

County of  
Newaygo, Michigan



Year Ended  
September 30,  
2020

Financial  
Statements

**Rehmann**

# COUNTY OF NEWAYGO, MICHIGAN

## Table of Contents

	<u>Page</u>
<b>Elected Officials</b>	1
<b>Independent Auditors' Report</b>	3
<b>Management's Discussion and Analysis</b>	7
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position	22
Statement of Activities	23
Fund Financial Statements:	
Balance Sheet – Governmental Funds	26
Reconciliation of Fund Balances for Governmental Funds to Net Position of Governmental Activities	27
Statement of Revenues, Expenditures and Change in Fund Balances – Governmental Funds	28
Reconciliation of Net Change in Fund Balances of Governmental Funds to Change in Net Position of Governmental Activities	29
Statement of Revenues, Expenditures and Change in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual: General Fund	30
Statement of Revenues, Expenditures and Change in Fund Balance – Budget and Actual: County Jail	33
Commission on Aging	34
Statement of Net Position – Proprietary Funds	36
Statement of Revenues, Expenses and Change in Fund Net Position – Proprietary Funds	38
Statement of Cash Flows – Proprietary Funds	40
Statement of Fiduciary Assets and Liabilities	44
Combining Statement of Net Position – Discretely Presented Component Units	46
Combining Statement of Activities – Discretely Presented Component Units	48
Notes to Financial Statements	51
<b>Required Supplementary Information</b>	
MERS Agent Multiple-Employer Defined Benefit Pension Plan:	
Schedule of Changes in the County's Net Pension Liability and Related Ratios	96
Schedule of Contributions	98
Single-Employer Other Postemployment Benefits Plan:	
Schedule of Changes in the County's Net OPEB (Asset) Liability and Related Ratios	99
Schedule of Investment Returns	100
Notes to Required Supplementary Information	101

# COUNTY OF NEWAYGO, MICHIGAN

## Table of Contents

	<u>Page</u>
<b>Combining and Individual Fund Financial Statements and Schedules</b>	
General Fund:	
Combining Schedule of Balance Sheet Accounts By Activity	106
Combining Schedule of Revenues, Expenditures and Change in Fund Balances by Activity	108
Schedule of Revenues, Expenditures and Change in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual by Activity	110
Nonmajor Governmental Funds:	
Combining Balance Sheet	116
Combining Statement of Revenues, Expenditures and Change in Fund Balances	117
Combining Balance Sheet - Nonmajor Special Revenue Funds	118
Combining Statement of Revenues, Expenditures and Change in Fund Balances – Nonmajor Special Revenue Funds	122
Schedule of Revenues, Expenditures and Change in Fund Balances – Budget and Actual – Nonmajor Special Revenue Funds	126
Combining Balance Sheet – Nonmajor Debt Service Funds	140
Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Debt Service Funds	141
Nonmajor Enterprise Funds:	
Combining Statement of Net Position	144
Combining Statement of Revenues, Expenses and Change in Fund Net Position	146
Combining Statement of Cash Flows	148
Internal Service Funds:	
Combining Statement of Net Position	154
Combining Statement of Revenues, Expenses and Change in Fund Net Position	158
Combining Statement of Cash Flows	162
Agency Funds:	
Combining Statement of Fiduciary Assets and Liabilities	172
Combining Statement of Changes in Fiduciary Assets and Liabilities	174

# COUNTY OF NEWAYGO, MICHIGAN

## Table of Contents

	<u>Page</u>
<b>Combining and Individual Fund Financial Statements and Schedules (Concluded)</b>	
Component Units:	
Drain Commissioner:	
Combining Balance Sheet	178
Reconciliation of Fund Balances for Governmental Funds to Net Position of Governmental Activities	181
Combining Statement of Revenues, Expenditures and Change in Fund Balances	182
Reconciliation of Net Change in Fund Balances of Governmental Funds to Change in Net Position of Governmental Activities	185
Brownfield Redevelopment Authority:	
Balance Sheet/Statement of Net Position	186
Statement of Revenues, Expenditures and Change in Fund Balance/ Statement of Activities	187

**COUNTY OF NEWAYGO, MICHIGAN**

**ELECTED OFFICIALS**

**For the Year Ended September 30, 2020**

BOARD OF COMMISSIONERS

Burton Cooper, District 1  
Bryan Kolk, District 2  
D. Charles Trapp, District 3

James Maike, Jr., District 4  
Kenneth DeLaat, District 5  
Brenda Bird, District 6  
Michael Kruithoff, District 7

COUNTY OFFICIALS

Jason Vanderstelt, Clerk  
Holly Moon, Treasurer  
Dale E. Twing, Drain Commissioner

Ellsworth J. Stay, Jr., Prosecuting Attorney  
Stewart K. Sanders, Register of Deeds  
Robert W. Mendham, Sheriff

DISTRICT COURT JUDGE

H. Kevin Drake

CIRCUIT COURT JUDGE

Robert D. Springstead

PROBATE COURT JUDGE

Melissa K. Dykman

**This page intentionally left blank.**

## INDEPENDENT AUDITORS' REPORT

March 23, 2021

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, 2020, 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 discretely presented component units, which represent the indicated percentages of total aggregate discretely presented component units assets and deferred outflows, net position, and revenues:

	Percent of Total Assets and Deferred Outflows	Percent of Total Net Position	Percent of Total Revenues
Newaygo County Road Commission	71.0%	72.6%	47.9%
Newaygo Medical Care Facility	20.8%	22.5%	42.8%

Rehmann is an independent member of Nexia International.



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, 2020, 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.



### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules for the pension and other postemployment benefits plans, 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 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.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2021, 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.

A handwritten signature in cursive script that reads "Lehmann Johnson LLC".

**This page intentionally left blank.**

## **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, 2020.

### Financial Highlights

1. The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the 2020 fiscal year by \$45,581,859 (*net position*). Of this amount, \$33,628,190 (*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 2020 fiscal year, fund balance for the general fund was \$5,494,341 or 39.9% 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
2020	\$ 5,494,341	39.9% ( <i>see "Highlights of FY 2020 Budget" for information on planned use of fund balance</i> )
2019	4,972,741	34.7%
2018	4,360,039	32.3%
2017	3,835,286	28.4%
2016	3,771,163	29.3%

3. The general fund for 2020 increased fund balance by \$521,600 applying the Non-GAAP Budgetary Basis and \$290,530 according to the GAAP Basis.
4. Within the general fund, fund balance is classified as follows: \$337,129 nonspendable, \$102,065 restricted, \$66,056 committed, and \$375,942 assigned. The remaining \$4,613,149 is available as unassigned fund balance (Non-GAAP Budgetary Basis). Unassigned fund balance as a percentage of expenditures and transfers out was 33.5%.
5. At the end of the 2020 fiscal year, fund balance for the general fund according to the GAAP Basis was \$4,544,303. Of this amount, \$3,663,111 is available as unassigned fund balance. Unassigned fund balance as a percentage of expenditures and transfers out was 26.6%.
6. As of the close of the 2020 fiscal year, the County's governmental funds reported combined ending fund balances of \$14,346,839. This amount is a \$2,043,774 increase over the previous year. \$11,129,157 or 77.6% of the total is available for spending at the government's discretion (committed, assigned, and unassigned).
7. The County's financial statements classify 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 in the notes to the financial statements.

### 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

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 general government, public safety, public works, health and welfare, recreation and cultural, legislative, judicial, and community and economic development. The business-type activities include the administration of the delinquent property tax system, public works projects, the jail commissary, and the operation of the building authority.

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 Road Commission, and a legally separate Medical Care Facility, 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.

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, county jail fund, and commission on aging, 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.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

**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 motor pool, information technology, 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 2017 and prior delinquent tax fund, 2019 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### 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 \$45,581,859 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Assets</b>						
Current and other assets	\$ 24,210,648	\$ 19,574,605	\$ 20,861,371	\$ 20,302,654	\$ 45,072,019	\$ 39,877,259
Capital assets, net	14,988,092	16,014,933	4,198	5,766	14,992,290	16,020,699
<b>Total assets</b>	<b>39,198,740</b>	<b>35,589,538</b>	<b>20,865,569</b>	<b>20,308,420</b>	<b>60,064,309</b>	<b>55,897,958</b>
<b>Deferred outflows of resources</b>						
	1,006,255	2,252,384	15,841	25,843	1,022,096	2,278,227
<b>Liabilities</b>						
Long-term debt	6,967,798	8,007,710	900,339	1,327,648	7,868,137	9,335,358
Other liabilities	6,258,421	7,636,890	39,607	157,558	6,298,028	7,794,448
<b>Total liabilities</b>	<b>13,226,219</b>	<b>15,644,600</b>	<b>939,946</b>	<b>1,485,206</b>	<b>14,166,165</b>	<b>17,129,806</b>
<b>Deferred inflows of resources</b>						
	1,338,381	-	-	-	1,338,381	-
<b>Net position</b>						
Net investment in capital assets	8,612,135	8,548,645	4,198	5,766	8,616,333	8,554,411
Restricted	2,755,545	2,630,071	581,791	380,560	3,337,336	3,010,631
Unrestricted	14,272,715	11,018,606	19,355,475	18,462,731	33,628,190	29,481,337
<b>Total net position</b>	<b>\$ 25,640,395</b>	<b>\$ 22,197,322</b>	<b>\$ 19,941,464</b>	<b>\$ 18,849,057</b>	<b>\$ 45,581,859</b>	<b>\$ 41,046,379</b>

A portion of the County's net position of \$8,616,333 (18.9%) 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 \$3,337,336 (7.3%) represents resources that are subject to external restrictions on how they can be used. The remaining balance of unrestricted net position (\$33,628,190 or 73.8%) may be used to meet the County's ongoing obligations to citizens and creditors.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 10,082,924	\$ 9,337,565	\$ 1,460,163	\$ 1,848,915	\$ 11,543,087	\$ 11,186,480
Operating grants	6,225,452	4,611,858	348,919	442,341	6,574,371	5,054,199
Capital grants	-	2,564	-	-	-	2,564
General revenues:						
Property taxes	12,198,689	11,564,683	-	-	12,198,689	11,564,683
Unrestricted grants	1,406,788	1,472,272	-	-	1,406,788	1,472,272
Unrestricted investment earnings	147,615	251,133	-	-	147,615	251,133
<b>Total revenues</b>	<b>30,061,468</b>	<b>27,240,075</b>	<b>1,809,082</b>	<b>2,291,256</b>	<b>31,870,550</b>	<b>29,531,331</b>
<b>Expenses</b>						
General government	5,075,406	5,853,255	-	-	5,075,406	5,853,255
Public safety	10,794,723	9,280,209	-	-	10,794,723	9,280,209
Public works	204,542	283,273	-	-	204,542	283,273
Health and welfare	4,597,415	4,807,657	-	-	4,597,415	4,807,657
Recreation and cultural	1,364,270	673,345	-	-	1,364,270	673,345
Legislative	296,890	329,488	-	-	296,890	329,488
Judicial	4,164,884	3,920,463	-	-	4,164,884	3,920,463
Community and economic development	192,201	204,323	-	-	192,201	204,323
Interest on long-term debt	216,154	246,733	-	-	216,154	246,733
Delinquent tax admin	-	-	264,244	274,486	264,244	274,486
Public works projects	-	-	18,229	33,554	18,229	33,554
Jail commissary	-	-	82,383	104,728	82,383	104,728
Building authority	-	-	63,729	65,377	63,729	65,377
<b>Total expenses</b>	<b>26,906,485</b>	<b>25,598,746</b>	<b>428,585</b>	<b>478,145</b>	<b>27,335,070</b>	<b>26,076,891</b>
Change in net position, before transfers	3,154,983	1,641,329	1,380,497	1,813,111	4,535,480	3,454,440
Transfers	288,090	1,174,045	(288,090)	(1,174,045)	-	-
<b>Change in net position</b>	<b>3,443,073</b>	<b>2,815,374</b>	<b>1,092,407</b>	<b>639,066</b>	<b>4,535,480</b>	<b>3,454,440</b>
Net position:						
Beginning of year	22,197,322	19,381,948	18,849,057	18,209,991	41,046,379	37,591,939
<b>End of year</b>	<b>\$ 25,640,395</b>	<b>\$ 22,197,322</b>	<b>\$ 19,941,464</b>	<b>\$ 18,849,057</b>	<b>\$ 45,581,859</b>	<b>\$ 41,046,379</b>

The County's net position increased by \$4,535,480 during the last fiscal year.



## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

**Governmental Activities.** Governmental activities increased the County's net position by \$3,443,073. This was primarily the result of increased revenues for charges for services, operating grants and property taxes, as discussed below, offset by an overall increase in expenses primarily due to an increase in the internal fringe benefit rate per employee for health insurance and phase 1 construction on the dragon trail project.

**Revenues (Statement of Activities)** - Revenues increased by \$2,821,393 or 10.4% in 2020 from the prior year. There are several revenue sources with variances as follows:

**Charges for services.** Program charges for services increased by \$745,359 or 8.0%, primarily due to a per diem rate increase which went into effect on 10-1-2019 for the housing of federal inmates. The rate raised from \$63.37 per day to \$75.00 per day. There was also an upturn in the average number of federal inmates housed at the county jail facility.

**Operating grants and contributions.** Program grant revenue increased by \$1,613,594 or 35.0%, primarily due to contributions received for the Dragon Trail construction project in the amount of \$740,000 and CARES Act (Coronavirus Aid, Relief, and Economic Security Act) funding received under the First Responder Hazard Pay Premiums Program (FRHPPP), the Public Safety and Public Health Payroll Reimbursement Program (PSPHPR), and the Coronavirus Relief Local Government Grants Program (CRLGG).

**Property taxes.** Property taxes increased by \$634,006 or 5.5%. The primary factors for the increase are: 1) taxable values experienced a 4.4% rise in 2020; and 2) the general fund received better than estimated 2019 property tax revenues.

**Unrestricted investment earnings.** Unrestricted investment earnings decreased \$103,518 or 41.2%.

#### Expenses for Governmental Activities (Statement of Activities)

**General government.** General government activities include expenses related to support departments of the County such as administration, clerk, treasurer, register of deeds, equalization, prosecuting attorney, drain commission/soil erosion, finance, and payroll.

**Public safety.** Public safety activities include expenses related to the sheriff's office and road patrol, animal control, county jail, emergency services, and building safety and permits. The increase in public safety expenses in comparison to the prior year is a result of the change in the net pension liability and related deferred amounts.

**Public works.** Public works activities include expenses related to the board of public works and the county drain tax at large.

**Health and welfare.** Health and welfare activities include expenses related to the medical examiner services, child care, commission on aging, and veterans' services.

**Recreation and cultural.** Recreation and cultural activities include expenses related to the County parks system and the Dragon Trail construction project.

**Legislative.** Legislative activities include expenses related to the Board of Commissioners.

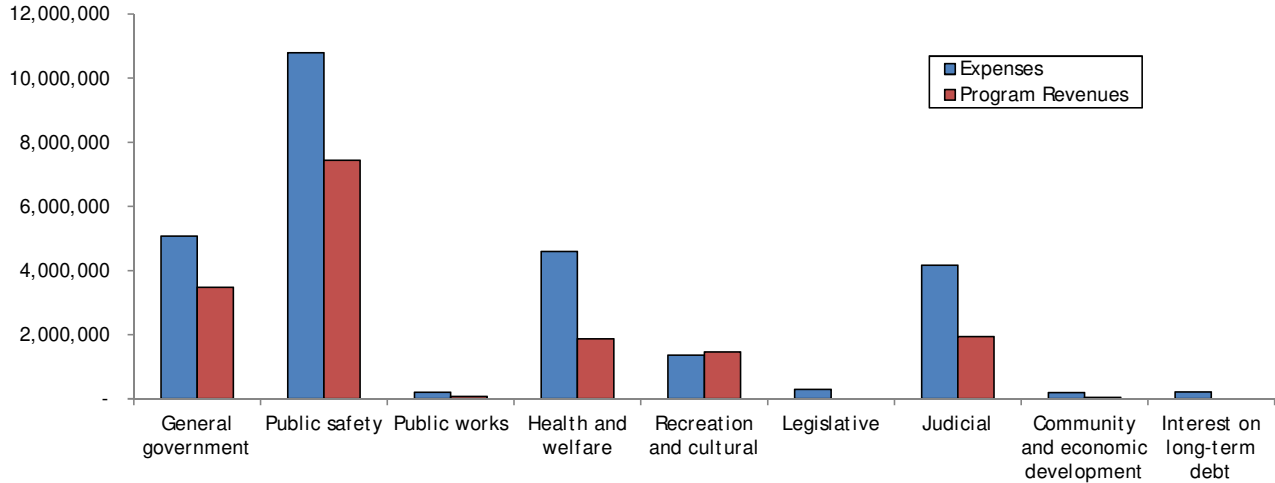
**Judicial.** Judicial activities include expenses related to the administration of the circuit court/friend of the court, district court, probate court, jury board, county guardian, and the county law library.

# COUNTY OF NEWAYGO, MICHIGAN

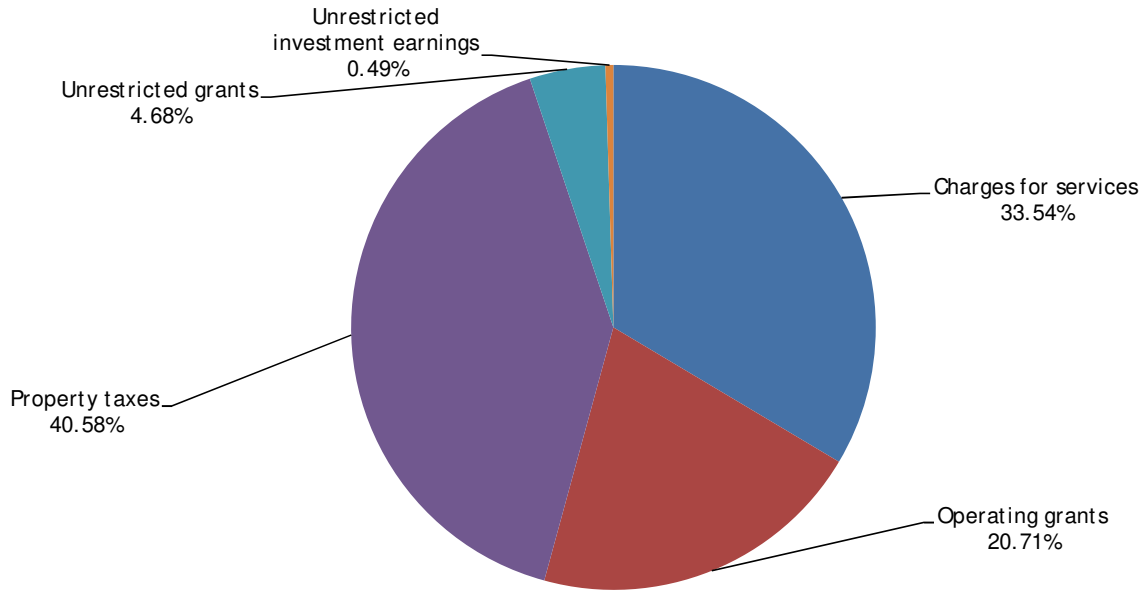
## Management's Discussion and Analysis

**Community and economic development.** Community and economic development activities include expenses related to land use educator services and community development programs.

**Expenses and Program Revenues - Governmental Activities**



**Revenues by Source - Governmental Activities**

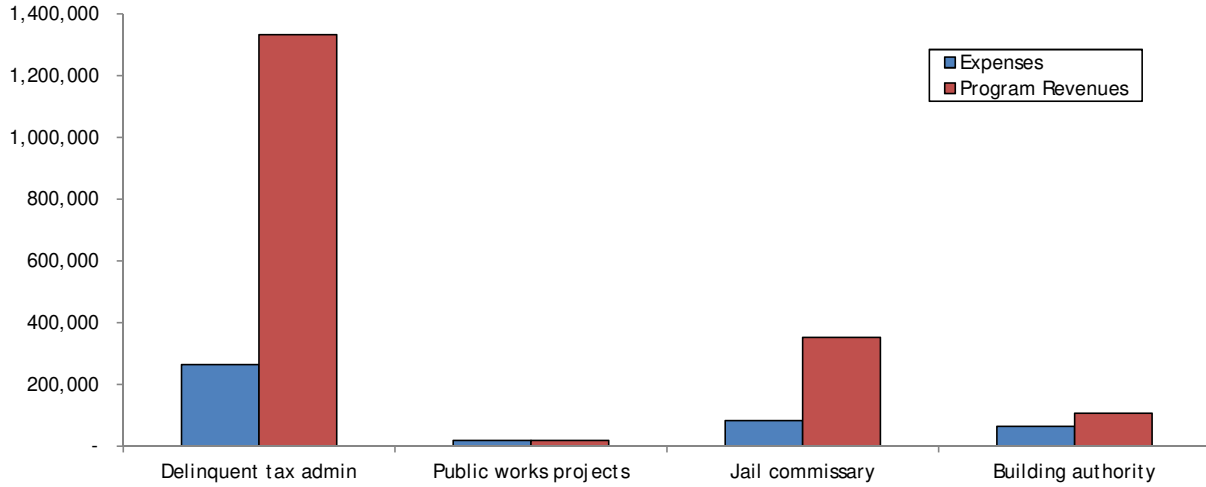


**Business-type Activities.** Business type activities increased the County's net position by \$1,092,407. The key revenues for the business type activities are penalties and interest on delinquent taxes, proceeds from tax sales, and investment income. The primary reason for the increase in net position is expenses related to delinquent taxes were minimal.

# 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. The fund financial statements provide detailed information about the most significant funds, not the County as a whole. The County uses funds to help manage money for specific purposes as well as to show accountability for certain activities such as a special property tax millage or grant funded programs. The County's major funds for 2020 include the General Fund, County Jail, Commission on Aging, Delinquent Tax Administration funds, Sanitary Sewer Construction, and P.A. 123 Funds.

**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 2020 fiscal year, the County's ending fund balance for the general fund was \$4,544,303. Of that amount \$337,129 is nonspendable, \$102,065 is restricted, \$66,056 is committed, \$375,942 is assigned, and \$3,663,111 is unassigned.

The County jail fund increased its fund balance by \$510,747 from \$141,220 at the beginning of the year to an ending balance of \$651,967. Of that amount, \$37,031 is nonspendable, \$23,259 is restricted, and \$591,677 is committed. No amount is considered assigned at the end of the 2020 fiscal year.

The Commission on aging fund increased its fund balance by \$574,192 from \$1,172,940 at the beginning of the year to an ending balance of \$1,747,132. Of that amount, \$1,068 was nonspendable, \$447,619 is restricted and \$1,298,445 is assigned.

Nonmajor governmental funds increased their collective fund balances by \$668,305 from \$6,735,132 at the beginning of the year to an ending balance of \$7,403,437. Of that amount, \$34,966 is nonspendable, \$2,234,545 is restricted, \$2,993,460 is committed, and \$2,140,466 is assigned.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

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

**Property taxes.** Property taxes totaled \$11,967,619. This amount marked an increase of \$415,556 from the prior year. On a GAAP Basis, property taxes for the general fund increased just over 3.1% or \$249,290. This was primarily due to 2020 taxable value growth of 4.38% and interest collected on 2019 property taxes.

**Charges for services.** Charges for services in the governmental funds totaled \$9,460,713. The amount was generated by general fund charges of \$2,319,879, county jail fund charges of \$3,741,456, commission on aging charges of \$174,193, and nonmajor fund charges of \$3,225,185. The total reflected an overall increase of \$631,943 from the previous year. The overall increase is related mainly to additional revenue of \$604,793 generated from an increase in the federal inmate per diem from the previous rate of \$63.37 per day to \$75.00 per day.

**Investment earnings and rentals.** Investment earnings and rentals totaled \$275,114. The general fund totaled \$243,668. This amount was a decrease 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
2020	\$ 243,668
2019	341,865
2018	223,943
2017	175,448
2016	184,669

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

**General government.** General government expenditures were \$4,602,963. The general government category equated to approximately 16.7% of the total expenditures. Overall, this total was a 14.0% decrease from the previous year. Some of the departments included within the general government category include the Prosecutor, Administrator, Accounting, Clerk, Treasurer, Equalization, Personnel, and Payroll. The departments with the highest expenditures within the general government category of the general fund were Prosecutor \$995,156 (21.6%); Equalization \$668,746 (14.5%); Treasurer \$559,897 (12.2%); and Register of Deeds \$426,685 (9.3%). The payroll department reflected a significant decrease from the prior year due to a one-time allocation of \$1,000,000 used towards pension costs in the 2019 fiscal year.

**Public safety.** Public safety expenditures totaled \$10,365,856 which was an overall \$1,031,367 (11.0%) increase from the prior year. This category contains portions of the general fund (including animal control) and the county jail fund, as well as the Nonmajor Governmental funds of the crime victim's rights, sheriff's road patrol, law enforcement, building inspection, drug law enforcement, emergency services and law enforcement technology. The county jail had the largest increase in expenditures from the prior year of \$576,226 (11.6%). The majority of the overall increase was attributable to additional staffing, increase in the internal fringe benefit rate per employee for health insurance, and public recognition pay under the CARES Act's First Responder Hazard Pay Premium grant program.

**Health and welfare.** Health and welfare expenditures totaled \$4,579,640. The amount marks a decrease from the prior year of \$189,326 (4.0%). Of the funds in this category, decreases in expenditures occurred in the child care fund of \$285,291 (24.1%) mainly related to "State Pays First" initiative which became effective with the 2020 fiscal year.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

**Recreation and cultural.** Recreation and cultural expenditures were \$1,357,607 which was an increase of \$663,690 (95.6%) from the previous year. This category is made up of the county parks including the dragon trail project. The main factor driving the increase was project costs related to the construction of the dragon trail.

