

VAN BUREN COUNTY, MICHIGAN
REPORT ON FINANCIAL STATEMENTS
(with required and other
supplementary information)
YEAR ENDED SEPTEMBER 30, 2024

VAN BUREN COUNTY, MICHIGAN

SEPTEMBER 30, 2024

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Suzie Roehm	Clerk
Paul DeYoung	Register of Deeds
Joe Parman	Drain Commissioner
Susan Zuiderveen	Prosecuting Attorney
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TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT.....	1-4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5-12
BASIC FINANCIAL STATEMENTS.....	13
Government-wide Financial Statements	
Statement of Net Position.....	14
Statement of Activities.....	15
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	17
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	19
Proprietary Funds	
Statement of Net Position.....	20
Statement of Revenues, Expenses, and Changes in Net Position.....	21
Statement of Cash Flows.....	22-23
Fiduciary Funds	
Statement of Fiduciary Net Position.....	24
Statement of Changes in Fiduciary Net Position	25
Component Unit Financial Statements	
Combining Statement of Net Position	26
Combining Statement of Activities	27
Notes to Financial Statements	28-67
REQUIRED SUPPLEMENTARY INFORMATION	68
General Fund	
Budgetary Comparison Schedule (Non-GAAP Budgetary Basis).....	69-73
ARPA Grant Fund	
Budgetary Comparison Schedule.....	74
County Employee Retirement System	
Schedule of Changes in Employer's Net Pension Liability and Related Ratios.....	75
Schedule of Employer Contributions.....	76
County Other Post-Employment Benefits	
Schedule of Changes in Employer's Total OPEB Liability and Related Ratios	77
Schedule of Employer Contributions.....	78
Notes to Required Supplementary Information	79-80

TABLE OF CONTENTS

	<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION	81
General Fund	
Combining Balance Sheet.....	82-83
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	84-85
Nonmajor Governmental Funds	
Combining Balance Sheet.....	86-90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	91-95
Nonmajor Enterprise Funds	
Combining Statement of Net Position	96
Combining Statement of Revenues, Expenses, and Changes in Net Position	97
Combining Statement of Cash Flows	98
Custodial Funds	
Combining Statement of Fiduciary Net Position.....	99
Combining Statement of Changes in Fiduciary Net Position	100
Transit Fund	
Schedule of Expenditures of Federal and State Awards	101
Nonurban Regular Service Revenue Report (OAR Schedule 4R)	102
Nonurban Regular Service Expense Report (OAR Schedule 4E)	103
Nonurban Regular Service Nonfinancial Report (OAR Schedule 4N) (unaudited)	104
Operating Assistance Calculation.....	105
COMPONENT UNIT FUNDS	
Drainage District	
Governmental Funds	
Combining Balance Sheet.....	106
Reconciliation of the Combining Balance Sheet to the Statement of Net Position	107
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	108
Reconciliation of the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	109
Department of Public Works	
Governmental Fund	
Balance Sheet	110
Statement of Revenues, Expenditures, and Changes in Fund Balance	111
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities.....	112
Economic Development Corporation	
Governmental Fund	
Balance Sheet	113
Statement of Revenues, Expenditures, and Changes in Fund Balance	114

TABLE OF CONTENTS

Page

COMPONENT UNIT FUNDS (continued)

Brownfield Redevelopment Authority
Governmental Fund

Balance Sheet 115
Reconciliation of the Balance Sheet to the Statement of Net Position..... 116
Statement of Revenues, Expenditures, and Changes in Fund Balance 117
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of the Governmental Fund to the Statement of Activities..... 118

Land Bank Authority
Governmental Fund

Balance Sheet 119
Statement of Revenues, Expenditures, and Changes in Fund Balance 120



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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners of
Van Buren County
Paw Paw, Michigan

Report on the Audit of the Financial Statements

Opinions

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 Van Buren County, Michigan (the County), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Van Buren County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Van Buren County, as of September 30, 2024, 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.

We did not audit the financial statements of the Van Buren County Road Commission, which represent 93%, 95%, and 96%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Van Buren County Road Commission, are based solely on the report of the other auditor.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Van Buren County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the portion marked "unaudited" on which we express no opinion, 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, based on our audit, the procedures performed as described above, and the report of other auditors, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Nonurban Regular Service Nonfinancial Report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Maney Costeiran PC

February 28, 2025

VAN BUREN COUNTY, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of Van Buren County's (the County's) financial performance and position, providing an overview of the activities for the year ended September 30, 2024. This analysis should be read in conjunction with the *Independent Auditor's Report*, beginning on page 1 of this report, and with the County's financial statements, which follow this section.

Certain limited financial information is presented with respect to the Van Buren County Road Commission. The reader should refer to the Road Commission's separately issued financial statements for more detailed information.

FINANCIAL HIGHLIGHTS

Government-wide

- Total net position as of September 30, 2024, was \$53,488,043 (excluding component units).
- Governmental activities net position was \$30,347,424.
- Business-type activities net position was \$23,140,619.

Fund Level

- At the close of the fiscal year, the County's governmental funds reported a total ending fund balance of \$28,132,809 with \$1,712,134 being nonspendable.
- The General Fund realized \$871,530 more in revenues and other financing sources than anticipated for the fiscal year. General Fund operations also expended \$891,399 less than appropriated.
- Overall, the General Fund fund balance increased by \$2,614,809 to \$13,554,486 with \$10,870,267 unassigned or available for general purposes.

Capital and Long-term Debt Activities

- The governmental activities and business-type activities of the primary government had a decrease of \$506,312 and an increase of \$1,658,936 in capital assets, respectively, during the fiscal year.
- Business-type activities of the primary government issued \$6,000,000 of delinquent tax notes during the fiscal year.
- The total long-term debt for the primary government was \$10,139,710, with a net decrease of \$223,180 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual financial report of the County consists of the following components: 1) *Independent Auditor's Report*; 2) *Management's Discussion and Analysis*; 3) the *Basic Financial Statements* (government-wide financial statements, fund financial statements, notes to the financial statements); 4) *Required Supplementary Information* such as budget to actual comparisons for the General Fund and major Special Revenue Funds, if any; and 5) *Other Supplementary Information* including combining financial statements for all nonmajor governmental funds and proprietary funds and other financial data.

**VAN BUREN COUNTY, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Government-wide Financial Statements (Reporting the County as a Whole)

The set of government-wide financial statements are made up of the Statement of Net Position and the Statement of Activities, which report information about the County as a whole, and about its activities. Their purpose is to assist in answering the question, is the County, in its entirety, better or worse off as a result of this fiscal year's activities? These statements, which include all non-fiduciary assets and liabilities, are reported on the *accrual basis of accounting*, similar to a private business. This means revenues are accounted for when they are *earned*, and expenses are accounted for when *incurred*, regardless of when the actual cash is received or disbursed.

The Statement of Net Position (page 14) presents all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, recording the difference between them as "net position". Over time, increases or decreases in net position measure whether the County's financial position is improving or deteriorating.

The Statement of Activities (page 15) presents information showing how the County's net position changed during the year. All changes in net position are reported based on the period for which the underlying events giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future financial periods, such as uncollected taxes and earned but unused employee annual leave.

Both statements report the following activities:

- ***Governmental Activities*** - Most of the County's basic services are reported under this category. Taxes, charges for services and intergovernmental revenue primarily fund these services. Most of the County's general government departments, law enforcement, the courts, the Board of Commissioner operations, and other county-wide elected official operations are reported under these activities.
- ***Business-type Activities*** - These activities operate like private businesses. The County charges fees to recover the cost of the services provided. The Delinquent Tax Fund, Jail Commissary, and Public Transit are examples of these activities.
- ***Discretely Presented Component Units*** - Discretely Presented Component units are legally separate organizations for which the Board of Commissioners appoints a majority of the organization's policy board and there is a degree of financial accountability to the County. Six organizations are included as component units: the Van Buren County Road Commission, Drainage Districts, Department of Public Works, the Economic Development Corporation, the Brownfield Redevelopment Authority, and the Land Bank Authority.

As stated previously, the government-wide financial statements report on an *accrual* basis of accounting. However, the governmental funds report on a *modified accrual* basis. Under modified accrual accounting, revenues are recognized when they are measurable and available to pay obligations of the fiscal period; expenditures are recognized when they are due to be paid from available resources.

VAN BUREN COUNTY, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

Because of the different basis of accounting between the fund statements (described below) and the government-wide financial statements, pages 17 and 19 present reconciliations between the two statement types. The following summarizes the impact of transitioning from modified accrual to full accrual accounting:

- Capital assets used in governmental activities (depreciation) are not reported on the fund financial statements of the governmental funds; however, depreciation expense is reported on the government-wide financial statements.
- Capital outlay spending results in capital assets on the government-wide financial statements but is reported as expenditures on the fund financial statements of the governmental funds.
- Internal service funds are reported as governmental activities on the government-wide financial statements but are reported as proprietary funds on the fund financial statements.
- Long-term liabilities, such as reserves for sick and annual leave (compensated absences), etc. appear as liabilities on the government-wide financial statements; however, they will not appear on the fund financial statements unless current resources are used to pay a specific obligation.
- Bond proceeds are reported as liabilities on the government-wide financial statements but are recorded as other financing sources on the fund financial statements.
- Pension and other post-employment benefits liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.

Fund Financial Statements (Reporting the County's Major Funds)

The fund financial statements, which begin on page 16, provide information on the County's significant (major) funds, and aggregated non-major funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

A fund is a fiscal and accounting entity with a self-balancing set of accounts that the County uses to keep track of specific sources of funding and spending for a particular purpose. State law or policy requires some separate funds, such as the Child Care Fund; other funds are required by bond or grant agreements, such as the Friend of the Court Fund. Funds are also utilized to track specific operations; these include the internal services funds as well as enterprise funds such as the Jail Commissary and Delinquent Tax Fund.

The *basic financial statements* report major funds as defined by the Government Accounting Standards Board (GASB) in separate columns. GASB statement no. 34 defines a "major fund" as the General Fund, and any governmental or enterprise fund which has either total assets, total liabilities, total revenues, or total expenditures/expenses that equal at least 10% of those categories for either the governmental funds or the enterprise funds *and* where the individual fund total also exceeds 5% of those categories for governmental and enterprise funds combined. The major funds for Van Buren County include the General Fund, the ARPA Grant Fund, the Public Improvement Fund, the Delinquent Tax Revolving Fund, the Public Transit Fund, and the Delinquent Tax Forfeitures Fund. All other funds are classified as non-major funds and are reported in aggregate by the applicable fund type. The County includes detailed information on its non-major funds in the other supplementary information section of this report.

VAN BUREN COUNTY, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

The County's funds are divided into three categories - governmental, proprietary, and fiduciary - and use different accounting approaches:

- **Governmental Funds** - Most of the County's basic services are reported in the governmental funds. The focus of these funds is how cash and other financial assets that can be readily converted to cash flow in and out during the course of the fiscal year and how the balances left at year-end are available for spending on future services. Consequently, the governmental fund financial statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that may be expended in the near future to finance the County's programs. Governmental funds include the *General Fund*, as well as *Special Revenue Funds* (use of fund balance is committed or restricted), *Capital Projects Funds* (used to report major capital acquisitions and construction), and *Debt Service Funds* (accounts for resources used to pay long-term debt principal and interest).
- **Proprietary Funds** - Services for which the County charges customers (whether outside the County structure or a County department) a fee is generally reported in proprietary funds. Proprietary funds use the same *accrual* basis of accounting used in the government-wide financial statements and by private business. There are two types of proprietary funds. *Enterprise funds* report activities that provide supplies and/or services to the general public. *Internal Service funds* report activities that provide supplies or service to the County's other operations. Internal Service funds are reported as governmental activities on the government-wide financial statements.
- **Fiduciary Funds** - The County acts as a trustee or fiduciary in certain instances. The County's fiduciary activities are reported in separate statements. The government-wide financial statements *exclude* the fiduciary fund activities and balances because these assets are not available to the County to fund its operations.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the detail provided in the government-wide and fund financial statements. The Notes can be found beginning on page 28 of this report.

Required Supplementary Information

Following the Basic Financial Statements is additional Required Supplementary Information (RSI), which further explains and supports the information in the financial statements. RSI includes budgetary comparison schedules for the General Fund and any major Special Revenue Funds (when applicable) and historical information for the defined benefit pension plan and retired employees' healthcare plans.

Other Supplementary Information

Other Supplementary Information includes combining financial statements for nonmajor governmental and proprietary funds. These funds are added together, by fund type, and are presented in aggregate single columns in the appropriate basic financial statements.

**VAN BUREN COUNTY, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As previously stated, Van Buren County's combined net position was \$53,488,043 at the end of this fiscal year's operations. The net position of the governmental activities was \$30,347,424; the business-type activities was \$23,140,619.

Net Position as of September 30, 2024 and 2023 (2023 information has been restated)

	Governmental Activities 2024	Governmental Activities 2023	Business-type Activities 2024	Business-type Activities 2023	Total Primary Government 2024	Total Primary Government 2023
ASSETS						
Current and other assets	\$ 40,303,054	\$ 38,437,487	\$ 29,163,538	\$ 29,256,144	\$ 69,466,592	\$ 67,693,631
Capital assets	20,429,634	20,935,946	2,389,705	730,769	22,819,339	21,666,715
TOTAL ASSETS	\$ 60,732,688	\$ 59,373,433	\$ 31,553,243	\$ 29,986,913	\$ 92,285,931	\$ 89,360,346
DEFERRED OUTFLOWS OF RESOURCES	\$ 4,683,294	\$ 6,480,442	\$ 131,512	\$ 171,924	\$ 4,814,806	\$ 6,652,366
LIABILITIES						
Current liabilities	\$ 8,641,011	\$ 13,336,490	\$ 5,104,675	\$ 4,786,504	\$ 13,745,686	\$ 18,122,994
Noncurrent liabilities	26,047,420	27,094,727	3,329,367	3,867,059	29,376,787	30,961,786
TOTAL LIABILITIES	\$ 34,688,431	\$ 40,431,217	\$ 8,434,042	\$ 8,653,563	\$ 43,122,473	\$ 49,084,780
DEFERRED INFLOWS OF RESOURCES	\$ 380,127	\$ 653,302	\$ 110,094	\$ 23,209	\$ 490,221	\$ 676,511
NET POSITION						
Net investment in capital assets	\$ 17,029,634	\$ 17,300,946	\$ 2,389,705	\$ 730,769	\$ 19,419,339	\$ 18,031,715
Restricted	10,763,575	8,935,726	-	-	10,763,575	8,935,726
Unrestricted	2,554,215	(1,467,316)	20,750,914	20,751,296	23,305,129	19,283,980
TOTAL NET POSITION	\$ 30,347,424	\$ 24,769,356	\$ 23,140,619	\$ 21,482,065	\$ 53,488,043	\$ 46,251,421

Changes in Net Position for the Fiscal Years Ended September 30, 2024 and 2023 (2023 information has not been restated)

The following condensed financial information was derived from the government-wide Statement of Activities and reflects how the County's primary government net position changed during the fiscal years:

	Governmental Activities 2024	Governmental Activities 2023	Business-type Activities 2024	Business-type Activities 2023	Total 2024	Total 2023
REVENUES						
Charges for Services	\$ 8,651,926	\$ 8,783,783	\$ 1,735,783	\$ 1,924,919	\$ 10,387,709	\$ 10,708,702
Grants and Contributions	13,855,058	8,221,192	3,019,299	1,749,147	16,874,357	9,970,339
General Revenues						
Property Taxes	24,022,060	22,981,158	941,835	878,141	24,963,895	23,859,299
State Revenues	1,808,498	1,738,533	-	-	1,808,498	1,738,533
Investment Earnings	2,781,163	1,688,623	127,290	93,136	2,908,453	1,781,759
Gain on equipment disposal	-	-	4,078	833	4,078	833
Miscellaneous	335,295	105,700	198	1,800	335,493	107,500
Transfers	384,416	432,878	(384,416)	(432,878)	-	-
TOTAL REVENUES	51,838,416	43,951,867	5,444,067	4,215,098	57,282,483	48,166,965
EXPENSES						
General Government	12,060,556	7,574,692	-	-	12,060,556	7,574,692
Judicial	11,417,192	10,225,480	-	-	11,417,192	10,225,480
Public Safety	13,579,458	14,225,437	-	-	13,579,458	14,225,437
Public Works	436,583	379,969	-	-	436,583	379,969
Health and Welfare	7,400,506	7,403,306	-	-	7,400,506	7,403,306
Community and Econ. Dev.	1,005,156	1,520,785	-	-	1,005,156	1,520,785
Interest and Long Term Debt	353,912	124,202	-	-	353,912	124,202
Other	6,985	-	3,785,513	3,523,618	3,792,498	3,523,618
TOTAL EXPENSES	46,260,348	41,453,871	3,785,513	3,523,618	50,045,861	44,977,489
Change in Net Position	\$ 5,578,068	\$ 2,497,996	\$ 1,658,554	\$ 691,480	\$ 7,236,622	\$ 3,189,476

**VAN BUREN COUNTY, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Governmental Activities

The result of 2024 governmental activity was an increase of \$5,578,068 in net position to \$30,347,424. Of the total governmental activities' net position, \$17,029,634 is invested in capital assets less related debt, \$10,763,575 is reported as restricted, meaning these assets are legally committed for a specific purpose through statute, or by another authority outside the County government. The balance of \$2,554,215 is listed as unrestricted, having no legal commitment.

Revenues

The three largest revenue categories for governmental activities were property taxes at 46%, grants and contributions at 27%, and charges for services at 17%. The County levied property tax millages for revenue in 2024, including levies for general government operations at 4.4347 mills, which is not assigned to any particular activity, ambulance services at .9370 mills, public safety at .5332 mills, public transit at .2458 mills, roads at .9721 mills, conservation district at .0991 mills, and veterans' relief at .0995 mills. Grants and contributions increased by \$5,633,866, or 69% during the year, primarily due to recognition of ARPA related grant funding in the current year.

Expenses

Public safety is the largest area, expending 29% of total governmental activities expenses and includes expenses of Sheriff, Sheriff Road Patrol, Emergency Services, Jail, and Animal Control. General government is the second largest governmental activity, expending 26% of total governmental activities expenses. General Government expenses increased \$4,485,864 during the year primarily due to expenses recognized related to ARPA grant funding for revenue replacement.

Business-type Activities

Net position of business-type activities increased by \$1,658,554 during 2024.

Of the total business-type activities net position, \$20,750,914 is reported as unrestricted. However, it is important to note that although reported as unrestricted, many of these assets are anticipated to be designated through the Board of Commissioners action to be spent on General Fund activities and self-funding of delinquent tax payments in future years.

Total revenues for business-type activities increased \$1,228,969, or approximately 29% from the prior year, while expenses increased \$261,895, or approximately 7% from the prior year.

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As the County completed 2024, its governmental funds reported *combined* fund balances of \$28,132,809, a net increase of \$6,447,634. The net changes are summarized in the following chart:

	<u>General Fund</u>	<u>ARPA Grant Fund</u>	<u>Public Improvement</u>	<u>Nonmajor Governmental Funds</u>
Fund Balance 9/30/23	\$ 10,939,677	\$ 529,981	\$ 3,313,092	\$ 6,902,425
Fund Balance 9/30/24	13,554,486	13,019	5,658,314	8,906,990
Net Change	2,614,809	(516,962)	2,345,222	2,004,565

**VAN BUREN COUNTY, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

General Fund

The General Fund is the chief operating fund of the County. Unless otherwise required by statute, contractual agreement, or Board policy, all County revenues and expenditures are recorded in the General Fund. As of September 30, 2024, the General Fund reported a fund balance of \$13,554,486. Of the total fund balance, \$610,701 is nonspendable; \$1,973,430 is restricted; and \$100,088 is assigned.

General Fund Budgetary Highlights

Van Buren County's budget is a dynamic document. Although adopted prior to the start of the year, the budget is frequently amended during the course of the year to reflect changing operational demands.

General Fund revenue and other financing sources budget was increased by \$4,555,202 during the year to reflect changes in anticipated revenue sharing, investment earnings, and transfers in related to ARPA grant revenues for lost revenue replacement. Actual General Fund revenue and other financing sources totaled \$32,462,618; \$871,530 over the final amended budget. There were some wide variations in individual revenue accounts reflecting the tightening national and local economy. Tax revenues and interest and rents were over budgeted amounts by \$744,006 and \$174,903, respectively.

The County's General Fund total expenditures and other financing uses budget was increased by \$4,304,418 (approximately 16% over the original budget) during 2024, to account for anticipated increases related to Sheriff Road Patrol and Jail as well as additional transfers out to other funds related to capital improvements and budget stabilization.

Actual County expenditures for 2024 were \$891,399, below budget. Overall, General Government was approximately \$316,581 under budget due to favorable variances related primarily to general benefits. Judicial was under budget by \$163,753, due to favorable variances related primarily to the Circuit Court.

ARPA Grant Fund

The ARPA Grant Fund was established to account for restricted resources received from the American Rescue Plan Act. At September 30, 2024 the ending fund balance was \$13,019. \$5,575,684 of grant funds were recognized during the year.

Public Improvement Fund

The Public Improvement Fund recognized an operating transfer in during the year of \$2,190,769 to cover current and expected public improvement projects. The fund ended the year with a fund balance of \$5,658,314.

CAPITAL ASSETS ADMINISTRATION

Capital Assets - At the end of fiscal year 2024, the County had invested \$20,429,634 for governmental activities and \$2,389,705 for business-type activities, net of accumulated depreciation, in a broad range of capital assets (see table below). Accumulated depreciation was \$25,773,615 for the governmental activities and \$2,477,942, for the business-type activities. During the year, the County completed facility improvements related to the historical museum as well as purchasing several new sheriff and transit vehicles. Depreciation charges for the fiscal year totaled \$1,350,871 for the governmental activities and \$277,032 for the business-type activities.

**VAN BUREN COUNTY, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Additional information on Van Buren County's capital assets can be found in Note 6 on pages 45-47 of this report.

