

County of  
Newaygo,  
Michigan



Year Ended  
September 30,  
2014

Financial  
Statements

# COUNTY OF NEWAYGO, MICHIGAN

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## INTRODUCTORY SECTION

# COUNTY OF NEWAYGO, MICHIGAN

## ELECTED OFFICIALS

For the Year Ended September 30, 2014

### BOARD OF COMMISSIONERS

Philip D. Deur, District 1

Stanley J. Nieboer, District 2

D. Charles Trapp, District 3

James Maike, Jr., District 4

Larry J. Lethorn, District 5

Christian P. Ortwein, District 6

Patrick J. Gardner, District 7

### COUNTY OFFICIALS

Laurel J. Breuker, Clerk

Holly Moon, Treasurer

Norman L. Ochs, Surveyor

Dale E. Twing, Drain Commissioner

Robert D. Springstead, Prosecutor

Stewart K. Sanders, Register of Deeds

Michael S. Mercer, Sheriff

### DISTRICT COURT JUDGE

H. Kevin Drake

### CIRCUIT COURT JUDGES

Anthony A. Monton, Chief Judge

Terrence R. Thomas

### PROBATE COURT JUDGE

Graydon W. Dimkoff



# *Office of Administration*

P.O. BOX 885  
1087 NEWELL  
WHITE CLOUD, MICHIGAN 49349  
FAX (231) 689-7205

February 27, 2015

Board of Commissioners and the citizens of Newaygo County:

The Annual Financial Report of the County of Newaygo, Michigan, for the fiscal year ended September 30, 2014 is submitted herewith. The financial statements included in this report have been audited by Rehmann Robson, an independent firm of certified public accountants. The report is prepared for the purpose of disclosing the county's financial condition to its residents, elected officials, and other interested parties.

The financial statements have been prepared in compliance with applicable state statutes and Generally Accepted Accounting Principles (GAAP) as stated in the Governmental Accounting Standards Board statements and interpretations. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. As management, we believe that the data, as presented, is accurate in all material aspects, and that it is presented in such a manner as to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its funds.

The independent audit of the financial statements of the County of Newaygo was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are available in the County of Newaygo's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County of Newaygo's MD&A can be found immediately following this letter.

## Newaygo County and Its Services



### General Information

Until 1836, the Newaygo area was inhabited by mainly Native Americans. The lumbering industry took its foothold in the territory at this time and began drawing people into the area. In 1851, Newaygo became an official county of the State of Michigan. The 2010 census population was 48,460 with fluctuation based upon economic forces. Newaygo County encompasses an area of approximately 864 square miles and is located in the western Lower Peninsula. The County is comprised of 4 cities, 1 village, and 24 townships.

The County's 234 natural lakes and ponds, 356 miles of rivers and streams, and 349,132 acres of forest land, allow Newaygo County to continue to be a prime area for recreational activities including hunting, fishing, canoeing/boating, hiking and camping. The County is also located in close proximity to the Cities of Muskegon and Grand Rapids, and is part of the Grand Rapids Metropolitan Statistical Area.

### Newaygo County Government Operations

The Board of Commissioners is the governing board and policy-making body of the County of Newaygo. While many of its powers, duties and responsibilities are prescribed by law, and diffused through the wide-spread use of commissions, boards, committees, and independently elected county officials, the board is in charge of creating County policy and approving the budget, as well as oversight of the County Administrator. The County Administrator is responsible for carrying out the policies, motions, resolutions and ordinances of the Board of Commissioners; for overseeing day-to-day operations of the governmental unit; and for appointing and supervising the heads of various departments. The Board of Commissioners is a seven-member board that is elected from single-member districts, determined by population, to two-year terms on a partisan basis. From within its ranks, the board elects a Chairman and Vice-Chairman.

## Newaygo County by Commissioner District

**Commissioner Districts: 2013-2022**

Troy 283	Lilley 797	Home 232	Barton 717
<b>District 1</b> Beaver 509	Merrill 667	<b>District 3</b> Monroe 320	Norwich 607
Denver 1928	Lincoln 1275	Wilcox 1098	Goodwell 547
Dayton 1949	Sherman 2109	Everett 1862	<b>District 4</b> Big Prairie 2573
Fremont 1968 2113	<b>District 5</b> Garfield 2537	Newaygo 1976 1152	Croton 3228
Sheridan 2510	<b>District 2</b> Bridgeton 2141	<b>District 7</b> City of Grant 894	<b>District 6</b> Ensley 2635
	Ashland 2773	Grant 3294	

The financial reporting entity of the County of Newaygo includes all funds and account groups of the primary government as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The County provides a full range of services that are either mandated by State statute, or authorized by the County Board of Commissioners. These services include legislative, judicial, public safety, public works, health, welfare, cultural, recreational, capital improvements, and general administrative services including vital statistics and record keeping for births, deaths, and property.

The County adopts its annual budget in accordance with the State Uniform Budgeting and Accounting Act. The general, special revenue and debt service funds are under formal budgetary control. All departments and budgetary centers of the County are required to submit budget requests to the County Administrator. The Administrator then develops and presents a proposed budget to the board for review. In accordance with state law, a public hearing is held and the final budget is approved in August, prior to the close of the County's fiscal year. The appropriated budget is prepared by activity and line-item within each fund and department. Budget amendments and transfers of appropriations less than \$30,000 require Administrator approval. Board approval is required for all others.

### Economic Overview of Newaygo County

Newaygo County's economy continued to show a recovery in 2014. Unemployment rates have continued to decline from peak levels in 2009 and employment is growing measured both by place of residence and place of business. The positive economic climate of the past few years has also led to a strengthening of the real estate market.

In spite of recent economic challenges, Newaygo County has fared remarkably well in the economic downturn that has severely impacted Michigan during the last national recession. In general, both the State of Michigan and Newaygo County are recovering faster than the nation based on the past two or three years of economic data. This has been led by resurgence in the manufacturing and automotive sectors, and continued strength in agribusiness.

Some of the highlights of recent years include:

- Creation of an Agriculture Renaissance Zone for Nestle/Gerber Products and overall strength of the agriculture industry. This is already led to capital investment of more than \$200 million with more planned, as well as job growth at the facility.
- An \$8 million, 35,000 sq. ft. Gerber Life Insurance Call Center has created 200 new jobs.
- The opening of the Stream Community Business and Training Center, and the County's first Brownfield Redevelopment Authority project. This facility has helped to start several new ventures and is an asset for existing businesses to utilize.
- Growth and resurgence of manufacturing jobs in the County.
- Creation of a Convention and Visitors Bureau to increase tourism. In 2011 and 2013, Newaygo County hosted the National Canoe Races and since 2012, the CVB has hosted a North American Ice Fishing Circuit event.
- Positive growths in equalized valuations.
- Strong growth in median household income.

### Agriculture as a Key Industry

For Newaygo County, and many of the rural counties throughout the state, agriculture is a key industry. Agriculture is the biggest industry in Newaygo County, with tourism being a close second. Annually, Newaygo County farms produce over \$100 million in sales, nearly three times the rate of the state on a per capita basis. In addition, the County's single largest employer, Nestle/Gerber, is engaged in agricultural food processing and it is estimated that well over 20 percent of Newaygo County's direct economic output is tied to the agriculture. Employment in the agriculture sector is approximately five times as great in Newaygo County as compared to the State of Michigan and the indirect impact of the dollars circulating through the economy raise the percentage even higher.

Nestle/Gerber Products, known throughout the world for baby food, is the County's largest employer and is in the agricultural food processing business. Gerber began as a family owned business in Fremont, Michigan in 1928. In the fall of 2007 Gerber Products, headquartered in New Jersey, was sold by Novartis, a multi-national corporation headquartered in Switzerland, to Nestle, the world's largest food company. The company employs over 1,200 workers within the County, including Gerber Life Insurance.

In the beginning of 2009, Newaygo County, in partnership with the City of Fremont, the Michigan Department of Agriculture and the Michigan Economic Development Corporation granted Gerber Products an Agriculture Renaissance Zone around its facility in Fremont.

With the exception of voter approved bond debt, the zone effectively eliminated Gerber Product's property tax burden for up to 15 years. In exchange for the tax relief, Gerber Products agreed to a development agreement that guaranteed that over 1,100 jobs would remain in Fremont and that \$50 million in new investments would occur within the next 10 years. The agreement is expandable and allows for the extension of the tax relief (10 years to 15), if Gerber Products invests an additional \$25 million (\$75 million total) and creates 200 additional jobs (1,300 total) by the end of the tenth year. The Agricultural Renaissance Zone has proven to be a successful incentive tool as investment at the Nestle/Gerber facility had already topped \$200 million by the end of 2013, with much more planned over the next few years.

The County was pleased to be able to work with its largest employer to provide tax incentives to keep Gerber competitive, while helping the local economy by providing job stability and guarantees for commerce. A Regional Economic Model Inc. (REMI) analysis of the impact of the economic development project and the retention of the 1,100 jobs shows that the true impact of jobs preserved measured in excess of 3,500 throughout the State of Michigan. This 15 year retention project also has a \$1.6 billion impact on the Newaygo County economy and a \$3.2 billion impact on the State's economy.

Population

Newaygo County has been and continues to be an area of growth within the State of Michigan although population has decreased slightly since the 2010 Census. The 2013 population of Newaygo County is 48,280, down slightly from 48,460 in 2010. However, Newaygo County saw an increase of 1.2 percent from 2000 to 2010 when the State of Michigan saw a population decline during this decade. The strong population growth of the past few decades is reflective of the outstanding quality of life that Newaygo County offers.

Employment

Employment trends in Newaygo County continue to be positive especially in light of the recent economic downturn in the manufacturing sector across the nation and within the State.

During 2014 employment based on residence in Newaygo County increased to a level of 21,037 (through November), an increase of 5.4 percent from the 2013 level. The number of unemployed residents decreased by 350 during this same time. The combination of job growth and a decrease in the number of unemployed persons lead to another drop in the County's unemployment rate from 8.8 percent in 2013 to 7.0 percent in 2014 (through November). Newaygo County's unemployment rate in November 2014 dropped to 4.8 percent and is below both the national rate of 5.5 percent and the State of Michigan at 5.7 percent. Year over year employment based on residence has increased in Newaygo County for 53 straight months.

Given Newaygo County's close proximity to major employment centers in Grand Rapids and Muskegon, it is not surprising that almost half of the labor force living in Newaygo County work outside the county borders. Although some of this can be attributable to people moving to Newaygo County and keeping their jobs in other employment centers, job growth as measured by the place of business has been very strong in Newaygo County over the last 10+ years.

Employment by place of business in Newaygo County declined approximately 2 percent from 1999 to 2010. However, during that same period employment has declined by 16 percent in the State of Michigan another indication that the employment situation in Newaygo County has remained fairly strong. In fact, employment in the nation was only up a scant 0.6 percent during that period. Since 2010, employment by place of business is up 9 percent and employment levels are actually higher than 1999.

Manufacturing employment in Newaygo County still remains at or above 1990 levels and continues to bounce back strongly. These items are attributable to a diversified manufacturing base and a strong retention program. Manufacturing employment within the county has been bolstered by concentration on the manufacture of goods that weren't hit as hard by the recent economic downturn and also by a strong retention program through the Newaygo County Economic Development Office (NCEDO), in partnership with state and local officials. Since 2010, manufacturing employment in Newaygo County is up more than 50 percent and has recovered to levels higher than before the last recession.

Positive employment and economic conditions have led to relatively strong growth in median household incomes in Newaygo County. From 2000 to 2013, median household income grew 18 percent. This was nearly three times the growth rate of Michigan at 7 percent. Median household income in Newaygo County has increased faster than the State of Michigan for the past two decades.

Employment performance in Newaygo County can be summarized as follows:

- Impressive employment growth as measured by both place of residence and place of business over the last ten years.
- Strong overall manufacturing trends.
- Declining unemployment rate that is primarily due to strong local employment growth over the last few years.

Major Employers

Employer	City	Product / Service	Employees
Gerber Products and Life Insurance Company	Fremont	Baby Food and Life Insurance	1,288
Magna Donnelly Corporation	Newaygo	Automotive Doors & Mirrors	900
Gerber Memorial Health Services	Fremont	Health Care Services	550
Dura Automotive	Fremont	Metal Stamping & Assemblies	375
County of Newaygo	White Cloud	County Government	285
Wal-Mart	Fremont	Retail Department Store	195
Newaygo Medical Care Facility	Fremont	Health Care Services	150
North American Refractories	White Cloud	Refractory Products & Furnace Linings	125
Pine Medical Group	Fremont	Health Care Services	110
Transitional Health Services	Fremont	Health Care Services	105
<b>Total Employers</b>	<b>10</b>	<b>Total</b>	<b>4,083</b>

\* Source: Michigan Works! West Central

## Property Values

According to the 2014 Newaygo County Equalization Report, equalized values rose (50 percent of full market value) by 2.4 percent. This is the second increase in property values since 2008 and is another indication of an improving local economy. Since 1999, property values have grown 68 percent compared to 38 percent for the State of Michigan.

Newaygo County continues to vary from the rest of the state regarding the impacts to property values for commercial and industrial property. However, this is fairly typical of rural counties. Commercial development typically follows population growth and in the past decade Newaygo County saw an increase in commercial developments. Most recently, a new Gerber Insurance call center and Biodigester have been built in Fremont and several new multi-use developments have been completed throughout the rest of the County.

## Technology

Newaygo County is fortunate to be one of the most technologically advanced rural areas in the Country. A fiber optic cable telecommunication network exists that supports data, video, and voice communication capabilities and is available to all county residents. The network connects schools, municipal buildings, libraries, the hospital, private non-profit agencies, and area businesses making accessible universal internet connectivity, technology labs, two-way interactive video classrooms, and telecommunications services. In addition, broadband internet connections are available in most areas of the County through cable, DSL and wireless service.

In recent years the County has invested heavily in technology. Public safety officers from various police departments have been outfitted with 800 MHz radios, in car digital cameras, and computers in police vehicles. This technology will serve as the foundation for continued advances regarding law enforcement. Future plans include the integration of e-ticket, a system to allow a police officer to swipe your license and instantly print up a ticket, and an AVL system (automatic vehicle locator), an integration that will allow dispatchers to see the real-time location of emergency response vehicles on a GIS overlay in the CAD system.

## Future Prognosis

Recovery from the state recession has begun, albeit slowly. Uncertainties stemming from war(s) in the Middle East; the possibility of terrorists' attacks here in the U.S.; the fluctuating price of oil; and changes in the stock market; as well as fundamental changes in the way goods are manufactured, and recent reductions in worker wages. Some of the main factors that could further affect the state's economy in the near future: minimal consumer spending; delays in revamping from a manufacturing state to a knowledge-based services state; continued volatility in the real estate market; increases in interest rates; and little to no growth in housing starts.

The federal and state budget deficits and spending continue to remain at a crisis level and therefore the shifting of activities and requirements to the local level continues to be an issue. Newaygo County continues to experience a significant loss in financial support, but not a change in mandated requirements regarding the delivery of services. Reductions at both the state and federal levels have had disastrous effects on local governments throughout the State and Newaygo County certainly has felt these changes.

Fortunately, the difficult decisions of recent years, regarding reductions in spending and other proactive fiscal policies by the Board of Commissioners and Administration, have begun to lay the ground work for a viable, prosperous future for the County. Although the State has recently attempted to fully reimplement revenue sharing for counties, the county has been proactive in planning for this contingency by reducing costs and streamlining services, and has not been forced to survive solely on the actions of the legislature.

One example of this is the Board of Commissioner’s decision to fully fund pension liabilities during the employment tenure of the employees eligible to receive a pension. Over the past decade, the County has worked to close all employee groups for pensions (new hires are placed on a 401 type retirement system), and in FY2012 the County built upon those successes by deciding to utilize reserves to fund the unfunded liability of the pensions. Rather than utilize the 20+ year amortization recommended by the retirement trust administrators, the County instead chose to fund the liability over an amortization period of 5-6 years. Although these changes will take years to fully implement and come to fruition, management is confident that they will help make the County of Newaygo more efficient and better suited to continue to provide public services on the limited resources anticipated in the future.

Unfortunately, one thing is certain, should revenues continue to decrease, inevitably, corresponding reductions in services will follow.

Major Initiatives

*Facility and equipment improvements*

Some of the acquired capital assets or improvements during fiscal year 2014 include:

Land Improvements:

Installation of 12' high fence and razor tape on the south side of the jail facility	\$ 6,685
Resurfacing and restriping of the Commission on Aging parking lot	5,510
Ground Preparation for cabins at Diamond Lake Park	8,907

Buildings:

New cabin located at Henning Park campground	12,000
New cabin located at White Cloud campground	12,000
Outdoor kennels located at the Animal Shelter	11,332
Roof replacement for the Commission on Aging Building	72,548
Renovations/remodeling at the Health Services Building	13,914

Equipment:

One (1) Kyocera Copier for the Prosecuting Attorney's Office	10,872
One (1) Electric Golf Cart for the Parks and Recreation	1,500
One (1) Water Heater for the White Cloud Campground	3,501
One (1) Yamaha Outboard Motor for Marine Patrol	1,685
One (1) Baenni Loadometer Wheel Load Weigher for the Sheriff's Office	4,895
Two (2) Mini-split AC systems for the Administration Building	8,296
Four (4) Trane roof top units for the County Jail Building	24,277
One (1) MTR 3000 VHF Analog Digital Repeater for Emergency Services	5,756
One (1) 2015 Polaris Ranger 570 ATV for the Sheriff's Office	9,300
One (1) Recon Robotics Robot for the Sheriff's Office (Homeland Security Grant)	13,616
One (1) Cellebrite UFED Touch (donated) for Emergency Services (Homeland Security)	3,240

Vehicles:

Two (2) 2014 Ford Police Interceptors Utility 4x4 (Sheriff)	\$	52,700
Three (3) 2014 Chevrolet Impalas - Police Package (Sheriff)		61,794
One (1) 2015 Chevrolet Silverado (Drain Commissioner)		32,666
16' Custom Riverboat Package (Marine Patrol/River Patrol)		15,995
2010 Custom Riverboat - donated (Marine Patrol/River Patrol)		16,800

Technology Updates and Program Improvements

In the past year, the County has either funded or is in the process of funding several technology updates and program improvements:

Computer equipment/Software:

NICE Recording System for E-911 Services	\$	38,812
IT hardware system updates which includes 2 Dell 720s servers, 1 Terastation, and memory for VM Host		14,298
AEGIS software interface for the County Jail		1,750
Avatar II Software for Sheriff's Office (Homeland Security Grant)		22,467

Respectfully submitted,



Tobi G. Lake  
Administrator

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Management's Responsibility for Financial Statements

Responsibility for the integrity of the financial data presented rests with the County. I believe the data to be accurate in all material aspects. These financial statements are prepared in accordance with Generally Accepted Accounting Principles applicable to county governments and State statutes.

The County maintains a system of internal controls to provide reasonable assurance that the books and records reflect authorized transactions of the County.

Rehmann Robson, the County's independent certified public accountants, have audited the accompanying financial statements, and the supplemental financial information has been subjected to the auditing procedures applied in their audit. Rehmann Robson's opinion is included in the financial section of this report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tobi G. Lake". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tobi G. Lake  
Administrator

# COUNTY OF NEWAYGO, MICHIGAN

## Acknowledgement

I would like to express our gratitude to all members of the Newaygo County Board of Commissioners for their interest and support in planning and conducting financial operations of the County of Newaygo in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "Tobi G. Lake". The signature is written in a cursive style with a large, sweeping initial "T" and a long, horizontal flourish at the end.

Tobi G. Lake  
Administrator

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## FINANCIAL SECTION

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**INDEPENDENT AUDITORS' REPORT**

February 27, 2015

Board of Commissioners  
County of Newaygo, Michigan  
White Cloud, Michigan**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *County of Newaygo, Michigan* (the "County"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Independent Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Newaygo County Road Commission or the Newaygo Medical Care Facility, which represent 98 percent, 98 percent, and 93 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Newaygo County Road Commission and the Newaygo Medical Care Facility, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Newaygo Medical Care Facility were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Newaygo, Michigan, as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress and employer contributions for the pension and other postemployment benefits plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Newaygo, Michigan's basic financial statements. The combining and individual fund financial statements and schedules and the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2015, on our consideration of the County of Newaygo, Michigan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Newaygo, Michigan's internal control over financial reporting and compliance.

*Rehmann Lohman LLC*

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

As management of the *County of Newaygo, Michigan* (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

### Financial Highlights

1. The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the 2014 fiscal year by \$35,380,123 (*net position*). Of this amount, \$27,880,416 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
2. When utilizing the Non-GAAP Budgetary Basis, at the end of the 2014 fiscal year, fund balance for the general fund was \$3,590,602 or 27.7% of expenditures (including transfers out). The following table provides historical information on fund balance of the general fund and the amount as a percentage of that fiscal year's expenditures and transfers out:

Fiscal Year	Fund Balance	% of Exp. and Trans. Out
2014	\$ 3,590,602	27.7%
2013	3,185,486	25.9%
2012	3,021,690	24.9%
2011	2,722,828	20.7%
2010	2,197,786	16.8%
2009	2,467,925	19.0%
2008	2,098,521	15.0%
2007	1,887,708	15.0%
2006	1,165,474	9.7%

3. The general fund for 2014 increased fund balance by \$405,116 (Non-GAAP Budgetary Basis) (\$391,517 GAAP Basis). This increase is primarily the net of general fund revenues over expenditures of \$41,475; encumbered amounts of \$200,000 for a capital parks project, \$28,285 for PA2 programs, \$128,732 for Special Projects; and a net total increase of \$6,624 between Elections, Budget Stabilization, and Animal Control.
4. Within the general fund, three fund balances totaling \$296,813 (special projects, animal control and elections) were classified as assigned and an additional \$311,202 was classified as nonspendable. The remaining \$2,982,587 is available as unassigned fund balance (Non-GAAP Budgetary Basis). Unassigned fund balance as a percentage of expenditures and transfers out was 23.0%.
5. At the end of the 2014 fiscal year, fund balance for the general fund according to the GAAP Basis was \$2,836,440. Of this amount \$2,228,425 is available as unassigned fund balance. Unassigned fund balance as a percentage of expenditures and transfers out was 17.2%.
6. As of the close of the 2014 fiscal year, the County's governmental funds reported combined ending fund balances of \$9,436,269. This amount is a \$60,113 increase over the previous year. \$6,861,023 or 72.7% of the total is available for spending at the government's discretion (committed, assigned, and unassigned).
7. The 2014 fiscal year audit classifies property taxes that have been billed but remain uncollected as of 60 days subsequent to year-end as deferred inflows of resources. Therefore, a budgetary/accounting basis reconciliation has been included for clarification.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the residual reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include legislative, judicial, general government, public safety, public works, health and welfare, community and economic development, recreation and cultural and other functions. The business-type activities include the administration of the delinquent property tax system, public works projects, and the building authority, as well as the operation of the jail commissary.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate Central Dispatch Authority (E-911), legally separate Drainage Districts, a legally separate Brownfield Redevelopment Authority, a legally separate Medical Care Facility and a legally separate Road Commission for which the County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund, special investigative unit (Central Michigan Enforcement Team or CMET fund), county jail fund, and capital improvement fund, all of which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund and special revenue funds. Budgetary comparison statements and schedules have been provided for these funds to demonstrate compliance with this budget. Budgets are adopted for the debt service funds, capital projects funds, and permanent funds, although this information is used for internal purposes only and is not presented in the audited financial statements.

**Proprietary Funds.** The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for collection and administration of delinquent property taxes, compliance with public act 123, sanitary sewer construction for other local units, the jail commissary, and activity of the building authority. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its risk management and employee benefit programs. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the 2011 and prior delinquent tax fund, 2013 delinquent tax fund, sanitary sewer construction fund, and P.A. 123 fund which are considered to be major funds of the County. The County's internal service funds are presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Funds column.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain information concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to its employees.

### Government-wide Financial Analysis

As previously stated, net position may serve over time as a useful indicator of a government's financial position. In the case of Newaygo County, assets and deferred outflows exceeded liabilities and deferred inflows by \$35,380,123 at the close of the most recent fiscal year.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Assets</b>						
Current and other assets	\$ 17,965,132	\$ 17,642,496	\$ 20,073,592	\$ 19,530,349	\$ 38,038,724	\$ 37,172,845
Capital assets, net	17,616,263	18,251,623	25,840	26,424	17,642,103	18,278,047
<b>Total assets</b>	<b>35,581,395</b>	<b>35,894,119</b>	<b>20,099,432</b>	<b>19,556,773</b>	<b>55,680,827</b>	<b>55,450,892</b>
<b>Deferred outflows of resources</b>						
Loss on bond refunding, net	146,136	159,836	75,853	85,855	221,989	245,691
<b>Liabilities</b>						
Long-term liabilities	13,201,843	14,362,642	5,249,193	5,536,502	18,451,036	19,899,144
Other liabilities	1,941,907	2,048,406	129,750	112,292	2,071,657	2,160,698
<b>Total liabilities</b>	<b>15,143,750</b>	<b>16,411,048</b>	<b>5,378,943</b>	<b>5,648,794</b>	<b>20,522,693</b>	<b>22,059,842</b>
<b>Net position</b>						
Net investment in capital assets	4,981,320	4,479,349	25,840	26,424	5,007,160	4,505,773
Restricted	2,163,782	2,174,779	328,765	298,481	2,492,547	2,473,260
Unrestricted	13,438,679	12,988,779	14,441,737	13,668,929	27,880,416	26,657,708
<b>Total net position</b>	<b>\$ 20,583,781</b>	<b>\$ 19,642,907</b>	<b>\$ 14,796,342</b>	<b>\$ 13,993,834</b>	<b>\$ 35,380,123</b>	<b>\$ 33,636,741</b>

A significant portion of the County's net position of \$5,007,160 (14.2 percent) represents its investment in capital assets (e.g., land, buildings, vehicles and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position of \$2,492,547 (7.1 percent) represents resources that are subject to external restrictions on how they can be used. The remaining balance of unrestricted net position (\$27,880,416 or 78.8 percent) may be used to meet the County's ongoing obligations to citizens and creditors.

The largest amount of County assets is cash, cash equivalents, and investments. This level of cash and investments is considered favorable as most entities report capital assets as their largest asset.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 7,854,001	\$ 8,058,824	\$ 1,540,169	\$ 1,571,589	\$ 9,394,170	\$ 9,630,413
Operating grants	4,603,574	4,354,229	242,581	(186,899)	4,846,155	4,167,330
Capital grants	71,181	192,657	-	-	71,181	192,657
General revenues:						
Property taxes	9,685,270	10,050,917	-	-	9,685,270	10,050,917
Unrestricted grants	844,496	1,077,415	-	-	844,496	1,077,415
Unrestricted investment earnings	211,936	37,217	139	61	212,075	37,278
Gain on sale of capital assets	-	8,614	-	-	-	8,614
<b>Total revenues</b>	<b>23,270,458</b>	<b>23,779,873</b>	<b>1,782,889</b>	<b>1,384,751</b>	<b>25,053,347</b>	<b>25,164,624</b>
<b>Expenses</b>						
General government	4,718,312	4,869,090	-	-	4,718,312	4,869,090
Public safety	8,708,353	8,792,330	-	-	8,708,353	8,792,330
Public works	23,637	42,353	-	-	23,637	42,353
Health and welfare	4,307,772	4,109,202	-	-	4,307,772	4,109,202
Recreation and cultural	470,209	437,101	-	-	470,209	437,101
Legislative	328,889	315,399	-	-	328,889	315,399
Judicial	3,491,240	3,469,671	-	-	3,491,240	3,469,671
Community and economic development	340,585	258,439	-	-	340,585	258,439
Interest on long-term debt	380,845	461,402	-	-	380,845	461,402
Delinquent tax collection	-	-	277,151	323,051	277,151	323,051
Public works projects	-	-	116,933	130,435	116,933	130,435
Jail commissary	-	-	77,097	95,245	77,097	95,245
Building authority	-	-	68,942	57,735	68,942	57,735
<b>Total expenses</b>	<b>22,769,842</b>	<b>22,754,987</b>	<b>540,123</b>	<b>606,466</b>	<b>23,309,965</b>	<b>23,361,453</b>
Change in net position, before transfers	500,616	1,024,886	1,242,766	778,285	1,743,382	1,803,171
Transfers	440,258	86,766	(440,258)	(86,766)	-	-
Change in net position	940,874	1,111,652	802,508	691,519	1,743,382	1,803,171
Net position, beginning of year	19,642,907	18,531,255	13,993,834	13,302,315	33,636,741	31,833,570
<b>Net position, end of year</b>	<b>\$ 20,583,781</b>	<b>\$ 19,642,907</b>	<b>\$ 14,796,342</b>	<b>\$ 13,993,834</b>	<b>\$ 35,380,123</b>	<b>\$ 33,636,741</b>

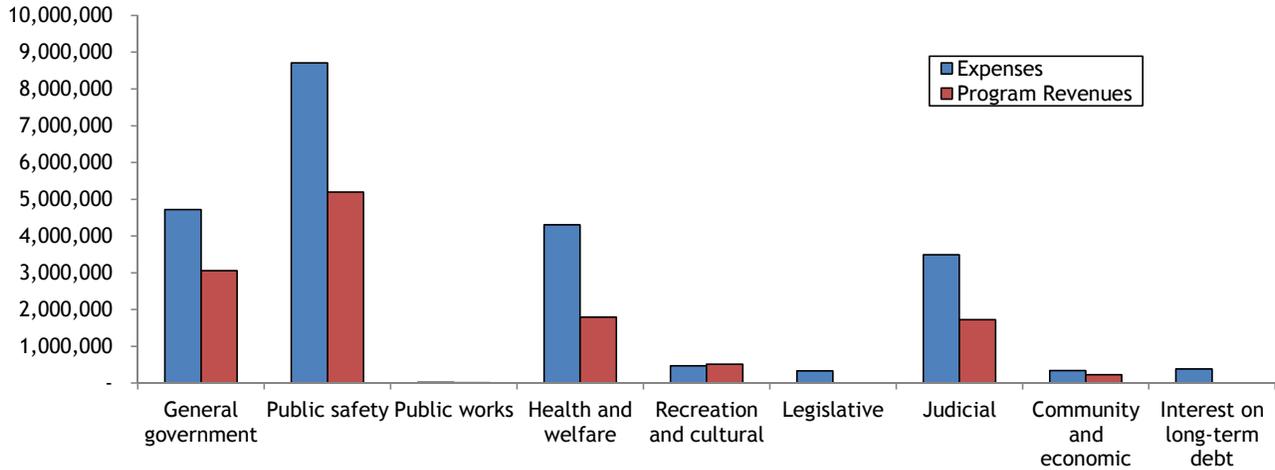
The County's net position increased by \$1,743,382 during the last fiscal year.

