

VAN BUREN COUNTY, MICHIGAN
REPORT ON FINANCIAL STATEMENTS
(with required and other
supplementary information)
YEAR ENDED SEPTEMBER 30, 2021

VAN BUREN COUNTY, MICHIGAN

SEPTEMBER 30, 2021

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Mike Chappell	Vice-Chairperson
Kurt Doroh	Commissioner
Gail Patterson-Gladney	Commissioner
Randall Peat	Commissioner
Donald Hanson	Commissioner
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Suzie Roehm	Clerk
Paul DeYoung	Register of Deeds
Joe Parman	Drain Commissioner
Susan Zuiderveen	Prosecuting Attorney
Daniel Abbott	Sheriff

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Van Buren County, Michigan (the County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Van Buren County Road Commission, which represents 90%, 94%, and 97%, 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. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Emphasis of Matter - Change in Accounting Principle

As discussed in Notes 11 and 21 to the financial statements, the County implemented Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, in the current year. Our opinions are not modified with respect to this matter.

Opinions

In our opinion, based on our audit and the report 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, Michigan, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County'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.

The Nonurban Regular Service Nonfinancial Report, as identified in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2022, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Maney Costeiran PC

April 22, 2022

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, 2021. 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 and the Van Buren County Transit. The reader should refer to the Road Commission's and Transit's separately issued financial statements for more detailed information.

FINANCIAL HIGHLIGHTS

Government-wide

- Total net position as of September 30, 2021, was \$37,216,132 (excluding component units).
- Governmental activities net position was \$16,977,806.
- Business-type activities net position was \$20,238,326.
- Component Unit net position was \$83,844,369.

Fund Level

- At the close of the fiscal year, the County's governmental funds reported a total ending fund balance of \$17,131,065 with \$2,568,197 being nonspendable.
- The General Fund realized \$1,355,603 more in revenues and other financing sources than anticipated for the fiscal year. General Fund operations also expended \$1,542,428 less than appropriated.
- Overall, the General Fund fund balance increased by \$1,671,931 to \$9,223,983 with \$7,112,791 unassigned or available for general purposes.

Capital and Long-term Debt Activities

- The governmental activities and business-type activities of the primary government had an increase of \$1,678,7793 and \$82,557 in capital assets, respectively, during the fiscal year.
- Business-type activities of the primary government issued \$5,500,000 of delinquent tax notes during the fiscal year.
- The total long-term debt for the primary government was \$12,214,609, with a net decrease of \$393,780 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 13) 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 14) 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. Five organizations are included as component units: The Van Buren County Road Commission, Drainage Districts, Department of Public Works, the Economic Development Corporation, and the Brownfield Redevelopment 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 16 and 18 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.

In addition, it should be noted that the government-wide financial statements include the net value of the County's general capital assets such as buildings, land, cars, computer equipment, etc. These values are not included in the fund financial statements.

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

The fund financial statements, which begin on page 15, 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 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 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 27 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 a budgetary comparison schedule for the General Fund 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 \$37,216,132 at the end of this fiscal year's operations. The net position of the governmental activities was \$16,977,806; the business-type activities was \$20,238,326.

Net Position as of September 30, 2021 and 2020

	Governmental Activities 2021	Governmental Activities 2020	Business-type Activities 2021	Business-type Activities 2020	Total Primary Government 2021	Total Primary Government 2020
ASSETS						
Current and other assets	\$ 30,200,523	\$ 23,841,538	\$ 28,779,684	\$ 25,576,831	\$ 58,980,207	\$ 49,418,369
Capital assets	20,794,553	19,115,774	937,331	854,774	21,731,884	19,970,548
TOTAL ASSETS	\$ 50,995,076	\$ 42,957,312	\$ 29,717,015	\$ 26,431,605	\$ 80,712,091	\$ 69,388,917
DEFERRED OUTFLOWS OF RESOURCES	\$ 3,449,241	\$ 2,853,792	\$ 113,294	\$ 88,718	\$ 3,562,535	\$ 2,942,510
LIABILITIES						
Current liabilities	\$ 11,815,563	\$ 4,881,911	\$ 5,263,364	\$ 3,534,424	\$ 17,078,927	\$ 8,416,335
Noncurrent liabilities	23,404,195	23,800,582	4,281,755	4,460,897	27,685,950	28,261,479
TOTAL LIABILITIES	\$ 35,219,758	\$ 28,682,493	\$ 9,545,119	\$ 7,995,321	\$ 44,764,877	\$ 36,677,814
DEFERRED INFLOWS OF RESOURCES	\$ 2,246,753	\$ 567,869	\$ 46,864	\$ 31,131	\$ 2,293,617	\$ 599,000
NET POSITION						
Net investment in capital assets	\$ 16,699,553	\$ 14,800,774	\$ 937,331	\$ 854,774	\$ 17,636,884	\$ 15,655,548
Restricted	7,582,541	8,143,575	60,012	68,144	7,642,553	8,211,719
Unrestricted	(7,304,288)	(6,383,607)	19,240,983	17,570,953	11,936,695	11,187,346
TOTAL NET POSITION	\$ 16,977,806	\$ 16,560,742	\$ 20,238,326	\$ 18,493,871	\$ 37,216,132	\$ 35,054,613

Changes in Net Position for the Fiscal Years Ended September 30, 2021 and 2020

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 2021	Governmental Activities 2020	Business-type Activities 2021	Business-type Activities 2020	Total 2021	Total 2020
REVENUES						
Charges for Services	\$ 6,941,804	\$ 5,533,271	\$ 2,271,186	\$ 1,725,416	\$ 9,212,990	\$ 7,258,687
Grants and Contributions	7,513,336	7,489,866	1,832,481	1,584,049	9,345,817	9,073,915
General Revenues						
Property Taxes	20,489,312	19,794,089	821,191	805,322	21,310,503	20,599,411
State Revenues	1,608,295	1,231,850	-	-	1,608,295	1,231,850
Investment Earnings	76,047	310,810	20,782	35,544	96,829	346,354
Gain on equipment disposal	-	-	10,138	2,850	10,138	2,850
Miscellaneous	240,818	200,179	13,536	31,583	254,354	231,762
Transfers	353,103	351,543	(353,103)	(351,543)	-	-
TOTAL REVENUES	37,222,715	34,911,608	4,616,211	3,833,221	41,838,926	38,744,829
EXPENSES						
General Government	6,256,858	7,255,789	-	-	6,256,858	7,255,789
Judicial	9,201,728	9,246,739	-	-	9,201,728	9,246,739
Public Safety	13,150,704	11,818,783	-	-	13,150,704	11,818,783
Public Works	438,999	388,014	-	-	438,999	388,014
Health and Welfare	6,844,750	6,394,438	-	-	6,844,750	6,394,438
Community and Econ. Dev.	779,509	708,198	-	-	779,509	708,198
Interest and Long Term Debt	133,103	136,543	-	-	133,103	136,543
Other	-	-	2,871,756	3,225,411	2,871,756	3,225,411
TOTAL EXPENSES	36,805,651	35,948,504	2,871,756	3,225,411	39,677,407	39,173,915
Change in Net Position	\$ 417,064	\$ (1,036,896)	\$ 1,744,455	\$ 607,810	\$ 2,161,519	\$ (429,086)

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

Governmental Activities

The result of 2021 governmental activity was an increase of \$417,064 in net position to \$16,977,806. Of the total governmental activities' net position, \$16,699,553 is invested in capital assets less related debt, \$7,582,541 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 (\$7,304,288) is listed as unrestricted, having no legal commitment.

Revenues

The three largest revenue categories for governmental activities were property taxes at 55%, grants and contributions at 20%, and charges for services at 19%. The County levied property tax millages for revenue in 2021, including levies for general government operations at 4.4566 mills, which is not assigned to any particular activity, ambulance services at .9370 mills, public safety at .5332 mills, public transit at .2471 mills, roads at .9769 mills, conservation district at .0996 mills, and veterans' relief at .1000 mills. Charges for services increased by \$1,408,533, or 25% during the year, primarily due to an increase in court related charges and inmate lodging.

Expenses

Public safety is the largest area, expending 36% of total governmental activities expenses and includes expenses on Sheriff, Sheriff Road Patrol, Emergency Services, Jail, and Animal Control. Judicial is the second largest governmental activity, expending 25%, and includes various court activities. Public safety and health and welfare expenses increased \$1,331,921 and \$450,312, respectively, during the year primarily due to increases in operating expenditures related to ambulance and child care services.

Business-type Activities

Net position of business-type activities increased by \$1,744,455 during 2021.

Of the total business-type activities net position, \$19,240,983 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 Board of Commissioners action to be spent on General Fund activities and self-funding of delinquent tax payments in future years.

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

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As the County completed 2021, its governmental funds reported *combined* fund balances of \$17,131,065, a net increase of \$1,241,007. The net changes are summarized in the following chart:

	General Fund	ARPA Grant Fund	Nonmajor Governmental Funds
Fund Balance 9/30/20	\$ 7,552,052	\$ -	\$ 8,338,006
Fund Balance 9/30/21	9,223,983	392	7,906,690
Net Change	1,671,931	392	(431,316)

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, 2021, the General Fund reported a fund balance of \$9,223,983. Of the total fund balance, \$577,343 is nonspendable; \$77,989 is restricted, \$1,258,430 is committed; and \$197,430 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.

Actual General Fund revenue and other financing sources totaled \$26,440,805; \$1,460,714 over the final amended budget. There were some wide variations in individual revenue accounts reflecting the tightening national and local economy. Property taxes were \$2,058,271 more than budgeted amounts while intergovernmental revenue and charges for services were under budgeted amounts by \$236,251 and \$255,326, respectively.

The County's General Fund total expenditures and other financing uses budget was increased by \$1,403,219 (approximately 6% above the original budget) during 2021.

Actual County expenditures for 2021 were \$1,542,428, below budget. Overall, General Government was approximately \$531,637 under budget due to favorable variances related to building and grounds and general services. Public safety was under budget by \$440,649, due to favorable variances in the jail.

ARPA Grant Fund

The ARPA Grant Fund was established during the year to account for restricted resources received from the American Rescue Plan Act. At September 30, 2021 the ending fund balance was \$392 reflecting investment earnings. No grant funds were earned during the year.

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

CAPITAL ASSETS ADMINISTRATION

Capital Assets - At the end of Fiscal Year 2021, the County had invested \$20,794,553 for governmental activities and \$937,331 for business-type activities, net of accumulated depreciation, in a broad range of capital assets (see table below). Accumulated depreciation was \$22,871,250 for the governmental activities and \$2,231,593, for the business-type activities. Depreciation charges for the fiscal year totaled \$1,259,937 for the governmental activities and \$232,456 for the business-type activities. Additional information on Van Buren County's capital assets can be found in Note 6 on pages 42-44 of this report.