	Governmental Activities	Business-type Activities	Total
Land	\$ 1,973,350	\$ 67,229	\$ 2,040,579
Construction in progress	1,069,638	117,932	1,187,570
Land Improvements, net	188,654	145,680	334,334
Buildings, net	14,334,343	6,351	14,340,694
Equipment, net	2,863,649	78,359	2,942,008
Vehicles, net	-	1,974,154	1,974,154
	<u>\$ 20,429,634</u>	<u>\$ 2,389,705</u>	<u>\$ 22,819,339</u>
Capital Assets, net			

LONG-TERM DEBT

At the end of the 2024 fiscal year, Van Buren County had net outstanding debt of \$10,139,710. During the year, the County paid down the 2023 and 2022 Delinquent Tax Notes in the amounts of \$2,186,000 and \$1,139,000, respectively, and issued 2024 Delinquent Tax Notes in the amount of \$6,000,000. Additional information on Van Buren County's long-term debt can be found in Note 7 on pages 48-52 of this report.

VAN BUREN COUNTY GOVERNMENT ECONOMIC OUTLOOK:

- The current economic condition of the County is stable. The County realizes that local growth must be moderated due to the influence of regional and national economic trends. The County continues to work diligently to reduce operational costs to match the revenue streams. The County's economic outlook is positive for the future.
- The US Department of Energy has conditionally committed \$1.53 billion for a loan guarantee for Holtec Palisades to restart. Additionally, there has been \$1.3 billion in USDA Grants to the two regional electric cooperatives which will help offset power purchases from the reopened facility. The State of Michigan has also pledged \$300 million. Wolverine Power Cooperative and Hoosier Energy have entered into power purchase agreements with Holtec Palisades. Holtec remains on track to restart Palisades in October 2025.
- We anticipate property tax revenue from the Holtec Palisades plant to increase as the plant begins operations over the next few years.

CONTACTING THE COUNTY

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If there are questions about this report, or a need for additional information, contact the Van Buren County Treasurer's Office at (269) 657-8228 or Van Buren County Administrator's Office at (269) 657-8253.

BASIC FINANCIAL STATEMENTS

**VAN BUREN COUNTY, MICHIGAN
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 10,098,921	\$ 5,114,384	\$ 15,213,305	\$ 4,281,996
Investments	18,167,956	884,552	19,052,508	1,239,506
Current portion of receivables	12,073,295	5,124,997	17,198,292	3,747,915
Internal balances	(15,943,962)	15,943,962	-	-
Due from other governmental units	1,370,955	537,408	1,908,363	3,123,950
Inventories	-	-	-	3,109,931
Prepays	541,030	41,183	582,213	2,781
Total current assets	<u>26,308,195</u>	<u>27,646,486</u>	<u>53,954,681</u>	<u>15,506,079</u>
Noncurrent assets				
Investments	13,714,859	1,517,052	15,231,911	-
Loans receivable	-	-	-	42,148
Special assessments receivable	-	-	-	1,847,394
Advances to other governmental units	280,000	-	280,000	-
Capital assets not being depreciated	3,042,988	185,161	3,228,149	12,450,637
Capital assets, net of accumulated depreciation	<u>17,386,646</u>	<u>2,204,544</u>	<u>19,591,190</u>	<u>77,238,444</u>
Total noncurrent assets	<u>34,424,493</u>	<u>3,906,757</u>	<u>38,331,250</u>	<u>91,578,623</u>
TOTAL ASSETS	<u>60,732,688</u>	<u>31,553,243</u>	<u>92,285,931</u>	<u>107,084,702</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pension	4,683,294	131,512	4,814,806	3,130,599
Deferred outflows of resources related to OPEB	-	-	-	198,258
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>4,683,294</u>	<u>131,512</u>	<u>4,814,806</u>	<u>3,328,857</u>
LIABILITIES				
Current liabilities				
Accounts payable	1,970,346	3,492,949	5,463,295	467,652
Accrued liabilities	704,803	55,477	760,280	140,898
Due to other governmental units	33,539	89,300	122,839	88,200
Accrued interest payable	-	-	-	40,495
Unearned revenue	4,298,678	-	4,298,678	-
Current portion of compensated absences	1,633,645	1,949	1,635,594	143,973
Current portion of long-term obligations	-	1,465,000	1,465,000	892,380
Total current liabilities	<u>8,641,011</u>	<u>5,104,675</u>	<u>13,745,686</u>	<u>1,773,598</u>
Noncurrent liabilities				
Advances from other governmental units	-	-	-	280,000
Noncurrent portion of compensated absences	402,802	111,314	514,116	95,982
Net other post-employment benefits liability	-	-	-	91,303
Noncurrent portion of long-term obligations	3,400,000	3,125,000	6,525,000	1,309,301
Net pension liability	19,039,048	93,053	19,132,101	2,111,779
OPEB liability	<u>3,205,570</u>	<u>-</u>	<u>3,205,570</u>	<u>-</u>
Total noncurrent liabilities	<u>26,047,420</u>	<u>3,329,367</u>	<u>29,376,787</u>	<u>3,888,365</u>
TOTAL LIABILITIES	<u>34,688,431</u>	<u>8,434,042</u>	<u>43,122,473</u>	<u>5,661,963</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	-	-	-	2,940,000
Deferred inflows of resources related to leases	279,462	-	279,462	-
Deferred inflows of resources related to pension	100,665	110,094	210,759	1,348,286
Deferred inflows of resources related to OPEB	-	-	-	3,902,906
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>380,127</u>	<u>110,094</u>	<u>490,221</u>	<u>8,191,192</u>
NET POSITION				
Net investment in capital assets	17,029,634	2,389,705	19,419,339	87,559,680
Restricted for				
Public safety	4,256,860	-	4,256,860	-
Other purposes	6,506,715	-	6,506,715	6,137,077
Unrestricted	<u>2,554,215</u>	<u>20,750,914</u>	<u>23,305,129</u>	<u>2,863,647</u>
TOTAL NET POSITION	<u>\$ 30,347,424</u>	<u>\$ 23,140,619</u>	<u>\$ 53,488,043</u>	<u>\$ 96,560,404</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 12,060,556	\$ 681,894	\$ 7,726,665	\$ -	\$ (3,651,997)	\$ -	\$ (3,651,997)	\$ -
Judicial	11,417,192	1,309,426	4,409,260	-	(5,698,506)	-	(5,698,506)	-
Public safety	13,579,458	4,312,033	359,841	34,444	(8,873,140)	-	(8,873,140)	-
Public works	436,583	42,154	-	-	(394,429)	-	(394,429)	-
Health and welfare	7,400,506	1,417,444	1,320,498	-	(4,662,564)	-	(4,662,564)	-
Community and economic development	1,005,156	888,975	4,350	-	(111,831)	-	(111,831)	-
Recreation and culture	6,985	-	-	-	(6,985)	-	(6,985)	-
Interest on long-term debt	353,912	-	-	-	(353,912)	-	(353,912)	-
Total governmental activities	46,260,348	8,651,926	13,820,614	34,444	(23,753,364)	-	(23,753,364)	-
Business-type activities								
Delinquent tax revolving	611,108	1,140,752	-	-	-	529,644	529,644	-
Public transit	2,874,887	135,720	1,599,085	1,400,214	-	260,132	260,132	-
Delinquent tax forfeiture	224,068	211,768	-	-	-	(12,300)	(12,300)	-
Other	75,450	247,543	20,000	-	-	192,093	192,093	-
Total business-type activities	3,785,513	1,735,783	1,619,085	1,400,214	-	969,569	969,569	-
Total primary government	\$ 50,045,861	\$ 10,387,709	\$ 15,439,699	\$ 1,434,658	(23,753,364)	969,569	(22,783,795)	-
Component units								
Road Commission	\$ 18,545,406	\$ 171,142	\$ 15,807,540	\$ 5,173,329	-	-	-	2,606,605
Drainage District	1,094,642	-	-	693,390	-	-	-	(401,252)
Department of Public Works	25,325	-	10,551	-	-	-	-	(14,774)
Economic Development Corporation	264,740	49,974	9,769	-	-	-	-	(204,997)
Brownfield Redevelopment Authority	25,340	5,459	-	-	-	-	-	(19,881)
Land Bank Authority	30,299	-	54,077	-	-	-	-	23,778
Total component units	\$ 19,985,752	\$ 226,575	\$ 15,881,937	\$ 5,866,719	-	-	-	1,989,479
General revenues								
Property taxes					24,022,060	941,835	24,963,895	2,819,548
State shared revenues					1,808,498	-	1,808,498	-
Investment earnings					2,781,163	127,290	2,908,453	-
Gain on equipment disposal					-	4,078	4,078	66,858
Miscellaneous					335,295	198	335,493	165,124
Transfers					384,416	(384,416)	-	-
Total general revenues and transfers					29,331,432	688,985	30,020,417	3,051,530
Change in net position					5,578,068	1,658,554	7,236,622	5,041,009
Net position, beginning of year, as previously presented					25,612,482	22,103,230	47,715,712	91,519,395
Adjustments to beginning net position					(843,126)	(621,165)	(1,464,291)	-
Net position, beginning of year, as restated					24,769,356	21,482,065	46,251,421	91,519,395
Net position, end of the year					\$ 30,347,424	\$ 23,140,619	\$ 53,488,043	\$ 96,560,404

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2024**

	General	ARPA Grant	Public Improvement	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	\$ 2,646,364	\$ -	\$ 377,512	\$ 6,845,774	\$ 9,869,650
Investments	20,315,138	5,553,171	4,193,837	662,459	30,724,605
Receivables					
Accounts	210,343	76,450	-	2,739,873	3,026,666
Taxes	7,532,426	-	-	-	7,532,426
Loans	-	-	-	1,019,918	1,019,918
Leases	305,325	-	-	-	305,325
Due from other governmental units	1,117,594	-	-	253,361	1,370,955
Due from other funds	-	-	1,100,353	-	1,100,353
Advances to other governmental units	280,000	-	-	-	280,000
Prepays	330,701	-	-	81,515	412,216
TOTAL ASSETS	\$ 32,737,891	\$ 5,629,621	\$ 5,671,702	\$ 11,602,900	\$ 55,642,114
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 735,745	\$ 1,004,023	\$ 13,388	\$ 216,698	\$ 1,969,854
Accrued liabilities	481,725	-	-	208,471	690,196
Due to other funds	16,455,488	486,205	-	102,622	17,044,315
Due to other governmental units	33,539	-	-	-	33,539
Unearned revenue	41,804	4,126,374	-	130,500	4,298,678
TOTAL LIABILITIES	17,748,301	5,616,602	13,388	658,291	24,036,582
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - receivables	1,155,642	-	-	2,037,619	3,193,261
Unavailable revenue - lease	279,462	-	-	-	279,462
TOTAL DEFERRED INFLOWS OF RESOURCES	1,435,104	-	-	2,037,619	3,472,723
FUND BALANCES					
Nonspendable	610,701	-	-	1,101,433	1,712,134
Restricted	1,973,430	-	-	7,688,712	9,662,142
Committed	-	13,019	5,658,314	116,845	5,788,178
Assigned	100,088	-	-	-	100,088
Unassigned	10,870,267	-	-	-	10,870,267
TOTAL FUND BALANCES	13,554,486	13,019	5,658,314	8,906,990	28,132,809
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 32,737,891	\$ 5,629,621	\$ 5,671,702	\$ 11,602,900	\$ 55,642,114

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

Total fund balances - governmental funds \$ 28,132,809

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

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

The cost of capital assets is	\$ 46,203,249	
Accumulated depreciation is	<u>(25,773,615)</u>	
Capital assets, net		20,429,634

An Internal Service Fund is used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the government-wide statement of net position.

Net position of governmental activities accounted for in Internal Service Fund		1,690,156
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Governmental funds report actual pension expenditures for the fiscal year, whereas the governmental activities will recognize the net pension liability as of the measurement date. Pension contributions subsequent to the measurement date will be deferred in the statement of net position. In addition, resources related to changes of assumptions, differences between expected and actual experience, and differences between projected and actual pension plan investment earnings will be deferred over time in the government-wide financial statements. These amounts consist of:

Deferred outflows of resources related to pension	4,683,294	
Deferred inflows of resources related to pension	<u>(100,665)</u>	
		4,582,629

Long-term receivables are not available to pay for current period expenditures and are therefore unavailable in the funds.		3,193,261
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet. Long-term liabilities at year-end consist of:

Bonds and loans payable	(3,400,000)	
Other post-employment benefits liability	(3,205,570)	
Net pension liability	(19,039,048)	
Compensated absences	<u>(2,036,447)</u>	
		<u>(27,681,065)</u>

Net position of governmental activities		<u>\$ 30,347,424</u>
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**VAN BUREN COUNTY, MICHIGAN
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2024**

	General	ARPA Grant	Formerly Nonmajor Public Improvement	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	\$ 18,349,269	\$ -	\$ -	\$ 6,016,101	\$ 24,365,370
Licenses and permits	88,184	-	-	46,836	135,020
Intergovernmental	8,325,795	5,575,684	-	1,491,191	15,392,670
Charges for services	2,285,750	-	-	4,225,723	6,511,473
Fines and forfeits	206,208	-	-	2,047	208,255
Interest and rents	2,882,648	86,589	295,300	42,459	3,306,996
Other	276,689	76,450	-	597,006	950,145
TOTAL REVENUES	32,414,543	5,738,723	295,300	12,421,363	50,869,929
EXPENDITURES					
Current					
General government	7,368,119	3,914,451	-	-	11,282,570
Judicial	8,702,803	-	-	2,375,656	11,078,459
Public safety	8,030,234	-	-	5,373,087	13,403,321
Public works	425,931	-	-	-	425,931
Health and welfare	1,585,910	-	-	5,349,388	6,935,298
Community and economic development	913,912	-	-	70,476	984,388
Recreation and culture	-	-	-	6,985	6,985
Capital outlay	-	-	140,847	-	140,847
Debt service					
Principal	-	-	-	235,000	235,000
Interest and fiscal charges	-	-	-	118,912	118,912
TOTAL EXPENDITURES	27,026,909	3,914,451	140,847	13,529,504	44,611,711
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,387,634	1,824,272	154,453	(1,108,141)	6,258,218
OTHER FINANCING SOURCES (USES)					
Transfers in	2,148,126	-	2,190,769	3,481,255	7,820,150
Transfers out	(4,920,951)	(2,341,234)	-	(368,549)	(7,630,734)
TOTAL OTHER FINANCING SOURCES (USES)	(2,772,825)	(2,341,234)	2,190,769	3,112,706	189,416
NET CHANGE IN FUND BALANCES	2,614,809	(516,962)	2,345,222	2,004,565	6,447,634
Fund balances, beginning of year, as previously presented	10,939,677	529,981	-	11,058,643	22,528,301
Adjustments to beginning fund balances	-	-	3,313,092	(4,156,218)	(843,126)
Fund balances, beginning of year, as restated	10,939,677	529,981	3,313,092	6,902,425	21,685,175
Fund balances, end of year	\$ 13,554,486	\$ 13,019	\$ 5,658,314	\$ 8,906,990	\$ 28,132,809

See accompanying notes to financial statements.

VAN BUREN COUNTY, MICHIGAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

Net change in fund balances - total governmental funds \$ 6,447,634

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$	844,559
Depreciation expense		<u>(1,350,871)</u>

Excess of depreciation expense over capital outlay	(506,312)
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An Internal Service Fund is used by management to charge the costs of certain activities to individual funds.

(Decrease) in net position of Internal Service Fund	(410,436)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. In the current period, these amounts consist of:

Increase in unavailable revenue	584,071
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Repayments of long-term debt and borrowings of long-term debt are reported as expenditures and other financing sources in governmental funds, but the repayment reduces long-term liabilities and the borrowings increase long-term liabilities in the statement of net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the current year, these amounts consisted of:

Retirement of long-term debt	235,000
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Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Decrease in net pension liability		707,893
(Decrease) in deferred outflows of resources related to pension		(1,797,148)
Decrease in deferred inflows of resources related to pension		262,825
(Increase) in compensated absences		(202,971)
Decrease in OPEB liability		<u>257,512</u>

(771,889)

Change in net position of governmental activities

\$ 5,578,068

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Business-type Activities				Total	Governmental
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds		Internal Service Fund
ASSETS						
Current assets						
Cash and cash equivalents	\$ -	\$ 4,192,667	\$ 143,760	\$ 777,957	\$ 5,114,384	\$ 229,271
Investments	-	884,552	-	-	884,552	1,158,210
Receivables						
Accounts	394	16,701	-	40	17,135	169,909
Taxes	5,107,862	-	-	-	5,107,862	-
Interest	-	-	-	-	-	19,051
Due from other governmental units	262,755	274,653	-	-	537,408	-
Due from other funds	10,803,873	-	5,140,089	-	15,943,962	-
Prepays	-	20,712	20,471	-	41,183	128,814
Total current assets	16,174,884	5,389,285	5,304,320	777,997	27,646,486	1,705,255
Noncurrent assets						
Investments	-	1,517,052	-	-	1,517,052	-
Capital assets not being depreciated	-	185,161	-	-	185,161	-
Capital assets, net of accumulated depreciation	-	2,204,544	-	-	2,204,544	-
Total noncurrent assets	-	3,906,757	-	-	3,906,757	-
TOTAL ASSETS	16,174,884	9,296,042	5,304,320	777,997	31,553,243	1,705,255
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pension	-	131,512	-	-	131,512	-
LIABILITIES						
Current liabilities						
Accounts payable	74,291	99,931	3,318,669	58	3,492,949	492
Accrued liabilities	-	55,477	-	-	55,477	14,607
Due to other governmental units	-	-	89,300	-	89,300	-
Current portion of compensated absences	-	1,949	-	-	1,949	-
Current portion of notes payable	1,465,000	-	-	-	1,465,000	-
Total current liabilities	1,539,291	157,357	3,407,969	58	5,104,675	15,099
Noncurrent liabilities						
Noncurrent portion of compensated absences	-	111,314	-	-	111,314	-
Noncurrent portion of notes payable	3,125,000	-	-	-	3,125,000	-
Net pension liability	-	93,053	-	-	93,053	-
Total noncurrent liabilities	3,125,000	204,367	-	-	3,329,367	-
TOTAL LIABILITIES	4,664,291	361,724	3,407,969	58	8,434,042	15,099
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pension	-	110,094	-	-	110,094	-
NET POSITION						
Investment in capital assets	-	2,389,705	-	-	2,389,705	-
Unrestricted	11,510,593	6,566,031	1,896,351	777,939	20,750,914	1,690,156
TOTAL NET POSITION	\$ 11,510,593	\$ 8,955,736	\$ 1,896,351	\$ 777,939	\$ 23,140,619	\$ 1,690,156

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2024**

	Business-type Activities				Total	Governmental Activities
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds		Internal Service Fund
OPERATING REVENUES						
Property taxes, interest, and penalties	\$ 1,140,752	\$ -	\$ 4,202	\$ -	\$ 1,144,954	\$ -
Charges for services	-	135,720	207,566	247,543	590,829	3,833,988
TOTAL OPERATING REVENUES	1,140,752	135,720	211,768	247,543	1,735,783	3,833,988
OPERATING EXPENSES						
Salaries	-	1,377,126	-	-	1,377,126	-
Fringe benefits	-	733,517	-	-	733,517	4,507,445
Operating supplies	-	275,031	15,840	26,023	316,894	-
Contractual services	272,205	127,577	208,228	49,427	657,437	3,702
Depreciation	-	277,032	-	-	277,032	-
Other	-	84,604	-	-	84,604	-
TOTAL OPERATING EXPENSES	272,205	2,874,887	224,068	75,450	3,446,610	4,511,147
OPERATING INCOME (LOSS)	868,547	(2,739,167)	(12,300)	172,093	(1,710,827)	(677,159)
NONOPERATING REVENUES (EXPENSES)						
Property taxes	-	941,835	-	-	941,835	-
Local Community Stabilization Share	-	29,316	-	-	29,316	-
State operating grants and contributions	-	1,093,310	-	-	1,093,310	-
Federal operating grants and contributions	-	436,839	-	-	436,839	-
Local operating grants and contributions	-	39,620	-	20,000	59,620	-
Note issuance costs	(17,966)	-	-	-	(17,966)	-
Interest revenue	29,076	98,214	-	-	127,290	71,723
Interest expense	(250,157)	-	-	-	(250,157)	-
Gain on sale of capital assets	-	4,078	-	-	4,078	-
Other	(70,780)	198	-	-	(70,582)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(309,827)	2,643,410	-	20,000	2,353,583	71,723
INCOME (LOSS) BEFORE CAPITAL GRANT REVENUE AND TRANSFERS	558,720	(95,757)	(12,300)	192,093	642,756	(605,436)
Capital grants	-	1,400,214	-	-	1,400,214	-
Transfers in	-	-	-	28,300	28,300	195,000
Transfers out	(354,000)	-	(58,716)	-	(412,716)	-
CHANGE IN NET POSITION	204,720	1,304,457	(71,016)	220,393	1,658,554	(410,436)
Net position, beginning of year as previously presented	11,927,038	7,651,279	1,967,367	557,546	22,103,230	2,100,592
Adjustments to beginning net position	(621,165)	-	-	-	(621,165)	-
Net position, beginning of year, as restated	11,305,873	7,651,279	1,967,367	557,546	21,482,065	-
Net position, end of year	<u>\$ 11,510,593</u>	<u>\$ 8,955,736</u>	<u>\$ 1,896,351</u>	<u>\$ 777,939</u>	<u>\$ 23,140,619</u>	<u>\$ 1,690,156</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2024**