Governmental Activities. Governmental activities increased the County's net position by \$940,874. Nearly half of this increase was related to increased transfers.

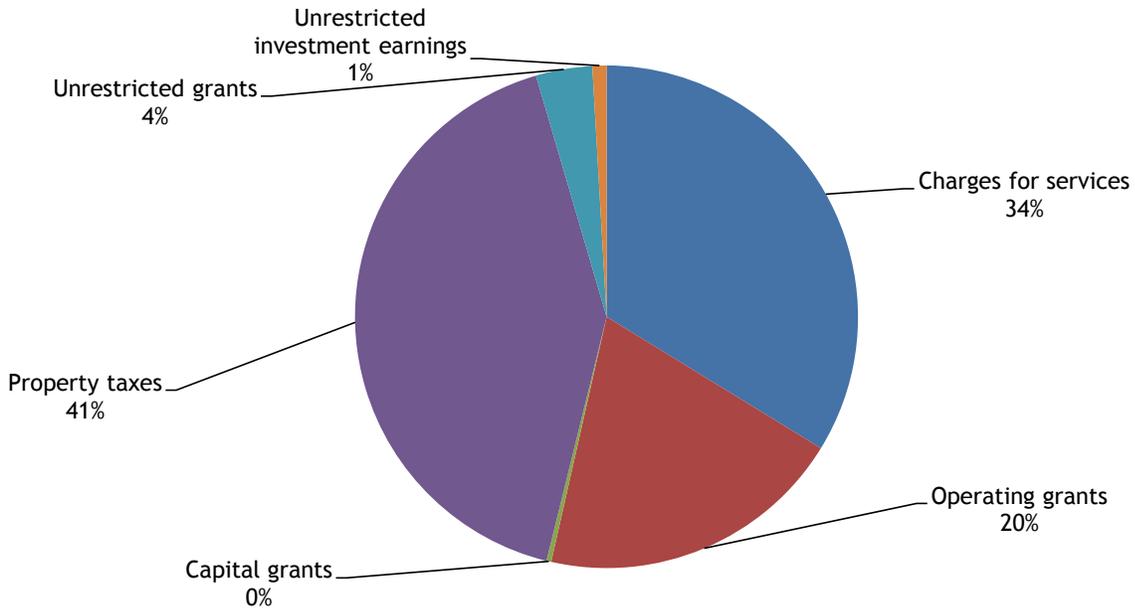
# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities

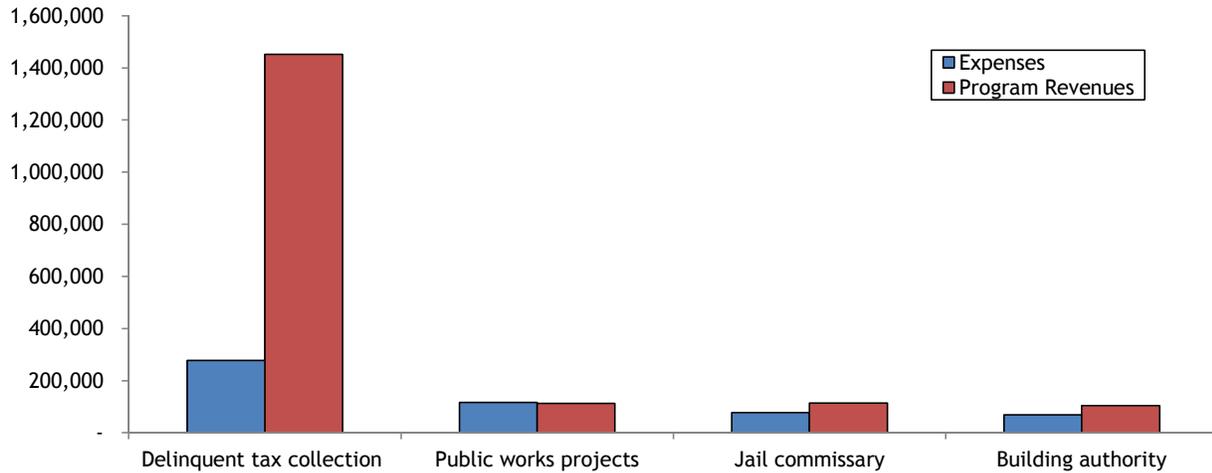


Business-type Activities. Business-type activities increased the County's net position by \$802,508. The key elements related to this increase were in interest and penalties and charges for services within the delinquent tax funds.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

Expenses and Program Revenues - Business-type Activities



### Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The County general fund is the chief operating fund of the County. When utilizing the GAAP Basis, at the end of the 2014 fiscal year, the County's ending fund balance for the general fund was \$2,836,440. Of that amount \$311,202 is nonspendable, \$296,813 is assigned, and \$2,228,425 is unassigned.

Nonmajor funds decreased their collective fund balances (GAAP Basis) by \$588,810 from \$4,574,370 at the beginning of the year to an ending balance of \$3,985,560. Of that amount \$1,177,844 is nonspendable, \$1,028,924 is restricted, \$936,993 is committed, and \$841,799 is assigned.

### Revenues (Statement of Revenues, Expenditures and Changes in Net Position)

**Charges for services.** Charges for services in the governmental funds totaled \$7,363,387. The amount was generated by general fund charges of \$2,246,222, county jail fund charges of \$2,601,014, capital improvement fund charges of \$249,999, and nonmajor fund charges of \$2,266,152. The total reflected an overall decrease of \$251,109 from the previous year (\$30,695 decrease in general fund, \$98,912 decrease in jail fund, \$249,999 increase in capital improvement fund, and \$371,501 decrease in nonmajor funds).

**Property taxes.** Property taxes totaled \$9,671,671. This amount marked a decrease of \$314,881 from the prior year. As a GAAP Basis property taxes for the general fund decreased less than 1% or \$50,005. Property taxes also decreased for the sheriff road patrol fund (\$597), the soldiers' relief fund (\$53), the commission on aging fund (\$367), and for debt service (\$263,859).

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

Investment earnings and rentals. Investment earnings and rentals totaled \$197,005. The general fund totaled \$191,810. This amount was an increase over the prior year. Historical information on interest earnings and rentals of the general fund is presented in the following table:

Fiscal Year	Investment Earnings and Rentals
2014	\$ 191,810
2013	88,066
2012	168,733
2011	164,906
2010	254,119
2009	239,631
2008	383,103
2007	335,655
2006	235,830

### Expenditures (Statement of Revenues, Expenditures and Changes in Fund Balance)

**General government.** General government expenditures were \$3,998,584. The general government category equated to approximately 16.6% of the total expenditures. This total was a 2.9% increase from the previous year. Some of the departments included within the general government category include the Prosecutor, Administrator, Accounting, Clerk, Budget, Treasurer, Equalization, Personnel, and Payroll. The departments with the highest expenditures within the general government category of the general fund were the Prosecutor, \$709,496 (18%); Equalization, \$589,376 (15%); Treasurer \$483,611 (12%); Register of deeds \$339,038 (9%); and Clerk \$315,856 (8%).

**Public safety.** Public safety expenditures totaled \$8,875,819 which was a \$320,982 (3.8%) increase from the prior year. This category contains portions of the general fund (including animal control), the county jail fund, and the special investigative unit, as well as the Nonmajor Governmental funds of the sheriff's reserves, crime victim's rights, sheriff's road patrol, law enforcement, building inspection, transport for the jail, drug law enforcement, county jail trustee management, emergency services and law enforcement technology. The general fund had the largest increase in expenditures from the prior year of \$150,317 (13.6%). This was attributable to increased spending in the sheriff's department, marine patrol, and crisis management.

**Health and welfare.** Health and welfare expenditures totaled \$4,320,490. The amount marks an overall increase from the prior year of \$206,030 (5%). Of the funds in this category, increases in expenditures occurred in the commission on aging, \$78,320 (4.7%); child care, \$141,370 (10.8%); and the general fund. \$48,527 (5.9%). Decreases occurred in the soldiers' relief fund (1.2%), and social services (37%).

**Recreation and cultural.** Recreation and cultural expenditures were \$483,595 which was a increase of \$64,645 or 15.4% from the previous year. This category is made up of the County parks.

**Legislative.** Legislative expenditures were \$356,665. The expenditures are an overall increase from the previous year of \$32,498 (10%).

**Judicial.** Judicial expenditures were \$3,655,887 which included general fund expenditures and other governmental funds. The expenditures were an increase of \$180,126 (5.2%) from the previous year. The largest increases were in the District Court, \$59,549 (5.7%); Friend of the Court, \$45,269 (5.4%); Circuit Court, \$35,925 (6%); Probate Court, \$14,637 (3.5%); Juvenile, \$14,295 (6.3%); and Circuit Court Clerk, \$9,674 (4.3%).

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

Community and economic development. Community and economic development expenditures were \$358,882 which is a 32.3% increase from the previous year. The increase was primarily due to a two-year grant cycle. This category includes programs related to economic and community development and land use. These programs include housing projects for low income individuals, activity to expand the economic activity within the County, and land use and planning related endeavors.

#### General Fund Budgetary Highlights

The County makes numerous budget amendments throughout the year based upon the realization of anticipated revenues and expenditures. Primarily, budget variances or amendments for the 2014 fiscal year were attributable to revenues being more than anticipated and other program changes. A few significant variances worth noting are listed below:

- Real property tax revenues were projected at a conservative level when the 2014 budget was adopted in August 2013. With the final taxable value numbers received in April 2014, the budget was amended to anticipate an additional \$72,883 in property revenues representing a 1.05% increase when compared to the original adopted budget.
- The federal grants revenue within the general fund was amended to reflect the anticipated FY 2013 National Forest Revenue Pass-Through Program monies of \$156,001. These dollars are considered Title I monies and may only be used for school purposes and county roads in which national forests are situated. The County Treasurer receives the funds and then redistributes all of the money in a ratio of 75 percent to local school districts for school purposes and 25 percent to townships for the improvement of county roads within those townships.
- The federal grants revenue within the general fund was also amended to reflect the receipt of the FY 2014 Federal Payment In Lieu of Taxes monies of \$123,167. This federal payment helps to offset losses in property taxes due to non-taxable federal lands within the County's boundaries.
- The federal grants revenue for crisis management within the general fund was amended to reflect the use of \$45,408 of Title III funds received from the National Forest Revenues Secure Rural Schools and Community Self-Determination Act of 2000 for the Wildfire Protection Plan located in Croton Township. In addition, the County was also awarded \$61,800 under the FY 2013 Cooperative Forestry Assistance Grant to help fund this mitigation project.
- The parks department secured funding through the Fremont Area Community Foundation in the amount of \$24,000 for two camping cabins. The capital outlay in the general fund budget was amended to reflect the receipt of the funds from the FAF and the subsequent expense for building materials. These cabins were built in collaboration with NCRESA (Newaygo County Regional Educational Service Agency) and their construction trades students.
- The County was also a recipient of a grant from the Fremont Area Community Foundation in the amount of \$17,640 to prepare the Hardy Pond Biking & Hiking Trail Plan & Economic Impact Study. This is a project that the County, Mecosta County, and a handful of other local units are working together on to develop a multi-use hiking and biking trail to cover over 40 miles encircling a portion of Hardy Pond.
- The final amended general fund budget reflects a slight increase of \$10,603 in revenues received from Charges for Services. As an example with the adoption of the FY 2014 budget, the District Court revenues were budgeted at a conservative level based on the prior year actual numbers. However, these revenues performed well above the originally anticipated budget and were amended by \$36,700. On the other hand, the Register of Deeds revenues were budgeted at a more optimistic level. However, these revenues did not performed as well as anticipated and needed to be adjusted downward by \$37,305.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

The changes made to revenue sharing and recent legislation to eliminate personal property taxes have made the budgeting process extremely difficult. The annual budget is developed between May and July and ultimately approved in August to take effect at the beginning of October. Unfortunately, the timing and process requires a prediction of the taxable value and the Headlee Reduction Fraction well over a year before most of the numbers actually become known. This has caused a natural move towards a more conservative estimate of the anticipated property tax revenue and the potential for greater disparity between budgeted and actual figures.

To further compound budget challenges, Newaygo County is one of only a handful of counties that still determines and levies its annual general fund millage through a tax allocation process. Most counties have established a set general operating millage that is then annually subject to the Headlee reduction. Newaygo County, through the tax allocation board, every year in May, holds tax allocation hearings to determine the amount of its levy. The tax allocation board is established by statute and is made up of representatives from the County, local units of government, the Intermediate School District (ISD) and the public. Within state guidelines, the tax allocation board determines a split of a set millage between the County, ISD and the local units of government (townships). The millage is then subject to the Headlee reduction and placed on the Summer tax roll. If, throughout the process, the County is not granted the traditional allocation of the mills, the summer tax levy would be inadequate to supply the revenue needed within the general fund to offset the expenditures that had been incurred in the prior nine months of the fiscal year.

### Capital Assets and Debt Administration

**Capital Assets.** The County's capital assets for its governmental and business-type activities as of September 30, 2014 amounted to \$17,642,103 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, and vehicles. The total decrease in the County's investment in capital assets for the current fiscal year was 3.5 percent.

Major capital assets acquired during the current fiscal year included the following:

#### Buildings:

Roof replacement	\$	72,548
Two new camping		24,000
Renovations at the health services building		13,914
Outdoor kennels at the animal shelter		11,332

#### Equipment/Software:

Kyocera copier for the prosecuting attorney's office		10,872
Four (4) Trane rooftop units for the jail building		24,277
One (1) Recon Robotics Robot for the sheriff's office (homeland security grant)		13,616

#### Vehicles:

Two (2) 2014 Ford Police Interceptors Utility 4x4 for sheriff's office		52,700
Three (3) 2014 Chevrolet Impalas - police package for sheriff's office		61,794
One (1) 2015 Chevrolet Silverado for the drain commission		32,666
One (1) 16' Custom Riverboat package for marine/river patrol		15,995
One (1) 2010 Custom Riverboat for marine/river patrol (donated)		16,800

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land and improvements	\$ 2,554,379	\$ 2,572,103	\$ 13,609	\$ 8,325	\$ 2,567,988	\$ 2,580,428
Buildings and improvements	14,168,419	14,711,281	-	-	14,168,419	14,711,281
Office equipment	610,286	673,486	12,231	18,099	622,517	691,585
Vehicles	283,179	294,753	-	-	283,179	294,753
<b>Total capital assets, net</b>	<b>\$ 17,616,263</b>	<b>\$ 18,251,623</b>	<b>\$ 25,840</b>	<b>\$ 26,424</b>	<b>\$ 17,642,103</b>	<b>\$ 18,278,047</b>

Additional information on the County's capital assets can be found in Note 10 of this report.

**Long-term Debt.** At the end of the current fiscal year, the County had outstanding bonds in the amount of \$16,454,180 (\$12,770,000 governmental activities and \$3,684,180 business-type activities). At a minimum, all the bonds are backed by the County's faith and credit.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The County's outstanding general obligation debt is significantly below the debt limitation for the County.

	Long-term Debt					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 12,770,000	\$ 13,920,000	\$ 3,684,180	\$ 4,184,180	\$ 16,454,180	\$ 18,104,180
Notes payable	-	-	1,320,000	1,075,000	1,320,000	1,075,000
Premium on bonds payable	11,079	12,110	245,013	277,322	256,092	289,432
Compensated absences	420,764	430,532	-	-	420,764	430,532
<b>Total long-term debt</b>	<b>\$ 13,201,843</b>	<b>\$ 14,362,642</b>	<b>\$ 5,249,193</b>	<b>\$ 5,536,502</b>	<b>\$ 18,451,036</b>	<b>\$ 19,899,144</b>

Additional information on the County long-term debt can be found in Note 11 of this report.

### Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the County's budget for the 2015 fiscal year:

- The decline in property values and the rise in foreclosures over the past several years have had a dramatic effect on the property tax levy and the revenue generated by it. For the 2015 fiscal year, a conservative approach has continued and a tax revenue increase of 1.5% (\$105,000) has been budgeted for the County's general fund. It is projected that the road patrol, commission on aging, and veterans' affairs will see small increases.
- The condition of the state and federal economies will likely continue to result in additional decreases in state and federal funding. The actual magnitude of the decreases will depend on the economy within the State of Michigan and continued budgetary cuts at the federal level. It is likely these decreases will come through changes in grants and long standing funding relationships.
- Revenue Sharing for the County is projected to be \$954,111 for fiscal year 2015. Effective with the 2013 fiscal year, the State implemented new requirements for Revenue Sharing. The County is scheduled to receive \$763,289 as part of the County Revenue Sharing Payment. However, the remaining portion of funds (\$190,822) is subject to the County Incentive Program (CIP). The County must comply with the Accountability and Transparency provision of the CIP to qualify for 20% of the Revenue Sharing total.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

- With the property tax levy for the general fund shifting to the summer, at budget time Administration is forced to predict the taxable value, including new construction, and in recent years, reductions due to diminished property values of the County, as well as the anticipated Headlee Rollback over a year in advance.
- Fluctuations in the stock market and its effect on the market value of our defined benefit accounts through MERS, coupled with accelerated payments required from “closed systems” mean an increase in the County’s required annual payments to the retirement system.
- The cost for funding the County’s ARC (Annual Required Contribution) for OPEB’s (Other Post Employment Benefits) has dramatically increased since our first payment in FY 2010. In 2010, a plan was rolled out to gradually reduce the use of one-time dollars and become fully funded through the annual budget process. FY 2013 marked the last year that one time dollars were used as part of the OPEB funding mechanism.

Highlights of the 2015 budget are as follows:

- Concentrated efforts to attain the most accurate portrait of revenues and expenditures in the budget development phases.
- The 2015 budget incorporates a Capital Improvements Plan.
- Property tax revenues are projected to show a small increase of 1.5% for the general fund. However it is projected that the road patrol, commission on aging, and veterans affairs will see increases of approximately 1%.
- Interest earnings still remain low.
- The general fund is balanced using \$115,693 of fund balance and \$225,000 from the MMRMA annual dividend. It is hoped that the use of fund balance can be reduced or offset with an increase in property tax revenues.
- The county jail appropriation from the general fund remains at \$1,100,000. With this appropriation, we are positioning ourselves should the extra revenue generated by housing additional federal inmates end. The county jail is also utilizing \$337,767 of the additional revenue generated in FY 2014 from the housing of extra federal inmates over the 140 guaranteed contract for its FY 2015 operating budget.
- The road patrol fund is balanced using \$94,523 of fund balance and \$142,289 of the additional revenue generated in FY 2014 from the housing of extra federal inmates over the 140 guaranteed contract.
- Animal control fund revenues from dog licenses have continued on a downward trend. The fund is relying on additional money from the general fund.
- The building safety & permits fund reflects no subsidy from the general fund. The budget contains funding for an assistant who will be training with the building official and, also, allows for the office to be open five (5) days a week with additional staffing.
- The veterans’ affairs budget reflects a strategic approach for the dollars they have available to distribute to clients.
- The principal residence exemption audit fund (pre) no longer reflects a transfer in to the general fund.
- A total transfer of \$312,637 from the retirement fund is provided to the road patrol fund (\$173,761), the general fund (\$100,000), and the county jail (\$38,876) to help offset the increased costs associated with reaching our goal of 100% funding in 3-5 years.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

- The FY 2015 OPEB (Other Post Employment Benefits) ARC (Annual Required Contribution) is fully funded through the budget.

A 3% wage increase has been included for employees, except in cases where bargaining agreements may have stated differently. Temporary employees were not included.

The 2015 fiscal year budget reflects a 13.92% decrease in the department charge for health insurance. The annual charge for FY 2014 was \$14,400 per full-time employee. This has been reduced to \$12,396 per full-time employee for FY 2015.

#### Personnel changes / updates:

- The Assistant Prosecuting Attorney position is expected to remain vacant throughout FY 2015. This position remains in the manning table but has not been budgeted.
- The position of Legal Secretary in the Prosecuting Attorney's Office is expected to remain vacant throughout FY 2015. The position remains in the manning table but has not been budgeted.
- The position of Clerk of the Court/Business Manager in the 78th District Court is expected to remain vacant throughout FY 2015. The position remains in the manning table but has not been budgeted.
- The position of IT Specialist in the Information Technology Department is expected to remain vacant throughout FY 2015. The position remains in the manning table but has not been budgeted.
- The County Jail remains at the same staffing level as FY 2014 which is an equivalent of 38 correction officers. In FY 2013, the Jail operated with 33 full-time and 4 part-time corrections officers. The 4 part-time individuals worked 40 hours per week with no full-time benefits. This gave the Jail an equivalent of 37 correction officers. In FY 2014, the 4 part time individuals continued to work 40 hours per week with no full-time benefits and, in addition, 2 new part time positions at 20-25 hours per week were added. This provided the Jail with an equivalent of 38 correction officers.

#### The budget retains funding for the following positions:

- CASA Volunteer Coordinator - funding is in conjunction with the Fremont Area Community Foundation;
- Account Position (Treasurer's Office) - funding is provided from PA 123 Operations;
- Register of Deeds Clerk - part time position;
- Animal Shelter Attendant - part time position;
- Volunteer Program Coordinator for Emergency Services Director -part time (partially funded by NACCHO funds)

#### Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Tobi G. Lake, Administrator, 1087 Newell Street, P.O. Box 885, White Cloud, Michigan 49349.

## BASIC FINANCIAL STATEMENTS

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Net Position

September 30, 2014

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 11,382,331	\$ 2,623,764	\$ 14,006,095	\$ 6,055,076
Restricted cash and cash equivalents	-	328,765	328,765	-
Investments	2,525,455	9,877,722	12,403,177	-
Receivables	3,377,668	7,228,265	10,605,933	3,111,510
Advance to component units	300,000	15,076	315,076	-
Other assets	379,678	-	379,678	1,068,952
Capital assets not being depreciated	2,233,586	-	2,233,586	2,350,710
Capital assets being depreciated, net	15,382,677	25,840	15,408,517	50,360,977
Net pension asset	-	-	-	767,466
<b>Total assets</b>	<b>35,581,395</b>	<b>20,099,432</b>	<b>55,680,827</b>	<b>63,714,691</b>
<b>Deferred outflows of resources</b>				
Loss on bond refunding, net	146,136	75,853	221,989	-
<b>Liabilities</b>				
Accounts payable	1,802,391	129,750	1,932,141	1,853,741
Advance from primary government	-	-	-	315,076
Unearned revenue	139,516	-	139,516	-
Long-term liabilities:				
Due within one year	1,222,496	522,309	1,744,805	711,269
Due in more than one year	11,979,347	4,726,884	16,706,231	1,164,546
Net other postemployment benefits obligation	-	-	-	1,560,471
<b>Total liabilities</b>	<b>15,143,750</b>	<b>5,378,943</b>	<b>20,522,693</b>	<b>5,605,103</b>
<b>Net position</b>				
Net investment in capital assets	4,981,320	25,840	5,007,160	51,601,410
Restricted for:				
Community and economic development	1,177,844	-	1,177,844	-
Public safety	369,053	-	369,053	-
Other state mandated programs	113,719	-	113,719	-
Debt service	503,166	-	503,166	-
Property tax foreclosures	-	328,765	328,765	-
Unrestricted	13,438,679	14,441,737	27,880,416	6,508,178
<b>Total net position</b>	<b>\$ 20,583,781</b>	<b>\$ 14,796,342</b>	<b>\$ 35,380,123</b>	<b>\$ 58,109,588</b>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Activities

For the Year Ended September 30, 2014

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government</b>					
Governmental activities:					
General government	\$ 4,718,312	\$ 1,712,282	\$ 1,346,254	\$ -	\$ (1,659,776)
Public safety	8,708,353	4,454,832	674,034	71,181	(3,508,306)
Public works	23,637	-	4,439	-	(19,198)
Health and welfare	4,307,772	215,719	1,578,389	-	(2,513,664)
Recreation and cultural	470,209	516,024	-	-	45,815
Legislative	328,889	-	-	-	(328,889)
Judicial	3,491,240	856,796	868,303	-	(1,766,141)
Community and economic development	340,585	98,348	132,155	-	(110,082)
Interest on long-term debt	380,845	-	-	-	(380,845)
<b>Total governmental activities</b>	<b>22,769,842</b>	<b>7,854,001</b>	<b>4,603,574</b>	<b>71,181</b>	<b>(10,241,086)</b>
Business-type activities:					
Delinquent tax administration	277,151	1,209,519	242,581	-	1,174,949
Public works projects	116,933	112,665	-	-	(4,268)
Jail commissary	77,097	114,137	-	-	37,040
Building authority	68,942	103,848	-	-	34,906
<b>Total business-type activities</b>	<b>540,123</b>	<b>1,540,169</b>	<b>242,581</b>	<b>-</b>	<b>1,242,627</b>
<b>Total primary government</b>	<b>\$ 23,309,965</b>	<b>\$ 9,394,170</b>	<b>\$ 4,846,155</b>	<b>\$ 71,181</b>	<b>\$ (8,998,459)</b>
<b>Component units</b>					
Central Dispatch Authority	\$ 1,003,467	\$ 789,534	\$ 472,941	\$ -	\$ 259,008
Drain Commissioner	353,480	-	-	357,030	3,550
Brownfield Redevelopment Authority	7,198	-	17,500	-	10,302
Roads	11,021,535	1,361,545	5,928,799	3,265,903	(465,288)
Medical care	11,147,784	11,160,600	-	-	12,816
<b>Total component units</b>	<b>\$ 23,533,464</b>	<b>\$ 13,311,679</b>	<b>\$ 6,419,240</b>	<b>\$ 3,622,933</b>	<b>\$ (179,612)</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Activities For the Year Ended September 30, 2014

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expense) revenue	\$ (10,241,086)	\$ 1,242,627	\$ (8,998,459)	\$ (179,612)
General revenues:				
Property taxes	9,685,270	-	9,685,270	30,895
Grants and contributions not restricted to specific programs	844,496	-	844,496	-
Unrestricted investment earnings	211,936	139	212,075	-
Gain on sale of capital assets	-	-	-	108,879
Other revenues	-	-	-	58,315
Transfers - internal activities	440,258	(440,258)	-	-
Total general revenues and transfers	11,181,960	(440,119)	10,741,841	198,089
Change in net position	940,874	802,508	1,743,382	18,477
Net position, beginning of year	19,642,907	13,993,834	33,636,741	58,091,111
Net position, end of year	\$ 20,583,781	\$ 14,796,342	\$ 35,380,123	\$ 58,109,588

concluded

The accompanying notes are an integral part of these financial statements.

