

**COUNTY OF OTTAWA
GRAND HAVEN, MICHIGAN**



**2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2020
Prepared by Fiscal Services Department**

COUNTY OF OTTAWA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2020

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INTRODUCTORY



Ottawa County[®]

Administrator's Office

Alan G. Vanderberg
County Administrator

John Shay
Deputy County Administrator

March 31, 2021

Members of the Board of Commissioners and citizens of the County of Ottawa:

Local governments are required to complete a set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the Comprehensive Annual Financial Report for the County of Ottawa, Michigan ("the County") for the fiscal year ended September 30, 2020.

Management of the County has established a comprehensive internal control framework to provide a reasonable basis for this report. Because the cost of internal controls should not outweigh their benefit, the internal control framework of the County is designed to provide reasonable, rather than absolute, assurance the financial statements are free from any material misstatement. Management assumes full responsibility for the completeness and reliability of the information presented in this report and we believe it to be complete and reliable in all material respects.

Vredeveld Haefner LLC, an independent firm of certified public accountants, has audited the financial statements contained in this report and has found them to present fairly, in all material respects, the financial position of the County. Vredeveld Haefner LLC also performed a single audit in conformity with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards, schedule of findings and questioned costs, and independent auditor's report, can be found at the end of this report.

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

PROFILE OF THE COUNTY

The County was established in 1837 and encompasses approximately 565 square miles of the southwestern portion of Michigan's Lower Peninsula, including over 30 miles of Lake Michigan shoreline. The six cities, one village, and seventeen townships of the County are home to approximately 290,000 people, making the County the eighth most populous county in the state. Since 2010, the County has been the fastest growing county in the state and has been named Michigan's Healthiest County six times. The County is governed by an 11-member elected Board of Commissioners ("Board") and provides a wide range of services to residents, including law enforcement, administration of justice, community development and enrichment, health and human services, and recreation. Thanks to the sound management by the Board, elected officials, and appointed county administration, the County continues to maintain a healthy financial status, including high credit ratings, low interest rates, and the fifth lowest general property tax rate in the state.

Although considered legally separate entities, the County works closely with its seven component units – Road Commission, Central Dispatch Authority, Public Utilities System, Land Bank Authority, Office of the Water Resources Commissioner, Brownfield Redevelopment Authority, and Economic Development Corporation; as well as its two blended component units – Building Authority and Insurance Authority to provide the citizens of the County additional services.

LOCAL ECONOMY

The Ottawa economy continues to rebound strongly from the Great Recession with growth in manufacturing, commercial and residential investment. Since 2010, residential building permits have increased by 188%. For 2020 the County taxable values increased 5.02%, marking eight continuous years of growth. This growth continues to be limited, however, by state law as both the Headlee Amendment and Proposal A significantly limit inflationary increases.

Sustained economic growth by the County, including Gross Domestic Product and Per Capita Income, has helped attract significant business development and expansion to the area. GDP is at 4.4% and trending up as is Per Capita Income. The unemployment rate for Ottawa County is 3.7% which is the 3rd lowest in the state. This is a large drop from 12.5% during the 2009 recession.

MAJOR INITIATIVES

Although the World Health Organization on January 30, 2020 declared a global health emergency for the COVID-19 virus the County completed a number of initiatives. Some in response to the pandemic and others designed to enhance quality of life for both residents and visitors alike, increase the efficiency and effectiveness of county government, and foster and support a culture of innovation and continuous improvement. These initiatives continue to make the County the location of choice to work, play, and live.

The County negotiated an Integrated Project Delivery (IPD) agreement with Granger Construction and DLZ Architects to design and construct the new Family Justice Center, which is a courthouse that will house Juvenile Court and Friend of the Court in the same building on the Fillmore Street Complex. This newer building method, in which the contractor, architect and key subcontractors work together from day one on the design and construction of the building, will result in a new building that will meet the County's needs for many years at less cost than traditional building-delivery methods. This project could likely represent the first "true" IPD in the State of Michigan.

Ottawa County is undoubtedly a premiere location for outdoor recreation. The County continued to improve and expand its non-motorized recreational trail network. After successfully securing funding from the Meijer Foundation in spring 2020, the 4.2-mile Spoonville Trail project pedaled its way toward the finish line. This brand-new paved pathway safely guides cyclists and walkers over the MDOT M-231 Grand River Bridge crossing, hugs the picturesque Terre Verde golf course, and ends in Nunica where it connects to the North Bank Trail. A cornerstone north-south connector in the County's trail network, Spoonville Trail enhances recreational opportunities for all.

Electronic recording proved a critical element in allowing offices to function at full capacity during the height of the COVID-19 shutdown. Online transactions were a necessity for residents, saving time for customers as well as allowing access at a day and time convenient to them. In Fiscal Year 2020, there were over 10,000 more transactions than in 2019. By saving staff time required for over-the-counter transactions, online services provide an additional cost-avoidance benefit.

The County continued its goal of updating County facilities, including the renovation of the Ottawa County Health Administration and Environmental Health Office with furniture and lighting in an open-space concept. In addition, COVID-19 thrust Facilities into the spotlight by stepping up efforts to ensure all County facilities were cleaned and sanitized on a regular basis. Plexiglass barriers were installed to provide additional protection to employees and, with the considerable assistance from IT, equipment was updated to allow most meetings to be conducted virtually in an effort to control the spread of the coronavirus disease.

PLANNING FOR THE FUTURE

Issues and initiatives that will occupy our organizational capacity over the next year include: creation of a formal Groundwater Board, utilization of self-service kiosk at the Clerk's Office, continued progress on the Justice Center, immigration population impacts, implementation of DEI strategies and 2020 census results and Board of Commissioners Redistricting just to name a few.

The Board meets annually to review the County's strategic plan and tailor it to the goals of the Board, which include maintaining and improving the strong financial position of the County. For the 2021 fiscal year and beyond, the Board identified several objectives to meet these goals, including maintaining and improving current processes and implementing new strategies to retain a balanced budget. These processes and strategies include maintaining the health of the County financing tools and the Insurance Authority, and continuing to develop the Capital Improvement Plan by identifying projects needed in the future and the funding to pay for them. Together, the Board and the County continue to evaluate and adopt

strategies to contain the cost of health benefits and address the outstanding pension and retiree liabilities. With the vision and action of the Board, the County continues to look very positively toward the future.

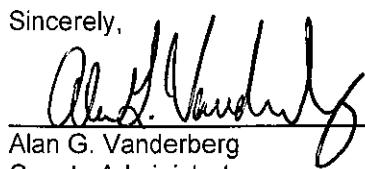
AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for the Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report (Annual Report) for the fiscal year ended September 30, 2019. In order to be awarded a Certificate of Achievement, the County published an Annual Report whose contents conform to program standards. This Annual Report satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year and the County has received this prestigious award for thirty-four consecutive years. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

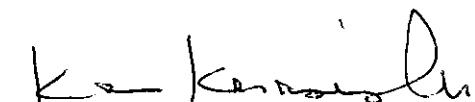
ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Fiscal Services Department. We would like to express our appreciation to all members of the department who assisted and contributed, as well as the Board of Commissioners for their continued leadership and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Sincerely,



Alan G. Vanderberg
County Administrator



Karen Karasinski, CPA
Fiscal Services Director



Government Finance Officers Association

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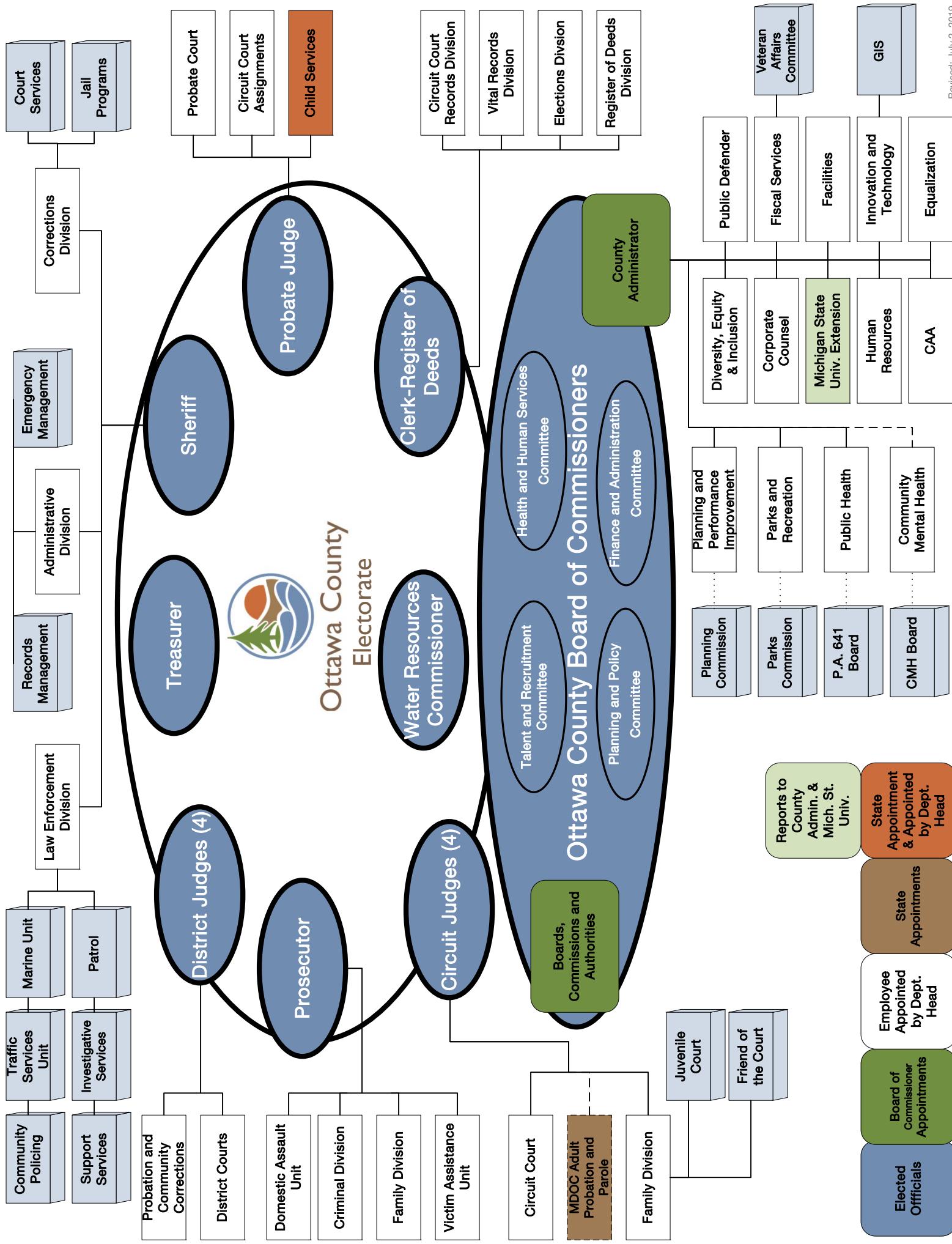
**County of Ottawa
Michigan**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Monell

Executive Director/CEO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

of

**COUNTY OF OTTAWA
GRAND HAVEN, MICHIGAN**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

BOARD OF COMMISSIONERS

2020

ROGER BERGMAN, CHAIRMAN
MATTHEW FENSKE, VICE-CHAIRMAN

JOSEPH BAUMANN
ALLEN DANNENBERG
GREGORY DEJONG
FRANCISCO GARCIA
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KYLE TERPSTRA
DOUG ZYLSTRA

ADMINISTRATOR
ALAN G. VANDERBERG

FISCAL SERVICES DIRECTOR
KAREN KARASINSKI, CPA

INDEPENDENT AUDITORS' REPORT



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INDEPENDENT AUDITORS' REPORT

March 31, 2021

County of Ottawa
Board of County Commissioners
West Olive, 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 Ottawa, Michigan, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, 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 Ottawa County, Michigan, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the Required Supplementary Information section 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 Ottawa's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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 nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2021, on our consideration of the County of Ottawa's control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Ottawa's internal control over financial reporting and compliance.

Bradford Haefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the County of Ottawa, we offer readers of the County's financial statements this narrative discussion and analysis of the financial activities of the County for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of the introductory section.

FINANCIAL HIGHLIGHTS

- The County's net position, which is the excess of assets and deferred outflows over liabilities and deferred inflows, at the close of the fiscal year was \$180,828,132, of which \$27,322,732 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. Total net position increased by \$5,707,949 as a result of operations of the current fiscal year.
- At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$60,650,310, an increase of \$5,455,814 as a result of operations of the current fiscal year. Of the ending fund balance total, \$40,387,704 (65%) is Nonspendable or subject to the underlying restrictions, commitments, or assignments of the particular general, special revenue, debt service or capital project funds, while \$20,262,606 (33%) is unassigned and available for spending at the County's discretion.
- At the end of the current fiscal year, total fund balance for the General Fund was \$43,015,427, an increase of \$2,551,103 from current operations.
- The County's total bonded debt decreased by \$2,345,000 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as introduction to the County's basic financial statements, which are comprised of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

The report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

Government-wide financial statements are designed to provide readers a broad overview of the County's finances in a manner similar to a private-sector business. These two statements distinguish between the governmental activities of the County, which include legislative, judicial, general government, public safety, public works, health and welfare, community and economic development, and culture and recreation, that are principally supported by taxes and intergovernmental revenues and the business-type activities of the County, which include the administration of the delinquent property tax collection system, that are intended to recover all, or a significant portion, of their costs through user fees and charges.

Included in these statements are the primary government, which includes the County and two blended component units (Ottawa County Building Authority and the Ottawa County, Michigan Insurance Authority) which are legally separate entities but function as departments of the County, as well as seven legally separate entities, known as discretely presented component units, which are:

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Ottawa County Road Commission
- Ottawa County Central Dispatch Authority ("OCCDA")
- Ottawa County Public Utilities System ("the System")
- Ottawa County Land Bank Authority
- Ottawa County Office of the Water Resources Commissioner ("WR Commissioner")
- Ottawa County Brownfield Redevelopment Authority ("BRA")
- Ottawa County Economic Development Corporation ("EDC")

The statement of net position presents information of all of the County's assets and liabilities, with the difference between the two 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 of how the government's net position changed during the current period. All changes in net position are reported as soon as the underlying event causing the change occurs, regardless of the timing of related cash flows, which means some revenues and expenses are reported in this statement for items that will only result in cash flows in future fiscal periods.

Fund financial statements

A fund is a group of related accounts used to track resources separated for a specific activity or purpose. Like other state and local governments, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are similar to governmental activities in the government-wide financial statements, but the 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 period. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide financial statements which allows for comparison between governmental funds and governmental activities so readers may better understand the long-term impact of the government's near-term financing decisions.

The County has 21 governmental funds, three of them (General, Community Mental Health, and Substance Use Disorder) are considered major funds and are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The other 18 funds are considered nonmajor funds and are combined into a single, aggregated presentation. Information for each of the nonmajor funds is provided in both individual and combined statements later in the report. There are 4 funds that do not meet the requirements of special revenue funds according to GASB Statement No.54 and are consolidated into the General Fund. These funds include Solid Waste Clean-Up, Infrastructure, Stabilization and DB/DC.

The County adopts an annual appropriated budget for its general, special revenue, debt service and capital projects funds. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets.

Proprietary funds

The County has two types of proprietary funds: enterprise and internal service funds. The County has one enterprise fund for the Delinquent Tax Revolving Fund, which is presented as business-type activities in the government-wide financial statements. The County has eleven internal service funds

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

to account for, and allocate, costs internally. The following activities are accounted for in the internal service funds: innovation technology, duplicating, telecommunications, equipment pool, insurance programs, employee benefits, DB/DC conversion and compensated absences. Because these services predominantly benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government and because the resources are not available to support the County's programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is similar to 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.

Required supplementary information

The required supplementary information includes management's discussion and analysis, major fund budget to actual schedules, and multi-year trend information on the funding progress of the County's defined benefit pension plan and other post-employment benefits.

Supplementary information

In addition to the basic financial statements, accompanying notes, and required supplementary information, this report also contains supplementary combining statements and schedules, statistical information and a single audit section.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Over time, net position may serve as a useful indicator of a government's financial health. For the County of Ottawa, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$180,343,667 at the close of the fiscal year. 15.14% of the County's net position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

Net investment in capital assets, which represent 73.45% of total net position, include net book value of land, buildings, and equipment less any outstanding debt used to acquire those assets, and are not available for future spending. Although the County's investment in capital assets is reported net of related debt, the resources needed to repay the debt should be provided from other sources since the assets cannot be readily used to liquidate these liabilities. Net investment in capital assets increased \$3,447,771 resulting from principal payment on debt and the Parks Department purchase of Ottawa Sands property.

In addition to the net investment in capital assets, there are other restrictions on the use of net position, primarily due to legal guidelines. The restricted net position total was \$20,576,223. This represents resources that are subject to external restrictions on how they may be used.

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

The County's net position for the current fiscal year, with a comparison to the previous fiscal year, is as follows:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 145,055,670	\$ 128,118,613	\$ 22,157,240	\$ 20,832,260	\$ 167,212,910	\$ 148,950,873
Capital assets	144,189,719	143,467,179	-	-	144,189,719	143,467,179
Total assets	289,245,389	271,585,792	22,157,240	20,832,260	311,402,629	292,418,052
Deferred outflows of resources	15,708,992	28,653,616	-	-	15,708,992	28,653,616
Other liabilities	38,411,998	29,701,145	2,897	(6,001)	38,414,895	29,695,144
Long-term liabilities outstanding	104,155,426	111,173,418	-	-	104,155,426	111,173,418
Total liabilities	142,567,424	140,874,563	2,897	(6,001)	142,570,321	140,868,562
Deferred inflows of resources	4,197,633	5,082,921	-	-	4,197,633	5,082,921
Net position						
Net investment in capital assets	132,456,534	129,008,763	-	-	132,456,534	129,008,763
Restricted	18,435,096	16,262,305	2,141,127	1,924,772	20,576,223	18,187,077
Unrestricted	7,297,694	9,010,856	20,013,216	18,913,489	27,310,910	27,924,345
Total net position	\$ 158,189,324	\$ 154,281,924	\$ 22,154,343	\$ 20,838,261	\$ 180,343,667	\$ 175,120,185

Statement of Activities

Total net position increased \$5,223,484 during 2020.

Specific activity affecting the primary government's net position's increase of \$5,223,484 during the current year, is as follows:

Revenues

Revenues increased \$4,582,858 (2.6%). Total increase is due in large part to the \$3,016,849 increase in property taxes and the \$2,438,786 increase in investment earnings. The increase in property taxes was a result of development and increased value of existing property. The increase in investment earnings is due to income generated by the Ottawa County Insurance Authority's investments.

Expenses

Expenses increased \$8,567,526 (5.0%) with approximately 75% of the increase from General Government (\$2.9m), Health and Welfare (\$2.5m), and Culture and Recreation (\$1m). The increase in General Government is the additional defined benefit contribution in the amount of \$3 million the Board of Commissioner's committed with the .3 mil tax increase. The increase in Health and Welfare is the direct result of increased Medicaid funding to Community Mental Health and Public Health increased cost due related to COVID -19 emergency response. The Recreation and Culture increase is on-going operational increases, increased administrative overhead, and depreciation of assets. The remaining 25% increase in expenses is the result on adding positions in the Sheriff's Office, public safety hazard pay, a full-year of Office of Public Defender operations, and taxes passed through to the Road Commission and Ottawa Dispatch Authority increasing along with corresponding property values.

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

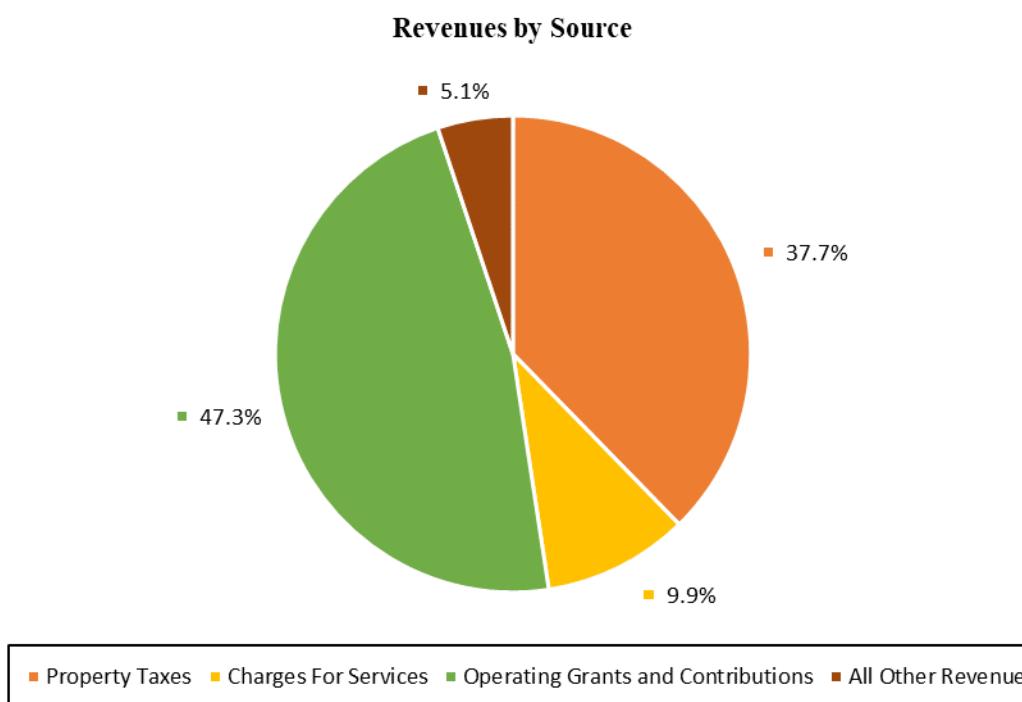
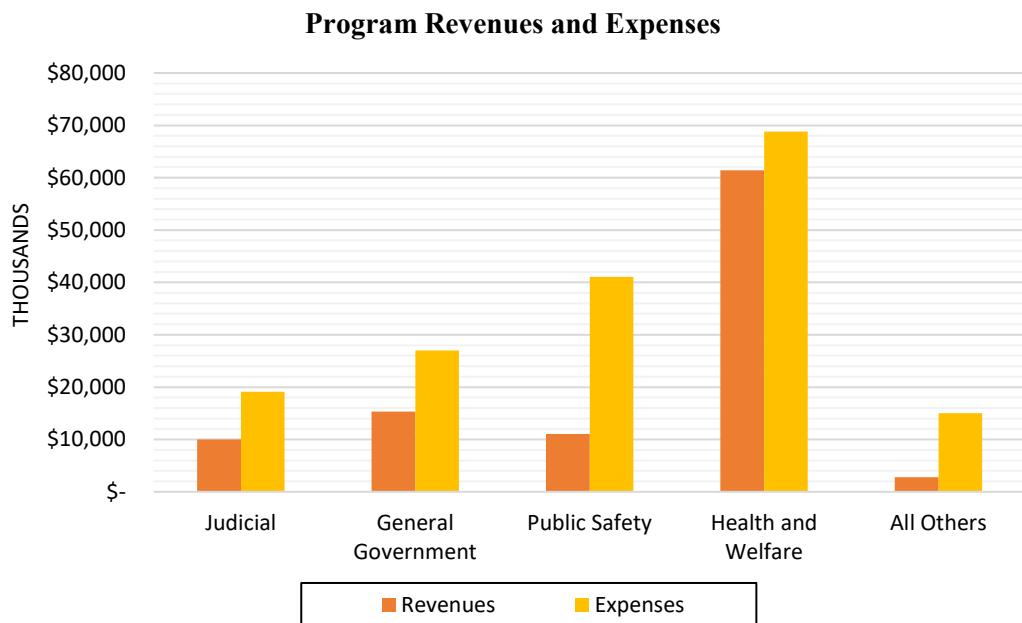
The County's changes in net position for the current fiscal year, with a comparison to the previous fiscal year, is as follows:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 17,434,370	\$ 27,175,231	\$ 1,162,746	\$ 908,033	\$ 18,597,116	\$ 28,083,264
Operating grants and contributions	82,688,482	73,019,233	-	-	82,688,482	73,019,233
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	66,285,148	63,268,299	-	-	66,285,148	63,268,299
Grants and contributions not						
Restricted to specific programs	3,754,650	4,803,626	-	-	3,754,650	4,803,626
Investment earnings	5,259,314	3,202,576	1,039,433	657,385	6,298,747	3,859,961
Miscellaneous	8,588	15,490	-	-	8,588	15,490
Total revenues	175,430,552	171,484,455	2,202,179	1,565,418	177,632,731	173,049,873
Expenses						
Legislative	540,006	548,540	-	-	540,006	548,540
Judicial	22,422,730	21,779,336	-	-	22,422,730	21,779,336
General government	19,916,065	17,002,751	-	-	19,916,065	17,002,751
Public safety	42,075,389	41,312,780	-	-	42,075,389	41,312,780
Public works	7,915,476	7,101,848	-	-	7,915,476	7,101,848
Health and welfare	71,429,258	68,887,815	-	-	71,429,258	68,887,815
Community and economic development	1,143,007	1,206,248	-	-	1,143,007	1,206,248
Culture and recreation	5,661,175	4,620,440	-	-	5,661,175	4,620,440
Interest on long-term debt	1,094,794	1,186,589	-	-	1,094,794	1,186,589
Business-type activities			211,347	195,374	211,347	195,374
Total expenses	172,197,900	163,646,347	211,347	195,374	172,409,247	163,841,721
Increase in net position before						
transfers to other funds	3,232,652	7,838,108	1,990,832	1,370,044	5,223,484	9,208,152
Transfers	674,750	1,668,575	(674,750)	(1,668,575)	-	-
Increase (decrease) in net position	3,907,402	9,506,683	1,316,082	(298,531)	5,223,484	9,208,152
Net position, beginning of year	154,281,922	144,775,241	20,838,261	21,136,792	175,120,183	165,912,033
Net position, end of year	\$ 158,189,324	\$ 154,281,924	\$ 22,154,343	\$ 20,838,261	\$ 180,343,667	\$ 175,120,185

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities



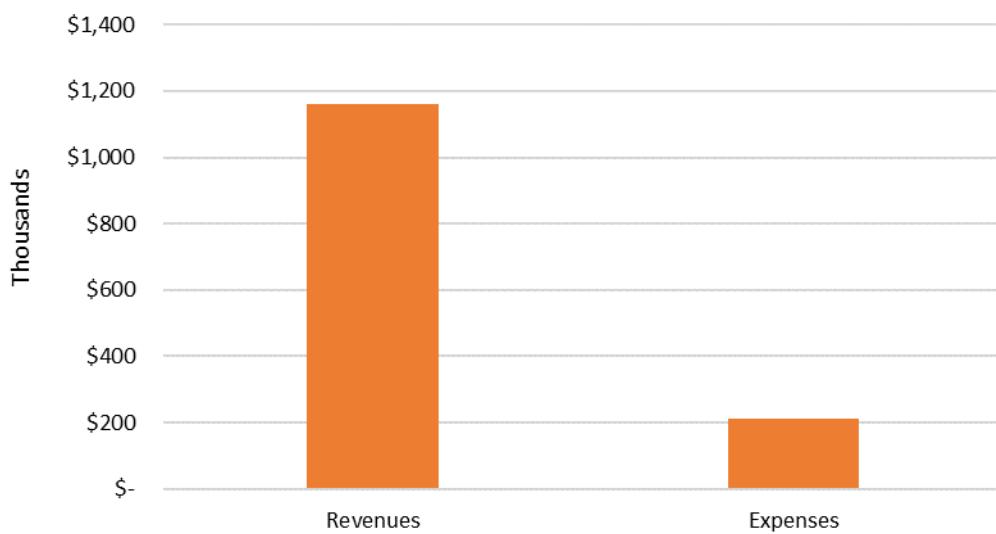
COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

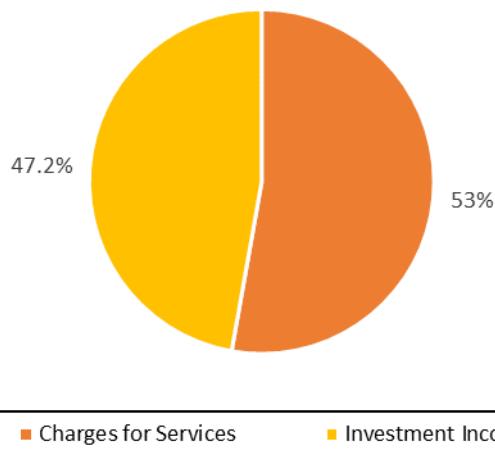
Business-type Activities

Business-type activities increased the County's net position by \$1,316,082 due to the increase in investment earnings and a decrease in transfers. The revenues for these activities are penalties and interest on delinquent taxes, proceeds from tax sales, and investment income. Their penalties and interest on delinquent taxes and proceeds from tax sales (charges for services) increased \$254,713, their investment income increased by \$382,048 and their expenses increased \$15,973. Transfers to other funds decreased by \$993,827.

Program Revenues and Expenses



Revenues by Source



COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FUND STATEMENT FINANCIAL ANALYSIS

Governmental Funds

Of the \$60,650,310 combined governmental fund balances as of the end of the current fiscal year, \$19,362,350 (32%) is considered non-spendable or restricted because it is either in a non-spendable form (inventory or prepaid expenses), or is unavailable because it is a long-term advance to component units and other funds or due to legal restrictions. Those amounts are \$927,254 and \$18,435,096, respectively. The remaining \$41,287,960 (67%) is considered spendable fund balance, of which \$14,597,405 has been committed by the Board for specific purposes, \$6,427,949 has been assigned by the County Administrator for specific purposes, and \$20,262,606 is unassigned fund balance and is available for spending at the County's discretion. Unassigned fund balance represents 24.3% percent of total General Fund expenditures and transfers out, which may be a useful measurement of the General Fund's liquidity. The County's fund balance is still higher than the normal 10-15% range.

The General Fund is the chief operating fund of the County and at September 30, 2020 had a total fund balance of \$43,015,427. In accordance with GASB 54, the County consolidates 4 sub-funds with the General Fund. The sub-funds represent resources designated for specific purposes and, during the year, added to reserves in the amount of \$237,897. The sub-funds additions to reserves combined with the increase of \$2,313,206 from on-going operations resulted in the net increase of \$2,551,103 from the previous year.

The Community Mental Health Fund (2220) had an increase to fund balance of \$391,535. There was a increase in the Substance Use Disorder Fund (2225) fund balance of \$90,811 from the prior fiscal year due to transfers from other funds.

General Fund Budgetary Highlights

The original revenue and expenditure budgets (including transfers in/out) for the General Fund (1010) were \$81,348,242 and \$82,727,078, respectively. The amended revenue budget was \$82,560,930, and the amended expenditure budget was \$85,321,950.

The revenue budget (including transfers in) increased overall by \$1,212,688, spread throughout the County in various departments with no area having a material increase. Revenues and transfers in as a whole were \$412,950 under budget.

The budget for General Fund expenditures (including transfers out) increased \$2,594,872 in total. Expenditures and transfers out as a whole were \$5,413,632 under budget. Which is normal, departments usually underspend by approximately 3% each year.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets net of accumulated depreciation was \$144,189,719 as of September 30, 2020. This investment in capital assets includes land and land improvements, buildings and improvements, and equipment. The County's total investment in capital assets for the current year remained essentially steady as additions approximated depreciation.

Major capital asset events during the current fiscal year included the following:

- Approximately \$1,251,000 was spent on the Bend Area Expansion and Easement.
- Approximately \$1,000,000 was spent on various acquisitions such as a Mobile Dental Van, remodel of the James Street C, completion of the EHR software, Courtroom Tools software and fitness equipment.

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets (net of depreciation)

Additional information on the County's capital assets can be found in Note 5 of this report.

	2020	2019
Land	\$ 63,616,047	\$ 62,364,481
Construction in progress	2,598,505	2,206,348
Land improvements	15,011,114	14,940,189
Buildings and improvements	53,547,883	55,555,554
Equipment	9,416,170	8,400,607
Total	<u>\$ 144,189,719</u>	<u>\$ 143,467,179</u>

Long-term Debt

At the end of the current fiscal year, the County had total general obligation bonds backed by the full faith and credit of the County outstanding of \$33,940,000, which decreased by \$2,345,000 from the prior year due to a payment made and issuance of the marine bond in the 2020 fiscal year.

General Obligation Bonds Outstanding

Additional information on debt can be found in Note 8 of this report.

	2020	2019
General obligation bonds	\$ 23,575,000	\$ 24,700,000
General obligation bonds - Refunding	7,425,000	8,280,000
Private Placements	2,940,000	3,305,000
Total	<u>\$ 33,940,000</u>	<u>\$ 36,285,000</u>

The County has a "AAA" rating from Fitch for general obligation limited tax bonds, as well as a "AAA" rating from Moody's and a "AA" rating from Standard and Poor's for general obligation unlimited and limited tax bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. As of September 30, 2020, the debt limitation for the County is \$1,616,370,488, which is significantly in excess of the County's outstanding general obligation debt.

Additional information on the County's long-term debt can be found on Note 8 in the notes to the financial statements section of this report.

ECONOMIC FACTORS AND THEIR IMPACT ON FUTURE BUDGETS

The following factors were considered in preparing the County's budget for the 2021 fiscal year:

- Property values have increased an average of 3.73% over the last 8 years. In 2020 it increased to 5.02%, its 8th consecutive year of increases. The changes in taxable value over the last five years are as follows:

2016	2017	2018	2019	2020
1.37%	3.73%	4.08%	5.42%	5.02%

- In November 2018, Ottawa County residents authorized a fixed allocation and reset the maximum County Operating Millage to 4.4400. The Headlee Rollback for 2020 reduced the maximum allowable

COUNTY OF OTTAWA

MANAGEMENT'S DISCUSSION AND ANALYSIS

millage to 4.3814. The FY2021 budget is based on the same millage rate, .3 mill still committed to pay down the unfunded liability from the closed defined benefit plan.

- The unemployment rate for the County was 3.7% in December 2020, which is the 3rd lowest in the state. Industry initiatives discussed in the transmittal letter have continued to improve the employment outlook for the County.
- The County continues to see sustained population growth, as it has the last five years.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those who are interested. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to:

Fiscal Services Director
12220 Fillmore Street, Room 331
West Olive, Michigan 49460

BASIC FINANCIAL STATEMENTS

COUNTY OF OTTAWA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Current assets				
Cash and pooled investments (Note 3)	\$ 75,752,436	\$ 18,740,385	\$ 94,492,821	\$ 63,918,741
Investments	48,617,544	-	48,617,544	-
Receivables (net of allowance for estimated uncollectibles)				
Taxes	5,033,786	2,879,746	7,913,532	3,401,323
Accrued interest and penalties on delinquent taxes	-	514,354	514,354	-
Accounts	1,209,441	22,755	1,232,196	3,007,004
Accrued interest on investments	300,540	-	300,540	-
Advances to component units (Note 6)	325,000	-	325,000	-
Due from other governments	11,988,043	-	11,988,043	4,002,554
Inventory of supplies	357,261	-	357,261	1,461,783
Prepaid items	1,177,605	-	1,177,605	454,070
Total current assets	<u>144,761,656</u>	<u>22,157,240</u>	<u>166,918,896</u>	<u>76,245,475</u>
Noncurrent assets				
Net other post-employment benefits asset (Note 12)	294,014	-	294,014	-
Due from other governments	-	-	-	102,265,746
Notes Receivable	-	-	-	102,537
Capital assets not being depreciated (Note 5)	66,214,552	-	66,214,552	11,638,187
Capital assets being depreciated, net (Note 5)	77,975,167	-	77,975,167	306,814,225
Total noncurrent assets	<u>144,483,733</u>	<u>-</u>	<u>144,483,733</u>	<u>420,820,695</u>
Total assets	<u>289,245,389</u>	<u>22,157,240</u>	<u>311,402,629</u>	<u>497,066,170</u>
Deferred outflows of resources				
Unamortized deferred bond refunding costs	252,759	-	252,759	2,651,794
Pension Plan/OPEB (Note 10 & 12)	15,456,233	-	15,456,233	4,345,120
Total deferred outflows of resources	<u>15,708,992</u>	<u>-</u>	<u>15,708,992</u>	<u>6,996,914</u>
Liabilities				
Current liabilities				
Accounts payable	25,776,404	2,897	25,779,301	10,548,206
Interest payable	492,497	-	492,497	945,429
Due to component units	-	-	-	5,097
Due to other governments	2,986,558	-	2,986,558	-
Notes payable	-	-	-	175,000
Current portion of long-term debt (Note 8)	9,039,614	-	9,039,614	8,145,562
Advances from primary government (Note 6)	-	-	-	325,000
Advances from other governments	-	-	-	1,114,360
Unearned revenue	116,925	-	116,925	1,883,493
Total current liabilities	<u>38,411,998</u>	<u>2,897</u>	<u>38,414,895</u>	<u>23,142,147</u>
Noncurrent liabilities				
Noncurrent portion of long-term obligations (Note 8)	34,602,515	-	34,602,515	123,280,475
Net OPEB liability (Note 12)	-	-	-	2,413,368
Net pension liability (Note 10)	69,552,911	-	69,552,911	24,690,830
Total noncurrent liabilities	<u>104,155,426</u>	<u>-</u>	<u>104,155,426</u>	<u>150,384,673</u>
Total liabilities	<u>142,567,424</u>	<u>2,897</u>	<u>142,570,321</u>	<u>173,526,820</u>
Deferred inflows of resources				
Pension Plan/OPEB (Note 10 & 12)	4,197,633	-	4,197,633	1,057,328
Net position (Note 1)				
Net investment in capital assets	132,456,534	-	132,456,534	301,625,499
Restricted for				
Capital projects	5,054,818	-	5,054,818	16,489,366
Debt Service	3,340	-	3,340	1,912,460
Donations	739,621	-	739,621	-
Grants	1,949,631	-	1,949,631	-
Infrastructure maintenance	-	-	-	1,211,296
State of Michigan public act restrictions	10,687,686	2,141,127	12,828,813	-
Unrestricted	7,297,694	20,013,216	27,310,910	8,240,315
Total net position	<u>\$ 158,189,324</u>	<u>\$ 22,154,343</u>	<u>\$ 180,343,667</u>	<u>\$ 329,478,936</u>

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

COUNTY OF OTTAWA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government						
Governmental activities						
Legislative	\$ 538,174	\$ 1,832	\$ -	\$ 15	\$ -	\$ (539,991)
Judicial	19,139,513	3,283,217	3,432,492	6,580,439	-	(12,409,799)
General government	27,001,307	(7,085,242)	7,959,944	7,386,271	-	(4,569,850)
Public safety	41,156,481	918,908	1,465,517	9,590,563	-	(31,019,309)
Public works	7,887,234	28,242	491,618	253,767	-	(7,170,091)
Health and welfare	68,758,670	2,670,588	3,149,222	57,781,432	-	(10,498,604)
Community and economic development	1,140,853	2,154	115,868	425,231	-	(601,908)
Culture and recreation	5,480,874	180,301	819,709	670,764	-	(4,170,702)
Interest on long-term debt	1,094,794	-	-	-	-	(1,094,794)
Total governmental activities	<u>172,197,900</u>	<u>-</u>	<u>17,434,370</u>	<u>82,688,482</u>	<u>-</u>	<u>(72,075,048)</u>
Business-type activities						
Delinquent tax collection	211,347	-	1,162,746	-	-	951,399
Total primary government	<u>\$ 172,409,247</u>	<u>\$ -</u>	<u>\$ 18,597,116</u>	<u>\$ 82,688,482</u>	<u>\$ -</u>	<u>\$ (71,123,649)</u>
Component units	<u>\$ 64,717,975</u>	<u>\$ -</u>	<u>\$ 35,908,024</u>	<u>\$ 36,188,402</u>	<u>\$ 15,633,379</u>	<u>\$ 23,011,830</u>

(Continued)

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

COUNTY OF OTTAWA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Changes in net position				
Net (expense) revenue	\$ (72,075,048)	\$ 951,399	\$ (71,123,649)	\$ 23,011,830
General revenues				
Property taxes, levied for general purposes	47,444,007	-	47,444,007	37,539
Property taxes, levied for park development	3,974,722	-	3,974,722	-
Property taxes, levied for E-911 Central Dispatch	5,281,474	-	5,281,474	-
Property taxes, levied for Road Commission and Cities	5,995,741	-	5,995,741	-
Property taxes, levied for CMH Millage Fund	3,589,204	-	3,589,204	-
Grants and contributions not restricted to specific programs	3,754,650	-	3,754,650	2,027
Investment earnings	5,259,314	1,039,433	6,298,747	773,919
Gain from disposal of capital assets	-	-	-	84,003
Miscellaneous	8,588	-	8,588	26,004
Transfers - internal activities	<u>674,750</u>	<u>(674,750)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>75,982,450</u>	<u>364,683</u>	<u>76,347,133</u>	<u>923,492</u>
Change in net position	3,907,402	1,316,082	5,223,484	23,935,322
Net position, beginning of year	<u>154,281,922</u>	<u>20,838,261</u>	<u>175,120,183</u>	<u>305,543,614</u>
Net position, end of year	<u>\$ 158,189,324</u>	<u>\$ 22,154,343</u>	<u>\$ 180,343,667</u>	<u>\$ 329,478,936</u>

(Concluded)

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

COUNTY OF OTTAWA

**GOVERNMENTAL FUNDS
BALANCE SHEET**

SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	General	Community Mental Health	Substance Use Disorder	Nonmajor Governmental Funds	Total Governmental Funds	
					2020	2019
Assets						
Cash and pooled investments	\$ 37,652,619	\$ 3,895,215	\$ 174,428	\$ 15,684,626	\$ 57,406,888	\$ 46,736,754
Investments	-	-	-	-	-	-
Receivables (net of allowance for estimated uncollectibles)						
Taxes	5,030,466	-	-	3,320	5,033,786	6,529,332
Accounts	576,385	113,804	2,168	441,771	1,134,128	1,401,374
Accrued interest on investments	223,659	-	-	-	223,659	217,681
Due from other funds	63,476	-	-	43,433	106,909	16,793
Due from component unit	-	-	-	-	-	-
Due from other governmental units	2,836,300	3,502,176	641,363	5,008,204	11,988,043	10,736,335
Interfund receivable	1,564,898	-	-	-	1,564,898	2,282,174
Advances to other funds	-	-	-	-	-	-
Advances to component units	325,000	-	-	-	325,000	325,000
Inventory of supplies	81,191	3,985	-	254,647	339,823	224,931
Prepaid expenditures	124,810	1,259	-	136,362	262,431	415,693
Total assets	48,478,804	7,516,439	817,959	21,572,363	78,385,565	68,886,067
Deferred outflows of resources						
Aggregate deferred outflows	-	-	-	-	-	-
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	2,427,007	4,637,790	290,052	2,659,152	10,014,001	6,395,219
Due to other governmental units	312,776	1,817,505	426,796	429,480	2,986,557	832,422
Due to other funds	-	-	-	-	-	-
Due to component units	-	-	-	-	-	-
Interfund payable	-	-	-	1,564,898	1,564,898	2,282,174
Advances from other governmental units	-	-	-	-	-	478,406
Unearned revenue	672	26,072	-	90,181	116,925	248,055
Advances from other funds	-	-	-	-	-	-
Total liabilities	2,740,455	6,481,367	716,848	4,743,711	14,682,381	10,236,276
Deferred inflows of resources						
Aggregate deferred inflows (Note 4)	2,722,922	-	-	329,952	3,052,874	3,455,296
Fund balances (Note 1)						
Nonspendable	531,001	5,244	-	391,009	927,254	965,624
Restricted	10,440,334	1,029,828	101,111	6,863,823	18,435,096	16,262,304
Committed	10,436,540	-	-	4,160,865	14,597,405	13,862,231
Assigned	1,344,946	-	-	5,083,003	6,427,949	6,014,668
Unassigned	20,262,606	-	-	-	20,262,606	18,089,668
Total fund balances	43,015,427	1,035,072	101,111	16,498,700	60,650,310	55,194,495
Total liabilities, deferred inflows of resources and fund balances	\$ 48,478,804	\$ 7,516,439	\$ 817,959	\$ 21,572,363	\$ 78,385,565	\$ 68,886,067

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

COUNTY OF OTTAWA

RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

Total Fund Balances - Governmental Funds	\$ 60,650,310
------------------------------------------	---------------

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Capital assets not being depreciated - land	66,214,552
Capital assets being depreciated, net of accumulated depreciation	71,986,091

Certain assets are not current financial resources and are not reported in the funds.