	Business-type Activities				Total	Governmental Activities
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds		Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash receipts from customers	\$ 438,467	\$ 129,251	\$ 211,768	\$ 247,615	\$ 1,027,101	\$ 3,666,395
Cash received from (paid to) other governmental units	(219,408)	-	4,007	-	(215,401)	-
Cash paid to suppliers	(357,307)	(413,015)	(184,210)	(83,738)	(1,038,270)	(4,527,679)
Cash paid to employees	-	(1,997,782)	-	-	(1,997,782)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(138,248)	(2,281,546)	31,565	163,877	(2,224,352)	(861,284)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Property taxes	-	941,835	-	-	941,835	-
Other nonoperating receipts	-	198	-	-	198	-
Other nonoperating payments	(70,780)	-	-	-	(70,780)	-
Intergovernmental sources	-	1,588,260	-	20,000	1,608,260	-
Note issuance costs paid	(17,966)	-	-	-	(17,966)	-
Interest paid	(250,157)	-	-	-	(250,157)	-
Transfers in (out)	(354,000)	-	(58,716)	28,300	(384,416)	195,000
Proceeds from notes	6,000,000	-	-	-	6,000,000	-
Payments from (to) other funds	1,002,075	2,758,423	170,911	(43,424)	3,887,985	-
Payments on borrowings	(6,200,000)	-	-	-	(6,200,000)	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	109,172	5,288,716	112,195	4,876	5,514,959	195,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital contributed by governmental units	-	1,397,214	-	-	1,397,214	-
Capital purchases	-	(1,935,968)	-	-	(1,935,968)	-
Proceeds from sale of capital assets	-	4,078	-	-	4,078	-
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	(534,676)	-	-	(534,676)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investments	-	(1,886,399)	-	-	(1,886,399)	(1,158,210)
Maturity of investments	-	1,509,187	-	-	1,509,187	-
Interest received	29,076	107,892	-	-	136,968	52,672
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	29,076	(269,320)	-	-	(240,244)	(1,105,538)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS						
	-	2,203,174	143,760	168,753	2,515,687	(1,771,822)
Cash and cash equivalents, beginning of year	-	1,989,493	-	609,204	2,598,697	2,001,093
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ 4,192,667</u>	<u>\$ 143,760</u>	<u>\$ 777,957</u>	<u>\$ 5,114,384</u>	<u>\$ 229,271</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (continued)
 YEAR ENDED SEPTEMBER 30, 2024**

	Business-type Activities				Total	Governmental Activities
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds		Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ 868,547	\$ (2,739,167)	\$ (12,300)	\$ 172,093	\$ (1,710,827)	\$ (677,159)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation	-	277,032	-	-	277,032	-
(Increase) decrease in:						
Receivables	(702,285)	(6,469)	-	72	(708,682)	(167,593)
Due from other governmental units	(219,408)	-	-	-	(219,408)	-
Prepays	-	(2,011)	(17,660)	49,428	29,757	(29,102)
Deferred outflows related to pension	-	40,412	-	-	40,412	-
Increase (decrease) in:						
Accounts payable	(85,102)	62,081	57,518	(57,716)	(23,219)	(696)
Compensated absences	-	8,849	-	-	8,849	-
Accrued liabilities	-	14,127	-	-	14,127	13,266
Net pension liability	-	(23,285)	-	-	(23,285)	-
Deferred inflows related to pension	-	86,885	-	-	86,885	-
Due to other governmental units	-	-	4,007	-	4,007	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (138,248)	\$ (2,281,546)	\$ 31,565	\$ 163,877	\$ (2,224,352)	\$ (861,284)

**VAN BUREN COUNTY, MICHIGAN
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024**

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	<u>\$ 12,306,771</u>
LIABILITIES	
Undistributed tax collections payable	10,967,109
Due to other governmental units	344,926
Due to individuals and agencies	<u>897,930</u>
TOTAL LIABILITIES	<u>12,209,965</u>
NET POSITION	
Restricted for individuals, organizations, and other governmental units	<u>\$ 96,806</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2024**

	Custodial Funds
ADDITIONS	
Property tax collections for other governmental units	\$ 21,886,275
Collections for other governmental units	4,857,544
Collections for individual and agencies	4,468,624
TOTAL ADDITIONS	31,212,443
DEDUCTIONS	
Property tax distributions to other governmental units	21,886,275
Distributions to other governmental units	4,857,544
Distributions to individuals and agencies	4,667,225
TOTAL DEDUCTIONS	31,411,044
NET CHANGE IN FIDUCIARY NET POSITION	(198,601)
Net position, beginning of year	295,407
Net position, end of year	\$ 96,806

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Road Commission	Drainage District	Department of Public Works	Economic Development Corporation	Brownfield Redevelopment Authority	Land Bank Authority	Total
ASSETS							
Current assets							
Cash and cash equivalents	\$ 2,777,812	\$ 526,716	\$ -	\$ 665,688	\$ 303,452	\$ 8,328	\$ 4,281,996
Investments	1,186,082	-	-	53,424	-	-	1,239,506
Receivables							
Taxes	2,940,000	-	-	-	-	-	2,940,000
Accounts	19,087	-	-	-	-	-	19,087
Loans, net	-	-	-	78,164	10,112	-	88,276
Special assessments	-	643,466	-	-	-	-	643,466
Interest	-	-	-	57,086	-	-	57,086
Due from other governmental units	3,103,432	-	-	-	-	20,518	3,123,950
Inventories	3,109,931	-	-	-	-	-	3,109,931
Prepays	-	2,781	-	-	-	-	2,781
Total current assets	13,136,344	1,172,963	-	854,362	313,564	28,846	15,506,079
Noncurrent assets							
Noncurrent portion of loans receivable, net	-	-	-	23,383	18,765	-	42,148
Noncurrent portion of special assessments receivable	-	1,847,394	-	-	-	-	1,847,394
Capital assets not being depreciated	12,450,637	-	-	-	-	-	12,450,637
Capital assets, net of accumulated depreciation	74,193,946	3,044,498	-	-	-	-	77,238,444
Total noncurrent assets	86,644,583	4,891,892	-	23,383	18,765	-	91,578,623
TOTAL ASSETS	99,780,927	6,064,855	-	877,745	332,329	28,846	107,084,702
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows of resources related to pensions	3,130,599	-	-	-	-	-	3,130,599
Deferred outflows of resources related to OPEB	198,258	-	-	-	-	-	198,258
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,328,857	-	-	-	-	-	3,328,857
LIABILITIES							
Current liabilities							
Accounts payable	390,078	36,882	-	31,280	4,971	4,441	467,652
Accrued liabilities	140,898	-	-	-	-	-	140,898
Due to other governmental units	86,432	-	-	-	1,768	-	88,200
Accrued interest payable	-	40,495	-	-	-	-	40,495
Current portion of compensated absences	143,973	-	-	-	-	-	143,973
Current portion of long-term obligations	-	884,338	-	-	8,042	-	892,380
Total current liabilities	761,381	961,715	-	31,280	14,781	4,441	1,773,598
Noncurrent liabilities							
Advances from other governmental units	-	280,000	-	-	-	-	280,000
Noncurrent portion of compensated absences	95,982	-	-	-	-	-	95,982
Net other post-employment benefits obligation	91,303	-	-	-	-	-	91,303
Net pension liability	2,111,779	-	-	-	-	-	2,111,779
Noncurrent portion of long-term obligations	-	1,245,063	-	-	64,238	-	1,309,301
Total noncurrent liabilities	2,299,064	1,525,063	-	-	64,238	-	3,888,365
TOTAL LIABILITIES	3,060,445	2,486,778	-	31,280	79,019	4,441	5,661,963
DEFERRED INFLOWS OF RESOURCES							
Property taxes levied for subsequent year	2,940,000	-	-	-	-	-	2,940,000
Deferred inflows of resources related to pensions	1,348,286	-	-	-	-	-	1,348,286
Deferred inflows of resources related to OPEB	3,902,906	-	-	-	-	-	3,902,906
TOTAL DEFERRED INFLOWS OF RESOURCES	8,191,192	-	-	-	-	-	8,191,192
NET POSITION							
Net investment in capital assets	86,644,583	915,097	-	-	-	-	87,559,680
Restricted	5,213,564	77,048	-	846,465	-	-	6,137,077
Unrestricted	-	2,585,932	-	-	253,310	24,405	2,863,647
TOTAL NET POSITION	\$ 91,858,147	\$ 3,578,077	\$ -	\$ 846,465	\$ 253,310	\$ 24,405	\$ 96,560,404

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position							Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Road Commission	Drainage District	Department of Public Works	Economic Development Corporation	Brownfield Redevelopment Authority	Land Bank Authority		
Road Commission	\$ 18,545,406	\$ 171,142	\$ 15,807,540	\$ 5,173,329	\$ 2,606,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,606,605
Drainage District	1,094,642	-	-	693,390	-	(401,252)	-	-	-	-	-	(401,252)
Department of Public Works	25,325	-	10,551	-	-	-	(14,774)	-	-	-	-	(14,774)
Economic Development Corporation	264,740	49,974	9,769	-	-	-	-	(204,997)	-	-	-	(204,997)
Brownfield Redevelopment Authority	25,340	5,459	-	-	-	-	-	-	(19,881)	-	-	(19,881)
Land Bank Authority	30,299	-	54,077	-	-	-	-	-	-	23,778	-	23,778
TOTALS	\$ 19,985,752	\$ 226,575	\$ 15,881,937	\$ 5,866,719	2,606,605	(401,252)	(14,774)	(204,997)	(19,881)	23,778	-	1,989,479
General revenues												
Property taxes					2,770,282	-	-	-	-	49,266	-	2,819,548
Gain on equipment disposal					66,858	-	-	-	-	-	-	66,858
Miscellaneous					-	165,124	-	-	-	-	-	165,124
Total general revenues					2,837,140	165,124	-	-	-	49,266	-	3,051,530
CHANGE IN NET POSITION					5,443,745	(236,128)	(14,774)	(204,997)	29,385	23,778	-	5,041,009
Net position, beginning of year					86,414,402	3,814,205	14,774	1,051,462	223,925	627	-	91,519,395
Net position, end of year					\$ 91,858,147	\$ 3,578,077	\$ -	\$ 846,465	\$ 253,310	\$ 24,405	-	\$ 96,560,404

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Van Buren, Michigan (the County), was incorporated in 1829 and covers an area of approximately 1,090 square miles in southwest lower Michigan. The County seat is located in the Village of Paw Paw. The County operates under an elected Board of Commissioners (seven members) with an appointed County Administrator who assists with day-to-day operations. The County provides services to its more than 75,500 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 accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to County governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County's more significant accounting policies are described below.

Financial Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the financial activities of Van Buren County (primary government) and its component units, entities for which the government is considered to be financially accountable. The component units described below should be included in the County's reporting entity because of the significance of their operational or financial relationship with the County. Blended component units, although legally separate entities are, in substance, part of the County's operations and 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 that they are legally separate from the County.

The Van Buren County Road Commission activities are reported on the fiscal year-end of December 31, 2023.

Blended Component Unit

The Van Buren County Building Authority is governed by a five member Board appointed by the Van Buren County Board of Commissioners. Although legally separate from the County, the Van Buren County Building Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the County's public buildings. The financial statements of the Van Buren County Building Authority funds have been consolidated with the County's related Debt Service Funds.

Discretely Presented Component Units

These component units are reported in a separate column to emphasize that, while legally separate, Van Buren County remains financially accountable for these entities or the nature and significance of the relationship between these entities and Van Buren County is such that exclusion of these entities would render the financial statements misleading or incomplete.

The Van Buren County Road Commission, which is established pursuant to the County Road Law (MCL 224.1), is governed by a five-member board of county road commissioners appointed by the County Board of Commissioners. The Road Commission may not issue debt without the County's approval and the tax levy is subject to County Board of Commissioners' approval. The Road Commission taxes are levied under the taxing authority of the County, as approved by the County electors, and would be included as part of the County's total tax levy as well as reported in the County Road Fund as a special revenue fund. This component unit is audited individually, and the financial statements may be obtained from the administrative office of the Road Commission.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Discretely Presented Component Units (continued)

The Van Buren County Drainage District, which is established pursuant to the Drain Code of 1956, has the responsibility to administer the State Drain Code. The Drain Commissioner is responsible for planning, developing, and maintaining surface water drainage systems within the County. The Drain Commissioner may issue debt or levy a tax as authorized by the Drain Code without the approval of the County Board of Commissioners.

The Van Buren County Department of Public Works was established by the County Board of Commissioners pursuant to MCL 123.732. The County of Van Buren entered into a program of water supply and sanitary sewer facility construction. The Department of Public Works is under the general control of the County Board of Commissioners and under the immediate control of the Van Buren County Road Commission. The Department of Public Works is considered an agency of the County. The Department of Public Works manages water supply and sanitary sewer system construction projects that are bonded by the County of Van Buren. Bonds issued are authorized by an ordinance or a resolution approved by the Board of Public Works and adopted by the Van Buren County Board of Commissioners.

The Van Buren County Economic Development Corporation (EDC), which was established pursuant to the provisions of Public Act 338 of 1974, as amended, is governed by a nine-person board of directors appointed by the County Board of Commissioners. The EDC may not issue debt without the County's approval.

The Van Buren County Brownfield Redevelopment Authority, which was established under MCL 125.2651 et al., is governed by a nine-member board appointed by the County Board of Commissioners. The Authority is responsible for promoting the revitalization, redevelopment, and reuse of certain properties.

The Van Buren County Land Bank Authority was organized pursuant to the Michigan Land Bank Fast Track Act and an intergovernmental agreement between the Michigan Land Bank Fast Track Authority and the Treasurer of Van Buren County.

Joint Venture

The County participates in the following activity, which is considered to be a joint venture in relation to the County due to the formation of the organization by contractual agreement between two or more participants that maintain joint control, financial interest, and financial responsibility.

The County is a member of the Van Buren/Cass County District Public Health Department, which is a joint venture between Van Buren and Cass Counties and was established to provide public health services. The District Health Board has representation from and provides services to Van Buren and Cass Counties. Each County provides annual appropriations and passes through the statutory amounts of cigarette and hotel liquor tax funding to subsidize operations. The current funding formula approved by the District Health Board requires Van Buren and Cass Counties to provide 55% and 45%, respectively. Van Buren County's contribution for the year ended September 30, 2024, was \$647,376. Separate audited financial statements for their year ended September 30, 2024, are available at the Health Department's administrative offices.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities (the government-wide financial statements) present information for the primary government and its component units as a whole. All non-fiduciary activities of the primary government are included (i.e., fiduciary fund activities are not included in the government-wide financial statements). For the most part, except for inter-fund services provided and used, inter-fund activity has been eliminated in the preparation of these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents the direct functional expenses of the primary government and its component units and the program revenues that support them. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues are associated with specific functions and include charges to recipients of goods or services and grants and contributions that are restricted to meeting the operational or capital requirements of that function. Revenues that are not required to be presented as program revenues are general revenues. This includes all taxes, interest, and unrestricted State revenue sharing payments and other general revenues and shows how governmental functions are either self-financing or supported by general revenues.

FUND FINANCIAL STATEMENTS

The fund financial statements present the County's individual major funds and aggregated non-major funds. 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 County reports the following *Major Governmental Funds*:

- a. The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government except for those that are required to be accounted for in another fund.
- b. The *ARPA Grant Fund* is used to account for the restricted resources provided by the American Rescue Plan Act.
- c. The *Public Improvement Fund* is used to account for the committed resources used for acquisition, construction, and improvement of County facilities and infrastructure.

The County reports the following *Major Enterprise Funds*:

- a. The *Delinquent Tax Revolving Fund* accounts for money either advanced by the County or by the issuance of general obligation limited tax notes, to pay other taxing units and various County funds for their delinquent taxes.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Basis of Presentation (continued)

FUND FINANCIAL STATEMENTS (continued)

Major Enterprise Funds (continued):

- b. The *Public Transit Fund* accounts for the financial resources related to the operation of the County's public transit system.
- c. The *Delinquent Tax Forfeitures Fund* accounts for money generated by the County through the sale of forfeit or foreclosed properties as a result of unpaid delinquent taxes.

Additionally, the County reports the following *Fund Types*:

- a. *Special Revenue Funds* account for revenue sources that are restricted or committed to expenditures for specific purposes other than capital projects or permanent funds.
- b. *Debt Service Funds* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- c. *Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.
- d. *Enterprise Funds* account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.
- e. The *Internal Service Funds* account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.
- f. The *Custodial Funds* account for financial resources collected and distributed to other governmental units and individuals.

Measurement Focus

The government-wide, proprietary, and fiduciary fund financial statements are presented using the economic resources measurement focus, similar to that used by business enterprises or not-for-profit organizations. Because another measurement focus is used in the governmental fund financial statements, reconciliations to the government-wide financial statements are provided that explain the differences in detail.

All governmental funds are presented using the current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Basis of Accounting

Basis of accounting refers to when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become susceptible to accrual (when they become both “measurable” and “available to finance expenditures of the current period”). The length of time used for “available” for purposes of revenue recognition in the governmental fund financial statements is 60 days. Revenues that are considered measurable but not available are recorded as a receivable and unavailable revenue. Significant revenues susceptible to accrual are property taxes, special assessments, and certain intergovernmental revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for interest on long-term debt which is recorded when due.

All proprietary and fiduciary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, and other costs of running the activity. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

If/when both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

Cash, Cash Equivalents, and Investments

The County pools cash resources of various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balances in the pooled cash accounts are available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the County’s investments. Cash equivalents consist of temporary investments in certificates of deposit, money market accounts, and U.S. Government securities with an original maturity of 90 days or less. Earnings from deposits are allocated to numerous funds as required by Federal regulations, State statutes, and local ordinances.

The County’s pooled cash accounts and investments are utilized by the General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Fund, Fiduciary Funds, and the Component Unit Funds. Each fund’s portion of these pooled accounts is included in the cash and cash equivalents caption on the applicable balance sheet or statement of net position. The other funds of the County utilize separate savings and interest-bearing checking accounts.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Cash, Cash Equivalents, and Investments (continued)

Investments consist of certificates of deposit and securities with an original maturity of over 90 days as well as uncategorized pooled investment funds. Investments are stated at fair value in accordance with the applicable GASB Statement. In accordance with GASB Statement No. 72, the County has accounted for its pooled investments on hand as investments of the County.

In accordance with Michigan Compiled Laws, the County is authorized to invest in the following investment vehicles:

- a. Bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a State or nationally chartered bank or a State or Federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under the laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 6 of 1855 PA 105, MCL 21.146.
- c. Commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services, and which matures not more than 270 days after the date of purchase.
- d. United States government or Federal agency obligation repurchase agreements.
- e. Bankers' acceptances of United States banks.
- f. Mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

Receivables

Receivables consist of amounts due from governmental units for various financial assistance programs and accounts receivable related to charges for services, special assessments, and notes and contracts receivable made in connection with various programs.

Inventories

Inventories are priced at cost as determined on the average cost method. Inventory items are charged to road construction and equipment maintenance and repairs and operations as used.

Prepays

Prepays consist of certain insurance premiums and other expenditures representing costs applicable to future periods. These are recorded in the governmental fund types which do not reflect current expendable resources and, therefore, an equal portion of fund balance is nonspendable.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Capital Assets

PRIMARY GOVERNMENT (EXCEPT PUBLIC TRANSIT) AND COMPONENT UNITS (EXCEPT ROAD COMMISSION)

Capital assets are reported (net of accumulated depreciation, if applicable) in the applicable governmental activities, business-type activities, or component unit's columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition cost at the date of donation.

Land and construction in progress are not depreciated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation is computed using the straight-line method over the following useful lives:

Land improvements	15 years
Buildings	15 - 50 years
Equipment	3 - 10 years
Infrastructure	10 - 20 years

PRIMARY GOVERNMENT - PUBLIC TRANSIT

Capital assets, which include property, plant, and equipment, are reported in the proprietary fund financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

Land and construction in progress are not depreciated. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 years
Land improvements	10 years
Buses	3 - 7 years
Other vehicles	4 years
Equipment and furniture	4 - 12 years

COMPONENT UNIT - ROAD COMMISSION

Capital assets include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, and similar items) with an initial individual cost of more than \$1,500 and an estimated useful life in excess of one year. Such assets are recorded at costs or estimated historical cost of purchase or construction. Donated capital assets are recorded at estimated fair market value at the date of donation.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Capital Assets (continued)

COMPONENT UNIT - ROAD COMMISSION (continued)

Depreciation is computed on the sum-of-the-years'-digits method for road equipment and straight-line method for all other capital assets. The depreciation rates are designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	30 - 50 years
Road Equipment	5 - 8 years
Shop Equipment	5 - 10 years
Office Equipment	3 - 10 years
Engineering Equipment	4 - 10 years
Infrastructure - Roads	8 - 30 years
Infrastructure - Bridges	12 - 50 years
Infrastructure - Traffic Signals	15 years

Accrued Interest Payable

Accrued interest payable is presented for long-term obligations in the government-wide financial statements.

Unearned Revenue

Unearned revenues are reported for resources that have been received, but not yet earned.

Net Pension Liability

The County offers a defined benefit pension plan to its employees. The County records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose 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 pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan.

Total OPEB Liability

The County offers retiree healthcare benefits to its employees. For the purpose of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by the OPEB plan.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of financial position or balance sheet will, when applicable, report separate sections for deferred outflows of resources and deferred inflows of resources. *Deferred outflows of resources*, a separate financial statement element, represents a consumption of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. *Deferred inflows of resources*, a separate financial statement element, represents an acquisition of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The County reports deferred inflows of resources in the General Fund and nonmajor governmental funds for revenues not collected within 60 days of year end. The County also reports deferred outflows of resources and deferred inflows of resources in the government-wide financial statements which correspond to the County's net pension liability and are related to differences in experience, differences in assumptions, differences between projected and actual plan investment earnings and contributions made subsequent to the measurement date. These amounts are deferred and recognized as an outflow of resources or an inflow of resources in the period to which they apply.

The Van Buren County Road Commission (discretely presented component unit) reports deferred inflows of resources for taxes levied for subsequent periods. The Road Commission also reports deferred outflows of resources and deferred inflows of resources which correspond to the Road Commission's net pension liability and net OPEB liability and are related to differences in experience, differences in assumptions, differences between projected and actual plan investment earnings and contributions made subsequent to the measurement date.

The Department of Public Works (discretely presented component unit) reports deferred outflows of resources for deferred charges on bond refunding.

Long-term Obligations

Long-term debt and other long-term obligations are recognized as a liability in the government-wide financial statements and proprietary fund types when incurred. The portion of those liabilities expected to be paid within the next year is a current liability with the remaining amounts shown as noncurrent.