**Legislative.** Legislative expenditures were \$341,688. The expenditures are an overall increase from the previous year of \$9,351 (2.8%). This was mainly due to an increase in the internal fringe benefit rate per employee for health insurance.

**Judicial.** Judicial expenditures were \$4,410,608 which included general fund expenditures and other governmental funds. The expenditures increased by \$343,205 (8.4%) from the previous year. During the 2019 fiscal year, the County implemented the Indigent Defense compliance standards (separate from the other judicial departments) which had expenditures of \$435,601. In the 2020 fiscal year, the indigent defense programs had expenditures of \$693,800 mainly related to payments for attorney services.

**Community and economic development.** Community and economic development expenditures were \$205,148 which is a decrease of \$12,101 (5.6%) from the previous year. 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. The decrease is primarily due to the final distribution of the remaining Newaygo Economic Development (NCEDO) funds to the Right Place in the 2019 fiscal year.

#### 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 2020 fiscal year were attributable to revenues being more than anticipated and other program changes. A few significant variances worth noting are listed below:

- The capital improvements fund was amended for a security camera project for the administration building in the amount of \$25,100.
- The capital improvements fund was also amended to transfer in additional funding for the initial subscription fee for Central Square (Mason Oceana 911 and Newaygo County Central Dispatch cost share) in the amount of \$93,960.
- The Dragon Trail fund was amended to reflect funding received from the Fremont Area Community Foundation in the amount of \$640,000 and a Consumers Energy Grant of \$100,000 to be used for the phase 1 construction project costs.
- The jail - additional per diem fund was amended by \$311,084 in charges for services. This was from extra revenue generated from the housing of additional federal inmates over the 140 contracted inmate count.
- The Sheriff received a State of Michigan Snowmobile Law Enforcement grant of \$10,000 and a State ORV law enforcement grant of \$25,500.
- Property tax revenues for the general fund were amended by \$292,523 to reflect the increased revenues for the 2020 summer tax levy.
- Intergovernmental federal revenues within the general fund were amended by \$504,090 for the larger than anticipated federal monies in regards to the secure rural schools funding (pass-thru to schools and township), PILT (payment in lieu of taxes for federal land) dollars, and the CARES ACT Coronavirus Relief Local Government Grants (CRLGG) Program.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

- Intergovernmental revenues received from the state were reduced by \$77,279 overall. However, some state revenues are increased mainly in regards to liquor tax, personal property tax reimbursements, the 2019 medical marihuana operation oversight grant, and the section 19 flood recovery grant.
- Interest earning revenue was reduced in the general fund was amended by \$60,622 due to less than anticipated investment returns.

The annual budget is developed between May and July and ultimately approved in August or September 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, 2020 amounted to \$14,992,290 (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 6.4%. Major capital assets acquired during the current fiscal year included the following:

Land Improvements:	
· Fencing at animal shelter	\$ 10,800
Equipment/Software:	
· AS400 system	29,836
· Security camera project for administration building	24,650
· Cleveland convection steamer for commission on aging kitchen	17,824
· Hobart dishwasher for jail kitchen	42,580
· Condensing unit for the department of health and human services building	12,698
· Mercury 175XL four stroke motor for marine patrol	13,874
Vehicles:	
· Two (2) 2019 ford vans for the commission on aging	120,614
· One (1) 2020 mobility van for the commission on aging	61,753
· One (1) ford f250 4x4 for the commission on aging	36,474

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land and improvements	\$ 2,770,222	\$ 3,001,963	\$ 4,198	\$ 5,766	\$ 2,774,420	\$ 3,007,729
Construction in progress	10,995	-	-	-	10,995	-
Buildings and improvement	10,784,938	11,443,700	-	-	10,784,938	11,443,700
Office equipment	1,036,027	1,117,167	-	-	1,036,027	1,117,167
Vehicles	385,910	452,103	-	-	385,910	452,103
<b>Total capital assets, net</b>	<b>\$ 14,988,092</b>	<b>\$ 16,014,933</b>	<b>\$ 4,198</b>	<b>\$ 5,766</b>	<b>\$ 14,992,290</b>	<b>\$ 16,020,699</b>

Additional information on the County's capital assets can be found in Note 9 of this report.

**Long-term Debt.** At the end of the current fiscal year, the County had outstanding bonds in the amount of \$7,284,180 (\$6,435,000 in governmental activities and \$849,180 in business-type activities). All the bonds are backed by the County's faith and credit. The County's long-term debt decreased from the prior year. This was the result of required principal payments being made on long-term debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% 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	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 6,435,000	\$ 7,538,000	\$ 849,180	\$ 1,244,180	\$ 7,284,180	\$ 8,782,180
Premium on bonds payable	4,893	5,924	51,159	83,468	56,052	89,392
Compensated absences	527,905	463,786	-	-	527,905	463,786
<b>Total long-term debt</b>	<b>\$ 6,967,798</b>	<b>\$ 8,007,710</b>	<b>\$ 900,339</b>	<b>\$ 1,327,648</b>	<b>\$ 7,868,137</b>	<b>\$ 9,335,358</b>

Additional information on the County long-term debt can be found in Note 10 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 2021 fiscal year:

- The fiscal year 2021 budget process was unique and presented never before realized challenges surrounding the COVID-19 pandemic. The theme throughout the process was that of "status quo" as the uncertainty of funding from the State of Michigan and revenues during the shutdown are not yet realized.
- 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.
- The State of Michigan is facing unprecedented revenue shortfalls and has to date relied on federal aid to supplement funding to Counties. The future may not allow for this to continue and the County has positioned itself for the possibility of steep budget shortfalls. The overall financial condition of the County remains sound and there is an optimistic outlook of the budget in upcoming years.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

- The County's MERS (Municipal Employees Retirement System) defined benefit program continues experiencing increases to our employer contributions. Fluctuations in the stock market, low interest rates coupled with accelerated payments from "closed systems" are contributing factors. MERS has changed certain economic assumptions effective with the 12/13/2019 annual actuarial valuation. These assumptions changes impact contributions beginning with our fiscal year 2021. The investment assumptions have been reduced from 7.75% to 7.35% and the wage inflation assumption has been reduced from 3.75% to 3.00%. These changes may increase our future contributions as well as prolong the County's obligations. The current status of funding is at 79%. Anything below 60% requires corrective active action by the state.
- The budget for the year ended September 30, 2021 was adopted in September 2020 when there was a high degree of uncertainty related to the operations for counties in the State of Michigan due to the novel coronavirus outbreak (COVID-19). In addition, the County is continuously evaluating the impacts of the pandemic as it determines the appropriate methods to deliver services in a safe environment. These factors will have a significant impact on the operational and financial performance of the County.

#### Highlights of the 2021 budget are as follows:

- Fiscal year 2021 property taxes are budgeted at the same level as the 2020 fiscal year. Although taxable values have shown an upward trend in the last several years, the County remains cautious during the annual budget process when estimating tax revenues a year in advance. State revenues from Revenue Sharing and the Convention Facilities revenue are budgeted at 20% less than the 2020 fiscal year. Court related charges and fees have been reduced by approximately 20%.
- The County experienced tremendous expense with the health care program during fiscal year 2019 that required significant funding increases in fiscal year 2020. The trend has since shifted to the other end of the spectrum and the Health and Wellness fund has stabilized to the point that departmental charges were able to be reduced from \$1,650 per employee per month to \$1,250 per employee per month. The County will focus on maintaining a recommend net position in this fund between 40%-45% due to the inability to predict health insurance claims trends.
- Other post-employment benefits (OPEBs), in past fiscal years, were a significant annual cost with regards to retiree health insurance. With the re-measurement of the OPEB liability under GASB Statement No. 75 and shifting the retiree health care from a self-funded program to a fully-funded program, the County has been able to significantly reduced to overall liability and budget more accurately for retiree health care costs.
- The County's MERS (Municipal Employees Retirement System) Defined Benefit Program is experiencing substantial increases to our employer contributions. Fluctuation in the stock market, low interest rates coupled with accelerated payments from closed systems are contributing factors. The 2021 fiscal year ARC (annual required contribution) for is \$1,482,576.
- The county jail will be utilizing revenue and fund balance realized by the increase of the federal per diem received for the housing of federal inmates. The increase has provided for a strong fund balance being established within the jail budget, creation capital project funding for the jail facility, stabilization of general fund transfers, additional personnel for both the jail and road patrol, and additional vehicles for inmate transport and road patrol.
- The 2021 fiscal year budget includes a 2% wage increase for all employees not otherwise bound by contractual language.

#### 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: Donna E. Kipp, Finance Director, 1087 Newell Street, P.O. Box 885, White Cloud, Michigan 49349.



## **BASIC FINANCIAL STATEMENTS**

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Net Position

September 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 16,662,288	\$ 5,346,988	\$ 22,009,276	\$ 11,212,047
Restricted cash and cash equivalents	-	581,791	581,791	-
Investments	1,376,272	11,088,723	12,464,995	999,663
Receivables, net	4,957,930	3,841,599	8,799,529	4,859,189
Other assets	399,310	2,270	401,580	1,625,033
Capital assets not being depreciated	2,091,530	-	2,091,530	2,553,959
Capital assets being depreciated, net	12,896,562	4,198	12,900,760	62,464,560
Net OPEB asset	814,848	-	814,848	45,604
<b>Total assets</b>	<b>39,198,740</b>	<b>20,865,569</b>	<b>60,064,309</b>	<b>83,760,055</b>
<b>Deferred outflows of resources</b>				
Deferred charge on bond refunding, net	63,936	15,841	79,777	-
Deferred pension amounts	834,930	-	834,930	2,901,214
Deferred OPEB amounts	107,389	-	107,389	15,832
<b>Total deferred outflows of resources</b>	<b>1,006,255</b>	<b>15,841</b>	<b>1,022,096</b>	<b>2,917,046</b>
<b>Liabilities</b>				
Payables and accrued liabilities	1,746,172	39,607	1,785,779	3,161,183
Unearned revenue	163,985	-	163,985	-
Long-term debt:				
Due within one year	1,208,363	422,309	1,630,672	1,444,101
Due in more than one year	5,759,435	478,030	6,237,465	4,791,680
Net pension liability (due in more than one year)	4,348,264	-	4,348,264	5,457,694
<b>Total liabilities</b>	<b>13,226,219</b>	<b>939,946</b>	<b>14,166,165</b>	<b>17,249,893</b>
<b>Deferred inflows of resources</b>				
Deferred OPEB amounts	1,338,381	-	1,338,381	1,388,816
<b>Net position</b>				
Net investment in capital assets	8,612,135	4,198	8,616,333	59,440,087
Restricted for:				
Community and economic development	1,106,588	-	1,106,588	-
Public safety purposes	376,796	-	376,796	11,391
Drain construction and maintenance	-	-	-	2,973,253
Debt service	382,070	-	382,070	25,495
Property tax foreclosures	-	581,791	581,791	-
Other purposes	890,091	-	890,091	-
Unrestricted (deficit)	14,272,715	19,355,475	33,628,190	5,299,742
<b>Total net position</b>	<b>\$ 25,640,395</b>	<b>\$ 19,941,464</b>	<b>\$ 45,581,859</b>	<b>\$ 67,749,968</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, 2020

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	\$ 5,075,406	\$ 2,047,798	\$ 1,425,744	\$ -	\$ (1,601,864)
Public safety	10,794,723	6,342,638	1,097,381	-	(3,354,704)
Public works	204,542	-	78,423	-	(126,119)
Health and welfare	4,597,415	224,706	1,647,404	-	(2,725,305)
Recreation and cultural	1,364,270	685,650	772,000	-	93,380
Legislative	296,890	-	-	-	(296,890)
Judicial	4,164,884	739,751	1,199,506	-	(2,225,627)
Community and economic development	192,201	42,381	4,994	-	(144,826)
Interest on long-term debt	216,154	-	-	-	(216,154)
<b>Total governmental activities</b>	<b>26,906,485</b>	<b>10,082,924</b>	<b>6,225,452</b>	<b>-</b>	<b>(10,598,109)</b>
Business-type activities:					
Delinquent tax administration	264,244	985,439	347,164	-	1,068,359
Public works projects	18,229	18,229	-	-	-
Jail commissary	82,383	350,391	1,755	-	269,763
Building authority	63,729	106,104	-	-	42,375
<b>Total business-type activities</b>	<b>428,585</b>	<b>1,460,163</b>	<b>348,919</b>	<b>-</b>	<b>1,380,497</b>
<b>Total primary government</b>	<b>\$ 27,335,070</b>	<b>\$ 11,543,087</b>	<b>\$ 6,574,371</b>	<b>\$ -</b>	<b>\$ (9,217,612)</b>
<b>Component units</b>					
Central Dispatch Authority	\$ 1,460,488	\$ 1,221,988	\$ 229,755	\$ -	\$ (8,745)
Drain Commissioner	569,004	-	-	1,268,799	699,795
Brownfield Redevelopment Authority	9,011	-	-	-	(9,011)
Road Commission	11,854,975	1,317,346	9,776,046	2,944,129	2,182,546
Medical Care Facility	12,206,215	12,410,853	-	-	204,638
<b>Total component units</b>	<b>\$ 26,099,693</b>	<b>\$ 14,950,187</b>	<b>\$ 10,005,801</b>	<b>\$ 4,212,928</b>	<b>\$ 3,069,223</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Activities

For the Year Ended September 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Changes in net position</b>				
Net (expense) revenue	\$ (10,598,109)	\$ 1,380,497	\$ (9,217,612)	\$ 3,069,223
General revenues:				
Property taxes	12,198,689	-	12,198,689	1,262
Grants and contributions not restricted to specific programs	1,406,788	-	1,406,788	-
Unrestricted investment earnings	147,615	-	147,615	110,352
Transfers - internal activities	288,090	(288,090)	-	-
Total general revenues and transfers	14,041,182	(288,090)	13,753,092	111,614
<b>Change in net position</b>	3,443,073	1,092,407	4,535,480	3,180,837
Net position, beginning of year	22,197,322	18,849,057	41,046,379	64,569,131
<b>Net position, end of year</b>	<u>\$ 25,640,395</u>	<u>\$ 19,941,464</u>	<u>\$ 45,581,859</u>	<u>\$ 67,749,968</u>

concluded

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

**This page intentionally left blank.**

## COUNTY OF NEWAYGO, MICHIGAN

### Balance Sheet

Governmental Funds  
September 30, 2020

	General	County Jail (213)	Commission on Aging (295-2952)	Nonmajor Governmental Funds	Totals
<b>Assets</b>					
Cash and cash equivalents	\$ 2,201,852	\$ 351,025	\$ 1,690,172	\$ 6,440,566	\$ 10,683,615
Investments	1,376,272	-	-	-	1,376,272
Receivables:					
Accounts	9,508	40,240	32,184	10,189	92,121
Loans	-	-	-	1,125,935	1,125,935
Taxes	1,864,092	-	393	590	1,865,075
Due from other governments	148,671	436,878	131,816	490,246	1,207,611
Due from other funds	80,139	-	432	1,241	81,812
Advance to component unit	300,000	-	-	-	300,000
Prepays	37,129	37,031	1,068	34,966	110,194
<b>Total assets</b>	<b>\$ 6,017,663</b>	<b>\$ 865,174</b>	<b>\$ 1,856,065</b>	<b>\$ 8,103,733</b>	<b>\$ 16,842,635</b>
<b>Liabilities</b>					
Interfund payable	\$ -	\$ -	\$ -	\$ 33,669	\$ 33,669
Accounts payable	188,345	121,691	39,080	415,353	764,469
Accrued expenditures	142,812	87,513	32,445	102,210	364,980
Due to other governments	-	-	31	143,205	143,236
Due to other funds	15,413	4,003	-	-	19,416
Unearned revenue	120,749	-	37,377	5,859	163,985
<b>Total liabilities</b>	<b>467,319</b>	<b>213,207</b>	<b>108,933</b>	<b>700,296</b>	<b>1,489,755</b>
<b>Deferred inflows of resources</b>					
Unavailable revenues - property taxes	950,038	-	-	-	950,038
Unavailable revenues - state grants	56,003	-	-	-	56,003
<b>Total deferred inflows of resources</b>	<b>1,006,041</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,006,041</b>
<b>Fund balances</b>					
Nonspendable	337,129	37,031	1,068	34,966	410,194
Restricted	102,065	23,259	447,619	2,234,545	2,807,488
Committed	66,056	591,677	-	2,993,460	3,651,193
Assigned	375,942	-	1,298,445	2,140,466	3,814,853
Unassigned	3,663,111	-	-	-	3,663,111
<b>Total fund balances</b>	<b>4,544,303</b>	<b>651,967</b>	<b>1,747,132</b>	<b>7,403,437</b>	<b>14,346,839</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 6,017,663</b>	<b>\$ 865,174</b>	<b>\$ 1,856,065</b>	<b>\$ 8,103,733</b>	<b>\$ 16,842,635</b>

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

## COUNTY OF NEWAYGO, MICHIGAN

### Reconciliation

Fund Balances for Governmental Funds  
to Net Position of Governmental Activities  
September 30, 2020

**Fund balances - total governmental funds** \$ 14,346,839

Amounts reported for *governmental activities* 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	2,091,530
Capital assets being depreciated, net	12,896,562
Less amounts accounted for in governmental-type internal service funds	(301,597)

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 unavailable property taxes receivable	950,038
Deferred inflows of resources for unavailable state grants	56,003

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 internal service funds accounted for in governmental activities	5,958,398
---	-----------

Certain liabilities and deferred outflows of resources, such as bonds payable, are not due and payable in the current period or do not represent current financial resources, and therefore are not reported in the funds.

Deferred charge on bond refunding, net	63,936
Bonds payable and net issuance premium	(6,439,893)
Accrued interest on long-term debt	(51,943)

Certain pension and OPEB-related amounts, such as the net pension and OPEB assets/liabilities and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.

Net OPEB asset	814,848
Net pension liability	(4,348,264)
Deferred outflows related to the net pension liability	834,930
Deferred outflows related to the net OPEB liability	107,389
Deferred inflows related to the net OPEB liability	(1,338,381)

**Net position of governmental activities** \$ 25,640,395

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

## COUNTY OF NEWAYGO, MICHIGAN

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

Governmental Funds

For the Year Ended September 30, 2020

	General	County Jail (213)	Commission on Aging (295-2952)	Nonmajor Governmental Funds	Totals
<b>Revenues</b>					
Taxes	\$ 8,215,562	\$ -	\$ 1,495,360	\$ 2,256,697	\$ 11,967,619
Intergovernmental:					
Federal	788,732	376,472	565,432	784,780	2,515,416
State	1,706,636	-	116,204	1,077,639	2,900,479
Local	167,726	-	22,888	134,763	325,377
Licenses and permits	33,225	-	-	38,491	71,716
Fines and forfeitures	28,073	-	-	7,430	35,503
Charges for services	2,319,879	3,741,456	174,193	3,225,185	9,460,713
Interest and rentals	243,668	-	11,894	19,552	275,114
Contributions from private sources	130,438	-	476,624	784,927	1,391,989
Other revenues/reimbursements	243,374	126,591	18,408	53,464	441,837
<b>Total revenues</b>	<b>13,877,313</b>	<b>4,244,519</b>	<b>2,881,003</b>	<b>8,382,928</b>	<b>29,385,763</b>
<b>Expenditures</b>					
Current:					
Legislative	341,688	-	-	-	341,688
Judicial	2,778,137	-	-	1,632,471	4,410,608
General government	4,515,580	-	-	87,383	4,602,963
Public safety	1,129,448	5,547,752	-	3,688,656	10,365,856
Public works	211,564	-	-	-	211,564
Health and welfare	1,083,381	-	2,307,311	1,188,948	4,579,640
Community and economic development	141,505	-	-	63,643	205,148
Recreation and cultural	-	-	-	1,357,607	1,357,607
Other	111,563	-	-	-	111,563
Debt service:					
Principal	-	-	-	1,103,000	1,103,000
Interest	-	-	-	211,385	211,385
Capital outlay	12,698	-	-	116,859	129,557
<b>Total expenditures</b>	<b>10,325,564</b>	<b>5,547,752</b>	<b>2,307,311</b>	<b>9,449,952</b>	<b>27,630,579</b>
Revenues over (under) expenditures	3,551,749	(1,303,233)	573,692	(1,067,024)	1,755,184
<b>Other financing sources (uses)</b>					
Transfers in	193,739	1,813,980	-	2,906,926	4,914,645
Transfers out	(3,454,958)	-	-	(1,171,597)	(4,626,555)
Proceeds from sale of capital assets	-	-	500	-	500
<b>Total other financing sources (uses)</b>	<b>(3,261,219)</b>	<b>1,813,980</b>	<b>500</b>	<b>1,735,329</b>	<b>288,590</b>
<b>Net change in fund balances</b>	<b>290,530</b>	<b>510,747</b>	<b>574,192</b>	<b>668,305</b>	<b>2,043,774</b>
Fund balances, beginning of year	4,253,773	141,220	1,172,940	6,735,132	12,303,065
<b>Fund balances, end of year</b>	<b>\$ 4,544,303</b>	<b>\$ 651,967</b>	<b>\$ 1,747,132</b>	<b>\$ 7,403,437</b>	<b>\$ 14,346,839</b>

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



## COUNTY OF NEWAYGO, MICHIGAN

### Reconciliation

Net Change in Fund Balances of Governmental Funds  
to Change in Net Position of Governmental Activities  
For the Year Ended September 30, 2020

**Net change in fund balances - total governmental funds** \$ 2,043,774

Amounts reported for *governmental activities* 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.

Capital assets purchased / constructed	432,398
Depreciation expense	(1,183,404)
Proceeds from sale of capital assets	(500)
Loss on disposal of capital assets	(182,551)

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	231,070
Net change in deferred state grants	56,003

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	1,103,000
Amortization of premium on long-term debt	1,031
Amortization of deferred charge 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	7,900
Change in the net pension liability and related deferred amounts	(507,223)
Change in the net OPEB liability and related deferred amounts	589,314

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 from governmental activities in internal service funds	465,203
Net other nonoperating revenue (expense) from internal service funds	400,758

**Change in net position of governmental activities** \$ 3,443,073

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

## COUNTY OF NEWAYGO, MICHIGAN

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

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

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Taxes:				
Real and personal property taxes	\$ 8,026,367	\$ 8,302,873	\$ 8,387,153	\$ 84,280
Other taxes	6,300	22,317	59,479	37,162
Total taxes	8,032,667	8,325,190	8,446,632	121,442
Intergovernmental:				
Federal	189,134	729,236	788,732	59,496
State	1,774,868	1,698,309	1,706,636	8,327
Local	114,115	166,258	167,726	1,468
Total intergovernmental	2,078,117	2,593,803	2,663,094	69,291
Licenses and permits	28,000	30,960	33,225	2,265
Fines and forfeitures	29,000	25,000	28,073	3,073
Charges for services	2,274,725	2,267,776	2,319,879	52,103
Interest and rentals:				
Interest revenue	203,000	142,903	143,951	1,048
Rentals	112,774	110,770	99,717	(11,053)
Total interest and rentals	315,774	253,673	243,668	(10,005)
Contributions from private sources	118,300	130,271	130,438	167
Other revenues/reimbursements:				
Reimbursements	228,806	302,513	243,279	(59,234)
Other revenues	-	70	95	25
Total other revenues/reimbursements	228,806	302,583	243,374	(59,209)
<b>Total revenues</b>	<b>13,105,389</b>	<b>13,929,256</b>	<b>14,108,383</b>	<b>179,127</b>
<b>Expenditures</b>				
Legislative:				
Board of Commissioners	371,719	371,009	341,688	(29,321)
Judicial:				
27th Circuit Court - Newaygo	628,122	635,287	506,040	(129,247)
27th Circuit Court - Oceana	21,615	21,986	21,595	(391)
Circuit Court Probation	24,720	24,720	22,581	(2,139)
Circuit Court Clerk	288,006	288,406	246,041	(42,365)
Circuit Court - Juvenile Division	316,051	352,811	333,191	(19,620)
District Court	1,150,643	1,158,800	1,106,750	(52,050)
Jury Board	13,106	13,256	10,985	(2,271)
Probate Court	481,848	489,263	474,333	(14,930)
Court Guardian	56,649	56,649	56,621	(28)
Total judicial	2,980,760	3,041,178	2,778,137	(263,041)

continued...