Net other post-employment benefits asset	294,014
------------------------------------------	---------

Internal service funds are used by management to charge the costs of centralized services, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.

Total net position of internal service funds	54,351,758
----------------------------------------------	------------

Certain deferred inflows reported in the funds are not available but are recognized in the governmental activities.

Unavailable deferred inflows	3,052,874
------------------------------	-----------

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.

Bonds and notes payable	(33,998,640)
Landfill reclamation liability	(5,006,640)
Accrued interest payable	(492,499)
Unamortized bond premium	(820,944)
Unamortized deferred bond refunding loss	252,759
Deferred Inflows OPEB	(4,197,633)
Net pension liability	(69,552,911)
Deferred outflows for pension and OPEB plans	<u>15,456,233</u>

Net Position of Governmental Activities	<u>\$ 158,189,324</u>
-----------------------------------------	-----------------------

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

COUNTY OF OTTAWA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	<u>General</u>	<u>Community Mental Health</u>	<u>Substance Use Disorder</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>	
					<u>2020</u>	<u>2019</u>
Revenues						
Taxes	\$ 58,748,440	\$ -	\$ -	\$ 7,566,393	\$ 66,314,833	\$ 63,113,428
Intergovernmental revenues	12,743,351	40,628,166	2,874,370	28,862,902	85,108,789	83,278,104
Charges for services	9,049,636	22,619	-	2,589,561	11,661,816	12,842,469
Fines and forfeits	67,424	-	-	-	67,424	72,221
Investment earnings	463,659	26,804	9,079	138,892	638,434	918,589
Licenses and permits	351,876	-	-	1,039,192	1,391,068	1,505,930
Rental income	1,879,255	-	-	381,916	2,261,171	2,452,477
Other	889,621	90,200	-	2,639,563	3,619,384	5,017,388
Total revenues	84,193,262	40,767,789	2,883,449	43,218,419	171,062,919	169,200,606
Expenditures						
Current operations						
Legislative	530,045	-	-	-	530,045	535,661
Judicial	12,860,678	-	-	5,778,193	18,638,871	18,388,867
General government	17,308,716	-	-	3,354,860	20,663,576	17,096,023
Public safety	30,888,550	-	-	9,102,449	39,990,999	38,946,121
Public works	6,537,479	-	-	714,013	7,251,492	6,859,887
Health and welfare	951,046	40,852,754	2,857,011	24,714,915	69,375,726	66,726,481
Community and economic development	1,098,729	-	-	419,846	1,518,575	1,168,020
Culture and recreation	-	-	-	4,192,325	4,192,325	3,794,805
Other governmental functions	142,644	-	-	-	142,644	128,249
Debt service	-	-	-	4,375,555	4,375,555	4,134,327
Capital projects	-	-	-	5,122,535	5,122,535	12,977,303
Total expenditures	70,317,887	40,852,754	2,857,011	57,774,691	171,802,343	170,755,744
Revenues over (under) expenditures	13,875,375	(84,965)	26,438	(14,556,272)	(739,424)	(1,555,138)
Other financing sources (uses)						
Transfers from other funds	1,650,297	476,500	64,373	16,881,951	19,073,121	20,373,632
Transfers to other funds	(13,048,113)	-	-	(703,313)	(13,751,426)	(15,453,232)
Capital leases	73,544	-	-	-	73,544	-
Issuance of bonds	-	-	-	800,000	800,000	-
Total other financing sources (uses)	(11,324,272)	476,500	64,373	16,978,638	6,195,239	4,920,400
Net change in fund balances	2,551,103	391,535	90,811	2,422,366	5,455,815	3,365,262
Fund balances, beginning of year	40,464,324	643,537	10,300	14,076,334	55,194,495	51,829,233
Fund balances, end of year	\$ 43,015,427	\$ 1,035,072	\$ 101,111	\$ 16,498,700	\$ 60,650,310	\$ 55,194,495

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

COUNTY OF OTTAWA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Net Change in Fund Balances - Governmental Funds	\$ 5,455,815
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Amounts reported for governmental activities in the statement of net position are different because:

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

Capital outlay	5,689,419
Depreciation expense	(5,680,455)
Net book value of disposed assets	(85,056)

Certain receivables are long-term in nature and are collectable over several years. However only the current year's receipts are reflected as revenues in the fund statements.

Change in unavailable revenues	(402,422)
--------------------------------	-----------

Bond or note 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 bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on debt	3,159,904
Issuance of Debt	(873,544)

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 the funds.

Change in landfill reclamation liability	(515,097)
Change in accrued interest payable	36,876
Amortization of bond premium	135,482
Amortization of deferred bond refunding costs	(36,603)
Change in net pension liability	4,251,581
Change in deferred outflow for pension plan	(12,930,330)
Change in deferred inflow for pension plan	728,363
Change in OPEB liability	(152,683)
Change in OPEB deferred outflow	22,309
Change in OPEB deferred inflow	156,925

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

Change in net position of internal service funds	<u>4,946,918</u>
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Change in Net Position of Governmental Activities	\$ 3,907,402
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The accompanying notes are an integral part of these financial statements.

COUNTY OF OTTAWA

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION**

SEPTEMBER 30, 2020

	Business-type Activities <u>Enterprise Fund</u>	Governmental Activities
	Delinquent Tax Revolving Fund	Internal Service Funds
Assets		
Current assets		
Cash and pooled investments	\$ 18,740,385	\$ 18,345,548
Investments	-	48,617,544
Receivables		
Delinquent taxes receivable	2,879,746	-
Accrued interest and penalties on delinquent taxes	514,354	-
Accounts	22,755	75,313
Accrued interest on investments	-	76,881
Due from other funds	-	3,757,814
Inventory of supplies	-	17,438
Prepaid expenses	-	915,174
	<hr/>	<hr/>
Total current assets	<u>22,157,240</u>	<u>71,805,712</u>
Noncurrent assets		
Capital assets		
Office furniture and equipment	-	10,077,618
Copy machines	-	339,026
Telephone equipment	-	1,847,684
Vehicles	-	6,516,412
Less accumulated depreciation	<hr/>	<hr/>
	<hr/>	<hr/>
Net capital assets	<hr/>	<hr/>
	<hr/>	<hr/>
Total assets	<u>22,157,240</u>	<u>77,794,788</u>
Liabilities		
Current liabilities		
Accounts payable	2,897	15,762,403
Current Portion of long-term debt	-	3,815,905
Due to other funds	<hr/>	<hr/>
	<hr/>	<hr/>
Total liabilities	<u>2,897</u>	<u>23,443,030</u>
Net position		
Invested in capital assets	-	5,989,076
Restricted for managed care risk exposure	-	-
Restricted for land foreclosure	2,141,127	-
Unrestricted	<hr/>	<hr/>
	<hr/>	<hr/>
Total net position	<u>\$ 22,154,343</u>	<u>\$ 54,351,758</u>

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

COUNTY OF OTTAWA

**PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Business-type Activities <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Funds</u>
Operating revenues		
Charges for services	\$ 111,051	\$ 38,673,666
Penalties and interest in delinquent taxes	847,136	-
Other revenue	<u>204,559</u>	<u>721,984</u>
Total operating revenues	1,162,746	39,395,650
Operating expenses		
Personnel services	148,429	3,885,495
Contractual services	50,010	822,861
Supplies	12,908	422,623
Depreciation	-	1,834,768
Building and equipment rental	-	427,120
Claims and legal	-	1,163,936
Miscellaneous	<u>-</u>	<u>26,136,624</u>
Total operating expenses	211,347	34,693,427
Operating income	<u>951,399</u>	<u>4,702,223</u>
Nonoperating revenues (expenses)		
Investment earnings	1,039,433	1,347,853
Net change in the fair value of investments	-	3,422,202
Gain on sale of capital assets	<u>-</u>	<u>121,585</u>
Total nonoperating revenues	1,039,433	4,891,640
Income before transfers	1,990,832	9,593,863
Transfers		
Transfers in	-	13,546
Transfers out	<u>(674,750)</u>	<u>(4,660,491)</u>
Total transfers	(674,750)	(4,646,945)
Change in net position	1,316,082	4,946,918
Total net position, beginning of year	20,838,261	49,404,840
Total net position, end of year	\$ 22,154,343	\$ 54,351,758

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

COUNTY OF OTTAWA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Business-type Activities Enterprise Fund	Governmental Activities
	Delinquent Tax Revolving Fund	Internal Service Funds
Cash flows from operating activities		
Cash received from interfund services provided	\$ -	\$ 39,362,236
Cash receipts from customers	204,559	-
Cash received from penalties and interest on delinquent taxes	994,446	-
Cash payments to suppliers for goods and services	(69,625)	(25,904,088)
Cash payments for self-funded insurance claims	-	(1,157,324)
Cash payments to employees for services	(148,429)	(3,565,485)
Purchase of delinquent tax rolls	320,431	-
Net cash provided by (used for) operating activities	<u>1,301,382</u>	<u>8,735,339</u>
Cash flows from noncapital financing activities		
Transfers in from other funds	-	-
Transfers out to other funds	<u>(674,750)</u>	<u>(4,543,636)</u>
Net cash provided by (used for) noncapital financing activities	<u>(674,750)</u>	<u>(4,543,636)</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	-	(1,910,629)
Proceeds from sale of equipment	<u>-</u>	<u>121,585</u>
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>(1,789,044)</u>
Cash flows from investing activities		
Purchase of investments	-	(23,689,133)
Interest on investments	1,039,433	1,414,112
Proceeds from sale of investments	<u>-</u>	<u>22,267,847</u>
Net cash provided by (used for) investing activities	<u>1,039,433</u>	<u>(7,174)</u>
Net increase (decrease) in cash and pooled investments	1,666,065	2,395,485
Cash and pooled investments, beginning of year	<u>17,074,320</u>	<u>16,083,671</u>
Cash and pooled investments, end of year	<u>\$ 18,740,385</u>	<u>\$ 18,345,548</u>

(Continued)

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

COUNTY OF OTTAWA

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities

Operating income (loss)	\$ 951,399	\$ 4,702,223
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
Depreciation	-	1,834,768
Change in assets and liabilities not affecting cash provided by (used for) operating activities		
(Increase) decrease in receivables	357,499	(33,414)
(Increase) decrease in prepaid expenses	-	161,394
Increase (decrease) in unpaid claims liability	-	302,199
Increase (decrease) in accounts payable	(7,276)	1,007,081
Increase (decrease) in current portion of long-term debt	-	785,708
Increase (decrease) in due to other funds	-	68,457
Increase (decrease) in due to other governmental units	(240)	-
Increase (decrease) in total noncurrent liabilities	-	(93,077)
Net cash provided by (used for) operating activities	\$ 1,301,382	\$ 8,735,339

Noncash investing activities

The change in fair value of investments for the internal service funds was \$3,422,202.

(Concluded)

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

COUNTY OF OTTAWA
FIDUCIARY FUNDS
STATEMENT OF NET POSITION/BALANCE SHEET
SEPTEMBER 30, 2020
(but with comparative totals at September 30, 2019)

	Other Post-Employment Benefit Plan		Agency Funds	
	2020	2019	2020	2019
Assets				
Cash and pooled investments	\$ 210,272	\$ 114,143	\$ 46,097,263	\$ 40,481,908
Certificates of deposit	-	-	-	-
U.S. Government securities	855,000	805,491	-	-
U.S. Government agencies	-	-	-	-
Corporate bonds	897,680	848,410	-	-
Mutual funds				
Money market mutual funds	238,999	294,642	-	-
Fixed income	135,264	130,798	-	-
Domestic equity	1,352,105	1,254,351	-	-
Exchange traded	2,898,311	299,500	-	-
International equity	160,045	2,352,526	-	-
Receivables				
Accounts	-	-	19,666	5,404
Due from other governmental units	-	-	280,591	395,564
Total assets	6,747,676	6,099,861	46,397,520	40,882,876
Liabilities				
Due to other governmental units				
Due to State of Michigan	-	-	44,637,867	39,773,182
Fines and fees due to local libraries	-	-	236,602	222,891
Agency deposits	5,400	-	1,523,051	886,803
Total liabilities	5,400	-	\$ 46,397,520	\$ 40,882,876
Net position restricted for other post-employment benefits	\$ 6,742,278	\$ 6,099,862		

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

COUNTY OF OTTAWA

OTHER POST-EMPLOYMENT BENEFITS PLAN STATEMENT OF CHANGES IN NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	<u>2020</u>	<u>2019</u>
Additions		
Contributions		
Employer	\$ 211,557	\$ 225,566
Plan member	449,867	433,446
Investment income (loss)	<u>602,108</u>	<u>215,713</u>
Total additions	<u>1,263,532</u>	<u>874,725</u>
Deductions		
Administrative expense	73,483	61,534
Premiums	<u>547,633</u>	<u>542,368</u>
Total deductions	<u>621,116</u>	<u>603,902</u>
Total net increase (decrease)	642,416	270,823
Net position, beginning of year	<u>6,099,862</u>	<u>5,829,039</u>
Net position, end of year	<u>\$ 6,742,278</u>	<u>\$ 6,099,862</u>

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

COUNTY OF OTTAWA
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

	Ottawa County Road Commission	Ottawa County Central Dispatch Authority	Ottawa County Public Utilities System	Ottawa County Land Bank Authority	Ottawa County Office of the Water Resources Commissioner	Ottawa County Brownfield Redevelopment Authority	Ottawa County Economic Development Corporation	Total
Assets								
Current assets								
Cash and pooled investments	\$ 38,983,231	\$ 6,214,364	\$ 15,745,255	\$ 49,181	\$ 2,823,904	\$ 92,924	\$ 9,882	\$ 63,918,741
Taxes	3,401,323	-	-	-	-	-	-	3,401,323
Accounts	122,519	-	2,884,485	-	-	-	-	3,007,004
Due from other governments	2,360,979	670,487	-	-	971,088	-	-	4,002,554
Inventory of supplies	1,443,083	-	18,700	-	-	-	-	1,461,783
Prepaid items	276,728	177,342	-	-	-	-	-	454,070
Total current assets	46,587,863	7,062,193	18,648,440	49,181	3,794,992	92,924	9,882	76,245,475
Noncurrent assets								
Due from other governments	-	-	99,732,502	-	2,533,244	-	-	102,265,746
Notes receivable	-	-	-	-	-	102,537	-	102,537
Capital assets not being depreciated	10,926,140	712,047	-	-	-	-	-	11,638,187
Capital assets being depreciated, net	250,116,300	14,824,502	-	-	41,873,423	-	-	306,814,225
Total noncurrent assets	261,042,440	15,536,549	99,732,502	-	44,406,667	102,537	-	420,820,695
Total assets	307,630,303	22,598,742	118,380,942	49,181	48,201,659	195,461	9,882	497,066,170
Deferred outflows of resources								
Unamortized bond refunding costs	-	-	2,651,794	-	-	-	-	2,651,794
Deferred for pension/opec plans	4,089,540	255,580	-	-	-	-	-	4,345,120
	4,089,540	255,580	2,651,794	-	-	-	-	6,996,914
Liabilities								
Current liabilities								
Accounts payable	5,376,064	372,792	3,951,012	-	830,608	17,730	-	10,548,206
Interest payable	-	-	909,060	-	36,369	-	-	945,429
Due to component units	-	-	5,097	-	-	-	-	5,097
Notes payable	-	-	-	-	175,000	-	-	175,000
Current portion of long-term debt	1,290,516	619,775	5,747,087	-	488,184	-	-	8,145,562
Advances from primary government	-	-	150,000	-	175,000	-	-	325,000
Advances from other governments	1,114,360	-	-	-	-	-	-	1,114,360
Unearned revenue	-	-	1,584,873	-	298,620	-	-	1,883,493
Total current liabilities	7,780,940	992,567	12,347,129	-	2,003,781	17,730	-	23,142,147
Noncurrent liabilities								
Noncurrent portion of long-term obligations	5,271,747	7,444,341	107,254,313	-	3,207,537	102,537	-	123,280,475
Net OPEB liability	2,413,368	-	-	-	-	-	-	2,413,368
Net pension liability	24,305,367	385,463	-	-	-	-	-	24,690,830
Total noncurrent liabilities	31,990,482	7,829,804	107,254,313	-	3,207,537	102,537	-	150,384,673
Total liabilities	39,771,422	8,822,371	119,601,442	-	5,211,318	120,267	-	173,526,820
Deferred inflows of resources								
Deferred for pension/opec plans	1,057,328	-	-	-	-	-	-	1,057,328
Net position								
Net investment in capital assets	256,150,364	7,472,433	-	-	38,002,702	-	-	301,625,499
Restricted for	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	1,912,460	-	-	1,912,460
Capital projects	14,740,729	-	-	-	1,748,637	-	-	16,489,366
Infrastructure maintenance	-	-	1,154,824	-	56,472	-	-	1,211,296
Unrestricted	-	6,559,518	276,470	49,181	1,270,070	75,194	9,882	8,240,315
Total net position	\$ 270,891,093	\$ 14,031,951	\$ 1,431,294	\$ 49,181	\$ 42,990,341	\$ 75,194	\$ 9,882	\$ 329,478,936

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

COUNTY OF OTTAWA

**COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Program Revenues				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Component units					
Ottawa County Road Commission					
Ottawa County Road Commission	\$ 32,188,540	\$ 12,554,345	\$ 30,216,124	\$ 10,206,455	\$ 20,788,384
Ottawa County Central Dispatch Authority	5,553,008	15,222	5,972,278	-	434,492
Ottawa County Public Utilities	23,359,245	23,335,461	-	-	(23,784)
Ottawa County Land Bank Authority	125	-	-	-	(125)
Ottawa County Office of the Water Resources Commissioner	3,566,491	-	-	5,426,924	1,860,433
Ottawa County Brownfield Redevelopment Authority	50,566	2,996	-	-	(47,570)
Ottawa County Economic Development Corporation	-	-	-	-	-
Total component units	<u>64,717,975</u>	<u>35,908,024</u>	<u>36,188,402</u>	<u>15,633,379</u>	<u>23,011,830</u>

(Continued)

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

COUNTY OF OTTAWA

**COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Component Units						Ottawa County Brownfield Redevelopment Authority	Ottawa County Economic Development Corporation	Total
	Ottawa County Road Commission	Ottawa County Central Dispatch Authority	Ottawa County Public Utilities System	Ottawa County Land Bank Authority	Office of the Water Resources Commissioner				
Changes in net position									
Net (expense) revenue	\$ 20,788,384	\$ 434,492	\$ (23,784)	\$ (125)	\$ 1,860,433	\$ (47,570)	\$ -	\$ 23,011,830	
General revenues									
Property taxes, levied for general purposes	-	-	-	-	-	37,539	-	37,539	
Grants and contributions not restricted to specific programs	-	-	-	-	-	2,027	-	2,027	
Investment earnings	364,223	244,136	126,356	-	39,204	-	-	773,919	
Gain from disposal of capital assets	84,003	-	-	-	-	-	-	84,003	
Miscellaneous	25,406	598	-	-	-	-	-	26,004	
Total general revenues	473,632	244,734	126,356	-	39,204	39,566	-	923,492	
Change in net position	21,262,016	679,226	102,572	(125)	1,899,637	(8,004)	-	23,935,322	
Net position, beginning of year	249,629,077	13,352,725	1,328,722	49,306	41,090,704	83,198	9,882	305,543,614	
Net position, end of year	\$ 270,891,093	\$ 14,031,951	\$ 1,431,294	\$ 49,181	\$ 42,990,341	\$ 75,194	\$ 9,882	\$ 329,478,936	

(Concluded)

NOTES TO THE FINANCIAL STATEMENTS

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Ottawa, Michigan (the "County") was incorporated in 1837 and covers an area of approximately 565 square miles with the County seat located in the City of Grand Haven. The County operates under an 11 member-elected Board of Commissioners (the "Board") and provides services to its estimated 291,830 residents in many areas including law enforcement, administration of justice, community enrichment and development and human services.

The financial statements of the County have been prepared in conformity with U.S. 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

The accompanying financial statements present the County (the primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations, so 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 government-wide financial statements to emphasize they are legally separate from the County.

Blended and discretely presented component units are shown based on their year-end indicated below.

Blended component units

The Building Authority is governed by a three-member board appointed by the Ottawa County Board of Commissioners. Its sole purpose is to finance and construct the County's public buildings. It is reported in the appropriate fund categories of debt service and capital projects and has a September 30 year-end.

The Ottawa County, Michigan Insurance Authority ("OCIA") is a separate legal entity organized for the purpose of providing insurance coverage and risk management and related services to public entities in the County of Ottawa, Michigan pursuant to State of Michigan Act No. 36 of the Public Acts of 1988. The governing board consists of one appointed and four elected officials of the County and one appointed official from each other participating public entity. The County and the Building Authority are currently the only participating entities. The OCIA is reported in an internal service fund and has a September 30 year-end.

A separate report for the Building Authority and complete financial statements for the OCIA can be obtained from:

Fiscal Services Director, Ottawa County
12220 Fillmore Street
West Olive, MI 49460

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting entity (continued)

Discretely presented component units

The Ottawa County Road Commission (“Road Commission”) was established pursuant to the County Road Law (MCL 224.1). The governing board is appointed by the Ottawa County Board of Commissioners. It may not issue debt or levy a tax without the approval of the County Board of Commissioners. Road Commission property taxes are levied under the taxing authority of the County, as approved by the County electors, and are included as part of the County's total tax levy. The Road Commission has a September 30 year-end.

Complete financial statements for the Road Commission can be obtained from:

Finance Director, Ottawa County Road Commission
P.O. Box 7392
Grand Haven, MI 49417

The Ottawa County Central Dispatch Authority (“OCCDA”) is governed by an eight-member board with two members appointed by the Ottawa County Board of Commissioners. The OCCDA is fiscally dependent upon the County because it cannot levy taxes or issue bonded debt without approval of the Board. OCCDA property taxes are levied under the taxing authority of the County, as approved by the County electors, and are included as part of the County's total tax levy. Additionally, the economic resources of the OCCDA are almost entirely for the benefit of the Ottawa County residents and it would be misleading to exclude the activity. The OCCDA has a December 31 year-end.

Complete financial statements for the OCCDA can be obtained from:

Director, Ottawa County Central Dispatch Authority
12101 Stanton Street
West Olive, MI 49460

The Ottawa County Public Utilities System (“System”) is governed by a board appointed by the Ottawa County Board of Commissioners. The System deposits receipts with and invests through the County. It is fiscally dependent upon the County because the Board must approve debt issuances of Public Act 342 bonds. The System has a December 31 year-end.

Complete financial statements for the System can be obtained from:

Finance Director, Ottawa County Road Commission
P.O. Box 7392
Grand Haven, MI 49417

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting entity (continued)

Discretely presented component units (continued)

The Ottawa County Land Bank Authority ("Authority") was established pursuant to the Michigan Land Bank Fast Track Act, 2003 P.A. 258, 124.751 and the intergovernmental agreement by and between the Michigan Land Bank Fast Track Authority and the Treasurer of the County of Ottawa. The governing board consists of the Treasurer of the County of Ottawa and eight additional members appointed by the Ottawa County Board of Commissioners. The Authority has the power to contract, to sue and be sued, to hold, manage and dispose of property, etc. Although funding for the Authority is designed to come from the eventual sale of properties, the County Board of Commission has enabled the Authority to borrow up to \$50,000 from the County's Delinquent Tax Revolving fund as needed, interest free. The Authority has a September 30 year-end.

Complete financial statements for the Authority can be obtained from:

Fiscal Services Director, Ottawa County
12220 Fillmore Street
West Olive, MI 49460

The Ottawa County Office of the Water Resources Commissioner ("WR Commissioner") drainage districts established pursuant to the Drain Code of 1956 are separate legal entities, with the power to contract, to sue and be sued, to hold, manage and dispose of real and personal property, etc. The WR Commissioner is considered to be a component unit of the County because the County has the ability to significantly influence operations and has accountability for fiscal matters, by formally approving the WR Commissioner's budget and performing all financial management functions. The statutory drainage board of Chapter 20 drainage districts consists of the Water Resources Commissioner, the Chair of the County Board of Commissioners and one other member of the Board of Commissioners. The statutory drainage board of Chapter 6 and 21 drainage districts consists of the State Director of Agriculture and the Water Resources Commissioner of each county involved in the project. The Water Resources Commissioner has sole responsibility to administer the drainage districts established pursuant to Chapter 4 and 8 of the Drain Code. The drainage board or Water Resources Commissioner, on behalf of the drainage district, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the Board. The full faith and credit of the County may be pledged for the debt of the drainage district. The Office of the Water Resources Commissioner has a September 30 year-end.

Complete financial statements for the WR Commissioner can be obtained from:

Fiscal Services Director, Ottawa County
12220 Fillmore Street
West Olive, MI 49460

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting entity (continued)

Discretely presented component units (continued)

The Economic Development Corporation of the County of Ottawa (“EDC”) was established pursuant to the Economic Development Corporations Act (Act 338, Public Acts of 1974, as amended) and is a separate legal entity. The EDC’s governing board is appointed by the Ottawa County Board of Commissioners. The County was required to hold a public hearing and approve the bonds issued in 2011 in compliance with the Internal Revenue Code. Neither the EDC nor the County is obligated in any way for the payment of these bonds. The EDC has a September 30 year-end.

Complete financial statements for the EDC can be obtained from:

Fiscal Services Director, Ottawa County
12220 Fillmore Street
West Olive, MI 49460

The Ottawa County Brownfield Redevelopment Authority (the “BRA”) was established pursuant to the Brownfield Redevelopment Financing Act (Act 381, Public Acts of 1996, as amended) and is separate legal entity. The BRA’s governing board is appointed by the Ottawa County Board of Commissioners. The primary government appoints the voting majority and imposes its will through the approval of all BRA projects. The BRA has a September 30 year-end.

Complete financial statements for the BRA can be obtained from:

Fiscal Services Director, Ottawa County
12220 Fillmore Street
West Olive, MI 49460

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. However, exceptions to this general rule are charges between enterprise functions and other various functions of the government. Elimination of these charges would distort costs and program revenues for the various functions concerned. *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.

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide and fund financial statements

Likewise, the *primary government* is reported separately from certain legally separate *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. *Indirect expenses* are charged based upon a County-wide cost allocation plan which allocates costs based upon the number of full time equivalents, number of transactions, and other pertinent information. *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.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund statements. The fiduciary fund financial statements are reported using the *accrual basis of accounting* and the *economic resources measurement focus* (agency funds do not utilize a measurement focus). Revenues are recorded when earned and expenses are recorded when 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. After March 1 of the following year, the Delinquent Tax Revolving Fund pays the County for any real outstanding taxes as of that date. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Measurement focus, basis of accounting, and financial statement presentation

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 property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, landfill closure costs and compensated absences are recorded only when payment is due.

Intergovernmental revenue, charges for services, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The County considers these to be available if received within 180 days of year-end. 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 County.

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement focus, basis of accounting, and financial statement presentation (continued)

The County reports the following major governmental funds:

General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. With the implementation of GASB Statement No.54, *Fund Balance Reporting and Governmental Fund Type Definitions*, certain funds which had been special revenue funds have been combined with the general fund. These funds include:

Solid Waste Clean-Up Fund (2271) – This fund was established to account for monies received from settlement of a claim. The monies are mainly used for the clean-up of the Southwest Ottawa Landfill.

Infrastructure Fund (2444) – This fund was established by the County Board to provide financial assistance to local units of government for water, sewer, road and bridge projects that are especially unique, non-routine, and out-of-the ordinary.

Stabilization Fund (2570) – This fund was established to assure the continued solid financial condition of the County in case of emergency.

DBDC Fund (2970) – This fund is used to account for the property tax revenue committed by the Board of Commissioners to pay the unfunded liability for the Municipal Employees Defined Benefit Retirement Plan.

Community Mental Health Fund (2220) – This fund is used to account for monies to provide mental health services within the County. Monies are provided by federal, state and county appropriations, contributions and charges for services.

Substance Use Disorder Fund (2225) – This fund is used to account for monies to provide substance disorder health services within the County. Monies are provided by federal and state appropriations, contributions and charges for services.

The County reports the following major proprietary fund:

Delinquent Tax Revolving Fund (5160) – This Enterprise Fund is used to pay each local governmental unit, including the County general fund, the respective amount of delinquent taxes not collected as of March 1 of each year. Financing is provided by subsequent collection of delinquent property taxes by the County Treasurer.

The County also reports the following fund types:

Special Revenue Funds account for revenue from specific revenue sources (other than fiduciary or major capital projects) and related expenditures which are restricted for specific purposes by administrative action or law.

The **Debt Service Fund** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital Projects Funds accounts for construction projects performed on existing County facilities, the purchase of capital equipment and for the construction of County buildings.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement focus, basis of accounting, and financial statement presentation (continued)

Internal Service Funds account for data processing, equipment purchases, and insurance coverage provided to County departments on a cost reimbursement basis.

The **OPEB Trust Fund** is used to account for the activity of the County's other post-employment benefit program.

Agency Funds account for assets held on behalf of outside parties, including other governments. The majority of the balances in the agency funds represent payments collected on behalf of the State of Michigan and other governmental agencies.

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 delinquent tax revolving enterprise fund are interest and penalties on delinquent taxes. The principal operating revenues of the County's internal service funds are charges to County departments for equipment amortization, employee benefit programs and insurance coverage. Operating expenses for the enterprise fund include costs associated with the collection of delinquent taxes and rent payments for certain County facilities designed to pay the debt obligations of the related bond issue. Operating expenses for the internal service funds include the cost of services (including premiums and claims), administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, liabilities, and net position or equity

Cash and pooled investments

For purposes of the statement of cash flows, the County considers all assets held in the cash and investment pool to be cash equivalents because the investments are not identifiable to specific funds and the assets can be withdrawn at any time, similar to a demand deposit account. The investments of the County investment pool consist primarily of U.S. treasuries, U.S. government agency securities, commercial paper, certificates of deposit, local government investment pools, and mutual funds.

Investments of the Insurance Authority and other post-employment benefit plan trust also consist of government and corporate debt and equity securities. All investments are recorded at fair value.

Receivables, payables, and due from other governments

During the course of operations, numerous transactions occur between individual funds and/or between the primary government and component units for goods provided or services rendered. These receivables and payables are classified as "due from other funds/component units" or "due to other funds/

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Receivables, payables, and due from other governments (continued)

component units" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables".

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Other accounts receivable is shown net of the allowance for estimated uncollectible. For the mental health fund receivables, an allowance of \$67,181 has been established. For the jail and inmate housing receivable and various other receivables an allowance of \$267,024 has been established. The health fund receivables also has an allowance of \$23,175.

Property taxes

Property taxes for general County operations are levied as of July 1 (lien date) on property values assessed as of the same date. Property taxes for Parks and Recreation, Community Mental Health, the OCCDA, the Road Commission and Cities are levied December 1 (lien date) on property values assessed as of the same date. The taxes levied July 1 are due on September 14 and taxes levied December 1 are due on February 14 of the following year. After the due dates, the applicable property is subject to penalties and interest.

Advances to other funds

Noncurrent portions of long-term interfund loans receivable in governmental funds are reported as advances and are offset by non-spendable fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Inventories and prepaids

Inventories are valued at cost on the first-in / first-out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased. Payments made to vendors for services that will benefit periods beyond a fund's fiscal year-end are recorded as prepaid in both government-wide and fund financial statements. Prepaid items are recorded as expenditures when consumed rather than when purchased.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. For the County, infrastructure exists in the Road Commission and the Office of the Water Resources Commissioner component units. The capitalization threshold ranges from \$1,000 - \$25,000. Capital assets are defined by the primary government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exists. Donated capital assets are valued at acquisition value (the amount that would

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Capital assets (continued)

be paid to acquire an asset with an equivalent potential in an ordinary market transaction) on the date received. The amount reported for infrastructure includes assets acquired or constructed since 1980. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

No interest expense has been incurred or capitalized on capital assets reported in proprietary funds. Depreciation of the capital assets (including infrastructure) of the primary government, as well as the component units, is computed using the straight-line method over the estimated useful lives.

	<u>Years</u>
Land improvements	25
Buildings and improvements	25 - 50
Office furniture and equipment	3 - 20
Vehicles	3 - 10
Infrastructure	30

Self-insurance claims incurred but not reported

At September 30, 2020 the County had several Internal Service funds which account for various uninsured risks. The County is self-insured up to certain limits, which vary by type of risk, and purchases reinsurance to cover claims in excess of those limits. The County records estimates of self-insurance claims incurred but not reported as of September 30 and the Road Commission based on historical trend information, claims reported subsequent to year-end, actuarial valuations and/or professional judgment. Such estimates are included in accounts payable.

Compensated absences

Substantially all County employees are granted vacation and sick leave in varying amounts based on length of service. Vacation pay is fully vested when earned and accrued in the government-wide financial statements. Employees are granted varying amounts of sick days annually and may accumulate up to various maximums. Unused sick leave accumulated under the current plan is forfeited upon termination or retirement. Therefore, no liability for unpaid accumulated sick leave is recorded. All employees except judges and elected officials are covered under short and long-term disability benefits if an illness lasts longer than 10 working days or six months, respectively.

Employees who accumulated sick days under the County's prior sick leave policy before moving into the current plan have been allowed to bank up to 120 hours of their sick days accumulated under the prior plan in a holding account at the pay rate in effect when they entered the current plan. Employees' accounts earn interest annually at the average rate earned by the County Treasurer. Eligible employees with at least ten years of continuous service are paid for banked sick days in full upon death or retirement and at the rate of 50% of accumulated benefits upon termination for reasons other than death or retirement.

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Compensated absences (continued)

A liability for this amount is accrued and reported in the government-wide financial statements. The County estimates that the maximum liability for unpaid and unused sick leave would be \$57,080 at September 30, 2020 if all employees who accumulated sick leave under the prior plan retired. Only the portion of this liability that has matured is recognized as a current liability. The liability for this balance is recorded in the internal service funds. The County has fully funded its vacation pay liability. The vacation pay expenditure/expense was recorded in each fund, and this amount was recorded in the compensated absence internal service fund. An adjustment was made at September 30, 2020 to reflect the change in the accumulated balance reported in the internal service fund previously included only at the government level of \$3,815,905.

Under the Road Commission's personnel policy and contracts negotiated with employee groups, individual employees have a vested right to receive payments for unused vacation and sick leave under formulas and conditions specified in the policy and contracts. Accumulated leave of the General Fund is recorded on the statement of net position and not on the General Fund balance sheet because it is not expected to be liquidated with expendable available financial resources.

The OCCDA's personnel policy and employment agreements provide employees a vested right to receive payments for unused vacation leave under formulas and conditions specified in the policy and agreements. Accumulated leave of the General Fund is recorded on the statement of net position and not on the General Fund balance sheet because it is not expected to be liquidated with expendable available financial resources.

Employee retirement plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. 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.

Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported including bond premiums or net of discounts.

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 expense regardless of fund or activity.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Restricted net position

Under Act 30, Public Acts of 1978, the use of the fund balance of the Stabilization Fund (consolidated with the General Fund) is restricted to 1) cover a deficit, 2) prevent a reduction in the level of public services or number of employees in the current or next fiscal year, or 3) cover expenses arising from a natural disaster.