	Governmental Activities	Business-type Activities	Total
Land	\$ 1,934,119	\$ 67,229	\$ 2,001,348
Construction in progress	1,562,022	-	1,562,022
Land Improvements, net	230,452	203,463	433,915
Buildings, net	14,903,203	20,019	14,923,222
Equipment, net	2,164,757	62,652	2,227,409
Vehicles, net	-	583,968	583,968
	<u>\$ 20,794,553</u>	<u>\$ 937,331</u>	<u>\$ 21,731,884</u>

LONG-TERM DEBT

At the end of the 2021 fiscal year, Van Buren County had net outstanding debt of \$12,214,609. During the year, the County paid down the 2020 and 2019 Delinquent Tax Notes in the amounts of \$2,478,000 and \$1,785,497, respectively, and issued 2021 Delinquent Tax Notes in the amount of \$5,500,000. Additional information on Van Buren County's long-term debt can be found in Note 7 on pages 45-50 of this report.

VAN BUREN COUNTY GOVERNMENT ECONOMIC OUTLOOK:

- The County will continue to look for ways to increase operating revenues and reduce operating expenditures due to the projected future loss of property taxes from the closure of the Palisades Nuclear Plant.
- We believe property taxes will increase slightly over the next couple of years. After that time, we expect property taxes to decrease over time based on the expected closure of the Palisades Nuclear Plant.

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, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 17,539,634	\$ 14,002,991	\$ 31,542,625	\$ 7,946,288
Investments	6,025,842	1,114,309	7,140,151	-
Current portion of receivables	8,399,863	4,426,527	12,826,390	4,261,643
Internal balances	(4,853,999)	4,853,999	-	-
Due from other governmental units	1,622,650	3,268,054	4,890,704	2,666,068
Inventories	-	-	-	1,373,737
Prepays	414,890	13,720	428,610	1,026
Total current assets	<u>29,148,880</u>	<u>27,679,600</u>	<u>56,828,480</u>	<u>16,248,762</u>
Noncurrent assets				
Investments	771,643	1,100,084	1,871,727	-
Loans receivable	-	-	-	459,734
Special assessments receivable	-	-	-	1,966,929
Lease receivable	-	-	-	1,404,091
Advances to other governmental units	280,000	-	280,000	-
Net pension asset	-	-	-	137,779
Capital assets not being depreciated	3,496,141	67,229	3,563,370	12,281,579
Capital assets, net of accumulated depreciation	<u>17,298,412</u>	<u>870,102</u>	<u>18,168,514</u>	<u>67,751,233</u>
Total noncurrent assets	<u>21,846,196</u>	<u>2,037,415</u>	<u>23,883,611</u>	<u>84,001,345</u>
TOTAL ASSETS	<u>50,995,076</u>	<u>29,717,015</u>	<u>80,712,091</u>	<u>100,250,107</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	-	-	110,455
Deferred outflows of resources related to pensions	3,449,241	113,294	3,562,535	1,970,048
Deferred outflows of resources related to OPEB	-	-	-	79,013
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>3,449,241</u>	<u>113,294</u>	<u>3,562,535</u>	<u>2,159,516</u>
LIABILITIES				
Current liabilities				
Accounts payable	1,504,379	3,156,553	4,660,932	247,735
Accrued liabilities	1,344,002	97,026	1,441,028	78,438
Due to other governmental units	4,517	96,190	100,707	96,374
Accrued interest payable	-	-	-	28,405
Unearned revenue	7,560,935	-	7,560,935	-
Current portion of compensated absences	1,401,730	18,595	1,420,325	133,047
Current portion of long-term obligations	-	1,895,000	1,895,000	1,445,048
Total current liabilities	<u>11,815,563</u>	<u>5,263,364</u>	<u>17,078,927</u>	<u>2,029,047</u>
Noncurrent liabilities				
Advances from other governmental units	-	-	-	280,000
Noncurrent portion of compensated absences	528,947	74,381	603,328	88,698
Net other post-employment benefits liability	-	-	-	1,694,077
Noncurrent portion of long-term obligations	4,095,000	4,200,956	8,295,956	3,317,339
Net pension liability	13,572,110	6,418	13,578,528	-
OPEB liability	5,208,138	-	5,208,138	-
Total noncurrent liabilities	<u>23,404,195</u>	<u>4,281,755</u>	<u>27,685,950</u>	<u>5,380,114</u>
TOTAL LIABILITIES	<u>35,219,758</u>	<u>9,545,119</u>	<u>44,764,877</u>	<u>7,409,161</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	-	-	-	2,650,000
Deferred inflows of resources related to pensions	2,246,753	46,864	2,293,617	2,414,831
Deferred inflows of resources related to OPEB	-	-	-	6,091,262
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,246,753</u>	<u>46,864</u>	<u>2,293,617</u>	<u>11,156,093</u>
NET POSITION				
Net investment in capital assets	16,699,553	937,331	17,636,884	77,543,062
Restricted for				
Public safety	3,000,337	-	3,000,337	-
Other purposes	4,582,204	60,012	4,642,216	2,648,859
Unrestricted	<u>(7,304,288)</u>	<u>19,240,983</u>	<u>11,936,695</u>	<u>3,652,448</u>
TOTAL NET POSITION	<u>\$ 16,977,806</u>	<u>\$ 20,238,326</u>	<u>\$ 37,216,132</u>	<u>\$ 83,844,369</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021**

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	\$ 6,256,858	\$ 914,146	\$ 1,342,860	\$ -	\$ (3,999,852)	\$ -	\$ (3,999,852)	\$ -
Judicial	9,201,728	1,105,220	3,649,999	-	(4,446,509)	-	(4,446,509)	-
Public safety	13,150,704	3,557,852	1,656,482	54,471	(7,881,899)	-	(7,881,899)	-
Public works	438,999	128,791	1,250	-	(308,958)	-	(308,958)	-
Health and welfare	6,844,750	1,720	727,813	-	(6,115,217)	-	(6,115,217)	-
Community and economic development	779,509	1,234,075	80,461	-	535,027	-	535,027	-
Interest on long-term debt	133,103	-	-	-	(133,103)	-	(133,103)	-
Total governmental activities	36,805,651	6,941,804	7,458,865	54,471	(22,350,511)	-	(22,350,511)	-
Business-type activities								
Delinquent tax revolving	308,779	1,556,550	-	-	-	1,247,771	1,247,771	-
Public transit	2,112,372	55,782	1,684,118	148,363	-	(224,109)	(224,109)	-
Delinquent tax forfeiture	191,714	297,306	-	-	-	105,592	105,592	-
Other	258,891	361,548	-	-	-	102,657	102,657	-
Total business-type activities	2,871,756	2,271,186	1,684,118	148,363	-	1,231,911	1,231,911	-
Total primary government	\$ 39,677,407	\$ 9,212,990	\$ 9,142,983	\$ 202,834	(22,350,511)	1,231,911	(21,118,600)	-
Component units								
Road Commission	\$ 14,592,952	\$ 148,414	\$ 14,546,870	\$ 1,971,771	-	-	-	2,074,103
Drainage District	501,129	15,542	-	346,321	-	-	-	(139,266)
Department of Public Works	69,317	-	54,547	-	-	-	-	(14,770)
Economic Development Corporation	4,395	46,385	-	-	-	-	-	41,990
Brownfield Redevelopment Authority	111,215	9,775	60,957	-	-	-	-	(40,483)
Total component units	\$ 15,279,008	\$ 220,116	\$ 14,662,374	\$ 2,318,092	-	-	-	1,921,574
General revenues								
Property taxes					20,489,312	821,191	21,310,503	2,630,779
State shared revenues					1,608,295	-	1,608,295	-
Investment earnings					76,047	20,782	96,829	-
Gain on equipment disposal					-	10,138	10,138	237,414
Miscellaneous					240,818	13,536	254,354	139,139
Transfers					353,103	(353,103)	-	-
Total general revenues and transfers					22,767,575	512,544	23,280,119	3,007,332
Change in net position					417,064	1,744,455	2,161,519	4,928,906
Restated net position, beginning of the year					16,560,742	18,493,871	35,054,613	78,915,463
Net position, end of the year					\$ 16,977,806	\$ 20,238,326	\$ 37,216,132	\$ 83,844,369

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2021**

	General	ARPA Grant	Nonmajor Governmental Funds	Total
ASSETS				
Cash and cash equivalents	\$ 1,674,696	\$ 7,350,077	\$ 6,977,633	\$ 16,002,406
Investments	6,797,485	-	-	6,797,485
Receivables				
Accounts	108,712	-	682,422	791,134
Taxes	5,629,046	-	-	5,629,046
Loans	-	-	1,976,502	1,976,502
Interest	1,308	-	-	1,308
Due from other governmental units				
Federal/State	841,280	-	767,670	1,608,950
Local	13,700	-	-	13,700
Advances to other funds	15,000	-	-	15,000
Advances to other governmental units	280,000	-	-	280,000
Prepays	282,343	-	14,352	296,695
TOTAL ASSETS	\$ 15,643,570	\$ 7,350,077	\$ 10,418,579	\$ 33,412,226
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 435,861	\$ -	\$ 1,068,518	\$ 1,504,379
Accrued liabilities	732,190	-	380,975	1,113,165
Due to other funds	4,007,853	-	846,146	4,853,999
Due to other governmental units	4,517	-	-	4,517
Advance from other funds	-	-	5,000	5,000
Unearned revenue	-	7,349,685	211,250	7,560,935
TOTAL LIABILITIES	5,180,421	7,349,685	2,511,889	15,041,995
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	1,239,166	-	-	1,239,166
FUND BALANCES				
Nonspendable	577,343	-	1,990,854	2,568,197
Restricted	77,989	-	5,513,698	5,591,687
Committed	1,258,430	392	402,138	1,660,960
Assigned	197,430	-	-	197,430
Unassigned	7,112,791	-	-	7,112,791
TOTAL FUND BALANCES	9,223,983	392	7,906,690	17,131,065
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 15,643,570	\$ 7,350,077	\$ 10,418,579	\$ 33,412,226

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, 2021**

Total fund balances - governmental funds \$ 17,131,065

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	\$ 43,665,803	
Accumulated depreciation is	<u>(22,871,250)</u>	
Capital assets, net		20,794,553

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		1,416,459
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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 pensions	3,449,241	
Deferred inflows of resources related to pensions	<u>(2,246,753)</u>	
		1,202,488

Long-term receivables are not available to pay for current period expenditures and are therefore unavailable in the funds. 1,239,166

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	(4,095,000)	
Other post-employment benefits liability	(5,208,138)	
Net pension liability	(13,572,110)	
Compensated absences	<u>(1,930,677)</u>	
		<u>(24,805,925)</u>

