

County of  
Newaygo,  
Michigan



Year Ended  
September 30,  
2018

Financial  
Statements



# COUNTY OF NEWAYGO, MICHIGAN

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COUNTY OF NEWAYGO, MICHIGAN

ELECTED OFFICIALS

For the Year Ended September 30, 2018

BOARD OF COMMISSIONERS

Philip D. Deur, District 1  
Bryan Kolk, District 2  
D. Charles Trapp, District 3

James Maike, Jr., District 4  
Lavern Willett, District 5  
Christian P. Ortwein, District 6  
Patrick J. Gardner, District 7

COUNTY OFFICIALS

Jason Vanderstelt, Clerk  
Holly Moon, Treasurer  
Norman L. Ochs, Surveyor  
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

Graydon W. Dimkoff

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INDEPENDENT AUDITORS' REPORT

March 7, 2019

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *County of Newaygo, Michigan* (the "County"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

*Management's Responsibility for the Financial Statements*

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

*Independent Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Newaygo County Road Commission or the Newaygo Medical Care Facility, discretely presented component units, which represent the indicated percentages of total aggregate discretely presented component units assets and deferred outflows, net position, and revenues:

	Percent of Total Assets and Deferred Outflows	Percent of Total Net Position	Percent of Total Revenues
Newaygo County Road Commission	71.9%	71.1%	47.1%
Newaygo Medical Care Facility	21.5%	24.3%	41.9%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Newaygo County Road Commission and the Newaygo Medical Care Facility, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Newaygo Medical Care Facility were not audited in accordance with *Government Auditing Standards*.

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

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

### *Opinions*

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Newaygo, Michigan, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Implementation of GASB Statement No. 75*

As described in Note 20, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, in the current year. Accordingly, beginning net position of governmental activities, the Central Dispatch Authority component unit and the Road Commission component unit was restated. Our opinion is not modified with respect to this matter.

### *Required Supplementary Information*

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

### *Other Information*

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2019, on our consideration of the County of Newaygo, Michigan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Newaygo, Michigan's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rehmann Johnson LLC". The signature is written in a cursive, flowing style.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

As management of the *County of Newaygo, Michigan* (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2018.

### Financial Highlights

1. The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the 2018 fiscal year by \$37,591,939 (*net position*). Of this amount, \$26,540,587 (*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 2018 fiscal year, fund balance for the general fund was \$4,360,039 or 32.3% 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
2018	\$ 4,360,039	32.3% <i>(see "Highlights of FY 2019 Budget" for information on planned use of fund balance)</i>
2017	3,835,286	28.4%
2016	3,771,163	29.3%
2015	3,560,401	26.5%
2014	3,590,602	27.7%

3. The general fund for 2018 increased fund balance by \$524,753 applying the Non-GAAP Budgetary Basis and \$573,955 according to the GAAP Basis.
4. Within the general fund, fund balance is classified as follows: \$302,104 nonspendable, \$142,267 restricted, \$31,372 committed, and \$324,810 assigned. The remaining \$3,559,486 is available as unassigned fund balance (Non-GAAP Budgetary Basis). Unassigned fund balance as a percentage of expenditures and transfers out was 26.3%.
5. At the end of the 2018 fiscal year, fund balance for the general fund according to the GAAP Basis was \$3,653,691. Of this amount \$2,853,138 is available as unassigned fund balance. Unassigned fund balance as a percentage of expenditures and transfers out was 21.1%.
6. As of the close of the 2018 fiscal year, the County's governmental funds reported combined ending fund balances of \$10,819,416. This amount is a \$1,610,634 increase over the previous year. \$8,083,271 or 74.7% of the total is available for spending at the government's discretion (committed, assigned, and unassigned).
7. The audit classifies property taxes that have been billed but remain uncollected as of 60 days subsequent to year-end as deferred inflows of resources. Therefore, a budgetary/accounting basis reconciliation has been included for clarification in the notes to the financial statements.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include 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, and the building authority, as well as the operation of the jail commissary.

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

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

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

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

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

The County maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund, county jail fund, and commission on aging, all of which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

**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 2015 and prior delinquent tax fund, 2017 delinquent tax fund, sanitary sewer construction fund, and P.A. 123 fund which are considered to be major funds of the County. The County's internal service funds are presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Funds column.

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

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

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



# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### Government-wide Financial Analysis

As previously stated, net position may serve over time as a useful indicator of a government's financial position. In the case of Newaygo County, assets and deferred outflows exceeded liabilities and deferred inflows by \$37,591,939 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Assets</b>						
Current and other assets	\$ 17,458,241	\$15,261,772	\$20,068,741	\$19,966,246	\$ 37,526,982	\$35,228,018
Capital assets, net	16,851,856	16,998,755	7,335	9,527	16,859,191	17,008,282
<b>Total assets</b>	<b>34,310,097</b>	<b>32,260,527</b>	<b>20,076,076</b>	<b>19,975,773</b>	<b>54,386,173</b>	<b>52,236,300</b>
<b>Deferred outflows of resources</b>	<b>922,324</b>	<b>1,315,641</b>	<b>35,845</b>	<b>45,847</b>	<b>958,169</b>	<b>1,361,488</b>
<b>Liabilities</b>						
Long-term debt	9,091,528	10,102,151	1,754,957	2,377,266	10,846,485	12,479,417
Other liabilities	6,439,482	6,270,849	146,973	98,833	6,586,455	6,369,682
<b>Total liabilities</b>	<b>15,531,010</b>	<b>16,373,000</b>	<b>1,901,930</b>	<b>2,476,099</b>	<b>17,432,940</b>	<b>18,849,099</b>
<b>Deferred inflows of resources</b>	<b>319,463</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>319,463</b>	<b>-</b>
<b>Net position</b>						
Net investment in capital assets	8,319,237	7,434,805	7,335	9,527	8,326,572	7,444,332
Restricted	2,314,441	2,119,345	410,339	416,664	2,724,780	2,536,009
Unrestricted	8,748,270	7,649,018	17,792,317	17,119,330	26,540,587	24,768,348
<b>Total net position</b>	<b>\$ 19,381,948</b>	<b>\$17,203,168</b>	<b>\$18,209,991</b>	<b>\$17,545,521</b>	<b>\$ 37,591,939</b>	<b>\$34,748,689</b>

A portion of the County's net position of \$8,326,572 (22.1%) represents its investment in capital assets (e.g., land, buildings, vehicles and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position of \$2,724,780 (7.3%) represents resources that are subject to external restrictions on how they can be used. The remaining balance of unrestricted net position (\$26,540,587 or 70.6%) 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	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 8,850,175	\$ 8,336,863	\$ 1,528,673	\$ 1,525,108	\$ 10,378,848	\$ 9,861,971
Operating grants	4,861,191	4,281,054	133,357	92,125	4,994,548	4,373,179
Capital grants	10,418	41,487	-	-	10,418	41,487
General revenues:						
Property taxes	11,091,183	10,261,543	-	-	11,091,183	10,261,543
Unrestricted grants	1,547,736	1,416,221	-	-	1,547,736	1,416,221
Unrestricted investment earnings	122,910	66,190	-	-	122,910	66,190
Gain on sale of capital assets	32,375	40,045	-	-	32,375	40,045
<b>Total revenues</b>	<b>26,515,988</b>	<b>24,443,403</b>	<b>1,662,030</b>	<b>1,617,233</b>	<b>28,178,018</b>	<b>26,060,636</b>
<b>Expenses</b>						
General government	4,454,580	4,507,310	-	-	4,454,580	4,507,310
Public safety	8,944,667	9,074,301	-	-	8,944,667	9,074,301
Public works	196,056	141,714	-	-	196,056	141,714
Health and welfare	4,609,270	4,889,398	-	-	4,609,270	4,889,398
Recreation and cultural	619,511	629,789	-	-	619,511	629,789
Legislative	307,935	393,622	-	-	307,935	393,622
Judicial	3,497,410	3,844,132	-	-	3,497,410	3,844,132
Community and economic development	126,781	291,065	-	-	126,781	291,065
Interest on long-term debt	272,371	293,635	-	-	272,371	293,635
Delinquent tax admin	-	-	250,717	236,417	250,717	236,417
Public works projects	-	-	55,842	72,730	55,842	72,730
Jail commissary	-	-	83,555	83,447	83,555	83,447
Building authority	-	-	71,000	80,673	71,000	80,673
<b>Total expenses</b>	<b>23,028,581</b>	<b>24,064,966</b>	<b>461,114</b>	<b>473,267</b>	<b>23,489,695</b>	<b>24,538,233</b>
Change in net position, before transfers	3,487,407	378,437	1,200,916	1,143,966	4,688,323	1,522,403
Transfers	536,446	473,711	(536,446)	(473,711)	-	-
<b>Change in net position</b>	<b>4,023,853</b>	<b>852,148</b>	<b>664,470</b>	<b>670,255</b>	<b>4,688,323</b>	<b>1,522,403</b>
<b>Net position:</b>						
Beginning of year	17,203,168	16,351,020	17,545,521	16,875,266	34,748,689	33,226,286
Restatement for implementation of GASB 75	(1,845,073)	-	-	-	(1,845,073)	-
<b>Net position, end of year</b>	<b>\$ 19,381,948</b>	<b>\$17,203,168</b>	<b>\$18,209,991</b>	<b>\$17,545,521</b>	<b>\$ 37,591,939</b>	<b>\$34,748,689</b>

The County's net position increased by \$4,688,323 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 \$4,023,853. This was primarily the result of increased revenues for charges for services, operating grants, and property taxes combined with reduced expenditures for the 2018 fiscal year across most functions.

**Revenues (Statement of Activities)** - Revenues increased by \$2,072,585 or 8.5% in 2018 from the prior year. There are several revenue sources with variances as follows:

**Charges for services.** Program charges for services increased by \$513,312 or 6.2%.

**Operating grants and contributions.** Program grant revenue increased by \$580,137 or 13.6%.

**Capital grants and contributions.** Program capital grants and contributions decreased by \$31,069 or 74.9%.

**Property taxes.** Property taxes increased by \$829,640 or 8.1%. The primary factors for the increase are: 1) taxable values experienced a 2.3% rise in 2018; 2) the general fund received better than estimated 2017 property tax revenues; and 3) the 2018 fiscal year was the first year that the additional commission on aging millage approved by voters in August 2016 was levied (12-1-2017 tax levy).

**Unrestricted grants and contributions.** Unrestricted grants and contributions increased \$131,515 or 9.3%. A main factor involved with this increase is that the County received a larger distribution from the Local Community Stabilization Authority for personal property tax reimbursements.

**Unrestricted investment earnings.** Unrestricted investment earnings increased \$56,720 or 85.7%.

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

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

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

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

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

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

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

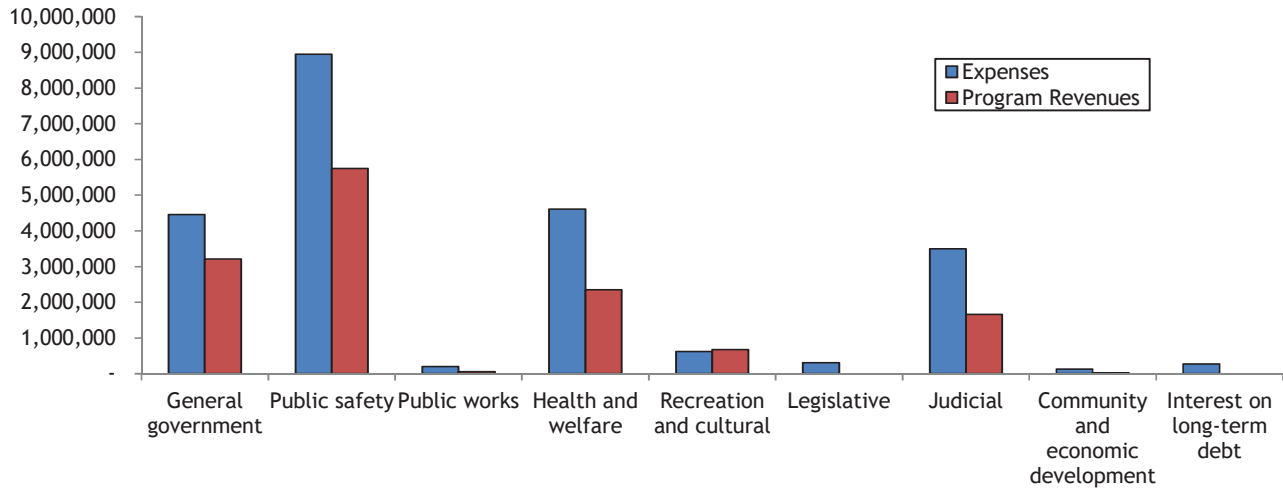
**Recreation and cultural.** Recreation and cultural activities include expenses related to the County parks system.

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

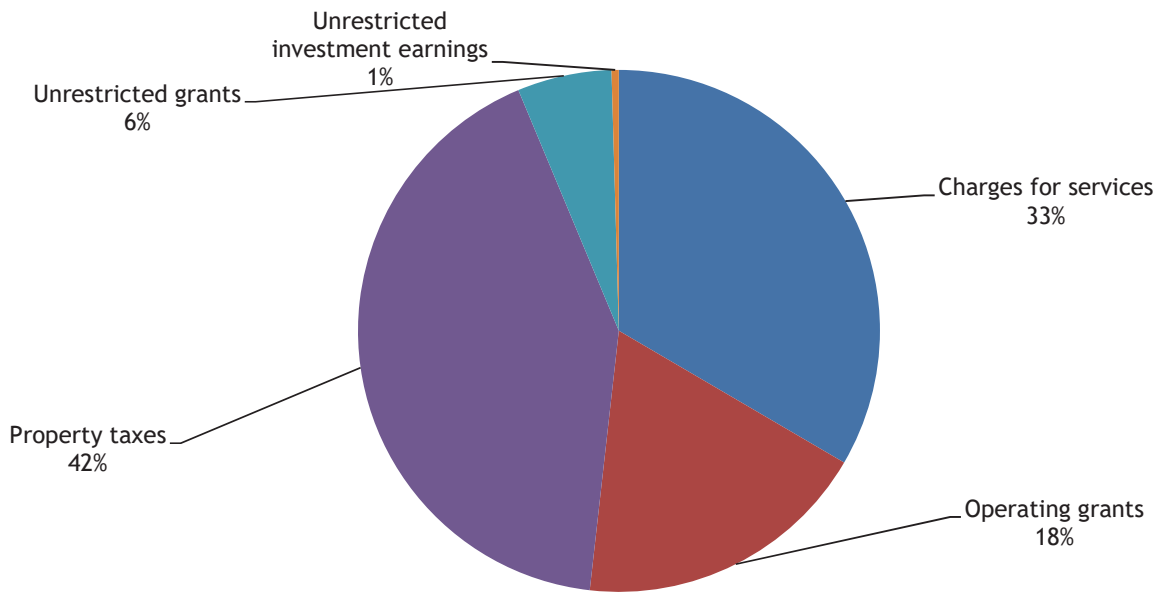
# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



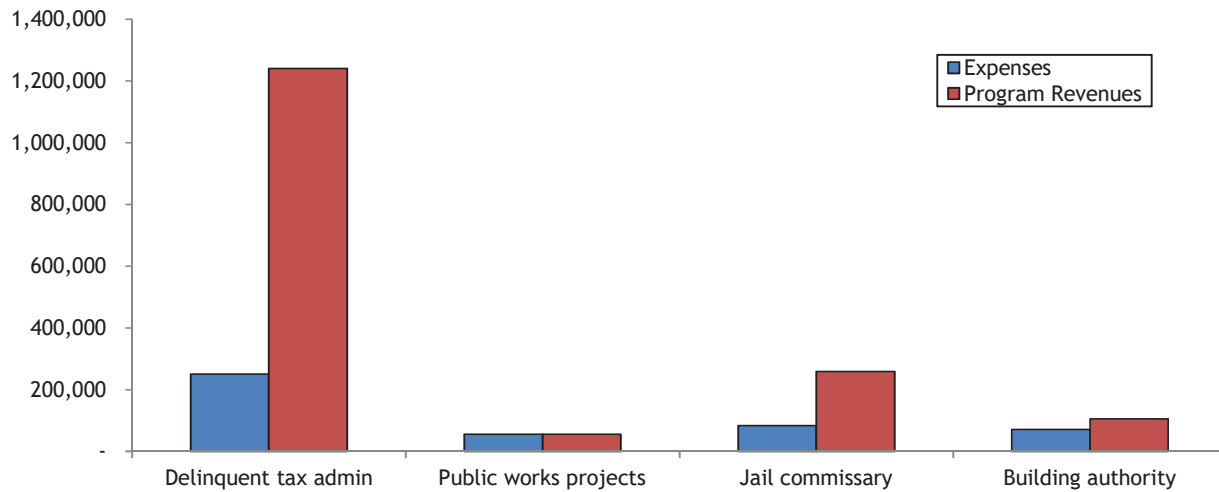
**Business-type Activities.** Business type activities increased the County's net position by \$664,470. The key revenues for the business type activities are penalties and interest on delinquent taxes, proceeds from tax sales, and investment income. The primary reason for the increase in net position is expenses related to delinquent taxes were minimal.

Business-type activities are classified as enterprise funds which include delinquent taxes, P.A. 123 activities, principal residence exemption audits, operations of the jail commissary, and general obligation bonds which are offset by capital leases receivable.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

Expenses and Program Revenues - Business-type Activities



### Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the most significant funds, not the County as a whole. The County uses funds to help manage money for specific purposes as well as to show accountability for certain activities such as a special property tax millage or grant funded programs. The County's major funds for 2018 include the General Fund, County Jail, Commission on Aging, Delinquent Tax Administration, P.A. 123 Funds, and Sanitary Sewer Construction Debt Service.

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

The County General fund is the chief operating fund of the County. When utilizing the GAAP Basis, at the end of the 2018 fiscal year, the County's ending fund balance for the general fund was \$3,653,691. Of that amount \$302,104 is nonspendable, \$142,267 is restricted, \$31,372 is committed, \$324,810 is assigned, and \$2,853,138 is unassigned.

The County jail fund decreased its fund balance (GAAP Basis) by \$143,612 from \$214,161 at the beginning of the year to an ending balance of \$70,549. Of that amount \$35,116 is nonspendable, \$5,325 is restricted, and \$30,108 is committed.

The Commission on aging fund increased its fund balance (GAAP Basis) by \$479,227 from \$220,679 at the beginning of the year to an ending balance of \$699,906. Of that amount \$90,101 is restricted and \$609,805 is assigned.

Nonmajor funds increased their collective fund balances (GAAP Basis) by \$701,064 from \$5,694,206 at the beginning of the year to an ending balance of \$6,395,270. Of that amount \$16,114 is nonspendable, \$2,145,118 is restricted, \$2,685,639 is committed, and \$1,548,399 is assigned.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

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

Charges for services. Charges for services in the governmental funds totaled \$8,304,434. The amount was generated by general fund charges of \$2,340,277, county jail fund charges of \$3,100,710, commission on aging charges of \$190,142, and nonmajor fund charges of \$2,673,305. The total reflected an overall increase of \$663,107 from the previous year. The overall increase is related mainly to two factors: 1) the county jail realized an increase of \$530,786 from the prior year from per diem for housing additional federal inmates over the 140 contractual inmate count; and 2) the building safety and permits department had increased revenues of \$123,748 from the prior year - mainly from building permits issued.

Property taxes. Property taxes totaled \$11,140,385. This amount marked an increase of \$829,640 from the prior year. On a GAAP Basis, property taxes for the general fund increased just over 2.9% or \$223,151. This was primarily due to 2018 taxable value growth of 2.3% and interest collected on 2017 property taxes. The commission on aging increased by \$696,744 due to the voter approved additional millage of 0.5000 which became effective with the 12-1-2017 tax levy.

Investment earnings and rentals. Investment earnings and rentals totaled \$232,257. The general fund totaled \$223,943. This amount was an increase over the prior year. Historical information on interest earnings and rentals of the general fund is presented in the following table:

Fiscal Year	Investment Earnings and Rentals
2018	\$ 223,943
2017	175,448
2016	184,669
2015	190,293
2014	191,810

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

General government. General government expenditures were \$4,117,092. The general government category equated to approximately 16.3% of the total expenditures. Overall, this total was a 0.58% decrease from the previous year. Some of the departments included within the general government category include the Prosecutor, Administrator, Accounting, Clerk, Treasurer, Equalization, Personnel, and Payroll. The departments with the highest expenditures within the general government category of the general fund were the Prosecutor \$842,196 (21%); Equalization \$585,876 (14%); Treasurer \$524,590 (13%); Register of Deeds \$412,928 (10%); and Clerk \$311,681 (8%).

Public safety. Public safety expenditures totaled \$9,096,991 which was an overall \$229,180 (2.58%) increase from the prior year. This category contains portions of the general fund (including animal control) and the county jail fund, as well as the Nonmajor Governmental funds of the sheriff's reserves, crime victim's rights, sheriff's road patrol, law enforcement, building inspection, drug law enforcement, emergency services and law enforcement technology. The county jail had the largest increase in expenditures from the prior year of \$240,321 (5.1%). The majority of this increase was attributable to staffing costs, food service for inmate meals, inmate health services, and indirect costs within the county jail facility.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

**Health and welfare.** Health and welfare expenditures totaled \$4,980,970. The amount marks a modest increase from the prior year of \$2,781 (0.06%). Of the funds in this category, increases in expenditures occurred in the commission on aging \$337,209 (16.4%) mainly due to the purchase of four (4) new passenger busses. Child Care experienced a decrease in expenditures of 418,157 (25.7%) mostly related to placement costs of youth into juvenile facilities.

**Recreation and cultural.** Recreation and cultural expenditures were \$646,723 which was an increase of \$48,471 (8.1%) from the previous year. This category is made up of the County parks. The main factors driving the increase were building repair and maintenance, grounds care and maintenance, two new camping cabins along with prep work and furnishings, and electrical upgrades at Sandy Beach Campground.

**Legislative.** Legislative expenditures were \$354,106. The expenditures are an overall decrease from the previous year of \$53,616 (13.1%). Expenditure decreases are reflected in health insurance and other post employment benefits (opebs) costs for the board of commissioners. This was mainly due to a revision of the internal funding mechanisms where departmental charges were able to be reduced from the prior fiscal year. Indirect costs also experienced a decrease in cost for the board of commissioner activity.

**Judicial.** Judicial expenditures were \$3,926,217 which included general fund expenditures and other governmental funds. The expenditures increased slightly by \$17,834 (0.46%) from the previous year. The largest increases were in the 27th Circuit Court - Newaygo \$4,458 (0.70%), Circuit Court Juvenile Division \$54,792 (22.7%), County Guardian \$2,775 (4.9%) while other judicial activities had reduced expenses of \$48,862 which includes 27th Circuit Court - Oceana (\$2,124), 27th Circuit Court Probation (\$2,748), Circuit Court Clerk (\$17,244), 78th District Court (\$12,934), Jury Board (\$2,347), and Probate Court (\$11,465). The changes were primarily caused from changes in personnel costs and staffing, witness fees, indigent attorney services, and indirect cost charges.

**Community and economic development.** Community and economic development expenditures were \$139,707 which is a decrease of \$165,589 (54.2%) from the previous year. This category includes programs related to economic and community development and land use. These programs include housing projects for low income individuals, activity to expand the economic activity within the County, and land use and planning related endeavors. The decrease is primarily due to the fact that the County no longer received CDBG (Community Development Block Grant) dollars.

