

County of
Newaygo, Michigan



Year Ended
September 30,
2023

Financial
Statements

Rehmann

COUNTY OF NEWAYGO, MICHIGAN

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COUNTY OF NEWAYGO, MICHIGAN

ELECTED OFFICIALS

For the Year Ended September 30, 2023

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 19, 2024

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, 2023, 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, 2023, 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:

	Percent of Assets and Deferred Outflows	Percent of Revenues	Percent of Net Position
Newaygo County Road Commission	72.6%	62.0%	75.0%
Newaygo Medical Care Facility	18.4%	30.3%	18.2%



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 19, 2024, 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.

Rehmann Lobson 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, 2023.

Financial Highlights

1. The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the 2023 fiscal year by \$54,056,393 (*net position*). Of this amount, \$39,548,682 (*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 2023 fiscal year, fund balance for the general fund was \$7,967,217 or 52.2% 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
2023	\$ 7,967,217	52.2%
2022	6,648,063	46.1%
2021	6,383,697	46.5%
2020	5,494,341	39.9%
2019	4,972,741	34.7%

3. The general fund for 2023 increased fund balance by \$1,319,154 applying the Non-GAAP Budgetary Basis and \$1,248,695 according to the GAAP Basis.
4. Within the general fund, fund balance is classified as follows: \$364,028 nonspendable, \$155,114 restricted, \$34,982 committed, and \$130,139 assigned. The remaining \$7,282,954 is available as unassigned fund balance (Non-GAAP Budgetary Basis). Unassigned fund balance (Non-GAAP Budgetary Basis) as a percentage of expenditures and transfers out was 47.7%.
5. At the end of the 2023 fiscal year, fund balance for the general fund according to the GAAP Basis was \$7,091,424. Of this amount, \$6,407,161 is available as unassigned fund balance. Unassigned fund balance as a percentage of expenditures and transfers out was 42.0%.
6. As of the close of the 2023 fiscal year, the County's governmental funds reported combined ending fund balances of \$17,867,023. This amount is a \$1,837,331 increase from the previous year. \$13,872,996 or 77.6% of the total is available for spending at the government's discretion (committed, assigned, and unassigned).
7. The County's financial statements classify property taxes that have been billed but remain uncollected as of 60 days subsequent to year-end as deferred inflows of resources. Therefore, a budgetary/accounting basis reconciliation has been included for clarification in the notes to the financial statements.

Overview of the Financial Statements

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

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

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

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

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

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

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

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

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

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

The County maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund, sheriff road patrol fund, county jail fund, opioid settlement 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.

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.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the 2020 and prior delinquent tax fund, 2022 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 \$54,056,393 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	\$ 35,915,221	\$ 35,407,625	\$ 23,275,892	\$ 21,665,494	\$ 59,191,113	\$ 57,073,119
Capital assets, net	12,108,583	13,970,915	211,346	245,314	12,319,929	14,216,229
Total assets	48,023,804	49,378,540	23,487,238	21,910,808	71,511,042	71,289,348
Deferred outflows of resources						
	2,395,825	1,145,269	-	-	2,395,825	1,145,269
Liabilities						
Long-term liabilities	10,354,147	8,136,160	49,180	69,180	10,403,327	8,205,340
Other liabilities	8,022,797	11,607,857	192,006	43,964	8,214,803	11,651,821
Total liabilities	18,376,944	19,744,017	241,186	113,144	18,618,130	19,857,161
Deferred inflows of resources						
	1,232,344	3,428,371	-	-	1,232,344	3,428,371
Net position						
Net investment in capital assets	7,801,199	8,331,522	211,346	245,314	8,012,545	8,576,836
Restricted	6,489,780	4,003,948	5,386	310,318	6,495,166	4,314,266
Unrestricted	16,519,362	15,015,951	23,029,320	21,242,032	39,548,682	36,257,983
Total net position	\$ 30,810,341	\$ 27,351,421	\$ 23,246,052	\$ 21,797,664	\$ 54,056,393	\$ 49,149,085

A portion of the County's net position of \$8,012,545 (14.8%) 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 \$6,495,166 (12.0%) represents resources that are subject to external restrictions on how they can be used. The remaining balance of unrestricted net position (\$39,548,682 or 73.2%) 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	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 10,827,597	\$ 9,235,447	\$ 1,783,607	\$ 1,727,493	\$ 12,611,204	\$ 10,962,940
Operating grants	6,626,616	4,746,777	-	-	6,626,616	4,746,777
General revenues:						
Property taxes	14,099,194	13,196,088	-	-	14,099,194	13,196,088
Unrestricted grants	3,204,754	2,132,193	-	-	3,204,754	2,132,193
Unrestricted investment earnings (loss)	565,201	(182,947)	588,951	(710,755)	1,154,152	(893,702)
Gain on sale of capital assets	-	132,326	-	-	-	132,326
Total revenues	35,323,362	29,259,884	2,372,558	1,016,738	37,695,920	30,276,622
Expenses						
General government	5,787,467	3,882,941	-	-	5,787,467	3,882,941
Public safety	11,359,913	11,633,021	-	-	11,359,913	11,633,021
Public works	916,235	826,464	-	-	916,235	826,464
Health and welfare	5,354,076	4,466,521	-	-	5,354,076	4,466,521
Recreation and cultural	1,559,866	1,151,650	-	-	1,559,866	1,151,650
Legislative	333,901	386,262	-	-	333,901	386,262
Judicial	6,087,885	6,259,901	-	-	6,087,885	6,259,901
Community and economic development	766,498	753,424	-	-	766,498	753,424
Interest on long-term debt	91,130	112,200	-	-	91,130	112,200
Delinquent tax admin	-	-	331,223	284,489	331,223	284,489
Public works projects	-	-	961	-	961	-
Jail commissary	-	-	140,072	199,933	140,072	199,933
Building authority	-	-	59,385	56,274	59,385	56,274
Total expenses	32,256,971	29,472,384	531,641	540,696	32,788,612	30,013,080
Change in net position, before transfers	3,066,391	(212,500)	1,840,917	476,042	4,907,308	263,542
Transfers	392,529	305,332	(392,529)	(305,332)	-	-
Change in net position	3,458,920	92,832	1,448,388	170,710	4,907,308	263,542
Net position:						
Beginning of year	27,351,421	27,258,589	21,797,664	21,626,954	49,149,085	48,885,543
End of year	\$ 30,810,341	\$ 27,351,421	\$ 23,246,052	\$ 21,797,664	\$ 54,056,393	\$ 49,149,085

As described on the following pages, the County's net position increased by \$4,907,308 during the last fiscal year.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

Governmental Activities. Governmental activities increased the County's net position by \$3,458,920. This was primarily the result of increased revenues for charges for services, operating grants, property taxes, and unrestricted grants as discussed below, along with savings within departmental expenditure budgets throughout the fiscal year.

Revenues (Statement of Activities) - Revenues increased by \$6,063,478 in 2023 from the prior year.

Charges for services. Program charges for services increased by \$1,592,150 or 17.2%, primarily due the nationwide opioid settlement with Distributors and Janssen. The County expects to receive 18 installments from Distributors and 11 installments from Janssen. During the 2023 fiscal year, the County received a total of \$297,508. In addition, a \$1,190,737 receivable was recorded representing the combined net present value of future payments as of September 30, 2023.

Operating grants and contributions. Program grant revenue increased by \$1,879,839 or 39.6%. General government experienced interest earnings that exceeded expectations for the 2023 fiscal year by \$274,631. Public safety received the first of a three year allocation from the State and Local Fiscal Recovery funds (received under the American Rescue Plan Act) to offset wage expenses for deputy and correction officers in the amount of \$447,800 for the 2023 fiscal year. The Marine safety program received additional \$29,527 from the prior year under the state grant, and public safety also was awarded a technology grant of \$25,785 for a mobile high definition camera system. Recreation and cultural increased significantly from the prior fiscal year due to use of State and Local Fiscal Recovery funds for the construction/project costs for the dragon trail as well reimbursement dollars from the MDNR waterways grant for qualified expenditures.

Property taxes. Property taxes increased by \$903,106 or 6.8%. The primary factor related to the increase is taxable values experienced growth of 7.72% from 2022 to 2023.

Grants and contributions not restricted to specific programs. Unrestricted grants and contributions increased by \$1,072,561 or 50.3%. 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 2023 fiscal year.

Unrestricted investment earnings (loss). Unrestricted investment earnings increased by \$748,148 or 408.9%. The investment earnings drastically increased from Fiscal year 2022 to Fiscal Year 2023. The biggest reason for this increase was due to the Federal Open Market Committee raising rates at each meeting from March 2022 through May 2023. The increases began at .25 basis points, but went up by .75 at each of the June, July, September and November 2022 meetings. These rate hikes were the primary reason for the drastic increase in our interest earnings. To illustrate this impact, our General Fund investments with Robinson Capital were earning 0.12% from October 2021 thru April of 2022. By the end of the 2022 Fiscal year the rate was up to 2.25%. In interest earnings, we received \$173 from October thru April, and then from June thru September earnings increased from \$1,011 up to \$3,251. The rates for Fiscal Year 2023 started out at 2.90% and continued to increase each month up to 5.30%. The interest earnings began at \$4,419 in October and reached over \$8,000 starting in April 2023. Total interest earned just from Robinson Capital in FY '22 was \$9,951, contrast that with FY '23 of \$88,780 and that is an increase of over 892% in earnings. General Fund pooled investments with MI CLASS had earnings from October 2021 thru February were 0.025% netting \$45/month in interest. Rate hikes from the increased from 0.075 up to 0.274 and eventually ended the Fiscal Year of 2022 at 2.586%. Likewise, in Fiscal Year 2023, the rates started at 3.152% and eventually finished the Fiscal Year at 5.470%. The total interest earnings from the MI Class Pooled funds in FY 2022 was \$17,959, whereas in FY 2023 total earnings were \$160,219.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

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.

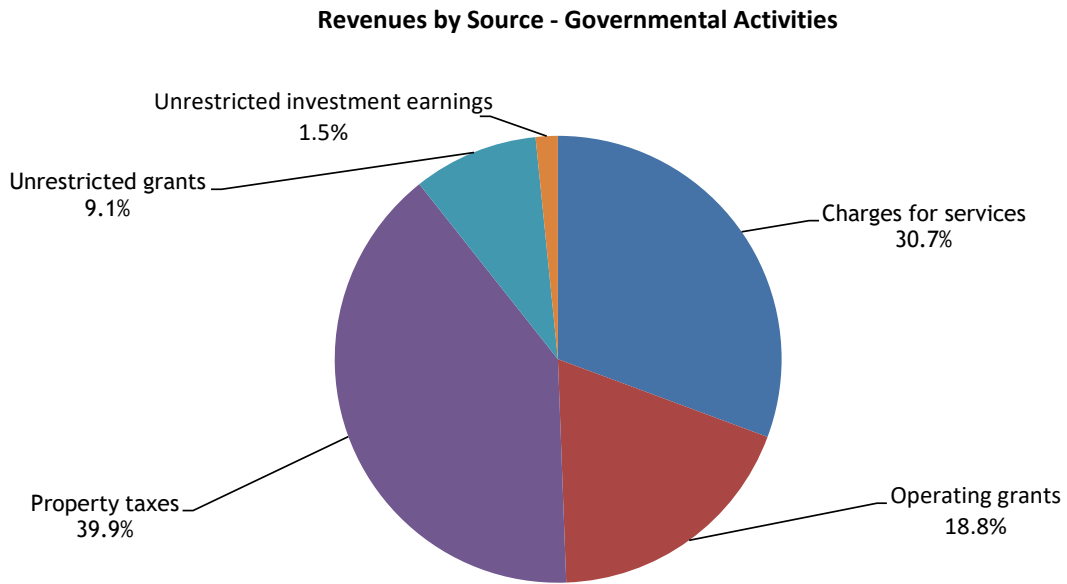
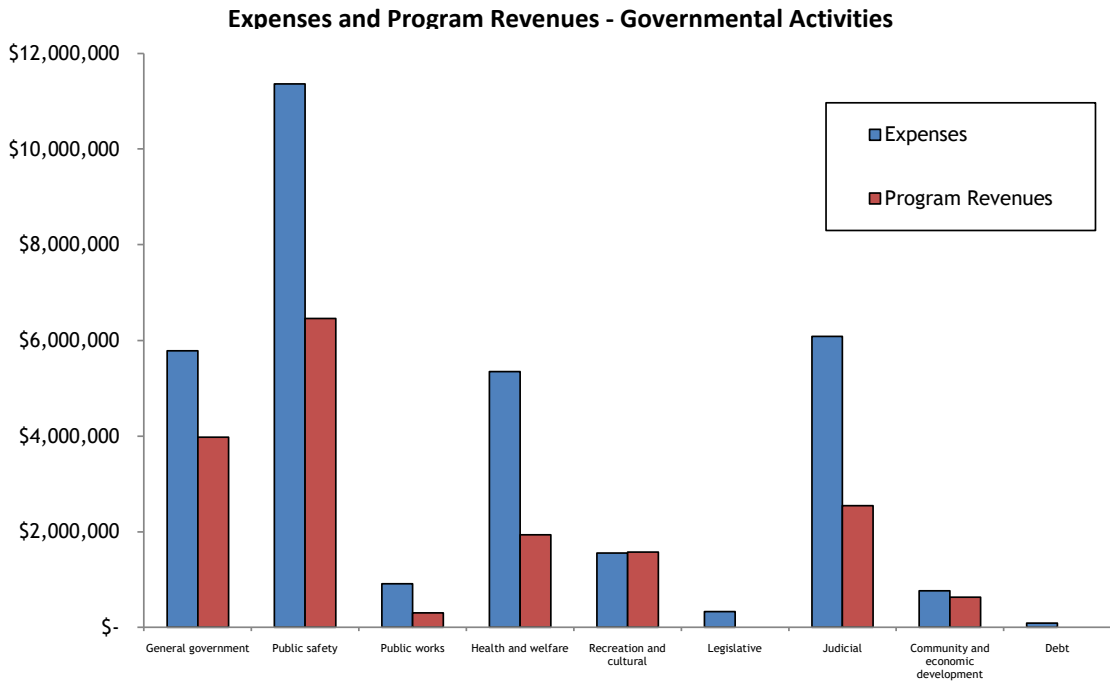
Judicial. Judicial activities include expenses related to the administration of the circuit court/friend of the court, district court, probate court, prosecuting attorney, jury board, county guardian, and the county law library.

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 \$2,784,587, or 9.4%, from the prior year, including an increase of \$1,904,526 in general government expenses. The primary reasons for the overall increase in general government expenses were related to the following factors: the use of State and Local Fiscal Recovery Funds provided under the American Rescue Plan for an affordable housing partnership with the Fremont Area Community Foundation and support for the Newaygo County Promise Zone as well as a \$500,000 contribution to the County's health insurance program due to increased costs.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

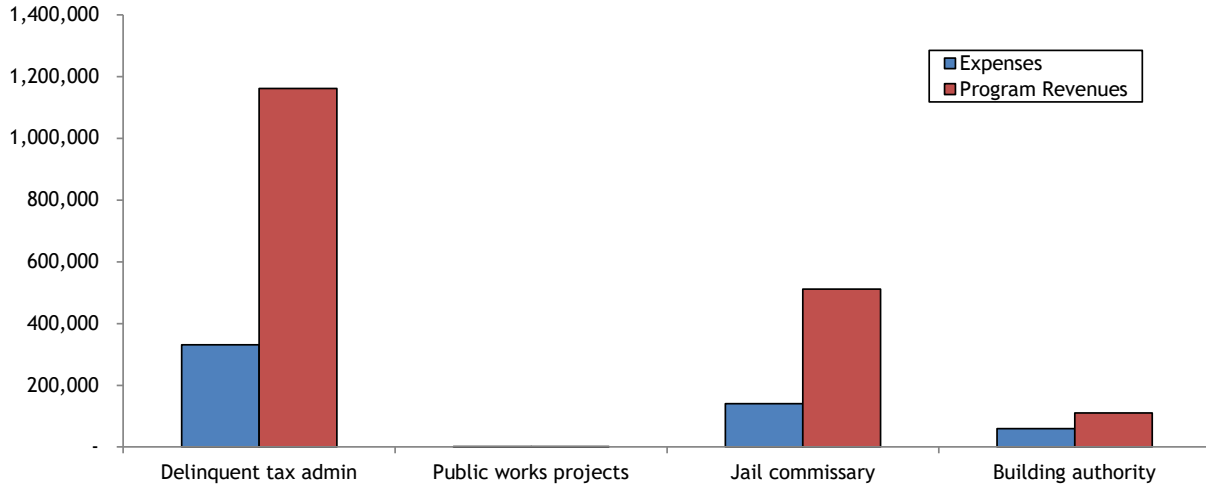


COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

Business-type Activities. Business type activities increased the County's net position by \$1,448,388. 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



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 2023 include the general fund, sheriff road patrol, county jail, opioid settlement, American Rescue Plan, commission on aging, 2020 and prior and 2022 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 2023 fiscal year, the County's ending fund balance for the general fund was \$7,091,424. Of that amount \$364,028 is nonspendable, \$155,114 is restricted, \$34,982 is committed, \$130,139 is assigned, and \$6,407,161 is unassigned.

The sheriff road patrol fund decreased its fund balance by \$25,182 from \$263,385 at the beginning of the year to an ending balance of \$238,203. Of that amount, \$20,071 is nonspendable, \$10,851 is restricted, and \$207,281 is assigned. No amount is considered committed at the end of the 2023 fiscal year.

The county jail fund increased its fund balance by \$136,078 from \$514,484 at the beginning of the year to an ending balance of \$650,562. Of that amount, \$61,932 is nonspendable, \$30,240 is restricted, and \$558,390 is committed. No amount is considered assigned at the end of the 2023 fiscal year.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

The opioid settlement fund, which was established in 2023 to account for current and future payments to be received from various opioid settlements, had a current year increase in fund balance of \$316,376, all of which is restricted.

The American Rescue Plan fund increased its fund balance by \$302,819 from \$2,210 at the beginning of the year to an ending balance of \$305,029. Of that amount, \$305,029 is considered assigned.

The commission on aging fund decreased its fund balance by \$57,286 from \$2,722,429 at the beginning of the year to an ending balance of \$2,665,143. Of that amount, \$3,749 was nonspendable, \$662,507 is restricted and \$1,998,887 is assigned.

Nonmajor governmental funds decreased their collective fund balances by \$84,169 from \$6,684,455 at the beginning of the year to an ending balance of \$6,600,286. Of that amount, \$13,679 is nonspendable, \$2,355,480 is restricted, \$2,090,664 is committed, and \$2,140,463 is assigned.

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

Taxes. Taxes totaled \$14,028,735. This amount marked an increase of \$963,559 from the prior year. On a GAAP basis, taxes for the general fund increased just over 8.3% or \$756,337. This was primarily due to the increase in taxable value from the prior year and better than anticipated property tax revenue from the 2022 property tax year settlement.

Charges for services. Charges for services in the governmental funds totaled \$8,887,524. The amount was generated by general fund charges of \$2,296,081, sheriff road patrol charges of \$127,765, county jail fund charges of \$3,723,060, opioid settlement revenues of \$474,036, commission on aging charges of \$67,434, and nonmajor fund charges of \$2,199,148. The total reflected an overall increase of \$281,078 from the previous year. Although, there was an increase from the prior year, this was mainly due to increased internal departmental indirect cost charges and new opioid settlement revenues. Governmental funds, in general, experienced an overall decrease in charges for service.

Investment earnings and rentals. Investment earnings and rentals totaled \$1,107,750. The general fund totaled \$658,780. This amount was an increase from the prior year due to market conditions during fiscal year 2023. 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
2023	\$ 658,780
2022	(97,845)
2021	129,073
2020	243,668
2019	341,865

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

Legislative. Legislative expenditures were \$349,764. The expenditures are an overall decrease from the previous year of \$5,147 (1.5%). The main factor for the decrease was reduced indirect cost charges of \$4,385 from the prior fiscal year.

Judicial. Judicial expenditures were \$5,671,194 which included general fund expenditures and other governmental funds. The expenditures increased by \$89,276 (1.6%) from the previous year. Departments with the largest expenditures were 78th District Court at \$1,111,496 and the Prosecuting Attorney's Office at \$1,078,142 and made up 54.2% of the total cost for judicial in the general fund.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

General government. General government expenditures were \$4,305,782. The general government category equated to approximately 13.0% of the total expenditures. When compared to the previous fiscal year, there was an increase of 70% in expenditures from the previous year. This large increase was mainly due to the use of State and Local Fiscal Recovery Funds for the purpose of establishing a housing partnership with the Fremont Area Community Foundation (\$1,000,000) and an investment in the Promise Zone (\$250,000) benefiting students of Newaygo County. In addition, \$500,000 was transferred to the county's health insurance program to offset increased costs and the transition from self-funded program to the insurance pool program.

Public safety. Public safety expenditures totaled \$11,332,077 which was an overall increase of \$278,706 (2.5%) increase from the prior year. 2023 fiscal year expenditures included the purchase of a boat and two motors for marine law enforcement, a drone for law enforcement purposes, and various fitness equipment for the sheriff's gym facility. Other expenditure increases included personnel costs and the internal department charges for indirect costs.

Public works. Public works expenditures totaled \$941,701. The amount marks an overall increase from the prior year of \$102,001 (12.1%). The majority of the increase is related to the various recycling grant programs which include materials management, quality improvement, infrastructure, and electronics.