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in a Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

Advances to Other Governmental Units

Long-term advances from the primary government to component units are made to finance new activities during their initial operations and to finance capital acquisitions. For governmental fund types, nonspendable fund balance is shown for the amount of such advances to reflect the fund balance not currently available for expenditure. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Compensated Absences

Amounts of vested or accumulated vacation leave are accrued in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as “termination leave” prior to retirement.

Leases

Lessor: The County is a lessor for a noncancelable lease of a cell tower. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

Key estimates and judgements include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Fund Balances

The County classifies *Governmental Fund Balances* as follows:

Nonspendable - assets that are not available in a spendable form such as inventory, prepaid expenditures, and long-term receivables not expected to be converted to cash in the near term. It also includes funds that are legally or contractually required to be maintained intact such as the corpus of a permanent fund or foundation.

Restricted - amounts that are required by external parties to be used for a specific purpose. Constraints are externally imposed by creditors, grantors, contributors or laws, regulations or enabling legislation.

Committed - amounts constrained on use imposed by formal action of the government’s highest level of decision-making authority (i.e., Board, Council, etc.).

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Fund Balances (continued)

Assigned - amounts intended to be used for specific purposes. This is determined by the governing body, the budget or finance committee or a delegated municipality official.

Unassigned - all other resources; the remaining fund balance after nonspendable, restrictions, commitments, and assignments. This class only occurs in the General Fund, except for cases of negative fund balances. Negative fund balances are always reported as unassigned, regardless of which fund the deficit occurs in.

Fund Balance Classification Policies and Procedures

For committed fund balance, Van Buren County's highest level of decision-making authority is the Board of Commissioners. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution.

For assigned fund balance, the Board of Commissioners is authorized to assign amounts to a specific purpose. The authorization is delegated by the Board of Commissioners to the County Administrator through an informal action of the Board of Commissioners.

For the classification of fund balances, Van Buren County considers restricted amounts to have been spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Also, for the classification of fund balances, Van Buren County considers committed, assigned, or unassigned amounts to have been spent in succession when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Interfund Transactions

During the course of normal operations, the County has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

The Internal Service Fund (Fringe Benefits) records charges for services provided to various County departments and funds as operating revenue. All County funds record these payments as operating expenditures/expenses.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with the modified accrual basis used to reflect actual results in the fund financial statements. This basis is consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for all required governmental fund types. The County employs the following procedures in establishing budgets:

- a. Prior to May 31, the County departments, in conjunction with the Administrator's office, prepare and submit their proposed operating budgets for the fiscal year commencing the following October 1. The operating budgets include proposed expenditures and resources to finance them.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Budgets and Budgetary Accounting (continued)

- b. A Public Hearing is held to obtain taxpayers' comments after due notice was published in a newspaper of general circulation.
- c. Prior to September 30, the budgets are legally enacted through passage of an annual budget resolution.
- d. The budgets are legally adopted at the fund level for the General Fund and the Special Revenue funds. For control purposes, all fund budgets are maintained at the activity and account level.
- e. The County Board of Commissioners monitors and amends the budgets, as necessary.
- f. The County does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds. All unexpended appropriations lapse at year-end.
- g. Budgeted amounts are reported as originally adopted or as amended by the Board of Commissioners during the year. Individual amendments were not material in relation to the original appropriations that were adopted.

Federal Programs

Federal Programs are accounted for in the funds to which the programs pertain. The County has not integrated its Single Audit Reports and financial data as part of the financial statements. The Single Audit reports and financial data will be issued under separate cover as supplementary information to the financial statements.

Use of Estimates

The preparation of basic financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

As of September 30, 2024, the County had deposits and investments subject to the following risks:

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As of September 30, 2024, \$17,407,430 of the County's bank balance of \$24,578,064 was exposed to custodial credit risk because it was not covered by federal depository insurance. The County's carrying value on the books for deposits at the end of the year was \$35,049,183. The County had \$3,650 of imprest cash at September 30, 2024.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Custodial Credit Risk - Investments

For an investment, this 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 does not specifically address this risk. The County's management evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated level risk level are used as depositories.

Credit Risk

State law limits investments in certain types of investments to a prime or better rating issued by nationally recognized statistical rating organizations (NRSRO's). As of September 30, 2024, rating information on the County's investments is presented below.

Interest Rate Risk

The County will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by designing its portfolio with the objective of obtaining a rate of return through the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
PRIMARY GOVERNMENT		
Uncategorized pooled investment funds		
Michigan CLASS	\$ 10,000,320	0.23 years
MILAF - TERM	1,000,000	0.11 years
MILAF - GovMIC	7,310,191	0.11 years
Federal Home Loan Bank	765,790	1.28 years
U.S. Treasury notes	7,080,533	0.23 years
Municipal bonds	<u>6,116,330</u>	<u>2.44 years</u>
TOTAL PRIMARY GOVERNMENT	<u><u>\$ 32,273,164</u></u>	<u><u>0.64 years</u></u>

Concentration of Credit Risk

The County will minimize a concentration of credit risk, which is the risk of loss attributed to the magnitude of the County's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Concentration of Credit Risk (continued)

Investment Type	Fair Value	S & P Rating
PRIMARY GOVERNMENT		
Uncategorized pooled investment funds		
Michigan CLASS	\$ 10,000,320	AAAm
MILAF - TERM	1,000,000	AAAm
MILAF - GovMIC	7,310,191	AAAm
Federal Home Loan Bank	765,790	Aaa/AA+
U.S. Treasury notes	7,080,533	Aaa/AA+
Municipal bonds	<u>6,116,330</u>	AA
TOTAL PRIMARY GOVERNMENT	<u>\$ 32,273,164</u>	

Foreign Currency Risk

The County is not authorized to invest in investments which have this type of risk.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is also established which requires an entity to maximize the use of observable and minimize the use of unobservable inputs. There are three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.
- Level 3: Prices determined using significant unobservable inputs. Unobservable inputs may be used in situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period). Unobservable inputs reflect the organization's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

Investment Type	Level 1	Level 2	Level 3	Total
PRIMARY GOVERNMENT				
Federal Home Loan Bank	\$ -	\$ 765,790	\$ -	\$ 765,790
U.S. Treasury notes	-	7,080,533	-	7,080,533
Municipal bonds	-	<u>6,116,330</u>	-	<u>6,116,330</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ -</u>	<u>\$ 13,962,653</u>	<u>\$ -</u>	<u>\$ 13,962,653</u>

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurements (continued)

The County voluntarily invests certain excess funds in external pooled investment funds which included money market funds. One of the pooled investment funds utilized by the County is the Michigan Investment Liquid Asset Fund (MILAF). MILAF funds are considered external investment pools as defined by the GASB and as such are recorded at amortized cost which approximate fair value. The MILAF - GovMic fund requires notification of redemption prior to 14 days to avoid penalties. These funds are not subject to the fair value disclosures.

	<u>Amortized Cost</u>
PRIMARY GOVERNMENT	
MILAF - GovMIC	\$ 7,310,191

Investments in Entities that Calculate Net Asset Value per Share

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

The Michigan CLASS investment pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated "A1" or better), collateralized bank deposits, repurchase agreements (collateralized at 102 percent by treasuries and agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

The County holds shares or interests in the Michigan Liquid Asset Fund (MILAF) Term Series, where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

The MILAF Term Series includes investments that the County does not control. The investment pool invests primarily in high-quality money market instruments, including certificates of deposit, commercial paper, and U.S. government and agency obligations, to protect the investment principal and provide liquidity.

At September 30, 2024, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
PRIMARY GOVERNMENT				
Michigan CLASS	\$ 10,000,320	\$ -	No restrictions	None
MILAF - Term	1,000,000	-	No restrictions	None
	\$ 11,000,320	\$ -		

The deposits and investments referred to above have been reported in either the cash and cash equivalents or investments captions on financial statements based upon criteria disclosed in Note 1.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

The following summarizes the categorization of these amounts as of September 30, 2024:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Fiduciary Funds</u>	<u>Reporting Entity</u>
Cash and cash equivalents	\$ 15,213,305	\$ 4,281,996	\$ 12,306,771	\$ 31,802,072
Current investments	19,052,508	1,239,506	-	20,292,014
Noncurrent investments	15,231,911	-	-	15,231,911
	<u>\$ 49,497,724</u>	<u>\$ 5,521,502</u>	<u>\$ 12,306,771</u>	<u>\$ 67,325,997</u>

NOTE 3 - LEASE RECEIVABLE

The County leases tower space to a cellular company. The lease is for 30 years, and the County will receive monthly escalating payments. The County recognized \$10,350 in lease revenue and \$14,222 in interest revenue during the current fiscal year related to this lease. As of September 30, 2024, the County reports a receivable of \$305,325 and a deferred inflow of resources of \$279,462 associated with this lease. The deferred inflow of resources will be recognized as revenue over the lease term.

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

The amount of interfund receivables and payables at September 30, 2024, is as follows:

Due to Public Improvement Fund from:		
General Fund		\$ 511,526
ARPA Grant Fund		486,205
Nonmajor governmental funds		<u>102,622</u>
		<u>\$ 1,100,353</u>
Due to Delinquent Tax Revolving Fund from:		
General Fund		<u>\$ 10,803,873</u>
Due to Delinquent Tax Forfeiture Fund from:		
General Fund		<u>\$ 5,140,089</u>

Amounts appearing as interfund payables and receivables arise from three types of transactions. One type of transaction is where a fund will pay for a good or service that at least a portion of the benefit belongs to another fund. A second type of transaction is where one fund provides a good or service to another fund. The third type of transaction is where one fund borrows cash from another fund. Balances at the end of the year are for transfers that have not cleared as of the balance sheet date.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds, enterprise funds, and component unit funds have been eliminated.

Transfers to General Fund from:	
ARPA Grant Fund	\$ 1,864,410
Delinquent Tax Forfeiture Fund	58,716
Nonmajor governmental funds	<u>225,000</u>
	<u><u>\$ 2,148,126</u></u>
Transfers to Public Improvement Fund from:	
General Fund	\$ 1,570,396
ARPA Grant Fund	476,824
Nonmajor governmental funds	<u>143,549</u>
	<u><u>\$ 2,190,769</u></u>
Transfers to nonmajor governmental funds from:	
General Fund	\$ 3,127,255
Delinquent Tax Revolving Fund	<u>354,000</u>
	<u><u>\$ 3,481,255</u></u>
Transfers to nonmajor enterprise funds from:	
General Fund	<u><u>\$ 28,300</u></u>
Transfers to internal service fund from:	
General Fund	<u><u>\$ 195,000</u></u>

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024, was as follows:

Primary Government

	<u>Balance Oct. 1, 2023</u>	<u>Additions/ Reclassifications</u>	<u>Deletions/ Reclassifications</u>	<u>Balance Sept. 30, 2024</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,973,350	\$ -	\$ -	\$ 1,973,350
Construction in progress	<u>1,771,151</u>	<u>75,034</u>	<u>(776,547)</u>	<u>1,069,638</u>
	<u>3,744,501</u>	<u>75,034</u>	<u>(776,547)</u>	<u>3,042,988</u>
Capital assets being depreciated				
Land improvements	526,131	-	-	526,131
Buildings	32,438,865	771,691	-	33,210,556
Equipment	<u>8,649,193</u>	<u>774,381</u>	<u>-</u>	<u>9,423,574</u>
Subtotal	<u>41,614,189</u>	<u>1,546,072</u>	<u>-</u>	<u>43,160,261</u>
Less accumulated depreciation for:				
Land improvements	(317,379)	(20,098)	-	(337,477)
Buildings	(18,131,514)	(744,699)	-	(18,876,213)
Equipment	<u>(5,973,851)</u>	<u>(586,074)</u>	<u>-</u>	<u>(6,559,925)</u>
Subtotal	<u>(24,422,744)</u>	<u>(1,350,871)</u>	<u>-</u>	<u>(25,773,615)</u>
Net capital assets being depreciated	<u>17,191,445</u>	<u>195,201</u>	<u>-</u>	<u>17,386,646</u>
Capital assets, net	<u>\$ 20,935,946</u>	<u>\$ 270,235</u>	<u>\$ (776,547)</u>	<u>\$ 20,429,634</u>

Depreciation expense was charged to the following governmental activities:

General government	\$ 274,939
Public safety	693,125
Judicial	93,682
Health and welfare	<u>289,125</u>
 Total depreciation expense	 <u>\$ 1,350,871</u>

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - CAPITAL ASSETS (continued)

Primary Government (continued)

	Balance Oct. 1, 2023	Additions	Deletions	Balance Sept. 30, 2024
Business-type activities				
Capital assets not being depreciated				
Land	\$ 67,229	\$ -	\$ -	\$ 67,229
Construction in progress	17,020	100,912	-	117,932
Subtotal	<u>84,249</u>	<u>100,912</u>	<u>-</u>	<u>185,161</u>
Capital assets being depreciated				
Buildings	858,254	-	-	858,254
Land improvements	60,561	-	-	60,561
Buses	1,861,054	1,815,007	(341,559)	3,334,502
Vehicles	93,999	-	-	93,999
Furniture and equipment	329,121	20,049	(14,000)	335,170
Subtotal	<u>3,202,989</u>	<u>1,835,056</u>	<u>(355,559)</u>	<u>4,682,486</u>
Less accumulated depreciation for:				
Buildings	(693,327)	(19,247)	-	(712,574)
Land improvements	(49,654)	(4,556)	-	(54,210)
Buses	(1,476,998)	(224,909)	341,559	(1,360,348)
Vehicles	(93,999)	-	-	(93,999)
Furniture and equipment	(242,491)	(28,320)	14,000	(256,811)
Subtotal	<u>(2,556,469)</u>	<u>(277,032)</u>	<u>355,559</u>	<u>(2,477,942)</u>
Net capital assets being depreciated	<u>646,520</u>	<u>1,558,024</u>	<u>-</u>	<u>2,204,544</u>
Capital assets, net	<u>\$ 730,769</u>	<u>\$ 1,658,936</u>	<u>\$ -</u>	<u>\$ 2,389,705</u>

Depreciation expense was charged to the following business-type activities:

Transit	<u>\$ 277,032</u>
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Component Units

	Balance Oct. 1, 2023	Additions	Deletions	Balance Sept. 30, 2024
Drainage District				
Capital assets being depreciated				
Infrastructure	\$ 6,164,153	\$ 154,550	\$ -	\$ 6,318,703
Less accumulated depreciated for:				
Infrastructure	<u>(3,020,423)</u>	<u>(253,782)</u>	<u>-</u>	<u>(3,274,205)</u>
Capital assets, net	<u>\$ 3,143,730</u>	<u>\$ (99,232)</u>	<u>\$ -</u>	<u>\$ 3,044,498</u>

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - CAPITAL ASSETS (continued)

Component Units (continued)

	Balance Jan. 1, 2023	Additions	Deletions	Balance Dec. 31, 2023
Road Commission				
Capital assets not being depreciated				
Land and improvements	\$ 549,570	\$ -	\$ -	\$ 549,570
Infrastructure right of ways	44,646	-	-	44,646
Infrastructure land improvements	11,856,421	-	-	11,856,421
Subtotal	<u>12,450,637</u>	<u>-</u>	<u>-</u>	<u>12,450,637</u>
Capital assets being depreciated				
Land improvements	561,495	-	-	561,495
Building and improvements	7,449,817	11,105	-	7,460,922
Road equipment	16,165,392	1,605,483	(751,258)	17,019,617
Shop equipment	212,522	500	-	213,022
Office equipment	154,833	15,388	(2,578)	167,643
Engineers' equipment	128,379	4,935	(3,315)	129,999
Yard and storage	256,358	-	-	256,358
Depletable assets	146,078	-	-	146,078
Infrastructure - Traffic Signals	287,452	-	-	287,452
Infrastructure - Bridges	17,003,412	9,766	-	17,013,178
Infrastructure - Roads	91,528,551	9,630,793	(4,475,230)	96,684,114
Subtotal	<u>133,894,289</u>	<u>11,277,970</u>	<u>(5,232,381)</u>	<u>139,939,878</u>
Less accumulated depreciation for:				
Land improvements	(354,594)	(20,783)	-	(375,377)
Buildings and improvements	(2,921,823)	(163,268)	-	(3,085,091)
Road equipment	(12,431,169)	(1,607,171)	747,042	(13,291,298)
Shop equipment	(197,400)	(5,476)	-	(202,876)
Office equipment	(121,227)	(10,308)	2,578	(128,957)
Engineers' equipment	(112,167)	(8,926)	3,315	(117,778)
Yard and storage	(190,950)	(6,686)	-	(197,636)
Depletable assets	(108,816)	(53)	-	(108,869)
Infrastructure - Traffic Signals	(240,170)	(15,760)	-	(255,930)
Infrastructure - Bridges	(7,881,314)	(685,003)	-	(8,566,317)
Infrastructure - Roads	(39,238,589)	(4,652,444)	4,475,230	(39,415,803)
Subtotal	<u>(63,798,219)</u>	<u>(7,175,878)</u>	<u>5,228,165</u>	<u>(65,745,932)</u>
Net capital assets being depreciated	<u>70,096,070</u>	<u>4,102,092</u>	<u>(4,216)</u>	<u>74,193,946</u>
Capital assets, net	<u>\$ 82,546,707</u>	<u>\$ 4,102,092</u>	<u>\$ (4,216)</u>	<u>\$ 86,644,583</u>

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations (including current portion) of the County for the year ended September 30, 2024:

	Balance Oct. 1, 2023	Additions	Deletions	Balance Sept. 30, 2024	Amounts Due Within One Year
PRIMARY GOVERNMENT					
Governmental Activities					
Bonded debt					
2017 Building Authority Bonds	\$ 3,635,000	\$ -	\$ (235,000)	\$ 3,400,000	\$ -
Other long-term obligations					
Compensated absences	1,833,476	1,673,792	(1,470,821)	2,036,447	1,633,645
Total Governmental Activities	<u>5,468,476</u>	<u>1,673,792</u>	<u>(1,705,821)</u>	<u>5,436,447</u>	<u>1,633,645</u>
Business-type Activities					
Direct borrowing/placements					
2022 Delinquent tax notes	1,139,000	-	(1,139,000)	-	-
2023 Delinquent tax notes	3,651,000	-	(2,186,000)	1,465,000	1,465,000
2024 Delinquent tax notes	-	6,000,000	(2,875,000)	3,125,000	-
Total direct borrowing/placements	<u>4,790,000</u>	<u>6,000,000</u>	<u>(6,200,000)</u>	<u>4,590,000</u>	<u>1,465,000</u>
Other long-term obligations					
Compensated absences - Transit	104,414	10,646	(1,797)	113,263	1,949
Total Business-type Activities	<u>4,894,414</u>	<u>6,010,646</u>	<u>(6,201,797)</u>	<u>4,703,263</u>	<u>1,466,949</u>
TOTAL PRIMARY GOVERNMENT	<u>10,362,890</u>	<u>7,684,438</u>	<u>(7,907,618)</u>	<u>10,139,710</u>	<u>3,100,594</u>
COMPONENT UNITS					
Road Commission					
Other long-term obligations					
Compensated absences	248,613	368,085	(376,743)	239,955	143,973
Drainage Districts					
Bonded debt					
Lindsley Drainage District	40,000	-	(20,000)	20,000	20,000
Health and Cemetery Drainage District	60,000	-	(30,000)	30,000	30,000
Bob-O-Links Estates Drainage District	1,265,000	-	(120,000)	1,145,000	120,000
Total other debt	<u>1,365,000</u>	<u>-</u>	<u>(170,000)</u>	<u>1,195,000</u>	<u>170,000</u>
Direct borrowing/placements					
Drain notes	1,107,489	-	(173,088)	934,401	714,338
Department of Public Works					
Bonded debt					
Refunding Bonds	670,000	-	(670,000)	-	-
Bond premium	22,043	-	(22,043)	-	-
Total other debt	<u>692,043</u>	<u>-</u>	<u>(692,043)</u>	<u>-</u>	<u>-</u>
Brownfield Redevelopment Authority					
Direct borrowing/placements					
Brownfield Redevelopment Loans	93,331	-	(21,051)	72,280	8,042
TOTAL COMPONENT UNITS	<u>3,506,476</u>	<u>368,085</u>	<u>(1,432,925)</u>	<u>2,441,636</u>	<u>1,036,353</u>
TOTAL REPORTING ENTITY	<u>\$ 13,869,366</u>	<u>\$ 8,052,523</u>	<u>\$ (9,340,543)</u>	<u>\$ 12,581,346</u>	<u>\$ 4,136,947</u>

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

Significant details regarding outstanding long-term debt (including current portions) are presented below:

PRIMARY GOVERNMENT

General Obligation Bonds

Bonds payable on September 30, 2024, are as follows:

\$5,150,000 2017 Van Buren County Building Authority Bonds, Series 2017, dated April 13, 2017, due in annual installments ranging from \$240,000 to \$335,000 through October 1, 2036, with interest ranging from 2.65% to 3.75%, payable semi-annually.	<u>\$ 3,400,000</u>
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Delinquent Tax Notes

Notes payable on September 30, 2024, are as follows:

\$5,000,000 Van Buren County General Obligation Limited Tax Notes, Series 2023, dated May 11, 2023, due on June 2, 2025, with various interest rates for the purchase of 2022 delinquent taxes.	\$ 1,465,000
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\$6,000,000 Van Buren County General Obligation Limited Tax Notes, Series 2024, dated May 15, 2024, due on June 1, 2026, with interest of 5.65%, payable annually for the purchase of 2023 delinquent taxes.	<u>3,125,000</u>
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\$ 4,590,000

The delinquent tax notes are backed by the County's full faith and credit, the County's tax obligation (within applicable constitutional and statutory limits), and the County's general funds. In the event of default, the outstanding balances may become immediately due.

Compensated Absences - Primary Government (Except Public Transit)

In accordance with County personnel policies and/or contracts negotiated with various employee groups of the County, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in their respective personnel policies and/or contracts. The dollar amount of these vested rights, including related payroll taxes, amounted to \$2,036,447 for vacation and sick at September 30, 2024. Of this amount, \$1,633,645 has been recorded as a current liability and \$402,802 has been recorded as a noncurrent liability.