### 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 2018 fiscal year were attributable to revenues being more than anticipated and other program changes. A few significant variances worth noting are listed below:

- The capital improvements fund was amended for the use of additional fund balance of \$233,318 for various improvement projects including upgrades to the jail security cameras and the sweeping & striping of county parking lots.
- The capital improvements fund was also amended for the receipt of Mecosta County's funds of \$138,675 to be used as a cost-share for the dragon trail expenses.
- The county jail had unanticipated medical expenses for an inmate which required a budget amendment of \$120,000 using the extra federal per diem revenues.
- The jail - additional per diem fund was amended by \$575,336 in charges for services. This was from extra revenue generated from the housing of additional federal inmates over the 140 contracted inmate count.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

- The Sheriff received a State of Michigan Snowmobile Law Enforcement grant of \$10,000, a State ORV law enforcement grant of \$22,478, and the OHSP Impaired Traffic Enforcement grant of \$16,488.
- The building safety and permits funds was amended for increased revenues by \$64,394 and eliminated the need for the use of fund balance in FY 2018. Revenue increases were realized in each permit area (building, electrical, mechanical, and plumbing).
- Property tax revenues for the general fund were amended by \$195,047 to reflect the increased revenues for the 2018 summer tax levy. The County also received a larger than anticipated distribution from the state for local community stabilization share (personal property tax reimbursement) which provided an additional \$139,774 in revenue for the general fund.
- The general fund was amended by \$191,783 for the larger than anticipated federal monies in regards to the secure rural schools funding (pass-thru to schools and township) and PILT (payment in lieu of taxes for federal land) dollars.
- The crisis management activity within the general fund was amended by \$107,892 to recognize the secure rural schools Title III funding and the cooperative forestry assistance grant from the USDA. These funds were utilized for the wildfire mitigation project completed in FY 2018.
- The general fund board of public works budget was amended for a \$50,000 recycling grant received from the Fremont Area Community Foundation.
- A new debt service fund (fund 851) was established for the Fellows consolidated drain borrowing by the drain commissioner in FY 2018.
- The special assessments debt service fund was amended for the payoff of the White Cloud/Sherman utility bond issue in FY 2018.

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

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



# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### Capital Assets and Debt Administration

Capital Assets. The County's capital assets for its governmental and business-type activities as of September 30, 2018 amounted to \$16,859,191 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, and vehicles. The total decrease in the County's investment in capital assets for the current fiscal year was 0.9%. Major capital assets acquired during the current fiscal year included the following:

Land Improvements:

- Electrical upgrade project at Sandy Beach campground \$ 19,200

Buildings and Building Improvements:

- Two (2) new parks cabins for Sandy Beach campground 32,000
- New front porch and ramp for the north entrance of the Administration building 12,035
- New tile and carpet at the Commission on Aging building 56,212

Equipment/Software:

- Copier, printer, scanner equipment upgrades for various departments 29,555
- New Software and software upgrades for Microsoft volume licensing, vmware license, drain assessment program, school safety drill application, elections results map 154,441
- Paperless scanning system for prosecuting attorney's office 98,016
- Digital recording system for circuit, district, and probate courts 59,000
- Jail security camera project upgrades 139,963

Vehicles:

- One (1) 2018 Ford Police Utility 4x4 for sheriff's fleet 29,520
- One (1) 2018 Ski-Doo snowmobile and one (1) 2018 Polaris ORV for sheriff's fleet 15,792
- One (1) 2018 Dodge Caravan for commission on aging's fleet 22,921
- Four (4) 2018 Eldorado busses for commission on aging fleet 398,980

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land and improvements	\$ 3,032,437	\$ 3,073,195	\$ 7,332	\$ 8,901	\$ 3,039,769	\$ 3,082,096
Construction in progress	35,761	106,991	-	-	35,761	106,991
Buildings and improvements	12,036,192	12,585,079	-	-	12,036,192	12,585,079
Office equipment	1,182,695	881,043	3	626	1,182,698	881,669
Vehicles	564,771	352,447	-	-	564,771	352,447
<b>Total capital assets, net</b>	<b>\$ 16,851,856</b>	<b>\$16,998,755</b>	<b>\$ 7,335</b>	<b>\$ 9,527</b>	<b>\$ 16,859,191</b>	<b>\$17,008,282</b>

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

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

Long-term Debt. At the end of the current fiscal year, the County had outstanding bonds in the amount of \$10,256,180 (\$8,617,000 governmental activities and \$1,639,180 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, in part, 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	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 8,617,000	\$ 9,661,000	\$ 1,639,180	\$ 2,229,180	\$ 10,256,180	\$11,890,180
Premium on bonds payable	6,955	7,986	115,777	148,086	122,732	156,072
Compensated absences	467,573	433,165	-	-	467,573	433,165
<b>Total long-term debt</b>	<b>\$ 9,091,528</b>	<b>\$10,102,151</b>	<b>\$ 1,754,957</b>	<b>\$ 2,377,266</b>	<b>\$ 10,846,485</b>	<b>\$12,479,417</b>

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

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

The following factors were considered in preparing the County's budget for the 2019 fiscal year:

- For the 2019 fiscal year, a conservative approach has continued and a tax revenue increase of 1.5% has been budgeted for the County's general fund. It is projected that the road patrol, commission on aging, and veterans' affairs will see slight increases as well.
- The condition of the state and federal economies will likely continue to result in additional decreases in state and federal funding. The actual magnitude of the decreases will depend on the economy within the State of Michigan and continued budgetary cuts at the federal level. It is likely these decreases will come through changes in grants and long standing funding relationships.
- Revenue sharing for the County is projected to be \$973,057 for fiscal year 2019. The County is scheduled to receive \$782,235 as part of the County revenue sharing payment. The remaining portion of funds, \$190,822, is subject to the County Incentive Program (CIP). The County must comply with the Accountability and Transparency provision of the CIP to qualify for the latter portion of the revenue sharing total.
- The defined benefit pension program's ARC (Annual Required Contribution) continues to increase with an estimated peak obligation in fiscal year 2021 due to the following factors: a fixed period amortization now that all groups are closed; a lower than assumed annual rate of return; change in the mortality table; and an asset smoothing period change from 10 years to 5 years. The 2019 fiscal year minimum required annual contribution is \$1,036,752 based on the 5 year phase-in method as determined in the most recent actuarial report as of 12-31-2017. However, the County has opted to pay the higher no-phase in contribution of \$1,232,988 for 2019.

## COUNTY OF NEWAYGO, MICHIGAN

### Management's Discussion and Analysis

- With the enactment of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions) in the 2018 fiscal year, the County has shifted funding away from the MERS Retiree Health Funding Vehicle Trust to a pay-as-we-go method. In January 2017, the County switched retiree health care from the self-funding mechanism to a fully funded plan. This has substantially reduced the liability on the County and annual expenses for the retiree health care program can be budgeted adequately.

Highlights of the 2019 budget are as follows:

- Revenue growth continues to remain slow. Fiscal year 2019 is expected to have revenue increase of roughly 1.5% over fiscal year 2018. A greater focus will be placed on realizing revenues and reducing expenditures. There will be a review of multiple departmental fee structures and additional revenues sought.
- The County's health care fund has been stabilized and costs associated with the self-funding mechanism are currently not increasing. Internal department charges remain the same from last fiscal year with an annual cost of \$15,000 per full-time employee. Estimated health insurance related costs for the 2019 fiscal are estimated at \$4,300,000.
- Other post-employment benefits (OPEBs), in past fiscal years, were a significant annual cost with regards to retiree health insurance. With the re-measurement of the OPEB liability under GASB Statement No. 75 and shifting the retiree health care from a self-funded program to a fully-funded program, the County has been able to significantly reduced to overall liability and budget more accurately for retiree health care costs.
- The County's MERS (Municipal Employees Retirement System) Defined Benefit Program is experiencing substantial increases to our employer contributions. Fluctuation in the stock market, low interest rates coupled with accelerated payments from closed systems are contributing factors. The 2019 fiscal year minimum ARC (annual required contribution) for the "5 year phase-in" method is \$1,036,752. By the 2021 fiscal year, this amount is estimated at \$1,380,00 under the same method.
- The recent transfer of funds by the County treasurer from the delinquent tax revolving fund will be utilized to offset pension costs over the next three fiscal years. This will stabilize the departmental charges in conjunction with using fund balance with the retirement fund. The County will institute best practices and appropriate the annual required contribution and additional voluntary contributions toward the pension obligation.
- The county jail is utilizing fund balance realized by the increased number of federal inmates being housed. The increase has reduced the general fund appropriation and is expected to continue providing additional monies for personnel and projects.
- The 2019 fiscal year budget includes a 2% wage increase for all employees not otherwise bound by contractual language.
- A program to recognize longevity is being introduced to buy-back unused vacation time based on years of service.
- New staffing for the 2019 fiscal year budget includes: One (1) new full-time assistant prosecuting attorney and one (1) part-time clerical position for the prosecuting attorney's office; one (1) new part-time clerical position for the county clerk's office; and one (1) new contractual law clerk position for the circuit court.
- Capital improvement projects budgeted for the 2019 fiscal year includes various remodeling of offices, furniture replacement, technology software and equipment, and future funding for a county vault. A total of \$230,000 has been allocated for these various capital items.

# COUNTY OF NEWAYGO, MICHIGAN

## Management's Discussion and Analysis

### Requests for Information

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

## BASIC FINANCIAL STATEMENTS

COUNTY OF NEWAYGO, MICHIGAN

Statement of Net Position  
September 30, 2018

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 10,867,672	\$ 5,887,059	\$ 16,754,731	\$ 7,274,830
Restricted cash and cash equivalents	-	410,339	410,339	-
Investments	1,335,215	8,752,320	10,087,535	2,393,736
Receivables	4,916,639	5,016,542	9,933,181	4,595,655
Other assets	338,715	2,481	341,196	1,214,667
Capital assets not being depreciated	2,299,347	-	2,299,347	2,835,982
Capital assets being depreciated, net	14,552,509	7,335	14,559,844	58,421,564
<b>Total assets</b>	<b>34,310,097</b>	<b>20,076,076</b>	<b>54,386,173</b>	<b>76,736,434</b>
<b>Deferred outflows of resources</b>				
Deferred charge on bond refunding, net	91,336	35,845	127,181	-
Deferred pension amounts	801,788	-	801,788	1,909,599
Deferred OPEB amounts	29,200	-	29,200	8,083
<b>Total deferred outflows of resources</b>	<b>922,324</b>	<b>35,845</b>	<b>958,169</b>	<b>1,917,682</b>
<b>Liabilities</b>				
Accounts payable	1,475,857	146,973	1,622,830	3,262,582
Unearned revenue	168,856	-	168,856	-
Long-term debt:				
Due within one year	1,142,913	427,309	1,570,222	1,233,396
Due in more than one year	7,948,615	1,327,648	9,276,263	4,992,279
Net pension liability (due in more than one year)	3,643,439	-	3,643,439	2,892,440
Net OPEB liability (due in more than one year)	1,151,330	-	1,151,330	4,351,042
<b>Total liabilities</b>	<b>15,531,010</b>	<b>1,901,930</b>	<b>17,432,940</b>	<b>16,731,739</b>
<b>Deferred inflows of resources</b>				
Deferred pension amounts	319,463	-	319,463	641,060
Deferred OPEB amounts	-	-	-	645,347
<b>Total deferred inflows of resources</b>	<b>319,463</b>	<b>-</b>	<b>319,463</b>	<b>1,286,407</b>
<b>Net position</b>				
Net investment in capital assets	8,319,237	7,335	8,326,572	56,503,396
Restricted for:				
Community and economic development	1,090,422	-	1,090,422	-
Public safety purposes	524,993	-	524,993	1,297
Drain construction and maintenance	-	-	-	1,943,073
Debt service	371,771	-	371,771	28,375
Property tax foreclosures	-	410,339	410,339	-
Other purposes	327,255	-	327,255	-
Unrestricted	8,748,270	17,792,317	26,540,587	2,159,829
<b>Total net position</b>	<b>\$ 19,381,948</b>	<b>\$ 18,209,991</b>	<b>\$ 37,591,939</b>	<b>\$ 60,635,970</b>

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

COUNTY OF NEWAYGO, MICHIGAN

Statement of Activities

For the Year Ended September 30, 2018

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government</b>					
Governmental activities:					
General government	\$ 4,454,580	\$ 1,968,634	\$ 1,244,948	\$ -	\$ (1,240,998)
Public safety	8,944,667	5,152,005	588,033	10,418	(3,194,211)
Public works	196,056	-	56,163	-	(139,893)
Health and welfare	4,609,270	254,758	2,092,811	-	(2,261,701)
Recreation and cultural	619,511	645,459	32,000	-	57,948
Legislative	307,935	-	-	-	(307,935)
Judicial	3,497,410	812,140	846,380	-	(1,838,890)
Community and economic development	126,781	17,179	856	-	(108,746)
Interest on long-term debt	272,371	-	-	-	(272,371)
<b>Total governmental activities</b>	<b>23,028,581</b>	<b>8,850,175</b>	<b>4,861,191</b>	<b>10,418</b>	<b>(9,306,797)</b>
Business-type activities:					
Delinquent tax administration	250,717	1,109,432	131,398	-	990,113
Public works projects	55,842	55,842	-	-	-
Jail commissary	83,555	257,295	1,959	-	175,699
Building authority	71,000	106,104	-	-	35,104
<b>Total business-type activities</b>	<b>461,114</b>	<b>1,528,673</b>	<b>133,357</b>	<b>-</b>	<b>1,200,916</b>
<b>Total primary government</b>	<b>\$ 23,489,695</b>	<b>\$ 10,378,848</b>	<b>\$ 4,994,548</b>	<b>\$ 10,418</b>	<b>\$ (8,105,881)</b>
<b>Component units</b>					
Central Dispatch Authority	\$ 898,641	\$ 782,537	\$ 197,173	\$ -	\$ 81,069
Drain Commissioner	509,948	-	12,937	2,051,639	1,554,628
Brownfield Redevelopment Authority	40,204	-	428	-	(39,776)
Roads	11,532,598	1,055,955	9,169,614	2,913,924	1,606,895
Medical care	11,948,481	11,676,934	-	-	(271,547)
<b>Total component units</b>	<b>\$ 24,929,872</b>	<b>\$ 13,515,426</b>	<b>\$ 9,380,152</b>	<b>\$ 4,965,563</b>	<b>\$ 2,931,269</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Activities For the Year Ended September 30, 2018

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expense) revenue	\$ (9,306,797)	\$ 1,200,916	\$ (8,105,881)	\$ 2,931,269
General revenues:				
Property taxes	11,091,183	-	11,091,183	38,618
Grants and contributions not restricted to specific programs	1,547,736	-	1,547,736	-
Unrestricted investment earnings	122,910	-	122,910	16,585
Gain on sale of capital assets	32,375	-	32,375	20,255
Transfers - internal activities	536,446	(536,446)	-	-
Total general revenues and transfers	13,330,650	(536,446)	12,794,204	75,458
Change in net position	4,023,853	664,470	4,688,323	3,006,727
Net position, beginning of year, as restated	15,358,095	17,545,521	32,903,616	57,629,243
Net position, end of year	\$ 19,381,948	\$ 18,209,991	\$ 37,591,939	\$ 60,635,970

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, 2018

	General	County Jail (213)	Commission on Aging (295-2952)	Nonmajor Governmental Funds	Totals
<b>Assets</b>					
Cash and cash equivalents	\$ 870,873	\$ -	\$ 338,424	\$ 5,097,150	\$ 6,306,447
Investments	1,335,215	-	-	-	1,335,215
Receivables:					
Accounts	58,085	22,589	47,901	3,742	132,317
Loans	-	-	-	1,090,422	1,090,422
Taxes	2,017,999	-	225	341	2,018,565
Due from other governments	158,463	260,056	463,501	434,170	1,316,190
Due from other funds	34,774	-	-	1,597	36,371
Advance to component unit	300,000	-	-	-	300,000
Prepays	2,104	35,116	-	16,114	53,334
<b>Total assets</b>	<b>\$ 4,777,513</b>	<b>\$ 317,761</b>	<b>\$ 850,051</b>	<b>\$ 6,643,536</b>	<b>\$ 12,588,861</b>
<b>Liabilities</b>					
Interfund payable	\$ -	\$ 82,739	\$ -	\$ -	\$ 82,739
Accounts payable	236,221	97,850	75,139	171,901	581,111
Accrued expenditures	79,860	46,300	19,854	58,316	204,330
Due to other funds	1,523	20,323	3,339	876	26,061
Unearned revenue	99,870	-	51,813	17,173	168,856
<b>Total liabilities</b>	<b>417,474</b>	<b>247,212</b>	<b>150,145</b>	<b>248,266</b>	<b>1,063,097</b>
<b>Deferred inflows of resources</b>					
Unavailable revenues - property taxes	706,348	-	-	-	706,348
<b>Fund balances</b>					
Nonspendable	302,104	35,116	-	16,114	353,334
Restricted	142,267	5,325	90,101	2,145,118	2,382,811
Committed	31,372	30,108	-	2,685,639	2,747,119
Assigned	324,810	-	609,805	1,548,399	2,483,014
Unassigned	2,853,138	-	-	-	2,853,138
<b>Total fund balances</b>	<b>3,653,691</b>	<b>70,549</b>	<b>699,906</b>	<b>6,395,270</b>	<b>10,819,416</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,777,513</b>	<b>\$ 317,761</b>	<b>\$ 850,051</b>	<b>\$ 6,643,536</b>	<b>\$ 12,588,861</b>

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

# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Fund Balances for Governmental Funds  
to Net Position of Governmental Activities  
September 30, 2018

Fund balances - total governmental funds	\$ 10,819,416
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statements.	
Capital assets not being depreciated	2,299,347
Capital assets being depreciated, net	14,552,509
Less amounts accounted for in governmental-type internal service funds	(515,308)
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	706,348
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities.	
Net position of internal service funds accounted for in governmental activities	4,403,869
Certain liabilities and deferred outflows of resources, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.	
Deferred charge on bond refunding, net	91,336
Bonds payable and net issuance premium	(8,623,955)
Accrued interest on long-term debt	(68,370)
Certain pension and OPEB-related amounts, such as the net pension and OPEB 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 pension liability	(3,643,439)
Net OPEB liability	(1,151,330)
Deferred outflows related to the net pension liability	801,788
Deferred inflows related to the net pension liability	(319,463)
Deferred outflows related to the net OPEB liability	29,200
Net position of governmental activities	<u>\$ 19,381,948</u>

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

## COUNTY OF NEWAYGO, MICHIGAN

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

Governmental Funds

For the Year Ended September 30, 2018

	General	County Jail (213)	Commission on Aging (295-2952)	Nonmajor Governmental Funds	Totals
<b>Revenues</b>					
Taxes	\$ 7,668,433	\$ -	\$ 1,375,976	\$ 2,095,976	\$ 11,140,385
Intergovernmental:					
Federal	490,049	37	568,901	619,722	1,678,709
State	1,953,309	-	142,737	970,103	3,066,149
Local	226,140	-	18,998	286,942	532,080
Licenses and permits	29,701	-	-	31,594	61,295
Fines and forfeitures	48,212	-	-	13,239	61,451
Charges for services	2,340,277	3,100,710	190,142	2,673,305	8,304,434
Interest and rentals	223,943	-	-	8,314	232,257
Contributions from private sources	139,713	-	617,561	74,286	831,560
Other revenues/reimbursements	210,056	95,542	53,437	64,906	423,941
<b>Total revenues</b>	<b>13,329,833</b>	<b>3,196,289</b>	<b>2,967,752</b>	<b>6,838,387</b>	<b>26,332,261</b>
<b>Expenditures</b>					
Current:					
Legislative	354,106	-	-	-	354,106
Judicial	2,978,522	-	-	947,695	3,926,217
General government	4,045,867	-	-	71,225	4,117,092
Public safety	1,026,685	4,919,901	-	3,150,405	9,096,991
Public works	201,266	-	-	-	201,266
Health and welfare	1,016,631	-	2,495,326	1,469,013	4,980,970
Community and economic development	138,259	-	-	1,448	139,707
Recreation and cultural	-	-	-	646,723	646,723
Other	186,201	-	-	-	186,201
Debt service:					
Principal	-	-	-	1,044,000	1,044,000
Interest	-	-	-	266,266	266,266
Capital outlay	49,062	-	-	249,472	298,534
<b>Total expenditures</b>	<b>9,996,599</b>	<b>4,919,901</b>	<b>2,495,326</b>	<b>7,846,247</b>	<b>25,258,073</b>
Revenues over (under) expenditures	3,333,234	(1,723,612)	472,426	(1,007,860)	1,074,188
Other financing sources (uses)					
Transfers in	759,876	1,580,000	6,801	2,494,084	4,840,761
Transfers out	(3,519,155)	-	-	(785,160)	(4,304,315)
<b>Total other financing sources (uses)</b>	<b>(2,759,279)</b>	<b>1,580,000</b>	<b>6,801</b>	<b>1,708,924</b>	<b>536,446</b>
<b>Net change in fund balances</b>	<b>573,955</b>	<b>(143,612)</b>	<b>479,227</b>	<b>701,064</b>	<b>1,610,634</b>
Fund balances, beginning of year	3,079,736	214,161	220,679	5,694,206	9,208,782
<b>Fund balances, end of year</b>	<b>\$ 3,653,691</b>	<b>\$ 70,549</b>	<b>\$ 699,906</b>	<b>\$ 6,395,270</b>	<b>\$ 10,819,416</b>

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

# COUNTY OF NEWAYGO, MICHIGAN

## Reconciliation

Net Change in Fund Balances of Governmental Funds  
to Change in Net Position of Governmental Activities  
For the Year Ended September 30, 2018

Net change in fund balances - total governmental funds \$ 1,610,634

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

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

Capital assets purchased / constructed	851,141
Depreciation expense	(983,714)
Loss on disposal of capital assets	(3,193)

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	(49,202)
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Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on long-term liabilities	1,044,000
Amortization of premium on long-term debt	1,031
Amortization of deferred charge on bond refunding	(13,700)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest payable on long-term debt	6,564
Change in the net pension liability and related deferred amounts	735,115
Change in the net OPEB liability and related deferred amounts	722,943

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

Net operating income (loss) from governmental activities in internal service funds	(126,849)
Net other nonoperating revenue (expense) from internal service funds	229,083

Change in net position of governmental activities	\$ 4,023,853
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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, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Taxes:				
Real and personal property taxes	\$ 7,397,035	\$ 7,585,246	\$ 7,592,802	\$ 7,556
Other taxes	4,500	11,336	26,429	15,093
<b>Total taxes</b>	<b>7,401,535</b>	<b>7,596,582</b>	<b>7,619,231</b>	<b>22,649</b>
Intergovernmental:				
Federal	187,533	487,208	490,049	2,841
State	1,810,047	1,967,756	1,953,309	(14,447)
Local	109,565	141,913	226,140	84,227
<b>Total intergovernmental</b>	<b>2,107,145</b>	<b>2,596,877</b>	<b>2,669,498</b>	<b>72,621</b>
Licenses and permits	33,650	29,355	29,701	346
Fines and forfeitures	49,000	48,420	48,212	(208)
Charges for services	2,259,647	2,328,118	2,340,277	12,159
Interest and rentals:				
Interest revenue	50,000	110,081	115,826	5,745
Rentals	118,501	118,501	108,117	(10,384)
<b>Total interest and rentals</b>	<b>168,501</b>	<b>228,582</b>	<b>223,943</b>	<b>(4,639)</b>
Contributions from private sources	44,093	139,513	139,713	200
Other revenues/reimbursements:				
Reimbursements	218,244	230,241	173,054	(57,187)
Other revenues	-	36,861	37,002	141
<b>Total other revenues/reimbursements</b>	<b>218,244</b>	<b>267,102</b>	<b>210,056</b>	<b>(57,046)</b>
<b>Total revenues</b>	<b>12,281,815</b>	<b>13,234,549</b>	<b>13,280,631</b>	<b>46,082</b>
<b>Expenditures</b>				
Legislative:				
Board of Commissioners	367,332	369,582	354,106	(15,476)