Health and welfare. Health and welfare expenditures totaled \$5,506,138. The amount marks an increase from the prior year of \$1,232,152 (28.8%). The commission aging fund had the largest increase of \$850,867 (38.4%) which included an office furniture replacement project and various building improvements, new long term vehicles leases, increased personnel costs for additional staffing, and expansion of various programs. The school resource officer program began using opioid settlement revenue along with contributions from the schools to fund two-full time positions. The child care funds experienced an upward shift in costs for child care programs. Veterans' affairs was able to provide increased emergency assistance to our local veterans with millage revenues and the MVAA grant.

Community and economic development. Community and economic development expenditures were \$789,471 which is an increase of \$37,448 (5.0%) from the previous year. 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 rise in expenditures stems primarily from increased wages and fringe benefit costs along with adjusted internal department charges for indirect costs.

Recreation and cultural. Recreation and cultural expenditures were \$1,513,989 which was an increase of \$306,108 (25.3%) from the previous year. The main factor driving the increase was the construction/project costs for the dragon trail.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

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 2023 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 \$1,555,172 in FY 2023. Property revenues were increased by \$492,244 to reflect the increase for the 2023 summer tax levy. Federal grants were increased by \$304,911 for the County's final allocation from the Local Assistance and Tribal Consistency Fund, Wildfire Mitigation project using Title III SRS funds and USDA Forestry Grant funds, and the Coronavirus Emergency Supplemental funding for the Courts. State Grants were increased by \$194,656 for the convention facilities development tax payments, board of public works tire scrap grant program, recycling material management grant, recycling infrastructure grant, electronics recycling grant, and the medical marijuana operation and oversight grant. Investment Income and Rentals were increased by \$400,574 primarily due to elevated interest earnings on investments during the fiscal year.
- The sheriff's road patrol fund was amended by a total of \$481,073 in FY 2023. The majority for this amendment was due to the estimated need for the use of fund balance in the fiscal year of \$254,624 and new vehicle leases of \$229,309.
- The dragon trail fund was amended by \$1,068,407 to account for the MDNR waterways grant reimbursement and use of State and Local Fiscal Recovery funds (received under the American Rescue Plan Act) used towards the construction of the dragon trail.
- The opioid settlement fund is a new fund established in the 2023 fiscal year. The budget was set at \$432,898 for opioid settlement monies received of \$312,898 and charges for services of \$120,000 for the school resource officer programs with NCRESA and Hesperia Public Schools.
- The American rescue plan fund was amended to \$1,602,634 to account for the use of State and Local Fiscal Recovery funds (received under the American Rescue Plan Act) for the Affordable Housing Partnership with the Fremont Area Community Foundation \$1,000,000 and an investment in the Newaygo County Promise Zone \$250,000. The amendment also included \$295,000 for increased investment earnings.
- The capital improvements fund was amended by a total of \$1,590,708 in FY 2023. The majority of the increase was to account for 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, 2) building generators project, 3)BOC room upgrades, 4) animal control hvac project, 5) administration office upgrades, 6) jail renovations project, 7) central dispatch remodel project, 8) employee fitness center project, 9) administration building b-wing project, and 10) facility retro-commission 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, 2023 amounted to \$12,319,929 (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 13.3%. Capital assets acquired during the current fiscal year included the following:

Construction in Progress (CIP):	
· Building Generator Project	\$ 125,000
· Employee Fitness Center Project	82,758
· Audio visual equipment project for Board of Commissioner's Room	38,435
Buildings and Building Improvements:	
· Central Dispatch Remodel	66,115
Equipment/Software:	
· Boss 8' Auger V-Box Spreader for Building and Grounds	7,950
· Ricoh IMC6500 multi-function printer for Sheriff's Office	11,905
· Door security readers and DSX panels for Administration and BOC offices	12,390
· Two (2) Mercury JET40ELPT motors for Sheriff's Marine Patrol	10,982
· Mobile LPR High Definition camera system for Sheriff's Office	21,785
· Generac backup generator for Animal Shelter	11,718
· Thermotek Makeup Air Unit for Animal Shelter	29,989
· Radio Recorded Project - Emergency Operations Center	6,743
· Ferris ISX2200 Mower for Parks and Recreation	12,450
· AquaEye for Sheriff's Office	6,490
· Quadrocopter Drone for Sheriff's Office	8,104
· Group of office furniture for Commission on Aging	72,463
· Audio Visual System for Emergency Operations Center	155,614
· Network upgrades project - Emergency Operations Center	26,306
Vehicles:	
· Marine Patrol Boat - Model 1656	18,700
· Boss snow plow with accessories for Drain Commissioner	8,577
· Leases - Public Safety (Sheriff, Marine Patrol, Animal Control, Jail)	498,661
· Leases - Commission on Aging	304,025
· Leases - Soil Erosion	12,637
	\$ 1,549,797

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

	Capital Assets (net of accumulated depreciation/amortization)					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 2,090,873	\$ 2,090,873	\$ -	\$ -	\$ 2,090,873	\$ 2,090,873
Construction in progress	246,193	139,886	-	-	246,193	139,886
Capital assets being depreciated/ amortized, net	9,771,517	11,740,156	211,346	245,314	9,982,863	11,985,470
Total capital assets, net	\$ 12,108,583	\$ 13,970,915	\$ 211,346	\$ 245,314	\$ 12,319,929	\$ 14,216,229

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 \$3,002,180 (\$2,953,000 in governmental activities and \$49,180 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	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 2,953,000	\$ 4,177,000	\$ 49,180	\$ 69,180	\$ 3,002,180	\$ 4,246,180
Premium on bonds payable	44,014	69,166	-	-	44,014	69,166
Compensated absences	578,920	523,950	-	-	578,920	523,950
Total long-term debt	\$ 3,575,934	\$ 4,770,116	\$ 49,180	\$ 69,180	\$ 3,625,114	\$ 4,839,296

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

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the County's budget for the 2024 fiscal year:

- The fiscal year 2024 budget represents a fiscally strong condition while taking into consideration an extremely uncertain future with State funding and the loss of increased funding leftover from the pandemic.
- The fiscal year 2024 budget includes American Rescue Plan funding for capital projects, increased health care costs, a major decrease with the U.S. Marshall's contract, an aggressive Commission on Aging transportation program, and general inflationary costs of personnel.
- The implementation of the Wage Methodology Program at the beginning of the 2024 fiscal year will have future fiscal implications. However, it represents a commitment by the County to invest in personnel moving forward. This program focuses on wages that remain competitive within the market along with employee retention and recognizing longevity.

COUNTY OF NEWAYGO, MICHIGAN

Management's Discussion and Analysis

Highlights of the 2024 budget are as follows:

The 2024 fiscal year budget includes a 2.6% increase in property tax revenues for the 2024 summer tax levy and the use of American Rescue Plan funds to offset public safety wages. Interest earning have increased considerably over the previous fiscal years.

- State revenue sharing has been budgeted at 100% of the 2024 fiscal year projected payment of \$1,143,202.
- The expenditure budget includes a 3% increase for all employees not otherwise bound by contractual language, a one-time longevity payment for eligible employees, and the implementation of the Wage Methodology program.
- The County Jail budget continues to be monitored closely due to the increased dependency on general fund transfers and the unexpected reduction in revenue related to the U.S. Marshall's contract for the housing of federal inmates. The reduced number of guaranteed beds for the U.S. Marshall's contract went from 140 per day to 125 per day, equating to reduced revenues of approximately \$410,000 annually. The fiscal year 2024 expenditure budget was decreased by \$196,504 with personnel reductions and a renegotiated contract for medical services.
- 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 2024 minimum ARC payment is \$538,860 - a decrease of \$185,076 from the 2023 fiscal year amount. There are concerns regarding future ARC payments based on recent actuarial data. The County will need to be aware of increases, perhaps significant in the near future.
- The County's other postemployment benefits plan (OPEB) was 137.43% funded as of our 2022 fiscal year reporting. Due to the strong position of the fund, the County has budgeted to draw down from the MERS Retiree Health Funding Vehicle to offset program expenditures in the 2024 fiscal year.

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, Chief Financial Officer, 1087 Newell Street, P.O. Box 885, White Cloud, Michigan 49349.

BASIC FINANCIAL STATEMENTS

COUNTY OF NEWAYGO, MICHIGAN

Statement of Net Position
September 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 7,517,060	\$ 2,901,167	\$ 10,418,227	\$ 10,879,003
Restricted cash and cash equivalents	6,793,942	5,386	6,799,328	-
Investments	11,554,925	17,312,607	28,867,532	1,010,728
Receivables, net	7,437,317	3,054,167	10,491,484	7,754,037
Other assets	825,077	2,565	827,642	2,373,340
Capital assets not being depreciated/amortized	2,337,066	-	2,337,066	2,216,801
Capital assets being depreciated/amortized, net	9,771,517	211,346	9,982,863	69,825,621
Net pension asset	-	-	-	74,851
Net OPEB asset	1,786,900	-	1,786,900	-
Total assets	48,023,804	23,487,238	71,511,042	94,134,381
Deferred outflows of resources				
Deferred charge on bond refunding, net	39,218	-	39,218	-
Deferred pension amounts	2,152,810	-	2,152,810	2,945,978
Deferred OPEB amounts	203,797	-	203,797	150,858
Total deferred outflows of resources	2,395,825	-	2,395,825	3,096,836
Liabilities				
Payables and accrued liabilities	2,073,911	192,006	2,265,917	2,462,034
Unearned revenue	5,948,886	-	5,948,886	-
Bonds, notes and other long-term liabilities:				
Due within one year	1,780,660	25,000	1,805,660	1,330,168
Due in more than one year	3,144,862	24,180	3,169,042	3,470,143
Net pension liability (due in more than one year)	5,428,625	-	5,428,625	4,404,635
Net OPEB liability (due in more than one year)	-	-	-	724,719
Total liabilities	18,376,944	241,186	18,618,130	12,391,699
Deferred inflows of resources				
Deferred pension amounts	-	-	-	1,369,308
Deferred OPEB amounts	347,043	-	347,043	1,326,299
Deferred lease amounts	885,301	-	885,301	-
Total deferred inflows of resources	1,232,344	-	1,232,344	2,695,607
Net position				
Net investment in capital assets	7,801,199	211,346	8,012,545	67,774,205
Restricted for:				
Community and economic development	1,039,856	-	1,039,856	-
Public safety purposes	426,851	-	426,851	-
Health and welfare	1,507,113	-	1,507,113	-
Drain construction and maintenance	-	-	-	3,355,538
Debt service	438,217	-	438,217	45,700
Pension	-	-	-	74,851
Other postemployment benefits	1,786,900	-	1,786,900	-
Property tax foreclosures	-	5,386	5,386	-
Roads	-	-	-	2,415,126
Other purposes	1,290,843	-	1,290,843	-
Unrestricted	16,519,362	23,029,320	39,548,682	8,478,491
Total net position	\$ 30,810,341	\$ 23,246,052	\$ 54,056,393	\$ 82,143,911

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

COUNTY OF NEWAYGO, MICHIGAN

Statement of Activities

For the Year Ended September 30, 2023

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
General government	\$ 5,787,467	\$ 2,380,523	\$ 1,599,519	\$ -	\$ (1,807,425)
Public safety	11,359,913	5,317,416	1,145,275	-	(4,897,222)
Public works	916,235	155,829	150,958	-	(609,448)
Health and welfare	5,354,076	596,340	1,343,236	-	(3,414,500)
Recreation and cultural	1,559,866	973,998	605,651	-	19,783
Legislative	333,901	-	-	-	(333,901)
Judicial	6,087,885	848,211	1,701,272	-	(3,538,402)
Community and economic development	766,498	555,280	80,705	-	(130,513)
Interest on long-term debt	91,130	-	-	-	(91,130)
Total governmental activities	32,256,971	10,827,597	6,626,616	-	(14,802,758)
Business-type activities:					
Delinquent tax administration	331,223	1,161,245	-	-	830,022
Public works projects	961	961	-	-	-
Jail commissary	140,072	511,169	-	-	371,097
Building authority	59,385	110,232	-	-	50,847
Total business-type activities	531,641	1,783,607	-	-	1,251,966
Total primary government	\$ 32,788,612	\$ 12,611,204	\$ 6,626,616	\$ -	\$ (13,550,792)
Component units					
Central Dispatch Authority	\$ 1,350,500	\$ 1,367,384	\$ 267,190	\$ -	\$ 284,074
Drain Commissioner	715,245	-	-	573,559	(141,686)
Brownfield Redevelopment Authority	6,872	-	-	-	(6,872)
Road Commission	16,201,231	2,051,766	14,085,127	1,814,777	1,750,439
Medical Care Facility	10,785,660	8,251,219	409,753	-	(2,124,688)
Total component units	\$ 29,059,508	\$ 11,670,369	\$ 14,762,070	\$ 2,388,336	\$ (238,733)

continued...

COUNTY OF NEWAYGO, MICHIGAN

Statement of Activities

For the Year Ended September 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expense) revenue	\$ (14,802,758)	\$ 1,251,966	\$ (13,550,792)	\$ (238,733)
General revenues:				
Property taxes	14,099,194	-	14,099,194	6,093
Grants and contributions not restricted to specific programs	3,204,754	-	3,204,754	-
Unrestricted investment earnings	565,201	588,951	1,154,152	126,768
Transfers - internal activities	392,529	(392,529)	-	-
Total general revenues and transfers	18,261,678	196,422	18,458,100	132,861
Change in net position	3,458,920	1,448,388	4,907,308	(105,872)
Net position, beginning of year	27,351,421	21,797,664	49,149,085	82,249,783
Net position, end of year	<u>\$ 30,810,341</u>	<u>\$ 23,246,052</u>	<u>\$ 54,056,393</u>	<u>\$ 82,143,911</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, 2023

	General	Sheriff Road Patrol (207)	County Jail (213)	Opioid Settlement (284)	American Rescue Plan (286)
Assets					
Cash and cash equivalents	\$ -	\$ 290,276	\$ 496,253	\$ 323,188	\$ -
Restricted cash and cash equivalents	-	-	-	-	6,793,942
Investments	11,554,925	-	-	-	-
Receivables:					
Accounts	27,041	200	22,453	1,190,737	6,400
Loans	-	-	-	-	-
Taxes	2,550,995	-	-	-	-
Leases	893,851	-	-	-	-
Due from other governments	248,158	31,354	303,554	-	-
Due from other funds	27,012	-	-	-	-
Advance to component unit	300,000	-	-	-	-
Prepays	64,028	20,071	61,932	-	-
Total assets	\$ 15,666,010	\$ 341,901	\$ 884,192	\$ 1,513,925	\$ 6,800,342
Liabilities					
Negative equity in pooled cash	\$ 6,108,863	-	\$ -	\$ -	\$ -
Accounts payable	397,692	41,012	124,142	-	-
Accrued expenditures	184,187	58,568	108,152	6,812	-
Due to other governments	-	-	-	-	-
Due to other funds	13,882	4,118	1,336	-	655,468
Unearned revenue	108,868	-	-	-	5,839,845
Total liabilities	6,813,492	103,698	233,630	6,812	6,495,313
Deferred inflows of resources					
Unavailable revenues - property taxes	875,793	-	-	-	-
Unavailable revenues - long-term receivable	-	-	-	1,190,737	-
Deferred lease amounts	885,301	-	-	-	-
Total deferred inflows of resources	1,761,094	-	-	1,190,737	-
Fund balances					
Nonspendable	364,028	20,071	61,932	-	-
Restricted	155,114	10,851	30,240	316,376	-
Committed	34,982	-	558,390	-	-
Assigned	130,139	207,281	-	-	305,029
Unassigned	6,407,161	-	-	-	-
Total fund balances	7,091,424	238,203	650,562	316,376	305,029
Total liabilities, deferred inflows of resources and fund balances	\$ 15,666,010	\$ 341,901	\$ 884,192	\$ 1,513,925	\$ 6,800,342

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

Commission on Aging (297)	Nonmajor Governmental Funds	Totals
\$ 2,699,680	\$ 5,289,653	\$ 9,099,050
-	-	6,793,942
-	-	11,554,925
18,990	38,972	1,304,793
-	1,031,696	1,031,696
-	-	2,550,995
-	-	893,851
50,607	224,708	858,381
-	669,350	696,362
-	-	300,000
3,749	13,679	163,459
<u>\$ 2,773,026</u>	<u>\$ 7,268,058</u>	<u>\$ 35,247,454</u>
\$ -	\$ 127,404	\$ 6,236,267
44,193	325,001	932,040
63,690	71,865	493,274
-	143,329	143,329
-	-	674,804
-	173	5,948,886
<u>107,883</u>	<u>667,772</u>	<u>14,428,600</u>
-	-	875,793
-	-	1,190,737
-	-	885,301
<u>-</u>	<u>-</u>	<u>2,951,831</u>
3,749	13,679	463,459
662,507	2,355,480	3,530,568
-	2,090,664	2,684,036
1,998,887	2,140,463	4,781,799
-	-	6,407,161
<u>2,665,143</u>	<u>6,600,286</u>	<u>17,867,023</u>
<u>\$ 2,773,026</u>	<u>\$ 7,268,058</u>	<u>\$ 35,247,454</u>

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COUNTY OF NEWAYGO, MICHIGAN

Reconciliation

Fund Balances for Governmental Funds
to Net Position of Governmental Activities
September 30, 2023

Fund balances - total governmental funds \$ 17,867,023

Amounts reported for *governmental activities* in the statement of net position are different because:

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

Capital assets not being depreciated/amortized	2,337,066
Capital assets being depreciated/amortized, net	9,771,517
Less amounts accounted for in governmental-type internal service funds	(324,732)

The focus of governmental funds is on short-term financing. Accordingly, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred inflows of resources in the governmental funds, and thus are not included in fund balance.

Deferred inflows of resources for unavailable property taxes receivable	875,793
Deferred inflows of resources from long-term receivable	1,190,737

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.

Net position of internal service funds accounted for in governmental activities	4,892,661
---	-----------

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.

Bonds payable and net issuance premium	(2,997,014)
Leases payable	(1,191,342)
Accrued interest on long-term liabilities	(18,425)
Deferred charge on bond refunding, net	39,218

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

Net OPEB asset	1,786,900
Net pension liability	(5,428,625)
Deferred outflows related to the net pension liability	2,152,810
Deferred outflows related to the net OPEB asset	203,797
Deferred inflows related to the net OPEB asset	(347,043)

Net position of governmental activities \$ 30,810,341

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, 2023

	General	Sheriff Road Patrol (207)	County Jail (213)	Opioid Settlement (284)	American Rescue Plan (286)
Revenues					
Taxes	\$ 9,856,492	\$ 1,677,876	\$ -	\$ -	-
Intergovernmental:					
Federal	674,870	209,795	269,848	-	1,307,632
State	2,158,471	10,814	-	-	-
Local	152,818	22,857	-	-	-
Licenses and permits	75,186	-	-	-	-
Fines and forfeitures	44,950	541	-	-	-
Charges for services	2,296,081	127,765	3,723,060	474,036	-
Interest and rentals	658,780	12,267	-	-	302,819
Contributions from private sources	275,680	12,850	-	-	-
Other revenues/reimbursements	186,681	85,361	133,347	-	-
Total revenues	16,380,009	2,160,126	4,126,255	474,036	1,610,451
Expenditures					
Current:					
Legislative	349,764	-	-	-	-
Judicial	4,038,092	-	-	-	-
General government	2,916,671	-	-	-	1,307,632
Public safety	1,310,930	2,966,275	6,068,374	-	-
Public works	941,701	-	-	-	-
Health and welfare	1,078,758	-	-	157,660	-
Community and economic development	781,396	-	-	-	-
Recreation and cultural	-	-	-	-	-
Other	122,876	-	-	-	-
Debt service:					
Principal	93,749	243,231	103,537	-	-
Interest	1,147	5,947	1,763	-	-
Capital outlay	-	212,015	-	-	-
Total expenditures	11,635,084	3,427,468	6,173,674	157,660	1,307,632
Revenues over (under) expenditures	4,744,925	(1,267,342)	(2,047,419)	316,376	302,819
Other financing sources (uses)					
Issuance of long-term liabilities	78,416	275,067	154,228	-	-
Transfers in	44,301	1,009,161	2,029,269	-	-
Transfers out	(3,622,600)	(42,068)	-	-	-
Proceeds from sale of capital assets	3,653	-	-	-	-
Total other financing sources (uses)	(3,496,230)	1,242,160	2,183,497	-	-
Net change in fund balances	1,248,695	(25,182)	136,078	316,376	302,819
Fund balances, beginning of year	5,842,729	263,385	514,484	-	2,210
Fund balances, end of year	\$ 7,091,424	\$ 238,203	\$ 650,562	\$ 316,376	\$ 305,029

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

Commission on Aging (297)	Nonmajor Governmental Funds	Totals
\$ 1,679,477	\$ 814,890	\$ 14,028,735
257,732	1,487,687	4,207,564
477,287	1,559,122	4,205,694
24,615	91,467	291,757
-	38,121	113,307
-	5,985	51,476
67,434	2,199,148	8,887,524
105,230	28,654	1,107,750
57,781	92,197	438,508
92,333	6,758	504,480
<u>2,761,889</u>	<u>6,324,029</u>	<u>33,836,795</u>
-	-	349,764
-	1,633,102	5,671,194
-	81,479	4,305,782
-	986,498	11,332,077
-	-	941,701
3,064,120	1,205,600	5,506,138
-	8,075	789,471
-	1,513,989	1,513,989
-	-	122,876
54,029	1,261,268	1,755,814
4,124	91,404	104,385
-	601,249	813,264
<u>3,122,273</u>	<u>7,382,664</u>	<u>33,206,455</u>
<u>(360,384)</u>	<u>(1,058,635)</u>	<u>630,340</u>
303,098	-	810,809
-	1,308,395	4,391,126
-	(333,929)	(3,998,597)
-	-	3,653
<u>303,098</u>	<u>974,466</u>	<u>1,206,991</u>
(57,286)	(84,169)	1,837,331
<u>2,722,429</u>	<u>6,684,455</u>	<u>16,029,692</u>
<u>\$ 2,665,143</u>	<u>\$ 6,600,286</u>	<u>\$ 17,867,023</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
For the Year Ended September 30, 2023

Net change in fund balances - total governmental funds \$ 1,837,331

Amounts reported for *governmental activities* in the statement of activities are different because:

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

Capital assets purchased/constructed	1,516,851
Depreciation/amortization expense	(3,003,176)
Proceeds from sale of capital assets	(3,653)
Loss on disposal of capital assets	(279,371)

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	70,459
Net change in deferred long-term receivable	1,190,737

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 bonds, notes, and other long-term liabilities	1,755,814
Issuance of long-term liabilities	(810,809)
Amortization of premium on long-term liabilities	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 liabilities	12,900
Change in the net pension liability and related deferred amounts	(41,019)
Change in the net OPEB asset and related deferred amounts	531,659

An internal service fund is used by management to charge the costs of certain services to individual governmental funds. The net revenue (expense) attributable to those funds is reported with governmental activities.