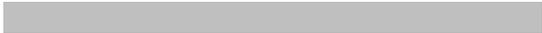
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COUNTY OF NEWAYGO, MICHIGAN

**Balance Sheet**  
 Governmental Funds  
 September 30, 2014

	General	Special Investigative Unit (2073)	County Jail (213)
<b>Assets</b>			
Cash and cash equivalents	\$ 71,215	\$ 530,176	\$ -
Investments	2,275,455	-	-
Receivables:			
Accounts	12,598	-	8,742
Taxes	1,326,218	-	-
Due from other governments	184,323	18,032	224,870
Due from other funds	37,524	-	-
Advance to component unit	300,000	-	-
Prepays	11,202	-	-
<b>Total assets</b>	<b>\$ 4,218,535</b>	<b>\$ 548,208</b>	<b>\$ 233,612</b>
<b>Liabilities</b>			
Interfund payable	\$ 27,958	\$ -	\$ 42,465
Accounts payable	301,080	39,177	19,976
Accrued expenditures	194,393	1,010	91,009
Due to other governments	-	450,745	-
Due to other funds	39,422	-	11,551
Unearned revenue	65,080	-	4,811
<b>Total liabilities</b>	<b>627,933</b>	<b>490,932</b>	<b>169,812</b>
<b>Deferred inflows of resources</b>			
Unavailable revenues - property taxes	754,162	-	-
<b>Fund balances</b>			
Nonspendable	311,202	-	-
Restricted	-	57,276	-
Committed	-	-	63,800
Assigned	296,813	-	-
Unassigned	2,228,425	-	-
<b>Total fund balances</b>	<b>2,836,440</b>	<b>57,276</b>	<b>63,800</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,218,535</b>	<b>\$ 548,208</b>	<b>\$ 233,612</b>

The accompanying notes are an integral part of these financial statements.



Capital Improvement (402)	Nonmajor Governmental Funds	Totals
\$ 2,493,318	\$ 2,622,717	\$ 5,717,426
-	250,000	2,525,455
-	1,209,173	1,230,513
-	367	1,326,585
1,172	394,465	822,862
-	160,188	197,712
-	-	300,000
-	-	11,202
<u>\$ 2,494,490</u>	<u>\$ 4,636,910</u>	<u>\$ 12,131,755</u>
\$ -	\$ 206,593	\$ 277,016
1,297	156,303	517,833
-	194,752	481,164
-	12,141	462,886
-	11,936	62,909
-	69,625	139,516
<u>1,297</u>	<u>651,350</u>	<u>1,941,324</u>
-	-	754,162
-	1,177,844	1,489,046
-	1,028,924	1,086,200
2,493,193	936,993	3,493,986
-	841,799	1,138,612
-	-	2,228,425
<u>2,493,193</u>	<u>3,985,560</u>	<u>9,436,269</u>
<u>\$ 2,494,490</u>	<u>\$ 4,636,910</u>	<u>\$ 12,131,755</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Fund Balances for Governmental Funds  
to Net Position of Governmental Activities  
September 30, 2014

Fund balances - total governmental funds	\$ 9,436,269
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statements.	
Capital assets not being depreciated	2,233,586
Capital assets being depreciated, net	15,382,677
Less amounts accounted for in governmental-type internal service funds	(278,063)
The focus of governmental funds is on short-term financing. Accordingly, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred inflows of resources in the governmental funds, and thus are not included in fund balance.	
Deferred inflows of resources for property taxes receivable	754,162
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities.	
Net position of governmental activities accounted for in internal service funds	6,185,358
Certain liabilities and deferred outflows of resources, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.	
Loss on advance bond refunding, net	146,136
Bonds payable and net issuance premium	(12,781,079)
Compensated absences	(395,003)
Accrued interest on long-term liabilities	(100,262)
Net position of governmental activities	<u>\$ 20,583,781</u>

The accompanying notes are an integral part of these basic financial statements.

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# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended September 30, 2014

	General	Special Investigative Unit (2073)	County Jail (213)
<b>Revenues</b>			
Taxes	\$ 7,045,086	\$ -	\$ -
Intergovernmental:			
Federal	472,208	79,226	2,511
State	1,796,917	-	-
Local	241,015	-	-
Licenses and permits	53,972	-	-
Fines and forfeitures	66,157	-	-
Charges for services	2,246,222	-	2,601,014
Interest and rentals	191,810	560	-
Contributions from private sources	45,642	129,296	-
Other revenues/reimbursements	20,467	-	115,607
<b>Total revenues</b>	<b>12,179,496</b>	<b>209,082</b>	<b>2,719,132</b>
<b>Expenditures</b>			
Current:			
Legislative	356,665	-	-
Judicial	2,756,753	-	-
General government	3,943,692	-	-
Public safety	1,254,284	207,033	4,262,052
Public works	49,876	-	-
Health and welfare	861,791	-	-
Community and economic development	134,618	-	-
Recreation and cultural	-	-	-
Other	161,276	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Capital outlay	202,896	-	-
<b>Total expenditures</b>	<b>9,721,851</b>	<b>207,033</b>	<b>4,262,052</b>
Revenues over (under) expenditures	2,457,645	2,049	(1,542,920)
Other financing sources (uses)			
Transfers in	1,172,595	-	1,606,800
Transfers out	(3,238,723)	-	(27,406)
<b>Total other financing sources (uses)</b>	<b>(2,066,128)</b>	<b>-</b>	<b>1,579,394</b>
<b>Net change in fund balances</b>	<b>391,517</b>	<b>2,049</b>	<b>36,474</b>
Fund balances, beginning of year	2,444,923	55,227	27,326
<b>Fund balances, end of year</b>	<b>\$ 2,836,440</b>	<b>\$ 57,276</b>	<b>\$ 63,800</b>

The accompanying notes are an integral part of these financial statements.

Capital Improvement (402)	Nonmajor Governmental Funds	Totals
\$ -	\$ 2,626,585	\$ 9,671,671
-	901,532	1,455,477
-	772,946	2,569,863
-	263,979	504,994
-	-	53,972
-	8,718	74,875
249,999	2,266,152	7,363,387
-	4,635	197,005
6,117	725,592	906,647
-	105,349	241,423
<u>256,116</u>	<u>7,675,488</u>	<u>23,039,314</u>
-	-	356,665
-	899,134	3,655,887
-	54,892	3,998,584
-	3,152,450	8,875,819
-	-	49,876
-	3,458,699	4,320,490
-	224,264	358,882
-	483,595	483,595
-	-	161,276
-	1,150,000	1,150,000
-	375,066	375,066
<u>12,233</u>	<u>24,841</u>	<u>239,970</u>
<u>12,233</u>	<u>9,822,941</u>	<u>24,026,110</u>
<u>243,883</u>	<u>(2,147,453)</u>	<u>(986,796)</u>
-	2,352,713	5,132,108
<u>(25,000)</u>	<u>(794,070)</u>	<u>(4,085,199)</u>
<u>(25,000)</u>	<u>1,558,643</u>	<u>1,046,909</u>
218,883	(588,810)	60,113
<u>2,274,310</u>	<u>4,574,370</u>	<u>9,376,156</u>
<u>\$ 2,493,193</u>	<u>\$ 3,985,560</u>	<u>\$ 9,436,269</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Net Changes in Fund Balances for Governmental Funds  
to Change in Net Position of Governmental Activities  
For the Year Ended September 30, 2014

Net change in fund balances - total governmental funds	\$ 60,113
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statements of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital assets purchased / constructed	213,166
Donated capital assets	56,123
Depreciation expense	(935,018)
Loss on disposal of capital assets	(8,812)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following year.	
Net change in deferred property taxes receivable	13,599
Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments on long-term liabilities	1,150,000
Amortization of premium on long-term debt	1,031
Amortization of deferred loss on bond refunding	(13,700)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Change in accrued interest payable on long-term debt	6,890
Change in the accrual for compensated absences	4,283
An internal service fund is used by management to charge the costs of certain services to individual governmental funds. The net revenue (expense) attributable to those funds is reported with governmental activities.	
Net operating income (loss) from governmental activities in internal service funds	853,486
Interest income from internal service funds	146,364
Internal activities (transfers) accounted for in internal service funds	<u>(606,651)</u>
Change in net position of governmental activities	<u>\$ 940,874</u>

The accompanying notes are an integral part of these basic financial statements.

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Taxes:				
Real and personal property taxes	\$ 6,932,161	\$ 7,005,044	\$ 7,039,449	\$ 34,405
Other taxes	6,000	18,578	19,236	658
<b>Total taxes</b>	<b>6,938,161</b>	<b>7,023,622</b>	<b>7,058,685</b>	<b>35,063</b>
Intergovernmental:				
Federal	160,599	468,465	472,208	3,743
State	1,642,073	1,709,104	1,796,917	87,813
Local	91,322	240,987	241,015	28
<b>Total intergovernmental</b>	<b>1,893,994</b>	<b>2,418,556</b>	<b>2,510,140</b>	<b>91,584</b>
Licenses and permits	65,000	54,040	53,972	(68)
Fines and forfeitures	78,000	65,220	66,157	937
Charges for services	2,182,834	2,218,661	2,246,222	27,561
Interest and rentals:				
Interest revenue	47,515	56,515	64,724	8,209
Rentals	117,609	125,127	127,086	1,959
<b>Total interest and rentals</b>	<b>165,124</b>	<b>181,642</b>	<b>191,810</b>	<b>10,168</b>
Contributions from private sources	27,200	47,235	45,642	(1,593)
Other revenues/reimbursements:				
Reimbursements	11,550	17,736	18,015	279
Other revenues	4,500	2,414	2,452	38
<b>Total other revenues/reimbursements</b>	<b>16,050</b>	<b>20,150</b>	<b>20,467</b>	<b>317</b>
<b>Total revenues</b>	<b>11,366,363</b>	<b>12,029,126</b>	<b>12,193,095</b>	<b>163,969</b>
<b>Expenditures</b>				
Legislative:				
Board of Commissioners	371,393	375,693	356,665	(19,028)

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual - General Fund

For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (continued)</b>				
<b>Judicial:</b>				
27th Circuit Court - Newaygo	\$ 605,207	\$ 646,164	\$ 629,913	\$ (16,251)
27th Circuit Court - Oceana	36,719	36,719	36,747	28
Circuit Court Probation	19,672	19,761	19,730	(31)
Circuit Court Clerk	247,513	246,328	232,823	(13,505)
Circuit Court - Juvenile Division	237,034	248,664	241,529	(7,135)
District Court	1,141,964	1,108,644	1,097,473	(11,171)
Jury Board	12,185	12,699	11,033	(1,666)
Probate Court	438,368	436,441	432,880	(3,561)
Court Guardian	54,025	54,625	54,625	-
<b>Total judicial</b>	<b>2,792,687</b>	<b>2,810,045</b>	<b>2,756,753</b>	<b>(53,292)</b>
<b>General government:</b>				
Administrator	281,504	288,365	281,954	(6,411)
Accounting	264,834	268,036	264,938	(3,098)
Clerk	330,737	327,464	315,856	(11,608)
Board of review	1,087	1,384	1,230	(154)
Treasurer	489,202	487,831	483,611	(4,220)
Equalization	600,199	602,696	589,376	(13,320)
Cooperative extension	142,097	142,631	142,949	318
Civil counsel	15,522	13,143	16,593	3,450
Prosecutor	718,558	719,098	709,496	(9,602)
Register of deeds	351,335	345,471	339,038	(6,433)
Personnel	91,683	91,165	89,546	(1,619)
Surveyor	96,671	137,613	131,672	(5,941)
Drain Commissioner	274,026	274,547	266,816	(7,731)
Payroll	63,019	60,039	58,175	(1,864)
Courtesy desk/mail	33,818	29,063	27,427	(1,636)
Drain maintenance and construction	159,765	126,000	126,639	639
Soil erosion/conservation	6,694	6,694	6,190	(504)
Elections	131,600	131,300	92,186	(39,114)
<b>Total general government</b>	<b>4,052,351</b>	<b>4,052,540</b>	<b>3,943,692</b>	<b>(108,848)</b>
<b>Public safety:</b>				
Sheriff's department	751,095	772,669	774,031	1,362
Courthouse security	38,746	43,223	44,089	866
Regional drug force contract	131	131	131	-
Marine law enforcement	36,500	91,481	92,062	581

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (concluded)</b>				
<b>Public safety (continued):</b>				
Crisis management	\$ -	\$ 113,508	\$ 113,506	\$ (2)
Animal control	207,070	224,992	222,465	(2,527)
Truancy program	8,000	8,000	8,000	-
Other public safety	310	-	-	-
<b>Total public safety</b>	<b>1,041,852</b>	<b>1,254,004</b>	<b>1,254,284</b>	<b>280</b>
<b>Public works:</b>				
Board of public works	33,740	43,301	43,492	191
Drain tax at large	15,000	14,400	6,384	(8,016)
<b>Total public works</b>	<b>48,740</b>	<b>57,701</b>	<b>49,876</b>	<b>(7,825)</b>
<b>Health and welfare:</b>				
Health department	305,625	306,987	306,987	-
Contagious disease	383	383	312	(71)
Mental health	220,000	220,000	220,000	-
Family counseling services	5,709	5,709	4,709	(1,000)
Medical Care Facility maintenance of effort	92,218	92,218	95,736	3,518
Substance abuse	110,904	163,048	138,173	(24,875)
Medical examiner	94,448	94,448	95,874	1,426
<b>Total health and welfare</b>	<b>829,287</b>	<b>882,793</b>	<b>861,791</b>	<b>(21,002)</b>
<b>Community and economic development:</b>				
Land use educator	73,692	73,692	73,692	-
Economic development (NCEDO)	43,000	43,000	43,000	-
Redevelopment	5,000	5,000	5,000	-
West Michigan regional planning	13,250	13,250	12,926	(324)
<b>Total community and economic development</b>	<b>134,942</b>	<b>134,942</b>	<b>134,618</b>	<b>(324)</b>
<b>Other:</b>				
National Forest grant distributions	-	156,001	156,001	-
Non-departmental expenditures	31,000	50,148	5,275	(44,873)
<b>Total other</b>	<b>31,000</b>	<b>206,149</b>	<b>161,276</b>	<b>(44,873)</b>
Capital outlay	33,635	302,001	202,896	(99,105)
<b>Total expenditures</b>	<b>9,335,887</b>	<b>10,075,868</b>	<b>9,721,851</b>	<b>(354,017)</b>
<b>Revenues over expenditures</b>	<b>2,030,476</b>	<b>1,953,258</b>	<b>2,471,244</b>	<b>517,986</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Other financing sources (uses)				
Transfers in	\$ 909,976	\$ 1,171,060	\$ 1,172,595	\$ 1,535
Transfers out	(3,195,468)	(3,236,764)	(3,238,723)	1,959
<b>Total other financing sources (uses)</b>	<b>(2,285,492)</b>	<b>(2,065,704)</b>	<b>(2,066,128)</b>	<b>3,494</b>
Net change in fund balance	(255,016)	(112,446)	405,116	517,562
Fund balance, beginning of year	3,185,486	3,185,486	3,185,486	-
Fund balance, end of year (budgetary basis)	<u>\$ 2,930,470</u>	<u>\$ 3,073,040</u>	3,590,602	<u>\$ 517,562</u>
Accounting basis difference (Note 2)			<u>(754,162)</u>	
Fund balance, end of year (GAAP basis)			<u>\$ 2,836,440</u>	

concluded

The accompanying notes are an integral part of these financial statements.

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Special Investigative Unit For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Intergovernmental - federal	\$ 163,881	\$ 106,012	\$ 79,226	\$ (26,786)
Interest revenue	-	560	560	-
Contributions from private sources	116,566	129,296	129,296	-
<b>Total revenues</b>	<b>280,447</b>	<b>235,868</b>	<b>209,082</b>	<b>(26,786)</b>
<b>Expenditures</b>				
Current - public safety	280,447	235,868	207,033	(28,835)
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>2,049</b>	<b>2,049</b>
Fund balances, beginning of year	55,227	55,227	55,227	-
<b>Fund balances, end of year</b>	<b>\$ 55,227</b>	<b>\$ 55,227</b>	<b>\$ 57,276</b>	<b>\$ 2,049</b>

The accompanying notes are an integral part of these financial statements.

## COUNTY OF NEWAYGO, MICHIGAN

### Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - County Jail

For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Intergovernmental - federal	\$ 1,600	\$ 2,511	\$ 2,511	\$ -
Charges for services	2,690,954	2,592,254	2,601,014	8,760
Other revenues/reimbursements	70,600	121,144	115,607	(5,537)
<b>Total revenues</b>	<b>2,763,154</b>	<b>2,715,909</b>	<b>2,719,132</b>	<b>3,223</b>
<b>Expenditures</b>				
Current - public safety	4,354,920	4,297,463	4,262,052	(35,411)
<b>Revenues under expenditures</b>	<b>(1,591,766)</b>	<b>(1,581,554)</b>	<b>(1,542,920)</b>	<b>38,634</b>
<b>Other financing sources (uses)</b>				
Transfers in	1,606,233	1,606,800	1,606,800	-
Transfers out	(14,467)	(27,406)	(27,406)	-
<b>Total other financing sources (uses)</b>	<b>1,591,766</b>	<b>1,579,394</b>	<b>1,579,394</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>(2,160)</b>	<b>36,474</b>	<b>38,634</b>
<b>Fund balance, beginning of year</b>	<b>27,326</b>	<b>27,326</b>	<b>27,326</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 27,326</b>	<b>\$ 25,166</b>	<b>\$ 63,800</b>	<b>\$ 38,634</b>

The accompanying notes are an integral part of these financial statements.

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COUNTY OF NEWAYGO, MICHIGAN

Statement of Net Position

Proprietary Funds  
September 30, 2014

	Business-type Activities - Enterprise Funds			
	2011 and Prior Delinquent Tax (various)	2013 Delinquent Tax (516132)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 865,931	\$ 408,737	\$ -	\$ 553,734
Restricted cash and cash equivalents	-	-	-	328,765
Investments	8,742,824	-	-	1,134,898
Accounts receivable	19,687	-	-	100,023
Delinquent taxes receivable	41,058	2,269,034	-	-
Due from other governments	112,182	-	-	-
Current portion of leases receivable	-	-	563,328	-
Due from other funds	1,270,000	-	-	-
Interfund receivable	282,626	-	-	-
Prepays	-	-	-	-
<b>Total current assets</b>	<b>11,334,308</b>	<b>2,677,771</b>	<b>563,328</b>	<b>2,117,420</b>
Noncurrent assets:				
Advance to component units	15,076	-	-	-
Leases receivable, net of current portion	-	-	3,341,033	-
Capital assets being depreciated, net	5,318	-	-	3,078
<b>Total noncurrent assets</b>	<b>20,394</b>	<b>-</b>	<b>3,341,033</b>	<b>3,078</b>
<b>Total assets</b>	<b>11,354,702</b>	<b>2,677,771</b>	<b>3,904,361</b>	<b>2,120,498</b>
Deferred outflows of resources				
Loss on bond refunding, net	-	-	75,853	-
<b>Liabilities</b>				
Current liabilities:				
Interfund payable	-	-	-	-
Accounts payable	56,440	-	-	772
Accrued expenses	-	-	-	-
Accrued interest payable	-	-	51,021	-
Due to other funds	-	1,000,000	-	-
Current portion of long-term debt	-	-	522,309	-
<b>Total current liabilities</b>	<b>56,440</b>	<b>1,000,000</b>	<b>573,330</b>	<b>772</b>
Noncurrent liabilities:				
Long-term debt, net of current portion	-	1,320,000	3,406,884	-
<b>Total liabilities</b>	<b>56,440</b>	<b>2,320,000</b>	<b>3,980,214</b>	<b>772</b>
<b>Net position</b>				
Net investment in capital assets	5,318	-	-	3,078
Restricted for property tax foreclosures	-	-	-	328,765
Unrestricted	11,292,944	357,771	-	1,787,883
<b>Total net position</b>	<b>\$ 11,298,262</b>	<b>\$ 357,771</b>	<b>\$ -</b>	<b>\$ 2,119,726</b>

The accompanying notes are an integral part of these financial statements.

Business-type Activities		Governmental Activities
Nonmajor Enterprise Funds	Total	Internal Service Funds
\$ 512,736	\$ 2,341,138	\$ 5,947,531
-	328,765	-
-	9,877,722	-
4,742	124,452	(8,634)
777,178	3,087,270	-
-	112,182	6,342
-	563,328	-
-	1,270,000	23,896
-	282,626	-
-	-	368,476
<u>1,294,656</u>	<u>17,987,483</u>	<u>6,337,611</u>
-	15,076	-
-	3,341,033	-
17,444	25,840	278,063
<u>17,444</u>	<u>3,381,949</u>	<u>278,063</u>
<u>1,312,100</u>	<u>21,369,432</u>	<u>6,615,674</u>
-	75,853	-
-	-	5,610
21,517	78,729	207,702
-	-	32,544
-	51,021	-
270,000	1,270,000	158,699
-	522,309	6,306
<u>291,517</u>	<u>1,922,059</u>	<u>410,861</u>
-	4,726,884	19,455
<u>291,517</u>	<u>6,648,943</u>	<u>430,316</u>
17,444	25,840	278,063
-	328,765	-
1,003,139	14,441,737	5,907,295
<u>\$ 1,020,583</u>	<u>\$ 14,796,342</u>	<u>\$ 6,185,358</u>

COUNTY OF NEWAYGO, MICHIGAN

**Statement of Revenues, Expenses and Changes in Fund Net Position**  
 Proprietary Funds  
 For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds			
	2011 and Prior Delinquent Tax (various)	2013 Delinquent Tax (516132)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)
Operating revenues				
Charges for services	\$ -	\$ -	\$ 112,665	\$ 196,278
Rentals	-	-	-	-
Interest and penalties on delinquent taxes	43,314	374,437	-	-
Reimbursements	-	-	-	368,755
<b>Total operating revenues</b>	<b>43,314</b>	<b>374,437</b>	<b>112,665</b>	<b>565,033</b>
Operating expenses				
Supplies and operating expenses	1,647	1	-	244,043
Depreciation	3,039	-	-	1,759
<b>Total operating expenses</b>	<b>4,686</b>	<b>1</b>	<b>-</b>	<b>245,802</b>
<b>Operating income (loss)</b>	<b>38,628</b>	<b>374,436</b>	<b>112,665</b>	<b>319,231</b>
Nonoperating revenues (expenses)				
Interest income (loss)	211,540	-	-	26,812
Interest expense	(2)	(16,665)	(116,933)	-
<b>Total nonoperating revenues (expense)</b>	<b>211,538</b>	<b>(16,665)</b>	<b>(116,933)</b>	<b>26,812</b>
<b>Income (loss) before transfers</b>	<b>250,166</b>	<b>357,771</b>	<b>(4,268)</b>	<b>346,043</b>
Transfers				
Transfers in	4,173	-	-	-
Transfers out	-	-	-	(349,501)
<b>Total transfers</b>	<b>4,173</b>	<b>-</b>	<b>-</b>	<b>(349,501)</b>
<b>Change in net position</b>	<b>254,339</b>	<b>357,771</b>	<b>(4,268)</b>	<b>(3,458)</b>
Net position, beginning of year	11,043,923	-	4,268	2,123,184
<b>Net position, end of year</b>	<b>\$ 11,298,262</b>	<b>\$ 357,771</b>	<b>\$ -</b>	<b>\$ 2,119,726</b>

The accompanying notes are an integral part of these financial statements.

Business-type Activities		Governmental Activities
Nonmajor Enterprise Funds	Total	Internal Service Funds
\$ 60,139	\$ 369,082	\$ 1,917,455
103,848	103,848	-
226,735	644,486	-
53,998	422,753	4,730,606
<u>444,720</u>	<u>1,540,169</u>	<u>6,648,061</u>
151,190	396,881	5,662,570
2,472	7,270	132,005
<u>153,662</u>	<u>404,151</u>	<u>5,794,575</u>
<u>291,058</u>	<u>1,136,018</u>	<u>853,486</u>
4,368	242,720	146,364
(2,372)	(135,972)	-
<u>1,996</u>	<u>106,748</u>	<u>146,364</u>
<u>293,054</u>	<u>1,242,766</u>	<u>999,850</u>
-	4,173	760,270
(94,930)	(444,431)	(1,366,921)
<u>(94,930)</u>	<u>(440,258)</u>	<u>(606,651)</u>
198,124	802,508	393,199
<u>822,459</u>	<u>13,993,834</u>	<u>5,792,159</u>
<u>\$ 1,020,583</u>	<u>\$ 14,796,342</u>	<u>\$ 6,185,358</u>

COUNTY OF NEWAYGO, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds			
	2011 and Prior Delinquent Tax (various)	2013 Delinquent Tax (516132)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)
Cash flows from operating activities				
Receipts from customers and users	\$ 1,877,391	\$ 2,218,951	\$ 112,665	\$ 533,228
Receipts from interfund services	-	-	-	-
Payments to vendors	-	(1,568)	-	(291,308)
Payments for personnel services	-	-	-	-
Delinquent taxes purchased	-	(4,113,549)	-	-
Net cash provided by (used in) operating activities	<u>1,877,391</u>	<u>(1,896,166)</u>	<u>112,665</u>	<u>241,920</u>
Cash flows from noncapital financing activities				
Proceeds from issuance of long-term debt	-	2,000,000	-	-
Principal paid on long-term debt	-	(680,000)	-	-
Interest paid on long-term debt	(2)	(16,665)	-	-
Cash received from interfund loan	-	1,000,000	-	-
Cash paid for interfund loan	(200,000)	-	-	-
Transfers in	4,173	-	-	-
Transfers out	-	-	-	(349,501)
Net cash (used in) provided by non-capital financing activities	<u>(195,829)</u>	<u>2,303,335</u>	<u>-</u>	<u>(349,501)</u>
Cash flows from capital and related financing activities				
Principal paid on long-term debt	-	-	(500,000)	-
Interest paid on long-term debt	-	-	(143,574)	-
Cash received from capital leases	-	-	526,641	-
Proceeds from sale of capital assets	-	-	-	-
Purchases of capital assets	-	-	-	-
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>(116,933)</u>	<u>-</u>
Cash flows from investing activities				
Purchase of investments	(2,532,774)	-	-	(10,174)
Sale of investments	1,406,762	-	-	-
Interest received on investments	211,540	-	-	26,812
Net cash provided by (used in) investing activities	<u>(914,472)</u>	<u>-</u>	<u>-</u>	<u>16,638</u>

Business-type Activities		Governmental Activities
Nonmajor Enterprise Funds	Total	Internal Service Funds
\$ 2,034,958	\$ 6,777,193	\$ -
-	-	6,761,634
(136,180)	(429,056)	(4,742,003)
-	-	(962,937)
-	(4,113,549)	-
<u>1,898,778</u>	<u>2,234,588</u>	<u>1,056,694</u>
-	2,000,000	-
(1,075,000)	(1,755,000)	-
(2,372)	(19,039)	-
-	1,000,000	-
(800,000)	(1,000,000)	-
-	4,173	760,270
(94,930)	(444,431)	(1,366,921)
<u>(1,972,302)</u>	<u>(214,297)</u>	<u>(606,651)</u>
-	(500,000)	-
-	(143,574)	-
-	526,641	-
-	-	1,143
(6,686)	(6,686)	(172,329)
<u>(6,686)</u>	<u>(123,619)</u>	<u>(171,186)</u>
-	(2,542,948)	-
-	1,406,762	-
4,368	242,720	146,364
<u>4,368</u>	<u>(893,466)</u>	<u>146,364</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds			
	2011 and Prior Delinquent Tax (various)	2013 Delinquent Tax (516132)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)
Net change in cash and cash equivalents	\$ 767,090	\$ 407,169	\$ (4,268)	\$ (90,943)
Cash and cash equivalents, beginning of year	98,841	1,568	4,268	973,442
Cash and cash equivalents, end of year	<u>\$ 865,931</u>	<u>\$ 408,737</u>	<u>\$ -</u>	<u>\$ 882,499</u>
Cash and cash equivalents as reported on the statement of net position				
Cash and cash equivalents	\$ 865,931	\$ 408,737	\$ -	\$ 553,734
Restricted cash and cash equivalents	-	-	-	328,765
Total cash and cash equivalents	<u>\$ 865,931</u>	<u>\$ 408,737</u>	<u>\$ -</u>	<u>\$ 882,499</u>
Cash flows from operating activities				
Operating income (loss)	\$ 38,628	\$ 374,436	\$ 112,665	\$ 319,231
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:				
Depreciation	3,039	-	-	1,759
Change in assets / liabilities:				
Interfund receivable	999,685	-	-	-
Accounts receivable	(8,613)	-	-	(31,805)
Taxes receivable	834,270	(2,269,035)	-	-
Due from other governments	(45,231)	-	-	-
Due from other funds	-	-	-	-
Prepays	-	-	-	-
Interfund payable	-	-	-	-
Accounts payable	55,613	(1,567)	-	(47,265)
Due to other governments	-	-	-	-
Accrued expenses	-	-	-	-
Due to other funds	-	-	-	-
Compensated absences	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 1,877,391</u>	<u>\$ (1,896,166)</u>	<u>\$ 112,665</u>	<u>\$ 241,920</u>

Non-cash transactions

There were no non-cash transactions during the fiscal year.

The accompanying notes are an integral part of these financial statements.