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, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (continued)</b>				
<b>Judicial:</b>				
27th Circuit Court - Newaygo	\$ 651,415	\$ 678,943	\$ 637,643	\$ (41,300)
27th Circuit Court - Oceana	21,065	21,637	21,292	(345)
Circuit Court Probation	32,195	32,195	29,009	(3,186)
Circuit Court Clerk	313,287	313,287	270,420	(42,867)
Circuit Court - Juvenile Division	240,196	311,898	296,573	(15,325)
District Court	1,208,937	1,218,283	1,193,230	(25,053)
Jury Board	9,173	10,242	8,958	(1,284)
Probate Court	465,400	475,180	462,388	(12,792)
Court Guardian	57,226	68,395	59,009	(9,386)
<b>Total judicial</b>	<b>2,998,894</b>	<b>3,130,060</b>	<b>2,978,522</b>	<b>(151,538)</b>
<b>General government:</b>				
Administrator	169,882	170,577	168,078	(2,499)
Accounting	220,209	222,559	221,119	(1,440)
Clerk	316,482	318,599	311,681	(6,918)
Tax allocation	714	743	560	(183)
Treasurer	537,037	540,384	524,590	(15,794)
Equalization	582,380	590,226	585,876	(4,350)
Cooperative extension	131,438	133,688	133,685	(3)
Civil counsel	20,005	20,005	12,205	(7,800)
Prosecutor	828,269	855,684	842,196	(13,488)
Register of deeds	421,926	421,961	412,928	(9,033)
Personnel	56,806	57,234	57,062	(172)
Surveyor	58,420	60,490	46,565	(13,925)
Drain Commissioner	352,946	355,020	349,592	(5,428)
Payroll	51,365	51,565	50,285	(1,280)
Courtesy desk/mail	36,359	36,819	28,580	(8,239)
Drain maintenance and construction	206,719	206,719	146,742	(59,977)
Soil erosion/conservation	6,343	8,521	8,733	212
Elections	172,737	177,737	145,390	(32,347)
<b>Total general government</b>	<b>4,170,037</b>	<b>4,228,531</b>	<b>4,045,867</b>	<b>(182,664)</b>
<b>Public safety:</b>				
Sheriff's department	570,010	573,143	534,324	(38,819)
Courthouse security	42,788	49,470	49,013	(457)
Regional drug force contract	53	53	53	-
Marine law enforcement	36,663	66,521	56,142	(10,379)

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, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (concluded)</b>				
<b>Public safety (concluded):</b>				
Crisis management	\$ -	\$ 107,892	\$ 103,124	\$ (4,768)
Animal control	252,405	295,828	278,020	(17,808)
Truancy program	8,009	8,009	6,009	(2,000)
<b>Total public safety</b>	<b>909,928</b>	<b>1,100,916</b>	<b>1,026,685</b>	<b>(74,231)</b>
<b>Public works:</b>				
Board of public works	99,169	181,674	175,941	(5,733)
Drain tax at large	20,000	25,326	25,325	(1)
<b>Total public works</b>	<b>119,169</b>	<b>207,000</b>	<b>201,266</b>	<b>(5,734)</b>
<b>Health and welfare:</b>				
Health department	397,820	397,820	397,820	-
Contagious disease	322	602	461	(141)
Mental health	348,530	348,530	348,530	-
Family counseling services	-	9,355	6,735	(2,620)
Medical Care Facility maintenance of effort	96,082	96,082	83,284	(12,798)
Substance abuse	74,181	71,867	60,245	(11,622)
Medical examiner	97,215	123,335	119,556	(3,779)
<b>Total health and welfare</b>	<b>1,014,150</b>	<b>1,047,591</b>	<b>1,016,631</b>	<b>(30,960)</b>
<b>Community and economic development:</b>				
Land use educator	80,735	80,333	80,333	-
Economic development (NCEDO)	45,000	81,512	45,000	(36,512)
West Michigan regional planning	13,000	13,000	12,926	(74)
<b>Total community and economic development</b>	<b>138,735</b>	<b>174,845</b>	<b>138,259</b>	<b>(36,586)</b>
<b>Other:</b>				
National Forest grant distributions	-	126,895	170,804	43,909
Non-departmental expenditures	30,000	71,271	15,397	(55,874)
<b>Total other</b>	<b>30,000</b>	<b>198,166</b>	<b>186,201</b>	<b>(11,965)</b>
Capital outlay	-	50,076	49,062	(1,014)
<b>Total expenditures</b>	<b>9,748,245</b>	<b>10,506,767</b>	<b>9,996,599</b>	<b>(510,168)</b>
<b>Revenues over expenditures</b>	<b>2,533,570</b>	<b>2,727,782</b>	<b>3,284,032</b>	<b>556,250</b>

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, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Other financing sources (uses)				
Transfers in	\$ 759,876	\$ 759,876	\$ 759,876	\$ -
Transfers out	(3,608,306)	(3,518,621)	(3,519,155)	534
<b>Total other financing sources (uses)</b>	<b>(2,848,430)</b>	<b>(2,758,745)</b>	<b>(2,759,279)</b>	<b>534</b>
Net change in fund balance	(314,860)	(30,963)	524,753	555,716
Fund balance, beginning of year	3,835,286	3,835,286	3,835,286	-
Fund balance, end of year (budgetary basis)	<u>\$ 3,520,426</u>	<u>\$ 3,804,323</u>	4,360,039	<u>\$ 555,716</u>
Accounting basis difference (Note 2)			<u>(706,348)</u>	
Fund balance, end of year (GAAP basis)			<u>\$ 3,653,691</u>	

concluded

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

## COUNTY OF NEWAYGO, MICHIGAN

### Statement of Revenues, Expenditures and Change in Fund Balance Budget and Actual - County Jail For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental - federal	\$ 1,600	\$ 1,600	\$ 37	\$ (1,563)
Charges for services	3,022,247	3,086,986	3,100,710	13,724
Other revenues/reimbursements	113,050	98,581	95,542	(3,039)
Total revenues	3,136,897	3,187,167	3,196,289	9,122
Expenditures				
Current - public safety	4,701,897	4,935,717	4,919,901	(15,816)
Revenues over (under) expenditures	(1,565,000)	(1,748,550)	(1,723,612)	24,938
Other financing sources				
Transfers in	1,460,000	1,580,000	1,580,000	-
Net change in fund balance	(105,000)	(168,550)	(143,612)	24,938
Fund balance, beginning of year	214,161	214,161	214,161	-
Fund balance, end of year	\$ 109,161	\$ 45,611	\$ 70,549	\$ 24,938

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, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes	\$ 1,368,672	\$ 1,368,672	\$ 1,375,976	\$ 7,304
Intergovernmental:				
Federal	877,209	891,046	568,901	(322,145)
State	208,177	208,177	142,737	(65,440)
Local	8,700	8,700	18,998	10,298
Charges for services	182,037	223,703	190,142	(33,561)
Contributions from private sources	598,730	601,080	617,561	16,481
Other revenues/reimbursements	24,500	36,500	53,437	16,937
<b>Total revenues</b>	<b>3,268,025</b>	<b>3,337,878</b>	<b>2,967,752</b>	<b>(370,126)</b>
Expenditures				
Current - Health and welfare	3,025,082	3,344,145	2,495,326	(848,819)
<b>Revenues over (under) expenditures</b>	<b>242,943</b>	<b>(6,267)</b>	<b>472,426</b>	<b>478,693</b>
Other financing sources (uses)				
Transfers in	6,267	6,267	6,801	534
Transfers out	(249,210)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(242,943)</b>	<b>6,267</b>	<b>6,801</b>	<b>534</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>479,227</b>	<b>479,227</b>
Fund balance, beginning of year	220,679	220,679	220,679	-
<b>Fund balance, end of year</b>	<b>\$ 220,679</b>	<b>\$ 220,679</b>	<b>\$ 699,906</b>	<b>\$ 479,227</b>

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

COUNTY OF NEWAYGO, MICHIGAN

Statement of Net Position

Proprietary Funds  
September 30, 2018

	Business-type Activities - Enterprise Funds				
	2015 and Prior Delinquent Tax (various)	2017 Delinquent Tax (516172)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 3,997,726	\$ 130,329	\$ -	\$ 951,119	\$ 725,146
Restricted cash and cash equivalents	-	-	-	410,339	-
Investments	7,759,045	-	-	993,275	-
Accounts receivable	40,475	-	-	53,303	38,401
Delinquent taxes receivable	17,860	2,287,194	-	-	711,918
Due from other governments	108,369	-	-	-	-
Current portion of leases receivable	-	-	442,140	-	-
Due from other funds	2,265,500	-	-	-	-
Interfund receivable	82,739	-	-	-	-
Prepays	-	-	-	-	2,481
<b>Total current assets</b>	<b>14,271,714</b>	<b>2,417,523</b>	<b>442,140</b>	<b>2,408,036</b>	<b>1,477,946</b>
Noncurrent assets:					
Advance to component units	15,077	-	-	-	-
Leases receivable, net of current portion	-	-	1,301,805	-	-
Capital assets being depreciated, net	-	-	-	-	7,335
<b>Total noncurrent assets</b>	<b>15,077</b>	<b>-</b>	<b>1,301,805</b>	<b>-</b>	<b>7,335</b>
<b>Total assets</b>	<b>14,286,791</b>	<b>2,417,523</b>	<b>1,743,945</b>	<b>2,408,036</b>	<b>1,485,281</b>
Deferred outflows of resources					
Deferred charge on bond refunding, net	-	-	35,845	-	-
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	1,506	(4,795)	-	4,489	120,940
Accrued expenses	-	-	-	-	-
Accrued interest payable	-	-	24,833	-	-
Due to other funds	-	2,050,000	-	-	215,500
Current portion of long-term debt	-	-	427,309	-	-
<b>Total current liabilities</b>	<b>1,506</b>	<b>2,045,205</b>	<b>452,142</b>	<b>4,489</b>	<b>336,440</b>
Noncurrent liabilities -					
Long-term debt, net of current portion	-	-	1,327,648	-	-
<b>Total liabilities</b>	<b>1,506</b>	<b>2,045,205</b>	<b>1,779,790</b>	<b>4,489</b>	<b>336,440</b>
<b>Net position</b>					
Investment in capital assets	-	-	-	-	7,335
Restricted for property tax foreclosures	-	-	-	410,339	-
Unrestricted	14,285,285	372,318	-	1,993,208	1,141,506
<b>Total net position</b>	<b>\$ 14,285,285</b>	<b>\$ 372,318</b>	<b>\$ -</b>	<b>\$ 2,403,547</b>	<b>\$ 1,148,841</b>

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

	Governmental Activities
Total	Internal Service Funds
\$ 5,804,320	\$ 4,643,964
410,339	-
8,752,320	-
132,179	59,145
3,016,972	-
108,369	-
442,140	-
2,265,500	23,884
82,739	-
2,481	285,381
<u>21,017,359</u>	<u>5,012,374</u>
15,077	-
1,301,805	-
7,335	515,308
<u>1,324,217</u>	<u>515,308</u>
<u>22,341,576</u>	<u>5,527,682</u>
<u>35,845</u>	-
122,140	585,937
-	36,109
24,833	-
2,265,500	34,194
427,309	62,882
<u>2,839,782</u>	<u>719,122</u>
<u>1,327,648</u>	<u>404,691</u>
<u>4,167,430</u>	<u>1,123,813</u>
7,335	515,308
410,339	-
<u>17,792,317</u>	<u>3,888,561</u>
<u>\$ 18,209,991</u>	<u>\$ 4,403,869</u>

COUNTY OF NEWAYGO, MICHIGAN

Statement of Revenues, Expenses and Change in Fund Net Position

Proprietary Funds

For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds				
	2015 and Prior Delinquent Tax (various)	2017 Delinquent Tax (516172)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
Operating revenues					
Charges for services	\$ -	\$ -	\$ 55,842	\$ 193,531	\$ 248,670
Rentals	-	-	-	-	106,104
Interest and penalties on delinquent taxes	30,969	372,317	-	-	210,257
Reimbursements	-	-	-	302,358	8,625
<b>Total operating revenues</b>	<b>30,969</b>	<b>372,317</b>	<b>55,842</b>	<b>495,889</b>	<b>573,656</b>
Operating expenses					
Supplies and operating expenses	2,924	-	-	242,761	157,395
Depreciation	-	-	-	-	2,192
<b>Total operating expenses</b>	<b>2,924</b>	<b>-</b>	<b>-</b>	<b>242,761</b>	<b>159,587</b>
<b>Operating income (loss)</b>	<b>28,045</b>	<b>372,317</b>	<b>55,842</b>	<b>253,128</b>	<b>414,069</b>
Nonoperating revenues (expenses)					
Interest income	92,221	-	-	22,878	18,258
Interest expense	-	-	(55,842)	-	-
Gain on sale of capital assets	-	-	-	-	-
Insurance pool distribution	-	-	-	-	-
<b>Total nonoperating revenues (expense)</b>	<b>92,221</b>	<b>-</b>	<b>(55,842)</b>	<b>22,878</b>	<b>18,258</b>
<b>Income before transfers</b>	<b>120,266</b>	<b>372,317</b>	<b>-</b>	<b>276,006</b>	<b>432,327</b>
Transfers					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(401,446)	(135,000)
<b>Total transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(401,446)</b>	<b>(135,000)</b>
<b>Change in net position</b>	<b>120,266</b>	<b>372,317</b>	<b>-</b>	<b>(125,440)</b>	<b>297,327</b>
<b>Net position, beginning of year</b>	<b>14,165,019</b>	<b>1</b>	<b>-</b>	<b>2,528,987</b>	<b>851,514</b>
<b>Net position, end of year</b>	<b>\$ 14,285,285</b>	<b>\$ 372,318</b>	<b>\$ -</b>	<b>\$ 2,403,547</b>	<b>\$ 1,148,841</b>

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

	Governmental Activities
Total	Internal Service Funds
\$ 498,043	\$ 3,576,573
106,104	-
613,543	-
<u>310,983</u>	<u>4,756,351</u>
<u>1,528,673</u>	<u>8,332,924</u>
403,080	8,253,359
2,192	206,414
<u>405,272</u>	<u>8,459,773</u>
<u>1,123,401</u>	<u>(126,849)</u>
133,357	4,795
(55,842)	-
-	32,375
-	191,913
<u>77,515</u>	<u>229,083</u>
<u>1,200,916</u>	<u>102,234</u>
-	128,439
<u>(536,446)</u>	<u>(128,439)</u>
<u>(536,446)</u>	<u>-</u>
664,470	102,234
<u>17,545,521</u>	<u>4,301,635</u>
<u>\$ 18,209,991</u>	<u>\$ 4,403,869</u>

COUNTY OF NEWAYGO, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds				
	2015 and Prior Delinquent Tax (various)	2017 Delinquent Tax (516172)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
<b>Cash flows from operating activities</b>					
Receipts from customers and users	\$ 633,506	\$ 2,193,466	\$ 55,842	\$ 488,431	\$ 2,165,770
Receipts from (payments for) interfund services	(33,390)	-	-	-	-
Payments to vendors	(170,000)	(25,295)	-	(285,132)	(170,814)
Payments for personnel services	-	-	-	-	-
Delinquent taxes purchased	-	(4,087,988)	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>430,116</b>	<b>(1,919,817)</b>	<b>55,842</b>	<b>203,299</b>	<b>1,994,956</b>
<b>Cash flows from noncapital financing activities</b>					
Cash received from interfund loan	-	2,050,000	-	-	-
Cash paid for interfund loan	-	-	-	-	(1,826,110)
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(401,446)	(135,000)
Insurance pool distribution	-	-	-	-	-
<b>Net cash provided by (used in) non-capital financing activities</b>	<b>-</b>	<b>2,050,000</b>	<b>-</b>	<b>(401,446)</b>	<b>(1,961,110)</b>
<b>Cash flows from capital and related financing activities</b>					
Principal paid on long-term debt	-	-	(590,000)	-	-
Interest paid on long-term debt	-	-	(86,900)	-	-
Cash received from capital leases	-	-	621,058	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Purchases of capital assets	-	-	-	-	-
<b>Net cash used in capital and related financing activities</b>	<b>-</b>	<b>-</b>	<b>(55,842)</b>	<b>-</b>	<b>-</b>
<b>Cash flows from investing activities</b>					
Purchase of investments	(2,570,627)	-	-	(645,000)	-
Proceeds from sale of investments	2,152,670	-	-	956,680	-
Interest received on investments	92,483	-	-	22,478	18,258
<b>Net cash provided by (used in) investing activities</b>	<b>(325,474)</b>	<b>-</b>	<b>-</b>	<b>334,158</b>	<b>18,258</b>



	Governmental Activities
Total	Internal Service Funds
\$ 5,537,015	\$ -
(33,390)	8,141,366
(651,241)	(6,817,086)
-	(1,172,946)
(4,087,988)	-
<u>764,396</u>	<u>151,334</u>
2,050,000	-
(1,826,110)	-
-	128,439
(536,446)	(128,439)
-	191,913
<u>(312,556)</u>	<u>191,913</u>
(590,000)	-
(86,900)	-
621,058	-
-	60,756
-	(223,662)
<u>(55,842)</u>	<u>(162,906)</u>
(3,215,627)	-
3,109,350	-
133,219	4,795
<u>26,942</u>	<u>4,795</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds				
	2015 and Prior Delinquent Tax (various)	2017 Delinquent Tax (516172)	Sanitary Sewer Construction (852)	P.A. 123 (520-521)	Nonmajor Enterprise Funds
Net changes in cash and cash equivalents	\$ 104,642	\$ 130,183	\$ -	\$ 136,011	\$ 52,104
Cash and cash equivalents, beginning of year	3,893,084	146	-	1,225,447	673,042
Cash and cash equivalents, end of year	<u>\$ 3,997,726</u>	<u>\$ 130,329</u>	<u>\$ -</u>	<u>\$ 1,361,458</u>	<u>\$ 725,146</u>
Cash and cash equivalents as reported on the statement of net position					
Cash and cash equivalents	\$ 3,997,726	\$ 130,329	\$ -	\$ 951,119	\$ 725,146
Restricted cash and cash equivalents	-	-	-	410,339	-
Total cash and cash equivalents	<u>\$ 3,997,726</u>	<u>\$ 130,329</u>	<u>\$ -</u>	<u>\$ 1,361,458</u>	<u>\$ 725,146</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ 28,045	\$ 372,317	\$ 55,842	\$ 253,128	\$ 414,069
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	-	-	2,192
Change in operating assets and liabilities:					
Interfund receivable	(64,593)	-	-	-	-
Accounts receivable	(9,284)	-	-	(7,458)	(22,403)
Taxes receivable	670,084	(2,266,839)	-	-	1,503,400
Due from other governments	5,377	-	-	-	-
Due from other funds	(33,390)	-	-	-	-
Prepays	-	-	-	-	(2,481)
Interfund payable	(170,000)	-	-	-	-
Accounts payable	3,877	(4,795)	-	(42,371)	100,179
Accrued expenses	-	-	-	-	-
Due to other funds	-	(20,500)	-	-	-
Compensated absences	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 430,116</u>	<u>\$ (1,919,817)</u>	<u>\$ 55,842</u>	<u>\$ 203,299</u>	<u>\$ 1,994,956</u>

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

	Governmental Activities
Total	Internal Service Funds
\$ 422,940	\$ 185,136
5,791,719	4,458,828
<u>\$ 6,214,659</u>	<u>\$ 4,643,964</u>
\$ 5,804,320	\$ 4,643,964
410,339	-
<u>\$ 6,214,659</u>	<u>\$ 4,643,964</u>
\$ 1,123,401	\$ (126,849)
2,192	206,414
(64,593)	-
(39,145)	(62,813)
(93,355)	-
5,377	-
(33,390)	8,085
(2,481)	(96,239)
(170,000)	-
56,890	309,877
-	15,281
(20,500)	(136,830)
-	34,408
<u>\$ 764,396</u>	<u>\$ 151,334</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Statement of Fiduciary Assets and Liabilities

Agency Funds  
September 30, 2018

Assets	
Cash and cash equivalents	\$ 3,503,128
Due from other governments	<u>427</u>
Total assets	<u>\$ 3,503,555</u>
Liabilities	
Accounts payable	\$ 261,201
Due to other governments	3,122,273
Undistributed receipts	<u>120,081</u>
Total liabilities	<u>\$ 3,503,555</u>

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

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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position Discretely Presented Component Units September 30, 2018

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
<b>Assets</b>			
Cash and cash equivalents	\$ 103,632	\$ 1,643,536	\$ 109,222
Investments	-	-	-
Receivables	187,148	1,749,970	-
Other assets	7,845	-	-
Capital assets not being depreciated	-	684,531	-
Capital assets being depreciated, net	561,180	30,765	-
<b>Total assets</b>	<b>859,805</b>	<b>4,108,802</b>	<b>109,222</b>
<b>Deferred outflows of resources</b>			
Deferred pension amounts	136,525	-	-
Deferred OPEB amounts	2,457	-	-
<b>Total deferred outflows of resources</b>	<b>138,982</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	13,734	546,457	21,548
Long-term debt:			
Due within one year	-	21,165	-
Due in more than one year	-	1,091,652	-
Net pension liability (due in more than one year)	620,387	-	-
Net OPEB liability (due in more than one year)	96,859	-	-
<b>Total liabilities</b>	<b>730,980</b>	<b>1,659,274</b>	<b>21,548</b>
<b>Deferred inflows of resources</b>			
Deferred pension amounts	54,397	-	-
Deferred OPEB amounts	-	-	-
<b>Total deferred inflows of resources</b>	<b>54,397</b>	<b>-</b>	<b>-</b>
<b>Net position</b>			
Net investment in capital assets	561,180	478,080	-
Restricted for employee training	1,297	-	-
Restricted for drain construction and maintenance	-	1,943,073	-
Restricted for debt service	-	28,375	-
Unrestricted (deficit)	(349,067)	-	87,674
<b>Total net position</b>	<b>\$ 213,410</b>	<b>\$ 2,449,528</b>	<b>\$ 87,674</b>

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

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

Road Commission	Medical Care Facility *	Total
\$ 374,464	\$ 5,043,976	\$ 7,274,830
2,393,736	-	2,393,736
1,851,715	806,822	4,595,655
974,928	231,894	1,214,667
2,151,451	-	2,835,982
48,228,205	9,601,414	58,421,564
<u>55,974,499</u>	<u>15,684,106</u>	<u>76,736,434</u>
555,801	1,217,273	1,909,599
5,626	-	8,083
<u>561,427</u>	<u>1,217,273</u>	<u>1,917,682</u>
1,751,522	929,321	3,262,582
816,176	396,055	1,233,396
3,900,627	-	4,992,279
1,715,107	556,946	2,892,440
4,254,183	-	4,351,042
<u>12,437,615</u>	<u>1,882,322</u>	<u>16,731,739</u>
312,362	274,301	641,060
645,347	-	645,347
<u>957,709</u>	<u>274,301</u>	<u>1,286,407</u>
45,862,722	9,601,414	56,503,396
-	-	1,297
-	-	1,943,073
-	-	28,375
(2,722,120)	5,143,342	2,159,829
<u>\$ 43,140,602</u>	<u>\$ 14,744,756</u>	<u>\$ 60,635,970</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Activities Discretely Presented Component Units For the Year Ended September 30, 2018

	Central Dispatch Authority	Drain Commissioner	Brownfield Redevelopment Authority
<b>Expenses</b>			
Central dispatch	\$ 898,641	\$ -	\$ -
County drains	-	509,948	-
Brownfield redevelopment	-	-	40,204
Roads	-	-	-
Medical care	-	-	-
<b>Total expenses</b>	<b>898,641</b>	<b>509,948</b>	<b>40,204</b>
<b>Program revenues</b>			
Charges for services	782,537	-	-
Operating grants and contributions	197,173	12,937	428
Capital grants and contributions	-	2,051,639	-
<b>Total program revenues</b>	<b>979,710</b>	<b>2,064,576</b>	<b>428</b>
<b>Net revenue (expense)</b>	<b>81,069</b>	<b>1,554,628</b>	<b>(39,776)</b>
<b>General revenues</b>			
Property taxes	-	-	38,618
Unrestricted investment earnings	867	-	-
Gain on sale of capital assets	-	-	-
<b>Total general revenues</b>	<b>867</b>	<b>-</b>	<b>38,618</b>
<b>Change in net position</b>	<b>81,936</b>	<b>1,554,628</b>	<b>(1,158)</b>
<b>Net position, beginning of year, as restated</b>	<b>131,474</b>	<b>894,900</b>	<b>88,832</b>
<b>Net position, end of year</b>	<b>\$ 213,410</b>	<b>\$ 2,449,528</b>	<b>\$ 87,674</b>

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

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





Road Commission	Medical Care Facility *	Total
\$ -	\$ -	\$ 898,641
-	-	509,948
-	-	40,204
11,532,598	-	11,532,598
-	11,948,481	11,948,481
<u>11,532,598</u>	<u>11,948,481</u>	<u>24,929,872</u>
1,055,955	11,676,934	13,515,426
9,169,614	-	9,380,152
2,913,924	-	4,965,563
<u>13,139,493</u>	<u>11,676,934</u>	<u>27,861,141</u>
<u>1,606,895</u>	<u>(271,547)</u>	<u>2,931,269</u>
-	-	38,618
-	15,718	16,585
20,255	-	20,255
<u>20,255</u>	<u>15,718</u>	<u>75,458</u>
1,627,150	(255,829)	3,006,727
<u>41,513,452</u>	<u>15,000,585</u>	<u>57,629,243</u>
<u>\$ 43,140,602</u>	<u>\$ 14,744,756</u>	<u>\$ 60,635,970</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.