## COUNTY OF NEWAYGO, MICHIGAN

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

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

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (continued)</b>				
General government:				
Administrator	\$ 225,173	\$ 227,848	\$ 221,270	\$ (6,578)
Accounting	270,145	272,446	253,212	(19,234)
Clerk	334,173	334,173	319,489	(14,684)
Tax allocation	1,156	1,156	886	(270)
Treasurer	569,040	569,315	559,897	(9,418)
Equalization	697,349	698,804	668,746	(30,058)
Cooperative extension	137,589	137,589	134,780	(2,809)
Civil counsel	20,810	20,810	10,090	(10,720)
Prosecutor	1,014,675	1,023,115	995,156	(27,959)
Register of deeds	434,175	434,337	426,685	(7,652)
Personnel	125,561	125,597	121,617	(3,980)
Surveyor	70,374	50,938	50,938	-
Drain Commissioner	377,725	379,740	350,985	(28,755)
Payroll	51,970	51,973	50,670	(1,303)
Drain maintenance and construction	211,956	213,676	151,509	(62,167)
Soil erosion/conservation	10,242	11,420	7,917	(3,503)
Elections	173,863	207,565	191,733	(15,832)
Total general government	<u>4,725,976</u>	<u>4,760,502</u>	<u>4,515,580</u>	<u>(244,922)</u>
Public safety:				
Sheriff's department	623,281	641,028	629,260	(11,768)
Courthouse security	45,560	59,614	58,456	(1,158)
Regional drug force contract	51	51	51	-
Marine law enforcement	40,214	73,830	69,250	(4,580)
Crisis management	-	37,012	36,730	(282)
Animal control	282,144	321,431	313,945	(7,486)
Civil processing	32,568	32,568	21,748	(10,820)
Truancy program	8	8	8	-
Total public safety	<u>1,023,826</u>	<u>1,165,542</u>	<u>1,129,448</u>	<u>(36,094)</u>
Public works:				
Board of public works	47,924	47,969	15,721	(32,248)
Recycling	151,650	191,314	184,778	(6,536)
Drain tax at large	15,000	15,000	11,065	(3,935)
Total public works	<u>214,574</u>	<u>254,283</u>	<u>211,564</u>	<u>(42,719)</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

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

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

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (concluded)</b>				
Health and welfare:				
Health department	\$ 417,890	\$ 417,890	\$ 417,240	\$ (650)
Contagious disease	569	569	415	(154)
Mental health	360,271	360,271	360,271	-
Family counseling services	8,657	8,657	7	(8,650)
Medical Care Facility maintenance of effort	95,067	95,067	70,296	(24,771)
Substance abuse	74,454	101,703	101,703	-
Medical examiner	146,904	147,953	133,449	(14,504)
<b>Total health and welfare</b>	<u>1,103,812</u>	<u>1,132,110</u>	<u>1,083,381</u>	<u>(48,729)</u>
Community and economic development:				
Land use educator	83,579	83,579	83,579	-
Economic development (NCEDO)	45,000	45,000	45,000	-
West Michigan regional planning	13,000	13,000	12,926	(74)
<b>Total community and economic development</b>	<u>141,579</u>	<u>141,579</u>	<u>141,505</u>	<u>(74)</u>
Other:				
National Forest grant distributions	-	111,460	111,459	(1)
Non-departmental expenditures	25,000	12,407	104	(12,303)
<b>Total other</b>	<u>25,000</u>	<u>123,867</u>	<u>111,563</u>	<u>(12,304)</u>
Capital outlay	-	12,698	12,698	-
<b>Total expenditures</b>	<u>10,587,246</u>	<u>11,002,768</u>	<u>10,325,564</u>	<u>(677,204)</u>
Revenues over expenditures	<u>2,518,143</u>	<u>2,926,488</u>	<u>3,782,819</u>	<u>856,331</u>
<b>Other financing sources (uses)</b>				
Transfers in	171,396	193,739	193,739	-
Transfers out	(3,376,773)	(3,459,002)	(3,454,958)	(4,044)
<b>Total other financing sources (uses)</b>	<u>(3,205,377)</u>	<u>(3,265,263)</u>	<u>(3,261,219)</u>	<u>(4,044)</u>
<b>Net change in fund balance</b>	<u>(687,234)</u>	<u>(338,775)</u>	<u>521,600</u>	<u>860,375</u>
Fund balance, beginning of year	<u>4,972,741</u>	<u>4,972,741</u>	<u>4,972,741</u>	<u>-</u>
<b>Fund balance, end of year (budgetary basis)</b>	<u>\$ 4,285,507</u>	<u>\$ 4,633,966</u>	<u>5,494,341</u>	<u>\$ 860,375</u>
Accounting basis difference (Note 2)			<u>(950,038)</u>	
<b>Fund balance, end of year (GAAP basis)</b>			<u>\$ 4,544,303</u>	

concluded

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

## COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - County Jail

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Intergovernmental - federal	\$ 1,600	\$ 1,600	\$ 376,472	\$ 374,872
Charges for services	3,613,209	3,667,982	3,741,456	73,474
Other revenues/reimbursements	82,805	135,535	126,591	(8,944)
<b>Total revenues</b>	3,697,614	3,805,117	4,244,519	439,402
<b>Expenditures</b>				
Current - public safety	5,424,243	5,695,530	5,547,752	(147,778)
Revenues over (under) expenditures	(1,726,629)	(1,890,413)	(1,303,233)	587,180
<b>Other financing sources</b>				
Transfers in	1,726,629	1,813,980	1,813,980	-
<b>Net change in fund balance</b>	-	(76,433)	510,747	587,180
Fund balance, beginning of year	141,220	141,220	141,220	-
<b>Fund balance, end of year</b>	\$ 141,220	\$ 64,787	\$ 651,967	\$ 587,180

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

## COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Commission on Aging  
For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Taxes	\$ 1,477,422	\$ 1,477,422	\$ 1,495,360	\$ 17,938
Intergovernmental:				
Federal	675,541	807,016	565,432	(241,584)
State	157,626	170,458	116,204	(54,254)
Local	23,000	23,000	22,888	(112)
Charges for services	225,687	199,900	174,193	(25,707)
Interest and rentals	10,000	10,000	11,894	1,894
Contributions from private sources	535,649	535,159	476,624	(58,535)
Other revenues/reimbursements	39,000	39,000	18,408	(20,592)
<b>Total revenues</b>	<b>3,143,925</b>	<b>3,261,955</b>	<b>2,881,003</b>	<b>(380,952)</b>
<b>Expenditures</b>				
Current - Health and welfare	3,150,192	3,308,374	2,307,311	(1,001,063)
Revenues over (under) expenditures	(6,267)	(46,419)	573,692	620,111
<b>Other financing sources</b>				
Transfers in	6,267	4,044	-	(4,044)
Proceeds from sale of capital assets	-	-	500	500
<b>Total other financing sources</b>	<b>6,267</b>	<b>4,044</b>	<b>500</b>	<b>(3,544)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>(42,375)</b>	<b>574,192</b>	<b>616,567</b>
Fund balance, beginning of year	1,172,940	1,172,940	1,172,940	-
<b>Fund balance, end of year</b>	<b>\$ 1,172,940</b>	<b>\$ 1,130,565</b>	<b>\$ 1,747,132</b>	<b>\$ 616,567</b>

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

**This page intentionally left blank.**

**COUNTY OF NEWAYGO, MICHIGAN**

**Statement of Net Position**

Proprietary Funds  
September 30, 2020

	Business-type Activities - Enterprise Funds				
	2017 and Prior Delinquent Tax (various)	2019 Delinquent Tax (516192)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 3,772,318	\$ 57,029	\$ -	\$ 649,541	\$ 834,431
Restricted cash and cash equivalents	-	-	-	581,791	-
Investments	10,070,722	-	-	1,018,001	-
Accounts receivable	28,491	-	-	1,829	61,859
Delinquent taxes receivable	25,139	2,057,065	-	-	680,874
Due from other governments	89,511	-	-	-	-
Current portion of leases receivable	-	-	424,640	-	-
Due from other funds	1,841,082	-	-	-	-
Interfund receivable	33,669	-	-	-	-
Prepays	-	-	-	-	2,270
<b>Total current assets</b>	<b>15,860,932</b>	<b>2,114,094</b>	<b>424,640</b>	<b>2,251,162</b>	<b>1,579,434</b>
Noncurrent assets:					
Leases receivable, net of current portion	-	-	472,191	-	-
Capital assets being depreciated, net	-	-	-	-	4,198
<b>Total noncurrent assets</b>	<b>-</b>	<b>-</b>	<b>472,191</b>	<b>-</b>	<b>4,198</b>
<b>Total assets</b>	<b>15,860,932</b>	<b>2,114,094</b>	<b>896,831</b>	<b>2,251,162</b>	<b>1,583,632</b>
<b>Deferred outflows of resources</b>					
Deferred charge on bond refunding, net	-	-	15,841	-	-
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	-	-	-	1,040	26,234
Accrued expenses	-	-	-	-	-
Accrued interest payable	-	-	12,333	-	-
Due to other funds	-	1,726,082	-	-	115,000
Current portion of long-term debt	-	-	422,309	-	-
<b>Total current liabilities</b>	<b>-</b>	<b>1,726,082</b>	<b>434,642</b>	<b>1,040</b>	<b>141,234</b>
Noncurrent liabilities –					
Long-term debt, net of current portion	-	-	478,030	-	-
<b>Total liabilities</b>	<b>-</b>	<b>1,726,082</b>	<b>912,672</b>	<b>1,040</b>	<b>141,234</b>
<b>Net position</b>					
Investment in capital assets	-	-	-	-	4,198
Restricted for property tax foreclosures	-	-	-	581,791	-
Unrestricted	15,860,932	388,012	-	1,668,331	1,438,200
<b>Total net position</b>	<b>\$ 15,860,932</b>	<b>\$ 388,012</b>	<b>\$ -</b>	<b>\$ 2,250,122</b>	<b>\$ 1,442,398</b>

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





	Governmental Activities
Total	Internal Service Funds
\$ 5,313,319	\$ 6,012,342
581,791	-
11,088,723	-
92,179	362,687
2,763,078	-
89,511	4,501
424,640	-
1,841,082	18,102
33,669	-
2,270	289,116
<u>22,230,262</u>	<u>6,686,748</u>
472,191	-
4,198	301,597
<u>476,389</u>	<u>301,597</u>
22,706,651	6,988,345
<u>15,841</u>	<u>-</u>
27,274	78,109
-	343,435
12,333	-
1,841,082	80,498
422,309	60,332
<u>2,302,998</u>	<u>562,374</u>
478,030	467,573
<u>2,781,028</u>	<u>1,029,947</u>
4,198	301,597
581,791	-
<u>19,355,475</u>	<u>5,656,801</u>
<u>\$ 19,941,464</u>	<u>\$ 5,958,398</u>

**COUNTY OF NEWAYGO, MICHIGAN**

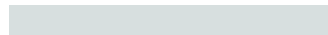
**Statement of Revenues, Expenses and Change in Fund Net Position**

Proprietary Funds

For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds				
	2017 and Prior Delinquent Tax (various)	2019 Delinquent Tax (516192)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
<b>Operating revenues</b>					
Charges for services	\$ -	\$ -	\$ 18,229	\$ 2,724	\$ 339,626
Intergovernmental - federal	-	-	-	-	-
Rentals	-	-	-	-	106,104
Interest and penalties on delinquent taxes	37,351	388,012	-	-	222,592
Reimbursements	-	-	-	334,760	10,765
<b>Total operating revenues</b>	<b>37,351</b>	<b>388,012</b>	<b>18,229</b>	<b>337,484</b>	<b>679,087</b>
<b>Operating expenses</b>					
Supplies and operating expenses	6,014	-	-	253,409	149,365
Depreciation	-	-	-	-	1,568
<b>Total operating expenses</b>	<b>6,014</b>	<b>-</b>	<b>-</b>	<b>253,409</b>	<b>150,933</b>
Operating income	31,337	388,012	18,229	84,075	528,154
<b>Nonoperating revenues (expenses)</b>					
Interest income	303,911	-	-	37,248	7,760
Interest expense	-	-	(18,229)	-	-
Gain on sale of capital assets	-	-	-	-	-
Insurance pool distribution	-	-	-	-	-
<b>Total nonoperating revenues (expense)</b>	<b>303,911</b>	<b>-</b>	<b>(18,229)</b>	<b>37,248</b>	<b>7,760</b>
Income before transfers	335,248	388,012	-	121,323	535,914
<b>Transfers</b>					
Transfers in	-	-	-	-	-
Transfers out	(5,000)	-	-	(76,467)	(206,623)
<b>Total transfers</b>	<b>(5,000)</b>	<b>-</b>	<b>-</b>	<b>(76,467)</b>	<b>(206,623)</b>
<b>Change in net position</b>	<b>330,248</b>	<b>388,012</b>	<b>-</b>	<b>44,856</b>	<b>329,291</b>
Net position, beginning of year	15,530,684	-	-	2,205,266	1,113,107
<b>Net position, end of year</b>	<b>\$ 15,860,932</b>	<b>\$ 388,012</b>	<b>\$ -</b>	<b>\$ 2,250,122</b>	<b>\$ 1,442,398</b>

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



		Governmental Activities
Total		Internal Service Funds
\$ 360,579	\$ 3,799,371	
-	20,630	
106,104	-	
647,955	-	
<u>345,525</u>	<u>4,826,131</u>	
<u>1,460,163</u>	<u>8,646,132</u>	
408,788	8,058,309	
<u>1,568</u>	<u>122,620</u>	
<u>410,356</u>	<u>8,180,929</u>	
<u>1,049,807</u>	<u>465,203</u>	
348,919	2,064	
(18,229)	-	
-	12,126	
<u>-</u>	<u>386,568</u>	
<u>330,690</u>	<u>400,758</u>	
<u>1,380,497</u>	<u>865,961</u>	
-	30,000	
<u>(288,090)</u>	<u>(30,000)</u>	
<u>(288,090)</u>	<u>-</u>	
1,092,407	865,961	
<u>18,849,057</u>	<u>5,092,437</u>	
<u>\$ 19,941,464</u>	<u>\$ 5,958,398</u>	

**COUNTY OF NEWAYGO, MICHIGAN**

**Statement of Cash Flows**

Proprietary Funds

For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds				
	2017 and Prior Delinquent Tax (various)	2019 Delinquent Tax (516192)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
<b>Cash flows from operating activities</b>					
Receipts from customers and users	\$ 569,827	\$ 2,763,472	\$ 18,229	\$ 374,964	\$ 2,280,359
Receipts from interfund services	420,918	-	-	-	-
Payments to vendors	-	(23,886)	-	(253,316)	(262,870)
Payments for personnel services	-	-	-	-	-
Delinquent taxes purchased	-	(4,420,639)	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<u>990,745</u>	<u>(1,681,053)</u>	<u>18,229</u>	<u>121,648</u>	<u>2,017,489</u>
<b>Cash flows from noncapital financing activities</b>					
Cash received from interfund loan	-	1,726,082	-	-	15,000
Cash paid for interfund loan	-	-	-	-	(1,950,000)
Transfers in	-	-	-	-	-
Transfers out	(5,000)	-	-	(76,467)	(206,623)
Insurance pool distribution	-	-	-	-	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>(5,000)</u>	<u>1,726,082</u>	<u>-</u>	<u>(76,467)</u>	<u>(2,141,623)</u>
<b>Cash flows from capital and related financing activities</b>					
Principal paid on long-term debt	-	-	(395,000)	-	-
Interest paid on long-term debt	-	-	(46,786)	-	-
Cash received from capital leases	-	-	423,557	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Purchases of capital assets	-	-	-	-	-
<b>Net cash used in capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>(18,229)</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities</b>					
Purchase of investments	(8,589,642)	-	-	(800,003)	-
Proceeds from sale of investments	6,911,963	-	-	800,000	-
Interest received on investments	213,210	-	-	22,984	7,760
<b>Net cash provided by (used in) investing activities</b>	<u>(1,464,469)</u>	<u>-</u>	<u>-</u>	<u>22,981</u>	<u>7,760</u>



		Governmental Activities
Total		Internal Service Funds
\$ 6,006,851	\$	-
420,918		8,748,957
(540,072)		(4,515,390)
-		(3,294,582)
<u>(4,420,639)</u>		<u>-</u>
<u>1,467,058</u>		<u>938,985</u>
1,741,082		-
(1,950,000)		-
-		30,000
(288,090)		(30,000)
<u>-</u>		<u>386,568</u>
<u>(497,008)</u>		<u>386,568</u>
(395,000)		-
(46,786)		-
423,557		-
-		12,126
<u>-</u>		<u>(29,836)</u>
<u>(18,229)</u>		<u>(17,710)</u>
(9,389,645)		-
7,711,963		-
<u>243,954</u>		<u>2,064</u>
<u>(1,433,728)</u>		<u>2,064</u>

continued...

**COUNTY OF NEWAYGO, MICHIGAN**

**Statement of Cash Flows**

Proprietary Funds

For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds				
	2017 and Prior Delinquent Tax (various)	2019 Delinquent Tax (516192)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
<b>Net changes in cash and cash equivalents</b>	\$ (478,724)	\$ 45,029	\$ -	\$ 68,162	\$ (116,374)
Cash and cash equivalents, beginning of year	4,251,042	12,000	-	1,163,170	950,805
<b>Cash and cash equivalents, end of year</b>	<u>\$ 3,772,318</u>	<u>\$ 57,029</u>	<u>\$ -</u>	<u>\$ 1,231,332</u>	<u>\$ 834,431</u>
<b>Cash and cash equivalents as reported on the statement of net position</b>					
Cash and cash equivalents	\$ 3,772,318	\$ 57,029	\$ -	\$ 649,541	\$ 834,431
Restricted cash and cash equivalents	-	-	-	581,791	-
<b>Total cash and cash equivalents</b>	<u>\$ 3,772,318</u>	<u>\$ 57,029</u>	<u>\$ -</u>	<u>\$ 1,231,332</u>	<u>\$ 834,431</u>
<b>Reconciliation of operating income to net cash provided by (used in) operating activities</b>					
Operating income	\$ 31,337	\$ 388,012	\$ 18,229	\$ 84,075	\$ 528,154
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	-	1,568
Change in operating assets and liabilities:					
Interfund receivable	(28,394)	-	-	-	-
Accounts receivable	7,913	-	-	37,480	(35,994)
Delinquent taxes receivable	720,991	(2,045,179)	-	-	1,625,461
Due from other governments	36,231	-	-	-	-
Due from other funds	420,918	-	-	-	-
Prepays	2,227	-	-	-	(2,270)
Accounts payable	(478)	(11,886)	-	93	(99,430)
Accrued expenses	-	-	-	-	-
Due to other funds	(200,000)	(12,000)	-	-	-
Compensated absences	-	-	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 990,745</u>	<u>\$ (1,681,053)</u>	<u>\$ 18,229</u>	<u>\$ 121,648</u>	<u>\$ 2,017,489</u>

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



	Governmental Activities	
Total	Internal Service Funds	
\$ (481,907)	\$ 1,309,907	
<u>6,377,017</u>	<u>4,702,435</u>	
<u>\$ 5,895,110</u>	<u>\$ 6,012,342</u>	

\$ 5,313,319	\$ 6,012,342	
<u>581,791</u>	<u>-</u>	
<u>\$ 5,895,110</u>	<u>\$ 6,012,342</u>	

\$ 1,049,807      \$ 465,203

1,568	122,620	
(28,394)	-	
9,399	81,037	
301,273	-	
36,231	(4,501)	
420,918	(18,102)	
(43)	10,612	
(111,701)	9,468	
-	163,706	
(212,000)	44,823	
<u>-</u>	<u>64,119</u>	

\$ 1,467,058      \$ 938,985

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Fiduciary Assets and Liabilities

Agency Funds  
September 30, 2020

### Assets

Cash and cash equivalents	<u>\$ 4,777,978</u>
---------------------------	---------------------

### Liabilities

Accounts payable	\$ 439,262
Due to other governments	4,207,869
Undistributed receipts	<u>130,847</u>

<b>Total liabilities</b>	<u><u>\$ 4,777,978</u></u>
--------------------------	----------------------------

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



**This page intentionally left blank.**

## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Net Position

Discretely Presented Component Units  
September 30, 2020

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
<b>Assets</b>			
Cash and cash equivalents	\$ 496,729	\$ 1,397,740	\$ 75,311
Investments	-	-	-
Receivables, net	326,287	2,043,887	-
Other assets	29,532	-	-
Capital assets not being depreciated	49,213	353,295	-
Capital assets being depreciated, net	967,638	1,046,227	-
Net OPEB asset	45,604	-	-
<b>Total assets</b>	<b>1,915,003</b>	<b>4,841,149</b>	<b>75,311</b>
<b>Deferred outflows of resources</b>			
Deferred pension amounts	230,847	-	-
Deferred OPEB amounts	6,010	-	-
<b>Total deferred outflows of resources</b>	<b>236,857</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	28,583	344,883	449
Long-term debt:			
Due within one year	65,000	104,565	-
Due in more than one year	520,000	1,359,922	-
Net pension liability (due in more than one year)	1,202,239	-	-
Net OPEB liability (due in more than one year)	-	-	-
<b>Total liabilities</b>	<b>1,815,822</b>	<b>1,809,370</b>	<b>449</b>
<b>Deferred inflows of resources</b>			
Deferred pension amounts	-	-	-
Deferred OPEB amounts	74,905	-	-
<b>Total deferred inflows of resources</b>	<b>74,905</b>	<b>-</b>	<b>-</b>
<b>Net position</b>			
Net investment in capital assets	431,851	33,031	-
Restricted for employee training	11,391	-	-
Restricted for drain construction and maintenance	-	2,973,253	-
Restricted for debt service	-	25,495	-
Unrestricted (deficit)	(182,109)	-	74,862
<b>Total net position</b>	<b>\$ 261,133</b>	<b>\$ 3,031,779</b>	<b>\$ 74,862</b>

\*Included in the accompanying financial statements on a December 31 fiscal year end.

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

Road Commission	Medical Care Facility *	Total
\$ 2,763,537	\$ 6,478,730	\$ 11,212,047
999,663	-	999,663
1,714,359	774,656	4,859,189
1,398,269	197,232	1,625,033
2,151,451	-	2,553,959
51,667,092	8,783,603	62,464,560
-	-	45,604
<u>60,694,371</u>	<u>16,234,221</u>	<u>83,760,055</u>
843,954	1,826,413	2,901,214
9,822	-	15,832
<u>853,776</u>	<u>1,826,413</u>	<u>2,917,046</u>
1,836,312	950,956	3,161,183
907,397	367,139	1,444,101
2,911,758	-	4,791,680
2,880,062	1,375,393	5,457,694
2,395,235	-	2,395,235
<u>10,930,764</u>	<u>2,693,488</u>	<u>17,249,893</u>
149,998	138,426	288,424
1,313,911	-	1,388,816
<u>1,463,909</u>	<u>138,426</u>	<u>1,677,240</u>
50,191,602	8,783,603	59,440,087
-	-	11,391
-	-	2,973,253
-	-	25,495
<u>(1,038,128)</u>	<u>6,445,117</u>	<u>5,299,742</u>
<u>\$ 49,153,474</u>	<u>\$ 15,228,720</u>	<u>\$ 67,749,968</u>

## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Activities

Discretely Presented Component Units  
For the Year Ended September 30, 2020

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
<b>Expenses</b>			
Central dispatch	\$ 1,460,488	\$ -	\$ -
County drains	-	569,004	-
Brownfield redevelopment	-	-	9,011
Roads	-	-	-
Medical care	-	-	-
<b>Total expenses</b>	<u>1,460,488</u>	<u>569,004</u>	<u>9,011</u>
<b>Program revenues</b>			
Charges for services	1,221,988	-	-
Operating grants and contributions	229,755	-	-
Capital grants and contributions	-	1,268,799	-
<b>Total program revenues</b>	<u>1,451,743</u>	<u>1,268,799</u>	<u>-</u>
Net revenue (expense)	<u>(8,745)</u>	<u>699,795</u>	<u>(9,011)</u>
<b>General revenues</b>			
Property taxes	-	-	1,262
Unrestricted investment earnings	1,092	663	-
<b>Total general revenues</b>	<u>1,092</u>	<u>663</u>	<u>1,262</u>
<b>Change in net position</b>	<u>(7,653)</u>	<u>700,458</u>	<u>(7,749)</u>
Net position, beginning of year	<u>268,786</u>	<u>2,331,321</u>	<u>82,611</u>
<b>Net position, end of year</b>	<u>\$ 261,133</u>	<u>\$ 3,031,779</u>	<u>\$ 74,862</u>

\*Included in the accompanying financial statements on a December 31 fiscal year end.

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



<b>Road Commission</b>	<b>Medical Care Facility *</b>	<b>Total</b>
\$ -	\$ -	\$ 1,460,488
-	-	569,004
-	-	9,011
11,854,975	-	11,854,975
-	12,206,215	12,206,215
<u>11,854,975</u>	<u>12,206,215</u>	<u>26,099,693</u>
1,317,346	12,410,853	14,950,187
9,776,046	-	10,005,801
2,944,129	-	4,212,928
<u>14,037,521</u>	<u>12,410,853</u>	<u>29,168,916</u>
<u>2,182,546</u>	<u>204,638</u>	<u>3,069,223</u>
-	-	1,262
-	108,597	110,352
<u>-</u>	<u>108,597</u>	<u>111,614</u>
2,182,546	313,235	3,180,837
46,970,928	14,915,485	64,569,131
<u>\$ 49,153,474</u>	<u>\$ 15,228,720</u>	<u>\$ 67,749,968</u>

**This page intentionally left blank.**

## **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 Commissioner 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 "Road Commission") – the Road Commission is responsible for the maintenance and construction of the County road system. The Road 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 of 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 Road 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 Road Commission in these financial statements.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to 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.

### *Jointly Governed Organizations*

**Mid-State Health Network** – The County participates jointly with numerous other northern Michigan counties in the operation of a substance abuse treatment agency. The funding formula requires the County to appropriate 50% of its convention facility revenue each year, which amounted to \$81,627 for the year ended September 30, 2020.

**District Health Department #10** – The County participates jointly in the operation of this Health Department with ten other area counties. The County appropriated \$308,924 to the Health Department for the year ended September 30, 2020.

### ***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*.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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.

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 *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 *commission on aging fund* accounts for the operations of the commission on aging. Primary revenue sources for this are property tax revenue funded by an approved millage, federal, state, local revenue, and contributions from private sources.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The County reports the following major proprietary funds:

The *2017 and prior delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in years 2017 and prior.

The *2019 delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in the year 2019.

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 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, committed, or assigned 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.

The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

*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.

*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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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 net 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.

Restricted cash and cash equivalents consists of proceeds from the sale of foreclosed property, net of unpaid taxes and fees and auction costs. When or after the County Treasurer declares a surplus, these funds 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 and the concealed pistol licensing special revenue fund which receive a proportionate share of investment earnings based on average cash balances.