Business-type Activities		Governmental Activities
Nonmajor Enterprise Funds	Total	Internal Service Funds
\$ (75,842)	\$ 1,003,206	\$ 425,221
588,578	1,666,697	5,522,310
<u>\$ 512,736</u>	<u>\$ 2,669,903</u>	<u>\$ 5,947,531</u>
\$ 512,736	\$ 2,341,138	\$ 5,947,531
-	328,765	-
<u>\$ 512,736</u>	<u>\$ 2,669,903</u>	<u>\$ 5,947,531</u>
\$ 291,058	\$ 1,136,018	\$ 853,486
2,472	7,270	132,005
-	999,685	-
5,737	(34,681)	165,899
1,555,997	121,232	-
28,503	(16,728)	-
-	-	417
-	-	(106,945)
-	-	5,610
15,012	21,793	(60,151)
(1)	(1)	-
-	-	4,826
-	-	55,575
-	-	5,972
<u>\$ 1,898,778</u>	<u>\$ 2,234,588</u>	<u>\$ 1,056,694</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Fiduciary Assets and Liabilities

Agency Funds  
September 30, 2014

### Assets

Cash and cash equivalents	\$ 4,082,899
Accounts receivable	12
Due from other governments	<u>580</u>

### Total assets

\$ 4,083,491

### Liabilities

Accounts payable	\$ 311,641
Due to other governments	3,670,373
Undistributed receipts	<u>101,477</u>

### Total liabilities

\$ 4,083,491

The accompanying notes are an integral part of these financial statements.

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# COUNTY OF NEWAYGO, MICHIGAN

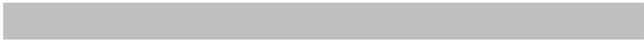
## Combining Statement of Net Position

Discretely Presented Component Units

September 30, 2014

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ 358,913	\$ 165,792
Receivables	347,536	357,066	428
Other assets	-	-	-
Capital assets not being depreciated	199,259	-	-
Capital assets being depreciated, net	46,424	92,499	-
Net pension asset	-	-	-
<b>Total assets</b>	<b>593,219</b>	<b>808,478</b>	<b>166,220</b>
<b>Liabilities</b>			
Negative equity in cash and cash equivalents	108,573	-	-
Accounts payable and accrued liabilities	34,074	1,233	-
Advance from primary government	-	315,076	-
Long-term liabilities:			
Due within one year	3,773	-	-
Due in more than one year	15,537	-	-
Net other postemployment benefits obligation	-	-	-
<b>Total liabilities</b>	<b>161,957</b>	<b>316,309</b>	<b>-</b>
<b>Net position</b>			
Net investment in capital assets	245,683	92,499	-
Unrestricted	185,579	399,670	166,220
<b>Total net position</b>	<b>\$ 431,262</b>	<b>\$ 492,169</b>	<b>\$ 166,220</b>

The accompanying notes are an integral part of these financial statements.



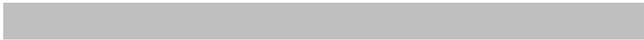
Road Commission	Medical Care Facility	Total
\$ 975,900	\$ 4,663,044	\$ 6,163,649
1,460,847	945,633	3,111,510
875,944	193,008	1,068,952
2,151,451	-	2,350,710
38,920,056	11,301,998	50,360,977
-	767,466	767,466
<u>44,384,198</u>	<u>17,871,149</u>	<u>63,823,264</u>
-	-	108,573
1,221,690	596,744	1,853,741
-	-	315,076
707,496	-	711,269
597,406	551,603	1,164,546
1,560,471	-	1,560,471
<u>4,087,063</u>	<u>1,148,347</u>	<u>5,713,676</u>
39,961,230	11,301,998	51,601,410
335,905	5,420,804	6,508,178
<u>\$ 40,297,135</u>	<u>\$ 16,722,802</u>	<u>\$ 58,109,588</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Activities Discretely Presented Component Units For the Year Ended September 30, 2014

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
Expenses			
Central dispatch	\$ 1,003,467	\$ -	\$ -
County drains	-	353,480	-
Brownfield redevelopment	-	-	7,198
Roads	-	-	-
Medical care	-	-	-
Total expenses	<u>1,003,467</u>	<u>353,480</u>	<u>7,198</u>
Program revenues			
Charges for services	789,534	-	-
Operating grants and contributions	472,941	-	17,500
Capital grants and contributions	-	357,030	-
Total program revenues	<u>1,262,475</u>	<u>357,030</u>	<u>17,500</u>
Net revenue (expense)	<u>259,008</u>	<u>3,550</u>	<u>10,302</u>
General revenues			
Property taxes	-	-	30,895
Gain on sale of capital assets	-	-	-
Other revenues	-	-	-
Total general revenues	<u>-</u>	<u>-</u>	<u>30,895</u>
Change in net position	259,008	3,550	41,197
Net position, beginning of year	<u>172,254</u>	<u>488,619</u>	<u>125,023</u>
Net position, end of year	<u>\$ 431,262</u>	<u>\$ 492,169</u>	<u>\$ 166,220</u>

The accompanying notes are an integral part of these financial statements.



Road Commission	Medical Care Facility	Total
\$ -	\$ -	\$ 1,003,467
-	-	353,480
-	-	7,198
11,021,535	-	11,021,535
-	11,147,784	11,147,784
<u>11,021,535</u>	<u>11,147,784</u>	<u>23,533,464</u>
1,361,545	11,160,600	13,311,679
5,928,799	-	6,419,240
3,265,903	-	3,622,933
<u>10,556,247</u>	<u>11,160,600</u>	<u>23,353,852</u>
<u>(465,288)</u>	<u>12,816</u>	<u>(179,612)</u>
-	-	30,895
108,879	-	108,879
-	58,315	58,315
<u>108,879</u>	<u>58,315</u>	<u>198,089</u>
<u>(356,409)</u>	<u>71,131</u>	<u>18,477</u>
<u>40,653,544</u>	<u>16,651,671</u>	<u>58,091,111</u>
<u>\$ 40,297,135</u>	<u>\$ 16,722,802</u>	<u>\$ 58,109,588</u>

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## NOTES TO FINANCIAL STATEMENTS

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Newaygo, Michigan (the “County” or the “government”) was incorporated in 1851 and covers an area of 864 square miles. The County operates under a 7-member elected Board of Commissioners and an appointed County Administrator.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County’s accounting policies are described below.

#### Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the County is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and as such, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the government.

#### *Blended Component Unit*

Newaygo County Building Authority (the “Building Authority”) - The Building Authority is governed by a 3-member board which is appointed by the County Board of Commissioners. Its sole purpose is to finance and construct the County’s public buildings. It is reported as an enterprise fund and has a September 30 year-end. A separate report is not prepared for the Building Authority.

#### *Discretely Presented Component Units*

Newaygo County Central Dispatch Authority (the “Authority”) - The Authority was established by resolution by the County Board of Commissioners. It establishes policy and reviews operations of the E-911 service for the County Board of Commissioners. Because the County Board of Commissioners elects a voting majority of the Authority’s board members and can remove Authority board members at will, it is deemed to have the ability to impose its will. The Authority cannot set its own budget, establish rates, or issue debt and, accordingly, is fiscally dependent on the County. The Authority has a September 30 year end, and is accounted for as a single enterprise fund. Complete financial statements for this component unit are not separately prepared.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Newaygo County Drain Commissioner (the “Drain Commissioner”) - All drainage districts established pursuant to the Michigan Drain Code of 1956 are separate legal entities with the power to contract, to sue and be sued, and to hold, manage and dispose of real and personal property. The statutory governing board of Chapter 5 and 6 drainage districts consists of the Michigan Director of Agriculture and the drain commission of each county involved in the project. The County Drain Commissioner has sole responsibility to administer Chapter 3 and 4 drainage districts. A drainage board or drain commission, on behalf of the drainage district, may issue debt and levy special assessments without the prior approval of the County. The full faith and credit of the County may be given for the debt of the drainage district. The Drain Commissioner is required by law to make an annual report to the Board of Commissioners in October. The Drain Commission is required to be presented as a discretely-presented component unit by the State of Michigan, and accordingly, has been reported as such under the “misleading to exclude” criteria. The Drain Commissioner has a September 30 year end. Complete financial statements for this component unit are not separately prepared.

Brownfield Redevelopment Authority - This entity was created to facilitate the implementation of plans relating to the identification and treatment of environmentally distressed areas to promote revitalization within the Brownfield Redevelopment zone. The members of the governing board of the Brownfield Redevelopment Authority are appointed by the County Board of Commissioners, effectively allowing the County to impose its will on the Authority. The budgets and expenditures of the Authority must be approved by the County, indicating fiscal dependency. The Authority has a September 30 year end. Complete financial statements for this component unit are not separately prepared.

Newaygo County Road Commission (the “Commission”) - the Commission is responsible for the maintenance and construction of the County road system. The Commission’s operations are financed primarily from the State distribution of gas and weight taxes, federal financial assistance, and contributions from other local governments within the County. The three-member Board is appointed by the Newaygo County Board Commissioners. Because the County may remove commission members, it has financial accountability for the Road Commission, as such is reported as a discretely-presented component unit of the County. The Commission has a September 30 year end. The component unit is audited separately from the County and complete financial statements may be obtained from the Road Commission’s administrative office. Accordingly, the County has elected to omit substantially all note disclosures related to the Commission in these financial statements.

Newaygo Medical Care Facility (the “Facility”) - The Facility is a long-term care unit, independent-living facility, and a community center. It services primarily residents of Newaygo County. The Facility is governed by the Newaygo County Department of Human Services Board. The board consists of three members, two of whom are appointed by the County Board of Commissioners and the other appointed by the State of Michigan governor. The County Board of Commissioners approves the Facility’s budget as a line item in the County budget. Because the County has financial accountability for the Facility and can impose its will by appointing and removing commission members, the Facility is deemed to be a discretely-presented component unit of the County. The Facility is reported in the County’s financial statements on its fiscal year end of December 31. The component unit is audited separately from the County and complete financial statements may be obtained from the Facility’s administrative office. Accordingly, the County has elected to omit substantially all note disclosures related to the Facility in these financial statements.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### *Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds, a type of fiduciary fund, are unlike all other types of funds, reporting only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or within one year for expenditure-driven grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Property taxes, intergovernmental revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

The *special investigative unit fund* accounts for the operations of the Central Michigan Enforcement Team. Primary revenue sources for this fund are intergovernmental grants and drug forfeitures.

The *county jail fund* accounts for the operations of the County Jail Facility. Primary revenue sources for this fund are rental fees, charges for housing prisoners, and an appropriation from the general fund.

The *capital improvement fund* accounts for the financial resources restricted or committed for the acquisition or construction of capital improvements, other than those projects that are financed by proprietary funds.

The County reports the following major proprietary funds:

The *2011 and prior delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in years 2011 and prior.

The *2013 delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in the year 2013.

The *sanitary sewer construction fund* accounts for special assessment debt issued on behalf of local units, dollars received from the local units for the payment of principal and interest on this debt, and expenditures of bond proceeds.

The *P.A. 123 fund* accounts for accounts for the revenue collection and administration from forfeited property under Public Act 123 of 1999.

Additionally, the County reports the following fund types:

*Special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

*Debt service funds* account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

*Enterprise funds* account for those operations that are financed and operated in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Internal service funds* account for operations that provide services (such as equipment rentals and self-insurance) to other departments or agencies of the government, on a cost-reimbursement basis.

*Agency funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity (such as taxes collected for other governments).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Restricted position represents amounts that are subject to restrictions beyond the government's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity

### *Deposits and investments*

The government's cash and cash equivalents include amounts in demand deposit accounts, certificates of deposit and short term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value.

Restricted cash and cash equivalents consists of proceeds from the sale of foreclosed property, net of unpaid taxes and fees and auction costs. Such funds remain restricted for the two most recent levies, at which time they can be utilized at the direction of the Board of Commissioners.

Investment income of the pooled cash fund is allocated to the general fund based on County policy, except for the central dispatch authority component unit which receives a proportionate share of investment earnings based on average cash balances.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

State statutes and County policy authorize the County to invest in:

Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.

Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.

Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.

Bankers' acceptances of United States banks.

Obligations of the State of Michigan and its political subdivisions, that, at the time of purchase are rated as investment grade by at least one standard rating service.

Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.

External investment pools as authorized by Public Act 20 as amended through December 31, 1997.

### *Receivables and payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by nonspendable fund balance in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles, as applicable. At December 31, 2013, the Medical Care Facility component unit had a reserve of \$131,000 for uncollectible receivables.

Amounts due from other governments include amounts due from grantors for specific programs and capital projects. Program grants and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Revenues received in advance of project costs being incurred are reported as unearned.

Accounts receivable in the community development fund represent federal Community Development Block Grant funds advanced to area residents for home improvements, which must be repaid by the homeowner upon sale or foreclosure. The County has an enforceable lien on such property.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Other assets*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Inventories are reported only in the separately-audited Road Commission.

### *Capital assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired or constructed since 1980), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,500 and an estimated useful life of one year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the asset constructed. No such interest expense was incurred during the current fiscal year.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	25-40
Land improvements	10-20
Machinery and equipment	5-10
Vehicles	3-5
Bike paths and trailways	20
Drain infrastructure	20

The County reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its fair value. If it is determined that an impairment loss has occurred the asset is written down to its net realizable value and a current charge to income is recognized.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Deferred outflows of resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and, as such, will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows of resources in the proprietary fund and government-wide statements for deferred losses on advance bond refundings. The amounts result from the difference in the carrying value of refunded debt and its reacquisition price and are amortized over the shorter of the life of the refunded or refunding debt.

### *Compensated absences*

Eligible employees are permitted to accumulate earned but unused vacation pay benefits in varying amounts based on length of service and certain other established criteria. Sick pay and vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

### *Long-term obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### *Deferred inflows of resources*

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues, which arise only under a modified accrual basis of accounting, from property taxes and special assessments receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Fund equity*

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the government's highest level of decision-making authority). A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The County reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners has delegated the authority to assign fund balance to the County Administrator. Unassigned fund balance is the residual classification for the general fund.

The County Board of Commissions has adopted a minimum fund balance policy in which unassigned fund balance of the general fund will be equal to a range of 10 percent to 16 percent of total general fund expenditures (including budgeted transfers out). At September 30, 2014, unassigned fund balance of the general fund was equal to 17.2 percent of general fund expenditures and transfers out.

When the government incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

### *Interfund transactions*

During the course of normal operations, the County has numerous transactions between funds and component units, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements. Internal service funds are used to record charges for services to all County departments and funds as transfers or operating revenue. All County funds record these payments to the internal service funds as transfers or operating expenditures/expenses.

### *Use of estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates. The County utilizes various investment instruments which are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 2. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue funds. All annual appropriations lapse at year end. The legal level of budgetary control is the activity level in the general fund and the functional level for special revenue funds.

All departments and budgetary centers of the County are required to submit budget requests to the County Administrator. The Administrator then develops and presents a proposed budget to the Board for review. The Board generally holds public hearings in August and a final budget is approved prior to September 30, the close of the County’s fiscal year. The appropriated budget is prepared by fund and department/activity. Budget amendments and transfers of appropriations less than \$30,000 require Administrator approval. Board approval is required for all others.

#### *Budget / GAAP reconciliation*

The County has prepared its budget for the general fund recognizing the full amount of the July 1 property tax levy as revenue in the current year. GAAP requires that property taxes not collected by November 30 (60 days after year end) be deferred as “unavailable”, and recognized in the following fiscal year. As the County intends to rely on the July 1 levy to fund current year operations, management believes it is appropriate to follow this budgetary (non-GAAP) basis in its internal accounting for property taxes, and disclose the difference between the budgetary basis and GAAP in the notes to the financial statements.

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - General Fund is presented on the same basis of accounting used in preparing the adopted budget. The following schedule reconciles the amounts on that statement to the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.

	Budgetary Basis	Accounting Basis Difference	GAAP Basis
<b>General fund</b>			
Deferred inflows of resources	\$ -	\$ 754,162	\$ 754,162
Property tax revenue	7,058,685	(13,599)	7,045,086
Fund balance, beginning of year	3,185,486	(740,563)	2,444,923
Fund balance, end of year	3,590,602	(754,162)	2,836,440

### 3. DEFICIT FUND EQUITY

At September 30, 2014, the Drain fund of the Drain Commissioner component unit reported a fund balance deficit of \$92,241. This deficit is planned to be eliminated in future periods through special assessment levies.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 4. EXCESS OF EXPENDITURES OVER BUDGET

P.A. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount budgeted. The approved budgets of the County were adopted on the activity level basis for the general fund and the functional basis for special revenue funds.

During the year ended September 30, 2014, the County had incurred expenditures in budgetary funds which were in excess of the amounts budgeted as follows:

	Final Budget	Expenditures	Budget Variance
General fund:			
Judicial - 27th Circuit Court - Oceana	\$ 36,719	\$ 36,747	\$ 28
General government:			
Cooperative extension	142,631	142,949	318
Civil counsel	13,143	16,593	3,450
Drain maintenance and construction	126,000	126,639	639
Public safety:			
Sheriff's department	772,669	774,031	1,362
Courthouse security	43,223	44,089	866
Marine law enforcement	91,481	92,062	581
Public works - board of public works	43,301	43,492	191
Health and welfare:			
Medical Care Facility maintenance of effort	92,218	95,736	3,518
Medical examiner	94,448	95,874	1,426
Transfers out	3,541,022	3,542,981	1,959
County Parks:			
Capital outlay	23,079	24,841	1,762
Law Enforcement Technical Fund:			
Public safety	15,422	24,796	9,374
Drug Law Enforcement:			
Transfers out	3,665	3,666	1
County Law Library:			
Judicial	11,997	12,047	50

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 5. DEPOSITS AND INVESTMENTS

The County maintains pooled and individual fund demand deposits, certificates of deposit and short-term investment accounts for the primary government and certain discretely presented component units. Certain imprest demand deposit accounts are also maintained by discretely presented component units.

Following is a reconciliation of deposit and investment balances as of September 30, 2014:

	Primary Government	Component Units	Totals
<b>Statement of Net Position</b>			
Cash and cash equivalents	\$ 14,006,095	\$ 6,055,076	\$ 20,061,171
Restricted cash and cash equivalents	328,765	-	328,765
Investments	12,403,177	-	12,403,177
<b>Statement of Fiduciary Assets and Liabilities</b>			
Cash and cash equivalents	4,082,899	-	4,082,899
<b>Total deposits and investments</b>	<b>30,820,936</b>	<b>6,055,076</b>	<b>36,876,012</b>
<b>Less component units separately audited</b>			
Road Commission	-	(975,900)	(975,900)
Medical Care Facility	-	(4,663,044)	(4,663,044)
<b>Deposits and investments managed by the County Treasurer</b>	<b>\$ 30,820,936</b>	<b>\$ 416,132</b>	<b>\$ 31,237,068</b>
<b>Deposits and investments</b>			
Checking and savings accounts			\$ 14,782,358
Certificates of deposit			5,771,978
Investments			10,682,096
Cash on hand			636
<b>Total</b>			<b>\$ 31,237,068</b>

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits might not be returned. State law does not require and the County does not have a policy for deposit custodial credit risk. As of year-end, \$14,685,211 of the County's bank balance of \$20,833,573 was exposed to custodial credit risk because it was uninsured and uncollateralized. Due to the dollar amounts of cash deposits and the limits of FDIC insurance, the County believes it is impractical to insure all bank deposits. As a result, the County evaluates each financial institution with which it deposits County funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Custodial Credit Risk - Investments.* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In order to minimize this risk, County policy limits the types of investments and pre-qualifies financial institutions. As of September 30, 2014, none of the County's investments were exposed to risk since the securities are held in the County's name by the counterparty. Following is a summary of the County's investments as of September 30, 2014:

U.S. agencies	\$ 6,321,744
Municipal bonds	197,367
Money market funds	<u>4,162,985</u>
<b>Total</b>	<b><u>\$ 10,682,096</u></b>

*Credit Risk.* State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments in the summary of significant accounting policies. The County's investment policy does not have specific limits in excess of state law on investment credit risk.

Credit risk ratings, where applicable, are summarized as follows:

S&P AA+	\$ 6,123,861
S&P AA-	395,250
S&P AAAm	<u>4,162,985</u>
<b>Total</b>	<b><u>\$ 10,682,096</u></b>

*Interest Rate Risk.* Interest rate risk is the risk that the market rate of securities in the portfolio will fall due to changes in market interest rates. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the summary of significant accounting policies. The County's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Maturity dates for investments and certificates of deposit held at year-end are summarized as follows:

	Certificates of Deposit	Investments
No maturity	\$ -	\$ 4,162,985
Due within one year	1,246,183	197,367
Due in 1-5 years	3,357,959	1,609,821
Due in 6-10 years	1,167,836	4,515,504
Due in 11-15 years	-	<u>196,419</u>
<b>Total</b>	<b><u>\$ 5,771,978</u></b>	<b><u>\$ 10,682,096</u></b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the County’s investment in a single issuer. State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments in the summary of significant accounting policies. The County’s investment policy limits investments in a single financial institution of a single security type (with the exception of U.S. treasuries and agencies and authorized pools) to 70% of the total investment portfolio. All investments held at year end are reported above.

### 6. RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

Receivables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 1,221,879	\$ 124,452	\$ 1,452,874
Less: allowance for uncollectibles	-	-	(131,000)
Taxes (current)	1,326,585	-	-
Taxes (delinquent)	-	3,087,270	-
Due from other governments	829,204	112,182	1,432,570
Special assessments	-	-	357,066
Leases	-	3,904,361	-
<b>Total receivables</b>	<b>\$ 3,377,668</b>	<b>\$ 7,228,265</b>	<b>\$ 3,111,510</b>

Of the amounts reported for receivables above, accounts receivable in the amount of \$1,182,568 and leases receivable in the amount of \$3,341,033 are not expected to be collected within one year.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in governmental funds were as follows:

	Governmental Activities	Component Units
Property taxes receivable	\$ 754,162	\$ -
Special assessments receivable	-	357,066
<b>Totals</b>	<b>\$ 754,162</b>	<b>\$ 357,066</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 7. OTHER ASSETS

Other assets as reported in the statement of net position consist of the following at year-end:

	Governmental Activities	Component Units
Inventories	\$ -	\$ 915,479
Prepays	379,678	153,473
Total other assets	<u>\$ 379,678</u>	<u>\$ 1,068,952</u>

### 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 725,535	\$ 78,729	\$ 1,014,194
Accrued liabilities	513,708	-	502,590
Due to other governments	462,886	-	336,957
Accrued interest on long-term debt	100,262	51,021	-
Total payables	<u>\$ 1,802,391</u>	<u>\$ 129,750</u>	<u>\$ 1,853,741</u>

### 9. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2014, was as follows:

Due to and from primary government funds

	Due from Other Funds	Due to Other Funds
General fund	\$ 37,524	\$ 39,422
County jail	-	11,551
Nonmajor governmental funds	160,188	11,936
2011 and prior delinquent tax	1,270,000	-
2013 delinquent tax	-	1,000,000
Nonmajor enterprise funds	-	270,000
Internal service funds	23,896	158,699
Totals	<u>\$ 1,491,608</u>	<u>\$ 1,491,608</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. In addition, balances between delinquent tax funds relate to short-term loans to finance the annual tax settlement.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Interfund receivables and payables

	Interfund Receivable	Interfund Payable
General fund	\$ -	\$ 27,958
County jail	-	42,465
Nonmajor governmental funds	-	206,593
2011 and prior delinquent tax	282,626	-
Internal service funds	-	5,610
	<hr/>	<hr/>
Totals	<u>\$ 282,626</u>	<u>\$ 282,626</u>

The balances result from funds with negative balances in the County's pooled cash and investments.

### Due to and from component units

	Advance to Component Unit	Due to Primary Government
General fund	\$ 300,000	\$ -
2011 and prior delinquent tax	15,076	-
Drain commissioner	-	315,076
	<hr/>	<hr/>
Totals	<u>\$ 315,076</u>	<u>\$ 315,076</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

For the year ended September 30, 2014, interfund transfers consisted of the following:

Transfers Out	Transfers in					Totals
	General Fund	County Jail	Nonmajor Governmental Funds	Internal Service Funds	2011 and Prior Delinquent Tax	
General fund	\$ -	\$ 1,100,567	\$ 1,685,760	\$ 452,396	\$ -	\$ 3,238,723
County jail	-	-	12,939	14,467	-	27,406
Capital improvements	25,000	-	-	-	-	25,000
Nonmajor governmental funds	70,499	353,652	280,925	88,994	-	794,070
Internal service funds	641,838	152,581	368,089	204,413	-	1,366,921
P.A. 123	349,501	-	-	-	-	349,501
Nonmajor enterprise funds	85,757	-	5,000	-	4,173	94,930
<b>Totals</b>	<b>\$ 1,172,595</b>	<b>\$ 1,606,800</b>	<b>\$ 2,352,713</b>	<b>\$ 760,270</b>	<b>\$ 4,173</b>	<b>\$ 5,896,551</b>

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 10. CAPITAL ASSETS

#### Primary government

Capital asset activity for the primary government for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Governmental activities</b>					
Capital assets, not being depreciated:					
Land	\$ 2,233,586	\$ -	\$ -	\$ -	\$ 2,233,586
<b>Capital assets, being depreciated:</b>					
Buildings	23,008,743	121,794	-	-	23,130,537
Land improvements	926,208	14,417	-	-	940,625
Office equipment	3,565,876	125,452	-	-	3,691,328
Vehicles	1,765,754	179,955	(91,185)	-	1,854,524
	<u>29,266,581</u>	<u>441,618</u>	<u>(91,185)</u>	<u>-</u>	<u>29,617,014</u>
Less accumulated depreciation for:					
Buildings	(8,297,462)	(664,656)	-	-	(8,962,118)
Land improvements	(587,691)	(32,141)	-	-	(619,832)
Office equipment	(2,892,390)	(188,652)	-	-	(3,081,042)
Vehicles	(1,471,001)	(181,574)	81,230	-	(1,571,345)
	<u>(13,248,544)</u>	<u>(1,067,023)</u>	<u>81,230</u>	<u>-</u>	<u>(14,234,337)</u>
Total capital assets being depreciated, net	<u>16,018,037</u>	<u>(625,405)</u>	<u>(9,955)</u>	<u>-</u>	<u>15,382,677</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 18,251,623</u>	<u>\$ (625,405)</u>	<u>\$ (9,955)</u>	<u>\$ -</u>	<u>\$ 17,616,263</u>
<b>Business-type activities</b>					
Capital assets, being depreciated:					
Land improvements	\$ 9,000	\$ 6,686	\$ -	\$ -	\$ 15,686
Equipment	29,341	-	-	-	29,341
	<u>38,341</u>	<u>6,686</u>	<u>-</u>	<u>-</u>	<u>45,027</u>
Less accumulated depreciation for:					
Land improvements	(675)	(1,402)	-	-	(2,077)
Equipment	(11,242)	(5,868)	-	-	(17,110)
	<u>(11,917)</u>	<u>(7,270)</u>	<u>-</u>	<u>-</u>	<u>(19,187)</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 26,424</u>	<u>\$ (584)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,840</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Depreciation expense was charged to functions/programs of the primary government as follows:

Depreciation of governmental activities by function	
General government	\$ 442,009
Public safety	361,135
Health and welfare	111,587
Cultural and recreation	19,781
Judicial	506
Internal service funds *	<u>132,005</u>
 Total governmental activities	 <u><u>\$ 1,067,023</u></u>

\* Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets

Depreciation of business-type activities by function	
2011 and prior delinquent tax	\$ 3,039
P.A. 123	1,759
Nonmajor enterprise funds	<u>2,472</u>
 Total business-type activities	 <u><u>\$ 7,270</u></u>

### Discretely presented component units

Capital assets activity for the Central Dispatch Authority component unit for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Central Dispatch Authority					
Capital assets, not being depreciated:					
Construction in progress	\$ -	\$ 199,259	\$ -	\$ -	<u>\$ 199,259</u>
Capital assets, being depreciated:					
Equipment	317,189	38,812	-	-	356,001
Less accumulated depreciation for:					
Equipment	<u>(296,700)</u>	<u>(12,877)</u>	-	-	<u>(309,577)</u>
Total capital assets being depreciated, net	<u>20,489</u>	<u>25,935</u>	-	-	<u>46,424</u>
Central Dispatch Authority capital assets, net	<u>\$ 20,489</u>	<u>\$ 225,194</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 245,683</u>

As of September 30, 2014, the Central Dispatch Authority component unit had outstanding commitments through construction contracts of approximately \$214,500.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Capital assets activity for the Drain Commissioner component unit for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Drain Commissioner					
Capital assets, being depreciated:					
Infrastructure	\$ 578,481	\$ -	\$ -	\$ -	\$ 578,481
Less accumulated depreciation for:					
Infrastructure	(466,811)	(19,171)	-	-	(485,982)
<b>Drain Commissioner capital assets, net</b>	<b>\$ 111,670</b>	<b>\$ (19,171)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 92,499</b>

## 11. LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended September 30, 2014:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ 13,920,000	\$ -	\$ (1,150,000)	\$ 12,770,000	\$ 1,150,000
Premium on bonds payable	12,110	-	(1,031)	11,079	1,031
Compensated absences	430,532	81,278	(91,046)	420,764	71,465
<b>Total governmental activities</b>	<b>\$ 14,362,642</b>	<b>\$ 81,278</b>	<b>\$ (1,242,077)</b>	<b>\$ 13,201,843</b>	<b>\$ 1,222,496</b>
Business-type activities					
General obligation bonds	\$ 4,184,180	\$ -	\$ (500,000)	\$ 3,684,180	\$ 490,000
Premium on bonds payable	277,322	-	(32,309)	245,013	32,309
Notes payable	1,075,000	2,000,000	(1,755,000)	1,320,000	-
<b>Total business-type activities</b>	<b>\$ 5,536,502</b>	<b>\$ 2,000,000</b>	<b>\$ (2,287,309)</b>	<b>\$ 5,249,193</b>	<b>\$ 522,309</b>
Discretely Presented Component Units					
Central Dispatch Authority					
Compensated absences	\$ 20,533	\$ 2,973	\$ (4,196)	\$ 19,310	\$ 3,773

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*General Obligation Bonds.* The government issues general obligation bonds to provide funds to construct major capital facilities and refund previously issued bonds. Such bonds are generally repaid from voter-approved property tax levies, interfund transfers and contributions from local municipalities. The County has pledged its full faith and credit for payment on the general obligation bonds. Also, under the terms of certain bond agreements, local units have pledged their full faith and credit to pay the County each year such amounts.