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Jointly Governed Organizations*

Mid-State Health Network - The County participates jointly with numerous other northern Michigan counties in the operation of a substance abuse treatment agency. The funding formula requires the County to appropriate 50% of its convention facility revenue each year, which amounted to \$59,934 for the year ended September 30, 2018.

District Health Department #10 - The County participates jointly in the operation of this Health Department with ten other area counties. The County appropriated \$305,625 to the Health Department for the year ended September 30, 2018.

West Michigan Forensic Pathology Services (the "Morgue Authority") - Newaygo County participates in an Authority with other counties that provides joint ownership and use of a shared morgue. The morgue facility is housed in Mecosta County but is available to any of the participating governments for a per-use charge which is intended to cover the operational costs of the facility. Any capital-related needs are to be shared equitably by the participating governments. The County made no contributions to the Authority during the year.

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

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

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

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

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

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

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

The County reports the following major governmental funds:

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

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

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

The County reports the following major proprietary funds:

The *2015 and prior delinquent tax fund* accounts for the collection and administration of delinquent property taxes levied in years 2015 and prior.

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

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

Additionally, the County reports the following fund types:

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

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

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

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

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

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

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

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

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



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity

#### *Deposits and Investments*

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

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

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

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

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

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

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

Bankers' acceptances of United States banks.

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

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

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

#### *Receivables and Payables*

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

Advances between funds 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.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

All trade and property tax receivables are shown net of an allowance for uncollectibles, as applicable.

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

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

### *Other Assets*

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

### *Capital Assets*

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

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

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

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

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

### *Deferred Outflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future periods and, as such, will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows of resources in the proprietary fund and government-wide statements for deferred charges on bond refundings. The amounts result from the difference in the carrying value of refunded debt and its reacquisition price and are amortized over the shorter of the life of the refunded or refunding debt. In addition, the County reports deferred outflows of resources related to the net pension and other postemployment benefit liabilities. A portion of these costs represent contributions to the pension plan subsequent to the plan measurement date.

### *Compensated Absences*

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

### *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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues, which arise only under a modified accrual basis of accounting, from property taxes and special assessments receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the County reports deferred inflows of resources related to the net pension liability.

### *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, 2018, unassigned fund balance of the general fund was equal to 21.1 percent of general fund expenditures and transfers out.

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

### *Interfund Transactions*

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Pensions and Other Postemployment Benefits*

For purposes of measuring the net pension and OPEB 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 Plan 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.

### *Budget / GAAP Reconciliation*

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

	Budgetary Basis	Accounting Basis Difference	GAAP Basis
General fund			
Deferred inflows of resources	\$ -	\$ 706,348	\$ 706,348
Property tax revenue	7,619,231	49,202	7,668,433
Fund balance, beginning of year	3,835,286	(755,550)	3,079,736
Fund balance, end of year	4,360,039	(706,348)	3,653,691

### 3. EXCESS OF EXPENDITURES OVER BUDGET

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

During the year ended September 30, 2018, 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:			
General government:			
Soil erosion/conservation	\$ 8,521	\$ 8,733	\$ 212
Other:			
National Forest grant distributions	126,895	170,804	43,909
Transfers out	3,518,621	3,519,155	534
Nonmajor governmental funds:			
Emergency services - public safety	220,113	251,336	31,223
Social services - Health and welfare	52,482	62,461	9,979

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 4. DEPOSITS AND INVESTMENTS

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

Following is a reconciliation of deposit and investment balances as of September 30, 2018:

	Primary Government	Component Units	Totals
<b>Statement of Net Position</b>			
Cash and cash equivalents	\$ 16,754,731	\$ 7,274,830	\$ 24,029,561
Restricted cash and cash equivalents	410,339	-	410,339
Investments	10,087,535	2,393,736	12,481,271
<b>Statement of Fiduciary Assets and Liabilities</b>			
Cash and cash equivalents	3,503,128	-	3,503,128
<b>Total deposits and investments</b>	<b>30,755,733</b>	<b>9,668,566</b>	<b>40,424,299</b>
<b>Less component units separately audited</b>			
Road Commission	-	(2,768,200)	(2,768,200)
Medical Care Facility	-	(5,043,976)	(5,043,976)
<b>Deposits and investments excluding separately audited component units</b>	<b>\$ 30,755,733</b>	<b>\$ 1,856,390</b>	<b>\$ 32,612,123</b>
<b>Deposits and investments</b>			
Checking and savings accounts			\$ 13,332,965
Certificates of deposit			5,890,903
Investments			13,386,969
Cash on hand			1,286
<b>Total</b>			<b>\$ 32,612,123</b>

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits might not be returned. State law does not require and the County does not have a policy for deposit custodial credit risk. As of year-end, \$13,908,580 of the County's bank balance of \$19,136,063 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, 2018, 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, 2018:

U.S. agencies	\$ 197,268
U.S. government bonds	2,961,556
Money market funds	9,051,642
Municipal bonds	<u>1,176,503</u>
 Total	 <u>\$ 13,386,969</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 AAA	\$ 191,064
S&P AA+	2,967,760
S&P AA	245,834
S&P AAAm	9,051,642
Moody's Aa1	<u>930,669</u>
 Total	 <u>\$ 13,386,969</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.

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

	Certificates of Deposit	Investments
No maturity	\$ -	\$ 9,051,642
Due within one year	3,124,043	645,902
Due in 1-5 years	<u>2,766,860</u>	<u>3,689,425</u>
 Total	 <u>\$ 5,890,903</u>	 <u>\$ 13,386,969</u>



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

*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 as of September 30, 2018 are valued using Level 2 inputs.

### 5. RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

Receivables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 191,462	\$ 132,179	\$ 1,274,211
Less: allowance for uncollectibles	-	-	(138,741)
Loans receivable	1,090,422	-	-
Taxes (current)	2,018,565	-	-
Taxes (delinquent)	-	3,016,972	-
Due from other governments	1,316,190	108,369	1,710,215
Advance to component units	300,000	15,077	-
Special assessments	-	-	1,749,970
Leases	-	1,743,945	-
<b>Total receivables</b>	<b>\$ 4,916,639</b>	<b>\$ 5,016,542</b>	<b>\$ 4,595,655</b>

Of the amounts reported for receivables above, loans receivable of \$1,090,422, special assessments receivable of \$1,206,118, and leases receivable \$1,301,805 are not expected to be collected within one year.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the County reported deferred inflows of resources in governmental funds of \$706,348 for property taxes receivable.

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 6. OTHER ASSETS

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

	Governmental Activities	Business-type Activities	Component Units
Inventories	\$ -	\$ -	\$ 1,021,829
Prepays	338,715	2,481	192,838
<b>Total other assets</b>	<b>\$ 338,715</b>	<b>\$ 2,481</b>	<b>\$ 1,214,667</b>

### 7. ACCOUNTS PAYABLE

Payables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 1,167,048	\$ 122,140	\$ 2,274,926
Accrued liabilities	240,439	-	320,498
Due to other governments	-	-	559
Accrued interest on long-term debt	68,370	24,833	-
Advance from primary government	-	-	315,077
Advance from State of Michigan	-	-	351,522
<b>Total payables</b>	<b>\$ 1,475,857</b>	<b>\$ 146,973</b>	<b>\$ 3,262,582</b>

### 8. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2018, is as follows:

Due to and from primary government funds

	Due from Other Funds	Due to Other Funds
General fund	\$ 34,774	\$ 1,523
County jail	-	20,323
Commission on aging	-	3,339
Nonmajor governmental funds	1,597	876
2015 and prior delinquent tax	2,265,500	-
2017 delinquent tax	-	2,050,000
Nonmajor enterprise funds	-	215,500
Internal service funds	23,884	34,194
<b>Totals</b>	<b>\$ 2,325,755</b>	<b>\$ 2,325,755</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

### Interfund receivables and payables

	Interfund Receivable	Interfund Payable
County jail	\$ -	\$ 82,739
2015 and prior delinquent tax	82,739	-
Totals	<u>\$ 82,739</u>	<u>\$ 82,739</u>

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

For the year ended September 30, 2018, interfund transfers consisted of the following:

Transfers Out	Transfers in					Totals
	General Fund	County Jail	Commission on Aging	Nonmajor Governmental Funds	Internal Service Funds	
General fund	\$ -	\$ 1,200,000	\$ 6,801	\$ 2,312,354	\$ -	\$ 3,519,155
Nonmajor governmental funds	283,430	320,000	-	181,730	-	785,160
P.A. 123	401,446	-	-	-	-	401,446
Nonmajor enterprise funds	75,000	60,000	-	-	-	135,000
Internal service funds	-	-	-	-	128,439	128,439
<b>Totals</b>	<b>\$ 759,876</b>	<b>\$ 1,580,000</b>	<b>\$ 6,801</b>	<b>\$ 2,494,084</b>	<b>\$ 128,439</b>	<b>\$ 4,969,200</b>

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and (4) move surplus funds from the delinquent tax revolving fund to the general fund once a statutory period of time has elapsed.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 9. CAPITAL ASSETS

#### Primary government

Capital asset activity for the primary government for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Governmental activities</b>					
Capital assets, not being depreciated:					
Land	\$ 2,263,586	\$ -	\$ -	\$ -	\$ 2,263,586
Construction in progress	106,991	14,910	-	(86,140)	35,761
	<u>2,370,577</u>	<u>14,910</u>	<u>-</u>	<u>(86,140)</u>	<u>2,299,347</u>
Capital assets, being depreciated:					
Buildings	23,544,222	100,247	-	-	23,644,469
Land improvements	1,551,118	19,200	-	-	1,570,318
Office equipment	3,978,657	473,233	(46,009)	86,140	4,492,021
Vehicles	2,001,638	467,213	(190,162)	-	2,278,689
	<u>31,075,635</u>	<u>1,059,893</u>	<u>(236,171)</u>	<u>86,140</u>	<u>31,985,497</u>
Less accumulated depreciation for:					
Buildings	(10,959,143)	(649,134)	-	-	(11,608,277)
Land improvements	(741,509)	(59,958)	-	-	(801,467)
Office equipment	(3,097,614)	(257,721)	46,009	-	(3,309,326)
Vehicles	(1,649,191)	(223,315)	158,588	-	(1,713,918)
	<u>(16,447,457)</u>	<u>(1,190,128)</u>	<u>204,597</u>	<u>-</u>	<u>(17,432,988)</u>
Total capital assets being depreciated, net	<u>14,628,178</u>	<u>(130,235)</u>	<u>(31,574)</u>	<u>86,140</u>	<u>14,552,509</u>
Governmental activities capital assets, net	<u>\$ 16,998,755</u>	<u>\$ (115,325)</u>	<u>\$ (31,574)</u>	<u>\$ -</u>	<u>\$ 16,851,856</u>
<b>Business-type activities</b>					
Capital assets, being depreciated:					
Land improvements	\$ 15,686	\$ -	\$ -	\$ -	\$ 15,686
Equipment	29,341	-	-	-	29,341
	<u>45,027</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,027</u>
Less accumulated depreciation for:					
Land improvements	(6,785)	(1,569)	-	-	(8,354)
Equipment	(28,715)	(623)	-	-	(29,338)
	<u>(35,500)</u>	<u>(2,192)</u>	<u>-</u>	<u>-</u>	<u>(37,692)</u>
Business-type activities capital assets, net	<u>\$ 9,527</u>	<u>\$ (2,192)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,335</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

Depreciation of governmental activities by function	
General government	\$ 466,916
Public safety	349,894
Health and welfare	106,988
Cultural and recreation	59,410
Judicial	506
Internal service funds *	<u>206,414</u>
 Total governmental activities	 <u>\$ 1,190,128</u>

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

Depreciation of business-type activities by function	
Nonmajor enterprise funds	<u>\$ 2,192</u>

### Discretely presented component units

Capital assets activity for the Central Dispatch Authority component unit for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Central Dispatch Authority					
Capital assets, being depreciated:					
Equipment	\$ 976,270	\$ -	\$ -	\$ -	\$ 976,270
Less accumulated depreciation for:					
Equipment	<u>(336,822)</u>	<u>(78,268)</u>	<u>-</u>	<u>-</u>	<u>(415,090)</u>
Central Dispatch Authority capital assets, net	<u>\$ 639,448</u>	<u>\$ (78,268)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 561,180</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Capital assets activity for the Drain Commissioner component unit for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Drain Commissioner</b>					
Capital assets, not being depreciated:					
Land	\$ 65,350	\$ -	\$ -	\$ -	\$ 65,350
Construction in progress	162,200	456,981	-	-	619,181
	<u>227,550</u>	<u>456,981</u>	<u>-</u>	<u>-</u>	<u>684,531</u>
Capital assets, being depreciated:					
Infrastructure	578,481	-	-	-	578,481
Less accumulated depreciation for:					
Infrastructure	(536,411)	(11,305)	-	-	(547,716)
Total capital assets being depreciated, net	<u>42,070</u>	<u>(11,305)</u>	<u>-</u>	<u>-</u>	<u>30,765</u>
Drain Commissioner capital assets, net	<u>\$ 269,620</u>	<u>\$ 445,676</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 715,296</u>

As of September 30, 2018 the Drain Commissioner component unit had outstanding construction commitments of \$415,938.

## 10. LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended September 30, 2018:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
General obligation bonds	\$ 9,661,000	\$ -	\$ (1,044,000)	\$ 8,617,000	\$ 1,079,000
Premium on bonds payable	7,986	-	(1,031)	6,955	1,031
Compensated absences	433,165	123,912	(89,504)	467,573	62,882
Total governmental activities	<u>\$ 10,102,151</u>	<u>\$ 123,912</u>	<u>\$ (1,134,535)</u>	<u>\$ 9,091,528</u>	<u>\$ 1,142,913</u>
<b>Business-type activities</b>					
General obligation bonds	\$ 2,229,180	\$ -	\$ (590,000)	\$ 1,639,180	\$ 395,000
Premium on bonds payable	148,086	-	(32,309)	115,777	32,309
Total business-type activities	<u>\$ 2,377,266</u>	<u>\$ -</u>	<u>\$ (622,309)</u>	<u>\$ 1,754,957</u>	<u>\$ 427,309</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Discretely presented component units					
Drain Commissioner					
General obligation debt	\$ 300,000	\$ 1,090,000	\$ (300,000)	\$ 1,090,000	\$ 20,000
Premium on bonds payable	-	23,302	(485)	22,817	1,165
<b>Total Discretely presented component units</b>	<b>\$ 300,000</b>	<b>\$ 1,113,302</b>	<b>\$ (300,485)</b>	<b>\$ 1,112,817</b>	<b>\$ 21,165</b>

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

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

### Governmental Activities

\$5,550,000 2009 Jail Improvement Bonds (Series A), due in annual installments of \$175,000 to \$555,000 plus interest ranging from 2.50% to 5.00% through 2025. \$ 3,505,000

\$6,930,000 2013 Medical Care Facility Refunding Bonds, due in annual installments of \$545,000 to \$625,000 plus interest ranging from 0.45% to 1.95% through 2025. 4,170,000

\$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. 942,000

Total governmental activities \$ 8,617,000

### Business-type Activities

\$3,780,000 2012 Chain of Lakes Refunding Bond, due in annual installments of \$360,000 to \$400,000 plus interest ranging from 2.00% to 4.00% through 2022. \$ 1,490,000

\$414,167 2005 Hesperia Sanitary Sewer System Bonds, due in annual installments of \$20,000 to \$25,000 plus interest at 1.63% through 2025. 149,180

Total business-type activities \$ 1,639,180



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Discretely Presented Component Unit - Drain Commission

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

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ended September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2019	\$ 1,079,000	\$ 242,040	\$ 395,000	\$ 62,024
2020	1,103,000	210,836	395,000	46,698
2021	1,147,000	182,435	390,000	31,374
2022	1,176,000	151,974	390,000	16,248
2023	1,199,000	119,693	20,000	1,124
2024-2028	2,727,000	163,825	49,180	1,190
2029-2030	186,000	7,437	-	-
<b>Totals</b>	<u>\$ 8,617,000</u>	<u>\$ 1,078,240</u>	<u>\$ 1,639,180</u>	<u>\$ 158,658</u>

Year Ended September 30,	Drain Commission Component Unit	
	Principal	Interest
2019	\$ 20,000	\$ 41,435
2020	60,000	37,450
2021	60,000	35,350
2022	60,000	33,250
2023	60,000	31,150
2024-2028	280,000	125,300
2029-2033	275,000	77,000
2034-2038	275,000	28,875
<b>Totals</b>	<u>\$ 1,090,000</u>	<u>409,810</u>

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 11. OPERATING LEASES

#### *Community Mental Health*

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

The facility has been recorded in capital assets of governmental activities at the initial cost of \$1,915,495, less accumulated depreciation through September 30, 2018 of \$866,787. Rental income for the year ended September 30, 2018 amounted to \$98,777, recorded in the Mental Health Building Bonds debt service fund.

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

The County leases property to the State of Michigan Department of Human Services (DHS) under an agreement through June 30, 2026. Lease payments are due in monthly installments and increase annually. The property has been recorded in capital assets of governmental activities at the initial cost of \$2,662,847, less accumulated depreciation through September 30, 2018 of \$1,243,219. Rental income for the year ended September 30, 2018 amounted to \$106,104, recorded in the Building Authority enterprise fund. Annual lease payments are as follows:

Year Ended September 30,	Community Mental Health	Department of Human Services	Total
2019	\$ 116,400	\$ 106,104	\$ 222,504
2020	114,000	106,104	220,104
2021	111,600	107,136	218,736
2022	108,000	110,232	218,232
2023	104,400	110,232	214,632
2024-2028	468,000	303,138	771,138
2029-2032	266,400	-	266,400
Totals	<u>\$ 1,288,800</u>	<u>\$ 842,946</u>	<u>\$ 2,131,746</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

The County leases vehicles for sheriff and commission on aging under operating leases. Operating lease expense for the year ended September 30, 2018 was \$8,622. Future minimum operating lease payments on noncancelable lease terms having initial or remaining lease terms of one year or more are as follows for the years subsequent to September 30, 2018:

Year Ending September 30,	Amount
2019	\$ 24,894
2020	24,894
2021	24,894
2022	<u>17,147</u>
Total	<u>\$ 91,829</u>

## 12. RISK MANAGEMENT

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

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

	Year Ended September 30,	
	2018	2017
Estimated liability, beginning of year	\$ 80,201	\$ 235,623
Estimated claims incurred	190,693	25,032
Claim payments	<u>(116,574)</u>	<u>(180,454)</u>
Estimated liability, end of year	<u>\$ 154,320</u>	<u>\$ 80,201</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

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

	Year Ended September 30,	
	2018	2017
Estimated liability, beginning of year	\$ 68,118	\$ 117,628
Estimated claims incurred	3,068,995	3,031,841
Claim payments	<u>(3,037,070)</u>	<u>(3,081,351)</u>
Estimated liability, end of year	<u>\$ 100,043</u>	<u>\$ 68,118</u>

## 13. PROPERTY TAXES

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

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

The taxable value of real and personal property for 2018, for which revenue was recognized in the general fund, was \$1,505,181,913. The general operating tax rate for this levy was 5.3346 mills. The County assessed an additional 0.9927 mill for sheriff road patrol operations, 0.0995 mills for veterans' affairs, 0.9941 mill for commission on aging, and 0.4200 mill to fund debt service payments on the medical care facility bonds. These additional levies were based on the 2017 taxable value of \$1,449,015,564.

### *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, 2018, the County's property taxes were reduced by \$23,656 under this program.

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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, 2018, the County's property taxes were reduced by \$7,940 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, 2018, the County's property taxes were reduced by \$99,049 under this program.

### 14. CONTINGENT LIABILITIES

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

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

### 15. BENEFIT PLANS

#### Defined Benefit Pension Plan

##### *General Information About the Plan*

*Plan Description.* The County (including the Central Dispatch Authority component unit) participates in the Municipal Employees' Retirement System (MERS) of Michigan, a defined benefit pension plan that provides certain retirement, disability and death benefits to plan members and beneficiaries. MERS is an agent multiple-employer, state-wide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at [www.mersofmich.com](http://www.mersofmich.com).

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Benefits Provided.* Pension benefits vary by division and are calculated as final average compensation (based on a 5 year calculation) and a multiplier ranging from 2.25% to 2.50% as summarized in the table below. Participants are 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. Member contributions range from 4% to 8.49% of covered wages as presented in the table below. All divisions are closed to new hires who are enrolled in the County's defined contribution plan.

*Employees Covered by Benefit Terms.* At December 31, 2017, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	115
Inactive employees entitled to but not yet receiving benefits	17
Active employees	19
 Total membership	 151

*Contributions.* The County 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. Since all divisions are closed to new hires, employer contributions are expressed as a fixed monthly amount as summarized in the following table:

Division	Employer Contribution Rate	Employee Contribution Rate	Benefit Multiplier
Unclassified	\$ 19,961	4.00%	2.25%
Police Officers Labor	22,205	4.50%	2.50%
Appointed Department Heads	23,038	4.50%	2.50%
Teamsters Employees	8,882	8.49%	2.50%
Central Dispatch	1,213	4.00%	2.25%
Corrections Officers	17,281	4.50%	2.50%
Command Unit	6,475	4.50%	2.50%
Corrections Command	5,202	4.50%	2.50%

*Net Pension Liability.* The County's net pension liability was measured as of December 31, 2017, 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, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment and administrative expense including inflation

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

Although no explicit price inflation assumption is used in the valuation, the long-term annual rate of price inflation implicit in the 3.75% base wage inflation is 2.5%.

Mortality rates used were based on the RP-2014 Group Annuity Mortality Table of a 50% Male and 50% Female blend.