Compensated Absences - Public Transit

Transit employees are granted vacation and sick leave in varying amounts based on length of service and are permitted to accumulate such earned but unused leave subject to certain limitations. In the event of termination, an employee is paid for certain portions of unused accumulated vacation and sick time. A portion has been classified as current based on management's estimate.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

COMPONENT UNIT - ROAD COMMISSION

Compensated Absences

Vacation pay at 100% is payable to the employee when employment is severed. At December 31, 2023, there was \$146,857 recorded as vacation liability.

Bargaining Unit - Sick leave is accumulated at the rate of 3 hours per pay period, up to two times per month, of active service up to 72 hours per year, with a maximum bank of 432 hours. Hours in excess of 360 will be paid out annually at a rate of 50%. Upon retirement or death of an employee, the employee or his estate shall receive an amount equal to 50% of the sick leave credits at the hourly rate they were paid on the last day worked.

Non-union Employees - Sick leave is earned at a rate of 6 hours per month to a maximum of 432 hours. Hours in excess of 360 will be paid off at a rate of 50% annually. Upon retirement or death of an employee with less than 15 years of service, the employee or his estate shall receive an amount equal to 50% of the employee's unused sick leave credits at the rate paid on the last day worked. For employees with 15 or more years of service, the employee or his estate shall receive an amount equal to 60% of the employee's unused sick leave credits at the rate paid on the last day worked to a maximum of 432 hours.

At December 31, 2023, there was a total of \$93,098 recorded as sick leave liability for both the bargaining unit and administrative employees.

COMPONENT UNIT - DRAINAGE DISTRICT

Drain Notes

Notes payable at September 30, 2024, per respective Drain projects serviced from the component unit funds are as follows:

Various drain notes due in various annual installments and interest rates through 2030. \$ 934,401

The Drainage District's outstanding installment loans from direct borrowings of \$934,401 are backed by the full faith and credit of the County. In the event of default, the outstanding amounts may become immediately due.

Bonded Debt

The County has irrevocably pledged its full faith and credit as collateral for the following drain bonds. These projects are administered by the Van Buren County Drain Commission for the applicable local drainage districts. The drain notes were issued to finance the construction projects in the component unit funds for the purpose of paying costs in connection with the applicable drainage district projects and are payable out of assessments to be made against the benefited properties.

\$295,000 Van Buren County Lindsley Drainage District Bonds dated September 22, 2010, due in an annual installment of \$20,000 on June 1, 2025, with interest of 4.50%, payable semi-annually. \$ 20,000

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

COMPONENT UNIT - DRAINAGE DISTRICT (continued)

Bonded Debt (continued)

\$420,000 Van Buren County Health and Cemetery Drainage District, dated September 22, 2010, due in an annual installment of \$30,000 on June 1, 2025, with interest of 4.50%, payable semi-annually.	\$ 30,000
\$1,605,000 Van Buren County Bob-O-Links Drainage District, dated August 27, 2020, due in annual installments ranging from \$100,000 to \$120,000 through June 1, 2035, with interest ranging from 1.00% to 2.00%, payable semi-annually.	<u>1,145,000</u>
	<u>\$ 1,195,000</u>

COMPONENT UNIT - BROWNFIELD REDEVELOPMENT AUTHORITY

\$46,333 Van Buren County 2015 Brownfield Redevelopment Loan dated September 1, 2015, due in annual installments ranging from \$3,965 to \$25,823 through August 31, 2028, with interest of 1.50%, payable annually.	\$ 37,895
\$90,165 Van Buren County 2017 Brownfield Redevelopment Loan dated August 1, 2017, due in annual installments ranging from \$4,077 to \$4,525 through August 4, 2032, with interest of 1.50%, payable annually.	<u>34,385</u>
	<u>\$ 72,280</u>

The Brownfield Redevelopment Authority's outstanding installment loans from direct borrowings of \$72,280 are backed by the full faith and credit of the County. In the event of default, the outstanding amounts may become immediately due.

The annual requirements to pay the debt principal and interest outstanding for the following bonds and notes are as follows:

<u>Year Ending September 30,</u>	<u>Primary Government</u>		<u>Component Units</u>	
	<u>Bonded Debt</u>		<u>Drainage District</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Bonded Debt</u>	<u>Bonded Debt</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ -	\$ 56,269	\$ 170,000	\$ 17,475
2026	240,000	109,357	120,000	12,825
2027	245,000	102,747	105,000	10,425
2028	255,000	95,556	100,000	9,375
2029	265,000	87,754	100,000	8,375
2030-2034	1,430,000	304,460	500,000	25,875
2035-2037	965,000	54,824	100,000	1,375
	<u>\$ 3,400,000</u>	<u>\$ 810,967</u>	<u>\$ 1,195,000</u>	<u>\$ 85,725</u>

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

Year Ending September 30,	Drainage District		Brownfield Redevelopment Authority	
	Direct Borrowing/Placement		Direct Borrowing/Placement	
	Principal	Interest	Principal	Interest
2025	\$ 714,338	\$ 60,226	\$ 8,042	\$ 1,084
2026	91,837	6,550	8,162	964
2027	91,838	3,977	8,285	841
2028	12,129	1,408	30,086	717
2029	12,129	936	4,328	266
2030-2033	12,130	468	13,377	403
	<u>\$ 934,401</u>	<u>\$ 73,565</u>	<u>\$ 72,280</u>	<u>\$ 4,275</u>

Outstanding principal and interest on the Delinquent Tax Notes have been excluded from the schedules above because the periodic principal maturities are not specific other than the final due date and/or the interest is variable and calculated through the date of payment.

NOTE 8 - PROPERTY TAXES AND TAX RECEIVABLE

The County property tax is levied each December 1 and July 1 on the taxable valuation of property located in the County as of the preceding December 31. Unpaid property taxes are considered to be delinquent as of March 1 of the year after the tax was levied.

The County's Winter 2023 and Summer 2024 ad valorem taxes were levied and collectible on December 1, 2023 and July 1, 2024, respectively. It is the County's policy to recognize revenues from the tax levy in the year when the proceeds of the levy are budgeted and made available for the financing of County operations. As a result, the County's Winter 2023 and Summer 2024 tax levies have been recognized as revenue in the current fiscal year. The 2023 and 2024 taxable value of Van Buren County amounted to \$3,936,703,328 and \$4,166,978,248 respectively, on which ad valorem taxes levied for County general operating purposes consisted of 4.4347 mills for Summer 2024. Van Buren County has levied 0.9370 mills for ambulance operations, 0.5332 mills for public safety, 0.2458 mills for public transit, 0.9721 mills for roads, 0.0991 for the Conservation District, and 0.0995 mills for veterans' relief for Winter 2023.

By resolution of the Board of Commissioners and agreement with various taxing authorities, the County purchased at face value the real property taxes receivable returned delinquent on March 1, 2024. Subsequent collections of delinquent taxes receivable, plus interest thereon and investment earnings, are used to repay the funds distributed by the Delinquent Tax Revolving Fund. This activity is accounted for in the Delinquent Tax Revolving (Enterprise) Fund.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLANS

PRIMARY GOVERNMENT

Plan Description

The County participates in the Municipal Employees' Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan's 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 MERS website at www.mersofmich.com.

Summary of Significant Accounting Policies

For the 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.

Benefits Provided

The plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. Public Act 427 of 1984, as amended, established, and amends the benefit provisions of the participants in MERS. The MERS plan covers all eligible employees of the County.

Retirement benefits for employees are calculated as 2.00% of the employee's five-year final average compensation times the employee's years of service up to social security age. After social security age the benefit is calculated as 1.70% of the employee's five-year final average compensation times the employee's years of service. Normal retirement age is 60 with 10 years of service. Early retirement age with unreduced benefits is 55 with 25 years of service or with a reduced benefit at age 50 with 25 years of service or age 55 with 15 years of service. Deferred retirement benefits vest after 10 years of credited service but are not paid until the date retirement would have occurred had the member remained an employee. Employees are eligible for non-duty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately and if duty-related without an actuarial reduction for retirement before age 60 is not applied. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the County Board of Commissioners, generally after negotiations of these terms with the affected unions. Benefits terms may be subjected to binding arbitration in certain circumstances.

At the December 31, 2023, valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	146
Inactive employees entitled to but not yet receiving benefits	247
Active employees	<u>270</u>
	<u><u>663</u></u>

VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

PRIMARY GOVERNMENT (continued)

Contributions

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

For the year ended September 30, 2024, the active employee contribution rate was 5.00% of annual payroll. Employer contributions range from 5.90% to 26.36% based on annual payroll.

Payable to the Pension Plan

At September 30, 2024, there were no amounts outstanding by the County for contributions to the pension plan required for the year ended September 30, 2024.

Net Pension Liability

The County's net pension liability reported at September 30, 2024 was determined using a measure of the total pension liability and the pension net position as of December 31, 2023. The December 31, 2023 total pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2023, annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary increases: 3.00% in the long-term plus a percentage based on age related scale to reflect merit, longevity, and promotional pay increases.

Investment rate of return: 7.18%, net of investment and administrative expense, including inflation.

Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with a price inflation of 3.00 - 4.00%

Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019.

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

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

PRIMARY GOVERNMENT (continued)

Projected Cash Flows

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.

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Total Allocation Gross Rate of Return</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	60.00%	4.38%	2.63%
Global Fixed Income	20.00%	2.00%	0.40%
Private Investments	<u>20.00%</u>	7.00%	<u>1.40%</u>
	<u>100.00%</u>		4.43%
Inflation			2.50%
Administrative expenses netted above			<u>0.25%</u>
Investment rate of return			<u>7.18%</u>

Discount Rate

The discount rate used to measure the total pension liability is 7.18%. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because, for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes it is net of administrative expenses. 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.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

PRIMARY GOVERNMENT (continued)

Changes in Net Pension Liability

Changes in the net pension liability during the measurement year were as follows:

<u>Changes in Net Pension Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
Balances at December 31, 2022	<u>\$ 52,713,337</u>	<u>\$ 32,850,058</u>	<u>\$ 19,863,279</u>
Changes for the Year			
Service cost	1,614,656	-	1,614,656
Interest on total pension liability	3,775,298	-	3,775,298
Difference between expected and actual experience	212,977	-	212,977
Changes in assumptions	434,294	-	434,294
Employer contributions	-	2,196,210	(2,196,210)
Employee contributions	-	885,955	(885,955)
Net investment income	-	3,764,349	(3,764,349)
Benefit payments, including employee refunds	(2,895,158)	(2,895,158)	-
Administrative expense	-	(78,111)	78,111
Net changes	<u>3,142,067</u>	<u>3,873,245</u>	<u>(731,178)</u>
Balances as of December 31, 2023	<u>\$ 55,855,404</u>	<u>\$ 36,723,303</u>	<u>\$ 19,132,101</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 rates of 7.18%, as well as what the employer's net pension liability would be using a discount rate that is 1% lower or 1% higher than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	<u>\$ 26,026,332</u>	<u>\$ 19,132,101</u>	<u>\$ 13,425,164</u>

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

PRIMARY GOVERNMENT (continued)

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

For the year ended September 30, 2024, the County recognized pension expense of \$3,253,200. 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 between expected and actual experience	\$ 159,733	\$ 210,759
Differences in assumptions	1,123,276	-
Net difference between projected and actual earnings on pension plan investments	1,782,039	-
Contributions subsequent to the measurement date*	1,749,758	-
Total	\$ 4,814,806	\$ 210,759

* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending September 30, 2025.

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

Years Ending September 30,	Pension Expense
2025	\$ 1,082,480
2026	813,001
2027	1,234,564
2028	(275,756)
	\$ 2,854,289

Change in Assumptions

Change in discount rate from 7.25% to 7.18%.

Change in Benefit Terms

There were no changes in benefit terms during plan year 2023.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

COMPONENT UNIT - ROAD COMMISSION

The Road Commission (component unit) has a separate defined benefit retirement plan from the County (Primary Government). Details applicable to their plan is readily available in their separately issued financial statement and are not duplicated here in accordance with GASB Statement No. 61. It appears actuarially determined contribution requirements have been met for the fiscal year presented.

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS

PRIMARY GOVERNMENT

Plan Description

The Van Buren County Other Post-Employment Benefits Plan (the Plan) is a single-employer defined benefit other post-employment benefits plan administered by Van Buren County. The Plan provides certain retiree healthcare benefits, in accordance with contract provisions to employees who have retired. Benefit provisions are established, and the Plan is managed at the direction of the County Commission. The Plan does not issue a separate stand-alone financial statement.

Benefits Provided

The County provides medical, pharmacy, dental, and vision benefits for eligible retirees and their spouses. Benefits are provided through fully-insured benefit arrangements. Employees hired prior to January 1, 1992, are eligible to retire with healthcare benefits upon attainment of 25 years of service. Terminated employees with 25 years of service can elect benefits upon deferred retirement. Employees hired after January 1, 1992, are not eligible for benefits under this plan.

Summary of Plan Participants

Membership in the plan at September 30, 2024, the latest actuarial date, is as follows:

Retired and Covered Spouses	<u>19</u>
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Contributions

The County's policy is to finance these benefits on a pay-as-you-go basis.

Total OPEB Liability

The OPEB liability of the County was measured as of September 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The plan does not have a fiduciary net position, therefore the liability reported in the financial statements is the total OPEB liability.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (continued)

PRIMARY GOVERNMENT (continued)

Total OPEB Liability (continued)

The change in the OPEB liability for the year ended September 30, 2024, is as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at September 30, 2023	\$ 3,463,082	\$ -	\$ 3,463,082
Changes for the year			
Interest on total OPEB liability	163,572	-	163,572
Difference between expected and actual experience	(521,270)	-	(521,270)
Changes in assumptions	227,130	-	227,130
Employer contributions	-	126,944	(126,944)
Benefit payments	(126,944)	(126,944)	-
Net changes	(257,512)	-	(257,512)
Balances as of September 30, 2024	<u>\$ 3,205,570</u>	<u>\$ -</u>	<u>\$ 3,205,570</u>

Actuarial Assumption

The total OPEB liability in the September 30, 2024, valuation was determined using the following assumptions applied to all periods included in the measurement:

Actuarial cost method	Individual Entry Age Normal as a level percentage of payroll
Discount rate	4.06%
Annual wage increase	3.00%
Price inflation	2.50%
Investment rate of return	N/A
Actuarial value of asset	N/A
Actuarially determined contribution	Expected net benefits based on pay-as-you-go policy
Healthcare cost trend rate	Dental: 4.50% Vision: 4.50% PA 152 Hard Caps: 3.00% (Inflation)

Discount Rate

The discount rate is the single rate that reflects the long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and OPEB plan assets are expected to be invested using a strategy to achieve that return, and a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another scale), to the extent that the conditions for use of the long-term expected rate of return are not met. For the purpose of determining the total OPEB liability as of September 30, 2024, the municipal bond rate used was 4.06%.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (continued)

PRIMARY GOVERNMENT (continued)

Sensitivity of the OPEB liability to Changes in the Discount Rate

The following presents the OPEB liability of the County, as well as what the County's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 3,671,507	\$ 3,205,570	\$ 2,827,122

Sensitivity of the OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the OPEB liability of the County, as well as what the County's OPEB liability would be if it were calculated using healthcare cost trends rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 2,834,290	\$ 3,205,570	\$ 3,653,712

OPEB Benefits and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2024, the County recognized OPEB benefit of \$89,718. At September 30, 2024, the County did not report any deferred outflows or deferred inflows of resources related to OPEB.

Change in Assumptions

Discount rate was decreased from 4.77% to 4.06%.

Per-capita costs were updated to reflect experience and new Hard Caps since the previous valuation.

Change in Benefit Terms

There were no changes in benefit terms during plan year 2024.

COMPONENT UNIT - ROAD COMMISSION

The Road Commission (component unit) has a defined contribution other post-employment benefits plan. Details applicable to their plan are readily available in their separately issued financial statements and are not duplicated here in accordance with GASB Statement No. 61. It appears actuarially determined contribution requirements have been met for the fiscal year presented.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 11 - CONTINGENT LIABILITIES

The County participates in a number of Federal and State assisted grant programs which are subject to compliance audits. The Single Audit of the Federal Programs and the periodic program compliance audits of many of the State programs have not yet been completed or final resolution has not been received. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

There are a series of property tax appeals in progress in the Michigan Court of Appeals and Michigan Tax Tribunal (MTT), filed by the owners of an electric generating plant located in the County's Covert Township. The County and other affected taxing units are collaborating on the defense of the assessed and taxable values of the various real and personal property components of the plant. The MTT judgement is unfavorable to the County and the County is appealing the decision. The MTT case for the 2016 appeal is currently before the Tax Tribunal. Appeals for the 2017-2022 tax years are at the Michigan Court of Appeals. They are in abeyance at the MTT pending a decision by the Court of Appeals.

NOTE 12 - FEDERAL GRANTS

COMPONENT UNIT - ROAD COMMISSION

The Michigan Department of Transportation (MDOT) requires that road commissions report all Federal and State grants pertaining to their county. During the year ended December 31, 2023, the Federal grants received and expended by the Road Commission was \$1,517,152 for contracted projects and \$0 for negotiated projects. Contracted projects are defined as projects performed by private contractors paid for and administrated by MDOT. The contracted Federal projects are not subject to single audit requirements by the road commissions, as they are included in MDOT's single audit.

Negotiated projects are defined as projects performed by Road Commission employees or private contractors paid for and administered by the Road Commission which are subject to single audit requirements, if the amount expended is \$750,000 or more. A single audit was not required to be performed for the Road Commission for the fiscal year ended December 31, 2023.

NOTE 13 - RISK MANAGEMENT

PRIMARY GOVERNMENT AND COMPONENT UNITS (EXCEPT ROAD COMMISSION)

The County participates in a pool, the Michigan Municipal League Liability and Property Pool, with other municipalities for property, liability, bonding, and casualty losses. The pool is organized under Public Act 138 of 1982, as amended as a governmental group property and casualty self-insurance pool. In the event the pool's claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessment to make up the deficiency. The County has not been informed of any special assessments being required.

The County also participates in a pool, the Michigan Municipal League Workers Compensation Fund, with other municipalities for worker's compensation losses. The pool is organized under Public Act 317 of 1969, as amended. In the event the pool's claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessment to make up the deficiency. The County has not been informed of any special assessments being required.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 13 - RISK MANAGEMENT (continued)

COMPONENT UNIT - ROAD COMMISSION

The Road Commission (component units) has their own coverages for risk management as disclosed in their readily available, separately issued financial statements.

NOTE 14 - TAX ABATEMENTS

Industrial Facilities Exemption

Municipalities within the County's boundaries entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Development Districts Act (known as the Industrial Facilities Exemption) PA 198 of 1974, as amended. The IFT on a new plant and non-industrial property, such as some high-tech personal property, is computed at 50% of the property tax bill for new property. For rehabilitation purposes, the taxable values can be frozen.

For the year ended September 30, 2024, the County's property tax revenue for general operations was reduced by \$45,763 under the IFT program, revenue for ambulance operations was reduced by \$6,677, revenue for public safety operations was reduced by \$3,800, revenue for Transit operations was reduced by \$1,751, and revenue for veterans' services was reduced by \$708.

NOTE 15 - DETAILS OF FUND BALANCE CLASSIFICATIONS

As previously discussed in Note 1, the County reports constraints on fund balance in four different categories: Nonspendable, Restricted, Committed, and Assigned. The following schedule provides the detail related to these classifications:

	General Fund	ARPA Grant	Public Improvement	Nonmajor Governmental Funds	Total
Fund Balances					
Nonspendable					
Advances	\$ 280,000	\$ -	\$ -	\$ -	\$ 280,000
Prepays	330,701	-	-	81,515	412,216
Loans	-	-	-	1,019,918	1,019,918
Restricted					
General Government					
Budget Stabilization	1,973,430	-	-	-	1,973,430
Judicial					
Family Counseling	-	-	-	78,212	78,212
Friend of the Court	-	-	-	12,984	12,984
Crime Victims' Rights	-	-	-	11,691	11,691
60% Justice Training	-	-	-	6,173	6,173

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 15 - DETAILS OF FUND BALANCE CLASSIFICATIONS (continued)

	General Fund	ARPA Grant	Public Improvement	Nonmajor Governmental Funds	Total
Fund Balances (continued)					
Restricted (continued)					
Public Safety					
Sheriff's Extra Voted Millage	\$ -	\$ -	\$ -	\$ 961,345	\$ 961,345
SCAR	-	-	-	1,962	1,962
Central Dispatch	-	-	-	2,820,194	2,820,194
Dispatch Training	-	-	-	30,512	30,512
Local Corrections Officers Training	-	-	-	46,218	46,218
Drug Law Enforcement	-	-	-	116,552	116,552
Concealed Pistol Licensing	-	-	-	218,264	218,264
Public Works					
Entergy Stipend	-	-	-	267,987	267,987
Health and Welfare					
Ambulance Millage	-	-	-	471,333	471,333
Social Welfare	-	-	-	32,801	32,801
Veterans' Relief	-	-	-	893,051	893,051
Opioid Settlement	-	-	-	748,268	748,268
Child Care	-	-	-	197,613	197,613
Community and Economic Development					
Register of Deeds Automation	-	-	-	645,253	645,253
Housing Program Income	-	-	-	121,860	121,860
Recreation and Culture					
Parks and Recreation	-	-	-	6,439	6,439
Committed					
General Government					
ARPA Grant	-	13,019	-	-	13,019
Building Authority	-	-	-	588	588
Public Safety					
Collection Agency	-	-	-	84,269	84,269
Law Enforcement	-	-	-	16,777	16,777
Sheriff Drain Work Crew	-	-	-	15,211	15,211
Capital Improvements					
Public Improvement	-	-	5,658,314	-	5,658,314
Assigned					
Judicial					
Specialty Courts	58,371	-	-	-	58,371
Law Library	8,115	-	-	-	8,115
Courthouse Restoration	5,955	-	-	-	5,955
Indigent defense	4,369	-	-	-	4,369
Public Safety					
Local Emergency Planning Committee	23,278	-	-	-	23,278
Unassigned	10,870,267	-	-	-	10,870,267
TOTAL FUND BALANCES	\$ 13,554,486	\$ 13,019	\$ 5,658,314	\$ 8,906,990	\$ 28,132,809

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 16 - RESTRICTED NET POSITION

Restrictions of net position shown in the government-wide financial statements indicate that a restriction imposed by the funding source or some other outside source precludes their use for unrestricted purposes. The following are the various net position restrictions as of September 30, 2024:

PRIMARY GOVERNMENT

Governmental Activities

Public Safety

Sheriff's Extra Voted Millage	\$ 988,540
Central Dispatch	2,851,062
Dispatch Training	31,262
SCAR	1,962
Local Corrections Officers Training	46,218
Drug Law Enforcement	119,552
Concealed Pistol Licensing	<u>218,264</u>

Total restricted for public safety	<u>4,256,860</u>
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Other purposes

Budget Stabilization	1,973,430
60% Justice Training	8,517
Crime Victims' Rights	11,691
Ambulance	471,333
Register of Deeds Automation	658,119
Friend of the Court	12,984
Opioid Settlement	748,268
Social Welfare	32,801
Entergy Stipend	267,987
Family Counseling	78,212
Veterans' Relief	893,051
Child Care	202,105
Housing Program Income	1,141,778
Parks and Recreation	<u>6,439</u>

Total restricted for other purposes	<u>6,506,715</u>
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\$ 10,763,575

COMPONENT UNITS

Road Commission

Restricted for County roads	<u><u>\$ 5,213,564</u></u>
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Drainage District

Restricted for capital projects	<u><u>\$ 77,048</u></u>
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Economic Development Corporation

Restricted for economic development activities	<u><u>\$ 846,465</u></u>
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**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 17 - CHANGE IN ACCOUNTING PRINCIPLES

For the year ended September 30, 2024, the County implemented GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*.