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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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 and component units 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.

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.

Loans 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.

### ***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 acquisition cost at the date of donation.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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.

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.

### ***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 represents a consumption of net position that applies to a future periods 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 charges on 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. In addition, the County reports deferred outflows of resources related to the net pension and other postemployment benefit assets/liabilities. A portion of these costs represent contributions to the pension plan subsequent to the plan measurement date.

### ***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. Personal time off and vacation pay is accrued when earned in the government-wide and proprietary 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *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. In addition, the County reports deferred inflows of resources related to the net pension and other postemployment benefit assets/liabilities.

### *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.



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The County Board of Commissioners 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, 2020, unassigned fund balance of the general fund was equal to 27 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.

### *Pensions and Other Postemployment Benefits*

For purposes of measuring the net pension and OPEB assets/liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the plans and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### *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, except as noted below. 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 Change 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 Change in Fund Balances – Governmental Funds.

	Budgetary Basis	Accounting Basis Difference	GAAP Basis
General fund			
Deferred inflows of resources	\$ 56,003	\$ 950,038	\$ 1,006,041
Property tax revenue	8,446,632	(231,070)	8,215,562
Fund balance, beginning of year	4,972,741	(718,968)	4,253,773
Fund balance, end of year	5,494,341	(950,038)	4,544,303

### 3. 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

During the year ended September 30, 2020, the County had incurred expenditures in budgetary funds which were in excess of the amounts budgeted as follows:

	Final Budget	Expenditures	Budget Variance
Nonmajor governmental funds:			
County Law Library - Judicial	\$ 11,259	\$ 11,442	\$ 183

## 4. 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, 2020:

	Primary Government	Component Units	Totals
<b>Statement of Net Position</b>			
Cash and cash equivalents	\$ 22,009,276	\$ 11,212,047	\$ 33,221,323
Restricted cash and cash equivalents	581,791	-	581,791
Investments	12,464,995	999,663	13,464,658
<b>Statement of Fiduciary Assets and Liabilities</b>			
Cash and cash equivalents	4,777,978	-	4,777,978
<b>Total deposits and investments</b>	39,834,040	12,211,710	52,045,750
<b>Less component units separately audited</b>			
Road Commission	-	(3,763,200)	(3,763,200)
Medical Care Facility	-	(6,478,730)	(6,478,730)
<b>Deposits and investments excluding separately audited component units</b>	<u>\$ 39,834,040</u>	<u>\$ 1,969,780</u>	<u>\$ 41,803,820</u>
<b>Deposits and investments</b>			
Checking and savings accounts			\$ 22,778,680
Certificates of deposit:			
Due within one year			2,447,908
Due in one to five years			4,654,687
Investments			11,921,259
Cash on hand			1,286
<b>Total</b>			<u>\$ 41,803,820</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*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, \$22,997,753 of the County's bank balance of \$30,216,842 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.

*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, 2020, 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, 2020:

U.S. government bonds	\$ 2,686,368
Michigan CLASS	7,842,276
Municipal bonds	<u>1,392,615</u>
<b>Total</b>	<b><u>\$ 11,921,259</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+	\$ 1,496,101
S&P AA	316,865
S&P AA-	159,467
S&P AAAm	7,842,276
Moody Aaa	1,190,267
Moody AA1	<u>916,283</u>
<b>Total</b>	<b><u>\$ 11,921,259</u></b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*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 held at year-end are summarized as follows:

No maturity	\$ 7,842,276
Due within one year	503,438
Due in 1-5 years	3,474,784
Due in 6-10 years	<u>100,761</u>
<b>Total</b>	<b><u>\$ 11,921,259</u></b>

*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.

*Fair Value Measurements.* The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the County's investments, excluding those invested in the Michigan CLASS government investment pool, as of September 30, 2020 are valued using Level 2 inputs.

The County holds shares in Michigan CLASS government investment pool whereby the fair value of the investment is measured on a recurring basis using net asset value per share (or its equivalent) of the investment pool as a practical expedient.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

At year end, the net asset value of the County's investment in Michigan CLASS government investment pool was \$7,842,276. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The Michigan CLASS government investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies.

### 5. RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

Receivables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 454,808	\$ 92,179	\$ 1,135,170
Less: allowance for uncollectibles	-	-	(35,123)
Loans receivable	1,125,935	-	-
Taxes (current)	1,865,075	-	-
Taxes (delinquent)	-	2,763,078	-
Due from other governments	1,212,112	89,511	1,715,255
Advance to component units	300,000	-	-
Special assessments	-	-	2,043,887
Leases	-	896,831	-
<b>Total receivables</b>	<b>\$ 4,957,930</b>	<b>\$ 3,841,599</b>	<b>\$ 4,859,189</b>

Of the amounts reported for receivables above, loans receivable of \$1,125,935, special assessments receivable of \$1,408,125, and leases receivable \$472,191 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 County reported deferred inflows of resources in governmental funds of \$950,038 for property taxes receivable and \$2,043,887 in the drain commission discretely presented component unit for special assessments receivable.

The advances from the primary government to the Drain Commissioner component unit are for the purpose of financing maintenance and construction for various drainage districts. The costs are ultimately recovered by the Drain Commissioner through special assessments to taxpayers benefiting from such improvements.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 6. OTHER ASSETS

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

	Governmental Activities	Business-type Activities	Component Units
Inventories	\$ -	\$ -	\$ 1,475,909
Prepays	399,310	2,270	149,124
<b>Total other assets</b>	<b>\$ 399,310</b>	<b>\$ 2,270</b>	<b>\$ 1,625,033</b>

### 7. PAYABLES AND ACCRUED LIABILITIES

Payables and accrued liabilities are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 842,578	\$ 27,274	\$ 1,815,569
Accrued liabilities	708,415	-	718,865
Due to other governments	143,236	-	-
Accrued interest on long-term debt	51,943	12,333	-
Advance from primary government	-	-	300,000
Advance from State of Michigan	-	-	326,749
<b>Total payables</b>	<b>\$ 1,746,172</b>	<b>\$ 39,607</b>	<b>\$ 3,161,183</b>

### 8. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2020, is as follows:

#### Due to and from primary government funds

	Due from Other Funds	Due to Other Funds
General fund	\$ 80,139	\$ 15,413
County jail	-	4,003
Commission on aging	432	-
Nonmajor governmental funds	1,241	-
2017 and prior delinquent tax	1,841,082	-
2019 delinquent tax	-	1,726,082
Nonmajor enterprise funds	-	115,000
Internal service funds	18,102	80,498
<b>Totals</b>	<b>\$ 1,940,996</b>	<b>\$ 1,940,996</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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.

### Interfund receivables and payables

	Interfund Receivable	Interfund Payable
Nonmajor governmental funds	\$ -	\$ 33,669
2017 and prior delinquent tax	33,669	-
<b>Totals</b>	<u>\$ 33,669</u>	<u>\$ 33,669</u>

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



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

For the year ended September 30, 2020, interfund transfers consisted of the following:

Transfers Out	Transfers in				Totals
	General Fund	County Jail	Nonmajor Governmental Funds	Internal Service Funds	
General fund	\$ -	\$ 1,000,000	\$ 2,454,958	\$ -	\$ 3,454,958
Nonmajor governmental funds	70,000	654,629	446,968	-	1,171,597
2017 and prior delinquent tax	-	-	5,000	-	5,000
P.A. 123	76,467	-	-	-	76,467
Nonmajor enterprise funds	47,272	159,351	-	-	206,623
Internal service funds	-	-	-	30,000	30,000
<b>Totals</b>	<b>\$ 193,739</b>	<b>\$ 1,813,980</b>	<b>\$ 2,906,926</b>	<b>\$ 30,000</b>	<b>\$ 4,944,645</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; and (4) move surplus funds from the delinquent tax revolving fund to the general fund once a statutory period of time has elapsed.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 9. CAPITAL ASSETS

#### Primary government

Capital asset activity for the primary government for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Governmental activities</b>					
Capital assets, not being depreciated:					
Land	\$ 2,263,586	\$ -	\$ (183,051)	\$ -	\$ 2,080,535
Construction in progress	-	10,995	-	-	10,995
	<u>2,263,586</u>	<u>10,995</u>	<u>(183,051)</u>	<u>-</u>	<u>2,091,530</u>
Capital assets, being depreciated:					
Buildings	23,708,612	-	-	-	23,708,612
Land improvements	1,600,342	10,800	(2,159)	-	1,608,983
Office equipment	4,700,160	221,598	(59,237)	-	4,862,521
Vehicles	2,056,275	218,841	(145,400)	-	2,129,716
	<u>32,065,389</u>	<u>451,239</u>	<u>(206,796)</u>	<u>-</u>	<u>32,309,832</u>
Less accumulated depreciation for:					
Buildings	(12,264,912)	(658,762)	-	-	(12,923,674)
Land improvements	(861,965)	(59,490)	2,159	-	(919,296)
Office equipment	(3,582,993)	(302,738)	59,237	-	(3,826,494)
Vehicles	(1,604,172)	(285,034)	145,400	-	(1,743,806)
	<u>(18,314,042)</u>	<u>(1,306,024)</u>	<u>206,796</u>	<u>-</u>	<u>(19,413,270)</u>
Total capital assets being depreciated, net	<u>13,751,347</u>	<u>(854,785)</u>	<u>-</u>	<u>-</u>	<u>12,896,562</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 16,014,933</u>	<u>\$ (843,790)</u>	<u>\$ (183,051)</u>	<u>\$ -</u>	<u>\$ 14,988,092</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Business-type activities</b>					
Capital assets, being depreciated:					
Land improvements	\$ 15,686	\$ -	\$ -	\$ -	\$ 15,686
Equipment	29,341	-	-	-	29,341
	<u>45,027</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,027</u>
Less accumulated depreciation for:					
Land improvements	(9,920)	(1,568)	-	-	(11,488)
Equipment	(29,341)	-	-	-	(29,341)
	<u>(39,261)</u>	<u>(1,568)</u>	<u>-</u>	<u>-</u>	<u>(40,829)</u>
<b>Business-type activities</b>					
<b>capital assets, net</b>	<u>\$ 5,766</u>	<u>\$ (1,568)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,198</u>

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

### Depreciation of governmental activities by function

General government	\$ 492,006
Public safety	347,936
Health and welfare	282,009
Cultural and recreation	61,326
Judicial	127
Internal service funds *	<u>122,620</u>

**Total governmental activities** \$ 1,306,024

\* 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

Nonmajor enterprise funds	<u>\$ 1,568</u>
---------------------------	-----------------

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Discretely presented component units

Capital assets activity for the Central Dispatch Authority component unit for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Central Dispatch Authority</b>					
Capital assets, not being depreciated:					
Construction in progress	\$ -	\$ 49,213	\$ -	\$ -	\$ 49,213
Capital assets, being depreciated:					
Equipment	1,596,827	4,995	-	-	1,601,822
Less accumulated depreciation for:					
Equipment	(492,629)	(141,555)	-	-	(634,184)
Total capital assets being depreciated, net	1,104,198	(136,560)	-	-	967,638
<b>Central Dispatch Authority capital assets, net</b>	<b>\$ 1,104,198</b>	<b>\$ (87,347)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,016,851</b>

Capital assets activity for the Drain Commissioner component unit for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Drain Commissioner</b>					
Capital assets, not being depreciated:					
Land	\$ 65,350	\$ -	\$ -	\$ -	\$ 65,350
Construction in progress	-	287,945	-	-	287,945
	65,350	287,945	-	-	353,295
Capital assets, being depreciated:					
Infrastructure	1,724,554	-	-	-	1,724,554
Less accumulated depreciation for:					
Infrastructure	(614,645)	(63,682)	-	-	(678,327)
Total capital assets being depreciated, net	1,109,909	(63,682)	-	-	1,046,227
<b>Drain Commissioner capital assets, net</b>	<b>\$ 1,175,259</b>	<b>\$ 224,263</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,399,522</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 10. LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended September 30, 2020:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
General obligation bonds	\$ 7,538,000	\$ -	\$ (1,103,000)	\$ 6,435,000	\$ 1,147,000
Premium on bonds payable	5,924	-	(1,031)	4,893	1,031
Compensated absences	463,786	147,056	(82,937)	527,905	60,332
<b>Total governmental activities</b>	<b>\$ 8,007,710</b>	<b>\$ 147,056</b>	<b>\$ (1,186,968)</b>	<b>\$ 6,967,798</b>	<b>\$ 1,208,363</b>
<b>Business-type activities</b>					
General obligation bonds	\$ 1,244,180	\$ -	\$ (395,000)	\$ 849,180	\$ 390,000
Premium on bonds payable	83,468	-	(32,309)	51,159	32,309
<b>Total business-type activities</b>	<b>\$ 1,327,648</b>	<b>\$ -</b>	<b>\$ (427,309)</b>	<b>\$ 900,339</b>	<b>\$ 422,309</b>
<b>Discretely presented component units</b>					
<b>Central Dispatch Authority</b>					
Notes from direct borrowings and direct placements	\$ 650,000	\$ -	\$ (65,000)	\$ 585,000	\$ 65,000
<b>Drain Commissioner</b>					
General obligation debt	1,070,000	-	(60,000)	1,010,000	60,000
Notes from direct borrowings and direct placements	-	434,000	-	434,000	43,400
Premium on bonds payable	21,652	-	(1,165)	20,487	1,165
	1,091,652	434,000	(61,165)	1,464,487	104,565
<b>Total discretely presented component units</b>	<b>\$ 1,741,652</b>	<b>\$ 434,000</b>	<b>\$ (126,165)</b>	<b>\$ 2,049,487</b>	<b>\$ 169,565</b>

**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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

\$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. \$ 2,585,000

\$6,930,000 2013 Medical Care Facility Refunding Bonds, due in annual installments of \$545,000 to \$625,000 plus interest ranging from 0.45% to 1.95% through 2025. 3,025,000

\$1,117,000 2015 Mental Health Refunding Bonds, due in annual installments of \$56,000 to \$96,000 plus interest at 2.675% through 2030. 825,000

**Total governmental activities** \$ 6,435,000

### 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. \$ 740,000

\$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. 109,180

**Total business-type activities** \$ 849,180

### Discretely presented component units

#### **Notes from direct borrowings and direct placements - Central Dispatch Authority**

\$650,000 note payable due in annual installments of \$65,000 plus interest at 1.0% through 2029. \$ 585,000

### **General obligation bonds**

\$1,090,000 2018 drain bonds due in annual installments of \$20,000 to \$60,000 plus interest at 3.5% through 2038. \$ 1,010,000

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Notes from direct borrowings and direct placements -

#### Drain Commissioner

\$354,000 notes payable due in annual installments  
of \$35,400 plus interest at 2.73% through 2030 \$ 354,000

\$80,000 notes payable due in annual installments  
of \$8,000 plus interest at 2.51% through 2030 80,000

### Total notes from direct borrowings and direct placements -

#### Drain Commissioner

\$ 434,000

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
2021	\$ 1,147,000	\$ 182,435	\$ 390,000	\$ 31,374
2022	1,176,000	151,974	390,000	16,248
2023	1,199,000	119,693	20,000	1,124
2024	1,228,000	85,574	25,000	798
2025	1,256,000	49,735	24,180	392
2026-2030	429,000	35,953	-	-
<b>Totals</b>	<u>\$ 6,435,000</u>	<u>\$ 625,364</u>	<u>\$ 849,180</u>	<u>\$ 49,936</u>

Year Ended September 30,	Discretely Present Component Units			
	General Obligation Bonds		Notes from Direct Borrowing and Direct Placements	
	Principal	Interest	Principal	Interest
2021	\$ 60,000	\$ 35,350	\$ 108,400	\$ 19,297
2022	60,000	33,250	108,400	15,705
2023	60,000	31,150	108,400	13,888
2024	60,000	29,050	108,400	12,071
2025	55,000	26,950	108,400	10,253
2026-2030	275,000	105,875	477,000	24,008
2031-2035	275,000	57,750	-	-
2036-2038	165,000	11,550	-	-
<b>Totals</b>	<u>\$ 1,010,000</u>	<u>330,925</u>	<u>\$ 1,019,000</u>	<u>\$ 95,222</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The compensated absences liability attributable to the governmental activities is expected to be liquidated by the unused sick and vacation internal service fund.

### 11. 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, 2020 of \$1,020,027. Rental income for the year ended September 30, 2020 amounted to \$95,620, 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, 2020 of \$1,365,388. Rental income for the year ended September 30, 2020 amounted to \$106,104, recorded in the Building Authority enterprise fund. Annual lease payments are as follows:

Year Ended September 30,	Community Mental Health	Department of Human Services	Total
2021	\$ 111,600	\$ 107,136	\$ 218,736
2022	108,000	110,232	218,232
2023	104,400	110,232	214,632
2024	100,800	110,232	211,032
2025	97,200	110,232	207,432
2026-2030	428,400	82,674	511,074
2031-2032	108,000	-	108,000
<b>Totals</b>	<b>\$ 1,058,400</b>	<b>\$ 630,738</b>	<b>\$ 1,689,138</b>



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The County leases vehicles for the sheriff, commission on aging, parks, and drain commissioner under operating leases. Operating lease expense for the year ended September 30, 2020 was \$47,348. Future minimum operating lease payments on noncancelable lease terms having initial or remaining lease terms of one year or more are as follows for the years subsequent to September 30, 2020:

Year Ending September 30,	Amount
2021	\$ 45,516
2022	29,775
2023	13,963
2024	<u>1,996</u>
<b>Total</b>	<b><u>\$ 91,250</u></b>

## 12. 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,	
	2020	2019
Estimated liability, beginning of year	\$ 111,114	\$ 154,320
Estimated claims incurred	236,131	88,277
Claim payments	<u>(136,687)</u>	<u>(131,483)</u>
<b>Estimated liability, end of year</b>	<b><u>\$ 210,558</u></b>	<b><u>\$ 111,114</u></b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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.

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,	
	2020	2019
Estimated liability, beginning of year	\$ 49,298	\$ 100,043
Estimated claims incurred	2,482,652	3,069,857
Claim payments	<u>(2,433,777)</u>	<u>(3,120,602)</u>
<b>Estimated liability, end of year</b>	<b><u>\$ 98,173</u></b>	<b><u>\$ 49,298</u></b>

## 13. 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 2020, for which revenue was recognized in the general fund, was \$1,628,898,747. The general operating tax rate for this levy was 5.3121 mills. The County assessed an additional 0.9905 mill for sheriff road patrol operations, 0.1000 mills for veterans' affairs, 0.9919 mill for commission on aging, and 0.3953 mill to fund debt service payments on the medical care facility bonds. These additional levies were based on the 2019 taxable value of \$1,547,960,659.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Tax Abatements*

The County provides tax abatements under several different programs:

*Industrial Facilities Tax Exemptions (IFTs)*, entered into under the Plant Rehabilitation and Industrial Development Districts Act PA 198 of 1974, as amended, provide a tax incentive to manufacturers to enable renovation and expanding of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. An IFT certificate entitles the facility to an exemption from ad valorem real and/or personal property taxes for a term of 1-12 years as determined by the local unit of government and is computed at half of the local property tax millage rate, amounting to a reduction in property taxes of approximately 50%. For the year ended September 30, 2020, the County's property taxes were reduced by \$54,442 under this program.

The *Brownfield Agreement*, entered into under the Brownfield Redevelopment Financing Act, Act 381 of 1996, as amended provides reimbursement to taxpayers that remediate environmental contamination on their properties. For the year ended September 30, 2020, the County's property taxes were reduced by \$1,145 under this program.

## 14. 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.

## 15. BENEFIT PLANS

### Defined Benefit Pension Plan

#### *General Information About the Plan*

*Plan Description.* The County's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The County participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at [www.mersofmich.com](http://www.mersofmich.com).

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Benefits Provided.* Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 5 year period) and multipliers ranging from 2.25% to 2.50%. Participants are considered to be fully vested in the plan after 10 years. Normal retirement age is 60 with early retirement at age 50 or 55, based on division and year of service. Early retirement based on a reduced benefit is available at age 50 with 25 years of service and/or age 55 with 15 years of service, based on division/bargaining unit. All divisions are closed to new hires who are enrolled in the County's defined contribution plan.

*Employees Covered by Benefit Terms.* At the December 31, 2019 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	118
Inactive employees entitled to but not yet receiving benefits	15
Active employees	<u>12</u>
<b>Total membership</b>	<b><u>145</u></b>

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In addition, the employer may establish contribution rates to be paid by its covered employees.

Employer and employee contribution amounts or rates, by division/bargaining unit, were as follows for the year ended September 30, 2020:

Division	Employer Contribution Rate	Employee Contribution Rate	Benefit Multiplier
Unclassified	\$ 22,153	4.00%	2.25%
Police Officers Labor	17,609	4.50%	2.50%
Appointed Department Heads	27,993	4.50%	2.50%
Teamsters Employees	12,197	8.49%	2.50%
Central Dispatch	627	4.00%	2.25%
Corrections Officers	17,918	4.50%	2.50%
Command Unit	4,791	4.50%	2.50%
Corrections Command	5,683	4.50%	2.50%

*Net Pension Liability.* The County's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Actuarial Assumptions.* The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.35%, net of investment and administrative expense including inflation

The mortality table used to project the mortality experience of non-disabled plan members is a 50% male, 50% female blend of the following tables:

- The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%
- The RP-2014 Employee Mortality Tables
- The RP-2014 Juvenile Mortality Tables

The mortality table used to project the mortality experience of disabled plan members is 50% Male, 50% Female blend of RP-2014 Disabled Retiree Mortality Tables.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of the most recent actuarial experience study of 2009-2013.

*Long-term Expected Rate of Return.* The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.0%	5.25%	3.15%
Global fixed income	20.0%	1.25%	0.25%
Private investments	20.0%	7.25%	1.45%
	<u>100.00%</u>		
Inflation			2.50%
Administrative expenses netted above			<u>0.25%</u>
<b>Investment rate of return</b>			<u><u>7.60%</u></u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Discount Rate.* The discount rate used to measure the total pension liability as of December 31, 2019 was 7.6% (down from 8.0% at December 31, 2018). The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### **Changes in Net Pension Liability**

The components of the change in the net pension liability are summarized as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at December 31, 2018	\$ 26,025,099	\$ 19,918,191	\$ 6,106,908
Changes for the year:			
Service cost	67,897	-	67,897
Interest	1,995,165	-	1,995,165
Difference between expected and actual experience	424,899	-	424,899
Changes in assumptions	851,353	-	851,353
Employer contributions	-	1,251,654	(1,251,654)
Employee contributions	-	31,647	(31,647)
Net investment income	-	2,658,198	(2,658,198)
Benefit payments, including refunds of employee contributions	(2,238,974)	(2,238,974)	-
Administrative expense	-	(45,780)	45,780
Net changes	<u>1,100,340</u>	<u>1,656,745</u>	<u>(556,405)</u>
<b>Balances at December 31, 2019</b>	<u>\$ 27,125,439</u>	<u>\$ 21,574,936</u>	<u>\$ 5,550,503</u>

The net pension liability is recorded in the accompanying financial statements as follows:

Governmental activities	\$ 4,348,264
Central Dispatch Authority component unit	<u>1,202,239</u>
	<u>\$ 5,550,503</u>

*Changes in assumptions.* In 2020, amounts reported as changes of assumptions resulted primarily from a decrease in the assumed rate of return from 7.75% to 7.35%, and a decrease in the assumed rate of wage inflation from 3.75% to 3.00%.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liability of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.6%) or 1% higher (8.6%) than the current rate:

	1% Decrease (6.6%)	Current Discount Rate (7.6%)	1% Increase (8.6%)
County's net pension liability	\$ 8,017,831	\$ 5,550,503	\$ 3,429,050

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

### ***Pension Expense and Deferred Outflows of Resources Related to Pensions***

For the year ended September 30, 2020, the County recognized pension expense of \$2,129,963. The County reported deferred outflows of resources related to pensions from the following sources:

Net difference between projected and actual earnings on pension plan investments	\$ 85,038
Contributions subsequent to the measurement date	<u>980,739</u>
<b>Total</b>	<b><u>\$ 1,065,777</u></b>
Amounts are recorded in the accompanying financial statements as follows:	
Governmental activities	\$ 834,930
Central Dispatch Authority component unit	<u>230,847</u>
	<b><u>\$ 1,065,777</u></b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2021	\$ (52,218)
2022	75,927
2023	282,290
2024	<u>(220,961)</u>
<b>Total</b>	<b><u>\$ 85,038</u></b>

*Payable to the Pension Plan.* At September 30, 2020, the County had no amount payable for required contributions to the pension plan for the year ended September 30, 2020.

For governmental activities, the net pension liability is generally liquidated by the general fund.

### 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.

Employer and employee contributions to the plan for the year ended September 30, 2020 amounted to \$642,937 and \$267,641, respectively.



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 16. OTHER POSTEMPLOYMENT BENEFITS

The County administers a single-employer defined benefit healthcare plan (OPEB Plan) that is used to provide postemployment benefits other than pensions (OPEB) in accordance with union agreements and/or personnel policies, to employees who have retired. Effective May 27, 2009, the County adopted the Michigan Municipal Employees' Retirement System (MERS) Retiree Health Funding Vehicle to fund the obligation. The OPEB Plan is closed to new hires. Stand-alone financial statements are not issued for the OPEB Plan.

The MERS Retiree Health Funding Vehicle became operational in the fall of 2004, and was made available to all municipalities in Michigan. Participating municipalities can contribute monies to the Trust as desired and no contribution method is imposed. These funds constitute a health care fund, which enable municipalities to accumulate monies to provide or subsidize health benefits for retirees and beneficiaries as defined by Code Section 213. The Retiree Health Funding Vehicle accounts are invested in the MERS portfolio choices and earnings are tax exempt as a result of the MERS Private Letter Ruling. Plan provisions and requirements are specified in the MERS Health Care Savings Program and Retiree Health Funding Vehicle Plan Document and Trust.