Net position of governmental activities \$ 16,977,806

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2021**

	General	ARPA Grant	Nonmajor Governmental Funds	Total
REVENUES				
Taxes	\$ 17,613,301	\$ -	\$ 5,219,765	\$ 22,833,066
Licenses and permits	122,114	-	62,372	184,486
Intergovernmental	6,971,207	-	1,913,229	8,884,436
Charges for services	2,702,093	-	3,498,085	6,200,178
Fines and forfeits	122,079	-	9,571	131,650
Interest and rents	569,050	392	66,787	636,229
Other	171,612	-	162,853	334,465
TOTAL REVENUES	28,271,456	392	10,932,662	39,204,510
EXPENDITURES				
Current				
General government	6,668,777	-	22,196	6,690,973
Judicial	7,031,059	-	2,140,548	9,171,607
Public safety	6,950,734	-	6,699,532	13,650,266
Public works	437,975	-	-	437,975
Health and welfare	1,354,706	-	5,173,494	6,528,200
Community and economic development	711,704	-	65,506	777,210
Capital outlay	-	-	707,272	707,272
Debt service				
Principal	-	-	220,000	220,000
Interest and fiscal charges	-	-	133,103	133,103
TOTAL EXPENDITURES	23,154,955	-	15,161,651	38,316,606
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,116,501	392	(4,228,989)	887,904
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,869,525	3,869,525
Transfers out	(3,444,570)	-	(71,852)	(3,516,422)
TOTAL OTHER FINANCING SOURCES (USES)	(3,444,570)	-	3,797,673	353,103
NET CHANGE IN FUND BALANCES	1,671,931	392	(431,316)	1,241,007
Fund balances, beginning of year	7,552,052	-	8,338,006	15,890,058
Fund balances, end of year	<u>\$ 9,223,983</u>	<u>\$ 392</u>	<u>\$ 7,906,690</u>	<u>\$ 17,131,065</u>

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, 2021

Net change in fund balances - total governmental funds \$ 1,241,007

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	\$ 2,938,716	
Depreciation expense	<u>(1,259,937)</u>	
Excess of capital outlay over depreciation expense		1,678,779

An Internal Service Fund is used by management to charge the costs of certain activities to individual funds.

Increase in net position of Internal Service Fund		639,147
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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:

(Decrease) in unavailable revenue		(2,334,898)
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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		220,000
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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	869,985	
Increase in deferred outflows of resources related to pension	595,449	
(Increase) in deferred inflows of resources related to pension	(1,678,884)	
Decrease in compensated absences	94,344	
(Increase) in OPEB liability	<u>(907,865)</u>	
		<u>(1,026,971)</u>

Change in net position of governmental activities \$ 417,064

**VAN BUREN COUNTY, MICHIGAN
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2021**

	Business-type Activities				Total	Governmental Activities
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds		Internal Service Fund
ASSETS						
Current assets						
Cash and cash equivalents	\$ 5,167,114	\$ 3,674,904	\$ 5,062,152	\$ 98,821	\$ 14,002,991	\$ 1,537,228
Investments	-	1,114,309	-	-	1,114,309	-
Receivables						
Accounts	-	12,801	1,433	58,704	72,938	1,873
Taxes	4,353,589	-	-	-	4,353,589	-
Due from other governmental units	3,026,004	242,050	-	-	3,268,054	-
Due from other funds	4,853,999	-	-	-	4,853,999	-
Prepays	-	13,720	-	-	13,720	118,195
Total current assets	17,400,706	5,057,784	5,063,585	157,525	27,679,600	1,657,296
Noncurrent assets						
Investments	-	1,100,084	-	-	1,100,084	-
Capital assets not being depreciated	-	67,229	-	-	67,229	-
Capital assets, net of accumulated depreciation	-	870,102	-	-	870,102	-
Total noncurrent assets	-	2,037,415	-	-	2,037,415	-
TOTAL ASSETS	17,400,706	7,095,199	5,063,585	157,525	29,717,015	1,657,296
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions	-	113,294	-	-	113,294	-
LIABILITIES						
Current liabilities						
Accounts payable	22,099	25,007	3,098,450	10,997	3,156,553	-
Accrued liabilities	-	97,026	-	-	97,026	230,837
Due to other governmental units	527	5,858	89,805	-	96,190	-
Current portion of compensated absences	-	18,595	-	-	18,595	-
Current portion of notes payable	1,895,000	-	-	-	1,895,000	-
Total current liabilities	1,917,626	146,486	3,188,255	10,997	5,263,364	230,837
Noncurrent liabilities						
Advance from other funds	-	-	-	-	-	10,000
Noncurrent portion of compensated absences	-	74,381	-	-	74,381	-
Noncurrent portion of notes payable	4,200,956	-	-	-	4,200,956	-
Net pension liability	-	6,418	-	-	6,418	-
Total noncurrent liabilities	4,200,956	80,799	-	-	4,281,755	10,000
TOTAL LIABILITIES	6,118,582	227,285	3,188,255	10,997	9,545,119	240,837
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions	-	46,864	-	-	46,864	-
NET POSITION						
Investment in capital assets	-	937,331	-	-	937,331	-
Restricted	-	60,012	-	-	60,012	-
Unrestricted	11,282,124	5,937,001	1,875,330	146,528	19,240,983	1,416,459
TOTAL NET POSITION	\$ 11,282,124	\$ 6,934,344	\$ 1,875,330	\$ 146,528	\$ 20,238,326	\$ 1,416,459

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, 2021**

	Business-type Activities					Governmental Activities
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds	Total	Internal Service Fund
OPERATING REVENUES						
Property taxes, interest, and penalties	\$ 1,556,550	\$ -	\$ -	\$ -	\$ 1,556,550	\$ -
Charges for services	-	55,782	297,306	361,548	714,636	3,526,324
TOTAL OPERATING REVENUES	1,556,550	55,782	297,306	361,548	2,271,186	3,526,324
OPERATING EXPENSES						
Salaries	-	998,667	-	-	998,667	-
Fringe benefits	-	508,131	-	-	508,131	2,863,110
Operating supplies	-	197,998	44,443	225,519	467,960	-
Contractual services	207,836	117,304	147,271	33,372	505,783	24,068
Depreciation	-	232,456	-	-	232,456	-
Other	-	57,816	-	-	57,816	-
TOTAL OPERATING EXPENSES	207,836	2,112,372	191,714	258,891	2,770,813	2,887,178
OPERATING INCOME (LOSS)	1,348,714	(2,056,590)	105,592	102,657	(499,627)	639,146
NONOPERATING REVENUES (EXPENSES)						
Property taxes	-	821,191	-	-	821,191	-
Local Community Stabilization Share	-	26,553	-	-	26,553	-
State operating grants	-	780,000	-	-	780,000	-
Federal operating grants	-	837,945	-	-	837,945	-
Local operating grants	-	39,620	-	-	39,620	-
Note issuance costs	(6,484)	-	-	-	(6,484)	-
Interest revenue	-	20,782	-	-	20,782	1
Interest expense	(94,459)	-	-	-	(94,459)	-
Gain on sale of capital assets	-	10,138	-	-	10,138	-
Other	-	13,483	53	-	13,536	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(100,943)	2,549,712	53	-	2,448,822	1
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,247,771	493,122	105,645	102,657	1,949,195	639,147
Capital contributions	-	148,363	-	-	148,363	-
Transfers out	(353,103)	-	-	-	(353,103)	-
CHANGE IN NET POSITION	894,668	641,485	105,645	102,657	1,744,455	639,147
Net position, beginning of year	10,387,456	6,292,859	1,769,685	43,871	18,493,871	777,312
Net position, end of year	<u>\$ 11,282,124</u>	<u>\$ 6,934,344</u>	<u>\$ 1,875,330</u>	<u>\$ 146,528</u>	<u>\$ 20,238,326</u>	<u>\$ 1,416,459</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2021**

	Business-type Activities				Governmental
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers	\$ 2,570,249	\$ 50,634	\$ 2,136,323	\$ 302,844	\$ 5,060,050
Cash paid to other governmental units	(149,795)	-	(184,615)	-	(334,410)
Cash paid to suppliers	(205,564)	(369,962)	(191,645)	(277,962)	(1,045,133)
Cash paid to employees	-	(1,515,561)	-	-	(1,515,561)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	2,214,890	(1,834,889)	1,760,063	24,882	2,164,946
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes	-	821,191	-	-	821,191
Other nonoperating receipts	-	13,483	53	-	13,536
Intergovernmental sources	-	1,828,881	-	-	1,828,881
Note issuance costs paid	(6,484)	-	-	-	(6,484)
Interest paid	(94,459)	-	-	-	(94,459)
Transfers in (out)	(353,103)	-	-	-	(353,103)
Proceeds from notes	5,500,000	-	-	-	5,500,000
Payments from other funds	2,247,891	-	-	-	2,247,891
Payments on borrowings	(5,562,541)	-	-	-	(5,562,541)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	1,731,304	2,663,555	53	-	4,394,912
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributed by governmental units	-	148,363	-	-	148,363
Capital purchases	-	(315,013)	-	-	(315,013)
Proceeds from sale of capital assets	-	10,138	-	-	10,138
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	(156,512)	-	-	(156,512)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	-	(560,436)	-	-	(560,436)
Maturity of investments	-	866,613	-	-	866,613
Interest received	-	20,782	-	-	20,782
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	326,959	-	-	326,959
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,946,194	999,113	1,760,116	24,882	6,730,305
Cash and cash equivalents, beginning of year	1,220,920	2,675,791	3,302,036	73,939	7,272,686
Cash and cash equivalents, end of year	\$ 5,167,114	\$ 3,674,904	\$ 5,062,152	\$ 98,821	\$ 14,002,991

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (continued)
 YEAR ENDED SEPTEMBER 30, 2021**

	Business-type Activities				Governmental	
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds	Total	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ 1,348,714	\$ (2,056,590)	\$ 105,592	\$ 102,657	\$ (499,627)	\$ 639,146
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation	-	232,456	-	-	232,456	-
(Increase) decrease in						
Receivables	1,013,699	(5,148)	(1,433)	(58,704)	948,414	(241)
Due from other governmental units	(149,795)	-	-	-	(149,795)	-
Prepays	-	(841)	69	-	(772)	(18,944)
Net pension asset	-	10,557	-	-	10,557	-
Deferred outflows related to pension	-	(24,576)	-	-	(24,576)	-
Increase (decrease) in						
Accounts payable	2,272	7,702	1,840,450	(19,071)	1,831,353	(95)
Compensated absences	-	(16,895)	-	-	(16,895)	-
Accrued liabilities	-	(3,705)	-	-	(3,705)	(170,387)
Net pension liability	-	6,418	-	-	6,418	-
Deferred inflows related to pension	-	15,733	-	-	15,733	-
Due to other governmental units	-	-	(184,615)	-	(184,615)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 2,214,890	\$ (1,834,889)	\$ 1,760,063	\$ 24,882	\$ 2,164,946	\$ 449,479