Summary: This statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity by reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in current period.

During fiscal year 2024, changes to or within the financial reporting entity and error corrections resulted in adjustments to beginning fund balance/net position, as follows:

	<u>Reporting Units Affected by Adjustments to and Restatements of Beginning Balances</u>				
	<u>Public Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Delinquent Tax Revolving</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
September 30, 2023, fund balance/net position, as previously reported	\$ -	\$ 11,058,643	\$ 11,927,038	\$ 25,612,482	\$ 22,103,230
Change within reporting entity					
Change from nonmajor to major fund	3,313,092	(3,313,092)	-	-	-
Error corrections					
Overstated receivables	-	(843,126)	(621,165)	(843,126)	(621,165)
Restatement	3,313,092	(4,156,218)	(621,165)	(843,126)	(621,165)
September 30, 2023, fund balance/net position, as restated	<u>\$ 3,313,092</u>	<u>\$ 6,902,425</u>	<u>\$ 11,305,873</u>	<u>\$ 24,769,356</u>	<u>\$ 21,482,065</u>

NOTE 18 - UPCOMING ACCOUNTING PRONOUNCEMENTS

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2024-2025 fiscal year.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of circumstances disclosed and the government’s vulnerability to the risk of substantial impact. The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2024-2025 fiscal year.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 18 - UPCOMING ACCOUNTING PRONOUNCEMENTS (continued)

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement establishes new accounting and financial reporting requirements - or modifies existing requirements - related to the following:

- a. Management's discussion and analysis (MD&A);
 - i. Requires that the information presented in MD&A be limited to the related topics discussed in five specific sections:
 - 1) Overview of the Financial Statements,
 - 2) Financial Summary,
 - 3) Detailed Analyses,
 - 4) Significant Capital Asset and Long-Term Financing Activity,
 - 5) Currently Known Facts, Decisions, or Conditions;
 - ii. Stresses detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed;
 - iii. Removes the requirement for discussion of significant variations between original and final budget amounts and between final budget amounts and actual results;
- b. Unusual or infrequent items;
- c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;
 - i. Requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses and clarifies the definition of operating and nonoperating revenues and expenses;
 - ii. Requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses and defines subsidies;
- d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements of should be presented after the fund financial statements;
- e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 19 - TRANSIT REPORTING

Mileage

The methodology used for compiling mileage on Operating Assistance Reports (OAR) Schedules is an adequate and reliable methodology for recording vehicle mileage.

Capital Money

No capital money was used to pay for operating expenses, and none are included in total expenses to be reimbursed with State Formula Funds.

Ineligible Expenses

Ineligible expenses are classified appropriately according to the definition in the local public transit revenue and expense manual. Expenses associated with generating local revenues (i.e., auxiliary transportation revenue and nontransportation revenue) have been subtracted out as ineligible.

Pension

Pension costs incurred for the defined benefit retirement plan administered by MERS were calculated pursuant to the MERS GASB 68 Implementation Guide. The total pension expense recognized as calculated in step 6 of the guide is \$117,344. The entire amount of \$117,344 was expensed on the books and is reported in 50220 defined benefit pensions. The Transit paid \$64,240 therefore, \$53,104 (\$117,344 less the amount paid) is subtracted out under 58020 Ineligible defined benefit pensions.

REQUIRED SUPPLEMENTARY INFORMATION

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Current and delinquent property taxes	\$ 18,359,318	\$ 17,446,868	\$ 18,197,120	\$ 750,252
Payments in lieu of taxes	143,395	143,395	145,242	1,847
Mobile home park taxes	5,000	5,000	6,907	1,907
Interest and penalties	10,000	10,000	-	(10,000)
Total taxes	18,517,713	17,605,263	18,349,269	744,006
Licenses and permits				
Gun permits				
Dog licenses	115,000	80,000	81,882	1,882
Marriage license fees	3,000	3,000	3,145	145
Cremation permits	4,000	3,500	3,157	(343)
Total licenses and permits	122,000	86,500	88,184	1,684
Intergovernmental				
Federal/State				
Emergency management	35,000	16,000	13,702	(2,298)
Foster care program	75,000	82,000	81,043	(957)
CDBG	-	5,000	4,350	(650)
Cooperative reimbursement program	1,400,000	1,430,000	1,432,581	2,581
IV-D incentive	109,312	126,312	122,674	(3,638)
IV-E foster care	-	25,000	21,573	(3,427)
Friend of the Court	71,000	71,000	80,965	9,965
Judges standardization	230,090	230,090	222,993	(7,097)
Juvenile Officer's salary	52,775	59,775	65,970	6,195
Probate court judge	100,000	100,000	122,218	22,218
Jury fees	8,000	38,000	36,706	(1,294)
District court case flow assistance	15,000	15,000	11,837	(3,163)
Remonumentation	69,742	29,300	23,723	(5,577)
Treasurer court financing	305,551	330,551	330,780	229
Sheriff secondary road patrol	70,098	127,098	126,172	(926)
State shared revenue	1,640,312	1,844,812	1,842,941	(1,871)
Recreational marijuana	650,000	790,000	786,762	(3,238)
Local community stabilization share	422,785	442,785	442,633	(152)
Early voting center	-	30,000	29,294	(706)
Snowmobile grant	2,000	2,000	-	(2,000)
Dive response recovery	22,000	26,500	26,500	-
State and community highway safety	22,476	22,476	13,468	(9,008)
Convention and tourism tax	288,623	388,623	382,378	(6,245)
Other	66,669	115,369	113,180	(2,189)
Local	2,500	14,500	13,450	(1,050)
Total intergovernmental	5,658,933	6,362,191	6,347,893	(14,298)

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES (continued)				
Charges for services				
Family Court	\$ 18,550	\$ 18,550	\$ 12,512	\$ (6,038)
District Court	658,650	762,959	746,826	(16,133)
Friend of the Court	67,500	67,500	65,986	(1,514)
Probate Court	32,000	57,000	31,725	(25,275)
County Treasurer	38,850	59,350	53,954	(5,396)
County Clerk	120,500	137,000	127,767	(9,233)
Election fees	34,000	157,000	157,221	221
Prosecuting attorney services	1,500	1,500	1,466	(34)
Register of Deeds	688,000	858,000	824,160	(33,840)
Land management fees	70,500	75,500	72,986	(2,514)
Drain Commissioner services	36,000	42,000	42,154	154
Sheriff department services	102,500	37,515	33,610	(3,905)
Animal shelter services	7,000	12,500	12,335	(165)
Passport fees	15,900	3,550	3,193	(357)
Other sales	-	2,600	3,467	867
Total charges for services	<u>1,891,450</u>	<u>2,292,524</u>	<u>2,189,362</u>	<u>(103,162)</u>
Fines and forfeits				
Bond forfeitures	50,000	50,000	50,530	530
Ordinance fines and costs	195,000	158,000	145,678	(12,322)
Total fines and forfeits	<u>245,000</u>	<u>208,000</u>	<u>196,208</u>	<u>(11,792)</u>
Interest and rents				
Interest on investments	50,000	2,200,000	2,372,356	172,356
Rents	491,994	491,994	494,541	2,547
Total interest and rents	<u>541,994</u>	<u>2,691,994</u>	<u>2,866,897</u>	<u>174,903</u>
Other				
Reimbursements and refunds	28,080	190,900	257,372	66,472
Contributions	2,000	20,000	19,155	(845)
Other	-	-	152	152
Total other	<u>30,080</u>	<u>210,900</u>	<u>276,679</u>	<u>65,779</u>
TOTAL REVENUES	<u>27,007,170</u>	<u>29,457,372</u>	<u>30,314,492</u>	<u>857,120</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
EXPENDITURES				
Current				
General government				
Board of Commissioners	\$ 359,453	\$ 381,837	\$ 367,117	\$ 14,720
County Administrator	290,127	285,727	273,523	12,204
Human Resources	234,859	242,359	236,937	5,422
General benefits	1,123,000	1,111,500	874,792	236,708
Elections	131,569	96,869	94,228	2,641
Finance	354,094	356,594	345,852	10,742
Clerk	486,910	513,110	518,363	(5,253)
Equalization	205,900	212,600	232,624	(20,024)
Information technology	717,253	812,353	811,253	1,100
Land information services	357,405	331,505	315,416	16,089
Remonumentation	74,742	51,800	47,815	3,985
Treasurer	450,410	441,810	427,492	14,318
Election early voting center	-	38,100	36,865	1,235
Building and grounds	2,029,173	2,227,874	2,229,365	(1,491)
General services	220,000	172,500	148,315	24,185
Total general government	<u>7,034,895</u>	<u>7,276,538</u>	<u>6,959,957</u>	<u>316,581</u>
Judicial				
Circuit Court	901,999	946,999	888,012	58,987
Family Court	1,391,261	1,439,161	1,399,572	39,589
District Court	1,855,331	1,901,231	1,902,263	(1,032)
Jury board	25,500	25,500	26,198	(698)
Probate Court	599,460	600,660	594,813	5,847
State probation	5,500	5,500	4,132	1,368
Prosecuting Attorney	1,362,965	1,382,262	1,354,114	28,148
Court Shared Costs	71,500	101,500	76,956	24,544
Family counseling services	7,000	7,000	-	7,000
Total judicial	<u>6,220,516</u>	<u>6,409,813</u>	<u>6,246,060</u>	<u>163,753</u>
Public safety				
Sheriff	394,547	430,647	409,901	20,746
Sheriff Road Patrol	2,357,345	2,510,640	2,479,530	31,110
Courthouse Security	411,086	420,091	410,184	9,907
Secondary Road Patrol	197,625	214,825	205,804	9,021
Marine safety	78,753	115,253	108,168	7,085
Snowmobile grant	6,888	6,958	4,118	2,840
Dive response recovery	11,089	11,189	5,330	5,859
OHSP enforcement grant	23,497	23,497	20,183	3,314
Youth Services	25,000	25,000	25,000	-
Jail	3,010,200	3,457,975	3,438,162	19,813
Alternative work program	115,598	202,098	198,299	3,799
Sheriff Court Officer	95,353	101,053	99,339	1,714
Emergency services	142,060	217,460	209,231	8,229
Animal control	464,379	473,179	408,964	64,215
Total public safety	<u>7,333,420</u>	<u>8,209,865</u>	<u>8,022,213</u>	<u>187,652</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
EXPENDITURES (continued)				
Current (continued)				
Public works				
Drain Commissioner	\$ 492,269	\$ 508,418	\$ 425,031	\$ 83,387
Public works	2,589	2,589	900	1,689
Total public works	<u>494,858</u>	<u>511,007</u>	<u>425,931</u>	<u>85,076</u>
Health and welfare				
Health department	623,932	623,932	647,376	(23,444)
Mental health department	341,431	341,431	341,431	-
Contagious diseases	10,000	10,000	-	10,000
Medical examiner	259,000	259,000	192,491	66,509
Human services	157,439	175,439	175,439	-
Veterans' burials	6,000	6,000	300	5,700
Veterans' counseling	226,119	246,719	228,873	17,846
Total health and welfare	<u>1,623,921</u>	<u>1,662,521</u>	<u>1,585,910</u>	<u>76,611</u>
Community and economic development				
Planning Commission	8,800	31,050	16,957	14,093
Register of Deeds	274,787	275,387	277,229	(1,842)
Cooperative extension	288,378	288,578	285,399	3,179
Economic Development	212,000	212,000	200,269	11,731
Community services	-	137,800	134,058	3,742
Total community and economic development	<u>783,965</u>	<u>944,815</u>	<u>913,912</u>	<u>30,903</u>
TOTAL EXPENDITURES	<u>23,491,575</u>	<u>25,014,559</u>	<u>24,153,983</u>	<u>860,576</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,515,595</u>	<u>4,442,813</u>	<u>6,160,509</u>	<u>1,717,696</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 28,716	\$ 2,133,716	\$ 2,148,126	\$ 14,410
Transfers out				
Specialty Court	-	(50,000)	(59,162)	(9,162)
Friend of the Court	(2,109,067)	(2,479,067)	(2,497,549)	(18,482)
Indigent Defense	(309,100)	(312,809)	(317,809)	(5,000)
Law Library	(20,000)	(32,000)	(32,000)	-
Child Care	(827,553)	(827,553)	(780,000)	47,553
Computers	(500,000)	(500,000)	(500,000)	-
Fringe Benefits	-	(395,000)	(195,000)	200,000
Law Enforcement	(28,591)	(28,591)	(28,591)	-
Public Safety	-	(14,115)	(14,115)	-
Budget Stabilization	-	(400,000)	(715,000)	(315,000)
Parks and Recreation	-	(8,310)	(10,000)	(1,690)
Sheriff Drain Work Crew	-	(20,000)	(20,000)	-
60% Justice Training	-	(2,000)	(2,000)	-
Capital Improvements	-	(1,478,000)	(1,345,396)	132,604
Computer Mapping	-	(28,300)	(28,300)	-
	<u>(3,765,595)</u>	<u>(4,442,029)</u>	<u>(4,396,796)</u>	<u>45,233</u>
TOTAL OTHER FINANCING SOURCES (USES)				
Net change in fund balance (Budgetary basis)	<u>\$ (250,000)</u>	<u>\$ 784</u>	1,763,713	<u>\$ 1,762,929</u>
Budgetary perspective difference			<u>851,096</u>	
Net change in fund balance (GAAP basis)			<u>\$ 2,614,809</u>	

**VAN BUREN COUNTY, MICHIGAN
 ARPA GRANT FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
Federal/State	\$ 8,847,002	\$ 5,217,002	\$ 5,575,684	\$ 358,682
Interest and rents	-	37,725	86,589	48,864
Other	-	-	76,450	76,450
TOTAL REVENUES	<u>8,847,002</u>	<u>5,254,727</u>	<u>5,738,723</u>	<u>483,996</u>
EXPENDITURES				
Current				
General government	<u>8,847,002</u>	<u>3,727,002</u>	<u>3,914,451</u>	<u>(187,449)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	1,527,725	1,824,272	296,547
OTHER FINANCING (USES)				
Transfers out	<u>-</u>	<u>(2,093,000)</u>	<u>(2,341,234)</u>	<u>(248,234)</u>
NET CHANGE IN FUND BALANCE	-	(565,275)	(516,962)	48,313
Fund balance, beginning of year	<u>529,981</u>	<u>529,981</u>	<u>529,981</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ 529,981</u>	<u>\$ (35,294)</u>	<u>\$ 13,019</u>	<u>\$ 48,313</u>

**VAN BUREN COUNTY, MICHIGAN
COUNTY EMPLOYEE RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN MEASUREMENT YEARS
(AMOUNTS WERE DETERMINED AS OF 12/31 OF EACH YEAR)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 1,614,656	\$ 1,434,405	\$ 1,256,282	\$ 1,190,408	\$ 1,151,304	\$ 1,114,815	\$ 1,060,840	\$ 1,003,862	\$ 1,009,847	\$ 915,032
Interest	3,775,298	3,615,058	3,476,087	3,244,461	3,148,049	3,017,154	2,846,862	2,733,965	2,444,089	2,278,260
Difference between expected and actual experience	212,977	(139,272)	(56,847)	(634,551)	48,365	(453,906)	48,345	(762,200)	754,765	-
Changes of assumptions	434,294	-	1,921,123	1,586,376	1,220,757	-	-	-	1,701,756	-
Benefit payments including employee refunds	(2,895,158)	(2,685,036)	(2,436,628)	(2,307,199)	(2,189,516)	(1,930,710)	(1,778,064)	(1,407,762)	(1,308,701)	(1,152,556)
Other	-	-	-	-	(3)	(2)	1	-	2	(1)
Net Change in Total Pension Liability	3,142,067	2,225,155	4,160,017	3,079,495	3,378,956	1,747,351	2,177,984	1,567,865	4,601,758	2,040,735
Total Pension Liability, beginning	52,713,337	50,488,182	46,328,165	43,248,670	39,869,714	38,122,363	35,944,379	34,376,514	29,774,756	27,734,021
Total Pension Liability, ending	<u>\$ 55,855,404</u>	<u>\$ 52,713,337</u>	<u>\$ 50,488,182</u>	<u>\$ 46,328,165</u>	<u>\$ 43,248,670</u>	<u>\$ 39,869,714</u>	<u>\$ 38,122,363</u>	<u>\$ 35,944,379</u>	<u>\$ 34,376,514</u>	<u>\$ 29,774,756</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 2,196,210	\$ 1,860,124	\$ 1,662,114	\$ 1,496,224	\$ 1,440,573	\$ 1,351,966	\$ 1,109,826	\$ 1,112,695	\$ 1,022,024	\$ 889,310
Contributions - employee	885,955	738,333	723,915	683,795	687,659	692,064	616,287	599,098	823,523	547,659
Net investment income (loss)	3,764,349	(4,060,860)	4,418,784	4,117,840	3,465,705	(1,052,867)	3,112,808	2,399,454	(322,047)	1,223,700
Benefit payments including employee refunds	(2,895,158)	(2,685,036)	(2,436,628)	(2,307,199)	(2,189,516)	(1,930,710)	(1,778,064)	(1,407,762)	(1,308,701)	(1,152,556)
Administrative expense	(78,111)	(68,018)	(52,307)	(58,155)	(59,744)	(51,584)	(49,223)	(47,304)	(46,000)	(45,112)
Net Change in Plan Fiduciary Net Position	3,873,245	(4,215,457)	4,315,878	3,932,505	3,344,677	(991,131)	3,011,634	2,656,181	168,799	1,463,001
Plan Fiduciary Net Position, beginning	32,850,058	37,065,515	32,749,637	28,817,132	25,472,455	26,463,586	23,451,952	20,795,771	20,626,972	19,163,971
Plan Fiduciary Net Position, ending	<u>\$ 36,723,303</u>	<u>\$ 32,850,058</u>	<u>\$ 37,065,515</u>	<u>\$ 32,749,637</u>	<u>\$ 28,817,132</u>	<u>\$ 25,472,455</u>	<u>\$ 26,463,586</u>	<u>\$ 23,451,952</u>	<u>\$ 20,795,771</u>	<u>\$ 20,626,972</u>
Employer's Net Pension Liability	<u>\$ 19,132,101</u>	<u>\$ 19,863,279</u>	<u>\$ 13,422,667</u>	<u>\$ 13,578,528</u>	<u>\$ 14,431,538</u>	<u>\$ 14,397,259</u>	<u>\$ 11,658,777</u>	<u>\$ 12,492,427</u>	<u>\$ 13,580,743</u>	<u>\$ 9,147,784</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	66%	62%	73%	71%	67%	64%	69%	65%	60%	69%
Covered payroll	<u>\$ 16,047,620</u>	<u>\$ 14,402,190</u>	<u>\$ 13,607,023</u>	<u>\$ 13,422,144</u>	<u>\$ 13,098,151</u>	<u>\$ 12,645,986</u>	<u>\$ 12,078,657</u>	<u>\$ 11,422,725</u>	<u>\$ 11,832,080</u>	<u>\$ 10,750,131</u>
Employer's Net Pension Liability as a percentage of covered payroll	119%	138%	99%	101%	110%	114%	97%	109%	115%	85%

**VAN BUREN COUNTY, MICHIGAN
COUNTY OTHER POST-EMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST SEVEN FISCAL YEARS (ULTIMATELY TEN YEARS WILL BE DISPLAYED)
(AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH YEAR)**

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ -	\$ -	\$ 43,917	\$ 47,373	\$ 51,366	\$ 48,723	\$ 45,366
Interest	163,572	162,104	125,594	115,556	150,491	149,570	152,305
Changes in assumptions	227,130	-	(1,319,721)	1,152,611	-	(443,088)	-
Difference between actual and expected experience	(521,270)	-	(394,954)	(266,238)	-	(572,753)	-
Benefit payments	<u>(126,944)</u>	<u>(194,869)</u>	<u>(167,127)</u>	<u>(141,437)</u>	<u>(159,153)</u>	<u>(117,364)</u>	<u>(164,105)</u>
Net Change in Total OPEB Liability	(257,512)	(32,765)	(1,712,291)	907,865	42,704	(934,912)	33,566
Total OPEB liability, beginning	<u>3,463,082</u>	<u>3,495,847</u>	<u>5,208,138</u>	<u>4,300,273</u>	<u>4,257,569</u>	<u>5,192,481</u>	<u>5,158,915</u>
Total OPEB Liability, ending	<u>\$ 3,205,570</u>	<u>\$ 3,463,082</u>	<u>\$ 3,495,847</u>	<u>\$ 5,208,138</u>	<u>\$ 4,300,273</u>	<u>\$ 4,257,569</u>	<u>\$ 5,192,481</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 126,944	\$ 194,869	\$ 167,127	\$ 141,437	\$ 159,153	\$ 117,364	\$ 164,105
Benefit payments	<u>(126,944)</u>	<u>(194,869)</u>	<u>(167,127)</u>	<u>(141,437)</u>	<u>(159,153)</u>	<u>(117,364)</u>	<u>(164,105)</u>
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Net OPEB Liability	<u>\$ 3,205,570</u>	<u>\$ 3,463,082</u>	<u>\$ 3,495,847</u>	<u>\$ 5,208,138</u>	<u>\$ 4,300,273</u>	<u>\$ 4,257,569</u>	<u>\$ 5,192,481</u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0%	0%	0%	0%	0%	0%	0%
Covered payroll	<u>\$ -</u>	<u>\$ 69,524</u>	<u>\$ 67,365</u>	<u>\$ 303,436</u>	<u>\$ 418,576</u>	<u>\$ 463,950</u>	<u>\$ 411,861</u>
Employer's Net OPEB Liability as a percentage of covered payroll	N/A	4,981%	5,189%	1,716%	1,027%	918%	1,261%

**VAN BUREN COUNTY, MICHIGAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

NOTE 1 - BUDGETARY/GAAP RECONCILIATION

Van Buren County budgets the activities of various funds separately from the General Fund. For financial reporting purposes and the GAAP-basis basic financial statements, however, these funds are combined with the General Fund as required by GASB statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The budgetary perspective difference shown on the Budgetary Comparison Schedule (Non-GAAP budgetary basis) reconciles the change in fund balance to the GAAP-basis basic financial statements and the details related to these amounts are as follows:

Net change in fund balance (budgetary basis)	\$ 1,763,713
To adjust for revenues generated related to various activities accounted for in separate funds	2,100,051
To adjust for expenditures generated related to various activities accounted for in separate funds	(2,872,926)
To remove the transfers in and out from the budgetary basis schedule	1,623,971
Net change in fund balance (GAAP Basis)	\$ 2,614,809

NOTE 2 - COUNTY EMPLOYEE RETIREMENT PLAN

Changes in Benefit Terms

There were no changes of benefit terms in plan year 2023.