Management of the OPEB Plan is vested with the County Board of Commissioners.

*Plan Membership.* At the September 30, 2019 valuation date, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	42
Active plan members	<u>54</u>
<b>Total membership</b>	<b><u><u>96</u></u></b>

*Benefits Provided.* The County Board of Commissioners has the authority to establish or amend benefit terms, to determine the types of benefits provided through the OPEB Plan, and to determine the classes of plan members covered. The OPEB Plan provides medical insurance and prescription drug coverage to qualified retirees and their beneficiaries.

*Contributions.* The contribution requirements of OPEB 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.

#### **Investments**

*Investment Policy.* The OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the County Board of Commissioners. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment processes that the Board of Commissioners deems appropriate. The OPEB Plan's asset allocation policy is shown below.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Concentrations.* At September 30, 2020, the OPEB Plan's investments were fully invested in the MERS Retiree Health Funding Vehicle.

*Rate of Return.* For the year ended September 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 7.28 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Long-term Expected Rate of Return.* The long-term expected rate of return on OPEB Plan investments was determined using a forward looking estimate of capital market returns model for each investment major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and investment expenses. The target allocation and best estimates of arithmetic real rates of return for each asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.0%	5.25%	3.15%
Global fixed income	20.0%	1.25%	0.25%
Private investments	20.0%	7.25%	1.45%
	<u>100.00%</u>		
Inflation			2.50%
Less: risk factor adjustment			-0.60%
<b>Investment rate of return</b>			<b>6.75%</b>

*Discount Rate.* The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that the County will continue to pay benefits on a pay-as-you-go basis. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Actuarial Assumptions.* The County's net OPEB asset was measured as of September 30, 2020, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of September 30, 2019 (rolled forward to September 30, 2020), using the following actuarial assumptions applied to all periods included in the measurement:

Salary increases including inflation	2.5%
Investment rate of return	6.75%
Healthcare cost trend rate	Pre-65 annual medical trend rate for 2019-20 of 5.0%, trending to an ultimate rate of 3.9%; post-65 annual medical trend rate for 2019-20 of 5.0%, trending to an ultimate rate of 3.9%
Employee turnover/withdrawal	MERS rates for all employees, ranging from 19.6% for 0 years of service to 2.2% for 30 years of service and over
Retirement	Rates ranging from 5.0% for 5-9 years of service to 40.0% for 35 years of service and over
Mortality:	
Command Unit, Corrections and Deputies	PubS-2010 Mortality Table with generational projection per the MP-2019 scale, with employee rates before benefit commencement and healthy or disabled annuitant rates after benefit commencement.
All Others	PubG-2010 Mortality Table with generational projection per the MP-2019 scale, with employee rates before benefit commencement and healthy or disabled annuitant rates after benefit commencement.
Probability of accepting benefits	60.0% of current eligible employees are expected to participate in the retiree health insurance plan.

### ***Net OPEB Asset of the County***

The components of the net OPEB asset of the County at September 30, 2020, were as follows:

Plan fiduciary net position	\$ 5,015,032
Total OPEB liability	<u>4,154,580</u>
<b>County's net OPEB asset</b>	<b><u><u>\$ 860,452</u></u></b>
Plan fiduciary net position as a percentage of the total OPEB liability	120.7%

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Changes in Net OPEB (Asset) Liability*

The components of the change in the net OPEB (asset) liability are summarized as follows:

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB (Asset) Liability (a) - (b)</b>
Balances at September 30, 2019	\$ 5,940,248	\$ 4,682,865	\$ 1,257,383
Changes for the year:			
Service cost	27,329	-	27,329
Interest	394,256	-	394,256
Changes in benefit terms	(132,440)	-	(132,440)
Differences between expected and actual experience	(1,794,799)	-	(1,794,799)
Changes in assumptions	(22,283)	-	(22,283)
Employer contributions	-	257,731	(257,731)
Net investment income	-	340,779	(340,779)
Benefit payments, including refunds of employee contributions	(257,731)	(257,731)	-
Administrative expense	-	(8,612)	8,612
Net changes	<u>(1,785,668)</u>	<u>332,167</u>	<u>(2,117,835)</u>
<b>Balances at September 30, 2020</b>	<u><b>\$ 4,154,580</b></u>	<u><b>\$ 5,015,032</b></u>	<u><b>\$ (860,452)</b></u>

The net OPEB asset is recorded in the accompanying financial statements as follows:

Governmental activities	\$ 814,848
Central Dispatch Authority component unit	45,604
	<u>\$ 860,452</u>

*Changes in benefit terms.* In 2020, amounts reported as changes of benefit terms related to 1) effective 1-1-2013, new full-time employees to the Dispatch Benefit Group were no longer eligible for the retiree medical plan and 2) effective 1-1-2019, all remaining Dispatch employees were no longer eligible to purchase county health insurance for themselves or their spouses.

*Changes in assumptions.* In 2020, amounts reported as changes of assumptions related to an update to the trend assumption to reflect the elimination of the excise tax as part of the Secure Act of 2019.

*Actuarially determined contribution.* The County's actuarially determined contribution for the year ended September 30, 2020 was \$0, while actual contributions made totaled \$257,731, resulting in a contribution excess of \$257,731.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Sensitivity of the Net OPEB (Asset) Liability to Changes in the Discount Rate.* The following presents the net OPEB (asset) liability of the County, calculated using the discount rate of 6.75%, as well as what the County's net OPEB (asset) liability would be if it were calculated using a discount rate that is 1% lower (5.75%) or 1% higher (7.75%) than the current rate:

<b>1% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase (7.75%)</b>
\$ (418,181)	\$ (860,452)	\$ (1,236,890)

*Sensitivity of the Net OPEB (Asset) Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the net OPEB (asset) liability of the County, calculated using the healthcare cost trend rate of 5.0% trending to 3.9%, as well as what the County's net OPEB (asset) liability would be if it were calculated using a healthcare cost trend rate that is 1% lower (4.0% trending to 2.9%) or 1% higher (6.0% trending to 4.9%) than the current rate:

<b>1% Decrease 4.0% trending to 2.9%)</b>	<b>Current Healthcare Trend Rate (5.0% trending to 3.9%)</b>	<b>1% Increase 6.0% trending to 4.9%)</b>
\$ (1,265,978)	\$ (860,452)	\$ (386,002)

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB*

For the year ended September 30, 2020, the County recognized OPEB expense of \$(379,918). The County reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ -	\$ 1,395,955	\$ (1,395,955)
Changes in assumptions	-	17,331	(17,331)
Net difference between projected and actual earnings on OPEB plan investments	113,399	-	113,399
<b>Total</b>	<u>\$ 113,399</u>	<u>\$ 1,413,286</u>	<u>\$ (1,299,887)</u>

Amounts are recorded in the accompanying financial statements as follows:

Governmental activities	\$ 107,389	\$ 1,338,381	\$ (1,230,992)
Central Dispatch Authority component unit	6,010	74,905	(68,895)
	<u>\$ 113,399</u>	<u>\$ 1,413,286</u>	<u>\$ (1,299,887)</u>

Amounts reported as deferred outflows/inflows of resources related to the OPEB will be recognized in OPEB expense as follows:

Year Ended September 30,	Amount
2021	\$ (361,705)
2022	(361,704)
2023	(369,619)
2024	(206,859)
<b>Total</b>	<u>\$ (1,299,887)</u>

*Payable to the OPEB Plan.* At September 30, 2020, the County had no amounts payable for contributions to the OPEB plan.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 17. FUND BALANCES - GOVERNMENTAL FUNDS

Detailed information on fund balances of governmental funds is as follows:

	General Fund	County Jail	Commission on Aging	Nonmajor Governmental Funds	Total
<b>Nonspendable:</b>					
Long-term advances	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
Prepays	37,129	37,031	1,068	34,966	110,194
<b>Total nonspendable</b>	<b>337,129</b>	<b>37,031</b>	<b>1,068</b>	<b>34,966</b>	<b>410,194</b>
<b>Restricted for:</b>					
Family counseling (P.A. 368)	97,654	-	-	-	97,654
Dragon trail	-	-	-	85,054	85,054
Law enforcement and road patrol	-	-	-	106,585	106,585
Community development	-	-	-	1,106,588	1,106,588
Jail training	-	23,259	-	-	23,259
Building inspections (P.A. 245)	-	-	-	234,117	234,117
Register of deeds technology (P.A. 698)	-	-	-	99,572	99,572
Commission on aging programs	-	-	447,619	-	447,619
Law library (P.A. 59)	-	-	-	11,098	11,098
Indigent defense	-	-	-	140,211	140,211
Debt service	-	-	-	434,013	434,013
Other purposes	4,411	-	-	17,307	21,718
<b>Total restricted</b>	<b>102,065</b>	<b>23,259</b>	<b>447,619</b>	<b>2,234,545</b>	<b>2,807,488</b>
<b>Committed for:</b>					
Law enforcement and road patrol	-	-	-	1,519,816	1,519,816
Jail operations	-	591,677	-	-	591,677
Friend of court	-	-	-	101,756	101,756
Dragon trail	-	-	-	106,067	106,067
General capital improvements	-	-	-	875,557	875,557
Debt service	-	-	-	390,264	390,264
Other purposes	66,056	-	-	-	66,056
<b>Total committed</b>	<b>66,056</b>	<b>591,677</b>	<b>-</b>	<b>2,993,460</b>	<b>3,651,193</b>
<b>Assigned for:</b>					
Emergency services	-	-	-	15,128	15,128
Community development	-	-	-	166,547	166,547
Animal control	49,578	-	-	-	49,578
Elections	123,323	-	-	-	123,323
Building repair and maintenance	167,062	-	-	-	167,062
Law enforcement	35,979	-	-	382,708	418,687
County parks	-	-	-	234,648	234,648
Friend of court	-	-	-	94,747	94,747
Social services	-	-	-	72,711	72,711
Child care	-	-	-	1,048,824	1,048,824
Soldiers' relief	-	-	-	118,242	118,242
Commission on aging programs	-	-	1,298,445	-	1,298,445
Other purposes	-	-	-	6,911	6,911
<b>Total assigned</b>	<b>375,942</b>	<b>-</b>	<b>1,298,445</b>	<b>2,140,466</b>	<b>3,814,853</b>
<b>Unassigned</b>	<b>3,663,111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,663,111</b>
<b>Total fund balances, governmental funds</b>	<b>\$ 4,544,303</b>	<b>\$ 651,967</b>	<b>\$ 1,747,132</b>	<b>\$ 7,403,437</b>	<b>\$ 14,346,839</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 18. NET INVESTMENT IN CAPITAL ASSETS

The composition of the County's net investment in capital assets as of September 30, 2020, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 2,091,530	\$ -	\$ 2,553,959
Capital assets being depreciated, net	12,896,562	4,198	62,464,560
	<u>14,988,092</u>	<u>4,198</u>	<u>65,018,519</u>
Related debt:			
Bonds and notes payable	6,435,000	849,180	2,029,000
Premium on bonds payable	4,893	51,159	20,487
Deferred charge on refunding	(63,936)	(15,841)	-
Amounts related to capital leases receivable *	-	(884,498)	-
Installment purchase agreements	-	-	3,626,941
Unexpended bond proceeds	-	-	(97,996)
	<u>6,375,957</u>	<u>-</u>	<u>5,578,432</u>
<b>Net investment in capital assets</b>	<u>\$ 8,612,135</u>	<u>\$ 4,198</u>	<u>\$ 59,440,087</u>

\* The bonds payable related to leases receivable within business-type activities represents debt issued by the County on behalf of other governments who are responsible for all principal and interest on the bonds. Title to the related assets does not transfer to the local unit until the bonds are repaid in full; however, the County considers the assets to be held by the local unit as a capital lease and, accordingly, the capital asset is not reported by the County itself. Therefore, the outstanding debt and any unamortized premium and deferred charge on refunding has been excluded from the calculation above.

### 19. CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. The extent of the ultimate impact of the pandemic on the County's operational and financial performance will depend on various developments, including the duration and spread of the outbreak and its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. In addition, it may place additional demands on the County for providing emergency services to its citizens. While management reasonably expects the COVID-19 outbreak to negatively impact the County's financial position, changes in financial position, and, where applicable, the timing and amounts of cash flows, the related financial consequences and duration are highly uncertain.



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 20. SUBSEQUENT EVENT

On November 12, 2020, the County issued \$2,595,000 in 2020 Refunding bonds, due in annual installments of \$395,000 to \$570,000 plus interest at 0.75% to 3.0% payable through July 1, 2025. The proceeds of these bonds were used to refund the 2009A Series Jail Improvement Bonds.



**This page intentionally left blank.**

## **REQUIRED SUPPLEMENTARY INFORMATION**

## COUNTY OF NEWAYGO, MICHIGAN

### Required Supplementary Information

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

#### Schedule of Changes in the County's Net Pension Liability and Related Ratios

	Year Ended September 30,		
	2020	2019	2018
<b>Total pension liability</b>			
Service cost	\$ 67,897	\$ 78,355	\$ 110,514
Interest	1,995,165	1,986,018	1,996,376
Change in benefits	-	-	-
Difference between expected and actual experience	424,899	201,248	(173,466)
Changes in assumptions	851,353	-	-
Benefit payments, including refunds of employee contributions	(2,238,974)	(2,053,138)	(2,040,505)
Other changes	-	-	-
<b>Net change in total pension liability</b>	<u>1,100,340</u>	<u>212,483</u>	<u>(107,081)</u>
Total pension liability, beginning of year	<u>26,025,099</u>	<u>25,812,616</u>	<u>25,919,697</u>
<b>Total pension liability, end of year</b>	<u>27,125,439</u>	<u>26,025,099</u>	<u>25,812,616</u>
<b>Plan fiduciary net position</b>			
Employer contributions	1,251,654	1,246,560	920,388
Employee contributions	31,647	41,861	50,390
Net investment income (loss)	2,658,198	(824,596)	2,593,572
Benefit payments, including refunds of employee contributions	(2,238,974)	(2,053,138)	(2,040,505)
Administrative expense	(45,780)	(41,286)	(41,160)
Other changes	-	-	(11,201)
<b>Net change in plan fiduciary net position</b>	<u>1,656,745</u>	<u>(1,630,599)</u>	<u>1,471,484</u>
Plan fiduciary net position, beginning of year	<u>19,918,191</u>	<u>21,548,790</u>	<u>20,077,306</u>
<b>Plan fiduciary net position, end of year</b>	<u>21,574,936</u>	<u>19,918,191</u>	<u>21,548,790</u>
<b>County's net pension liability</b>	<u>\$ 5,550,503</u>	<u>\$ 6,106,908</u>	<u>\$ 4,263,826</u>
Plan fiduciary net position as a percentage of total pension liability	79.54%	76.53%	83.48%
Covered payroll	\$ 616,318	\$ 710,825	\$ 959,101
County's net pension liability as a percentage of covered payroll	900.59%	859.13%	444.56%

See notes to required supplementary information.



**Year Ended September 30,**

<b>2017</b>	<b>2016</b>	<b>2015</b>
-------------	-------------	-------------

\$ 113,354	\$ 144,182	\$ 177,889
2,006,374	1,964,674	1,936,675
12,026	-	-
(255,874)	(63,125)	-
-	1,143,513	-
(1,958,348)	(1,857,659)	(1,659,002)
(2)	(391)	-
<u>(82,470)</u>	<u>1,331,194</u>	<u>455,562</u>
<u>26,002,167</u>	<u>24,670,973</u>	<u>24,215,411</u>
<u>25,919,697</u>	<u>26,002,167</u>	<u>24,670,973</u>

1,006,665	1,160,256	1,135,610
47,892	4,701	8,638
2,115,490	(296,005)	1,209,412
(1,958,348)	(1,857,659)	(1,659,002)
(41,781)	(43,207)	(44,398)
-	-	-
<u>1,169,918</u>	<u>(1,031,914)</u>	<u>650,260</u>
<u>18,907,388</u>	<u>19,939,302</u>	<u>19,289,042</u>
<u>20,077,306</u>	<u>18,907,388</u>	<u>19,939,302</u>
<u>\$ 5,842,391</u>	<u>\$ 7,094,779</u>	<u>\$ 4,731,671</u>

77.46%	72.71%	80.82%
\$ 1,089,831	\$ 1,396,627	\$ 1,717,803
536.08%	507.99%	275.45%

## COUNTY OF NEWAYGO, MICHIGAN

### Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan  
Schedule of Contributions

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2020	\$ 1,307,652	\$ 1,307,652	\$ -	\$ 629,134	207.85%
2019	1,232,988	1,232,988	-	739,302	166.78%
2018	1,251,084	1,251,084	-	901,479	138.78%
2017	810,156	810,156	-	1,092,546	74.15%
2016	805,812	1,072,168	(266,356)	1,445,878	74.15%
2015	744,876	1,189,619	(444,743)	1,660,381	71.65%

See notes to required supplementary information.

## COUNTY OF NEWAYGO, MICHIGAN

### Required Supplementary Information

#### Single-Employer Other Postemployment Benefits Plan

#### Schedule of Changes in the County's Net OPEB (Asset) Liability and Related Ratios

	Year Ended September 30,		
	2020	2019	2018
<b>Total OPEB liability</b>			
Service cost	\$ 27,329	\$ 38,532	\$ 37,139
Interest	394,256	387,474	383,857
Changes in benefit terms	(132,440)	-	-
Differences between expected and actual experience	(1,794,799)	-	-
Changes in assumptions	(22,283)	-	-
Benefit payments, including refunds of employee contributions	(257,731)	(369,132)	(368,496)
<b>Net change in total OPEB liability</b>	<b>(1,785,668)</b>	<b>56,874</b>	<b>52,500</b>
Total OPEB liability, beginning of year	5,940,248	5,883,374	5,830,874
<b>Total OPEB liability, end of year</b>	<b>4,154,580</b>	<b>5,940,248</b>	<b>5,883,374</b>
<b>Plan fiduciary net position</b>			
Employer contributions	257,731	310,777	946,504
Net investment income	340,779	114,947	237,810
Benefit payments, including refunds of employee contributions	(257,731)	(369,132)	(368,496)
Administrative expense	(8,612)	(8,912)	(11,211)
<b>Net change in plan fiduciary net position</b>	<b>332,167</b>	<b>47,680</b>	<b>804,607</b>
Plan fiduciary net position, beginning of year	4,682,865	4,635,185	3,830,578
<b>Plan fiduciary net position, end of year</b>	<b>5,015,032</b>	<b>4,682,865</b>	<b>4,635,185</b>
<b>County's net OPEB (asset) liability</b>	<b>\$ (860,452)</b>	<b>\$ 1,257,383</b>	<b>\$ 1,248,189</b>
Plan fiduciary net position as a percentage of total OPEB liability	120.71%	78.83%	78.78%
Covered payroll	\$ 3,644,803	\$ 3,719,487	\$ 4,024,782
County's net OPEB (asset) liability as a percentage of covered payroll	-23.61%	33.81%	31.01%

See notes to required supplementary information.

## COUNTY OF NEWAYGO, MICHIGAN

### Required Supplementary Information

Single-Employer Other Postemployment Benefits Plan  
Schedule of Investment Returns

Year Ended September 30,	Annual Money- Weighted Rate of Return, Net of Investment Expense
2020	7.28%
2019	2.51%
2018	5.75%

See notes to required supplementary information.



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Required Supplementary Information

### *MERS Agent Multiple-Employer Defined Benefit Pension Plan*

#### Notes to the Schedule of Changes in the County's Net Pension Liability and Related Ratios

The amounts presented for each fiscal year were determined as of December 31 of the preceding year.

GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

*Changes in Assumptions.* In 2016, amounts reported as changes of assumptions resulted primarily from adjustments to the mortality table to reflect longer lifetimes, decreases in the assumed rate of return, and changes in asset smoothing.

In 2020, amounts reported as changes of assumptions resulted primarily from a decrease in the assumed rate of return from 7.75% to 7.35%, and a decrease in the assumed rate of wage inflation from 3.75% to 3.00%.

#### Notes to Schedule of Contributions

GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Valuation Date Actuarially determined contribution rates are calculated as of the December 31 that is 9 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates (2020, based on the 12/31/2018 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	3-10 years, depending on division
Asset valuation method	5-year smooth market
Inflation	2.50%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment and administrative expense including inflation

Normal retirement age	Age 60
Mortality	50% Female/50% Male blend of the RP-2014 Healthy Annuitant Mortality Tables with rates multiplied by 105%, the RP-2014 Employee Mortality Tables, and the RP-2014 Juvenile Mortality Tables

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Required Supplementary Information

### *Single-Employer Other Postemployment Benefits Plan*

#### **Notes to the Schedule of Changes in the County's Net OPEB (Asset) Liability and Related Ratios**

GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

*Changes in Benefit Terms.* In 2020, amounts reported as changes of benefit terms related to 1) effective 1-1-2013, new full-time employees to the Dispatch Benefit Group were no longer eligible for the retiree medical plan and 2) effective 1-1-2019, all remaining Dispatch employees were no longer eligible to purchase county health insurance for themselves or their spouses.

*Changes in Assumptions.* In 2020, amounts reported as changes of assumptions related to an update to the trend assumption to reflect the elimination of the excise tax as part of the Secure Act of 2019.

#### **Notes to Schedule of Investment Returns**

GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

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

**This page intentionally left blank.**

## **GENERAL FUND**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Schedule of Balance Sheet Accounts

By Activity - General Fund

September 30, 2020

	General Fund (101)	Animal Control (2052)	Elections (214)
<b>Assets</b>			
Cash and cash equivalents	\$ 2,012,937	\$ 63,100	\$ 125,815
Investments	1,376,272	-	-
Accounts receivable	7,470	164	1,874
Taxes receivable	1,864,092	-	-
Due from other governments	144,546	3,914	211
Due from other funds	80,139	-	-
Advance to component unit	300,000	-	-
Prepays	35,897	460	772
<b>Total assets</b>	<u>\$ 5,821,353</u>	<u>\$ 67,638</u>	<u>\$ 128,672</u>
<b>Liabilities</b>			
Accounts payable	\$ 181,415	\$ 5,770	\$ 1,160
Accrued expenditures	137,533	4,246	1,033
Due to other funds	13,029	-	2,384
Unearned revenue	120,749	-	-
<b>Total liabilities</b>	<u>452,726</u>	<u>10,016</u>	<u>4,577</u>
<b>Deferred inflows of resources</b>			
Unavailable revenues - property taxes	-	-	-
Unavailable revenues - state grants	56,003	-	-
<b>Total deferred inflows of resources</b>	<u>56,003</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>			
Nonspendable	335,897	460	772
Restricted	100,295	1,770	-
Committed	60,242	5,814	-
Assigned	203,041	49,578	123,323
Unassigned	4,613,149	-	-
<b>Total fund balances</b>	<u>5,312,624</u>	<u>57,622</u>	<u>124,095</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 5,821,353</u>	<u>\$ 67,638</u>	<u>\$ 128,672</u>



Budget vs. GAAP Adjustment	Eliminations	Total
\$ -	\$ -	\$ 2,201,852
-	-	1,376,272
-	-	9,508
-	-	1,864,092
-	-	148,671
-	-	80,139
-	-	300,000
-	-	37,129
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,017,663</u>
\$ -	\$ -	\$ 188,345
-	-	142,812
-	-	15,413
-	-	120,749
<u>-</u>	<u>-</u>	<u>467,319</u>
950,038	-	950,038
-	-	56,003
<u>950,038</u>	<u>-</u>	<u>1,006,041</u>
-	-	337,129
-	-	102,065
-	-	66,056
-	-	375,942
<u>(950,038)</u>	<u>-</u>	<u>3,663,111</u>
<u>(950,038)</u>	<u>-</u>	<u>4,544,303</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,017,663</u>

# COUNTY OF NEWAYGO, MICHIGAN

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

By Activity - General Fund

For the Year Ended September 30, 2020

	General Fund (101)	Animal Control (2052)	Elections (214)
<b>Revenues</b>			
Taxes	\$ 8,446,632	\$ -	\$ -
Intergovernmental:			
Federal	771,265	17,467	-
State	1,705,042	1,594	-
Local	167,726	-	-
Licenses and permits	33,225	-	-
Fines and forfeitures	28,073	-	-
Charges for services	2,233,824	57,720	28,335
Interest and rentals	243,146	522	-
Contributions from private sources	120,223	10,215	-
Other revenues/reimbursements	180,191	2,019	61,164
<b>Total revenues</b>	<u>13,929,347</u>	<u>89,537</u>	<u>89,499</u>
<b>Expenditures</b>			
Current:			
Legislative	341,688	-	-
Judicial	2,778,137	-	-
General government	4,323,847	-	191,733
Public safety	815,503	313,945	-
Public works	211,564	-	-
Health and welfare	1,083,381	-	-
Community and economic development	141,505	-	-
Other	111,563	-	-
Capital outlay	12,698	-	-
<b>Total expenditures</b>	<u>9,819,886</u>	<u>313,945</u>	<u>191,733</u>
Revenues over (under) expenditures	<u>4,109,461</u>	<u>(224,408)</u>	<u>(102,234)</u>
<b>Other financing sources (uses)</b>			
Transfers in	193,739	220,744	118,613
Transfers out	(3,794,315)	-	-
<b>Total other financing sources (uses)</b>	<u>(3,600,576)</u>	<u>220,744</u>	<u>118,613</u>
<b>Net change in fund balances</b>	508,885	(3,664)	16,379
Fund balances, beginning of year	<u>4,803,739</u>	<u>61,286</u>	<u>107,716</u>
<b>Fund balances, end of year</b>	<u>\$ 5,312,624</u>	<u>\$ 57,622</u>	<u>\$ 124,095</u>





Budget vs. GAAP Adjustment	Eliminations	Total
\$ (231,070)	\$ -	\$ 8,215,562
-	-	788,732
-	-	1,706,636
-	-	167,726
-	-	33,225
-	-	28,073
-	-	2,319,879
-	-	243,668
-	-	130,438
-	-	243,374
<u>(231,070)</u>	<u>-</u>	<u>13,877,313</u>
-	-	341,688
-	-	2,778,137
-	-	4,515,580
-	-	1,129,448
-	-	211,564
-	-	1,083,381
-	-	141,505
-	-	111,563
-	-	12,698
<u>-</u>	<u>-</u>	<u>10,325,564</u>
<u>(231,070)</u>	<u>-</u>	<u>3,551,749</u>
-	(339,357)	193,739
<u>-</u>	<u>339,357</u>	<u>(3,454,958)</u>
<u>-</u>	<u>-</u>	<u>(3,261,219)</u>
(231,070)	-	290,530
<u>(718,968)</u>	<u>-</u>	<u>4,253,773</u>
<u>\$ (950,038)</u>	<u>\$ -</u>	<u>\$ 4,544,303</u>

**COUNTY OF NEWAYGO, MICHIGAN**

**Schedule of Revenues, Expenditures and Change in Fund Balance**

Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity  
For the Year Ended September 30, 2020

	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	\$ 8,026,367	\$ 8,302,873	\$ 8,387,153	\$ 84,280
Other taxes	6,300	22,317	59,479	37,162
Total taxes	8,032,667	8,325,190	8,446,632	121,442
Intergovernmental:				
Federal	189,134	729,236	771,265	42,029
State	1,774,868	1,697,589	1,705,042	7,453
Local	114,115	166,258	167,726	1,468
Total intergovernmental	2,078,117	2,593,083	2,644,033	50,950
Licenses and permits	28,000	30,960	33,225	2,265
Fines and forfeitures	29,000	25,000	28,073	3,073
Charges for services	2,185,325	2,182,526	2,233,824	51,298
Interest and rentals:				
Interest revenue	203,000	142,378	143,429	1,051
Rentals	112,774	110,770	99,717	(11,053)
Total interest and rentals	315,774	253,148	243,146	(10,002)
Contributions from private sources	116,800	120,222	120,223	1
Other revenues/reimbursements:				
Reimbursements	228,056	239,542	180,096	(59,446)
Other revenue	-	70	95	25
Total other revenues/reimbursements	228,056	239,612	180,191	(59,421)
<b>Total general fund (101)</b>	<b>13,013,739</b>	<b>13,769,741</b>	<b>13,929,347</b>	<b>159,606</b>
<b>Animal control (fund 2052)</b>				
Intergovernmental:				
Federal	-	-	17,467	17,467
State	-	720	1,594	874
Charges for services	59,400	57,250	57,720	470
Interest and rentals	-	525	522	(3)
Contributions from private sources	1,500	10,049	10,215	166
Other revenues/reimbursements	500	2,019	2,019	-
<b>Total animal control (fund 2052)</b>	<b>61,400</b>	<b>70,563</b>	<b>89,537</b>	<b>18,974</b>
<b>Elections (fund 214)</b>				
Charges for services	30,000	28,000	28,335	335
Other revenue/reimbursements	250	60,952	61,164	212
<b>Total elections (fund 214)</b>	<b>30,250</b>	<b>88,952</b>	<b>89,499</b>	<b>547</b>
<b>Total revenues</b>	<b>13,105,389</b>	<b>13,929,256</b>	<b>14,108,383</b>	<b>179,127</b>

continued...