Net operating income from governmental activities in internal service funds	465,368
Net other nonoperating revenue from internal service funds	213,737

Change in net position of governmental activities \$ 3,458,920

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, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes:				
Real and personal property taxes	\$ 9,227,856	\$ 9,718,176	\$ 9,734,122	\$ 15,946
Other taxes	184,861	186,998	192,829	5,831
Total taxes	9,412,717	9,905,174	9,926,951	21,777
Intergovernmental:				
Federal	364,028	668,939	674,870	5,931
State	1,937,726	2,132,382	2,158,471	26,089
Local	75,043	99,843	152,818	52,975
Total intergovernmental	2,376,797	2,901,164	2,986,159	84,995
Licenses and permits	67,500	74,070	75,186	1,116
Fines and forfeitures	33,000	44,954	44,950	(4)
Charges for services	2,284,358	2,348,929	2,296,081	(52,848)
Interest and rentals:				
Investment earnings	50,000	426,277	539,801	113,524
Rentals	99,535	123,832	118,979	(4,853)
Total interest and rentals	149,535	550,109	658,780	108,671
Contributions from private sources	148,233	329,010	275,680	(53,330)
Other revenues/reimbursements:				
Reimbursements	211,685	215,340	185,098	(30,242)
Other revenues	47,054	1,332	1,583	251
Total other revenues/reimbursements	258,739	216,672	186,681	(29,991)
Total revenues	14,730,879	16,370,082	16,450,468	80,386
Expenditures				
Legislative:				
Board of Commissioners	362,235	367,980	349,764	(18,216)
Judicial:				
27th Circuit Court - Newaygo	727,093	775,569	699,636	(75,933)
Circuit Court Probation	27,165	27,315	24,548	(2,767)
Circuit Court Clerk	247,819	248,719	215,250	(33,469)
Circuit Court - Juvenile Division	391,218	398,580	324,191	(74,389)
District Court	1,188,736	1,220,547	1,111,496	(109,051)
Drug Court	1,000	1,000	-	(1,000)
Jury Board	15,262	17,022	14,948	(2,074)
Probate Court	512,199	515,832	508,629	(7,203)
Prosecutor	1,093,877	1,098,449	1,078,142	(20,307)
County Guardian	62,744	62,744	61,252	(1,492)
Family counseling services	6,000	6,000	-	(6,000)
Total judicial	4,273,113	4,371,777	4,038,092	(333,685)

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, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (continued)				
General government:				
Administrator	\$ 237,358	\$ 239,237	\$ 230,049	\$ (9,188)
Accounting	361,357	356,076	294,053	(62,023)
Clerk	377,847	379,505	332,425	(47,080)
Tax allocation	1,196	1,196	363	(833)
Treasurer	511,102	512,203	507,161	(5,042)
Equalization	649,843	627,514	574,018	(53,496)
Civil counsel	12,507	75,007	60,445	(14,562)
Personnel	182,046	189,965	133,398	(56,567)
Surveyor	68,940	96,337	70,798	(25,539)
Payroll	52,940	560,270	557,904	(2,366)
Elections	177,892	182,792	156,057	(26,735)
Total general government	<u>2,633,028</u>	<u>3,220,102</u>	<u>2,916,671</u>	<u>(303,431)</u>
Public safety:				
Sheriff's department	693,653	754,847	719,883	(34,964)
Courthouse security	77,285	87,726	80,435	(7,291)
Marine law enforcement	44,665	105,052	76,132	(28,920)
Crisis management	-	72,227	69,753	(2,474)
Animal control	305,008	346,300	331,278	(15,022)
Civil processing	38,325	41,122	33,449	(7,673)
Total public safety	<u>1,265,390</u>	<u>1,407,274</u>	<u>1,310,930</u>	<u>(96,344)</u>
Public works:				
Board of public works	67,087	89,215	69,956	(19,259)
Recycling	211,928	381,115	293,183	(87,932)
Drain Commissioner	414,357	420,431	403,297	(17,134)
Drain maintenance and construction	157,485	136,767	113,254	(23,513)
Soil erosion/conservation	19,920	34,927	30,107	(4,820)
Drain tax at large	60,000	60,000	31,904	(28,096)
Total public works	<u>930,777</u>	<u>1,122,455</u>	<u>941,701</u>	<u>(180,754)</u>
Health and welfare:				
Health department	432,635	432,635	427,822	(4,813)
Contagious disease	659	659	746	87
Mental health	357,637	357,637	357,637	-
Medical Care Facility maintenance of effort	65,041	65,041	40,212	(24,829)
Substance abuse	73,181	106,070	106,070	-
Community development block grant	-	16,772	-	(16,772)
Medical examiner	167,096	167,606	146,271	(21,335)
Total health and welfare	<u>1,096,249</u>	<u>1,146,420</u>	<u>1,078,758</u>	<u>(67,662)</u>

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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, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (concluded)				
Community and economic development:				
Land use educator	\$ 89,200	\$ 89,200	\$ 89,200	\$ -
Cooperative extension	152,879	129,064	129,064	-
Register of deeds	445,446	446,292	443,183	(3,109)
Economic development (NCEDO)	65,000	106,490	106,455	(35)
West Michigan regional planning	13,000	13,494	13,494	-
Total community and economic development	<u>765,525</u>	<u>784,540</u>	<u>781,396</u>	<u>(3,144)</u>
Other:				
Non-departmental expenditures	125,370	122,990	122,876	(114)
Contingency	-	387,869	-	(387,869)
Total other	<u>125,370</u>	<u>510,859</u>	<u>122,876</u>	<u>(387,983)</u>
Debt service:				
Principal	-	74,291	93,749	19,458
Interest	-	1,161	1,147	(14)
Total debt service	<u>-</u>	<u>75,452</u>	<u>94,896</u>	<u>19,444</u>
Total expenditures	<u>11,451,687</u>	<u>13,006,859</u>	<u>11,635,084</u>	<u>(1,371,775)</u>
Revenues over expenditures	<u>3,279,192</u>	<u>3,363,223</u>	<u>4,815,384</u>	<u>1,452,161</u>
Other financing sources (uses)				
Issuance of long-term liabilities	-	127,160	78,416	(48,744)
Transfers in	27,529	44,301	44,301	-
Transfers out	(3,627,316)	(3,627,316)	(3,622,600)	(4,716)
Proceeds from sale of capital assets	-	-	3,653	3,653
Total other financing sources (uses)	<u>(3,599,787)</u>	<u>(3,455,855)</u>	<u>(3,496,230)</u>	<u>(49,807)</u>
Net change in fund balance	(320,595)	(92,632)	1,319,154	1,411,786
Fund balance, beginning of year	<u>6,648,063</u>	<u>6,648,063</u>	<u>6,648,063</u>	<u>-</u>
Fund balance, end of year (budgetary basis)	<u>\$ 6,327,468</u>	<u>\$ 6,555,431</u>	7,967,217	<u>\$ 1,411,786</u>
Accounting basis difference (Note 2)			(875,793)	
Fund balance, end of year (GAAP basis)			<u>\$ 7,091,424</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, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 1,680,818	\$ 1,682,579	\$ 1,677,876	\$ (4,703)
Intergovernmental:				
Federal	179,350	207,789	209,795	2,006
State	10,176	9,850	10,814	964
Local	19,000	11,563	22,857	11,294
Fines and forfeitures	1,000	650	541	(109)
Charges for services	133,291	128,778	127,765	(1,013)
Interest and rentals	1,200	11,832	12,267	435
Contributions from private sources	-	12,650	12,850	200
Other revenues/reimbursements	13,300	79,719	85,361	5,642
Total revenues	<u>2,038,135</u>	<u>2,145,410</u>	<u>2,160,126</u>	<u>14,716</u>
Expenditures				
Current - public safety	3,055,030	3,155,830	2,966,275	(189,555)
Debt service:				
Principal	-	205,149	243,231	38,082
Interest	-	6,148	5,947	(201)
Capital outlay	-	229,309	212,015	(17,294)
Total expenditures	<u>3,055,030</u>	<u>3,596,436</u>	<u>3,427,468</u>	<u>(168,968)</u>
Revenues under expenditures	<u>(1,016,895)</u>	<u>(1,451,026)</u>	<u>(1,267,342)</u>	<u>183,684</u>
Other financing sources (uses)				
Issuance of long-term liabilities	-	229,309	275,067	45,758
Transfers in	1,119,296	1,009,161	1,009,161	-
Transfers out	(102,401)	(42,068)	(42,068)	-
Total other financing sources (uses)	<u>1,016,895</u>	<u>1,196,402</u>	<u>1,242,160</u>	<u>45,758</u>
Net change in fund balance	-	(254,624)	(25,182)	229,442
Fund balance, beginning of year	<u>263,385</u>	<u>263,385</u>	<u>263,385</u>	-
Fund balance, end of year	<u>\$ 263,385</u>	<u>\$ 8,761</u>	<u>\$ 238,203</u>	<u>\$ 229,442</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 - County Jail

For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental - federal	\$ 268,450	\$ 268,450	\$ 269,848	\$ 1,398
Charges for services	3,782,174	3,701,403	3,723,060	21,657
Other revenues/reimbursements	77,000	144,738	133,347	(11,391)
Total revenues	4,127,624	4,114,591	4,126,255	11,664
Expenditures				
Current - public safety	6,316,033	6,466,466	6,068,374	(398,092)
Debt service:				
Principal	-	39,837	103,537	63,700
Interest	-	1,763	1,763	-
Total expenditures	6,316,033	6,508,066	6,173,674	(334,392)
Revenues under expenditures	(2,188,409)	(2,393,475)	(2,047,419)	346,056
Other financing sources				
Issuance of long-term liabilities	-	154,715	154,228	(487)
Transfers in	2,181,409	2,029,269	2,029,269	-
Total other financing sources	2,181,409	2,183,984	2,183,497	(487)
Net change in fund balance	(7,000)	(209,491)	136,078	345,569
Fund balance, beginning of year	514,484	514,484	514,484	-
Fund balance, end of year	\$ 507,484	\$ 304,993	\$ 650,562	\$ 345,569

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 - Opioid Settlement
 For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Charges for services	\$ -	\$ 432,898	\$ 474,036	\$ 41,138
Expenditures				
Current - Health and welfare	-	432,898	157,660	(275,238)
Net change in fund balance	-	-	316,376	316,376
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 316,376</u>	<u>\$ 316,376</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, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental - federal	\$ -	\$ 1,307,634	\$ 1,307,632	\$ (2)
Interest and rentals	-	295,000	302,819	7,819
Total revenues	-	1,602,634	1,610,451	7,817
Expenditures				
Current - general government	-	1,602,634	1,307,632	(295,002)
Net change in fund balance	-	-	302,819	302,819
Fund balance, beginning of year	2,210	2,210	2,210	-
Fund balance, end of year	<u>\$ 2,210</u>	<u>\$ 2,210</u>	<u>\$ 305,029</u>	<u>\$ 302,819</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, 2023

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 1,684,647	\$ 1,704,647	\$ 1,679,477	\$ (25,170)
Intergovernmental:				
Federal	383,043	409,341	257,732	(151,609)
State	98,165	302,442	477,287	174,845
Local	10,000	15,000	24,615	9,615
Charges for services	240,285	95,600	67,434	(28,166)
Interest and rentals	2,500	2,500	105,230	102,730
Contributions from private sources	430,592	253,022	57,781	(195,241)
Other revenues/reimbursements	27,000	89,750	92,333	2,583
Total revenues	<u>2,876,232</u>	<u>2,872,302</u>	<u>2,761,889</u>	<u>(110,413)</u>
Expenditures				
Current - Health and welfare	2,968,084	3,792,720	3,064,120	(728,600)
Debt service:				
Principal	-	32,872	54,029	21,157
Interest	-	4,124	4,124	-
Total expenditures	<u>2,968,084</u>	<u>3,829,716</u>	<u>3,122,273</u>	<u>(707,443)</u>
Revenues under expenditures	<u>(91,852)</u>	<u>(957,414)</u>	<u>(360,384)</u>	<u>597,030</u>
Other financing sources				
Issuance of long-term liabilities	-	304,026	303,098	(928)
Transfers in	4,044	4,044	-	(4,044)
Total other financing sources	<u>4,044</u>	<u>308,070</u>	<u>303,098</u>	<u>(4,972)</u>
Net change in fund balance	<u>(87,808)</u>	<u>(649,344)</u>	<u>(57,286)</u>	<u>592,058</u>
Fund balance, beginning of year	<u>2,722,429</u>	<u>2,722,429</u>	<u>2,722,429</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,634,621</u>	<u>\$ 2,073,085</u>	<u>\$ 2,665,143</u>	<u>\$ 592,058</u>

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

COUNTY OF NEWAYGO, MICHIGAN

Statement of Net Position

Proprietary Funds
September 30, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities	
	2020 and Prior Delinquent Tax (various)	2022 Delinquent Tax (516222)	P.A. 123 (520-521)	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets						
Current assets:						
Cash and cash equivalents	\$ 1,112,635	\$ 58,184	\$ 243,375	\$ 1,486,973	\$ 2,901,167	\$ 4,654,277
Restricted cash and cash equivalents	-	-	5,386	-	5,386	-
Investments	14,030,686	-	3,281,921	-	17,312,607	-
Accounts receivable	36,887	-	2,159	53,096	92,142	497,601
Delinquent taxes receivable	2,970	2,173,383	-	577,665	2,754,018	-
Due from other governments	158,827	-	-	-	158,827	-
Current portion of installment sales agreement	-	-	-	25,000	25,000	-
Due from other funds	1,947,723	-	-	-	1,947,723	6,674
Prepays	941	-	-	1,624	2,565	661,618
Total current assets	17,290,669	2,231,567	3,532,841	2,144,358	25,199,435	5,820,170
Noncurrent assets:						
Installment sales agreement, net of current portion	-	-	-	24,180	24,180	-
Capital assets being depreciated/amortized, net	170,348	-	-	40,998	211,346	324,732
Total noncurrent assets	170,348	-	-	65,178	235,526	324,732
Total assets	17,461,017	2,231,567	3,532,841	2,209,536	25,434,961	6,144,902
Liabilities						
Current liabilities:						
Accounts payable	1,140	-	32,951	157,915	192,006	125,142
Accrued liabilities	-	-	-	-	-	361,701
Due to other funds	-	1,840,000	-	107,723	1,947,723	28,232
Current portion of leases payable	-	-	-	-	-	38,223
Current portion of long-term debt	-	-	-	25,000	25,000	66,041
Total current liabilities	1,140	1,840,000	32,951	290,638	2,164,729	619,339
Noncurrent liabilities:						
Leases payable, net of current portion	-	-	-	-	-	120,023
Long-term debt, net of current portion	-	-	-	24,180	24,180	512,879
Total noncurrent liabilities	-	-	-	24,180	24,180	632,902
Total liabilities	1,140	1,840,000	32,951	314,818	2,188,909	1,252,241
Net position						
Net investment in capital assets	170,348	-	-	40,998	211,346	166,486
Restricted for property tax foreclosures	-	-	5,386	-	5,386	-
Unrestricted	17,289,529	391,567	3,494,504	1,853,720	23,029,320	4,726,175
Total net position	\$ 17,459,877	\$ 391,567	\$ 3,499,890	\$ 1,894,718	\$ 23,246,052	\$ 4,892,661

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, 2023

	Business-type Activities - Enterprise Funds				Total	Governmental
	2020 and Prior Delinquent Tax (various)	2022 Delinquent Tax (516222)	P.A. 123 (520-521)	Nonmajor Enterprise Funds		Internal Service Funds
Operating revenues						
Charges for services	\$ -	\$ -	\$ 239,158	\$ 508,102	\$ 747,260	\$ 1,910,638
Rentals	-	-	-	110,232	110,232	-
Interest and penalties on delinquent taxes	26,163	391,567	-	203,135	620,865	-
Reimbursements	-	-	301,222	4,028	305,250	7,200,192
Total operating revenues	26,163	391,567	540,380	825,497	1,783,607	9,110,830
Operating expenses						
Supplies and operating expenses	16,211	-	290,470	190,031	496,712	8,529,430
Depreciation/amortization	21,294	-	-	10,209	31,503	116,032
Total operating expenses	37,505	-	290,470	200,240	528,215	8,645,462
Operating income (loss)	(11,342)	391,567	249,910	625,257	1,255,392	465,368
Nonoperating revenues (expenses)						
Investment earnings	495,318	-	92,396	1,237	588,951	15,584
Interest expense	-	-	-	(961)	(961)	(1,737)
Loss on disposal of capital assets	-	-	-	(2,465)	(2,465)	(9,897)
Insurance pool distribution	-	-	-	-	-	209,787
Total nonoperating revenues (expense)	495,318	-	92,396	(2,189)	585,525	213,737
Income before transfers	483,976	391,567	342,306	623,068	1,840,917	679,105
Transfers						
Transfers out	-	-	-	(392,529)	(392,529)	-
Change in net position	483,976	391,567	342,306	230,539	1,448,388	679,105
Net position, beginning of year	16,975,901	-	3,157,584	1,664,179	21,797,664	4,213,556
Net position, end of year	\$ 17,459,877	\$ 391,567	\$ 3,499,890	\$ 1,894,718	\$ 23,246,052	\$ 4,892,661

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, 2023

	Business-type Activities - Enterprise Funds				Total	Governmental
	2020 and Prior Delinquent Tax (various)	2022 Delinquent Tax (516212)	P.A. 123 (520-521)	Nonmajor Enterprise Funds		Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 353,575	\$ 2,556,323	\$ 542,130	\$ 2,318,674	\$ 5,770,702	\$ -
Receipts from (payments for) interfund services	(140,000)	-	-	-	(140,000)	8,738,137
Payments to vendors	-	-	(257,641)	(190,292)	(447,933)	(5,635,452)
Payments for personnel services	-	-	-	-	-	(3,151,976)
Delinquent taxes purchased	-	(4,338,139)	-	-	(4,338,139)	-
Net cash provided by (used in) operating activities	<u>213,575</u>	<u>(1,781,816)</u>	<u>284,489</u>	<u>2,128,382</u>	<u>844,630</u>	<u>(49,291)</u>
Cash flows from noncapital financing activities						
Cash received from interfund loan	-	1,840,000	-	-	1,840,000	-
Cash paid for interfund loan	-	-	-	(1,550,000)	(1,550,000)	-
Transfers out	-	-	-	(392,529)	(392,529)	-
Insurance pool distribution	-	-	-	-	-	209,787
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>1,840,000</u>	<u>-</u>	<u>(1,942,529)</u>	<u>(102,529)</u>	<u>209,787</u>
Cash flows from capital and related financing activities						
Principal paid on long-term debt	-	-	-	(20,000)	(20,000)	-
Interest paid on long-term debt	-	-	-	(961)	(961)	-
Principal paid on leases payable	-	-	-	-	-	(48,232)
Interest paid on leases payable	-	-	-	-	-	(1,737)
Cash received from installment sales agreement	-	-	-	20,961	20,961	-
Purchases of capital assets	-	-	-	-	-	(32,946)
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(82,915)</u>
Cash flows from investing activities						
Purchase of investments	(4,598,835)	-	(1,714,422)	-	(6,313,257)	-
Proceeds from sale of investments	4,289,668	-	700,000	-	4,989,668	-
Interest received on investments	345,552	-	80,238	1,237	427,027	15,584
Net cash provided by (used in) investing activities	<u>36,385</u>	<u>-</u>	<u>(934,184)</u>	<u>1,237</u>	<u>(896,562)</u>	<u>15,584</u>
Net changes in cash and cash equivalents	<u>249,960</u>	<u>58,184</u>	<u>(649,695)</u>	<u>187,090</u>	<u>(154,461)</u>	<u>93,165</u>
Cash and cash equivalents, beginning of year	862,675	-	898,456	1,299,883	3,061,014	4,561,112
Cash and cash equivalents, end of year	<u>\$ 1,112,635</u>	<u>\$ 58,184</u>	<u>\$ 248,761</u>	<u>\$ 1,486,973</u>	<u>\$ 2,906,553</u>	<u>\$ 4,654,277</u>
Cash and cash equivalents as reported on the statement of net position						
Cash and cash equivalents	\$ 1,112,635	\$ 58,184	\$ 243,375	\$ 1,486,973	\$ 2,901,167	\$ 4,654,277
Restricted cash and cash equivalents	-	-	5,386	-	5,386	-
Total cash and cash equivalents	<u>\$ 1,112,635</u>	<u>\$ 58,184</u>	<u>\$ 248,761</u>	<u>\$ 1,486,973</u>	<u>\$ 2,906,553</u>	<u>\$ 4,654,277</u>