**VAN BUREN COUNTY, MICHIGAN
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 9,504,831
Investments	<u>360,442</u>
TOTAL ASSETS	<u>9,865,273</u>
LIABILITIES	
Undistributed tax collections payable	8,207,694
Due to other governmental units	450,590
Due to individuals and agencies	<u>629,211</u>
TOTAL LIABILITIES	<u>9,287,495</u>
NET POSITION	
Restricted for individuals, organizations, and other governmental units	<u>\$ 577,778</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Custodial Funds</u>
ADDITIONS	
Property tax collections for other governmental units	\$ 23,238,246
Collections for other governmental units	13,550,364
Collections for individual and agencies	695,711
Investment income	<u>99,852</u>
TOTAL ADDITIONS	37,584,173
DEDUCTIONS	
Property tax distributions to other governmental units	23,238,246
Distributions to other governmental units	13,550,364
Distributions to individuals and agencies	<u>630,227</u>
TOTAL DEDUCTIONS	<u>37,418,837</u>
NET INCREASE IN FIDUCIARY NET POSITION	165,336
Restated net position, beginning of year	<u>412,442</u>
Net position, end of year	<u><u>\$ 577,778</u></u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Road Commission	Drainage District	Department of Public Works	Economic Development Corporation	Brownfield Redevelopment Authority	Total
ASSETS						
Current assets						
Cash and cash equivalents	\$ 6,928,033	\$ 438,250	\$ 1,513	\$ 307,316	\$ 271,176	\$ 7,946,288
Receivables						
Taxes	2,650,000	-	-	-	-	2,650,000
Accounts	104,345	-	-	-	-	104,345
Loans	-	-	-	231,015	6,500	237,515
Special assessments	-	556,317	-	-	-	556,317
Lease	-	-	679,042	-	-	679,042
Interest	-	-	-	34,424	-	34,424
Due from other governmental units	2,626,920	-	-	-	39,148	2,666,068
Inventories	1,373,737	-	-	-	-	1,373,737
Prepays	-	1,026	-	-	-	1,026
Total current assets	13,683,035	995,593	680,555	572,755	316,824	16,248,762
Noncurrent assets						
Noncurrent portion of loans receivable	-	-	-	407,234	52,500	459,734
Noncurrent portion of special assessments receivable	-	1,966,929	-	-	-	1,966,929
Noncurrent portion of lease receivable	-	-	1,404,091	-	-	1,404,091
Net pension asset	137,779	-	-	-	-	137,779
Capital assets not being depreciated	12,281,579	-	-	-	-	12,281,579
Capital assets, net of accumulated depreciation	64,328,173	3,423,060	-	-	-	67,751,233
Total noncurrent assets	76,747,531	5,389,989	1,404,091	407,234	52,500	84,001,345
TOTAL ASSETS	90,430,566	6,385,582	2,084,646	979,989	369,324	100,250,107
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charge on refunding	-	-	110,455	-	-	110,455
Deferred outflows of resources related to pensions	1,970,048	-	-	-	-	1,970,048
Deferred outflows of resources related to OPEB	79,013	-	-	-	-	79,013
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,049,061	-	110,455	-	-	2,159,516
LIABILITIES						
Current liabilities						
Accounts payable	190,216	6,847	-	-	50,672	247,735
Accrued liabilities	78,438	-	-	-	-	78,438
Due to other governmental units	1,811	94,563	-	-	-	96,374
Accrued interest payable	-	13,759	14,646	-	-	28,405
Current portion of compensated absences	133,047	-	-	-	-	133,047
Current portion of long-term obligations	410,000	303,000	732,048	-	-	1,445,048
Total current liabilities	813,512	418,169	746,694	-	50,672	2,029,047
Noncurrent liabilities						
Advances from other governmental units	-	280,000	-	-	-	280,000
Noncurrent portion of compensated absences	88,698	-	-	-	-	88,698
Net other post-employment benefits obligation	1,694,077	-	-	-	-	1,694,077
Noncurrent portion of long-term obligations	-	1,776,750	1,404,091	-	136,498	3,317,339
Total noncurrent liabilities	1,782,775	2,056,750	1,404,091	-	136,498	5,380,114
TOTAL LIABILITIES	2,596,287	2,474,919	2,150,785	-	187,170	7,409,161
DEFERRED INFLOWS OF RESOURCES						
Property taxes levied for subsequent year	2,650,000	-	-	-	-	2,650,000
Deferred inflows of resources related to pensions	2,414,831	-	-	-	-	2,414,831
Deferred inflows of resources related to OPEB	6,091,262	-	-	-	-	6,091,262
TOTAL DEFERRED INFLOWS OF RESOURCES	11,156,093	-	-	-	-	11,156,093
NET POSITION						
Net investment in capital assets	76,199,752	1,343,310	-	-	-	77,543,062
Restricted	2,527,495	77,048	44,316	-	-	2,648,859
Unrestricted	-	2,490,305	-	979,989	182,154	3,652,448
TOTAL NET POSITION	\$ 78,727,247	\$ 3,910,663	\$ 44,316	\$ 979,989	\$ 182,154	\$ 83,844,369

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position					
		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	Total
Road Commission	\$ 14,592,952	\$ 148,414	\$ 14,546,870	\$ 1,971,771	\$ 2,074,103	\$ -	\$ -	\$ -	\$ -	\$ 2,074,103
Drainage District	501,129	15,542	-	346,321	-	(139,266)	-	-	-	(139,266)
Department of Public Works	69,317	-	54,547	-	-	-	(14,770)	-	-	(14,770)
Economic Development Corporation	4,395	46,385	-	-	-	-	-	41,990	-	41,990
Brownfield Redevelopment Authority	111,215	9,775	60,957	-	-	-	-	-	(40,483)	(40,483)
TOTALS	\$ 15,279,008	\$ 220,116	\$ 14,662,374	\$ 2,318,092	2,074,103	(139,266)	(14,770)	41,990	(40,483)	1,921,574
General revenues										
Property taxes					2,591,828	-	-	-	38,951	2,630,779
Gain on equipment disposal					237,414	-	-	-	-	237,414
Miscellaneous					103,299	35,840	-	-	-	139,139
Total general revenues					2,932,541	35,840	-	-	38,951	3,007,332
CHANGE IN NET POSITION					5,006,644	(103,426)	(14,770)	41,990	(1,532)	4,928,906
Restated net position, beginning of year					73,720,603	4,014,089	59,086	937,999	183,686	78,915,463
Net position, end of year					<u>\$ 78,727,247</u>	<u>\$ 3,910,663</u>	<u>\$ 44,316</u>	<u>\$ 979,989</u>	<u>\$ 182,154</u>	<u>\$ 83,844,369</u>

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, 2020.

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.

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, 2021, was \$566,955. Separate audited financial statements for their year ended September 30, 2021, 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 fund*:

- 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.

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.
- 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 Forfeiture Fund accounts for money generated by the County through the sale of forfeit or foreclosed properties as a result of unpaid 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)

Additionally, the County reports an internal service fund to account for the management of fringe benefits provided to various departments of the County on a cost reimbursement basis.

The County also reports fiduciary funds to account for assets held for others in a custodial capacity.

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.

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.

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

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

Basis of Accounting (continued)

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.

Investments consist of certificates of deposit and securities with an original maturity of over 90 days. 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.

**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)

- 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 leases 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.

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.

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

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

Capital Assets (continued)

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

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.

Capital assets of the government 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, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the Operating Fund in the government-wide financial statements. Capital assets are defined by Van Buren County Road Commission as assets 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 (Asset)

The net pension liability (asset) is deemed to be a noncurrent liability (asset) and is recognized in the government-wide financial statements.

OPEB Liability

The total OPEB liability is deemed to be a noncurrent liability and is recognized in the government-wide financial statements. The OPEB plan of the primary government does not currently have fiduciary net position to offset the total OPEB liability.

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.

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 (continued)

The County reports deferred inflows of resources in the General Fund for unavailable revenues for revenues not collected within 60 days of year end. The County also reports deferred outflows of resources and deferred inflows of resources which correspond to the County's net pension liability (asset) 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 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 Funds/Governmental Units

Long-term advances from the primary government to other funds or 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.

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.

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

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

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.).

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 non-spendable, 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.

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

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

Interfund Transactions (continued)

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.
- 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.

Comparative Data

Comparative data for the prior year has not been presented in the accompanying financial statements since the inclusion of comparative data would make the statements unduly complex and difficult to read.

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

NOTE 2 - DEPOSITS AND INVESTMENTS

As of September 30, 2021, 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, 2021, \$38,834,099 of the County's bank balance of \$42,999,861 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 \$43,228,716. The County had \$40,390 of imprest cash at September 30, 2021.

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, 2021, 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	\$ 13,809,774	0.12 years
U.S. Treasury notes	249,943	0.48 years
Municipal bonds	676,799	2.58 years
Common stock	<u>360,442</u>	N/A
TOTAL PRIMARY GOVERNMENT	<u><u>\$ 15,096,958</u></u>	

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

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

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.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Moody's/ S & P Rating</u>
PRIMARY GOVERNMENT		
Uncategorized pooled investment funds		
Michigan CLASS	\$ 13,809,774	AAAm
U.S. Treasury notes	249,943	Aaa/AA+
Municipal bonds	676,799	AA1/AA-, SP-1
Common stock	360,442	N/A
	<u> </u>	
TOTAL PRIMARY GOVERNMENT	<u>\$ 15,096,958</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.

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

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurements (continued)

Investment Type	Level 1	Level 2	Level 3	Total
PRIMARY GOVERNMENT				
U.S. Treasury notes	\$ 249,943	\$ -	\$ -	\$ 249,943
Municipal bonds	-	676,799	-	676,799
Common stock	360,442	-	-	360,442
TOTAL PRIMARY GOVERNMENT	\$ 610,385	\$ 676,799	\$ -	\$ 1,287,184

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.

At September 30, 2021, 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	\$ 13,809,774	\$ -	No restrictions	None

The cash and cash equivalents 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.

The following summarizes the categorization of these amounts as of September 30, 2021:

	Primary Government	Component Units	Fiduciary Funds	Reporting Entity
Cash and cash equivalents	\$ 31,542,625	\$ 7,946,288	\$ 9,504,831	\$ 48,993,744
Current investments	7,140,151	-	360,442	7,500,593
Noncurrent investments	1,871,727	-	-	1,871,727
	\$ 40,554,503	\$ 7,946,288	\$ 9,865,273	\$ 58,366,064

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

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

The amount of interfund receivables and payables at September 30, 2021, is as follows:

Due to Delinquent Tax Revolving Fund from:	
General Fund	\$ 4,007,853
Nonmajor governmental funds	<u>846,146</u>
	<u><u>\$ 4,853,999</u></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.

