

County of  
Newaygo, Michigan



Year Ended  
September 30,  
2022

Financial  
Statements

**Rehmann**



# COUNTY OF NEWAYGO, MICHIGAN

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**COUNTY OF NEWAYGO, MICHIGAN**

**ELECTED OFFICIALS**

**For the Year Ended September 30, 2022**

BOARD OF COMMISSIONERS

Paul Mellema, 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  
Jason O'Connell, 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

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**INDEPENDENT AUDITORS' REPORT**

March 14, 2023

Board of Commissioners  
County of Newaygo, Michigan  
White Cloud, Michigan

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying 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, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparisons 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.

We did not audit the financial statements of the following entities, which represent the indicated percentages of total aggregate discretely presented component units:

	<b>Percent of Assets and Deferred Outflows</b>	<b>Percent of Revenues</b>	<b>Percent of Net Position</b>
Newaygo County Road Commission	71.6%	52.7%	72.8%
Newaygo Medical Care Facility	19.7%	38.0%	20.6%



Those statements were audited by other auditors whose reports thereon were furnished to us, and our opinions, insofar as they relate to the amounts included for the above entities, are based solely on the reports of the other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Independent Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

#### ***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 benefit plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County'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. Such information is 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. The 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, under separate cover, our report dated March 14, 2023, on our consideration of the County'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 solely 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 the effectiveness of the County's 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's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Rehmann Lohman LLC".

## **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, 2022.

### Financial Highlights

1. The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the 2022 fiscal year by \$49,149,085 (*net position*). Of this amount, \$36,257,983 (*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 2022 fiscal year, fund balance for the general fund was \$6,648,063 or 46.1% 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
2022	\$ 6,648,063	46.1%
2021	6,383,697	46.5%
2020	5,494,341	39.9%
2019	4,972,741	34.7%
2018	4,360,039	32.3%

3. The general fund for 2022 increased fund balance by \$264,366 applying the Non-GAAP Budgetary Basis and \$133,454 according to the GAAP Basis.
4. Within the general fund, fund balance is classified as follows: \$352,976 nonspendable, \$132,788 restricted, \$62,123 committed, and \$139,874 assigned. The remaining \$5,960,302 is available as unassigned fund balance (Non-GAAP Budgetary Basis). Unassigned fund balance as a percentage of expenditures and transfers out was 41.3%.
5. At the end of the 2022 fiscal year, fund balance for the general fund according to the GAAP Basis was \$5,842,729. Of this amount, \$5,154,968 is available as unassigned fund balance. Unassigned fund balance as a percentage of expenditures and transfers out was 35.7%.
6. As of the close of the 2022 fiscal year, the County's governmental funds reported combined ending fund balances of \$16,029,692. This amount is a \$100,743 decrease from the previous year. \$12,639,310 or 78.8% 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, sheriff road patrol fund, county jail fund, American rescue plan fund, and commission on aging fund, all of which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

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 and capital projects funds, although this information is used for internal purposes only and is not presented in the audited financial statements.

**Proprietary Funds.** The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for collection and administration of delinquent property taxes, compliance with public act 123, sanitary sewer construction for other local units, the jail commissary, and activity of the building authority. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its 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 2019 and prior delinquent tax fund, 2021 delinquent tax 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 \$49,149,085 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current and other assets	\$ 35,407,625	\$ 30,995,371	\$ 21,665,494	\$ 21,959,534	\$ 57,073,119	\$ 52,954,905
Capital assets, net	13,970,915	15,158,412	245,314	178,060	14,216,229	15,336,472
<b>Total assets</b>	<b>49,378,540</b>	<b>46,153,783</b>	<b>21,910,808</b>	<b>22,137,594</b>	<b>71,289,348</b>	<b>68,291,377</b>
<b>Deferred outflows of resources</b>						
	1,145,269	1,013,690	-	5,839	1,145,269	1,019,529
<b>Liabilities</b>						
Long-term debt	4,770,116	5,988,250	69,180	478,030	4,839,296	6,466,280
Other liabilities	14,973,901	11,643,946	43,964	38,449	15,017,865	11,682,395
<b>Total liabilities</b>	<b>19,744,017</b>	<b>17,632,196</b>	<b>113,144</b>	<b>516,479</b>	<b>19,857,161</b>	<b>18,148,675</b>
<b>Deferred inflows of resources</b>						
	3,428,371	2,276,688	-	-	3,428,371	2,276,688
<b>Net position</b>						
Net investment in capital assets	8,331,522	9,000,570	245,314	178,060	8,576,836	9,178,630
Restricted	4,003,948	3,187,457	310,318	705,987	4,314,266	3,893,444
Unrestricted	15,015,951	15,070,562	21,242,032	20,742,907	36,257,983	35,813,469
<b>Total net position</b>	<b>\$ 27,351,421</b>	<b>\$ 27,258,589</b>	<b>\$ 21,797,664</b>	<b>\$ 21,626,954</b>	<b>\$ 49,149,085</b>	<b>\$ 48,885,543</b>

A portion of the County's net position of \$8,576,836 (17.4%) 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 \$4,314,266 (8.8%) represents resources that are subject to external restrictions on how they can be used. The remaining balance of unrestricted net position (\$36,257,983 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	
	2022	2021	2022	2021	2022	2021
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 9,235,447	\$ 10,414,021	\$ 1,727,493	\$ 2,372,846	\$ 10,962,940	\$ 12,786,867
Operating grants	4,746,777	4,808,233	-	79,450	4,746,777	4,887,683
General revenues:						
Property taxes	13,196,088	12,562,194	-	-	13,196,088	12,562,194
Unrestricted grants	2,132,193	1,361,972	-	-	2,132,193	1,361,972
Unrestricted investment earnings (loss)	(182,947)	29,619	(710,755)	-	(893,702)	29,619
Gain on sale of capital assets	132,326	90,128	-	-	132,326	90,128
<b>Total revenues</b>	<b>29,259,884</b>	<b>29,266,167</b>	<b>1,016,738</b>	<b>2,452,296</b>	<b>30,276,622</b>	<b>31,718,463</b>
<b>Expenses</b>						
General government	3,882,941	2,925,373	-	-	3,882,941	2,925,373
Public safety	11,633,021	11,437,130	-	-	11,633,021	11,437,130
Public works	826,464	781,076	-	-	826,464	781,076
Health and welfare	4,466,521	4,808,717	-	-	4,466,521	4,808,717
Recreation and cultural	1,151,650	1,040,067	-	-	1,151,650	1,040,067
Legislative	386,262	347,868	-	-	386,262	347,868
Judicial	6,259,901	5,669,559	-	-	6,259,901	5,669,559
Community and economic development	753,424	743,165	-	-	753,424	743,165
Interest on long-term debt	112,200	174,944	-	-	112,200	174,944
Delinquent tax admin	-	-	284,489	272,618	284,489	272,618
Public works projects	-	-	-	2,988	-	2,988
Jail commissary	-	-	199,933	161,539	199,933	161,539
Building authority	-	-	56,274	49,735	56,274	49,735
<b>Total expenses</b>	<b>29,472,384</b>	<b>27,927,899</b>	<b>540,696</b>	<b>486,880</b>	<b>30,013,080</b>	<b>28,414,779</b>
Change in net position, before transfers	(212,500)	1,338,268	476,042	1,965,416	263,542	3,303,684
Transfers	305,332	279,926	(305,332)	(279,926)	-	-
<b>Change in net position</b>	<b>92,832</b>	<b>1,618,194</b>	<b>170,710</b>	<b>1,685,490</b>	<b>263,542</b>	<b>3,303,684</b>
Net position:						
Beginning of year	27,258,589	25,640,395	21,626,954	19,941,464	48,885,543	45,581,859
<b>End of year</b>	<b>\$ 27,351,421</b>	<b>\$ 27,258,589</b>	<b>\$ 21,797,664</b>	<b>\$ 21,626,954</b>	<b>\$ 49,149,085</b>	<b>\$ 48,885,543</b>

As described on the following pages, the County's net position increased by \$263,542 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 \$92,832. This was primarily the result of increased revenues for operating and capital grants and property taxes, as discussed below along with savings within departmental expenditure budgets throughout the fiscal year.

**Revenues (Statement of Activities)** - Revenues decreased by \$6,283 in 2022 from the prior year.

**Charges for services.** Program charges for services decreased by \$1,178,574 or 11.3%, primarily due to a decrease in the revenue for additional federal inmates housed for the U.S. Marshall. The 2022 fiscal year experienced a reduction from the prior year with the average count going from 40.64 inmates to 9.85 inmates. This reduction in the average additional federal inmates provided a reduction in revenue of \$838,650 for this service. The general fund had a reduction in charges for services for indirect costs due to: 1) a reduction in the overall cost allocation plan from 2021 to 2022 of \$115,261; and 2) an increased amount of indirect costs charges were allocated to the internal service fund for IT services of \$188,801. The 78th District Court, within the general fund, experienced a reduction in charges for services of \$67,493.

**Operating grants and contributions.** Program grant revenue decreased by \$61,456 or 1.3%. Health and welfare experienced a decrease in funding from the prior fiscal year due to one-time funding of \$191,904 community development block grant under the CARES Act received in fiscal year 2021 as well as \$138,398 for the mobility van grant reimbursement for the commission on aging. The County received \$216,807 as an eligible revenue sharing county under the Local Assistance & Tribal Consistency Fund under the American Rescue Plan Act and an additional \$33,857 received from the state for personal property tax reimbursement in the category.

**Property taxes.** Property taxes increased by \$633,894 or 5.0%. The primary factor related to the increase is taxable values experienced growth of 6.2% from 2021 to 2022.

**Grants and contributions not restricted to specific programs.** Unrestricted grants and contributions increased by \$770,221 or 56.6%. The primary factor related to the increase is the revenue recorded related to the use of CSLFRF (Coronavirus State and Local Fiscal Recovery Funds) grant funds on eligible expenditures in the 2022 fiscal year.

**Unrestricted investment earnings (loss).** Unrestricted investment earnings decreased \$212,566 or 79.9%.

### 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, equalization, human resources, 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.

**Public works.** Public works activities include expenses related to the drain commissioner, board of public works, county drain tax at large, soil erosion/conservation, and recycling.

**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.

# COUNTY OF NEWAYGO, MICHIGAN

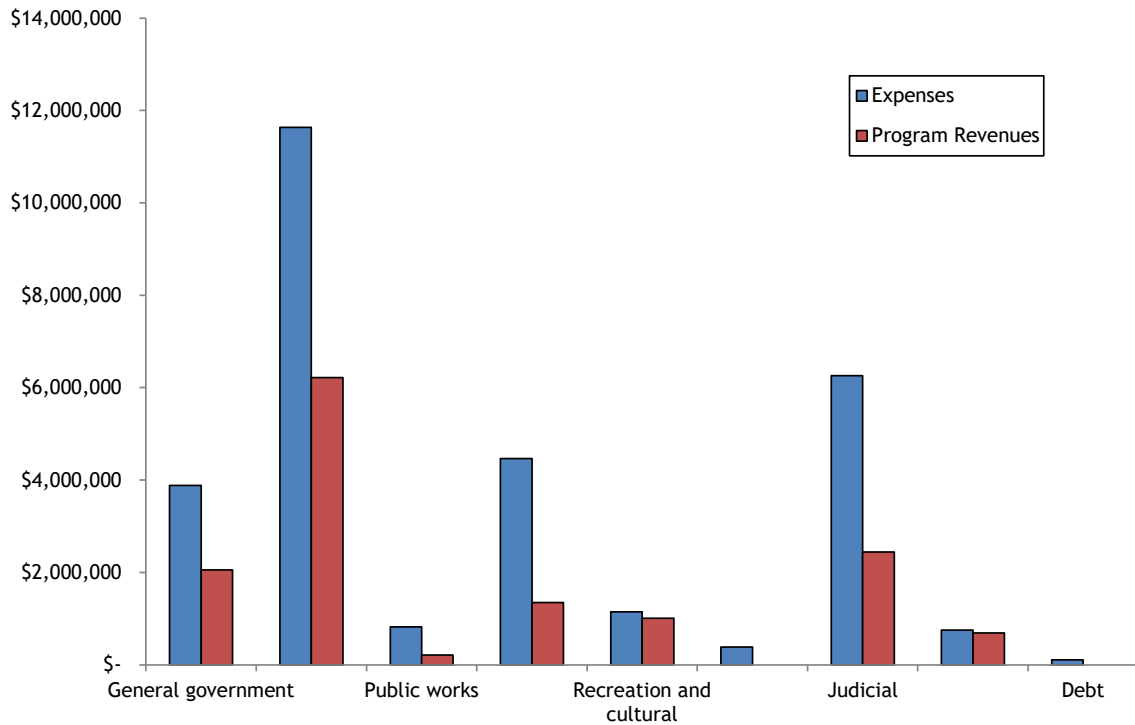
## Management's Discussion and Analysis

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

**Community and economic development.** Community and economic development activities include expenses related to cooperative extension services, register of deeds, economic development, and land use educator services.

Overall expenses increased by \$1,544,485, or 5.5%, from the prior year. The primary reasons for the overall increase in expenses were related to the following factors: several one-time capital improvement projects using the State and Local Fiscal Recovery Funds provided under the American Rescue Plan, the purchase of an emergency response vehicle for public safety, and an increase in annual depreciation expense.

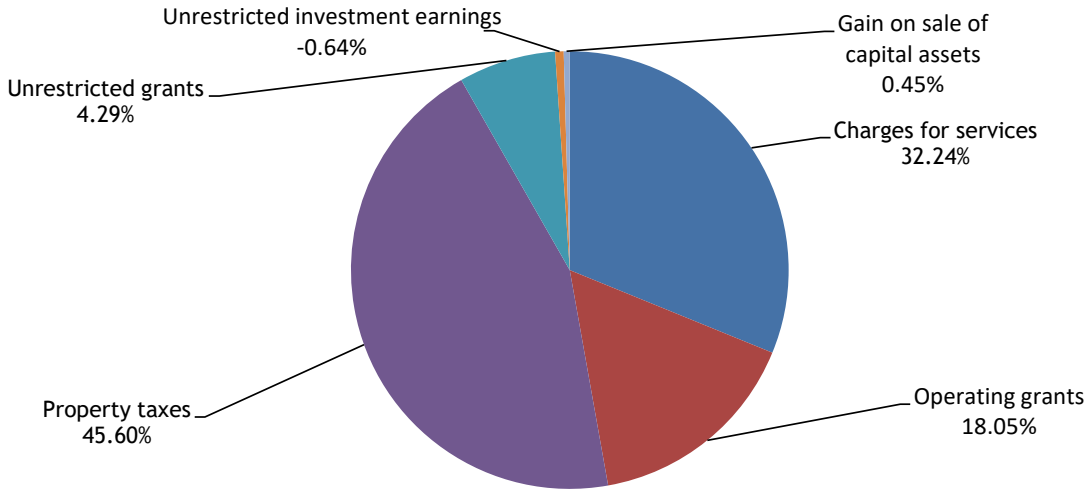
**Expenses and Program Revenues - Governmental Activities**



COUNTY OF NEWAYGO, MICHIGAN

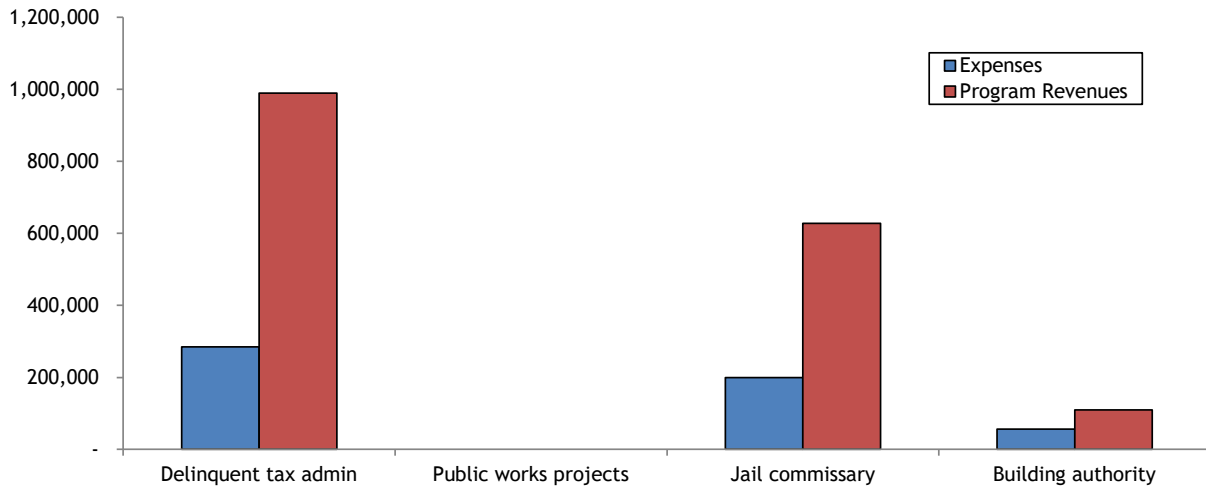
Management's Discussion and Analysis

Revenues by Source - Governmental Activities



**Business-type Activities.** Business type activities increased the County's net position by \$170,710. The key revenues for the business type activities are penalties and interest on delinquent taxes, proceeds from tax sales, and investment income. The primary reasons for the increase in net position are auction proceeds from the sale of tax delinquent property under Public Act 12; penalties, interest, and administration fees on delinquent taxes; expenses related to delinquent taxes were minimal, and jail commissary sales.

Expenses and Program Revenues - Business-type Activities



# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### 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 2022 include the general fund, sheriff road patrol, county jail, American rescue plan, commission on aging, 2019 and prior and 2021 delinquent tax administration funds, 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 general fund is the chief operating fund of the County. When utilizing the GAAP Basis, at the end of the 2022 fiscal year, the County's ending fund balance for the general fund was \$5,842,729. Of that amount \$352,976 is nonspendable, \$132,788 is restricted, \$62,123 is committed, \$139,874 is assigned, and \$5,154,968 is unassigned.

The sheriff road patrol fund decreased its fund balance by \$124,063 from \$387,448 at the beginning of the year to an ending balance of \$263,385. Of that amount, \$30,779 is nonspendable, \$13,436 is restricted, and \$219,710 is assigned. No amount is considered committed at the end of the 2022 fiscal year.

The county jail fund decreased its fund balance by \$252,435 from \$766,919 at the beginning of the year to an ending balance of \$514,484. Of that amount, \$70,185 is nonspendable, \$35,084 is restricted, and \$409,215 is committed. No amount is considered assigned at the end of the 2022 fiscal year.

The County's American rescue plan fund received advanced funding of \$9,513,791 from the American Rescue Plan Act which is available for spending in future years. Ending restricted fund balance totaled \$2,210.

The commission on aging fund increased its fund balance by \$359,304 from \$2,363,125 at the beginning of the year to an ending balance of \$2,722,429. Of that amount, \$2,806 was nonspendable, \$597,163 is restricted and \$2,122,460 is assigned.

Nonmajor governmental funds decreased their collective fund balances by \$217,447 from \$6,901,902 at the beginning of the year to an ending balance of \$6,684,455. Of that amount, \$14,874 is nonspendable, \$2,138,081 is restricted, \$2,353,825 is committed, and \$2,177,675 is assigned.

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

**Taxes.** Taxes totaled \$13,065,176. This amount marked an increase of \$227,366 from the prior year. On a GAAP basis, taxes for the general fund increased just over 1.8% or \$163,998. This was primarily better than anticipated property tax revenue from the 2021 property tax year settlement, as well as, an increased amount received for the marijuana tax of \$114,952 (205.3%) for the prior fiscal year.

**Charges for services.** Charges for services in the governmental funds totaled \$8,606,446. The amount was generated by general fund charges of \$2,130,855, sheriff road patrol charges of \$148,287, county jail fund charges of \$3,832,932, commission on aging charges of \$98,251, and nonmajor fund charges of \$2,396,121. The total reflected an overall decrease of \$1,236,254 from the previous year. The overall decrease is related mainly to reduced revenue fund from the housing of additional federal inmates, a reduction in the cost allocation plan indirect cost charges from the prior year, a reduction in charges for services for the 78th district court, and the movement of dog licenses from charges for services to licenses and permits.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

**Investment earnings (loss) and rentals.** Investment earnings (loss) and rentals totaled \$(60,977). The general fund totaled \$(97,845). This amount was a decrease from the prior year due to market conditions during fiscal year 2022. Historical information on investment earnings (loss) and rentals of the general fund is presented in the following table:

Fiscal Year	Investment Earnings (loss) and Rentals
2022	\$ (97,845)
2021	129,073
2020	243,668
2019	341,865
2018	223,943

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

**General government.** General government expenditures were \$2,518,264. The general government category equated to approximately 8.5% of the total expenditures. Overall, this total was increase of 6.8% from the previous year. Some of the departments that are included within the general government category include the Administration, Accounting, Clerk, Treasurer, Equalization, Personnel, and Payroll. The departments with the highest expenditures within the general government category of the general fund were Equalization \$639,223 (25.4%); Treasurer \$501,009 (19.9%); and Clerk \$355,398 (14.1%).

**Public safety.** Public safety expenditures totaled \$11,053,371 which was an overall increase of \$301,042 (2.8%) increase from the prior year. This category contains portions of the general fund (including animal control), sheriff's road patrol fund, the county jail fund, as well as the nonmajor governmental funds of the crime victim's rights, law enforcement, building inspection, drug law enforcement, emergency services and law enforcement technology. The general fund had the largest increase in expenditures from the prior year of \$134,705 (12.1%) which was mainly attributable to the completion of a wildfire mitigation project in the 2022 fiscal year. The county jail had the next largest increase of \$101,309 due to inmate medical costs.

**Health and welfare.** Health and welfare expenditures totaled \$4,273,986. The amount marks an overall decrease from the prior year of \$325,672 (7.0%). The child care fund had the largest decrease of \$214,172 (23.8%) due to reduced placement costs. The general fund decrease of \$200,748 (15.7%) is mainly attributable to a community development block grant using CARES Act funding that occurred in the prior fiscal year.

**Recreation and cultural.** Recreation and cultural expenditures were \$1,207,881 which was an increase of \$226,854 (23.1%) from the previous year. This category is made up of the county parks including the dragon trail project. The main factor driving the increase were various capital improvements within the county parks system such a playground project at sandy beach campground and electrical upgrades at diamond lake park.

**Legislative.** Legislative expenditures were \$354,911. The expenditures are an overall increase from the previous year of \$29,362 (9.0%). The following are the main factors for the increase: 1) overall wages and fringe benefits increase \$9,610 (4.4%); a large portion is a related to changes in the internal fringe benefit rate per employee for health insurance, workers compensation, and long term/short term disability program compared to the prior fiscal year; 2) increased travel and mileage of \$6,747 from the prior fiscal year; and 3) increased indirect cost charges of \$8,321 from the prior fiscal year mainly related to building and grounds/maintenance services.

**Judicial.** Judicial expenditures were \$5,581,918 which included general fund expenditures and other governmental funds. The expenditures decreased by \$47,447 (0.84%) from the previous year. This overall decrease mainly related to savings in personnel costs for the friend of the court fund.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

**Community and economic development.** Community and economic development expenditures were \$752,023 which is an increase of \$23,227 (3.2%) from the previous year. This category includes programs related to economic and community development and land use. These programs include cooperative extension services, register of deeds, activity to expand the economic activity within the County, and land use and planning related endeavors. The increase is primarily due the overall wage increase of 4% which includes the register of deeds activity and increased activity in the community development fund for the emergency home repair program.