COUNTY OF NEWAYGO, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2023

	Business-type Activities - Enterprise Funds				Total	Governmental
	2020 and Prior Delinquent Tax (various)	2022 Delinquent Tax (516212)	P.A. 123 (520-521)	Nonmajor Enterprise Funds		Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ (11,342)	\$ 391,567	\$ 249,910	\$ 625,257	\$ 1,255,392	\$ 465,368
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization expense	21,294	-	-	10,209	31,503	116,032
Change in operating assets and liabilities:						
Accounts receivable	(3,633)	-	1,750	(10,097)	(11,980)	(341,309)
Delinquent taxes receivable	551,635	(2,173,383)	-	1,373,781	(247,967)	-
Due from other governments	(42,055)	-	-	-	(42,055)	-
Due from other funds	(140,000)	-	-	-	(140,000)	(6,667)
Prepays	3,318	-	-	(1,624)	1,694	(50,809)
Accounts payable	(15,642)	-	32,829	130,856	148,043	(162,371)
Accrued liabilities	-	-	-	-	-	(101,007)
Due to other funds	(150,000)	-	-	-	(150,000)	(23,498)
Compensated absences	-	-	-	-	-	54,970
Net cash provided by (used in) operating activities	\$ 213,575	\$ (1,781,816)	\$ 284,489	\$ 2,128,382	\$ 844,630	\$ (49,291)

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, 2023

	OPEB Trust	Custodial Funds
Assets		
Cash and cash equivalents	\$ -	\$ 4,592,569
Investments - MERS total market portfolio	5,414,072	-
Total assets	<u>5,414,072</u>	<u>4,592,569</u>
Liabilities		
Accounts payable	-	51,026
Due to other governments	-	4,324,085
Undistributed receipts	-	139,069
Total liabilities	<u>-</u>	<u>4,514,180</u>
Net position		
Restricted for:		
Other postemployment benefits	5,414,072	-
Individuals, organizations and other governments	-	78,389
Total net position	<u>\$ 5,414,072</u>	<u>\$ 78,389</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, 2023

	OPEB Trust	Custodial Funds
Additions		
Investment income:		
Net investment income	\$ 603,138	\$ -
Collections:		
Circuit court juvenile division collections	-	3,784
County clerk collections	-	57,358
District court collections	-	296,960
Circuit court clerk collections	-	87,067
Probate court collections	-	54,519
Register of deeds collections	-	1,606,733
County treasurer collections	-	10,730,844
Sheriff's collections	-	36,839
County jail collections	-	1,653
Other	-	546
Inmate collections	-	1,393,519
Library penal fines collections	-	144,540
	<u>-</u>	<u>14,414,362</u>
Total additions (net of investment income)	<u>603,138</u>	<u>14,414,362</u>
Deductions		
Benefit payments	349,210	-
Administrative expenses	10,510	-
Distributions:		
Circuit court juvenile division distributions	-	3,784
County clerk distributions	-	57,403
District court distributions	-	296,960
Circuit court clerk distributions	-	87,022
Probate court distributions	-	54,519
Register of deeds distributions	-	1,606,733
County treasurer distributions	-	10,730,844
Sheriff's distributions	-	36,839
County jail distributions	-	1,653
Other	-	546
Inmate distributions	-	1,392,684
Library penal fines distributions	-	144,540
	<u>359,720</u>	<u>14,413,527</u>
Total deductions	<u>359,720</u>	<u>14,413,527</u>
Change in net position	243,418	835
Net position, beginning of year	<u>5,170,654</u>	<u>77,554</u>
Net position, end of year	<u>\$ 5,414,072</u>	<u>\$ 78,389</u>

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

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Net Position

Discretely Presented Component Units

September 30, 2023

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
Assets			
Cash and cash equivalents	\$ 1,632,038	\$ 1,392,644	\$ 64,423
Investments	-	-	-
Receivables, net	348,453	2,402,513	-
Other assets	11,211	-	-
Capital assets not being depreciated	-	65,350	-
Capital assets being depreciated, net	628,412	1,730,198	-
Net pension asset	-	-	-
Total assets	2,620,114	5,590,705	64,423
Deferred outflows of resources			
Deferred pension amounts	509,582	-	-
Deferred OPEB amounts	-	-	-
Total deferred outflows of resources	509,582	-	-
Liabilities			
Accounts payable and accrued liabilities	29,897	393,919	309
Bonds, notes and other long-term liabilities:			
Due within one year	65,000	104,565	-
Due in more than one year	325,000	1,046,227	-
Net pension liability (due in more than one year)	1,284,985	-	-
Net OPEB liability (due in more than one year)	-	-	-
Total liabilities	1,704,882	1,544,711	309
Deferred inflows of resources			
Deferred pension amounts	-	-	-
Deferred OPEB amounts	-	-	-
Total deferred inflows of resources	-	-	-
Net position			
Net investment in capital assets	238,412	644,756	-
Restricted for drain construction and maintenance	-	3,355,538	-
Restricted for debt service	-	45,700	-
Restricted for pension	-	-	-
Restricted for roads	-	-	-
Unrestricted	1,186,402	-	64,114
Total net position	\$ 1,424,814	\$ 4,045,994	\$ 64,114

*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
\$ 840,758	\$ 6,949,140	\$ 10,879,003
1,010,728	-	1,010,728
3,030,831	1,972,240	7,754,037
1,720,457	641,672	2,373,340
2,151,451	-	2,216,801
59,806,181	7,660,830	69,825,621
-	74,851	74,851
<u>68,560,406</u>	<u>17,298,733</u>	<u>94,134,381</u>
1,844,475	591,921	2,945,978
150,858	-	150,858
<u>1,995,333</u>	<u>591,921</u>	<u>3,096,836</u>
662,613	1,375,296	2,462,034
822,700	337,903	1,330,168
2,098,916	-	3,470,143
3,119,650	-	4,404,635
724,719	-	724,719
<u>7,428,598</u>	<u>1,713,199</u>	<u>12,391,699</u>
155,509	1,213,799	1,369,308
1,326,299	-	1,326,299
<u>1,481,808</u>	<u>1,213,799</u>	<u>2,695,607</u>
59,230,207	7,660,830	67,774,205
-	-	3,355,538
-	-	45,700
-	74,851	74,851
2,415,126	-	2,415,126
-	7,227,975	8,478,491
<u>\$ 61,645,333</u>	<u>\$ 14,963,656</u>	<u>\$ 82,143,911</u>

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Activities

Discretely Presented Component Units
For the Year Ended September 30, 2023

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
Expenses			
Central dispatch	\$ 1,350,500	\$ -	\$ -
County drains	-	715,245	-
Brownfield redevelopment	-	-	6,872
Roads	-	-	-
Medical care	-	-	-
Total expenses	<u>1,350,500</u>	<u>715,245</u>	<u>6,872</u>
Program revenues			
Charges for services	1,367,384	-	-
Operating grants and contributions	267,190	-	-
Capital grants and contributions	-	573,559	-
Total program revenues	<u>1,634,574</u>	<u>573,559</u>	<u>-</u>
Net revenue (expense)	<u>284,074</u>	<u>(141,686)</u>	<u>(6,872)</u>
General revenues			
Property taxes	-	-	6,093
Unrestricted investment earnings	5,397	1,576	-
Total general revenues	<u>5,397</u>	<u>1,576</u>	<u>6,093</u>
Change in net position	289,471	(140,110)	(779)
Net position, beginning of year	<u>1,135,343</u>	<u>4,186,104</u>	<u>64,893</u>
Net position, end of year	<u><u>\$ 1,424,814</u></u>	<u><u>\$ 4,045,994</u></u>	<u><u>\$ 64,114</u></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
\$ -	\$ -	\$ 1,350,500
-	-	715,245
-	-	6,872
16,201,231	-	16,201,231
-	10,785,660	10,785,660
<u>16,201,231</u>	<u>10,785,660</u>	<u>29,059,508</u>
2,051,766	8,251,219	11,670,369
14,085,127	409,753	14,762,070
1,814,777	-	2,388,336
<u>17,951,670</u>	<u>8,660,972</u>	<u>28,820,775</u>
<u>1,750,439</u>	<u>(2,124,688)</u>	<u>(238,733)</u>
-	-	6,093
-	119,795	126,768
<u>-</u>	<u>119,795</u>	<u>132,861</u>
1,750,439	(2,004,893)	(105,872)
<u>59,894,894</u>	<u>16,968,549</u>	<u>82,249,783</u>
<u>\$ 61,645,333</u>	<u>\$ 14,963,656</u>	<u>\$ 82,143,911</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 no less than 40% of its convention facility revenue each year, which amounted to \$89,346 for the year ended September 30, 2023.

District Health Department #10 – The County participates jointly in the operation of this Health Department with ten other area counties. The County appropriated \$320,867 to the Health Department for the year ended September 30, 2023.

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 *opioid settlement fund* accounts for current and future payments to be received from various opioid settlements.

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 *2020 and prior delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in years 2020 and prior.

The *2022 delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in the year 2022.

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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

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.

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.

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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

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

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

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

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

Bankers' acceptances of United States banks.

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

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

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

Receivables and Payables

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

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Leases

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

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 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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Other Assets

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired or constructed since 1980), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of at least two years. Building and building improvements will be capitalized at a threshold \$50,000 and land improvements will be capitalized at a threshold of \$25,000. The group method will be utilized when a group of assets are acquired for one area/room and collectively the purchase total exceeds \$25,000. 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
Furniture and equipment	3-25
Vehicles	3-5
Drain infrastructure	20-100

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

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets 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 plans subsequent to the plan measurement date.

Compensated Absences

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

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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

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 assets 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, special assessments, and other long-term receivables. 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.

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, 2023, unassigned fund balance of the general fund was equal to 42 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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Interfund Transactions

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

Pensions and Other Postemployment Benefits

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

Use of Estimates

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

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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Budget / GAAP Reconciliation

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

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

	Budgetary Basis	Accounting Basis Difference	GAAP Basis
General fund			
Deferred inflows of resources	\$ -	\$ 875,793	\$ 875,793
Property tax revenue	9,926,951	(70,459)	9,856,492
Fund balance, beginning of year	6,648,063	(805,334)	5,842,729
Fund balance, end of year	7,967,217	(875,793)	7,091,424

3. EXCESS OF EXPENDITURES OVER BUDGET

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

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

During the year ended September 30, 2023, the County had incurred expenditures in budgetary funds which were in excess of the amounts budgeted as follows:

	Final Budget	Expenditures	Budget Variance
General fund			
Health and welfare:			
Contagious disease	\$ 659	\$ 746	\$ 87
Debt service:			
Principal	74,291	93,749	19,458
Sheriff road patrol			
Debt service:			
Principal	205,149	243,231	38,082
County Jail			
Debt service:			
Principal	39,837	103,537	63,700
Commission on aging			
Debt service:			
Principal	32,872	54,029	21,157
Nonmajor governmental funds			
Law enforcement:			
Debt service:			
Principal	8,984	9,532	548
Building safety and permits:			
Public safety	451,552	477,346	25,794

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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Following is a reconciliation of deposit and investment balances as of September 30, 2023:

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash and cash equivalents	\$ 10,418,227	\$ 10,879,003	\$ 21,297,230
Restricted cash and cash equivalents	6,799,328	-	6,799,328
Investments	28,867,532	1,010,728	29,878,260
Statement of Fiduciary Net Position			
Cash and cash equivalents	4,592,569	-	4,592,569
MERS total market portfolio	5,414,072	-	5,414,072
Total deposits and investments	56,091,728	11,889,731	67,981,459
Less component units separately audited			
Road Commission	-	(1,851,486)	(1,851,486)
Medical Care Facility	-	(6,949,140)	(6,949,140)
Deposits and investments excluding separately audited component units	<u>\$ 56,091,728</u>	<u>\$ 3,089,105</u>	<u>\$ 59,180,833</u>
Deposits and investments			
Checking and savings accounts			\$ 19,020,847
Certificates of deposit:			
Due within one year			6,908,846
Due in one to five years			2,645,618
Investments			30,604,086
Cash on hand			<u>1,436</u>
Total			<u><u>\$ 59,180,833</u></u>

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, \$20,380,573 of the County's bank balance of \$29,157,771 was exposed to custodial credit risk because it was uninsured and uncollateralized. Due to the dollar amounts of cash deposits and the limits of FDIC insurance, the County believes it is impractical to insure all bank deposits. As a result, the County evaluates each financial institution with which it deposits County funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In order to minimize this risk, County policy limits the types of investments and pre-qualifies financial institutions. As of September 30, 2023, 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, 2023:

U.S. government bonds	\$ 4,301,506
Michigan CLASS	12,393,274
Municipal bonds	4,158,169
U.S. treasury securities	4,337,065
MERS total market portfolio	<u>5,414,072</u>
Total	<u>\$ 30,604,086</u>

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+	\$ 5,807,115
S&P AA	940,546
S&P AA-	1,688,363
S&P AAAm	12,393,274
Moody Aaa	3,113,109
Moody Aa1	913,258
Moody Aa2	334,349
Not rated	<u>5,414,072</u>
Total	<u>\$ 30,604,086</u>

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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Maturity dates for investments held at year-end are summarized as follows:

No maturity	\$ 17,807,346
Due in less than one year	3,969,488
Due in 1-5 years	8,749,520
Due in 6-10 years	<u>77,732</u>
Total	<u>\$ 30,604,086</u>

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 \$12,393,274. 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	\$ 1,802,394	\$ 92,142	\$ 2,406,113
Less: allowance for uncollectibles	-	-	(34,000)
Loans receivable	1,031,696	-	-
Taxes (current)	2,550,995	-	-
Taxes (delinquent)	-	2,754,018	-
Due from other governments	858,381	158,827	3,005,207
Advance to component units	300,000	-	-
Special assessments	-	-	2,376,717
Installment sales agreement	-	49,180	-
Leases	893,851	-	-
Total receivables	\$ 7,437,317	\$ 3,054,167	\$ 7,754,037

Of the amounts reported for receivables above, loans receivable of \$1,031,696, special assessments receivable of \$1,644,288, leases receivable of \$720,859, and installment sales agreement of \$24,180 are not expected to be collected within one year. In addition, accounts receivable of \$1,190,737 related to various opioid settlements in governmental activities is 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 \$875,793 for property taxes receivable and \$1,190,737 for other long-term receivables, and \$2,376,717 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	\$ -	\$ -	\$ 1,649,240
Prepays	825,077	2,565	724,100
Total other assets	\$ 825,077	\$ 2,565	\$ 2,373,340

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	\$ 1,057,182	\$ 192,006	\$ 904,253
Accrued liabilities	854,975	-	882,122
Due to other governments	143,329	-	78,773
Accrued interest on long-term liabilities	18,425	-	-
Advance from primary government	-	-	300,000
Advance from State of Michigan	-	-	296,886
Total payables and accrued liabilities	<u>\$ 2,073,911</u>	<u>\$ 192,006</u>	<u>\$ 2,462,034</u>

8. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2023, is as follows:

Due to and from primary government funds

	Due from Other Funds	Due to Other Funds
General fund	\$ 27,012	\$ 13,882
Sheriff road patrol	-	4,118
County jail	-	1,336
American rescue plan	-	655,468
Nonmajor governmental funds	669,350	-
2020 and prior delinquent tax	1,947,723	-
2022 delinquent tax	-	1,840,000
Nonmajor enterprise funds	-	107,723
Internal service funds	6,674	28,232
Totals	<u>\$ 2,650,759</u>	<u>\$ 2,650,759</u>

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

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

For the year ended September 30, 2023, interfund transfers consisted of the following:

Transfers Out	Transfers in				Totals
	General Fund	Sheriff Road Patrol	County Jail	Nonmajor Governmental Funds	
General fund	\$ -	\$ 884,355	\$ 1,496,918	\$ 1,241,327	\$ 3,622,600
Sheriff road patrol	-	-	-	42,068	42,068
Nonmajor governmental funds	36,772	124,806	172,351	-	333,929
Nonmajor enterprise funds	7,529	-	360,000	25,000	392,529
Totals	<u>\$ 44,301</u>	<u>\$ 1,009,161</u>	<u>\$ 2,029,269</u>	<u>\$ 1,308,395</u>	<u>\$ 4,391,126</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, 2023, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental activities					
Capital assets, not being depreciated/amortized:					
Land	\$ 2,090,873	\$ -	\$ -	\$ -	\$ 2,090,873
Construction in progress	139,886	246,193	(139,886)	-	246,193
	<u>2,230,759</u>	<u>246,193</u>	<u>(139,886)</u>	<u>-</u>	<u>2,337,066</u>
Capital assets, being depreciated/amortized:					
Buildings	23,812,143	66,115	(28,644)	-	23,849,614
Land improvements	2,127,697	-	-	-	2,127,697
Office equipment	5,449,627	394,889	(14,295)	-	5,830,221
Vehicles	1,941,270	27,277	(24,548)	-	1,943,999
Books and related materials	19,664	-	-	-	19,664
Lease vehicles (Note 11)	1,353,773	815,323	(312,322)	-	1,856,774
Lease buildings (Note 11)	48,784	-	-	-	48,784
Lease land (Note 11)	12,407	-	-	-	12,407
	<u>34,765,365</u>	<u>1,303,604</u>	<u>(379,809)</u>	<u>-</u>	<u>35,689,160</u>
Less accumulated depreciation/amortization for:					
Buildings	(15,762,085)	(2,064,774)	11,458	-	(17,815,401)
Land improvements	(1,098,359)	(148,586)	-	-	(1,246,945)
Office equipment	(4,310,221)	(283,319)	14,295	-	(4,579,245)
Vehicles	(1,486,510)	(130,551)	24,548	-	(1,592,513)
Books and related materials	(3,933)	(3,933)	-	-	(7,866)
Lease vehicles (Note 11)	(356,328)	(461,172)	176,473	-	(641,027)
Lease buildings (Note 11)	(6,098)	(24,392)	-	-	(30,490)
Lease land (Note 11)	(1,675)	(2,481)	-	-	(4,156)
	<u>(23,025,209)</u>	<u>(3,119,208)</u>	<u>226,774</u>	<u>-</u>	<u>(25,917,643)</u>
Total capital assets being depreciated/ amortized, net	<u>11,740,156</u>	<u>(1,815,604)</u>	<u>(153,035)</u>	<u>-</u>	<u>9,771,517</u>
Governmental activities capital assets, net	<u>\$ 13,970,915</u>	<u>\$ (1,569,411)</u>	<u>\$ (292,921)</u>	<u>\$ -</u>	<u>\$ 12,108,583</u>

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-type activities					
Capital assets, being depreciated:					
Land improvements	\$ 15,686	\$ -	\$ -	\$ -	\$ 15,686
Equipment	309,151	-	(3,082)	-	306,069
	<u>324,837</u>	<u>-</u>	<u>(3,082)</u>	<u>-</u>	<u>321,755</u>
Less accumulated depreciation for:					
Land improvements	(14,626)	(894)	-	-	(15,520)
Equipment	(64,897)	(30,609)	617	-	(94,889)
	<u>(79,523)</u>	<u>(31,503)</u>	<u>617</u>	<u>-</u>	<u>(110,409)</u>
Business-type activities capital assets, net	<u>\$ 245,314</u>	<u>\$ (31,503)</u>	<u>\$ (2,465)</u>	<u>\$ -</u>	<u>\$ 211,346</u>

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

Depreciation/amortization of governmental activities by function

General government	\$ 1,254,852
Public safety	601,463
Health and welfare	233,398
Cultural and recreation	118,281
Judicial	795,182
Internal service funds **	<u>116,032</u>

Total governmental activities \$ 3,119,208

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

Depreciation of business-type activities by function

2020 and prior delinquent tax	\$ 21,294
Nonmajor enterprise funds	<u>10,209</u>

Total business-type activities \$ 31,503

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

Discretely presented component units

Capital assets activity for the Central Dispatch Authority component unit for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Central Dispatch Authority					
Capital assets, being depreciated:					
Buildings	\$ 17,025	\$ -	\$ -	\$ -	\$ 17,025
Equipment	1,690,605	-	-	-	1,690,605
	<u>1,707,630</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,707,630</u>
Less accumulated depreciation for:					
Buildings	(1,702)	(1,702)	-	-	(3,404)
Equipment	(927,261)	(148,553)	-	-	(1,075,814)
	<u>(928,963)</u>	<u>(150,255)</u>	<u>-</u>	<u>-</u>	<u>(1,079,218)</u>
Central Dispatch Authority capital assets, net	<u>\$ 778,667</u>	<u>\$ (150,255)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 628,412</u>