NOTE 4 - ADVANCES RECEIVABLE AND PAYABLE

The following schedule details advances receivable and payable related to the primary government at September 30, 2021:

Advance from General Fund to:	
Nonmajor governmental funds	\$ 5,000
Internal Service Fund	<u>10,000</u>
	<u><u>\$ 15,000</u></u>

Amounts appearing as advances arise from the General Fund providing initial start-up and operating funds to the other funds.

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 nonmajor governmental funds from:	
General Fund	\$ 3,444,570
Delinquent Tax Revolving Fund	353,103
Nonmajor governmental funds	<u>71,852</u>
	<u><u>\$ 3,869,525</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, 2021, was as follows:

Primary Government

	<u>Balance Oct. 1, 2020</u>	<u>Additions/ Reclassifications</u>	<u>Deletions/ Reclassifications</u>	<u>Balance Sept. 30, 2021</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,934,119	\$ -	\$ -	\$ 1,934,119
Construction in progress	190,963	1,562,022	(190,963)	1,562,022
	<u>2,125,082</u>	<u>1,562,022</u>	<u>(190,963)</u>	<u>3,496,141</u>
Capital assets being depreciated				
Land improvements	508,231	-	-	508,231
Buildings	30,956,537	638,417	-	31,594,954
Equipment	8,070,386	929,240	(933,149)	8,066,477
Subtotal	<u>39,535,154</u>	<u>1,567,657</u>	<u>(933,149)</u>	<u>40,169,662</u>
Less accumulated depreciation for:				
Land improvements	(258,576)	(19,203)	-	(277,779)
Buildings	(15,995,311)	(696,440)	-	(16,691,751)
Equipment	(6,290,575)	(544,294)	933,149	(5,901,720)
Subtotal	<u>(22,544,462)</u>	<u>(1,259,937)</u>	<u>933,149</u>	<u>(22,871,250)</u>
Net capital assets being depreciated	<u>16,990,692</u>	<u>307,720</u>	<u>-</u>	<u>17,298,412</u>
Capital assets, net	<u>\$ 19,115,774</u>	<u>\$ 1,869,742</u>	<u>\$ (190,963)</u>	<u>\$ 20,794,553</u>

Depreciation expense was charged to the following governmental activities:

General government	\$ 552,914
Public safety	410,217
Health and welfare	<u>296,806</u>
Total depreciation expense	<u>\$ 1,259,937</u>

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

NOTE 6 - CAPITAL ASSETS (continued)

Primary Government (continued)

	Balance Oct. 1, 2020	Additions	Deletions	Balance Sept. 30, 2021
Business-type activities				
Capital assets not being depreciated				
Land	\$ 67,229	\$ -	\$ -	\$ 67,229
Capital assets being depreciated				
Buildings	858,254	-	-	858,254
Land improvements	60,561	-	-	60,561
Buses	1,852,234	300,226	(337,805)	1,814,655
Vehicles	126,997	-	(32,998)	93,999
Furniture and equipment	265,605	14,787	(6,166)	274,226
Subtotal	<u>3,163,651</u>	<u>315,013</u>	<u>(376,969)</u>	<u>3,101,695</u>
Less accumulated depreciation for:				
Buildings	(635,452)	(19,339)	-	(654,791)
Land improvements	(35,986)	(4,556)	-	(40,542)
Buses	(1,382,609)	(185,883)	337,805	(1,230,687)
Vehicles	(126,997)	-	32,998	(93,999)
Furniture and equipment	(195,062)	(22,678)	6,166	(211,574)
Subtotal	<u>(2,376,106)</u>	<u>(232,456)</u>	<u>376,969</u>	<u>(2,231,593)</u>
Net capital assets being depreciated	<u>787,545</u>	<u>82,557</u>	<u>-</u>	<u>870,102</u>
Capital assets, net	<u>\$ 854,774</u>	<u>\$ 82,557</u>	<u>\$ -</u>	<u>\$ 937,331</u>

Component Units

	Restated Balance Oct. 1, 2020	Additions	Deletions	Balance Sept. 30, 2021
Drainage District				
Capital assets not being depreciated				
Construction in progress	\$ 1,340,549	\$ 373,522	\$ (1,714,071)	\$ -
Capital assets being depreciated				
Infrastructure	4,153,098	1,781,865	-	5,934,963
Less accumulated depreciated for:				
Infrastructure	<u>(2,332,886)</u>	<u>(179,017)</u>	<u>-</u>	<u>(2,511,903)</u>
Net capital assets being depreciated	<u>1,820,212</u>	<u>1,602,848</u>	<u>-</u>	<u>3,423,060</u>
Capital assets, net	<u>\$ 3,160,761</u>	<u>\$ 1,976,370</u>	<u>\$ (1,714,071)</u>	<u>\$ 3,423,060</u>

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

NOTE 6 - CAPITAL ASSETS (continued)

Component Units (continued)

	Balance <u>Jan. 1, 2020</u>	Additions	Deletions	Balance <u>Dec. 31, 2020</u>
Road Commission				
Capital assets not being depreciated				
Land and improvements	\$ 380,512	\$ -	\$ -	\$ 380,512
Infrastructure right of ways	44,646	-	-	44,646
Infrastructure land improvements	<u>11,856,421</u>	-	-	<u>11,856,421</u>
Subtotal	<u>12,281,579</u>	-	-	<u>12,281,579</u>
Capital assets being depreciated				
Land improvements	561,495	-	-	561,495
Building and improvements	7,314,955	64,386	-	7,379,341
Road equipment	13,158,659	2,167,361	(1,740,120)	13,585,900
Shop equipment	205,556	8,656	(4,437)	209,775
Office equipment	116,956	10,048	-	127,004
Engineers' equipment	121,006	1,604	(1,255)	121,355
Yard and storage	231,345	-	-	231,345
Depletable assets	146,078	-	-	146,078
Infrastructure - Traffic Signals	287,452	-	-	287,452
Infrastructure - Bridges	15,375,968	1,158,656	-	16,534,624
Infrastructure - Roads	<u>78,480,410</u>	<u>6,949,355</u>	<u>(2,448,108)</u>	<u>82,981,657</u>
Subtotal	<u>115,999,880</u>	<u>10,360,066</u>	<u>(4,193,920)</u>	<u>122,166,026</u>
Less accumulated depreciation for:				
Land improvements	(292,244)	(20,783)	-	(313,027)
Buildings and improvements	(2,446,476)	(153,433)	-	(2,599,909)
Road equipment	(9,792,640)	(1,609,687)	1,739,546	(9,662,781)
Shop equipment	(166,845)	(12,825)	3,823	(175,847)
Office equipment	(87,558)	(12,640)	-	(100,198)
Engineers' equipment	(75,256)	(14,544)	1,255	(88,545)
Yard and storage	(175,773)	(5,059)	-	(180,832)
Depletable assets	(108,606)	(143)	-	(108,749)
Infrastructure - Traffic Signals	(192,890)	(15,760)	-	(208,650)
Infrastructure - Bridges	(6,104,252)	(496,027)	-	(6,600,279)
Infrastructure - Roads	<u>(36,310,317)</u>	<u>(3,936,827)</u>	<u>2,448,108</u>	<u>(37,799,036)</u>
Subtotal	<u>(55,752,857)</u>	<u>(6,277,728)</u>	<u>4,192,732</u>	<u>(57,837,853)</u>
Net capital assets being depreciated	<u>60,247,023</u>	<u>4,082,338</u>	<u>(1,188)</u>	<u>64,328,173</u>
Capital assets, net	<u>\$ 72,528,602</u>	<u>\$ 4,082,338</u>	<u>\$ (1,188)</u>	<u>\$ 76,609,752</u>

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

NOTE 7 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term debt (including current portion) of the County for the year ended September 30, 2021:

	Balance Oct. 1, 2020	Additions	Deletions	Balance Sept. 30, 2021	Amounts Due Within One Year
PRIMARY GOVERNMENT					
Governmental Activities					
Bonded debt					
2017 Building Authority Bonds	\$ 4,315,000	\$ -	\$ (220,000)	\$ 4,095,000	\$ -
Other long-term obligations					
Compensated absences	<u>2,025,021</u>	<u>1,375,883</u>	<u>(1,470,227)</u>	<u>1,930,677</u>	<u>1,401,730</u>
Total Governmental Activities	<u>6,340,021</u>	<u>1,375,883</u>	<u>(1,690,227)</u>	<u>6,025,677</u>	<u>1,401,730</u>
Business-type Activities					
Direct borrowing/placements					
2019 Delinquent tax notes	1,785,497	-	(1,785,497)	-	-
2020 Delinquent tax notes	4,373,000	-	(2,478,000)	1,895,000	1,895,000
2021 Delinquent tax notes	<u>-</u>	<u>5,500,000</u>	<u>(1,299,044)</u>	<u>4,200,956</u>	<u>-</u>
Total direct borrowing/placements	<u>6,158,497</u>	<u>5,500,000</u>	<u>(5,562,541)</u>	<u>6,095,956</u>	<u>1,895,000</u>
Other long-term obligations					
Compensated absences - Transit	<u>109,871</u>	<u>36,989</u>	<u>(53,884)</u>	<u>92,976</u>	<u>18,595</u>
Total Business-type Activities	<u>6,268,368</u>	<u>5,536,989</u>	<u>(5,616,425)</u>	<u>6,188,932</u>	<u>1,913,595</u>
TOTAL PRIMARY GOVERNMENT	<u>12,608,389</u>	<u>6,912,872</u>	<u>(7,306,652)</u>	<u>12,214,609</u>	<u>3,315,325</u>
COMPONENT UNITS					
Road Commission					
Bonded debt					
Refunding bonds	<u>815,000</u>	<u>-</u>	<u>(405,000)</u>	<u>410,000</u>	<u>410,000</u>
Other long-term obligations					
Compensated absences	<u>203,835</u>	<u>292,797</u>	<u>(274,887)</u>	<u>221,745</u>	<u>133,047</u>
Drainage Districts					
Bonded debt					
Lindsley Drainage District	100,000	-	(20,000)	80,000	20,000
Health and Cemetery Drainage District	150,000	-	(30,000)	120,000	30,000
Bob-O-Links Estates Drainage District	<u>1,605,000</u>	<u>-</u>	<u>(100,000)</u>	<u>1,505,000</u>	<u>120,000</u>
Total other debt	<u>1,855,000</u>	<u>-</u>	<u>(150,000)</u>	<u>1,705,000</u>	<u>170,000</u>
Direct borrowing/placements					
Drain notes	<u>384,000</u>	<u>82,500</u>	<u>(91,750)</u>	<u>374,750</u>	<u>133,000</u>