**COUNTY OF NEWAYGO, MICHIGAN**

**Schedule of Revenues, Expenditures and Change in Fund Balance**

Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity  
For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures</b>				
<b>General fund (fund 101)</b>				
Legislative:				
Board of Commissioners	\$ 371,719	\$ 371,009	\$ 341,688	\$ (29,321)
Judicial:				
27th Circuit Court - Newaygo	628,122	635,287	506,040	(129,247)
27th Circuit Court - Oceana	21,615	21,986	21,595	(391)
Circuit Court Probation	24,720	24,720	22,581	(2,139)
Circuit Court Clerk	288,006	288,406	246,041	(42,365)
Circuit Court - Juvenile Division	316,051	352,811	333,191	(19,620)
District Court	1,150,643	1,158,800	1,106,750	(52,050)
Jury Board	13,106	13,256	10,985	(2,271)
Probate Court	481,848	489,263	474,333	(14,930)
Court Guardian	56,649	56,649	56,621	(28)
Total judicial	2,980,760	3,041,178	2,778,137	(263,041)
General government:				
Administrator	225,173	227,848	221,270	(6,578)
Accounting	270,145	272,446	253,212	(19,234)
Clerk	334,173	334,173	319,489	(14,684)
Tax allocation	1,156	1,156	886	(270)
Treasurer	569,040	569,315	559,897	(9,418)
Equalization	697,349	698,804	668,746	(30,058)
Cooperative extension	137,589	137,589	134,780	(2,809)
Civil counsel	20,810	20,810	10,090	(10,720)
Prosecutor	1,014,675	1,023,115	995,156	(27,959)
Register of deeds	434,175	434,337	426,685	(7,652)
Personnel	125,561	125,597	121,617	(3,980)
Surveyor	70,374	50,938	50,938	-
Drain Commissioner	377,725	379,740	350,985	(28,755)
Payroll	51,970	51,973	50,670	(1,303)
Drain maintenance and construction	211,956	213,676	151,509	(62,167)
Soil erosion/conservation	10,242	11,420	7,917	(3,503)
Total general government	4,552,113	4,552,937	4,323,847	(229,090)
Public safety:				
Sheriff's department	623,281	641,028	629,260	(11,768)
Courthouse security	45,560	59,614	58,456	(1,158)
Regional drug force contract	51	51	51	-
Marine law enforcement	40,214	73,830	69,250	(4,580)
Crisis management	-	37,012	36,730	(282)
Truancy program	8	8	8	-
Civil processing	32,568	32,568	21,748	(10,820)
Total public safety	741,682	844,111	815,503	(28,608)

continued...

**COUNTY OF NEWAYGO, MICHIGAN**

**Schedule of Revenues, Expenditures and Change in Fund Balance**

Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity  
For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (continued)</b>				
Public works:				
Board of public works	\$ 47,924	\$ 47,969	\$ 15,721	\$ (32,248)
Recycling	151,650	191,314	184,778	(6,536)
Drain tax at large	15,000	15,000	11,065	(3,935)
Total public works	<u>214,574</u>	<u>254,283</u>	<u>211,564</u>	<u>(42,719)</u>
Health and welfare:				
Health department	417,890	417,890	417,240	(650)
Contagious disease	569	569	415	(154)
Mental health	360,271	360,271	360,271	-
Family counseling services	8,657	8,657	7	(8,650)
Medical Care Facility maintenance of effort	95,067	95,067	70,296	(24,771)
Substance abuse	74,454	101,703	101,703	-
Medical examiner	146,904	147,953	133,449	(14,504)
Total health and welfare	<u>1,103,812</u>	<u>1,132,110</u>	<u>1,083,381</u>	<u>(48,729)</u>
Community and economic development:				
Land use educator	83,579	83,579	83,579	-
Economic development (NCEDO)	45,000	45,000	45,000	-
West Michigan regional planning	13,000	13,000	12,926	(74)
Total community and economic development	<u>141,579</u>	<u>141,579</u>	<u>141,505</u>	<u>(74)</u>
Other:				
National Forest grant distributions	-	111,460	111,459	(1)
Non-departmental expenditures	25,000	12,407	104	(12,303)
Total other	<u>25,000</u>	<u>123,867</u>	<u>111,563</u>	<u>(12,304)</u>
Capital outlay	-	12,698	12,698	-
<b>Total general fund (fund 101)</b>	<b>10,131,239</b>	<b>10,473,772</b>	<b>9,819,886</b>	<b>(653,886)</b>
<b>Animal control (fund 2052)</b>				
Public safety	282,144	321,431	313,945	(7,486)
<b>Elections (fund 214)</b>				
General government	173,863	207,565	191,733	(15,832)
<b>Total expenditures</b>	<b>10,587,246</b>	<b>11,002,768</b>	<b>10,325,564</b>	<b>(677,204)</b>
Revenues over expenditures	<u>2,518,143</u>	<u>2,926,488</u>	<u>3,782,819</u>	<u>856,331</u>

continued...

**COUNTY OF NEWAYGO, MICHIGAN**

**Schedule of Revenues, Expenditures and Change in Fund Balance**

Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity  
For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Other financing sources (uses)</b>				
<b>General fund (fund 101)</b>				
Transfers in	\$ 171,396	\$ 193,739	\$ 193,739	\$ -
Transfers out	(3,716,130)	(3,798,359)	(3,794,315)	(4,044)
<b>Total general fund (fund 101)</b>	(3,544,734)	(3,604,620)	(3,600,576)	(4,044)
<b>Animal control (fund 2052)</b>				
Transfers in	220,744	220,744	220,744	-
<b>Total animal control (fund 2052)</b>	220,744	220,744	220,744	-
<b>Elections (fund 214)</b>				
Transfers in	118,613	118,613	118,613	-
<b>Total other financing sources (uses)</b>	(3,205,377)	(3,265,263)	(3,261,219)	(4,044)
<b>Net change in fund balance</b>	(687,234)	(338,775)	521,600	860,375
Fund balance, beginning of year	4,972,741	4,972,741	4,972,741	-
<b>Fund balance, end of year (budgetary basis)</b>	<u>\$ 4,285,507</u>	<u>\$ 4,633,966</u>	5,494,341	<u>\$ 860,375</u>
Accounting basis difference			(950,038)	
<b>Fund balance, end of year (GAAP basis)</b>			<u>\$ 4,544,303</u>	

concluded

**This page intentionally left blank.**

**NONMAJOR GOVERNMENTAL FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2020

	Special Revenue	Debt Service	Capital Improvement (402)	Totals
<b>Assets</b>				
Cash and cash equivalents	\$ 4,786,459	\$ 778,550	\$ 875,557	\$ 6,440,566
Accounts receivable	10,189	-	-	10,189
Loans receivable	1,125,935	-	-	1,125,935
Taxes receivable	433	157	-	590
Due from other governments	444,676	45,570	-	490,246
Due from other funds	1,241	-	-	1,241
Prepays	34,966	-	-	34,966
<b>Total assets</b>	<b>\$ 6,403,899</b>	<b>\$ 824,277</b>	<b>\$ 875,557</b>	<b>\$ 8,103,733</b>
<b>Liabilities</b>				
Interfund payable	\$ 33,669	\$ -	\$ -	\$ 33,669
Accounts payable	415,353	-	-	415,353
Accrued expenditures	102,210	-	-	102,210
Due to other governments	143,205	-	-	143,205
Unearned revenue	5,859	-	-	5,859
<b>Total liabilities</b>	<b>700,296</b>	<b>-</b>	<b>-</b>	<b>700,296</b>
<b>Fund balances</b>				
Nonspendable	34,966	-	-	34,966
Restricted	1,800,532	434,013	-	2,234,545
Committed	1,727,639	390,264	875,557	2,993,460
Assigned	2,140,466	-	-	2,140,466
<b>Total fund balances</b>	<b>5,703,603</b>	<b>824,277</b>	<b>875,557</b>	<b>7,403,437</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,403,899</b>	<b>\$ 824,277</b>	<b>\$ 875,557</b>	<b>\$ 8,103,733</b>



# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Revenues, Expenditures and

Change in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2020

	Special Revenue	Debt Service	Capital Improvement (402)	Totals
<b>Revenues</b>				
Taxes	\$ 1,644,394	\$ 612,303	\$ -	\$ 2,256,697
Intergovernmental:				
Federal	784,780	-	-	784,780
State	1,026,204	51,435	-	1,077,639
Local	39,143	95,620	-	134,763
Licenses and permits	38,491	-	-	38,491
Fines and forfeitures	7,430	-	-	7,430
Charges for services	2,669,231	555,954	-	3,225,185
Interest and rentals	17,952	1,600	-	19,552
Contributions from private sources	784,927	-	-	784,927
Other revenues/reimbursements	53,464	-	-	53,464
<b>Total revenues</b>	<b>7,066,016</b>	<b>1,316,912</b>	<b>-</b>	<b>8,382,928</b>
<b>Expenditures</b>				
Current:				
Judicial	1,632,471	-	-	1,632,471
General government	87,383	-	-	87,383
Public safety	3,688,656	-	-	3,688,656
Health and welfare	1,188,948	-	-	1,188,948
Community and economic development	63,643	-	-	63,643
Recreation and cultural	1,357,607	-	-	1,357,607
Debt service:				
Principal	-	1,103,000	-	1,103,000
Interest	-	211,385	-	211,385
Capital outlay	-	-	116,859	116,859
<b>Total expenditures</b>	<b>8,018,708</b>	<b>1,314,385</b>	<b>116,859</b>	<b>9,449,952</b>
Revenue over (under) expenditures	(952,692)	2,527	(116,859)	(1,067,024)
<b>Other financing sources (uses)</b>				
Transfers in	2,774,966	-	131,960	2,906,926
Transfers out	(1,091,311)	(45,000)	(35,286)	(1,171,597)
<b>Total other financing sources (uses)</b>	<b>1,683,655</b>	<b>(45,000)</b>	<b>96,674</b>	<b>1,735,329</b>
<b>Net change in fund balances</b>	<b>730,963</b>	<b>(42,473)</b>	<b>(20,185)</b>	<b>668,305</b>
Fund balances, beginning of year	4,972,640	866,750	895,742	6,735,132
<b>Fund balances, end of year</b>	<b>\$ 5,703,603</b>	<b>\$ 824,277</b>	<b>\$ 875,557</b>	<b>\$ 7,403,437</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2020

	Emergency Services (2053)	Crime Victim Rights (2055)	Sheriff Road Patrol (207)	Law Enforcement (2072)
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 399,177	\$ 28,970
Accounts receivable	7,418	-	546	-
Loans receivable	-	-	-	-
Taxes receivable	-	-	393	-
Due from other governments	69,245	15,043	59,316	-
Due from other funds	-	-	-	1,232
Prepays	4,566	-	9,508	-
<b>Total assets</b>	<b>\$ 81,229</b>	<b>\$ 15,043</b>	<b>\$ 468,940</b>	<b>\$ 30,202</b>
<b>Liabilities</b>				
Interfund payable	\$ 26,873	\$ 6,796	\$ -	\$ -
Accounts payable	13,774	-	27,892	250
Accrued expenditures	3,449	1,336	46,574	4,639
Due to other governments	-	-	-	-
Unearned revenue	4,604	-	-	-
<b>Total liabilities</b>	<b>48,700</b>	<b>8,132</b>	<b>74,466</b>	<b>4,889</b>
<b>Fund balances</b>				
Nonspendable	4,566	-	9,508	-
Restricted	12,835	-	3,451	25,313
Committed	-	-	-	-
Assigned	15,128	6,911	381,515	-
<b>Total fund balances</b>	<b>32,529</b>	<b>6,911</b>	<b>394,474</b>	<b>25,313</b>
<b>Total liabilities and fund balances</b>	<b>\$ 81,229</b>	<b>\$ 15,043</b>	<b>\$ 468,940</b>	<b>\$ 30,202</b>



Temporary Sheriff (2074)	County Parks (208)	Dragon Trail (2081)	Friend of the Court (215)	Community Development (2441-2443)	Building Safety and Permits (249)
\$ 1,292,772	\$ 275,323	\$ 346,530	\$ 140,850	\$ 147,200	\$ 291,714
-	-	-	2,225	-	-
-	-	-	-	1,125,935	-
-	-	-	-	-	-
193,650	-	-	73,140	-	-
-	-	-	-	-	-
-	2,256	-	1,333	-	1,986
<u>\$ 1,486,422</u>	<u>\$ 277,579</u>	<u>\$ 346,530</u>	<u>\$ 217,548</u>	<u>\$ 1,273,135</u>	<u>\$ 293,700</u>
\$ -	\$ -		\$ -	\$ -	\$ -
-	29,404	155,409	2,026	-	56,342
-	11,271	-	17,686	-	-
-	-	-	-	-	-
-	-	-	-	-	1,255
-	40,675	155,409	19,712	-	57,597
-	2,256	-	1,333	-	1,986
-	-	85,054	-	1,106,588	234,117
1,486,422	-	106,067	101,756	-	-
-	234,648	-	94,747	166,547	-
<u>1,486,422</u>	<u>236,904</u>	<u>191,121</u>	<u>197,836</u>	<u>1,273,135</u>	<u>236,103</u>
<u>\$ 1,486,422</u>	<u>\$ 277,579</u>	<u>\$ 346,530</u>	<u>\$ 217,548</u>	<u>\$ 1,273,135</u>	<u>\$ 293,700</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2020

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (2567)	Indigent Defense (260)	Concealed Pistol Licensing (263)
<b>Assets</b>				
Cash and cash equivalents	\$ 104,858	\$ 1,193	\$ 255,474	\$ 46,392
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	9
Prepays	-	14,323	-	-
<b>Total assets</b>	<b>\$ 104,858</b>	<b>\$ 15,516</b>	<b>\$ 255,474</b>	<b>\$ 46,401</b>
<b>Liabilities</b>				
Interfund payable	\$ -	\$ -	-	\$ -
Accounts payable	4,781	-	114,384	158
Accrued expenditures	505	-	879	715
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<b>5,286</b>	<b>-</b>	<b>115,263</b>	<b>873</b>
<b>Fund balances</b>				
Nonspendable	-	14,323	-	-
Restricted	99,572	-	140,211	45,528
Committed	-	-	-	-
Assigned	-	1,193	-	-
<b>Total fund balances</b>	<b>99,572</b>	<b>15,516</b>	<b>140,211</b>	<b>45,528</b>
<b>Total liabilities and fund balances</b>	<b>\$ 104,858</b>	<b>\$ 15,516</b>	<b>\$ 255,474</b>	<b>\$ 46,401</b>



Drug Law Enforcement (265)	County Law Library (269)	Social Services (290)	Child Care (292)	Soldiers' Relief (293)	Total
\$ 65,042	\$ 12,302	\$ 72,711	\$ 1,155,991	\$ 149,960	\$ 4,786,459
-	-	-	-	-	10,189
-	-	-	-	-	1,125,935
-	-	-	-	40	433
2,647	-	-	31,635	-	444,676
-	-	-	-	-	1,241
-	-	-	-	994	34,966
<u>\$ 67,689</u>	<u>\$ 12,302</u>	<u>\$ 72,711</u>	<u>\$ 1,187,626</u>	<u>\$ 150,994</u>	<u>\$ 6,403,899</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,669
-	1,204	-	4,612	5,117	415,353
2,002	-	-	9,990	3,164	102,210
-	-	-	120,193	23,012	<b>143,205</b>
-	-	-	-	-	5,859
<u>2,002</u>	<u>1,204</u>	<u>-</u>	<u>134,795</u>	<u>31,293</u>	<u>700,296</u>
-	-	-	-	994	34,966
32,293	11,098	-	4,007	465	1,800,532
33,394	-	-	-	-	1,727,639
-	-	72,711	1,048,824	118,242	2,140,466
<u>65,687</u>	<u>11,098</u>	<u>72,711</u>	<u>1,052,831</u>	<u>119,701</u>	<u>5,703,603</u>
<u>\$ 67,689</u>	<u>\$ 12,302</u>	<u>\$ 72,711</u>	<u>\$ 1,187,626</u>	<u>\$ 150,994</u>	<u>\$ 6,403,899</u>

concluded

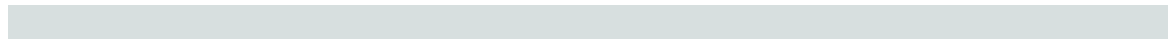
## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Revenues, Expenditures

and Change in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2020

	Emergency Services (2053)	Crime Victim Rights (2055)	Sheriff Road Patrol (207)	Law Enforcement (2072)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 1,493,717	\$ -
Intergovernmental:				
Federal	97,840	-	218,418	2,490
State	-	49,282	14,515	97,859
Local	2,214	-	23,471	10,501
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	1,925	-
Charges for services	-	30	172,163	-
Interest and rentals	-	-	2,316	-
Contributions from private sources	200	-	8,050	-
Other revenue/reimbursements	920	-	4,209	-
<b>Total revenues</b>	<u>101,174</u>	<u>49,312</u>	<u>1,938,784</u>	<u>110,850</u>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	343,359	74,747	2,588,307	195,150
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
<b>Total expenditures</b>	<u>343,359</u>	<u>74,747</u>	<u>2,588,307</u>	<u>195,150</u>
Revenue over (under) expenditures	<u>(242,185)</u>	<u>(25,435)</u>	<u>(649,523)</u>	<u>(84,300)</u>
<b>Other financing sources (uses)</b>				
Transfers in	213,675	22,712	1,004,740	62,731
Transfers out	-	-	(144,278)	-
<b>Total other financing sources (uses)</b>	<u>213,675</u>	<u>22,712</u>	<u>860,462</u>	<u>62,731</u>
<b>Net change in fund balances</b>	(28,510)	(2,723)	210,939	(21,569)
Fund balances, beginning of year	<u>61,039</u>	<u>9,634</u>	<u>183,535</u>	<u>46,882</u>
<b>Fund balances, end of year</b>	<u>\$ 32,529</u>	<u>\$ 6,911</u>	<u>\$ 394,474</u>	<u>\$ 25,313</u>



Temporary Sheriff (2074)	County Parks (208)	Dragon Trail (2081)	Friend of the Court (215)	Community Development (2441-2443)	Building Safety and Permits (249)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	454,306	-	-
-	-	-	71,806	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,317,225	679,696	-	90,813	-	278,358
-	-	-	-	467	15,056
-	32,000	740,000	-	4,527	-
-	5,954	-	-	42,381	-
<u>1,317,225</u>	<u>717,650</u>	<u>740,000</u>	<u>616,925</u>	<u>47,375</u>	<u>293,414</u>
-	-	-	927,229	-	-
-	-	-	-	-	-
-	-	-	-	-	355,654
-	-	-	-	-	-
-	-	-	-	63,643	-
-	636,430	721,177	-	-	-
<u>-</u>	<u>636,430</u>	<u>721,177</u>	<u>927,229</u>	<u>63,643</u>	<u>355,654</u>
<u>1,317,225</u>	<u>81,220</u>	<u>18,823</u>	<u>(310,304)</u>	<u>(16,268)</u>	<u>(62,240)</u>
-	-	-	260,997	-	-
(929,033)	(8,000)	-	-	-	-
<u>(929,033)</u>	<u>(8,000)</u>	<u>-</u>	<u>260,997</u>	<u>-</u>	<u>-</u>
388,192	73,220	18,823	(49,307)	(16,268)	(62,240)
<u>1,098,230</u>	<u>163,684</u>	<u>172,298</u>	<u>247,143</u>	<u>1,289,403</u>	<u>298,343</u>
<u>\$ 1,486,422</u>	<u>\$ 236,904</u>	<u>\$ 191,121</u>	<u>\$ 197,836</u>	<u>\$ 1,273,135</u>	<u>\$ 236,103</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Revenues, Expenditures

and Change in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2020

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (2567)	Indigent Defense (260)	Concealed Pistol Licensing (263)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	-	-	-	-
State	-	-	384,944	-
Local	-	649	-	-
Licenses and permits	-	-	-	38,491
Fines and forfeitures	-	1,005	-	-
Charges for services	59,995	13,227	-	-
Interest and rentals	-	-	-	113
Contributions from private sources	-	-	-	-
Other revenue/reimbursements	-	-	-	-
<b>Total revenues</b>	<u>59,995</u>	<u>14,881</u>	<u>384,944</u>	<u>38,604</u>
<b>Expenditures</b>				
Current:				
Judicial	-	-	693,800	-
General government	51,269	-	-	36,114
Public safety	-	22,697	-	-
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
<b>Total expenditures</b>	<u>51,269</u>	<u>22,697</u>	<u>693,800</u>	<u>36,114</u>
Revenue over (under) expenditures	<u>8,726</u>	<u>(7,816)</u>	<u>(308,856)</u>	<u>2,490</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	201,412	-
Transfers out	(5,000)	-	-	(5,000)
<b>Total other financing sources (uses)</b>	<u>(5,000)</u>	<u>-</u>	<u>201,412</u>	<u>(5,000)</u>
<b>Net change in fund balances</b>	<u>3,726</u>	<u>(7,816)</u>	<u>(107,444)</u>	<u>(2,510)</u>
Fund balances, beginning of year	<u>95,846</u>	<u>23,332</u>	<u>247,655</u>	<u>48,038</u>
<b>Fund balances, end of year</b>	<u>\$ 99,572</u>	<u>\$ 15,516</u>	<u>\$ 140,211</u>	<u>\$ 45,528</u>