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

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	57.50%	5.02%	2.89%
Global fixed income	20.00%	2.18%	0.44%
Real assets	12.50%	4.23%	0.51%
Diversifying strategies	10.00%	6.56%	0.66%
	<u>100.00%</u>		
Inflation			3.25%
Administrative expenses netted above			<u>0.25%</u>
Investment rate of return			<u>8.00%</u>

*Discount Rate.* The discount rate used to measure the total pension liability as of December 31, 2017 was 8.0%. 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, 2016	\$ 25,919,697	\$ 20,077,306	\$ 5,842,391
Changes for the year:			
Service cost	110,514	-	110,514
Interest	1,996,376	-	1,996,376
Difference between expected and actual experience	(173,466)	-	(173,466)
Employer contributions	-	920,388	(920,388)
Employee contributions	-	50,390	(50,390)
Net investment income	-	2,593,572	(2,593,572)
Benefit payments, including refunds of employee contributions	(2,040,505)	(2,040,505)	-
Administrative expense	-	(41,160)	41,160
Other changes	-	(11,201)	11,201
Net changes	<u>(107,081)</u>	<u>1,471,484</u>	<u>(1,578,565)</u>
Balances at December 31, 2017	<u>\$ 25,812,616</u>	<u>\$ 21,548,790</u>	<u>\$ 4,263,826</u>

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

Governmental activities	\$ 3,643,439
Central Dispatch Authority component unit	<u>620,387</u>
	<u>\$ 4,263,826</u>

*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 8.0%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (7.0%) or 1% higher (9.0%) than the current rate:

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
County's net pension liability	\$ 6,667,836	\$ 4,263,826	\$ 2,195,456

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



# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

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

For the year ended September 30, 2018, the County recognized pension expense of \$493,039. The County reported pension-related deferred outflows of resources and deferred inflows of resources 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	\$ -	\$ 373,860	\$ (373,860)
Contributions subsequent to the measurement date	938,313	-	938,313
<b>Total</b>	<b>\$ 938,313</b>	<b>\$ 373,860</b>	<b>\$ 564,453</b>
Amounts are recorded in the accompanying financial statements as follows:			
Governmental activities	\$ 801,788	\$ 319,463	\$ 482,325
Central Dispatch Authority component unit	136,525	54,397	82,128
	<b>\$ 938,313</b>	<b>\$ 373,860</b>	<b>\$ 564,453</b>

The amount of deferred outflows of resources related to County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2019. Other amounts reported as pension-related deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2019	\$ 119,394
2020	47,621
2021	(334,510)
2022	(206,365)
<b>Total</b>	<b>\$ (373,860)</b>

*Payable to the Pension Plan.* At September 30, 2018, the County had no amount payable for required contributions to the pension plan for the year ended September 30, 2018.

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### Defined Contribution Pension Plan

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

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

Employer and employee contributions to the plan for the year ended September 30, 2018 amounted to \$560,806 and \$226,286, respectively.

## 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 September 30, 2018, OPEB Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	53
Active plan members	<u>78</u>
Total membership	<u><u>131</u></u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*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.

*Concentrations.* At September 30, 2018, the OPEB Plan's investments were fully invested in the MERS Retiree Health Funding Vehicle.

*Rate of Return.* For the year ended September 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 5.75 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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	55.5%	6.15%	3.41%
Global fixed income	18.5%	1.26%	0.23%
Real assets	13.5%	7.22%	0.97%
Diversifying strategies	12.5%	5.00%	0.63%
	<u>100.0%</u>		
Inflation			2.50%
Less: risk factor adjustment			<u>-1.00%</u>
Investment rate of return			<u>6.75%</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*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.

*Actuarial Assumptions.* The County's net OPEB liability was measured as of September 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2017 (rolled forward to September 30, 2018), using the following actuarial assumptions applied to all periods included in the measurement:

Salary increases including inflation	2.5%
Investment rate of return	6.75%
Healthcare cost trend rate	Pre-65 annual medical trend rate for 2017-18 of 6.3%, trending to an ultimate rate of 4.0%; post-65 annual medical trend rate for 2017-18 of 4.9%, trending to an ultimate rate of 4.4%
Employee turnover/withdrawal	MERS rates for all employees, ranging from 19.6% for 0 years of service to 2.2% for 30 years of service and over
Retirement	Rates ranging from 5.0% for 5-9 years of service to 40.0% for 35 years of service and over
Mortality	RP-2014 mortality table (Healthy Annuitant, Employee, and Disabled, as appropriate) projected back to 2006 base year using Projection Scale MP-2014 (male and female, as appropriate) with generational projection using Projection Scale MP-2017
Probability of accepting benefits	60.0% of current eligible employees are expected to participate in the retiree health insurance plan; 33.0% of future retirees that take coverage are assumed to elect two-party coverage

### *Net OPEB Liability of the County*

The components of the net OPEB liability of the County at September 30, 2018, were as follows:

Total OPEB liability	\$ 5,883,374
Plan fiduciary net position	<u>4,635,185</u>
County's net OPEB liability	<u>\$ 1,248,189</u>
Plan fiduciary net position as a percentage of the total OPEB liability	78.8%

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### *Changes in Net OPEB Liability*

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

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at September 30, 2017	\$ 5,830,874	\$ 3,830,578	\$ 2,000,296
Changes for the year:			
Service cost	37,139	-	37,139
Interest	383,857	-	383,857
Employer contributions	-	946,504	(946,504)
Net investment income	-	237,810	(237,810)
Benefit payments, including refunds of employee contributions	(368,496)	(368,496)	-
Administrative expense	-	(11,211)	11,211
Net changes	<u>52,500</u>	<u>804,607</u>	<u>(752,107)</u>
Balances at September 30, 2018	<u>\$ 5,883,374</u>	<u>\$ 4,635,185</u>	<u>\$ 1,248,189</u>

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

Governmental activities	\$ 1,151,330
Central Dispatch Authority component unit	<u>96,859</u>
	<u>\$ 1,248,189</u>

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

1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
\$ 1,921,450	\$ 1,248,189	\$ 680,888

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

*Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the net OPEB liability of the County, calculated using the healthcare cost trend rate of 6.3% / 4.9% trending to 4.0% / 4.4%, as well as what the County's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower (5.3% / 3.9% trending to 3.0% / 3.4%) or 1% higher (7.3% / 5.9% trending to 5.0% / 5.4%) than the current rate:

1% Decrease 5.3% / 3.9% trending to 3.0% / 3.4%	Current Healthcare Trend Rate (6.3% / 4.9% trending to 4.0% / 4.4%)	1% Increase 7.3% / 5.9% trending to 5.0% / 5.4%
\$ 631,879	\$ 1,248,189	\$ 1,977,716

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

For the year ended September 30, 2018, the County recognized OPEB expense of \$162,740. 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
Net difference between projected and actual earnings on OPEB plan investments	\$ 31,657	\$ -	\$ 31,657
Amounts are recorded in the accompanying financial statements as follows:			
Governmental activities	\$ 29,200	\$ -	\$ 29,200
Central Dispatch Authority component unit	2,457	-	2,457
	<u>\$ 31,657</u>	<u>\$ -</u>	<u>\$ 31,657</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
2019	\$ 7,914
2020	7,914
2021	7,914
2022	7,915
Total	<u>\$ 31,657</u>

*Payable to the OPEB Plan.* At September 30, 2018, the County had no amounts payable for contributions to the OPEB plan.

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

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 17. FUND BALANCES - GOVERNMENTAL FUNDS

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

	General Fund	County Jail	Commission on Aging	Nonmajor Governmental Funds	Total
<b>Nonspendable:</b>					
Prepays	\$ 2,104	\$ 35,116	\$ -	\$ 16,114	\$ 53,334
Long-term advances	300,000	-	-	-	300,000
<b>Total nonspendable</b>	<b>302,104</b>	<b>35,116</b>	<b>-</b>	<b>16,114</b>	<b>353,334</b>
<b>Restricted for:</b>					
Family counseling (P.A. 368)	88,880	-	-	-	88,880
Law enforcement and road patrol	-	-	-	129,253	129,253
Community development	36,512	-	-	1,090,422	1,126,934
Jail training	-	5,325	-	-	5,325
Building inspections (P.A. 245)	-	-	-	368,860	368,860
Register of deeds technology (P.A. 698)	-	-	-	83,749	83,749
Commission on aging programs	-	-	90,101	-	90,101
Law library (P.A. 59)	-	-	-	1,616	1,616
Debt service	-	-	-	440,141	440,141
Other purposes	16,875	-	-	31,077	47,952
<b>Total restricted</b>	<b>142,267</b>	<b>5,325</b>	<b>90,101</b>	<b>2,145,118</b>	<b>2,382,811</b>
<b>Committed for:</b>					
Law enforcement and road patrol	-	-	-	683,483	683,483
Jail operations	-	30,108	-	-	30,108
General capital improvements	-	-	-	1,549,279	1,549,279
Debt service	-	-	-	452,877	452,877
Other purposes	31,372	-	-	-	31,372
<b>Total committed</b>	<b>31,372</b>	<b>30,108</b>	<b>-</b>	<b>2,685,639</b>	<b>2,747,119</b>
<b>Assigned for:</b>					
Emergency services	-	-	-	44,636	44,636
Community development	-	-	-	214,143	214,143
Animal control	68,500	-	-	-	68,500
Elections	92,352	-	-	-	92,352
Building repair and maintenance	163,958	-	-	-	163,958
Law enforcement	-	-	-	183,268	183,268
County parks	-	-	-	149,061	149,061
Friend of court	-	-	-	290,474	290,474
Social services	-	-	-	120,015	120,015
Child care	-	-	-	465,456	465,456
Soldiers' relief	-	-	-	70,726	70,726
Commission on aging programs	-	-	609,805	-	609,805
Other purposes	-	-	-	10,620	10,620
<b>Total assigned</b>	<b>324,810</b>	<b>-</b>	<b>609,805</b>	<b>1,548,399</b>	<b>2,483,014</b>
Unassigned	2,853,138	-	-	-	2,853,138
<b>Total fund balances, governmental funds</b>	<b>\$ 3,653,691</b>	<b>\$ 70,549</b>	<b>\$ 699,906</b>	<b>\$ 6,395,270</b>	<b>\$ 10,819,416</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Notes to Financial Statements

### 18. NET INVESTMENT IN CAPITAL ASSETS

The composition of the County's net investment in capital assets as of September 30, 2018, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 2,299,347	\$ -	\$ 2,835,982
Capital assets being depreciated, net	14,552,509	7,335	58,421,564
	<u>16,851,856</u>	<u>7,335</u>	<u>61,257,546</u>
Related debt:			
Unexpended bond proceeds	-	-	(875,601)
Bonds payable	8,617,000	1,639,180	1,090,000
Premium on bonds payable	6,955	115,777	22,817
Deferred charge on refunding	(91,336)	(35,845)	-
Amounts related to capital leases receivable *	-	(1,719,112)	-
Installment purchase agreements	-	-	4,516,934
	<u>8,532,619</u>	<u>-</u>	<u>4,754,150</u>
Net investment in capital assets	<u>\$ 8,319,237</u>	<u>\$ 7,335</u>	<u>\$ 56,503,396</u>

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

### 19. RELATED PARTY TRANSACTIONS

During the year, the County conducted business with four related parties. These transactions were for automobile repairs and maintenance, legal services, and survey and engineering services and were in the amounts of \$12,383, \$76,125, and \$36,310, respectively.

### 20. RESTATEMENT

The County adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, in the current year. In connection with the implementation of this standard, the prior reported net other postemployment benefit obligation was eliminated. As a result of this change, beginning net position of governmental activities, the Central Dispatch Authority component unit and the Road Commission component unit was decreased by \$1,845,073, \$155,223, and \$1,777,461 respectively.





## 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,			
	2018	2017	2016	2015
<b>Total pension liability</b>				
Service cost	\$ 110,514	\$ 113,354	\$ 144,182	\$ 177,889
Interest	1,996,376	2,006,374	1,964,674	1,936,675
Change in benefits	-	12,026	-	-
Difference between expected and actual experience	(173,466)	(255,874)	(63,125)	-
Changes in assumptions	-	-	1,143,513	-
Benefit payments, including refunds of employee contributions	(2,040,505)	(1,958,348)	(1,857,659)	(1,659,002)
Other changes	-	(2)	(391)	-
<b>Net change in total pension liability</b>	<b>(107,081)</b>	<b>(82,470)</b>	<b>1,331,194</b>	<b>455,562</b>
<b>Total pension liability, beginning of year</b>	<b>25,919,697</b>	<b>26,002,167</b>	<b>24,670,973</b>	<b>24,215,411</b>
<b>Total pension liability, end of year</b>	<b>25,812,616</b>	<b>25,919,697</b>	<b>26,002,167</b>	<b>24,670,973</b>
<b>Plan fiduciary net position</b>				
Employer contributions	920,388	1,006,665	1,160,256	1,135,610
Employee contributions	50,390	47,892	4,701	8,638
Net investment income (loss)	2,593,572	2,115,490	(296,005)	1,209,412
Benefit payments, including refunds of employee contributions	(2,040,505)	(1,958,348)	(1,857,659)	(1,659,002)
Administrative expense	(41,160)	(41,781)	(43,207)	(44,398)
Other changes	(11,201)	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>1,471,484</b>	<b>1,169,918</b>	<b>(1,031,914)</b>	<b>650,260</b>
<b>Plan fiduciary net position, beginning of year</b>	<b>20,077,306</b>	<b>18,907,388</b>	<b>19,939,302</b>	<b>19,289,042</b>
<b>Plan fiduciary net position, end of year</b>	<b>21,548,790</b>	<b>20,077,306</b>	<b>18,907,388</b>	<b>19,939,302</b>
<b>County's net pension liability</b>	<b>\$ 4,263,826</b>	<b>\$ 5,842,391</b>	<b>\$ 7,094,779</b>	<b>\$ 4,731,671</b>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	<b>83.48%</b>	<b>77.46%</b>	<b>72.71%</b>	<b>80.82%</b>
<b>Covered payroll</b>	<b>\$ 959,101</b>	<b>\$ 1,089,831</b>	<b>\$ 1,396,627</b>	<b>\$ 1,717,803</b>
<b>County's net pension liability as a percentage of covered payroll</b>	<b>444.56%</b>	<b>536.08%</b>	<b>507.99%</b>	<b>275.45%</b>

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

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

The changes of assumptions in 2016 primarily related to an adjustment to the mortality table to reflect longer lifetimes, the assumed annual rate of return, net of all expenses, was lowered from 8.0% to 7.75%, and the asset smoothing was changed from 10 to 5 years.

COUNTY OF NEWAYGO, MICHIGAN

**Required Supplementary Information**  
MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of the Net Pension Liability

Fiscal Year Ended Sept. 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Pension Liability as Percentage of Covered Payroll
2018	\$ 25,812,616	\$ 21,548,790	\$ 4,263,826	83.48%	\$ 959,101	444.56%
2017	25,919,697	20,077,306	5,842,391	77.46%	1,089,831	536.08%
2016	26,002,167	18,907,388	7,094,779	72.71%	1,396,627	507.99%
2015	24,670,973	19,939,302	4,731,671	80.82%	1,717,803	275.45%

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

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

# COUNTY OF NEWAYGO, MICHIGAN

## Required Supplementary Information

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

#### Schedule of Contributions

Fiscal Year Ended Sept. 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
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%

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

#### Notes to Schedule of Contributions

Valuation Date Actuarially determined contribution rates are calculated as of the December 31 that is 21 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates (2018, based on the 12/31/2015 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	4-10 years based on division
Asset valuation method	Open; 10-year smooth market
Inflation	2.5%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment and administrative expense including inflation
Retirement age	Age-based table of rates that are specific to the type of eligibility condition. The Normal Retirement rates were first used for the December 31, 2015 actuarial valuations. The Early Retirement rates were first used for the December 31, 2015 actuarial valuations.
Mortality	2014 Group Annuity Mortality Table of a 50% Male and 50% Female blend. The mortality tables were first used for the December 31, 2015 actuarial valuations.

# COUNTY OF NEWAYGO, MICHIGAN

## Required Supplementary Information Single-Employer Other Postemployment Benefits Plan

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

	Year Ended September 30, 2018
Total OPEB liability	
Service cost	\$ 37,139
Interest	383,857
Benefit payments, including refunds of employee contributions	(368,496)
Net change in total OPEB liability	<u>52,500</u>
Total OPEB liability, beginning of year	<u>5,830,874</u>
Total OPEB liability, end of year	<u>5,883,374</u>
Plan fiduciary net position	
Employer contributions	946,504
Net investment income	237,810
Benefit payments, including refunds of employee contributions	(368,496)
Administrative expense	(11,211)
Net change in plan fiduciary net position	<u>804,607</u>
Plan fiduciary net position, beginning of year	<u>3,830,578</u>
Plan fiduciary net position, end of year	<u>4,635,185</u>
County's net OPEB liability	<u>\$ 1,248,189</u>
Plan fiduciary net position as a percentage of total OPEB liability	78.8%
Covered payroll	\$ 4,024,782
County's net OPEB liability as a percentage of covered payroll	31.0%

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

COUNTY OF NEWAYGO, MICHIGAN

**Required Supplementary Information**  
 Single-Employer Other Postemployment Benefits Plan

Schedule of the Net OPEB Liability

Year Ended September 30,	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as Percentage of Total OPEB Liability	Covered Payroll	Net OPEB Liability as Percentage of Covered Payroll
2018	\$ 5,883,374	\$ 4,635,185	\$ 1,248,189	78.8%	\$ 4,024,782	31.0%

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

Note: As an actuarially determined contribution is not calculated for the OPEB Plan, and the OPEB Plan does not have a contribution requirement that is established by statute or contract, a schedule covering each of the 10 most recent fiscal years that includes information about the statutorily or contractually required contribution rates, contributions to the OPEB Plan, and related ratios, is not provided herein.

# 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
2018	5.75%

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

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

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## GENERAL FUND

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Schedule of Balance Sheet Accounts

By Activity - General Fund

September 30, 2018

	General Fund (101)	Animal Control (2052)	Elections (214)	Budget vs. GAAP Adjustment
<b>Assets</b>				
Cash and cash equivalents	\$ 690,668	\$ 80,588	\$ 99,617	\$ -
Investments	1,335,215	-	-	-
Accounts receivable	57,877	208	-	-
Taxes receivable	2,017,999	-	-	-
Due from other governments	158,267	-	196	-
Due from other funds	34,774	-	-	-
Advance to component unit	300,000	-	-	-
Prepays	1,663	441	-	-
<b>Total assets</b>	<b>\$ 4,596,463</b>	<b>\$ 81,237</b>	<b>\$ 99,813</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts payable	\$ 222,151	\$ 7,192	\$ 6,878	\$ -
Accrued expenditures	76,688	2,589	583	-
Due to other funds	1,523	-	-	-
Unearned revenue	99,870	-	-	-
<b>Total liabilities</b>	<b>400,232</b>	<b>9,781</b>	<b>7,461</b>	<b>-</b>
<b>Deferred inflows of resources</b>				
Unavailable revenues - property taxes	-	-	-	706,348
<b>Fund balances</b>				
Nonspendable	301,663	441	-	-
Restricted	140,497	1,770	-	-
Committed	30,627	745	-	-
Assigned	163,958	68,500	92,352	-
Unassigned	3,559,486	-	-	(706,348)
<b>Total fund balances</b>	<b>4,196,231</b>	<b>71,456</b>	<b>92,352</b>	<b>(706,348)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,596,463</b>	<b>\$ 81,237</b>	<b>\$ 99,813</b>	<b>\$ -</b>



Eliminations	Total
\$ -	\$ 870,873
-	1,335,215
-	58,085
-	2,017,999
-	158,463
-	34,774
-	300,000
-	2,104
<u>\$ -</u>	<u>\$ 4,777,513</u>
\$ -	\$ 236,221
-	79,860
-	1,523
-	99,870
<u>-</u>	<u>417,474</u>
-	706,348
-	302,104
-	142,267
-	31,372
-	324,810
-	2,853,138
<u>-</u>	<u>3,653,691</u>
<u>\$ -</u>	<u>\$ 4,777,513</u>

# COUNTY OF NEWAYGO, MICHIGAN

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

By Activity - General Fund

For the Year Ended September 30, 2018

	General Fund (101)	Animal Control (2052)	Elections (214)	Budget vs. GAAP Adjustment
<b>Revenues</b>				
Taxes	\$ 7,619,231	\$ -	\$ -	\$ 49,202
Intergovernmental:				
Federal	489,314	735	-	-
State	1,953,309	-	-	-
Local	226,140	-	-	-
Licenses and permits	29,701	-	-	-
Fines and forfeitures	48,212	-	-	-
Charges for services	2,250,996	63,286	25,995	-
Interest and rentals	223,393	550	-	-
Contributions from private sources	93,379	46,334	-	-
Other revenues/reimbursements	208,999	220	837	-
<b>Total revenues</b>	<b>13,142,674</b>	<b>111,125</b>	<b>26,832</b>	<b>49,202</b>
<b>Expenditures</b>				
Current:				
Legislative	354,106	-	-	-
Judicial	2,978,522	-	-	-
General government	3,900,477	-	145,390	-
Public safety	748,665	278,020	-	-
Public works	201,266	-	-	-
Health and welfare	1,016,631	-	-	-
Community and economic development	138,259	-	-	-
Other	186,201	-	-	-
Capital outlay	49,062	-	-	-
<b>Total expenditures</b>	<b>9,573,189</b>	<b>278,020</b>	<b>145,390</b>	<b>-</b>
Revenues over (under) expenditures	3,569,485	(166,895)	(118,558)	49,202
<b>Other financing sources (uses)</b>				
Transfers in	759,876	187,371	142,237	-
Transfers out	(3,848,763)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(3,088,887)</b>	<b>187,371</b>	<b>142,237</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>480,598</b>	<b>20,476</b>	<b>23,679</b>	<b>49,202</b>
Fund balances, beginning of year	3,715,633	50,980	68,673	(755,550)
<b>Fund balances, end of year</b>	<b>\$ 4,196,231</b>	<b>\$ 71,456</b>	<b>\$ 92,352</b>	<b>\$ (706,348)</b>



Eliminations	Total
\$ -	\$ 7,668,433
-	490,049
-	1,953,309
-	226,140
-	29,701
-	48,212
-	2,340,277
-	223,943
-	139,713
-	210,056
-	<u>13,329,833</u>
-	354,106
-	2,978,522
-	4,045,867
-	1,026,685
-	201,266
-	1,016,631
-	138,259
-	186,201
-	49,062
-	<u>9,996,599</u>
-	<u>3,333,234</u>
(329,608)	759,876
<u>329,608</u>	<u>(3,519,155)</u>
-	<u>(2,759,279)</u>
-	573,955
-	<u>3,079,736</u>
<u>\$ -</u>	<u>\$ 3,653,691</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures and Change in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
<b>General fund (fund 101)</b>				
Taxes:				
Real and personal property taxes	\$ 7,397,035	\$ 7,585,246	\$ 7,592,802	\$ 7,556
Other taxes	4,500	11,336	26,429	15,093
<b>Total taxes</b>	<b>7,401,535</b>	<b>7,596,582</b>	<b>7,619,231</b>	<b>22,649</b>
Intergovernmental:				
Federal	187,533	487,208	489,314	2,106
State	1,810,047	1,967,021	1,953,309	(13,712)
Local	109,565	141,913	226,140	84,227
<b>Total intergovernmental</b>	<b>2,107,145</b>	<b>2,596,142</b>	<b>2,668,763</b>	<b>72,621</b>
Licenses and permits	33,650	29,355	29,701	346
Fines and forfeitures	49,000	48,420	48,212	(208)
Charges for services	2,171,997	2,237,030	2,250,996	13,966
Interest and rentals:				
Interest revenue	50,000	110,081	115,276	5,195
Rentals	118,501	118,501	108,117	(10,384)
<b>Total interest and rentals</b>	<b>168,501</b>	<b>228,582</b>	<b>223,393</b>	<b>(5,189)</b>
Contributions from private sources	43,593	93,379	93,379	-
Other revenues/reimbursements:				
Reimbursements	217,744	229,741	171,997	(57,744)
Other revenue	-	36,861	37,002	141
<b>Total other revenues/reimbursements</b>	<b>217,744</b>	<b>266,602</b>	<b>208,999</b>	<b>(57,603)</b>
<b>Total general fund (101)</b>	<b>12,193,165</b>	<b>13,096,092</b>	<b>13,142,674</b>	<b>46,582</b>
<b>Animal control (fund 2052)</b>				
Intergovernmental - Federal	-	735	735	-
Charges for services	57,650	61,088	63,286	2,198
Interest and rentals	-	500	550	50
Contributions from private sources	500	46,134	46,334	200
Other revenues/reimbursements	-	-	220	220
<b>Total animal control (fund 2052)</b>	<b>58,150</b>	<b>108,457</b>	<b>111,125</b>	<b>2,668</b>
<b>Elections (fund 214)</b>				
Charges for services	30,000	30,000	25,995	(4,005)
Other revenue/reimbursements	500	500	837	337
<b>Total elections (fund 214)</b>	<b>30,500</b>	<b>30,500</b>	<b>26,832</b>	<b>(3,668)</b>
<b>Total revenues</b>	<b>12,281,815</b>	<b>13,235,049</b>	<b>13,280,631</b>	<b>45,582</b>

continued...



# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures and Change in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures</b>				
<b>General fund (fund 101)</b>				
<b>Legislative:</b>				
Board of Commissioners	\$ 367,332	\$ 369,582	\$ 354,106	\$ (15,476)
<b>Judicial:</b>				
27th Circuit Court - Newaygo	651,415	678,943	637,643	(41,300)
27th Circuit Court - Oceana	21,065	21,637	21,292	(345)
Circuit Court Probation	32,195	32,195	29,009	(3,186)
Circuit Court Clerk	313,287	313,287	270,420	(42,867)
Circuit Court - Juvenile Division	240,196	311,898	296,573	(15,325)
District Court	1,208,937	1,218,283	1,193,230	(25,053)
Jury Board	9,173	10,242	8,958	(1,284)
Probate Court	465,400	475,180	462,388	(12,792)
Court Guardian	57,226	68,395	59,009	(9,386)
<b>Total judicial</b>	<b>2,998,894</b>	<b>3,130,060</b>	<b>2,978,522</b>	<b>(151,538)</b>
<b>General government:</b>				
Administrator	169,882	170,577	168,078	(2,499)
Accounting	220,209	222,559	221,119	(1,440)
Clerk	316,482	318,599	311,681	(6,918)
Tax allocation	714	743	560	(183)
Treasurer	537,037	540,384	524,590	(15,794)
Equalization	582,380	590,226	585,876	(4,350)
Cooperative extension	131,438	133,688	133,685	(3)
Civil counsel	20,005	20,005	12,205	(7,800)
Prosecutor	828,269	855,684	842,196	(13,488)
Register of deeds	421,926	421,961	412,928	(9,033)
Personnel	56,806	57,234	57,062	(172)
Surveyor	58,420	60,490	46,565	(13,925)
Drain Commissioner	352,946	355,020	349,592	(5,428)
Payroll	51,365	51,565	50,285	(1,280)
Courtesy desk/mail	36,359	36,819	28,580	(8,239)
Drain maintenance and construction	206,719	206,719	146,742	(59,977)
Soil erosion/conservation	6,343	8,521	8,733	212
<b>Total general government</b>	<b>3,997,300</b>	<b>4,050,794</b>	<b>3,900,477</b>	<b>(150,317)</b>
<b>Public safety:</b>				
Sheriff's department	570,010	573,143	534,324	(38,819)
Courthouse security	42,788	49,470	49,013	(457)
Regional drug force contract	53	53	53	-
Marine law enforcement	36,663	66,521	56,142	(10,379)
Crisis management	-	107,892	103,124	(4,768)
Truancy program	8,009	8,009	6,009	(2,000)
<b>Total public safety</b>	<b>657,523</b>	<b>805,088</b>	<b>748,665</b>	<b>(56,423)</b>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Schedule of Revenues, Expenditures and Change in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (continued)				
Public works:				
Board of public works	\$ 99,169	\$ 181,674	\$ 175,941	\$ (5,733)
Drain tax at large	20,000	25,326	25,325	(1)
Total public works	<u>119,169</u>	<u>207,000</u>	<u>201,266</u>	<u>(5,734)</u>
Health and welfare:				
Health department	397,820	397,820	397,820	-
Contagious disease	322	602	461	(141)
Mental health	348,530	348,530	348,530	-
Family counseling services	-	9,355	6,735	(2,620)
Medical Care Facility maintenance of effort	96,082	96,082	83,284	(12,798)
Substance abuse	74,181	71,867	60,245	(11,622)
Medical examiner	97,215	123,335	119,556	(3,779)
Total health and welfare	<u>1,014,150</u>	<u>1,047,591</u>	<u>1,016,631</u>	<u>(30,960)</u>
Community and economic development:				
Land use educator	80,735	80,333	80,333	-
Economic development (NCEDO)	45,000	81,512	45,000	(36,512)
West Michigan regional planning	13,000	13,000	12,926	(74)
Total community and economic development	<u>138,735</u>	<u>174,845</u>	<u>138,259</u>	<u>(36,586)</u>
Other:				
National Forest grant distributions	-	126,895	170,804	43,909
Non-departmental expenditures	30,000	71,271	15,397	(55,874)
Total other	<u>30,000</u>	<u>198,166</u>	<u>186,201</u>	<u>(11,965)</u>
Capital outlay	-	50,076	49,062	(1,014)
Total general fund (fund 101)	<u>9,323,103</u>	<u>10,033,202</u>	<u>9,573,189</u>	<u>(460,013)</u>
Animal control (fund 2052)				
Public safety	252,405	295,828	278,020	(17,808)
Elections (fund 214)				
General government	<u>172,737</u>	<u>177,737</u>	<u>145,390</u>	<u>(32,347)</u>
Total expenditures	<u>9,748,245</u>	<u>10,506,767</u>	<u>9,996,599</u>	<u>(510,168)</u>
Revenues over expenditures	<u>2,533,570</u>	<u>2,728,282</u>	<u>3,284,032</u>	<u>555,750</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

**Schedule of Revenues, Expenditures and Change in Fund Balance**  
 Budget (Non-GAAP Budgetary Basis) and Actual - General Fund - By Activity  
 For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Other financing sources (uses)				
General fund (fund 101)				
Transfers in	\$ 759,876	\$ 759,876	\$ 759,876	\$ -
Transfers out	(3,937,914)	(3,848,229)	(3,848,763)	(534)
Total general fund (fund 101)	(3,178,038)	(3,088,353)	(3,088,887)	(534)
Animal control (fund 2052)				
Transfers in	187,371	187,371	187,371	-
Elections (fund 214)				
Transfers in	142,237	142,237	142,237	-
Total other financing sources (uses)	(2,848,430)	(2,758,745)	(2,759,279)	(534)
Net change in fund balance	(314,860)	(30,463)	524,753	555,216
Fund balance, beginning of year	3,835,286	3,835,286	3,835,286	-
Fund balance, end of year (budgetary basis)	\$ 3,520,426	\$ 3,804,823	4,360,039	\$ 555,216
Accounting basis difference			(706,348)	
Fund balance, end of year (GAAP basis)			\$ 3,653,691	

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## NONMAJOR GOVERNMENTAL FUNDS

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet Nonmajor Governmental Funds September 30, 2018

	Special Revenue	Debt Service	Capital Improvement (402)	Totals
<b>Assets</b>				
Cash and cash equivalents	\$ 2,695,880	\$ 847,626	\$ 1,553,644	\$ 5,097,150
Accounts receivable	3,742	-	-	3,742
Loans receivable	1,090,422	-	-	1,090,422
Taxes receivable	341	-	-	341
Due from other governments	386,920	47,250	-	434,170
Due from other funds	1,597	-	-	1,597
Prepays	16,114	-	-	16,114
<b>Total assets</b>	<b>\$ 4,195,016</b>	<b>\$ 894,876</b>	<b>\$ 1,553,644</b>	<b>\$ 6,643,536</b>
<b>Liabilities</b>				
Accounts payable	\$ 165,678	\$ 1,858	\$ 4,365	\$ 171,901
Accrued expenditures	58,316	-	-	58,316
Due to other funds	876	-	-	876
Unearned revenue	17,173	-	-	17,173
<b>Total liabilities</b>	<b>242,043</b>	<b>1,858</b>	<b>4,365</b>	<b>248,266</b>
<b>Fund balances</b>				
Nonspendable	16,114	-	-	16,114
Restricted	1,704,977	440,141	-	2,145,118
Committed	683,483	452,877	1,549,279	2,685,639
Assigned	1,548,399	-	-	1,548,399
<b>Total fund balances</b>	<b>3,952,973</b>	<b>893,018</b>	<b>1,549,279</b>	<b>6,395,270</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,195,016</b>	<b>\$ 894,876</b>	<b>\$ 1,553,644</b>	<b>\$ 6,643,536</b>

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Revenues, Expenditures and  
Change in Fund Balances - Nonmajor Governmental Funds  
For the Year Ended September 30, 2018

	Special Revenue	Debt Service	Capital Improvement (402)	Totals
<b>Revenues</b>				
Taxes	\$ 1,496,731	\$ 599,245	\$ -	\$ 2,095,976
Intergovernmental:				
Federal	613,150	-	6,572	619,722
State	897,719	72,384	-	970,103
Local	49,490	98,777	138,675	286,942
Licenses and permits	31,594	-	-	31,594
Fines and forfeitures	13,239	-	-	13,239
Charges for services	2,098,430	574,875	-	2,673,305
Interest and rentals	6,025	2,289	-	8,314
Contributions from private sources	74,286	-	-	74,286
Other revenues/reimbursements	27,262	-	37,644	64,906
<b>Total revenues</b>	<b>5,307,926</b>	<b>1,347,570</b>	<b>182,891</b>	<b>6,838,387</b>
<b>Expenditures</b>				
Current:				
Judicial	947,695	-	-	947,695
General government	71,225	-	-	71,225
Public safety	3,150,405	-	-	3,150,405
Health and welfare	1,469,013	-	-	1,469,013
Community and economic development	1,448	-	-	1,448
Recreation and cultural	646,723	-	-	646,723
Debt service:				
Principal	-	1,044,000	-	1,044,000
Interest	-	266,266	-	266,266
Capital outlay	-	-	249,472	249,472
<b>Total expenditures</b>	<b>6,286,509</b>	<b>1,310,266</b>	<b>249,472</b>	<b>7,846,247</b>
Revenue over (under) expenditures	(978,583)	37,304	(66,581)	(1,007,860)
<b>Other financing sources (uses)</b>				
Transfers in	2,469,084	-	25,000	2,494,084
Transfers out	(526,730)	(20,000)	(238,430)	(785,160)
<b>Total other financing sources (uses)</b>	<b>1,942,354</b>	<b>(20,000)</b>	<b>(213,430)</b>	<b>1,708,924</b>
Net change in fund balances	963,771	17,304	(280,011)	701,064
Fund balances, beginning of year	2,989,202	875,714	1,829,290	5,694,206
<b>Fund balances, end of year</b>	<b>\$ 3,952,973</b>	<b>\$ 893,018</b>	<b>\$ 1,549,279</b>	<b>\$ 6,395,270</b>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet Nonmajor Special Revenue Funds September 30, 2018

	Emergency Services (2053)	Crime Victim Rights (2055)	Sheriff Road Patrol (207)	Law Enforcement (2072)
<b>Assets</b>				
Cash and cash equivalents	\$ 49,360	\$ 4,084	\$ 216,382	\$ 37,249
Accounts receivable	90	-	3,111	-
Loans receivable	-	-	-	-
Taxes receivable	-	-	310	-
Due from other governments	75,423	7,372	1,650	15,262
Due from other funds	-	-	46	1,551
Prepays	3,000	-	3,000	-
<b>Total assets</b>	<b>\$ 127,873</b>	<b>\$ 11,456</b>	<b>\$ 224,499</b>	<b>\$ 54,062</b>
<b>Liabilities</b>				
Accounts payable	\$ 41,335	\$ 65	\$ 32,096	\$ 874
Accrued expenditures	1,760	771	25,548	2,048
Due to other funds	-	-	296	580
Unearned revenue	17,173	-	-	-
<b>Total liabilities</b>	<b>60,268</b>	<b>836</b>	<b>57,940</b>	<b>3,502</b>
<b>Fund balances</b>				
Nonspendable	3,000	-	3,000	-
Restricted	19,969	-	1,586	50,560
Committed	-	-	-	-
Assigned	44,636	10,620	161,973	-
<b>Total fund balances</b>	<b>67,605</b>	<b>10,620</b>	<b>166,559</b>	<b>50,560</b>
<b>Total liabilities and fund balances</b>	<b>\$ 127,873</b>	<b>\$ 11,456</b>	<b>\$ 224,499</b>	<b>\$ 54,062</b>



Special Investigative Unit (2073)	Temporary Sheriff (2074)	County Parks (208)	Friend of the Court (215)	Community Development (2441-2443)	Building Safety and Permits (249)
\$ -	\$ 605,705	\$ 182,355	\$ 219,753	\$ 214,143	\$ 375,829
-	-	541	-	-	-
-	-	-	-	1,090,422	-
-	-	-	-	-	-
-	72,939	-	84,422	-	-
-	-	-	-	-	-
-	-	-	-	-	327
<u>\$ -</u>	<u>\$ 678,644</u>	<u>\$ 182,896</u>	<u>\$ 304,175</u>	<u>\$ 1,304,565</u>	<u>\$ 376,156</u>
\$ -	\$ 20,000	\$ 27,864	\$ 3,102	\$ -	\$ 4,753
-	-	5,971	10,599	-	2,216
-	-	-	-	-	-
-	-	-	-	-	-
-	20,000	33,835	13,701	-	6,969
-	-	-	-	-	327
-	-	-	-	1,090,422	368,860
-	658,644	-	-	-	-
-	-	149,061	290,474	214,143	-
-	658,644	149,061	290,474	1,304,565	369,187
<u>\$ -</u>	<u>\$ 678,644</u>	<u>\$ 182,896</u>	<u>\$ 304,175</u>	<u>\$ 1,304,565</u>	<u>\$ 376,156</u>

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet Nonmajor Special Revenue Funds September 30, 2018

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (2567)	Concealed Pistol Licensing (263)	Drug Law Enforcement (265)
<b>Assets</b>				
Cash and cash equivalents	\$ 86,755	\$ 21,201	\$ 45,913	\$ 54,989
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Taxes receivable	-	-	-	-
Due from other governments	-	94	-	4,526
Due from other funds	-	-	-	-
Prepays	-	9,787	-	-
<b>Total assets</b>	<b>\$ 86,755</b>	<b>\$ 31,082</b>	<b>\$ 45,913</b>	<b>\$ 59,515</b>
<b>Liabilities</b>				
Accounts payable	\$ 3,006	\$ -	\$ 10	\$ -
Accrued expenditures	-	-	445	1,441
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<b>3,006</b>	<b>-</b>	<b>455</b>	<b>1,441</b>
<b>Fund balances</b>				
Nonspendable	-	9,787	-	-
Restricted	83,749	-	45,458	33,235
Committed	-	-	-	24,839
Assigned	-	21,295	-	-
<b>Total fund balances</b>	<b>83,749</b>	<b>31,082</b>	<b>45,458</b>	<b>58,074</b>
<b>Total liabilities and fund balances</b>	<b>\$ 86,755</b>	<b>\$ 31,082</b>	<b>\$ 45,913</b>	<b>\$ 59,515</b>

County Law Library (269)	Social Services (290)	Child Care (292)	Soldiers' Relief (293)	Veterans' Trust (294)	Total
\$ 1,746	\$ 120,015	\$ 385,807	\$ 74,594	\$ -	\$ 2,695,880
-	-	-	-	-	3,742
-	-	-	-	-	1,090,422
-	-	-	31	-	341
-	-	125,232	-	-	386,920
-	-	-	-	-	1,597
-	-	-	-	-	16,114
<u>\$ 1,746</u>	<u>\$ 120,015</u>	<u>\$ 511,039</u>	<u>\$ 74,625</u>	<u>\$ -</u>	<u>\$ 4,195,016</u>
\$ 130	\$ -	\$ 30,541	\$ 1,902	\$ -	\$ 165,678
-	-	6,046	1,471	-	58,316
-	-	-	-	-	876
-	-	-	-	-	17,173
<u>130</u>	<u>-</u>	<u>36,587</u>	<u>3,373</u>	<u>-</u>	<u>242,043</u>
-	-	-	-	-	16,114
1,616	-	8,996	526	-	1,704,977
-	-	-	-	-	683,483
-	120,015	465,456	70,726	-	1,548,399
<u>1,616</u>	<u>120,015</u>	<u>474,452</u>	<u>71,252</u>	<u>-</u>	<u>3,952,973</u>
<u>\$ 1,746</u>	<u>\$ 120,015</u>	<u>\$ 511,039</u>	<u>\$ 74,625</u>	<u>\$ -</u>	<u>\$ 4,195,016</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, 2018

	Emergency Services (2053)	Crime Victim Rights (2055)	Sheriff Road Patrol (207)	Law Enforcement (2072)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 1,360,099	\$ -
Intergovernmental:				
Federal	107,290	-	1,095	13,304
State	216	42,742	29,172	92,853
Local	3,527	-	18,971	10,910
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	263	-
Charges for services	-	115	37,365	-
Interest and rentals	-	-	4,180	-
Contributions from private sources	21,119	400	1,200	-
Other revenue/reimbursements	-	-	5,293	-
<b>Total revenues</b>	<b>132,152</b>	<b>43,257</b>	<b>1,457,638</b>	<b>117,067</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
General government	-	-	-	-
Public safety	251,336	61,400	2,115,964	181,367
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
<b>Total expenditures</b>	<b>251,336</b>	<b>61,400</b>	<b>2,115,964</b>	<b>181,367</b>
Revenue over (under) expenditures	(119,184)	(18,143)	(658,326)	(64,300)
<b>Other financing sources (uses)</b>				
Transfers in	117,325	18,111	849,964	75,122
Transfers out	-	-	(156,730)	-
<b>Total other financing sources (uses)</b>	<b>117,325</b>	<b>18,111</b>	<b>693,234</b>	<b>75,122</b>
Net change in fund balances	(1,859)	(32)	34,908	10,822
Fund balances, beginning of year	69,464	10,652	131,651	39,738
Fund balances, end of year	\$ 67,605	\$ 10,620	\$ 166,559	\$ 50,560

Special Investigative Unit (2073)	Temporary Sheriff (2074)	County Parks (208)	Friend of the Court (215)	Community Development (2441-2443)	Building Safety and Permits (249)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	491,461	-	-
-	-	-	64,931	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	746,815	641,143	78,889	-	455,036
-	-	-	-	856	-
-	-	32,000	-	-	-
474	-	4,316	-	17,179	-
<u>474</u>	<u>746,815</u>	<u>677,459</u>	<u>635,281</u>	<u>18,035</u>	<u>455,036</u>
-	-	-	938,530	-	-
-	-	-	-	-	-
474	20,000	-	-	-	383,599
-	-	-	-	-	-
-	-	-	-	1,448	-
-	-	646,723	-	-	-
<u>474</u>	<u>20,000</u>	<u>646,723</u>	<u>938,530</u>	<u>1,448</u>	<u>383,599</u>
-	726,815	30,736	(303,249)	16,587	71,437
-	-	-	347,424	-	-
-	(320,000)	(50,000)	-	-	-
-	(320,000)	(50,000)	347,424	-	-
-	406,815	(19,264)	44,175	16,587	71,437
-	251,829	168,325	246,299	1,287,978	297,750
<u>\$ -</u>	<u>\$ 658,644</u>	<u>\$ 149,061</u>	<u>\$ 290,474</u>	<u>\$ 1,304,565</u>	<u>\$ 369,187</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, 2018

	Register of Deeds Automation (256)	Law Enforcement Technical Fund (2567)	Concealed Pistol Licensing (263)	Drug Law Enforcement (265)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	-	-	-	-
State	-	-	-	12,494
Local	-	584	-	13,596
Licenses and permits	-	-	31,594	-
Fines and forfeitures	-	1,700	-	6,776
Charges for services	57,035	13,680	-	-
Interest and rentals	321	-	-	-
Contributions from private sources	-	-	-	-
Other revenue/reimbursements	-	-	-	-
<b>Total revenues</b>	<b>57,356</b>	<b>15,964</b>	<b>31,594</b>	<b>32,866</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
General government	39,114	-	32,111	-
Public safety	-	20,765	-	115,500
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and cultural	-	-	-	-
<b>Total expenditures</b>	<b>39,114</b>	<b>20,765</b>	<b>32,111</b>	<b>115,500</b>
Revenue over (under) expenditures	18,242	(4,801)	(517)	(82,634)
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	97,608
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97,608</b>
Net change in fund balances	18,242	(4,801)	(517)	14,974
Fund balances, beginning of year	65,507	35,883	45,975	43,100
Fund balances, end of year	\$ 83,749	\$ 31,082	\$ 45,458	\$ 58,074

County Law Library (269)	Social Services (290)	Child Care (292)	Soldiers' Relief (293)	Veterans' Trust (294)	Total
\$ -	\$ -	\$ -	\$ 136,632	\$ -	\$ 1,496,731
-	-	-	-	-	613,150
-	-	650,557	4,754	-	897,719
-	-	-	1,902	-	49,490
-	-	-	-	-	31,594
4,500	-	-	-	-	13,239
-	30,027	38,325	-	-	2,098,430
-	668	-	-	-	6,025
-	-	19,417	150	-	74,286
-	-	-	-	-	27,262
<u>4,500</u>	<u>30,695</u>	<u>708,299</u>	<u>143,438</u>	<u>-</u>	<u>5,307,926</u>
9,165	-	-	-	-	947,695
-	-	-	-	-	71,225
-	-	-	-	-	3,150,405
-	62,461	1,209,142	192,440	4,970	1,469,013
-	-	-	-	-	1,448
-	-	-	-	-	646,723
<u>9,165</u>	<u>62,461</u>	<u>1,209,142</u>	<u>192,440</u>	<u>4,970</u>	<u>6,286,509</u>
<u>(4,665)</u>	<u>(31,766)</u>	<u>(500,843)</u>	<u>(49,002)</u>	<u>(4,970)</u>	<u>(978,583)</u>
6,281	20,382	889,832	47,035	-	2,469,084
-	-	-	-	-	(526,730)
<u>6,281</u>	<u>20,382</u>	<u>889,832</u>	<u>47,035</u>	<u>-</u>	<u>1,942,354</u>
1,616	(11,384)	388,989	(1,967)	(4,970)	963,771
-	131,399	85,463	73,219	4,970	2,989,202
<u>\$ 1,616</u>	<u>\$ 120,015</u>	<u>\$ 474,452</u>	<u>\$ 71,252</u>	<u>\$ -</u>	<u>\$ 3,952,973</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

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

Budget and Actual - Nonmajor Special Revenue Funds

For the Year Ended September 30, 2018

	Emergency Services (2053)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	68,110	107,290	39,180
State	-	216	216
Local	3,528	3,527	(1)
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	21,150	21,119	(31)
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>92,788</b>	<b>132,152</b>	<b>39,364</b>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	220,113	251,336	31,223
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>220,113</b>	<b>251,336</b>	<b>31,223</b>
Revenues over (under) expenditures	(127,325)	(119,184)	8,141
Other financing sources (uses)			
Transfers in	117,325	117,325	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>117,325</b>	<b>117,325</b>	<b>-</b>
Net change in fund balances	(10,000)	(1,859)	8,141
Fund balances, beginning of year	69,464	69,464	-
<b>Fund balances, end of year</b>	<b>\$ 59,464</b>	<b>\$ 67,605</b>	<b>\$ 8,141</b>