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

	Balance Oct. 1, 2020	Additions	Deletions	Balance Sept. 30, 2021	Amounts Due Within One Year
COMPONENT UNITS (continued)					
Department of Public Works					
Bonded debt					
1999 Water Supply and Sewage Disposal	\$ 30,000	\$ -	\$ (30,000)	\$ -	\$ -
2013 Water Supply System - Refunding Bonds	2,790,000	-	(720,000)	2,070,000	710,000
Bond premium	88,187	-	(22,048)	66,139	22,048
Total other debt	2,908,187	-	(772,048)	2,136,139	732,048
Brownfield Redevelopment Authority					
Direct borrowing/placements					
Brownfield Redevelopment Loans	136,498	-	-	136,498	-
TOTAL COMPONENT UNITS	6,302,520	375,297	(1,693,685)	4,984,132	1,578,095
TOTAL REPORTING ENTITY	<u>\$ 18,910,909</u>	<u>\$ 7,288,169</u>	<u>\$ (9,000,337)</u>	<u>\$ 17,198,741</u>	<u>\$ 4,893,420</u>

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

PRIMARY GOVERNMENT

General Obligation Bonds

Bonds payable on September 30, 2019, 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 \$230,000 to \$335,000 through October 1, 2036, with interest ranging from 2.30% to 3.75%, payable semi-annually.	<u>\$ 4,095,000</u>
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Delinquent Tax Notes

Notes payable on September 30, 2021, are as follows:

\$5,500,000 Van Buren County General Obligation Limited Tax Notes, Series 2020, dated May 28, 2020, due on May 1, 2022, with various interest rates for the purchase of 2019 delinquent taxes.	\$ 1,895,000
\$5,500,000 Van Buren County General Obligation Limited Tax Notes, Series 2021, dated April 22, 2021, due on June 1, 2023, with various interest rates for the purchase of 2020 delinquent taxes.	<u>4,200,956</u>
	<u>\$ 6,095,956</u>

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

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 \$1,930,677 for vacation and sick at September 30, 2021. Of this amount, \$1,401,730 has been recorded as a current liability and \$528,947 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.

COMPONENT UNIT - ROAD COMMISSION

Refunding Bonds

On May 31, 2012, the Road Commission issued \$3,245,000 in General Obligation Bonds with an interest rate of 1.96% to advance refund \$3,244,906 of an outstanding installment purchase agreement from 2006 at an interest rate of 4.45%.

Compensated Absences

Vacation pay at 100% is payable to the employee when employment is severed. At December 31, 2020, there was \$133,861 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%. Employees with banks in excess of 432 as of the beginning of the year will be allowed to maintain and utilize their current sick leave bank and receive a payout of 72 hours annually at a rate of 50% until a time where their bank drops below 432 hours. 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 54 days. Days in excess of the maximum 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 54 days. At December 31, 2020, there was a total of \$87,884 recorded as sick leave liability for both the bargaining unit and administrative employees.

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

COMPONENT UNIT - DRAINAGE DISTRICT

Drain Notes

Notes payable at September 30, 2021, 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 2025.	<u>\$ 374,750</u>
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The Drainage District's outstanding installment loans from direct borrowings of \$374,750 are backed by the full faith and credit of the County. In the event of default, the outstanding amounts may become immediately due.

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 annual installments of \$20,000 through June 1, 2025, with interest ranging from 4.20% to 4.50%, payable semi-annually.	\$ 80,000
\$420,000 Van Buren County Health and Cemetery Drainage District, dated September 22, 2010, due in annual installments of \$30,000 through June 1, 2025, with interest ranging from 4.20% to 4.50%, payable semi-annually.	120,000
\$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>1,505,000</u>
	<u>\$ 1,705,000</u>

COMPONENT UNIT - DEPARTMENT OF PUBLIC WORKS

Bonds payable at September 30, 2021, are as follows:

\$7,670,000 Van Buren County 2013 Water Supply System Refunding Bonds dated April 25, 2013, due in annual installments ranging from \$670,000 to \$720,000 through June 1, 2024, with interest ranging from 2.00% to 2.25%, payable semi-annually.	<u>\$ 2,070,000</u>
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**VAN BUREN COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS**

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

COMPONENT UNIT - BROWNFIELD REDEVELOPMENT AUTHORITY

\$46,333 Van Buren County 2015 Brownfield Redevelopment Loan dated September 1, 2015, due in annual installments ranging from \$3,905 to \$4,532 from August 31, 2023 through August 31, 2033, with interest of 1.50%, payable annually.	\$ 46,333
\$90,165 Van Buren County 2017 Brownfield Redevelopment Loan dated August 1, 2017, due in annual installments ranging from \$7,600 to \$8,820 from August 4, 2022 to August 4, 2032, with interest of 1.50%, payable annually.	<u>90,165</u>
	<u>\$ 136,498</u>

The Brownfield Redevelopment Authority's outstanding installment loans from direct borrowings of \$136,498 are backed by the full faith and credit of the County. In the event of default, the outstanding amounts may become immediately due.

Advance Refunding - Prior

On April 25, 2013, the County defeased the portion of the 2002 Covert Water Supply System Bonds which were due and payable June 1, 2014 through June 1, 2021, and the 2003 Covert Water Supply System Bonds which were due and payable June 1, 2014 through June 1, 2024. This was accomplished by establishing an irrevocable trust with an escrow agent composed of cash and U.S. Government Securities sufficient to meet the applicable principal and interest payments. The County issued 2013 Water Supply System Refunding Bonds in the amount of \$7,670,000 to provide resources to fund the escrow amounts and pay the costs of issuance of the refunding bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the County's financial statements. At September 30, 2021, bonds due and payable June 1, 2022 through June 1, 2024, for the 2003 Covert Water Supply System Bonds in the amount of \$2,250,000 are considered defeased.

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>Year Ending December 31,</u>	<u>Component Units</u>	
	<u>Bonded Debt</u>			<u>Road Commission</u>	
	<u>Principal</u>	<u>Interest</u>		<u>Bonded Debt</u>	
	<u>Principal</u>	<u>Interest</u>		<u>Principal</u>	<u>Interest</u>
2022	\$ -	\$ 64,266	2021	<u>\$ 410,000</u>	<u>\$ 3,813</u>
2023	230,000	126,118			
2024	230,000	121,058			
2025	235,000	115,475			
2026	240,000	109,358			
2027-2031	1,310,000	436,256			
2032-2036	1,515,000	202,804			
2037	<u>335,000</u>	<u>6,281</u>			
	<u>\$ 4,095,000</u>	<u>\$ 1,181,616</u>			

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

Year Ending September 30,	Component Units			
	Drainage District Bonded Debt		Department of Public Works Bonded Debt	
	Principal	Interest	Principal	Interest
2022	\$ 170,000	\$ 31,125	\$ 710,000	\$ 43,938
2023	170,000	26,625	690,000	29,738
2024	170,000	22,075	670,000	15,075
2025	170,000	17,475	-	-
2026	120,000	12,825	-	-
2027-2031	505,000	41,925		
2032-2035	400,000	13,500	-	-
	<u>\$ 1,705,000</u>	<u>\$ 165,550</u>	<u>\$ 2,070,000</u>	<u>\$ 88,751</u>

Year Ending September 30,	Drainage District Direct Borrowing/Placement		Brownfield Redevelopment Authority Direct Borrowing/Placement	
	Principal	Interest	Principal	Interest
	2022	\$ 133,000	\$ 9,129	\$ -
2023	133,000	5,989	13,353	-
2024	81,250	2,963	11,506	1,847
2025	27,500	797	11,678	1,675
2026			11,854	1,499
2027-2031	-	-	61,989	4,776
2032-2033	-	-	26,118	589
	<u>\$ 374,750</u>	<u>\$ 18,878</u>	<u>\$ 136,498</u>	<u>\$ 10,386</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.

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

NOTE 8 - PROPERTY TAXES AND TAX RECEIVABLE (continued)

The County's Winter 2020 and Summer 2021 ad valorem taxes were levied and collectible on December 1, 2020 and July 1, 2021, 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 2020 and Summer 2021 tax levies have been recognized as revenue in the current fiscal year. The 2020 and 2021 taxable value of Van Buren County amounted to \$3,460,929,640 and \$3,535,133,126 respectively, on which ad valorem taxes levied for County general operating purposes consisted of 4.4566 mills for Summer 2021. Van Buren County has levied 0.9370 mills for ambulance operations, 0.5332 mills for public safety, 0.2471 mills for public transit, 0.9769 mills for roads, 0.0996 for the Conservation District, and 0.1000 mills for veterans' relief.

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, 2021. 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.

NOTE 9 - DEFINED BENEFIT PENSION PLAN

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 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.

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

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

PRIMARY GOVERNMENT (continued)

Benefits Provided (continued)

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, 2020, valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	125
Inactive employees entitled to but not yet receiving benefits	164
Active employees	<u>262</u>
	<u><u>551</u></u>

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, 2021, the active employee contribution rate was 5.00% of annual payroll. Employer contributions range from 5.36% to 18.57% based on annual payroll.

Payable to the Pension Plan

At September 30, 2021, there were no amounts outstanding by the County for contributions to the pension plan required for the year ended September 30, 2021.

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

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

PRIMARY GOVERNMENT (continued)

Net Pension Liability

The County's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of that date.

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2019	\$ 43,248,670	\$ 28,817,132	\$ 14,431,538
Changes for the Year			
Service cost	1,190,408	-	1,190,408
Interest on total pension liability	3,244,461	-	3,244,461
Difference between expected and actual experience	(634,551)	-	(634,551)
Changes in assumptions	1,586,376	-	1,586,376
Employer contributions	-	1,496,224	(1,496,224)
Employee contributions	-	683,795	(683,795)
Net investment income	-	4,117,840	(4,117,840)
Benefit payments, including employee refunds	(2,307,199)	(2,307,199)	-
Administrative expense	-	(58,155)	58,155
Net changes	3,079,495	3,932,505	(853,010)
Balances as of December 31, 2020	\$ 46,328,165	\$ 32,749,637	\$ 13,578,528

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

NOTE 9 - DEFINED BENEFIT PENSION PLAN (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, 2021, the County recognized pension expense of \$1,796,262. 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	\$ 157,561	\$ 906,974
Differences in assumptions	2,244,664	-
Net difference between projected and actual earnings on pension plan investments	-	1,386,643
Contributions subsequent to the measurement date*	1,160,310	-
Total	\$ 3,562,535	\$ 2,293,617

* 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, 2022.

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
2022	\$ 315,197
2023	212,408
2024	(222,406)
2025	(196,591)

Actuarial Assumptions

The total pension liability in the December 31, 2020, 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.

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

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

PRIMARY GOVERNMENT (continued)

Actuarial Assumptions (continued)

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

The valuation incorporates fully generational mortality. The base mortality tables used are constructed as noted and are based on amount weighted sex distinct rates. Pre-retirement mortality - 1. the Pub-2010 Juvenile Mortality Tables, 2. the Pub-2010 Employee Mortality Tables, and 3. the Pub-2010 Healthy Retiree Tables. Non-disabled retired plan members and beneficiaries - 1. 106% of the Pub-2010 Juvenile Mortality Tables, 2. 106% of the Pub-2010 Employee Mortality Tables, and 3. 106% of the Pub-2010 Healthy Retiree Tables. Disabled retired plan members - 1. the Pub-2010 Juvenile Mortality Tables, 2. PubNS-2010 Disabled Retiree Tables.