Fund equity

The County implemented the provisions of GASB Statement No.54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in the 2011 financial statements. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

In the fund financial statements, governmental funds report fund balance in five categories:

1. Nonspendable fund balance cannot be spent because it is either a) not in spendable form or b) legally or contractually required to be maintained intact.
2. Restricted fund balance can only be spent for specific purposes due to a) externally imposed by grantors, creditors, and contributors, of laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balance can only be spent for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. The Board is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.
4. Assigned fund balance is constrained by the government's intent to be used for specific purposes but has not been formally committed by Board action or restricted in any way. Through the County's fund balance policy, the Board has delegated the authority to assign fund balance to the County Administrator.
5. Unassigned fund balance is the residual classification for the General Fund. Except for funds with negative fund balance, only the General Fund has unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the County's policy to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the County's policy that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

In addition, it is the County's policy to maintain a fund balance in the General Fund of not less than 10% and not more than 15% of the most recently audited General Fund expenditures and transfers out for cash flow and flexibility purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Fund equity (continued)

Details on the County's fund balance amounts follow:

	General	Community Mental Health	Substance Use Disorder	Nonmajor Governmental Funds	Total
Nonspendable:					
Inventory and prepaid expenditures	\$ 206,001	\$ 5,244	\$ -	\$ 391,009	\$ 602,254
Long-term advances to component units	325,000	-	-	-	325,000
Total Nonspendable	\$ 531,001	\$ 5,244	\$ -	\$ 391,009	\$ 927,254
Restricted:					
Special Millage					
Parks and Recreation millage - Fund 2081	-	-	-	2,265,312	2,265,312
CMH Millage - Fund 2221	-	-	-	2,789,506	2,789,506
Debt Service - Fund 3010	-	-	-	3,340	3,340
Donations:					
Canines	13,179	-	-	-	13,179
Circuit Court Learning Center	13,212	-	-	-	13,212
Dive Team	1,075	-	-	-	1,075
HAZMAT	17,521	-	-	-	17,521
Non-motorized Pathways	24,270	-	-	-	24,270
Spoonville Trail	26,587	-	-	-	26,587
Sheriff Honor Guard	1,272	-	-	-	1,272
Sheriff Monument	7,274	-	-	-	7,274
Sheriff Victim's Advocates	9,883	-	-	-	9,883
DEI Office Donations	107,820	-	-	-	107,820
Pathways to Better Health - Fund 2210	-	-	-	517,528	517,528
Grants:					
IRS Asset Forfeiture - Fund 2620	-	-	-	18,384	18,384
Marriage Counseling	153,103	-	-	-	153,103
Road Salt Management	27,429	-	-	-	27,429
Sheriff Training	32,558	-	-	-	32,558
Community Mental Health - Fund 2220	-	1,029,828	-	-	1,029,828
Substance Use Disorder - Fund 1010 & 2225	564,806	-	101,111	-	665,917
Other Governmental Grants - Fund 2180	-	-	-	22,412	22,412
State of Michigan Public Act Restrictions:					
Jail Booking Fees	185,128	-	-	-	185,128
Stabilization - Fund 2570	9,255,217	-	-	-	9,255,217
Concealed Pistol Licensing - Fund 2631	-	-	-	231,241	231,241
Homestead Property Tax - Fund 2550	-	-	-	44,854	44,854
Register of Deeds Technology - Fund 2560	-	-	-	971,246	971,246
Total Restricted	\$ 10,440,334	\$ 1,029,828	\$ 101,111	\$ 6,863,823	\$ 18,435,096

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets, liabilities, and net position or equity (continued)

Fund equity (continued)

	General	Community Mental Health	Substance Use Disorder	Nonmajor Governmental Funds	Total
Committed					
Aerial Survey	\$ 339,576	\$ -	\$ -	\$ -	\$ 339,576
Infrastructure - Fund 2444	633,666	-	-	-	633,666
Innovation Fund	668,868	-	-	-	668,868
Mental Health Programs	581,275	-	-	-	581,275
Red Pine Timber Sales	167,909	-	-	-	167,909
Solid Waste Clean-Up - Fund 2271	2,637,098	-	-	-	2,637,098
Substance Abuse	799,480	-	-	-	799,480
Technology Improvements	442,030	-	-	-	442,030
Voting Machines	183,056	-	-	-	183,056
Defined Benefit Retirement Plan Closure Fund 2970	3,983,582	-	-	-	3,983,582
Capital Improvement - Fund 4020	-	-	-	3,786,801	3,786,801
Building Authority - Fund 4690	-	-	-	371,982	371,982
Farmland Preservation - Fund 2340	-	-	-	2,082	2,082
Total Committed	\$ 10,436,540	\$ -	\$ -	\$ 4,160,865	\$ 14,597,405
Assigned					
4 C Program	\$ 137,647	\$ -	\$ -	\$ -	\$ 137,647
Community Corrections	106,695	-	-	-	106,695
M231 Race	10,556	-	-	-	10,556
Memorial Garden	1,302	-	-	-	1,302
Planning Commission	134,888	-	-	-	134,888
Strategic Planning Consultant Fees	250	-	-	-	250
Succeeding Year's Budget Deficit	947,342	-	-	-	947,342
Technology Forum	6,266	-	-	-	6,266
Child Care - Fund 2920	-	-	-	1,287,808	1,287,808
Health - Fund 2210	-	-	-	2,207,036	2,207,036
Landfill Tipping Fees - Fund 2272	-	-	-	1,291,682	1,291,682
Sheriff Contracts - Fund 2630	-	-	-	296,477	296,477
Total Assigned	\$ 1,344,946	\$ -	\$ -	\$ 5,083,003	\$ 6,427,949

Comparative data

Presentation of comparative total data for the prior year have been presented when available in order to provide an understanding of the changes in the financial position and operations of these funds.

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information

The General, Special Revenue, Debt Service, Capital Projects, and Permanent funds are under formal budgetary control. Formal budgetary integration is used as a management control device during the year for governmental funds. While formal budget integration is not used for other funds, informational summaries are prepared and presented to the Board for consideration for internal service and proprietary fund types. The County adopts its budget in accordance with Public Act 621, the Uniform Budgeting and Accounting Act, which mandates an annual budget process and an annual appropriation act to implement the budget. Budgets, as presented for these funds in the accompanying financial statements, were prepared on the modified accrual basis of accounting.

The Fiscal Services Director presents the budget requests for the succeeding fiscal year to the County Administrator in July. The County Administrator, Fiscal Services Director and Assistant Fiscal Services Director meet with department heads and elected officials during July to review and discuss the requested revenue and expenditures levels. A proposed budget with balancing options for all funds is presented to the Finance Committee in August, then made available to the public to review. A public hearing and formal budget presentation is held at the first board meeting in September to provide any county resident with the opportunity to discuss the budget with the Board prior to approval. The budget, and an appropriation ordinance implementing it, is approved by the Finance Committee and forwarded to the Board for approval at the last Board meeting in September.

Budgetary control over expenditures is maintained on a departmental basis, which is the legal level of control. Expenditures may not legally exceed budgeted amounts and certain Special Revenue fund expenditures must be in accordance with the respective agreements with Federal and State grantor agencies. All budget appropriations lapse at the end of each fiscal year unless specific Board action is taken.

Budgets for the current year are continually reviewed for any required revisions of original estimates. Proposed increases or reductions in appropriations may not be made without review by the Finance Committee and approval by the Board, with certain exceptions. The Board has delegated authority to the County Administrator to approve budget transfers between departments within a fund if the amount to be transferred does not exceed \$50,000. The Board amends the general appropriation act as soon as it becomes apparent this action is necessary. The budgetary information as presented herein has been amended by official actions of the Board.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS

Primary government

Deposit and investment balances at year-end are as follows:

	Primary Government	Component Units	Fiduciary Funds	Total
Statement of net position				
Cash and pooled investments	\$ 94,492,821	\$ 63,918,741	\$ 46,307,535	\$204,719,097
Investments	48,617,544	-	6,537,404	55,154,948
Total	143,110,365	63,918,741	52,844,939	259,874,045
Separate disclosure				
Ottawa County Road Commission	-	(38,983,231)		(38,983,231)
Ottawa County Central Dispatch Authority	-	(6,214,364)	-	(6,214,364)
Ottawa County Other Post-Employment Benefit Plan	-	-	(6,537,404)	(6,537,404)
Ottawa County Insurance Authority	(48,763,643)	-	-	(48,763,643)
Ottawa County Public Utilities System	-	(15,745,255)	-	(15,745,255)
Balance	<u>\$ 94,346,722</u>	<u>\$ 2,975,891</u>	<u>\$ 46,307,535</u>	<u>\$143,630,148</u>
Cash on hand				\$ 17,575
Deposits				98,686,759
Investments				<u>44,925,814</u>
Total				<u>\$ 143,630,148</u>

Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that, in the event of bank failure, the County's deposits may not be returned. It is County policy to review and verify a bank's credit worthiness through a system of ratio analysis and from information provided by several third party sources. The County policy also places maximum limits on percent of portfolio, per issuer and duration. The County places concentration limits on banks based on bank size and credit worthiness analysis. As of September 30, 2020, the County's bank balance (including certificates of deposit) was \$86,719,110 and of that \$83,966,930 was uninsured and uncollateralized.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Investments

The County categorizes its fair value measurements of investments 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.

The County has the following recurring fair value measurements as of September 30, 2020:

- The Ottawa County Investment Pool investments are valued using either quoted market prices (Level 1 inputs) or a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determine the fair value of the securities making up the investment fund/pool (Level 2 inputs).
- The County does not have any investments which are valued based on significant unobservable inputs (Level 3 inputs).

Michigan statutes authorize the County to invest in bonds, other direct obligations and repurchase agreements of the United States, certificates of deposit, savings accounts, deposit accounts or receipts of a bank which is a member of the FDIC, commercial paper, bankers' acceptances of United States banks, obligations of the State of Michigan and its political subdivisions, external investment pools, and certain mutual funds. The County's investment policy, last amended in January of 2014, allows for all of these types of investments.

The County chooses to disclose its investments by weighted average maturity. As of September 30, 2020, the County had the following investments:

As of September 30, 2020 the County had the following investments:

Investment Type	Fair Value	Moody's or S&P Rating	Weighted Avg Maturity (year)	Level
MiClass	\$ 3,426,523	AAAm	N/A	2
Agency - FFCB	2,039,490	AA+	2.674	2
Agency - FHLB	5,100,290	AA+	2.6493	2
Agency - FHLMC	4,417,404	AAA & AA+	3.6438	2
Agency - FNMA	1,556,205	AA+	2.8219	2
Municipal Bond	9,150,652	AA+, AA, AA1, AA2, A	2.3973	2
Treasury Notes	19,024,979	AAA	2.5425	2
<hr/> <u>\$ 44,715,542</u>				

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Primary Government (continued)

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. The County's investment policy requires that investment securities be held in third-party safekeeping by an institution designated as primary agent. To reduce custodial risk further, the County's investment policy requires that all trades of marketable securities be executed by delivery versus payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. As of September 30, 2020, the County's investments in treasuries, U.S. government agency securities, marketable CDs and municipal bonds were held in third-party safekeeping in the County's name. The \$3,426,523 MiClass investment listed in the Ottawa County Investments as of September 30, 2020 is a pooled account similar to a mutual fund for which the County's custodial credit risk exposure cannot be determined because the investment does not consist of specifically identifiable securities.

Credit Risk. State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations with a maximum maturity of 270 days. The County's investment policy further limits its investment choices by limiting the maturity to A-1 270 days. The County's investment policy is silent on the use of rated vs. unrated money market funds. In addition, there is no rating level requirement for those money market funds that are rated. Investment ratings are identified in the chart on the previous page.

Concentration of Credit Risk. The County's investment policy specifies a plan to diversify and set concentration limits to further manage credit risk. The policy sets maximum percentages of the pooled portfolio by investment type with additional maximums by issuer. A minimum of 15% is to be invested in U.S. Treasuries. The policy sets a maximum of 50% in U.S. agencies with a maximum of 20% in any one issuer. Certificates of deposit have a 50% maximum with concentration limits set at 5% of the issuer's net worth. Investment balances by investment type are identified in the chart on the previous page.

Interest Rate Risk. The County does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The policy sets the maximum maturity by specific type of security and by specific issuer with the maximum of 10 years. The weighted average maturity of each type of investment are identified in the chart on the previous page.

Foreign Currency Risk. The County's investment policy is silent regarding foreign currency risk. Management believes the County's exposure to foreign currency risk is immaterial.

Ottawa County Other Post-Employment Benefit Plan (“OPEB Plan”)

The Ottawa County Other Post-Employment Benefit Plan can utilize all investment options allowed for the County as well as equity, corporate securities, and foreign investment. The OPEB Plan held the following investments as of September 30, 2020:

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Other Post-Employment Benefit Plan ("OPEB Plan")

OPEB PLAN HOLDINGS AS OF: September 30, 2020

	Market Value (Fair Value)	Investment Maturities (fair value by years)			
		Less than 1	1-5	6-10	over 10
US Gov't Notes & Bonds	\$ 855,000	\$ -	\$ 476,858	\$ 378,141	\$ -
Corporate Bonds	\$ 897,680	\$ 126,192	\$ 636,581	\$ 134,907	\$ -
Total Gov't Notes & Bonds	\$ 1,752,680	\$ 126,192	\$ 1,113,439	\$ 513,048	\$ -
 Mutual Funds					
MM Funds-Taxable	\$ 238,999				
MF-Fixed Income	\$ 135,264				
MF-Equity	\$ 1,352,105				
MF-Intl	\$ 160,045				
Exchange Traded Fds-Equity	\$ 2,898,312				
Total Mutual Funds	\$ 4,784,725				
 Total held by OPEB	<u>\$ 6,537,404</u>				
 Outstanding Deposit					
TOTAL	<u>\$ 6,537,404</u>				

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. Of the \$6,537,403 of investments, the County has custodial credit risk of \$1,752,680 because the related securities are uninsured, unregistered and held by the government's brokerage firm which is also the counterparty for these particular securities. Of the above investments, \$4,784,724 is invested in mutual funds for which the County's custodial credit risk exposure cannot be determined because the mutual funds do not consist of specifically identifiable securities.

Credit Risk. At September 30, 2020, U.S. Government Notes & Bonds, Corporate Bonds and Mutual Fund-Fixed Income were rated by Standard & Poors as follows:

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Other Post-Employment Benefit Plan (OPEB Plan) (continued)

S&P Rating	Market Value (Fair Value)
AAA	\$ 25,124
AA, AA-, AA+	\$ 1,096,920
A, A-, A+	\$ 373,476
BBB, BBB-, BBB+	\$ 392,424
Total Rated Inv	<u>\$ 1,887,944</u>

Concentration of Credit Risk. The County's investment policy for the OPEB Plan provides for no more than 50% fixed income securities, 70% equities, 20% international securities, 15% commodities and 50% cash and equivalents. Investments at year-end comply with policy.

Foreign Currency Risk. The County's investment policy is silent regarding foreign currency risk. The OPEB Plan has mutual funds with a fair value of \$160,045 containing international equities involving numerous currencies. Management believes the County's exposure to foreign currency risk from these equities is immaterial.

The OPEB Plan categorizes its fair value measurements of investments 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.

The OPEB Plan has the following recurring fair value measurements as of September 30, 2020:

- The money market accounts, fixed income, domestic equity, exchange traded, and equity mutual funds are valued using quoted market prices (Level 1 inputs).
- The US Government Notes & Bonds and Corporate Bonds are valued based on significant other observable inputs (Level 2 inputs).
- The OPEB Plan had no investments which are valued based on significant unobservable inputs (Level 3 inputs).

Blended Component Units

Ottawa County Insurance Authority (“OCIA”)

The OCIA's investments, including its cash and cash equivalents, are held in a trust account at local banks. Public Act 218 of 1956 (the Insurance Code of 1956) establishes asset requirements for domestic insurers. Qualified assets as defined thereunder include investments in domestic and foreign stocks, bonds, and

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Insurance Authority (“OCIA”)

other indebtedness of solvent corporations as approved by the insurer’s governing body entrusted with its investments, subject to certain percentage of portfolio limitations. Generally, the statute does not prohibit investments in any asset otherwise permitted to be held by any other person or corporation under Michigan laws. All of the OCIA’s investments comply with State statutes.

Custodial Credit Risk. The OCIA’s cash and cash equivalents are money market funds that amounted to \$463,497 at September 30, 2020. The money market funds are rated AAAm by S&P and are not subject to custodial risk categorization because they are not evidenced by a specific security. At September 30, 2020, the OCIA did not have any custodial credit risk on its remaining investments.

The cost and estimated fair values of unrestricted investments in debt securities and mutual funds at September 30, 2020 are summarized as follows:

	Cost	Unrealized			Fair Value
		Gains	Losses		
Debt securities					
Federal agency mortgage-backed	\$ 165,652	\$ 226	\$ -	\$ 165,878	
Federal agency collateralized mortgage obligation	147,997	-	450	147,547	
Federal agency notes	449,432	642	-	450,074	
U.S. Treasury notes	3,299,544	81,773	-	3,381,317	
Asset-backed securities	1,140,760	27,221	-	1,167,981	
Commercial paper	299,285	386	-	299,671	
Corporate notes	5,108,174	166,400	-	5,274,574	
Land	747,366	-	-	747,366	
Mutual funds					
Bond	4,048,750	102,760	-	4,151,510	
Equity	18,706,311	4,844,779	-	23,551,090	
Exchange-traded funds					
Bond	419,691	16,263	-	435,954	
Equity	3,130,728	559,798	-	3,690,526	
Total	\$ 37,663,690	\$ 5,800,248	\$ 450	\$ 43,463,488	

The calculation of realized gains and losses is independent of the calculation of net change in the fair value of investments. Unrealized gains and losses on investments sold in the current year that had been held for more than one year were included in the net change reported in the current and prior years.

Interest Rate Risk. The OCIA does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The OCIA had the following investments and maturities in debt securities (none of which were callable) as of September 30, 2020:

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Insurance Authority (OCIA) (continued)

	<u>Cost</u>	<u>Fair Value</u>	Investment Maturities (fair value by year)				
			<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Over 10</u>	
Federal agency mortgage-backed	\$ 165,652	\$ 165,878	\$ -	\$ -	\$ 165,878	\$ -	
Federal agency collateralized mortgage obligation	147,997	147,547	-	147,547	-	-	
Federal agency notes	449,432	450,074	-	450,074	-	-	
U.S. Treasury notes	3,299,544	3,381,317	-	3,381,317	-	-	
Asset-backed	1,140,760	1,167,981	-	1,098,035	69,946	-	
Mutual funds - bonds	4,048,750	4,151,510	-	-	4,151,510	-	
Exchange-traded - bonds	419,691	435,954	-	-	435,954	-	
Commercial paper	299,285	299,671	299,671	-	-	-	
Corporate notes	5,108,174	5,274,574	1,079,608	4,194,966	-	-	
Total	<u>\$ 15,079,285</u>	<u>\$ 15,474,506</u>	<u>\$ 1,379,279</u>	<u>\$ 9,271,939</u>	<u>\$ 4,823,288</u>	<u>\$ -</u>	

Credit Risk. Credit risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligation. The OCIA's investment policy prohibits investments in notes or bonds rated below investment grade. As of September 30, 2020, the OCIA's investments in federal agency mortgage-backed securities, federal agency collateralized mortgage obligations, federal agency notes, U.S. Treasury notes, and asset-backed securities were rated AAA by Moody's. Bond mutual funds of \$2,146,656, \$1,317,969 and \$686,885 were rated three star, two star and five star by Morningstar. Exchange-traded bond funds were not rated. The OCIA's investments in corporate notes were rated by Moody's as follows (unless otherwise noted):

<u>Rating</u>	<u>Fair Value</u>
AAA	\$ 200,062
AA3	213,662
AA2	289,834
AA1	174,953
A3	1,015,343
A2	1,726,923
A1	875,432
BAA2	326,824
BAA1	401,491
BAA3	50,050
	<u>\$ 5,274,574</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Insurance Authority (OCIA) (continued)

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the OCIA's investment in a single issuer. The OCIA's investment policy stipulates that investment managers may not invest more than 5% of the domestic equity, international equity or fixed income portfolio assets in the securities of one issuer at time of purchase, nor in more than 5% of the outstanding securities of one issuer. Excluding U.S. government guaranteed investments, mutual funds, and pooled investments, the OCIA had no investment in a single issuer that exceeded 5% of total investments at September 30, 2020.

Foreign Currency Risk. Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair value of an investment or deposit. The OCIA's investment policy permits investing in foreign publicly held stocks, mutual funds, ETFs and other pooled investments. At September 30, 2020, the OCIA had International Equity mutual funds with a total fair market value of \$8,477,596.

The OCIA categorizes its fair value measurements of investments 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.

The OCIA has the following recurring fair value measurements as of September 30, 2020:

- The money market accounts, bond mutual funds, and equity mutual funds are valued using quoted market prices (Level 1 inputs).
- The debt securities are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determine the fair value of the securities making up the investments fund/pool (Level 2 inputs).
- The OCIA investments in real estate are valued based on significant unobservable inputs (Level 3 inputs).

Restricted Investments

In 1998, to comply with Michigan Insurance Bureau regulations, the OCIA transferred certain investments – i.e., U.S. Treasury Notes – to the Michigan Department of Treasury as security for the benefit of the OCIA's policyholders. As these investments mature, they are replaced with comparable investments to maintain a face value balance of \$5.0 million. Such investments held by the State Treasurer as of September 30, 2020, are as summarized below:

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Insurance Authority (OCIA) (continued)

Description	Maturity Date	Interest Rate	Face Value	Fair Value	
				2020	2019
U.S. Treasury Notes	4/30/2020	1.375%	\$ 500,000	\$ -	\$ 498,545
U.S. Treasury Notes	8/15/2020	2.625%	445,000	-	447,933
U.S. Treasury Notes	5/15/2021	3.125%	445,000	453,310	454,799
U.S. Treasury Notes	8/31/2021	2.000%	470,000	478,000	472,878
U.S. Treasury Notes	10/31/2021	1.250%	440,000	445,298	436,425
U.S. Treasury Notes	11/15/2021	2.000%	340,000	347,093	342,557
U.S. Treasury Notes	4/30/2022	1.875%	1,000,000	1,027,477	1,006,719
U.S. Treasury Notes	12/31/2022	2.125%	1,360,000	1,420,663	1,383,322
U.S. Treasury Notes	5/31/2021	1.625%	945,000	982,215	-
				<u>\$ 5,154,056</u>	<u>\$ 5,043,178</u>

Discretely Presented Component Units

Ottawa County Road Commission (“Road Commission”)

The Road Commission reported cash and pooled investments of \$39,026,012 at September 30 2020. All cash and pooled investment accounts are managed by the Ottawa County Treasurer in the name of the Road Commission. The balance consisted of the following:

	<u>Cash and Investments</u>
Governmental fund	
Deposits	\$ 4,188,870
Investments	34,794,361
Total	<u>\$38,983,231</u>

Deposits

The deposits are in financial institutions located in Michigan in varying amounts. State law and Ottawa County policy limits the Road Commission’s investing options to financial institutions located in Michigan. All accounts are in the name of the Road Commission. They are recorded in Road Commission records at fair value. Interest is recorded when earned.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Road Commission (“Road Commission”) (continued)

Deposit risk

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned. State law does not require, and Ottawa County does not have, a policy for deposit custodial credit risk. As of year-end, \$5,308,334 of the Road Commission's bank balance of \$5,562,048 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

Investments

The Road Commission chooses to disclose its investments by specifically identifying each. As of year-end, the Commission had the following investment:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Source</u>
MBIA Michigan Class	N/A	\$34,794,361	AAAm	S&P

Investment risk

Interest Rate Risk. State law and Ottawa County policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. Ottawa 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. The maturity date for each investment is identified above for investments held at year-end. There is no stated maturity date for the Road Commission's investment in MBIA Michigan Class identified above.

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 Note 1, the summary of significant accounting policies. Ottawa County's investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Road Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and Ottawa County does not have, a policy for investment custodial credit risk. Of the above investments in MBIA Michigan Class, the Road Commission's custodial credit risk exposure cannot be determined because the investment fund does not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. Ottawa County's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Road Commission (“Road Commission”) (continued)

The Road Commission categorizes its fair value measurements of investments 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.

The Road Commission has the following recurring fair value measurements as of year-end.

- The Road Commission does not have any investments valued using quoted market prices (Level 1 inputs).
- The MBIA Michigan Class investment is valued using a pricing model utilizing observable fair value measures of fund investments and other observable inputs to determining the fair value of the securities making up the investment fund (Level 2 inputs).
- The Road Commission does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

Ottawa County Central Dispatch Authority (“OCCDA”)

OCCDA reported cash and pooled investments of \$6,214,364 at December 31 2019. The balance consisted of the following:

Deposits	\$1,325,157
Investments	4,889,107
Petty cash	100
Total	<u>\$6,214,364</u>

Deposits

The deposits are in financial institutions located in Michigan. State policy limits the OCCDA's investing options to financial institutions located in Michigan. All accounts are in the name of the OCCDA. They are recorded in OCCDA records at fair value. Interest is recorded when earned.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the OCCDA's deposits may not be returned. State law does not require, and the OCCDA does not have, a policy for deposit custodial credit risk. As of year-end, \$74,588 of the OCCDA's bank balance of \$1,324,588 was uninsured and uncollateralized.

Investments

The OCCDA chooses to disclose its investments by specifically identifying each. As of year-end, the OCCDA had the following investments:

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Central Dispatch Authority (“OCCDA”) (continued)

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Source</u>
Michigan CLASS pool	n/a	\$ 63,556	AAAm	S&P
Federated govt. obligations				
money market fund	n/a	123,065	AAAm	S&P
JP Morgan commercial paper	07/13/20	744,766	Unrated	
Asset backed securities:				
Uniform MBS pool	06/01/23	239,869	Unrated	
FHLMC 3.00%	07/15/31	140,231	Unrated	
FNMA 2.00%	06/25/39	116,122	Unrated	
FHLMC 3.00%	07/15/39	253,140	Unrated	
GNMA 3.00%	07/16/40	148,529	Unrated	
FNMA 3.00%	03/25/42	87,121	Unrated	
FNMA 2.00%	12/25/42	100,946	Unrated	
FNMA 3.00%	03/25/44	271,308	Unrated	
FHLMC 2.00%	10/15/46	171,495	Unrated	
GNMA 2.50%	01/20/47	187,185	Unrated	
GNMA 2.50%	03/20/47	180,937	Unrated	
GNMA 2.25%	03/20/47	183,651	Unrated	
FHLMC 2.50%	07/15/47	278,832	Unrated	
FNMA 2.25%	11/25/47	265,710	Unrated	
FNMA 2.50%	11/25/47	96,954	Unrated	
GNMA 2.50%	12/20/48	347,789	Unrated	
GNMA 2.00%	02/20/49	178,748	Unrated	
GNMA 2.75%	03/20/49	454,533	Unrated	
FHLMC 2.00%	07/25/49	254,620	Unrated	
Total		<u>\$ 4,889,107</u>		

The OCCDA categorizes its fair value measurements of investments 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.

The OCCDA has the following recurring fair value measurements as of year-end.

- The money market account is valued using quoted market prices (Level 1 inputs).
- The above securities are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determine the fair value of the securities making up the investments fund/pool (Level 2 inputs).

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Central Dispatch Authority (“OCCDA”) (continued)

- The OCCDA has no investments that report fair value based on significant unobservable inputs (Level 3 inputs).

The aforementioned investments do not include certificates of deposit which are classified as deposits for risk identification purposes.

Investment risk

Interest Rate Risk. State law and OCCDA policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies.

The OCCDA’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. The maturity date for each investment is identified above for investments held at year-end.

Credit Risk. State law limits investments to specific securities as identified in Note 1 of the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the OCCDA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the OCCDA does not have a policy for investment custodial credit risk. The OCCDA had custodial credit risk totaling \$4,462,617 at year-end because the related securities were held by the government’s brokerage firm which is also the counterparty. At year-end, the OCCDA had \$426,490 invested in money market mutual funds for which custodial credit risk exposure could not be determined because the mutual funds did not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The OCCDA’s investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

Ottawa County Public Utilities System (“System”)

All cash and temporary investment accounts are managed by the Ottawa County Treasurer. Balances reported on the financial statements consist of the following at year-end:

	<u>Cash and Investments</u>
Deposits	\$ 7,273,978
Certificates of deposit	200,000
Temporary investments	<u>8,271,277</u>
Total cash and temporary investments	<u>\$ 15,745,255</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Public Utilities System (“System”) (continued)

Deposits

The deposits are in financial institutions located in Michigan in varying amounts. State law and Ottawa County policy limits the System’s investing options to financial institutions located in Michigan. All accounts are in the name of the System and are recorded in the System’s records at fair value. Interest is recorded when earned.

Deposit risk

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the System’s deposits may not be returned. State law does not require, and Ottawa County does not have, a policy for deposit custodial credit risk. As of year-end, \$7,026,450 of the System’s bank balance of \$7,476,450 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

Investments

The System chooses to disclose its investments by specifically identifying each. As of year-end, the System had the following investment:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Source</u>
MBIA Michigan Class	N/A	\$8,271,277	AAAm	S&P

Investments do not include certificates of deposit which are classified as deposits for risk identification purposes.

Investment risk

Interest Rate Risk. State law and Ottawa County policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. Ottawa 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. The maturity rate for each investment is identified above for investments held at year-end. There is no stated maturity date for the System’s investment in MBIA Michigan Class identified above.

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 Note 1, the summary of significant accounting policies. Ottawa County’s investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and Ottawa County does not have, a policy for investment custodial credit risk. Of the above investments in MBIA Michigan Class, the System’s custodial credit risk exposure cannot be determined because the investment fund does not consist of specifically identifiable securities.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Ottawa County Public Utilities System (“System”) (continued)

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. Ottawa County’s investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

The System categorizes its fair value measurements of investments 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.

The System has the following recurring fair value measurements as of year-end.

- The System does not have any investments valued using quoted market prices (Level 1 inputs).
- The MBIA Michigan Class investment is valued using a pricing model utilizing observable fair value measures of fund investments and other observable inputs to determining the fair value of the securities making up the investment fund (Level 2 inputs).
- The System does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

Remaining Discretely Presented Component Units

The remaining component units reported cash and pooled investments of \$2,975,891 at their year-ends. All cash and pooled investment accounts are in the name of the Ottawa County Treasurer and a specific fund or common account at component unit year-ends. Cash and pooled investments are recorded in component unit records at fair value. Reported balances of cash and pooled investments were as follows:

Component unit	Amount
Ottawa County Land Bank Authority – 9/30/20	\$ 49,181
Ottawa County Office of the Water Resources Commissioner – 9/30/20	2,823,904
Ottawa County Brownfield Redevelopment Authority – 9/30/20	92,924
Ottawa County Economic Development Corporation – 9/30/20	9,882
 Total	 <u>\$2,975,891</u>

The remaining component units categorize their fair value measurements of cash and pooled investments with the Ottawa County Treasurer 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.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

3. DEPOSITS AND INVESTMENTS (continued)

Discretely Presented Component Units (continued)

The remaining component units have the following recurring fair value measurements for their participation in the Ottawa County cash and pooled investments as of their year-ends:

- The Ottawa County cash and pooled investments are valued using either quoted market prices (Level 1 inputs) or a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determine the fair value of the securities making up the investment fund/pool (Level 2 inputs).
- The Ottawa County cash and pooled investments does not consist of any investments which are valued based on significant unobservable inputs (Level 3 inputs).

Deposit and Investment Risk. For remaining component unit cash and pooled investments held by Ottawa County, the deposit and investment risks can be determined for Ottawa County as a whole, but cannot be separately identified for the remaining component units. The Ottawa County investment pool is unrated. Specific disclosure regarding Ottawa County deposits and investments is provided above.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

4. DEFERRED INFLOWS OF RESOURCES

On the governmental funds balance sheet, the aggregate deferred inflows represent items that will be recognized as an inflow of resources (revenue) in future periods. They are as follows:

	General	Nonmajor Governmental Funds
2020 Property Taxes:		
Primary Government	\$ 1,585,956	\$ -
Delinquent Property Taxes:		
Primary Government	33,495	3,320
Ottawa County Road Commission	4,235	-
Ottawa County Central Dispatch Authority	4,582	-
Survey & Remonumentation	699,625	-
Unavailable Receivables	395,029	326,632
 Total	 <hr/> \$ 2,722,922	 <hr/> \$ 329,952

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

5. CAPITAL ASSETS

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

Primary government

	Beginning of Year	Additions	Deductions	End of Year
Capital assets, not being depreciated:				
Land	\$ 62,364,481	\$ 1,251,566	\$ -	\$ 63,616,047
Construction in progress	2,206,348	1,463,461	1,071,304	2,598,505
Total capital assets, not being depreciated	64,570,829	2,715,027	1,071,304	66,214,552
Capital assets, being depreciated:				
Land improvements	30,892,049	1,308,083	-	32,200,132
Buildings and improvements	104,511,739	1,584,563	-	106,096,302
Equipment	29,750,487	3,786,448	1,108,080	32,428,855
Total capital assets, being depreciated	165,154,275	6,679,094	1,108,080	170,725,289
Less accumulated depreciation for:				
Land improvements	15,951,860	1,237,158	-	17,189,018
Buildings and improvements	48,956,185	3,592,234	-	52,548,419
Equipment	21,349,880	2,770,885	1,108,080	23,012,685
Total accumulated depreciation	86,257,925	7,600,277	1,108,080	92,750,122
Net capital assets, being depreciated	78,896,350	(921,183)	-	77,975,167
Net governmental activities capital assets	\$ 143,467,179	\$ 1,793,844	\$ 1,071,304	\$ 144,189,719

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

Governmental activities:

Judicial	\$ 95,640
General Government	3,996,168
Public Safety	52,891
Public Works	144,464
Health and Welfare	129,783
Culture and Recreation	1,346,564
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the net position	1,834,768
Total depreciation expense - governmental activities	\$ 7,600,277

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

5. CAPITAL ASSETS (continued)

Discretely presented component units

	Beginning of Year	Additions	Deductions	End of Year
Capital assets, not being depreciated:				
Land	\$ 3,461,915	\$ -	\$ -	\$ 3,461,915
Construction in progress	897,084	7,279,188	-	8,176,272
Total capital assets, not being depreciated	<u>4,358,999</u>	<u>7,279,188</u>	<u>-</u>	<u>11,638,187</u>
Capital assets, being depreciated:				
Buildings	17,793,790	280,450	-	18,074,240
Equipment	46,227,267	1,422,735	1,800,088	45,849,914
Infrastructure	480,980,878	28,714,965	-	509,695,843
Total capital assets, being depreciated	<u>545,001,935</u>	<u>30,418,150</u>	<u>1,800,088</u>	<u>573,619,997</u>
Less accumulated depreciation for:				
Buildings	5,380,675	338,844	-	5,719,519
Equipment	30,172,383	2,655,376	1,800,088	31,027,671
Infrastructure	215,930,884	14,127,698	-	230,058,582
Total accumulated depreciation	<u>251,483,942</u>	<u>17,121,918</u>	<u>1,800,088</u>	<u>266,805,772</u>
Net capital assets, being depreciated	<u>293,517,993</u>	<u>13,296,232</u>	<u>-</u>	<u>306,814,225</u>
Net component units capital assets	<u>\$ 297,876,992</u>	<u>\$ 20,575,420</u>	<u>\$ -</u>	<u>\$ 318,452,412</u>

Commitments

The Ottawa County Road Commission had construction and contract commitments of approximately \$2,530,000 at their September 30, 2020 year-end. The Ottawa County Public Utilities System had construction and contract commitments of approximately \$2,230,000 at their December 31, 2019 year-end.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

6. INTERFUND, RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances as of September 30, 2020 are as follows:

Amounts due to and from other funds

	Due from Other Funds	Due to Other Funds
Primary Government		
General Fund	\$ 63,476	\$ -
Nonmajor Governmental	43,433	-
Internal Service Funds	3,757,814	3,864,723
	<hr/> <u>\$ 3,864,723</u>	<hr/> <u>\$ 3,864,723</u>

Included in the Internal Service funds is \$3,864,723 which represents funds from the worker's compensation program that are invested by the Ottawa County Insurance Authority.

Receivable and Payable

As of September 30, 2020, certain funds that are a part of the County's pooled cash report negative cash balances. Accordingly, an interfund payable is established in the amount of the negative cash balance and a corresponding interfund receivable is established in the General Fund.

	Interfund Receivable	Interfund Payable
General Fund	\$ 1,564,898	\$ -
Nonmajor Governmental Funds	-	1,564,898
	<hr/> <u>\$ 1,564,898</u>	<hr/> <u>\$ 1,564,898</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

6. INTERFUND, RECEIVABLES, PAYABLES, AND TRANSFERS (continued)

Long-term advances to and from component units and primary government

	Advances to Component Units	Advances from Primary Government
Primary Government		
Major Governmental Funds:		
General Fund	\$325,000	\$ -
Component Units:		
Ottawa County Public Utilities	-	150,000
Ottawa County Office of the Water Resources Commissioner	-	175,000
Total	<u>\$325,000</u>	<u>\$325,000</u>

Interfund transfers within the primary government

Primary Government	Transfer In:						
	General	Community	Substance	Nonmajor	Internal		Total
		Mental Health	Use Disorder	Governmental Funds	Service Funds		
Transfer out:							
Major Funds:							
General Fund	\$ -	\$ 476,500	\$ -	\$ 12,571,613	\$ -	\$ 13,048,113	
Delinquent Tax Revolving Fund	-	-	-	674,750	-	674,750	
Internal Service Funds	1,650,297	-	-	2,996,648	13,546	4,660,491	
Nonmajor Governmental Funds	-	-	64,373	638,940	-	703,313	
TOTAL	<u>\$ 1,650,297</u>	<u>\$ 476,500</u>	<u>\$ 64,373</u>	<u>\$ 16,881,951</u>	<u>\$ 13,546</u>	<u>\$ 19,086,667</u>	

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and move revenues from the fund that is required to collect them to the fund required, or allowed, to expend them.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

7. LEASES

Operating leases

The County is a lessee under various operating leases for building and office space. Lease expenditures for the year ended September 30, 2020 amounted to \$39,256. Future minimum lease payments for these leases are as follows:

Year Ending September 30	Amount
2021	\$33,538
2022	4,948
2023	4,948
	<u>\$43,433</u>

The County is also a lessor under various operating lease agreements for office space and marinas. At September 30, 2020 the original cost of these assets was \$7,769,738 and the accumulated depreciation totals \$3,447,926 leaving a carrying value of \$4,321,813. Lease revenue for the year ended September 30, 2020 was \$601,559. Future lease revenues for these leases are as follows:

Year Ending September 30	Amount
2021	\$ 625,719
2022	583,450
2023	557,429
2024	537,302
2025	598,340
2026 - 2030	<u>2,550,000</u>
	<u><u>\$ 5,452,240</u></u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

8. LONG-TERM DEBT

The County issues and guarantees bonds for governmental activities and component units to provide funds for the construction of water and sewage disposal systems, drains and buildings, and to refund previously issued bonds. The Primary Government bonds are repaid through designated general funding sources. The private placement bonds for the primary government are secured by the limited tax, full faith and credit pledge of the County. The bonds issued for the component units are generally being repaid from funds received from local municipalities in the County, from drain assessments levied and gas and weight tax. Under the terms of the bond agreements with local municipalities, the local municipalities have pledged their full faith and credit to pay the amounts sufficient to make principal and interest payments on the bonds each year. The County has also pledged its full faith and credit for payment on the bonds, but has not established a reserve or sinking fund to cover defaults by property owners or local units. These bonds generally are issued as 20-year serial bonds with varying amounts of principal maturing each year.

The original issue amount of the primary government's bonds is \$47,535,000.

Bonds outstanding for which the County has pledged its full faith and credit are as follows:

Purpose	Component Units				Total Ottawa County
	Primary Government	Ottawa County Public Utilities System	Office of the Water Resources Commissioner	Ottawa County	
Governmental activities	\$23,575,000	\$ 59,269,055	\$ 1,541,530	\$ 84,385,585	
Governmental activities-refunding	7,425,000	47,720,000	-	55,145,000	
Private placements	2,940,000	-	-	2,940,000	
Total	<u>\$33,940,000</u>	<u>\$106,989,055</u>	<u>\$ 1,541,530</u>	<u>\$142,470,585</u>	

Interest is payable on all bond obligations semi-annually, and principal payments are made annually. The annual debt service requirements to maturity for the bonds outstanding (including component unit notes and capital leases) at year-end are as follows:

Governmental Activities								
Current Year	Primary Government				Component Units			
	Bond Plus	Principal	Interest	Private Placement Principal	Interest	Bond Principal	Interest	
one year	\$ 3,205,000	\$ 1,023,858	\$ 365,000	\$ 111,720	\$ 7,550,046	\$ 4,729,537		
two years	3,680,000	917,668	365,000	97,850	7,791,130	4,446,514		
three years	4,370,000	785,526	365,000	83,980	8,044,782	4,151,227		
four years	3,880,000	643,994	365,000	70,110	8,194,214	3,844,151		
five years	3,525,000	508,654	370,000	56,240	8,224,373	3,535,734		
years 6-10	11,905,000	840,337	1,110,000	84,360	39,706,035	13,152,499		
years 11-15	205,000	40,652	-	-	31,809,349	5,749,676		
years 16-20	230,000	17,030	-	-	10,551,500	1,316,992		
years 21-25	-	-	-	-	1,290,000	28,219		
Total	<u>\$ 31,000,000</u>	<u>\$ 4,777,719</u>	<u>\$ 2,940,000</u>	<u>\$ 504,260</u>	<u>\$ 123,161,429</u>	<u>\$ 40,954,549</u>		

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

8. LONG-TERM DEBT (continued)

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2020 was as follows:

Primary Government	Balance			Balance		Due Within One Year	
	October 1 2019	Additions	Reductions	September 30 2020			
Governmental activities:							
General obligation bonds							
QEBC 2013 bonds	\$ 3,305,000	\$ -	\$ 365,000	\$ 2,940,000	\$ 365,000		
Pension 2014 bonds	24,700,000	-	1,925,000	22,775,000	2,270,000		
2015 Refunding bonds	8,280,000	-	855,000	7,425,000	895,000		
Marina Bond	-	800,000	-	800,000	40,000		
Bond premium	956,426	-	135,482	820,944	-		
Capital lease	-	73,544	14,904	58,640	14,709		
Landfill reclamation	4,491,543	515,097	-	5,006,640	1,639,000		
Compensated absences	3,123,274	728,629	35,998	3,815,905	3,815,905		
Total	<u>\$ 44,856,243</u>	<u>\$ 2,117,270</u>	<u>\$ 3,331,384</u>	<u>\$ 43,642,129</u>	<u>\$ 9,039,614</u>		

Compensated absences are liquidated by the Compensated Absences internal service fund and landfill reclamation is liquidated by the Solid Waste Clean-up fund, a sub-fund of the General Fund.