General obligation bonds of business-type activities are offset by capital leases receivable from the local units of government for which the bonds were issued in the County's name. The terms of these capital leases, which relate to water and sewer systems constructed by the County on behalf of the local units, match the debt maturity requirements of the related bonds.

### Governmental Activities

\$1,300,000 2006 Medical Health Care Building Bonds, due in annual installments of \$25,000 to \$100,000 plus interest at 5.00% through 2030.	\$ 1,125,000
\$5,550,000 2009 Jail Improvement Bonds (Series A), due in annual installments of \$175,000 to \$555,000 plus interest ranging from 2.50% to 5.00% through 2025.	5,065,000
\$950,000 2009 Jail Improvement Bonds (Series B), due in annual installments of \$185,000 to \$195,000 plus interest at 3.85% through 2015.	195,000
\$6,930,000 2013 Medical Care Facility Refunding Bonds, due in annual installments of \$545,000 to \$625,000 plus interest at 0.45% to 1.95% through 2025.	<u>6,385,000</u>
Total governmental activities	<u>\$ 12,770,000</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Business-type Activities

\$3,780,000 2012 Chain of Lakes Refunding Bond, due in annual installments of \$360,000 to \$400,000 plus interest ranging from 2.00% to 4.00% through 2022.	\$ 3,020,000
\$414,167 2005 Hesperia Sanitary Sewer System Bonds, due in annual installments of \$20,000 to \$25,000 plus interest at 1.63% through 2025.	229,180
\$750,000 1978 Hesperia Wastewater Project Bonds, due in annual installments of \$5,000 to \$25,000 plus interest at 5.00% through 2018.	100,000
\$2,100,000 1981 White Cloud/Sherman Wastewater Bonds, due in annual installments of \$5,000 to \$70,000 plus interest at 5.00% through 2020.	<u>335,000</u>
Total business-type activities	<u><u>\$ 3,684,180</u></u>

*Notes Payable.* The 2013 delinquent tax fund issued notes payable for the 2013 property tax settlements. The tax notes payable are backed by the limited tax, full faith and credit of the County. Current debt service requirements are funded by the collection of delinquent tax revenues and are maintained in an enterprise fund. The County makes payments on delinquent tax notes as resources become available. Notes payable outstanding at September 30, 2014, were as follows:

### Notes Payable

\$2,000,000 2014 Delinquent Tax Fund Note Payable, interest at a variable rate, due on or before November 1, 2015 (repayment to be made as funds become available)	<u><u>\$ 1,320,000</u></u>
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Annual debt service requirements to maturity for long-term debt are as follows:

Year Ended September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 1,150,000	\$ 353,067	\$ 490,000	\$ 132,974
2016	980,000	329,109	485,000	116,948
2017	1,005,000	309,184	480,000	101,074
2018	1,035,000	287,689	475,000	85,348
2019	1,070,000	263,091	455,000	66,524
2020-2024	5,825,000	837,894	1,275,000	97,742
2025-2029	1,605,000	128,726	24,180	392
2030	100,000	5,000	-	-
Totals	<u>\$ 12,770,000</u>	<u>\$ 2,513,760</u>	<u>\$ 3,684,180</u>	<u>\$ 601,002</u>

The compensated absences liability attributable to the governmental activities is expected to be liquidated by the general fund and internal service funds.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 12. OPERATING LEASES

#### *Community Mental Health*

On June 1, 2007, the County entered into a lease agreement with the Newaygo County Mental Health Board (the "Board", a separate governmental entity) for office space. The facility construction was funded, in part, by general obligation limited tax bonds, issued by the County. The County signed a 25-year operating lease agreement with the Board for use of the facility, which will remain under ownership of the County itself. Lease payments are due and payable each quarter in the amount of \$18,000 plus an additional amount to fund interest expense on the bonds issued by the County, based on the bond amortization schedule.

The facility has been recorded in capital assets of governmental activities at the initial cost of \$1,915,495, less accumulated depreciation through September 30, 2014 of \$560,308. Rental income for the year ended September 30, 2014 amounted to \$126,936, recorded in the Mental Health Building Bonds debt service fund.

#### *State of Michigan Department of Human Services*

The County leases property to the State of Michigan Department of Human Services (DHS) under an agreement through June 30, 2026. Lease payments are due in monthly installments and increase annually. The property has been recorded in capital assets of governmental activities at the initial cost of \$2,662,847, less accumulated depreciation through September 30, 2014 of \$998,880. Rental income for the year ended September 30, 2014 amounted to \$103,838, recorded in the Building Authority enterprise fund.

Annual lease payments to maturity for operating leases are as follows:

Year Ended September 30,	Community Mental Health	Department of Human Services	Total
2015	\$ 125,828	\$ 103,848	\$ 229,676
2016	123,600	104,412	228,012
2017	121,200	106,104	227,304
2018	118,800	106,104	224,904
2019	116,400	106,104	222,504
2020-2024	538,800	543,936	1,082,736
2025-2029	448,800	192,906	641,706
2030-2032	184,800	-	184,800
<b>Totals</b>	<b>\$ 1,778,228</b>	<b>\$ 1,263,414</b>	<b>\$ 3,041,642</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 13. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is insured with private carriers for employee health care, life insurance, and disability coverage. The County is a member of the Michigan Association of Counties Workers Compensation Fund (MACWCF) for its workers' compensation coverage. The pool is organized under Public Act 317 of 1969, as amended. In the event that the pool's claims and expenses exceed the premiums charged, participating members may be subject to additional premiums to cover the deficiency. The County is not aware of any additional charges being required for any of the last three fiscal years.

The County is an individual member of the Michigan Municipal Risk Management Authority (MMRMA) for its property and general liability insurance coverage. The County makes annual contributions to MMRMA based on actuarial studies using historical data and insurance industry statistics. Such contributions as received by MMRMA are allocated between its general and member retention funds. Economic resources in the MMRMA's general fund are expended for reinsurance coverage, claim payments and certain general and administrative costs, whereas resources in the member retention fund are used for loss payments and defense costs up to the members' self-insured retention limits along with certain other member-specific costs.

Changes in the balances of claims liabilities are as follows:

	Year Ended September 30,	
	2014	2013
Estimated liability, beginning of year	\$ 74,362	\$ 73,665
Estimated claims incurred	13,618	34,354
Claim payments	(44,954)	(33,657)
Estimated liability, end of year	<u>\$ 43,026</u>	<u>\$ 74,362</u>

Additionally, the County provides health and wellness benefits to its employees through a self insurance program. Premiums are paid into the health and wellness internal service fund by all other funds and are available to pay claims and administrative costs of the program. Interfund premiums are based primarily upon claims experience and are reported as quasi-external interfund transactions. The County holds stop-loss coverage on the plan for claims in excess of \$140,000.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The County estimates the liability for its self-insured coverages and includes both those claims that have been reported as well as those that have not yet been reported. These estimates are prepared with the assistance of the County's third-party administrators for claims management and are recorded in the health and wellness internal service fund. Changes in the estimated claims liability are as follows:

	Year Ended September 30,	
	2014	2013
Estimated liability, beginning of year	\$ 53,975	\$ 192,371
Estimated claims incurred	2,268,575	2,673,976
Claim payments	<u>(2,270,729)</u>	<u>(2,812,372)</u>
Estimated liability, end of year	<u>\$ 51,821</u>	<u>\$ 53,975</u>

## 14. PROPERTY TAXES

County General fund property taxes are levied on July 1 of each year (the lien date) and are due in full by September 14, though they do not become delinquent until March 1 of the following year. For levies other than the General fund, the lien date is December 1.

Property taxes are levied on the assessed taxable value of the property as established by local units, accepted by the County and equalized under State statute at approximately 50 percent of the current estimated market value.

The taxable value of real and personal property for 2014, for which revenue was recognized in the general fund, was \$1,427,199,690. The general operating tax rate for this levy was 5.3685 mills. The County assessed an additional 0.9968 mills sheriff road patrol operations, .1000 mills for veterans' affairs, .4983 mills for commission on aging, and 0.4000 mills to fund debt service payments on the medical care facility bonds. These additional levies were based on the 2013 taxable value of \$1,396,959,789.

## 15. CONTINGENT LIABILITIES

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County and its attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 16. BENEFIT PLANS

#### Defined Benefit Pension Plan

*Plan description.* Based on hire date, some of the primary government’s full-time employees are eligible to participate in the Municipal Employees Retirement System of Michigan (MERS, the "System"), an agent multiple-employer, defined benefit pension plan. The System is administered by the MERS retirement board. MERS provides retirement and disability benefits, as well as death benefits to plan members and beneficiaries. The plan is currently closed to all employees who are currently offered participation in the defined contribution plan instead.

Act No. 427 of the Public Acts of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. A publicly available financial report that includes financial statements and required supplementary information for MERS may be obtained by writing to the Municipal Employees Retirement System of Michigan, 1134 Municipal Way, Lansing, Michigan 48917, or by calling (800) 767-6377.

*Funding policy.* The County is required to contribute at an actuarially determined rate; as the County's defined benefit plan is closed to new hires, the contributions are expressed in terms of dollars. The current rate for the County is \$0 - \$17,725 per month, depending on the employee group. Participating employees are required to contribute 0% to 4.49% of their annual salary, depending on their assigned department. The contribution requirements of the County are established and may be amended by the Retirement Board of MERS. The contribution requirements of plan members are established and may be amended by the County Board of Commissioners, depending on the MERS contribution program adopted by the County.

For the year ended September 30, 2014, the annual pension cost of \$1,114,367 was equal to the required and actual contributions of the County. The required contributions were determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 8.0%, (b) projected long-term salary increases of 4.5% per year compounded annually, attributable to inflation (1.0%, 2.0%, and 3.0% for years 2014, 2015, and 2016, respectively), (c) additional projected salary increases of 0.0% to 13.0% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will increase from 1.0% to 2.5% per year after retirement for certain retirees depending on the benefit option selected. The actuarial value of MERS assets was determined on the basis of a valuation method that assumes the fund earns the expected rate of return, and includes an adjustment to reflect fair value. The County’s unfunded actuarial accrued liability is being amortized over 3 years as a level percentage of projected payroll on a closed basis. The latest actuarial valuation was performed as of December 31, 2013.

Three-Year Trend Information			
Years Ended September 30,	Annual Pension Cost (APC)	Percentage Contributed	Net Pension Obligation
2012	\$ 894,880	100%	\$ -
2013	1,008,601	100%	-
2014	1,114,367	100%	-

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Funded status and funding progress.* As of December 31, 2013, the most recent actuarial valuation date, the plan was 82.5 percent funded. The actuarial accrued liability for benefits was \$24,815,637 and the actuarial value of assets was \$20,481,876, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,333,761. The covered payroll (annual payroll of active employees covered by the plan) was \$2,010,297, and the ratio of the UAAL to the covered payroll was 215.6 percent. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### Defined Contribution Pension Plan

The County provides pension benefits for substantially all of its full-time employees through the Newaygo County Defined Contribution Pension Plan, a defined contribution plan. The Newaygo County Board of Commissioners is the administrator of the plan and also establishes and amends the plan provisions and the contribution requirements. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate immediately upon hire. By County Resolution, the plan requires the County to contribute, on behalf of each covered employee, 5.0% of the employees' compensation. The County is also required to match employee contributions up to 3.0% of compensation.

Participants may make voluntary contributions into the plan. The County's contributions for each employee (and interest allocated to the employee's account) are fully vested after four years of continuous service. The employee contributions become fully vested at the time of their contribution to the plan. County contributions for, and interest forfeited by, employees who leave employment before four years of service are used to reduce the County's current-period contribution requirement. Vesting is based on years of participation in the plan. If the employee withdraws from the plan, that period of time is not included as time vested.

Contributions to the plan by the County and employees for the year ended September 30, 2014 amounted to \$465,092 and \$185,625, respectively.

## 17. OTHER POSTEMPLOYMENT BENEFITS

*Plan Description.* The County of Newaygo Retiree Healthcare Plan (the "Plan") is a single-employer defined benefit postemployment healthcare plan which provides medical insurance and prescription drug coverage to qualified retirees and their beneficiaries. As of December 31, 2013, the date of the most recent actuarial valuation, the Plan included 193 members (46 retirees and 147 active employees).

*Funding Policy.* The contribution requirements of Plan members and the County are established and may be amended by the County Board of Commissioners. Retirees receiving benefits contribute a percentage of actual premiums for retiree and spousal coverage, depending on bargaining unit. The County participates in the MERS Retiree Health Funding Vehicle, a legally established trust under section 401(a) of the Internal Revenue Code. For the fiscal year ended September 30, 2014, the County contributed \$809,083 to the Plan, which included \$68,862 normal cost for current benefits and \$740,221 to amortize the unfunded actuarial accrued liability. Retirees receiving benefits are not currently required to contribute to the Plan.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Annual OPEB Cost and Net OPEB Obligation.* The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

*Funded Status and Funding Progress.* As of October 1, 2013, the date of the most recent actuarial valuation, the Plan was 13.5% funded. The actuarial accrued liability for benefits was \$10,618,602, and the actuarial value of assets was \$1,443,150, resulting in an unfunded actuarial accrued liability (UAAL) of \$9,185,452. Covered payroll (annual payroll for active employees covered by the plan) was \$6,228,326 and the ratio of unfunded actuarial accrued liability to covered payroll was 147.5%. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2014 and the two preceding years were as follows:

Three-Year Trend Information			
Year Ended September 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 768,339	100%	\$ -
2013	749,447	100%	-
2014	809,083	100%	-

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the 2013 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included (a) a rate of return on investments of 7.0%; (b) retirement rate of 100% at age 75; (c) projected participation of current employees upon retirement of 75% with a projected 33% of current employees electing two-party coverage upon retirement; and (d) projected healthcare benefit increases of 4.4% to 8.3%. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments. The unfunded actuarial accrued liability is being amortized as a level dollar amount over 30 years on an open basis.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 18. FUND BALANCES - GOVERNMENTAL FUNDS

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the County classifies fund balances primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Detailed information on fund balances of governmental funds is as follows:

	General Fund	Special Investigative Unit	Jail	Capital Improvement	Nonmajor Funds	Total
<b>Nonspendable:</b>						
Prepays	\$ 11,202	\$ -	\$ -	\$ -	\$ -	\$ 11,202
Long-term advances	300,000	-	-	-	-	300,000
Long-term loans	-	-	-	-	1,177,844	1,177,844
<b>Total nonspendable</b>	<b>311,202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,177,844</b>	<b>1,489,046</b>
<b>Restricted for:</b>						
Central Michigan enforcement team	-	57,276	-	-	-	57,276
Law enforcement	-	-	-	-	32,674	32,674
Sheriff mounted division	-	-	-	-	225	225
Building and safety permits	-	-	-	-	278,878	278,878
Register of deeds	-	-	-	-	61,346	61,346
Law library	-	-	-	-	16,429	16,429
Commission on aging programs	-	-	-	-	30,974	30,974
Veterans' services	-	-	-	-	4,970	4,970
Debt service	-	-	-	-	603,428	603,428
<b>Total restricted</b>	<b>-</b>	<b>57,276</b>	<b>-</b>	<b>-</b>	<b>1,028,924</b>	<b>1,086,200</b>
<b>Committed for:</b>						
Law enforcement	-	-	-	-	421,120	421,120
Jail operations	-	-	63,800	-	22,811	86,611
General capital improvements	-	-	-	2,493,193	-	2,493,193
Debt service	-	-	-	-	493,062	493,062
<b>Total committed</b>	<b>-</b>	<b>-</b>	<b>63,800</b>	<b>2,493,193</b>	<b>936,993</b>	<b>3,493,986</b>
<b>Assigned for:</b>						
Emergency services	-	-	-	-	27,074	27,074
Community development	-	-	-	-	79,526	79,526
Animal control	12,921	-	-	-	-	12,921
Elections	63,089	-	-	-	-	63,089
Building repair and maintenance	220,803	-	-	-	-	220,803
Crime victim rights	-	-	-	-	7,851	7,851
Law enforcement	-	-	-	-	189,967	189,967
County parks	-	-	-	-	80,896	80,896
Friend of court	-	-	-	-	2,007	2,007
Social services	-	-	-	-	111,279	111,279
Child care	-	-	-	-	33,838	33,838
Soldiers' relief	-	-	-	-	106,442	106,442
Commission on aging programs	-	-	-	-	202,919	202,919
<b>Total assigned</b>	<b>296,813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>841,799</b>	<b>1,138,612</b>
<b>Unassigned</b>	<b>2,228,425</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,228,425</b>
<b>Total fund balances, governmental funds</b>	<b>\$ 2,836,440</b>	<b>\$ 57,276</b>	<b>\$ 63,800</b>	<b>\$ 2,493,193</b>	<b>\$ 3,985,560</b>	<b>\$ 9,436,269</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 19. NET INVESTMENT IN CAPITAL ASSETS

The composition of the County's net investment in capital assets as of September 30, 2014, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 2,233,586	\$ -	\$ 2,350,710
Capital assets being depreciated, net	15,382,677	25,840	50,360,977
	<u>17,616,263</u>	<u>25,840</u>	<u>52,711,687</u>
Related debt:			
Bonds payable	12,770,000	3,684,180	-
Premium on bonds payable	11,079	245,013	-
Deferred loss on refunding	(146,136)	(75,853)	-
Amounts related to capital leases	-	(3,853,340)	-
Installment purchase agreements	-	-	1,110,277
	<u>12,634,943</u>	<u>-</u>	<u>1,110,277</u>
Net investment in capital assets	<u>\$ 4,981,320</u>	<u>\$ 25,840</u>	<u>\$ 51,601,410</u>

### 20. INTERGOVERNMENTAL AGREEMENTS

#### *West Michigan Forensic Pathology Services*

Newaygo County has entered into an intergovernmental agreement with Mecosta County for establishment of a shared morgue. The morgue facility is housed in Mecosta County and the capital costs are being funded primarily through a State grant administered by Mecosta County. Accordingly, no amounts have been capitalized by Newaygo County. Under the terms of the agreement, the counties will share in costs of operation on a 50/50 basis along with any capital-related needs not funded through the State grant. Neither a separate legal entity nor a joint venture arrangement have been created at this time, but the counties' intent is to establish an Authority in the future. For the year ended September 30, 2014, Newaygo County expended a net total of \$6,116 (expenditures of \$12,233 less reimbursement from Mecosta County of \$6,117).

#### *Newaygo/Mason-Oceana 911 Collaboration*

Newaygo County has entered into an intergovernmental agreement with Mason-Oceana 911 Authority for a shared 911 call-taking and dispatch service. The project is being funded primarily by State grant in the amount of \$681,643. The entities have agreed to share in the administrative, legal and operational costs of the collaboration on a 50/50 basis. As of September 30, 2014, grant funds in the amount of \$243,906 have been recognized as revenue in the Central Dispatch Authority component unit. For the year ended September 30, 2014, total costs incurred on the project were \$246,066, of which \$238,071 was capitalized by Newaygo County.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Michigan Department of Natural Resources Waterways Agreement*

The County entered into an agreement with the Michigan Department of Natural Resources (MDNR) for renovation to a boating access site at Sandy Beach park. The cost of project is estimated at \$624,865. MDNR has agreed to reimburse the County for construction costs incurred at a rate of 47.19 percent (up to a maximum of \$294,875). The County is responsible for the remaining cost of \$329,990 which will be provided primarily through a grant from the Fremont Area Community Foundation and a transfer of unrestricted funds from the P.A. 123 enterprise fund. The project had not yet commenced as of September 30, 2014.

## 21. RELATED PARTY TRANSACTIONS

During the year, the County conducted business with three of its elected officials. These transactions were for automobile repairs and maintenance, equipment rental, and survey and engineering services and were in the amounts of \$22,562, \$761 and \$130,341, respectively.

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## REQUIRED SUPPLEMENTARY INFORMATION

# COUNTY OF NEWAYGO, MICHIGAN

## Required Supplementary Information

### MERS Agent Multiple-employer Defined Benefit Pension Plan

#### Schedule of Funding Progress

Actuarial Valuation Date December 31,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
2008	\$ 18,868,113	\$ 21,479,837	\$ 2,611,724	87.8%	\$ 2,783,766	93.8%
2009	18,965,509	22,385,298	3,419,789	84.7%	2,915,501	117.3%
2010	19,163,556	23,023,254	3,859,698	83.2%	2,542,210	151.8%
2011	19,331,637	23,803,330	4,471,693	81.2%	2,249,710	198.8%
2012	19,811,966	24,344,199	4,532,233	81.4%	2,117,521	214.0%
2013	20,481,876	24,815,637	4,333,761	82.5%	2,010,297	215.6%

#### Schedule of Employer Contributions

Year Ended September 30,	Annual Required Contributions	Percentage Contributed
2009	\$ 418,104	100%
2010	487,059	100%
2011	534,328	100%
2012	894,880	100%
2013	1,008,601	100%
2014	1,114,367	100%

# COUNTY OF NEWAYGO, MICHIGAN

## Required Supplementary Information

### Single Employer Other Postemployment Benefits Plan

#### Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
12/31/2008	\$ -	\$ 5,952,886	\$ 5,952,886	0.0%	\$ 7,131,085	83.5%
12/31/2011	1,067,702	9,623,170	8,555,468	11.1%	6,431,327	133.0%
10/1/2013	1,433,150	10,618,602	9,185,452	13.5%	6,228,326	147.5%

#### Schedule of Employer Contributions

Year Ended September 30,	Annual Required Contributions	Percentage Contributed
2012	\$ 768,339	100%
2013	749,447	100%
2014	809,083	100%

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**COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS AND SCHEDULES**

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## GENERAL FUND

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Schedule of Balance Sheet Accounts

By Activity - General Fund

September 30, 2014

	General Fund (101)	Animal Control (2052)	Elections (214)	Budget Stabilization (257)
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 9,651	\$ 61,564	\$ -
Investments	2,275,455	-	-	-
Receivables:				
Accounts	8,998	-	3,600	-
Taxes	1,326,218	-	-	-
Due from other governments	184,239	-	84	-
Due from other funds	37,524	16,063	-	-
Advance to component unit	300,000	-	-	-
Prepays	11,202	-	-	-
<b>Total assets</b>	<b>\$ 4,143,636</b>	<b>\$ 25,714</b>	<b>\$ 65,248</b>	<b>\$ -</b>
<b>Liabilities</b>				
Interfund payable	\$ 27,958	\$ -	\$ -	\$ -
Accounts payable	296,461	3,633	986	-
Accrued expenditures	188,313	4,907	1,173	-
Due to other funds	51,232	4,253	-	-
Unearned revenue	65,080	-	-	-
<b>Total liabilities</b>	<b>629,044</b>	<b>12,793</b>	<b>2,159</b>	<b>-</b>
<b>Deferred inflows of resources</b>				
Unavailable revenues - property taxes	-	-	-	-
<b>Fund balances</b>				
Nonspendable	311,202	-	-	-
Assigned	220,803	12,921	63,089	-
Unassigned	2,982,587	-	-	-
<b>Total fund balances</b>	<b>3,514,592</b>	<b>12,921</b>	<b>63,089</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,143,636</b>	<b>\$ 25,714</b>	<b>\$ 65,248</b>	<b>\$ -</b>



Budget vs. GAAP Adjustment	Eliminations	Total
\$ -	\$ -	\$ 71,215
-	-	2,275,455
-	-	12,598
-	-	1,326,218
-	-	184,323
-	(16,063)	37,524
-	-	300,000
-	-	11,202
<u>\$ -</u>	<u>\$ (16,063)</u>	<u>\$ 4,218,535</u>
\$ -	\$ -	\$ 27,958
-	-	301,080
-	-	194,393
-	(16,063)	39,422
-	-	65,080
-	(16,063)	627,933
<u>754,162</u>	<u>-</u>	<u>754,162</u>
-	-	311,202
-	-	296,813
<u>(754,162)</u>	<u>-</u>	<u>2,228,425</u>
<u>(754,162)</u>	<u>-</u>	<u>2,836,440</u>
<u>\$ -</u>	<u>\$ (16,063)</u>	<u>\$ 4,218,535</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

By Activity - General Fund

For the Year Ended September 30, 2014

	General Fund (101)	Animal Control (2052)	Elections (214)	Budget Stabilization (257)
<b>Revenues</b>				
Taxes	\$ 7,058,685	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	472,208	-	-	-
State	1,795,277	1,640	-	-
Local	241,015	-	-	-
Licenses and permits	53,972	-	-	-
Fines and forfeitures	66,157	-	-	-
Charges for services	2,199,127	42,658	4,437	-
Interest and rentals	191,810	-	-	-
Contributions from private sources	42,168	3,474	-	-
Other revenues/reimbursements	20,015	-	452	-
<b>Total revenues</b>	<b>12,140,434</b>	<b>47,772</b>	<b>4,889</b>	<b>-</b>
<b>Expenditures</b>				
Current:				
Legislative	356,665	-	-	-
Judicial	2,756,753	-	-	-
General government	3,851,506	-	92,186	-
Public safety	1,031,819	222,465	-	-
Public works	49,876	-	-	-
Health and welfare	861,791	-	-	-
Community and economic development	134,618	-	-	-
Other	161,276	-	-	-
Capital outlay	202,896	-	-	-
<b>Total expenditures</b>	<b>9,407,200</b>	<b>222,465</b>	<b>92,186</b>	<b>-</b>
Revenues over (under) expenditures	2,733,234	(174,693)	(87,297)	-
<b>Other financing sources (uses)</b>				
Transfers in	1,208,239	175,558	130,000	-
Transfers out	(3,542,981)	(3,550)	-	(33,394)
<b>Total other financing sources (uses)</b>	<b>(2,334,742)</b>	<b>172,008</b>	<b>130,000</b>	<b>(33,394)</b>
<b>Net changes in fund balances</b>	<b>398,492</b>	<b>(2,685)</b>	<b>42,703</b>	<b>(33,394)</b>
Fund balances, beginning of year	3,116,100	15,606	20,386	33,394
<b>Fund balances, end of year</b>	<b>\$ 3,514,592</b>	<b>\$ 12,921</b>	<b>\$ 63,089</b>	<b>\$ -</b>



