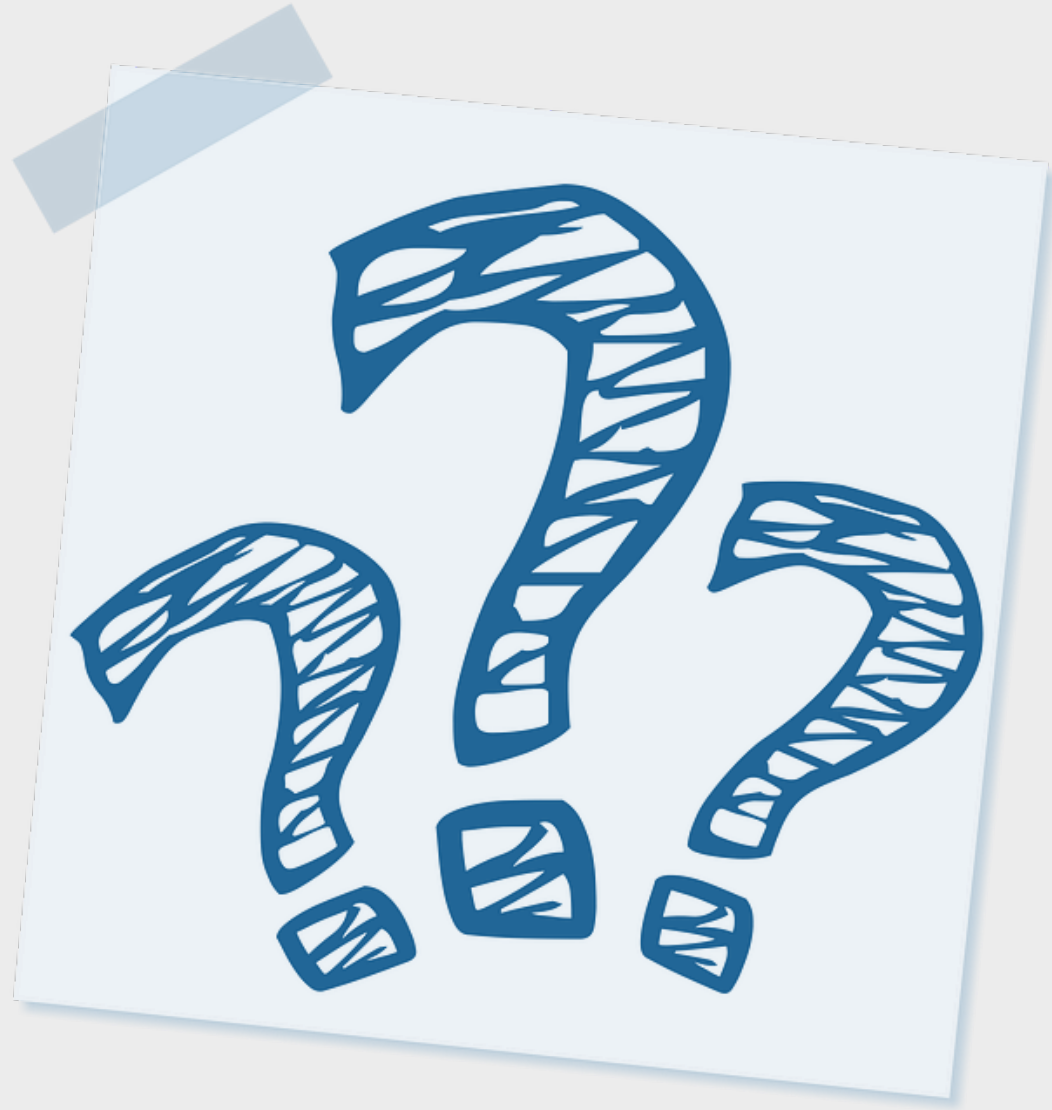
Other updates

- SAMS.gov -FREE
- [Final Rule](#)
 - Revenue Loss –up to \$10 million for revenue loss
- Deadline to spend funds
 - December 31, 2024 – obligate funds
 - December 31, 2026 – expend funds

Resources

- [Final Rule Overview](#)
- [Compliance and Reporting website](#)
 - Webinar - [NEU Intro to Reporting](#)
 - Webinar - [Account Creation and Login](#)
 - Webinar - [User Roles](#)
 - Webinar - [Project and Expenditure Report](#)
 - User Guide - [**Project and Expenditure Report**](#)
 - User Guide - [NEU and Non-UGLG Agreements and Supporting Documents](#)
- [Michigan Treasury Document Search site](#)
- Topline budget – [CLRFR NEU Status](#)

Questions





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