#### 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 2022 fiscal year were attributable to revenues being less than anticipated, program changes, and operational demands. Some of the more significant amendments are noted below:

- The general fund was amended by a total of \$942,340 in FY 2022. Property revenues were increased by \$296,120 to reflect the increase for the 2022 summer tax levy and marijuana tax revenues were adjusted by \$146,361 to match the actual amount received from the state. State Grants were increased by \$148,545 for the local stabilization share, board of public works tire scrap grant program, recycling material management grant, and the medical marijuana operation and oversight grant. Charges for services for the courts were amended to reflect restitution revenue and restitution payments. The register of deeds revenues were amended by \$128,194 for increased revenues from fees and real estate transfer tax transactions. Transfers out to the Capital Improvements fund was amended for \$336,680 to provide funding for the county campus parking lot project.
- The jail fund was amended by a total of \$307,775 in FY 2022. The majority for this amendment was due to the increased costs for the inmate medical care. Medical care for inmates was increased by \$283,500 for the 2022 fiscal year.
- The jail - additional per diem fund budget was reduced by \$283,125 to reflect the reduction in revenue for the housing of additional federal inmates beyond the guaranteed count.
- The capital improvements fund was amended by a total of \$1,090,781 in FY 2022. The majority of the increase was to account the use of State and Local Fiscal Recovery funds (received under the American Rescue Plan Act) for the following projects: 1) emergency Operations Center Renovation of \$400,000; 2) county complex parking lot project \$336,680; 3) county complex fiber upgrade \$24,744; 4) administration conference room virtual meeting upgrades \$3,448; and 5) IT firewall upgrade \$13,346. The capital improvements fund was also amended for a transfer in from the general fund to provide initial funding for the parking lot project.

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.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

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, 2022 amounted to \$14,216,229 (net of accumulated depreciation/amortization). 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 7.3%. Capital assets acquired during the current fiscal year included the following:

#### Land and Land Improvements:

• Improvements at Hardy Marina and Diamond Lake - road/parking	\$	33,370
• Diamond Lake Campground electrical upgrades		64,942
• Sandy Beach Campground playground project		68,901
• County complex parking lot improvement project		336,680
• Leases - Land - Consumers Energy Hydroelectric Project License		12,407

#### Buildings:

• County Jail carpet replacement project		7,850
• Emergency Operations Center (EOC) renovation project		80,350
• Leases - Building - MSUE Lease with NCRESA		48,784

#### Equipment/Software:

• AEDs for Sheriff's Road Patrol		4,536
• LIDAR and vehicle equipment for Sheriff's Road Patrol		17,002
• Friend of the Court - FOC Orientation - Learning Management		4,100
• Register of Deeds EZ Passport Studio		3,708
• County Jail - Dell Optiplex for Delta station		2,036
• County Jail - Reznor Natural Gas Unit Heater		5,968
• County Jail - kitchen equipment		38,983
• Three (3) Kyocera copiers for PA Office, Administration, and Treasurer		29,857
• K-9 Unit - SI		9,000
• IT - Sonic Firewall upgrade project		13,346
• BS&A Financial Software Project		51,965
• Folder/Inserter/Sealer machine		15,640
• Courts - group of law books		19,664
• Parks and Recreation - computer with docking station		2,389
• Emergency Services - Medical Reserve Corp - canopy		3,375

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### Equipment/Software (Concluded):

• Building and Grounds - Boss Back Drag	\$ 5,953
• Emergency Operations Center (EOC) project - furniture and equipment	88,672
• Sheriff/Jail - group of office furniture	4,942

### Vehicles:

• One (1) Lenco Bearcat for Sheriff	277,902
• Leases - Sheriff/Jail - Public Safety	381,625
• Leases - Parks - Recreation and cultural	85,402
• Leases - Building & Grounds/Maintenance	66,952
• Leases - Drain Maintenance & Construction	24,300
• Leases - Motor Pool	29,634

\$ 1,840,235

Capital Assets (net of accumulated depreciation/amortization)						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 2,090,873	\$ 2,090,873	\$ -	\$ -	\$ 2,090,873	\$ 2,090,873
Construction in progress	139,886	10,995	-	145,330	139,886	156,325
Capital assets being depreciated/ amortized, net	11,740,156	13,056,544	245,314	32,730	11,985,470	13,089,274
<b>Total capital assets, net</b>	<b>\$ 13,970,915</b>	<b>\$ 15,158,412</b>	<b>\$ 245,314</b>	<b>\$ 178,060</b>	<b>\$ 14,216,229</b>	<b>\$ 15,336,472</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 \$4,246,180 (\$4,177,000 in governmental activities and \$69,180 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	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 4,177,000	\$ 5,383,000	\$ 69,180	\$ 459,180	\$ 4,246,180	\$ 5,842,180
Premium on bonds payable	69,166	94,318	-	18,850	69,166	113,168
Compensated absences	523,950	510,932	-	-	523,950	510,932
<b>Total long-term debt</b>	<b>\$ 4,770,116</b>	<b>\$ 5,988,250</b>	<b>\$ 69,180</b>	<b>\$ 478,030</b>	<b>\$ 4,839,296</b>	<b>\$ 6,466,280</b>

Additional information on the County long-term debt can be found in Note 10 of this report.



# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

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

The following factors were considered in preparing the County's budget for the 2023 fiscal year:

- The fiscal year 2023 budget was created with fiscal conservativity at the forefront as state and federal revenue sources have improved yet are susceptible to quick reductions as the influx of pandemic related monies becomes non-existent. State Revenue Sharing has been budgeted at 100% of the 2023 fiscal year projected payment.
- The substantial increase in federal and state coronavirus funding offset expenditures which, in turn, boosted the overall fund balance of the County. The increased fund balance was used to balance the fiscal year 2023 operating budget.
- The fiscal year 2023 budget takes into consideration the American Rescue Plan (ARP) monies as many capital improvement requests related to COVID-19 were transferred to the ARP allotment in lieu of general fund or capital improvement expenses.
- It is expected that expenditures will increase in coming years particularly related to employment costs as the state of the economy is very different post pandemic and the County must maintain a competitive working environment.

### Highlights of the 2023 budget are as follows:

The 2023 fiscal year budget includes a 2.5% increase in property tax revenues for the 2023 summer tax levy and the use of American Rescue Plan funds to offset public safety wages. Interest earnings, although, beginning to increase have been estimated using a conservative outlook.

- The expenditure budget does include a 4% increase in wages and a proposed substantial wage proposal for the corrections and corrections command bargaining units.
- The county jail budget continues to soar with increased costs associated with personnel and the sustained number of inmates housed. It has relied heavily on the additional per diem received under the US Marshall contract. The 2022 fiscal year experienced a drop in additional per diem revenue, as the number of federal inmates remained below budgeted expectations and aligned closer with the guaranteed beds within the contract. To offset this reduction in per diem revenue, the county jail is receiving an additional \$277,232 of general fund transfers for a total of \$1,496,918. Additionally, an increase of \$100,000 will be transferred from the jail commissary for a total of \$360,000.
- Employee health care costs have remained fairly stable. Internal rates remained unchanged from fiscal 2022 fiscal year to ensure proper funding for the program. The County continues to focus on maintaining a recommended net position in the health and wellness fund between 40%-45% due to the inability to predict health insurance claims trends.
- The County's MERS defined benefit program contributions continue to trend downward as the length of time the plans have been closed are coming to benefit. The fiscal year 2023 minimum ARC payment is \$723,936 - a decrease of \$151,680 from the 2022 fiscal year amount.
- The County's other postemployment benefits plan (OPEB) is currently 100% funded and has been paying benefits on a pay-as-you-go basis. Even as the County begins to pay some of the benefits from the trust, due to the current funded percentage, the trust will not be depleted in the foreseeable future.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

#### 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, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 6,868,519	\$ 2,751,721	\$ 9,620,240	\$ 12,287,696
Restricted cash and cash equivalents	9,195,572	310,318	9,505,890	-
Investments	11,661,670	15,828,978	27,490,648	947,992
Receivables, net	5,491,243	2,772,100	8,263,343	7,556,587
Other assets	782,429	2,377	784,806	1,847,877
Capital assets not being depreciated	2,230,759	-	2,230,759	2,372,980
Capital assets being depreciated/amortized, net	11,740,156	245,314	11,985,470	70,245,608
Net OPEB asset	1,408,192	-	1,408,192	-
<b>Total assets</b>	<b>49,378,540</b>	<b>21,910,808</b>	<b>71,289,348</b>	<b>95,258,740</b>
<b>Deferred outflows of resources</b>				
Deferred charge on bond refunding, net	62,278	-	62,278	-
Deferred pension amounts	542,969	-	542,969	1,658,659
Deferred OPEB amounts	540,022	-	540,022	265,204
<b>Total deferred outflows of resources</b>	<b>1,145,269</b>	<b>-</b>	<b>1,145,269</b>	<b>1,923,863</b>
<b>Liabilities</b>				
Payables and accrued liabilities	2,870,730	43,964	2,914,694	2,186,613
Unearned revenue	8,737,127	-	8,737,127	133,853
Leases payable:				
Due within one year	355,560	-	355,560	147,946
Due in more than one year	763,265	-	763,265	1,513,834
Long-term debt:				
Due within one year	1,302,353	20,000	1,322,353	1,064,119
Due in more than one year	3,467,763	49,180	3,516,943	2,804,543
Net pension liability (due in more than one year)	2,247,219	-	2,247,219	2,041,257
Net OPEB liability (due in more than one year)	-	-	-	1,788,068
<b>Total liabilities</b>	<b>19,744,017</b>	<b>113,144</b>	<b>19,857,161</b>	<b>11,680,233</b>
<b>Deferred inflows of resources</b>				
Deferred pension amounts	1,530,546	-	1,530,546	2,015,391
Deferred OPEB amounts	836,218	-	836,218	1,237,196
Deferred lease amounts	1,061,607	-	1,061,607	-
<b>Total deferred inflows of resources</b>	<b>3,428,371</b>	<b>-</b>	<b>3,428,371</b>	<b>3,252,587</b>
<b>Net position</b>				
Net investment in capital assets	8,331,522	245,314	8,576,836	67,596,451
Restricted for:				
Community and economic development	1,040,556	-	1,040,556	-
Public safety purposes	449,424	-	449,424	-
Drain construction and maintenance	-	-	-	3,493,520
Debt service	391,522	-	391,522	94,269
Other postemployment benefits	1,111,996	-	1,111,996	-
Property tax foreclosures	-	310,318	310,318	-
Roads	-	-	-	1,274,421
Other purposes	1,010,450	-	1,010,450	-
Unrestricted	15,015,951	21,242,032	36,257,983	9,791,122
<b>Total net position</b>	<b>\$ 27,351,421</b>	<b>\$ 21,797,664</b>	<b>\$ 49,149,085</b>	<b>\$ 82,249,783</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, 2022

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	\$ 3,882,941	\$ 844,176	\$ 1,209,497	\$ -	\$ (1,829,268)
Public safety	11,633,021	5,575,621	642,163	-	(5,415,237)
Public works	826,464	161,942	51,965	-	(612,557)
Health and welfare	4,466,521	145,184	1,203,228	-	(3,118,109)
Recreation and cultural	1,151,650	943,735	68,200	-	(139,715)
Legislative	386,262	-	-	-	(386,262)
Judicial	6,259,901	897,883	1,547,044	-	(3,814,974)
Community and economic development	753,424	666,906	24,680	-	(61,838)
Interest on long-term debt	112,200	-	-	-	(112,200)
<b>Total governmental activities</b>	<b>29,472,384</b>	<b>9,235,447</b>	<b>4,746,777</b>	<b>-</b>	<b>(15,490,160)</b>
Business-type activities:					
Delinquent tax administration	284,489	989,189	-	-	704,700
Jail commissary	199,933	628,072	-	-	428,139
Building authority	56,274	110,232	-	-	53,958
<b>Total business-type activities</b>	<b>540,696</b>	<b>1,727,493</b>	<b>-</b>	<b>-</b>	<b>1,186,797</b>
<b>Total primary government</b>	<b>\$ 30,013,080</b>	<b>\$ 10,962,940</b>	<b>\$ 4,746,777</b>	<b>\$ -</b>	<b>\$ (14,303,363)</b>
<b>Component units</b>					
Central Dispatch Authority	\$ 1,277,080	\$ 1,346,404	\$ 172,950	\$ -	\$ 242,274
Drain Commissioner	402,561	-	-	1,408,334	1,005,773
Brownfield Redevelopment Authority	6,621	-	-	-	(6,621)
Road Commission	12,512,205	1,649,122	12,738,626	1,985,485	3,861,028
Medical Care Facility	10,255,670	8,042,680	3,789,720	-	1,576,730
<b>Total component units</b>	<b>\$ 24,454,137</b>	<b>\$ 11,038,206</b>	<b>\$ 16,701,296</b>	<b>\$ 3,393,819</b>	<b>\$ 6,679,184</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Activities

For the Year Ended September 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Changes in net position</b>				
Net (expense) revenue	\$ (15,490,160)	\$ 1,186,797	\$ (14,303,363)	\$ 6,679,184
General revenues:				
Property taxes	13,196,088	-	13,196,088	378
Grants and contributions not restricted to specific programs	2,132,193	-	2,132,193	-
Unrestricted investment earnings (loss)	(182,947)	(710,755)	(893,702)	127,423
Gain on sale of capital assets	132,326	-	132,326	181,304
Transfers - internal activities	305,332	(305,332)	-	-
Total general revenues and transfers	15,582,992	(1,016,087)	14,566,905	309,105
<b>Change in net position</b>	92,832	170,710	263,542	6,988,289
Net position, beginning of year	27,258,589	21,626,954	48,885,543	75,261,494
<b>Net position, end of year</b>	<u>\$ 27,351,421</u>	<u>\$ 21,797,664</u>	<u>\$ 49,149,085</u>	<u>\$ 82,249,783</u>

concluded

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

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COUNTY OF NEWAYGO, MICHIGAN

**Balance Sheet**  
 Governmental Funds  
 September 30, 2022

	General	Sheriff Road Patrol (207)	County Jail (213)	American Rescue Plan (286)	Commission on Aging (297)	Nonmajor Governmental Funds	Totals
<b>Assets</b>							
Cash and cash equivalents	\$ -	\$ 311,985	\$ 326,321	\$ -	\$ 2,917,728	\$ 5,676,226	\$ 9,232,260
Restricted cash and cash equivalents	-	-	-	9,195,572	-	-	9,195,572
Investments	11,661,670	-	-	-	-	-	11,661,670
Receivables:							
Accounts	32,016	200	33,176	11,659	25,715	22,825	125,591
Loans	-	-	-	-	-	1,040,556	1,040,556
Taxes	1,820,833	67	-	-	67	32	1,820,999
Leases	1,065,300	-	-	-	-	-	1,065,300
Due from other governments	375,755	9,702	290,123	-	82,585	224,341	982,506
Due from other funds	51,729	-	-	-	-	603,399	655,128
Advance to component unit	300,000	-	-	-	-	-	300,000
Prepays	52,976	30,779	70,185	-	2,806	14,874	171,620
<b>Total assets</b>	<b>\$ 15,360,279</b>	<b>\$ 352,733</b>	<b>\$ 719,805</b>	<b>\$ 9,207,231</b>	<b>\$ 3,028,901</b>	<b>\$ 7,582,253</b>	<b>\$ 36,251,202</b>
<b>Liabilities</b>							
Negative equity in pooled cash	\$ 6,907,950	-	\$ -	\$ -	\$ -	\$ 16,903	\$ 6,924,853
Accounts payable	424,557	17,640	94,406	-	257,319	787,769	1,581,691
Accrued expenditures	187,324	71,708	110,915	-	49,153	69,612	488,712
Due to other governments	-	-	-	-	-	18,781	18,781
Due to other funds	905	-	-	597,940	-	4,560	603,405
Unearned revenue	129,873	-	-	8,607,081	-	173	8,737,127
<b>Total liabilities</b>	<b>7,650,609</b>	<b>89,348</b>	<b>205,321</b>	<b>9,205,021</b>	<b>306,472</b>	<b>897,798</b>	<b>18,354,569</b>
<b>Deferred inflows of resources</b>							
Unavailable revenues - property taxes	805,334	-	-	-	-	-	805,334
Deferred lease amounts	1,061,607	-	-	-	-	-	1,061,607
<b>Total deferred inflows of resources</b>	<b>1,866,941</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,866,941</b>
<b>Fund balances</b>							
Nonspendable	352,976	30,779	70,185	-	2,806	14,874	471,620
Restricted	132,788	13,436	35,084	2,210	597,163	2,138,081	2,918,762
Committed	62,123	-	409,215	-	-	2,353,825	2,825,163
Assigned	139,874	219,170	-	-	2,122,460	2,177,675	4,659,179
Unassigned	5,154,968	-	-	-	-	-	5,154,968
<b>Total fund balances</b>	<b>5,842,729</b>	<b>263,385</b>	<b>514,484</b>	<b>2,210</b>	<b>2,722,429</b>	<b>6,684,455</b>	<b>16,029,692</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 15,360,279</b>	<b>\$ 352,733</b>	<b>\$ 719,805</b>	<b>\$ 9,207,231</b>	<b>\$ 3,028,901</b>	<b>\$ 7,582,253</b>	<b>\$ 36,251,202</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, 2022

<b>Fund balances - total governmental funds</b>	\$ 16,029,692
<p>Amounts reported for <i>governmental activities</i> in the statement of net position are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statements.</p>	
Capital assets not being depreciated	2,230,759
Capital assets being depreciated/amortized, net	11,740,156
Less amounts accounted for in governmental-type internal service funds	(422,231)
<p>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.</p>	
Deferred inflows of resources for unavailable property taxes receivable	805,334
<p>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 internal service funds are included in governmental activities.</p>	
Net position of internal service funds accounted for in governmental activities	4,213,556
<p>Certain liabilities and deferred outflows of resources, such as bonds and leases 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.</p>	
Bonds payable and net issuance premium	(4,246,166)
Leases payable	(912,347)
Accrued interest on long-term debt	(26,810)
Deferred charge on bond refunding, net	62,278
<p>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.</p>	
Net OPEB asset	1,408,192
Net pension liability	(2,247,219)
Deferred outflows related to the net pension liability	542,969
Deferred inflows related to the net pension liability	(1,530,546)
Deferred outflows related to the net OPEB liability	540,022
Deferred inflows related to the net OPEB liability	(836,218)
<b>Net position of governmental activities</b>	<u>\$ 27,351,421</u>

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, 2022

	General	Sheriff Road Patrol (207)	County Jail (213)	American Rescue Plan (286)	Commission on Aging (297)	Nonmajor Governmental Funds	Totals
<b>Revenues</b>							
Taxes	\$ 9,100,155	\$ 1,596,513	\$ -	-	\$ 1,598,155	\$ 770,353	\$ 13,065,176
Intergovernmental:							
Federal	737,161	2,863	-	4,915	253,904	1,421,647	2,420,490
State	1,922,946	10,176	-	-	359,980	1,259,389	3,552,491
Local	149,529	18,924	-	-	18,952	106,003	293,408
Licenses and permits	82,297	-	-	-	-	32,743	115,040
Fines and forfeitures	53,379	788	-	-	-	5,725	59,892
Charges for services	2,130,855	148,287	3,832,932	-	98,251	2,396,121	8,606,446
Interest and rentals	(97,845)	1,785	-	444	18,198	16,441	(60,977)
Contributions from private sources	121,907	12,351	-	-	183,574	80,838	398,670
Other revenues/reimbursements	170,311	13,567	166,184	-	41,543	6,645	398,250
<b>Total revenues</b>	<b>14,370,695</b>	<b>1,805,254</b>	<b>3,999,116</b>	<b>5,359</b>	<b>2,572,557</b>	<b>6,095,905</b>	<b>28,848,886</b>
<b>Expenditures</b>							
Current:							
Legislative	354,911	-	-	-	-	-	354,911
Judicial	3,905,358	-	-	-	-	1,676,560	5,581,918
General government	2,432,087	-	-	4,915	-	81,262	2,518,264
Public safety	1,244,375	2,829,491	6,076,767	-	-	902,738	11,053,371
Public works	839,700	-	-	-	-	-	839,700
Health and welfare	1,080,695	-	-	-	2,213,253	980,038	4,273,986
Community and economic development	704,826	-	-	-	-	47,197	752,023
Recreation and cultural	-	-	-	-	-	1,207,881	1,207,881
Other	127,162	-	-	-	-	-	127,162
Debt service:							
Principal	-	-	-	-	-	1,206,000	1,206,000
Lease principal	44,748	150,581	30,203	-	-	37,077	262,609
Interest	504	2,469	303	-	-	119,502	122,778
Capital outlay	71,642	326,235	-	-	-	1,083,154	1,481,031
<b>Total expenditures</b>	<b>10,806,008</b>	<b>3,308,776</b>	<b>6,107,273</b>	<b>4,915</b>	<b>2,213,253</b>	<b>7,341,409</b>	<b>29,781,634</b>
Revenues over (under) expenditures	3,564,687	(1,503,522)	(2,108,157)	444	359,304	(1,245,504)	(932,748)
<b>Other financing sources (uses)</b>							
Issuance of long-term leases	71,642	326,235	-	-	-	128,796	526,673
Transfers in	125,332	1,105,952	1,855,722	-	-	1,802,564	4,889,570
Transfers out	(3,628,207)	(52,728)	-	-	-	(903,303)	(4,584,238)
<b>Total other financing sources (uses)</b>	<b>(3,431,233)</b>	<b>1,379,459</b>	<b>1,855,722</b>	<b>-</b>	<b>-</b>	<b>1,028,057</b>	<b>832,005</b>
<b>Net change in fund balances</b>	<b>133,454</b>	<b>(124,063)</b>	<b>(252,435)</b>	<b>444</b>	<b>359,304</b>	<b>(217,447)</b>	<b>(100,743)</b>
Fund balances, beginning of year	5,709,275	387,448	766,919	1,766	2,363,125	6,901,902	16,130,435
<b>Fund balances, end of year</b>	<b>\$ 5,842,729</b>	<b>\$ 263,385</b>	<b>\$ 514,484</b>	<b>\$ 2,210</b>	<b>\$ 2,722,429</b>	<b>\$ 6,684,455</b>	<b>\$ 16,029,692</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, 2022

<b>Net change in fund balances - total governmental funds</b>	\$ (100,743)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	
Capital assets purchased/constructed	1,721,833
Depreciation/amortization expense	(2,949,824)
Loss on disposal of capital assets	(10,995)
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	130,912
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	1,206,000
Principal payments on leases payable	262,609
Issuance of long-term leases	(526,673)
Amortization of premium on long-term debt	25,152
Amortization of deferred charge on bond refunding	(23,060)
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	9,613
Change in the net pension liability and related deferred amounts	272,491
Change in the net OPEB asset and related deferred amounts	741,539
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 loss from governmental activities in internal service funds	(944,981)
Net other nonoperating revenue from internal service funds	278,959
<b>Change in net position of governmental activities</b>	<u>\$ 92,832</u>