Crime Victim Rights (2055)			Sheriff Road Patrol (207)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ 1,365,665	\$ 1,360,099	\$ (5,566)
-	-	-	1,094	1,095	1
53,533	42,742	(10,791)	29,171	29,172	1
-	-	-	19,171	18,971	(200)
-	-	-	-	-	-
-	-	-	262	263	1
100	115	15	34,725	37,365	2,640
-	-	-	3,413	4,180	767
350	400	50	800	1,200	400
-	-	-	4,959	5,293	334
<u>53,983</u>	<u>43,257</u>	<u>(10,726)</u>	<u>1,459,260</u>	<u>1,457,638</u>	<u>(1,622)</u>
-	-	-	-	-	-
-	-	-	-	-	-
72,094	61,400	(10,694)	2,218,902	2,115,964	(102,938)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>72,094</u>	<u>61,400</u>	<u>(10,694)</u>	<u>2,218,902</u>	<u>2,115,964</u>	<u>(102,938)</u>
<u>(18,111)</u>	<u>(18,143)</u>	<u>(32)</u>	<u>(759,642)</u>	<u>(658,326)</u>	<u>101,316</u>
18,111	18,111	-	849,964	849,964	-
-	-	-	(156,730)	(156,730)	-
<u>18,111</u>	<u>18,111</u>	<u>-</u>	<u>693,234</u>	<u>693,234</u>	<u>-</u>
-	(32)	(32)	(66,408)	34,908	101,316
<u>10,652</u>	<u>10,652</u>	<u>-</u>	<u>131,651</u>	<u>131,651</u>	<u>-</u>
<u>\$ 10,652</u>	<u>\$ 10,620</u>	<u>\$ (32)</u>	<u>\$ 65,243</u>	<u>\$ 166,559</u>	<u>\$ 101,316</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, 2018

	Law Enforcement (2072)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	16,488	13,304	(3,184)
State	105,760	92,853	(12,907)
Local	10,909	10,910	1
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>133,157</b>	<b>117,067</b>	<b>(16,090)</b>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	208,279	181,367	(26,912)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>208,279</b>	<b>181,367</b>	<b>(26,912)</b>
Revenues over (under) expenditures	(75,122)	(64,300)	10,822
Other financing sources (uses)			
Transfers in	75,122	75,122	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>75,122</b>	<b>75,122</b>	<b>-</b>
Net change in fund balances	-	10,822	10,822
Fund balances, beginning of year	39,738	39,738	-
<b>Fund balances, end of year</b>	<b>\$ 39,738</b>	<b>\$ 50,560</b>	<b>\$ 10,822</b>



Special Investigative Unit (2073)			Temporary Sheriff (2074)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	806,637	746,815	(59,822)
-	-	-	-	-	-
475	474	(1)	-	-	-
<u>475</u>	<u>474</u>	<u>(1)</u>	<u>806,637</u>	<u>746,815</u>	<u>(59,822)</u>
-	-	-	-	-	-
475	474	(1)	486,637	20,000	(466,637)
-	-	-	-	-	-
-	-	-	-	-	-
<u>475</u>	<u>474</u>	<u>(1)</u>	<u>486,637</u>	<u>20,000</u>	<u>(466,637)</u>
-	-	-	320,000	726,815	406,815
-	-	-	-	-	-
-	-	-	(320,000)	(320,000)	-
-	-	-	(320,000)	(320,000)	-
-	-	-	-	406,815	406,815
-	-	-	251,829	251,829	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,829</u>	<u>\$ 658,644</u>	<u>\$ 406,815</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, 2018

	County Parks (208)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	647,929	641,143	(6,786)
Interest and rentals	-	-	-
Contributions from private sources	26,000	32,000	6,000
Other revenue/reimbursements	5,502	4,316	(1,186)
<b>Total revenues</b>	<b>679,431</b>	<b>677,459</b>	<b>(1,972)</b>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	704,221	646,723	(57,498)
<b>Total expenditures</b>	<b>704,221</b>	<b>646,723</b>	<b>(57,498)</b>
Revenues over (under) expenditures	(24,790)	30,736	55,526
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(50,000)	(50,000)	-
<b>Total other financing sources (uses)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>-</b>
Net change in fund balances	(74,790)	(19,264)	55,526
Fund balances, beginning of year	168,325	168,325	-
<b>Fund balances, end of year</b>	<b>\$ 93,535</b>	<b>\$ 149,061</b>	<b>\$ 55,526</b>

Friend of the Court (215)			Community Development (2441-2443)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
512,576	491,461	(21,115)	-	-	-
45,810	64,931	19,121	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
79,560	78,889	(671)	-	-	-
-	-	-	843	856	13
-	-	-	-	-	-
-	-	-	17,179	17,179	-
<u>637,946</u>	<u>635,281</u>	<u>(2,665)</u>	<u>18,022</u>	<u>18,035</u>	<u>13</u>
985,370	938,530	(46,840)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	18,720	1,448	(17,272)
-	-	-	-	-	-
<u>985,370</u>	<u>938,530</u>	<u>(46,840)</u>	<u>18,720</u>	<u>1,448</u>	<u>(17,272)</u>
<u>(347,424)</u>	<u>(303,249)</u>	<u>44,175</u>	<u>(698)</u>	<u>16,587</u>	<u>17,285</u>
347,424	347,424	-	-	-	-
-	-	-	-	-	-
<u>347,424</u>	<u>347,424</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	44,175	44,175	(698)	16,587	17,285
<u>246,299</u>	<u>246,299</u>	<u>-</u>	<u>1,287,978</u>	<u>1,287,978</u>	<u>-</u>
<u>\$ 246,299</u>	<u>\$ 290,474</u>	<u>\$ 44,175</u>	<u>\$ 1,287,280</u>	<u>\$ 1,304,565</u>	<u>\$ 17,285</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, 2018

	Building Safety and Permits (249)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	438,431	455,036	16,605
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>438,431</b>	<b>455,036</b>	<b>16,605</b>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	438,431	383,599	(54,832)
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>438,431</b>	<b>383,599</b>	<b>(54,832)</b>
Revenues over (under) expenditures	-	71,437	71,437
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	71,437	71,437
Fund balances, beginning of year	297,750	297,750	-
<b>Fund balances, end of year</b>	<b>\$ 297,750</b>	<b>\$ 369,187</b>	<b>\$ 71,437</b>

Register of Deeds Automation (256)			Law Enforcement Technical Fund (2567)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	490	584	94
-	-	-	-	-	-
-	-	-	1,700	1,700	-
55,000	57,035	2,035	13,473	13,680	207
120	321	201	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>55,120</u>	<u>57,356</u>	<u>2,236</u>	<u>15,663</u>	<u>15,964</u>	<u>301</u>
-	-	-	-	-	-
55,120	39,114	(16,006)	-	-	-
-	-	-	30,551	20,765	(9,786)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>55,120</u>	<u>39,114</u>	<u>(16,006)</u>	<u>30,551</u>	<u>20,765</u>	<u>(9,786)</u>
-	18,242	18,242	(14,888)	(4,801)	10,087
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	18,242	18,242	(14,888)	(4,801)	10,087
65,507	65,507	-	35,883	35,883	-
<u>\$ 65,507</u>	<u>\$ 83,749</u>	<u>\$ 18,242</u>	<u>\$ 20,995</u>	<u>\$ 31,082</u>	<u>\$ 10,087</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, 2018

	Concealed Pistol Licensing Fund (263)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	28,000	31,594	3,594
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>28,000</b>	<b>31,594</b>	<b>3,594</b>
Expenditures			
Current:			
Judicial	-	-	-
General government	58,480	32,111	(26,369)
Public safety	-	-	-
Health and welfare	-	-	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>58,480</b>	<b>32,111</b>	<b>(26,369)</b>
Revenues over (under) expenditures	(30,480)	(517)	29,963
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(30,480)	(517)	29,963
Fund balances, beginning of year	45,975	45,975	-
Fund balances, end of year	\$ 15,495	\$ 45,458	\$ 29,963



Drug Law Enforcement (265)			County Law Library (269)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
12,494	12,494	-	-	-	-
13,596	13,596	-	-	-	-
-	-	-	-	-	-
6,776	6,776	-	4,500	4,500	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>32,866</u>	<u>32,866</u>	<u>-</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>
-	-	-	10,781	9,165	(1,616)
-	-	-	-	-	-
130,945	115,500	(15,445)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>130,945</u>	<u>115,500</u>	<u>(15,445)</u>	<u>10,781</u>	<u>9,165</u>	<u>(1,616)</u>
<u>(98,079)</u>	<u>(82,634)</u>	<u>15,445</u>	<u>(6,281)</u>	<u>(4,665)</u>	<u>1,616</u>
97,608	97,608	-	6,281	6,281	-
-	-	-	-	-	-
<u>97,608</u>	<u>97,608</u>	<u>-</u>	<u>6,281</u>	<u>6,281</u>	<u>-</u>
(471)	14,974	15,445	-	1,616	1,616
43,100	43,100	-	-	-	-
<u>\$ 42,629</u>	<u>\$ 58,074</u>	<u>\$ 15,445</u>	<u>\$ -</u>	<u>\$ 1,616</u>	<u>\$ 1,616</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, 2018

	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	31,868	30,027	(1,841)
Interest and rentals	232	668	436
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>32,100</b>	<b>30,695</b>	<b>(1,405)</b>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	52,482	62,461	9,979
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>52,482</b>	<b>62,461</b>	<b>9,979</b>
Revenues over (under) expenditures	(20,382)	(31,766)	(11,384)
Other financing sources (uses)			
Transfers in	20,382	20,382	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>20,382</b>	<b>20,382</b>	<b>-</b>
Net change in fund balances	-	(11,384)	(11,384)
Fund balances, beginning of year	131,399	131,399	-
<b>Fund balances, end of year</b>	<b>\$ 131,399</b>	<b>\$ 120,015</b>	<b>\$ (11,384)</b>

Child Care (292)			Soldiers' Relief (293)		
Final Budget	Actual	Actual Over (Under) Final Budget	Final Budget	Actual	Actual Over (Under) Final Budget
\$ -	\$ -	\$ -	\$ 137,007	\$ 136,632	\$ (375)
-	-	-	-	-	-
913,692	650,557	(263,135)	4,753	4,754	1
-	-	-	1,901	1,902	1
-	-	-	-	-	-
-	-	-	-	-	-
80,300	38,325	(41,975)	-	-	-
-	-	-	-	-	-
36,069	19,417	(16,652)	150	150	-
-	-	-	-	-	-
<u>1,030,061</u>	<u>708,299</u>	<u>(321,762)</u>	<u>143,811</u>	<u>143,438</u>	<u>(373)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,923,563	1,209,142	(714,421)	199,245	192,440	(6,805)
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,923,563</u>	<u>1,209,142</u>	<u>(714,421)</u>	<u>199,245</u>	<u>192,440</u>	<u>(6,805)</u>
<u>(893,502)</u>	<u>(500,843)</u>	<u>392,659</u>	<u>(55,434)</u>	<u>(49,002)</u>	<u>6,432</u>
889,832	889,832	-	47,035	47,035	-
-	-	-	-	-	-
<u>889,832</u>	<u>889,832</u>	<u>-</u>	<u>47,035</u>	<u>47,035</u>	<u>-</u>
(3,670)	388,989	392,659	(8,399)	(1,967)	6,432
85,463	85,463	-	73,219	73,219	-
<u>\$ 81,793</u>	<u>\$ 474,452</u>	<u>\$ 392,659</u>	<u>\$ 64,820</u>	<u>\$ 71,252</u>	<u>\$ 6,432</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, 2018

	Veterans' Trust (294)		
	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Federal	-	-	-
State	-	-	-
Local	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest and rentals	-	-	-
Contributions from private sources	-	-	-
Other revenue/reimbursements	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expenditures			
Current:			
Judicial	-	-	-
General government	-	-	-
Public safety	-	-	-
Health and welfare	4,970	4,970	-
Community and economic development	-	-	-
Recreation and cultural	-	-	-
<b>Total expenditures</b>	<b>4,970</b>	<b>4,970</b>	<b>-</b>
Revenues over (under) expenditures	(4,970)	(4,970)	-
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(4,970)	(4,970)	-
Fund balances, beginning of year	4,970	4,970	-
Fund balances, end of year	\$ -	\$ -	\$ -

Total		
Final Budget	Actual	Actual Over (Under) Final Budget
\$ 1,502,672	\$ 1,496,731	\$ (5,941)
598,268	613,150	14,882
1,165,213	897,719	(267,494)
49,595	49,490	(105)
28,000	31,594	3,594
13,238	13,239	1
2,188,023	2,098,430	(89,593)
4,608	6,025	1,417
84,519	74,286	(10,233)
28,115	27,262	(853)
<u>5,662,251</u>	<u>5,307,926</u>	<u>(354,325)</u>
996,151	947,695	(48,456)
113,600	71,225	(42,375)
3,806,427	3,150,405	(656,022)
2,180,260	1,469,013	(711,247)
18,720	1,448	(17,272)
704,221	646,723	(57,498)
<u>7,819,379</u>	<u>6,286,509</u>	<u>(1,532,870)</u>
<u>(2,157,128)</u>	<u>(978,583)</u>	<u>1,178,545</u>
2,469,084	2,469,084	-
(526,730)	(526,730)	-
<u>1,942,354</u>	<u>1,942,354</u>	<u>-</u>
(214,774)	963,771	1,178,545
<u>2,989,202</u>	<u>2,989,202</u>	<u>-</u>
<u>\$ 2,774,428</u>	<u>\$ 3,952,973</u>	<u>\$ 1,178,545</u>

concluded

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Balance Sheet Nonmajor Debt Service Funds September 30, 2018

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (392)	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 405,627	\$ 176,374	\$ 265,625	\$ 847,626
Due from other governments	47,250	-	-	47,250
<b>Total assets</b>	<u>\$ 452,877</u>	<u>\$ 176,374</u>	<u>\$ 265,625</u>	<u>\$ 894,876</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 1,858	\$ -	\$ 1,858
<b>Fund balances</b>				
Restricted	-	174,516	265,625	440,141
Committed	452,877	-	-	452,877
<b>Total fund balances</b>	<u>452,877</u>	<u>174,516</u>	<u>265,625</u>	<u>893,018</u>
<b>Total liabilities and fund balances</b>	<u>\$ 452,877</u>	<u>\$ 176,374</u>	<u>\$ 265,625</u>	<u>\$ 894,876</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, 2018

	Jail Bonds (367)	Medical Care Facility Bonds (305)	Mental Health Building Bonds (392)	Total
<b>Revenues</b>				
Taxes	\$ -	\$ 599,245	\$ -	\$ 599,245
Intergovernmental:				
State	-	72,384	-	72,384
Local	-	-	98,777	98,777
Charges for services	574,875	-	-	574,875
Interest	-	2,289	-	2,289
<b>Total revenues</b>	<b>574,875</b>	<b>673,918</b>	<b>98,777</b>	<b>1,347,570</b>
<b>Expenditures</b>				
Debt service:				
Principal	425,000	560,000	59,000	1,044,000
Interest	163,909	75,580	26,777	266,266
<b>Total expenditures</b>	<b>588,909</b>	<b>635,580</b>	<b>85,777</b>	<b>1,310,266</b>
Revenues over (under) expenditures	(14,034)	38,338	13,000	37,304
<b>Other financing uses</b>				
Transfers out	-	-	(20,000)	(20,000)
<b>Net change in fund balances</b>	<b>(14,034)</b>	<b>38,338</b>	<b>(7,000)</b>	<b>17,304</b>
Fund balances, beginning of year	466,911	136,178	272,625	875,714
<b>Fund balances, end of year</b>	<b>\$ 452,877</b>	<b>\$ 174,516</b>	<b>\$ 265,625</b>	<b>\$ 893,018</b>

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## NONMAJOR ENTERPRISE FUNDS

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position

Nonmajor Enterprise Funds

September 30, 2018

	2016 Delinquent Tax (516162)	2018 Delinquent Tax (516182)	PRE Audit (530)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 77,381	\$ 15,501	\$ 156,741
Accounts receivable	-	-	-
Delinquent taxes receivable	696,728	15,190	-
Prepays	2,176	-	-
Total current assets	<u>776,285</u>	<u>30,691</u>	<u>156,741</u>
Noncurrent assets:			
Capital assets being depreciated, net	-	-	-
Total assets	<u>776,285</u>	<u>30,691</u>	<u>156,741</u>
<b>Liabilities (all current)</b>			
Accounts payable	(2,407)	15,191	102,106
Due to other funds	200,000	15,500	-
Total liabilities (all current)	<u>197,593</u>	<u>30,691</u>	<u>102,106</u>
<b>Net position</b>			
Investment in capital assets	-	-	-
Unrestricted	578,692	-	54,635
Total net position	<u>\$ 578,692</u>	<u>\$ -</u>	<u>\$ 54,635</u>



Building Authority (569)	Jail Commissary (595)	Total
\$ 171,798	\$ 303,725	\$ 725,146
-	38,401	38,401
-	-	711,918
-	305	2,481
<u>171,798</u>	<u>342,431</u>	<u>1,477,946</u>
-	7,335	7,335
<u>171,798</u>	<u>349,766</u>	<u>1,485,281</u>
1,672	4,378	120,940
-	-	215,500
<u>1,672</u>	<u>4,378</u>	<u>336,440</u>
-	7,335	7,335
<u>170,126</u>	<u>338,053</u>	<u>1,141,506</u>
<u>\$ 170,126</u>	<u>\$ 345,388</u>	<u>\$ 1,148,841</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, 2018

	2016 Delinquent Tax (516162)	2018 Delinquent Tax (516182)	PRE Audit (530)
Operating revenues			
Charges for services	\$ -	\$ -	\$ -
Rentals	-	-	-
Interest and penalties on delinquent taxes	210,257	-	-
Reimbursements	-	-	-
	<hr/>	<hr/>	<hr/>
Total operating revenues	210,257	-	-
Operating expense			
Supplies and operating expenses	4,351	-	681
Depreciation	-	-	-
	<hr/>	<hr/>	<hr/>
Total operating expense	4,351	-	681
Operating income (loss)	205,906	-	(681)
Nonoperating revenues			
Interest revenue	-	-	16,299
	<hr/>	<hr/>	<hr/>
Income before transfers	205,906	-	15,618
Transfers			
Transfers out	-	-	-
	<hr/>	<hr/>	<hr/>
Change in net position	205,906	-	15,618
Net position, beginning of year	372,786	-	39,017
	<hr/>	<hr/>	<hr/>
Net position, end of year	<u>\$ 578,692</u>	<u>\$ -</u>	<u>\$ 54,635</u>



Building Authority (569)	Jail Commissary (595)	Total
\$ -	\$ 248,670	\$ 248,670
106,104	-	106,104
-	-	210,257
-	8,625	8,625
<u>106,104</u>	<u>257,295</u>	<u>573,656</u>
71,000	81,363	157,395
-	2,192	2,192
<u>71,000</u>	<u>83,555</u>	<u>159,587</u>
35,104	173,740	414,069
-	1,959	18,258
<u>35,104</u>	<u>175,699</u>	<u>432,327</u>
<u>(75,000)</u>	<u>(60,000)</u>	<u>(135,000)</u>
(39,896)	115,699	297,327
<u>210,022</u>	<u>229,689</u>	<u>851,514</u>
<u>\$ 170,126</u>	<u>\$ 345,388</u>	<u>\$ 1,148,841</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2018

	2016 Delinquent Tax (516162)	2018 Delinquent Tax (516182)	PRE Audit (530)
Cash flows from operating activities			
Receipts from customers and users	\$ 1,725,293	\$ 15,191	84,595
Payments to vendors	(4,351)	(15,190)	-
Net cash provided by operating activities	<u>1,720,942</u>	<u>1</u>	<u>84,595</u>
Cash flows from noncapital financing activities			
Cash paid for interfund loan	(1,841,610)	15,500	-
Transfers out	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>(1,841,610)</u>	<u>15,500</u>	<u>-</u>
Cash flows from investing activities			
Interest received	-	-	16,299
Net change in cash and cash equivalents	(120,668)	15,501	100,894
Cash and cash equivalents, beginning of year	<u>198,049</u>	<u>-</u>	<u>55,847</u>
Cash and cash equivalents, end of year	<u>\$ 77,381</u>	<u>\$ 15,501</u>	<u>\$ 156,741</u>



Building Authority (569)	Jail Commissary (595)	Total
\$ 106,104 (70,977)	\$ 234,587 (80,296)	\$ 2,165,770 (170,814)
<u>35,127</u>	<u>154,291</u>	<u>1,994,956</u>
- (75,000)	- (60,000)	(1,826,110) (135,000)
<u>(75,000)</u>	<u>(60,000)</u>	<u>(1,961,110)</u>
-	1,959	18,258
(39,873)	96,250	52,104
<u>211,671</u>	<u>207,475</u>	<u>673,042</u>
<u>\$ 171,798</u>	<u>\$ 303,725</u>	<u>\$ 725,146</u>

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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2018

	2016 Delinquent Tax (516162)	2018 Delinquent Tax (516182)	PRE Audit (530)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 205,906	\$ -	\$ (681)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	-	-
Delinquent taxes receivable	1,518,590	(15,190)	-
Prepays	(2,176)	-	-
Accounts payable	(1,378)	15,191	85,276
Net cash provided by (used in) operating activities	<u>\$ 1,720,942</u>	<u>\$ 1</u>	<u>\$ 84,595</u>





Building Authority (569)	Jail Commissary (595)	Total
\$ 35,104	\$ 173,740	\$ 414,069
-	2,192	2,192
-	(22,403)	(22,403)
-	-	1,503,400
-	(305)	(2,481)
23	1,067	100,179
<u>\$ 35,127</u>	<u>\$ 154,291</u>	<u>\$ 1,994,956</u>

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## INTERNAL SERVICE FUNDS

COUNTY OF NEWAYGO, MICHIGAN

**Combining Statement of Net Position**  
 Internal Service Funds  
 September 30, 2018

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 128,725	\$ 56,504	\$ 77,637
Accounts receivable	-	-	-
Due from other funds	-	-	-
Prepays	-	-	9,815
Total current assets	<u>128,725</u>	<u>56,504</u>	<u>87,452</u>
Noncurrent assets –			
Capital assets being depreciated, net	<u>1,067</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u>129,792</u>	<u>56,504</u>	<u>87,452</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	13,188	1,500	-
Accrued expenses	4,415	3,072	-
Due to other funds	-	-	-
Current portion of long-term debt	-	-	-
Total current liabilities	<u>17,603</u>	<u>4,572</u>	<u>-</u>
Noncurrent liabilities –			
Long-term debt, net of current portion	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>17,603</u>	<u>4,572</u>	<u>-</u>
<b>Net position</b>			
Investment in capital assets	1,067	-	-
Unrestricted	<u>111,122</u>	<u>51,932</u>	<u>87,452</u>
<b>Total net position</b>	<u>\$ 112,189</u>	<u>\$ 51,932</u>	<u>\$ 87,452</u>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 109,987	\$ 136,899	\$ 84,570	\$ 31,374	\$ 129,604
-	-	91	-	5,600
-	-	-	-	-
8,570	-	1,200	1,122	-
<u>118,557</u>	<u>136,899</u>	<u>85,861</u>	<u>32,496</u>	<u>135,204</u>
<u>162,010</u>	<u>78,698</u>	<u>64,519</u>	<u>107,845</u>	<u>101,169</u>
<u>280,567</u>	<u>215,597</u>	<u>150,380</u>	<u>140,341</u>	<u>236,373</u>
35,874	527	601	6,222	138
1,706	-	224	190	-
-	34,194	-	-	-
-	-	-	-	-
<u>37,580</u>	<u>34,721</u>	<u>825</u>	<u>6,412</u>	<u>138</u>
<u>37,580</u>	<u>34,721</u>	<u>825</u>	<u>6,412</u>	<u>138</u>
162,010	78,698	64,519	107,845	101,169
<u>80,977</u>	<u>102,178</u>	<u>85,036</u>	<u>26,084</u>	<u>135,066</u>
<u>\$ 242,987</u>	<u>\$ 180,876</u>	<u>\$ 149,555</u>	<u>\$ 133,929</u>	<u>\$ 236,235</u>