Capital assets activity for the Drain Commissioner component unit for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Drain Commissioner					
Capital assets, not being depreciated:					
Land	\$ 65,350	\$ -	\$ -	\$ -	\$ 65,350
Construction in progress	156,179	5,553	-	(161,732)	-
	<u>221,529</u>	<u>5,553</u>	<u>-</u>	<u>(161,732)</u>	<u>65,350</u>
Capital assets, being depreciated:					
Infrastructure	2,534,514	-	-	161,732	2,696,246
Less accumulated depreciation for:					
Infrastructure	(857,371)	(108,677)	-	-	(966,048)
Total capital assets being depreciated, net	<u>1,677,143</u>	<u>(108,677)</u>	<u>-</u>	<u>161,732</u>	<u>1,730,198</u>
Drain Commissioner capital assets, net	<u>\$ 1,898,672</u>	<u>\$ (103,124)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,795,548</u>

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

10. BONDS, NOTES, AND OTHER LONG-TERM LIABILITIES

The following is a summary of bonds, notes and other long-term liability transactions for the year ended September 30, 2023:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ 4,177,000	\$ -	\$ (1,224,000)	\$ 2,953,000	\$ 1,253,000
Premium on bonds payable	69,166	-	(25,152)	44,014	25,152
Lease payable (Note 11)	1,118,825	810,809	(580,046)	1,349,588	436,467
Compensated absences	523,950	137,799	(82,829)	578,920	66,041
Total governmental activities	\$ 5,888,941	\$ 948,608	\$ (1,912,027)	\$ 4,925,522	\$ 1,780,660
Business-type activities					
General obligation bonds	\$ 69,180	\$ -	\$ (20,000)	\$ 49,180	\$ 25,000
Discretely presented component units					
Central Dispatch Authority					
Notes from direct borrowings and direct placements	\$ 455,000	\$ -	\$ (65,000)	\$ 390,000	\$ 65,000
Drain Commissioner					
General obligation bonds	\$ 890,000	\$ -	\$ (60,000)	\$ 830,000	\$ 60,000
Notes from direct borrowings and direct placements	392,200	-	(88,400)	303,800	43,400
Premium on bonds payable	18,157	-	(1,165)	16,992	1,165
	\$ 1,300,357	\$ -	\$ (149,565)	\$ 1,150,792	\$ 104,565

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. \$ 1,240,000

\$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. 583,000

\$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. 1,130,000

Total governmental activities \$ 2,953,000

Business-type activities

\$414,167 2005 Hesperia Sanitary Sewer System Bonds, due in annual installments of \$24,180 to \$25,000 plus interest at 1.63% through 2025. \$ 49,180

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. \$ 390,000

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. \$ 830,000

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. \$ 247,800

\$80,000 notes payable due in annual installments of \$8,000 plus interest at 2.51% through 2030. 56,000

Total notes from direct borrowings and direct placements - Drain Commissioner \$ 303,800

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

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
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	96,000	7,544	-	-
2029-2030	186,000	7,437	-	-
Totals	\$ 2,953,000	\$ 126,468	\$ 49,180	\$ 1,190

Year Ended September 30,	Central Dispatch Component Unit Notes from Direct Borrowing and Direct Placements	
	Principal	Interest
2024	\$ 65,000	\$ 3,900
2025	65,000	3,250
2026	65,000	2,600
2027	65,000	1,950
2028	65,000	1,300
2029	65,000	650
Totals	\$ 390,000	\$ 13,650

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
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	55,000	21,175	43,400	3,502
2029-2033	275,000	77,000	86,800	3,501
2034-2038	275,000	28,875	-	-
Totals	<u>\$ 830,000</u>	<u>\$ 231,175</u>	<u>\$ 303,800</u>	<u>\$ 32,682</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 several 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 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.

The right-to-use assets and the related activity are included in Note 9, Capital Assets. The lease liability and related activity are presented in Note 10, Bonds, Notes and Other Long-term Liabilities.

Remaining Term of Agreements

Asset Type	
Vehicles	1-5 years
Land	3 years
Buildings	1 year

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

The net present value of future minimum payments as of September 30, 2023, were as follows:

Year Ended September 30,	Governmental Activities	
	Principal	Interest
2024	\$ 436,467	\$ 20,625
2025	340,407	14,889
2026	299,901	9,241
2027	168,864	4,577
2028	103,949	957
Totals	\$ 1,349,588	\$ 50,289

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, 2023 was \$176,306.

Remaining Term of Agreements

Asset Type	Remaining Term
Buildings	3-9 years

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,	
	2023	2022
Estimated liability, beginning of year	\$ 366,340	\$ 247,335
Distribution transfer	(107,685)	-
Estimated claims incurred	64,194	219,746
Claim payments	(94,657)	(100,741)
Estimated liability, end of year	\$ 228,192	\$ 366,340

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,	
	2023	2022
Estimated liability, beginning of year	\$ 50,999	\$ 172,968
Estimated claims incurred	3,231,658	3,782,460
Claim payments	(3,190,856)	(3,904,429)
Estimated liability, end of year	\$ 91,801	\$ 50,999

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 2023, for which revenue was recognized in the general fund, was \$1,931,805,460. The general operating tax rate for this levy was 5.2142 mills. The County assessed an additional 0.9681 mill for sheriff road patrol operations, 0.0976 mills for veterans' affairs, 0.9693 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 2022 taxable value of \$1,792,402,987.

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, 2023, the County's property taxes were reduced by \$61,947 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, 2023, the County's property taxes were reduced by \$10,345 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, 2023, the County's property taxes were reduced by \$75,572 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.

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, 2022 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	121
Inactive employees entitled to but not yet receiving benefits	10
Active employees	<u>8</u>
Total membership	<u><u>139</u></u>

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, 2023:

Division	Employer Contribution Rate	Employee Contribution Rate	Benefit Multiplier
Unclassified	\$ 6,238	4.00%	2.25%
Police Officers Labor	10,281	4.50%	2.50%
Appointed Department Heads	19,356	4.50%	2.50%
Teamsters Employees	10,331	8.49%	2.50%
Central Dispatch	820	4.00%	2.25%
Corrections Officers	3,706	4.50%	2.50%
Command Unit	8,503	4.50%	2.50%
Corrections Command	1,093	4.50%	2.50%

Net Pension Liability. The County's net pension liability was measured as of December 31, 2022, 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, 2022 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, 2022 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%
Investment rate of return			7.25%

Discount Rate. The discount rate used to measure the total pension liability as of December 31, 2022 was 7.25%. 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:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2021	\$ 28,443,205	\$ 25,725,233	\$ 2,717,972
Changes for the year:			
Service cost	62,202	-	62,202
Interest	1,979,178	-	1,979,178
Difference between expected and actual experience	(53,082)	-	(53,082)
Employer contributions	-	837,696	(837,696)
Employee contributions	-	25,505	(25,505)
Net investment loss	-	(2,824,530)	2,824,530
Benefit payments, including refunds of employee contributions	(2,350,608)	(2,350,608)	-
Administrative expense	-	(46,011)	46,011
Net changes	<u>(362,310)</u>	<u>(4,357,948)</u>	<u>3,995,638</u>
Balances at December 31, 2022	<u><u>\$ 28,080,895</u></u>	<u><u>\$ 21,367,285</u></u>	<u><u>\$ 6,713,610</u></u>

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

Governmental activities	\$ 5,428,625
Central Dispatch Authority component unit	<u>1,284,985</u>
	<u><u>\$ 6,713,610</u></u>

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	\$ 9,327,589	\$ 6,713,610	\$ 4,477,321

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, 2023, the County recognized pension expense of \$862,726. 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	\$ 2,119,440	\$ -	\$ 2,119,440
Contributions subsequent to the plan measurement date	542,952	-	542,952
Total	\$ 2,662,392	\$ -	\$ 2,662,392

Amounts are recorded in the accompanying financial statements as follows:

Governmental activities	\$ 2,152,810	\$ -
Central Dispatch Authority component unit	509,582	-
	\$ 2,662,392	\$ -

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, 2024. Other amounts reported as deferred outflows/inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2024	\$ 160,163
2025	381,126
2026	651,345
2027	<u>926,806</u>
Total	<u>\$ 2,119,440</u>

Payable to the Pension Plan. At September 30, 2023, the County had no amount payable for required contributions to the pension plan for the year ended September 30, 2023.

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 from 3.0% to 4.0% of compensation based on division.

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, 2023 amounted to \$753,927 and \$309,815, 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>32</u>
Total membership	<u><u>73</u></u>

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, 2023, the OPEB Plan's investments were fully invested in the MERS Retiree Health Funding Vehicle.

Rate of Return. For the year ended September 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 12.05 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%
	<u>100.00%</u>		
Inflation			2.50%
Less: risk factor adjustment			<u>-0.25%</u>
Investment rate of return			<u><u>6.75%</u></u>

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, 2023, 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, 2023), 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, 2023, were as follows:

Plan fiduciary net position	\$ 5,414,072
Total OPEB liability	<u>3,627,172</u>
County's net OPEB asset	<u><u>\$ 1,786,900</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	149.3%

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, 2022	\$ 3,762,462	\$ 5,170,654	\$ (1,408,192)
Changes for the year:			
Service cost	17,539	-	17,539
Interest	243,557	-	243,557
Changes in benefit terms	(47,176)	-	(47,176)
Net investment income	-	603,138	(603,138)
Benefit payments, including refunds of employee contributions	(349,210)	(349,210)	-
Administrative expense	-	(10,510)	10,510
Net changes	<u>(135,290)</u>	<u>243,418</u>	<u>(378,708)</u>
Balances at September 30, 2023	<u>\$ 3,627,172</u>	<u>\$ 5,414,072</u>	<u>\$ (1,786,900)</u>

In 2023, amounts reported as changes in benefit terms related to the Corrections Officer Benefit Group under their union agreement effective 1/1/2023. Employees, in this benefit group, employed as full-time before 1/1/2024 had an opportunity to make a one-time, irrevocable decision to choose one of the two options as their sole retiree health insurance benefit: 1) effective 1/1/2023, the employer will contribute \$50 per pay to a health savings plan, or 2) maintain the retiree health insurance benefit under which the employer will provide single subscriber health insurance for future retirees.

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%)
County's net OPEB (asset)	\$ (1,424,134)	\$ (1,786,900)	\$ (2,098,173)

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%)
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County's net OPEB (asset) liability \$ (2,153,664) \$ (1,786,900) \$ 1,361,532

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

For the year ended September 30, 2023, the County recognized OPEB expense of \$(531,658). 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	\$ -	\$ 343,110	\$ (343,110)
Changes in assumptions	-	3,933	(3,933)
Net difference between projected and actual earnings on OPEB plan investments	203,797	-	203,797
Total	<u>\$ 203,797</u>	<u>\$ 347,043</u>	<u>\$ (143,246)</u>

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

Year Ended September 30,	Amount
2024	\$ (256,589)
2025	(24,114)
2026	190,734
2027	(53,277)
Total	<u>\$ (143,246)</u>

Payable to the OPEB Plan. At September 30, 2023, the County had no amounts payable for contributions to the OPEB plan.

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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	Opioid Settlement
Nonspendable:				
Long-term advances	\$ 300,000		\$ -	\$ -
Prepays	64,028	20,071	61,932	-
Total nonspendable	364,028	20,071	61,932	-
Restricted for:				
Family counseling (P.A. 368)	106,542	-	-	-
Dragon trail	-	-	-	-
Law enforcement and road patrol	-	10,851	-	-
Community development	-	-	-	-
Jail training	-	-	30,240	-
Building inspections (P.A. 245)	-	-	-	-
Register of deeds technology (P.A. 698)	-	-	-	-
Commission on aging programs	-	-	-	-
Law library (P.A. 59)	-	-	-	-
Indigent defense	-	-	-	-
Debt service	-	-	-	-
Other purposes	48,572	-	-	316,376
Total restricted	155,114	10,851	30,240	316,376
Committed for:				
Law enforcement and road patrol	-	-	-	-
Jail operations	-	-	558,390	-
Friend of court	-	-	-	-
General capital improvements	-	-	-	-
Debt service	-	-	-	-
Other purposes	34,982	-	-	-
Total committed	34,982	-	558,390	-
Assigned for:				
Emergency services	-	-	-	-
Community development	-	-	-	-
Animal control	29,340	-	-	-
Law enforcement	-	207,281	-	-
County parks	-	-	-	-
Friend of court	-	-	-	-
Social services	-	-	-	-
Child care	-	-	-	-
Soldiers' relief	-	-	-	-
Commission on aging programs	-	-	-	-
Other purposes	100,799	-	-	-
Total assigned	130,139	207,281	-	-
Unassigned	6,407,161	-	-	-
Total fund balances, governmental funds	\$ 7,091,424	\$ 238,203	\$ 650,562	\$ 316,376



American Rescue Plan	Commission on Aging	Nonmajor Governmental Funds	Total
\$ -	\$ -	\$ -	\$ 300,000
-	3,749	13,679	163,459
-	3,749	13,679	463,459
-	-	-	106,542
-	-	140,274	140,274
-	-	170,824	181,675
-	-	1,039,856	1,039,856
-	-	-	30,240
-	-	168,573	168,573
-	-	86,838	86,838
-	662,507	-	662,507
-	-	4,666	4,666
-	-	232,273	232,273
-	-	456,642	456,642
-	-	55,534	420,482
-	662,507	2,355,480	3,530,568
-	-	33,394	33,394
-	-	-	558,390
-	-	155,795	155,795
-	-	1,451,963	1,451,963
-	-	449,512	449,512
-	-	-	34,982
-	-	2,090,664	2,684,036
-	-	106,631	106,631
-	-	132,005	132,005
-	-	-	29,340
-	-	36,601	243,882
-	-	420,197	420,197
-	-	175,143	175,143
-	-	71,381	71,381
-	-	1,018,557	1,018,557
-	-	172,805	172,805
-	1,998,887	-	1,998,887
305,029	-	7,143	412,971
305,029	1,998,887	2,140,463	4,781,799
-	-	-	6,407,161
\$ 305,029	\$ 2,665,143	\$ 6,600,286	\$ 17,867,023

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, 2023, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated/amortized	\$ 2,337,066	\$ -	\$ 2,216,801
Capital assets being depreciated/amortized, net	9,771,517	211,346	69,825,621
	<u>12,108,583</u>	<u>211,346</u>	<u>72,042,422</u>
Related debt:			
Bonds and notes payable	2,953,000	49,180	1,523,800
Leases payable	1,349,588	-	-
Premium on bonds payable	44,014	-	16,992
Deferred charge on refunding	(39,218)	-	-
Amounts related to installment sales agreement *	-	(49,180)	-
Installment purchase agreements	-	-	2,727,425
	<u>4,307,384</u>	<u>-</u>	<u>4,268,217</u>
Net investment in capital assets	<u>\$ 7,801,199</u>	<u>\$ 211,346</u>	<u>\$ 67,774,205</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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Financial Statements

19. OPIOID SETTLEMENT

The County is part of a \$21 billion nationwide settlement reached in July 2021 to resolve all Opioids litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health, and AmerisourceBergen (Distributors), and a \$5 billion nationwide settlement with manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (Janssen). The term of the settlement varies by entity; however, the County expects to receive eighteen (18) installments from the Distributors with the first two installments being paid early in 2023 in the amount of \$120,011 and the remaining 16 installments expected to be made annually beginning in 2024. Additionally, the County expects to receive eleven (11) installments from Janssen with the first five installments being paid early in 2023 in the amount of \$234,024 and the remaining installments expected to be made annually beginning in 2026. The County is currently allocated approximately 0.523% of the total State of Michigan local unit settlement and the total amount of the settlement is expected to be \$1,497,749 and \$342,057 from the Distributors and Janssen, respectively.

As a result of the payment terms issued to the Directing Administrator of the National Opioid Settlements, the receivable for the Distributor and Janssen settlement agreements was recorded at the net present value, using a discount rate for payments to be received subsequent to 2023 of 3%. The net present value of the combined settlement payments to be received as of September 30, 2023 is \$1,190,737.

Additional settlements with pharmacies and manufacturers were entered into during 2022, including CVS, Walgreens, Walmart, Allergan and Teva. However, as of September 30 2023, the amounts to be allocated to and collected by the County were not able to be determined, and as such, no amounts have been reported related to these settlements in the financial statements.



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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,			
	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 62,202	\$ 63,462	\$ 71,254	\$ 67,897
Interest	1,979,178	2,039,569	1,977,966	1,995,165
Change in benefits	-	-	-	-
Difference between expected and actual experience	(53,082)	(143,390)	161,681	424,899
Changes in assumptions	-	841,427	901,312	851,353
Benefit payments, including refunds of employee contributions	(2,350,608)	(2,325,127)	(2,270,388)	(2,238,974)
Other changes	-	-	-	-
Net change in total pension liability	<u>(362,310)</u>	<u>475,941</u>	<u>841,825</u>	<u>1,100,340</u>
Total pension liability, beginning of year	<u>28,443,205</u>	<u>27,967,264</u>	<u>27,125,439</u>	<u>26,025,099</u>
Total pension liability, end of year	<u>28,080,895</u>	<u>28,443,205</u>	<u>27,967,264</u>	<u>27,125,439</u>
Plan fiduciary net position				
Employer contributions	837,696	1,330,836	1,351,383	1,251,654
Employee contributions	25,505	26,032	29,547	31,647
Net investment income (loss)	(2,824,530)	3,132,549	2,955,370	2,658,198
Benefit payments, including refunds of employee contributions	(2,350,608)	(2,325,127)	(2,270,388)	(2,238,974)
Administrative expense	(46,011)	(37,164)	(42,741)	(45,780)
Other changes	-	-	-	-
Net change in plan fiduciary net position	<u>(4,357,948)</u>	<u>2,127,126</u>	<u>2,023,171</u>	<u>1,656,745</u>
Plan fiduciary net position, beginning of year	<u>25,725,233</u>	<u>23,598,107</u>	<u>21,574,936</u>	<u>19,918,191</u>
Plan fiduciary net position, end of year	<u>21,367,285</u>	<u>25,725,233</u>	<u>23,598,107</u>	<u>21,574,936</u>
County's net pension liability	<u>\$ 6,713,610</u>	<u>\$ 2,717,972</u>	<u>\$ 4,369,157</u>	<u>\$ 5,550,503</u>
Plan fiduciary net position as a percentage of total pension liability	76.10%	90.44%	84.38%	79.54%
Covered payroll	\$ 485,848	\$ 542,550	\$ 607,089	\$ 616,318
County's net pension liability as a percentage of covered payroll	1381.83%	500.96%	719.69%	900.59%

See notes to required supplementary information.



Year Ended September 30,

2019	2018	2017	2016	2015
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\$ 78,355	\$ 110,514	\$ 113,354	\$ 144,182	\$ 177,889
1,986,018	1,996,376	2,006,374	1,964,674	1,936,675
-	-	12,026	-	-
201,248	(173,466)	(255,874)	(63,125)	-
-	-	-	1,143,513	-
(2,053,138)	(2,040,505)	(1,958,348)	(1,857,659)	(1,659,002)
-	-	(2)	(391)	-
<u>212,483</u>	<u>(107,081)</u>	<u>(82,470)</u>	<u>1,331,194</u>	<u>455,562</u>
<u>25,812,616</u>	<u>25,919,697</u>	<u>26,002,167</u>	<u>24,670,973</u>	<u>24,215,411</u>
<u>26,025,099</u>	<u>25,812,616</u>	<u>25,919,697</u>	<u>26,002,167</u>	<u>24,670,973</u>

1,246,560	920,388	1,006,665	1,160,256	1,135,610
41,861	50,390	47,892	4,701	8,638
(824,596)	2,593,572	2,115,490	(296,005)	1,209,412
(2,053,138)	(2,040,505)	(1,958,348)	(1,857,659)	(1,659,002)
(41,286)	(41,160)	(41,781)	(43,207)	(44,398)
-	(11,201)	-	-	-
<u>(1,630,599)</u>	<u>1,471,484</u>	<u>1,169,918</u>	<u>(1,031,914)</u>	<u>650,260</u>
<u>21,548,790</u>	<u>20,077,306</u>	<u>18,907,388</u>	<u>19,939,302</u>	<u>19,289,042</u>
<u>19,918,191</u>	<u>21,548,790</u>	<u>20,077,306</u>	<u>18,907,388</u>	<u>19,939,302</u>
<u>\$ 6,106,908</u>	<u>\$ 4,263,826</u>	<u>\$ 5,842,391</u>	<u>\$ 7,094,779</u>	<u>\$ 4,731,671</u>

76.53%	83.48%	77.46%	72.71%	80.82%
\$ 710,825	\$ 959,101	\$ 1,089,831	\$ 1,396,627	\$ 1,717,803
859.13%	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
2023	\$ 723,936	\$ 723,936	\$ -	\$ 530,664	136.42%
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,					
	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 17,539	\$ 20,561	\$ 20,985	\$ 27,329	\$ 38,532	\$ 37,139
Interest	243,557	270,232	272,677	394,256	387,474	383,857
Changes in benefit terms	(47,176)	-	-	(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	(349,210)	(384,330)	(276,340)	(257,731)	(369,132)	(368,496)
Net change in total OPEB liability	(135,290)	(409,440)	17,322	(1,785,668)	56,874	52,500
Total OPEB liability, beginning of year	3,762,462	4,171,902	4,154,580	5,940,248	5,883,374	5,830,874
Total OPEB liability, end of year	3,627,172	3,762,462	4,171,902	4,154,580	5,940,248	5,883,374
Plan fiduciary net position						
Employer contributions	-	259,140	276,340	257,731	310,777	946,504
Net investment income (loss)	603,138	(811,772)	1,113,551	340,779	114,947	237,810
Benefit payments, including refunds of employee contributions	(349,210)	(384,330)	(276,340)	(257,731)	(369,132)	(368,496)
Administrative expense	(10,510)	(10,601)	(10,366)	(8,612)	(8,912)	(11,211)
Net change in plan fiduciary net position	243,418	(947,563)	1,103,185	332,167	47,680	804,607
Plan fiduciary net position, beginning of year	5,170,654	6,118,217	5,015,032	4,682,865	4,635,185	3,830,578
Plan fiduciary net position, end of year	5,414,072	5,170,654	6,118,217	5,015,032	4,682,865	4,635,185
County's net OPEB (asset) liability	\$ (1,786,900)	\$ (1,408,192)	\$ (1,946,315)	\$ (860,452)	\$ 1,257,383	\$ 1,248,189
Plan fiduciary net position as a percentage of total OPEB liability	149.26%	137.43%	146.65%	120.71%	78.83%	78.78%
Covered payroll	\$ 1,786,935	\$ 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	-100.00%	-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
2023	\$ -	\$ -	\$ -	\$ 1,786,935	0.00%
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
2023	12.05%
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 the 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 (2023, 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

- 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

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 in 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.