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, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Taxes:				
Real and personal property taxes	\$ 8,706,666	\$ 9,002,786	\$ 9,007,702	\$ 4,916
Other taxes	38,500	190,608	223,365	32,757
Total taxes	8,745,166	9,193,394	9,231,067	37,673
Intergovernmental:				
Federal	464,343	507,306	737,161	229,855
State	1,789,427	1,937,972	1,922,946	(15,026)
Local	98,932	122,272	149,529	27,257
Total intergovernmental	2,352,702	2,567,550	2,809,636	242,086
Licenses and permits	62,500	79,700	82,297	2,597
Fines and forfeitures	29,000	53,079	53,379	300
Charges for services	1,810,954	2,118,729	2,130,855	12,126
Interest and rentals:				
Investment earnings (loss)	50,030	58,209	(185,893)	(244,102)
Rentals	154,707	99,535	88,048	(11,487)
Total interest and rentals	204,737	157,744	(97,845)	(255,589)
Contributions from private sources	121,886	191,058	121,907	(69,151)
Other revenues/reimbursements:				
Reimbursements	212,621	190,212	169,369	(20,843)
Other revenues	-	688	942	254
Total other revenues/reimbursements	212,621	190,900	170,311	(20,589)
<b>Total revenues</b>	<b>13,539,566</b>	<b>14,552,154</b>	<b>14,501,607</b>	<b>(50,547)</b>
<b>Expenditures</b>				
Legislative:				
Board of Commissioners	356,758	371,326	354,911	(16,415)
Judicial:				
27th Circuit Court - Newaygo	613,143	771,539	670,204	(101,335)
27th Circuit Court - Oceana	19,689	14,929	14,929	-
Circuit Court Probation	25,925	26,725	25,069	(1,656)
Circuit Court Clerk	241,740	243,210	217,615	(25,595)
Circuit Court - Juvenile Division	390,388	395,401	308,786	(86,615)
District Court	1,135,200	1,189,346	1,057,194	(132,152)
Jury Board	13,992	15,902	15,567	(335)
Probate Court	493,670	497,780	492,047	(5,733)
Prosecutor	1,102,973	1,127,095	1,044,135	(82,960)
County Guardian	60,105	60,105	59,812	(293)
Family counseling services	8,650	8,650	-	(8,650)
Total judicial	4,105,475	4,350,682	3,905,358	(445,324)

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, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (continued)</b>				
General government:				
Administrator	\$ 231,676	\$ 233,169	\$ 225,804	\$ (7,365)
Accounting	252,688	265,876	251,288	(14,588)
Clerk	384,692	386,157	355,398	(30,759)
Tax allocation	1,110	1,809	1,814	5
Treasurer	504,794	505,580	501,009	(4,571)
Equalization	656,607	673,057	639,223	(33,834)
Civil counsel	12,506	25,006	26,451	1,445
Personnel	216,750	222,001	182,324	(39,677)
Surveyor	60,887	52,781	52,611	(170)
Payroll	51,990	52,908	51,871	(1,037)
Elections	173,788	176,798	144,294	(32,504)
Total general government	<u>2,547,488</u>	<u>2,595,142</u>	<u>2,432,087</u>	<u>(163,055)</u>
Public safety:				
Sheriff's department	686,405	685,469	659,400	(26,069)
Courthouse security	71,821	74,743	64,845	(9,898)
Marine law enforcement	41,394	55,688	55,306	(382)
Crisis management	136,879	154,549	154,095	(454)
Animal control	281,014	294,402	281,161	(13,241)
Civil processing	33,485	26,241	9,618	(16,623)
School resource officer	-	20,730	19,950	(780)
Total public safety	<u>1,250,998</u>	<u>1,311,822</u>	<u>1,244,375</u>	<u>(67,447)</u>
Public works:				
Board of public works	83,524	85,467	57,625	(27,842)
Recycling	177,445	297,873	217,003	(80,870)
Drain Commissioner	393,052	393,752	375,188	(18,564)
Drain maintenance and construction	160,571	130,000	119,850	(10,150)
Soil erosion/conservation	11,498	17,556	14,652	(2,904)
Drain tax at large	15,000	55,382	55,382	-
Total public works	<u>841,090</u>	<u>980,030</u>	<u>839,700</u>	<u>(140,330)</u>
Health and welfare:				
Health department	427,098	427,098	427,097	(1)
Contagious disease	579	579	240	(339)
Mental health	370,800	370,800	370,800	-
Medical Care Facility maintenance of effort	80,044	80,044	39,532	(40,512)
Substance abuse	71,612	105,602	105,600	(2)
Medical examiner	146,461	149,718	137,426	(12,292)
Total health and welfare	<u>1,096,594</u>	<u>1,133,841</u>	<u>1,080,695</u>	<u>(53,146)</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, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (concluded)</b>				
Community and economic development:				
Land use educator	\$ 86,516	\$ 86,516	\$ 86,516	\$ -
Cooperative extension	137,254	134,279	134,242	(37)
Register of deeds	447,503	447,813	424,984	(22,829)
Economic development (NCEDO)	65,000	65,000	46,158	(18,842)
West Michigan regional planning	13,000	13,000	12,926	(74)
Total community and economic development	<u>749,273</u>	<u>746,608</u>	<u>704,826</u>	<u>(41,782)</u>
Other:				
National Forest grant distributions	106,438	-	-	-
Non-departmental expenditures	300	125,370	127,162	1,792
Total other	<u>106,738</u>	<u>125,370</u>	<u>127,162</u>	<u>1,792</u>
Debt service:				
Lease principal	-	44,748	44,748	-
Interest	-	505	504	(1)
Total debt service	<u>-</u>	<u>45,253</u>	<u>45,252</u>	<u>(1)</u>
Capital outlay	-	-	71,642	71,642
<b>Total expenditures</b>	<u>11,054,414</u>	<u>11,660,074</u>	<u>10,806,008</u>	<u>(854,066)</u>
Revenues over expenditures	<u>2,485,152</u>	<u>2,892,080</u>	<u>3,695,599</u>	<u>803,519</u>
<b>Other financing sources (uses)</b>				
Issuance of long-term leases	-	-	71,642	71,642
Transfers in	125,332	125,332	125,332	-
Transfers out	(3,295,571)	(3,632,251)	(3,628,207)	(4,044)
<b>Total other financing sources (uses)</b>	<u>(3,170,239)</u>	<u>(3,506,919)</u>	<u>(3,431,233)</u>	<u>67,598</u>
<b>Net change in fund balance</b>	<u>(685,087)</u>	<u>(614,839)</u>	<u>264,366</u>	<u>879,205</u>
Fund balance, beginning of year	<u>6,383,697</u>	<u>6,383,697</u>	<u>6,383,697</u>	<u>-</u>
<b>Fund balance, end of year (budgetary basis)</b>	<u>\$ 5,698,610</u>	<u>\$ 5,768,858</u>	<u>6,648,063</u>	<u>\$ 879,205</u>
Accounting basis difference (Note 2)			<u>(805,334)</u>	
<b>Fund balance, end of year (GAAP basis)</b>			<u>\$ 5,842,729</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 - Sheriff Road Patrol  
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Taxes	\$ 1,592,925	\$ 1,596,782	\$ 1,596,513	\$ (269)
Intergovernmental:				
Federal	-	-	2,863	2,863
State	6,500	10,175	10,176	1
Local	13,748	18,924	18,924	-
Fines and forfeitures	1,800	875	788	(87)
Charges for services	148,291	148,321	148,287	(34)
Interest and rentals	1,200	1,700	1,785	85
Contributions from private sources	-	12,152	12,351	199
Other revenues/reimbursements	10,300	15,500	13,567	(1,933)
<b>Total revenues</b>	<b>1,774,764</b>	<b>1,804,429</b>	<b>1,805,254</b>	<b>825</b>
<b>Expenditures</b>				
Current - public safety	2,961,179	2,914,807	2,829,491	(85,316)
Debt service:				
Lease principal	-	150,582	150,581	(1)
Interest	-	2,469	2,469	-
Capital outlay	-	-	326,235	326,235
<b>Total expenditures</b>	<b>2,961,179</b>	<b>3,067,858</b>	<b>3,308,776</b>	<b>240,918</b>
Revenues under expenditures	(1,186,415)	(1,263,429)	(1,503,522)	(240,093)
<b>Other financing sources (uses)</b>				
Issuance of long-term leases	-	-	326,235	326,235
Transfers in	1,105,952	1,105,952	1,105,952	-
Transfers out	(97,376)	(52,728)	(52,728)	-
<b>Total other financing sources (uses)</b>	<b>1,008,576</b>	<b>1,053,224</b>	<b>1,379,459</b>	<b>326,235</b>
<b>Net change in fund balance</b>	<b>(177,839)</b>	<b>(210,205)</b>	<b>(124,063)</b>	<b>86,142</b>
Fund balance, beginning of year	387,448	387,448	387,448	-
<b>Fund balance, end of year</b>	<b>\$ 209,609</b>	<b>\$ 177,243</b>	<b>\$ 263,385</b>	<b>\$ 86,142</b>

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, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Charges for services	\$ 3,744,529	\$ 3,840,126	\$ 3,832,932	\$ (7,194)
Other revenues/reimbursements	88,000	138,975	166,184	27,209
<b>Total revenues</b>	<u>3,832,529</u>	<u>3,979,101</u>	<u>3,999,116</u>	<u>20,015</u>
<b>Expenditures</b>				
Current - public safety	5,925,638	6,191,759	6,076,767	(114,992)
Debt service:				
Lease principal	-	30,204	30,203	(1)
Interest	-	303	303	-
<b>Total expenditures</b>	<u>5,925,638</u>	<u>6,222,266</u>	<u>6,107,273</u>	<u>(114,993)</u>
Revenues over (under) expenditures	(2,093,109)	(2,243,165)	(2,108,157)	135,008
<b>Other financing sources</b>				
Transfers in	<u>1,855,722</u>	<u>1,855,722</u>	<u>1,855,722</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(237,387)</u>	<u>(387,443)</u>	<u>(252,435)</u>	<u>135,008</u>
Fund balance, beginning of year	<u>766,919</u>	<u>766,919</u>	<u>766,919</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 529,532</u>	<u>\$ 379,476</u>	<u>\$ 514,484</u>	<u>\$ 135,008</u>

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 - American Rescue Plan  
 For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Intergovernmental - federal	\$ -	\$ 62,119	\$ 4,915	\$ (57,204)
Interest and rentals	-	9,000	444	(8,556)
<b>Total revenues</b>	-	71,119	5,359	(65,760)
<b>Expenditures</b>				
Current - general government	-	71,119	4,915	(66,204)
<b>Net change in fund balance</b>	-	-	444	444
Fund balance, beginning of year	1,766	1,766	1,766	-
<b>Fund balance, end of year</b>	<u>\$ 1,766</u>	<u>\$ 1,766</u>	<u>\$ 2,210</u>	<u>\$ 444</u>

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, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Taxes	\$ 1,595,026	\$ 1,605,051	\$ 1,598,155	\$ (6,896)
Intergovernmental:				
Federal	283,340	306,340	253,904	(52,436)
State	58,316	202,976	359,980	157,004
Local	13,766	13,766	18,952	5,186
Charges for services	271,235	276,335	98,251	(178,084)
Interest and rentals	5,000	11,000	18,198	7,198
Contributions from private sources	436,113	427,995	183,574	(244,421)
Other revenues/reimbursements	30,000	54,980	41,543	(13,437)
<b>Total revenues</b>	<b>2,692,796</b>	<b>2,898,443</b>	<b>2,572,557</b>	<b>(325,886)</b>
<b>Expenditures</b>				
Current - Health and welfare	2,696,840	2,943,503	2,213,253	(730,250)
Revenues over (under) expenditures	(4,044)	(45,060)	359,304	404,364
<b>Other financing sources</b>				
Transfers in	4,044	4,044	-	(4,044)
<b>Net change in fund balance</b>	<b>-</b>	<b>(41,016)</b>	<b>359,304</b>	<b>400,320</b>
Fund balance, beginning of year	2,363,125	2,363,125	2,363,125	-
<b>Fund balance, end of year</b>	<b>\$ 2,363,125</b>	<b>\$ 2,322,109</b>	<b>\$ 2,722,429</b>	<b>\$ 400,320</b>

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

COUNTY OF NEWAYGO, MICHIGAN

**Statement of Net Position**

Proprietary Funds  
September 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities	
	2019 and Prior Delinquent Tax (various)	2021 Delinquent Tax (516212)	P.A. 123 (520-521)	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 718,330	\$ 66,275	\$ 588,138	\$ 1,378,978	\$ 2,751,721	\$ 4,561,112
Restricted cash and cash equivalents	-	-	310,318	-	310,318	-
Investments	13,573,636	-	2,255,342	-	15,828,978	-
Accounts receivable	33,254	-	3,908	43,960	81,122	156,291
Delinquent taxes receivable	5,434	1,951,446	-	548,146	2,505,026	-
Due from other governments	116,772	-	-	-	116,772	-
Current portion of installment sales agreement	-	-	-	20,000	20,000	-
Due from other funds	1,807,723	960,623	-	-	2,768,346	7
Prepays	872	-	-	1,505	2,377	610,809
<b>Total current assets</b>	<b>16,256,021</b>	<b>2,978,344</b>	<b>3,157,706</b>	<b>1,992,589</b>	<b>24,384,660</b>	<b>5,328,219</b>
Noncurrent assets:						
Installment sales agreement, net of current portion	-	-	-	49,180	49,180	-
Capital assets being depreciated/amortized, net	191,641	-	-	53,673	245,314	422,231
<b>Total noncurrent assets</b>	<b>191,641</b>	<b>-</b>	<b>-</b>	<b>102,853</b>	<b>294,494</b>	<b>422,231</b>
<b>Total assets</b>	<b>16,447,662</b>	<b>2,978,344</b>	<b>3,157,706</b>	<b>2,095,442</b>	<b>24,679,154</b>	<b>5,750,450</b>
<b>Liabilities</b>						
Current liabilities:						
Interfund payable	-	-	-	-	-	-
Accounts payable	16,728	-	122	27,114	43,964	292,027
Accrued expenses	-	-	-	-	-	462,709
Due to other funds	-	2,618,346	-	150,000	2,768,346	51,730
Current portion of leases payable	-	-	-	-	-	40,510
Current portion of long-term debt	-	-	-	20,000	20,000	53,201
<b>Total current liabilities</b>	<b>16,728</b>	<b>2,618,346</b>	<b>122</b>	<b>197,114</b>	<b>2,832,310</b>	<b>900,177</b>
Noncurrent liabilities:						
Leases payable, net of current portion	-	-	-	-	-	165,968
Long-term debt, net of current portion	-	-	-	49,180	49,180	470,749
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,180</b>	<b>49,180</b>	<b>636,717</b>
<b>Total liabilities</b>	<b>16,728</b>	<b>2,618,346</b>	<b>122</b>	<b>246,294</b>	<b>2,881,490</b>	<b>1,536,894</b>
<b>Net position</b>						
Net investment in capital assets	191,641	-	-	53,673	245,314	215,753
Restricted for property tax foreclosures	-	-	310,318	-	310,318	-
Unrestricted	16,239,293	359,998	2,847,266	1,795,475	21,242,032	3,997,803
<b>Total net position</b>	<b>\$ 16,430,934</b>	<b>\$ 359,998</b>	<b>\$ 3,157,584</b>	<b>\$ 1,849,148</b>	<b>\$ 21,797,664</b>	<b>\$ 4,213,556</b>

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

**COUNTY OF NEWAYGO, MICHIGAN**

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

Proprietary Funds

For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds				Total	Governmental
	2019 and Prior Delinquent Tax (various)	2021 Delinquent Tax (516212)	P.A. 123 (520-521)	Nonmajor Enterprise Funds		Internal Service Funds
<b>Operating revenues</b>						
Charges for services	\$ -	\$ -	\$ 177,179	\$ 608,576	\$ 785,755	\$ 1,943,554
Rentals	-	-	-	110,232	110,232	-
Interest and penalties on delinquent taxes	26,332	359,998	-	173,173	559,503	-
Reimbursements	-	-	252,507	19,496	272,003	6,586,197
<b>Total operating revenues</b>	<b>26,332</b>	<b>359,998</b>	<b>429,686</b>	<b>911,477</b>	<b>1,727,493</b>	<b>8,529,751</b>
<b>Operating expenses</b>						
Supplies and operating expenses	7,977	-	252,207	247,718	507,902	9,370,938
Depreciation/amortization	21,294	-	-	11,500	32,794	103,794
<b>Total operating expenses</b>	<b>29,271</b>	<b>-</b>	<b>252,207</b>	<b>259,218</b>	<b>540,696</b>	<b>9,474,732</b>
Operating income (loss)	(2,939)	359,998	177,479	652,259	1,186,797	(944,981)
<b>Nonoperating revenues (expenses)</b>						
Investment earnings (loss)	(677,582)	-	(33,173)	-	(710,755)	2,103
Interest expense	-	-	-	-	-	(1,127)
Gain on sale of capital assets	-	-	-	-	-	132,326
Insurance pool distribution	-	-	-	-	-	145,657
<b>Total nonoperating revenues (expense)</b>	<b>(677,582)</b>	<b>-</b>	<b>(33,173)</b>	<b>-</b>	<b>(710,755)</b>	<b>278,959</b>
Income (loss) before transfers	(680,521)	359,998	144,306	652,259	476,042	(666,022)
<b>Transfers</b>						
Transfers out	-	-	-	(305,332)	(305,332)	-
<b>Change in net position</b>	<b>(680,521)</b>	<b>359,998</b>	<b>144,306</b>	<b>346,927</b>	<b>170,710</b>	<b>(666,022)</b>
Net position, beginning of year	17,111,455	-	3,013,278	1,502,221	21,626,954	4,879,578
<b>Net position, end of year</b>	<b>\$ 16,430,934</b>	<b>\$ 359,998</b>	<b>\$ 3,157,584</b>	<b>\$ 1,849,148</b>	<b>\$ 21,797,664</b>	<b>\$ 4,213,556</b>

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

**COUNTY OF NEWAYGO, MICHIGAN**

**Statement of Cash Flows**

Proprietary Funds

For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities
	2019 and Prior Delinquent Tax (various)	2021 Delinquent Tax (516212)	P.A. 123 (520-521)	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Cash flows from operating activities</b>						
Receipts from customers and users	\$ 531,519	\$ 2,505,522	\$ 590,632	\$ 2,098,112	\$ 5,725,785	\$ -
Receipts from (payments for) interfund services	(307,723)	-	-	-	(307,723)	8,573,762
Payments to vendors	-	-	(259,257)	(252,886)	(512,143)	(6,204,861)
Payments for personnel services	-	-	-	-	-	(3,290,015)
Delinquent taxes purchased	-	(4,096,970)	-	-	(4,096,970)	-
<b>Net cash provided by (used in) operating activities</b>	<u>223,796</u>	<u>(1,591,448)</u>	<u>331,375</u>	<u>1,845,226</u>	<u>808,949</u>	<u>(921,114)</u>
<b>Cash flows from noncapital financing activities</b>						
Cash received from interfund loan	-	2,618,346	-	-	2,618,346	-
Cash paid for interfund loan	1,255,646	(960,623)	-	(1,350,000)	(1,054,977)	-
Transfers out	-	-	-	(305,332)	(305,332)	-
Insurance pool distribution	-	-	-	-	-	145,657
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>1,255,646</u>	<u>1,657,723</u>	<u>-</u>	<u>(1,655,332)</u>	<u>1,258,037</u>	<u>145,657</u>
<b>Cash flows from capital and related financing activities</b>						
Principal paid on long-term debt	-	-	-	(390,000)	(390,000)	-
Interest paid on long-term debt	-	-	-	(16,086)	(16,086)	-
Principal paid on leases payable	-	-	-	-	-	(33,530)
Interest paid on leases payable	-	-	-	-	-	(1,539)
Cash received from installment sales agreement	-	-	-	406,086	406,086	-
Proceeds from sale of capital assets	-	-	-	-	-	135,281
Purchases of capital assets	(67,605)	-	-	(32,443)	(100,048)	(35,809)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(67,605)</u>	<u>-</u>	<u>-</u>	<u>(32,443)</u>	<u>(100,048)</u>	<u>64,403</u>
<b>Cash flows from investing activities</b>						
Purchase of investments	(6,294,835)	-	(1,900,658)	-	(8,195,493)	-
Proceeds from sale of investments	2,320,791	-	600,898	-	2,921,689	-
Interest received on investments	116,013	-	17,262	-	133,275	2,103
<b>Net cash provided by (used in) investing activities</b>	<u>(3,858,031)</u>	<u>-</u>	<u>(1,282,498)</u>	<u>-</u>	<u>(5,140,529)</u>	<u>2,103</u>
<b>Net changes in cash and cash equivalents</b>	<u>(2,446,194)</u>	<u>66,275</u>	<u>(951,123)</u>	<u>157,451</u>	<u>(3,173,591)</u>	<u>(708,951)</u>
Cash and cash equivalents, beginning of year	3,164,524	-	1,849,579	1,221,527	6,235,630	5,270,063
<b>Cash and cash equivalents, end of year</b>	<u>\$ 718,330</u>	<u>\$ 66,275</u>	<u>\$ 898,456</u>	<u>\$ 1,378,978</u>	<u>\$ 3,062,039</u>	<u>\$ 4,561,112</u>
<b>Cash and cash equivalents as reported on the statement of net position</b>						
Cash and cash equivalents	\$ 718,330	\$ 66,275	\$ 588,138	\$ 1,378,978	\$ 2,751,721	\$ 4,561,112
Restricted cash and cash equivalents	-	-	310,318	-	310,318	-
<b>Total cash and cash equivalents</b>	<u>\$ 718,330</u>	<u>\$ 66,275</u>	<u>\$ 898,456</u>	<u>\$ 1,378,978</u>	<u>\$ 3,062,039</u>	<u>\$ 4,561,112</u>
<b>Noncash capital and related financing activity</b>						
Leased assets acquired through leases payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,429

**COUNTY OF NEWAYGO, MICHIGAN**

**Statement of Cash Flows**

Proprietary Funds

For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities
	2019 and Prior Delinquent Tax (various)	2021 Delinquent Tax (516212)	P.A. 123 (520-521)	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>						
Operating income (loss)	\$ (2,939)	\$ 359,998	\$ 177,479	\$ 652,259	\$ 1,186,797	\$ (944,981)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization expense	21,294	-	-	11,500	32,794	103,794
Change in operating assets and liabilities:						
Accounts receivable	(10,961)	-	160,946	(26,904)	123,081	2,231
Delinquent taxes receivable	527,452	(1,951,446)	-	1,207,146	(216,848)	-
Due from other governments	(20,761)	-	-	-	(20,761)	-
Due from other funds	(307,723)	-	-	-	(307,723)	37,447
Prepays	3,174	-	-	(1,505)	1,669	(326,326)
Accounts payable	14,260	-	(7,050)	2,730	9,940	183,380
Accrued expenses	-	-	-	-	-	8,068
Due to other funds	-	-	-	-	-	2,255
Compensated absences	-	-	-	-	-	13,018
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 223,796</b>	<b>\$ (1,591,448)</b>	<b>\$ 331,375</b>	<b>\$ 1,845,226</b>	<b>\$ 808,949</b>	<b>\$ (921,114)</b>

concluded

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

**COUNTY OF NEWAYGO, MICHIGAN**

**Statement of Fiduciary Net Position**  
 Fiduciary Funds  
 September 30, 2022

	OPEB Trust	Custodial Funds
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ 5,473,438
Investments - MERS total market portfolio	5,170,654	-
<b>Total assets</b>	<u>5,170,654</u>	<u>5,473,438</u>
<b>Liabilities</b>		
Accounts payable	-	17,004
Due to other governments	-	5,248,578
Undistributed receipts	-	130,302
<b>Total liabilities</b>	<u>-</u>	<u>5,395,884</u>
<b>Net position</b>		
Restricted for:		
Other postemployment benefits	5,170,654	-
Individuals, organizations and other governments	-	77,554
<b>Total net position</b>	<u>\$ 5,170,654</u>	<u>\$ 77,554</u>