The reporting entity's legal debt margin at September 30, 2020 is \$1,616,370,488.

Discretely Presented Component Units

	Beginning of Year	Additions	Reductions	End of Year	Due within One Year
Governmental activities:					
General obligation bonds	\$ 114,060,798	\$ -	\$ 6,810,213	\$ 107,250,585	\$ 5,777,854
Special assessment bonds	1,375,000	-	95,000	1,280,000	95,000
Bond premium	7,523,311	-	928,897	6,594,414	-
Notes payable	6,659,745	882,000	975,017	6,566,728	1,057,417
Claims payable	66,024	-	60,023	6,001	-
Compensated absences	1,380,174	658,876	374,858	1,664,193	595,516
Capital lease	8,664,055	-	599,939	8,064,116	619,775
Total	<u>\$ 139,729,107</u>	<u>\$ 1,540,876</u>	<u>\$ 9,843,947</u>	<u>\$ 131,426,037</u>	<u>\$ 8,145,562</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

8. LONG-TERM DEBT (continued)

Changes in long-term liabilities (continued)

The Ottawa County Office of the Water Resources Commissioner also had the following short term-note activity during 2020:

Discretely Presented Component Units

	Balance October 1, 2020	Additions	Reductions	Balance September 30, 2020
Governmental activities:				
Various Drain notes payable, principal payments ranging from \$40,000 to \$99,000, due in 2020, plus interest of 1.85%	\$354,000	-	\$ 354,000	\$ -
Various Drain notes payable, principal payments ranging from \$45,000 to \$130,000, due in 2021, plus interest of 2.14%	-	175,000	-	175,000
	<u>\$354,000</u>	<u>\$ 175,000</u>	<u>\$ 354,000</u>	<u>\$175,000</u>

Conduit debt

In 2011, the Economic Development Corporation of Ottawa County ("EDC"), a discretely presented component unit, issued \$10 million in limited obligation refunding revenue bonds on behalf of Hope College. Although this debt bears the name of the EDC, the EDC has no obligation for such debt beyond the resources provided by a lease or loan with Hope College. The proceeds were used to advance refund a portion of the \$16,385,000 in outstanding bond principal of the Michigan Higher Education Facilities Authority Limited Obligation Bonds, series 2002A. At September 30, 2020, \$2,130,000 was still outstanding.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

9. LANDFILL RECLAMATION

The County owns the Southwest Ottawa County Refuse Disposal Center ("SOCRDC") otherwise known as the Southwest Ottawa County Landfill. Waste Management operated the landfill from the early 1970's until it was closed in 1981. The landfill was closed per the terms of the "1981 closure agreement" between the County and the Department of Natural Resources ("DNR"). The agreement outlined a plan to cap the landfill and install a pump and carbon filtration system. Waste Management installed the cap in the mid 1980's; the pump and carbon filtration system was built by the County in 1987, as per the terms of the closure agreement. The County has been operating the pump and filter system 24 hours a day, 7 days a week since beginning operation in 1987.

The pump and filter system were not effective in containing the plume of contaminants in the groundwater down gradient from the landfill. As a result, contaminants have escaped past the outer purge wells and are migrating southwest towards Lake Michigan. Even though the contaminated water meets drinking water standards, the County provided municipal water infrastructure to property owners in the path of the plume, and is working with the local unit of government to place institutional controls on future users moving into the area. The County has completed negotiations with the Michigan Department of Environmental Quality ("MDEQ"), formerly known as the DNR, with a revised plan to contain the contamination. The County recapped the landfill and enhanced the water filtration system with a project started in 2006. The County is reviewing the feasibility of a soil/bentonite onsite slurry wall and treatment system improvements to minimize additional contamination. Landfill post closure cost estimates are subject to change based on inflation, deflation, technology or changes to applicable laws or regulations.

The County's estimate of the costs of operating, maintaining and improvements to the landfill containment and treatment system are as follows:

Year Ending September 30	Present Value of Estimated Cost
2021	\$1,639,000
2022	334,723
2023	343,950
2024	353,439
2025	363,197
2026-2030	<u>1,972,331</u>
Total	<u>\$5,006,640</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN

County of Ottawa

Plan description

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

Benefits provided

Benefits provided include plans with multipliers ranging from 1.70 to 2.50. Vesting period of 6-10 years. Normal retirement age is 60. Final average compensation is calculated based on a 5 years average.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2019):

Inactive employees or beneficiaries currently receiving benefits	635
Inactive employees entitled but not yet receiving benefits	474
Active employees	<u>461</u>
Total	<u><u>1,570</u></u>

Contributions

The County is required to contribute at an actuarially determined rate, which for the current year was \$514 to \$291,131 per month depending on position and classification. Participating employees are required to contribute from 0.00% to 6.99% percent of gross wages to the plan based on position and classification. The contribution requirements of the County are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net pension liability

The employer's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date. Amounts due for pension liabilities are liquidated by the Governmental or Proprietary funds from which the related employees' compensation is paid.

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

Inflation: 2.5% (3-4% for 2014)

Salary Increases: base wage inflation of 3.75% in the long-term (plus merit and longevity from 0-11% based on age) (4.5% for 2014)

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

County of Ottawa (continued)

Net pension liability (continued)

Investment rate of return: 7.35%, net of investment expense, including inflation

Mortality rates used for non-disabled plan member were based on a weighted blend of RP-2014 mortality tables of a 50% male and 50% female blend. Mortality rates for disabled plan member were based on a blend of RP-2014 disabled retire mortality tables of a 50% male and 50% female blend.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Expected Money Weighted Rate of Return
Global Equity	60.00%	7.75%	3.15%
Global Fixed Income	20.00%	3.75%	0.25%
Private Investments	20.00%	9.75%	1.45%
Inflation			2.50%
Administrative fee			0.25%
			<hr/> <hr/> <hr/> 7.60%

Discount rate. The discount rate used to measure the total pension liability is 7.60%, which did not change from the prior year. 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 OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

County of Ottawa (continued)

Changes in the net pension liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/18	\$295,112,543	\$221,308,051	\$73,804,492
Changes for the year:			
Service cost	3,911,248	-	3,911,248
Interest	23,176,263	-	23,176,263
Change in benefits	-	-	-
Differences between expected and actual experience	(599,287)	-	(599,287)
Change in assumptions	10,554,788	-	10,554,788
Employer contributions	-	10,604,402	(10,604,402)
Employee contributions	-	1,283,336	(1,283,336)
Net investment income	-	29,922,304	(29,922,304)
Benefit payments, including refunds	(14,729,757)	(14,729,757)	-
Administrative expense	-	(515,451)	515,451
Other changes	(2)	-	(2)
Net changes	22,313,253	26,564,834	(4,251,581)
Balance at 12/31/19	<u>\$317,425,796</u>	<u>\$247,872,885</u>	<u>\$69,552,911</u>

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the employer, calculated using the discount rate of 7.60%, as well as what the employer's net pension liability would be using a discount rate that is 1.00% lower (6.60%) or 1.00% higher (8.60%) than the current rate.

	Current		
	1% Decrease	Discount rate	1% Increase
Total Pension Liability	\$355,632,394	\$317,425,796	\$285,302,170
Fiduciary Net Position	247,872,885	247,872,885	247,872,885
Net Pension Liability	<u>\$107,759,509</u>	<u>\$ 69,552,911</u>	<u>\$ 37,429,285</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

County of Ottawa (continued)

Pension expense and deferred outflows and deferred inflows of resources related to pensions

For the year ended September 30, 2020, the employer recognized pension expense of \$18,830,585. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$ 1,233,681
Differences in assumptions	5,277,394	-
Excess(deficit) investment returns	1,743,645	-
Contributions subsequent to the measurement date*	5,910,620	-
Total	<u>\$ 12,931,659</u>	<u>\$ 1,233,681</u>

*The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ended 2021.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2021	\$ (3,755,742)
2022	(1,065,105)
2023	(3,327,088)
2024	(2,360,577)
2025	-
Thereafter	<u>-</u>
 Total	<u>\$ (5,787,358)</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission

Plan description

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

Benefits provided

Benefits provided include plans with multipliers ranging from 1.7 to 2.50. Vesting period of 6-10 years. Normal retirement age is 60. Final average compensation is calculated based on a 3 years average.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2019):

Inactive employees or beneficiaries currently receiving benefits	141
Inactive employees entitled but not yet receiving benefits	20
Active employees	<u>71</u>
Total	<u><u>232</u></u>

Contributions

The Commission is required to contribute a fixed monthly amount of \$184,999 for some employee groups and at an actuarially determined rate of 70.32% of annual covered payroll for other groups depending on position and classification. Participating employees are required to contribute from 3% to 5% percent of gross wages to the plan based on position and classification. The contribution requirements of the Commission are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net pension liability

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

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

Inflation: 2.5%

Salary Increases: base wage inflation of 3.00% in the long-term (plus merit and longevity from 0-11% based on age)

Investment rate of return: 7.35%, net of investment expense, including inflation

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission (continued)

Net pension liability (continued)

Mortality rates used for non-disabled plan member were based on a weighted blend of RP-2014 mortality tables of a 50% male and 50% female blend. Mortality rates for disabled plan member were based on a blend of RP-2014 disabled retire mortality tables of a 50% male and 50% female blend.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Expected Money Weighted Rate of Return
Global Equity	60.00%	7.75%	3.15%
Global Fixed Income	20.00%	3.75%	0.25%
Private Investments	20.00%	9.75%	1.45%
Inflation			2.50%
Administrative fee			0.25%
Investment rate of return			<u>7.60%</u>

Discount rate. The discount rate used to measure the total pension liability is 7.60%. 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 OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission (continued)

Changes in the net pension liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at January 1, 2019	\$55,755,979	\$31,105,676	\$24,650,303
Changes for the year:			
Service cost	460,565	-	460,565
Interest	4,312,936	-	4,312,936
Change in benefits	-	-	-
Differences between expected and actual experience	345,614	-	345,614
Change in assumptions	1,538,608	-	1,538,608
Contributions : employer	-	2,716,485	(2,716,485)
Contributions: employee	-	199,107	(199,107)
Net investment Income	-	4,158,711	(4,158,711)
Benefit payments, including refunds	(4,149,126)	(4,149,126)	-
Administrative expense	-	(71,644)	71,644
Other changes	-	-	-
Net changes	2,508,597	2,853,533	(344,936)
Balance at December 31, 2019	<u>\$58,264,576</u>	<u>\$33,959,209</u>	<u>\$24,305,367</u>

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the employer, calculated using the discount rate of 7.60%, as well as what the employer's net pension liability would be using a discount rate that is 1.00% lower (6.60%) or 1.00% higher (8.60%) than the current rate.

	1%	Current Discount Rate	1 % Increase
	Decrease		
Total pension liability	\$63,853,791	\$58,264,576	\$53,438,643
Fiduciary net position	33,959,209	33,959,209	33,959,209
Net pension liability	<u>\$29,894,582</u>	<u>\$24,305,367</u>	<u>\$19,479,434</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Road Commission (continued)

Pension expense and deferred outflows and deferred inflows of resources related to pensions

For the year ended September 30, 2020 the employer recognized pension expense of \$3,048,810. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences in experience	\$ 230,409	\$274,096
Differences in assumptions	1,025,739	-
Excess(deficit) investment returns	157,489	-
Contributions subsequent to the measurement date*	1,789,070	-
Total	<u>\$3,202,707</u>	<u>\$274,096</u>

*The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2020.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2021	\$ 290,082
2022	753,523
2023	440,428
2024	(344,492)
Thereafter	<hr/>
Total	<u>\$1,139,541</u>

Ottawa County Central Dispatch Authority

Plan description

The Authority participates in the Municipal Employees Retirement System ("MERS") of Michigan. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.com.

The defined benefit pension plan is closed to new entrants.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Central Dispatch Authority (continued)

Benefits provided

Benefits provided include a multiplier of 2% per year of service times final average compensation with a vesting period of 10 years. Normal retirement age is 60 with early retirement at 50 with 25 years of service with various benefits. Benefits are calculated using final average compensation of 3 years. Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2018):

Active plan members	3
Inactive employees entitled but not yet receiving benefits	4
Inactive employees or beneficiaries currently receiving benefits	12
Total	<u>19</u>

Contributions

The Authority is required to contribute at an actuarially determined rate of \$10,142 per month for members of the general employee division. General division employees are required to contribute at a rate from 0% to 2% of annual covered payroll to the plan. The contribution requirements of the Authority are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by employment and labor agreements.

Net pension liability

The employer's net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

The total pension liability in the December 31, 2018 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.5% (3-4% for 2014)
Salary Increases:	3.75% (4.5% for 2014)
Investment rate of return:	7.75%, net of investment expense, including inflation (8.25% for 2014)

Mortality rates used for non-disabled plan member were based on a weighted blend of RP-2014 mortality tables of a 50% male and 50% female blend. Mortality rates used for disabled plan member were based on a blend of RP-2014 disabled retire mortality tables of a 50% male and 50% female blend of disabled retirees. (1994 group annuity tables is 2014)

The actuarial assumptions used in the valuation were based on the results of the 2015 actuarial experience study.

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Central Dispatch Authority (continued)

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 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Expected Money Weighted Rate of Return*</u>
Global Equity	57.50%	6.27%	3.60%
Global Fixed Income	20.00%	3.43%	0.68%
Real Assets	12.50%	5.48%	0.69%
Diversifying Strategies	10.00%	7.81%	0.78%
Inflation			2.00%
Administrative Fee			<u>0.25%</u>
Investment rate of return			<u>8.00%</u>

Discount rate. The discount rate used to measure the total pension liability is 8.00% which remained the same as the prior year. 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 OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Central Dispatch Authority (continued)

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/17	\$2,433,259	\$2,109,587	\$323,672
Changes for the Year:			
Service Cost	14,945	-	14,945
Interest	188,436	-	188,436
Change in benefits	-	-	-
Differences between expected and actual experience	(129,216)	-	(129,216)
Change in assumptions	-	-	-
Contributions: employer	-	93,216	(93,216)
Contributions: employee	-	4,165	(4,165)
Net Investment income	-	(80,956)	80,956
Benefit payments, incl refunds	(170,552)	(170,552)	-
Administrative expense	-	(4,050)	4,050
Other Changes	1	-	1
Net Changes	<u>(96,386)</u>	<u>(158,177)</u>	<u>61,791</u>
Balance at 12/31/18	<u>\$2,336,873</u>	<u>\$1,951,410</u>	<u>\$385,463</u>

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the employer, calculated using the discount rate of 8.00%, as well as what the employer's net pension liability would be using a discount rate that is 1% lower (7.00%) or 1% higher (9.00%) than the current rate.

	Current		
	1% Decrease	Discount Rate	1% Increase
Total Pension Liability	\$ 2,543,216	\$ 2,336,873	\$ 2,156,897
Fiduciary Net Position	1,951,410	1,951,410	1,951,410
Net Pension Liability	<u>\$ 591,806</u>	<u>\$ 385,463</u>	<u>\$ 205,487</u>

Pension expense and deferred outflows of resources related to pensions

For the year ended December 31, 2019 the employer recognized pension expense of \$(32,710). The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

10. DEFINED BENEFIT PENSION PLAN (continued)

Ottawa County Central Dispatch Authority (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$ -
Differences in assumptions	-	-
Excess (deficit) investment returns	147,298	-
Contributions subsequent to the measurement date*	108,282	-
Total	\$ 255,580	\$ -

* The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending December 31, 2020.

Amounts reported as deferred outflows and inflows of resources related to pensions (excluding contributions subsequent to the measurement date) will be recognized in pension expense as follows:

2020	\$ 52,340
2021	16,669
2022	28,962
2023	49,327
2024	-
Thereafter	-
Total	\$ 147,298

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

11. DEFINED CONTRIBUTION PENSION PLAN

Primary government

The County's defined contribution pension plans provide pension benefits for certain employee groups hired after January 1, 2012 who are eligible for MERS membership and those hired before January 1, 2012 electing participation in the defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employer and plan member contributions are recognized in the period that the contributions are due. Plan investments are excluded from this report as the fiduciary responsibility for this plan rests with MERS.

Participation in the defined contribution plan is mandatory for all eligible employees. The County contributes 3% of each participant's base salary to the plan. Employees are required to contribute a minimum of 3% of base pay to the plan. The County also matches employee contributions another 3% for a maximum County contribution of 6%. Participating employees are vested 50% after 3 years of service, 75% after 4 years of service, and 100% after 5 years of service. The plan provisions and contribution amounts were established by the Board and may be amended by the Board. The plan is administered by MERS. The County and member contributions were \$1,395,569 and \$1,339,620, respectively, for the current year.

Deferred compensation plan

The County offers to their employees several different deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are available to County employees with various options and employer contribution requirements depending on which bargaining unit the employee is a member. All plans permit employees to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County employee contributions for the year ended September 30, 2020 were \$2,287,492 and the County match was \$385,892.

Discretely presented component units

The Ottawa County Central Dispatch Authority's ("OCCDA") defined contribution pension plan provides pension benefits for employees hired after January 1, 2000 who work 30 or more hours per week and those hired before January 1, 2000 electing participation in the defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate immediately upon employment. The OCCDA contributes 2% of each participant's base salary to the plan. The Authority also matches employee contributions up to a total OCCDA contribution of 5%. Employees are required to contribute a minimum of 2% of base pay to the plan. Participating employees are immediately 100% vested in the member's accumulated balance. The plan provisions and contribution amounts were established by the OCCDA Board and may be amended by the OCCDA Board. The plan is administered by MERS. The OCCDA and member contributions were \$89,258 and \$89,258 respectively, for the current year.

The Ottawa County Road Commission ("Commission") provides a defined contribution pension plan for eligible employees excluded from the defined benefit pension plan (externally managed), which provides pension benefits to qualified employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Commission's contribution for employees eligible to participate in the plans vests immediately. The Commission and employees contribute 4% of participant coverage wages. Commission contributions were \$100,526 and participant contributions were \$100,526 to the plan during the year. The plan provisions and contribution amounts were established and may be amended by the Commission.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

11. DEFINED CONTRIBUTION PENSION PLAN

Deferred compensation plan

The OCCDA offers to their employees several different deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are available to OCCDA employees with various options and employer contribution requirements depending on which bargaining unit the employee is a member. All plans permit employees to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The OCCDA employee contributions were \$88,200 and OCCDA match was \$18,372 for the current year.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participants and their beneficiaries. Investments are managed by the plans' trustees, under one of several investment options, or combination thereof. The choice of the investment option(s) is made by the participants or the investment manager at the option of the employee. As the assets of the trust are managed by the plans trustees, and the County does not have fiduciary responsibility. The plan assets are not recorded in the financial statements of the County.

The Commission offers its employees a deferred compensation plan created in accordance with IRS section 457. The plan, available to all Commission employees, permits them to defer a portion of their current salary until future years. A trust has been established for the plan assets and the related assets and liability are not included in the Commission's financial statements.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
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12. OTHER POST-EMPLOYMENT BENEFITS

County of Ottawa

Plan description

The County of Ottawa Retiree Medical Plan (The “Plan”) is a single-employer plan established and administered by the County of Ottawa and can be amended at its discretion. The Plan is included as an Other Post-Employment Benefits (“OPEB”) trust fund in the County’s financial statements; a stand-alone financial report has not been issued, but a legal trust has been established for the plan.

Benefits provided

Benefit provisions are established through negotiations between the County and bargaining units and employee groups. Retirees under age 65 hired before January 1, 2008 contribute an amount equal to the Priority Health insured premium rate (which is a combined rate for active and pre-65 retirees). Retirees under 65, hired after January 1, 2008 pay the actuarially determined cost of medical and prescription drug benefits for retirees under age 65. All retirees over 65 pay the insured premium rate applicable to retirees over 65. In addition, retirees under age 65 in certain benefit groups receive a monthly credit that is used to reduce the amount of their contribution. The credit amount for the years of service range from \$4 - \$10 for each year of service with a maximum of \$100 - \$250 per month.

Summary of participants

Membership of the Plan consisted of the following as October 1, 2019:

Retired Plan Members	65
Active Plan Members	<u>837</u>
Total Participants	902

Contributions

The Plan was established and is being funded under the authority of the County Board of Commissioners and under agreements with the unions representing various classes of employees. The Plan’s funding policy is that the employer will contribute any required amounts as determined by an annual actuarial valuation. There are no long-term contracts for contributions to The Plan. The Plan has no legally required reserves.

Net OPEB liability

The employer’s net OPEB liability was measured as of September 30, 2020. The total OPEB liability was determined by an actuarial valuation as of October 1, 2019 and projected to September 30, 2020 and rolled forward to September 30, 2019. The following actuarial assumptions applied to all periods included in the measurement:

Inflation	Included in rate of return
Salary increases	2.0%
Investment rate of return	5.00% including inflation
Mortality	Pub-2010 Headcount weighted mortality table for General and Public Safety, annuitant and non-annuitant, sex distinct with improvement scale MP-2018

COUNTY OF OTTAWA, MICHIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

12. OTHER POST-EMPLOYMENT BENEFITS (continued)

Net OPEB Liability (continued)

The long-term expected rate of return on retirement plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of retirement plan investment expense 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. Best estimates of arithmetic real rates of return for each major asset class included in the retirement plan's target asset allocations of September 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Expected Rate of Return
US stocks	56%	6.3%
International developed stocks	4%	7.0%
Emerging market stocks	5%	8.6%
Bonds	30%	3.0%
Cash	5%	1.4%

The sum of each target allocation times its long-term expected rate is 5.00%.

Discount rate

The discount rate used to measure the total OPEB liability was 5.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the most recent recommend contribution expressed as a percentage of covered payroll. Based on those assumptions, the retirement plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that the benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total OPEB liability. The discount rate used for September 30, 2019 actuarial liability was 5.28%.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

12. OTHER POST-EMPLOYMENT BENEFITS (continued)

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at September 30, 2019	\$5,652,909	\$6,099,606	\$(446,697)
Changes during the year			
Service cost	46,742	-	46,742
Interest	298,361	-	298,361
Experience (gains)/losses	(144,260)	-	(144,260)
Change in actuarial assumptions	487,403	-	487,103
Contributions-employer, including receivable to OPEB trust	-	1,539	(1,539)
Contributions-employee	-	-	-
Contribution to OPEB trust	-	-	-
Contributions/expenses paid from general operating funds	-	-	-
Contributions/benefit paid from general operating funds	-	-	-
Net investment income	-	602,108	(602,108)
Benefit payments; including refunds of employee contributions	(97,766)	(97,766)	-
Administrative expenses	-	(68,084)	68,084
Other changes	-	-	-
Total changes	590,480	437,797	152,683
Balance at September 30, 2020	\$6,243,389	\$6,537,403	\$(294,014)

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 5.28%, as well as using a discount rate that is 1% higher and lower than base assumptions.

	Current Discount		
	1% Decrease 4.28%	Rate 5.28%	1% Increase 6.28%
Discount			
Total OPEB Liability	\$6,866,606	\$ 6,243,389	\$ 5,707,829
Plan Fiduciary Net Position	6,537,403	6,537,403	6,537,403
Net OPEB Liability	\$ 329,203	\$ (294,014)	\$ (829,574)

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

12. OTHER POST-EMPLOYMENT BENEFITS (continued)

Sensitivity of the net OPEB liability to changes in the health cost trend rate

The following presents the net OPEB liability of the County, calculated using the trend rate, as well using a trend rate that is 1% higher and lower than base assumptions.

<u>Trend</u>	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 5,601,303	\$ 6,243,389	\$ 7,051,335
Plan Fiduciary Net Position	6,537,403	6,537,403	6,537,403
Net OPEB Liability	\$ (936,100)	\$ (294,014)	\$ 513,932

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

For the year ended September 30, 2020 the County recognized OPEB expense of \$(25,012). The County reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 2,108,325	\$ 1,082,576
Differences in assumptions	416,249	1,549,633
Excess (deficit) invest returns	-	331,743
Total	\$ 2,524,574	\$ 2,963,952

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

Year Ended Sept 30	Amount Recognized
2021	\$ (120,475)
2022	(50,735)
2023	(4,946)
2024	(23,975)
2025	32,903
Thereafter	(272,150)
	\$ (439,378)

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

12. OTHER POST EMPLOYMENT BENEFITS (continued)

Ottawa County Road Commission

Plan Description and Benefits Provided

The Commission administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides of health insurance premiums for retirees until age 65 (Medicare eligible). The plan was closed to non-bargaining employees hired after September 12, 2013 and bargaining employees hired after May 31, 2016. Benefit provisions are established through negotiations between the Commission and bargaining units and employee groups. The Commission makes 80% of the premium payment to the plan. The Retiree Health Plan does not issue a publicly available financial report but a legal trust has not been established for the plan. The retiree contribution was 20% and a benefit freeze was put in place for bargaining employees hired after May 31, 2016 and non-bargaining employees hired after September 12, 2013.

Membership of the Retiree Health plan consisted of the following at the date of the latest actuarial valuation (September 30, 2020):

Inactive employees or beneficiaries currently receiving benefits	72
Active plan members	<hr/> 17
Total	<hr/> 89

Contributions

The contribution requirements of Plan members and the Commission are established and may be amended by the Commission. The actuarially determined contributions are based on the actuarial valuation of the plan. The actual contributions to the plan include benefit costs (80% and 20% made by the Commission and employees respectively) and a contribution to the trust which is made at the discretion of Commission.

Net OPEB Liability

The employer's net OPEB liability was measured as of September 30, 2020 using a method of rolling forward the September 30, 2019 valuation. The total OPEB liability used to calculate the net OPEB liability was determined by an annual actuarial valuation as of that date.

The total OPEB liability in the October 1, 2019 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary Increases: 0.0%

Discount rate: 7.03%

Healthcare cost trend rates: 8.0 initially going down 0.5% per year, reaching a long-term rate of 5.0%

Mortality rates were based on the 2018 IRS Annuitant and Non-Annuitant tables

The actuarial assumptions used in valuation were based on the results of the 2018 actuarial experience study.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

12. OTHER POST EMPLOYMENT BENEFITS (continued)

Ottawa County Road Commission (continued)

Discount rate. The discount rate used to measure the total OPEB liability is 7.03%. The Road Commission has committed to a Corrective Action Plan which will fully fund the plan. The retirement plan's fiduciary net position was projected to be sufficient to make projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long term expected rate would be used to discount the projected benefits. From the year projected benefits are not projected to be covered by the projected assets (the "depletion date"), projected benefits would be discounted at a discount rate reflecting a 20 year AA/Aa tax exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total OPEB Liability. The discount rate utilized for the 2019 valuation was 3.58%.

Changes in the Net OPEB Liability

	Increase (Decrease) Plan		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at October 1, 2019	\$3,032,994	\$ 20,742	\$3,012,252
Changes for the year:			
Service cost	127,516	-	127,516
Interest	111,569	-	111,569
Change in benefits	-	-	-
Differences between expected and actual experience	(593,311)	-	(593,311)
Change in assumptions	(134,607)	-	(134,607)
Contributions to OPEB trust	-	20,000	(20,000)
Contributions/benefits paid from general operating funds	-	88,079	(88,079)
Contributions: employer	-	-	-
Contributions: employee	-	-	-
Net investment Income	-	2,039	(2,039)
Benefit payments, including refunds	(88,079)	(88,079)	-
Administrative expense	-	(67)	67
Other changes	-	-	-
Net changes	(576,912)	21,972	(598,884)
Balance at September 30, 2020	<u>\$2,456,082</u>	<u>\$42,714</u>	<u>\$2,413,368</u>

Sensitivity of the Net OPEB Liability to changes in the discount rate.

The following presents the net OPEB liability of the employer, calculated using the discount rate of 7.03%, as well as what the employer's net OPEB liability would be using a discount rate that is 1 percentage point lower (6.03%) or 1% higher (8.03%) than the current rate.

	1% Decrease	Current Discount Rate	1 % Increase
Total OPEB liability	\$2,602,828	\$2,413,368	\$2,321,250

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

12. OTHER POST EMPLOYMENT BENEFITS (continued)

Ottawa County Road Commission (continued)

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates.

The following presents the net OPEB liability of the employer, calculated using the healthcare cost trend rate, as well as what the employer's net OPEB liability would be using a rate that is 1 percentage point lower or 1% higher than the current rate.

	Current		
	1% Decrease	Healthcare Rate	1 % Increase
Total OPEB liability	\$2,268,067	\$2,413,368	\$2,670,331

For the year ended September 30, 2020 the employer recognized OPEB expense of \$280,360.

Deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended September 30, 2020 the employer reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$600,108
Differences in assumptions	886,129	183,124
Excess(deficit) investment returns	704	-
Total	\$886,833	\$783,232

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

2021	\$44,152
2022	44,152
2023	44,150
2024	44,158
2025	45,383
Thereafter	(118,394)
Total	<u>\$103,601</u>

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

13. SELF-INSURANCE

Primary government

The County is self-funded for liability, worker's compensation, and unemployment insurance. The claims liabilities reported at September 30, 2020 are based on the requirements of GASB Statement No.10, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

The Ottawa County, Michigan Insurance Authority ("OCIA") blended component unit accounts for the self-insurance program for municipal excess liability, law enforcement liability, professional liability, and property liability. The OCIA's participating members include the County of Ottawa and the Ottawa County Building Authority blended component unit.

The OCIA records unpaid claims liabilities based on estimates of the ultimate cost of claims, including future claim adjustment expenses that have been reported but not settled, and of claims that have been incurred but not reported. Because actual claims depend on such complex factors as inflation, damage awards and changes in legal liability doctrines, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are (or will be) recomputed periodically using a variety of claims frequency and other economic and societal factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The OCIA purchases municipal excess liability, auto liability, professional liability and property coverage. Property coverage carries a \$50,000 deductible and the liability coverages attach above a \$1 million self-insured retention for all other coverages. The liability policy provides coverage of up to \$5 million for liability protection. In addition, the OCIA provides coverage above the \$5 million for total aggregate coverage of \$20 million. The property coverage, including loss of income, is \$150,100,000 which is \$8,400,000 more than the prior year. Coverage was adjusted to reflect updated property values.

The revenues for this fund's operation are reimbursements from various funds. The funds are charged based on the number of full time equivalents, number of vehicles and other pertinent information. Losses, damages and administrative expenses are all paid from this fund. Administrative expenses are first paid from Internal Service fund 6770, Protected Self-Funded Insurance Programs and then invoiced to the OCIA. The claim liability for known claims and incurred but not reported claims are determined by an actuary. No annuity contracts have been purchased to satisfy claim liabilities. Settled claims have not exceeded insurance coverage in the history of the self-insurance program.

The changes in the claims liability for the fiscal year ended September 30, 2020 and the fiscal year ended September 30, 2019 as recorded in the OCIA are as follows:

	Current Year			
	Beginning of Year Liability	Claims and Changes in Estimates	Claim Payments	End of Year Liability
2020	\$12,805,239	\$1,163,936	\$861,737	\$13,107,438
2019	\$11,617,435	\$1,775,028	\$587,224	\$12,805,239

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

13. SELF-INSURANCE (continued)

The County's self-insured worker's compensation program provides Michigan statutorily required coverage for worker's compensation claims. It also provides employer's liability coverage of \$5 million excess above the \$750,000 self-insured retention. An independent third party administrator administers the program for an annual fee. The claim liability for known claims and incurred but not reported claims are determined by an actuary. The changes in worker's compensation liability for the fiscal year ended September 30, 2020 and the fiscal year ended September 30, 2019:

	Current Year			
	Beginning of Year Liability	Claims and Changes in Estimates	Claim Payments	End of Year Liability
2020	\$746,969	\$218,103	\$234,358	\$730,714
2019	\$759,193	\$ 92,264	\$104,488	\$746,969

Beginning January 1, 2011, the County purchased commercial insurance for health, dental and optical coverage for employees. Premiums and associated costs are recorded in the Employee Benefits internal service fund (6771). This fund allocates the cost of the insurance program to departments based on full time equivalents. The County has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

The self-insurance program for unemployment is accounted for in the Unemployment internal service fund (6772). Unemployment claims are reimbursed to the Michigan Employment Security Commission based on actual claims annually and were \$26,382 and \$6,350 for the fiscal year ended September 30, 2020 and the fiscal year ended September 30, 2019 respectively.

Discretely presented component units

The Ottawa County Central Dispatch Authority (OCCDA), 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 Authority carried commercial insurance to cover risks of losses. The Authority had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

Ottawa County Public Utilities System (System) is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees and natural disasters. In order to minimize its exposure to these risks, the System participates in the Michigan County Road Commission Self Insurance Pool. Settled claims relating to participation in Michigan County Road Commission Self Insurance Pool have not exceeded the amount of insurance coverage in any of the past three fiscal years. There were no reductions in insurance coverage from prior years.

The Ottawa County Road Commission (Commission) is exposed to lawsuits and claims. In response to this exposure, the Commission participates in the Michigan County Road Commission Self Insurance Pool (MCRSCIP). Participation in the MCRSCIP requires payment of premiums to the pool. The pool purchases commercial reinsurance on behalf of its members. Due to the Commission's participation in this pool, the liability of the Commission relative to claims covered by the pool is limited to \$25,000 per occurrence.

The Commission's self-funded workers' compensation program includes stop-loss coverage in excess of \$300,000 per incident. This limits the Commissions' responsibility for payment to \$300,000 per workers' compensation claim.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

13. SELF-INSURANCE (continued)

Discretely presented component units (continued)

The Commission's self-funded insurance claims that have been incurred through the end of the year include both those claims that have been reported as well as those that have not been reported. These estimates are recorded in the government-wide statements as they are not expected to be liquidated with expendable available financial resources. The Commission is exposed to various risks of loss related to torts, destruction of assets and errors and omissions for which it obtains coverage from commercial insurance companies. Settled claims for the Road Commission have not exceeded coverage during the past three years. There have been no significant reductions in insurance coverage during the past year.

The changes in the claims liability for the fiscal year ended September 30, 2020 and the fiscal year ended September 30, 2019 are as follows:

	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments/ Settlements</u>	<u>End of Year Liability</u>
MCRC SIP Liability Plan				
2019	\$ -	\$71,762	\$50,111	\$21,651
2020	21,651	(16,074)	5,557	-
Workers' Compensation Plan				
2019	203,813	(95,623)	63,817	44,373
2020	44,373	(6,028)	32,344	6,001

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

14. LITIGATION

In the normal course of its activities, the County is a party to various legal actions and subject to certain asserted and unasserted claims. The County refers these actions and claims to the Ottawa County, Michigan Insurance Authority which has sufficient expertise, reserves, excess insurance coverage and available surplus to defend against or, if necessary, satisfy any of these claims and mitigate any negative effects on the County's financial condition.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

15. RELATED PARTY TRANSACTIONS

During the year ended September 30, 2020, the County provided OCCDA operating grants of \$5,274,303 from the 2019 levy.

During the year ended September 30, 2020, the County provided OCRC operating grants of \$4,619,041 from the 2019 levy.

Ottawa County Public Utilities System (“System”) incurred expenses of approximately \$1,140,000 for wages and equipment provided by the Ottawa County Road Commission, which also provides fiscal and managerial services to the System. At their year-end, the System owed the Ottawa County Road Commission \$5,097 for these goods and services.

COUNTY OF OTTAWA, MICHIGAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

16. TAX ABATEMENTS

The County receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions. Industrial Facilities Tax Exemptions (IFT), 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 expansion 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 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 the local property tax millage rate, amounting to a reduction in property taxes of approximately 50%. The amount of IFT Exemptions for the year ended September 30, 2020 was approximately \$829,000. Of the \$829,000 abated, approximately \$416,000 of the abatements were initiated by various townships in the County and \$413,000 were initiated by various cities in the County.

SUPPLEMENTARY

COUNTY OF OTTAWA

REQUIRED SUPPLEMENTARY INFORMATION

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	<u>Budget Amounts</u>		<u>Variance</u>	
	<u>Original</u>	<u>Final</u>	<u>Positive (Negative)</u>	<u>2019 Actual</u>
Revenues				
Taxes	\$ 54,624,029	\$ 55,697,680	\$ 55,108,418	\$ (589,262) \$ 52,482,026
Intergovernmental revenues	10,008,526	10,143,995	12,743,351	2,599,356 10,956,292
Charges for services	10,034,993	10,079,626	9,049,636	(1,029,990) 9,837,137
Fines and forfeits	90,500	90,500	67,424	(23,076) 72,221
Investment earnings (loss)	556,250	556,250	408,102	(148,148) 726,308
Licenses and permits	394,105	394,105	351,876	(42,229) 374,476
Rental income	2,117,220	2,117,220	1,879,255	(237,965) 2,166,072
Other	658,962	671,349	889,621	218,272 875,045
Total revenues	<u>78,484,585</u>	<u>79,750,725</u>	<u>80,497,683</u>	<u>746,958</u> <u>77,489,577</u>
Expenditures				
Current operations				
Legislative	572,512	572,512	530,045	42,467 535,661
Judicial	13,593,658	13,524,192	12,860,678	663,514 12,446,039
General government	15,707,025	16,000,334	14,308,716	1,691,618 14,089,617
Public safety	31,141,120	31,544,514	30,888,550	655,964 30,238,530
Public works	5,722,284	6,300,131	6,204,797	95,334 5,808,107
Health and welfare	1,123,295	1,278,577	951,046	327,531 787,859
Community and economic development	1,391,834	1,268,690	1,098,729	169,961 1,159,850
Other expenditures	642,644	215,348	142,644	72,704 128,249
Total expenditures	<u>69,894,372</u>	<u>70,704,298</u>	<u>66,985,205</u>	<u>3,719,093</u> <u>65,193,912</u>
Revenues over (under) expenditures	<u>8,590,213</u>	<u>9,046,427</u>	<u>13,512,478</u>	<u>4,466,051</u> <u>12,295,665</u>
Other financing sources (uses)				
Transfers from other funds	2,863,657	2,810,205	1,650,297	(1,159,908) 709,196
Transfers to other funds	(12,832,706)	(14,617,652)	(12,923,113)	1,694,539 (12,721,686)
Capital leases	-	-	73,544	73,544 -
Total other financing sources (uses)	<u>(9,969,049)</u>	<u>(11,807,447)</u>	<u>(11,199,272)</u>	<u>608,175</u> <u>(12,012,490)</u>
Net change in fund balance	(1,378,836)	(2,761,020)	2,313,206	5,074,226 283,175
Fund balance, beginning of year	<u>24,192,659</u>	<u>24,192,659</u>	<u>24,192,659</u>	<u>-</u> <u>23,909,484</u>
Fund balance, end of year	<u>\$ 22,813,823</u>	<u>\$ 21,431,639</u>	<u>\$ 26,505,865</u>	<u>\$ 5,074,226</u> <u>\$ 24,192,659</u>

COUNTY OF OTTAWA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. Budgets and budgetary accounting

The County adopts an annual budget for the General, special revenue, debt service and capital projects funds following the GAAP basis of accounting. Unexpended appropriations lapse at year-end.