Changes in Assumptions

Change in discount rate from 7.25% to 7.18%.

NOTE 3 - COUNTY DEFINED BENEFIT OPEB PLAN

Changes in Benefit Terms

There were no changes of benefit terms in plan year 2024.

Changes in Assumptions

Discount rate was decreased from 4.77% to 4.06%.

Per-capita costs were updated to reflect experience and new Hard Caps since the previous valuation.

**VAN BUREN COUNTY, MICHIGAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

NOTE 4 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The County’s budgeted expenditures in the General and major Special Revenue Fund have been shown at the functional classification level. The approved budgets of the County have been adopted at the total expenditure level for the General and Special Revenue Funds.

During the year ended September 30, 2024, the County incurred expenditures in excess of the amounts appropriated as follows:

	<u>Amounts Appropriated</u>	<u>Amounts Expended</u>	<u>Variance</u>
Primary Government			
ARPA Grant Fund	\$ 5,820,002	\$ 6,255,685	\$ (435,683)

OTHER SUPPLEMENTARY INFORMATION

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024**

	General	Specialty Courts	Local Emergency Planning Committee	Disaster Contingency	Law Library
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 23,278	\$ 5,000	\$ 8,115
Investments	20,315,138	-	-	-	-
Receivables					
Accounts	140,896	22,889	-	-	-
Taxes	7,532,426	-	-	-	-
Lease	305,325	-	-	-	-
Due from other governmental units	464,593	653,001	-	-	-
Advances to other funds	5,000	-	-	-	-
Advances to other governmental units	280,000	-	-	-	-
Prepays	280,096	-	-	-	-
TOTAL ASSETS	\$ 29,323,474	\$ 675,890	\$ 23,278	\$ 5,000	\$ 8,115
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 603,449	\$ 109,965	\$ -	\$ -	\$ -
Accrued liabilities	443,801	34,252	-	-	-
Due to other governmental units	33,539	-	-	-	-
Due to other funds	15,943,962	473,302	-	-	-
Unearned revenue	41,804	-	-	-	-
Advance from other funds	-	-	-	5,000	-
TOTAL LIABILITIES	17,066,555	617,519	-	5,000	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - receivables	1,155,642	-	-	-	-
Unavailable revenue - lease	279,462	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	1,435,104	-	-	-	-
FUND BALANCES					
Nonspendable	565,096	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	58,371	23,278	-	8,115
Unassigned	10,256,719	-	-	-	-
TOTAL FUND BALANCES	10,821,815	58,371	23,278	-	8,115
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 29,323,474	\$ 675,890	\$ 23,278	\$ 5,000	\$ 8,115

Courthouse Restoration	Budget Stabilization	Computers	Indigent Defense	Total Before Eliminations	Eliminations	Total
\$ 5,955	\$ 1,973,430	\$ 630,586	\$ -	\$ 2,646,364	\$ -	\$ 2,646,364
-	-	-	-	20,315,138	-	20,315,138
-	-	-	46,558	210,343	-	210,343
-	-	-	-	7,532,426	-	7,532,426
-	-	-	-	305,325	-	305,325
-	-	-	-	1,117,594	-	1,117,594
-	-	-	-	5,000	(5,000)	-
-	-	-	-	280,000	-	280,000
-	-	47,371	3,234	330,701	-	330,701
<u>\$ 5,955</u>	<u>\$ 1,973,430</u>	<u>\$ 677,957</u>	<u>\$ 49,792</u>	<u>\$ 32,742,891</u>	<u>\$ (5,000)</u>	<u>\$ 32,737,891</u>
\$ -	\$ -	\$ 22,038	\$ 293	\$ 735,745	\$ -	\$ 735,745
-	-	-	3,672	481,725	-	481,725
-	-	-	-	33,539	-	33,539
-	-	-	38,224	16,455,488	-	16,455,488
-	-	-	-	41,804	-	41,804
-	-	-	-	5,000	(5,000)	-
-	-	22,038	42,189	17,753,301	(5,000)	17,748,301
-	-	-	-	1,155,642	-	1,155,642
-	-	-	-	279,462	-	279,462
-	-	-	-	1,435,104	-	1,435,104
-	-	47,371	3,234	615,701	(5,000)	610,701
-	1,973,430	-	-	1,973,430	-	1,973,430
5,955	-	-	4,369	100,088	-	100,088
-	-	608,548	-	10,865,267	5,000	10,870,267
<u>5,955</u>	<u>1,973,430</u>	<u>655,919</u>	<u>7,603</u>	<u>13,554,486</u>	<u>-</u>	<u>13,554,486</u>
<u>\$ 5,955</u>	<u>\$ 1,973,430</u>	<u>\$ 677,957</u>	<u>\$ 49,792</u>	<u>\$ 32,742,891</u>	<u>\$ (5,000)</u>	<u>\$ 32,737,891</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2024**

	General	Specialty Courts	Local Emergency Planning Committee	Disaster Contingency	Law Library
REVENUES					
Taxes	\$ 18,349,269	\$ -	\$ -	\$ -	\$ -
Licenses and permits	88,184	-	-	-	-
Intergovernmental	6,347,893	1,897,142	1,020	-	-
Charges for services	2,189,362	96,388	-	-	-
Fines and forfeits	196,208	-	-	-	10,000
Interest and rents	2,866,897	-	-	-	-
Other	276,679	10	-	-	-
TOTAL REVENUES	30,314,492	1,993,540	1,020	-	10,000
EXPENDITURES					
Current					
General government	6,959,957	-	-	-	-
Judicial	6,246,060	2,031,940	-	-	34,857
Public safety	8,022,213	-	8,021	-	-
Public works	425,931	-	-	-	-
Health and welfare	1,585,910	-	-	-	-
Community and economic development	913,912	-	-	-	-
TOTAL EXPENDITURES	24,153,983	2,031,940	8,021	-	34,857
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,160,509	(38,400)	(7,001)	-	(24,857)
OTHER FINANCING SOURCES (USES)					
Transfers in	2,148,126	59,162	-	-	32,000
Transfers out	(6,544,922)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(4,396,796)	59,162	-	-	32,000
NET CHANGE IN FUND BALANCES	1,763,713	20,762	(7,001)	-	7,143
Fund balances, beginning of year	9,058,102	37,609	30,279	-	972
Fund balances, end of year	\$ 10,821,815	\$ 58,371	\$ 23,278	\$ -	\$ 8,115

Courthouse Restoration	Budget Stabilization	Computers	Indigent Defense	Total Before Eliminations	Eliminations	Total
\$ -	\$ -	\$ -	\$ -	\$ 18,349,269	\$ -	\$ 18,349,269
-	-	-	-	88,184	-	88,184
-	-	-	79,740	8,325,795	-	8,325,795
-	-	-	-	2,285,750	-	2,285,750
-	-	-	-	206,208	-	206,208
342	-	15,409	-	2,882,648	-	2,882,648
-	-	-	-	276,689	-	276,689
<u>342</u>	<u>-</u>	<u>15,409</u>	<u>79,740</u>	<u>32,414,543</u>	<u>-</u>	<u>32,414,543</u>
-	-	408,162	-	7,368,119	-	7,368,119
-	-	-	389,946	8,702,803	-	8,702,803
-	-	-	-	8,030,234	-	8,030,234
-	-	-	-	425,931	-	425,931
-	-	-	-	1,585,910	-	1,585,910
-	-	-	-	913,912	-	913,912
<u>-</u>	<u>-</u>	<u>408,162</u>	<u>389,946</u>	<u>27,026,909</u>	<u>-</u>	<u>27,026,909</u>
<u>342</u>	<u>-</u>	<u>(392,753)</u>	<u>(310,206)</u>	<u>5,387,634</u>	<u>-</u>	<u>5,387,634</u>
-	715,000	500,000	317,809	3,772,097	(1,623,971)	2,148,126
-	-	-	-	(6,544,922)	1,623,971	(4,920,951)
<u>-</u>	<u>715,000</u>	<u>500,000</u>	<u>317,809</u>	<u>(2,772,825)</u>	<u>-</u>	<u>(2,772,825)</u>
342	715,000	107,247	7,603	2,614,809	-	2,614,809
5,613	1,258,430	548,672	-	10,939,677	-	10,939,677
<u>\$ 5,955</u>	<u>\$ 1,973,430</u>	<u>\$ 655,919</u>	<u>\$ 7,603</u>	<u>\$ 13,554,486</u>	<u>\$ -</u>	<u>\$ 13,554,486</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024**

	Special Revenue			
	Sheriff's Extra Voted Millage	Friend of the Court	Collection Agency	60% Justice Training
ASSETS				
Cash and cash equivalents	\$ 1,005,301	\$ 67,196	\$ 89,608	\$ -
Investments	-	-	-	-
Accounts receivable	925	80	-	-
Loans receivable	-	-	-	-
Due from other governmental units	5,863	7,276	-	8,800
Prepays	27,195	-	-	2,344
	\$ 1,039,284	\$ 74,552	\$ 89,608	\$ 11,144
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 3,839	\$ 3,738	\$ -	\$ -
Accrued liabilities	46,905	57,830	5,339	-
Due to other funds	-	-	-	2,627
Unearned revenue	-	-	-	-
	50,744	61,568	5,339	2,627
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
FUND BALANCES				
Nonspendable	27,195	-	-	2,344
Restricted	961,345	12,984	-	6,173
Committed	-	-	84,269	-
	988,540	12,984	84,269	8,517
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,039,284	\$ 74,552	\$ 89,608	\$ 11,144

Special Revenue

Central Dispatch	Dispatch Training	SCAR	Concealed Pistol Licensing	Register of Deeds Automation	Ambulance Millage	Crime Victims' Rights
\$ 2,324,660	\$ 30,512	\$ 1,962	\$ 37,056	\$ 271,284	\$ 471,333	\$ 557
-	-	-	181,642	373,969	-	-
549,808	-	-	62	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	15,490
30,868	750	-	-	12,866	-	-
<u>\$ 2,905,336</u>	<u>\$ 31,262</u>	<u>\$ 1,962</u>	<u>\$ 218,760</u>	<u>\$ 658,119</u>	<u>\$ 471,333</u>	<u>\$ 16,047</u>
\$ 19,147	\$ -	\$ -	\$ 130	\$ -	\$ -	\$ -
35,127	-	-	366	-	-	4,356
-	-	-	-	-	-	-
-	-	-	-	-	-	-
54,274	-	-	496	-	-	4,356
-	-	-	-	-	-	-
30,868	750	-	-	12,866	-	-
2,820,194	30,512	1,962	218,264	645,253	471,333	11,691
-	-	-	-	-	-	-
<u>2,851,062</u>	<u>31,262</u>	<u>1,962</u>	<u>218,264</u>	<u>658,119</u>	<u>471,333</u>	<u>11,691</u>
<u>\$ 2,905,336</u>	<u>\$ 31,262</u>	<u>\$ 1,962</u>	<u>\$ 218,760</u>	<u>\$ 658,119</u>	<u>\$ 471,333</u>	<u>\$ 16,047</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
SEPTEMBER 30, 2024**

	Special Revenue			
	Law Enforcement	Local Corrections Officers Training	Drug Law Enforcement	Sheriff Drain Work Crew
ASSETS				
Cash and cash equivalents	\$ -	\$ 46,218	\$ 166,309	\$ 17,100
Investments	-	-	-	-
Accounts receivable	151,254	-	-	-
Loans receivable	-	-	-	-
Due from other governmental units	-	-	-	-
Prepays	-	-	3,000	-
TOTAL ASSETS	\$ 151,254	\$ 46,218	\$ 169,309	\$ 17,100
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 49,757	\$ 158
Accrued liabilities	34,482	-	-	1,731
Due to other funds	99,995	-	-	-
Unearned revenue	-	-	-	-
TOTAL LIABILITIES	134,477	-	49,757	1,889
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	3,000	-
Restricted	-	46,218	116,552	-
Committed	16,777	-	-	15,211
TOTAL FUND BALANCES	16,777	46,218	119,552	15,211
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 151,254	\$ 46,218	\$ 169,309	\$ 17,100

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
SEPTEMBER 30, 2024**

	Special Revenue		Debt Service	Total
	Opioid Settlement	Parks and Recreation	Building Authority Debt - Jail	
ASSETS				
Cash and cash equivalents	\$ 748,268	\$ 53,015	\$ 588	\$ 6,845,774
Investments	-	53,424	-	662,459
Accounts receivable	2,037,619	-	-	2,739,873
Loans receivable	-	-	-	1,019,918
Due from other governmental units	-	-	-	253,361
Prepays	-	-	-	81,515
TOTAL ASSETS	\$ 2,785,887	\$ 106,439	\$ 588	\$ 11,602,900
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 216,698
Accrued liabilities	-	-	-	208,471
Due to other funds	-	-	-	102,622
Unearned revenue	-	100,000	-	130,500
TOTAL LIABILITIES	-	100,000	-	658,291
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	2,037,619	-	-	2,037,619
FUND BALANCES				
Nonspendable	-	-	-	1,101,433
Restricted	748,268	6,439	-	7,688,712
Committed	-	-	588	116,845
TOTAL FUND BALANCES	748,268	6,439	588	8,906,990
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,785,887	\$ 106,439	\$ 588	\$ 11,602,900

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue			
	Sheriff's Extra Voted Millage	Friend of the Court	Collection Agency	60% Justice Training
REVENUES				
Taxes	\$ 2,043,675	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	104,552	2,495	-	-
Charges for services	2,800	57,931	187,951	-
Fines and forfeits	-	-	-	-
Interest and rents	-	-	-	-
Other	65,723	-	-	18,330
TOTAL REVENUES	2,216,750	60,426	187,951	18,330
EXPENDITURES				
Current				
Judicial	-	2,204,803	-	12,193
Public safety	2,090,114	-	160,870	-
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and culture	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
TOTAL EXPENDITURES	2,090,114	2,204,803	160,870	12,193
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	126,636	(2,144,377)	27,081	6,137
OTHER FINANCING SOURCES (USES)				
Transfers in	14,115	2,497,549	-	2,000
Transfers out	-	(368,549)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	14,115	2,129,000	-	2,000
NET CHANGE IN FUND BALANCES	140,751	(15,377)	27,081	8,137
Fund balances, beginning of year, as previously presented	847,789	28,361	57,188	380
Adjustments to beginning fund balances	-	-	-	-
Beginning of year, as restated	847,789	28,361	57,188	380
Fund balances, end of year	\$ 988,540	\$ 12,984	\$ 84,269	\$ 8,517

Special Revenue

Central Dispatch	Dispatch Training	SCAR	Concealed Pistol Licensing	Register of Deeds Automation	Ambulance Millage	Crime Victims' Rights
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,591,367	\$ -
-	-	-	46,836	-	-	-
-	6,436	-	-	-	43,256	147,719
2,503,126	-	-	-	64,815	-	-
-	-	-	-	-	-	-
-	-	-	11,642	23,969	-	-
-	-	-	3,780	-	-	-
<u>2,503,126</u>	<u>6,436</u>	<u>-</u>	<u>62,258</u>	<u>88,784</u>	<u>3,634,623</u>	<u>147,719</u>
-	-	-	-	-	-	147,719
1,629,491	15,800	-	35,641	-	-	-
-	-	-	-	-	3,442,551	-
-	-	-	-	47,406	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,629,491</u>	<u>15,800</u>	<u>-</u>	<u>35,641</u>	<u>47,406</u>	<u>3,442,551</u>	<u>147,719</u>
<u>873,635</u>	<u>(9,364)</u>	<u>-</u>	<u>26,617</u>	<u>41,378</u>	<u>192,072</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
873,635	(9,364)	-	26,617	41,378	192,072	-
1,977,427	40,626	1,962	191,647	616,741	279,261	11,691
-	-	-	-	-	-	-
<u>1,977,427</u>	<u>40,626</u>	<u>1,962</u>	<u>191,647</u>	<u>616,741</u>	<u>279,261</u>	<u>11,691</u>
<u>\$ 2,851,062</u>	<u>\$ 31,262</u>	<u>\$ 1,962</u>	<u>\$ 218,264</u>	<u>\$ 658,119</u>	<u>\$ 471,333</u>	<u>\$ 11,691</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (continued)
YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue			
	Law Enforcement	Local Corrections Officers Training	Drug Law Enforcement	Sheriff Drain Work Crew
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	1,354,522	11,203	-	34,728
Fines and forfeits	-	-	2,047	-
Interest and rents	-	-	-	-
Other	-	-	3,327	-
TOTAL REVENUES	<u>1,354,522</u>	<u>11,203</u>	<u>5,374</u>	<u>34,728</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	1,368,445	7,801	16,950	47,975
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Recreation and culture	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
TOTAL EXPENDITURES	<u>1,368,445</u>	<u>7,801</u>	<u>16,950</u>	<u>47,975</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(13,923)</u>	<u>3,402</u>	<u>(11,576)</u>	<u>(13,247)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	28,591	-	-	20,000
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>28,591</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCES	14,668	3,402	(11,576)	6,753
Fund balances, beginning of year, as previously presented	2,109	42,816	131,128	8,458
Adjustments to beginning fund balances	-	-	-	-
Beginning of year, as restated	<u>2,109</u>	<u>42,816</u>	<u>131,128</u>	<u>8,458</u>
Fund balances, end of year	<u>\$ 16,777</u>	<u>\$ 46,218</u>	<u>\$ 119,552</u>	<u>\$ 15,211</u>

Special Revenue

Social Welfare	Veterans' Relief	Entergy Stipend	Housing Program Income	Child Care	Family Counseling	MCOLES CPE
\$ -	\$ 381,059	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	11,867	-	-	1,174,866	-	-
-	-	-	-	8,647	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3,424	-
-	-	20,000	-	-	7,587	-
-	392,926	20,000	-	1,183,513	11,011	-
-	-	-	-	-	10,941	-
-	-	-	-	-	-	-
7,093	188,462	-	-	1,680,943	-	-
-	-	-	23,070	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,093	188,462	-	23,070	1,680,943	10,941	-
(7,093)	204,464	20,000	(23,070)	(497,430)	70	-
-	-	-	-	555,000	-	-
-	-	-	-	-	-	-
-	-	-	-	555,000	-	-
(7,093)	204,464	20,000	(23,070)	57,570	70	-
39,894	688,587	247,987	2,007,974	144,535	78,142	-
-	-	-	(843,126)	-	-	-
39,894	688,587	247,987	1,164,848	144,535	78,142	-
<u>\$ 32,801</u>	<u>\$ 893,051</u>	<u>\$ 267,987</u>	<u>\$ 1,141,778</u>	<u>\$ 202,105</u>	<u>\$ 78,212</u>	<u>\$ -</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (continued)
YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue		Debt Service	Formerly Nonmajor Capital Project	Total
	Opioid Settlement	Parks and Recreation	Building Authority Debt - Jail	Public Improvement	
REVENUES					
Taxes	\$ -	\$ -	\$ -		\$ 6,016,101
Licenses and permits	-	-	-		46,836
Intergovernmental	-	-	-		1,491,191
Charges for services	-	-	-		4,225,723
Fines and forfeits	-	-	-		2,047
Interest and rents	-	3,424	-		42,459
Other	478,259	-	-		597,006
TOTAL REVENUES	478,259	3,424	-		12,421,363
EXPENDITURES					
Current					
Judicial	-	-	-		2,375,656
Public safety	-	-	-		5,373,087
Health and welfare	30,339	-	-		5,349,388
Community and economic development	-	-	-		70,476
Recreation and culture	-	6,985	-		6,985
Debt service					
Principal	-	-	235,000		235,000
Interest and fiscal charges	-	-	118,912		118,912
TOTAL EXPENDITURES	30,339	6,985	353,912		13,529,504
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	447,920	(3,561)	(353,912)		(1,108,141)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	10,000	354,000		3,481,255
Transfers out	-	-	-		(368,549)
TOTAL OTHER FINANCING SOURCES (USES)	-	10,000	354,000		3,112,706
NET CHANGE IN FUND BALANCES	447,920	6,439	88		2,004,565
Fund balances, beginning of year, as previously presented	300,348	-	500	3,313,092	11,058,643
Adjustments to beginning fund balances	-	-	-	(3,313,092)	(4,156,218)
Beginning of year, as restated	300,348	-	500		6,902,425
Fund balances, end of year	\$ 748,268	\$ 6,439	\$ 588		\$ 8,906,990