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

## COUNTY OF NEWAYGO, MICHIGAN

### Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended September 30, 2022

	OPEB Trust	Custodial Funds
<b>Additions</b>		
Contributions:		
Employer	\$ 259,140	\$ -
Investment loss:		
Net investment loss	(811,772)	-
Collections:		
Circuit court juvenile division collections	-	6,907
County clerk collections	-	52,813
District court collections	-	301,864
Circuit court clerk collections	-	86,480
Probate court collections	-	59,381
Friend of the court collections	-	663
Register of deeds collections	-	2,038,554
County treasurer collections	-	10,068,822
Sheriff's collections	-	11,979
County jail collections	-	1,821
Other	-	534
Inmate collections	-	1,565,167
Library penal fines collections	-	148,681
	-	14,343,666
<b>Total additions (net of investment loss)</b>	<b>(552,632)</b>	<b>14,343,666</b>
<b>Deductions</b>		
Benefit payments	384,330	-
Administrative expenses	10,601	-
Distributions:		
Circuit court juvenile division distributions	-	6,907
County clerk distributions	-	52,843
District court distributions	-	301,864
Circuit court clerk distributions	-	86,450
Probate court distributions	-	59,381
Friend of the court distributions	-	663
Register of deeds distributions	-	2,038,554
County treasurer distributions	-	10,068,822
Sheriff's distributions	-	11,979
County jail distributions	-	1,821
Other	-	534
Inmate distributions	-	1,587,754
Library penal fines distributions	-	148,681
<b>Total deductions</b>	<b>394,931</b>	<b>14,366,253</b>
<b>Change in net position</b>	<b>(947,563)</b>	<b>(22,587)</b>
Net position, beginning of year	6,118,217	100,141
<b>Net position, end of year</b>	<b>\$ 5,170,654</b>	<b>\$ 77,554</b>

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



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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Discretely Presented Component Units  
September 30, 2022

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
<b>Assets</b>			
Cash and cash equivalents	\$ 1,166,804	\$ 1,361,091	\$ 65,280
Investments	-	-	-
Receivables, net	325,798	2,675,492	-
Other assets	33,812	-	-
Capital assets not being depreciated	-	221,529	-
Capital assets being depreciated, net	778,667	1,677,143	-
<b>Total assets</b>	<b>2,305,081</b>	<b>5,935,255</b>	<b>65,280</b>
<b>Deferred outflows of resources</b>			
Deferred pension amounts	113,743	-	-
Deferred OPEB amounts	-	-	-
<b>Total deferred outflows of resources</b>	<b>113,743</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	37,106	448,794	387
Unearned revenue	-	-	-
Leases payable:			
Due within one year	-	-	-
Due in more than one year	-	-	-
Long-term debt:			
Due within one year	65,000	149,565	-
Due in more than one year	390,000	1,150,792	-
Net pension liability (due in more than one year)	470,753	-	-
Net OPEB liability (due in more than one year)	-	-	-
<b>Total liabilities</b>	<b>962,859</b>	<b>1,749,151</b>	<b>387</b>
<b>Deferred inflows of resources</b>			
Deferred pension amounts	320,622	-	-
Deferred OPEB amounts	-	-	-
<b>Total deferred inflows of resources</b>	<b>320,622</b>	<b>-</b>	<b>-</b>
<b>Net position</b>			
Net investment in capital assets	323,667	598,315	-
Restricted for drain construction and maintenance	-	3,493,520	-
Restricted for debt service	-	94,269	-
Restricted for roads	-	-	-
Unrestricted	811,676	-	64,893
<b>Total net position</b>	<b>\$ 1,135,343</b>	<b>\$ 4,186,104</b>	<b>\$ 64,893</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
\$ 1,797,226	\$ 7,897,295	\$ 12,287,696
947,992	-	947,992
2,040,302	2,514,995	7,556,587
1,554,397	259,668	1,847,877
2,151,451	-	2,372,980
59,735,802	8,053,996	70,245,608
<u>68,227,170</u>	<u>18,725,954</u>	<u>95,258,740</u>
1,155,075	389,841	1,658,659
265,204	-	265,204
<u>1,420,279</u>	<u>389,841</u>	<u>1,923,863</u>
858,579	841,747	2,186,613
-	133,853	133,853
147,946	-	147,946
1,513,834	-	1,513,834
536,254	313,300	1,064,119
1,263,751	-	2,804,543
1,359,562	210,942	2,041,257
1,788,068	-	1,788,068
<u>7,467,994</u>	<u>1,499,842</u>	<u>11,680,233</u>
1,047,365	647,404	2,015,391
1,237,196	-	1,237,196
<u>2,284,561</u>	<u>647,404</u>	<u>3,252,587</u>
58,620,473	8,053,996	67,596,451
-	-	3,493,520
-	-	94,269
1,274,421	-	1,274,421
-	8,914,553	9,791,122
<u>\$ 59,894,894</u>	<u>\$ 16,968,549</u>	<u>\$ 82,249,783</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Activities

Discretely Presented Component Units  
For the Year Ended September 30, 2022

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
<b>Expenses</b>			
Central dispatch	\$ 1,277,080	\$ -	\$ -
County drains	-	402,561	-
Brownfield redevelopment	-	-	6,621
Roads	-	-	-
Medical care	-	-	-
<b>Total expenses</b>	<u>1,277,080</u>	<u>402,561</u>	<u>6,621</u>
<b>Program revenues</b>			
Charges for services	1,346,404	-	-
Operating grants and contributions	172,950	-	-
Capital grants and contributions	-	1,408,334	-
<b>Total program revenues</b>	<u>1,519,354</u>	<u>1,408,334</u>	<u>-</u>
Net revenue (expense)	<u>242,274</u>	<u>1,005,773</u>	<u>(6,621)</u>
<b>General revenues</b>			
Property taxes	-	-	378
Unrestricted investment earnings	829	258	-
Gain on sale of capital assets	-	-	-
<b>Total general revenues</b>	<u>829</u>	<u>258</u>	<u>378</u>
<b>Change in net position</b>	243,103	1,006,031	(6,243)
Net position, beginning of year	<u>892,240</u>	<u>3,180,073</u>	<u>71,136</u>
<b>Net position, end of year</b>	<u>\$ 1,135,343</u>	<u>\$ 4,186,104</u>	<u>\$ 64,893</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.



Road Commission	Medical Care Facility *	Total
\$ -	\$ -	\$ 1,277,080
-	-	402,561
-	-	6,621
12,512,205	-	12,512,205
-	10,255,670	10,255,670
<u>12,512,205</u>	<u>10,255,670</u>	<u>24,454,137</u>
1,649,122	8,042,680	11,038,206
12,738,626	3,789,720	16,701,296
1,985,485	-	3,393,819
<u>16,373,233</u>	<u>11,832,400</u>	<u>31,133,321</u>
<u>3,861,028</u>	<u>1,576,730</u>	<u>6,679,184</u>
-	-	378
-	126,336	127,423
<u>181,304</u>	<u>-</u>	<u>181,304</u>
<u>181,304</u>	<u>126,336</u>	<u>309,105</u>
4,042,332	1,703,066	6,988,289
<u>55,852,562</u>	<u>15,265,483</u>	<u>75,261,494</u>
<u>\$ 59,894,894</u>	<u>\$ 16,968,549</u>	<u>\$ 82,249,783</u>

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## **NOTES TO FINANCIAL STATEMENTS**

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

#### **Reporting Entity**

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

#### *Blended Component Unit*

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

#### *Discretely Presented Component Units*

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



## COUNTY OF NEWAYGO, MICHIGAN

### Notes to Financial Statements

**Newaygo County Drain Commissioner** (the “Drain Commissioner”) – All drainage districts established pursuant to the Michigan Drain Code of 1956 are separate legal entities with the power to contract, to sue and be sued, and to hold, manage and dispose of real and personal property. The statutory governing board of Chapter 5 and 6 drainage districts consists of the Michigan Director of Agriculture and the drain commission of each county involved in the project. The County Drain Commissioner has sole responsibility to administer Chapter 3 and 4 drainage districts. A drainage board or drain commission, on behalf of the drainage district, may issue debt and levy special assessments without the prior approval of the County. The full faith and credit of the County may be given for the debt of the drainage district. The Drain Commissioner is required by law to make an annual report to the Board of Commissioners in October. The Drain 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 \$87,801 for the year ended September 30, 2022.

**District Health Department #10** – The County participates jointly in the operation of this Health Department with ten other area counties. The County appropriated \$317,881 to the Health Department for the year ended September 30, 2022.

### *Fiduciary Component Unit*

The County sponsors and administers a single-employer, defined benefit other postemployment benefits plan (the "Plan"), that provides healthcare benefits to plan members and their beneficiaries. The Plan was established and may be amended by the County Board of Commissioners who appoints a voting majority of the Plan Board. The Plan is administered through a qualified trust. The Plan is included as a fiduciary component unit of the County because (1) the Plan is a legally separate entity; (2) the County Board of Commissioners appoints a voting majority of the Plan Board; and (3) the County makes contributions to the Plan on behalf of its participants.

### ***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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 *sheriff road patrol fund* accounts for sheriff road patrol activities. Primary revenue sources for this are property tax revenue funded by an approved millage and charges for services.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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 *American Rescue Plan fund* accounts for all financial resources of the American Rescue Plan Act grant program administered by the County.

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.

The County reports the following major proprietary funds:

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

The *2021 delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in the year 2020.

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.

The *Other Postemployment Benefits (OPEB) Trust Fund* accounts for the accumulated resources for other postemployment benefit payments to qualified employees of the County.

*Custodial funds* are used to account for assets that the government holds for others in a custodial capacity.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization 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 County'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 unspent American Rescue Plan Act funds, as well as 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Bankers' acceptances of United States banks.

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

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

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

### ***Receivables and Payables***

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent 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.

### ***Leases***

*Lessee.* The County is a lessee for noncancellable leases of vehicles, building and land. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

## COUNTY OF NEWAYGO, MICHIGAN

### Notes to Financial Statements

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price (if applicable) that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

*Lessor.* The County is a lessor for noncancellable leases of certain buildings. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The County uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### ***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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *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.

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. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation/amortization on capital assets (including infrastructure) of the primary government is computed 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.



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *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.

### *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. Finally, the statement of net position and governmental funds balance sheet report deferred inflows related to leases. The amounts are deferred and amortized over the remaining life of the lease.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Fund Equity*

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

The County Board of 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, 2022, unassigned fund balance of the general fund was equal to 36 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *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.

## 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to 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	\$ -	\$ 805,334	\$ 805,334
Property tax revenue	9,231,067	(130,912)	9,100,155
Fund balance, beginning of year	6,383,697	(674,422)	5,709,275
Fund balance, end of year	6,648,063	(805,334)	5,842,729

### 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.

During the year ended September 30, 2022, the County had incurred expenditures in budgetary funds which were in excess of the amounts budgeted as follows:

	Final Budget	Expenditures	Budget Variance
<b>General fund</b>			
General government:			
Tax allocation	\$ 1,809	\$ 1,814	\$ 5
Civil counsel	25,006	26,451	1,445
Other:			
Non-departmental expenditures	125,370	127,162	1,792
Capital outlay	-	71,642	71,642
<b>Sheriff road patrol</b>			
Capital outlay	-	326,235	326,235
<b>Nonmajor governmental funds</b>			
Law enforcement:			
Capital outlay	-	30,987	30,987
County parks:			
Capital outlay	-	97,809	97,809

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 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, 2022:

	Primary Government	Component Units	Totals
<b>Statement of Net Position</b>			
Cash and cash equivalents	\$ 9,620,240	\$ 12,287,696	\$ 21,907,936
Restricted cash and cash equivalents	9,505,890	-	9,505,890
Investments	27,490,648	947,992	28,438,640
<b>Statement of Fiduciary Net Position</b>			
Cash and cash equivalents	5,473,438	-	5,473,438
MERS total market portfolio	5,170,654	-	5,170,654
<b>Total deposits and investments</b>	<b>57,260,870</b>	<b>13,235,688</b>	<b>70,496,558</b>
<b>Less component units separately audited</b>			
Road Commission	-	(2,745,218)	(2,745,218)
Medical Care Facility	-	(7,897,295)	(7,897,295)
<b>Deposits and investments excluding separately audited component units</b>	<b>\$ 57,260,870</b>	<b>\$ 2,593,175</b>	<b>\$ 59,854,045</b>
<b>Deposits and investments</b>			
Checking and savings accounts			\$ 19,514,776
Certificates of deposit:			
Due within one year			6,990,689
Due in one to five years			3,568,801
Investments			29,778,143
Cash on hand			1,636
<b>Total</b>			<b>\$ 59,854,045</b>

# 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, \$22,685,396 of the County’s bank balance of \$30,733,394 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, 2022, 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, 2022:

U.S. government bonds	\$ 4,943,806
Michigan CLASS	9,113,739
Municipal bonds	3,109,022
U.S. treasury securities	7,440,922
MERS total market portfolio	<u>5,170,654</u>
<b>Total</b>	<b><u>\$ 29,778,143</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+	\$ 5,588,741
S&P AA	928,412
S&P AA-	1,203,177
S&P AAAm	9,113,739
Moody Aaa	6,235,644
Moody Aa1	1,338,449
Moody Aa2	199,327
Not rated	<u>5,170,654</u>
<b>Total</b>	<b><u>\$ 29,778,143</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	\$ 14,284,393
Due in less than one year	5,999,070
Due in 1-5 years	9,085,427
Due in 6-10 years	<u>409,253</u>
<b>Total</b>	<b><u>\$ 29,778,143</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 and MERS total market portfolio, are valued using Level 2 inputs.

The County's investment in the MERS total market portfolio are measured using Level 1 inputs (quoted prices in active markets for identical assets).

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.

At year end, the net asset value of the County's investment in Michigan CLASS government investment pool was \$9,113,739. 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 5. RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

Receivables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 281,882	\$ 81,122	\$ 2,902,226
Less: allowance for uncollectibles	-	-	(40,000)
Loans receivable	1,040,556	-	-
Taxes (current)	1,820,999	-	-
Taxes (delinquent)	-	2,505,026	-
Due from other governments	982,506	116,772	2,018,869
Advance to component units	300,000	-	-
Special assessments	-	-	2,675,492
Installment sales agreement	-	69,180	-
Leases	1,065,300	-	-
<b>Total receivables</b>	<u>\$ 5,491,243</u>	<u>\$ 2,772,100</u>	<u>\$ 7,556,587</u>

Of the amounts reported for receivables above, loans receivable of \$1,040,556, special assessments receivable of \$1,836,871, leases receivable of \$893,851, and installment sales agreement of \$49,180 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 \$805,334 for property taxes receivable and \$2,555,994 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.

### 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	\$ -	\$ -	\$ 1,554,397
Prepays	782,429	2,377	293,480
<b>Total other assets</b>	<u>\$ 782,429</u>	<u>\$ 2,377</u>	<u>\$ 1,847,877</u>



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 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	\$ 1,873,718	\$ 43,964	\$ 947,118
Accrued liabilities	951,421	-	467,704
Due to other governments	18,781	-	212,671
Accrued interest on long-term debt	26,810	-	-
Advance from primary government	-	-	300,000
Advance from State of Michigan	-	-	259,120
<b>Total payables</b>	<b><u>\$ 2,870,730</u></b>	<b><u>\$ 43,964</u></b>	<b><u>\$ 2,186,613</u></b>

### 8. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2022, is as follows:

#### Due to and from primary government funds

	Due from Other Funds	Due to Other Funds
General fund	\$ 51,729	\$ 905
American rescue plan	-	597,940
Nonmajor governmental funds	603,399	4,560
2019 and prior delinquent tax	1,807,723	-
2021 delinquent tax	960,623	2,618,346
Nonmajor enterprise funds	-	150,000
Internal service funds	7	51,730
<b>Totals</b>	<b><u>\$ 3,423,481</u></b>	<b><u>\$ 3,423,481</u></b>

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

For the year ended September 30, 2022, interfund transfers consisted of the following:

Transfers Out	Transfers in				Totals
	General Fund	Sheriff Road Patrol	County Jail	Nonmajor Governmental Funds	
General fund	\$ -	\$ 833,685	\$ 1,219,686	\$ 1,574,836	\$ 3,628,207
Sheriff road patrol	-	-	-	52,728	52,728
Nonmajor governmental funds	105,000	272,267	376,036	150,000	903,303
Nonmajor enterprise funds	20,332	-	260,000	25,000	305,332
<b>Totals</b>	<u>\$ 125,332</u>	<u>\$ 1,105,952</u>	<u>\$ 1,855,722</u>	<u>\$ 1,802,564</u>	<u>\$ 4,889,570</u>

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, 2022, was as follows:

	Beginning Balance*	Additions	Disposals	Transfers	Ending Balance
<b>Governmental activities</b>					
Capital assets, not being depreciated:					
Land	\$ 2,090,873	\$ -	\$ -	\$ -	\$ 2,090,873
Construction in progress	10,995	139,886	(10,995)	-	139,886
	<u>2,101,868</u>	<u>139,886</u>	<u>(10,995)</u>	<u>-</u>	<u>2,230,759</u>
Capital assets, being depreciated/amortized:					
Buildings	23,723,943	88,200	-	-	23,812,143
Land improvements	1,623,802	503,895	-	-	2,127,697
Office equipment	5,292,217	201,422	(44,012)	-	5,449,627
Vehicles	2,064,371	277,902	(401,003)	-	1,941,270
Books and related materials	-	19,664	-	-	19,664
Leased vehicles	765,862	587,911	-	-	1,353,773
Leased buildings	-	48,784	-	-	48,784
Leased land	-	12,407	-	-	12,407
	<u>33,470,195</u>	<u>1,740,185</u>	<u>(445,015)</u>	<u>-</u>	<u>34,765,365</u>
Less accumulated depreciation/amortization for:					
Buildings	(13,575,539)	(2,186,546)	-	-	(15,762,085)
Land improvements	(978,262)	(120,097)	-	-	(1,098,359)
Office equipment	(4,100,732)	(250,546)	41,057	-	(4,310,221)
Vehicles	(1,759,118)	(128,395)	401,003	-	(1,486,510)
Books and related materials	-	(3,933)	-	-	(3,933)
Leased vehicles	-	(356,328)	-	-	(356,328)
Leased buildings	-	(6,098)	-	-	(6,098)
Leased land	-	(1,675)	-	-	(1,675)
	<u>(20,413,651)</u>	<u>(3,053,618)</u>	<u>442,060</u>	<u>-</u>	<u>(23,025,209)</u>
Total capital assets being depreciated/ amortized, net	<u>13,056,544</u>	<u>(1,313,433)</u>	<u>(2,955)</u>	<u>-</u>	<u>11,740,156</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 15,158,412</u>	<u>\$ (1,173,547)</u>	<u>\$ (13,950)</u>	<u>\$ -</u>	<u>\$ 13,970,915</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Business-type activities</b>					
Capital assets, not being depreciated:					
Construction in progress	\$ 145,330	\$ 51,965	\$ -	\$ (197,295)	\$ -
Capital assets, being depreciated:					
Land improvements	15,686	-	-	-	15,686
Equipment	63,773	48,083	-	197,295	309,151
	<u>79,459</u>	<u>48,083</u>	<u>-</u>	<u>197,295</u>	<u>324,837</u>
Less accumulated depreciation for:					
Land improvements	(13,057)	(1,569)	-	-	(14,626)
Equipment	(33,672)	(31,225)	-	-	(64,897)
	<u>(46,729)</u>	<u>(32,794)</u>	<u>-</u>	<u>-</u>	<u>(79,523)</u>
Total capital assets being depreciated, net	<u>32,730</u>	<u>15,289</u>	<u>-</u>	<u>197,295</u>	<u>245,314</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 178,060</u>	<u>\$ 67,254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 245,314</u>

\* The County implemented the provisions of GASB Statement No. 87, *Leases*, in the current year. In accordance with this Statement, leased assets have been added to the beginning balances shown above and a corresponding lease payable has been recorded for the same amount.

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

### Depreciation/amortization of governmental activities by function

General government	\$ 1,382,890
Public safety	489,333
Health and welfare	171,078
Cultural and recreation	104,929
Judicial	801,594
Internal service funds **	<u>103,794</u>

**Total governmental activities** \$ 3,053,618

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Depreciation of business-type activities by function

2019 and prior delinquent tax	\$ 21,294
Nonmajor enterprise funds	<u>11,500</u>
<b>Total business-type activities</b>	<b><u><u>\$ 32,794</u></u></b>

### Discretely presented component units

Capital assets activity for the Central Dispatch Authority component unit for the year ended September 30, 2022, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Central Dispatch Authority</b>					
Capital assets, being depreciated:					
Equipment	\$ 1,707,630	\$ -	\$ -	\$ -	\$ 1,707,630
Less accumulated depreciation for:					
Equipment	<u>(778,525)</u>	<u>(150,438)</u>	<u>-</u>	<u>-</u>	<u>(928,963)</u>
<b>Central Dispatch Authority capital assets, net</b>	<b><u><u>\$ 929,105</u></u></b>	<b><u><u>\$ (150,438)</u></u></b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ 778,667</u></u></b>

Capital assets activity for the Drain Commissioner component unit for the year ended September 30, 2022, 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	335,963	344,071	-	(523,855)	156,179
	<u>401,313</u>	<u>344,071</u>	<u>-</u>	<u>(523,855)</u>	<u>221,529</u>
Capital assets, being depreciated:					
Infrastructure	2,010,659	-	-	523,855	2,534,514
Less accumulated depreciation for:					
Infrastructure	<u>(755,181)</u>	<u>(102,190)</u>	<u>-</u>	<u>-</u>	<u>(857,371)</u>
Total capital assets being depreciated, net	<u>1,255,478</u>	<u>(102,190)</u>	<u>-</u>	<u>523,855</u>	<u>1,677,143</u>
<b>Drain Commissioner capital assets, net</b>	<b><u><u>\$ 1,656,791</u></u></b>	<b><u><u>\$ 241,881</u></u></b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ 1,898,672</u></u></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, 2022:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
General obligation bonds	\$ 5,383,000	\$ -	\$ (1,206,000)	\$ 4,177,000	\$ 1,224,000
Premium on bonds payable	94,318	-	(25,152)	69,166	25,152
Compensated absences	510,932	139,288	(126,270)	523,950	53,201
<b>Total governmental activities</b>	<b>\$ 5,988,250</b>	<b>\$ 139,288</b>	<b>\$ (1,357,422)</b>	<b>\$ 4,770,116</b>	<b>\$ 1,302,353</b>
<b>Business-type activities</b>					
General obligation bonds	\$ 459,180	\$ -	\$ (390,000)	\$ 69,180	\$ 20,000
Premium on bonds payable	18,850	-	(18,850)	-	-
<b>Total business-type activities</b>	<b>\$ 478,030</b>	<b>\$ -</b>	<b>\$ (408,850)</b>	<b>\$ 69,180</b>	<b>\$ 20,000</b>
<b>Discretely presented component units</b>					
<b>Central Dispatch Authority</b>					
Notes from direct borrowings and direct placements	\$ 520,000	\$ -	\$ (65,000)	\$ 455,000	\$ 65,000
<b>Drain Commissioner</b>					
General obligation debt	950,000	-	(60,000)	890,000	60,000
Notes from direct borrowings and direct placements	626,887	-	(234,687)	392,200	88,400
Premium on bonds payable	19,322	-	(1,165)	18,157	1,165
	<b>\$ 1,596,209</b>	<b>\$ -</b>	<b>\$ (295,852)</b>	<b>\$ 1,300,357</b>	<b>\$ 149,565</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 an installment sales agreement receivable from the local units of government for which the bonds were issued in the County's name. The terms of this installment sales agreement, which relates to water and sewer systems constructed by the County on behalf of the local units, matches the debt maturity requirements of the related bonds.