2. Reconciliation between the general fund schedule of revenues, expenditures and changes in fund balance - budget and actual and the statement of revenues, expenditures and changes in fund balance

The adjustments necessary to reconcile actual revenues and expenditures reported on a budgetary basis to actual revenues and expenditures reported in accordance with generally accepted accounting principals are as follows:

	<u>Revenues and other sources</u>	<u>Expenditures and other uses</u>	<u>Net change in fund balance</u>
General fund:			
Schedule of revenues, expenditures and changes in fund balance - budget and actual	\$ 82,221,524	\$ 79,908,318	\$ 2,313,206
Funds classified with the general fund for purposes of GASB Statement #54			
Solid Waste Clean-up (2271)	44,866	332,682	(287,816)
Infrastructure (2444)	10,691	125,000	(114,309)
DBDC (2970)	<u>3,640,022</u>	<u>3,000,000</u>	<u>640,022</u>
Statement of revenues, expenditures and changes in fund balance	\$ 85,917,103	\$ 83,366,000	\$ 2,551,103

COUNTY OF OTTAWA

REQUIRED SUPPLEMENTARY INFORMATION

COMMUNITY MENTAL HEALTH (2220)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ 38,474,355	\$ 39,244,057	\$ 40,628,166	\$ 1,384,109	\$ 36,618,920
Charges for services	188,353	188,353	22,619	(165,734)	241,392
Investment earnings (loss)	-	-	26,804	26,804	(27,890)
Other	48,452	48,667	90,200	41,533	107,545
Total revenues	<u>38,711,160</u>	<u>39,481,077</u>	<u>40,767,789</u>	<u>1,286,712</u>	<u>36,939,967</u>
Expenditures					
Current operations					
Personnel services	9,885,521	10,119,345	9,604,158	515,187	9,022,543
Supplies	354,386	450,312	329,972	120,340	825,897
Other services and charges	29,897,753	30,337,920	30,918,624	(580,704)	28,909,694
Total expenditures	<u>40,137,660</u>	<u>40,907,577</u>	<u>40,852,754</u>	<u>54,823</u>	<u>38,758,134</u>
Revenues over (under) expenditures	<u>(1,426,500)</u>	<u>(1,426,500)</u>	<u>(84,965)</u>	<u>1,341,535</u>	<u>(1,818,167)</u>
Other financing sources (uses)					
Transfers from other funds	<u>1,426,500</u>	<u>1,426,500</u>	<u>476,500</u>	<u>950,000</u>	<u>1,818,167</u>
Total other financing sources (uses)	<u>1,426,500</u>	<u>1,426,500</u>	<u>476,500</u>	<u>950,000</u>	<u>1,818,167</u>
Net change in fund balance	-	-	391,535	2,291,535	-
Fund balance, beginning of year	<u>643,537</u>	<u>643,537</u>	<u>643,537</u>	<u>-</u>	<u>643,537</u>
Fund balance, end of year	<u>\$ 643,537</u>	<u>\$ 643,537</u>	<u>\$ 1,035,072</u>	<u>\$ 2,291,535</u>	<u>\$ 643,537</u>

COUNTY OF OTTAWA

REQUIRED SUPPLEMENTARY INFORMATION

SUBSTANCE USE DISORDER (2225)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	Budget Amounts		Actual Amount	Variance	
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>	2019
Revenues					
Intergovernmental revenues	\$ 3,034,121	\$ 3,617,976	\$ 2,874,370	\$ (743,606)	\$ 2,927,254
Investment earnings	-	-	9,079	9,079	39,137
Other	-	-	-	-	2,017
Total revenues	<u>3,034,121</u>	<u>3,617,976</u>	<u>2,883,449</u>	<u>(734,527)</u>	<u>2,968,408</u>
Expenditures					
Current operations					
Personnel services	251,970	507,809	456,887	50,922	335,789
Supplies	4,507	21,117	7,936	13,181	4,495
Other services and charges	<u>2,777,644</u>	<u>3,164,050</u>	<u>2,392,188</u>	<u>771,862</u>	<u>2,667,419</u>
Total expenditures	<u>3,034,121</u>	<u>3,692,976</u>	<u>2,857,011</u>	<u>835,965</u>	<u>3,007,703</u>
Revenues over (under) expenditures	-	(75,000)	26,438	(101,438)	(39,295)
Other financing sources (uses)					
Transfers from other funds	-	75,000	64,373	(10,627)	-
Total other financing sources (uses)	<u>-</u>	<u>75,000</u>	<u>64,373</u>	<u>(10,627)</u>	<u>-</u>
Net change in fund balance	-	-	90,811	(112,065)	(39,295)
Fund balance, beginning of year	<u>21,720</u>	<u>21,720</u>	<u>10,300</u>	<u>-</u>	<u>49,595</u>
Fund balance, end of year	<u>\$ 21,720</u>	<u>\$ 21,720</u>	<u>\$ 101,111</u>	<u>\$ (112,065)</u>	<u>\$ 10,300</u>

COUNTY OF OTTAWA

REQUIRED SUPPLEMENTARY INFORMATION

**DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION
LIABILITY AND RELATED RATIOS**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2020	2019	2018	2017	2016	2015
Total pension liability						
Service cost	\$ 3,911,248	\$ 4,134,129	\$ 4,292,728	\$ 4,405,425	\$ 4,562,943	\$ 4,838,448
Interest	23,176,263	22,495,130	21,530,960	20,559,652	18,909,601	17,895,352
Changes in benefit terms	-	(1,199,051)	-	-	-	-
Difference between expected and actual experience	(599,287)	(2,566,233)	(314,505)	(375,877)	1,399,417	-
Changes in assumptions	10,554,788	-	-	-	14,265,472	-
Benefit payments including employee refunds	(14,729,757)	(13,746,995)	(13,008,781)	(11,773,976)	(10,766,401)	(9,838,075)
Other	(2)	2	11	1	-	-
Net change in total pension liability	22,313,253	9,116,982	12,500,413	12,815,225	28,371,032	12,895,725
Total pension liability, beginning of year	295,112,543	285,995,561	273,495,148	260,679,923	232,308,891	219,413,166
Total pension liability, ending of year	\$ 317,425,796	\$ 295,112,543	\$ 285,995,561	\$ 273,495,148	\$ 260,679,923	\$ 232,308,891
Plan Fiduciary Net Position						
Contributions-employer	\$ 10,604,402	\$ 7,103,170	\$ 5,820,947	\$ 4,962,722	\$ 6,686,141	\$ 35,349,429
Contributions-employee	1,283,336	1,337,895	1,749,987	1,927,913	1,583,208	1,661,254
Net Investment income	29,922,304	(9,184,975)	28,190,453	22,309,475	(3,058,471)	10,532,019
Benefit payments including employee refunds	(14,729,757)	(13,746,995)	(13,008,781)	(11,773,976)	(10,766,401)	(9,838,075)
Administrative expense	(515,451)	(456,006)	(446,433)	(440,498)	(445,130)	(388,244)
Net change in plan fiduciary net position	26,564,834	(14,946,911)	22,306,173	16,985,636	(6,000,653)	37,316,383
Plan fiduciary net position, beginning of year	221,308,051	236,254,962	213,948,789	196,963,153	202,963,806	165,647,423
Plan fiduciary net position, ending of year	\$ 247,872,885	\$ 221,308,051	\$ 236,254,962	\$ 213,948,789	\$ 196,963,153	\$ 202,963,806
Employer net pension liability	\$ 69,552,911	\$ 73,804,492	\$ 49,740,599	\$ 59,546,359	\$ 63,716,770	\$ 29,345,085
Plan fiduciary net position as a percentage of the total pension liability	78%	75%	83%	78%	76%	87%
Covered payroll	\$ 30,438,340	\$ 32,079,263	\$ 33,373,122	\$ 34,396,609	\$ 36,557,710	\$ 39,033,659
Employer's net pension liability as a percentage of covered payroll	229%	230%	149%	173%	174%	75%

Notes to schedule:

Above amounts are based on December 31 of the prior year measurement dates.
This schedule is being accumulated prospectively until ten years of data is presented.

COUNTY OF OTTAWA

REQUIRED SUPPLEMENTARY INFORMATION

**DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2020	2019	2018	2017	2016	2015
Actuarial determined contributions	\$ 7,880,199	\$ 7,296,615	\$ 6,685,320	\$ 5,606,562	\$ 3,717,504	\$ 6,664,452
Contributions in relation to the actuarially determined contribution	<u>10,880,199</u>	<u>7,296,615</u>	<u>6,685,320</u>	<u>5,606,562</u>	<u>3,717,504</u>	<u>6,664,452</u>
Contribution deficiency (excess)	<u>\$ (3,000,000)</u>	<u>\$ -</u>				
Covered payroll	\$ 30,554,828	\$ 32,292,727	\$ 33,302,626	\$ 34,764,334	\$ 27,462,087	\$ 39,033,659
Contributions as a percentage of covered payroll	36%	23%	20%	16%	14%	17%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20-24 years
Asset valuation method	5 year smoothed (10 year smoothed for 2014)
Inflation	2.5% (3-4% for 2014)
Salary increases	3.75% (4.50% for 2014)
Investment rate of return	7.75% (8.00% for 2014)
Retirement age	Varies depending on plan adoption
Mortality	50% female/ 50% male RP-2014 mortality table

This schedule is being accumulated prospectively until ten years of data is presented.

COUNTY OF OTTAWA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFIT PLANS
SCHEDULE OF CHANGES IN EMPLOYERS LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 46,742	\$ 72,568	\$ 76,635	\$ 67,735
Interest	298,361	379,207	381,186	265,458
Changes in benefit terms	-	-	-	-
Difference between expected and actual experience	(144,260)	(916,876)	(381,561)	3,684,085
Changes in assumptions	487,403	(936,918)	-	(1,448,169)
Benefit payments including employee refunds	(97,766)	(108,923)	(110,442)	(511,808)
Other	-	-	-	-
Net change in total OPEB liability	590,480	(1,510,942)	(34,182)	2,057,301
Total OPEB liability, beginning of year	5,652,909	7,163,851	7,198,033	5,140,732
Total OPEB liability, ending of year	\$ 6,243,389	\$ 5,652,909	\$ 7,163,851	\$ 7,198,033
Plan Fiduciary Net Position				
Contributions-employer	\$ 1,539	\$ 113,888	\$ 174,677	\$ 80,471
Contributions-employee	-	111,423	112,850	-
Net Investment income	602,108	215,713	508,448	619,034
Benefit payments including employee refunds	(97,766)	(108,923)	(110,442)	(511,808)
Administrative expense	(68,084)	(61,534)	(61,690)	(65,751)
Net change in plan fiduciary net position	437,797	270,567	623,843	121,946
Plan fiduciary net position, beginning of year	6,099,606	5,829,039	5,205,196	5,083,250
Plan fiduciary net position, ending of year	\$ 6,537,403	\$ 6,099,606	\$ 5,829,039	\$ 5,205,196
Employer net OPEB liability	\$ (294,014)	\$ (446,697)	\$ 1,334,812	\$ 1,992,837
Plan fiduciary net position as a percentage of the total OPEB liability	104.7%	107.9%	81.4%	72.3%
Covered payroll	\$ 28,946,550	\$ 30,780,553	\$ 27,536,712	\$ 31,032,203
Employer's net OPEB liability as a percentage of employee payroll	-1%	-1%	5%	6%

This schedule is being accumulated prospectively until ten years of data is presented.

COUNTY OF OTTAWA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFIT PLANS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2020	2019	2018	2017
Actuarially determined contributions	\$ 1,539	\$ 225,311	\$ 287,527	\$ 80,471
Contributions in relation to the actuarially determined contribution	<u>1,539</u>	<u>225,311</u>	<u>287,527</u>	<u>80,471</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 28,946,550</u>	<u>\$ 30,780,553</u>	<u>\$ 27,536,712</u>	<u>\$ 31,032,203</u>
Contributions as a percentage of covered payroll	0.01%	0.73%	1.04%	0.26%
Notes to schedule				
Actuarial cost method	Entry Age			
Amortization method	Level percentage of compensation			
Remaining amortization period	12 year level percentage of payroll			
Asset valuation method	Equal to market value of assets			
Inflation	Included in rate of return			
Salary increases	2.00%			
Investment rate of return	5.28% (including inflation)			
Retirement age	Varies depending on plan adoption			
Mortality	50% female/ 50% male RP-2014 mortality table			
Annual money-weighted rate of return net of investment expense	9.37%	3.62%	9.24%	26.07%

This schedule is being accumulated prospectively until ten years of data is presented.

COUNTY OF OTTAWA
GENERAL FUND - SUBFUNDS
COMBINING BALANCE SHEET SCHEDULE
SEPTEMBER 30, 2020

	General Fund <u>(1010)</u>	Solid Waste <u>Clean-Up</u> <u>(2271)</u>	Infrastructure <u>(2444)</u>
Assets			
Cash and pooled investments	\$ 21,057,085	\$ 2,723,070	\$ 633,666
Receivables (net of allowance for estimated uncollectibles)			
Taxes	5,030,466	-	-
Accounts	576,385	-	-
Accrued interest on investments	223,659	-	-
Due from other funds	63,476	-	-
Interfund receivable	1,564,898	-	-
Advances to component units	325,000	-	-
Due from other governmental units	2,836,300	-	-
Inventory of supplies	81,191	-	-
Prepaid expenditures	124,810	-	-
Total assets	<u>31,883,270</u>	<u>2,723,070</u>	<u>633,666</u>
Liabilities, deferred inflows of resources and fund balances			
Liabilities			
Accounts payable	2,341,035	85,972	-
Due to other governmental units	312,776	-	-
Unearned revenue	672	-	-
Total liabilities	<u>2,654,483</u>	<u>85,972</u>	<u>-</u>
Deferred inflows of resources			
Aggregate deferred inflows	<u>2,722,922</u>	<u>-</u>	<u>-</u>
Fund balances			
Nonspendable	531,001	-	-
Restricted	1,185,117	-	-
Committed	3,182,195	2,637,098	633,666
Assigned	1,344,946	-	-
Unassigned	20,262,606	-	-
Total fund balances	<u>26,505,865</u>	<u>2,637,098</u>	<u>633,666</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,883,270</u>	<u>\$ 2,723,070</u>	<u>\$ 633,666</u>

(Continued)

COUNTY OF OTTAWA
GENERAL FUND - SUBFUNDS
COMBINING BALANCE SHEET SCHEDULE
SEPTEMBER 30, 2020

	Stabilization <u>(2570)</u>	DBDC <u>(2970)</u>	Total
Assets			
Cash and pooled investments	\$ 9,255,217	\$ 3,983,581	\$ 37,652,619
Receivables (net of allowance for estimated uncollectibles)			
Taxes	-	-	5,030,466
Accounts	-	-	576,385
Accrued interest on investments	-	-	223,659
Due from other funds	-	-	63,476
Interfund receivable	-	-	1,564,898
Advances to component units	-	-	325,000
Due from other governmental units	-	-	2,836,300
Inventory of supplies	-	-	81,191
Prepaid expenditures	-	-	124,810
Total assets	<u>9,255,217</u>	<u>3,983,581</u>	<u>48,478,804</u>
Liabilities, deferred inflows of resources and fund balances			
Liabilities			
Accounts payable	-	-	2,427,007
Due to other governmental units	-	-	312,776
Unearned revenue	-	-	672
Total liabilities	<u>-</u>	<u>-</u>	<u>2,740,455</u>
Deferred inflows of resources			
Aggregate deferred inflows	<u>-</u>	<u>-</u>	<u>2,722,922</u>
Fund balances			
Nonspendable	-	531,001	
Restricted	9,255,217	-	10,440,334
Committed	-	3,983,581	10,436,540
Assigned	-	-	1,344,946
Unassigned	-	-	20,262,606
Total fund balances	<u>9,255,217</u>	<u>3,983,581</u>	<u>43,015,427</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,255,217</u>	<u>\$ 3,983,581</u>	<u>\$ 48,478,804</u>

(Concluded)

COUNTY OF OTTAWA

**GENERAL FUND - SUBFUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General Fund <u>(1010)</u>	Solid Waste <u>Clean-Up</u>	Infrastructure <u>(2271)</u>	Infrastructure <u>(2444)</u>
Revenues				
Taxes	\$ 55,108,418	\$ -	\$ -	\$ -
Intergovernmental revenues	12,743,351	-	-	-
Charges for services	9,049,636	-	-	-
Fines and forfeits	67,424	-	-	-
Investment earnings	408,102	44,866	-	10,691
Licenses and permits	351,876	-	-	-
Rental income	1,879,255	-	-	-
Other	889,621	-	-	-
Total revenues	80,497,683	44,866	-	10,691
Expenditures				
Current operations				
Legislative	530,045	-	-	-
Judicial	12,860,678	-	-	-
General government	14,308,716	-	-	-
Public safety	30,888,550	-	-	-
Public works	6,204,797	332,682	-	-
Health and welfare	951,046	-	-	-
Community and economic development	1,098,729	-	-	-
Other expenditures	142,644	-	-	-
Total expenditures	66,985,205	332,682	-	-
Revenues over (under) expenditures	13,512,478	(287,816)	-	10,691
Other financing sources (uses)				
Transfers from other funds	1,650,297	-	-	-
Transfers to other funds	(12,923,113)	-	(125,000)	-
Capital leases	73,544	-	-	-
Total other financing sources (uses)	(11,199,272)	-	(125,000)	-
Net change in fund balances	2,313,206	(287,816)	(114,309)	-
Fund balances, beginning of year	24,192,659	2,924,914	747,975	-
Fund balances, end of year	\$ 26,505,865	\$ 2,637,098	\$ 633,666	-

(Continued)

COUNTY OF OTTAWA

GENERAL FUND - SUBFUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Stabilization</u> <u>(2570)</u>	<u>DB/DC</u> <u>(2970)</u>	<u>Total</u>
Revenues			
Taxes	\$ -	\$ 3,640,022	\$ 58,748,440
Intergovernmental revenues	-	-	12,743,351
Charges for services	-	-	9,049,636
Fines and forfeits	-	-	67,424
Investment earnings	-	-	463,659
Licenses and permits	-	-	351,876
Rental income	-	-	1,879,255
Other	<u>-</u>	<u>-</u>	<u>889,621</u>
Total revenues	<u>-</u>	<u>3,640,022</u>	<u>84,193,262</u>
Expenditures			
Current operations			
Legislative	-	-	530,045
Judicial	-	-	12,860,678
General government	-	3,000,000	17,308,716
Public safety	-	-	30,888,550
Public works	-	-	6,537,479
Health and welfare	-	-	951,046
Community and economic development	-	-	1,098,729
Other expenditures	<u>-</u>	<u>-</u>	<u>142,644</u>
Total expenditures	<u>-</u>	<u>3,000,000</u>	<u>70,317,887</u>
Revenues over (under) expenditures	<u>-</u>	<u>640,022</u>	<u>13,875,375</u>
Other financing sources (uses)			
Transfers from other funds	-	-	1,650,297
Transfers to other funds	-	-	(13,048,113)
Capital leases	<u>-</u>	<u>-</u>	<u>73,544</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(11,324,272)</u>
Net change in fund balances	-	640,022	2,551,103
Fund balances, beginning of year	<u>9,255,217</u>	<u>3,343,559</u>	<u>40,464,324</u>
Fund balances, end of year	<u>\$ 9,255,217</u>	<u>\$ 3,983,581</u>	<u>\$ 43,015,427</u>

(Concluded)

COUNTY OF OTTAWA
GENERAL FUND
SCHEDULE OF EXPENDITURES BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(budgetary totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	Original	Final			
Expenditures					
Current operations					
Legislative:					
Commissioners	\$ 572,512	\$ 572,512	\$ 530,045	\$ 42,467	\$ 535,661
Judicial:					
20th Circuit Court	3,348,552	3,342,911	3,232,358	110,553	2,866,965
58th District Court	8,081,861	8,002,602	7,610,781	391,821	7,460,141
Probate Court	920,183	918,739	786,177	132,562	866,678
Juvenile Services Division	1,137,936	1,145,289	1,119,836	25,453	1,090,217
Circuit Court Adult Probation	90,124	96,624	95,032	1,592	151,823
All other judicial	15,002	18,027	16,494	1,533	10,215
General government:					
Administrator	1,126,983	1,285,760	1,131,645	154,115	921,620
Fiscal Services	1,909,953	1,882,909	1,559,648	323,261	1,476,081
County Clerk	2,625,581	2,724,112	2,659,668	64,444	2,385,955
Prosecuting Attorney	4,653,903	4,656,425	4,342,510	313,915	3,974,970
County Treasurer	1,044,317	1,006,761	924,666	82,095	945,069
Equalization	1,529,083	1,563,676	1,547,827	15,849	1,430,453
Geographic Information Systems	556,636	555,329	501,883	53,446	498,401
MSU Extension	374,383	374,249	371,886	2,363	344,445
Facilities Maintenance	4,575,529	4,599,613	4,232,961	366,652	4,393,899
Corporate Counsel	267,935	308,257	284,264	23,993	260,126
Register of Deeds	728,208	725,853	723,054	2,799	693,540
Human Resources	1,211,322	1,190,018	981,352	208,666	959,943
Water Resources Commissioner	1,024,792	1,022,431	950,681	71,750	976,264
All other general government	133,104	159,645	151,375	8,270	106,075
Public safety:					
Sheriff	19,631,245	20,082,884	19,918,285	164,599	19,279,253
Jail	11,509,875	11,461,630	10,970,265	491,365	10,959,277
Public works	5,722,284	6,300,131	6,204,797	95,334	5,808,107
Health and welfare:					
Substance Abuse	549,249	569,249	285,266	283,983	254,056
All other health and welfare	574,046	709,328	665,780	43,548	533,803
Culture and recreation					
All other culture and recreation					
Community and economic development	1,391,834	1,268,690	1,098,729	169,961	1,159,850
Other expenditures:					
Insurance	142,644	142,644	142,644	-	128,249
Contingency	500,000	72,704	-	72,704	-
Transfers to other funds	12,832,706	14,617,652	12,923,113	1,694,539	12,721,686
Total	88,781,782	91,376,654	85,963,022	5,413,632	83,192,822
Allocated to other departments	(6,054,704)	(6,054,704)	(6,054,704)	-	(5,277,224)
Total Expenditures	\$ 82,727,078	\$ 85,321,950	\$ 79,908,318	\$ 5,413,632	\$ 77,915,598

COUNTY OF OTTAWA
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenue from specific revenue sources (other than major capital projects) and related expenditures which are restricted for specific purposes by administrative action or law.

Parks and Recreation (2081) - This fund is used to account for monies received from Federal, State, and local grants, County appropriations, and property taxes levied to provide parks and recreation services to County residents.

Friend of the Court (2160) - This fund accounts for the operations of the Friend of the Court including the Cooperative Reimbursement Grant, the Friend of the Court incentive payments established under Act 297 of 1982, Section 2530.

Other Governmental Grants (2180) - This fund was opened in 2012 and accounts for various grants, including judicial, public safety, and Community Action Agency grants.

Health Fund (2210) - This fund is used to account for monies received from Federal, State, and local grants and County appropriations. These monies are utilized in providing a variety of health related services to County residents.

Community Mental Health Millage (2221) – This fund was established to account for a 10 year special millage approved by the voters for the purpose of providing a fund to supplement (but not supplant) Michigan Medicaid funding, Michigan general fund dollars, and Ottawa County general fund dollars and to support additional programming and services for Ottawa County residents who are clients of the Ottawa County Community Mental Health Agency who receive programming and services therefrom pursuant to the terms of the Michigan Mental Health Code, Act 258 of the Public Acts of 1974, as amended.

Landfill Tipping Fees (2272) - This fund was established to account for the County's share of the tipping fee surcharge of Ottawa County Farms and Autumn Hills landfills. The monies are to be used for implementation of the Solid Waste Management Plan.

Farmland Preservation (2340) - This fund accounts for cash purchases and/or installment purchases of development rights voluntarily offered by landowners. Once purchased, an agricultural conservation easement is placed on the property which restricts future development.

Homestead Property Tax (2550) - This fund was established as a result of the passage of Public Act 105 of 2003 which provides for the denial of homestead status by local governments, counties and/or State of Michigan. The County's share of interest on tax revenue collected under this statute is to be used solely for the administration of this program, and any unused funds remaining after a period of three years may be transferred to the county general fund (MCL 211.7cc, as amended).

Register of Deeds Technology (2560) - This fund was established under Public Act 698 of 2002 to account for newly authorized additional recording fees effective March 31, 2003. The revenue collected is to be spent on technology upgrades.

Office of Public Defender (2600) – This fund was established to undertake, perform and complete the services described in the approved compliance plan and in accordance with the Michigan Indigent Defense Act, created by Public Act 93 of 2013.

COUNTY OF OTTAWA
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

SPECIAL REVENUE FUNDS (continued)

Federal Forfeiture (2620) – This fund was established under Public Act 20 of 1943 to account for deposit of fees and expenses of costs for those local units participating in the Justice Department Equitable Sharing Program.

Sheriff Grants & Contracts (2630) - This fund accounts for various public safety grants and contracts for policing services with County municipalities.

Concealed Pistol Licensing (2631) - This fund was established under Public Act 3 of 2015 to account for the deposit of fees, and expense of costs, of administering the act.

Department of Health and Human Services (2901) - This fund accounts for County appropriations to assist with the welfare program which offers aid to disadvantaged individuals of Ottawa County.

Child Care Funds (2920) - This fund is used to account for foster child care in the County, including the operating costs of the Ottawa County Detention Center, which is a facility that houses juveniles on a short-term basis and is funded by both the State and a County appropriation.

DEBT SERVICE FUND

Building Authority (3517) and Debt Service (3010, 3600) - These funds were established to account for the accumulation of resources for payment of principal and interest on bonds issued to finance building projects for the County of Ottawa. Financing is provided by cash rental payments pursuant to lease agreements with the County of Ottawa.

CAPITAL PROJECTS FUND

Capital Improvement (4020) - This fund was established to account for the receipt of funds Under Act 136, Public Acts of 1956 (Sections 141.261-141.263, Compiled Laws of 1979), which are restricted for statutory Public Improvement.

Building Authority Capital Improvement (4690) – This fund was established to record receipts and expenditures for capital projects financed by the Building Authority.

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services provided by one department to other departments of the governmental unit on a cost-reimbursement basis.

Innovation and Technology (6360) - This fund is used to account for revenues collected from user departments for service charges to cover the costs incurred in the operation of the department including computer processing time and programming time.

Duplicating (6450) - This fund is used to account for revenues received from user departments and expenses incurred in providing copier services.

Telecommunications (6550) - This fund is used to account for revenues received from user departments and expenses incurred in providing telephone service.

COUNTY OF OTTAWA
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

INTERNAL SERVICE FUNDS (continued)

Equipment Pool (6641) - This fund is used to account for revenues collected from user departments for the equipment rental charges to cover the costs incurred to administer the equipment pool fund and depreciation of the equipment.

Protected Self-Funded Insurance Programs (6770) - This fund is used to account for the administrative costs associated with managing the self-insured portion of the vehicle protection program, the workers' compensation program, the liability protection program and the property and fire protection program.

Employee Benefits (6771) - This fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the employee insurance programs, third party administrative expenses and actual premiums paid.

Protected Self-Funded Unemployment (6772) - This fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the self-funded unemployment insurance program, third party administrative expenses and actual unemployment claims paid.

Long-Term Disability Insurance (6775) - This fund is used to account for revenues collected from user departments for the payment of costs incurred to administer the long-term disability insurance program and insurance premiums paid.

Ottawa County, Michigan Insurance Authority (6780) - This fund is used to account for insurance coverage and risk management related services to participating public entities pursuant to State of Michigan Act No. 36 of the Public Acts of 1988.

DB/DC Conversion (6810) – this fund was established by the County Board to set aside funds needed for startup costs associated with moving new hires to a defined contribution retirement system.

Compensated Absences (6800) – This fund is used to account for the future payments of accumulated sick pay of County employees under the sick days/short and long-term disability plan. This fund is also used to accrue vacation pay.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Funds

Trust and Agency (7010) - This fund was established to account for monies received by the County for later distribution to other agencies or persons. Primarily the fund accounts for revenue received and later remitted to the State of Michigan.

Juvenile Court (7015) – This fund was established to account for monies received by the Juvenile Court for later distribution to other agencies or persons.

Library Penal Fine (7210) - This fund was established under Act 236, Section 4351 to account for monies received from District Court fines which are allocated annually for operations of libraries in the County.

Imprest Payroll Fund (7040) - This fund was established to account for the salaries and fringes of the County employees payroll. Money is disbursed from this fund after being reimbursed by the benefiting funds.

COUNTY OF OTTAWA
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

FIDUCIARY FUNDS (continued)

Inland Lake Improvement (8725) - The Water Resource Commissioner serves as the treasurer for various inland lake boards that do not meet the requirements of a component unit, so the financial activity is recorded in this fund.

COUNTY OF OTTAWA

SOLID WASTE CLEAN-UP (2271)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	<u>Original</u>	<u>Final</u>			
Revenues					
Investment earnings (loss)	\$ 10,000	\$ 10,000	\$ 44,866	\$ 34,866	\$ 41,146
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	10,000	10,000	44,866	34,866	41,146
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	240,000	333,000	332,682	318	371,598
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	240,000	333,000	332,682	318	371,598
Revenues over (under) expenditures	(230,000)	(323,000)	(287,816)	35,184	(330,452)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(230,000)	(323,000)	(287,816)	35,184	(330,452)
Fund balance, beginning of year	2,924,914	2,924,914	2,924,914	-	3,255,366
Fund balance, end of year	\$ 2,694,914	\$ 2,601,914	\$ 2,637,098	\$ 35,184	\$ 2,924,914

COUNTY OF OTTAWA

INFRASTRUCTURE (2444)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	<u>Original</u>	<u>Final</u>			
Revenues					
Investment earnings (loss)	\$ 10,000	\$ 10,000	\$ 10,691	\$ 691	\$ 17,231
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	10,000	10,000	10,691	691	17,231
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	-	-	-	-
Revenues over (under) expenditures	10,000	10,000	10,691	691	17,231
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	(125,000)	(125,000)	(125,000)	-	(625,000)
Total other financing sources (uses)	(125,000)	(125,000)	(125,000)	-	(625,000)
Net change in fund balance	(115,000)	(115,000)	(114,309)	691	(607,769)
Fund balance, beginning of year	747,975	747,975	747,975	-	1,355,744
Fund balance, end of year	\$ 632,975	\$ 632,975	\$ 633,666	\$ 691	\$ 747,975

COUNTY OF OTTAWA

STABILIZATION (2570)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	<u>Original</u>	<u>Final</u>			
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings (loss)	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	-	-	-	-
Revenues over (under) expenditures	-	-	-	-	-
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	<u>9,255,217</u>	<u>9,255,217</u>	<u>9,255,217</u>	<u>-</u>	<u>9,255,217</u>
Fund balance, end of year	<u>\$ 9,255,217</u>	<u>\$ 9,255,217</u>	<u>\$ 9,255,217</u>	<u>\$ -</u>	<u>\$ 9,255,217</u>

COUNTY OF OTTAWA

DBDC (2970)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	<u>Original</u>	<u>Final</u>			
Revenues					
Taxes	\$ 3,602,947	\$ 3,602,947	\$ 3,640,022	\$ 37,075	\$ 3,343,559
Intergovernmental revenues	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	3,602,947	3,602,947	3,640,022	37,075	3,343,559
Expenditures					
Current operations					
Personnel services	3,602,947	3,602,947	3,000,000	602,947	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	3,602,947	3,602,947	3,000,000	602,947	-
Revenues over (under) expenditures	-	-	640,022	640,022	3,343,559
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	640,022	640,022	3,343,559
Fund balance, beginning of year	3,343,559	3,343,559	3,343,559	-	-
Fund balance, end of year	\$ 3,343,559	\$ 3,343,559	\$ 3,983,581	\$ 640,022	\$ 3,343,559

COUNTY OF OTTAWA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

SEPTEMBER 30, 2020

	Special Revenue				
	Parks and Recreation (2081)	Friend of the Court (2160)	Other Governmental Grants (2180)	Health (2210)	Community Mental Health Millage (2221)
Assets					
Cash and pooled investments	\$ 2,894,219	\$ 250	\$ -	\$ 2,356,335	\$ 2,690,173
Receivables (net of allowance for estimated uncollectibles)					
Taxes	3,320	-	-	-	-
Accounts	(5,913)	-	71	219,331	2,220
Due from other funds	3,600	-	-	-	-
Due from other governmental units	48,444	556,839	952,600	818,994	148,315
Inventory of supplies	13,249	-	44,190	197,208	-
Prepaid expenditures	-	-	5,523	89,471	41,368
Total assets	2,956,919	557,089	1,002,384	3,681,339	2,882,076
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	598,843	91,870	512,332	321,583	48,982
Due to other governmental units	-	-	2,397	206,601	-
Interfund payable	-	465,219	403,602	-	-
Advances from other governmental units	-	-	-	-	-
Unearned revenue	75,653	-	11,928	380	2,220
Total liabilities	674,496	557,089	930,259	528,564	51,202
Deferred inflows of resources					
Aggregate deferred inflows	3,862	-	-	141,532	-
Fund balances					
Nonspendable	13,249	-	49,713	286,679	41,368
Restricted	2,265,312	-	22,412	517,528	2,789,506
Committed	-	-	-	-	-
Assigned	-	-	-	2,207,036	-
Total fund balances	2,278,561	-	72,125	3,011,243	2,830,874
Total liabilities, deferred inflows of resources and fund balances	\$ 2,956,919	\$ 557,089	\$ 1,002,384	\$ 3,681,339	\$ 2,882,076

(Continued)

COUNTY OF OTTAWA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

SEPTEMBER 30, 2020

	Special Revenue			
	Landfill Tipping Fees (2272)	Farmland Preservation (2340)	Homestead Property Tax (2550)	Register of Deeds Technology (2560)
Assets				
Cash and pooled investments	\$ 1,307,626	\$ 1,452	\$ 44,854	\$ 971,998
Receivables (net of allowance for estimated uncollectibles)				
Taxes	-	-	-	-
Accounts	40,844	660	-	-
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Inventory of supplies	-	-	-	-
Prepaid expenditures	-	-	-	-
Total assets	1,348,470	2,112	44,854	971,998
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	56,788	30	-	752
Due to other governmental units	-	-	-	-
Interfund payable	-	-	-	-
Advances from other governmental units	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	56,788	30	-	752
Deferred inflows of resources				
Aggregate deferred inflows	-	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	-	44,854	971,246
Committed	-	2,082	-	-
Assigned	1,291,682	-	-	-
Total fund balances	1,291,682	2,082	44,854	971,246
Total liabilities, deferred inflows of resources and fund balances	\$ 1,348,470	\$ 2,112	\$ 44,854	\$ 971,998

(Continued)

COUNTY OF OTTAWA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

SEPTEMBER 30, 2020

	Special Revenue				
	Public Defender (2600)	Federal Forfeiture (2620)	Sheriff Grants & Contracts (2630)	Concealed Pistol Licensing (2631)	Department of Health and Human Services (2901)
Assets					
Cash and pooled investments	\$ 327,424	\$ 18,384	\$ -	\$ 233,479	\$ 2,872
Receivables (net of allowance for estimated uncollectibles)					
Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	1,166,968	-	-
Inventory of supplies	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-
Total assets	327,424	18,384	1,166,968	233,479	2,872
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	106,942	-	174,414	2,238	2,872
Due to other governmental units	220,482	-	-	-	-
Interfund payable	-	-	696,077	-	-
Advances from other governmental units	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	327,424	-	870,491	2,238	2,872
Deferred inflows of resources					
Aggregate deferred inflows	-	-	-	-	-
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	18,384	-	231,241	-
Committed	-	-	-	-	-
Assigned	-	-	296,477	-	-
Total fund balances	-	18,384	296,477	231,241	-
Total liabilities, deferred inflows of resources and fund balances	\$ 327,424	\$ 18,384	\$ 1,166,968	\$ 233,479	\$ 2,872

(Continued)

COUNTY OF OTTAWA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

SEPTEMBER 30, 2020

	Debt Service				Capital Improvement		Total Nonmajor			
	Child Care (2920)	Debt Service (3010)	Capital Improvement (4020)	Bldng Improvement (4690)	Governmental Funds					
					2020	2019				
Assets										
Cash and pooled investments	\$ 200,367	\$ 3,340	\$ 4,237,919	\$ 393,934	\$ 15,684,626	\$ 11,733,271				
Receivables (net of allowance for estimated uncollectibles)										
Taxes	-	-	-	-	3,320	2,951				
Accounts	184,558	-	-	-	441,771	570,638				
Due from other funds	-	-	39,833	-	43,433	-				
Due from other governmental units	1,302,993	-	13,051	-	5,008,204	6,800,595				
Inventory of supplies	-	-	-	-	254,647	213,619				
Prepaid expenditures	-	-	-	-	136,362	119,258				
Total assets	1,687,918	3,340	4,290,803	393,934	21,572,363	19,440,332				
Liabilities, deferred inflows of resources and fund balances										
Liabilities										
Accounts payable	215,552	-	504,002	21,952	2,659,152	1,834,738				
Due to other governmental units	-	-	-	-	429,480	159,996				
Interfund payable	-	-	-	-	1,564,898	2,282,174				
Advances from other governmental units	-	-	-	-	-	478,406				
Unearned revenue	-	-	-	-	-	90,181	118,490			
Total liabilities	215,552	-	504,002	21,952	4,743,711	4,873,804				
Deferred inflows of resources										
Aggregate deferred inflows	184,558	-	-	-	329,952	490,194				
Fund balances										
Nonspendable	-	-	-	-	391,009	332,877				
Restricted	-	3,340	-	-	6,863,823	5,461,241				
Committed	-	-	3,786,801	371,982	4,160,865	3,655,950				
Assigned	1,287,808	-	-	-	5,083,003	4,626,266				
Total fund balances	1,287,808	3,340	3,786,801	371,982	16,498,700	14,076,334				
Total liabilities, deferred inflows of resources and fund balances	\$ 1,687,918	\$ 3,340	\$ 4,290,803	\$ 393,934	\$ 21,572,363	\$ 19,440,332				

(Concluded)

COUNTY OF OTTAWA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Special Revenue				
	Parks and Recreation <u>(2081)</u>	Friend of the Court <u>(2160)</u>	Other Governmental Grants <u>(2180)</u>	Health <u>(2210)</u>	Community Mental Health Millage <u>(2221)</u>
Revenues					
Taxes	\$ 3,974,722	\$ -	\$ -	\$ -	\$ 3,589,204
Intergovernmental revenues	570,324	3,449,039	2,915,576	6,754,446	687,047
Charges for services	776,699	369,130	69,055	598,829	-
Investment earnings	39,044	-	-	-	45,274
Licenses and permits	-	-	-	977,837	-
Rental income	-	-	-	-	-
Other	103,864	-	100,719	550,821	-
Total revenues	5,464,653	3,818,169	3,085,350	8,881,933	4,321,525
Expenditures					
Current operations					
Judicial	-	5,046,880	731,313	-	-
General government	-	-	-	-	-
Public safety	-	-	291,319	-	-
Public works	-	-	187,036	-	-
Health and welfare	-	-	2,008,191	12,236,650	2,662,955
Culture and recreation	4,192,325	-	-	-	-
Community and economic development	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	1,996,375	-	80,323	-	-
Total expenditures	6,188,700	5,046,880	3,298,182	12,236,650	2,662,955
Revenues over (under) expenditures	(724,047)	(1,228,711)	(212,832)	(3,354,717)	1,658,570
Other financing sources (uses)					
Issuance of bonds	800,000	-	-	-	-
Transfers from other funds	179,209	1,228,711	-	4,193,078	-
Transfers to other funds	(3,340)	-	-	-	(314,373)
Total other financing sources (uses)	975,869	1,228,711	-	4,193,078	(314,373)
Net changes in fund balances	251,822	-	(212,832)	838,361	1,344,197
Fund balances, beginning of year	2,026,739	-	284,957	2,172,882	1,486,677
Fund balances, end of year	\$ 2,278,561	\$ -	\$ 72,125	\$ 3,011,243	\$ 2,830,874

(Continued)

COUNTY OF OTTAWA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Special Revenue				
	Landfill Tipping Fees <u>(2272)</u>	Farmland Preservation <u>(2340)</u>	Homestead Property Tax <u>(2550)</u>	Register of Deeds Technology <u>(2560)</u>	Public Defender <u>(2600)</u>
Revenues					
Taxes	\$ -	\$ -	\$ 2,467	\$ -	\$ -
Intergovernmental revenues	11,174	200,000	-	-	2,123,158
Charges for services	491,618	-	-	284,230	-
Investment earnings	-	-	703	14,299	-
Licenses and permits	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	221,431	-	-	-
Total revenues	502,792	421,431	3,170	298,529	2,123,158
Expenditures					
Current operations					
Judicial	-	-	-	-	-
General government	-	-	1,558	186,068	3,066,553
Public safety	-	-	-	-	-
Public works	526,977	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Community and economic development	-	419,846	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	4,753	-
Total expenditures	526,977	419,846	1,558	190,821	3,066,553
Revenues over (under) expenditures	(24,185)	1,585	1,612	107,708	(943,395)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Transfers from other funds	-	-	-	-	943,395
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	943,395
Net changes in fund balances	(24,185)	1,585	1,612	107,708	-
Fund balances, beginning of year	1,315,867	497	43,242	863,538	-
Fund balances, end of year	\$ 1,291,682	\$ 2,082	\$ 44,854	\$ 971,246	\$ -