The actuarial assumptions used in the evaluation were based on the results of the 2013-2018 Five-Year Experience Study.

Discount Rate

The discount rate used to measure the total pension liability is 7.60%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers.

Changes in Assumptions

The actuarial assumptions were changed during the year as follows:

Increases in merit and longevity pay assumption.

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.

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

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

PRIMARY GOVERNMENT (continued)

Projected Cash Flows (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global Equity	60.00%	5.25%	3.15%
Global Fixed Income	20.00%	1.25%	0.25%
Private Investments	20.00%	7.25%	1.45%
	100.00%		
	Inflation		2.50%
	Administrative expenses netted above		0.25%
	Investment rate of return		7.60%

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 7.60%, as well as what the employer's net pension liability would be using a discount rate that is 1% lower (6.60%) or 1% higher (8.60%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability	\$ 19,228,460	\$ 13,578,528	\$ 8,863,350

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.

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

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, 2020, the latest actuarial date, is as follows:

Active Employees	4
Retired and Covered Spouses	<u>20</u>
	<u><u>24</u></u>

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, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2020 and rolled-forward using generally accepted actuarial procedures. 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, 2021, is as follows:

Calculating the OPEB Liability			
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a)-(b)
Balances at September 30, 2020	\$ 4,300,273	\$ -	\$ 4,300,273
Changes for the year			
Service cost	47,373	-	47,373
Interest on total OPEB liability	115,556	-	115,556
Difference between expected and actual experience	(266,238)	-	(266,238)
Changes in assumptions	1,152,611	-	1,152,611
Employer contributions	(141,437)	141,437	(282,874)
Benefit payments	-	(141,437)	141,437
	907,865	-	907,865
Net changes			
Balances as of September 30, 2021	\$ 5,208,138	\$ -	\$ 5,208,138

Actuarial Assumption

The total OPEB liability in the September 30, 2020, 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	2.43%
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)

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

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (continued)

PRIMARY GOVERNMENT (continued)

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, 2021, the municipal bond rate used was 2.43%.

Sensitivity of the net 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	\$ 6,102,304	\$ 5,208,138	\$ 4,496,452

Sensitivity of the net 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	\$ 4,453,527	\$ 5,208,138	\$ 6,146,312

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

For the year ended September 30, 2021, the County recognized OPEB expense of \$1,049,302. At September 30, 2021, the County did not report any deferred outflows or deferred inflows of resources related to OPEB.

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 - RESTATEMENT OF BEGINNING NET POSITION

Beginning net position for discretely presented component units has been adjusted to correct understated capital assets in the Drainage District.

	Drainage District	Discretely Presented Component Units
Beginning net position	\$ 3,543,848	\$ 78,445,222
Understated capital assets (Drains)	470,241	470,241
Beginning net position as corrected	\$ 4,014,089	\$ 78,915,463

The County adopted the provisions of GASB Statement No. 84, Fiduciary Activities, in the current year. As a result of this change, beginning net position of the custodial funds was increased by \$412,442.

NOTE 12 - 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 Circuit Court and the Tax Tribunal. Appeals for the 2017-2021 tax years are at the MTT and are currently held in abeyance pending a final disposition of the 2016 case.

NOTE 13 - 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, 2020, the Federal grants received and expended by the Road Commission was \$973,586 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.

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

NOTE 13 - FEDERAL GRANTS (continued)

COMPONENT UNIT - ROAD COMMISSION (continued)

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 performed during the fiscal year ended December 31, 2020

NOTE 14 - 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.

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 15 - 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, 2021, the County's property tax revenue for general operations were reduced by \$37,787 under the IFT program, revenue for ambulance operations was reduced by \$8,695, revenue for public safety operations were reduced by \$4,948, revenue for Transit operations were reduced by \$2,292, and revenue for veterans' services were reduced by \$923.

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

NOTE 16 - 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	Nonmajor Governmental Funds	Total
Fund Balances				
Nonspendable				
Advances	\$ 295,000	\$ -	\$ -	\$ 295,000
Prepays	282,343	-	14,352	296,695
Loans	-	-	1,976,502	1,976,502
Restricted				
Judicial				
Family Counseling	77,989	-	-	77,989
Public Safety				
Sheriff's Extra Voted Millage	-	-	1,130,563	1,130,563
60% Justice Training	-	-	3,548	3,548
SCAR	-	-	7,557	7,557
Central Dispatch	-	-	1,528,925	1,528,925
Dispatch Training	-	-	19,668	19,668
Crime Victims' Rights	-	-	14,235	14,235
Local Corrections Officers Training	-	-	26,047	26,047
Drug Law Enforcement	-	-	107,835	107,835
Concealed Pistol Licensing	-	-	156,268	156,268
Public Works				
Entergy Stipend	-	-	227,988	227,988
Health and Welfare				
Ambulance Millage	-	-	138,821	138,821
Social Welfare	-	-	51,145	51,145
Veterans' Relief	-	-	331,995	331,995
Child Care	-	-	1,100,236	1,100,236
Community and Economic Development				
Register of Deeds Automation	-	-	559,483	559,483
Housing Program Income	-	-	109,384	109,384
Committed				
General Government				
Budget Stabilization	1,258,430	-	-	1,258,430
ARPA Grant	-	392	-	392
Building Authority	-	-	500	500
Public Safety				
Collection Agency	-	-	68,844	68,844
Sheriff Drain Work Crew	-	-	8,587	8,587
Homeland Security Grants	-	-	628	628
Capital Improvements				
Public Improvement	-	-	323,579	323,579
Assigned				
General Government				
Specialty Courts	166,783	-	-	166,783
Courthouse Restoration	5,613	-	-	5,613
Public Safety				
Local Emergency Planning Committee	25,034	-	-	25,034
Unassigned	7,112,791	-	-	7,112,791
TOTAL FUND BALANCES	\$ 9,223,983	\$ 392	\$ 7,906,690	\$ 17,131,065

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

NOTE 17 - 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, 2021:

PRIMARY GOVERNMENT	
Governmental Activities	
Public Safety	
Sheriff's Extra Voted Millage	\$ 1,130,563
60% Justice Training	3,548
Central Dispatch	1,534,616
Dispatch Training	19,668
Crime Victims' Rights	14,235
SCAR	7,557
Local Corrections Officers Training	26,047
Drug Law Enforcement	107,835
Concealed Pistol Licensing	<u>156,268</u>
Total restricted for public safety	<u>3,000,337</u>
Other purposes	
Ambulance	138,821
Register of Deeds Automation	568,144
Social Welfare	51,145
Entergy Stipend	227,988
Family Counseling	77,989
Veterans' Relief	331,995
Child Care	1,100,236
Housing Program Income	<u>2,085,886</u>
Total restricted for other purposes	<u>4,582,204</u>
	<u>\$ 7,582,541</u>
Business-type Activities	
Restricted for pension	<u>\$ 60,012</u>
COMPONENT UNITS	
Road Commission	
Restricted for County roads	<u>\$ 2,527,495</u>
Drainage District	
Restricted for capital projects	<u>\$ 77,048</u>
Department of Public Works	
Restricted for debt service	<u>\$ 44,316</u>

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

NOTE 18 - UPCOMING ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement will increase the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2021-2022 fiscal year.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. This Statement will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The clarified definition will resolve stakeholders' uncertainty as to whether a given financing is, in fact, a conduit debt obligation. Requiring issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize assets and deferred inflows of resources related to certain arrangements associated with conduit debt obligations also will eliminate diversity, thereby improving comparability in reporting by issuers. Revised disclosure requirements will provide financial statement users with better information regarding the commitments issuers extend and the likelihood that they will fulfill those commitments. That information will inform users of the potential impact of such commitments on the financial resources of issuers and help users assess issuers' roles in conduit debt obligations. The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2022-2023 fiscal year.

In May 2020, the GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2022-2023 fiscal year.

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.

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

NOTE 19 - TRANSIT REPORTING (continued)

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 \$36,578. The entire amount of \$36,578 was expensed on the books and is reported in 50220 defined benefit pensions. The Transit paid \$28,446 therefore, \$8,132 (\$36,578 less the amount paid) is subtracted out under 58020 Ineligible defined benefit pensions.

NOTE 20 - UNCERTAINTIES

The extent of the impact of COVID-19 on the County's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on services, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the financial condition and results of operations is uncertain.

NOTE 21 - CHANGE IN ACCOUNTING PRINCIPLES

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities for all state and local governments, focusing on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries for whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The County has two funds that meet the criteria (general custodial and current tax collection activities). See Note 11 for the impact of the adoption of GASB Statement No. 84.