### Governmental activities

\$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. \$ 1,845,000

\$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. 662,000

\$2,595,000 2020 Jail Refunding Bonds (Series A), due in annual installments of \$395,000 to \$570,000 plus interest ranging from 0.75% to 3.00% through 2025. 1,670,000

**Total governmental activities** \$ 4,177,000

### Business-type activities

\$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. \$ 69,180

### 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. \$ 455,000

##### **General obligation bonds - Drain Commissioner**

\$1,090,000 2018 drain bonds due in annual installments of \$20,000 to \$60,000 plus interest at 3.5% through 2038. \$ 890,000

#### **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. \$ 283,200

\$80,000 notes payable due in annual installments of \$8,000 plus interest at 2.51% through 2030. 64,000

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Notes from direct borrowings and direct placements - Drain Commissioner (Concluded)

\$90,000 notes payable due in annual installments  
of \$45,000 plus interest at .88% through 2023. \$ 45,000

**Total notes from direct borrowings and direct placements -  
Drain Commissioner** \$ 392,200

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
2023	\$ 1,224,000	\$ 89,747	\$ 20,000	\$ 1,124
2024	1,253,000	60,543	25,000	798
2025	1,271,000	29,972	24,180	392
2026	74,000	11,476	-	-
2027	73,000	9,496	-	-
2028-2030	282,000	14,981	-	-
<b>Totals</b>	<u><u>\$ 4,177,000</u></u>	<u><u>\$ 216,215</u></u>	<u><u>\$ 69,180</u></u>	<u><u>\$ 2,314</u></u>

Year Ended September 30,	Central Dispatch Component Unit Notes from Direct Borrowing and Direct Placements	
	Principal	Interest
2023	\$ 65,000	\$ 4,550
2024	65,000	3,900
2025	65,000	3,250
2026	65,000	2,600
2027	65,000	1,950
2028-2029	130,000	1,950
<b>Totals</b>	<u><u>\$ 455,000</u></u>	<u><u>\$ 18,200</u></u>



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Year Ended September 30,	Drain Commissioner Component Unit			
	General Obligation Bonds		Notes from Direct Borrowing and Direct Placements	
	Principal	Interest	Principal	Interest
2023	\$ 60,000	\$ 31,150	\$ 88,400	\$ 9,734
2024	60,000	29,050	43,400	8,171
2025	55,000	26,950	43,400	7,003
2026	55,000	25,025	43,400	5,836
2027	55,000	23,100	43,400	4,669
2028-2032	275,000	86,625	130,200	7,003
2033-2037	275,000	38,500	-	-
2038	55,000	1,925	-	-
<b>Totals</b>	<u>\$ 890,000</u>	<u>\$ 262,325</u>	<u>\$ 392,200</u>	<u>\$ 42,416</u>

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

### 11. LEASES

**Lessee** - The County is involved in 59 agreements as a lessee that qualify as long-term lease agreements. Below is a summary of the nature of these agreements. The agreements qualify as an intangible, right-to-use assets and not financed purchases, as the County will not own the assets at the end of the contract terms and the noncancelable term of the agreements surpasses one year.

#### Remaining Term of Agreements

Asset Type	Remaining Term
Vehicles	1-5 years
Land	4 years
Buildings	2 years

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The assets acquired through the lease are summarized as follows:

	<b>Governmental Activities</b>
Vehicles	\$ 1,353,773
Buildings	48,784
Land	12,407
Less accumulated amortization	<u>(364,101)</u>
<b>Net book value</b>	<b><u><u>\$ 1,050,863</u></u></b>

The net present value of future minimum payments as of September 30, 2022, were as follows:

<b>Year Ended September 30,</b>	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2023	\$ 355,560	\$ 64,079
2024	345,795	46,367
2025	204,075	30,146
2026	164,811	16,385
2027	<u>48,584</u>	<u>4,989</u>
<b>Totals</b>	<b><u><u>\$ 1,118,825</u></u></b>	<b><u><u>\$ 161,966</u></u></b>

Lease liability activity for the year ended September 30, 2022 was as follows:

	<b>Beginning Balance *</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental activities</b>					
Leases payable	<u>\$ 765,862</u>	<u>\$ 649,102</u>	<u>\$ (296,139)</u>	<u>\$ 1,118,825</u>	<u>\$ 355,560</u>

\* The County implemented the provisions of GASB Statement No. 87, *Leases*, in the current year. In accordance with this Statement, leases payable have been added to the beginning balances shown above and a corresponding lease asset has been recorded for the same amount.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

**Lessor** - The County is involved in two agreements as a lessor that qualify as long-term lease agreements. Below is a summary of these agreements. These agreements qualify as long-term lease agreements as the County will not surrender control of the assets at the end of the term and the noncancelable term of the agreements surpasses one year. Total lease revenue for the year ended September 30, 2022 was \$176,306.

### Remaining Term of Agreements

Asset Type	
Buildings	4-10 years

Lease receivable activity for the year ended September 30, 2022 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Governmental activities</b>				
Leases receivable	\$ 1,237,913	\$ -	\$ (172,613)	\$ 1,065,300

## 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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,	
	2022	2021
Estimated liability, beginning of year	\$ 247,335	\$ 210,558
Estimated claims incurred	219,746	153,891
Claim payments	(100,741)	(117,114)
<b>Estimated liability, end of year</b>	<b>\$ 366,340</b>	<b>\$ 247,335</b>

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,	
	2022	2021
Estimated liability, beginning of year	\$ 172,968	\$ 98,173
Estimated claims incurred	3,782,460	3,098,319
Claim payments	(3,904,429)	(3,023,524)
<b>Estimated liability, end of year</b>	<b>\$ 50,999</b>	<b>\$ 172,968</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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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 2022, for which revenue was recognized in the general fund, was \$1,792,402,987. The general operating tax rate for this levy was 5.2142 mills. The County assessed an additional 0.9778 mill for sheriff road patrol operations, 0.0986 mills for veterans' affairs, 0.9791 mill for commission on aging, and 0.3600 mill to fund debt service payments on the medical care facility bonds. These additional levies were based on the 2021 taxable value of \$1,685,978,972.

### **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, 2022, the County's property taxes were reduced by \$61,314 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, 2022, the County's property taxes were reduced by \$2,017 under this program.

Under the *Agricultural Processing Renaissance Zone Agreement*, entered into under the Michigan Renaissance Zone Act PA 376 of 1996, as amended, facilities do not pay state education tax, personal and real property taxes, and local income tax where applicable. Taxes are still due on those mandated by the federal government, local bond obligations, the Corporate Income Tax, school sinking fund or special assessments. The Michigan State Administrative Board (SAB), upon recommendations from the Michigan Strategic Fund Board (MSF) and the Michigan Agriculture Commission, approves APRZ designations. Once approved, the company enters into an agreement with the Michigan Strategic Fund (MSF) outlining private investment and job creation numbers approved by the SAB. Taxes can be abated up to 15 years. Tax relief is phased out in 25 percent increments over the last three years of the zone designation. For the year ended, September 30, 2022, the County's property taxes were reduced by \$78,733 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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).

*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, 2021 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	120
Inactive employees entitled to but not yet receiving benefits	11
Active employees	<u>10</u>
<b>Total membership</b>	<b><u><u>141</u></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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Employer and employee contribution amounts or rates, by division/bargaining unit, were as follows for the year ended September 30, 2022:

Division	Employer Contribution Rate	Employee Contribution Rate	Benefit Multiplier
Unclassified	\$ 4,708	4.00%	2.25%
Police Officers Labor	8,100	4.50%	2.50%
Appointed Department Heads	40,660	4.50%	2.50%
Teamsters Employees	7,533	8.49%	2.50%
Central Dispatch	456	4.00%	2.25%
Corrections Officers	2,886	4.50%	2.50%
Command Unit	7,708	4.50%	2.50%
Corrections Command	917	4.50%	2.50%

*Net Pension Liability.* The County's net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability in the December 31, 2021 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	7.00%, net of investment and administrative expense including inflation

The base mortality tables used are constructed as described below and are based on amount weighted sex distinct rates:

- Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120
- Non-disabled retired plan members and beneficiaries mortality based on 106% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 106% of PubG-2010 Employee Mortality Tables for Ages 18-49, and 106% of PubG-2010 Healthy Retiree Tables for ages 50-120
- Disabled retired plan members mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, and 100% of PubNS-2010 Disabled Retiree Tables for ages 18-120

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of the most recent actuarial experience study of 2014-2018.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*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%	4.50%	2.70%
Global fixed income	20.0%	2.00%	0.40%
Private investments	20.0%	7.00%	1.40%
	100.00%		
Inflation			2.50%
Administrative expenses netted above			0.25%
<b>Investment rate of return</b>			<b>7.25%</b>

*Discount Rate.* The discount rate used to measure the total pension liability as of December 31, 2021 was 7.25% (down from 7.60% at December 31, 2020). 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.



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *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, 2020	\$ 27,967,264	\$ 23,598,107	\$ 4,369,157
Changes for the year:			
Service cost	63,462	-	63,462
Interest	2,039,569	-	2,039,569
Difference between expected and actual experience	(143,390)	-	(143,390)
Changes in assumptions	841,427	-	841,427
Employer contributions	-	1,330,836	(1,330,836)
Employee contributions	-	26,032	(26,032)
Net investment income	-	3,132,549	(3,132,549)
Benefit payments, including refunds of employee contributions	(2,325,127)	(2,325,127)	-
Administrative expense	-	(37,164)	37,164
Net changes	<u>475,941</u>	<u>2,127,126</u>	<u>(1,651,185)</u>
<b>Balances at December 31, 2021</b>	<u>\$ 28,443,205</u>	<u>\$ 25,725,233</u>	<u>\$ 2,717,972</u>

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

Governmental activities	\$ 2,247,219
Central Dispatch Authority component unit	<u>470,753</u>
	<u>\$ 2,717,972</u>

*Changes in assumptions.* In 2022, amounts reported as changes of assumptions resulted from a decrease in the assumed rate of return from 7.35% to 7.00%.

# 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 7.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
County's net pension liability	\$ 5,396,360	\$ 2,717,972	\$ 428,545

*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/Inflows of Resources Related to Pensions***

For the year ended September 30, 2022, the County recognized pension expense of \$587,197. The County reported deferred outflows/inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,851,168	\$ (1,851,168)
Contributions subsequent to the plan measurement date	656,712	-	656,712
<b>Total</b>	<u>\$ 656,712</u>	<u>\$ 1,851,168</u>	<u>\$ (1,194,456)</u>

Amounts are recorded in the accompanying financial statements as follows:

Governmental activities	\$ 542,969	\$ 1,530,546
Central Dispatch Authority component unit	113,743	320,622
	<u>\$ 656,712</u>	<u>\$ 1,851,168</u>

# 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, 2023. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2023	\$ (263,390)
2024	(766,641)
2025	(545,678)
2026	<u>(275,459)</u>
<b>Total</b>	<b><u>\$ (1,851,168)</u></b>

*Payable to the Pension Plan.* At September 30, 2022, the County had no amount payable for required contributions to the pension plan for the year ended September 30, 2022.

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, 2022 amounted to \$693,907 and \$291,328, 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, 2021 valuation date, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	41
Active plan members	<u>39</u>
<b>Total membership</b>	<b><u><u>80</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, 2022, the OPEB Plan's investments were fully invested in the MERS Retiree Health Funding Vehicle.

*Rate of Return.* For the year ended September 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -13.37 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%	4.50%	2.70%
Global fixed income	20.0%	2.00%	0.40%
Private investments	20.0%	7.00%	1.40%
	100.00%		
Inflation			2.50%
Less: risk factor adjustment			-0.25%
<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, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of September 30, 2021 (rolled forward to September 30, 2022), 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 of 5.3%, trending to an ultimate rate of 3.9%; post-65 annual medical trend rate of 4.8%, trending to an ultimate rate of 3.9%
Employee turnover/withdrawal	For general employees, ranging from 23.4% for 0 years of service to 2.6% for 25 years of service and over; for public safety employees, ranging from 13.9% for 0 years of service to 1.5% for 25 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-2021 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-2021 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, 2022, were as follows:

Plan fiduciary net position	\$ 5,170,654
Total OPEB liability	<u>3,762,462</u>
<b>County's net OPEB asset</b>	<b><u><u>\$ 1,408,192</u></u></b>
Plan fiduciary net position as a percentage of the total OPEB liability	137.4%

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Changes in Net OPEB Asset

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

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Asset) (a) - (b)
Balances at September 30, 2021	\$ 4,171,902	\$ 6,118,217	\$ (1,946,315)
Changes for the year:			
Service cost	20,561	-	20,561
Interest	270,232	-	270,232
Difference between expected and actual experience	(312,731)	-	(312,731)
Changes in assumptions	(3,172)	-	(3,172)
Employer contributions	-	259,140	(259,140)
Net investment loss	-	(811,772)	811,772
Benefit payments, including refunds of employee contributions	(384,330)	(384,330)	-
Administrative expense	-	(10,601)	10,601
Net changes	<u>(409,440)</u>	<u>(947,563)</u>	<u>538,123</u>
<b>Balances at September 30, 2022</b>	<u>\$ 3,762,462</u>	<u>\$ 5,170,654</u>	<u>\$ (1,408,192)</u>

*Changes in assumptions.* In 2022, amounts reported as changes of assumptions resulted from an update to the mortality scale.

*Sensitivity of the Net OPEB Asset to Changes in the Discount Rate.* The following presents the net OPEB asset of the County, calculated using the discount rate of 6.75%, as well as what the County's net OPEB asset 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:

1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
\$ (1,031,572)	\$ (1,408,192)	\$ (1,730,708)

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates.* The following presents the net OPEB asset of the County, calculated using the healthcare cost trend rate of 5.3% trending to 3.9% for pre-65 and 4.8% trending to 3.9% for post-65, as well as what the County's net OPEB asset would be if it were calculated using a healthcare cost trend rate that is 1% lower (4.3%/3.8% trending to 2.9%) or 1% higher (6.3%/5.8% trending to 4.9%) than the current rate:

1% Decrease (4.3% / 3.8% trending to 2.9%)	Current Healthcare Trend Rate (5.3% / 4.8% trending to 3.9%)	1% Increase (6.3% / 5.8% trending to 4.9%)
\$ (1,755,930)	\$ (1,408,192)	\$ (1,004,621)

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

For the year ended September 30, 2022, the County recognized OPEB expense of \$(465,065). 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	\$ -	\$ 826,476	\$ (826,476)
Changes in assumptions	-	9,742	(9,742)
Net difference between projected and actual earnings on OPEB plan investments	540,022	-	540,022
<b>Total</b>	<b>\$ 540,022</b>	<b>\$ 836,218</b>	<b>\$ (296,196)</b>

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

Year Ended September 30,	Amount
2023	\$ (366,068)
2024	(203,308)
2025	29,166
2026	244,014
<b>Total</b>	<b>\$ (296,196)</b>

*Payable to the OPEB Plan.* At September 30, 2022, 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	Sheriff Road Patrol	County Jail	American Rescue Plan	Commission on Aging	Nonmajor Governmental Funds	Total
Nonspendable:							
Long-term advances	\$ 300,000		\$ -	\$ -	\$ -	\$ -	\$ 300,000
Prepays	52,976	30,779	70,185	-	2,806	14,874	171,620
Total nonspendable	352,976	30,779	70,185	-	2,806	14,874	471,620
Restricted for:							
Family counseling (P.A. 368)	102,252	-	-	-	-	-	102,252
Dragon trail	-	-	-	-	-	122,645	122,645
Law enforcement and road patrol	-	13,436	-	-	-	165,934	179,370
Community development	-	-	-	-	-	1,040,556	1,040,556
Jail training	-	-	35,084	-	-	-	35,084
Building inspections (P.A. 245)	-	-	-	-	-	182,048	182,048
Register of deeds technology (P.A. 698)	-	-	-	-	-	93,829	93,829
Commission on aging programs	-	-	-	-	597,163	-	597,163
Law library (P.A. 59)	-	-	-	-	-	9,639	9,639
Indigent defense	-	-	-	-	-	33,374	33,374
Debt service	-	-	-	-	-	418,332	418,332
Other purposes	30,536	-	-	2,210	-	71,724	104,470
Total restricted	132,788	13,436	35,084	2,210	597,163	2,138,081	2,918,762
Committed for:							
Law enforcement and road patrol	-	-	-	-	-	249,476	249,476
Jail operations	-	-	409,215	-	-	-	409,215
Friend of court	-	-	-	-	-	136,888	136,888
General capital improvements	-	-	-	-	-	1,484,682	1,484,682
Debt service	-	-	-	-	-	482,779	482,779
Other purposes	62,123	-	-	-	-	-	62,123
Total committed	62,123	-	409,215	-	-	2,353,825	2,825,163
Assigned for:							
Emergency services	-	-	-	-	-	127,648	127,648
Community development	-	-	-	-	-	153,110	153,110
Animal control	55,954	-	-	-	-	-	55,954
Law enforcement	-	219,170	-	-	-	28,223	247,393
County parks	-	-	-	-	-	400,392	400,392
Friend of court	-	-	-	-	-	105,142	105,142
Social services	-	-	-	-	-	82,558	82,558
Child care	-	-	-	-	-	1,109,647	1,109,647
Soldiers' relief	-	-	-	-	-	170,115	170,115
Commission on aging programs	-	-	-	-	2,122,460	-	2,122,460
Other purposes	83,920	-	-	-	-	840	84,760
Total assigned	139,874	219,170	-	-	2,122,460	2,177,675	4,659,179
Unassigned	5,154,968	-	-	-	-	-	5,154,968
<b>Total fund balances, governmental funds</b>	<b>\$ 5,842,729</b>	<b>\$ 263,385</b>	<b>\$ 514,484</b>	<b>\$ 2,210</b>	<b>\$ 2,722,429</b>	<b>\$ 6,684,455</b>	<b>\$ 16,029,692</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, 2022, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 2,230,759	\$ -	\$ 2,372,980
Capital assets being depreciated/amortized, net	11,740,156	245,314	70,245,608
	<u>13,970,915</u>	<u>245,314</u>	<u>72,618,588</u>
Related debt:			
Bonds and notes payable	4,177,000	69,180	1,737,200
Leases payable	1,118,825	-	-
Premium on bonds payable	69,166	-	18,157
Deferred charge on refunding	(62,278)	-	-
Amounts related to installment sales agreement *	-	(69,180)	-
Installment purchase agreements	-	-	3,266,780
Accounts payable related to capital purchases	336,680	-	-
	<u>5,639,393</u>	<u>-</u>	<u>5,022,137</u>
<b>Net investment in capital assets</b>	<u>\$ 8,331,522</u>	<u>\$ 245,314</u>	<u>\$ 67,596,451</u>

\* The bonds payable related to installment sales agreement 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 an installment sales agreement 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. While the pandemic has resulted in an increase in the demands on the County to provide services to its patrons, the Federal Government has also provided significant resources to help mitigate the impacts of COVID-19. Over the past two years, the County has been awarded funds from various sources to be used to respond to the impacts of the COVID-19 pandemic. Of the amount awarded, approximately \$932,000 was expended and recognized as revenue during the current fiscal year. With these additional Federal resources, at this time management does not believe that the negative financial impact of the pandemic, if any, would be material to the County.



## **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,			
	2022	2021	2020	2019
<b>Total pension liability</b>				
Service cost	\$ 63,462	\$ 71,254	\$ 67,897	\$ 78,355
Interest	2,039,569	1,977,966	1,995,165	1,986,018
Change in benefits	-	-	-	-
Difference between expected and actual experience	(143,390)	161,681	424,899	201,248
Changes in assumptions	841,427	901,312	851,353	-
Benefit payments, including refunds of employee contributions	(2,325,127)	(2,270,388)	(2,238,974)	(2,053,138)
Other changes	-	-	-	-
<b>Net change in total pension liability</b>	<u>475,941</u>	<u>841,825</u>	<u>1,100,340</u>	<u>212,483</u>
Total pension liability, beginning of year	<u>27,967,264</u>	<u>27,125,439</u>	<u>26,025,099</u>	<u>25,812,616</u>
<b>Total pension liability, end of year</b>	<u>28,443,205</u>	<u>27,967,264</u>	<u>27,125,439</u>	<u>26,025,099</u>
<b>Plan fiduciary net position</b>				
Employer contributions	1,330,836	1,351,383	1,251,654	1,246,560
Employee contributions	26,032	29,547	31,647	41,861
Net investment income (loss)	3,132,549	2,955,370	2,658,198	(824,596)
Benefit payments, including refunds of employee contributions	(2,325,127)	(2,270,388)	(2,238,974)	(2,053,138)
Administrative expense	(37,164)	(42,741)	(45,780)	(41,286)
Other changes	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<u>2,127,126</u>	<u>2,023,171</u>	<u>1,656,745</u>	<u>(1,630,599)</u>
Plan fiduciary net position, beginning of year	<u>23,598,107</u>	<u>21,574,936</u>	<u>19,918,191</u>	<u>21,548,790</u>
<b>Plan fiduciary net position, end of year</b>	<u>25,725,233</u>	<u>23,598,107</u>	<u>21,574,936</u>	<u>19,918,191</u>
<b>County's net pension liability</b>	<u>\$ 2,717,972</u>	<u>\$ 4,369,157</u>	<u>\$ 5,550,503</u>	<u>\$ 6,106,908</u>
Plan fiduciary net position as a percentage of total pension liability	90.44%	84.38%	79.54%	76.53%
Covered payroll	\$ 542,550	\$ 607,089	\$ 616,318	\$ 710,825
County's net pension liability as a percentage of covered payroll	500.96%	719.69%	900.59%	859.13%

See notes to required supplementary information.