(Continued)

COUNTY OF OTTAWA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Special Revenue				
	Federal Forfeiture (2620)	Sheriff Grants & Contracts (2630)	Concealed Pistol Licensing (2631)	Department of Health and Human Services (2901)	Child Care (2920)
Revenues					
Taxes	\$ -	\$ 8,653,582	\$ 53,784	\$ -	\$ -
Intergovernmental revenues	-	-	-	-	3,333,092
Charges for services	-	-	-	-	-
Investment earnings	-	-	-	-	-
Licenses and permits	-	-	61,355	-	-
Rental income	-	-	-	-	-
Other	-	10,870	-	-	1,361,898
Total revenues	-	8,664,452	115,139	-	4,694,990
Expenditures					
Current operations					
Judicial	-	-	-	-	-
General government	19,340	-	81,341	-	-
Public safety	-	8,811,130	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	41,178	7,762,887
Culture and recreation	-	-	-	-	-
Community and economic development	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	19,340	8,811,130	81,341	41,178	7,762,887
Revenues over (under) expenditures	(19,340)	(146,678)	33,798	(41,178)	(3,067,897)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Transfers from other funds	-	443,155	-	41,178	2,364,390
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	443,155	-	41,178	2,364,390
Net changes in fund balances	(19,340)	296,477	33,798	-	(703,507)
Fund balances, beginning of year	37,724	-	197,443	-	1,991,315
Fund balances, end of year	\$ 18,384	\$ 296,477	\$ 231,241	\$ -	\$ 1,287,808

(Continued)

COUNTY OF OTTAWA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Debt Service			Total Nonmajor Governmental Funds	
	Debt Service <u>(3010)</u>	Capital Improvement <u>(4020)</u>	Bldng Authority <u>(4690)</u>	<u>2020</u>	<u>2019</u>
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 7,566,393	\$ 7,287,843
Intergovernmental revenues	111,680	-	-	28,862,902	32,775,638
Charges for services	-	-	-	2,589,561	2,763,940
Investment earnings	-	39,572	-	138,892	122,657
Licenses and permits	-	-	-	1,039,192	1,131,454
Rental income	-	381,916	-	381,916	286,405
Other	-	289,960	-	2,639,563	4,032,781
Total revenues	<u>111,680</u>	<u>711,448</u>	<u>-</u>	<u>43,218,419</u>	<u>48,400,718</u>
Expenditures					
Current operations					
Judicial	-	-	-	5,778,193	5,942,828
General government	-	-	-	3,354,860	3,006,406
Public safety	-	-	-	9,102,449	8,707,591
Public works	-	-	-	714,013	680,182
Health and welfare	-	3,054	-	24,714,915	24,172,785
Culture and recreation	-	-	-	4,192,325	3,794,805
Community and economic development	-	-	-	419,846	8,170
Debt service	4,375,555	-	-	4,375,555	4,134,327
Capital outlay	-	2,929,332	111,752	5,122,535	12,977,303
Total expenditures	<u>4,375,555</u>	<u>2,932,386</u>	<u>111,752</u>	<u>57,774,691</u>	<u>63,424,397</u>
Revenues over (under) expenditures	<u>(4,263,875)</u>	<u>(2,220,938)</u>	<u>(111,752)</u>	<u>(14,556,272)</u>	<u>(15,023,679)</u>
Other financing sources (uses)					
Issuance of bonds	-	-	-	800,000	-
Transfers from other funds	4,267,215	3,221,620	-	16,881,951	17,846,269
Transfers to other funds	-	(385,600)	-	(703,313)	(2,106,546)
Total other financing sources (uses)	<u>4,267,215</u>	<u>2,836,020</u>	<u>-</u>	<u>16,978,638</u>	<u>15,739,723</u>
Net changes in fund balances	3,340	615,082	(111,752)	2,422,366	716,044
Fund balances, beginning of year	<u>-</u>	<u>3,171,719</u>	<u>483,734</u>	<u>14,076,334</u>	<u>13,360,290</u>
Fund balances, end of year	<u>\$ 3,340</u>	<u>\$ 3,786,801</u>	<u>\$ 371,982</u>	<u>\$ 16,498,700</u>	<u>\$ 14,076,334</u>

(Concluded)

COUNTY OF OTTAWA

PARKS AND RECREATION (2081)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	<u>Original</u>	<u>Final</u>			
Revenues					
Taxes	\$ 3,989,970	\$ 3,989,970	\$ 3,974,722	\$ (15,248)	\$ 3,849,324
Intergovernmental revenues	30,000	2,012,684	570,324	(1,442,360)	6,071,495
Charges for services	678,300	678,300	776,699	98,399	808,535
Investment earnings (loss)	-	40,000	39,044	(956)	34,218
Rental income	107,945	107,945	-	(107,945)	29,461
Other	61,100	374,755	103,864	(270,891)	2,101,699
Total revenues	<u>4,867,315</u>	<u>7,203,654</u>	<u>5,464,653</u>	<u>(1,739,001)</u>	<u>12,894,732</u>
Expenditures					
Current operations					
Personnel services	2,857,469	2,851,611	2,686,565	165,046	2,628,682
Supplies	365,193	424,076	347,503	76,573	291,752
Other services and charges	1,213,787	1,428,700	1,158,257	270,443	874,371
Capital outlay	-	3,723,026	1,996,375	1,726,651	9,916,588
Total expenditures	<u>4,436,449</u>	<u>8,427,413</u>	<u>6,188,700</u>	<u>2,238,713</u>	<u>13,711,393</u>
Revenues over (under) expenditures	<u>430,866</u>	<u>(1,223,759)</u>	<u>(724,047)</u>	<u>499,712</u>	<u>(816,661)</u>
Other financing sources (uses)					
Issuance of bonds	-	800,000	800,000	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	174,209	179,209	179,209	-	-
Transfers to other funds	-	(3,340)	(3,340)	-	-
Total other financing sources (uses)	<u>174,209</u>	<u>975,869</u>	<u>975,869</u>	<u>-</u>	<u>-</u>
Net change in fund balance	605,075	(247,890)	251,822	499,712	(816,661)
Fund balance, beginning of year	<u>2,026,739</u>	<u>2,026,739</u>	<u>2,026,739</u>	<u>-</u>	<u>2,843,400</u>
Fund balance, end of year	<u>\$ 2,631,814</u>	<u>\$ 1,778,849</u>	<u>\$ 2,278,561</u>	<u>\$ 499,712</u>	<u>\$ 2,026,739</u>

COUNTY OF OTTAWA

FRIEND OF THE COURT (2160)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	3,544,596	3,428,127	3,449,039	20,912	3,479,437
Charges for services	376,600	371,463	369,130	(2,333)	389,535
Total revenues	3,921,196	3,799,590	3,818,169	18,579	3,868,972
Expenditures					
Current operations					
Personnel services	4,137,425	4,118,628	4,035,997	82,631	3,954,583
Supplies	63,389	63,389	54,585	8,804	108,538
Other services and charges	1,024,307	1,037,024	956,298	80,726	987,607
Total expenditures	5,225,121	5,219,041	5,046,880	172,161	5,050,728
Revenues over (under) expenditures	(1,303,925)	(1,419,451)	(1,228,711)	190,740	(1,181,756)
Other financing sources (uses)					
Transfers from other funds	1,303,925	1,419,451	1,228,711	(190,740)	1,181,756
Total other financing sources (uses)	1,303,925	1,419,451	1,228,711	(190,740)	1,181,756
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

COUNTY OF OTTAWA

OTHER GOVERNMENTAL GRANTS (2180)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ 2,857,916	\$ 5,099,932	\$ 2,915,576	\$ (2,184,356)	\$ 2,574,958
Charges for services	79,800	78,100	69,055	(9,045)	78,064
Other	85,250	90,194	100,719	10,525	(3,041)
Total revenues	<u>3,022,966</u>	<u>5,268,226</u>	<u>3,085,350</u>	<u>(2,182,876)</u>	<u>2,649,981</u>
Expenditures					
Current operations					
Judicial					
Personnel services	389,113	393,181	392,114	1,067	431,075
Supplies	61,140	37,090	29,963	7,127	39,960
Other services and charges	494,686	468,613	309,236	159,377	421,065
Public safety					
Personnel services	157,602	142,052	106,342	35,710	92,479
Supplies	60,200	55,785	43,050	12,735	94,357
Other services and charges	93,443	151,817	141,927	9,890	27,560
Public works					
Other services and charges	157,569	184,465	187,036	(2,571)	157,569
Health					
Personnel services	592,288	586,358	502,053	84,305	574,851
Supplies	544,292	654,148	536,834	117,314	481,143
Other services and charges	489,293	2,689,128	969,304	1,719,824	439,595
Capital outlay	-	-	80,323	(80,323)	-
Total expenditures	<u>3,039,626</u>	<u>5,362,637</u>	<u>3,298,182</u>	<u>2,064,455</u>	<u>2,759,654</u>
Revenues over (under) expenditures	<u>(16,660)</u>	<u>(94,411)</u>	<u>(212,832)</u>	<u>(118,421)</u>	<u>(109,673)</u>
Other financing sources (uses)					
Transfers from other funds	16,660	-	-	-	2,159
Total other financing sources (uses)	<u>16,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,159</u>
Net change in fund balance	-	(94,411)	(212,832)	(118,421)	(107,514)
Fund balance, beginning of year	<u>284,957</u>	<u>284,957</u>	<u>284,957</u>	<u>-</u>	<u>392,471</u>
Fund balance, end of year	<u>\$ 284,957</u>	<u>\$ 190,546</u>	<u>\$ 72,125</u>	<u>\$ (118,421)</u>	<u>\$ 284,957</u>

COUNTY OF OTTAWA

HEALTH (2210)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ 6,042,448	\$ 6,039,694	\$ 6,754,446	\$ 714,752	\$ 5,946,990
Charges for services	797,180	806,610	598,829	(207,781)	705,830
Licenses and permits	1,020,635	1,020,635	977,837	(42,798)	1,052,855
Other	10,800	520,304	550,821	30,517	135,976
Total revenues	<u>7,871,063</u>	<u>8,387,243</u>	<u>8,881,933</u>	<u>494,690</u>	<u>7,841,651</u>
Expenditures					
Current operations					
Personnel services	9,103,928	9,968,145	8,917,698	1,050,447	7,868,542
Supplies	821,524	1,132,052	940,917	191,135	1,072,513
Other services and charges	2,670,219	2,941,624	2,378,035	563,589	2,224,040
Total expenditures	<u>12,595,671</u>	<u>14,041,822</u>	<u>12,236,650</u>	<u>1,805,172</u>	<u>11,165,095</u>
Revenues over (under) expenditures	<u>(4,724,608)</u>	<u>(5,654,578)</u>	<u>(3,354,717)</u>	<u>(2,299,861)</u>	<u>(3,323,444)</u>
Other financing sources (uses)					
Transfers from other funds	<u>3,988,408</u>	<u>4,193,078</u>	<u>4,193,078</u>	<u>-</u>	<u>4,610,713</u>
Total other financing sources (uses)	<u>3,988,408</u>	<u>4,193,078</u>	<u>4,193,078</u>	<u>-</u>	<u>4,610,713</u>
Net change in fund balance	<u>(736,200)</u>	<u>(1,461,500)</u>	<u>838,361</u>	<u>(2,299,861)</u>	<u>1,287,269</u>
Fund balance, beginning of year	<u>2,172,882</u>	<u>2,172,882</u>	<u>2,172,882</u>	<u>-</u>	<u>885,613</u>
Fund balance, end of year	<u>\$ 1,436,682</u>	<u>\$ 711,382</u>	<u>\$ 3,011,243</u>	<u>\$ (2,299,861)</u>	<u>\$ 2,172,882</u>

COUNTY OF OTTAWA

COMMUNITY MENTAL HEALTH MILLAGE (2221)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	<u>Original</u>	<u>Final</u>			
Revenues					
Taxes	\$ 3,426,966	\$ 3,426,966	\$ 3,589,204	\$ 162,238	\$ 3,431,218
Intergovernmental revenues	743,393	800,717	687,047	(113,670)	641,508
Investment earnings (loss)	5,000	(5,000)	45,274	50,274	39,984
Total revenues	4,175,359	4,222,683	4,321,525	98,842	4,112,710
Expenditures					
Current operations					
Personnel services	332,374	603,083	391,916	211,167	256,702
Supplies	6,357	65,487	57,663	7,824	3,019
Other services and charges	2,378,475	2,493,416	2,213,376	280,040	2,479,831
Total expenditures	2,717,206	3,161,986	2,662,955	499,031	2,739,552
Revenues over (under) expenditures	1,458,153	1,060,697	1,658,570	597,873	1,373,158
Other financing sources (uses)					
Transfers to other funds	(1,275,000)	(1,275,000)	(314,373)	(960,627)	(1,591,667)
Total other financing sources (uses)	(1,275,000)	(1,275,000)	(314,373)	(960,627)	(1,591,667)
Net change in fund balance	183,153	(214,303)	1,344,197	(362,754)	(218,509)
Fund balance, beginning of year	1,486,677	1,486,677	1,486,677	-	1,705,186
Fund balance, end of year	\$ 1,669,830	\$ 1,272,374	\$ 2,830,874	\$ (362,754)	\$ 1,486,677

COUNTY OF OTTAWA

LANDFILL TIPPING FEES (2272)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ 28,000	\$ 42,500	\$ 11,174	\$ (31,326)	\$ 13,315
Charges for services	<u>539,500</u>	<u>539,500</u>	<u>491,618</u>	<u>(47,882)</u>	<u>526,239</u>
Total revenues	<u>567,500</u>	<u>582,000</u>	<u>502,792</u>	<u>(79,208)</u>	<u>539,554</u>
Expenditures					
Current operations					
Personnel services	346,314	378,100	296,647	81,453	296,422
Supplies	15,601	15,601	12,134	3,467	32,695
Other services and charges	<u>252,671</u>	<u>490,515</u>	<u>218,196</u>	<u>272,319</u>	<u>193,496</u>
Total expenditures	<u>614,586</u>	<u>884,216</u>	<u>526,977</u>	<u>357,239</u>	<u>522,613</u>
Revenues over (under) expenditures	<u>(47,086)</u>	<u>(302,216)</u>	<u>(24,185)</u>	<u>278,031</u>	<u>16,941</u>
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(47,086)</u>	<u>(302,216)</u>	<u>(24,185)</u>	<u>278,031</u>	<u>16,941</u>
Fund balance, beginning of year	<u>1,315,867</u>	<u>1,315,867</u>	<u>1,315,867</u>	<u>-</u>	<u>1,298,926</u>
Fund balance, end of year	<u>\$ 1,268,781</u>	<u>\$ 1,013,651</u>	<u>\$ 1,291,682</u>	<u>\$ 278,031</u>	<u>\$ 1,315,867</u>

COUNTY OF OTTAWA

FARMLAND PRESERVATION (2340)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ 200,000	\$ 200,000	\$ 200,000	\$ -	\$ -
Other	119,607	221,119	221,431	312	8,217
Total revenues	319,607	421,119	421,431	312	8,217
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	2,401	3,913	3,184	729	2,320
Other services and charges	317,206	417,206	416,662	544	5,850
Capital outlay	-	-	-	-	-
Total expenditures	319,607	421,119	419,846	1,273	8,170
Revenues over (under) expenditures	-	-	1,585	1,585	47
Other financing sources (uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	1,585	1,585	47
Fund balance, beginning of year	497	497	497	-	450
Fund balance, end of year	\$ 497	\$ 497	\$ 2,082	\$ 1,585	\$ 497

COUNTY OF OTTAWA

HOMESTEAD PROPERTY TAX (2550)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Taxes	\$ 5,000	\$ 5,000	\$ 2,467	\$ (2,533)	\$ 7,301
Investment earnings	150	150	703	553	542
Other	-	-	-	-	-
Total revenues	5,150	5,150	3,170	(1,980)	7,843
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	100	100	-	100	-
Other services and charges	1,567	1,567	1,558	9	1,529
Capital outlay	-	-	-	-	-
Total expenditures	1,667	1,667	1,558	109	1,529
Revenues over (under) expenditures	3,483	3,483	1,612	(1,871)	6,314
Other financing sources (uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	3,483	3,483	1,612	(1,871)	6,314
Fund balance, beginning of year	43,242	43,242	43,242	-	36,928
Fund balance, end of year	\$ 46,725	\$ 46,725	\$ 44,854	\$ (1,871)	\$ 43,242

COUNTY OF OTTAWA

REGISTER OF DEEDS TECHNOLOGY (2560)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Charges for services	\$ 200,000	\$ 200,000	\$ 284,230	\$ 84,230	\$ 231,940
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	14,299	14,299	11,025
Other	-	-	-	-	-
Total revenues	200,000	200,000	298,529	98,529	242,965
Expenditures					
Current operations					
Personnel services	28,368	28,368	28,202	166	28,166
Supplies	4,090	4,585	3,727	858	33,456
Other services and charges	189,604	189,604	154,139	35,465	126,312
Capital outlay	37,000	36,505	4,753	31,752	232
Total expenditures	259,062	259,062	190,821	68,241	188,166
Revenues over (under) expenditures	(59,062)	(59,062)	107,708	166,770	54,799
Other financing sources (uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(59,062)	(59,062)	107,708	166,770	54,799
Fund balance, beginning of year	863,538	863,538	863,538	-	808,739
Fund balance, end of year	\$ 804,476	\$ 804,476	\$ 971,246	\$ 166,770	\$ 863,538

COUNTY OF OTTAWA

PUBLIC DEFENDER (2600)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ 2,303,706	\$ 2,343,639	\$ 2,123,158	\$ (220,481)	\$ 1,817,942
Charges for services	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	<u>2,303,706</u>	<u>2,343,639</u>	<u>2,123,158</u>	<u>(220,481)</u>	<u>1,817,942</u>
Expenditures					
Current operations					
Personnel services	2,264,802	2,339,725	2,268,636	71,089	1,471,561
Supplies	127,216	79,830	49,939	29,891	167,344
Other services and charges	855,083	867,479	747,978	119,501	1,102,124
Capital outlay	-	-	-	-	-
Total expenditures	<u>3,247,101</u>	<u>3,287,034</u>	<u>3,066,553</u>	<u>220,481</u>	<u>2,741,029</u>
Revenues over (under) expenditures	<u>(943,395)</u>	<u>(943,395)</u>	<u>(943,395)</u>	<u>-</u>	<u>(923,087)</u>
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	943,395	943,395	943,395	-	923,087
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>943,395</u>	<u>943,395</u>	<u>943,395</u>	<u>-</u>	<u>923,087</u>
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF OTTAWA

FEDERAL FORFEITURE (2620)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual	Variance	
	Original	Final	Amount	Positive (Negative)	2019 Actual
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures					
Current operations					
Personnel services	-	-	-	-	-
Supplies	-	3,710	3,350	360	8,729
Other services and charges	-	15,900	15,990	(90)	-
Capital outlay	-	-	-	-	-
Total expenditures	-	19,610	19,340	270	8,729
Revenues over (under) expenditures	-	(19,610)	(19,340)	270	(8,729)
Other financing sources (uses)					
Issuance of bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	(19,610)	(19,340)	270	(8,729)
Fund balance, beginning of year	37,724	37,724	37,724	-	46,453
Fund balance, end of year	\$ 37,724	\$ 18,114	\$ 18,384	\$ 270	\$ 37,724

COUNTY OF OTTAWA

SHERIFF GRANTS & CONTRACTS (2630)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

				Variance	
		Budget Amounts	Actual	Positive (Negative)	2019
		Original	Final	Amount	Actual
Revenues					
Intergovernmental revenues		\$ 8,684,026	\$ 8,808,711	\$ 8,653,582	\$ (155,129)
Charges for services		-	-	-	-
Other		-	-	10,870	10,870
Total revenues		<u>8,684,026</u>	<u>8,808,711</u>	<u>8,664,452</u>	<u>(144,259)</u>
Expenditures					
Current operations					
Personnel services		8,228,879	8,069,610	7,943,896	125,714
Supplies		231,129	204,564	145,222	59,342
Other services and charges		667,173	777,692	722,012	55,680
Capital outlay		-	-	-	-
Total expenditures		<u>9,127,181</u>	<u>9,051,866</u>	<u>8,811,130</u>	<u>240,736</u>
Revenues over (under) expenditures		<u>(443,155)</u>	<u>(243,155)</u>	<u>(146,678)</u>	<u>96,477</u>
Other financing sources (uses)					
Transfers from other funds		443,155	443,155	443,155	-
Transfers to other funds		-	-	-	-
Total other financing sources (uses)		<u>443,155</u>	<u>443,155</u>	<u>443,155</u>	<u>-</u>
Net change in fund balance		-	200,000	296,477	96,477
Fund balance, beginning of year		-	-	-	1
Fund balance, end of year		<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ 296,477</u>	<u>\$ 96,477</u>

COUNTY OF OTTAWA

CONCEALED PISTOL LICENSING (2631)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ -	\$ -	\$ 53,784	\$ 53,784	\$ 29,160
Licenses and permits	120,000	120,000	61,355	(58,645)	78,599
Other	-	-	-	-	-
Total revenues	120,000	120,000	115,139	(4,861)	107,759
Expenditures					
Current operations					
Personnel services	67,339	67,339	59,925	7,414	48,976
Supplies	7,000	7,000	8,562	(1,562)	6,022
Other services and charges	12,854	12,854	12,854	-	12,187
Capital outlay	-	-	-	-	-
Total expenditures	87,193	87,193	81,341	5,852	67,185
Revenues over (under) expenditures	32,807	32,807	33,798	991	40,574
Other financing sources (uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	32,807	32,807	33,798	991	40,574
Fund balance, beginning of year	197,443	197,443	197,443	-	156,869
Fund balance, end of year	\$ 230,250	\$ 230,250	\$ 231,241	\$ 991	\$ 197,443

COUNTY OF OTTAWA

DEPARTMENT OF HEALTH AND HUMAN SERVICES (2901)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance		2019 Actual
	Original	Final		Positive (Negative)	\$	
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Rental income	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-
Expenditures						
Current operations						
Personnel services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	44,046	44,046	41,178	2,868	43,116	
Capital outlay	-	-	-	-	-	-
Total expenditures	44,046	44,046	41,178	2,868	43,116	
Revenues over (under) expenditures	(44,046)	(44,046)	(41,178)	2,868	(43,116)	
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Transfers from other funds	44,046	44,046	41,178	(2,868)	43,116	
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	44,046	44,046	41,178	(2,868)	43,116	
Net change in fund balance	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

COUNTY OF OTTAWA

CHILD CARE (2920)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	Budget Amounts		Actual Amount	Variance	
	Original	Final		Positive (Negative)	2019 Actual
Revenues					
Intergovernmental revenues	\$ 3,366,796	\$ 3,380,680	\$ 3,333,092	\$ (47,588)	\$ 4,074,130
Rental income	-	-	-	-	-
Other	<u>1,782,800</u>	<u>1,782,800</u>	<u>1,361,898</u>	<u>(420,902)</u>	<u>1,742,324</u>
Total revenues	<u>5,149,596</u>	<u>5,163,480</u>	<u>4,694,990</u>	<u>(468,490)</u>	<u>5,816,454</u>
Expenditures					
Current operations					
Personnel services	5,439,050	5,371,818	4,810,555	561,263	4,958,878
Supplies	325,819	326,649	218,027	108,622	242,893
Other services and charges	3,659,642	3,753,812	2,734,305	1,019,507	3,527,662
Capital outlay	-	-	-	-	-
Total expenditures	<u>9,424,511</u>	<u>9,452,279</u>	<u>7,762,887</u>	<u>1,689,392</u>	<u>8,729,433</u>
Revenues over (under) expenditures	<u>(4,274,915)</u>	<u>(4,288,799)</u>	<u>(3,067,897)</u>	<u>1,220,902</u>	<u>(2,912,979)</u>
Other financing sources (uses)					
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	3,850,506	3,864,390	2,364,390	(1,500,000)	3,979,295
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>3,850,506</u>	<u>3,864,390</u>	<u>2,364,390</u>	<u>(1,500,000)</u>	<u>3,979,295</u>
Net change in fund balance	(424,409)	(424,409)	(703,507)	(279,098)	1,066,316
Fund balance, beginning of year	<u>1,991,315</u>	<u>1,991,315</u>	<u>1,991,315</u>	<u>-</u>	<u>924,999</u>
Fund balance, end of year	<u>\$ 1,566,906</u>	<u>\$ 1,566,906</u>	<u>\$ 1,287,808</u>	<u>\$ (279,098)</u>	<u>\$ 1,991,315</u>

COUNTY OF OTTAWA

DEBT SERVICE FUNDS (3010)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance Positive (Negative)	2019 Actual
	<u>Original</u>	<u>Final</u>			
Revenues					
Intergovernmental revenues	\$ 110,849	\$ 110,849	\$ 111,680	\$ 831	\$ 122,655
Charges for services	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	<u>110,849</u>	<u>110,849</u>	<u>111,680</u>	<u>831</u>	<u>122,655</u>
Expenditures					
Current operations					
Debt service					
Principal retirement	3,145,000	3,145,000	3,145,000	-	2,815,000
Interest and fiscal charges	1,230,655	1,230,655	1,230,555	100	1,319,327
Capital outlay	-	-	-	-	-
Total expenditures	<u>4,375,655</u>	<u>4,375,655</u>	<u>4,375,555</u>	<u>100</u>	<u>4,134,327</u>
Revenues over (under) expenditures	<u>(4,264,806)</u>	<u>(4,264,806)</u>	<u>(4,263,875)</u>	<u>931</u>	<u>(4,011,672)</u>
Other financing sources (uses)					
Payment to refunding bond escrow agent	-	-	-	-	-
Transfers from other funds	4,264,806	4,268,146	4,267,215	(931)	4,010,972
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>4,264,806</u>	<u>4,268,146</u>	<u>4,267,215</u>	<u>(931)</u>	<u>4,010,972</u>
Net change in fund balance	-	3,340	3,340	-	(700)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>700</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 3,340</u>	<u>\$ 3,340</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF OTTAWA

CAPITAL IMPROVEMENT (4020)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

				Variance	
	Budget Amounts		Actual	Positive (Negative)	2019
	Original	Final	Amount		Actual
Revenues					
Intergovernmental revenues	\$ 101,607	\$ 1,972,427	\$ -	\$ (1,972,427)	\$ -
Charges for services	171,008	-	-	-	23,797
Fines and forfeits	-	-	-	-	-
Investment earnings	-	-	39,572	39,572	36,888
Licenses and permits	-	-	-	-	-
Rental income	367,449	367,449	381,916	14,467	256,944
Other	-	570,892	289,960	(280,932)	-
Total revenues	640,064	2,910,768	711,448	(2,199,320)	317,629
Expenditures					
Current operations					
Other services and charges	3,200	3,200	3,054	146	-
Capital outlay	3,482,892	10,336,224	2,929,332	7,406,892	3,044,217
Total expenditures	3,486,092	10,339,424	2,932,386	7,407,038	3,044,217
Revenues over (under) expenditures	(2,846,028)	(7,428,655)	(2,220,938)	5,207,717	(2,726,588)
Other financing sources (uses)					
Premium on bonds issued	-	-	-	-	-
Transfers from other funds	2,163,761	6,308,660	3,221,620	(3,087,040)	2,153,631
Transfers to other funds	(385,600)	(385,600)	(385,600)	-	(514,879)
Total other financing sources (uses)	1,778,161	5,923,060	2,836,020	(3,087,040)	1,638,752
Net change in fund balance	(1,067,867)	(1,505,596)	615,082	2,120,678	(1,087,836)
Fund balance, beginning of year	3,171,719	3,171,719	3,171,719	-	4,259,555
Fund balance, end of year	\$ 2,103,852	\$ 1,666,123	\$ 3,786,801	\$ 2,120,678	\$ 3,171,719

COUNTY OF OTTAWA

BUILDING AUTHORITY (4690)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Budget Amounts		Actual Amount	Variance		2019 Actual
	Original	Final		Positive (Negative)	\$	
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	-	-	-
Rental income	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current operations						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	-	<u>483,734</u>	<u>111,752</u>	<u>371,982</u>	<u>16,266</u>	
Total expenditures	<u>-</u>	<u>483,734</u>	<u>111,752</u>	<u>371,982</u>	<u>16,266</u>	
Revenues over (under) expenditures	<u>-</u>	<u>(483,734)</u>	<u>(111,752)</u>	<u>371,982</u>	<u>(16,266)</u>	
Other financing sources (uses)						
Issuance of bonds	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	500,000	
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Net change in fund balance	<u>-</u>	<u>(483,734)</u>	<u>(111,752)</u>	<u>371,982</u>	<u>483,734</u>	
Fund balance, beginning of year	<u>483,734</u>	<u>483,734</u>	<u>483,734</u>	<u>-</u>	<u>-</u>	
Fund balance, end of year	<u>\$ 483,734</u>	<u>\$ -</u>	<u>\$ 371,982</u>	<u>\$ 371,982</u>	<u>\$ 483,734</u>	

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION

SEPTEMBER 30, 2020
(with comparative totals at September 30, 2019)

	Innovation and Technology <u>(6360)</u>	Duplicating <u>(6450)</u>	Telecom- munications <u>(6550)</u>	Equipment Pool <u>(6641)</u>
Assets				
Current assets				
Cash and pooled investments	\$ 1,678,588	\$ 684,237	\$ 1,314,624	\$ 1,482,588
Investments	-	-	-	-
Accounts receivable	2,317	-	-	22,996
Accrued interest on investments	-	-	-	-
Due from other governmental units	-	-	-	-
Due from other funds	13,546	-	-	133,608
Inventory of supplies	17,438	-	-	-
Prepaid expenses	<u>485,394</u>	<u>-</u>	<u>158,093</u>	<u>-</u>
Total current assets	<u>2,197,283</u>	<u>684,237</u>	<u>1,472,717</u>	<u>1,639,192</u>
Noncurrent assets				
Capital assets				
Office furniture and equipment	-	-	-	10,077,618
Copy machines	-	339,026	-	-
Telephone equipment	-	-	1,847,684	-
Vehicles	-	-	-	6,516,412
Construction in progress	-	-	-	-
Less accumulated depreciation	<u>-</u>	<u>(263,804)</u>	<u>(1,127,378)</u>	<u>(11,400,482)</u>
Net capital assets	<u>-</u>	<u>75,222</u>	<u>720,306</u>	<u>5,193,548</u>
Total assets	<u>2,197,283</u>	<u>759,459</u>	<u>2,193,023</u>	<u>6,832,740</u>
Liabilities				
Current liabilities				
Accounts payable	119,568	18,365	33,604	712,503
Current portion of long-term debt	-	-	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>119,568</u>	<u>18,365</u>	<u>33,604</u>	<u>712,503</u>
Total Noncurrent liabilities	-	-	-	-
Total liabilities	<u>119,568</u>	<u>18,365</u>	<u>33,604</u>	<u>712,503</u>
Net position				
Invested in capital assets	-	75,222	720,306	5,193,548
Restricted for managed care risk exposure	-	-	-	-
Unrestricted	<u>2,077,715</u>	<u>665,872</u>	<u>1,439,113</u>	<u>926,689</u>
Total net position	<u>\$ 2,077,715</u>	<u>\$ 741,094</u>	<u>\$ 2,159,419</u>	<u>\$ 6,120,237</u>

(Continued)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION

SEPTEMBER 30, 2020
 (with comparative totals at September 30, 2019)

	Protected Self-Funded Insurance Programs <u>(6770)</u>	Employee Benefits <u>(6771)</u>	Protected Self-Funded Unemployment <u>(6772)</u>	Long-Term Disability Insurance <u>(6775)</u>
Assets				
Current assets				
Cash and pooled investments	\$ 132,368	\$ 2,973,998	\$ 1,353,944	\$ 99,420
Investments	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest on investments	-	-	-	-
Due from other governmental units	-	-	-	-
Due from other funds	3,610,660	-	-	-
Inventory of supplies	-	-	-	-
Prepaid expenses	<u>52,388</u>	<u>2,902</u>	<u>-</u>	<u>-</u>
Total current assets	<u>3,795,416</u>	<u>2,976,900</u>	<u>1,353,944</u>	<u>99,420</u>
Noncurrent assets				
Capital assets				
Office furniture and equipment	-	-	-	-
Copy machines	-	-	-	-
Telephone equipment	-	-	-	-
Vehicles	-	-	-	-
Construction in progress	-	-	-	-
Less accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>3,795,416</u>	<u>2,976,900</u>	<u>1,353,944</u>	<u>99,420</u>
Liabilities				
Current liabilities				
Accounts payable	739,776	19,829	7,120	18,686
Current portion of long-term debt	-	-	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>739,776</u>	<u>19,829</u>	<u>7,120</u>	<u>18,686</u>
Total Noncurrent liabilities	-	-	-	-
Total liabilities	<u>739,776</u>	<u>19,829</u>	<u>7,120</u>	<u>18,686</u>
Net position				
Invested in capital assets	-	-	-	-
Restricted for managed care risk exposure	-	-	-	-
Unrestricted	<u>3,055,640</u>	<u>2,957,071</u>	<u>1,346,824</u>	<u>80,734</u>
Total net position	<u>\$ 3,055,640</u>	<u>\$ 2,957,071</u>	<u>\$ 1,346,824</u>	<u>\$ 80,734</u>

(Continued)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION

SEPTEMBER 30, 2020
(with comparative totals at September 30, 2019)

	Ottawa County, Michigan Insurance Authority <u>(6780)</u>	DB/DC Conversion <u>6810</u>	Compensated Absences <u>6800</u>	Totals	
				2020	2019
Assets					
Current assets					
Cash and pooled investments	\$ 146,099	\$ 4,528,710	\$ 3,950,972	\$ 18,345,548	\$ 16,083,671
Investments	48,617,544	-	-	48,617,544	43,841,494
Accounts receivable	50,000	-	-	75,313	11,731
Accrued interest on investments	76,881	-	-	76,881	91,184
Due from other governmental units	-	-	-	-	-
Due from other funds	-	-	-	3,757,814	3,662,616
Inventory of supplies	-	-	-	17,438	-
Prepaid expenses	216,397	-	-	915,174	1,076,568
Total current assets	49,106,921	4,528,710	3,950,972	71,805,712	64,767,264
Noncurrent assets					
Capital assets					
Office furniture and equipment	-	-	-	10,077,618	9,011,948
Copy machines	-	-	-	339,026	313,501
Telephone equipment	-	-	-	1,847,684	1,847,684
Vehicles	-	-	-	6,516,412	5,997,227
Construction in Progress	-	-	-	-	-
Less accumulated depreciation	-	-	-	(12,791,664)	(11,979,920)
Net capital assets	-	-	-	5,989,076	5,190,440
Total assets	49,106,921	4,528,710	3,950,972	77,794,788	69,957,704
Liabilities					
Current liabilities					
Accounts payable	13,107,438	985,514	-	15,762,403	13,750,180
Current portion of long-term debt	-	-	3,815,905	3,815,905	3,030,197
Due to other funds	3,864,722	-	-	3,864,722	3,679,410
Total current liabilities	16,972,160	985,514	3,815,905	23,443,030	20,459,787
Total Noncurrent liabilities	-	-	-	-	93,077
Total liabilities	16,972,160	985,514	3,815,905	23,443,030	20,552,864
Net position					
Invested in capital assets	-	-	-	5,989,076	5,190,440
Restricted for managed care risk exposure	-	-	-	-	-
Unrestricted	32,134,761	3,543,196	135,067	48,362,682	44,214,400
Total net position	\$ 32,134,761	\$ 3,543,196	\$ 135,067	\$ 54,351,758	\$ 49,404,840

(Concluded)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)

	Innovation and Technology <u>(6360)</u>	Duplicating <u>(6450)</u>	Telecom- munications <u>(6550)</u>	Equipment Pool <u>(6641)</u>
Operating revenues				
Charges for services	\$ 5,537,627	\$ 35,105	\$ 798,834	\$ 1,867,875
Other revenue	<u>158,737</u>	<u>-</u>	<u>95</u>	<u>385,048</u>
Total operating revenues	<u>5,696,364</u>	<u>35,105</u>	<u>798,929</u>	<u>2,252,923</u>
Operating expenses				
Personnel services	2,524,825	4,762	152,286	31,451
Contractual services	-	-	-	-
Supplies	399,925	8,336	5,626	-
Depreciation	-	27,706	126,086	1,680,976
Building and equipment rental	427,120	-	-	-
Claims and legal	-	-	-	-
Miscellaneous	<u>1,572,196</u>	<u>-</u>	<u>509,918</u>	<u>830</u>
Total operating expenses	<u>4,924,066</u>	<u>40,804</u>	<u>793,916</u>	<u>1,713,257</u>
Operating income (loss)	<u>772,298</u>	<u>(5,699)</u>	<u>5,013</u>	<u>539,666</u>
Nonoperating revenues (expenses)				
Investment earnings (loss)	16,511	10,861	19,618	18,031
Net change in the fair value of investments	-	-	-	-
Gain (loss) on retirement of capital assets	-	-	-	121,585
Total nonoperating revenues	<u>16,511</u>	<u>10,861</u>	<u>19,618</u>	<u>139,616</u>
Income (loss) before transfers	<u>788,809</u>	<u>5,162</u>	<u>24,631</u>	<u>679,282</u>
Transfers				
Transfers from other funds	13,546	-	-	-
Transfers to other funds	-	-	<u>(150,000)</u>	<u>-</u>
Total transfers	<u>13,546</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>
Change in net position	<u>802,355</u>	<u>5,162</u>	<u>(125,369)</u>	<u>679,282</u>
Total net position, beginning of year	<u>1,275,360</u>	<u>735,932</u>	<u>2,284,788</u>	<u>5,440,955</u>
Total net position, end of year	<u>\$ 2,077,715</u>	<u>\$ 741,094</u>	<u>\$ 2,159,419</u>	<u>\$ 6,120,237</u>

(Continued)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020
 (with comparative totals for year ended September 30, 2019)

	Protected Self-Funded Insurance Programs <u>(6770)</u>	Employee Benefits <u>(6771)</u>	Protected Self-Funded Unemployment <u>(6772)</u>	Long-Term Disability Insurance <u>(6775)</u>
Operating revenues				
Charges for services	\$ 317,909	\$ 11,801,068	\$ 333,212	\$ -
Other revenue	-	-	-	-
Total operating revenues	<u>317,909</u>	<u>11,801,068</u>	<u>333,212</u>	<u>-</u>
Operating expenses				
Personnel services	182,395	197,899	50,843	8,906
Contractual services	-	-	-	-
Supplies	8,736	-	-	-
Depreciation	-	-	-	-
Building and equipment rental	-	-	-	-
Claims and legal	-	-	-	-
Miscellaneous	<u>192,956</u>	<u>11,747,729</u>	<u>152,959</u>	<u>111,790</u>
Total operating expenses	<u>384,087</u>	<u>11,945,628</u>	<u>203,802</u>	<u>120,696</u>
Operating income (loss)	<u>(66,178)</u>	<u>(144,560)</u>	<u>129,410</u>	<u>(120,696)</u>
Nonoperating revenues (expenses)				
Investment earnings (loss)	70,742	38,185	19,920	2,504
Net change in the fair value of investments	-	-	-	-
Gain (loss) on retirement of capital assets	-	-	-	-
Total nonoperating revenues	<u>70,742</u>	<u>38,185</u>	<u>19,920</u>	<u>2,504</u>
Income (loss) before transfers	4,564	(106,375)	149,330	(118,192)
Transfers				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	4,564	(106,375)	149,330	(118,192)
Total net position, beginning of year	<u>3,051,076</u>	<u>3,063,446</u>	<u>1,197,494</u>	<u>198,926</u>
Total net position, end of year	<u>\$ 3,055,640</u>	<u>\$ 2,957,071</u>	<u>\$ 1,346,824</u>	<u>\$ 80,734</u>

(Continued)

COUNTY OF OTTAWA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(but comparative totals for year ended September 30, 2019)