<b>Drug Law Enforcement (265)</b>	<b>County Law Library (269)</b>	<b>Social Services (290)</b>	<b>Child Care (292)</b>	<b>Soldiers' Relief (293)</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	\$ 150,677	\$ 1,644,394
11,726	-	-	-	-	784,780
-	-	-	377,438	30,360	1,026,204
-	-	-	-	2,308	39,143
-	-	-	-	-	38,491
-	4,500	-	-	-	7,430
-	-	21,255	36,469	-	2,669,231
-	-	-	-	-	17,952
-	-	-	-	150	784,927
-	-	-	-	-	53,464
<u>11,726</u>	<u>4,500</u>	<u>21,255</u>	<u>413,907</u>	<u>183,495</u>	<u>7,066,016</u>
-	11,442	-	-	-	1,632,471
-	-	-	-	-	87,383
108,742	-	-	-	-	3,688,656
-	-	63,560	897,306	228,082	1,188,948
-	-	-	-	-	63,643
-	-	-	-	-	1,357,607
<u>108,742</u>	<u>11,442</u>	<u>63,560</u>	<u>897,306</u>	<u>228,082</u>	<u>8,018,708</u>
<u>(97,016)</u>	<u>(6,942)</u>	<u>(42,305)</u>	<u>(483,399)</u>	<u>(44,587)</u>	<u>(952,692)</u>
97,547	6,309	20,382	823,091	61,370	2,774,966
-	-	-	-	-	(1,091,311)
<u>97,547</u>	<u>6,309</u>	<u>20,382</u>	<u>823,091</u>	<u>61,370</u>	<u>1,683,655</u>
531	(633)	(21,923)	339,692	16,783	730,963
<u>65,156</u>	<u>11,731</u>	<u>94,634</u>	<u>713,139</u>	<u>102,918</u>	<u>4,972,640</u>
<u>\$ 65,687</u>	<u>\$ 11,098</u>	<u>\$ 72,711</u>	<u>\$ 1,052,831</u>	<u>\$ 119,701</u>	<u>\$ 5,703,603</u>

concluded

## COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	Emergency Services (2053)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	101,245	97,840	(3,405)
State	-	-	-
Local	2,215	2,214	(1)
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	7,967	200	(7,767)
Other revenue/reimbursements	260	920	660
<b>Total revenues</b>	<b>111,687</b>	<b>101,174</b>	<b>(10,513)</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	356,169	343,359	(12,810)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>356,169</b>	<b>343,359</b>	<b>(12,810)</b>
Revenues over (under) expenditures	(244,482)	(242,185)	2,297
<b>Other financing sources (uses)</b>			
Transfers in	213,675	213,675	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>213,675</b>	<b>213,675</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(30,807)</b>	<b>(28,510)</b>	<b>2,297</b>
Fund balances, beginning of year	61,039	61,039	-
<b>Fund balances, end of year</b>	<b>\$ 30,232</b>	<b>\$ 32,529</b>	<b>\$ 2,297</b>



Crime Victim Rights (2055)			Sheriff Road Patrol (207)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ 1,492,761	\$ 1,493,717	\$ 956
-	-	-	3,124	218,418	215,294
44,840	49,282	4,442	14,515	14,515	-
-	-	-	18,115	23,471	5,356
-	-	-	-	-	-
-	-	-	-	1,925	1,925
30	30	-	168,668	172,163	3,495
-	-	-	2,400	2,316	(84)
350	-	(350)	7,850	8,050	200
-	-	-	4,749	4,209	(540)
<u>45,220</u>	<u>49,312</u>	<u>4,092</u>	<u>1,712,182</u>	<u>1,938,784</u>	<u>226,602</u>
-	-	-	-	-	-
-	-	-	-	-	-
75,629	74,747	(882)	2,600,069	2,588,307	(11,762)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>75,629</u>	<u>74,747</u>	<u>(882)</u>	<u>2,600,069</u>	<u>2,588,307</u>	<u>(11,762)</u>
<u>(30,409)</u>	<u>(25,435)</u>	<u>4,974</u>	<u>(887,887)</u>	<u>(649,523)</u>	<u>238,364</u>
22,712	22,712	-	1,004,740	1,004,740	-
-	-	-	(144,278)	(144,278)	-
<u>22,712</u>	<u>22,712</u>	<u>-</u>	<u>860,462</u>	<u>860,462</u>	<u>-</u>
(7,697)	(2,723)	4,974	(27,425)	210,939	238,364
9,634	9,634	-	183,535	183,535	-
<u>\$ 1,937</u>	<u>\$ 6,911</u>	<u>\$ 4,974</u>	<u>\$ 156,110</u>	<u>\$ 394,474</u>	<u>\$ 238,364</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	Law Enforcement (2072)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	2,490	2,490
State	121,770	97,859	(23,911)
Local	10,500	10,501	1
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>132,270</b>	<b>110,850</b>	<b>(21,420)</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	207,187	195,150	(12,037)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>207,187</b>	<b>195,150</b>	<b>(12,037)</b>
Revenues over (under) expenditures	(74,917)	(84,300)	(9,383)
<b>Other financing sources (uses)</b>			
Transfers in	62,731	62,731	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>62,731</b>	<b>62,731</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(12,186)</b>	<b>(21,569)</b>	<b>(9,383)</b>
Fund balances, beginning of year	46,882	46,882	-
<b>Fund balances, end of year</b>	<b>\$ 34,696</b>	<b>\$ 25,313</b>	<b>\$ (9,383)</b>



Temporary Sheriff (2074)			County Parks (208)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,225,718	1,317,225	91,507	706,660	679,696	(26,964)
-	-	-	-	-	-
-	-	-	32,000	32,000	-
-	-	-	7,200	5,954	(1,246)
<u>1,225,718</u>	<u>1,317,225</u>	<u>91,507</u>	<u>745,860</u>	<u>717,650</u>	<u>(28,210)</u>
-	-	-	-	-	-
-	-	-	-	-	-
296,685	-	(296,685)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	780,775	636,430	(144,345)
<u>296,685</u>	<u>-</u>	<u>(296,685)</u>	<u>780,775</u>	<u>636,430</u>	<u>(144,345)</u>
<u>929,033</u>	<u>1,317,225</u>	<u>388,192</u>	<u>(34,915)</u>	<u>81,220</u>	<u>116,135</u>
-	-	-	-	-	-
(929,033)	(929,033)	-	(8,000)	(8,000)	-
<u>(929,033)</u>	<u>(929,033)</u>	<u>-</u>	<u>(8,000)</u>	<u>(8,000)</u>	<u>-</u>
-	388,192	388,192	(42,915)	73,220	116,135
<u>1,098,230</u>	<u>1,098,230</u>	<u>-</u>	<u>163,684</u>	<u>163,684</u>	<u>-</u>
<u>\$ 1,098,230</u>	<u>\$ 1,486,422</u>	<u>\$ 388,192</u>	<u>\$ 120,769</u>	<u>\$ 236,904</u>	<u>\$ 116,135</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	Dragon Trail (2081)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	740,000	740,000	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>740,000</b>	<b>740,000</b>	<b>-</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	740,000	721,177	(18,823)
<b>Total expenditures</b>	<b>740,000</b>	<b>721,177</b>	<b>(18,823)</b>
Revenues over (under) expenditures	-	18,823	18,823
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>18,823</b>	<b>18,823</b>
Fund balances, beginning of year	172,298	172,298	-
<b>Fund balances, end of year</b>	<b>\$ 172,298</b>	<b>\$ 191,121</b>	<b>\$ 18,823</b>



Friend of the Court (215)			Community Development (2441-2443)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
464,310	454,306	(10,004)	-	-	-
64,132	71,806	7,674	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
88,560	90,813	2,253	-	-	-
-	-	-	467	467	-
-	-	-	4,528	4,527	(1)
-	-	-	21,285	42,381	21,096
<u>617,002</u>	<u>616,925</u>	<u>(77)</u>	<u>26,280</u>	<u>47,375</u>	<u>21,095</u>
938,350	927,229	(11,121)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	99,293	63,643	(35,650)
-	-	-	-	-	-
<u>938,350</u>	<u>927,229</u>	<u>(11,121)</u>	<u>99,293</u>	<u>63,643</u>	<u>(35,650)</u>
<u>(321,348)</u>	<u>(310,304)</u>	<u>11,044</u>	<u>(73,013)</u>	<u>(16,268)</u>	<u>56,745</u>
260,997	260,997	-	-	-	-
-	-	-	-	-	-
<u>260,997</u>	<u>260,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(60,351)	(49,307)	11,044	(73,013)	(16,268)	56,745
<u>247,143</u>	<u>247,143</u>	<u>-</u>	<u>1,289,403</u>	<u>1,289,403</u>	<u>-</u>
<u>\$ 186,792</u>	<u>\$ 197,836</u>	<u>\$ 11,044</u>	<u>\$ 1,216,390</u>	<u>\$ 1,273,135</u>	<u>\$ 56,745</u>

continued...

**COUNTY OF NEWAYGO, MICHIGAN**

**Schedule of Revenues, Expenditures, and Change in Fund Balances**

Budget and Actual - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	<b>Building Safety and Permits (249)</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual Over (Under) Final Budget</b>
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	329,545	278,358	(51,187)
Interest and rentals	9,000	15,056	6,056
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>338,545</b>	<b>293,414</b>	<b>(45,131)</b>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	395,923	355,654	(40,269)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>395,923</b>	<b>355,654</b>	<b>(40,269)</b>
Revenues over (under) expenditures	(57,378)	(62,240)	(4,862)
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(57,378)</b>	<b>(62,240)</b>	<b>(4,862)</b>
Fund balances, beginning of year	298,343	298,343	-
<b>Fund balances, end of year</b>	<b>\$ 240,965</b>	<b>\$ 236,103</b>	<b>\$ (4,862)</b>





Register of Deeds Automation (256)			Law Enforcement Technical Fund (2567)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	755	649	(106)
-	-	-	-	-	-
-	-	-	1,000	1,005	5
55,000	59,995	4,995	12,695	13,227	532
200	-	(200)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>55,200</u>	<u>59,995</u>	<u>4,795</u>	<u>14,450</u>	<u>14,881</u>	<u>431</u>
-	-	-	-	-	-
67,151	51,269	(15,882)	-	-	-
-	-	-	22,700	22,697	(3)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>67,151</u>	<u>51,269</u>	<u>(15,882)</u>	<u>22,700</u>	<u>22,697</u>	<u>(3)</u>
<u>(11,951)</u>	<u>8,726</u>	<u>20,677</u>	<u>(8,250)</u>	<u>(7,816)</u>	<u>434</u>
-	-	-	-	-	-
<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(16,951)	3,726	20,677	(8,250)	(7,816)	434
95,846	95,846	-	23,332	23,332	-
<u>\$ 78,895</u>	<u>\$ 99,572</u>	<u>\$ 20,677</u>	<u>\$ 15,082</u>	<u>\$ 15,516</u>	<u>\$ 434</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	Indigent Defense (260)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	534,866	384,944	(149,922)
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>534,866</u>	<u>384,944</u>	<u>(149,922)</u>
<b>Expenditures</b>			
Current:			
Judicial	736,278	693,800	(42,478)
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<u>736,278</u>	<u>693,800</u>	<u>(42,478)</u>
Revenues over (under) expenditures	<u>(201,412)</u>	<u>(308,856)</u>	<u>(107,444)</u>
<b>Other financing sources (uses)</b>			
Transfers in	201,412	201,412	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>201,412</u>	<u>201,412</u>	<u>-</u>
<b>Net change in fund balances</b>	-	(107,444)	(107,444)
Fund balances, beginning of year	<u>247,655</u>	<u>247,655</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 247,655</u>	<u>\$ 140,211</u>	<u>\$ (107,444)</u>



Concealed Pistol Licensing Fund (263)			Drug Law Enforcement (265)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	11,726	11,726
-	-	-	-	-	-
-	-	-	-	-	-
28,000	38,491	10,491	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
300	113	(187)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>28,300</u>	<u>38,604</u>	<u>10,304</u>	-	<u>11,726</u>	<u>11,726</u>
-	-	-	-	-	-
37,457	36,114	(1,343)	-	-	-
-	-	-	111,842	108,742	(3,100)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>37,457</u>	<u>36,114</u>	<u>(1,343)</u>	<u>111,842</u>	<u>108,742</u>	<u>(3,100)</u>
<u>(9,157)</u>	<u>2,490</u>	<u>11,647</u>	<u>(111,842)</u>	<u>(97,016)</u>	<u>14,826</u>
-	-	-	97,547	97,547	-
<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>97,547</u>	<u>97,547</u>	<u>-</u>
(14,157)	(2,510)	11,647	(14,295)	531	14,826
<u>48,038</u>	<u>48,038</u>	<u>-</u>	<u>65,156</u>	<u>65,156</u>	<u>-</u>
<u>\$ 33,881</u>	<u>\$ 45,528</u>	<u>\$ 11,647</u>	<u>\$ 50,861</u>	<u>\$ 65,687</u>	<u>\$ 14,826</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	County Law Library (269)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	4,500	4,500	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>4,500</u>	<u>4,500</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Judicial	11,259	11,442	183
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<u>11,259</u>	<u>11,442</u>	<u>183</u>
Revenues over (under) expenditures	<u>(6,759)</u>	<u>(6,942)</u>	<u>(183)</u>
<b>Other financing sources (uses)</b>			
Transfers in	6,309	6,309	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>6,309</u>	<u>6,309</u>	<u>-</u>
<b>Net change in fund balances</b>	(450)	(633)	(183)
Fund balances, beginning of year	<u>11,731</u>	<u>11,731</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 11,281</u>	<u>\$ 11,098</u>	<u>\$ (183)</u>



Social Services (290)			Child Care (292)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	853,517	377,438	(476,079)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
19,140	21,255	2,115	46,500	36,469	(10,031)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,140</u>	<u>21,255</u>	<u>2,115</u>	<u>900,017</u>	<u>413,907</u>	<u>(486,110)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
66,350	63,560	(2,790)	1,802,512	897,306	(905,206)
-	-	-	-	-	-
-	-	-	-	-	-
<u>66,350</u>	<u>63,560</u>	<u>(2,790)</u>	<u>1,802,512</u>	<u>897,306</u>	<u>(905,206)</u>
<u>(47,210)</u>	<u>(42,305)</u>	<u>4,905</u>	<u>(902,495)</u>	<u>(483,399)</u>	<u>419,096</u>
20,382	20,382	-	823,091	823,091	-
-	-	-	-	-	-
<u>20,382</u>	<u>20,382</u>	<u>-</u>	<u>823,091</u>	<u>823,091</u>	<u>-</u>
(26,828)	(21,923)	4,905	(79,404)	339,692	419,096
94,634	94,634	-	713,139	713,139	-
<u>\$ 67,806</u>	<u>\$ 72,711</u>	<u>\$ 4,905</u>	<u>\$ 633,735</u>	<u>\$ 1,052,831</u>	<u>\$ 419,096</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	Soldiers' Relief (293)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ 148,932	\$ 150,677	\$ 1,745
Intergovernmental:			
Federal	-	-	-
State	71,884	30,360	(41,524)
Local	1,120	2,308	1,188
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	150	150
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>221,936</u>	<u>183,495</u>	<u>(38,441)</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	283,306	228,082	(55,224)
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<u>283,306</u>	<u>228,082</u>	<u>(55,224)</u>
Revenues over (under) expenditures	<u>(61,370)</u>	<u>(44,587)</u>	<u>16,783</u>
<b>Other financing sources (uses)</b>			
Transfers in	61,370	61,370	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>61,370</u>	<u>61,370</u>	<u>-</u>
<b>Net change in fund balances</b>	-	16,783	16,783
Fund balances, beginning of year	<u>102,918</u>	<u>102,918</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 102,918</u>	<u>\$ 119,701</u>	<u>\$ 16,783</u>



<b>Total</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Actual Over (Under) Final Budget</b>
\$ 1,641,693	\$ 1,644,394	\$ 2,701
568,679	784,780	216,101
1,705,524	1,026,204	(679,320)
32,705	39,143	6,438
28,000	38,491	10,491
5,500	7,430	1,930
2,652,516	2,669,231	16,715
12,367	17,952	5,585
792,695	784,927	(7,768)
33,494	53,464	19,970
<u>7,473,173</u>	<u>7,066,016</u>	<u>(407,157)</u>
1,685,887	1,632,471	(53,416)
104,608	87,383	(17,225)
4,066,204	3,688,656	(377,548)
2,152,168	1,188,948	(963,220)
99,293	63,643	(35,650)
1,520,775	1,357,607	(163,168)
<u>9,628,935</u>	<u>8,018,708</u>	<u>(1,610,227)</u>
<u>(2,155,762)</u>	<u>(952,692)</u>	<u>1,203,070</u>
2,774,966	2,774,966	-
<u>(1,091,311)</u>	<u>(1,091,311)</u>	<u>-</u>
1,683,655	1,683,655	-
(472,107)	730,963	1,203,070
4,972,640	4,972,640	-
<u>\$ 4,500,533</u>	<u>\$ 5,703,603</u>	<u>\$ 1,203,070</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Debt Service Funds

September 30, 2020

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (392)	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 344,694	\$ 186,230	\$ 247,626	\$ 778,550
Taxes receivable	-	157	-	157
Due from other governments	45,570	-	-	45,570
<b>Total assets</b>	<u>\$ 390,264</u>	<u>\$ 186,387</u>	<u>\$ 247,626</u>	<u>\$ 824,277</u>
<b>Fund balances</b>				
Restricted	\$ -	\$ 186,387	\$ 247,626	\$ 434,013
Committed	390,264	-	-	390,264
<b>Total fund balances</b>	<u>\$ 390,264</u>	<u>\$ 186,387</u>	<u>\$ 247,626</u>	<u>\$ 824,277</u>



# COUNTY OF NEWAYGO, MICHIGAN

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

Nonmajor Debt Service Funds

For the Year Ended September 30, 2020

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (392)	Total
<b>Revenues</b>				
Taxes	\$ -	\$ 612,303	\$ -	\$ 612,303
Intergovernmental:				
State	-	51,435	-	51,435
Local	-	-	95,620	95,620
Charges for services	555,954	-	-	555,954
Interest	-	1,600	-	1,600
<b>Total revenues</b>	<u>555,954</u>	<u>665,338</u>	<u>95,620</u>	<u>1,316,912</u>
<b>Expenditures</b>				
Debt service:				
Principal	470,000	575,000	58,000	1,103,000
Interest	125,471	62,295	23,619	211,385
<b>Total expenditures</b>	<u>595,471</u>	<u>637,295</u>	<u>81,619</u>	<u>1,314,385</u>
Revenues over (under) expenditures	(39,517)	28,043	14,001	2,527
<b>Other financing uses</b>				
Transfers out	-	-	(45,000)	(45,000)
<b>Net change in fund balances</b>	(39,517)	28,043	(30,999)	(42,473)
Fund balances, beginning of year	<u>429,781</u>	<u>158,344</u>	<u>278,625</u>	<u>866,750</u>
<b>Fund balances, end of year</b>	<u>\$ 390,264</u>	<u>\$ 186,387</u>	<u>\$ 247,626</u>	<u>\$ 824,277</u>

**This page intentionally left blank.**

**NONMAJOR ENTERPRISE FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Nonmajor Enterprise Funds

September 30, 2020

	2018 Delinquent Tax (516182)	2020 Delinquent Tax (516202)	PRE Audit (530)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 57,470	\$ 15,000	\$ 46,776
Accounts receivable	-	-	-
Delinquent taxes receivable	666,799	14,075	-
Prepays	2,270	-	-
Total current assets	<u>726,539</u>	<u>29,075</u>	<u>46,776</u>
Noncurrent assets:			
Capital assets being depreciated, net	-	-	-
<b>Total assets</b>	<u>726,539</u>	<u>29,075</u>	<u>46,776</u>
<b>Liabilities (all current)</b>			
Accounts payable	-	14,075	2,128
Due to other funds	100,000	15,000	-
<b>Total liabilities (all current)</b>	<u>100,000</u>	<u>29,075</u>	<u>2,128</u>
<b>Net position</b>			
Investment in capital assets	-	-	-
Unrestricted	626,539	-	44,648
<b>Total net position</b>	<u>\$ 626,539</u>	<u>\$ -</u>	<u>\$ 44,648</u>



<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ 203,833	\$ 511,352	\$ 834,431
-	61,859	61,859
-	-	680,874
-	-	2,270
<u>203,833</u>	<u>573,211</u>	<u>1,579,434</u>
-	4,198	4,198
<u>203,833</u>	<u>577,409</u>	<u>1,583,632</u>
605	9,426	26,234
-	-	115,000
<u>605</u>	<u>9,426</u>	<u>141,234</u>
-	4,198	4,198
<u>203,228</u>	<u>563,785</u>	<u>1,438,200</u>
<u>\$ 203,228</u>	<u>\$ 567,983</u>	<u>\$ 1,442,398</u>

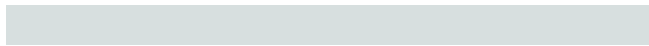
# COUNTY OF NEWAYGO, MICHIGAN

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

Nonmajor Enterprise Funds

For the Year Ended September 30, 2020

	2018 Delinquent Tax (516182)	2020 Delinquent Tax (516202)	PRE Audit (530)
<b>Operating revenues</b>			
Charges for services	\$ -	\$ -	\$ -
Rentals	-	-	-
Interest and penalties on delinquent taxes	222,592	-	-
Reimbursements	-	-	-
<b>Total operating revenues</b>	<u>222,592</u>	<u>-</u>	<u>-</u>
<b>Operating expense</b>			
Supplies and operating expenses	4,541	-	280
Depreciation	-	-	-
<b>Total operating expense</b>	<u>4,541</u>	<u>-</u>	<u>280</u>
Operating income (loss)	218,051	-	(280)
<b>Nonoperating revenues</b>			
Interest revenue	278	-	5,727
Income before transfers	218,329	-	5,447
<b>Transfers</b>			
Transfers out	-	-	(22,272)
<b>Change in net position</b>	218,329	-	(16,825)
Net position, beginning of year	408,210	-	61,473
<b>Net position, end of year</b>	<u>\$ 626,539</u>	<u>\$ -</u>	<u>\$ 44,648</u>



<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ -	\$ 339,626	\$ 339,626
106,104	-	106,104
-	-	222,592
-	10,765	10,765
<u>106,104</u>	<u>350,391</u>	<u>679,087</u>
63,729	80,815	149,365
-	1,568	1,568
<u>63,729</u>	<u>82,383</u>	<u>150,933</u>
42,375	268,008	528,154
-	1,755	7,760
<u>42,375</u>	<u>269,763</u>	<u>535,914</u>
<u>(25,000)</u>	<u>(159,351)</u>	<u>(206,623)</u>
17,375	110,412	329,291
<u>185,853</u>	<u>457,571</u>	<u>1,113,107</u>
<u>\$ 203,228</u>	<u>\$ 567,983</u>	<u>\$ 1,442,398</u>

## COUNTY OF NEWAYGO, MICHIGAN

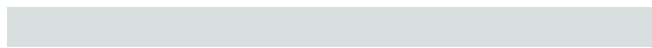
### Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2020

	2018 Delinquent Tax (516182)	2020 Delinquent Tax (516202)	PRE Audit (530)
<b>Cash flows from operating activities</b>			
Receipts from customers and users	\$ 1,859,858	\$ -	\$ -
Payments to vendors	(4,541)	-	(121,446)
<b>Net cash provided by (used in) operating activities</b>	<u>1,855,317</u>	<u>-</u>	<u>(121,446)</u>
<b>Cash flows from noncapital financing activities</b>			
Cash received from interfund loan	-	15,000	-
Cash paid for interfund loan	(1,950,000)	-	-
Transfers out	-	-	(22,272)
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>(1,950,000)</u>	<u>15,000</u>	<u>(22,272)</u>
<b>Cash flows from investing activities</b>			
Interest received on investments	278	-	5,727
<b>Net change in cash and cash equivalents</b>	(94,405)	15,000	(137,991)
Cash and cash equivalents, beginning of year	<u>151,875</u>	<u>-</u>	<u>184,767</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 57,470</u>	<u>\$ 15,000</u>	<u>\$ 46,776</u>





<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ 106,104 (63,124)	\$ 314,397 (73,759)	\$ 2,280,359 (262,870)
<u>42,980</u>	<u>240,638</u>	<u>2,017,489</u>
-	-	15,000
-	-	(1,950,000)
<u>(25,000)</u>	<u>(159,351)</u>	<u>(206,623)</u>
<u>(25,000)</u>	<u>(159,351)</u>	<u>(2,141,623)</u>
-	1,755	7,760
17,980	83,042	(116,374)
<u>185,853</u>	<u>428,310</u>	<u>950,805</u>
<u>\$ 203,833</u>	<u>\$ 511,352</u>	<u>\$ 834,431</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2020

	2018 Delinquent Tax (516182)	2020 Delinquent Tax (516202)	PRE Audit (530)
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>			
Operating income (loss)	\$ 218,051	\$ -	\$ (280)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	-	-
Delinquent taxes receivable	1,639,536	(14,075)	-
Prepays	(2,270)	-	-
Accounts payable	-	14,075	(121,166)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,855,317</b>	<b>\$ -</b>	<b>\$ (121,446)</b>