Year Ended September 30,			
2018	2017	2016	2015
\$ 110,514	\$ 113,354	\$ 144,182	\$ 177,889
1,996,376	2,006,374	1,964,674	1,936,675
-	12,026	-	-
(173,466)	(255,874)	(63,125)	-
-	-	1,143,513	-
(2,040,505)	(1,958,348)	(1,857,659)	(1,659,002)
-	(2)	(391)	-
<u>(107,081)</u>	<u>(82,470)</u>	<u>1,331,194</u>	<u>455,562</u>
<u>25,919,697</u>	<u>26,002,167</u>	<u>24,670,973</u>	<u>24,215,411</u>
<u>25,812,616</u>	<u>25,919,697</u>	<u>26,002,167</u>	<u>24,670,973</u>
920,388	1,006,665	1,160,256	1,135,610
50,390	47,892	4,701	8,638
2,593,572	2,115,490	(296,005)	1,209,412
(2,040,505)	(1,958,348)	(1,857,659)	(1,659,002)
(41,160)	(41,781)	(43,207)	(44,398)
(11,201)	-	-	-
<u>1,471,484</u>	<u>1,169,918</u>	<u>(1,031,914)</u>	<u>650,260</u>
<u>20,077,306</u>	<u>18,907,388</u>	<u>19,939,302</u>	<u>19,289,042</u>
<u>21,548,790</u>	<u>20,077,306</u>	<u>18,907,388</u>	<u>19,939,302</u>
<u>\$ 4,263,826</u>	<u>\$ 5,842,391</u>	<u>\$ 7,094,779</u>	<u>\$ 4,731,671</u>
83.48%	77.46%	72.71%	80.82%
\$ 959,101	\$ 1,089,831	\$ 1,396,627	\$ 1,717,803
444.56%	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
2022	\$ 875,616	\$ 875,616	\$ -	\$ 570,231	153.55%
2021	1,482,576	1,482,576	-	567,758	261.13%
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,				
	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>					
Service cost	\$ 20,561	\$ 20,985	\$ 27,329	\$ 38,532	\$ 37,139
Interest	270,232	272,677	394,256	387,474	383,857
Changes in benefit terms	-	-	(132,440)	-	-
Differences between expected and actual experience	(312,731)	-	(1,794,799)	-	-
Changes in assumptions	(3,172)	-	(22,283)	-	-
Benefit payments, including refunds of employee contributions	(384,330)	(276,340)	(257,731)	(369,132)	(368,496)
<b>Net change in total OPEB liability</b>	<b>(409,440)</b>	<b>17,322</b>	<b>(1,785,668)</b>	<b>56,874</b>	<b>52,500</b>
Total OPEB liability, beginning of year	4,171,902	4,154,580	5,940,248	5,883,374	5,830,874
<b>Total OPEB liability, end of year</b>	<b>3,762,462</b>	<b>4,171,902</b>	<b>4,154,580</b>	<b>5,940,248</b>	<b>5,883,374</b>
<b>Plan fiduciary net position</b>					
Employer contributions	259,140	276,340	257,731	310,777	946,504
Net investment income (loss)	(811,772)	1,113,551	340,779	114,947	237,810
Benefit payments, including refunds of employee contributions	(384,330)	(276,340)	(257,731)	(369,132)	(368,496)
Administrative expense	(10,601)	(10,366)	(8,612)	(8,912)	(11,211)
<b>Net change in plan fiduciary net position</b>	<b>(947,563)</b>	<b>1,103,185</b>	<b>332,167</b>	<b>47,680</b>	<b>804,607</b>
Plan fiduciary net position, beginning of year	6,118,217	5,015,032	4,682,865	4,635,185	3,830,578
<b>Plan fiduciary net position, end of year</b>	<b>5,170,654</b>	<b>6,118,217</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>\$ (1,408,192)</b>	<b>\$ (1,946,315)</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	137.43%	146.65%	120.71%	78.83%	78.78%
Covered payroll	\$ 2,402,717	\$ 3,429,112	\$ 3,644,803	\$ 3,719,487	\$ 4,024,782
County's net OPEB (asset) liability as a percentage of covered payroll	-58.61%	-56.76%	-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 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
2022	\$ -	\$ 259,140	\$ (259,140)	\$ 2,402,717	10.79%
2021	-	276,340	(276,340)	3,429,112	8.06%
2020	-	257,731	(257,731)	3,644,803	7.07%
2019	-	310,777	(310,777)	3,719,487	8.36%
2018	-	946,504	(946,504)	4,024,782	23.52%

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
2022	-13.37%
2021	22.23%
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%.

In 2021, amounts reported as changes of assumptions related to updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates.

In 2022, amounts reported as changes of assumptions resulted from a decrease in the assumed rate of return from 7.35% to 7.00%.

#### **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 (2021, based on the 12/31/2020 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	1-10 years, depending on division
Asset valuation method	5-year smooth market
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
Normal retirement age	Age 60

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Required Supplementary Information

Mortality 50% Male/50% Female 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

### *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. In 2022, amounts reported as changes of assumptions resulted from an update to the mortality scale.

#### **Notes to the Schedule of Contributions**

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

Valuation Date September 30, 2021

Methods and assumptions used to determine contribution rates (2022, based on the 09/30/2021 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	28 years
Asset valuation method	5-year smooth market
Inflation	2.50%
Salary increases	Base (wage inflation) of 3.0%, plus merit and longevity depending on age.
Investment rate of return	6.75%
Retirement	The retirement rate is 100% at age 75.
Future Retiree Coverage	60% of active participants are assumed to elect coverage at retirement.

## COUNTY OF NEWAYGO, MICHIGAN

### Notes to Required Supplementary Information

#### Mortality

Command Unit, Corrections, and Deputies: PubS-2010 Mortality Table with generational projection per the MP-2021 scale, with employee rates before benefit commencement and healthy or disabled annuitant rates after benefit commencement. This assumption includes a margin for improvements in longevity beyond the valuation date.

All Others: PubG-2010 Mortality Table with generational projection per the MP-2021 scale, with employee rates before benefit commencement and healthy or disabled annuitant rates after benefit commencement. This assumption includes a margin for improvements in longevity beyond the valuation date.

#### 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**

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**NONMAJOR GOVERNMENTAL FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2022

	Special Revenue	Debt Service	Capital Improvement (403)	Totals
<b>Assets</b>				
Cash and cash equivalents	\$ 3,353,393	\$ 855,516	\$ 1,467,317	\$ 5,676,226
Accounts receivable	22,825	-	-	22,825
Loans receivable	1,040,556	-	-	1,040,556
Taxes receivable	7	25	-	32
Due from other governments	178,771	45,570	-	224,341
Due from other funds	114,911	-	488,488	603,399
Prepays	14,874	-	-	14,874
<b>Total assets</b>	<b>\$ 4,725,337</b>	<b>\$ 901,111</b>	<b>\$ 1,955,805</b>	<b>\$ 7,582,253</b>
<b>Liabilities</b>				
Negative equity in pooled cash	\$ 16,903	\$ -	\$ -	\$ 16,903
Accounts payable	316,646	-	471,123	787,769
Accrued expenditures	69,612	-	-	69,612
Due to other governments	18,781	-	-	18,781
Due to other funds	4,560	-	-	4,560
Unearned revenue	173	-	-	173
<b>Total liabilities</b>	<b>426,675</b>	<b>-</b>	<b>471,123</b>	<b>897,798</b>
<b>Fund balances</b>				
Nonspendable	14,874	-	-	14,874
Restricted	1,719,749	418,332	-	2,138,081
Committed	386,364	482,779	1,484,682	2,353,825
Assigned	2,177,675	-	-	2,177,675
<b>Total fund balances</b>	<b>4,298,662</b>	<b>901,111</b>	<b>1,484,682</b>	<b>6,684,455</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,725,337</b>	<b>\$ 901,111</b>	<b>\$ 1,955,805</b>	<b>\$ 7,582,253</b>



## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Revenues, Expenditures and

Change in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2022

	Special Revenue	Debt Service	Capital Improvement (403)	Totals
<b>Revenues</b>				
Taxes	\$ 160,818	\$ 609,535	\$ -	\$ 770,353
Intergovernmental:				
Federal	730,356	-	691,291	1,421,647
State	1,207,570	51,819	-	1,259,389
Local	14,128	91,875	-	106,003
Licenses and permits	32,743	-	-	32,743
Fines and forfeitures	5,725	-	-	5,725
Charges for services	1,841,686	554,435	-	2,396,121
Interest and rentals	15,598	843	-	16,441
Contributions from private sources	80,838	-	-	80,838
Other revenues/reimbursements	6,395	250	-	6,645
<b>Total revenues</b>	<b>4,095,857</b>	<b>1,308,757</b>	<b>691,291</b>	<b>6,095,905</b>
<b>Expenditures</b>				
Current:				
Judicial	1,676,560	-	-	1,676,560
General government	81,262	-	-	81,262
Public safety	902,738	-	-	902,738
Health and welfare	980,038	-	-	980,038
Community and economic development	47,197	-	-	47,197
Recreation and cultural	1,207,881	-	-	1,207,881
Debt service:				
Principal	-	1,206,000	-	1,206,000
Lease principal	37,077	-	-	37,077
Interest	576	118,926	-	119,502
Capital outlay	128,796	-	954,358	1,083,154
<b>Total expenditures</b>	<b>5,062,125</b>	<b>1,324,926</b>	<b>954,358</b>	<b>7,341,409</b>
Revenue under expenditures	(966,268)	(16,169)	(263,067)	(1,245,504)
<b>Other financing sources (uses)</b>				
Issuance of long-term leases	128,796	-	-	128,796
Transfers in	1,240,884	-	561,680	1,802,564
Transfers out	(798,303)	(20,000)	(85,000)	(903,303)
<b>Total other financing sources (uses)</b>	<b>571,377</b>	<b>(20,000)</b>	<b>476,680</b>	<b>1,028,057</b>
<b>Net change in fund balances</b>	<b>(394,891)</b>	<b>(36,169)</b>	<b>213,613</b>	<b>(217,447)</b>
Fund balances, beginning of year	4,693,553	937,280	1,271,069	6,901,902
<b>Fund balances, end of year</b>	<b>\$ 4,298,662</b>	<b>\$ 901,111</b>	<b>\$ 1,484,682</b>	<b>\$ 6,684,455</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2022

	Emergency Services (259)	Crime Victim Rights (216)	Law Enforcement (266)	Jail Additional Per Diem (2134)
<b>Assets</b>				
Cash and cash equivalents	\$ 130,193	\$ -	\$ 49,051	\$ 216,082
Accounts receivable	19,655	-	-	-
Loans receivable	-	-	-	-
Taxes receivable	-	-	-	-
Due from other governments	61,123	19,770	19,768	-
Due from other funds	-	-	-	-
Prepays	5,832	-	-	-
<b>Total assets</b>	<b>\$ 216,803</b>	<b>\$ 19,770</b>	<b>\$ 68,819</b>	<b>\$ 216,082</b>
<b>Liabilities</b>				
Negative equity in pooled cash	\$ -	\$ 16,903	\$ -	\$ -
Accounts payable	25,059	167	592	-
Accrued expenditures	5,169	1,860	4,195	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	173	-	-	-
<b>Total liabilities</b>	<b>30,401</b>	<b>18,930</b>	<b>4,787</b>	<b>-</b>
<b>Fund balances</b>				
Nonspendable	5,832	-	-	-
Restricted	52,922	-	64,032	-
Committed	-	-	-	216,082
Assigned	127,648	840	-	-
<b>Total fund balances</b>	<b>186,402</b>	<b>840</b>	<b>64,032</b>	<b>216,082</b>
<b>Total liabilities and fund balances</b>	<b>\$ 216,803</b>	<b>\$ 19,770</b>	<b>\$ 68,819</b>	<b>\$ 216,082</b>

<b>County Parks (208)</b>	<b>Dragon Trail (2081)</b>	<b>Friend of the Court (215)</b>	<b>Community Development (246)</b>	<b>Building Safety and Permits (249)</b>
\$ 456,823	\$ 118,132	\$ 190,219	\$ 161,610	\$ 215,259
1,911	-	1,259	-	-
-	-	-	1,040,556	-
-	-	-	-	-
-	-	69,212	-	-
-	114,012	899	-	-
931	900	1,364	-	2,081
<u>\$ 459,665</u>	<u>\$ 233,044</u>	<u>\$ 262,953</u>	<u>\$ 1,202,166</u>	<u>\$ 217,340</u>
\$ -		\$ -	\$ -	\$ -
32,635	109,499	396	8,500	33,211
21,147	-	19,163	-	-
-	-	-	-	-
4,560	-	-	-	-
-	-	-	-	-
<u>58,342</u>	<u>109,499</u>	<u>19,559</u>	<u>8,500</u>	<u>33,211</u>
931	900	1,364	-	2,081
-	122,645	-	1,040,556	182,048
-	-	136,888	-	-
<u>400,392</u>	<u>-</u>	<u>105,142</u>	<u>153,110</u>	<u>-</u>
<u>401,323</u>	<u>123,545</u>	<u>243,394</u>	<u>1,193,666</u>	<u>184,129</u>
<u>\$ 459,665</u>	<u>\$ 233,044</u>	<u>\$ 262,953</u>	<u>\$ 1,202,166</u>	<u>\$ 217,340</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2022

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (2661)	Indigent Defense (260)	Concealed Pistol Licensing (263)
<b>Assets</b>				
Cash and cash equivalents	\$ 99,941	\$ 27,942	\$ 126,980	\$ 70,346
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Taxes receivable	-	-	-	-
Due from other governments	-	281	-	-
Due from other funds	-	-	-	-
Prepays	-	3,123	-	643
<b>Total assets</b>	<u>\$ 99,941</u>	<u>\$ 31,346</u>	<u>\$ 126,980</u>	<u>\$ 70,989</u>
<b>Liabilities</b>				
Negative equity in pooled cash	\$ -	\$ -	-	\$ -
Accounts payable	5,449	-	93,011	28
Accrued expenditures	663	-	595	709
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<u>6,112</u>	<u>-</u>	<u>93,606</u>	<u>737</u>
<b>Fund balances</b>				
Nonspendable	-	3,123	-	643
Restricted	93,829	-	33,374	69,609
Committed	-	-	-	-
Assigned	-	28,223	-	-
<b>Total fund balances</b>	<u>93,829</u>	<u>31,346</u>	<u>33,374</u>	<u>70,252</u>
<b>Total liabilities and fund balances</b>	<u>\$ 99,941</u>	<u>\$ 31,346</u>	<u>\$ 126,980</u>	<u>\$ 70,989</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>
\$ 65,687	\$ 10,607	\$ 88,026	\$ 1,136,388	\$ 190,107	\$ 3,353,393
-	-	-	-	-	22,825
-	-	-	-	-	1,040,556
-	-	-	-	7	7
-	-	-	6,699	1,918	178,771
-	-	-	-	-	114,911
-	-	-	-	-	14,874
<u>\$ 65,687</u>	<u>\$ 10,607</u>	<u>\$ 88,026</u>	<u>\$ 1,143,087</u>	<u>\$ 192,032</u>	<u>\$ 4,725,337</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,903
-	968	5,468	261	1,402	316,646
-	-	-	10,391	5,720	69,612
-	-	-	18,781	-	18,781
-	-	-	-	-	4,560
-	-	-	-	-	173
-	968	5,468	29,433	7,122	426,675
-	-	-	-	-	14,874
32,293	9,639	-	4,007	14,795	1,719,749
33,394	-	-	-	-	386,364
-	-	82,558	1,109,647	170,115	2,177,675
<u>65,687</u>	<u>9,639</u>	<u>82,558</u>	<u>1,113,654</u>	<u>184,910</u>	<u>4,298,662</u>
<u>\$ 65,687</u>	<u>\$ 10,607</u>	<u>\$ 88,026</u>	<u>\$ 1,143,087</u>	<u>\$ 192,032</u>	<u>\$ 4,725,337</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, 2022

	Emergency Services (259)	Crime Victim Rights (216)	Law Enforcement (266)	Jail Additional Per Diem (2134)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	104,918	-	-	-
State	-	41,719	112,308	-
Local	-	-	12,096	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	28,950	-	-	271,425
Interest and rentals	-	-	-	-
Contributions from private sources	11,000	-	-	-
Other revenue/reimbursements	2,976	-	-	-
<b>Total revenues</b>	<b>147,844</b>	<b>41,719</b>	<b>124,404</b>	<b>271,425</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	239,134	58,700	157,858	-
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
Debt service:				
Lease principal	-	-	15,100	-
Interest	-	-	192	-
Capital outlay	-	-	30,987	-
<b>Total expenditures</b>	<b>239,134</b>	<b>58,700</b>	<b>204,137</b>	<b>-</b>
Revenue over (under) expenditures	(91,290)	(16,981)	(79,733)	271,425
<b>Other financing sources (uses)</b>				
Issuance of long-term leases	-	-	30,987	-
Transfers in	145,604	17,244	52,728	-
Transfers out	-	-	-	(798,303)
<b>Total other financing sources (uses)</b>	<b>145,604</b>	<b>17,244</b>	<b>83,715</b>	<b>(798,303)</b>
<b>Net change in fund balances</b>	<b>54,314</b>	<b>263</b>	<b>3,982</b>	<b>(526,878)</b>
Fund balances, beginning of year	132,088	577	60,050	742,960
<b>Fund balances, end of year</b>	<b>\$ 186,402</b>	<b>\$ 840</b>	<b>\$ 64,032</b>	<b>\$ 216,082</b>

County Parks (208)	Dragon Trail (2081)	Friend of the Court (215)	Community Development (246)	Building Safety and Permits (249)
\$ -	\$ -	\$ -	\$ -	\$ -
-	210,505	414,933	-	-
-	-	74,667	-	-
-	-	-	-	-
-	-	-	-	-
940,318	-	76,656	-	405,767
-	-	-	-	15,545
35,200	33,000	-	30	-
3,417	-	-	-	-
<u>978,935</u>	<u>243,505</u>	<u>566,256</u>	<u>30</u>	<u>421,312</u>
-	-	819,736	-	-
-	-	-	-	-
-	-	-	-	445,573
-	-	-	47,197	-
957,676	250,205	-	-	-
21,977	-	-	-	-
384	-	-	-	-
97,809	-	-	-	-
<u>1,077,846</u>	<u>250,205</u>	<u>819,736</u>	<u>47,197</u>	<u>445,573</u>
<u>(98,911)</u>	<u>(6,700)</u>	<u>(253,480)</u>	<u>(47,167)</u>	<u>(24,261)</u>
97,809	-	-	-	-
-	-	284,719	-	-
-	-	-	-	-
<u>97,809</u>	<u>-</u>	<u>284,719</u>	<u>-</u>	<u>-</u>
(1,102)	(6,700)	31,239	(47,167)	(24,261)
<u>402,425</u>	<u>130,245</u>	<u>212,155</u>	<u>1,240,833</u>	<u>208,390</u>
<u>\$ 401,323</u>	<u>\$ 123,545</u>	<u>\$ 243,394</u>	<u>\$ 1,193,666</u>	<u>\$ 184,129</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, 2022

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (2661)	Indigent Defense (260)	Concealed Pistol Licensing (263)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	-	-	-	-
State	-	-	668,424	-
Local	-	127	-	-
Licenses and permits	-	-	-	32,743
Fines and forfeitures	-	1,225	-	-
Charges for services	59,140	14,157	-	-
Interest and rentals	-	-	-	53
Contributions from private sources	-	-	-	-
Other revenue/reimbursements	-	-	-	-
<b>Total revenues</b>	<b>59,140</b>	<b>15,509</b>	<b>668,424</b>	<b>32,796</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	845,554	-
General government	57,214	-	-	24,048
Public safety	-	1,473	-	-
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
Debt service:				
Lease principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>57,214</b>	<b>1,473</b>	<b>845,554</b>	<b>24,048</b>
Revenue over (under) expenditures	1,926	14,036	(177,130)	8,748
<b>Other financing sources (uses)</b>				
Issuance of long-term leases	-	-	-	-
Transfers in	-	-	199,441	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>199,441</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>1,926</b>	<b>14,036</b>	<b>22,311</b>	<b>8,748</b>
Fund balances, beginning of year	91,903	17,310	11,063	61,504
<b>Fund balances, end of year</b>	<b>\$ 93,829</b>	<b>\$ 31,346</b>	<b>\$ 33,374</b>	<b>\$ 70,252</b>



Drug Law Enforcement (265)	County Law Library (269)	Social Services (290)	Child Care (292)	Soldiers' Relief (293)	Total
\$ -	\$ -	\$ -	\$ -	\$ 160,818	\$ 160,818
-	-	-	-	-	730,356
-	-	-	262,167	48,285	1,207,570
-	-	-	-	1,905	14,128
-	-	-	-	-	32,743
-	4,500	-	-	-	5,725
-	-	21,916	23,357	-	1,841,686
-	-	-	-	-	15,598
-	-	-	-	1,608	80,838
-	-	-	-	2	6,395
-	4,500	21,916	285,524	212,618	4,095,857
-	11,270	-	-	-	1,676,560
-	-	-	-	-	81,262
-	-	-	-	-	902,738
-	-	39,995	698,040	242,003	980,038
-	-	-	-	-	47,197
-	-	-	-	-	1,207,881
-	-	-	-	-	37,077
-	-	-	-	-	576
-	-	-	-	-	128,796
-	11,270	39,995	698,040	242,003	5,062,125
-	(6,770)	(18,079)	(412,516)	(29,385)	(966,268)
-	-	-	-	-	128,796
-	5,938	20,382	450,453	64,375	1,240,884
-	-	-	-	-	(798,303)
-	5,938	20,382	450,453	64,375	571,377
-	(832)	2,303	37,937	34,990	(394,891)
65,687	10,471	80,255	1,075,717	149,920	4,693,553
\$ 65,687	\$ 9,639	\$ 82,558	\$ 1,113,654	\$ 184,910	\$ 4,298,662

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, 2022

	Emergency Services (259)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	84,131	104,918	20,787
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	19,300	28,950	9,650
Interest and rentals	-	-	-
Contributions from private sources	11,000	11,000	-
Other revenue/reimbursements	4,684	2,976	(1,708)
<b>Total revenues</b>	<u>119,115</u>	<u>147,844</u>	<u>28,729</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	266,538	239,134	(27,404)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Lease principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>266,538</u>	<u>239,134</u>	<u>(27,404)</u>
Revenues over (under) expenditures	<u>(147,423)</u>	<u>(91,290)</u>	<u>56,133</u>
<b>Other financing sources (uses)</b>			
Issuance of long-term leases	-	-	-
Transfers in	145,604	145,604	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>145,604</u>	<u>145,604</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,819)</u>	<u>54,314</u>	<u>56,133</u>
Fund balances, beginning of year	<u>132,088</u>	<u>132,088</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 130,269</u>	<u>\$ 186,402</u>	<u>\$ 56,133</u>

Crime Victim Rights (216)			Law Enforcement (266)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
61,831	41,719	(20,112)	118,991	112,308	(6,683)
-	-	-	12,096	12,096	-
-	-	-	-	-	-
-	-	-	-	-	-
15	-	(15)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>61,846</u>	<u>41,719</u>	<u>(20,127)</u>	<u>131,087</u>	<u>124,404</u>	<u>(6,683)</u>
-	-	-	-	-	-
-	-	-	-	-	-
79,090	58,700	(20,390)	168,623	157,858	(10,765)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	15,100	15,100	-
-	-	-	192	192	-
-	-	-	-	30,987	30,987
<u>79,090</u>	<u>58,700</u>	<u>(20,390)</u>	<u>183,915</u>	<u>204,137</u>	<u>20,222</u>
<u>(17,244)</u>	<u>(16,981)</u>	<u>263</u>	<u>(52,828)</u>	<u>(79,733)</u>	<u>(26,905)</u>
-	-	-	-	30,987	30,987
17,244	17,244	-	52,728	52,728	-
-	-	-	-	-	-
<u>17,244</u>	<u>17,244</u>	<u>-</u>	<u>52,728</u>	<u>83,715</u>	<u>30,987</u>
-	263	263	(100)	3,982	4,082
<u>577</u>	<u>577</u>	<u>-</u>	<u>60,050</u>	<u>60,050</u>	<u>-</u>
<u>\$ 577</u>	<u>\$ 840</u>	<u>\$ 263</u>	<u>\$ 59,950</u>	<u>\$ 64,032</u>	<u>\$ 4,082</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, 2022

	<b>Jail Additional Per Diem (2134)</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	273,675	271,425	(2,250)
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>273,675</u>	<u>271,425</u>	<u>(2,250)</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Lease principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>273,675</u>	<u>271,425</u>	<u>(2,250)</u>
<b>Other financing sources (uses)</b>			
Issuance of long-term leases	-	-	-
Transfers in	-	-	-
Transfers out	(798,303)	(798,303)	-
<b>Total other financing sources (uses)</b>	<u>(798,303)</u>	<u>(798,303)</u>	<u>-</u>
<b>Net change in fund balances</b>	(524,628)	(526,878)	(2,250)
Fund balances, beginning of year	742,960	742,960	-
<b>Fund balances, end of year</b>	<u>\$ 218,332</u>	<u>\$ 216,082</u>	<u>\$ (2,250)</u>