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Computer Mapping	Jail Commissary	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,021	\$ 775,936	\$ 777,957
Accounts receivable	40	-	40
TOTAL ASSETS	2,061	775,936	777,997
LIABILITIES			
Current liabilities			
Accounts payable	-	58	58
NET POSITION			
Unrestricted	\$ 2,061	\$ 775,878	\$ 777,939

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2024**

	Computer Mapping	Jail Commissary	Total
OPERATING REVENUES			
Charges for services	\$ 2,770	\$ 244,773	\$ 247,543
OPERATING EXPENSES			
Operating supplies	-	26,023	26,023
Contractual services	49,427	-	49,427
TOTAL OPERATING EXPENSES	<u>49,427</u>	<u>26,023</u>	<u>75,450</u>
OPERATING INCOME (LOSS)	(46,657)	218,750	172,093
NONOPERATING REVENUES			
Intergovernmental	20,000	-	20,000
INCOME (LOSS) BEFORE TRANSFERS	(26,657)	218,750	192,093
TRANSFERS			
Transfers in	28,300	-	28,300
CHANGE IN NET POSITION	1,643	218,750	220,393
Net position, beginning of year	<u>418</u>	<u>557,128</u>	<u>557,546</u>
Net position, end of year	<u>\$ 2,061</u>	<u>\$ 775,878</u>	<u>\$ 777,939</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2024**

	Computer Mapping	Jail Commissary	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 2,842	\$ 244,773	\$ 247,615
Cash paid to suppliers	(5,697)	(78,041)	(83,738)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(2,855)	166,732	163,877
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental sources	20,000	-	20,000
Transfers in	28,300	-	28,300
Payments to other funds	(43,424)	-	(43,424)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	4,876	-	4,876
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,021	166,732	168,753
Cash and cash equivalents, beginning of year	-	609,204	609,204
Cash and cash equivalents, end of year	\$ 2,021	\$ 775,936	\$ 777,957
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (46,657)	\$ 218,750	\$ 172,093
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Decrease in:			
Accounts receivable	72	-	72
Prepays	49,428	-	49,428
(Decrease) in:			
Accounts payable	(5,698)	(52,018)	(57,716)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (2,855)	\$ 166,732	\$ 163,877

**VAN BUREN COUNTY, MICHIGAN
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024**

	General Custodial	Inmate Custodial	Current Tax Collection Custodial	District Court Custodial	Total
ASSETS					
Cash and cash equivalents	\$ 1,079,568	\$ 19,090	\$ 10,967,109	\$ 241,004	\$ 12,306,771
LIABILITIES					
Undistributed tax collections payable	-	-	10,967,109	-	10,967,109
Due to other governmental units	344,926	-	-	-	344,926
Due to individuals and agencies	656,926	-	-	241,004	897,930
TOTAL LIABILITIES	1,001,852	-	10,967,109	241,004	12,209,965
NET POSITION					
Restricted for individuals, organizations, and other governmental units	\$ 77,716	\$ 19,090	\$ -	\$ -	\$ 96,806

**VAN BUREN COUNTY, MICHIGAN
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2024**

	General Custodial	Inmate Custodial	Current Tax Collection Custodial	District Court Custodial	Total
ADDITIONS					
Property tax collections for other governmental units	\$ -	\$ -	\$ 21,886,275	\$ -	\$ 21,886,275
Collections for other governmental units	4,857,544	-	-	-	4,857,544
Collections for individual and agencies	1,208,363	760,381	-	2,499,880	4,468,624
TOTAL ADDITIONS	6,065,907	760,381	21,886,275	2,499,880	31,212,443
DEDUCTIONS					
Property tax distributions to other governmental units	-	-	21,886,275	-	21,886,275
Distributions to other governmental units	4,857,544	-	-	-	4,857,544
Distributions to individuals and agencies	1,382,890	784,455	-	2,499,880	4,667,225
TOTAL DEDUCTIONS	6,240,434	784,455	21,886,275	2,499,880	31,411,044
NET CHANGE IN FIDUCIARY NET POSITION	(174,527)	(24,074)	-	-	(198,601)
Net position, beginning of year	252,243	43,164	-	-	295,407
Net position, end of year	<u>\$ 77,716</u>	<u>\$ 19,090</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,806</u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED SEPTEMBER 30, 2024**

Federal and State Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant No./ Authorization Number	Program Award Amount	Current Year's Expenditures			Prior Years' Expenditures	Award Amount Remaining
				Total	Federal	State		
U.S. DEPARTMENT OF TRANSPORTATION								
Passed Through Michigan Department of Transportation								
Formula Grants for Other than Urbanized Areas	20.509							
Operating Assistance - Section 5311 (FY 24)		MI-2024-001/2022-0144/P6	\$ 402,393	\$ 402,393	\$ 402,393	\$ -	\$ -	\$ -
Capital Assistance - Section 5311 (FY 21)		MI-2023-033/2022-0144/P5	339,900	-	-	-	-	339,900
Capital Assistance - Section 5311 (FY 21)		MI-2021-049/2017-0136/P15	142,167	142,167	102,500	39,667	-	-
Capital Assistance - Section 5311 (FY 20)		MI-2018-034-03/2017-0136/P13	468,750	48,320	38,656	9,664	-	420,430
Capital Assistance - Section 5311 (FY 20)		MI-2018-034-02/2017-0136/P9/R1	186,549	186,549	149,239	37,310	-	-
Rural Transit Assistance Program (RTAP)		N/A	5,501	5,501	5,501	-	-	-
			<u>1,545,260</u>	<u>784,930</u>	<u>698,289</u>	<u>86,641</u>	<u>-</u>	<u>760,330</u>
Federal Transit Cluster								
Bus and Bus Facilities Formula & Discretionary Programs	20.526							
Section 5339 (80/20)		MI-2020-034-00/2017-0136/P8/R1	312,084	312,084	249,667	62,417	-	-
Section 5339 (80/20)		2020-034-01/2017-0136/P14	115,867	115,867	87,077	28,790	-	-
Section 5339 (80/20)		MI-2018-009-02/2017-0136/P12	217,200	217,200	162,526	54,674	-	-
Section 5339 (80/20)		MI-2020-034-03/2022-0144/P4	173,397	-	-	-	-	173,397
			<u>818,548</u>	<u>645,151</u>	<u>499,270</u>	<u>145,881</u>	<u>-</u>	<u>173,397</u>
MICHIGAN DEPARTMENT OF TRANSPORTATION								
Operating Assistance - Act 51								
Operating Assistance (FY 24)								
Nonurban		N/A	1,059,309	1,059,309	-	1,059,309	-	-
Capital Assistance								
Capital Assistance (FY 24)		2022-0144/P2	378,027	378,027	-	378,027	-	-
			<u>1,437,336</u>	<u>1,437,336</u>	<u>-</u>	<u>1,437,336</u>	<u>-</u>	<u>-</u>
TOTALS			<u>\$ 3,801,144</u>	<u>\$ 2,867,417</u>	<u>\$ 1,197,559</u>	<u>\$ 1,669,858</u>	<u>\$ -</u>	<u>\$ 933,727</u>

^(a) The total State revenue on the Statement of Revenues, Expenses, and Changes in Net Position is higher than total State revenue on the Schedule of Expenditures of Federal and State Awards due to receipt in the current year of additional operating dollars received for prior fiscal years (\$34,001).

^(b) The total Federal revenue on the Statement of Revenues, Expenses, and Changes in Net Position is higher than total Federal revenue on the Schedule of Expenditures of Federal and State Awards due to receipt in the current year of additional operating dollars received for prior fiscal years (\$28,945).

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE REVENUE REPORT (OAR SCHEDULE 4R)
YEAR ENDED SEPTEMBER 30, 2024**

Code	Description	Amount
401	Fare box revenue	
40100	Passenger fares	\$ 135,720
407	Nontransportation revenue	
40760	Gains from the sale of capital assets	4,078
408	Local revenue	
40800	Taxes levied directly for/by transit agency	941,835
40800	Local Community Stabilization Share	29,316
409	Local revenue	
40910	Local operating assistance	39,620
411	State formula and contracts	
41101	State operating assistance	1,059,309
413	Federal contracts	
41301	Section 5311 Operating	402,393
41398	RTAP	5,501
414	Other revenue	
41400	Interest income	98,214
440	Other revenue	
44000	Refunds and credits	198
TOTAL NONURBAN SERVICE REVENUE		\$ 2,716,184

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE EXPENSE REPORT (OAR SCHEDULE 4E)
YEAR ENDED SEPTEMBER 30, 2024**

Code	Description	Total
501	Labor	
50101	Operator's salaries and wages	\$ 772,194
50102	Other salaries and wages	382,363
50103	Dispatcher's salaries and wages	222,569
502	Fringe benefits	
50200	Fringe benefits	606,505
50210	DC Pensions	9,668
50220	DB Pensions	117,344
503	Services	
50302	Advertising fees	14,302
50305	Audit cost	12,800
50399	Other services	100,475
504	Materials and supplies	
50401	Fuel and lubricants	213,597
50402	Tires and tubes	15,959
50404	Major purchases	3,568
50499	Other materials and supplies	41,907
505	Utilities	
50500	Utilities	28,545
506	Insurance	
50603	Liability insurance	39,413
507	Taxes & Fees	
50700	Taxes & Fees	157
509	Miscellaneous expenses	
50902	Travel, meetings, and training	11,812
50903	Association dues and subscriptions	3,897
50999	Other miscellaneous expenses	780
513	Depreciation	
51300	Depreciation	277,032
540	Less ineligible expenses	
54000	Ineligible refunds and credits	198
550	Less ineligible expenses	
55007	Ineligible depreciation	186,404
55008	Other ineligible expenses	780
55009	Ineligible percent of association dues	297
574	Less ineligible expenses	
57402	Ineligible RTAP	5,501
580	Less ineligible expenses	
58020	Ineligible DB pensions	<u>53,103</u>
	Total expenses	2,874,887
	Total ineligible expenses	<u>246,283</u>
	Total eligible expenses	<u>\$ 2,628,604</u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE NONFINANCIAL REPORT (OAR SCHEDULE 4N) (UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2024**

PUBLIC SERVICE

<u>Code</u>	<u>Description</u>	<u>Total</u>
611	Vehicle Miles ⁽¹⁾	517,716

⁽¹⁾ The methodology used for compiling mileage has been reviewed and found to be an adequate and reliable method for recording vehicle mileage.

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
OPERATING ASSISTANCE CALCULATION
YEAR ENDED SEPTEMBER 30, 2024**

	Nonurban
Total expenses	\$ 2,874,887
Less ineligible expenses	
Prior year refunds and credits	198
RTAP	5,501
Depreciation	186,404
Association dues	297
DB pensions	53,103
Other ineligible expenses	780
Total ineligible expenses per R&E manual	246,283
TOTAL ELIGIBLE EXPENSES	\$ 2,628,604
Eligible expenses for State reimbursement	\$ 2,628,604
x Reimbursement percentage	0.402993
State operating assistance	\$ 1,059,309
Eligible expenses for Federal reimbursement	\$ 2,628,604
x Reimbursement percentage	0.180000 ⁽¹⁾
Federal section 5311 operating assistance	\$ 402,393

(1) Reimbursement is 18% of eligible expenses, not to exceed \$402,393.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING BALANCE SHEET - DRAINAGE DISTRICT
 SEPTEMBER 30, 2024**

	Capital Projects				Total
	Drain	Drain Revolving	Maintenance Revolving	Lake Level	
ASSETS					
Cash and cash equivalents	\$ 164,927	\$ 254,058	\$ 102,990	\$ 4,741	\$ 526,716
Special assessments receivable	2,490,860	-	-	-	2,490,860
Prepaid expenditures	2,781	-	-	-	2,781
TOTAL ASSETS	\$ 2,658,568	\$ 254,058	\$ 102,990	\$ 4,741	\$ 3,020,357
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 35,508	\$ -	\$ -	\$ 1,374	\$ 36,882
Advances from other governmental units	-	180,000	100,000	-	280,000
TOTAL LIABILITIES	35,508	180,000	100,000	1,374	316,882
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	2,490,860	-	-	-	2,490,860
FUND BALANCES					
Nonspendable	2,781	-	-	-	2,781
Restricted for capital projects	-	74,058	2,990	-	77,048
Unassigned	129,419	-	-	3,367	132,786
TOTAL FUND BALANCES	132,200	74,058	2,990	3,367	212,615
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,658,568	\$ 254,058	\$ 102,990	\$ 4,741	\$ 3,020,357

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE COMBINING BALANCE SHEET TO THE
 STATEMENT OF NET POSITION - DRAINAGE DISTRICT
 SEPTEMBER 30, 2024**

Total fund balances - governmental funds \$ 212,615

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

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

The cost of capital assets is	\$ 6,318,703	
Accumulated depreciation is	<u>(3,274,205)</u>	

Capital assets, net		3,044,498
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Various amounts due for special assessments are not expected to be collected within 60 days of year end are not available to pay for current expenditures.		2,490,860
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Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Notes payable	(2,129,401)	
Accrued interest payable	<u>(40,495)</u>	

(2,169,896)

Net position of governmental activities

\$ 3,578,077

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - DRAINAGE DISTRICT
 YEAR ENDED SEPTEMBER 30, 2024**

	Capital Projects				Total
	Drain	Drain Revolving	Maintenance Revolving	Lake Level	
REVENUES					
Other					
Special assessments	\$ 665,509	\$ -	\$ -	\$ 6,809	\$ 672,318
Miscellaneous	165,124	-	-	-	165,124
TOTAL REVENUES	830,633	-	-	6,809	837,442
EXPENDITURES					
Current					
Public works	907,560	-	-	27,657	935,217
Debt service					
Principal	343,088	-	-	-	343,088
Interest and fiscal charges	39,775	-	-	-	39,775
TOTAL EXPENDITURES	1,290,423	-	-	27,657	1,318,080
NET CHANGE IN FUND BALANCES	(459,790)	-	-	(20,848)	(480,638)
Fund balances, beginning of year	591,990	74,058	2,990	24,215	693,253
Fund balances, end of year	<u>\$ 132,200</u>	<u>\$ 74,058</u>	<u>\$ 2,990</u>	<u>\$ 3,367</u>	<u>\$ 212,615</u>

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES - DRAINAGE DISTRICT
 YEAR ENDED SEPTEMBER 30, 2024**

Net change in fund balances - total governmental funds \$ (480,638)

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 154,550	
Depreciation expense	<u>(253,782)</u>	
Excess of depreciation expense over capital outlay		(99,232)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. In the current period, these amounts consist of:

Increase in unavailable revenue	21,072
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Repayment of long-term debt and borrowing of long-term debt is reported as expenditures and other financing sources in governmental funds, but the repayment reduces long-term liabilities and the borrowings increase long-term liabilities in the statement of net position. In the current period, these amounts consist of:

Note principal retirement	343,088
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Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

(Increase) in accrued interest payable	<u>(20,418)</u>
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Change in net position of governmental activities \$ (236,128)

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 BALANCE SHEET - DEPARTMENT OF PUBLIC WORKS
 SEPTEMBER 30, 2024**

	Debt Service
ASSETS	
Cash and cash equivalents	\$ -
LIABILITIES	\$ -
FUND BALANCE	
Restricted for debt service	-
TOTAL LIABILITIES AND FUND BALANCE	\$ -

Note: Reconciliation of the governmental fund balance sheet to the statement of net position for this component unit is not required as the fund balance was equal to the net position as of September 30, 2024.

VAN BUREN COUNTY, MICHIGAN
COMPONENT UNIT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - DEPARTMENT OF PUBLIC WORKS
YEAR ENDED SEPTEMBER 30, 2024

	<u>Debt Service</u>
REVENUES	
Intergovernmental - local	<u>\$ 684,063</u>
EXPENDITURES	
Debt service	
Principal	670,000
Interest and fiscal charges	<u>15,576</u>
TOTAL EXPENDITURES	<u>685,576</u>
NET CHANGE IN FUND BALANCE	(1,513)
Fund balance, beginning of year	<u>1,513</u>
Fund balance, end of year	<u><u>\$ -</u></u>

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
 STATEMENT OF ACTIVITIES - DEPARTMENT OF PUBLIC WORKS
 YEAR ENDED SEPTEMBER 30, 2024**

Net change in fund balance - governmental fund \$ (1,513)

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

Repayment of long-term debt and borrowing of long-term debt is reported as expenditures and other financing sources in governmental funds, but the repayment reduces long-term liabilities and the borrowings increase long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the current period, these amounts consist of:

Bond principal retirement	\$ 670,000	
Amortization of deferred charge	(36,817)	
Amortization of bond premium	22,043	
Contract proceeds	<u>(673,512)</u>	
		(18,286)

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

Decrease in accrued interest payable		<u>5,025</u>
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Change in net position of governmental activities \$ (14,774)

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 BALANCE SHEET - ECONOMIC DEVELOPMENT CORPORATION
 SEPTEMBER 30, 2024**

	Special Revenue
ASSETS	
Cash and cash equivalents	\$ 665,688
Investments	53,424
Loans receivable, net	101,547
Interest receivable	57,086
TOTAL ASSETS	\$ 877,745
LIABILITIES	
Accounts payable	\$ 31,280
FUND BALANCE	
Nonspendable	101,547
Restricted	744,918
TOTAL FUND BALANCE	846,465
TOTAL LIABILITIES AND FUND BALANCE	\$ 877,745

Note: Reconciliation of the governmental fund balance sheet to the statement of net position for this component unit is not required as the fund balance was equal to the net position as of September 30, 2024.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - ECONOMIC DEVELOPMENT CORPORATION
 YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue
REVENUES	
Interest	\$ 49,974
Other	9,769
TOTAL REVENUES	59,743
EXPENDITURES	
Current	
Community and economic development	264,740
NET CHANGE IN FUND BALANCE	(204,997)
Fund balance, beginning of year	1,051,462
Fund balance, end of year	\$ 846,465

Note: Reconciliation of the statement of revenues, expenditures, and changes in fund balance of this component unit's governmental fund to the statement of activities is not required as the net change in fund balance of the governmental fund was equal to the change in net position for the year ended September 30, 2024.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 BALANCE SHEET - BROWNFIELD REDEVELOPMENT AUTHORITY
 SEPTEMBER 30, 2024**

	Special Revenue
ASSETS	
Cash and cash equivalents	\$ 303,452
Loans receivable	28,877
TOTAL ASSETS	\$ 332,329
LIABILITIES	
Accounts payable	\$ 4,971
Due to other governmental units	1,768
TOTAL LIABILITIES	6,739
FUND BALANCE	
Nonspendable	28,877
Unassigned	296,713
TOTAL FUND BALANCE	325,590
TOTAL LIABILITIES AND FUND BALANCE	\$ 332,329

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNIT FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF
NET POSITION - BROWNFIELD REDEVELOPMENT AUTHORITY
SEPTEMBER 30, 2024**

Total fund balance - governmental fund \$ 325,590

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

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the fund. Long-term liabilities at year-end consist of:

Loans payable	(72,280)
Net position of governmental activities	\$ 253,310

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BROWNFIELD REDEVELOPMENT AUTHORITY
 YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue
REVENUES	
Taxes	\$ 49,266
Charges for services	3,873
Interest	1,586
TOTAL REVENUES	54,725
EXPENDITURES	
Current	
Community and economic development	23,939
Debt service	
Principal	21,051
Interest and fiscal charges	1,401
TOTAL EXPENDITURES	46,391
NET CHANGE IN FUND BALANCE	8,334
Fund balance, beginning of year	317,256
Fund balance, end of year	\$ 325,590

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
 STATEMENT OF ACTIVITIES - BROWNFIELD REDEVELOPMENT AUTHORITY
 YEAR ENDED SEPTEMBER 30, 2024**

Net change in fund balance - governmental fund	\$	8,334
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Amounts reported for governmental activities in the statement of activities are different because:

Repayment of long-term debt and borrowing of long-term debt is reported as expenditures and other financing sources in governmental fund, but the repayment reduces long-term liabilities and the borrowings increase long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the current period, these amounts consist of:

Loan principal retirement of long-term debt		<u>21,051</u>
Change in net position of governmental activities	\$	<u><u>29,385</u></u>

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 BALANCE SHEET - LAND BANK AUTHORITY
 SEPTEMBER 30, 2024**

	Special Revenue
ASSETS	
Cash and cash equivalents	\$ 8,328
Due from other governmental units	20,518
TOTAL ASSETS	\$ 28,846
LIABILITIES	
Accounts payable	\$ 4,441
FUND BALANCE	
Unassigned	24,405
TOTAL LIABILITIES AND FUND BALANCE	\$ 28,846

Note: Reconciliation of the governmental fund balance sheet to the statement of net position for this component unit is not required as the fund balance was equal to the net position as of September 30, 2024.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - LAND BANK AUTHORITY
 YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue
REVENUES	
Intergovernmental	\$ 54,077
EXPENDITURES	
Current	
Community and economic development	30,299
NET CHANGE IN FUND BALANCE	23,778
Fund balance, beginning of year	627
Fund balance, end of year	\$ 24,405

Note: Reconciliation of the statement of revenues, expenditures, and changes in fund balance of this component unit's governmental fund to the statement of activities is not required as the net change in fund balance of the governmental fund was equal to the change in net position for the year ended September 30, 2024.