In 2023, amounts reported as changes in benefit terms related to the Corrections Officer Benefit Group under their union agreement effective 1/1/2023. Employees, in this benefit group, employed as full-time before 1/1/2024 had an opportunity to make a one-time, irrevocable decision to choose one of the two options as their sole retiree health insurance benefit: 1) effective 1/1/2023, the employer will contribute \$50 per pay to a health savings plan, or 2) maintain the retiree health insurance benefit under which the employer will provide single subscriber health insurance for future retirees.

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.

COUNTY OF NEWAYGO, MICHIGAN

Notes to Required Supplementary Information

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 (2023, 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.
Mortality	<ul style="list-style-type: none"> • 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 the 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, 2023

	Special Revenue	Debt Service	Capital Improvement (403)	Totals
Assets				
Cash and cash equivalents	\$ 3,252,637	\$ 862,211	\$ 1,174,805	\$ 5,289,653
Accounts receivable	38,972	-	-	38,972
Loans receivable	1,031,696	-	-	1,031,696
Due from other governments	180,765	43,943	-	224,708
Due from other funds	274,368	-	394,982	669,350
Prepays	13,679	-	-	13,679
Total assets	\$ 4,792,117	\$ 906,154	\$ 1,569,787	\$ 7,268,058
Liabilities				
Negative equity in pooled cash	\$ 127,404	\$ -	\$ -	\$ 127,404
Accounts payable	207,177	-	117,824	325,001
Accrued expenditures	71,865	-	-	71,865
Due to other governments	143,329	-	-	143,329
Unearned revenue	173	-	-	173
Total liabilities	549,948	-	117,824	667,772
Fund balances				
Nonspendable	13,679	-	-	13,679
Restricted	1,898,838	456,642	-	2,355,480
Committed	189,189	449,512	1,451,963	2,090,664
Assigned	2,140,463	-	-	2,140,463
Total fund balances	4,242,169	906,154	1,451,963	6,600,286
Total liabilities and fund balances	\$ 4,792,117	\$ 906,154	\$ 1,569,787	\$ 7,268,058

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Revenues, Expenditures and

Change in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2023

	Special Revenue	Debt Service	Capital Improvement (403)	Totals
Revenues				
Taxes	\$ 169,001	\$ 645,889	\$ -	\$ 814,890
Intergovernmental:				
Federal	944,157	-	543,530	1,487,687
State	1,509,256	49,866	-	1,559,122
Local	1,758	89,709	-	91,467
Licenses and permits	38,121	-	-	38,121
Fines and forfeitures	5,985	-	-	5,985
Charges for services	1,654,641	544,507	-	2,199,148
Interest and rentals	18,838	9,816	-	28,654
Contributions from private sources	92,197	-	-	92,197
Other revenues/reimbursements	6,758	-	-	6,758
Total revenues	4,440,712	1,339,787	543,530	6,324,029
Expenditures				
Current:				
Judicial	1,633,102	-	-	1,633,102
General government	81,479	-	-	81,479
Public safety	986,498	-	-	986,498
Health and welfare	1,205,600	-	-	1,205,600
Community and economic development	8,075	-	-	8,075
Recreation and cultural	1,513,989	-	-	1,513,989
Debt service:				
Principal	37,268	1,224,000	-	1,261,268
Interest	660	90,744	-	91,404
Capital outlay	-	-	601,249	601,249
Total expenditures	5,466,671	1,314,744	601,249	7,382,664
Revenue over (under) expenditures	(1,025,959)	25,043	(57,719)	(1,058,635)
Other financing sources (uses)				
Transfers in	1,283,395	-	25,000	1,308,395
Transfers out	(313,929)	(20,000)	-	(333,929)
Total other financing sources (uses)	969,466	(20,000)	25,000	974,466
Net change in fund balances	(56,493)	5,043	(32,719)	(84,169)
Fund balances, beginning of year	4,298,662	901,111	1,484,682	6,684,455
Fund balances, end of year	\$ 4,242,169	\$ 906,154	\$ 1,451,963	\$ 6,600,286

COUNTY OF NEWAYGO, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2023

	Emergency Services (259)	Crime Victim Rights (216)	Law Enforcement (266)	Jail Additional Per Diem (2134)
Assets				
Cash and cash equivalents	\$ 118,002	\$ -	\$ 45,165	\$ -
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Due from other governments	54,104	3,126	14,859	-
Due from other funds	-	13,788	-	-
Prepays	5,667	-	-	-
Total assets	\$ 177,773	\$ 16,914	\$ 60,024	\$ -
Liabilities				
Negative equity in pooled cash	\$ -	\$ 7,192	\$ -	\$ -
Accounts payable	14,715	923	1,579	-
Accrued expenditures	4,224	1,656	5,243	-
Due to other governments	-	-	-	-
Unearned revenue	173	-	-	-
Total liabilities	19,112	9,771	6,822	-
Fund balances				
Nonspendable	5,667	-	-	-
Restricted	46,363	-	53,202	-
Committed	-	-	-	-
Assigned	106,631	7,143	-	-
Total fund balances	158,661	7,143	53,202	-
Total liabilities and fund balances	\$ 177,773	\$ 16,914	\$ 60,024	\$ -

County Parks (208)	Dragon Trail (2081)	Friend of the Court (215)	Community Development (246)	Building Safety and Permits (249)
\$ 420,190	\$ -	\$ 282,445	\$ 140,165	\$ 254,615
38,160	-	808	-	-
-	-	-	1,031,696	-
12,994	-	71,433	-	-
-	260,486	-	-	-
1,331	400	-	-	2,245
<u>\$ 472,675</u>	<u>\$ 260,886</u>	<u>\$ 354,686</u>	<u>\$ 1,171,861</u>	<u>\$ 256,860</u>
\$ -	\$ 120,212	\$ -	\$ -	\$ -
32,017	-	1,069	-	86,042
19,130	-	22,679	-	-
-	-	-	-	-
-	-	-	-	-
<u>51,147</u>	<u>120,212</u>	<u>23,748</u>	<u>-</u>	<u>86,042</u>
1,331	400	-	-	2,245
-	140,274	-	1,039,856	168,573
-	-	155,795	-	-
<u>420,197</u>	<u>-</u>	<u>175,143</u>	<u>132,005</u>	<u>-</u>
<u>421,528</u>	<u>140,674</u>	<u>330,938</u>	<u>1,171,861</u>	<u>170,818</u>
<u>\$ 472,675</u>	<u>\$ 260,886</u>	<u>\$ 354,686</u>	<u>\$ 1,171,861</u>	<u>\$ 256,860</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

September 30, 2023

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (266)	Indigent Defense (260)	Concealed Pistol Licensing (263)
Assets				
Cash and cash equivalents	\$ 90,928	\$ 36,601	\$ 295,953	\$ 84,950
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	1,584
Due from other funds	-	-	-	94
Prepays	-	4,036	-	-
Total assets	<u>\$ 90,928</u>	<u>\$ 40,637</u>	<u>\$ 295,953</u>	<u>\$ 86,628</u>
Liabilities				
Negative equity in pooled cash	\$ -	\$ -	-	\$ -
Accounts payable	3,405	-	63,680	643
Accrued expenditures	685	-	-	656
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>4,090</u>	<u>-</u>	<u>63,680</u>	<u>1,299</u>
Fund balances				
Nonspendable	-	4,036	-	-
Restricted	86,838	-	232,273	85,329
Committed	-	-	-	-
Assigned	-	36,601	-	-
Total fund balances	<u>86,838</u>	<u>40,637</u>	<u>232,273</u>	<u>85,329</u>
Total liabilities and fund balances	<u>\$ 90,928</u>	<u>\$ 40,637</u>	<u>\$ 295,953</u>	<u>\$ 86,628</u>

Drug Law Enforcement (265)	County Law Library (269)	Social Services (290)	Child Care (292)	Soldiers' Relief (293)	Total
\$ 65,687	\$ 6,404	\$ 71,676	\$ 1,168,353	\$ 171,503	\$ 3,252,637
-	-	-	4	-	38,972
-	-	-	-	-	1,031,696
-	-	-	9,458	13,207	180,765
-	-	-	-	-	274,368
-	-	-	-	-	13,679
<u>\$ 65,687</u>	<u>\$ 6,404</u>	<u>\$ 71,676</u>	<u>\$ 1,177,815</u>	<u>\$ 184,710</u>	<u>\$ 4,792,117</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,404
-	1,738	295	170	901	207,177
-	-	-	12,391	5,201	71,865
-	-	-	143,329	-	143,329
-	-	-	-	-	173
-	1,738	295	155,890	6,102	549,948
-	-	-	-	-	13,679
32,293	4,666	-	3,368	5,803	1,898,838
33,394	-	-	-	-	189,189
-	-	71,381	1,018,557	172,805	2,140,463
<u>65,687</u>	<u>4,666</u>	<u>71,381</u>	<u>1,021,925</u>	<u>178,608</u>	<u>4,242,169</u>
<u>\$ 65,687</u>	<u>\$ 6,404</u>	<u>\$ 71,676</u>	<u>\$ 1,177,815</u>	<u>\$ 184,710</u>	<u>\$ 4,792,117</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, 2023

	Emergency Services (259)	Crime Victim Rights (216)	Law Enforcement (266)	Jail Additional Per Diem (2134)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	93,504	-	-	-
State	-	47,651	134,017	-
Local	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	4,825	-	-	81,075
Interest and rentals	-	-	-	-
Contributions from private sources	15,015	-	-	-
Other revenue/reimbursements	4,229	-	-	-
Total revenues	<u>117,573</u>	<u>47,651</u>	<u>134,017</u>	<u>81,075</u>
Expenditures				
Current:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	273,463	53,348	177,313	-
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
Debt service:				
Principal	-	-	9,532	-
Interest	-	-	70	-
Total expenditures	<u>273,463</u>	<u>53,348</u>	<u>186,915</u>	<u>-</u>
Revenue over (under) expenditures	<u>(155,890)</u>	<u>(5,697)</u>	<u>(52,898)</u>	<u>81,075</u>
Other financing sources (uses)				
Transfers in	128,149	12,000	42,068	-
Transfers out	-	-	-	(297,157)
Total other financing sources (uses)	<u>128,149</u>	<u>12,000</u>	<u>42,068</u>	<u>(297,157)</u>
Net change in fund balances	<u>(27,741)</u>	<u>6,303</u>	<u>(10,830)</u>	<u>(216,082)</u>
Fund balances, beginning of year	<u>186,402</u>	<u>840</u>	<u>64,032</u>	<u>216,082</u>
Fund balances, end of year	<u>\$ 158,661</u>	<u>\$ 7,143</u>	<u>\$ 53,202</u>	<u>\$ -</u>

County Parks (208)	Dragon Trail (2081)	Friend of the Court (215)	Community Development (246)	Building Safety and Permits (249)
\$ -	\$ -	\$ -	\$ -	\$ -
-	416,074	434,579	-	-
-	118,587	62,478	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
971,469	-	76,103	-	445,491
-	-	-	-	18,544
47,624	23,366	-	3,042	-
2,529	-	-	-	-
<u>1,021,622</u>	<u>558,027</u>	<u>573,160</u>	<u>3,042</u>	<u>464,035</u>
-	-	818,281	-	-
-	-	-	-	-
-	-	-	-	477,346
-	-	-	-	-
-	-	-	8,075	-
975,591	538,398	-	-	-
25,269	2,467	-	-	-
557	33	-	-	-
<u>1,001,417</u>	<u>540,898</u>	<u>818,281</u>	<u>8,075</u>	<u>477,346</u>
<u>20,205</u>	<u>17,129</u>	<u>(245,121)</u>	<u>(5,033)</u>	<u>(13,311)</u>
-	-	332,665	-	-
-	-	-	(16,772)	-
-	-	332,665	(16,772)	-
20,205	17,129	87,544	(21,805)	(13,311)
401,323	123,545	243,394	1,193,666	184,129
<u>\$ 421,528</u>	<u>\$ 140,674</u>	<u>\$ 330,938</u>	<u>\$ 1,171,861</u>	<u>\$ 170,818</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, 2023

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (266)	Indigent Defense (260)	Concealed Pistol Licensing (263)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	-	-	-	-
State	-	-	795,546	-
Local	-	-	-	-
Licenses and permits	-	-	-	38,121
Fines and forfeitures	-	1,485	-	-
Charges for services	51,150	12,834	-	-
Interest and rentals	-	-	-	294
Contributions from private sources	-	-	-	-
Other revenue/reimbursements	-	-	-	-
Total revenues	<u>51,150</u>	<u>14,319</u>	<u>795,546</u>	<u>38,415</u>
Expenditures				
Current:				
Judicial	-	-	799,636	-
General government	58,141	-	-	23,338
Public safety	-	5,028	-	-
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>58,141</u>	<u>5,028</u>	<u>799,636</u>	<u>23,338</u>
Revenue over (under) expenditures	<u>(6,991)</u>	<u>9,291</u>	<u>(4,090)</u>	<u>15,077</u>
Other financing sources (uses)				
Transfers in	-	-	202,989	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>202,989</u>	<u>-</u>
Net change in fund balances	<u>(6,991)</u>	<u>9,291</u>	<u>198,899</u>	<u>15,077</u>
Fund balances, beginning of year	<u>93,829</u>	<u>31,346</u>	<u>33,374</u>	<u>70,252</u>
Fund balances, end of year	<u>\$ 86,838</u>	<u>\$ 40,637</u>	<u>\$ 232,273</u>	<u>\$ 85,329</u>

Drug Law Enforcement (265)	County Law Library (269)	Social Services (290)	Child Care (292)	Soldiers' Relief (293)	Total
\$ -	\$ -	\$ -	\$ -	\$ 169,001	\$ 169,001
-	-	-	-	-	944,157
-	-	-	275,942	75,035	1,509,256
-	-	-	-	1,758	1,758
-	-	-	-	-	38,121
-	4,500	-	-	-	5,985
-	-	3,992	7,702	-	1,654,641
-	-	-	-	-	18,838
-	-	-	-	3,150	92,197
-	-	-	-	-	6,758
-	4,500	3,992	283,644	248,944	4,440,712
-	15,185	-	-	-	1,633,102
-	-	-	-	-	81,479
-	-	-	-	-	986,498
-	-	35,551	845,461	324,588	1,205,600
-	-	-	-	-	8,075
-	-	-	-	-	1,513,989
-	-	-	-	-	37,268
-	-	-	-	-	660
-	15,185	35,551	845,461	324,588	5,466,671
-	(10,685)	(31,559)	(561,817)	(75,644)	(1,025,959)
-	5,712	20,382	470,088	69,342	1,283,395
-	-	-	-	-	(313,929)
-	5,712	20,382	470,088	69,342	969,466
-	(4,973)	(11,177)	(91,729)	(6,302)	(56,493)
65,687	9,639	82,558	1,113,654	184,910	4,298,662
\$ 65,687	\$ 4,666	\$ 71,381	\$ 1,021,925	\$ 178,608	\$ 4,242,169

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, 2023

	Emergency Services (259)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	89,499	93,504	4,005
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	4,825	4,825
Interest and rentals	-	-	-
Contributions from private sources	19,740	15,015	(4,725)
Other revenue/reimbursements	3,361	4,229	868
Total revenues	<u>112,600</u>	<u>117,573</u>	<u>4,973</u>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	294,400	273,463	(20,937)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>294,400</u>	<u>273,463</u>	<u>(20,937)</u>
Revenues over (under) expenditures	<u>(181,800)</u>	<u>(155,890)</u>	<u>25,910</u>
Other financing sources (uses)			
Transfers in	128,149	128,149	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>128,149</u>	<u>128,149</u>	<u>-</u>
Net change in fund balances	<u>(53,651)</u>	<u>(27,741)</u>	<u>25,910</u>
Fund balances, beginning of year	<u>186,402</u>	<u>186,402</u>	<u>-</u>
Fund balances, end of year	<u>\$ 132,751</u>	<u>\$ 158,661</u>	<u>\$ 25,910</u>

Crime Victim Rights (216)			Law Enforcement (266)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
66,183	47,651	(18,532)	133,970	134,017	47
-	-	-	2,865	-	(2,865)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>66,183</u>	<u>47,651</u>	<u>(18,532)</u>	<u>136,835</u>	<u>134,017</u>	<u>(2,818)</u>
-	-	-	-	-	-
-	-	-	-	-	-
78,183	53,348	(24,835)	181,489	177,313	(4,176)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	8,984	9,532	548
-	-	-	122	70	(52)
<u>78,183</u>	<u>53,348</u>	<u>(24,835)</u>	<u>190,595</u>	<u>186,915</u>	<u>(3,680)</u>
<u>(12,000)</u>	<u>(5,697)</u>	<u>6,303</u>	<u>(53,760)</u>	<u>(52,898)</u>	<u>862</u>
12,000	12,000	-	42,068	42,068	-
-	-	-	-	-	-
<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>42,068</u>	<u>42,068</u>	<u>-</u>
-	6,303	6,303	(11,692)	(10,830)	862
<u>840</u>	<u>840</u>	<u>-</u>	<u>64,032</u>	<u>64,032</u>	<u>-</u>
<u>\$ 840</u>	<u>\$ 7,143</u>	<u>\$ 6,303</u>	<u>\$ 52,340</u>	<u>\$ 53,202</u>	<u>\$ 862</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, 2023

	Jail Additional Per Diem (2134)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	81,076	81,075	(1)
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
Total revenues	<u>81,076</u>	<u>81,075</u>	<u>(1)</u>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>81,076</u>	<u>81,075</u>	<u>(1)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(297,158)	(297,157)	(1)
Total other financing sources (uses)	<u>(297,158)</u>	<u>(297,157)</u>	<u>(1)</u>
Net change in fund balances	(216,082)	(216,082)	-
Fund balances, beginning of year	<u>216,082</u>	<u>216,082</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



County Parks (208)			Dragon Trail (2081)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	919,000	416,074	(502,926)
-	-	-	118,588	118,587	(1)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,039,537	971,469	(68,068)	-	-	-
-	-	-	-	-	-
75,200	47,624	(27,576)	23,500	23,366	(134)
11,350	2,529	(8,821)	-	-	-
<u>1,126,087</u>	<u>1,021,622</u>	<u>(104,465)</u>	<u>1,061,088</u>	<u>558,027</u>	<u>(503,061)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,136,759	975,591	(161,168)	1,065,906	538,398	(527,508)
25,269	25,269	-	2,468	2,467	(1)
561	557	(4)	33	33	-
<u>1,162,589</u>	<u>1,001,417</u>	<u>(161,172)</u>	<u>1,068,407</u>	<u>540,898</u>	<u>(527,509)</u>
<u>(36,502)</u>	<u>20,205</u>	<u>56,707</u>	<u>(7,319)</u>	<u>17,129</u>	<u>24,448</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(36,502)</u>	<u>20,205</u>	<u>56,707</u>	<u>(7,319)</u>	<u>17,129</u>	<u>24,448</u>
<u>401,323</u>	<u>401,323</u>	<u>-</u>	<u>123,545</u>	<u>123,545</u>	<u>-</u>
<u>\$ 364,821</u>	<u>\$ 421,528</u>	<u>\$ 56,707</u>	<u>\$ 116,226</u>	<u>\$ 140,674</u>	<u>\$ 24,448</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, 2023