County Parks (208)			Dragon Trail (2081)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	225,000	210,505	(14,495)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
971,421	940,318	(31,103)	-	-	-
-	-	-	-	-	-
35,200	35,200	-	33,000	33,000	-
8,825	3,417	(5,408)	-	-	-
<u>1,015,446</u>	<u>978,935</u>	<u>(36,511)</u>	<u>258,000</u>	<u>243,505</u>	<u>(14,495)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,033,080	957,676	(75,404)	293,200	250,205	(42,995)
21,977	21,977	-	-	-	-
384	384	-	-	-	-
-	97,809	97,809	-	-	-
<u>1,055,441</u>	<u>1,077,846</u>	<u>22,405</u>	<u>293,200</u>	<u>250,205</u>	<u>(42,995)</u>
<u>(39,995)</u>	<u>(98,911)</u>	<u>(58,916)</u>	<u>(35,200)</u>	<u>(6,700)</u>	<u>28,500</u>
-	97,809	97,809	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>97,809</u>	<u>97,809</u>	<u>-</u>	<u>-</u>	<u>-</u>
(39,995)	(1,102)	38,893	(35,200)	(6,700)	28,500
402,425	402,425	-	130,245	130,245	-
<u>\$ 362,430</u>	<u>\$ 401,323</u>	<u>\$ 38,893</u>	<u>\$ 95,045</u>	<u>\$ 123,545</u>	<u>\$ 28,500</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, 2022

	Friend of the Court (215)		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	419,516	414,933	(4,583)
State	69,820	74,667	4,847
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	75,904	76,656	752
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>565,240</u>	<u>566,256</u>	<u>1,016</u>
<b>Expenditures</b>			
Current:			
Judicial	851,663	819,736	(31,927)
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Lease principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>851,663</u>	<u>819,736</u>	<u>(31,927)</u>
Revenues over (under) expenditures	<u>(286,423)</u>	<u>(253,480)</u>	<u>32,943</u>
<b>Other financing sources (uses)</b>			
Issuance of long-term leases	-	-	-
Transfers in	284,719	284,719	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>284,719</u>	<u>284,719</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,704)</u>	<u>31,239</u>	<u>32,943</u>
Fund balances, beginning of year	<u>212,155</u>	<u>212,155</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 210,451</u>	<u>\$ 243,394</u>	<u>\$ 32,943</u>



Community Development (246)			Building Safety and Permits (249)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	400,025	405,767	5,742
-	-	-	15,544	15,545	1
-	30	30	-	-	-
-	-	-	-	-	-
-	30	30	415,569	421,312	5,743
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	472,301	445,573	(26,728)
-	-	-	-	-	-
51,450	47,197	(4,253)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
51,450	47,197	(4,253)	472,301	445,573	(26,728)
(51,450)	(47,167)	4,283	(56,732)	(24,261)	32,471
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(51,450)	(47,167)	4,283	(56,732)	(24,261)	32,471
1,240,833	1,240,833	-	208,390	208,390	-
\$ 1,189,383	\$ 1,193,666	\$ 4,283	\$ 151,658	\$ 184,129	\$ 32,471

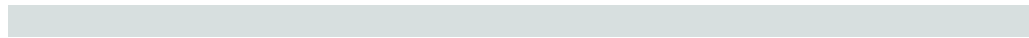
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**COUNTY OF NEWAYGO, MICHIGAN**

**Schedule of Revenues, Expenditures, and Change in Fund Balances**  
 Budget and Actual - Nonmajor Special Revenue Funds  
 For the Year Ended September 30, 2022

	<b>Register of Deeds Automation (256)</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	60,000	59,140	(860)
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>60,000</u>	<u>59,140</u>	<u>(860)</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	73,377	57,214	(16,163)
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Lease principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>73,377</u>	<u>57,214</u>	<u>(16,163)</u>
Revenues over (under) expenditures	<u>(13,377)</u>	<u>1,926</u>	<u>15,303</u>
<b>Other financing sources (uses)</b>			
Issuance of long-term leases	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(13,377)</u>	<u>1,926</u>	<u>15,303</u>
Fund balances, beginning of year	<u>91,903</u>	<u>91,903</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 78,526</u>	<u>\$ 93,829</u>	<u>\$ 15,303</u>





Law Enforcement Technical Fund (2661)			Indigent Defense (260)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	683,863	668,424	(15,439)
500	127	(373)	-	-	-
-	-	-	-	-	-
1,000	1,225	225	-	-	-
12,700	14,157	1,457	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,200</u>	<u>15,509</u>	<u>1,309</u>	<u>683,863</u>	<u>668,424</u>	<u>(15,439)</u>
-	-	-	883,304	845,554	(37,750)
-	-	-	-	-	-
14,200	1,473	(12,727)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,200</u>	<u>1,473</u>	<u>(12,727)</u>	<u>883,304</u>	<u>845,554</u>	<u>(37,750)</u>
-	14,036	14,036	(199,441)	(177,130)	22,311
-	-	-	-	-	-
-	-	-	199,441	199,441	-
-	-	-	-	-	-
-	-	-	199,441	199,441	-
-	14,036	14,036	-	22,311	22,311
17,310	17,310	-	11,063	11,063	-
<u>\$ 17,310</u>	<u>\$ 31,346</u>	<u>\$ 14,036</u>	<u>\$ 11,063</u>	<u>\$ 33,374</u>	<u>\$ 22,311</u>

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**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, 2022

	<b>Concealed Pistol Licensing Fund (263)</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	35,000	32,743	(2,257)
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	53	53
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>35,000</u>	<u>32,796</u>	<u>(2,204)</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	35,000	24,048	(10,952)
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Lease principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>35,000</u>	<u>24,048</u>	<u>(10,952)</u>
Revenues over (under) expenditures	<u>-</u>	<u>8,748</u>	<u>8,748</u>
<b>Other financing sources (uses)</b>			
Issuance of long-term leases	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>8,748</u>	<u>8,748</u>
Fund balances, beginning of year	61,504	61,504	-
<b>Fund balances, end of year</b>	<u>\$ 61,504</u>	<u>\$ 70,252</u>	<u>\$ 8,748</u>



Drug Law Enforcement (265)			County Law Library (269)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,500	4,500	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,500	4,500	-
-	-	-	12,788	11,270	(1,518)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	12,788	11,270	(1,518)
-	-	-	(8,288)	(6,770)	1,518
-	-	-	-	-	-
-	-	-	5,938	5,938	-
-	-	-	-	-	-
-	-	-	5,938	5,938	-
-	-	-	(2,350)	(832)	1,518
65,687	65,687	-	10,471	10,471	-
\$ 65,687	\$ 65,687	\$ -	\$ 8,121	\$ 9,639	\$ 1,518

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, 2022

	<b>Social Services (290)</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	20,000	21,916	1,916
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<u>20,000</u>	<u>21,916</u>	<u>1,916</u>
<b>Expenditures</b>			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	51,000	39,995	(11,005)
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Lease principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<u>51,000</u>	<u>39,995</u>	<u>(11,005)</u>
Revenues over (under) expenditures	<u>(31,000)</u>	<u>(18,079)</u>	<u>12,921</u>
<b>Other financing sources (uses)</b>			
Issuance of long-term leases	-	-	-
Transfers in	20,382	20,382	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>20,382</u>	<u>20,382</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(10,618)</u>	<u>2,303</u>	<u>12,921</u>
Fund balances, beginning of year	<u>80,255</u>	<u>80,255</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 69,637</u>	<u>\$ 82,558</u>	<u>\$ 12,921</u>



Child Care (292)			Soldiers' Relief (293)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ 161,114	\$ 160,818	\$ (296)
-	-	-	-	-	-
279,672	262,167	(17,505)	90,641	48,285	(42,356)
-	-	-	1,905	1,905	-
-	-	-	-	-	-
-	-	-	-	-	-
30,000	23,357	(6,643)	-	-	-
-	-	-	-	-	-
-	-	-	1,608	1,608	-
-	-	-	2	2	-
<u>309,672</u>	<u>285,524</u>	<u>(24,148)</u>	<u>255,270</u>	<u>212,618</u>	<u>(42,652)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
960,125	698,040	(262,085)	319,645	242,003	(77,642)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>960,125</u>	<u>698,040</u>	<u>(262,085)</u>	<u>319,645</u>	<u>242,003</u>	<u>(77,642)</u>
<u>(650,453)</u>	<u>(412,516)</u>	<u>237,937</u>	<u>(64,375)</u>	<u>(29,385)</u>	<u>34,990</u>
-	-	-	-	-	-
450,453	450,453	-	64,375	64,375	-
-	-	-	-	-	-
<u>450,453</u>	<u>450,453</u>	<u>-</u>	<u>64,375</u>	<u>64,375</u>	<u>-</u>
(200,000)	37,937	237,937	-	34,990	34,990
<u>1,075,717</u>	<u>1,075,717</u>	<u>-</u>	<u>149,920</u>	<u>149,920</u>	<u>-</u>
<u>\$ 875,717</u>	<u>\$ 1,113,654</u>	<u>\$ 237,937</u>	<u>\$ 149,920</u>	<u>\$ 184,910</u>	<u>\$ 34,990</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, 2022

	Total		
	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ 161,114	\$ 160,818	\$ (296)
Intergovernmental:			
Federal	728,647	730,356	1,709
State	1,304,818	1,207,570	(97,248)
Local	14,501	14,128	(373)
Licenses and permits	35,000	32,743	(2,257)
Fines and forfeitures	5,500	5,725	225
Charges for services	1,863,040	1,841,686	(21,354)
Interest and rentals	15,544	15,598	54
Contributions from private sources	80,808	80,838	30
Other revenue/reimbursements	13,511	6,395	(7,116)
<b>Total revenues</b>	<u>4,222,483</u>	<u>4,095,857</u>	<u>(126,626)</u>
<b>Expenditures</b>			
Current:			
Judicial	1,747,755	1,676,560	(71,195)
General government	108,377	81,262	(27,115)
Public safety	1,000,752	902,738	(98,014)
Health and welfare	1,330,770	980,038	(350,732)
Community and economic development	51,450	47,197	(4,253)
Recreation and cultural	1,326,280	1,207,881	(118,399)
Debt service:			
Lease principal	37,077	37,077	-
Interest	576	576	-
Capital outlay	-	128,796	128,796
<b>Total expenditures</b>	<u>5,603,037</u>	<u>5,062,125</u>	<u>(540,912)</u>
Revenues over (under) expenditures	<u>(1,380,554)</u>	<u>(966,268)</u>	<u>414,286</u>
<b>Other financing sources (uses)</b>			
Issuance of long-term leases	-	128,796	128,796
Transfers in	1,240,884	1,240,884	-
Transfers out	(798,303)	(798,303)	-
<b>Total other financing sources (uses)</b>	<u>442,581</u>	<u>571,377</u>	<u>128,796</u>
<b>Net change in fund balances</b>	<u>(937,973)</u>	<u>(394,891)</u>	<u>543,082</u>
Fund balances, beginning of year	<u>4,693,553</u>	<u>4,693,553</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 3,755,580</u>	<u>\$ 4,298,662</u>	<u>\$ 543,082</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Nonmajor Debt Service Funds

September 30, 2022

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (396)	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 437,209	\$ 229,423	\$ 188,884	\$ 855,516
Taxes receivable	-	25	-	25
Due from other governments	45,570	-	-	45,570
<b>Total assets</b>	<u>\$ 482,779</u>	<u>\$ 229,448</u>	<u>\$ 188,884</u>	<u>\$ 901,111</u>
<b>Fund balances</b>				
Restricted	\$ -	\$ 229,448	\$ 188,884	\$ 418,332
Committed	482,779	-	-	482,779
<b>Total fund balances</b>	<u>\$ 482,779</u>	<u>\$ 229,448</u>	<u>\$ 188,884</u>	<u>\$ 901,111</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, 2022

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (396)	Total
<b>Revenues</b>				
Taxes	\$ -	\$ 609,535	\$ -	\$ 609,535
Intergovernmental:				
State	-	51,819	-	51,819
Local	-	-	91,875	91,875
Charges for services	554,435	-	-	554,435
Interest and rentals	-	843	-	843
Other revenues/reimbursements	-	-	250	250
<b>Total revenues</b>	<u>554,435</u>	<u>662,197</u>	<u>92,125</u>	<u>1,308,757</u>
<b>Expenditures</b>				
Debt service:				
Principal	530,000	595,000	81,000	1,206,000
Interest	53,675	45,376	19,875	118,926
<b>Total expenditures</b>	<u>583,675</u>	<u>640,376</u>	<u>100,875</u>	<u>1,324,926</u>
Revenues over (under) expenditures	(29,240)	21,821	(8,750)	(16,169)
<b>Other financing uses</b>				
Transfers out	-	-	(20,000)	(20,000)
<b>Net change in fund balances</b>	(29,240)	21,821	(28,750)	(36,169)
Fund balances, beginning of year	<u>512,019</u>	<u>207,627</u>	<u>217,634</u>	<u>937,280</u>
<b>Fund balances, end of year</b>	<u><u>\$ 482,779</u></u>	<u><u>\$ 229,448</u></u>	<u><u>\$ 188,884</u></u>	<u><u>\$ 901,111</u></u>



**NONMAJOR ENTERPRISE FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Nonmajor Enterprise Funds

September 30, 2022

	2020 Delinquent Tax (516202)	2022 Delinquent Tax (516222)	Sanitary Sewer Construction (852)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 144,345	\$ 1,025	\$ -
Accounts receivable	-	-	-
Delinquent taxes receivable	549,171	(1,025)	-
Current portion of installment sales agreement	-	-	20,000
Prepays	1,505	-	-
<b>Total current assets</b>	<u>695,021</u>	<u>-</u>	<u>20,000</u>
Noncurrent assets:			
Installment sales agreement, net of current portion	-	-	49,180
Capital assets being depreciated, net	-	-	-
<b>Total noncurrent assets</b>	<u>-</u>	<u>-</u>	<u>49,180</u>
<b>Total assets</b>	<u>695,021</u>	<u>-</u>	<u>69,180</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	54	-	-
Due to other funds	150,000	-	-
Current portion of long-term debt	-	-	20,000
<b>Total current liabilities</b>	<u>150,054</u>	<u>-</u>	<u>20,000</u>
Noncurrent liabilities -			
Long-term debt, net of current portion	-	-	49,180
<b>Total liabilities</b>	<u>150,054</u>	<u>-</u>	<u>69,180</u>
<b>Net position</b>			
Investment in capital assets	-	-	-
Unrestricted	544,967	-	-
<b>Total net position</b>	<u>\$ 544,967</u>	<u>\$ -</u>	<u>\$ -</u>



<b>PRE Audit (530)</b>	<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ 22,646	\$ 264,587	\$ 946,375	\$ 1,378,978
-	-	43,960	43,960
-	-	-	548,146
-	-	-	20,000
-	-	-	1,505
<u>22,646</u>	<u>264,587</u>	<u>990,335</u>	<u>1,992,589</u>
-	-	-	49,180
-	-	53,673	53,673
-	-	53,673	102,853
<u>22,646</u>	<u>264,587</u>	<u>1,044,008</u>	<u>2,095,442</u>
15,116	-	11,944	27,114
-	-	-	150,000
-	-	-	20,000
<u>15,116</u>	<u>-</u>	<u>11,944</u>	<u>197,114</u>
-	-	-	49,180
<u>15,116</u>	<u>-</u>	<u>11,944</u>	<u>246,294</u>
-	-	53,673	53,673
<u>7,530</u>	<u>264,587</u>	<u>978,391</u>	<u>1,795,475</u>
<u>\$ 7,530</u>	<u>\$ 264,587</u>	<u>\$ 1,032,064</u>	<u>\$ 1,849,148</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, 2022

	2020 Delinquent Tax (516202)	2022 Delinquent Tax (516222)	Sanitary Sewer Construction (852)
<b>Operating revenues</b>			
Charges for services	\$ -	\$ -	\$ -
Rentals	-	-	-
Interest and penalties on delinquent taxes	173,173	-	-
Reimbursements	-	-	-
<b>Total operating revenues</b>	<u>173,173</u>	<u>-</u>	<u>-</u>
<b>Operating expenses</b>			
Supplies and operating expenses	3,011	-	-
Depreciation	-	-	-
<b>Total operating expenses</b>	<u>3,011</u>	<u>-</u>	<u>-</u>
Income before transfers	170,162	-	-
<b>Transfers</b>			
Transfers out	-	-	-
<b>Change in net position</b>	170,162	-	-
Net position, beginning of year	<u>374,805</u>	<u>-</u>	<u>-</u>
<b>Net position, end of year</b>	<u>\$ 544,967</u>	<u>\$ -</u>	<u>\$ -</u>



<b>PRE Audit (530)</b>	<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ -	\$ -	\$ 608,576	\$ 608,576
-	110,232	-	110,232
-	-	-	173,173
-	-	19,496	19,496
-	110,232	628,072	911,477
-	56,274	188,433	247,718
-	-	11,500	11,500
-	56,274	199,933	259,218
-	53,958	428,139	652,259
(20,332)	(25,000)	(260,000)	(305,332)
(20,332)	28,958	168,139	346,927
27,862	235,629	863,925	1,502,221
<u>\$ 7,530</u>	<u>\$ 264,587</u>	<u>\$ 1,032,064</u>	<u>\$ 1,849,148</u>

## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2022

	2020 Delinquent Tax (516202)	2022 Delinquent Tax (516222)	Sanitary Sewer Construction (852)
<b>Cash flows from operating activities</b>			
Receipts from customers and users	\$ 1,379,294	\$ 1,025	\$ -
Payments to vendors	(4,516)	-	-
<b>Net cash provided by operating activities</b>	<u>1,374,778</u>	<u>1,025</u>	<u>-</u>
<b>Cash flows from noncapital financing activities</b>			
Cash paid for interfund loan	(1,350,000)	-	-
Transfers out	-	-	-
<b>Net cash used in noncapital financing activities</b>	<u>(1,350,000)</u>	<u>-</u>	<u>-</u>
<b>Cash flows from capital financing activities</b>			
Principal paid on long-term debt	-	-	(390,000)
Interest paid on long-term debt	-	-	(16,086)
Cash received from installment sales agreement	-	-	406,086
Purchases of capital assets	-	-	-
<b>Net cash used in capital financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in cash and cash equivalents</b>	<u>24,778</u>	<u>1,025</u>	<u>-</u>
Cash and cash equivalents, beginning of year	<u>119,567</u>	<u>-</u>	<u>-</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 144,345</u>	<u>\$ 1,025</u>	<u>\$ -</u>



<b>PRE Audit (530)</b>	<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ 6,393	\$ 110,232	\$ 601,168	\$ 2,098,112
<u>-</u>	<u>(56,274)</u>	<u>(192,096)</u>	<u>(252,886)</u>
<u>6,393</u>	<u>53,958</u>	<u>409,072</u>	<u>1,845,226</u>
-	-	-	(1,350,000)
<u>(20,332)</u>	<u>(25,000)</u>	<u>(260,000)</u>	<u>(305,332)</u>
<u>(20,332)</u>	<u>(25,000)</u>	<u>(260,000)</u>	<u>(1,655,332)</u>
-	-	-	(390,000)
-	-	-	(16,086)
-	-	-	406,086
<u>-</u>	<u>-</u>	<u>(32,443)</u>	<u>(32,443)</u>
<u>-</u>	<u>-</u>	<u>(32,443)</u>	<u>(32,443)</u>
(13,939)	28,958	116,629	157,451
<u>36,585</u>	<u>235,629</u>	<u>829,746</u>	<u>1,221,527</u>
<u>\$ 22,646</u>	<u>\$ 264,587</u>	<u>\$ 946,375</u>	<u>\$ 1,378,978</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2022

	2020 Delinquent Tax (516202)	2022 Delinquent Tax (516222)	Sanitary Sewer Construction (852)
<b>Reconciliation of operating income to net cash provided by operating activities</b>			
Operating income	\$ 170,162	\$ -	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	-	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	-	-
Delinquent taxes receivable	1,206,121	1,025	-
Prepays	(1,505)	-	-
Accounts payable	-	-	-
<b>Net cash provided by operating activities</b>	<b>\$ 1,374,778</b>	<b>\$ 1,025</b>	<b>\$ -</b>





<b>PRE Audit (530)</b>	<b>Building Authority (569)</b>	<b>Jail Commissary (595)</b>	<b>Total</b>
\$ -	\$ 53,958	\$ 428,139	\$ 652,259
-	-	11,500	11,500
-	-	(26,904)	(26,904)
-	-	-	1,207,146
-	-	-	(1,505)
<u>6,393</u>	<u>-</u>	<u>(3,663)</u>	<u>2,730</u>
<u>\$ 6,393</u>	<u>\$ 53,958</u>	<u>\$ 409,072</u>	<u>\$ 1,845,226</u>

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## **INTERNAL SERVICE FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Internal Service Funds

September 30, 2022

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 197,239	\$ 125,384	\$ 59,311
Accounts receivable	-	-	1,487
Due from other funds	-	-	-
Prepays	-	-	18,186
<b>Total current assets</b>	<b>197,239</b>	<b>125,384</b>	<b>78,984</b>
Noncurrent assets -			
Capital assets being depreciated/amortized, net	74,852	-	7,850
<b>Total assets</b>	<b>272,091</b>	<b>125,384</b>	<b>86,834</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	18,323	-	10,000
Accrued expenses	11,036	6,345	-
Due to other funds	-	-	-
Current portion of leases payable	10,774	-	-
Current portion of long-term debt	-	-	-
<b>Total current liabilities</b>	<b>40,133</b>	<b>6,345</b>	<b>10,000</b>
Noncurrent liabilities:			
Leases payable, net of current portion	48,266	-	-
Long-term debt, net of current portion	-	-	-
<b>Total noncurrent liabilities</b>	<b>48,266</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>88,399</b>	<b>6,345</b>	<b>10,000</b>
<b>Net position</b>			
Net investment in capital assets	15,812	-	7,850
Unrestricted	167,880	119,039	68,984
<b>Total net position</b>	<b>\$ 183,692</b>	<b>\$ 119,039</b>	<b>\$ 76,834</b>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 164,349	\$ 85,402	\$ 190,273	\$ 188,020	\$ 211,347
15	13,472	-	-	-
-	-	-	-	-
21,942	1,283	-	3,831	-
<u>186,306</u>	<u>100,157</u>	<u>190,273</u>	<u>191,851</u>	<u>211,347</u>
83,996	69,294	29,113	49,021	108,105
<u>270,302</u>	<u>169,451</u>	<u>219,386</u>	<u>240,872</u>	<u>319,452</u>
76,778	1,180	8,450	680	242
2,313	-	-	-	-
-	51,729	-	-	-
-	6,161	-	-	23,575
-	-	-	-	-
<u>79,091</u>	<u>59,070</u>	<u>8,450</u>	<u>680</u>	<u>23,817</u>
-	27,004	-	-	90,698
-	-	-	-	-
-	<u>27,004</u>	-	-	<u>90,698</u>
<u>79,091</u>	<u>86,074</u>	<u>8,450</u>	<u>680</u>	<u>114,515</u>
83,996	36,129	29,113	49,021	(6,168)
<u>107,215</u>	<u>47,248</u>	<u>181,823</u>	<u>191,171</u>	<u>211,105</u>
<u>\$ 191,211</u>	<u>\$ 83,377</u>	<u>\$ 210,936</u>	<u>\$ 240,192</u>	<u>\$ 204,937</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Internal Service Funds