	Ottawa County, Michigan Insurance Authority <u>(6780)</u>	DB/DC Conversion <u>(6810)</u>	Compensated Absences <u>(6800)</u>	Totals	
				2020	2019
Operating revenues					
Charges for services	\$ 1,832,643	\$ 15,420,765	\$ 728,628	\$ 38,673,666	\$ 24,581,718
Other revenue	3,829	174,275	-	721,984	3,119,016
Total operating revenues	1,836,472	15,595,040	728,628	39,395,650	27,700,734
Operating expenses					
Personnel services	-	-	732,128	3,885,495	9,108,161
Contractual services	822,861	-	-	822,861	757,295
Supplies	-	-	-	422,623	159,225
Depreciation	-	-	-	1,834,768	1,756,267
Building and equipment rental	-	-	-	427,120	324,497
Claims and legal	1,163,936	-	-	1,163,936	1,775,028
Miscellaneous	-	11,848,246	-	26,136,624	14,529,800
Total operating expenses	1,986,797	11,848,246	732,128	34,693,427	28,410,273
Operating income (loss)	(150,325)	3,746,794	(3,500)	4,702,223	(709,539)
Nonoperating revenues (expenses)					
Investment earnings (loss)	1,015,256	84,747	51,478	1,347,853	2,108,569
Net change in the fair value of investments	3,422,202	-	-	3,422,202	316,468
Gain (loss) on retirement of capital assets	-	-	-	121,585	123,277
Total nonoperating revenues	4,437,458	84,747	51,478	4,891,640	2,548,314
Income (loss) before transfers	4,287,133	3,831,541	47,978	9,593,863	1,838,775
Transfers					
Transfers from other funds	-	-	-	13,546	-
Transfers to other funds	(276,375)	(4,234,116)	-	(4,660,491)	(3,251,825)
Total transfers	(276,375)	(4,234,116)	-	(4,646,945)	(3,251,825)
Change in net position	4,010,758	(402,575)	47,978	4,946,918	(1,413,050)
Total net position, beginning of year	28,124,003	3,945,771	87,089	49,404,840	50,817,890
Total net position, end of year	\$ 32,134,761	\$ 3,543,196	\$ 135,067	\$ 54,351,758	\$ 49,404,840

(Concluded)

COUNTY OF OTTAWA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	Innovation and Technology (6360)	Duplicating (6450)	Telecom- munications (6550)	Equipment Pool (6641)	Protected Self-Funded Insurance Programs (6770)	Employee Benefits (6771)
Cash flow from operating activities						
Cash received from interfund services provided	\$ 5,705,778	\$ 35,105	\$ 798,929	\$ 2,229,927	\$ 317,909	\$ 11,781,236
Cash payments to suppliers for goods and services	(2,301,271)	(8,336)	(465,832)	(830)	(197,469)	(11,731,518)
Cash payments for self-funded insurance claims	-	-	-	-	-	-
Cash payments to employees for services	<u>(2,524,825)</u>	<u>(4,762)</u>	<u>(152,286)</u>	<u>(31,451)</u>	<u>(182,395)</u>	<u>(197,899)</u>
Net cash provided by (used for) operating activities	<u>879,682</u>	<u>22,007</u>	<u>180,811</u>	<u>2,197,646</u>	<u>(61,955)</u>	<u>(148,181)</u>
Cash flow from noncapital financing activities						
Due from other funds					(133,608)	
Transfers in from other funds	-	-	-	-	-	-
Transfers out to other funds	-	-	(150,000)	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>(133,608)</u>	<u>-</u>	<u>-</u>
Cash flow from capital and related financing activities						
Acquisition of capital assets	-	(29,236)	-	(1,881,393)	-	-
Proceeds from sale of equipment	-	-	-	121,585	-	-
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>(29,236)</u>	<u>-</u>	<u>(1,759,808)</u>	<u>-</u>	<u>-</u>
Cash flow from investing activities						
Purchase of investments	(17,438)	-	-	-	-	-
Interest on investments	16,511	10,861	19,618	18,031	122,698	38,185
Proceeds from sale of investments	-	-	-	-	-	-
Net cash provided by (used for) investing activities	<u>(927)</u>	<u>10,861</u>	<u>19,618</u>	<u>18,031</u>	<u>122,698</u>	<u>38,185</u>
Net increase (decrease) in cash and pooled investments	878,755	3,632	50,429	322,261	60,743	(109,996)
Cash and pooled investments, beginning of year	<u>799,833</u>	<u>680,605</u>	<u>1,264,195</u>	<u>1,160,327</u>	<u>71,625</u>	<u>3,083,994</u>
Cash and pooled investments, end of year	<u>\$ 1,678,588</u>	<u>\$ 684,237</u>	<u>\$ 1,314,624</u>	<u>\$ 1,482,588</u>	<u>\$ 132,368</u>	<u>\$ 2,973,998</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	\$ 772,298	\$ (5,699)	\$ 5,013	\$ 539,666	\$ (66,178)	\$ (144,560)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities						
Depreciation	-	27,706	126,086	1,680,976	-	-
Interest income	-	-	-	-	-	-
Change in assets and liabilities not affecting cash provided by (used for) operating activities						
(Increase) decrease in receivables	9,414	-	-	(22,996)	-	(19,832)
(Increase) decrease in prepaid expenses	101,110	-	52,698	-	-	-
Increase (decrease) in unpaid claims liability	-	-	-	-	-	-
Increase (decrease) in unearned revenue	-	-	-	-	-	-
Increase (decrease) in accounts payable	(3,140)	-	(2,986)	-	4,223	16,211
Increase (decrease) in current portion of long-term debt	-	-	-	-	-	-
Increase (decrease) in due to other funds	-	-	-	-	-	-
Increase (decrease) in total noncurrent liabilities	-	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ 879,682</u>	<u>\$ 22,007</u>	<u>\$ 180,811</u>	<u>\$ 2,197,646</u>	<u>\$ (61,955)</u>	<u>\$ (148,181)</u>

(Continued)

COUNTY OF OTTAWA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2020
(with comparative totals for year ended September 30, 2019)**

	Protected Self-Funded Unemployment (6772)	Long-Term Disability Insurance (6775)	Ottawa County, Michigan Insurance Authority (6780)	DB/DC Conversion (6810)	Compensated Absences (6800)	Totals
					2020	2019
Cash flow from operating activities						
Cash received from interfund services provided	\$ 333,212	\$ -	\$ 1,836,472	\$ 15,595,040	\$ 728,628	\$ 39,362,236 \$ 24,450,444
Cash payments to suppliers for goods and services	(146,435)	(111,055)	(78,610)	(10,862,732)	-	(25,904,088) (16,526,647)
Cash payments for self-funded insurance claims	-	-	(1,157,324)	-	-	(1,157,324) (1,032,282)
Cash payments to employees for services	(50,843)	(8,906)	(372,621)	-	(39,497)	(3,565,485) (3,275,547)
Net cash provided by (used for) operating activities	135,934	(119,961)	227,917	4,732,308	689,131	8,735,339 3,615,968
Cash flow from noncapital financing activities						
Transfers in from other funds	-	-	-	-	-	-
Transfers out to other funds	-	-	(159,520)	(4,234,116)	-	(4,543,636) (3,251,825)
Net cash provided by (used for) noncapital financing activities	-	-	(159,520)	(4,234,116)	-	(4,543,636) (3,251,825)
Cash flow from capital and related financing activities						
Acquisition of capital assets	-	-	-	-	-	(1,910,629) (2,486,371)
Proceeds from sale of equipment	-	-	-	-	-	121,585 123,277
Net cash provided by (used for) capital and related financing activities	-	-	-	-	-	(1,789,044) (2,363,094)
Cash flow from investing activities						
Purchase of investments	-	-	(23,671,695)	-	-	-
Interest on investments	19,920	2,504	1,029,559	84,747	51,478	(23,689,133) (27,135,046)
Proceeds from sale of investments	-	-	22,267,847	-	-	22,267,847 26,451,422
Net cash provided by (used for) investing activities	19,920	2,504	(374,289)	84,747	51,478	(7,174) 1,863,655
Net increase (decrease) in cash and pooled investments	155,854	(117,457)	(305,892)	582,939	740,609	2,395,485 (135,296)
Cash and pooled investments, beginning of year	1,198,090	216,877	451,991	3,945,771	3,210,363	16,083,671 16,218,967
Cash and pooled investments, end of year	\$ 1,353,944	\$ 99,420	\$ 146,099	\$ 4,528,710	\$ 3,950,972	\$ 18,345,548 \$ 16,083,671
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	\$ 129,410	\$ (120,696)	\$ (150,325)	\$ 3,746,794	\$ (3,500)	\$ 4,702,223 \$ (709,539)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities						
Depreciation	-	-	-	-	-	1,834,768 1,756,267
Interest income	-	-	-	-	-	-
Change in assets and liabilities not affecting cash provided by (used for) operating activities						
(Increase) decrease in receivables	-	-	-	-	-	(33,414) 252,019
(Increase) decrease in prepaid expenses	-	-	7,586	-	-	161,394 (515,681)
Increase (decrease) in unpaid claims liability	-	-	302,199	-	-	302,199 1,187,804
Increase (decrease) in unearned revenue	-	-	-	-	-	- (144,567)
Increase (decrease) in accounts payable	6,524	735	-	985,514	-	1,007,081 (531,880)
Increase (decrease) in current portion of long-term debt	-	-	-	-	785,708	785,708 3,030,197
Increase (decrease) in due to other funds	-	-	68,457	-	-	68,457 (801,729)
Increase (decrease) in total noncurrent liabilities	-	-	-	-	(93,077)	(93,077) 93,077
Net cash provided by (used for) operating activities	\$ 135,934	\$ (119,961)	\$ 227,917	\$ 4,732,308	\$ 689,131	\$ 8,735,339 \$ 3,615,968
Noncash investing activities						
The change in fair value of investments for the internal service funds was \$3,422,202.						(Concluded)

COUNTY OF OTTAWA

**AGENCY FUNDS
COMBINING BALANCE SHEET**

SEPTEMBER 30, 2020
(with comparative totals at September 30, 2019)

	<u>Trust and Agency 7010</u>	<u>Juvenile Court 7015</u>	<u>Library Penal Fine 7210</u>	<u>Imprest Payroll 7040</u>	<u>Inland Lake Improvement 8725</u>	<u>2020</u>	<u>Totals 2019</u>
Assets							
Cash and pooled investments	\$ 45,561,872	\$ 1,770	\$ 236,602	\$ 209,069	\$ 87,950	\$ 46,097,263	\$ 40,481,908
Accounts receivable	2,799	-	-	16,867	-	19,666	5,404
Due from other governmental units	<u>280,591</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>280,591</u>	<u>395,564</u>
Total assets	\$ 45,845,262	\$ 1,770	\$ 236,602	\$ 225,936	\$ 87,950	\$ 46,397,520	\$ 40,882,876
Liabilities							
Due to other governmental units:							
Due to State of Michigan	\$ 44,474,820	\$ -	\$ -	\$ 163,047	\$ -	\$ 44,637,867	\$ 39,773,182
Fines and fees due to local libraries	-	-	236,602	-	-	236,602	222,891
Agency deposits	<u>1,370,442</u>	<u>1,770</u>	<u>-</u>	<u>62,889</u>	<u>87,950</u>	<u>1,523,051</u>	<u>886,803</u>
Total liabilities	\$ 45,845,262	\$ 1,770	\$ 236,602	\$ 225,936	\$ 87,950	\$ 46,397,520	\$ 40,882,876

COUNTY OF OTTAWA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Trust and agency fund (7010)

	Balance			Balance September 30, 2020
	October 1, 2019	Additions	Deductions	
Assets				
Cash and pooled investments	\$ 38,773,322	\$ 96,881,900	\$ 90,093,350	\$ 45,561,872
Accounts receivable	3,866	243,421	244,488	2,799
Due from other governmental units	395,564	731,191	846,164	280,591
Total assets	\$ 39,172,752	\$ 97,856,512	\$ 91,184,002	\$ 45,845,262
Liabilities				
Due to other governmental units				
Due to State of Michigan	\$ 38,523,952	\$ 134,630,137	\$ 128,679,269	\$ 44,474,820
Agency deposits	648,800	8,559,681	7,838,039	1,370,442
Total liabilities	\$ 39,172,752	\$ 143,189,818	\$ 136,517,308	\$ 45,845,262

Juvenile Court fund (7015)

Assets				
Cash and pooled investments	\$ 2,421	\$ 36,296	\$ 36,947.00	\$ 1,770
Total assets	\$ 2,421	\$ 36,296	\$ 36,947.00	\$ 1,770
Liabilities				
Agency deposits	\$ 2,481	\$ 78,169	\$ 78,880	\$ 1,770
Total liabilities	\$ 2,481	\$ 78,169	\$ 78,880	\$ 1,770

(Continued)

COUNTY OF OTTAWA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Library penal fine fund (7210)

	Balance October 1, <u>2019</u>	Additions	Deductions	Balance September 30, <u>2020</u>
Assets				
Cash and pooled investments	\$ 222,931	\$ 1,542,839	\$ 1,529,168	\$ 236,602
Total assets	<u>\$ 222,931</u>	<u>\$ 1,542,839</u>	<u>\$ 1,529,168</u>	<u>\$ 236,602</u>
Liabilities				
Due to other governmental units				
Fines and fees due to local libraries	222,891	\$ 775,665	\$ 761,954	\$ 236,602
Agency deposits	\$ 40.00	755,246	755,286	-
Total liabilities	<u>\$ 222,931</u>	<u>\$ 1,530,911</u>	<u>\$ 1,517,240</u>	<u>\$ 236,602</u>

Imprest payroll fund (7040)

Assets				
Cash and pooled investments	\$ 1,247,692	\$ 3,491,967	\$ 4,530,590	\$ 209,069
Accounts receivable	1,538	84,615	69,286	16,867
Total assets	<u>\$ 1,249,230</u>	<u>\$ 3,576,582</u>	<u>\$ 4,599,876</u>	<u>\$ 225,936</u>
Liabilities				
Due to other governmental units				
Due to State of Michigan	\$ 1,249,230	\$ 1,800,841	\$ 2,887,024	\$ 163,047
Agency deposits	-	3,593,805	3,530,916	62,889
Total liabilities	<u>\$ 1,249,230</u>	<u>\$ 5,394,646</u>	<u>\$ 6,417,940</u>	<u>\$ 225,936</u>

(Continued)

COUNTY OF OTTAWA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Inland lake improvement (8725)

	Balance		
	October 1, 2019	Additions	Deductions
	September 30, 2020		
Assets			
Cash and pooled investments	\$ 235,542	\$ 169,855	\$ 317,447
Total assets	<u>\$ 235,542</u>	<u>\$ 169,855</u>	<u>\$ 317,447</u>
Liabilities			
Agency deposits	\$ 235,542	\$ 250,284	\$ 397,876
Total liabilities	<u>\$ 235,542</u>	<u>\$ 250,284</u>	<u>\$ 397,876</u>
	<u>Total agency funds</u>		
Assets			
Cash and pooled investments	\$ 40,481,908	\$ 102,122,857	\$ 96,470,555
Accounts receivable	5,404	328,036	313,774
Due from other governmental units	<u>395,564</u>	<u>731,191</u>	<u>846,164</u>
Total assets	<u>\$ 40,882,876</u>	<u>\$ 103,182,084</u>	<u>\$ 97,630,493</u>
Liabilities			
Due to other governmental units			
Due to State of Michigan	\$ 39,773,182	\$ 136,430,978	\$ 131,566,293
Fines and fees due to local libraries	222,891	775,665	761,954
Agency deposits	<u>886,863</u>	<u>13,237,185</u>	<u>12,522,117</u>
Total liabilities	<u>\$ 40,882,936</u>	<u>\$ 150,443,828</u>	<u>\$ 144,850,364</u>

(Concluded)

STATISTICAL

COUNTY OF OTTAWA

STATISTICAL SECTION

This part of the County of Ottawa's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	155
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	161
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	165
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	168
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	171

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF OTTAWA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2020	2019	2018	2017	2016*	Fiscal Year	2015	2014	2013	2012	2011
Governmental Activities											
Net investment in capital assets											
Capital assets	\$ 132,456,534	\$ 129,008,763	\$ 120,840,301	\$ 114,312,426	\$ 111,255,538	\$ 112,970,569	\$ 104,330,730	\$ 113,151,478	\$ 112,014,491		
Restricted	18,435,096	16,262,305	14,787,103	19,151,144	22,089,108	22,685,963	20,170,121	20,227,256	19,273,135	17,801,312	
Unrestricted	7,287,694	9,010,854	9,147,337	12,293,198	15,217,024	16,048,186	67,896,554	77,718,270	68,670,542	64,920,525	
Total Governmental Activities	158,189,324	154,281,922	144,775,241	145,756,768	148,561,670	151,704,718	200,241,073	202,276,256	201,096,155	194,736,328	
Business-Type Activities											
Net investment in capital assets											
Capital assets	2,141,127	1,924,772	1,932,436	1,783,468	1,777,050	1,682,228	1,489,576	1,170,787	530,943	447,167	
Restricted	20,013,216	18,913,489	19,204,356	20,145,854	21,264,376	20,599,457	21,646,866	22,579,168	23,478,259	23,576,310	
Unrestricted											
Total Business-Type Activities	22,154,343	20,838,261	21,136,792	21,929,322	23,041,426	22,281,686	23,136,442	23,749,955	24,006,202	24,023,477	
Primary Government											
Net investment in capital assets											
Capital assets	132,456,534	129,008,763	120,840,301	114,312,426	111,255,538	112,970,569	104,330,730	113,151,478	112,014,491		
Restricted	20,576,223	18,187,077	16,719,539	20,934,612	23,886,158	24,368,191	21,388,043	19,804,078	18,248,479		
Unrestricted	27,310,910	27,924,343	28,352,193	32,439,052	36,481,400	36,647,643	89,543,420	100,297,438	92,148,801	88,496,835	
Total Primary Government	\$ 180,343,667	\$ 175,120,183	\$ 165,912,033	\$ 167,686,090	\$ 171,603,096	\$ 173,986,403	\$ 223,377,515	\$ 226,026,211	\$ 225,104,357	\$ 218,759,805	

*2016 represents a nine-month period due to the change in the County's fiscal year end from December 31 to September 30.

COUNTY OF OTTAWA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2020	2019	2018	2017	2016*	Fiscal Year	2015	2014	2013	2012	2011
Expenses											
Governmental Activities:											
Legislative	\$ 540,006	\$ 548,340	\$ 546,898	\$ 496,818	\$ 386,996	\$ 467,155	\$ 441,294	\$ 398,151	\$ 459,777	\$ 428,578	
Judicial	22,422,730	21,779,336	19,996,417	19,681,355	15,951,012	16,995,782	16,209,766	15,683,406	15,733,718	14,502,573	
General government	19,916,065	17,002,751	16,776,198	17,297,785	13,037,515	14,214,900	14,509,005	14,013,698	13,580,523	15,447,884	
Public safety	42,075,389	41,312,780	38,489,682	38,637,388	30,981,813	32,905,190	33,036,226	31,265,666	30,932,957	28,476,232	
Health and welfare	7,915,476	7,101,648	6,079,105	7,427,436	5,036,308	5,036,308	1,113,013	956,091	300,235	2,446,681	
Community and economic development	71,429,258	68,887,815	65,712,292	62,398,381	60,925,404	64,251,760	66,398,041	63,709,147	67,599,332	63,874,693	
Culture and recreation	1,143,007	1,206,248	1,330,165	1,257,929	953,552	1,090,188	807,476	710,324	742,845	621,591	
Interest on long-term debt	5,661,175	4,620,340	5,425,261	4,959,772	3,931,1818	5,059,018	3,559,748	3,502,233	3,103,891	3,218,940	
Total Governmental Activities Expenses	<u>172,197,900</u>	<u>163,646,347</u>	<u>1,186,389</u>	<u>1,270,256</u>	<u>1,346,413</u>	<u>1,045,275</u>	<u>1,578,129</u>	<u>1,163,255</u>	<u>942,708</u>	<u>959,132</u>	
Business-Type Activities:											
Delinquent tax collection	211,347	195,374	175,351	187,444	153,157	2,004,536	2,025,379	2,110,897	2,088,653	2,565,380	
Total Business-Type Activities Expenses	<u>211,347</u>	<u>195,374</u>	<u>175,351</u>	<u>187,444</u>	<u>153,157</u>	<u>2,004,536</u>	<u>2,025,379</u>	<u>2,110,897</u>	<u>2,088,653</u>	<u>2,565,380</u>	
Total Primary Government Expenses	<u><u>\$ 172,409,247</u></u>	<u><u>\$ 163,841,121</u></u>	<u><u>\$ 155,811,625</u></u>	<u><u>\$ 153,890,921</u></u>	<u><u>\$ 132,719,450</u></u>	<u><u>\$ 136,670,671</u></u>	<u><u>\$ 139,888,300</u></u>	<u><u>\$ 133,303,312</u></u>	<u><u>\$ 135,551,063</u></u>	<u><u>\$ 132,692,441</u></u>	
Program Revenues											
Governmental Activities:											
Charges for services:											
Legislative	\$ 3,432,-	\$ 4,369,583	\$ 3,371	\$ 4,637,-	\$ 4,632,-	\$ 745	\$ 3,515,097	\$ 4,256,-	\$ 4,131,540	\$ 4,298,591	\$ 4,428,-
Judicial	7,959,944	7,619,076	7,389,210	8,226,407	9,045,83	7,598,183	7,531,480	7,755,264	8,261,854	7,936,150	4,321,400
General government	9,776,054	9,465,517	8,786,361	9,560,539	6,621,667	7,545,221	7,310,988	6,726,691	7,833,967	7,212,417	
Public safety	491,618	526,239	509,009	474,008	308,26	376,166	378,009	337,849	333,870	6,012,143	
Health and welfare	3,149,222	3,914,670	3,571,371	3,804,723	3,449,260	3,421,008	2,994,799	2,810,393	2,910,475	2,882,631	
Community and economic development	115,868	128,242	187,596	188,780	62,668	225,426	52,968	35,830	47,073	22,095	
Culture and recreation	819,709	837,996	757,716	943,525	628,278	716,220	600,025	788,511	480,470	470,163	
Interest on long-term debt	-	-	-	-	-	2,044,122	1,821,294	1,815,585	1,822,460	2,382,030	
Operating grants and contributions	82,688,482	73,019,233	63,743,292	55,720,530	52,522,855	61,175,917	60,350,883	58,200,664	62,917,831	61,739,527	
Capital grants and contributions	-	-	-	1,311,181	-	-	-	92,505	-	-	
Total Governmental Activities Program Revenues	<u>100,122,852</u>	<u>100,194,464</u>	<u>89,581,575</u>	<u>84,852,438</u>	<u>72,701,434</u>	<u>87,297,571</u>	<u>85,395,780</u>	<u>83,368,533</u>	<u>90,939,766</u>	<u>87,085,287</u>	
Business-Type Activities:											
Charges for services:											
Delinquent tax collection	1,162,746	908,033	980,143	893,074	915,284	1,162,809	1,300,687	2,015,105	2,084,177	2,307,223	
Total Business-Type Activities Program Revenues	<u>1,162,746</u>	<u>908,033</u>	<u>980,143</u>	<u>893,074</u>	<u>915,284</u>	<u>1,162,809</u>	<u>1,300,687</u>	<u>2,015,105</u>	<u>2,084,177</u>	<u>2,307,223</u>	
Total Primary Government Program Revenues	<u><u>\$ 101,285,598</u></u>	<u><u>\$ 101,102,497</u></u>	<u><u>\$ 90,571,718</u></u>	<u><u>\$ 85,745,512</u></u>	<u><u>\$ 73,616,718</u></u>	<u><u>\$ 88,460,380</u></u>	<u><u>\$ 86,696,467</u></u>	<u><u>\$ 85,383,688</u></u>	<u><u>\$ 93,033,943</u></u>	<u><u>\$ 89,382,510</u></u>	

*2016 represents a nine-month period due to the change in the County's fiscal year end from December 31 to September 30.

COUNTY OF OTTAWA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2020	2019	2018	2017	2016*	Fiscal Year	2015	2014	2013	2012	2011
Net (Expense)/Revenue											
Governmental activities	\$ (72,075,048)	\$ (63,451,883)	\$ (66,054,689)	\$ (68,650,339)	\$ (59,864,859)	\$ (50,377,564)	\$ (52,447,141)	\$ (47,823,852)	\$ (42,492,644)	\$ (42,971,774)	
Business-type activities	\$ 951,389	\$ 712,659	\$ 814,792	\$ 705,330	\$ 762,127	\$ (841,727)	\$ (724,692)	\$ (85,732)	\$ (24,476)	\$ (258,157)	
Total Primary Government Net Expense	<u>\$ (71,123,669)</u>	<u>\$ (62,739,224)</u>	<u>\$ (65,239,907)</u>	<u>\$ (67,944,709)</u>	<u>\$ (59,102,732)</u>	<u>\$ (5,219,291)</u>	<u>\$ (53,171,833)</u>	<u>\$ (47,919,644)</u>	<u>\$ (22,517,120)</u>	<u>\$ (43,229,931)</u>	
General Revenues and Other Changes in Net Position											
Governmental Activities:											
Taxes	\$ 66,285,148	\$ 63,268,269	\$ 54,827,335	\$ 54,696,231	\$ 49,877,687	\$ 44,583,727	\$ 42,185,402	\$ 41,102,695	\$ 40,693,219	\$ 41,220,281	
Property taxes	3,754,650	4,803,626	5,639,410	6,036,965	4,662,913	4,729,722	4,124,536	3,180,245	3,659,304	6,003,393	
Unrestricted grants and contributions	5,289,314	3,202,576	2,790,127	3,785,852	2,35,92	1,090,878	2,717,490	3,509,045	3,233,155	1,362,564	
Investment earnings	8,588	15,940	-	11,986	21,727	472,033	1,234,530	1,448,322	1,113,633	701,587	
Miscellaneous	674,750	1,668,755	1,816,300	1,814,150	226,145	150,000	150,000	152,440	152,160	163,448	
Transfers	\$ 75,982,450	\$ 72,958,566	\$ 65,073,172	\$ 66,345,284	\$ 56,723,664	\$ 51,026,360	\$ 50,411,958	\$ 49,392,747	\$ 48,851,471	\$ 49,451,273	
Total Governmental Activities											
Business-Type Activities:											
Unrestricted grants	\$ 1,039,433	\$ 657,385	\$ 208,978	\$ (3,584)	\$ 223,759	\$ 136,970	\$ 261,179	\$ 38	\$ 38	\$ -	
Investment earnings	-	-	-	-	-	-	-	(13,544)	-	150,201	159,838
Miscellaneous	(674,750)	(1,668,575)	(1,816,300)	(1,814,150)	(226,145)	(150,000)	(150,000)	-	-	(150,000)	(150,000)
Transfers	364,683	(1,911,190)	(1,607,322)	(1,817,734)	(2,386)	(13,030)	(13,030)	111,179	(163,455)	10,201	9,838
Total Business-Type Activities	\$ 76,347,133	\$ 71,947,376	\$ 63,495,850	\$ 64,527,550	\$ 56,721,278	\$ 51,013,330	\$ 50,523,137	\$ 49,229,292	\$ 48,851,672	\$ 49,461,111	
Changes in Net Position											
Governmental activities	\$ 3,907,402	\$ 9,506,683	\$ (981,527)	\$ (2,305,056)	\$ (3,141,196)	\$ 648,796	\$ (2,035,183)	\$ 1,568,895	\$ 6,358,827	\$ 6,479,499	
Business-type activities	1,316,082	(298,531)	(792,530)	(1,112,104)	(759,141)	(854,757)	(613,513)	(259,247)	(14,275)	(248,319)	
Total Primary Government	<u>\$ 5,223,484</u>	<u>\$ 9,208,152</u>	<u>\$ (1,774,057)</u>	<u>\$ (3,417,159)</u>	<u>\$ (2,381,454)</u>	<u>\$ (205,961)</u>	<u>\$ (2,648,636)</u>	<u>\$ 1,309,648</u>	<u>\$ 6,344,552</u>	<u>\$ 6,231,180</u>	

*2016 represents a nine-month period due to the change in the County's fiscal year end from December 31 to September 30.

COUNTY OF OTTAWA
FUND BALANCES: GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2020	2019	2018	2017	2016*	Fiscal Year	2015	2014	2013	2012	2011
General Fund											
Nonspendable	\$ 531,001	\$ 485,832	\$ 549,625	\$ 430,204	\$ 424,706	\$ 444,102	\$ 642,649	\$ 816,756	\$ 952,893	\$ 1,063,101	
Restricted	10,440,334	10,294,141	9,866,808	9,905,141	9,985,518	11,020,236	11,019,013	14,172,606	13,484,895	3,895,553	
Committed	10,436,540	10,206,281	7,631,003	8,077,078	14,320,359	15,003,982	16,602,224	20,196,920	18,143,143	24,208,288	
Assigned	1,344,946	1,388,402	1,376,264	3,286,151	3,084,288	2,852,701	1,821,126	2,857,105	3,102,893	2,892,842	
Unassigned											
Total General Fund	\$ 43,015,427	\$ 40,464,324	\$ 37,775,811	\$ 40,694,032	\$ 46,656,099	\$ 39,292,365	\$ 43,336,057	\$ 47,961,640	\$ 47,738,947	\$ 45,765,754	
All Other Governmental Funds											
Nonspendable	\$ 396,253	\$ 479,792	\$ 413,478	\$ 478,702	\$ 385,645	\$ 374,645	\$ 509,221	\$ 468,989	\$ 675,596	\$ 480,256	
Restricted	7,984,762	5,968,164	4,920,295	9,240,238	12,097,819	11,659,957	9,339,384	8,747,803	4,650,108	4,585,792	
Committed	4,160,865	4,200,023	4,519,626	4,733,952	664	2,246	415	897	1,871	1,500	
Assigned	5,083,003	4,626,296	4,519,622	14,454,227	\$ 15,211,664	\$ 2,891,724	\$ 2,470,882	\$ 2,638,975	\$ 2,954,171	\$ 2,986,441	
	\$ 17,634,883	\$ 14,730,172	\$ 14,053,422	\$ 14,454,227	\$ 15,211,664	\$ 14,928,572	\$ 12,319,902	\$ 11,856,664	\$ 8,281,746	\$ 8,053,989	

All Other Governmental Funds
Nonspendable \$ 396,253 \$ 479,792 \$ 413,478 \$ 478,702 \$ 385,645
Restricted 7,984,762 5,968,164 4,920,295 9,240,238 12,097,819
Committed 4,160,865 4,200,023 4,519,626 4,733,952 664
Assigned 5,083,003 4,626,296 4,519,622 14,454,227 \$ 15,211,664

*2016 represents a nine-month period due to the change in the County's fiscal year end from December 31 to September 30.

Effective 2011, the County implemented GASB 54, "Fund Balance Reporting and Governmental Fund Type Definitions". Restated figures prior to 2010 are not available.

COUNTY OF OTTAWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year				
	2020	2019	2018	2017	2016*
Revenues					
Taxes	\$ 66,314,833	\$ 63,113,428	\$ 54,749,752	\$ 54,703,632	\$ 49,288,581
Intergovernmental	85,108,789	83,278,104	74,883,395	69,962,344	60,867,666
Charges for services	11,661,816	12,842,469	12,424,545	13,356,448	10,353,455
Fines and forfeits	67,424	72,221	92,636	72,511	61,440
Investment earnings (loss)	638,434	918,589	886,227	306,731	813,997
Licenses and permits	1,391,068	1,505,930	1,520,059	1,393,940	1,292,215
Rental Income	2,261,171	2,452,477	2,558,853	2,213,529	1,581,580
Other revenues	3,619,384	5,017,388	4,261,180	2,738,759	2,884,674
Total Revenues	<u>171,062,919</u>	<u>169,200,606</u>	<u>151,376,647</u>	<u>144,747,894</u>	<u>127,143,608</u>
Expenditures					
Legislative	530,045	535,661	536,062	478,845	343,622
Judicial	18,638,871	18,388,867	19,581,015	18,944,338	14,174,177
General government	20,663,576	17,096,023	13,650,681	13,411,577	9,552,325
Public safety	39,990,999	38,946,121	36,486,500	35,162,537	25,896,853
Public works	7,251,492	6,859,887	6,284,436	6,156,296	5,787,870
Health and welfare	69,375,726	66,726,481	64,298,726	60,406,083	57,712,387
Community and economic development	1,518,575	1,168,020	1,288,239	1,212,851	3,270,914
Culture and recreation	4,192,325	3,794,805	3,641,729	3,552,976	-
Other governmental functions	142,644	128,249	127,116	124,382	94,215
Capital outlay	5,122,535	12,977,303	9,535,767	6,190,534	1,795,627
Debt service					
Interest and fiscal charges	1,230,555	1,319,327	1,415,006	1,519,476	785,868
Principal	3,145,000	2,815,000	3,705,000	3,515,000	365,000
Total Expenditures	<u>171,802,343</u>	<u>170,755,744</u>	<u>160,550,277</u>	<u>150,674,895</u>	<u>119,778,858</u>
Excess of Revenues					
Over (Under) Expenditures	(739,424)	(1,555,138)	(9,173,630)	(5,927,001)	7,364,750
Other Financing Sources (Uses)					
Transfers from other funds	19,073,121	20,373,632	17,711,359	16,929,025	10,129,099
Transfers to other funds	(13,751,426)	(15,453,232)	(11,856,755)	(11,376,250)	(9,845,171)
Proceeds from capital lease	73,544	-	-	-	-
Issuance of land contract	-	-	-	-	-
Issuance of bonds	800,000	-	-	-	-
Premium(Discount) on bonds issued	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>6,195,239</u>	<u>4,920,400</u>	<u>5,854,604</u>	<u>5,552,775</u>	<u>283,928</u>
Net Change in Fund Balances	<u>\$ 5,455,815</u>	<u>\$ 3,365,262</u>	<u>\$ (3,319,026)</u>	<u>\$ (374,226)</u>	<u>\$ 7,648,678</u>

Debt Service as a
Percentage of Noncapital Expenditures (1) 2.63% 2.62% 3.39% 3.48% 0.98%

*2016 represents a nine-month period due to the change in the County's fiscal year end from December 31 to September 30.

(1) Capital outlay expenditures have been reduced for purchases not meeting the County's capital asset threshold for this calculation.

COUNTY OF OTTAWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year				
	2015	2014	2013	2012	2011
Revenues					
Taxes	\$ 43,736,614	\$ 42,185,402	\$ 41,102,695	\$ 40,693,219	\$ 41,220,280
Intergovernmental	70,964,433	69,894,252	67,009,472	75,638,236	73,502,034
Charges for services	13,137,167	11,504,844	11,581,189	11,158,863	9,416,373
Fines and forfeits	69,428	74,400	60,548	79,085	1,094,561
Investment earnings (loss)	318,138	721,442	(77,480)	540,901	565,297
Licenses and permits	1,271,158	1,179,701	1,193,107	1,043,694	923,264
Rental Income	4,272,100	4,958,509	5,273,139	5,260,790	5,776,717
Other revenues	3,086,381	3,241,866	2,832,192	2,643,273	3,059,623
Total Revenues	<u>136,855,419</u>	<u>133,760,416</u>	<u>128,974,862</u>	<u>137,058,061</u>	<u>135,558,149</u>
Expenditures					
Legislative	465,069	443,624	395,482	453,693	424,362
Judicial	16,881,469	16,172,323	15,698,396	15,743,611	14,520,814
General government	12,713,706	42,393,192	10,978,892	10,404,481	11,807,932
Public safety	32,092,116	31,928,910	30,990,804	31,023,756	28,472,398
Public works	861,849	1,285,200	916,331	1,220,024	1,131,288
Health and welfare	63,182,493	63,162,724	63,281,014	67,406,382	64,304,327
Community and economic development	1,088,435	813,518	704,966	737,947	619,453
Culture and recreation	2,936,867	2,627,130	3,076,797	2,394,183	2,517,148
Other governmental functions	120,695	252,124	130,386	129,846	176,388
Capital outlay	4,405,545	5,273,866	2,293,633	3,106,519	5,485,160
Debt service					
Interest and fiscal charges	634,278	1,019,424	927,990	950,360	1,034,730
Principal	3,595,000	2,140,000	1,690,000	1,738,499	2,110,000
Total Expenditures	<u>138,977,522</u>	<u>167,512,035</u>	<u>131,084,691</u>	<u>132,604,000</u>	<u>132,604,000</u>
Excess of Revenues					
Over (Under) Expenditures	(2,122,103)	(33,751,619)	(2,109,829)	4,454,061	2,954,149
Other Financing Sources (Uses)					
Transfers from other funds	13,996,966	12,970,917	10,149,065	10,200,577	9,016,885
Transfers to other funds	(13,451,466)	(12,520,917)	(9,736,625)	(9,748,417)	(8,153,437)
Proceeds from capital lease	-	-	-	-	-
Issuance of land contract	-	-	-	-	91,500
Issuance of bonds	11,955,000	29,285,000	5,495,000	-	-
Premium on bonds issued	1,744,362	(145,726)	-	-	-
Payment to refunding bond escrow agent	(13,557,781)	-	-	-	-
Total Other Financing Sources (Uses)	<u>687,081</u>	<u>29,589,274</u>	<u>5,907,440</u>	<u>452,160</u>	<u>954,948</u>
Net Change in Fund Balances	<u><u>\$ (1,435,022)</u></u>	<u><u>\$ (4,162,345)</u></u>	<u><u>\$ 3,797,611</u></u>	<u><u>\$ 4,906,221</u></u>	<u><u>\$ 3,909,097</u></u>

Debt Service as a
Percentage of Noncapital Expenditures (1) 3.14% 1.95% 2.03% 2.08% 2.47%

*2016 represents a nine-month period due to the change in the County's fiscal year end from December 31 to September 30.

(1) Capital expenditures within the functional expenditure categories have been deducted.

COUNTY OF OTTAWA
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
LAST TEN CALENDAR YEARS

Fiscal Year	Residential Property (1)	Commercial Property (1)	Industrial Property (1)	Other Property (1)	Total Assessed Value (2)	Total Direct Tax Rate	Total Taxable Value (3)	Total Estimated Actual Value	Percentage of Assessed to Estimated Values
2011	\$ 7,348,848,650	\$ 1,358,447,695	\$ 1,050,128,006	\$ 734,285,453	\$ 10,491,709,804	4.3565	\$ 9,405,987,828	\$ 21,107,443,588	49.71%
2012	7,139,399,451	1,315,140,102	1,080,595,641	725,875,775	10,261,010,969	4.3565	9,316,153,677	20,639,625,256	49.72%
2013	7,273,964,717	1,288,721,092	1,086,596,997	736,291,306	10,385,574,112	4.3565	9,450,229,465	20,882,404,189	49.73%
2014	7,694,150,150	1,317,239,300	1,181,977,000	758,937,100	10,952,303,550	4.3565	9,752,001,895	21,997,982,694	49.79%
2015	8,248,944,347	1,375,588,000	1,399,501,800	787,998,600	11,812,032,747	4.8565	10,297,569,794	23,745,651,821	49.74%
(4)	8,908,804,379	1,477,085,350	1,241,413,325	811,063,175	12,438,366,229	5.1483	10,438,660,200	25,063,191,461	49.63%
2016	9,681,721,350	1,647,507,500	1,224,188,800	835,521,947	13,388,939,597	5.1525	10,827,986,387	26,956,142,355	49.67%
2017	10,147,195,838	1,774,305,700	1,108,920,000	855,073,400	13,885,494,938	5.1525	11,270,020,574	27,923,669,274	49.73%
2018	10,987,914,553	1,867,481,700	1,191,998,544	900,802,600	14,948,197,397	5.4449	11,880,407,296	30,080,061,174	49.69%
2019	11,869,624,624	2,070,355,600	1,251,493,900	970,609,900	16,162,084,024	5.4317	12,476,232,494	32,567,823,453	49.63%

Source:

(1) Real and personal properties have been combined into the categories above.

(2) County assesses property at approximately 50% of the actual value.

(3) For taxes levied in 1995, and each year thereafter, the legislature shall provide for the taxable value of each parcel of property not to increase by more than the increase in the immediately preceding general price level (CPI), or 5%, whichever is less, until such time as ownership of the property is transferred. When ownership of the parcel is transferred, the parcel shall be assessed at the applicable proportion of the current true cash value.

(4) Fiscal Year 2016 ended September 30, 2016.