Budget vs. GAAP Adjustment	Eliminations	Total
\$ (13,599)	\$ -	\$ 7,045,086
-	-	472,208
-	-	1,796,917
-	-	241,015
-	-	53,972
-	-	66,157
-	-	2,246,222
-	-	191,810
-	-	45,642
-	-	20,467
<u>(13,599)</u>	<u>-</u>	<u>12,179,496</u>
-	-	356,665
-	-	2,756,753
-	-	3,943,692
-	-	1,254,284
-	-	49,876
-	-	861,791
-	-	134,618
-	-	161,276
-	-	202,896
<u>-</u>	<u>-</u>	<u>9,721,851</u>
<u>(13,599)</u>	<u>-</u>	<u>2,457,645</u>
-	(341,202)	1,172,595
-	<u>341,202</u>	<u>(3,238,723)</u>
<u>-</u>	<u>-</u>	<u>(2,066,128)</u>
(13,599)	-	391,517
<u>(740,563)</u>	<u>-</u>	<u>2,444,923</u>
<u>\$ (754,162)</u>	<u>\$ -</u>	<u>\$ 2,836,440</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
<b>General fund (fund 101)</b>				
Taxes:				
Real and personal property taxes	\$ 6,932,161	\$ 7,005,044	\$ 7,039,449	\$ 34,405
Other taxes	6,000	18,578	19,236	658
Total taxes	<u>6,938,161</u>	<u>7,023,622</u>	<u>7,058,685</u>	<u>35,063</u>
Intergovernmental:				
Federal	160,599	468,465	472,208	3,743
State	1,642,073	1,707,464	1,795,277	87,813
Local	91,322	240,987	241,015	28
Total intergovernmental	<u>1,893,994</u>	<u>2,416,916</u>	<u>2,508,500</u>	<u>91,584</u>
Licenses and permits	<u>65,000</u>	<u>54,040</u>	<u>53,972</u>	<u>(68)</u>
Fines and forfeitures	<u>78,000</u>	<u>65,220</u>	<u>66,157</u>	<u>937</u>
Charges for services	<u>2,134,159</u>	<u>2,174,792</u>	<u>2,199,127</u>	<u>24,335</u>
Interest and rentals:				
Interest revenue	47,515	56,515	64,724	8,209
Rentals	117,609	125,127	127,086	1,959
Total interest and rentals	<u>165,124</u>	<u>181,642</u>	<u>191,810</u>	<u>10,168</u>
Contributions from private sources	<u>26,000</u>	<u>43,760</u>	<u>42,168</u>	<u>(1,592)</u>
Other revenues/reimbursements:				
Reimbursements	10,950	17,736	17,563	(173)
Other revenue	4,500	2,414	2,452	38
Total other revenues/reimbursements	<u>15,450</u>	<u>20,150</u>	<u>20,015</u>	<u>(135)</u>
Total general fund (101)	<u>11,315,888</u>	<u>11,980,142</u>	<u>12,140,434</u>	<u>160,292</u>
<b>Animal control (fund 2052)</b>				
Intergovernmental - State	-	1,640	1,640	-
Charges for services	47,675	42,869	42,658	(211)
Contributions from private sources	1,200	3,475	3,474	(1)
Total animal control (fund 2052)	<u>48,875</u>	<u>47,984</u>	<u>47,772</u>	<u>(212)</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues (concluded)</b>				
<b>Elections (fund 214)</b>				
Charges for services	\$ 1,000	\$ 1,000	\$ 4,437	\$ 3,437
Other revenue and reimbursements	600	300	452	152
<b>Total elections (fund 214)</b>	<b>1,600</b>	<b>1,300</b>	<b>4,889</b>	<b>3,589</b>
<b>Total revenues</b>	<b>11,366,363</b>	<b>12,029,426</b>	<b>12,193,095</b>	<b>163,669</b>
<b>Expenditures</b>				
<b>General fund (fund 101)</b>				
<b>Legislative:</b>				
Board of Commissioners	371,393	375,693	356,665	(19,028)
<b>Judicial:</b>				
27th Circuit Court - Newaygo	605,207	646,164	629,913	(16,251)
27th Circuit Court - Oceana	36,719	36,719	36,747	28
Circuit Court Probation	19,672	19,761	19,730	(31)
Circuit Court Clerk	247,513	246,328	232,823	(13,505)
Circuit Court - Juvenile Division	237,034	248,664	241,529	(7,135)
District Court	1,141,964	1,108,644	1,097,473	(11,171)
Jury Board	12,185	12,699	11,033	(1,666)
Probate Court	438,368	436,441	432,880	(3,561)
Court Guardian	54,025	54,625	54,625	-
<b>Total judicial</b>	<b>2,792,687</b>	<b>2,810,045</b>	<b>2,756,753</b>	<b>(53,292)</b>
<b>General government:</b>				
Administrator	281,504	288,365	281,954	(6,411)
Accounting	264,834	268,036	264,938	(3,098)
Clerk	330,737	327,464	315,856	(11,608)
Tax allocation	1,087	1,384	1,230	(154)
Treasurer	489,202	487,831	483,611	(4,220)
Equalization	600,199	602,696	589,376	(13,320)
Cooperative extension	142,097	142,631	142,949	318
Civil counsel	15,522	13,143	16,593	3,450
Prosecutor	718,558	719,098	709,496	(9,602)
Register of deeds	351,335	345,471	339,038	(6,433)
Personnel	91,683	91,165	89,546	(1,619)
Surveyor	96,671	137,613	131,672	(5,941)
Drain Commissioner	274,026	274,547	266,816	(7,731)
Payroll	63,019	60,039	58,175	(1,864)
Courtesy desk/mail	33,818	29,063	27,427	(1,636)
Drain maintenance and construction	159,765	126,000	126,639	639
Soil erosion/conservation	6,694	6,694	6,190	(504)
<b>Total general government</b>	<b>3,920,751</b>	<b>3,921,240</b>	<b>3,851,506</b>	<b>(69,734)</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (continued)</b>				
<b>Public safety:</b>				
Sheriff's department	\$ 751,095	\$ 772,669	\$ 774,031	\$ 1,362
Courthouse security	38,746	43,223	44,089	866
Regional drug force contract	131	131	131	-
Marine law enforcement	36,500	91,481	92,062	581
Crisis management	-	113,508	113,506	(2)
Truancy program	8,000	8,000	8,000	-
Other public safety	310	-	-	-
<b>Total public safety</b>	<b>834,782</b>	<b>1,029,012</b>	<b>1,031,819</b>	<b>2,807</b>
<b>Public works:</b>				
Board of public works	33,740	43,301	43,492	191
Drain tax at large	15,000	14,400	6,384	(8,016)
<b>Total public works</b>	<b>48,740</b>	<b>57,701</b>	<b>49,876</b>	<b>(7,825)</b>
<b>Health and welfare:</b>				
Health department	305,625	306,987	306,987	-
Contagious disease	383	383	312	(71)
Mental health	220,000	220,000	220,000	-
Family counseling services	5,709	5,709	4,709	(1,000)
Medical Care Facility maintenance of effort	92,218	92,218	95,736	3,518
Substance abuse	110,904	163,048	138,173	(24,875)
Medical examiner	94,448	94,448	95,874	1,426
<b>Total health and welfare</b>	<b>829,287</b>	<b>882,793</b>	<b>861,791</b>	<b>(21,002)</b>
<b>Community and economic development:</b>				
Land use educator	73,692	73,692	73,692	-
Economic development (NCEDO)	43,000	43,000	43,000	-
West Michigan regional planning Redevelopment	13,250	13,250	12,926	(324)
<b>Total community and economic development</b>	<b>134,942</b>	<b>134,942</b>	<b>134,618</b>	<b>(324)</b>
<b>Other:</b>				
National Forest grant distributions	-	156,001	156,001	-
Non-departmental expenditures	31,000	50,148	5,275	(44,873)
<b>Total other</b>	<b>31,000</b>	<b>206,149</b>	<b>161,276</b>	<b>(44,873)</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity For the Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (concluded)				
Capital outlay	\$ 33,635	\$ 302,001	\$ 202,896	\$ (99,105)
Total general fund (fund 101)	8,997,217	9,719,576	9,407,200	(312,376)
Animal control (fund 2052)				
Public safety	207,070	224,992	222,465	(2,527)
Elections (fund 214)				
General government	131,600	131,300	92,186	(39,114)
Total expenditures	9,335,887	10,075,868	9,721,851	(354,017)
Revenues over expenditures	2,030,476	1,953,558	2,471,244	517,686
Other financing sources (uses)				
General fund (fund 101)				
Transfers in	943,370	1,206,704	1,208,239	1,535
Transfers out	(3,483,663)	(3,541,022)	(3,542,981)	(1,959)
Total general fund (fund 101)	(2,540,293)	(2,334,318)	(2,334,742)	(424)
Animal control (fund 2052)				
Transfers in	158,195	175,558	175,558	-
Transfers out	-	(3,550)	(3,550)	-
Total animal control (fund 2052)	158,195	172,008	172,008	-
Elections (fund 214)				
Transfers in	130,000	130,000	130,000	-
Budget stabilization (fund 257)				
Transfers out	(33,394)	(33,394)	(33,394)	-
Total other financing sources (uses)	(2,285,492)	(2,065,704)	(2,066,128)	(424)
Net change in fund balance	(255,016)	(112,146)	405,116	517,262
Fund balance, beginning of year	3,185,486	3,185,486	3,185,486	-
Fund balance, end of year (budgetary basis)	<u>\$ 2,930,470</u>	<u>\$ 3,073,340</u>	3,590,602	<u>\$ 517,262</u>
Accounting basis difference			(754,162)	
Fund balance, end of year (GAAP basis)			<u>\$ 2,836,440</u>	

concluded

The accompanying notes are an integral part of these financial statements.

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**NONMAJOR GOVERNMENTAL FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet Nonmajor Governmental Funds September 30, 2014

	Special Revenue	Debt Service	Totals
<b>Assets</b>			
Cash and cash equivalents	\$ 1,827,751	\$ 794,966	\$ 2,622,717
Investments	-	250,000	250,000
Receivables:			
Accounts	1,209,173	-	1,209,173
Taxes	293	74	367
Due from other governments	343,015	51,450	394,465
Due from other funds	160,188	-	160,188
<b>Total assets</b>	<b>\$ 3,540,420</b>	<b>\$ 1,096,490</b>	<b>\$ 4,636,910</b>
<b>Liabilities</b>			
Interfund payable	\$ 206,593	\$ -	\$ 206,593
Accounts payable	156,303	-	156,303
Accrued expenditures	194,752	-	194,752
Due to other governments	12,141	-	12,141
Due to other funds	11,936	-	11,936
Unearned revenue	69,625	-	69,625
<b>Total liabilities</b>	<b>651,350</b>	<b>-</b>	<b>651,350</b>
<b>Fund balances</b>			
Nonspendable	1,177,844	-	1,177,844
Restricted	425,496	603,428	1,028,924
Committed	443,931	493,062	936,993
Assigned	841,799	-	841,799
<b>Total fund balances</b>	<b>2,889,070</b>	<b>1,096,490</b>	<b>3,985,560</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,540,420</b>	<b>\$ 1,096,490</b>	<b>\$ 4,636,910</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds For the Year Ended September 30, 2014

	Special Revenue	Debt Service	Totals
<b>Revenues</b>			
Taxes	\$ 2,073,483	\$ 553,102	\$ 2,626,585
Intergovernmental:			
Federal	901,532	-	901,532
State	772,946	-	772,946
Local	58,230	205,749	263,979
Fines and forfeitures	8,718	-	8,718
Charges for services	1,920,207	345,945	2,266,152
Interest and rentals	2,069	2,566	4,635
Contributions from private sources	725,592	-	725,592
Other revenues/reimbursements	105,349	-	105,349
<b>Total revenues</b>	<b>6,568,126</b>	<b>1,107,362</b>	<b>7,675,488</b>
<b>Expenditures</b>			
Current:			
Judicial	899,134	-	899,134
General government	54,892	-	54,892
Public safety	3,152,450	-	3,152,450
Health and welfare	3,458,699	-	3,458,699
Community and economic development	224,264	-	224,264
Recreation and cultural	483,595	-	483,595
Debt service:			
Principal	-	1,150,000	1,150,000
Interest	-	375,066	375,066
Capital outlay	24,841	-	24,841
<b>Total expenditures</b>	<b>8,297,875</b>	<b>1,525,066</b>	<b>9,822,941</b>
Revenue (under) over expenditures	(1,729,749)	(417,704)	(2,147,453)
<b>Other financing sources (uses)</b>			
Transfers in	2,352,713	-	2,352,713
Transfers out	(794,070)	-	(794,070)
<b>Total other financing sources (uses)</b>	<b>1,558,643</b>	<b>-</b>	<b>1,558,643</b>
<b>Net changes in fund balances</b>	<b>(171,106)</b>	<b>(417,704)</b>	<b>(588,810)</b>
Fund balances, beginning of year	3,060,176	1,514,194	4,574,370
<b>Fund balances, end of year</b>	<b>\$ 2,889,070</b>	<b>\$ 1,096,490</b>	<b>\$ 3,985,560</b>

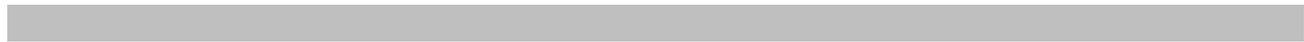
# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2014

	Deputy Sheriff Reserves Program (205)	Emergency Services (2053)	Crime Victim Rights (2055)
<b>Assets</b>			
Cash and cash equivalents	\$ 2,803	\$ 388	\$ -
Receivables:			
Accounts	-	-	-
Taxes	-	-	-
Due from other governments	-	31,006	10,153
Due from other funds	-	-	-
<b>Total assets</b>	<b>\$ 2,803</b>	<b>\$ 31,394</b>	<b>\$ 10,153</b>
<b>Liabilities</b>			
Interfund payable	\$ -	\$ -	\$ 580
Accounts payable	2,578	658	-
Accrued expenditures	-	3,662	1,722
Due to other governments	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	-	-
<b>Total liabilities</b>	<b>2,578</b>	<b>4,320</b>	<b>2,302</b>
<b>Fund balances</b>			
Nonspendable	-	-	-
Restricted	225	-	-
Committed	-	-	-
Assigned	-	27,074	7,851
<b>Total fund balances</b>	<b>225</b>	<b>27,074</b>	<b>7,851</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,803</b>	<b>\$ 31,394</b>	<b>\$ 10,153</b>



Sheriff Road Patrol (207)	Law Enforcement (2072)	Temporary Sheriff (2074)	County Parks (208)	County Jail Trustees Management (2131)	Transport Fund (2132)
\$ 195,960	\$ 35,163	\$ 388,229	\$ 115,051	\$ 13,597	\$ -
3,150	-	-	-	-	-
183	-	-	-	-	-
-	-	26,235	-	13,944	12,477
-	1,232	-	-	-	11,551
<u>\$ 199,293</u>	<u>\$ 36,395</u>	<u>\$ 414,464</u>	<u>\$ 115,051</u>	<u>\$ 27,541</u>	<u>\$ 24,028</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,246
5,487	295	-	20,966	206	335
65,093	3,426	-	13,189	5,154	5,817
-	-	-	-	-	-
5,795	-	-	-	-	-
-	-	-	-	-	-
<u>76,375</u>	<u>3,721</u>	<u>-</u>	<u>34,155</u>	<u>5,360</u>	<u>23,398</u>
-	-	-	-	-	-
-	32,674	-	-	-	-
-	-	414,464	-	22,181	630
<u>122,918</u>	<u>-</u>	<u>-</u>	<u>80,896</u>	<u>-</u>	<u>-</u>
<u>122,918</u>	<u>32,674</u>	<u>414,464</u>	<u>80,896</u>	<u>22,181</u>	<u>630</u>
<u>\$ 199,293</u>	<u>\$ 36,395</u>	<u>\$ 414,464</u>	<u>\$ 115,051</u>	<u>\$ 27,541</u>	<u>\$ 24,028</u>

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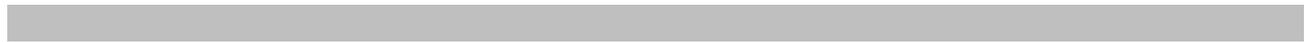
# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2014

	Friend of the Court (215)	Community Development (2441-2443)	Building Safety and Permits (249)
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ 84,126	\$ 285,745
Receivables:			
Accounts	-	1,182,568	135
Taxes	-	-	-
Due from other governments	55,799	6,812	-
Due from other funds	-	-	-
	<u>55,799</u>	<u>1,273,506</u>	<u>285,880</u>
<b>Total assets</b>	<b>\$ 55,799</b>	<b>\$ 1,273,506</b>	<b>\$ 285,880</b>
<b>Liabilities</b>			
Interfund payable	\$ 25,475	\$ -	\$ -
Accounts payable	1,431	13,767	1,768
Accrued expenditures	25,974	2,369	5,234
Due to other governments	-	-	-
Due to other funds	912	-	-
Unearned revenue	-	-	-
	<u>53,792</u>	<u>16,136</u>	<u>7,002</u>
<b>Total liabilities</b>	<b>53,792</b>	<b>16,136</b>	<b>7,002</b>
<b>Fund balances</b>			
Nonspendable	-	1,177,844	-
Restricted	-	-	278,878
Committed	-	-	-
Assigned	2,007	79,526	-
	<u>2,007</u>	<u>1,257,370</u>	<u>278,878</u>
<b>Total fund balances</b>	<b>2,007</b>	<b>1,257,370</b>	<b>278,878</b>
<b>Total liabilities and fund balances</b>	<b>\$ 55,799</b>	<b>\$ 1,273,506</b>	<b>\$ 285,880</b>



Register of Deeds Automation (256)	Law Enforcement Technical Fund (2567)	Drug Law Enforcement (265)	County Law Library (269)	Social Services (290)	Child Care (292)
\$ 62,464	\$ 39,141	\$ 24,589	\$ 17,234	\$ 118,111	\$ -
-	265	-	-	-	5,114
-	-	-	-	-	-
-	-	10,707	-	-	152,284
-	-	5,795	-	-	141,610
<u>\$ 62,464</u>	<u>\$ 39,406</u>	<u>\$ 41,091</u>	<u>\$ 17,234</u>	<u>\$ 118,111</u>	<u>\$ 299,008</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,292
1,118	-	-	805	6,832	73,644
-	-	3,692	-	-	13,964
-	-	-	-	-	12,141
-	-	3,100	-	-	2,129
-	-	-	-	-	-
<u>1,118</u>	<u>-</u>	<u>6,792</u>	<u>805</u>	<u>6,832</u>	<u>265,170</u>
-	-	-	-	-	-
61,346	-	-	16,429	-	-
-	6,656	-	-	-	-
-	32,750	34,299	-	111,279	33,838
<u>61,346</u>	<u>39,406</u>	<u>34,299</u>	<u>16,429</u>	<u>111,279</u>	<u>33,838</u>
<u>\$ 62,464</u>	<u>\$ 39,406</u>	<u>\$ 41,091</u>	<u>\$ 17,234</u>	<u>\$ 118,111</u>	<u>\$ 299,008</u>

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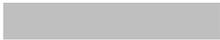
# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2014

	Soldiers' Relief (293)	Veterans' Trust (294)	Commission on Aging (295-2952)
<b>Assets</b>			
Cash and cash equivalents	\$ 112,750	\$ 6,399	\$ 326,001
Receivables:			
Accounts	-	-	17,941
Taxes	18	-	92
Due from other governments	-	-	23,598
Due from other funds	-	-	-
<b>Total assets</b>	<b>\$ 112,768</b>	<b>\$ 6,399</b>	<b>\$ 367,632</b>
<b>Liabilities</b>			
Interfund payable	\$ -	\$ -	\$ -
Accounts payable	3,561	1,429	21,423
Accrued expenditures	2,765	-	42,691
Due to other governments	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	-	69,625
<b>Total liabilities</b>	<b>6,326</b>	<b>1,429</b>	<b>133,739</b>
<b>Fund balances</b>			
Nonspendable	-	-	-
Restricted	-	4,970	30,974
Committed	-	-	-
Assigned	106,442	-	202,919
<b>Total fund balances</b>	<b>106,442</b>	<b>4,970</b>	<b>233,893</b>
<b>Total liabilities and fund balances</b>	<b>\$ 112,768</b>	<b>\$ 6,399</b>	<b>\$ 367,632</b>



**Total**

\$ 1,827,751

1,209,173

293

343,015

160,188

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\$ 3,540,420

\$ 206,593

156,303

194,752

12,141

11,936

69,625

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651,350

1,177,844

425,496

443,931

841,799

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2,889,070

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\$ 3,540,420

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds For the Year Ended September 30, 2014

	Deputy Sheriff Reserves Program (205)	Emergency Services (2053)	Crime Victim Rights (2055)
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	64,409	-
State	-	-	41,764
Local	-	11,365	-
Charges for services	425	-	140
Fines and forfeitures	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>425</b>	<b>75,774</b>	<b>41,904</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	14,715	174,239	59,619
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>14,715</b>	<b>174,239</b>	<b>59,619</b>
Revenue over (under) expenditures	(14,290)	(98,465)	(17,715)
Other financing sources (uses)			
Transfers in	2,413	107,729	17,989
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,413</b>	<b>107,729</b>	<b>17,989</b>
<b>Net changes in fund balances</b>	<b>(11,877)</b>	<b>9,264</b>	<b>274</b>
Fund balances, beginning of year	12,102	17,810	7,577
<b>Fund balances, end of year</b>	<b>\$ 225</b>	<b>\$ 27,074</b>	<b>\$ 7,851</b>

Sheriff Road Patrol (207)	Law Enforcement (2072)	Temporary Sheriff (2074)	County Parks (208)	County Jail Trustees Management (2131)	Transport Fund (2132)
\$ 1,295,763	\$ -	\$ -	\$ -	\$ -	\$ -
109	-	-	-	-	-
-	76,960	-	-	-	-
17,588	-	-	-	-	-
86,148	-	411,778	514,440	169,652	157,250
88	-	-	-	-	-
961	-	-	-	-	-
-	-	-	-	-	-
7,323	-	-	1,584	-	-
<u>1,407,980</u>	<u>76,960</u>	<u>411,778</u>	<u>516,024</u>	<u>169,652</u>	<u>157,250</u>
-	-	-	-	-	-
-	-	-	-	-	-
2,067,751	125,695	-	-	164,437	199,366
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	483,595	-	-
-	-	-	24,841	-	-
<u>2,067,751</u>	<u>125,695</u>	<u>-</u>	<u>508,436</u>	<u>164,437</u>	<u>199,366</u>
<u>(659,771)</u>	<u>(48,735)</u>	<u>411,778</u>	<u>7,588</u>	<u>5,215</u>	<u>(42,116)</u>
871,904	48,222	-	25,000	694	12,245
(206,566)	-	(516,439)	(28,639)	-	-
<u>665,338</u>	<u>48,222</u>	<u>(516,439)</u>	<u>(3,639)</u>	<u>694</u>	<u>12,245</u>
5,567	(513)	(104,661)	3,949	5,909	(29,871)
<u>117,351</u>	<u>33,187</u>	<u>519,125</u>	<u>76,947</u>	<u>16,272</u>	<u>30,501</u>
<u>\$ 122,918</u>	<u>\$ 32,674</u>	<u>\$ 414,464</u>	<u>\$ 80,896</u>	<u>\$ 22,181</u>	<u>\$ 630</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds For the Year Ended September 30, 2014

	Friend of the Court (215)	Community Development (2441-2443)	Building Safety and Permits (249)
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	487,012	122,206	-
State	26,809	-	-
Local	-	-	-
Charges for services	65,417	6,993	229,511
Fines and forfeitures	-	-	-
Interest and rentals	-	804	-
Contributions from private sources	-	9,145	-
Other revenue/reimbursements	1,442	91,355	945
<b>Total revenues</b>	<b>580,680</b>	<b>230,503</b>	<b>230,456</b>
<b>Expenditures</b>			
Current:			
Judicial	887,087	-	-
General government	-	-	-
Public safety	-	-	222,237
Health and welfare	-	-	-
Community and economic development	-	224,264	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>887,087</b>	<b>224,264</b>	<b>222,237</b>
Revenue over (under) expenditures	(306,407)	6,239	8,219
<b>Other financing sources (uses)</b>			
Transfers in	286,822	78,288	-
Transfers out	-	-	(3,760)
<b>Total other financing sources (uses)</b>	<b>286,822</b>	<b>78,288</b>	<b>(3,760)</b>
<b>Net changes in fund balances</b>	<b>(19,585)</b>	<b>84,527</b>	<b>4,459</b>
Fund balances, beginning of year	21,592	1,172,843	274,419
<b>Fund balances, end of year</b>	<b>\$ 2,007</b>	<b>\$ 1,257,370</b>	<b>\$ 278,878</b>



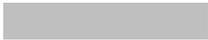
Register of Deeds Automation (256)	Law Enforcement Technical Fund (2567)	Drug Law Enforcement (265)	County Law Library (269)	Social Services (290)	Child Care (292)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	25,274	-	-	14,658
-	-	-	-	123	589,024
-	1,691	-	-	-	17,030
56,835	15,999	-	-	50,411	49,810
-	4,130	-	4,500	-	-
117	-	-	-	185	-
-	-	-	-	-	13,853
-	-	-	-	-	380
<u>56,952</u>	<u>21,820</u>	<u>25,274</u>	<u>4,500</u>	<u>50,719</u>	<u>684,755</u>
-	-	-	12,047	-	-
54,892	-	-	-	-	-
-	24,796	99,595	-	-	-
-	-	-	-	92,611	1,435,160
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>54,892</u>	<u>24,796</u>	<u>99,595</u>	<u>12,047</u>	<u>92,611</u>	<u>1,435,160</u>
<u>2,060</u>	<u>(2,976)</u>	<u>(74,321)</u>	<u>(7,547)</u>	<u>(41,892)</u>	<u>(750,405)</u>
-	-	82,937	-	37,588	720,866
-	-	(3,666)	-	-	-
-	-	79,271	-	37,588	720,866
2,060	(2,976)	4,950	(7,547)	(4,304)	(29,539)
<u>59,286</u>	<u>42,382</u>	<u>29,349</u>	<u>23,976</u>	<u>115,583</u>	<u>63,377</u>
<u>\$ 61,346</u>	<u>\$ 39,406</u>	<u>\$ 34,299</u>	<u>\$ 16,429</u>	<u>\$ 111,279</u>	<u>\$ 33,838</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds For the Year Ended September 30, 2014

	Soldiers' Relief (293)	Veterans' Trust (294)	Commission on Aging (295-2952)
<b>Revenues</b>			
Taxes	\$ 130,061	\$ -	\$ 647,659
Intergovernmental:			
Federal	-	-	187,864
State	-	5,856	32,410
Local	1,764	-	8,792
Charges for services	-	-	105,398
Fines and forfeitures	-	-	-
Interest and rentals	-	-	2
Contributions from private sources	700	-	701,894
Other revenue/reimbursements	200	-	2,120
<b>Total revenues</b>	<b>132,725</b>	<b>5,856</b>	<b>1,686,139</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	181,946	1,429	1,747,553
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>181,946</b>	<b>1,429</b>	<b>1,747,553</b>
Revenue over (under) expenditures	(49,221)	4,427	(61,414)
Other financing sources (uses)			
Transfers in	47,790	-	12,226
Transfers out	-	-	(35,000)
<b>Total other financing sources (uses)</b>	<b>47,790</b>	<b>-</b>	<b>(22,774)</b>
<b>Net changes in fund balances</b>	<b>(1,431)</b>	<b>4,427</b>	<b>(84,188)</b>
Fund balances, beginning of year	107,873	543	318,081
<b>Fund balances, end of year</b>	<b>\$ 106,442</b>	<b>\$ 4,970</b>	<b>\$ 233,893</b>



**Total**

\$ 2,073,483

901,532

772,946

58,230

1,920,207

8,718

2,069

725,592

105,349

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6,568,126

899,134

54,892

3,152,450

3,458,699

224,264

483,595

24,841

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8,297,875

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(1,729,749)

2,352,713

(794,070)

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1,558,643

(171,106)

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3,060,176

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\$ 2,889,070

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	Deputy Sheriff Reserves Program (205)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Charges for services	-	425	425
Fines and forfeitures	-	-	-
Contributions from private sources	200	-	(200)
Interest and rentals	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>200</b>	<b>425</b>	<b>225</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	14,715	14,715	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>14,715</b>	<b>14,715</b>	<b>-</b>
Revenues over (under) expenditures	(14,515)	(14,290)	225
<b>Other financing sources (uses)</b>			
Transfers in	2,414	2,413	(1)
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,414</b>	<b>2,413</b>	<b>(1)</b>
Net changes in fund balances	(12,101)	(11,877)	224
Fund balances, beginning of year	12,102	12,102	-
Fund balances, end of year	\$ 1	\$ 225	\$ 224



Emergency Services (2053)			Crime Victim Rights (2055)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
64,411	64,409	(2)	-	-	-
-	-	-	41,764	41,764	-
11,365	11,365	-	-	-	-
-	-	-	140	140	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>75,776</u>	<u>75,774</u>	<u>(2)</u>	<u>41,904</u>	<u>41,904</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
192,421	174,239	(18,182)	61,890	59,619	(2,271)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>192,421</u>	<u>174,239</u>	<u>(18,182)</u>	<u>61,890</u>	<u>59,619</u>	<u>(2,271)</u>
<u>(116,645)</u>	<u>(98,465)</u>	<u>18,180</u>	<u>(19,986)</u>	<u>(17,715)</u>	<u>2,271</u>
107,729	107,729	-	17,989	17,989	-
-	-	-	-	-	-
<u>107,729</u>	<u>107,729</u>	<u>-</u>	<u>17,989</u>	<u>17,989</u>	<u>-</u>
(8,916)	9,264	18,180	(1,997)	274	2,271
17,810	17,810	-	7,577	7,577	-
<u>\$ 8,894</u>	<u>\$ 27,074</u>	<u>\$ 18,180</u>	<u>\$ 5,580</u>	<u>\$ 7,851</u>	<u>\$ 2,271</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	Sheriff Road Patrol (207)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ 1,295,873	\$ 1,295,763	\$ (110)
Intergovernmental:			
Federal	110	109	(1)
State	-	-	-
Local	17,588	17,588	-
Charges for services	85,419	86,148	729
Fines and forfeitures	-	88	88
Contributions from private sources	-	-	-
Interest and rentals	975	961	(14)
Other revenue/reimbursements	6,233	7,323	1,090
<b>Total revenues</b>	<u>1,406,198</u>	<u>1,407,980</u>	<u>1,782</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	2,084,706	2,067,751	(16,955)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>2,084,706</u>	<u>2,067,751</u>	<u>(16,955)</u>
Revenues over (under) expenditures	<u>(678,508)</u>	<u>(659,771)</u>	<u>18,737</u>
<b>Other financing sources (uses)</b>			
Transfers in	871,903	871,904	1
Transfers out	(206,567)	(206,566)	1
<b>Total other financing sources (uses)</b>	<u>665,336</u>	<u>665,338</u>	<u>2</u>
Net changes in fund balances	(13,172)	5,567	18,739
Fund balances, beginning of year	117,351	117,351	-
Fund balances, end of year	<u>\$ 104,179</u>	<u>\$ 122,918</u>	<u>\$ 18,739</u>