September 30, 2022

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 76,216	\$ 1,326,426	\$ 366,154
Accounts receivable	-	49,868	-
Due from other funds	-	-	-
Prepays	-	316,939	169,351
<b>Total current assets</b>	<u>76,216</u>	<u>1,693,233</u>	<u>535,505</u>
Noncurrent assets -			
Capital assets being depreciated/amortized, net	-	-	-
<b>Total assets</b>	<u>76,216</u>	<u>1,693,233</u>	<u>535,505</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	-	175,792	-
Accrued expenses	804	54,344	366,340
Due to other funds	-	1	-
Current portion of leases payable	-	-	-
Current portion of long-term debt	-	-	-
<b>Total current liabilities</b>	<u>804</u>	<u>230,137</u>	<u>366,340</u>
Noncurrent liabilities:			
Leases payable, net of current portion	-	-	-
Long-term debt, net of current portion	-	-	-
<b>Total noncurrent liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>804</u>	<u>230,137</u>	<u>366,340</u>
<b>Net position</b>			
Net investment in capital assets	-	-	-
Unrestricted	75,412	1,463,096	169,165
<b>Total net position</b>	<u>\$ 75,412</u>	<u>\$ 1,463,096</u>	<u>\$ 169,165</u>



<b>Workers' Compensation (696)</b>	<b>Retirement (698)</b>	<b>Unused Sick and Vacation (697)</b>	<b>Total</b>
\$ 241,437	\$ 407,689	\$ 921,865	\$ 4,561,112
91,449	-	-	156,291
-	-	7	7
79,277	-	-	610,809
<u>412,163</u>	<u>407,689</u>	<u>921,872</u>	<u>5,328,219</u>
-	-	-	422,231
<u>412,163</u>	<u>407,689</u>	<u>921,872</u>	<u>5,750,450</u>
-	495	87	292,027
3,742	-	17,785	462,709
-	-	-	51,730
-	-	-	40,510
-	-	53,201	53,201
<u>3,742</u>	<u>495</u>	<u>71,073</u>	<u>900,177</u>
-	-	-	165,968
-	-	470,749	470,749
-	-	470,749	636,717
<u>3,742</u>	<u>495</u>	<u>541,822</u>	<u>1,536,894</u>
-	-	-	215,753
<u>408,421</u>	<u>407,194</u>	<u>380,050</u>	<u>3,997,803</u>
<u>\$ 408,421</u>	<u>\$ 407,194</u>	<u>\$ 380,050</u>	<u>\$ 4,213,556</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, 2022

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Operating revenues</b>			
Charges for services	\$ 673,200	\$ 246,563	\$ 2,265
Reimbursements	-	-	-
<b>Total operating revenues</b>	<u>673,200</u>	<u>246,563</u>	<u>2,265</u>
<b>Operating expenses</b>			
Supplies and operating expenses	672,635	206,646	4,893
Depreciation/amortization	11,802	-	1,962
<b>Total operating expenses</b>	<u>684,437</u>	<u>206,646</u>	<u>6,855</u>
Operating income (loss)	<u>(11,237)</u>	<u>39,917</u>	<u>(4,590)</u>
<b>Nonoperating revenues (expenses)</b>			
Investment earnings	-	-	-
Interest expense	(304)	-	-
Gain (loss) on sale of capital assets	-	-	-
Insurance pool distribution	-	-	-
<b>Total nonoperating revenues (expenses)</b>	<u>(304)</u>	<u>-</u>	<u>-</u>
<b>Change in net position</b>	(11,541)	39,917	(4,590)
Net position, beginning of year	<u>195,233</u>	<u>79,122</u>	<u>81,424</u>
<b>Net position, end of year</b>	<u>\$ 183,692</u>	<u>\$ 119,039</u>	<u>\$ 76,834</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>
\$ 700,353	\$ 158,853	\$ 77,072	\$ 61,143	\$ 24,105
-	106	-	-	-
<u>700,353</u>	<u>158,959</u>	<u>77,072</u>	<u>61,143</u>	<u>24,105</u>
647,864	166,060	61,367	15,229	135,171
24,310	14,611	9,644	14,706	26,759
<u>672,174</u>	<u>180,671</u>	<u>71,011</u>	<u>29,935</u>	<u>161,930</u>
<u>28,179</u>	<u>(21,712)</u>	<u>6,061</u>	<u>31,208</u>	<u>(137,825)</u>
-	2,103	-	-	-
-	(206)	-	-	(617)
-	-	(2,955)	-	135,281
-	-	-	-	-
<u>-</u>	<u>1,897</u>	<u>(2,955)</u>	<u>-</u>	<u>134,664</u>
28,179	(19,815)	3,106	31,208	(3,161)
<u>163,032</u>	<u>103,192</u>	<u>207,830</u>	<u>208,984</u>	<u>208,098</u>
<u>\$ 191,211</u>	<u>\$ 83,377</u>	<u>\$ 210,936</u>	<u>\$ 240,192</u>	<u>\$ 204,937</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, 2022

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Operating revenues</b>			
Charges for services	\$ -	\$ -	\$ -
Reimbursements	34,888	3,350,332	404,253
<b>Total operating revenues</b>	<u>34,888</u>	<u>3,350,332</u>	<u>404,253</u>
<b>Operating expenses</b>			
Supplies and operating expenses	28,331	4,184,280	568,541
Depreciation/amortization	-	-	-
<b>Total operating expenses</b>	<u>28,331</u>	<u>4,184,280</u>	<u>568,541</u>
Operating income (loss)	<u>6,557</u>	<u>(833,948)</u>	<u>(164,288)</u>
<b>Nonoperating revenues (expenses)</b>			
Investment earnings	-	-	-
Interest expense	-	-	-
Gain (loss) on sale of capital assets	-	-	-
Insurance pool distribution	-	-	54,208
<b>Total nonoperating revenues (expenses)</b>	<u>-</u>	<u>-</u>	<u>54,208</u>
<b>Change in net position</b>	6,557	(833,948)	(110,080)
Net position, beginning of year	<u>68,855</u>	<u>2,297,044</u>	<u>279,245</u>
<b>Net position, end of year</b>	<u>\$ 75,412</u>	<u>\$ 1,463,096</u>	<u>\$ 169,165</u>



<b>Workers' Compensation (696)</b>	<b>Retirement (698)</b>	<b>Unused Sick and Vacation (697)</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ 1,943,554
<u>456,666</u>	<u>1,937,726</u>	<u>402,226</u>	<u>6,586,197</u>
<u>456,666</u>	<u>1,937,726</u>	<u>402,226</u>	<u>8,529,751</u>
446,144	1,874,652	359,125	9,370,938
<u>-</u>	<u>-</u>	<u>-</u>	<u>103,794</u>
<u>446,144</u>	<u>1,874,652</u>	<u>359,125</u>	<u>9,474,732</u>
<u>10,522</u>	<u>63,074</u>	<u>43,101</u>	<u>(944,981)</u>
-	-	-	2,103
-	-	-	(1,127)
-	-	-	132,326
<u>91,449</u>	<u>-</u>	<u>-</u>	<u>145,657</u>
<u>91,449</u>	<u>-</u>	<u>-</u>	<u>278,959</u>
101,971	63,074	43,101	(666,022)
<u>306,450</u>	<u>344,120</u>	<u>336,949</u>	<u>4,879,578</u>
<u>\$ 408,421</u>	<u>\$ 407,194</u>	<u>\$ 380,050</u>	<u>\$ 4,213,556</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2022

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Cash flows from operating activities</b>			
Receipts from interfund services	\$ 673,200	\$ 246,563	\$ 2,953
Payments to vendors	(303,144)	(11,724)	(12,843)
Payments for personnel services	(370,985)	(194,798)	-
<b>Net cash provided by (used in) operating activities</b>	<u>(929)</u>	<u>40,041</u>	<u>(9,890)</u>
<b>Cash flows from noncapital financing activities</b>			
Insurance pool distribution	-	-	-
<b>Cash flows from capital and related financing activities</b>			
Principal paid on leases payable	(7,603)	-	-
Interest paid on leases payable	(613)	-	-
Proceeds from sale of capital assets	-	-	-
Purchase of capital assets	(5,953)	-	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(14,169)</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>	(15,098)	40,041	(9,890)
Cash and cash equivalents, beginning of year	<u>212,337</u>	<u>85,343</u>	<u>69,201</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 197,239</u>	<u>\$ 125,384</u>	<u>\$ 59,311</u>
<b>Noncash capital and related financing activity</b>			
Leased assets acquired through leases payable	<u>\$ 68,495</u>	<u>\$ -</u>	<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>
\$ 700,338	\$ 178,724	\$ 77,072	\$ 61,143	\$ 24,105
(543,938)	(45,641)	(61,054)	(14,633)	(135,365)
(77,164)	(119,851)	-	-	-
<u>79,236</u>	<u>13,232</u>	<u>16,018</u>	<u>46,510</u>	<u>(111,260)</u>
-	-	-	-	-
-	(3,670)	-	-	(22,257)
-	(309)	-	-	(617)
-	-	-	-	135,281
-	-	(29,856)	-	-
<u>-</u>	<u>(3,979)</u>	<u>(29,856)</u>	<u>-</u>	<u>112,407</u>
-	2,103	-	-	-
79,236	11,356	(13,838)	46,510	1,147
<u>85,113</u>	<u>74,046</u>	<u>204,111</u>	<u>141,510</u>	<u>210,200</u>
<u>\$ 164,349</u>	<u>\$ 85,402</u>	<u>\$ 190,273</u>	<u>\$ 188,020</u>	<u>\$ 211,347</u>
<u>\$ -</u>	<u>\$ 24,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,634</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2022

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Cash flows from operating activities</b>			
Receipts from interfund services	\$ 34,888	\$ 3,428,936	\$ 404,253
Payments to vendors	(761)	(4,218,321)	(492,262)
Payments for personnel services	(27,476)	(211,195)	-
<b>Net cash provided by (used in) operating activities</b>	<u>6,651</u>	<u>(1,000,580)</u>	<u>(88,009)</u>
<b>Cash flows from noncapital financing activities</b>			
Insurance pool distribution	-	-	54,208
<b>Cash flows from capital and related financing activities</b>			
Principal paid on leases payable	-	-	-
Interest paid on leases payable	-	-	-
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>	6,651	(1,000,580)	(33,801)
Cash and cash equivalents, beginning of year	<u>69,565</u>	<u>2,327,006</u>	<u>399,955</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 76,216</u>	<u>\$ 1,326,426</u>	<u>\$ 366,154</u>
<b>Noncash capital and related financing activity</b>			
Leased assets acquired through leases payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



<b>Workers' Compensation (696)</b>	<b>Retirement (698)</b>	<b>Unused Sick and Vacation (697)</b>	<b>Total</b>
\$ 365,217	\$ 1,937,726	\$ 438,644	\$ 8,573,762
(322,593)	(1,277)	(41,305)	(6,204,861)
(118,923)	(1,872,880)	(296,743)	(3,290,015)
<u>(76,299)</u>	<u>63,569</u>	<u>100,596</u>	<u>(921,114)</u>
<u>91,449</u>	<u>-</u>	<u>-</u>	<u>145,657</u>
-	-	-	(33,530)
-	-	-	(1,539)
-	-	-	135,281
-	-	-	(35,809)
<u>-</u>	<u>-</u>	<u>-</u>	<u>64,403</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,103</u>
15,150	63,569	100,596	(708,951)
<u>226,287</u>	<u>344,120</u>	<u>821,269</u>	<u>5,270,063</u>
<u>\$ 241,437</u>	<u>\$ 407,689</u>	<u>\$ 921,865</u>	<u>\$ 4,561,112</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,429</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2022

	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)	\$ (11,237)	\$ 39,917	\$ (4,590)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation/amortization expense	11,802	-	1,962
Change in operating assets and liabilities:			
Accounts receivable	-	-	(341)
Due from other funds	-	-	1,029
Prepays	447	-	(8,138)
Accounts payable	(1,326)	-	188
Accrued expenses	(615)	124	-
Due to other funds	-	-	-
Compensated absences	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (929)</u>	<u>\$ 40,041</u>	<u>\$ (9,890)</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>
\$ 28,179	\$ (21,712)	\$ 6,061	\$ 31,208	\$ (137,825)
24,310	14,611	9,644	14,706	26,759
(15)	15,432	-	-	-
-	-	-	-	-
14,381	801	1,200	705	-
12,108	(233)	(887)	(109)	(194)
273	-	-	-	-
-	4,333	-	-	-
-	-	-	-	-
<u>\$ 79,236</u>	<u>\$ 13,232</u>	<u>\$ 16,018</u>	<u>\$ 46,510</u>	<u>\$ (111,260)</u>

continued...

## COUNTY OF NEWAYGO, MICHIGAN

### Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2022

	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)	\$ 6,557	\$ (833,948)	\$ (164,288)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation/amortization expense	-	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	78,604	-
Due from other funds	-	-	-
Prepays	-	(297,180)	(42,726)
Accounts payable	-	174,196	-
Accrued expenses	94	(120,174)	119,005
Due to other funds	-	(2,078)	-
Compensated absences	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 6,651</u>	<u>\$ (1,000,580)</u>	<u>\$ (88,009)</u>



<b>Workers' Compensation (696)</b>	<b>Retirement (698)</b>	<b>Unused Sick and Vacation (697)</b>	<b>Total</b>
\$ 10,522	\$ 63,074	\$ 43,101	\$ (944,981)
-	-	-	103,794
(91,449)	-	-	2,231
-	-	36,418	37,447
4,184	-	-	(326,326)
-	495	(858)	183,380
444	-	8,917	8,068
-	-	-	2,255
-	-	13,018	13,018
<u>\$ (76,299)</u>	<u>\$ 63,569</u>	<u>\$ 100,596</u>	<u>\$ (921,114)</u>

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## **CUSTODIAL FUNDS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Fiduciary Net Position

Custodial Funds

September 30, 2022

	Trust and Agency (701)	Inmate Custodial (714)	Library Penal (721)	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 5,265,582	\$ 77,554	\$ 130,302	\$ 5,473,438
<b>Liabilities</b>				
Accounts payable	17,004	-	-	17,004
Due to other governments	5,248,578	-	-	5,248,578
Undistributed receipts	-	-	130,302	130,302
<b>Total liabilities</b>	<b>5,265,582</b>	<b>-</b>	<b>130,302</b>	<b>5,395,884</b>
<b>Net position</b>				
Restricted for:				
Individuals, organizations and other governments	-	77,554	-	77,554

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

For the Year Ended September 30, 2022

	Trust and Agency (701)	Inmate Custodial (714)	Library Penal (721)	Total
<b>Additions</b>				
Circuit court juvenile division collections	\$ 6,907	\$ -	\$ -	\$ 6,907
County clerk collections	52,813	-	-	52,813
District court collections	301,864	-	-	301,864
Circuit court clerk collections	86,480	-	-	86,480
Probate court collections	59,381	-	-	59,381
Friend of the court collections	663	-	-	663
Register of deeds collections	2,038,554	-	-	2,038,554
County treasurer collections	10,068,822	-	-	10,068,822
Sheriff's collections	11,979	-	-	11,979
County jail collections	1,821	-	-	1,821
Other	534	-	-	534
Inmate collections	-	1,565,167	-	1,565,167
Library penal fines collections	-	-	148,681	148,681
<b>Total additions</b>	<b>12,629,818</b>	<b>1,565,167</b>	<b>148,681</b>	<b>14,343,666</b>
<b>Deductions</b>				
Circuit court juvenile division distributions	6,907	-	-	6,907
County clerk distributions	52,843	-	-	52,843
District court distributions	301,864	-	-	301,864
Circuit court clerk distributions	86,450	-	-	86,450
Probate court distributions	59,381	-	-	59,381
Friend of the court distributions	663	-	-	663
Register of deeds distributions	2,038,554	-	-	2,038,554
County treasurer distributions	10,068,822	-	-	10,068,822
Sheriff's distributions	11,979	-	-	11,979
County jail distributions	1,821	-	-	1,821
Other	534	-	-	534
Inmate distributions	-	1,587,754	-	1,587,754
Library penal fines distributions	-	-	148,681	148,681
<b>Total deductions</b>	<b>12,629,818</b>	<b>1,587,754</b>	<b>148,681</b>	<b>14,366,253</b>
<b>Change in net position</b>	<b>-</b>	<b>(22,587)</b>	<b>-</b>	<b>(22,587)</b>
Net position, beginning of year	-	100,141	-	100,141
Net position, end of year	\$ -	\$ 77,554	\$ -	\$ 77,554

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## **COMPONENT UNITS**

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet

Drain Commissioner Component Unit

September 30, 2022

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
<b>Assets</b>				
Cash and cash equivalents	\$ 752,604	\$ 142,615	\$ 65,622	\$ 132,622
Due from other governments	119,498	-	-	-
Special assessments receivable	2,317,814	-	20,000	80,500
Due from other funds	-	157,417	-	-
<b>Total assets</b>	<b>\$ 3,189,916</b>	<b>\$ 300,032</b>	<b>\$ 85,622</b>	<b>\$ 213,122</b>
<b>Liabilities</b>				
Accounts payable	\$ 117,160	\$ 32	\$ -	\$ 7,400
Due to other funds	157,417	-	-	-
Advance from primary government	-	300,000	-	-
<b>Total liabilities</b>	<b>274,577</b>	<b>300,032</b>	<b>-</b>	<b>7,400</b>
<b>Deferred inflows of resources</b>				
Unavailable revenues - special assessments	2,317,814	-	20,000	80,500
<b>Fund balances</b>				
Restricted for drain maintenance and construction	597,525	-	65,622	125,222
Restricted for debt service	-	-	-	-
<b>Total fund balances</b>	<b>597,525</b>	<b>-</b>	<b>65,622</b>	<b>125,222</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 3,189,916</b>	<b>\$ 300,032</b>	<b>\$ 85,622</b>	<b>\$ 213,122</b>

Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Drain Debt Service (851)	Total
\$ 45,522	\$ 95,090	\$ 26,333	\$ 6,414	\$ 94,269	\$ 1,361,091
-	-	-	-	-	119,498
18,000	82,800	25,000	11,880	-	2,555,994
-	-	-	-	-	157,417
<u>\$ 63,522</u>	<u>\$ 177,890</u>	<u>\$ 51,333</u>	<u>\$ 18,294</u>	<u>\$ 94,269</u>	<u>\$ 4,194,000</u>
\$ -	\$ 20,850	\$ 3,352	\$ -	\$ -	\$ 148,794
-	-	-	-	-	157,417
-	-	-	-	-	300,000
-	20,850	3,352	-	-	606,211
18,000	82,800	25,000	11,880	-	2,555,994
45,522	74,240	22,981	6,414	-	937,526
-	-	-	-	94,269	94,269
<u>45,522</u>	<u>74,240</u>	<u>22,981</u>	<u>6,414</u>	<u>94,269</u>	<u>1,031,795</u>
<u>\$ 63,522</u>	<u>\$ 177,890</u>	<u>\$ 51,333</u>	<u>\$ 18,294</u>	<u>\$ 94,269</u>	<u>\$ 4,194,000</u>

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# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Fund Balances for Governmental Funds  
to Net Position of Governmental Activities  
Drain Commissioner Component Unit  
September 30, 2022

**Fund balances - total governmental funds** \$ 1,031,795

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	221,529
Capital assets being depreciated, net	1,677,143

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	2,555,994
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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	(1,282,200)
Premium on long-term debt	<u>(18,157)</u>

**Net position of governmental activities** \$ 4,186,104

## COUNTY OF NEWAYGO, MICHIGAN

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

Drain Commissioner Component Unit  
For the Year Ended September 30, 2022

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
<b>Revenues</b>				
Special assessments	\$ 528,215	\$ -	\$ 40,200	\$ 80,330
Unrestricted investment earnings	258	-	-	-
<b>Total revenues</b>	<u>528,473</u>	<u>-</u>	<u>40,200</u>	<u>80,330</u>
<b>Expenditures</b>				
Current - public works	352,314	-	35,416	43,317
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>352,314</u>	<u>-</u>	<u>35,416</u>	<u>43,317</u>
Revenues over (under) expenditures	<u>176,159</u>	<u>-</u>	<u>4,784</u>	<u>37,013</u>
<b>Net change in fund balances</b>	176,159	-	4,784	37,013
Fund balances, beginning of year	<u>421,366</u>	<u>-</u>	<u>60,838</u>	<u>88,209</u>
<b>Fund balances, end of year</b>	<u>\$ 597,525</u>	<u>\$ -</u>	<u>\$ 65,622</u>	<u>\$ 125,222</u>

<b>Diamond Lake Board (847)</b>	<b>Pickeral and Kimball Lakes Board (848)</b>	<b>Ryerson Lake Board (849)</b>	<b>Engel Wright Lake Board (850)</b>	<b>Drain Debt Service (851)</b>	<b>Total</b>
\$ 20,000	\$ 82,544	\$ 30,000	\$ 10,800	\$ 395,457	\$ 1,187,546
-	-	-	-	-	258
20,000	82,544	30,000	10,800	395,457	1,187,804
18,571	87,029	48,617	13,560	-	598,824
-	-	-	-	294,687	294,687
-	-	-	-	46,783	46,783
18,571	87,029	48,617	13,560	341,470	940,294
1,429	(4,485)	(18,617)	(2,760)	53,987	247,510
1,429	(4,485)	(18,617)	(2,760)	53,987	247,510
44,093	78,725	41,598	9,174	40,282	784,285
<u>\$ 45,522</u>	<u>\$ 74,240</u>	<u>\$ 22,981</u>	<u>\$ 6,414</u>	<u>\$ 94,269</u>	<u>\$ 1,031,795</u>

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## 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, 2022

**Net change in fund balances - total governmental funds** \$ 247,510

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	344,071
Depreciation expense	(102,190)

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	220,788
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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	294,687
Amortization of premium on long-term debt	1,165

**Change in net position of governmental activities** \$ 1,006,031

# COUNTY OF NEWAYGO, MICHIGAN

## Balance Sheet / Statement of Net Position

Brownfield Redevelopment Authority Component Unit

September 30, 2022

	Governmental Fund (243)	Adjustments	Statement of Activities
<b>Assets</b>			
Cash and cash equivalents	\$ 65,280	\$ -	\$ 65,280
<b>Liabilities</b>			
Accounts payable	\$ 387	-	387
<b>Fund balance</b>			
Unassigned	64,893	(64,893)	
<b>Total liabilities and fund balances</b>	<u>\$ 65,280</u>		
<b>Net position</b>			
Unrestricted		<u>\$ 64,893</u>	<u>\$ 64,893</u>

## COUNTY OF NEWAYGO, MICHIGAN

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

Statement of Activities

Brownfield Redevelopment Authority Component Unit

For the Year Ended September 30, 2022

	Governmental Fund (243)	Adjustments	Statement of Net Position
<b>Revenues</b>			
Property taxes	\$ 378	\$ -	\$ 378
<b>Expenditures / expenses</b>			
Community and economic development	6,621	-	6,621
<b>Net change in fund balance / net position</b>	(6,243)	-	(6,243)
Fund balance/net position, beginning of year	71,136	-	71,136
<b>Fund balance/net position, end of year</b>	<u>\$ 64,893</u>	<u>\$ -</u>	<u>\$ 64,893</u>