COUNTY OF OTTAWA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (PER \$1,000 OF TAXABLE VALUE)
LAST TEN CALENDAR YEARS

	2011	2012	2013	2014	Calendar Year				2019	2020
					2015	2016	2017	2018		
County Direct Rates										
Operating	3.6000	3.6000	3.6000	3.6000	3.6000	3.6000	3.6000	3.6000	3.9000	3.9000
Parks	0.3165	0.3165	0.3165	0.3165	0.3148	0.3277	0.3277	0.3261	0.3233	0.3233
E-911	0.4400	0.4400	0.4400	0.4400	0.4377	0.4346	0.4346	0.4325	0.4288	0.4288
Roads					0.5000	0.4974	0.4939	0.4915	0.4873	0.4873
Community Mental Health					0.2984	0.2963	0.2963	0.2948	0.2923	0.2923
Total Direct Rate (1)	4.3565	4.3565	4.3565	4.3565	4.8565	5.1483	5.1525	5.1525	5.4449	5.4317
City and Village Rates										
Coopersville	14.5294	14.4403	14.4432	14.3554	14.2923	14.5490	14.5356	14.1174	14.1048	14.1000
Ferryburg	10.1377	10.5377	10.4518	10.9518	10.9474	10.7773	10.6553	10.5476	10.5591	10.3743
Grand Haven	15.3612	15.3365	15.3609	15.3613	15.1810	15.1541	15.7509	15.5606	15.7108	15.6964
Holland	16.3350	17.3658	17.3639	17.5051	17.4522	17.4627	17.5421	16.8797	18.2391	18.1999
Hudsonville	11.2779	11.2785	11.2719	11.2729	11.2876	11.2952	11.2938	11.2303	11.2996	11.2966
Zeeland	11.2354	11.2354	11.2354	11.2354	11.2354	11.2354	11.2354	11.2354	11.2354	10.2354
Spring Lake Village	11.6619	11.6619	11.6619	11.6619	10.3600	10.3600	10.3600	10.3600	10.3600	10.3600
Township Rates	1.45-7.91	1.45-8.07	1.38-8.07	1.38-8.21	1.45-8.17	1.45-6.73	2.02-6.72	2.53-7.28	1.45-6.72	2.20-6.19
School Rates										
Homestead	2.97 - 9.25	2.97 - 9.25	3.00 - 10.59	3.00 - 10.87	3.00 - 10.94	3.00 - 10.94	4.12-12.00	4.20-12.00	4.20-12.00	4.20-12.00
Non-Homestead	20.97 - 27.25	20.97 - 27.25	21.00 - 28.59	21.00 - 28.49	21.00 - 28.94	21.00 - 28.94	22.12-30.00	22.20-30.00	22.20-30.00	22.20-30.00

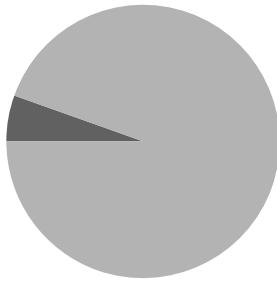
(1) In October of 2004, the State of Michigan suspended State Revenue Sharing payments to counties. To assist counties in preventing the loss of key services, the county property tax levy was gradually moved up from December to July over three years. Effective December 2004 through 2006 tax collection, one third of the levy was placed into a County managed Revenue Sharing Reserve Fund (RSRF), and the County withdrew an amount equal to what we would have received in 2004, plus an annual increase equal to CPI (Consumer Price Index).

**COUNTY OF OTTAWA
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Type of Business	2020		2011	
		Assessed Valuation	Rank	Percentage of Total County Assessed Value	Assessed Valuation
Consumers Energy	Utility	\$ 469,754,370	1	3.77%	\$ 680,863,877
ARC Holland Real Estate Holdings	Real Estate Holdings	32,822,193	2	0.26%	
Michigan Electric Transmission	Utility	32,560,500	3	0.26%	19,466,682
Gentex	Automotive Components	30,117,910	4	0.24%	114,105,786
DTE Gas	Utility	26,361,334	5	0.21%	
Herman Miller Inc.	Office Furniture	18,982,012	6	0.15%	47,149,065
Mead Johnson and Co.	Food Products	17,336,520	7	0.14%	54,149,996
Meijer Inc	Retail	16,741,717	8	0.13%	
Semco Energy Inc	Utility	16,572,700	9	0.13%	
Alden GV Owner LLC		16,078,087	10	0.13%	
Request Foods Inc	Food Products			17,021,000	9
Lepriño Foods Inc	Cheese Production			35,031,285	5
Johnson Controls Interiors	Automotive Components			18,661,207	7
Bil Mar Foods Inc./Sara Lee	Food Products			18,417,829	8
Macatawa Bank	Bank			15,880,430	10
		<hr/> <u>\$ 677,327,343</u>		<hr/> <u>5.43%</u>	<hr/> <u>\$ 1,020,747,157</u>
					<hr/> <u>10.85%</u>

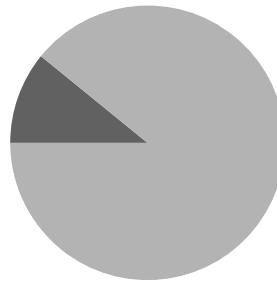
Source: Ottawa County Equalization Department. The 2020 and 2011 total Taxable Values were \$12,476,415,505 and \$9,405,987,828.

**Concentration of Taxpayers
in Ottawa County - 2020**



■ Top Ten Tax Payers ■ All Other Taxpayers

**Concentration of Taxpayers in
Ottawa County - 2011**



■ Top Ten Tax Payers ■ All Other Taxpayers

**COUNTY OF OTTAWA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended	Taxes Levied in the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	Percentage of Levy
		Amount	Percentage of Levy			
12/31/2011	\$ 40,967,095	\$ 39,933,281	97.48%	\$ 605,193	\$ 40,538,474	98.95%
12/31/2012	40,575,521	39,739,895	97.94%	665,147	40,405,042	99.58%
12/31/2013	41,141,033	40,348,866	98.07%	531,503	40,880,369	99.37%
12/31/2014	41,589,916	40,864,866	98.26%	519,299	41,384,165	99.51%
12/31/2015 (1)	49,551,111	48,820,061	98.54%	270,255	49,096,316	99.08%
9/30/2016 (2)	36,812,648	35,562,568	96.60%	924,535	36,487,103	99.12%
9/30/2017	53,942,306	53,784,953	99.71%	157,353	53,942,306	100.00%
9/30/2018	56,033,310	55,871,645	99.71%	161,665	56,033,310	100.00%
9/30/2019 (3)	62,117,835	61,948,004	99.73%	169,831	62,117,835	100.00%
9/30/2020	65,181,928	65,171,347	99.98%	10,581	65,181,928	100.00%

(1) The County levied a new roads millage in 2015, on behalf of the Ottawa County Road Commission and City governments.

(2) Only the County millage is shown because the County's fiscal year ended September 30, 2016.

(3) The County Operating millage was increased .3 mills.

COUNTY OF OTTAWA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Parks & Recreation Land Contract	Capital Leases	Total (1)	Percent of Personal Income		Personal Income (2)	Population (2)	Direct Per Capita Debt	Assessed Value (3)	Bonds Percent of Assessed Value
					Per Capita Personal Income	Per Capita Personal Income (2)					
2011	\$ 20,965,000	\$ 91,500	\$ 11,999	\$ 21,068,499	0.22%	\$ 9,537,798	\$ 35,833	266,122	79	\$ 10,491,709,804	0.20%
2012	19,330,000	n/a	n/a	19,330,000	0.20%	9,865,865	36,663	269,329	72	10,261,019,969	0.19%
2013	23,135,000	n/a	n/a	23,135,000	0.22%	10,342,908	37,928	272,701	85	10,385,574,112	0.22%
2014	50,280,000	n/a	n/a	50,280,000	0.46%	10,866,601	39,330	276,292	182	10,952,303,550	0.46%
2015	46,685,000	n/a	n/a	46,685,000	0.39%	11,931,299	42,619	279,955	167	11,812,032,747	0.40%
2016	46,320,000	n/a	n/a	46,320,000	n/a	n/a	n/a	12,428,750	44,035	12,438,366,229	0.37%
2017	42,805,000	n/a	n/a	42,805,000	0.34%	13,252,243	46,275	282,250	152	13,388,939,597	0.32%
2018	39,100,000	n/a	n/a	39,100,000	0.30%	36,285,000	0.25%	286,383	137	13,885,494,938	0.28%
2019	36,285,000	n/a	n/a	36,285,000	0.24%	14,355,612	49,418	290,494	125	14,948,197,397	0.24%
2020	33,940,000	n/a	58,640	33,998,640	0.24%	14,400,384	49,345	291,330	117	16,162,084,024	0.21%

(1) Does not include the landfill reclamation and compensated absences.

Does not include Component Units, certain debt issued by Component Units is guaranteed by the County.

(2) Bureau of Economic Analysis, U.S. Department of Commerce - Personal Income (Thousands of Dollars) adjusted annually.
 Search: Data by Place, County, Metro, & Other Local Areas, Personal Income by County Metro & Other Areas, Local Area Personal Income, BEA interactive data, then search by State & County
 US Census - Quick Facts, Ottawa County MI

(3) From Equalization Report

COUNTY OF OTTAWA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2020

	Net Debt Outstanding	Percentage Applicable To County of Ottawa	Amount Applicable To County of Ottawa (2)
Direct:			
County at large	\$ 33,940,000	100.0%	\$ 33,940,000
Total Direct	33,940,000		33,940,000
Overlapping:			
Townships Debt Guaranteed by County (1)	117,950,968	100.0%	117,950,968
School districts	1,244,200,253	71.3%	886,756,689
Cities and villages (1)	122,689,136	83.2%	102,098,247
Grand Rapids Community College	31,075,000	1.5%	475,448
Library	5,290,000	100.0%	5,290,000
Holland Area Swimming Pool	22,390,000	69.7%	15,610,308
Total Overlapping	<u>1,543,595,357</u>		<u>1,128,181,660</u>
Grand Total	<u>\$ 1,577,535,357</u>		<u>\$ 1,162,121,660</u>

(1) Includes bonds issued through Ottawa County Public Utilities System and paid by local municipalities

(2) Overlapping debt is calculated for an entity based upon assessed values received from the State of Michigan which determines the issuer's proportionate share of the debt of other local governmental units that either overlap it (the issuer is located either wholly or partly within the geographic limits of other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is apportioned based upon relative assessed values.

Source: Municipal Advisory Council of Michigan

COUNTY OF OTTAWA
RATIO OF NET GENERAL OBLIGATION DEBT OUTSTANDING AND LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2020	2019	2018	2017	2016	Fiscal Year	2015	2014	2013	2012	2011
Assessed Value of Property	\$ 16,162,084,024	\$ 14,948,197,397	\$ 13,885,494,938	\$ 13,388,939,597	\$ 12,438,366,229	\$ 11,812,032,747	\$ 10,952,303,550	\$ 10,385,574,112	\$ 10,261,010,969	\$ 10,491,709,804	
Debt Limit (10% of Assessed Value)	\$ 1,616,208,402	\$ 1,494,819,740	\$ 1,388,549,494	\$ 1,338,893,960	\$ 1,243,836,623	\$ 1,181,203,275	\$ 1,095,230,355	\$ 1,038,557,411	\$ 1,026,101,097	\$ 1,049,170,980	
Amount of Debt Applicable to Limit											
General Obligation Bond Debt:											
Primary Government	33,940,000	36,285,000	39,100,000	42,805,000	46,320,000	46,685,000	50,280,000	23,135,000	19,330,000	20,965,000	
Component Units Guaranteed by County(1)	108,530,585	115,435,788	109,251,565	115,932,332	121,261,099	119,581,501	106,474,501	113,574,060	115,904,672	121,358,501	
Total Net debt Applicable to Limit											
Legal Debt Margin	\$ 142,470,585	\$ 151,720,788	\$ 148,351,565	\$ 158,737,332	\$ 167,381,099	\$ 166,276,501	\$ 156,754,501	\$ 136,709,060	\$ 135,734,572	\$ 142,323,501	
Total Net Debt applicable to the Limit	\$ 1,473,737,817	\$ 1,343,038,942	\$ 1,240,197,929	\$ 1,180,156,628	\$ 1,076,255,524	\$ 1,014,926,774	\$ 938,475,854	\$ 901,848,351	\$ 890,866,525	\$ 906,847,479	
Total Net Debt applicable to the Limit as a percentage of Debt Limit	8.82%	10.15%	10.68%	11.85%	13.47%	14.08%	14.31%	13.16%	13.18%	13.57%	
Ratio of Net General Obligation Debt to Assessed Value of Property	0.882%	1.015%	1.068%	1.186%	1.347%	1.408%	1.431%	1.316%	1.318%	1.357%	
Debt Per Capita of Total Net General Obligation Debt	\$488.20	\$522.29	\$518.02	\$562.40	n/a	\$592.19	\$664.80	\$498.96	\$499.31	\$532.19	
Primary Government Net Debt applicable to the Limit as a percentage of Debt Limit	2.10%	2.43%	2.82%	3.20%	3.72%	3.95%	4.59%	2.23%	1.88%	2.00%	
Ratio of Primary Government Net General Obligation Bond Debt to Estimated Actual Value of Property (2)	0.10%	0.12%	0.14%	0.16%	0.18%	0.20%	0.23%	0.11%	0.09%	0.10%	
Primary Government Debt Per Capita of Net General Obligation Bond Debt (3)	\$116.30	\$124.91	\$136.53	\$151.66	n/a	\$166.76	\$181.78	\$84.72	\$71.69	\$78.69	

(1) The County guarantees the Bonded Debt of Public Utilities as well as the Mun Drain which is included in 2010, they do not guarantee the Bonded Debt of the Numica Drain bond of the Water Resources Commissioner.
Consequently, these amounts are not included in the above total for General Obligation Bonded Debt.

(2) See Assessed Value and Estimated Value of Taxable Property Statistics.

(3) See Demographic and Economic Statistics for Population.

Note: Under State of Michigan law, the County's outstanding debt should not exceed 10% of state equalized value less amounts available for repaying the applicable bonds.

COUNTY OF OTTAWA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population (2)	Personal Income (thousands of dollars) (1)		Per Capita Income (1)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2011	266,901	\$	9,824,105	\$ 36,808	34.9	48,548	8.0%
2012	270,861		10,520,464	38,841	35.4	48,422	6.6%
2013	274,391		10,753,037	39,189	34.7	48,657	6.1%
2014	277,890		11,503,862	41,397	34.7	48,799	4.8%
2015	280,958		12,274,381	43,688	35.0	48,744	3.6%
2016	283,907		12,802,838	45,095	35.0	49,009	3.4%
2017	286,922		13,497,791	47,043	35.2	49,253	3.2%
2018	290,494		14,355,612	49,418	35.2	49,296	2.8%
2019	291,830		14,400,384	49,345	36.1	49,266	2.8%
2020	n/a		n/a	n/a	n/a	n/a	n/a

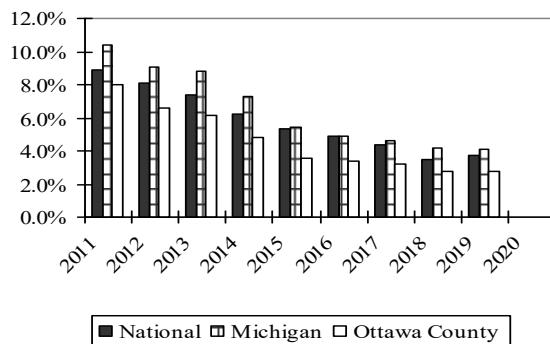
n/a: Final information is unavailable.

Information for 2011-2019 is updated to reflect the most recent data available

Sources:

- (1) U.S. Department of Commerce, Bureau of Economic Analysis, updated with most recent census figures
- (2) U.S. Census Bureau, American Fact Finder, updated with most recent census figures
- (3) Michigan Student Data System, based upon data collected on legislated count day
- (4) Michigan Department of Technology Management & Budget, Michigan Labor Market Information, updated with most recent census figures

**National, State and County
Unemployment Rates**



**COUNTY OF OTTAWA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	Type of Business	2020		2011	
		Rank	Percentage of Total County Employment	Rank	Percentage of Total County Employment
Gentex Corporation	Automotive Mirrors	1	3.7%	3	1.9%
Herman Miller	Office Furniture	2	2.6%	1	2.8%
Grand Valley State University (2)	Higher Education	3	2.5%	4	1.4%
Magna Mirrors (1)	Automotive Mirrors	4	1.2%	8	1.0%
Shape Corporation	Metal Roll Forming	5	1.2%	10	0.8%
Holland Hospital	Health Care	6	1.2%	5	1.4%
Meijer	Retailer	7	1.0%	6	1.0%
Hudsonville Public School	Public Education	8	0.9%		
Tyson Foods	Food Processing	9	0.8%		
County of Ottawa	Government	10	0.8%	9	0.9%
Haworth, Inc. (1)	Office Furniture			6	1.3%
Johnson Controls (1)	Automotive Interiors			2	1.9%
			15.9%		14.4%

(1) 2011 data includes totals of facilities located within Ottawa County and/or the City of Holland portion of Allegan County, reporting was updated in 2020 to only include the Ottawa County portions of these facilities

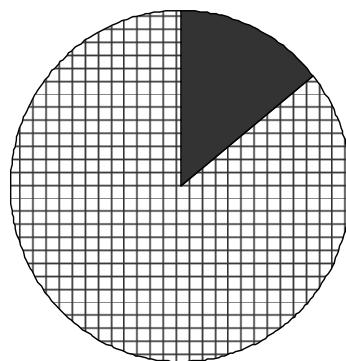
(2) Total of all facilities (Ottawa, Kent & Muskegon Counties)

Sources:

Lakeshore Advantage 2020 Largest Ottawa County Manufacturing & Non-Manufacturing Employers as of 12/31/19

Michigan Department of Technology Management & Budget, 2020 Total Employment Based on September 2020 Data, 2011 Based on September 2011 2011 Data

Concentration of Employers in Ottawa County



■ Top Ten Employers □ All Other Employers

COUNTY OF OTTAWA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program					Fiscal Year					
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Legislative	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Judicial	167,517	166,250	146,240	139,180	139,180	136,020	128,570	126,081	127,060	128,185
General government	177,574	177,310	173,290	171,165	171,165	170,950	168,090	165,780	166,000	164,482
Public safety	246,750	242,500	235,200	236,200	235,200	235,200	224,200	219,200	219,200	219,870
Public works	4,350	4,850	4,250	4,250	4,250	4,250	4,300	3,800	3,400	3,720
Health and welfare	276,970	258,930	263,980	282,030	282,030	344,320	376,460	377,089	344,863	350,175
Community and economic development	8,481	8,400	8,400	8,400	8,400	7,900	6,400	5,900	5,953	5,850
Culture and recreation	21,380	21,380	20,380	19,750	19,750	17,750	17,250	17,250	15,750	16,000
Total	914,022	890,620	862,740	870,975	871,975	927,390	936,270	926,100	893,226	899,282

Source: Ottawa County Payroll

Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

COUNTY OF OTTAWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Judicial										
Circuit Court	n/a	361	350	366	318	411	363	443	423	423
Total Civil Filings	n/a	857	996	1,013	849	930	922	928	918	918
Total Criminal Filings	n/a	42	54	48	59	56	70	60	58	53
Total Appeals Filings	n/a	1,613	1,623	1,675	1,742	1,593	1,468	1,556	1,524	1,524
Domestic Relations Filings	n/a	647	659	665	628	550	580	598	747	783
Personal Protection Filings	n/a	818	860	1,007	921	1,055	1,023	1,209	1,337	1,413
Juvenile Code Filings	n/a	118	148	106	143	118	112	139	120	142
Adoption Filings	n/a	125	103	88	90	81	71	76	71	67
Misc. Family Filings	n/a									
District Court	n/a	1,323	1,511	1,471	1,309	1,385	1,390	1,281	1,411	1,378
Felony Cases	n/a	6,272	7,330	8,053	7,715	7,216	8,136	8,669	9,087	8,630
Misdemeanor Cases	n/a	6,053	5,592	4,845	4,556	4,633	4,210	4,806	6,225	5,672
General Civil Cases	n/a									
Probate Court	n/a	402	441	385	391	417	425	371	404	373
Estates, Trusts Filings	n/a	17	17	11	19	16	23	11	15	10
Civil, Other Filings	n/a	647	695	591	589	611	612	545	516	548
Guardianships, Conservators et al	n/a									
Public Safety										
Jail:										
Subjects Admitted	4,103	6,080	6,898	6,525	6,365	5,899	6,776	7,015	7,453	7,136
Average daily population	228	315.0	338.0	297.0	286.0	301.0	317.0	338.0	352.0	327.8
Police:										
Calls for Service	n/a	73,402	72,879	73,375	70,555	69,830	67,334	65,179	66,683	65,596
Criminal Arrests	n/a	6,424	7,737	8,298	6,760	6,403	6,893	6,307	6,943	6,989
Traffic Violations	n/a	17,743	18,424	18,347	17,034	19,630	19,984	21,494	22,867	21,423
Health and welfare										
Public Health										
# of Fixed Food Service Inspections	2,081	2,098	1,885	1,721	1,617	1,188	1,201	1,183	968	1,047
% of new entrants enrolled in school immunized	96%	95%	96%	96%	96%	96%	99%	99%	99%	99%
Maternal/Infant Health Services	1,288	1,365	1,896	2,183	2,047	2,026	2,587	3,065	2,804	3,216
# of Visits										
# of Dental Services with Miles	4,829	7,553	8,007	8,482	8,754	8,989	8,776	10,163	10,476	9,630
of Smiles and Sealant Program										
Mental Health	4,253	3,955	4,096	3,750	3,443	2,848	2,798	2,784	3,513	3,276
# of Persons Served										
Culture and recreation										
Parks:										
# of Operating Days	108	96	98	95	99	103	96	98	97	101
Daily Permits	39,139	44,749	43,688	42,324	42,211	41,214	32,693	33,004	36,511	33,267
Annual Permits	9,704	8,260	9,619	9,406	8,734	6,934	7,017	5,981	6,516	5,545

COUNTY OF OTTAWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year				
	2020	2019	2018	2017	2016
General Government					
Register of Deeds:					
# of Deeds Recorded	11,891	12,065	11,991	12,172	12,120
County Clerk:					
# of Certified Copies (Births, Deaths, etc.)	25,445	24,515	20,796	19,908	19,360
County Treasurer:					
# of Receipts Written - General	n/a	n/a	n/a	n/a	n/a
# of Receipts Written - Tax Collections (including online)	4,864	4,703	4,627	5,007	4,563
Real Properties Returned Delinquent	3,261	3,439	3,276	3,675	3,728
Fiscal Services:					
# of A/P Checks/ACH Processed	17,354	20,015	18,321	17,341	19,580
# of Invoices Issued	11,483	15,244	11,884	12,715	10,092
Facilities Maintenance:					
# of Work Orders Processed	6,737	7,106	6,311	6,188	7,317
Source:	Ottawa County Departments				

Source:

Ottawa County Departments

COUNTY OF OTTAWA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2020		2019		2018		2017		2016		Fiscal Year		2015		2014		2013		2012		2011	
	2020	2019	2019	2018	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013	2012	2012	2011	2011	2011	2011	
Public Safety:																						
Vehicular Patrol Units	144	144	141	141	141	141	141	139	139	139	139	139	139	135	135	134	134	133	133	133	133	
Sheriffs Substations	10	10	10	10	10	10	10	10	10	10	10	10	10	8	8	8	8	8	8	8	8	
Health and Welfare																						
Number of Clinics	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Culture and Recreation																						
Total Park Acres (1)	4,352	4,352	4,192	4,192	3,992	3,992	3,991	3,991	3,991	3,991	3,991	3,991	3,542	3,542	3,542	3,542	3,542	3,542	3,542	3,542	3,542	
General Government																						
Total Square Footage																						
of Buildings	637,810	637,810	637,810	637,810	637,810	637,810	637,810	637,810	637,810	637,810	637,810	637,810	637,810	644,220	644,220	644,220	644,220	644,220	644,220	644,220	644,220	
Number of IT Servers	257	250	200	175	175	175	175	149	149	149	149	149	149	124	124	124	124	124	124	124	124	

Source: Ottawa County Departments

(1) Does not include Park Open Space

**COUNTY OF OTTAWA
LABOR FORCE STATISTICS
CURRENT FISCAL YEAR**

The County has approximately 914 full-time equivalent employees, approximately 350 of whom are members of the seven unions. The details of membership and states of their agreements are as follows:

	<u>Fiscal Year</u>	
	<u>2020</u>	
	Number of Employees	Expiration Date of Contract
Police Officers Labor Counsel (POLC 312) (P.A. 312 Eligible) Road Patrol/Detectives	116	12/31/2023
Police Officers Association of Michigan (POAM Non-312) (P.A. 312 Non-Eligible)	79	12/31/2023
Police Officers Labor Counsel (POLC 312) (P.A. 312 Eligible)	19	12/31/2023
Police Officers Labor Counsel (POLC Non-312) (P.A. 312 Non-Eligible)	7	12/31/2023
O.C. Employees Association (District Court)	52	12/31/2023
Friend of the Court Employees Association	35	12/31/2023
O.C. Juvenile Court Employees Association	42	12/31/2022
Non-union County employees	564	n/a
 Total	 <u>914</u>	

There are no labor issues at the present time and the County anticipates no strikes or work stoppages.

Source: Ottawa County Human Resources Department

SINGLE AUDIT



Vredeveld Haefner LLC

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

March 31, 2021

Board of County Commissioners
County of Ottawa
West Olive, Michigan

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Ottawa, Michigan (the County) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 31, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Oredavold Haefner LLC



Vredeveld Haefner LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

March 31, 2021

Board of County Commissioners
County of Ottawa
West Olive, Michigan

Report on Compliance for Each Major Federal Program

We have audited the County of Ottawa, Michigan's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2020. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Ortakovsky Haefner LLC

COUNTY OF OTTAWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Federal Agency/Cluster/Program Title	CFDA Number	Pass Through Agency	Cluster	Pass Through Number	Expenditures
<u>U.S. Department of Agriculture:</u>					
Trade Mitigation Program	10.178	MDE		200990	16,409
Trade Mitigation Program (Food Commodities)	10.178	MDE		200990	87,479
					<u>103,888</u>
School Breakfast Program	10.553	MDE	Child Nutrition	201970	<u>20,208</u>
National School Lunch Program	10.555	MDE	Child Nutrition	201960	31,616
National School Lunch Program	10.555	MDE	Child Nutrition	201980	8,542
					<u>40,157</u>
Total Child Nutrition Cluster					<u>60,365</u>
Commodity Supplemental Food Program	10.565	MDE	Food Distribution	200930	32,549
Commodity Supplemental Food Program - Commodities	10.565	MDE	Food Distribution	200930	112,012
					<u>144,561</u>
Emergency Food Assistance Program (Administrative Costs)	10.568	MDE	Food Distribution	200990	56,387
Families First Coronavirus Recovery Act (TEFAP)	10.568	MDE	Food Distribution	200990	7,036
The Coronavirus Aid, Relief, and Economic Security Act	10.568	MDE	Food Distribution	200990	3,895
Emergency Food Assistance Program (Food Commodities)	10.569	MDE	Food Distribution	200990	107,897
					<u>175,215</u>
Total Food Distribution Cluster					<u>319,776</u>
Agriculture Conservation Easement Program	10.913	Direct			<u>200,000</u>
Total U.S. Department of Agriculture					<u>684,030</u>
<u>U.S. Department of Commerce:</u>					
Coastal Zone Management Administration	11.419	EGLE		20-ChAb-001	26,590
Total U.S. Department of Commerce					<u>26,590</u>
<u>U.S. Department of Housing and Urban Development:</u>					
Community Development Block Grant	14.228	MEDC		MSC 22047-CV1	<u>289,256</u>
Emergency Solutions Grant	14.231	MSHDA		HML-2019-Ottawa C-2526-ESF	262,679
Emergency Solutions Cares Act Funding Grant	14.231	MSHDA		HML-2020-Ottawa C-5826-C19	66,923
					<u>329,802</u>
Continuum of Care Program - HUD 1	14.267	Direct			505,496
Continuum of Care Program - HUD 4	14.267	Direct			17,016
					<u>522,512</u>
Total U.S. Department of Housing and Urban Development					<u>1,141,370</u>
<u>U.S. Department of the Interior:</u>					
Sustain our Great Lakes	15.662	NFWF		FCR366	66,124
Sustain our Great Lakes	15.662	National Audubon Society		None issued	10,000
					<u>76,124</u>
Total U.S. Department of the Interior					<u>76,124</u>
<u>U.S. Department of Justice:</u>					
BJA Coronavirus	16.034	Direct			<u>48,713</u>
Drug Court Discretionary Grant Program	16.585	Direct			<u>63,103</u>
State Criminal Alien Assistance Program	16.606	Direct			<u>26,452</u>
Edward Byrne Memorial Justice Assistance Grant Program (2018)	16.738	Direct			30,380
Edward Byrne Memorial Justice Assistance Grant Program (2017)	16.738	Direct			35,941
					<u>66,321</u>
Total U.S. Department of Justice					<u>204,588</u>
<u>U.S. Department of Treasury:</u>					
Equitable Sharing Program - Asset Forfeiture	21.016	Direct			<u>19,340</u>
Coronavirus Relief Fund	21.019	MDHHS		E20204048-001	41,238
Quarantine Box Coronavirus Aid Relief	21.019	MDHHS		E20204500-00	448
Coronavirus Relief Fund Water and Plumbing	21.019	MDHHS		E20204585-00	609
Eviction Diversion Program	21.019	MSHDA		HML-2020-Ottawa C-5826-CRF	301,243
Coronavirus Relief Fund Migrant Worker	21.019	MDHHS		E20204448-00	2,126
ORF LHD Contact Tracing	21.019	MDHHS		E20204707-00	291,667
LHD COVID-19 Homeless Match	21.019	MDHHS		E20204477-00	919
Coronavirus Relief Local Government Grants	21.019	Mi Dept of Treasury		70-0000-CRLGG	1,783,462
First Responder Hazard Pay Premiums Program - CARES Act	21.019	Mi Dept of Treasury		SLT0040/SLT0247	206,000
Public Safety and Public Health Payroll Reimbursement Program - CARES Act	21.019	Mi Dept of Treasury		SLT0040/SLT0247	3,344,410
					<u>5,972,121</u>
Total U.S. Department of Treasury					<u>5,991,461</u>
<u>U.S. Department of Transportation:</u>					
State and Community Highway Safety	20.600	MSP	Highway Safety	PT-21-08	<u>23,940</u>
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	SCAO	Highway Safety	17518	<u>113,090</u>
Drug Recognition Expert	20.616	MSP	Highway Safety	None issued	<u>1,863</u>
Total Highway Safety Cluster					<u>138,892</u>
Total U.S. Department of Transportation					<u>138,892</u>
<u>U.S. Environmental Protection Agency:</u>					
Capitalization Grants for Drinking Water State Revolving Funds - A2	66,468	EGLE	Drinking Water State Revolving Funds	FS975487-18	<u>4,977</u>
Total Drinking Water State Revolving Funds Cluster					<u>4,977</u>
Beach Monitoring and Notification Program Implementation Grants	66,472	EGLE		CU-00E99310	<u>3,220</u>
Total U.S. Environmental Protection Agency					<u>8,197</u>
<u>U.S. Department of Energy:</u>					
Weatherization Assistance for Low-Income Persons	81,042	MDHHS		E20203334-00/E20204188-00	226,965
Total U.S. Department of Energy					<u>226,965</u>
<u>U.S. Election Assistance Commission:</u>					
2020 Help America Vote Act CARES Act Grant	90,404	Michigan Department of State		None issued	<u>92,163</u>
Total U.S. Election Assistance Commission					<u>92,163</u>

COUNTY OF OTTAWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Federal Agency/Cluster/Program Title	CFDA Number	Pass Through Agency	Cluster	Pass Through Number	Expenditures
<u>U.S. Department of Health and Human Services:</u>					
Public Health Emergency Preparedness	93.069	MDHHS		E20200514-00	118,409
Preparedness and Public Health Emergency Prep	93.074	MDHHS		E20204416-00	36,973
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	MDHHS		E20200713-00	4,081
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Direct			205,463
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Direct			7,152
					212,615
Family Planning Services	93.217	MDHHS		E20200515-00	250,356
Immunization Cooperative Agreements - Immunization Action Plan	93.268	MDHHS		E20200517-00	140,928
Immunization Cooperative Agreements - Federal Vaccines	93.268	MDHHS		None issued	295,434
Immunization Cooperative Agreements - Fixed Fees	93.268	MDHHS		E20200519-00	4,950
					441,312
ELC COVID19 Contact Tracing Testing Coordination	93.323	MDHHS		E20204476-00	342,760
ELC COVID19 Infection Prevention	93.323	MDHHS		E20204475-00	30,000
					372,760
PHEP COVID-19 Response Program	93.354	MDHHS		E20203976-00	95,515
CARES Act Provider Relief Fund	93.498	Direct			5,645
Child Support Enforcement - CRP Combined	93.563	MDHHS		CSCOM17-70003	2,695,733
Child Support Enforcement - POC Incentives	93.563	MDHHS		CSCOM17-70003	417,850
					3,113,583
Low-Income Home Energy Assistance	93.568	MDHHS		E2020332-00/E2020333-00	75,143
Low-Income Home Energy Assistance	93.568	MDHHS		E2020331-00	17,988
					93,131
Community Services Block Grant (CARES)	93.569	MDHHS		E20203963-00	80,594
Community Services Block Grant	93.569	MDHHS		E20203335-00	292,623
Community Services Block Grant	93.569	MDHHS		E20203343-00	41,165
					414,383
Child Parent Legal Representation	93.658	MDHHS		E20203761-00	1,593
Community Services Block Grant - Discretionary	93.570	MDHHS		E20203336-00	18,000
Grants to States for Access and Visitation Programs	93.597	SCAO		SCAO-2019-014	2,113
Medical Assistance Program - CSHCS	93.778	MDHHS	Medicaid	E20200494-00	88,838
Medical Assistance Program - CC-MED	93.778	MDHHS	Medicaid	E20200493-00	96,113
Medical Assistance Program - CCFIX-EB	93.778	MDHHS	Medicaid	E20201209-00	202
Medical Assistance Program - OR-MED	93.778	MDHHS	Medicaid	E20200834-00	91,273
Medical Assistance Program - OBRA-OT	93.778	MDHHS	Medicaid	E20202065-00	23,263
Medical Assistance Program - OBRA-OT	93.778	MDHHS	Medicaid	E20202065-00	72,293
Medical Assistance Program	93.778	University of Michigan	Medicaid	SUBK00012552	36,222
Total Medicaid Cluster					408,203
Opioid State Target Response	93.788	LRE		H79T1080228	65,144
State Opioid Response/OEND	93.788	LRE		H79T1081712	880
State Opioid Response/Peers in FQHC	93.788	LRE		H79T1081712	72,480
State Opioid Response/Recovery Housing	93.788	LRE		H79T1081712	33,798
					172,301
Block Grants for Community Mental Health Services - MHTC-OT	93.958	MDHHS		E20202051-00	51,091
Block Grants for Community Mental Health Services - DROPIIC-OT	93.958	MDHHS		E20202294-00	1,933
Block Grants for Community Mental Health Services - MHJSP-OT	93.958	MDHHS		E20201693-00	48,920
Block Grants for Community Mental Health Services	93.958	LRE		B09SM010026	1,788
Block Grants for Community Mental Health Services - IHC-OT	93.958	MDHHS		E20202035-00	56,150
Block Grants for Community Mental Health Services	93.958	LRE		B09SM010026	1,028
					160,910
Block Grant for Prevention and Treatment of Substance Abuse	93.959	LRE		B08T1083032	980,266
Block Grant for Prevention and Treatment of Substance Abuse	93.959	LRE		ZB08T1010026-19	70,000
					1,050,366
Family Planning Services (Preventive Health Services)	93.991	MDHHS		E20200515-00	15,000
Preventive Health and Health Services Block Grant	93.991	MDHHS		E20200919-00	43,962
					58,962
Maternal and Child Health Services Block Grant to the States - ESWMCH	93.994	MDHHS		E20201980-00	71,985
Maternal and Child Health Services Block Grant to the States - OTHERMCHV	93.994	MDHHS		E20201981-00	9,229
Maternal and Child Health Services Block Grant to the States - SEAL	93.994	MDHHS		E20201138-00	26,000
Maternal and Child Health Services Block Grant to the States - CC-FIX	93.994	MDHHS		E20200492-00	22,815
					130,029
Total U.S. Department of Health and Human Services					7,161,239
<u>U.S. Department of Homeland Security:</u>					
Passed through the Michigan Department of Natural Resources Boating Safety Financial Assistance	97.012	DNR		None issued	11,682
Passed through Michigan Department of State Police: Emergency Management Performance Grant	97.042	MSP		EMC-2020-EP-00005	38,368
Passed through West Michigan Shoreline Regional Development Commission, Region 6 HLSRGB: Homeland Security Grant Program (2017)	97.067	SRDC		EMW-2017-SS-00013	39,671
Homeland Security Grant Program (2018)	97.067	SRDC		EMW-2018-SS-00042	92,322
Homeland Security Grant Program (2019)	97.067	SRDC		EMW-2020-SS-00021	207
					132,200
Total U.S. Department of Homeland Security					182,251
Total Expenditures of Federal Awards					15,933,869

COUNTY OF OTTAWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE PERIOD ENDED SEPTEMBER 30, 2020

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Ottawa, Michigan and is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

2. ACCOUNTING PERIOD

The County's fiscal year end is September 30.

3. INDIRECT COSTS

The County did not elect to use the 10% de minimis cost rate as covered in Uniform Guidance section 2 CFR 200.141 indirect costs.

4. ABBREVIATIONS

The abbreviations used on the schedule of expenditures of federal awards are as follows:

Pass Through Agency Name	Pass Through Agency Abbreviation
Direct Funding from Federal Agency	Direct
Michigan Department of Environmental, Great Lakes, & Energy	EGLE
Michigan Economic Development Corporation	MEDC
Michigan State Housing Development Authority	MSHDA
Michigan Department of Education	MDE
Michigan Department of Health and Human Services	MDHHS
Lakeshore Regional Entity	LRE
Michigan Department of State Police	MSP
Michigan Department of Natural Resources	DNR
Shoreline Regional Development Commission	SRDC
National Fish and Wildlife Foundation	NFWF
State Court Administrative Office	SCAO
Michigan Supreme Court	MSC

(Continued)

COUNTY OF OTTAWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE PERIOD ENDED SEPTEMBER 30, 2020

5. SUBRECIPIENTS

Of the federal expenditures presented in the accompanying schedule of expenditures of federal awards, the County provided federal awards to subrecipients as follows:

Program Title	CFDA Number	Amount Provided to Subrecipients
Emergency Solutions Grant	14.231	\$ 245,831
Emergency Solutions Cares Act Funding Grant	14.231	66,430
Eviction Diversion Program	21.019	299,899
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1,872
Block Grant for Prevention and Treatment of Substance Abuse	93.959	68,291
Homeland Security Grant Program (2017)	97.067	39,639
Homeland Security Grant Program (2018)	97.067	<u>3,919</u>
Total		<u>\$ 725,881</u>

6. COMMODITIES EXPENDITURES

Expenditures as reported on the Schedule of Expenditures of Federal Awards agree with the County general ledger and include inventory adjustments in accordance with generally accepted accounting principles. The amount shown above is reconciled to the amount reported by the State of Michigan as follows:

	CFDA #10.565	Commodities
Expenditures as reported	\$ 112,012	
Less - inventory at beginning of year	(4,819)	
Add - inventory at end of year	<u>14,190</u>	
Commodities received per State of Michigan	<u>\$ 121,383</u>	

(Continued)

COUNTY OF OTTAWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE PERIOD ENDED SEPTEMBER 30, 2020

7. VACCINES EXPENDITURES

Expenditures as reported on the Schedule of Expenditures of Federal Awards agree with the County general ledger and include inventory adjustments in accordance with generally accepted accounting principles. The amount shown above is reconciled to the amount reported by the State of Michigan as follows:

	CFDA #93.268
	Vaccines
Expenditures as reported	\$ 351,088
Less - inventory at beginning of year	(158,327)
Add - inventory at end of year	<u>102,673</u>
 Vaccines received per State of Michigan	 <u>\$ 295,434</u>

(Concluded)

OTTAWA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X	no
Significant deficiency(ies) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X	none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X	no

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X	no
Significant deficiency(ies) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X	none reported

Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.959	Block Grant Substance Abuse
93.563	Child Support Enforcement
21.019	CARES Act

Dollar threshold used to distinguish between Type A and B programs: \$750,000

Auditee qualified as low-risk auditee? yes X no

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS

None