Law Enforcement (2072)			Temporary Sheriff (2074)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
76,982	76,960	(22)	-	-	-
-	-	-	-	-	-
-	-	-	402,653	411,778	9,125
-	-	-	-	-	-
1,500	-	(1,500)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>78,482</u>	<u>76,960</u>	<u>(1,522)</u>	<u>402,653</u>	<u>411,778</u>	<u>9,125</u>
-	-	-	-	-	-
-	-	-	-	-	-
129,219	125,695	(3,524)	402,653	-	(402,653)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>129,219</u>	<u>125,695</u>	<u>(3,524)</u>	<u>402,653</u>	<u>-</u>	<u>(402,653)</u>
<u>(50,737)</u>	<u>(48,735)</u>	<u>2,002</u>	<u>-</u>	<u>411,778</u>	<u>411,778</u>
48,222	48,222	-	-	-	-
-	-	-	(516,439)	(516,439)	-
<u>48,222</u>	<u>48,222</u>	<u>-</u>	<u>(516,439)</u>	<u>(516,439)</u>	<u>-</u>
(2,515)	(513)	2,002	(516,439)	(104,661)	411,778
<u>33,187</u>	<u>33,187</u>	<u>-</u>	<u>519,125</u>	<u>519,125</u>	<u>-</u>
<u>\$ 30,672</u>	<u>\$ 32,674</u>	<u>\$ 2,002</u>	<u>\$ 2,686</u>	<u>\$ 414,464</u>	<u>\$ 411,778</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	County Parks (208)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Charges for services	499,019	514,440	15,421
Fines and forfeitures	-	-	-
Contributions from private sources	-	-	-
Interest and rentals	-	-	-
Other revenue/reimbursements	2,579	1,584	(995)
<b>Total revenues</b>	<b>501,598</b>	<b>516,024</b>	<b>14,426</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	496,693	483,595	(13,098)
Capital outlay	23,079	24,841	1,762
<b>Total expenditures</b>	<b>519,772</b>	<b>508,436</b>	<b>(11,336)</b>
Revenues over (under) expenditures	(18,174)	7,588	25,762
<b>Other financing sources (uses)</b>			
Transfers in	25,000	25,000	-
Transfers out	(28,639)	(28,639)	-
<b>Total other financing sources (uses)</b>	<b>(3,639)</b>	<b>(3,639)</b>	<b>-</b>
Net changes in fund balances	(21,813)	3,949	25,762
Fund balances, beginning of year	76,947	76,947	-
Fund balances, end of year	\$ 55,134	\$ 80,896	\$ 25,762

County Jail Trustees Management (2131)			Transport Fund (2132)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
169,652	169,652	-	157,560	157,250	(310)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>169,652</u>	<u>169,652</u>	<u>-</u>	<u>157,560</u>	<u>157,250</u>	<u>(310)</u>
-	-	-	-	-	-
-	-	-	-	-	-
170,346	164,437	(5,909)	200,305	199,366	(939)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>170,346</u>	<u>164,437</u>	<u>(5,909)</u>	<u>200,305</u>	<u>199,366</u>	<u>(939)</u>
<u>(694)</u>	<u>5,215</u>	<u>5,909</u>	<u>(42,745)</u>	<u>(42,116)</u>	<u>629</u>
694	694	-	12,245	12,245	-
-	-	-	-	-	-
<u>694</u>	<u>694</u>	<u>-</u>	<u>12,245</u>	<u>12,245</u>	<u>-</u>
-	5,909	5,909	(30,500)	(29,871)	629
<u>16,272</u>	<u>16,272</u>	<u>-</u>	<u>30,501</u>	<u>30,501</u>	<u>-</u>
<u>\$ 16,272</u>	<u>\$ 22,181</u>	<u>\$ 5,909</u>	<u>\$ 1</u>	<u>\$ 630</u>	<u>\$ 629</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	Friend of the Court (215)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	499,400	487,012	(12,388)
State	39,600	26,809	(12,791)
Local	-	-	-
Charges for services	62,600	65,417	2,817
Fines and forfeitures	-	-	-
Contributions from private sources	-	-	-
Interest and rentals	-	-	-
Other revenue/reimbursements	1,442	1,442	-
<b>Total revenues</b>	<b>603,042</b>	<b>580,680</b>	<b>(22,362)</b>
Expenditures			
Current:			
Judicial	896,664	887,087	(9,577)
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>896,664</b>	<b>887,087</b>	<b>(9,577)</b>
Revenues over (under) expenditures	(293,622)	(306,407)	(12,785)
Other financing sources (uses)			
Transfers in	286,822	286,822	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>286,822</b>	<b>286,822</b>	<b>-</b>
Net changes in fund balances	(6,800)	(19,585)	(12,785)
Fund balances, beginning of year	21,592	21,592	-
<b>Fund balances, end of year</b>	<b>\$ 14,792</b>	<b>\$ 2,007</b>	<b>\$ (12,785)</b>

Community Development (2441-2443)			Building Safety and Permits (249)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
211,623	122,206	(89,417)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,852	6,993	141	225,390	229,511	4,121
-	-	-	-	-	-
20,000	9,145	(10,855)	-	-	-
1,150	804	(346)	-	-	-
14,335	91,355	77,020	810	945	135
<u>253,960</u>	<u>230,503</u>	<u>(23,457)</u>	<u>226,200</u>	<u>230,456</u>	<u>4,256</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	224,694	222,237	(2,457)
-	-	-	-	-	-
332,248	224,264	(107,984)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>332,248</u>	<u>224,264</u>	<u>(107,984)</u>	<u>224,694</u>	<u>222,237</u>	<u>(2,457)</u>
<u>(78,288)</u>	<u>6,239</u>	<u>84,527</u>	<u>1,506</u>	<u>8,219</u>	<u>6,713</u>
78,288	78,288	-	-	-	-
-	-	-	(3,760)	(3,760)	-
<u>78,288</u>	<u>78,288</u>	<u>-</u>	<u>(3,760)</u>	<u>(3,760)</u>	<u>-</u>
-	84,527	84,527	(2,254)	4,459	6,713
<u>1,172,843</u>	<u>1,172,843</u>	<u>-</u>	<u>274,419</u>	<u>274,419</u>	<u>-</u>
<u>\$ 1,172,843</u>	<u>\$ 1,257,370</u>	<u>\$ 84,527</u>	<u>\$ 272,165</u>	<u>\$ 278,878</u>	<u>\$ 6,713</u>

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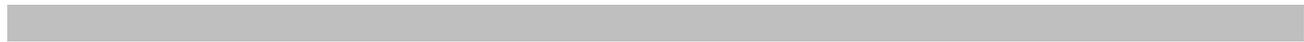
# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	Register of Deeds Automation (256)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Charges for services	60,000	56,835	(3,165)
Fines and forfeitures	-	-	-
Contributions from private sources	-	-	-
Interest and rentals	-	117	117
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>60,000</b>	<b>56,952</b>	<b>(3,048)</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	60,000	54,892	(5,108)
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>60,000</b>	<b>54,892</b>	<b>(5,108)</b>
Revenues over (under) expenditures	-	2,060	2,060
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net changes in fund balances	-	2,060	2,060
Fund balances, beginning of year	59,286	59,286	-
Fund balances, end of year	\$ 59,286	\$ 61,346	\$ 2,060



Law Enforcement Technical Fund (2567)			Drug Law Enforcement (265)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	16,708	25,274	8,566
-	-	-	-	-	-
650	1,691	1,041	-	-	-
10,620	15,999	5,379	-	-	-
4,152	4,130	(22)	2,250	-	(2,250)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,422</u>	<u>21,820</u>	<u>6,398</u>	<u>18,958</u>	<u>25,274</u>	<u>6,316</u>
-	-	-	-	-	-
-	-	-	-	-	-
15,422	24,796	9,374	101,895	99,595	(2,300)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,422</u>	<u>24,796</u>	<u>9,374</u>	<u>101,895</u>	<u>99,595</u>	<u>(2,300)</u>
-	(2,976)	(2,976)	(82,937)	(74,321)	8,616
-	-	-	82,937	82,937	-
-	-	-	(3,665)	(3,666)	(1)
-	-	-	79,272	79,271	(1)
-	(2,976)	(2,976)	(3,665)	4,950	8,615
<u>42,382</u>	<u>42,382</u>	<u>-</u>	<u>29,349</u>	<u>29,349</u>	<u>-</u>
<u>\$ 42,382</u>	<u>\$ 39,406</u>	<u>\$ (2,976)</u>	<u>\$ 25,684</u>	<u>\$ 34,299</u>	<u>\$ 8,615</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	County Law Library (269)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Charges for services	-	-	-
Fines and forfeitures	4,500	4,500	-
Contributions from private sources	-	-	-
Interest and rentals	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>4,500</b>	<b>4,500</b>	<b>-</b>
<b>Expenditures</b>			
Current:			
Judicial	11,997	12,047	50
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>11,997</b>	<b>12,047</b>	<b>50</b>
Revenues over (under) expenditures	(7,497)	(7,547)	(50)
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net changes in fund balances	(7,497)	(7,547)	(50)
Fund balances, beginning of year	23,976	23,976	-
Fund balances, end of year	\$ 16,479	\$ 16,429	\$ (50)



Social Services (290)			Child Care (292)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	10,932	14,658	3,726
338,000	123	(337,877)	708,485	589,024	(119,461)
-	-	-	17,175	17,030	(145)
82,650	50,411	(32,239)	50,160	49,810	(350)
-	-	-	-	-	-
-	-	-	12,150	13,853	1,703
-	185	185	-	-	-
-	-	-	-	380	380
<u>420,650</u>	<u>50,719</u>	<u>(369,931)</u>	<u>798,902</u>	<u>684,755</u>	<u>(114,147)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
458,238	92,611	(365,627)	1,578,520	1,435,160	(143,360)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>458,238</u>	<u>92,611</u>	<u>(365,627)</u>	<u>1,578,520</u>	<u>1,435,160</u>	<u>(143,360)</u>
<u>(37,588)</u>	<u>(41,892)</u>	<u>(4,304)</u>	<u>(779,618)</u>	<u>(750,405)</u>	<u>29,213</u>
37,588	37,588	-	720,866	720,866	-
-	-	-	-	-	-
<u>37,588</u>	<u>37,588</u>	<u>-</u>	<u>720,866</u>	<u>720,866</u>	<u>-</u>
-	(4,304)	(4,304)	(58,752)	(29,539)	29,213
<u>115,583</u>	<u>115,583</u>	<u>-</u>	<u>63,377</u>	<u>63,377</u>	<u>-</u>
<u>\$ 115,583</u>	<u>\$ 111,279</u>	<u>\$ (4,304)</u>	<u>\$ 4,625</u>	<u>\$ 33,838</u>	<u>\$ 29,213</u>

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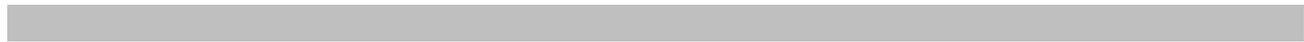
# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	Soldiers' Relief (293)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ 130,041	\$ 130,061	\$ 20
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	1,765	1,764	(1)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Contributions from private sources	1,000	700	(300)
Interest and rentals	-	-	-
Other revenue/reimbursements	200	200	-
<b>Total revenues</b>	<u>133,006</u>	<u>132,725</u>	<u>(281)</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	185,870	181,946	(3,924)
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>185,870</u>	<u>181,946</u>	<u>(3,924)</u>
Revenues over (under) expenditures	<u>(52,864)</u>	<u>(49,221)</u>	<u>3,643</u>
<b>Other financing sources (uses)</b>			
Transfers in	47,790	47,790	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>47,790</u>	<u>47,790</u>	<u>-</u>
Net changes in fund balances	(5,074)	(1,431)	3,643
Fund balances, beginning of year	107,873	107,873	-
Fund balances, end of year	<u>\$ 102,799</u>	<u>\$ 106,442</u>	<u>\$ 3,643</u>



Veterans' Trust (294)			Commission on Aging (295-2952)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ 677,810	\$ 647,659	\$ (30,151)
-	-	-	186,189	187,864	1,675
5,856	5,856	-	32,410	32,410	-
-	-	-	9,000	8,792	(208)
-	-	-	115,742	105,398	(10,344)
-	-	-	-	-	-
-	-	-	702,890	701,894	(996)
-	-	-	-	2	2
-	-	-	-	2,120	2,120
<u>5,856</u>	<u>5,856</u>	<u>-</u>	<u>1,724,041</u>	<u>1,686,139</u>	<u>(37,902)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,856	1,429	(4,427)	1,792,541	1,747,553	(44,988)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,856</u>	<u>1,429</u>	<u>(4,427)</u>	<u>1,792,541</u>	<u>1,747,553</u>	<u>(44,988)</u>
-	4,427	4,427	(68,500)	(61,414)	7,086
-	-	-	10,267	12,226	1,959
-	-	-	(35,000)	(35,000)	-
-	-	-	(24,733)	(22,774)	1,959
-	4,427	4,427	(93,233)	(84,188)	9,045
<u>543</u>	<u>543</u>	<u>-</u>	<u>318,081</u>	<u>318,081</u>	<u>-</u>
<u>\$ 543</u>	<u>\$ 4,970</u>	<u>\$ 4,427</u>	<u>\$ 224,848</u>	<u>\$ 233,893</u>	<u>\$ 9,045</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2014

	Total		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ 2,103,724	\$ 2,073,483	\$ (30,241)
Intergovernmental:			
Federal	989,373	901,532	(87,841)
State	1,243,097	772,946	(470,151)
Local	57,543	58,230	687
Charges for services	1,928,457	1,920,207	(8,250)
Fines and forfeitures	10,902	8,718	(2,184)
Contributions from private sources	737,740	725,592	(12,148)
Interest and rentals	2,125	2,069	(56)
Other revenue/reimbursements	25,599	105,349	79,750
<b>Total revenues</b>	<u>7,098,560</u>	<u>6,568,126</u>	<u>(530,434)</u>
<b>Expenditures</b>			
Current:			
Judicial	908,661	899,134	(9,527)
General government	60,000	54,892	(5,108)
Public safety	3,598,266	3,152,450	(445,816)
Health and welfare	4,021,025	3,458,699	(562,326)
Community and economic development	332,248	224,264	(107,984)
Recreation and cultural	496,693	483,595	(13,098)
Capital outlay	23,079	24,841	1,762
<b>Total expenditures</b>	<u>9,439,972</u>	<u>8,297,875</u>	<u>(1,142,097)</u>
Revenues over (under) expenditures	<u>(2,341,412)</u>	<u>(1,729,749)</u>	<u>611,663</u>
<b>Other financing sources (uses)</b>			
Transfers in	2,350,754	2,352,713	1,959
Transfers out	(794,070)	(794,070)	-
<b>Total other financing sources (uses)</b>	<u>1,556,684</u>	<u>1,558,643</u>	<u>1,959</u>
Net changes in fund balances	(784,728)	(171,106)	613,622
Fund balances, beginning of year	3,060,176	3,060,176	-
Fund balances, end of year	<u>\$ 2,275,448</u>	<u>\$ 2,889,070</u>	<u>\$ 613,622</u>

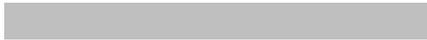
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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet Nonmajor Debt Service Funds September 30, 2014

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (392)
<b>Assets</b>			
Cash and cash equivalents	\$ 191,612	\$ 238,630	\$ 364,724
Investments	250,000	-	-
Taxes receivable	-	74	-
Due from other governments	51,450	-	-
<b>Total assets</b>	<u>\$ 493,062</u>	<u>\$ 238,704</u>	<u>\$ 364,724</u>
<b>Fund balances</b>			
Restricted	\$ -	\$ 238,704	364,724
Committed	493,062	-	-
<b>Total fund balances</b>	<u>\$ 493,062</u>	<u>\$ 238,704</u>	<u>\$ 364,724</u>



ISD Bonds (395)	Total
\$ -	\$ 794,966
-	250,000
-	74
-	51,450
<hr/>	<hr/>
\$ -	\$ 1,096,490
<hr/> <hr/>	<hr/> <hr/>
\$ -	\$ 603,428
-	493,062
<hr/>	<hr/>
\$ -	\$ 1,096,490
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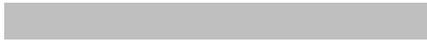
# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

For the Year Ended September 30, 2014

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (392)
Revenues			
Taxes	\$ -	\$ 553,102	\$ -
Intergovernmental - local	-	-	126,936
Charges for services	345,945	-	-
Interest	1,720	846	-
Total revenues	<u>347,665</u>	<u>553,948</u>	<u>126,936</u>
Expenditures			
Debt service:			
Principal	505,000	545,000	25,000
Interest	226,163	90,153	54,937
Total expenditures	<u>731,163</u>	<u>635,153</u>	<u>79,937</u>
Revenues (under) over expenditures	(383,498)	(81,205)	46,999
Fund balances, beginning of year	<u>876,560</u>	<u>319,909</u>	<u>317,725</u>
Fund balances, end of year	<u>\$ 493,062</u>	<u>\$ 238,704</u>	<u>\$ 364,724</u>



ISD Bonds (395)	Total
\$ -	\$ 553,102
78,813	205,749
-	345,945
-	2,566
<hr/>	<hr/>
78,813	1,107,362
<hr/>	<hr/>
75,000	1,150,000
3,813	375,066
<hr/>	<hr/>
78,813	1,525,066
<hr/>	<hr/>
-	(417,704)
-	1,514,194
<hr/>	<hr/>
\$ -	\$ 1,096,490
<hr/> <hr/>	<hr/> <hr/>

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## NONMAJOR ENTERPRISE FUNDS

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Nonmajor Enterprise Funds

September 30, 2014

	2012 Delinquent Tax (516122)	2014 Delinquent Tax (516142)	PRE Audit (530)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 85,611	\$ 1	\$ 14,652
Accounts receivable	-	-	-
Delinquent taxes receivable	777,178	-	-
Total current assets	<u>862,789</u>	<u>1</u>	<u>14,652</u>
Noncurrent assets:			
Capital assets being depreciated, net	-	-	-
Total assets	<u>862,789</u>	<u>1</u>	<u>14,652</u>
<b>Liabilities (all current)</b>			
Accounts payable	-	-	14,652
Due to other funds	270,000	-	-
Total liabilities (all current)	<u>270,000</u>	<u>-</u>	<u>14,652</u>
<b>Net position</b>			
Net investment in capital assets	-	-	-
Unrestricted	592,789	1	-
Total net position	<u>\$ 592,789</u>	<u>\$ 1</u>	<u>\$ -</u>



Building Authority (569)	Jail Commissary (595)	Total
\$ 319,637	\$ 92,835	\$ 512,736
-	4,742	4,742
-	-	777,178
<u>319,637</u>	<u>97,577</u>	<u>1,294,656</u>
-	17,444	17,444
<u>319,637</u>	<u>115,021</u>	<u>1,312,100</u>
1,646	5,219	21,517
-	-	270,000
<u>1,646</u>	<u>5,219</u>	<u>291,517</u>
-	17,444	17,444
<u>317,991</u>	<u>92,358</u>	<u>1,003,139</u>
<u>\$ 317,991</u>	<u>\$ 109,802</u>	<u>\$ 1,020,583</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Nonmajor Enterprise Funds

For the Year Ended September 30, 2014

	2012 Delinquent Tax (516122)	2014 Delinquent Tax (516142)	PRE Audit (530)
Operating revenues			
Charges for services	\$ -	\$ -	\$ -
Rentals	-	-	-
Interest and penalties on delinquent taxes	226,735	-	-
Reimbursements	-	-	-
<b>Total operating revenues</b>	<b>226,735</b>	<b>-</b>	<b>-</b>
Operating expense			
Supplies and operating expenses	6,218	(1)	1,406
Depreciation	-	-	-
<b>Total operating expense</b>	<b>6,218</b>	<b>(1)</b>	<b>1,406</b>
<b>Operating income (loss)</b>	<b>220,517</b>	<b>1</b>	<b>(1,406)</b>
Nonoperating revenues (expenses)			
Interest revenue	149	-	4,080
Interest expense	(2,372)	-	-
<b>Total nonoperating revenues (expenses)</b>	<b>(2,223)</b>	<b>-</b>	<b>4,080</b>
<b>Income before transfers</b>	<b>218,294</b>	<b>1</b>	<b>2,674</b>
Transfers			
Transfers out	(4,173)	-	(11,557)
<b>Change in net position</b>	<b>214,121</b>	<b>1</b>	<b>(8,883)</b>
<b>Net position, beginning of year</b>	<b>378,668</b>	<b>-</b>	<b>8,883</b>
<b>Net position, end of year</b>	<b>\$ 592,789</b>	<b>\$ 1</b>	<b>\$ -</b>



Building Authority (569)	Jail Commissary (595)	Total
\$ -	\$ 60,139	\$ 60,139
103,848	-	103,848
-	-	226,735
-	53,998	53,998
<u>103,848</u>	<u>114,137</u>	<u>444,720</u>
68,942	74,625	151,190
-	2,472	2,472
<u>68,942</u>	<u>77,097</u>	<u>153,662</u>
<u>34,906</u>	<u>37,040</u>	<u>291,058</u>
-	139	4,368
-	-	(2,372)
-	139	1,996
34,906	37,179	293,054
<u>(79,200)</u>	<u>-</u>	<u>(94,930)</u>
(44,294)	37,179	198,124
<u>362,285</u>	<u>72,623</u>	<u>822,459</u>
<u>\$ 317,991</u>	<u>\$ 109,802</u>	<u>\$ 1,020,583</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2014

	2012 Delinquent Tax (516122)	2014 Delinquent Tax (516142)	PRE Audit (530)
<b>Cash flows from operating activities</b>			
Receipts from customers and users	\$ 1,782,732	\$ 1	\$ -
Payments to vendors	(6,218)	-	12,507
<b>Net cash provided (used in) by operating activities</b>	<u>1,776,514</u>	<u>1</u>	<u>12,507</u>
<b>Cash flows from noncapital financing activities</b>			
Principal paid on long-term debt	(1,075,000)	-	-
Interest paid on long-term debt	(2,372)	-	-
Cash paid for interfund loan	(800,000)	-	-
Transfers out	(4,173)	-	(11,557)
<b>Net cash used in noncapital financing activities</b>	<u>(1,881,545)</u>	<u>-</u>	<u>(11,557)</u>
<b>Cash flows from capital and related financing activities</b>			
Purchases of capital assets	-	-	-
<b>Cash flows from investing activities</b>			
Interest received	149	-	4,080
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(104,882)</u>	<u>1</u>	<u>5,030</u>
Cash and cash equivalents, beginning of year	<u>190,493</u>	<u>-</u>	<u>9,622</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 85,611</u>	<u>\$ 1</u>	<u>\$ 14,652</u>



Building Authority (569)	Jail Commissary (595)	Total
\$ 132,351 (68,721)	\$ 119,874 (73,748)	\$ 2,034,958 (136,180)
<u>63,630</u>	<u>46,126</u>	<u>1,898,778</u>
-	-	(1,075,000)
-	-	(2,372)
-	-	(800,000)
(79,200)	-	(94,930)
<u>(79,200)</u>	<u>-</u>	<u>(1,972,302)</u>
-	(6,686)	(6,686)
-	139	4,368
(15,570)	46,265	(69,156)
<u>335,207</u>	<u>53,256</u>	<u>588,578</u>
<u>\$ 319,637</u>	<u>\$ 92,835</u>	<u>\$ 512,736</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2014

	2012 Delinquent Tax (516122)	2014 Delinquent Tax (516142)	PRE Audit (530)
Cash flows from operating activities			
Operating income (loss)	\$ 220,517	\$ 1	\$ (1,406)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Change in:			
Accounts receivable	-	-	-
Due from other governments	-	-	-
Delinquent taxes receivable	1,555,997	-	-
Accounts payable	-	-	13,914
Due to other governments	-	-	(1)
Net cash provided by (used in) operating activities	<u>\$ 1,776,514</u>	<u>\$ 1</u>	<u>\$ 12,507</u>



Building Authority (569)	Jail Commissary (595)	Total
\$ 34,906	\$ 37,040	\$ 291,058
-	2,472	2,472
-	5,737	5,737
28,503	-	28,503
-	-	1,555,997
221	877	15,012
-	-	(1)
<u>\$ 63,630</u>	<u>\$ 46,126</u>	<u>\$ 1,898,778</u>

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## INTERNAL SERVICE FUNDS

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position Internal Service Funds September 30, 2014

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 33,553	\$ 21,593	\$ 109,558
Accounts receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	8,943	-	-
Prepays	-	-	-
Total current assets	<u>42,496</u>	<u>21,593</u>	<u>109,558</u>
Noncurrent assets –			
Capital assets being depreciated, net	<u>14,121</u>	<u>-</u>	<u>420</u>
Total assets	<u>56,617</u>	<u>21,593</u>	<u>109,978</u>
<b>Liabilities</b>			
Current liabilities:			
Interfund payable	-	-	-
Accounts payable	10,497	187	14
Accrued expenses	9,954	7,994	952
Due to other funds	-	-	-
Current portion of long-term debt	3,146	3,023	-
Total current liabilities	<u>23,597</u>	<u>11,204</u>	<u>966</u>
Noncurrent liabilities –			
Long-term debt	<u>9,938</u>	<u>5,585</u>	<u>1,281</u>
Total liabilities	<u>33,535</u>	<u>16,789</u>	<u>2,247</u>
<b>Net position</b>			
Net investment in capital assets	14,121	-	420
Unrestricted	<u>8,961</u>	<u>4,804</u>	<u>107,311</u>
Total net position	<u>\$ 23,082</u>	<u>\$ 4,804</u>	<u>\$ 107,731</u>

Information Services (636)	Drain Computer (637)	Drain Maintenance / Construction (638)	Duplicating (645)	Food Service (652)	Telephone System (656)
\$ 91,770	\$ 5,736	\$ 61,433	\$ 275,918	\$ 51,777	\$ 295,540
-	-	-	-	-	1,300
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>91,770</u>	<u>5,736</u>	<u>61,433</u>	<u>275,918</u>	<u>51,777</u>	<u>296,840</u>
<u>55,379</u>	<u>3,672</u>	<u>8,375</u>	<u>28,964</u>	-	-
<u>147,149</u>	<u>9,408</u>	<u>69,808</u>	<u>304,882</u>	<u>51,777</u>	<u>296,840</u>
-	-	-	-	-	-
1,590	-	270	1,532	33,939	1,458
7,510	-	-	-	367	-
-	-	38,924	-	-	-
137	-	-	-	-	-
<u>9,237</u>	-	<u>39,194</u>	<u>1,532</u>	<u>34,306</u>	<u>1,458</u>
<u>559</u>	-	-	-	<u>811</u>	-
<u>9,796</u>	-	<u>39,194</u>	<u>1,532</u>	<u>35,117</u>	<u>1,458</u>
<u>55,379</u>	<u>3,672</u>	<u>8,375</u>	<u>28,964</u>	-	-
<u>81,974</u>	<u>5,736</u>	<u>22,239</u>	<u>274,386</u>	<u>16,660</u>	<u>295,382</u>
<u>\$ 137,353</u>	<u>\$ 9,408</u>	<u>\$ 30,614</u>	<u>\$ 303,350</u>	<u>\$ 16,660</u>	<u>\$ 295,382</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Internal Service Funds

September 30, 2014

	Motor Pool (661)	Unemployment (676)	Health and Wellness (677)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 66,202	\$ 125,318	\$ 1,924,176
Accounts receivable	-	-	(9,934)
Due from other governments	-	-	-
Due from other funds	4,500	-	-
Prepays	-	-	77,919
Total current assets	<u>70,702</u>	<u>125,318</u>	<u>1,992,161</u>
Noncurrent assets –			
Capital assets being depreciated, net	<u>167,132</u>	<u>-</u>	<u>-</u>
Total assets	<u>237,834</u>	<u>125,318</u>	<u>1,992,161</u>
<b>Liabilities</b>			
Current liabilities:			
Interfund payable	-	-	-
Accounts payable	315	-	104,138
Accrued expenses	-	-	5,114
Due to other funds	-	3,159	-
Current portion of long-term debt	-	-	-
Total current liabilities	<u>315</u>	<u>3,159</u>	<u>109,252</u>
Noncurrent liabilities –			
Long-term debt	<u>-</u>	<u>-</u>	<u>1,281</u>
Total liabilities	<u>315</u>	<u>3,159</u>	<u>110,533</u>
<b>Net position</b>			
Net investment in capital assets	167,132	-	-
Unrestricted	<u>70,387</u>	<u>122,159</u>	<u>1,881,628</u>
Total net position	<u>\$ 237,519</u>	<u>\$ 122,159</u>	<u>\$ 1,881,628</u>