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# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Net Position Internal Service Funds September 30, 2018

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 61,618	\$ 938,333	\$ 308,431
Accounts receivable	-	50,180	3,274
Due from other funds	-	-	-
Prepays	-	134,098	71,476
Total current assets	<u>61,618</u>	<u>1,122,611</u>	<u>383,181</u>
Noncurrent assets –			
Capital assets being depreciated, net	-	-	-
<b>Total assets</b>	<u>61,618</u>	<u>1,122,611</u>	<u>383,181</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	-	373,236	154,320
Accrued expenses	380	3,511	-
Due to other funds	-	-	-
Current portion of long-term debt	-	-	-
Total current liabilities	<u>380</u>	<u>376,747</u>	<u>154,320</u>
Noncurrent liabilities –			
Long-term debt, net of current portion	-	-	-
<b>Total liabilities</b>	<u>380</u>	<u>376,747</u>	<u>154,320</u>
<b>Net position</b>			
Investment in capital assets	-	-	-
Unrestricted	<u>61,238</u>	<u>745,864</u>	<u>228,861</u>
<b>Total net position</b>	<u>\$ 61,238</u>	<u>\$ 745,864</u>	<u>\$ 228,861</u>

Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)	Unused Sick and Vacation (730)	Total
\$ 149,678	\$ 1,069,269	\$ 766,342	\$ 594,993	\$ 4,643,964
-	-	-	-	59,145
-	-	-	23,884	23,884
59,100	-	-	-	285,381
<u>208,778</u>	<u>1,069,269</u>	<u>766,342</u>	<u>618,877</u>	<u>5,012,374</u>
-	-	-	-	515,308
<u>208,778</u>	<u>1,069,269</u>	<u>766,342</u>	<u>618,877</u>	<u>5,527,682</u>
-	-	-	331	585,937
1,712	-	-	20,899	36,109
-	-	-	-	34,194
-	-	-	62,882	62,882
<u>1,712</u>	<u>-</u>	<u>-</u>	<u>84,112</u>	<u>719,122</u>
-	-	-	404,691	404,691
<u>1,712</u>	<u>-</u>	<u>-</u>	<u>488,803</u>	<u>1,123,813</u>
-	-	-	-	515,308
<u>207,066</u>	<u>1,069,269</u>	<u>766,342</u>	<u>130,074</u>	<u>3,888,561</u>
<u>\$ 207,066</u>	<u>\$ 1,069,269</u>	<u>\$ 766,342</u>	<u>\$ 130,074</u>	<u>\$ 4,403,869</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, 2018

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Operating revenues			
Charges for services	\$ 646,756	\$ 216,695	\$ 2,434
Reimbursements	-	-	-
<b>Total operating revenues</b>	<b>646,756</b>	<b>216,695</b>	<b>2,434</b>
Operating expense			
Supplies and operating expenses	635,527	180,160	4,199
Depreciation	1,309	-	-
<b>Total operating expense</b>	<b>636,836</b>	<b>180,160</b>	<b>4,199</b>
<b>Operating income (loss)</b>	<b>9,920</b>	<b>36,535</b>	<b>(1,765)</b>
Nonoperating revenues			
Interest revenue	-	-	-
Gain on sale of capital assets	-	-	-
Insurance pool distribution	-	-	-
<b>Total nonoperating revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before transfers</b>	<b>9,920</b>	<b>36,535</b>	<b>(1,765)</b>
Transfers			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net position</b>	<b>9,920</b>	<b>36,535</b>	<b>(1,765)</b>
Net position, beginning of year	102,269	15,397	89,217
<b>Net position, end of year</b>	<b>\$ 112,189</b>	<b>\$ 51,932</b>	<b>\$ 87,452</b>



Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 304,709	\$ 185,307	\$ 87,302	\$ 64,748	\$ 39,750
-	-	-	-	-
304,709	185,307	87,302	64,748	39,750
332,156	165,455	56,525	58,890	17,838
28,848	12,796	20,550	14,706	128,205
361,004	178,251	77,075	73,596	146,043
(56,295)	7,056	10,227	(8,848)	(106,293)
-	4,795	-	-	-
-	-	-	-	32,375
-	-	-	-	-
-	4,795	-	-	32,375
(56,295)	11,851	10,227	(8,848)	(73,918)
128,439	-	-	-	-
-	-	(128,439)	-	-
128,439	-	(128,439)	-	-
72,144	11,851	(118,212)	(8,848)	(73,918)
170,843	169,025	267,767	142,777	310,153
\$ 242,987	\$ 180,876	\$ 149,555	\$ 133,929	\$ 236,235

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, 2018

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
Operating revenues			
Charges for services	\$ -	\$ -	\$ -
Reimbursements	21,845	3,322,535	281,506
<b>Total operating revenues</b>	<b>21,845</b>	<b>3,322,535</b>	<b>281,506</b>
Operating expense			
Supplies and operating expenses	48,794	3,526,740	490,726
Depreciation	-	-	-
<b>Total operating expense</b>	<b>48,794</b>	<b>3,526,740</b>	<b>490,726</b>
<b>Operating income (loss)</b>	<b>(26,949)</b>	<b>(204,205)</b>	<b>(209,220)</b>
Nonoperating revenues			
Interest revenue	-	-	-
Gain on sale of capital assets	-	-	-
Insurance pool distribution	-	-	113,089
<b>Total nonoperating revenues</b>	<b>-</b>	<b>-</b>	<b>113,089</b>
<b>Income (loss) before transfers</b>	<b>(26,949)</b>	<b>(204,205)</b>	<b>(96,131)</b>
Transfers			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net position</b>	<b>(26,949)</b>	<b>(204,205)</b>	<b>(96,131)</b>
Net position, beginning of year	88,187	950,069	324,992
<b>Net position, end of year</b>	<b>\$ 61,238</b>	<b>\$ 745,864</b>	<b>\$ 228,861</b>

Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)	Unused Sick and Vacation (730)	Total
\$ -	\$ -	\$ 1,840,889	\$ 187,983	\$ 3,576,573
171,531	872,923	-	86,011	4,756,351
171,531	872,923	1,840,889	273,994	8,332,924
352,595	8,800	2,062,536	312,418	8,253,359
-	-	-	-	206,414
352,595	8,800	2,062,536	312,418	8,459,773
(181,064)	864,123	(221,647)	(38,424)	(126,849)
-	-	-	-	4,795
-	-	-	-	32,375
78,824	-	-	-	191,913
78,824	-	-	-	229,083
(102,240)	864,123	(221,647)	(38,424)	102,234
-	-	-	-	128,439
-	-	-	-	(128,439)
-	-	-	-	-
(102,240)	864,123	(221,647)	(38,424)	102,234
309,306	205,146	987,989	168,498	4,301,635
\$ 207,066	\$ 1,069,269	\$ 766,342	\$ 130,074	\$ 4,403,869

concluded

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows  
 Internal Service Funds  
 For the Year Ended September 30, 2018

	Building Grounds Maintenance (631)	Campus Security (632)	Central Stores (633)
Cash flows from operating activities			
Receipts from interfund services	\$ 646,756	\$ 216,695	\$ 3,093
Payments to vendors	(308,346)	(11,997)	(4,974)
Payments for personnel services	(327,405)	(166,998)	-
	<u>11,005</u>	<u>37,700</u>	<u>(1,881)</u>
Net cash provided by (used in) operating activities			
Cash flows from noncapital financing activities			
Transfers in	-	-	-
Transfers out	-	-	-
Insurance pool distribution	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	-	-	-
Cash flows from capital and related financing activities			
Proceeds from sale of capital assets	-	-	-
Purchase of capital assets	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) capital and related financing activities	-	-	-
Cash flows from investing activities			
Interest received on investments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	11,005	37,700	(1,881)
Cash and cash equivalents, beginning of year	<u>117,720</u>	<u>18,804</u>	<u>79,518</u>
Cash and cash equivalents, end of year	<u>\$ 128,725</u>	<u>\$ 56,504</u>	<u>\$ 77,637</u>

Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ 304,709	\$ 48,477	\$ 87,211	\$ 64,748	\$ 39,150
(152,769)	(165,146)	(21,308)	(31,454)	(53,340)
(163,703)	-	(37,086)	(24,913)	-
(11,763)	(116,669)	28,817	8,381	(14,190)
128,439	-	-	-	-
-	-	(128,439)	-	-
-	-	-	-	-
128,439	-	(128,439)	-	-
-	-	-	-	60,756
(157,242)	(7,345)	(29,555)	-	(29,520)
(157,242)	(7,345)	(29,555)	-	31,236
-	4,795	-	-	-
(40,566)	(119,219)	(129,177)	8,381	17,046
150,553	256,118	213,747	22,993	112,558
\$ 109,987	\$ 136,899	\$ 84,570	\$ 31,374	\$ 129,604

continued...

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Cash Flows Internal Service Funds For the Year Ended September 30, 2018

	Unemployment (676)	Health and Wellness (677)	Liability Insurance (678)
Cash flows from operating activities			
Receipts from interfund services	\$ 21,845	\$ 3,265,866	\$ 278,232
Payments to vendors	(20,869)	(3,183,184)	(406,349)
Payments for personnel services	(27,914)	(132,786)	-
Net cash provided by (used in) operating activities	(26,938)	(50,104)	(128,117)
Cash flows from noncapital financing activities			
Transfers in	-	-	-
Transfers out	-	-	-
Insurance pool distribution	-	-	113,089
Net cash provided by (used in) noncapital financing activities	-	-	113,089
Cash flows from capital and related financing activities			
Proceeds from sale of capital assets	-	-	-
Purchase of capital assets	-	-	-
Net cash provided by (used in) capital and related financing activities	-	-	-
Cash flows from investing activities			
Interest received on investments	-	-	-
Net change in cash and cash equivalents	(26,938)	(50,104)	(15,028)
Cash and cash equivalents, beginning of year	88,556	988,437	323,459
Cash and cash equivalents, end of year	\$ 61,618	\$ 938,333	\$ 308,431

Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)	Unused Sick and Vacation (730)	Total
\$ 171,531	\$ 872,923	\$ 1,840,889	\$ 279,241	\$ 8,141,366
(298,489)	(8,800)	(2,063,391)	(86,670)	(6,817,086)
(113,140)	-	-	(179,001)	(1,172,946)
(240,098)	864,123	(222,502)	13,570	151,334
-	-	-	-	128,439
-	-	-	-	(128,439)
78,824	-	-	-	191,913
78,824	-	-	-	191,913
-	-	-	-	60,756
-	-	-	-	(223,662)
-	-	-	-	(162,906)
-	-	-	-	4,795
(161,274)	864,123	(222,502)	13,570	185,136
310,952	205,146	988,844	581,423	4,458,828
\$ 149,678	\$ 1,069,269	\$ 766,342	\$ 594,993	\$ 4,643,964

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds  
For the Year Ended September 30, 2018

	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)	\$ 9,920	\$ 36,535	\$ (1,765)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	1,309	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	-	659
Due from other funds	-	-	-
Prepays	-	-	(723)
Accounts payable	(368)	1,500	(52)
Accrued expenses	144	(335)	-
Due to other funds	-	-	-
Compensated absences	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 11,005</u>	<u>\$ 37,700</u>	<u>\$ (1,881)</u>





Information Services (636)	Drain Maintenance / Construction (638)	Duplicating (645)	Telephone System (656)	Motor Pool (661)
\$ (56,295)	\$ 7,056	\$ 10,227	\$ (8,848)	\$ (106,293)
28,848	12,796	20,550	14,706	128,205
-	-	(91)	-	(600)
-	-	-	-	-
(8,570)	-	(1,200)	(1,122)	-
24,917	309	(244)	4,349	(35,502)
(663)	-	(425)	(704)	-
-	(136,830)	-	-	-
-	-	-	-	-
<u>\$ (11,763)</u>	<u>\$ (116,669)</u>	<u>\$ 28,817</u>	<u>\$ 8,381</u>	<u>\$ (14,190)</u>

continued...

COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2018

	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)	\$ (26,949)	\$ (204,205)	\$ (209,220)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	(59,507)	(3,274)
Due from other funds	-	2,838	-
Prepays	-	(35,782)	10,258
Accounts payable	-	246,938	74,119
Accrued expenses	11	(386)	-
Due to other funds	-	-	-
Compensated absences	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (26,938)</u>	<u>\$ (50,104)</u>	<u>\$ (128,117)</u>



Workers' Compensation (696)	Retiree Health Insurance (7311)	Retirement (731)	Unused Sick and Vacation (730)	Total
\$ (181,064)	\$ 864,123	\$ (221,647)	\$ (38,424)	\$ (126,849)
-	-	-	-	206,414
-	-	-	-	(62,813)
-	-	-	5,247	8,085
(59,100)	-	-	-	(96,239)
-	-	(855)	(5,234)	309,877
66	-	-	17,573	15,281
-	-	-	-	(136,830)
-	-	-	34,408	34,408
<u>\$ (240,098)</u>	<u>\$ 864,123</u>	<u>\$ (222,502)</u>	<u>\$ 13,570</u>	<u>\$ 151,334</u>

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## AGENCY FUNDS

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Fiduciary Assets and Liabilities

Agency Funds  
September 30, 2018

	Central Payroll Processing (115)	Central Accounts Payable (125)	Trust and Agency (701)	Trust and Agency Outside Accounts (702)
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 3,328,789	\$ 54,258
Due from other governments	-	-	427	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,329,216</b>	<b>\$ 54,258</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 206,943	\$ 54,258
Due to other governments	-	-	3,122,273	-
Undistributed receipts	-	-	-	-
<b>Total liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,329,216</b>	<b>\$ 54,258</b>



Library Penal (721)	Total
\$ 120,081	\$ 3,503,128
-	427
<u>\$ 120,081</u>	<u>\$ 3,503,555</u>
\$ -	\$ 261,201
-	3,122,273
120,081	120,081
<u>\$ 120,081</u>	<u>\$ 3,503,555</u>

# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Funds

For the Year Ended September 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>Central Payroll Processing</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 23,308,591	\$ 23,308,591	\$ -
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 645,265	\$ 645,265	\$ -
Due to other governments	-	2,530,587	2,530,587	-
Undistributed receipts	-	2,748,666	2,748,666	-
<b>Total liabilities</b>	<b>\$ -</b>	<b>\$ 5,924,518</b>	<b>\$ 5,924,518</b>	<b>\$ -</b>
<b><u>Central Accounts Payable</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 21,121,146	\$ 21,121,146	\$ -
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 21,121,146	\$ 21,121,146	\$ -
<b><u>Trust and Agency</u></b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 3,956,073	\$ 10,464,603	\$ 11,091,887	\$ 3,328,789
Due from other governments	429	-	2	427
<b>Total assets</b>	<b>\$ 3,956,502</b>	<b>\$ 10,464,603</b>	<b>\$ 11,091,889</b>	<b>\$ 3,329,216</b>
<b>Liabilities</b>				
Accounts payable	\$ 205,527	\$ 640,513	\$ 639,097	\$ 206,943
Due to other governments	3,750,975	20,023,349	20,652,051	3,122,273
<b>Total liabilities</b>	<b>\$ 3,956,502</b>	<b>\$ 20,663,862</b>	<b>\$ 21,291,148</b>	<b>\$ 3,329,216</b>

continued...



# COUNTY OF NEWAYGO, MICHIGAN

## Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Funds

For the Year Ended September 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Trust and Agency Outside Accounts</u>				
Assets				
Cash and cash equivalents	\$ 43,265	\$ 28,025	\$ 17,032	\$ 54,258
Liabilities				
Accounts payable	\$ 43,265	\$ 28,025	\$ 17,032	\$ 54,258
<u>Library Penal Fine</u>				
Assets				
Cash and cash equivalents	\$ 105,517	\$ 181,054	\$ 166,490	\$ 120,081
Liabilities				
Undistributed receipts	\$ 105,517	\$ 173,874	\$ 159,310	\$ 120,081
<u>Total All Agency Funds</u>				
Assets				
Cash and cash equivalents	\$ 4,104,855	\$ 55,103,419	\$ 55,705,146	\$ 3,503,128
Due from other governments	429	-	2	427
Total assets	\$ 4,105,284	\$ 55,103,419	\$ 55,705,148	\$ 3,503,555
Liabilities				
Accounts payable	\$ 248,792	\$ 22,434,949	\$ 22,422,540	\$ 261,201
Due to other governments	3,750,975	22,553,936	23,182,638	3,122,273
Undistributed receipts	105,517	2,922,540	2,907,976	120,081
Total liabilities	\$ 4,105,284	\$ 47,911,425	\$ 48,513,154	\$ 3,503,555

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## COMPONENT UNITS

COUNTY OF NEWAYGO, MICHIGAN

Combining Balance Sheet

Drain Commissioner Component Unit

September 30, 2018

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
<b>Assets</b>				
Cash and cash equivalents	\$ 1,362,556	\$ 46,430	\$ 90,411	\$ 38,596
Accounts receivable	12,937	-	-	-
Special assessments receivable	1,535,433	-	-	45,000
Due from other funds	-	253,570	-	-
<b>Total assets</b>	<b>\$ 2,910,926</b>	<b>\$ 300,000</b>	<b>\$ 90,411</b>	<b>\$ 83,596</b>
<b>Liabilities</b>				
Accounts payable	\$ 231,245	\$ -	\$ 135	\$ -
Due to other funds	253,570	-	-	-
Advance from primary government	15,077	300,000	-	-
<b>Total liabilities</b>	<b>499,892</b>	<b>300,000</b>	<b>135</b>	<b>-</b>
<b>Deferred inflows of resources</b>				
Unavailable revenues - special assessments	1,535,433	-	-	45,000
<b>Fund balances</b>				
Restricted for drain maintenance and construction	875,601	-	90,276	38,596
Restricted for debt service	-	-	-	-
<b>Total fund balances</b>	<b>875,601</b>	<b>-</b>	<b>90,276</b>	<b>38,596</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,910,926</b>	<b>\$ 300,000</b>	<b>\$ 90,411</b>	<b>\$ 83,596</b>

Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Drain Debt Service (851)	Total
\$ 8,140	\$ 17,763	\$ 35,259	\$ 16,006	\$ 28,375	\$ 1,643,536
-	-	-	-	-	12,937
30,000	82,800	33,000	10,800	-	1,737,033
-	-	-	-	-	253,570
<u>\$ 38,140</u>	<u>\$ 100,563</u>	<u>\$ 68,259</u>	<u>\$ 26,806</u>	<u>\$ 28,375</u>	<u>\$ 3,647,076</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 231,380
-	-	-	-	-	253,570
-	-	-	-	-	315,077
-	-	-	-	-	800,027
30,000	82,800	33,000	10,800	-	1,737,033
8,140	17,763	35,259	16,006	-	1,081,641
-	-	-	-	28,375	28,375
8,140	17,763	35,259	16,006	28,375	1,110,016
<u>\$ 38,140</u>	<u>\$ 100,563</u>	<u>\$ 68,259</u>	<u>\$ 26,806</u>	<u>\$ 28,375</u>	<u>\$ 3,647,076</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, 2018

Fund balances - total governmental funds \$ 1,110,016

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	684,531
Capital assets being depreciated, net	30,765

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	1,737,033
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Certain liabilities such as bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.

Long-term debt	(1,090,000)
Premium on long-term debt	(22,817)

Net position of governmental activities	<u>\$ 2,449,528</u>
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COUNTY OF NEWAYGO, MICHIGAN

Combining Statement of Revenues, Expenditures and Change in Fund Balances  
 Drain Commissioner Component Unit  
 For the Year Ended September 30, 2018

	Drain (801xxx)	Drain Revolving (802xxx)	Brooks Lake Board (845)	Hess Lake Improvement (846)
Revenues				
Special assessments	\$ 813,629	\$ -	\$ 15,000	\$ 45,000
Intergovernmental - state	12,937	-	-	-
<b>Total revenues</b>	<b>826,566</b>	<b>-</b>	<b>15,000</b>	<b>45,000</b>
Expenditures				
Current - public works	721,695	-	(10,785)	59,487
Debt service:				
Principal	300,000	-	-	-
Interest expense	4,253	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>1,025,948</b>	<b>-</b>	<b>(10,785)</b>	<b>59,487</b>
Revenues over (under) expenditures	(199,382)	-	25,785	(14,487)
Other financing sources				
Issuance of long-term debt	1,005,077	-	-	-
Premium on issuance of long-term debt	23,302	-	-	-
<b>Total other financing sources</b>	<b>1,028,379</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	828,997	-	25,785	(14,487)
Fund balances, beginning of year	46,604	-	64,491	53,083
<b>Fund balances, end of year</b>	<b>\$ 875,601</b>	<b>\$ -</b>	<b>\$ 90,276</b>	<b>\$ 38,596</b>



Diamond Lake Board (847)	Pickeral and Kimball Lakes Board (848)	Ryerson Lake Board (849)	Engel Wright Lake Board (850)	Drain Debt Service (851)	Total
\$ 26,400	\$ 73,800	\$ 30,000	\$ 12,500	\$ -	\$ 1,016,329
-	-	-	-	-	12,937
26,400	73,800	30,000	12,500	-	1,029,266
25,356	63,241	22,920	13,394	-	895,308
-	-	-	-	-	300,000
-	-	-	-	-	4,253
-	-	-	-	56,548	56,548
25,356	63,241	22,920	13,394	56,548	1,256,109
1,044	10,559	7,080	(894)	(56,548)	(226,843)
-	-	-	-	84,923	1,090,000
-	-	-	-	-	23,302
-	-	-	-	84,923	1,113,302
1,044	10,559	7,080	(894)	28,375	886,459
7,096	7,204	28,179	16,900	-	223,557
\$ 8,140	\$ 17,763	\$ 35,259	\$ 16,006	\$ 28,375	\$ 1,110,016

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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, 2018

Net change in fund balances - total governmental funds	\$ 886,459
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Amounts reported for the *component unit* in the statement of activities are different because:

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

Capital assets purchased / constructed	456,981
Depreciation expense	(11,305)

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	1,035,310
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Debt proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on long-term debt	300,000
Amortization of premium on long-term debt	485
Issuance of long-term debt	(1,090,000)
Premium on issuance of long-term debt	(23,302)

Change in net position of governmental activities	<u>\$ 1,554,628</u>
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# COUNTY OF NEWAYGO, MICHIGAN

## Balance Sheet / Statement of Net Position

Brownfield Redevelopment Authority Component Unit

September 30, 2018

	Governmental Fund (243)	Adjustments	Statement of Activities
<b>Assets</b>			
Cash and cash equivalents	\$ 109,222	\$ -	\$ 109,222
<b>Liabilities</b>			
Accounts payable	\$ 21,548	-	21,548
<b>Fund balance</b>			
Unassigned	87,674	(87,674)	
<b>Total liabilities and fund balances</b>	\$ 109,222		
<b>Net position</b>			
Unrestricted		\$ 87,674	\$ 87,674

## COUNTY OF NEWAYGO, MICHIGAN

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

#### Statement of Activities

#### Brownfield Redevelopment Authority Component Unit

For the Year Ended September 30, 2018

	Governmental Fund (243)	Adjustments	Statement of Net Position
Revenues			
Property taxes	\$ 38,618	\$ -	\$ 38,618
Intergovernmental - state	428	-	428
Total revenues	39,046	-	39,046
Expenditures / expenses			
Community and economic development	40,204	-	40,204
Net change in fund balance / net position	(1,158)	-	(1,158)
Fund balance/net position, beginning of year	88,832	-	88,832
Fund balance/net position, end of year	\$ 87,674	\$ -	\$ 87,674