	Friend of the Court (215)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	445,000	434,579	(10,421)
State	70,800	62,478	(8,322)
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	80,250	76,103	(4,147)
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
Total revenues	<u>596,050</u>	<u>573,160</u>	<u>(22,890)</u>
Expenditures			
Current:			
Judicial	968,715	818,281	(150,434)
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>968,715</u>	<u>818,281</u>	<u>(150,434)</u>
Revenues over (under) expenditures	<u>(372,665)</u>	<u>(245,121)</u>	<u>127,544</u>
Other financing sources (uses)			
Transfers in	332,665	332,665	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>332,665</u>	<u>332,665</u>	<u>-</u>
Net change in fund balances	<u>(40,000)</u>	<u>87,544</u>	<u>127,544</u>
Fund balances, beginning of year	<u>243,394</u>	<u>243,394</u>	<u>-</u>
Fund balances, end of year	<u>\$ 203,394</u>	<u>\$ 330,938</u>	<u>\$ 127,544</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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	428,600	445,491	16,891
-	-	-	18,544	18,544	-
3,042	3,042	-	-	-	-
-	-	-	-	-	-
<u>3,042</u>	<u>3,042</u>	<u>-</u>	<u>447,144</u>	<u>464,035</u>	<u>16,891</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	451,552	477,346	25,794
-	-	-	-	-	-
8,082	8,075	(7)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,082</u>	<u>8,075</u>	<u>(7)</u>	<u>451,552</u>	<u>477,346</u>	<u>25,794</u>
<u>(5,040)</u>	<u>(5,033)</u>	<u>7</u>	<u>(4,408)</u>	<u>(13,311)</u>	<u>(8,903)</u>
-	-	-	-	-	-
<u>(16,772)</u>	<u>(16,772)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(16,772)</u>	<u>(16,772)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(21,812)	(21,805)	7	(4,408)	(13,311)	(8,903)
<u>1,193,666</u>	<u>1,193,666</u>	<u>-</u>	<u>184,129</u>	<u>184,129</u>	<u>-</u>
<u>\$ 1,171,854</u>	<u>\$ 1,171,861</u>	<u>\$ 7</u>	<u>\$ 179,721</u>	<u>\$ 170,818</u>	<u>\$ (8,903)</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, 2023

	Register of Deeds Automation (256)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	60,000	51,150	(8,850)
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
Total revenues	<u>60,000</u>	<u>51,150</u>	<u>(8,850)</u>
Expenditures			
Current:			
Judicial	-	-	-
General government	72,114	58,141	(13,973)
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>72,114</u>	<u>58,141</u>	<u>(13,973)</u>
Revenues over (under) expenditures	<u>(12,114)</u>	<u>(6,991)</u>	<u>5,123</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(12,114)</u>	<u>(6,991)</u>	<u>5,123</u>
Fund balances, beginning of year	<u>93,829</u>	<u>93,829</u>	<u>-</u>
Fund balances, end of year	<u>\$ 81,715</u>	<u>\$ 86,838</u>	<u>\$ 5,123</u>



Law Enforcement Technical Fund (266)			Indigent Defense (260)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	763,368	795,546	32,178
-	-	-	-	-	-
-	-	-	-	-	-
1,000	1,485	485	-	-	-
13,675	12,834	(841)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,675</u>	<u>14,319</u>	<u>(356)</u>	<u>763,368</u>	<u>795,546</u>	<u>32,178</u>
-	-	-	967,029	799,636	(167,393)
-	-	-	-	-	-
14,675	5,028	(9,647)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,675</u>	<u>5,028</u>	<u>(9,647)</u>	<u>967,029</u>	<u>799,636</u>	<u>(167,393)</u>
-	9,291	9,291	(203,661)	(4,090)	199,571
-	-	-	203,661	202,989	(672)
-	-	-	-	-	-
-	-	-	203,661	202,989	(672)
-	9,291	9,291	-	198,899	198,899
31,346	31,346	-	33,374	33,374	-
<u>\$ 31,346</u>	<u>\$ 40,637</u>	<u>\$ 9,291</u>	<u>\$ 33,374</u>	<u>\$ 232,273</u>	<u>\$ 198,899</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, 2023

	Concealed Pistol Licensing Fund (263)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	30,096	38,121	8,025
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	294	294
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
Total revenues	<u>30,096</u>	<u>38,415</u>	<u>8,319</u>
Expenditures			
Current:			
Judicial	-	-	-
General government	30,096	23,338	(6,758)
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>30,096</u>	<u>23,338</u>	<u>(6,758)</u>
Revenues over (under) expenditures	<u>-</u>	<u>15,077</u>	<u>15,077</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>15,077</u>	<u>15,077</u>
Fund balances, beginning of year	<u>70,252</u>	<u>70,252</u>	<u>-</u>
Fund balances, end of year	<u>\$ 70,252</u>	<u>\$ 85,329</u>	<u>\$ 15,077</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	-
-	-	-	16,212	15,185	(1,027)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	16,212	15,185	(1,027)
-	-	-	(11,712)	(10,685)	1,027
-	-	-	5,712	5,712	-
-	-	-	-	-	-
-	-	-	5,712	5,712	-
-	-	-	(6,000)	(4,973)	1,027
65,687	65,687	-	9,639	9,639	-
\$ 65,687	\$ 65,687	\$ -	\$ 3,639	\$ 4,666	\$ 1,027

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, 2023

	Social Services (290)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	19,000	3,992	(15,008)
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
Total revenues	<u>19,000</u>	<u>3,992</u>	<u>(15,008)</u>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	39,382	35,551	(3,831)
Community and economic development	-	-	-
Recreation and cultural	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>39,382</u>	<u>35,551</u>	<u>(3,831)</u>
Revenues over (under) expenditures	<u>(20,382)</u>	<u>(31,559)</u>	<u>(11,177)</u>
Other financing sources (uses)			
Transfers in	20,382	20,382	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>20,382</u>	<u>20,382</u>	<u>-</u>
Net change in fund balances	-	(11,177)	(11,177)
Fund balances, beginning of year	82,558	82,558	-
Fund balances, end of year	<u>\$ 82,558</u>	<u>\$ 71,381</u>	<u>\$ (11,177)</u>



Child Care (292)			Soldiers' Relief (293)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ 169,399	\$ 169,001	\$ (398)
-	-	-	-	-	-
282,546	275,942	(6,604)	75,891	75,035	(856)
-	-	-	889	1,758	869
-	-	-	-	-	-
-	-	-	-	-	-
7,900	7,702	(198)	-	-	-
-	-	-	-	-	-
-	-	-	3,150	3,150	-
-	-	-	-	-	-
<u>290,446</u>	<u>283,644</u>	<u>(6,802)</u>	<u>249,329</u>	<u>248,944</u>	<u>(385)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
939,701	845,461	(94,240)	329,329	324,588	(4,741)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>939,701</u>	<u>845,461</u>	<u>(94,240)</u>	<u>329,329</u>	<u>324,588</u>	<u>(4,741)</u>
<u>(649,255)</u>	<u>(561,817)</u>	<u>87,438</u>	<u>(80,000)</u>	<u>(75,644)</u>	<u>4,356</u>
470,088	470,088	-	69,342	69,342	-
-	-	-	-	-	-
<u>470,088</u>	<u>470,088</u>	<u>-</u>	<u>69,342</u>	<u>69,342</u>	<u>-</u>
(179,167)	(91,729)	87,438	(10,658)	(6,302)	4,356
<u>1,113,654</u>	<u>1,113,654</u>	<u>-</u>	<u>184,910</u>	<u>184,910</u>	<u>-</u>
<u>\$ 934,487</u>	<u>\$ 1,021,925</u>	<u>\$ 87,438</u>	<u>\$ 174,252</u>	<u>\$ 178,608</u>	<u>\$ 4,356</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, 2023

	Total		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ 169,399	\$ 169,001	\$ (398)
Intergovernmental:			
Federal	1,453,499	944,157	(509,342)
State	1,511,346	1,509,256	(2,090)
Local	3,754	1,758	(1,996)
Licenses and permits	30,096	38,121	8,025
Fines and forfeitures	5,500	5,985	485
Charges for services	1,730,038	1,654,641	(75,397)
Interest and rentals	18,544	18,838	294
Contributions from private sources	124,632	92,197	(32,435)
Other revenue/reimbursements	14,711	6,758	(7,953)
Total revenues	<u>5,061,519</u>	<u>4,440,712</u>	<u>(620,807)</u>
Expenditures			
Current:			
Judicial	1,951,956	1,633,102	(318,854)
General government	102,210	81,479	(20,731)
Public safety	1,020,299	986,498	(33,801)
Health and welfare	1,308,412	1,205,600	(102,812)
Community and economic development	8,082	8,075	(7)
Recreation and cultural	2,202,665	1,513,989	(688,676)
Debt service:			
Principal	36,721	37,268	547
Interest	716	660	(56)
Total expenditures	<u>6,631,061</u>	<u>5,466,671</u>	<u>(1,164,390)</u>
Revenues over (under) expenditures	<u>(1,569,542)</u>	<u>(1,025,959)</u>	<u>543,583</u>
Other financing sources (uses)			
Transfers in	1,284,067	1,283,395	(672)
Transfers out	<u>(313,930)</u>	<u>(313,929)</u>	<u>1</u>
Total other financing sources (uses)	<u>970,137</u>	<u>969,466</u>	<u>(671)</u>
Net change in fund balances	<u>(599,405)</u>	<u>(56,493)</u>	<u>542,912</u>
Fund balances, beginning of year	<u>4,298,662</u>	<u>4,298,662</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,699,257</u>	<u>\$ 4,242,169</u>	<u>\$ 542,912</u>

concluded

COUNTY OF NEWAYGO, MICHIGAN

Combining Balance Sheet

Nonmajor Debt Service Funds

September 30, 2023

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (396)	Total
Assets				
Cash and cash equivalents	\$ 405,569	\$ 294,758	\$ 161,884	\$ 862,211
Due from other governments	43,943	-	-	43,943
Total assets	<u>\$ 449,512</u>	<u>\$ 294,758</u>	<u>\$ 161,884</u>	<u>\$ 906,154</u>
Fund balances				
Restricted	\$ -	\$ 294,758	\$ 161,884	\$ 456,642
Committed	449,512	-	-	449,512
Total fund balances	<u>\$ 449,512</u>	<u>\$ 294,758</u>	<u>\$ 161,884</u>	<u>\$ 906,154</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, 2023

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (396)	Total
Revenues				
Taxes	\$ -	\$ 645,889	\$ -	\$ 645,889
Intergovernmental:				
State	-	49,866	-	49,866
Local	-	-	89,709	89,709
Charges for services	544,507	-	-	544,507
Interest and rentals	-	9,816	-	9,816
Total revenues	<u>544,507</u>	<u>705,571</u>	<u>89,709</u>	<u>1,339,787</u>
Expenditures				
Debt service:				
Principal	540,000	605,000	79,000	1,224,000
Interest	37,774	35,261	17,709	90,744
Total expenditures	<u>577,774</u>	<u>640,261</u>	<u>96,709</u>	<u>1,314,744</u>
Revenues over (under) expenditures	(33,267)	65,310	(7,000)	25,043
Other financing uses				
Transfers out	-	-	(20,000)	(20,000)
Net change in fund balances	(33,267)	65,310	(27,000)	5,043
Fund balances, beginning of year	<u>482,779</u>	<u>229,448</u>	<u>188,884</u>	<u>901,111</u>
Fund balances, end of year	<u>\$ 449,512</u>	<u>\$ 294,758</u>	<u>\$ 161,884</u>	<u>\$ 906,154</u>

NONMAJOR ENTERPRISE FUNDS

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Net Position

Nonmajor Enterprise Funds

September 30, 2023

	2021 Delinquent Tax (516212)	2023 Delinquent Tax (516223)	Sanitary Sewer Construction (852)
Assets			
Current assets:			
Cash and cash equivalents	\$ 70,869	\$ 1,422	\$ -
Accounts receivable	-	-	-
Delinquent taxes receivable	579,087	(1,422)	-
Current portion of installment sales agreement	-	-	25,000
Prepays	1,624	-	-
Total current assets	<u>651,580</u>	<u>-</u>	<u>25,000</u>
Noncurrent assets:			
Installment sales agreement, net of current portion	-	-	24,180
Capital assets being depreciated, net	-	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>24,180</u>
Total assets	<u>651,580</u>	<u>-</u>	<u>49,180</u>
Liabilities			
Current liabilities:			
Accounts payable	-	-	-
Due to other funds	107,723	-	-
Current portion of long-term debt	-	-	25,000
Total current liabilities	<u>107,723</u>	<u>-</u>	<u>25,000</u>
Noncurrent liabilities -			
Long-term debt, net of current portion	-	-	24,180
Total liabilities	<u>107,723</u>	<u>-</u>	<u>49,180</u>
Net position			
Investment in capital assets	-	-	-
Unrestricted	543,857	-	-
Total net position	<u>\$ 543,857</u>	<u>\$ -</u>	<u>\$ -</u>



PRE Audit (530)	Building Authority (569)	Jail Commissary (595)	Total
\$ 160,637	\$ 290,434	\$ 963,611	\$ 1,486,973
-	-	53,096	53,096
-	-	-	577,665
-	-	-	25,000
-	-	-	1,624
<u>160,637</u>	<u>290,434</u>	<u>1,016,707</u>	<u>2,144,358</u>
-	-	-	24,180
-	-	40,998	40,998
-	-	40,998	65,178
<u>160,637</u>	<u>290,434</u>	<u>1,057,705</u>	<u>2,209,536</u>
144,608	-	13,307	157,915
-	-	-	107,723
-	-	-	25,000
<u>144,608</u>	<u>-</u>	<u>13,307</u>	<u>290,638</u>
-	-	-	24,180
<u>144,608</u>	<u>-</u>	<u>13,307</u>	<u>314,818</u>
-	-	40,998	40,998
<u>16,029</u>	<u>290,434</u>	<u>1,003,400</u>	<u>1,853,720</u>
<u>\$ 16,029</u>	<u>\$ 290,434</u>	<u>\$ 1,044,398</u>	<u>\$ 1,894,718</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, 2023

	2021 Delinquent Tax (516212)	2023 Delinquent Tax (516223)	Sanitary Sewer Construction (852)
Operating revenues			
Charges for services	\$ -	\$ -	\$ 961
Rentals	-	-	-
Interest and penalties on delinquent taxes	187,108	-	-
Reimbursements	-	-	-
Total operating revenues	<u>187,108</u>	<u>-</u>	<u>961</u>
Operating expenses			
Supplies and operating expenses	3,249	-	-
Depreciation	-	-	-
Total operating expenses	<u>3,249</u>	<u>-</u>	<u>-</u>
Operating income	<u>183,859</u>	<u>-</u>	<u>961</u>
Nonoperating revenues (expenses)			
Investment earnings	-	-	-
Interest expense	-	-	(961)
Loss on disposal of capital assets	-	-	-
Total nonoperating revenues (expense)	<u>-</u>	<u>-</u>	<u>(961)</u>
Income before transfers	183,859	-	-
Transfers			
Transfers out	-	-	-
Change in net position	183,859	-	-
Net position, beginning of year	<u>359,998</u>	<u>-</u>	<u>-</u>
Net position, end of year	<u>\$ 543,857</u>	<u>\$ -</u>	<u>\$ -</u>



PRE Audit (530)	Building Authority (569)	Jail Commissary (595)	Total
\$ -	\$ -	\$ 507,141	\$ 508,102
-	110,232	-	110,232
16,027	-	-	203,135
-	-	4,028	4,028
<u>16,027</u>	<u>110,232</u>	<u>511,169</u>	<u>825,497</u>
(1)	59,385	127,398	190,031
-	-	10,209	10,209
<u>(1)</u>	<u>59,385</u>	<u>137,607</u>	<u>200,240</u>
<u>16,028</u>	<u>50,847</u>	<u>373,562</u>	<u>625,257</u>
-	-	1,237	1,237
-	-	-	(961)
-	-	(2,465)	(2,465)
<u>-</u>	<u>-</u>	<u>(1,228)</u>	<u>(2,189)</u>
16,028	50,847	372,334	623,068
<u>(7,529)</u>	<u>(25,000)</u>	<u>(360,000)</u>	<u>(392,529)</u>
8,499	25,847	12,334	230,539
<u>7,530</u>	<u>264,587</u>	<u>1,032,064</u>	<u>1,664,179</u>
<u>\$ 16,029</u>	<u>\$ 290,434</u>	<u>\$ 1,044,398</u>	<u>\$ 1,894,718</u>

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2023

	2021 Delinquent Tax (516212)	2023 Delinquent Tax (516223)	Sanitary Sewer Construction (852)
Cash flows from operating activities			
Receipts from customers and users	\$ 1,559,467	\$ 1,422	\$ -
Payments to vendors	(4,873)	-	-
Net cash provided by operating activities	<u>1,554,594</u>	<u>1,422</u>	<u>-</u>
Cash flows from noncapital financing activities			
Cash paid for interfund loan	(1,550,000)	-	-
Transfers out	-	-	-
Net cash used in noncapital financing activities	<u>(1,550,000)</u>	<u>-</u>	<u>-</u>
Cash flows from capital financing activities			
Principal paid on long-term debt	-	-	(20,000)
Interest paid on long-term debt	-	-	(961)
Cash received from installment sales agreement	-	-	20,961
Net cash provided in capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest received on investments	-	-	-
Net change in cash and cash equivalents	4,594	1,422	-
Cash and cash equivalents, beginning of year	<u>66,275</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents, end of year	<u>\$ 70,869</u>	<u>\$ 1,422</u>	<u>\$ -</u>



PRE Audit (530)	Building Authority (569)	Jail Commissary (595)	Total
\$ 145,520	\$ 110,232	\$ 502,033	\$ 2,318,674
-	(59,385)	(126,034)	(190,292)
<u>145,520</u>	<u>50,847</u>	<u>375,999</u>	<u>2,128,382</u>
-	-	-	(1,550,000)
<u>(7,529)</u>	<u>(25,000)</u>	<u>(360,000)</u>	<u>(392,529)</u>
<u>(7,529)</u>	<u>(25,000)</u>	<u>(360,000)</u>	<u>(1,942,529)</u>
-	-	-	(20,000)
-	-	-	(961)
<u>-</u>	<u>-</u>	<u>-</u>	<u>20,961</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	1,237	1,237
137,991	25,847	17,236	187,090
<u>22,646</u>	<u>264,587</u>	<u>946,375</u>	<u>1,299,883</u>
<u>\$ 160,637</u>	<u>\$ 290,434</u>	<u>\$ 963,611</u>	<u>\$ 1,486,973</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2023

	2021 Delinquent Tax (516212)	2023 Delinquent Tax (516223)	Sanitary Sewer Construction (852)
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 183,859	\$ -	\$ 961
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	-	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	-	(961)
Delinquent taxes receivable	1,372,359	1,422	-
Prepays	(1,624)	-	-
Accounts payable	-	-	-
Net cash provided by operating activities	\$ 1,554,594	\$ 1,422	\$ -



PRE Audit (530)	Building Authority (569)	Jail Commissary (595)	Total
\$ 16,028	\$ 50,847	\$ 373,562	\$ 625,257
-	-	10,209	10,209
-	-	(9,136)	(10,097)
-	-	-	1,373,781
-	-	-	(1,624)
<u>129,492</u>	<u>-</u>	<u>1,364</u>	<u>130,856</u>
<u>\$ 145,520</u>	<u>\$ 50,847</u>	<u>\$ 375,999</u>	<u>\$ 2,128,382</u>

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INTERNAL SERVICE FUNDS

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Net Position

Internal Service Funds

September 30, 2023

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Assets			
Current assets:			
Cash and cash equivalents	\$ 158,264	\$ 134,210	\$ 56,518
Accounts receivable	-	-	676
Due from other funds	-	-	-
Prepays	-	-	8,658
Total current assets	158,264	134,210	65,852
Noncurrent assets -			
Capital assets being depreciated/amortized, net	66,410	-	5,887
Total assets	224,674	134,210	71,739
Liabilities			
Current liabilities:			
Accounts payable	18,526	-	5
Accrued liabilities	12,220	6,078	-
Due to other funds	-	-	-
Current portion of leases payable	10,848	-	-
Current portion of long-term debt	-	-	-
Total current liabilities	41,594	6,078	5
Noncurrent liabilities:			
Leases payable, net of current portion	37,418	-	-
Long-term debt, net of current portion	-	-	-
Total noncurrent liabilities	37,418	-	-
Total liabilities	79,012	6,078	5
Net position			
Net investment in capital assets	18,144	-	5,887
Unrestricted	127,518	128,132	65,847
Total net position	\$ 145,662	\$ 128,132	\$ 71,734



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 194,770	\$ 114,064	\$ 200,686	\$ 220,017	\$ 178,532
-	7,387	-	-	-
1,220	-	-	-	-
27,793	1,385	-	3,078	-
<u>223,783</u>	<u>122,836</u>	<u>200,686</u>	<u>223,095</u>	<u>178,532</u>
59,686	43,719	29,805	34,315	84,910
<u>283,469</u>	<u>166,555</u>	<u>230,491</u>	<u>257,410</u>	<u>263,442</u>
73,527	414	20,321	5,509	207
2,436	-	-	-	-
-	27,012	-	1,220	-
-	3,602	-	-	23,773
-	-	-	-	-
<u>75,963</u>	<u>31,028</u>	<u>20,321</u>	<u>6,729</u>	<u>23,980</u>
-	15,680	-	-	66,925
-	-	-	-	-
-	<u>15,680</u>	-	-	<u>66,925</u>
<u>75,963</u>	<u>46,708</u>	<u>20,321</u>	<u>6,729</u>	<u>90,905</u>
59,686	24,437	29,805	34,315	(5,788)
<u>147,820</u>	<u>95,410</u>	<u>180,365</u>	<u>216,366</u>	<u>178,325</u>
<u>\$ 207,506</u>	<u>\$ 119,847</u>	<u>\$ 210,170</u>	<u>\$ 250,681</u>	<u>\$ 172,537</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Net Position