Liability Insurance (678)	Equipment Pool (692)	Building Renovation (694)	Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)
\$ 343,803	\$ 34,788	\$ -	\$ 554,252	\$ -	\$ 1,247,613
-	-	-	-	-	-
-	-	6,342	-	-	-
-	-	-	-	3,159	-
290,557	-	-	-	-	-
<u>634,360</u>	<u>34,788</u>	<u>6,342</u>	<u>554,252</u>	<u>3,159</u>	<u>1,247,613</u>
-	-	-	-	-	-
<u>634,360</u>	<u>34,788</u>	<u>6,342</u>	<u>554,252</u>	<u>3,159</u>	<u>1,247,613</u>
-	-	3,019	-	2,591	-
53,026	-	-	-	-	736
-	-	-	-	-	-
-	-	-	116,616	-	-
-	-	-	-	-	-
<u>53,026</u>	<u>-</u>	<u>3,019</u>	<u>116,616</u>	<u>2,591</u>	<u>736</u>
-	-	-	-	-	-
<u>53,026</u>	<u>-</u>	<u>3,019</u>	<u>116,616</u>	<u>2,591</u>	<u>736</u>
-	-	-	-	-	-
581,334	34,788	3,323	437,636	568	1,246,877
<u>\$ 581,334</u>	<u>\$ 34,788</u>	<u>\$ 3,323</u>	<u>\$ 437,636</u>	<u>\$ 568</u>	<u>\$ 1,246,877</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position Internal Service Funds September 30, 2014

	Unused Sick and Vacation (730)	Total
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 704,501	\$ 5,947,531
Accounts receivable	-	(8,634)
Due from other governments	-	6,342
Due from other funds	7,294	23,896
Prepays	-	368,476
Total current assets	<u>711,795</u>	<u>6,337,611</u>
Noncurrent assets –		
Capital assets being depreciated, net	-	<u>278,063</u>
Total assets	<u>711,795</u>	<u>6,615,674</u>
<b>Liabilities</b>		
Current liabilities:		
Interfund payable	-	5,610
Accounts payable	-	207,702
Accrued expenses	653	32,544
Due to other funds	-	158,699
Current portion of long-term debt	-	6,306
Total current liabilities	<u>653</u>	<u>410,861</u>
Noncurrent liabilities –		
Long-term debt	-	<u>19,455</u>
Total liabilities	<u>653</u>	<u>430,316</u>
<b>Net position</b>		
Net investment in capital assets	-	278,063
Unrestricted	<u>711,142</u>	<u>5,907,295</u>
Total net position	<u>\$ 711,142</u>	<u>\$ 6,185,358</u>

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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

For the Year Ended September 30, 2014

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Operating revenues			
Charges for services	\$ 480,246	\$ 120,612	\$ 4,191
Reimbursements	-	-	-
<b>Total operating revenues</b>	<b>480,246</b>	<b>120,612</b>	<b>4,191</b>
Operating expense			
Supplies and operating expenses	601,134	197,062	40,104
Depreciation	6,583	-	2,517
<b>Total operating expense</b>	<b>607,717</b>	<b>197,062</b>	<b>42,621</b>
Operating income (loss)	(127,471)	(76,450)	(38,430)
Nonoperating revenues			
Interest revenue	-	-	-
<b>Income (loss) before transfers</b>	<b>(127,471)</b>	<b>(76,450)</b>	<b>(38,430)</b>
Other financing sources (uses)			
Transfers in	125,065	79,836	30,000
Transfers out	-	-	(15,000)
<b>Total other financing sources (uses)</b>	<b>125,065</b>	<b>79,836</b>	<b>15,000</b>
<b>Change in net position</b>	<b>(2,406)</b>	<b>3,386</b>	<b>(23,430)</b>
Net position, beginning of year	25,488	1,418	131,161
<b>Net position, end of year</b>	<b>\$ 23,082</b>	<b>\$ 4,804</b>	<b>\$ 107,731</b>

Information Services (636)	Drain Computer (637)	Drain Maintenance / Construction (638)	Duplicating (645)	Food Service (652)	Telephone System (656)
\$ 5,016	\$ -	\$ 160,742	\$ 85,984	\$ 590,526	\$ 97,459
-	-	-	-	-	-
5,016	-	160,742	85,984	590,526	97,459
353,827	572	24,960	37,444	466,113	34,510
19,287	1,259	2,867	11,119	-	-
373,114	1,831	27,827	48,563	466,113	34,510
(368,098)	(1,831)	132,915	37,421	124,413	62,949
-	-	317	-	-	-
(368,098)	(1,831)	133,232	37,421	124,413	62,949
351,367	-	-	-	-	-
-	-	(127,535)	(63,300)	(113,705)	(80,000)
351,367	-	(127,535)	(63,300)	(113,705)	(80,000)
(16,731)	(1,831)	5,697	(25,879)	10,708	(17,051)
154,084	11,239	24,917	329,229	5,952	312,433
\$ 137,353	\$ 9,408	\$ 30,614	\$ 303,350	\$ 16,660	\$ 295,382

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

For the Year Ended September 30, 2014

	Motor Pool (661)	Unemployment (676)	Health and Wellness (677)
Operating revenues			
Charges for services	\$ 70,098	\$ -	\$ -
Reimbursements	-	42,002	3,457,477
<b>Total operating revenues</b>	<b>70,098</b>	<b>42,002</b>	<b>3,457,477</b>
Operating expense			
Supplies and operating expenses	17,750	6,907	2,448,928
Depreciation	87,342	-	-
<b>Total operating expense</b>	<b>105,092</b>	<b>6,907</b>	<b>2,448,928</b>
Operating income (loss)	(34,994)	35,095	1,008,549
Nonoperating revenues			
Interest revenue	-	-	-
Income (loss) before transfers	(34,994)	35,095	1,008,549
Other financing sources (uses)			
Transfers in	103,461	-	-
Transfers out	-	(82,256)	(6,423)
<b>Total other financing sources (uses)</b>	<b>103,461</b>	<b>(82,256)</b>	<b>(6,423)</b>
Change in net position	68,467	(47,161)	1,002,126
Net position, beginning of year	169,052	169,320	879,502
<b>Net position, end of year</b>	<b>\$ 237,519</b>	<b>\$ 122,159</b>	<b>\$ 1,881,628</b>

Liability Insurance (678)	Equipment Pool (692)	Building Renovation (694)	Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)
\$ -	\$ 416	\$ 77,161	\$ -	\$ -	\$ 41,419
279,260	-	-	170,225	745,342	-
279,260	416	77,161	170,225	745,342	41,419
217,268	2,919	22,144	164,182	815,883	38,996
-	1,031	-	-	-	-
217,268	3,950	22,144	164,182	815,883	38,996
61,992	(3,534)	55,017	6,043	(70,541)	2,423
65,159	-	-	80,888	-	-
127,151	(3,534)	55,017	86,931	(70,541)	2,423
-	-	-	-	70,541	-
(107,659)	(450)	(60,572)	(311,389)	-	(343,782)
(107,659)	(450)	(60,572)	(311,389)	70,541	(343,782)
19,492	(3,984)	(5,555)	(224,458)	-	(341,359)
561,842	38,772	8,878	662,094	568	1,588,236
\$ 581,334	\$ 34,788	\$ 3,323	\$ 437,636	\$ 568	\$ 1,246,877

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds For the Year Ended September 30, 2014

	Unused Sick and Vacation (730)	Total
Operating revenues		
Charges for services	\$ 183,585	\$ 1,917,455
Reimbursements	36,300	4,730,606
	<u>219,885</u>	<u>6,648,061</u>
Total operating revenues		
Operating expense		
Supplies and operating expenses	171,867	5,662,570
Depreciation	-	132,005
	<u>171,867</u>	<u>5,794,575</u>
Total operating expense		
Operating income (loss)	48,018	853,486
Nonoperating revenues		
Interest revenue	-	146,364
	<u>48,018</u>	<u>999,850</u>
Income (loss) before transfers		
Other financing sources (uses)		
Transfers in	-	760,270
Transfers out	(54,850)	(1,366,921)
	<u>(54,850)</u>	<u>(606,651)</u>
Total other financing sources (uses)		
Change in net position	(6,832)	393,199
Net position, beginning of year	717,974	5,792,159
Net position, end of year	<u>\$ 711,142</u>	<u>\$ 6,185,358</u>

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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows Internal Service Funds For the Year Ended September 30, 2014

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Cash flows from operating activities</b>			
Receipts from interfund services	\$ 471,303	\$ 120,612	\$ 4,304
Payments to vendors	(299,442)	(1,115)	(10,393)
Payments for personnel services	(307,193)	(186,467)	(29,374)
<b>Net cash provided by (used in) operating activities</b>	<b>(135,332)</b>	<b>(66,970)</b>	<b>(35,463)</b>
<b>Cash flows from noncapital financing activities</b>			
Transfers in	125,065	79,836	30,000
Transfers out	-	-	(15,000)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>125,065</b>	<b>79,836</b>	<b>15,000</b>
<b>Cash flows from capital and related financing activities</b>			
Proceeds from sale of capital assets	-	-	-
Purchase of capital assets	-	-	-
<b>Net cash used in capital and related financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flows from investing activities</b>			
Interest received on investments	-	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(10,267)</b>	<b>12,866</b>	<b>(20,463)</b>
Cash and cash equivalents, beginning of year	43,820	8,727	130,021
<b>Cash and cash equivalents, end of year</b>	<b>\$ 33,553</b>	<b>\$ 21,593</b>	<b>\$ 109,558</b>

Information Services (636)	Drain Computer (637)	Drain Maintenance / Construction (638)	Duplicating (645)	Food Service (652)	Telephone System (656)
\$ 5,016 (126,862) (228,984)	\$ - (637) -	\$ 107,999 (25,328) -	\$ 85,984 (43,697) -	\$ 590,526 (459,543) (9,888)	\$ 96,159 (35,752) -
<u>(350,830)</u>	<u>(637)</u>	<u>82,671</u>	<u>42,287</u>	<u>121,095</u>	<u>60,407</u>
351,367 -	- -	- (127,535)	- (63,300)	- (113,705)	- (80,000)
<u>351,367</u>	<u>-</u>	<u>(127,535)</u>	<u>(63,300)</u>	<u>(113,705)</u>	<u>(80,000)</u>
- (14,297)	- -	- -	- (10,872)	- -	- -
<u>(14,297)</u>	<u>-</u>	<u>-</u>	<u>(10,872)</u>	<u>-</u>	<u>-</u>
-	-	317	-	-	-
(13,760)	(637)	(44,547)	(31,885)	7,390	(19,593)
<u>105,530</u>	<u>6,373</u>	<u>105,980</u>	<u>307,803</u>	<u>44,387</u>	<u>315,133</u>
<u>\$ 91,770</u>	<u>\$ 5,736</u>	<u>\$ 61,433</u>	<u>\$ 275,918</u>	<u>\$ 51,777</u>	<u>\$ 295,540</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows Internal Service Funds For the Year Ended September 30, 2014

	Motor Pool (661)	Unemployment (676)	Health and Wellness (677)
Cash flows from operating activities			
Receipts from interfund services	\$ 70,398	\$ 42,002	\$ 3,625,961
Payments to vendors	(17,354)	(3,757)	(2,386,585)
Payments for personnel services	(653)	-	(98,686)
Net cash provided by (used in) operating activities	52,391	38,245	1,140,690
Cash flows from noncapital financing activities			
Transfers in	103,461	-	-
Transfers out	-	(82,256)	(6,423)
Net cash provided by (used in) noncapital financing activities	103,461	(82,256)	(6,423)
Cash flows from capital and related financing activities			
Proceeds from sale of capital assets	1,143	-	-
Purchase of capital assets	(147,160)	-	-
Net cash used in capital and related financing activities	(146,017)	-	-
Cash flows from investing activities			
Interest received on investments	-	-	-
Net increase (decrease) in cash and cash equivalents	9,835	(44,011)	1,134,267
Cash and cash equivalents, beginning of year	56,367	169,329	789,909
Cash and cash equivalents, end of year	\$ 66,202	\$ 125,318	\$ 1,924,176

Liability Insurance (678)	Equipment Pool (692)	Building Renovation (694)	Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)
\$ 279,471 (267,630)	\$ 416 (15,483)	\$ 77,161 (22,425)	\$ 170,225 (92,671)	\$ 742,183 (813,292)	\$ 41,419 (38,260)
-	-	-	-	-	-
11,841	(15,067)	54,736	77,554	(71,109)	3,159
-	-	-	-	70,541	-
(107,659)	(450)	(60,572)	(311,389)	-	(343,782)
(107,659)	(450)	(60,572)	(311,389)	70,541	(343,782)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
65,159	-	-	80,888	-	-
(30,659)	(15,517)	(5,836)	(152,947)	(568)	(340,623)
374,462	50,305	5,836	707,199	568	1,588,236
<u>\$ 343,803</u>	<u>\$ 34,788</u>	<u>\$ -</u>	<u>\$ 554,252</u>	<u>\$ -</u>	<u>\$ 1,247,613</u>

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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows Internal Service Funds For the Year Ended September 30, 2014

	Unused Sick and Vacation (730)	Total
Cash flows from operating activities		
Receipts from interfund services	\$ 230,495	\$ 6,761,634
Payments to vendors	(81,777)	(4,742,003)
Payments for personnel services	(101,692)	(962,937)
	<u>47,026</u>	<u>1,056,694</u>
Net cash provided by (used in) operating activities		
Cash flows from noncapital financing activities		
Transfers in	-	760,270
Transfers out	(54,850)	(1,366,921)
	<u>(54,850)</u>	<u>(606,651)</u>
Net cash provided by (used in) noncapital financing activities		
Cash flows from capital and related financing activities		
Proceeds from sale of capital assets	-	1,143
Purchase of capital assets	-	(172,329)
	<u>-</u>	<u>(171,186)</u>
Net cash used in capital and related financing activities		
Cash flows from investing activities		
Interest received on investments	-	146,364
	<u>-</u>	<u>146,364</u>
Net increase (decrease) in cash and cash equivalents	(7,824)	425,221
Cash and cash equivalents, beginning of year	<u>712,325</u>	<u>5,522,310</u>
Cash and cash equivalents, end of year	<u>\$ 704,501</u>	<u>\$ 5,947,531</u>

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COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows  
 Internal Service Funds  
 For the Year Ended September 30, 2014

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Cash flows from operating activities			
Operating income (loss)	\$ (127,471)	\$ (76,450)	\$ (38,430)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	6,583	-	2,517
Change in assets/liabilities:			
Accounts receivable	-	-	113
Due from other funds	(8,943)	-	-
Prepays	-	-	-
Interfund payable	-	-	-
Accounts payable	(5,713)	187	(178)
Accrued expenses	1,673	685	127
Due to other funds	-	-	-
Compensated absences	(1,461)	8,608	388
	\$ (135,332)	\$ (66,970)	\$ (35,463)
Net cash provided by (used in) operating activities	\$ (135,332)	\$ (66,970)	\$ (35,463)



Information Services (636)	Drain Computer (637)	Drain Maintenance / Construction (638)	Duplicating (645)	Food Service (652)	Telephone System (656)
\$ (368,098)	\$ (1,831)	\$ 132,915	\$ 37,421	\$ 124,413	\$ 62,949
19,287	1,259	2,867	11,119	-	-
-	-	-	-	-	(1,300)
-	-	-	-	-	-
-	-	-	-	-	-
(2,421)	(65)	(368)	(6,253)	(3,811)	(1,242)
999	-	-	-	(103)	-
-	-	(52,743)	-	-	-
(597)	-	-	-	596	-
<u>\$ (350,830)</u>	<u>\$ (637)</u>	<u>\$ 82,671</u>	<u>\$ 42,287</u>	<u>\$ 121,095</u>	<u>\$ 60,407</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

**Combining Statement of Cash Flows**  
 Internal Service Funds  
 For the Year Ended September 30, 2014

	Motor Pool (661)	Unemployment (676)	Health and Wellness (677)
Cash flows from operating activities			
Operating income (loss)	\$ (34,994)	\$ 35,095	\$ 1,008,549
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	87,342	-	-
Change in assets/liabilities:			
Accounts receivable	4,800	-	162,221
Due from other funds	(4,500)	-	6,263
Prepays	-	-	(77,919)
Interfund payable	-	-	-
Accounts payable	(257)	(9)	41,548
Accrued expenses	-	-	1,590
Due to other funds	-	3,159	-
Compensated absences	-	-	(1,562)
Net cash provided by (used in) operating activities	<u>\$ 52,391</u>	<u>\$ 38,245</u>	<u>\$ 1,140,690</u>



Liability Insurance (678)	Equipment Pool (692)	Building Renovation (694)	Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)
\$ 61,992	\$ (3,534)	\$ 55,017	\$ 6,043	\$ (70,541)	\$ 2,423
-	1,031	-	-	-	-
-	-	-	-	-	-
211	-	-	-	(3,159)	-
(29,026)	-	-	-	-	-
-	-	3,019	-	2,591	-
(21,336)	(12,564)	(3,300)	(45,105)	-	736
-	-	-	-	-	-
-	-	-	116,616	-	-
-	-	-	-	-	-
<u>\$ 11,841</u>	<u>\$ (15,067)</u>	<u>\$ 54,736</u>	<u>\$ 77,554</u>	<u>\$ (71,109)</u>	<u>\$ 3,159</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows  
 Internal Service Funds  
 For the Year Ended September 30, 2014

	Unused Sick and Vacation (730)	Total
Cash flows from operating activities		
Operating income (loss)	\$ 48,018	\$ 853,486
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	-	132,005
Change in assets/liabilities:		
Accounts receivable	65	165,899
Due from other funds	10,545	417
Prepays	-	(106,945)
Interfund payable	-	5,610
Accounts payable	-	(60,151)
Accrued expenses	(145)	4,826
Due to other funds	(11,457)	55,575
Compensated absences	-	5,972
	\$ 47,026	\$ 1,056,694
Net cash provided by (used in) operating activities	\$ 47,026	\$ 1,056,694

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## AGENCY FUNDS

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Fiduciary Assets and Liabilities

Agency Funds  
September 30, 2014

	Central Payroll Processing (115)	Central Accounts Payable (125)	Trust and Agency (701)	Trust and Agency Outside Accounts (702)
<b>Assets</b>				
Cash and cash equivalents	\$ 5,383	\$ -	\$ 3,950,936	\$ 30,486
Accounts receivable	-	-	12	-
Due from other governments	-	-	580	-
<b>Total assets</b>	<u>\$ 5,383</u>	<u>\$ -</u>	<u>\$ 3,951,528</u>	<u>\$ 30,486</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 281,155	\$ 30,486
Due to other governments	-	-	3,670,373	-
Undistributed receipts	5,383	-	-	-
<b>Total liabilities</b>	<u>\$ 5,383</u>	<u>\$ -</u>	<u>\$ 3,951,528</u>	<u>\$ 30,486</u>



Library Penal (721)	Total
\$ 96,094	\$ 4,082,899
-	12
-	580
<u>\$ 96,094</u>	<u>\$ 4,083,491</u>
\$ -	\$ 311,641
-	3,670,373
96,094	101,477
<u>\$ 96,094</u>	<u>\$ 4,083,491</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Funds

For the Year Ended September 30, 2014

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>Central Payroll Processing</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 5,733	\$ 11,637,451	\$ 11,637,801	\$ 5,383
Accounts receivable	-	-	-	-
<b>Total assets</b>	<b>\$ 5,733</b>	<b>\$ 11,637,451</b>	<b>\$ 11,637,801</b>	<b>\$ 5,383</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 6,559,902	\$ 6,559,902	\$ -
Due to other governments	-	2,634,340	2,634,340	-
Undistributed receipts	5,733	2,443,209	2,443,559	5,383
<b>Total liabilities</b>	<b>\$ 5,733</b>	<b>\$ 11,637,451</b>	<b>\$ 11,637,801</b>	<b>\$ 5,383</b>
<b><u>Central Accounts Payable</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 47,217,630	\$ 47,217,630	\$ -
Accounts receivable	-	62,789,915	62,789,915	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 110,007,545</b>	<b>\$ 110,007,545</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 110,007,545	\$ 110,007,545	\$ -
<b><u>Trust and Agency</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 3,144,202	\$ 30,440,112	\$ 29,633,378	\$ 3,950,936
Accounts receivable	95	12	95	12
Due from other governments	579	3,159	3,158	580
<b>Total assets</b>	<b>\$ 3,144,876</b>	<b>\$ 30,443,283</b>	<b>\$ 29,636,631</b>	<b>\$ 3,951,528</b>
<b>Liabilities</b>				
Accounts payable	\$ 211,501	\$ 10,690,248	\$ 10,620,594	\$ 281,155
Due to other governments	2,933,375	19,753,035	19,016,037	3,670,373
<b>Total liabilities</b>	<b>\$ 3,144,876</b>	<b>\$ 30,443,283</b>	<b>\$ 29,636,631</b>	<b>\$ 3,951,528</b>

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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Funds

For the Year Ended September 30, 2014

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>Trust and Agency Outside Accounts</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 35,579	\$ 32,049	\$ 37,142	\$ 30,486
<b>Liabilities</b>				
Accounts payable	\$ 35,579	\$ 32,049	\$ 37,142	\$ 30,486
<b><u>Library Penal Fine</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 66,822	\$ 355,334	\$ 326,062	\$ 96,094
Accounts receivable	933	212,352	213,285	-
<b>Total assets</b>	<b>\$ 67,755</b>	<b>\$ 567,686</b>	<b>\$ 539,347</b>	<b>\$ 96,094</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 356,077	\$ 356,077	\$ -
Undistributed receipts	67,755	211,609	183,270	96,094
<b>Total liabilities</b>	<b>\$ 67,755</b>	<b>\$ 567,686</b>	<b>\$ 539,347</b>	<b>\$ 96,094</b>
<b><u>Total All Agency Funds</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 3,252,336	\$ 89,682,576	\$ 88,852,013	\$ 4,082,899
Accounts receivable	1,028	63,002,279	63,003,295	12
Due from other governments	579	3,159	3,158	580
<b>Total assets</b>	<b>\$ 3,253,943</b>	<b>\$ 152,688,014</b>	<b>\$ 151,858,466</b>	<b>\$ 4,083,491</b>
<b>Liabilities</b>				
Accounts payable	\$ 247,080	\$ 127,645,821	\$ 127,581,260	\$ 311,641
Due to other governments	2,933,375	22,387,375	21,650,377	3,670,373
Undistributed receipts	73,488	2,654,818	2,626,829	101,477
<b>Total liabilities</b>	<b>\$ 3,253,943</b>	<b>\$ 152,688,014</b>	<b>\$ 151,858,466</b>	<b>\$ 4,083,491</b>

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## COMPONENT UNITS

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Drain Commissioner Component Unit

September 30, 2014

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)
<b>Assets</b>			
Cash and cash equivalents	\$ 62,228	\$ 160,880	\$ 34,908
Special assessments receivable	148,748	-	30,000
Due from other funds	-	139,175	-
<b>Total assets</b>	<b>\$ 210,976</b>	<b>\$ 300,055</b>	<b>\$ 64,908</b>
<b>Liabilities</b>			
Accounts payable	\$ 218	\$ 55	\$ -
Due to other funds	139,175	-	-
Advance from primary government	15,076	300,000	-
<b>Total liabilities</b>	<b>154,469</b>	<b>300,055</b>	<b>-</b>
<b>Deferred inflows of resources</b>			
Unavailable revenues - special assessments	148,748	-	30,000
<b>Fund balances</b>			
Restricted	-	-	34,908
Unassigned (deficit)	(92,241)	-	-
<b>Total fund balances</b>	<b>(92,241)</b>	<b>-</b>	<b>34,908</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 210,976</b>	<b>\$ 300,055</b>	<b>\$ 64,908</b>



Hess Lake Improvement (846)	Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Total
\$ 27,480	\$ 15,904	\$ 31,870	\$ 24,125	\$ 1,518	\$ 358,913
44,018	24,000	60,800	30,000	19,500	357,066
-	-	-	-	-	139,175
<u>\$ 71,498</u>	<u>\$ 39,904</u>	<u>\$ 92,670</u>	<u>\$ 54,125</u>	<u>\$ 21,018</u>	<u>\$ 855,154</u>
\$ -	\$ -	\$ -	\$ 960	\$ -	\$ 1,233
-	-	-	-	-	139,175
-	-	-	-	-	315,076
-	-	-	960	-	455,484
<u>44,018</u>	<u>24,000</u>	<u>60,800</u>	<u>30,000</u>	<u>19,500</u>	<u>357,066</u>
27,480	15,904	31,870	23,165	1,518	134,845
-	-	-	-	-	(92,241)
<u>27,480</u>	<u>15,904</u>	<u>31,870</u>	<u>23,165</u>	<u>1,518</u>	<u>42,604</u>
<u>\$ 71,498</u>	<u>\$ 39,904</u>	<u>\$ 92,670</u>	<u>\$ 54,125</u>	<u>\$ 21,018</u>	<u>\$ 855,154</u>

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# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Fund Balances for Governmental Funds  
to Net Position of Governmental Activities  
Drain Commissioner Component Unit  
September 30, 2014

Fund balances - total governmental funds	\$	42,604
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Amounts reported for the *component unit* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statement.

Capital assets being depreciated, net	92,499
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Certain assets, such as assessments receivable, are not due and receivable in the current period and therefore are offset with deferred inflows of resources in the fund statement.

Deferred inflows of resources for special assessments receivable	<u>357,066</u>
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Net position of governmental activities	\$	<u><u>492,169</u></u>
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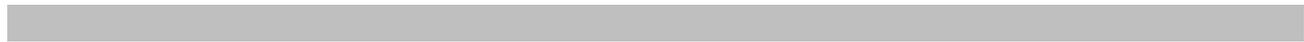
# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenditures and Change in Fund Balances

Drain Commissioner Component Unit

For the Year Ended September 30, 2014

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)
Revenues			
Special assessments	\$ 133,840	\$ -	\$ 30,219
Expenditures			
Current - public works	166,066	-	13,027
Net change in fund balances	(32,226)	-	17,192
Fund balances (deficit), beginning of year	(60,015)	-	17,716
Fund balances (deficit), end of year	<u>\$ (92,241)</u>	<u>\$ -</u>	<u>\$ 34,908</u>



Hess Lake Improvement (846)	Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Total
\$ 32,092	\$ 32,067	\$ 60,800	\$ 30,000	\$ 19,738	\$ 338,756
<u>39,927</u>	<u>21,729</u>	<u>46,429</u>	<u>28,532</u>	<u>18,599</u>	<u>334,309</u>
(7,835)	10,338	14,371	1,468	1,139	4,447
<u>35,315</u>	<u>5,566</u>	<u>17,499</u>	<u>21,697</u>	<u>379</u>	<u>38,157</u>
<u>\$ 27,480</u>	<u>\$ 15,904</u>	<u>\$ 31,870</u>	<u>\$ 23,165</u>	<u>\$ 1,518</u>	<u>\$ 42,604</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Net Changes in Fund Balances of Governmental Funds  
to Change in Net Position of Governmental Activities  
Drain Commissioner Component Unit  
For the Year Ended September 30, 2014

Net change in fund balances - total governmental funds	\$	4,447
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Amounts reported for the *component unit* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense	(19,171)
----------------------	----------

Assessments receivable are long-term in nature and are collectable over several years. However, the current receipts are reflected as revenues on the fund statements.

Change in deferred inflows of resources for special assessments receivable	<u>18,274</u>
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Change in net position of governmental activities	<u><u>\$</u></u>	<u>3,550</u>
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# COUNTY OF NEWAYGO, MICHIGAN

## Balance Sheet / Statement of Net Position

Brownfield Redevelopment Authority Component Unit

September 30, 2014

	Governmental Fund (243)	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and cash equivalents	\$ 165,792	\$ -	\$ 165,792
Taxes receivable	428	-	428
<b>Total assets</b>	<u>\$ 166,220</u>		<u>166,220</u>
<b>Liabilities</b>			
Accounts payable	\$ -	-	-
<b>Fund balance</b>			
Unassigned	<u>166,220</u>	<u>(166,220)</u>	
<b>Total liabilities and fund balances</b>	<u>\$ 166,220</u>		
<b>Net position</b>			
Unrestricted		<u>\$ 166,220</u>	<u>\$ 166,220</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balance /

Statement of Activities

Brownfield Redevelopment Authority Component Unit

For the Year Ended September 30, 2014

	Governmental Fund (243)	Adjustments	Statement of Net Position
Revenues			
Property taxes	\$ 30,895	\$ -	\$ 30,895
Contributions	17,500	-	17,500
Total revenues	48,395	-	48,395
Expenditures / expenses			
Community and economic development	7,198	-	7,198
Net changes in fund balance / net position	41,197	-	41,197
Fund balance/net position, beginning of year	125,023	-	125,023
Fund balance/net position, end of year	\$ 166,220	\$ -	\$ 166,220