<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ 42,375	\$ 268,008	\$ 528,154
-	1,568	1,568
-	(35,994)	(35,994)
-	-	1,625,461
-	-	(2,270)
<u>605</u>	<u>7,056</u>	<u>(99,430)</u>
<u><u>\$ 42,980</u></u>	<u><u>\$ 240,638</u></u>	<u><u>\$ 2,017,489</u></u>

concluded

**This page intentionally left blank.**

## **INTERNAL SERVICE FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Internal Service Funds

September 30, 2020

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 182,805	\$ 93,130	\$ 72,805
Accounts receivable	-	-	706
Due from other governments	-	4,501	-
Due from other funds	-	-	-
Prepays	-	-	10,399
<b>Total current assets</b>	<b>182,805</b>	<b>97,631</b>	<b>83,910</b>
Noncurrent assets –			
Capital assets being depreciated, net	15,486	-	-
<b>Total assets</b>	<b>198,291</b>	<b>97,631</b>	<b>83,910</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	24,641	321	-
Accrued expenses	8,576	5,473	-
Due to other funds	-	-	-
Current portion of long-term debt	-	-	-
<b>Total current liabilities</b>	<b>33,217</b>	<b>5,794</b>	<b>-</b>
Noncurrent liabilities –			
Long-term debt, net of current portion	-	-	-
<b>Total liabilities</b>	<b>33,217</b>	<b>5,794</b>	<b>-</b>
<b>Net position</b>			
Investment in capital assets	15,486	-	-
Unrestricted	149,588	91,837	83,910
<b>Total net position</b>	<b>\$ 165,074</b>	<b>\$ 91,837</b>	<b>\$ 83,910</b>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 130,941	\$ 184,788	\$ 172,981	\$ 106,356	\$ 206,611
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
49,170	1,225	1,200	-	-
<u>180,111</u>	<u>186,013</u>	<u>174,181</u>	<u>106,356</u>	<u>206,611</u>
114,503	66,061	23,688	78,433	3,426
<u>294,614</u>	<u>252,074</u>	<u>197,869</u>	<u>184,789</u>	<u>210,037</u>
43,511	4,401	768	952	239
1,769	-	-	-	-
-	80,066	-	-	-
-	-	-	-	-
<u>45,280</u>	<u>84,467</u>	<u>768</u>	<u>952</u>	<u>239</u>
-	-	-	-	-
<u>45,280</u>	<u>84,467</u>	<u>768</u>	<u>952</u>	<u>239</u>
114,503	66,061	23,688	78,433	3,426
<u>134,831</u>	<u>101,546</u>	<u>173,413</u>	<u>105,404</u>	<u>206,372</u>
<u>\$ 249,334</u>	<u>\$ 167,607</u>	<u>\$ 197,101</u>	<u>\$ 183,837</u>	<u>\$ 209,798</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Internal Service Funds

September 30, 2020

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 62,509	\$ 2,632,967	\$ 406,167
Accounts receivable	-	231,286	300
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepays	-	66,321	86,244
<b>Total current assets</b>	<u>62,509</u>	<u>2,930,574</u>	<u>492,711</u>
Noncurrent assets –			
Capital assets being depreciated, net	-	-	-
<b>Total assets</b>	<u>62,509</u>	<u>2,930,574</u>	<u>492,711</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	-	2,945	-
Accrued expenses	636	103,117	210,558
Due to other funds	-	-	-
Current portion of long-term debt	-	-	-
<b>Total current liabilities</b>	<u>636</u>	<u>106,062</u>	<u>210,558</u>
Noncurrent liabilities –			
Long-term debt, net of current portion	-	-	-
<b>Total liabilities</b>	<u>636</u>	<u>106,062</u>	<u>210,558</u>
<b>Net position</b>			
Investment in capital assets	-	-	-
Unrestricted	61,873	2,824,512	282,153
<b>Total net position</b>	<u>\$ 61,873</u>	<u>\$ 2,824,512</u>	<u>\$ 282,153</u>





<b>Workers' Compensation (696)</b>	<b>Retirement (731)</b>	<b>Unused Sick and Vacation (730)</b>	<b>Total</b>
\$ 95,026	\$ 936,045	\$ 729,211	\$ 6,012,342
130,395	-	-	362,687
-	-	-	4,501
-	-	18,102	18,102
74,557	-	-	289,116
<u>299,978</u>	<u>936,045</u>	<u>747,313</u>	<u>6,686,748</u>
-	-	-	301,597
<u>299,978</u>	<u>936,045</u>	<u>747,313</u>	<u>6,988,345</u>
-	-	331	78,109
2,885	-	10,421	343,435
-	-	432	80,498
-	-	60,332	60,332
<u>2,885</u>	<u>-</u>	<u>71,516</u>	<u>562,374</u>
-	-	467,573	467,573
<u>2,885</u>	<u>-</u>	<u>539,089</u>	<u>1,029,947</u>
-	-	-	301,597
<u>297,093</u>	<u>936,045</u>	<u>208,224</u>	<u>5,656,801</u>
<u>\$ 297,093</u>	<u>\$ 936,045</u>	<u>\$ 208,224</u>	<u>\$ 5,958,398</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

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

Internal Service Funds

For the Year Ended September 30, 2020

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Operating revenues</b>			
Charges for services	\$ 691,359	\$ 211,559	\$ 2,301
Intergovernmental - federal	-	20,630	-
Reimbursements	-	-	-
<b>Total operating revenues</b>	<u>691,359</u>	<u>232,189</u>	<u>2,301</u>
<b>Operating expense</b>			
Supplies and operating expenses	654,420	214,020	4,504
Depreciation	1,736	-	-
<b>Total operating expense</b>	<u>656,156</u>	<u>214,020</u>	<u>4,504</u>
Operating income (loss)	<u>35,203</u>	<u>18,169</u>	<u>(2,203)</u>
<b>Nonoperating revenues</b>			
Interest income	-	-	-
Gain on sale of capital assets	-	-	-
Insurance pool distribution	-	-	-
<b>Total nonoperating revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	<u>35,203</u>	<u>18,169</u>	<u>(2,203)</u>
<b>Transfers</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total transfers</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in net position</b>	35,203	18,169	(2,203)
Net position, beginning of year	<u>129,871</u>	<u>73,668</u>	<u>86,113</u>
<b>Net position, end of year</b>	<u>\$ 165,074</u>	<u>\$ 91,837</u>	<u>\$ 83,910</u>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 480,465	\$ 175,935	\$ 89,328	\$ 63,501	\$ 29,139
-	-	-	-	-
7	-	-	-	-
<u>480,472</u>	<u>175,935</u>	<u>89,328</u>	<u>63,501</u>	<u>29,139</u>
454,065	177,655	41,892	20,020	17,070
38,605	16,638	18,015	14,706	32,920
<u>492,670</u>	<u>194,293</u>	<u>59,907</u>	<u>34,726</u>	<u>49,990</u>
<u>(12,198)</u>	<u>(18,358)</u>	<u>29,421</u>	<u>28,775</u>	<u>(20,851)</u>
-	2,064	-	-	-
-	-	-	-	12,126
-	-	-	-	-
-	2,064	-	-	12,126
<u>(12,198)</u>	<u>(16,294)</u>	<u>29,421</u>	<u>28,775</u>	<u>(8,725)</u>
30,000	-	-	-	-
-	-	(30,000)	-	-
<u>30,000</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>
17,802	(16,294)	(579)	28,775	(8,725)
<u>231,532</u>	<u>183,901</u>	<u>197,680</u>	<u>155,062</u>	<u>218,523</u>
<u>\$ 249,334</u>	<u>\$ 167,607</u>	<u>\$ 197,101</u>	<u>\$ 183,837</u>	<u>\$ 209,798</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

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

Internal Service Funds

For the Year Ended September 30, 2020

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Operating revenues</b>			
Charges for services	\$ -	\$ -	\$ -
Intergovernmental - federal	-	-	-
Reimbursements	37,859	4,027,953	362,742
<b>Total operating revenues</b>	<u>37,859</u>	<u>4,027,953</u>	<u>362,742</u>
<b>Operating expense</b>			
Supplies and operating expenses	41,829	2,928,838	539,323
Depreciation	-	-	-
<b>Total operating expense</b>	<u>41,829</u>	<u>2,928,838</u>	<u>539,323</u>
Operating income (loss)	<u>(3,970)</u>	<u>1,099,115</u>	<u>(176,581)</u>
<b>Nonoperating revenues</b>			
Interest income	-	-	-
Gain on sale of capital assets	-	-	-
Insurance pool distribution	-	-	168,380
<b>Total nonoperating revenues</b>	<u>-</u>	<u>-</u>	<u>168,380</u>
Income (loss) before transfers	<u>(3,970)</u>	<u>1,099,115</u>	<u>(8,201)</u>
<b>Transfers</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total transfers</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in net position</b>	(3,970)	1,099,115	(8,201)
Net position, beginning of year	<u>65,843</u>	<u>1,725,397</u>	<u>290,354</u>
<b>Net position, end of year</b>	<u>\$ 61,873</u>	<u>\$ 2,824,512</u>	<u>\$ 282,153</u>



<b>Workers' Compensation (696)</b>	<b>Retirement (731)</b>	<b>Unused Sick and Vacation (730)</b>	<b>Total</b>
\$ -	\$ 1,792,382	\$ 263,402	\$ 3,799,371
-	-	-	20,630
<u>330,332</u>	<u>-</u>	<u>67,238</u>	<u>4,826,131</u>
<u>330,332</u>	<u>1,792,382</u>	<u>330,640</u>	<u>8,646,132</u>
432,693	2,237,712	294,268	8,058,309
-	-	-	122,620
<u>432,693</u>	<u>2,237,712</u>	<u>294,268</u>	<u>8,180,929</u>
<u>(102,361)</u>	<u>(445,330)</u>	<u>36,372</u>	<u>465,203</u>
-	-	-	2,064
-	-	-	12,126
<u>218,188</u>	<u>-</u>	<u>-</u>	<u>386,568</u>
<u>218,188</u>	<u>-</u>	<u>-</u>	<u>400,758</u>
<u>115,827</u>	<u>(445,330)</u>	<u>36,372</u>	<u>865,961</u>
-	-	-	30,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>115,827</u>	<u>(445,330)</u>	<u>36,372</u>	<u>865,961</u>
<u>181,266</u>	<u>1,381,375</u>	<u>171,852</u>	<u>5,092,437</u>
<u>\$ 297,093</u>	<u>\$ 936,045</u>	<u>\$ 208,224</u>	<u>\$ 5,958,398</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2020

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Cash flows from operating activities</b>			
Receipts from interfund services	\$ 691,359	\$ 227,688	\$ 2,179
Payments to vendors	(331,625)	(14,173)	(4,241)
Payments for personnel services	(315,731)	(197,236)	-
<b>Net cash provided by (used in) operating activities</b>	<u>44,003</u>	<u>16,279</u>	<u>(2,062)</u>
<b>Cash flows from noncapital financing activities</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Insurance pool distribution	-	-	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>			
Proceeds from sale of capital assets	-	-	-
Purchase of capital assets	-	-	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities</b>			
Interest received on investments	-	-	-
<b>Net change in cash and cash equivalents</b>	44,003	16,279	(2,062)
Cash and cash equivalents, beginning of year	<u>138,802</u>	<u>76,851</u>	<u>74,867</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 182,805</u></u>	<u><u>\$ 93,130</u></u>	<u><u>\$ 72,805</u></u>



<b>Information Services (636)</b>	<b>Drain Maintenance / Construction (638)</b>	<b>Duplicating (645)</b>	<b>Telephone System (656)</b>	<b>Motor Pool (661)</b>
\$ 481,477	\$ 220,326	\$ 89,328	\$ 63,501	\$ 29,139
(396,064)	(22,194)	(43,074)	(18,679)	(17,692)
(78,070)	(151,509)	-	-	-
<u>7,343</u>	<u>46,623</u>	<u>46,254</u>	<u>44,822</u>	<u>11,447</u>
30,000	-	-	-	-
-	-	(30,000)	-	-
-	-	-	-	-
<u>30,000</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>
-	-	-	-	12,126
(29,836)	-	-	-	-
<u>(29,836)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,126</u>
-	2,064	-	-	-
7,507	48,687	16,254	44,822	23,573
<u>123,434</u>	<u>136,101</u>	<u>156,727</u>	<u>61,534</u>	<u>183,038</u>
<u>\$ 130,941</u>	<u>\$ 184,788</u>	<u>\$ 172,981</u>	<u>\$ 106,356</u>	<u>\$ 206,611</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2020

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Cash flows from operating activities</b>			
Receipts from interfund services	\$ 37,859	\$ 4,238,802	\$ 362,442
Payments to vendors	(13,039)	(2,783,237)	(475,527)
Payments for personnel services	(28,622)	(26,444)	-
<b>Net cash provided by (used in) operating activities</b>	<u>(3,802)</u>	<u>1,429,121</u>	<u>(113,085)</u>
<b>Cash flows from noncapital financing activities</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Insurance pool distribution	-	-	168,380
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>-</u>	<u>-</u>	<u>168,380</u>
<b>Cash flows from capital and related financing activities</b>			
Proceeds from sale of capital assets	-	-	-
Purchase of capital assets	-	-	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities</b>			
Interest received on investments	-	-	-
<b>Net change in cash and cash equivalents</b>	(3,802)	1,429,121	55,295
Cash and cash equivalents, beginning of year	66,311	1,203,846	350,872
<b>Cash and cash equivalents, end of year</b>	<u>\$ 62,509</u>	<u>\$ 2,632,967</u>	<u>\$ 406,167</u>





<b>Workers' Compensation (696)</b>	<b>Retirement (731)</b>	<b>Unused Sick and Vacation (730)</b>	<b>Total</b>
\$ 199,937	\$ 1,792,382	\$ 312,538	\$ 8,748,957
(314,658)	(994)	(80,193)	(4,515,390)
(120,183)	(2,236,718)	(140,069)	(3,294,582)
<u>(234,904)</u>	<u>(445,330)</u>	<u>92,276</u>	<u>938,985</u>
-	-	-	30,000
-	-	-	(30,000)
<u>218,188</u>	<u>-</u>	<u>-</u>	<u>386,568</u>
<u>218,188</u>	<u>-</u>	<u>-</u>	<u>386,568</u>
-	-	-	12,126
<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,836)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,710)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,064</u>
(16,716)	(445,330)	92,276	1,309,907
<u>111,742</u>	<u>1,381,375</u>	<u>636,935</u>	<u>4,702,435</u>
<u>\$ 95,026</u>	<u>\$ 936,045</u>	<u>\$ 729,211</u>	<u>\$ 6,012,342</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2020

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>			
Operating income (loss)	\$ 35,203	\$ 18,169	\$ (2,203)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	1,736	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	-	(122)
Due from other governments	-	(4,501)	-
Due from other funds	-	-	-
Prepays	-	-	263
Accounts payable	3,711	290	-
Accrued expenses	3,353	2,321	-
Due to other funds	-	-	-
Compensated absences	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<b><u>\$ 44,003</u></b>	<b><u>\$ 16,279</u></b>	<b><u>\$ (2,062)</u></b>



<b>Information Services (636)</b>	<b>Drain Maintenance / Construction (638)</b>	<b>Duplicating (645)</b>	<b>Telephone System (656)</b>	<b>Motor Pool (661)</b>
\$ (12,198)	\$ (18,358)	\$ 29,421	\$ 28,775	\$ (20,851)
38,605	16,638	18,015	14,706	32,920
1,005	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(20,288)	-	-	1,122	-
(249)	3,952	(1,109)	219	(622)
468	-	(73)	-	-
-	44,391	-	-	-
-	-	-	-	-
<u>\$ 7,343</u>	<u>\$ 46,623</u>	<u>\$ 46,254</u>	<u>\$ 44,822</u>	<u>\$ 11,447</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2020

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>			
Operating income (loss)	\$ (3,970)	\$ 1,099,115	\$ (176,581)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	210,849	(300)
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepays	-	68,044	(35,648)
Accounts payable	-	2,945	-
Accrued expenses	168	48,168	99,444
Due to other funds	-	-	-
Compensated absences	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (3,802)</u>	<u>\$ 1,429,121</u>	<u>\$ (113,085)</u>



<b>Workers' Compensation (696)</b>	<b>Retirement (731)</b>	<b>Unused Sick and Vacation (730)</b>	<b>Total</b>
\$ (102,361)	\$ (445,330)	\$ 36,372	\$ 465,203
-	-	-	122,620
(130,395)	-	-	81,037
-	-	-	(4,501)
-	-	(18,102)	(18,102)
(2,881)	-	-	10,612
-	-	331	9,468
733	-	9,124	163,706
-	-	432	44,823
-	-	64,119	64,119
<u>\$ (234,904)</u>	<u>\$ (445,330)</u>	<u>\$ 92,276</u>	<u>\$ 938,985</u>

concluded

**This page intentionally left blank.**

## **AGENCY FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Fiduciary Assets and Liabilities

Agency Funds

September 30, 2020

	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	\$ -	\$ -	\$ 4,537,954	\$ 109,177
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 330,085	\$ 109,177
Due to other governments	-	-	4,207,869	-
Undistributed receipts	-	-	-	-
<b>Total liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,537,954</u>	<u>\$ 109,177</u>





<b>Library Penal (721)</b>	<b>Total</b>
------------------------------------	--------------

<u>\$ 130,847</u>	<u>\$ 4,777,978</u>
-------------------	---------------------

\$ -	\$ 439,262
-	4,207,869
<u>130,847</u>	<u>130,847</u>

<u>\$ 130,847</u>	<u>\$ 4,777,978</u>
-------------------	---------------------

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Funds

For the Year Ended September 30, 2020

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>Central Payroll Processing</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 25,197,998	\$ 25,197,998	\$ -
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 648,650	\$ 648,650	\$ -
Due to other governments	-	2,740,147	2,740,147	-
Undistributed receipts	-	21,809,201	21,809,201	-
<b>Total liabilities</b>	<b>\$ -</b>	<b>\$ 25,197,998</b>	<b>\$ 25,197,998</b>	<b>\$ -</b>
<b><u>Central Accounts Payable</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 24,273,809	\$ 24,273,809	\$ -
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 24,273,809	\$ 24,273,809	\$ -
<b><u>Trust and Agency</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 5,540,700	\$ 12,046,378	\$ 13,049,124	\$ 4,537,954
<b>Liabilities</b>				
Accounts payable	\$ 200,788	\$ 730,280	\$ 600,983	\$ 330,085
Due to other governments	5,339,912	11,316,098	12,448,141	4,207,869
<b>Total liabilities</b>	<b>\$ 5,540,700</b>	<b>\$ 12,046,378</b>	<b>\$ 13,049,124</b>	<b>\$ 4,537,954</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Funds

For the Year Ended September 30, 2020

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>Trust and Agency Outside Accounts</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 61,410	\$ 81,688	\$ 33,922	\$ 109,177
<b>Liabilities</b>				
Accounts payable	\$ 61,410	\$ 81,688	\$ 33,922	\$ 109,177
<b><u>Library Penal Fine</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 123,057	\$ 179,564	\$ 171,774	\$ 130,847
<b>Liabilities</b>				
Undistributed receipts	\$ 123,057	\$ 179,564	\$ 171,774	\$ 130,847
<b><u>Total All Agency Funds</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 5,725,167	\$ 61,779,437	\$ 62,726,627	\$ 4,777,978
<b>Liabilities</b>				
Accounts payable	\$ 262,198	\$ 25,734,427	\$ 25,557,364	\$ 439,262
Due to other governments	5,339,912	14,056,245	15,188,288	4,207,869
Undistributed receipts	123,057	21,988,765	21,980,975	130,847
<b>Total liabilities</b>	<b>\$ 5,725,167</b>	<b>\$ 61,779,437</b>	<b>\$ 62,726,627</b>	<b>\$ 4,777,978</b>

concluded

**This page intentionally left blank.**

## **COMPONENT UNITS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Drain Commissioner Component Unit

September 30, 2020

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
<b>Assets</b>				
Cash and cash equivalents	\$ 982,066	\$ 60,889	\$ 82,559	\$ 59,680
Special assessments receivable	1,817,787	-	20,000	80,500
Due from other funds	-	244,457	-	-
<b>Total assets</b>	<u>\$ 2,799,853</u>	<u>\$ 305,346</u>	<u>\$ 102,559</u>	<u>\$ 140,180</u>
<b>Liabilities</b>				
Accounts payable	\$ 7,089	\$ 5,346	\$ -	\$ 6,335
Due to other funds	244,457	-	-	-
Advance from primary government	-	300,000	-	-
<b>Total liabilities</b>	<u>251,546</u>	<u>305,346</u>	<u>-</u>	<u>6,335</u>
<b>Deferred inflows of resources</b>				
Unavailable revenues - special assessments	<u>1,817,787</u>	<u>-</u>	<u>20,000</u>	<u>80,500</u>
<b>Fund balances</b>				
Restricted for drain maintenance and construction	730,520	-	82,559	53,345
Restricted for debt service	-	-	-	-
<b>Total fund balances</b>	<u>730,520</u>	<u>-</u>	<u>82,559</u>	<u>53,345</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 2,799,853</u>	<u>\$ 305,346</u>	<u>\$ 102,559</u>	<u>\$ 140,180</u>

Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Drain Debt Service (851)	Total
\$ 42,104	\$ 91,943	\$ 38,646	\$ 14,358	\$ 25,495	\$ 1,397,740
24,000	60,800	30,000	10,800	-	2,043,887
-	-	-	-	-	244,457
<u>\$ 66,104</u>	<u>\$ 152,743</u>	<u>\$ 68,646</u>	<u>\$ 25,158</u>	<u>\$ 25,495</u>	<u>\$ 3,686,084</u>
\$ -	\$ 18,290	\$ 7,823	\$ -	\$ -	\$ 44,883
-	-	-	-	-	244,457
-	-	-	-	-	300,000
-	18,290	7,823	-	-	589,340
24,000	60,800	30,000	10,800	-	2,043,887
42,104	73,653	30,823	14,358	-	1,027,362
-	-	-	-	25,495	25,495
<u>42,104</u>	<u>73,653</u>	<u>30,823</u>	<u>14,358</u>	<u>25,495</u>	<u>1,052,857</u>
<u>\$ 66,104</u>	<u>\$ 152,743</u>	<u>\$ 68,646</u>	<u>\$ 25,158</u>	<u>\$ 25,495</u>	<u>\$ 3,686,084</u>

**This page intentionally left blank.**



# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Fund Balances for Governmental Funds  
to Net Position of Governmental Activities  
Drain Commissioner Component Unit  
September 30, 2020

**Fund balances - total governmental funds** \$ 1,052,857

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 not being depreciated	353,295
Capital assets being depreciated, net	1,046,227

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	2,043,887
--	-----------

Certain liabilities such as bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.

Long-term debt	(1,444,000)
Premium on long-term debt	<u>(20,487)</u>

**Net position of governmental activities** \$ 3,031,779

**COUNTY OF NEWAYGO, MICHIGAN**

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

Drain Commissioner Component Unit  
For the Year Ended September 30, 2020

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
<b>Revenues</b>				
Special assessments	\$ 590,810	\$ -	\$ 40,000	\$ 45,000
Unrestricted investment earnings	663	-	-	-
<b>Total revenues</b>	<u>591,473</u>	<u>-</u>	<u>40,000</u>	<u>45,000</u>
<b>Expenditures</b>				
Current - public works	562,215	-	34,963	44,131
Debt service:				
Principal	-	-	-	-
Interest expense	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>562,215</u>	<u>-</u>	<u>34,963</u>	<u>44,131</u>
Revenues over (under) expenditures	29,258	-	5,037	869
<b>Other financing sources</b>				
Issuance of long-term debt	417,575	-	-	-
<b>Net change in fund balances</b>	446,833	-	5,037	869
Fund balances, beginning of year	<u>283,687</u>	<u>-</u>	<u>77,522</u>	<u>52,476</u>
<b>Fund balances, end of year</b>	<u>\$ 730,520</u>	<u>\$ -</u>	<u>\$ 82,559</u>	<u>\$ 53,345</u>

Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Drain Debt Service (851)	Total
\$ 29,868	\$ 82,544	\$ 33,000	\$ 10,800	\$ 54,475	\$ 886,497
-	-	-	-	-	663
29,868	82,544	33,000	10,800	54,475	887,160
8,199	66,997	29,521	11,256	-	757,282
-	-	-	-	60,000	60,000
-	-	-	-	36,950	36,950
-	-	-	-	200	200
8,199	66,997	29,521	11,256	97,150	854,432
21,669	15,547	3,479	(456)	(42,675)	32,728
-	-	-	-	16,425	434,000
21,669	15,547	3,479	(456)	(26,250)	466,728
20,435	58,106	27,344	14,814	51,745	586,129
\$ 42,104	\$ 73,653	\$ 30,823	\$ 14,358	\$ 25,495	\$ 1,052,857

**This page intentionally left blank.**

# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Net Change in Fund Balances of Governmental Funds  
to Change in Net Position of Governmental Activities  
Drain Commissioner Component Unit  
For the Year Ended September 30, 2020

**Net change in fund balances - total governmental funds** \$ 466,728

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.

Capital assets purchased / constructed	287,945
Depreciation expense	(63,682)

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	382,302
--	---------

Debt proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt 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 debt	60,000
Amortization of premium on long-term debt	1,165
Issuance of long-term debt	(434,000)

**Change in net position of governmental activities** \$ 700,458

# COUNTY OF NEWAYGO, MICHIGAN

## Balance Sheet / Statement of Net Position

Brownfield Redevelopment Authority Component Unit

September 30, 2020

	Governmental Fund (243)	Adjustments	Statement of Activities
<b>Assets</b>			
Cash and cash equivalents	\$ 75,311	\$ -	\$ 75,311
<b>Liabilities</b>			
Accounts payable	\$ 449	-	449
<b>Fund balance</b>			
Unassigned	74,862	(74,862)	
<b>Total liabilities and fund balances</b>	<u>\$ 75,311</u>		
<b>Net position</b>			
Unrestricted		<u>\$ 74,862</u>	<u>\$ 74,862</u>

## COUNTY OF NEWAYGO, MICHIGAN

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

Statement of Activities

Brownfield Redevelopment Authority Component Unit

For the Year Ended September 30, 2020

	Governmental Fund (243)	Adjustments	Statement of Net Position
<b>Revenues</b>			
Property taxes	\$ 1,262	\$ -	\$ 1,262
<b>Expenditures / expenses</b>			
Community and economic development	9,011	-	9,011
<b>Net change in fund balance / net position</b>	(7,749)	-	(7,749)
Fund balance/net position, beginning of year	82,611	-	82,611
<b>Fund balance/net position, end of year</b>	<u>\$ 74,862</u>	<u>\$ -</u>	<u>\$ 74,862</u>