Internal Service Funds

September 30, 2023

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
Assets			
Current assets:			
Cash and cash equivalents	\$ 61,264	\$ 1,213,006	\$ 363,096
Accounts receivable	-	387,436	-
Due from other funds	-	-	-
Prepays	-	266,792	277,015
Total current assets	61,264	1,867,234	640,111
Noncurrent assets -			
Capital assets being depreciated/amortized, net	-	-	-
Total assets	61,264	1,867,234	640,111
Liabilities			
Current liabilities:			
Accounts payable	-	5,179	996
Accrued liabilities	747	103,160	228,192
Due to other funds	-	-	-
Current portion of leases payable	-	-	-
Current portion of long-term debt	-	-	-
Total current liabilities	747	108,339	229,188
Noncurrent liabilities:			
Leases payable, net of current portion	-	-	-
Long-term debt, net of current portion	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	747	108,339	229,188
Net position			
Net investment in capital assets	-	-	-
Unrestricted	60,517	1,758,895	410,923
Total net position	\$ 60,517	\$ 1,758,895	\$ 410,923



Workers' Compensation (696)	Retirement (698)	Unused Sick and Vacation (697)	Total
\$ 254,573	\$ 531,397	\$ 973,880	\$ 4,654,277
102,102	-	-	497,601
-	-	5,454	6,674
76,897	-	-	661,618
<u>433,572</u>	<u>531,397</u>	<u>979,334</u>	<u>5,820,170</u>
-	-	-	324,732
<u>433,572</u>	<u>531,397</u>	<u>979,334</u>	<u>6,144,902</u>
-	458	-	125,142
3,863	-	5,005	361,701
-	-	-	28,232
-	-	-	38,223
-	-	66,041	66,041
<u>3,863</u>	<u>458</u>	<u>71,046</u>	<u>619,339</u>
-	-	-	120,023
-	-	512,879	512,879
-	-	512,879	632,902
<u>3,863</u>	<u>458</u>	<u>583,925</u>	<u>1,252,241</u>
-	-	-	166,486
<u>429,709</u>	<u>530,939</u>	<u>395,409</u>	<u>4,726,175</u>
<u>\$ 429,709</u>	<u>\$ 530,939</u>	<u>\$ 395,409</u>	<u>\$ 4,892,661</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, 2023

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Operating revenues			
Charges for services	\$ 697,462	\$ 221,963	\$ 2,198
Reimbursements	-	-	-
Total operating revenues	<u>697,462</u>	<u>221,963</u>	<u>2,198</u>
Operating expenses			
Supplies and operating expenses	718,734	212,870	5,336
Depreciation/amortization	16,392	-	1,962
Total operating expenses	<u>735,126</u>	<u>212,870</u>	<u>7,298</u>
Operating income (loss)	<u>(37,664)</u>	<u>9,093</u>	<u>(5,100)</u>
Nonoperating revenues (expenses)			
Investment earnings	-	-	-
Interest expense	(366)	-	-
Loss on disposal of capital assets	-	-	-
Insurance pool distribution	-	-	-
Total nonoperating revenues (expenses)	<u>(366)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>(38,030)</u>	<u>9,093</u>	<u>(5,100)</u>
Net position, beginning of year	<u>183,692</u>	<u>119,039</u>	<u>76,834</u>
Net position, end of year	<u>\$ 145,662</u>	<u>\$ 128,132</u>	<u>\$ 71,734</u>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 645,727	\$ 182,806	\$ 72,787	\$ 60,111	\$ 27,584
-	50	-	-	-
<u>645,727</u>	<u>182,856</u>	<u>72,787</u>	<u>60,111</u>	<u>27,584</u>
605,122	145,897	62,340	34,916	17,340
24,310	15,678	11,213	14,706	31,771
<u>629,432</u>	<u>161,575</u>	<u>73,553</u>	<u>49,622</u>	<u>49,111</u>
<u>16,295</u>	<u>21,281</u>	<u>(766)</u>	<u>10,489</u>	<u>(21,527)</u>
-	15,584	-	-	-
-	(395)	-	-	(976)
-	-	-	-	(9,897)
-	-	-	-	-
<u>-</u>	<u>15,189</u>	<u>-</u>	<u>-</u>	<u>(10,873)</u>
16,295	36,470	(766)	10,489	(32,400)
<u>191,211</u>	<u>83,377</u>	<u>210,936</u>	<u>240,192</u>	<u>204,937</u>
<u>\$ 207,506</u>	<u>\$ 119,847</u>	<u>\$ 210,170</u>	<u>\$ 250,681</u>	<u>\$ 172,537</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, 2023

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
Operating revenues			
Charges for services	\$ -	\$ -	\$ -
Reimbursements	37,251	4,092,564	454,325
Total operating revenues	<u>37,251</u>	<u>4,092,564</u>	<u>454,325</u>
Operating expenses			
Supplies and operating expenses	52,146	3,796,765	320,252
Depreciation/amortization	-	-	-
Total operating expenses	<u>52,146</u>	<u>3,796,765</u>	<u>320,252</u>
Operating income (loss)	<u>(14,895)</u>	<u>295,799</u>	<u>134,073</u>
Nonoperating revenues (expenses)			
Investment earnings	-	-	-
Interest expense	-	-	-
Loss on disposal of capital assets	-	-	-
Insurance pool distribution	-	-	107,685
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>107,685</u>
Change in net position	(14,895)	295,799	241,758
Net position, beginning of year	<u>75,412</u>	<u>1,463,096</u>	<u>169,165</u>
Net position, end of year	<u>\$ 60,517</u>	<u>\$ 1,758,895</u>	<u>\$ 410,923</u>



Workers' Compensation (696)	Retirement (698)	Unused Sick and Vacation (697)	Total
\$ -	\$ -	\$ -	\$ 1,910,638
<u>362,531</u>	<u>1,925,894</u>	<u>327,577</u>	<u>7,200,192</u>
<u>362,531</u>	<u>1,925,894</u>	<u>327,577</u>	<u>9,110,830</u>
443,345	1,802,149	312,218	8,529,430
<u>-</u>	<u>-</u>	<u>-</u>	<u>116,032</u>
<u>443,345</u>	<u>1,802,149</u>	<u>312,218</u>	<u>8,645,462</u>
<u>(80,814)</u>	<u>123,745</u>	<u>15,359</u>	<u>465,368</u>
-	-	-	15,584
-	-	-	(1,737)
-	-	-	(9,897)
<u>102,102</u>	<u>-</u>	<u>-</u>	<u>209,787</u>
<u>102,102</u>	<u>-</u>	<u>-</u>	<u>213,737</u>
21,288	123,745	15,359	679,105
<u>408,421</u>	<u>407,194</u>	<u>380,050</u>	<u>4,213,556</u>
<u>\$ 429,709</u>	<u>\$ 530,939</u>	<u>\$ 395,409</u>	<u>\$ 4,892,661</u>

concluded

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2023

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Cash flows from operating activities			
Receipts from interfund services	\$ 697,462	\$ 221,963	\$ 3,010
Payments to vendors	(330,965)	(13,397)	(5,803)
Payments for personnel services	(386,381)	(199,740)	-
Net cash provided by (used in) operating activities	<u>(19,884)</u>	<u>8,826</u>	<u>(2,793)</u>
Cash flows from noncapital financing activities			
Insurance pool distribution	-	-	-
Cash flows from capital and related financing activities			
Principal paid on leases payable	(10,775)	-	-
Interest paid on leases payable	(366)	-	-
Purchase of capital assets	(7,950)	-	-
Net cash used in capital and related financing activities	<u>(19,091)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest received on investments	-	-	-
Net change in cash and cash equivalents	(38,975)	8,826	(2,793)
Cash and cash equivalents, beginning of year	<u>197,239</u>	<u>125,384</u>	<u>59,311</u>
Cash and cash equivalents, end of year	<u>\$ 158,264</u>	<u>\$ 134,210</u>	<u>\$ 56,518</u>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 644,522	\$ 164,224	\$ 72,787	\$ 60,111	\$ 27,584
(534,123)	(22,986)	(50,468)	(28,114)	(22,758)
(79,978)	(113,883)	-	-	-
<u>30,421</u>	<u>27,355</u>	<u>22,319</u>	<u>31,997</u>	<u>4,826</u>
-	-	-	-	-
-	(13,882)	-	-	(23,575)
-	(395)	-	-	(976)
-	-	(11,906)	-	(13,090)
-	(14,277)	(11,906)	-	(37,641)
-	15,584	-	-	-
30,421	28,662	10,413	31,997	(32,815)
164,349	85,402	190,273	188,020	211,347
<u>\$ 194,770</u>	<u>\$ 114,064</u>	<u>\$ 200,686</u>	<u>\$ 220,017</u>	<u>\$ 178,532</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2023

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
Cash flows from operating activities			
Receipts from interfund services	\$ 37,251	\$ 3,754,996	\$ 454,325
Payments to vendors	(24,809)	(3,659,745)	(565,068)
Payments for personnel services	(27,394)	(208,671)	-
Net cash provided by (used in) operating activities	<u>(14,952)</u>	<u>(113,420)</u>	<u>(110,743)</u>
Cash flows from noncapital financing activities			
Insurance pool distribution	-	-	107,685
Cash flows from capital and related financing activities			
Principal paid on leases payable	-	-	-
Interest paid on leases payable	-	-	-
Purchase of capital assets	-	-	-
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest received on investments	-	-	-
Net change in cash and cash equivalents	(14,952)	(113,420)	(3,058)
Cash and cash equivalents, beginning of year	<u>76,216</u>	<u>1,326,426</u>	<u>366,154</u>
Cash and cash equivalents, end of year	<u>\$ 61,264</u>	<u>\$ 1,213,006</u>	<u>\$ 363,096</u>



Workers' Compensation (696)	Retirement (698)	Unused Sick and Vacation (697)	Total
\$ 351,878	\$ 1,925,894	\$ 322,130	\$ 8,738,137
(318,556)	(1,266)	(57,394)	(5,635,452)
(122,288)	(1,800,920)	(212,721)	(3,151,976)
<u>(88,966)</u>	<u>123,708</u>	<u>52,015</u>	<u>(49,291)</u>
<u>102,102</u>	<u>-</u>	<u>-</u>	<u>209,787</u>
-	-	-	(48,232)
-	-	-	(1,737)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,946)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(82,915)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>15,584</u>
13,136	123,708	52,015	93,165
<u>241,437</u>	<u>407,689</u>	<u>921,865</u>	<u>4,561,112</u>
<u>\$ 254,573</u>	<u>\$ 531,397</u>	<u>\$ 973,880</u>	<u>\$ 4,654,277</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2023

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (37,664)	\$ 9,093	\$ (5,100)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation/amortization expense	16,392	-	1,962
Change in operating assets and liabilities:			
Accounts receivable	-	-	812
Due from other funds	-	-	-
Prepays	-	-	9,528
Accounts payable	203	-	(9,995)
Accrued liabilities	1,185	(267)	-
Due to other funds	-	-	-
Compensated absences	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (19,884)</u>	<u>\$ 8,826</u>	<u>\$ (2,793)</u>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 16,295	\$ 21,281	\$ (766)	\$ 10,489	\$ (21,527)
24,310	15,678	11,213	14,706	31,771
15	6,085	-	-	-
(1,220)	-	-	-	-
(5,851)	(102)	-	753	-
(3,251)	9,130	11,872	4,829	(5,418)
123	-	-	-	-
-	(24,717)	-	1,220	-
-	-	-	-	-
<u>\$ 30,421</u>	<u>\$ 27,355</u>	<u>\$ 22,319</u>	<u>\$ 31,997</u>	<u>\$ 4,826</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2023

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (14,895)	\$ 295,799	\$ 134,073
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	-	(337,568)	-
Due from other funds	-	-	-
Prepays	-	50,147	(107,664)
Accounts payable	-	(170,613)	996
Accrued expenses	(57)	48,816	(138,148)
Due to other funds	-	(1)	-
Compensated absences	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (14,952)</u>	<u>\$ (113,420)</u>	<u>\$ (110,743)</u>



Workers' Compensation (696)	Retirement (698)	Unused Sick and Vacation (697)	Total
\$ (80,814)	\$ 123,745	\$ 15,359	\$ 465,368
-	-	-	116,032
(10,653)	-	-	(341,309)
-	-	(5,447)	(6,667)
2,380	-	-	(50,809)
-	(37)	(87)	(162,371)
121	-	(12,780)	(101,007)
-	-	-	(23,498)
-	-	54,970	54,970
<u>\$ (88,966)</u>	<u>\$ 123,708</u>	<u>\$ 52,015</u>	<u>\$ (49,291)</u>

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CUSTODIAL FUNDS

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Fiduciary Net Position

Custodial Funds

September 30, 2023

	Trust and Agency (701)	Inmate Custodial (714)	Library Penal (721)	Total
Assets				
Cash and cash equivalents	\$ 4,375,111	\$ 78,389	\$ 139,069	\$ 4,592,569
Liabilities				
Accounts payable	51,026	-	-	51,026
Due to other governments	4,324,085	-	-	4,324,085
Undistributed receipts	-	-	139,069	139,069
Total liabilities	4,375,111	-	139,069	4,514,180
Net position				
Restricted for:				
Individuals, organizations and other governments	-	78,389	-	78,389

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

For the Year Ended September 30, 2023

	Trust and Agency (701)	Inmate Custodial (714)	Library Penal (721)	Total
Additions				
Circuit court juvenile division collections	\$ 3,784	\$ -	\$ -	\$ 3,784
County clerk collections	57,358	-	-	57,358
District court collections	296,960	-	-	296,960
Circuit court clerk collections	87,067	-	-	87,067
Probate court collections	54,519	-	-	54,519
Register of deeds collections	1,606,733	-	-	1,606,733
County treasurer collections	10,730,844	-	-	10,730,844
Sheriff's collections	36,839	-	-	36,839
County jail collections	1,653	-	-	1,653
Other	546	-	-	546
Inmate collections	-	1,393,519	-	1,393,519
Library penal fines collections	-	-	144,540	144,540
Total additions	12,876,303	1,393,519	144,540	14,414,362
Deductions				
Circuit court juvenile division distributions	3,784	-	-	3,784
County clerk distributions	57,403	-	-	57,403
District court distributions	296,960	-	-	296,960
Circuit court clerk distributions	87,022	-	-	87,022
Probate court distributions	54,519	-	-	54,519
Register of deeds distributions	1,606,733	-	-	1,606,733
County treasurer distributions	10,730,844	-	-	10,730,844
Sheriff's distributions	36,839	-	-	36,839
County jail distributions	1,653	-	-	1,653
Other	546	-	-	546
Inmate distributions	-	1,392,684	-	1,392,684
Library penal fines distributions	-	-	144,540	144,540
Total deductions	12,876,303	1,392,684	144,540	14,413,527
Change in net position	-	835	-	835
Net position, beginning of year	-	77,554	-	77,554
Net position, end of year	\$ -	\$ 78,389	\$ -	\$ 78,389

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COMPONENT UNITS

COUNTY OF NEWAYGO, MICHIGAN

Combining Balance Sheet

Drain Commissioner Component Unit

September 30, 2023

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
Assets				
Cash and cash equivalents	\$ 802,587	\$ 215,810	\$ 27,840	\$ 145,814
Account receivable	4,400	-	-	-
Due from other governments	21,396	-	-	-
Special assessments receivable	1,988,362	-	80,000	80,500
Due from other funds	-	132,762	-	-
Total assets	\$ 2,816,745	\$ 348,572	\$ 107,840	\$ 226,314
Liabilities				
Accounts payable	\$ 7,905	\$ 48,572	\$ 16,567	\$ 11,000
Due to other funds	132,762	-	-	-
Advance from primary government	-	300,000	-	-
Total liabilities	140,667	348,572	16,567	11,000
Deferred inflows of resources				
Unavailable revenues - special assessments	1,988,362	-	80,000	80,500
Fund balances				
Restricted for drain maintenance and construction	687,716	-	11,273	134,814
Restricted for debt service	-	-	-	-
Total fund balances	687,716	-	11,273	134,814
Total liabilities, deferred inflows of resources and fund balances	\$ 2,816,745	\$ 348,572	\$ 107,840	\$ 226,314

Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Drain Debt Service (851)	Total
\$ 44,577	\$ 86,182	\$ 22,165	\$ 1,969	\$ 45,700	\$ 1,392,644
-	-	-	-	-	4,400
-	-	-	-	-	21,396
18,000	160,000	37,000	12,855	-	2,376,717
-	-	-	-	-	132,762
<u>\$ 62,577</u>	<u>\$ 246,182</u>	<u>\$ 59,165</u>	<u>\$ 14,824</u>	<u>\$ 45,700</u>	<u>\$ 3,927,919</u>
\$ 3,823	\$ 2,802	\$ 3,250	\$ -	\$ -	\$ 93,919
-	-	-	-	-	132,762
-	-	-	-	-	300,000
<u>3,823</u>	<u>2,802</u>	<u>3,250</u>	<u>-</u>	<u>-</u>	<u>526,681</u>
<u>18,000</u>	<u>160,000</u>	<u>37,000</u>	<u>12,855</u>	<u>-</u>	<u>2,376,717</u>
40,754	83,380	18,915	1,969	-	978,821
-	-	-	-	45,700	45,700
<u>40,754</u>	<u>83,380</u>	<u>18,915</u>	<u>1,969</u>	<u>45,700</u>	<u>1,024,521</u>
<u>\$ 62,577</u>	<u>\$ 246,182</u>	<u>\$ 59,165</u>	<u>\$ 14,824</u>	<u>\$ 45,700</u>	<u>\$ 3,927,919</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, 2023

Fund balances - total governmental funds \$ 1,024,521

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	65,350
Capital assets being depreciated, net	1,730,198

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	2,376,717
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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.

Bonds and notes payable	(1,133,800)
Premium on long-term debt	<u>(16,992)</u>

Net position of governmental activities \$ 4,045,994

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Revenues, Expenditures and Change in Fund Balances

Drain Commissioner Component Unit
For the Year Ended September 30, 2023

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
Revenues				
Special assessments	\$ 368,939	\$ -	\$ 20,000	\$ 80,841
Contributions	4,400	-	-	-
Unrestricted investment earnings	1,576	-	-	-
Total revenues	<u>374,915</u>	<u>-</u>	<u>20,000</u>	<u>80,841</u>
Expenditures				
Current - public works	284,724	-	74,349	71,249
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>284,724</u>	<u>-</u>	<u>74,349</u>	<u>71,249</u>
Net change in fund balances	90,191	-	(54,349)	9,592
Fund balances, beginning of year	<u>597,525</u>	<u>-</u>	<u>65,622</u>	<u>125,222</u>
Fund balances, end of year	<u>\$ 687,716</u>	<u>\$ -</u>	<u>\$ 11,273</u>	<u>\$ 134,814</u>

Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Drain Debt Service (851)	Total
\$ 17,920	\$ 82,800	\$ 25,000	\$ 11,880	\$ 141,056	\$ 748,436
-	-	-	-	-	4,400
-	-	-	-	-	1,576
<u>17,920</u>	<u>82,800</u>	<u>25,000</u>	<u>11,880</u>	<u>141,056</u>	<u>754,412</u>
22,688	73,660	29,066	16,325	-	572,061
-	-	-	-	148,400	148,400
-	-	-	-	41,225	41,225
<u>22,688</u>	<u>73,660</u>	<u>29,066</u>	<u>16,325</u>	<u>189,625</u>	<u>761,686</u>
(4,768)	9,140	(4,066)	(4,445)	(48,569)	(7,274)
<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>\$ 40,754</u>	<u>\$ 83,380</u>	<u>\$ 18,915</u>	<u>\$ 1,969</u>	<u>\$ 45,700</u>	<u>\$ 1,024,521</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, 2023

Net change in fund balances - total governmental funds \$ (7,274)

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	5,553
Depreciation expense	(108,677)

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	(179,277)
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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 bonds and notes payable	148,400
Amortization of premium on long-term debt	1,165

Change in net position of governmental activities \$ (140,110)

COUNTY OF NEWAYGO, MICHIGAN

Balance Sheet / Statement of Net Position

Brownfield Redevelopment Authority Component Unit

September 30, 2023

	Governmental Fund (243)	Adjustments	Statement of Activities
Assets			
Cash and cash equivalents	\$ 64,423	\$ -	\$ 64,423
Liabilities			
Accounts payable	\$ 309	-	309
Fund balance			
Unassigned	64,114	(64,114)	
Total liabilities and fund balances	<u>\$ 64,423</u>		
Net position			
Unrestricted		<u>\$ 64,114</u>	<u>\$ 64,114</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, 2023

	Governmental Fund (243)	Adjustments	Statement of Net Position
Revenues			
Property taxes	\$ 6,093	\$ -	\$ 6,093
Expenditures / expenses			
Community and economic development	<u>6,872</u>	<u>-</u>	<u>6,872</u>
Net change in fund balance / net position	(779)	-	(779)
Fund balance/net position, beginning of year	<u>64,893</u>	<u>-</u>	<u>64,893</u>
Fund balance/net position, end of year	<u><u>\$ 64,114</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 64,114</u></u>