REQUIRED SUPPLEMENTARY INFORMATION

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES				
Taxes				
Current and delinquent property taxes	\$ 15,424,179	\$ 15,424,179	\$ 17,479,901	\$ 2,055,722
Payments in lieu of taxes	143,395	115,851	119,238	3,387
Mobile home park taxes	5,000	5,000	5,306	306
Interest and penalties	10,000	10,000	8,856	(1,144)
Total taxes	<u>15,582,574</u>	<u>15,555,030</u>	<u>17,613,301</u>	<u>2,058,271</u>
Licenses and permits				
Gun permits	-	-	164	164
Dog licenses	140,000	140,000	109,710	(30,290)
Marriage license fees	10,000	10,000	10,520	520
Cremation permits	-	-	1,720	1,720
Total licenses and permits	<u>150,000</u>	<u>150,000</u>	<u>122,114</u>	<u>(27,886)</u>
Intergovernmental				
Federal/State				
Public Safety Public Health	-	124,000	124,760	760
Emergency management	35,000	35,000	34,968	(32)
Foster care program	46,455	96,934	131,726	34,792
CDBG	-	80,461	80,461	-
Cooperative reimbursement program	1,400,000	1,400,000	1,152,474	(247,526)
IV-D incentive	109,312	109,312	108,800	(512)
Friend of the Court	71,097	71,097	71,821	724
Judges standardization	230,820	230,820	228,620	(2,200)
Juvenile Officer's salary	52,775	52,775	52,776	1
Probate court judge	100,000	100,000	120,114	20,114
Jury fees	12,200	12,200	8,730	(3,470)
District court case flow assistance	18,000	18,000	12,687	(5,313)
Redocumentation	60,918	65,918	65,043	(875)
Treasurer court financing	349,128	349,128	305,551	(43,577)
Sheriff secondary road patrol	52,258	70,098	70,098	-
State shared revenue	1,568,670	1,568,670	1,608,295	39,625
Recreational marijuana	-	140,000	140,007	7
Local community stabilization share	256,279	404,279	404,244	(35)
Snowmobile grant	2,500	2,500	1,743	(757)
Dive response recovery	22,000	22,000	22,000	-
State and community highway safety	12,112	12,112	-	(12,112)
Convention and tourism tax	299,723	299,723	290,075	(9,648)
Other	5,500	88,159	79,127	(9,032)
Local	<u>2,500</u>	<u>2,500</u>	<u>5,315</u>	<u>2,815</u>
Total intergovernmental	<u>4,707,247</u>	<u>5,355,686</u>	<u>5,119,435</u>	<u>(236,251)</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES (continued)				
Charges for services				
Family Court	\$ 23,500	\$ 23,500	\$ 19,781	\$ (3,719)
District Court	835,600	835,600	738,501	(97,099)
Friend of the Court	82,500	82,500	82,108	(392)
Probate Court	32,000	32,000	38,317	6,317
County Treasurer	65,424	65,424	44,589	(20,835)
County Clerk	261,500	261,500	150,226	(111,274)
Election fees	32,800	32,800	42,814	10,014
Prosecuting attorney services	3,500	3,500	483	(3,017)
Register of Deeds	746,000	1,131,000	1,104,443	(26,557)
Land management fees	106,500	106,500	124,516	18,016
Drain Commissioner services	137,000	137,000	128,699	(8,301)
Sheriff department services	73,200	116,200	135,746	19,546
Animal shelter services	5,100	5,100	10,185	5,085
Medical examiner services	4,000	4,000	-	(4,000)
Passport fees	24,400	24,400	-	(24,400)
Other sales	22,500	26,582	11,872	(14,710)
Total charges for services	<u>2,455,524</u>	<u>2,887,606</u>	<u>2,632,280</u>	<u>(255,326)</u>
Fines and forfeits				
Bond forfeitures	30,000	30,000	21,825	(8,175)
Ordinance fines and costs	100,000	100,000	90,254	(9,746)
Total fines and forfeits	<u>130,000</u>	<u>130,000</u>	<u>112,079</u>	<u>(17,921)</u>
Interest and rents				
Interest on investments	225,000	225,000	73,868	(151,132)
Rents	521,421	507,021	495,182	(11,839)
Total interest and rents	<u>746,421</u>	<u>732,021</u>	<u>569,050</u>	<u>(162,971)</u>
Other				
Reimbursements and refunds	103,106	147,728	138,676	(9,052)
Insurance recoveries and refunds	-	20,000	20,026	26
Contributions	2,000	2,000	5,305	3,305
Other	-	20	3,428	3,408
Total other	<u>105,106</u>	<u>169,748</u>	<u>167,435</u>	<u>(2,313)</u>
TOTAL REVENUES	<u>23,876,872</u>	<u>24,980,091</u>	<u>26,335,694</u>	<u>1,355,603</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
EXPENDITURES				
Current				
General government				
Board of Commissioners	\$ 359,007	\$ 411,154	\$ 391,293	\$ 19,861
County Administrator	242,860	362,926	341,128	21,798
Human Resources	165,224	198,239	171,699	26,540
General benefits	-	751,341	715,663	35,678
Elections	111,583	112,120	64,326	47,794
Finance	346,533	348,580	332,475	16,105
Clerk	455,566	455,578	433,505	22,073
Equalization	236,661	232,661	217,935	14,726
Information technology	646,408	696,735	674,802	21,933
Land information services	299,252	299,272	289,636	9,636
Redocumentation	82,003	92,003	69,952	22,051
Treasurer	366,698	366,719	337,633	29,086
Building and grounds	1,758,141	1,907,303	1,797,434	109,869
General services	1,007,000	270,000	135,513	134,487
Total general government	6,076,936	6,504,631	5,972,994	531,637
Judicial				
Circuit Court	649,862	625,076	554,503	70,573
Family Court	1,053,631	1,169,243	1,111,439	57,804
District Court	1,615,981	1,637,262	1,569,830	67,432
Jury board	25,500	25,504	23,809	1,695
Probate Court	560,278	570,485	537,436	33,049
State probation	6,500	6,505	2,464	4,041
Prosecuting Attorney	1,054,948	1,116,055	1,082,042	34,013
Court Shared Costs	142,000	142,312	113,985	28,327
Family counseling services	12,000	12,016	1,700	10,316
Total judicial	5,120,700	5,304,458	4,997,208	307,250
Public safety				
Sheriff	384,886	395,026	383,500	11,526
Sheriff Road Patrol	1,769,232	2,156,758	2,103,571	53,187
Courthouse Security	339,122	339,142	324,540	14,602
Secondary Road Patrol	204,007	221,848	191,996	29,852
Marine safety	76,915	76,915	41,905	35,010
Snowmobile grant	6,783	6,783	2,053	4,730
Dive response recovery	11,000	11,000	3,640	7,360
OHSP enforcement grant	12,112	12,112	-	12,112
Youth Services	25,000	25,000	20,434	4,566
Jail	2,955,146	2,989,417	2,841,678	147,739
Alternative work program	189,199	189,199	174,382	14,817
Sheriff Court Officer	95,555	95,555	67,199	28,356
Emergency services	139,042	139,105	125,802	13,303
Animal control	467,073	467,151	403,662	63,489
Total public safety	6,675,072	7,125,011	6,684,362	440,649

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Current (continued)				
Public works				
Drain Commissioner	\$ 435,179	\$ 457,068	\$ 436,350	\$ 20,718
Public works	9,785	9,785	1,625	8,160
Total public works	444,964	466,853	437,975	28,878
Health and welfare				
Health department	587,309	587,309	566,955	20,354
Mental health department	341,431	341,431	341,431	-
Contagious diseases	10,000	10,000	-	10,000
Medical examiner	213,000	253,659	259,188	(5,529)
Human services	74,269	74,269	75,238	(969)
Veterans' burials	6,000	10,000	2,412	7,588
Veterans' counseling	67,291	124,116	109,482	14,634
Total health and welfare	1,299,300	1,400,784	1,354,706	46,078
Community and economic development				
Planning Commission	7,000	7,000	3,785	3,215
Register of Deeds	245,265	245,265	237,168	8,097
Cooperative extension	245,545	251,038	252,790	(1,752)
Economic Development	127,500	255,461	217,961	37,500
Total community and economic development	625,310	758,764	711,704	47,060
TOTAL EXPENDITURES	20,242,282	21,560,501	20,158,949	1,401,552
EXCESS OF REVENUES OVER EXPENDITURES	3,634,590	3,419,590	6,176,745	2,757,155

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
OTHER FINANCING (USES)				
Transfers out				
Specialty Court	\$ (30,000)	\$ (30,000)	\$ (21,969)	\$ 8,031
Friend of the Court	(1,927,574)	(1,927,574)	(1,930,510)	(2,936)
Indigent Defense	(313,446)	(313,446)	(306,970)	6,476
Law Library	(20,000)	(30,000)	(22,588)	7,412
Child Care	(804,000)	(804,000)	(804,000)	-
Computers	(500,000)	(500,000)	(500,000)	-
Disaster Contingency	(50,000)	(50,000)	(13,117)	36,883
Capital improvement	(680,500)	(680,500)	(680,500)	-
Inmate Lodging	-	(60,000)	(17,602)	42,398
Law Enforcement	(39,570)	(54,570)	(11,958)	42,612
TOTAL OTHER FINANCING (USES)	<u>(4,365,090)</u>	<u>(4,450,090)</u>	<u>(4,309,214)</u>	<u>140,876</u>
Net change in fund balance (Budgetary basis)	<u>\$ (730,500)</u>	<u>\$ (1,030,500)</u>	1,867,531	<u>\$ 2,898,031</u>
Budgetary perspective difference			<u>(195,600)</u>	
Net change in fund balance (GAAP basis)			<u>\$ 1,671,931</u>	

**VAN BUREN COUNTY, MICHIGAN
 ARPA GRANT FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest and rents	\$ -	\$ -	\$ 392	\$ 392
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	392	392
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392</u>	<u>\$ 392</u>

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

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service cost	\$ 1,190,408	\$ 1,151,304	\$ 1,114,815	\$ 1,060,840	\$ 1,003,862	\$ 1,009,847	\$ 915,032
Interest	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	(634,551)	48,365	(453,906)	48,345	(762,200)	754,765	-
Changes of assumptions	1,586,376	1,220,757	-	-	-	1,701,756	-
Benefit payments including employee refunds	(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	3,079,495	3,378,956	1,747,351	2,177,984	1,567,865	4,601,758	2,040,735
Total Pension Liability, beginning	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>\$ 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	\$ 1,496,224	\$ 1,440,573	\$ 1,351,966	\$ 1,109,826	\$ 1,112,695	\$ 1,022,024	\$ 889,310
Contributions - employee	683,795	687,659	692,064	616,287	599,098	823,523	547,659
Net investment income (loss)	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	(2,307,199)	(2,189,516)	(1,930,710)	(1,778,064)	(1,407,762)	(1,308,701)	(1,152,556)
Administrative expense	(58,155)	(59,744)	(51,584)	(49,223)	(47,304)	(46,000)	(45,112)
Net Change in Plan Fiduciary Net Position	3,932,505	3,344,677	(991,131)	3,011,634	2,656,181	168,799	1,463,001
Plan Fiduciary Net Position, beginning	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>\$ 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>\$ 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	71%	67%	64%	69%	65%	60%	69%
Covered payroll	<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	101%	110%	114%	97%	109%	115%	85%

**VAN BUREN COUNTY, MICHIGAN
COUNTY EMPLOYEE RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST SEVEN FISCAL YEARS (ULTIMATELY TEN YEARS WILL BE DISPLAYED)
(AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH FISCAL YEAR)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 1,580,514	\$ 1,478,530	\$ 1,404,479	\$ 1,321,608	\$ 1,043,032	\$ 1,062,561	\$ 964,207
Contributions in relation to the actuarially determined contribution	<u>1,580,514</u>	<u>1,478,530</u>	<u>1,404,479</u>	<u>1,321,608</u>	<u>1,043,032</u>	<u>1,062,561</u>	<u>964,207</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 14,099,855</u>	<u>\$ 13,567,694</u>	<u>\$ 13,237,694</u>	<u>\$ 12,708,108</u>	<u>\$ 12,188,797</u>	<u>\$ 11,917,285</u>	<u>\$ 11,231,238</u>
Contributions as a percentage of covered payroll	11%	11%	11%	10%	9%	9%	9%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 47,373	\$ 51,366	\$ 48,723	\$ 45,366
Interest	115,556	150,491	149,570	152,305
Changes in assumptions	1,152,611	-	(443,088)	-
Difference between actual and expected experience	(266,238)	-	(572,753)	-
Benefit payments	<u>(141,437)</u>	<u>(159,153)</u>	<u>(117,364)</u>	<u>(164,105)</u>
Net Change in Total OPEB Liability	907,865	42,704	(934,912)	33,566
Total OPEB liability, beginning	<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><u>\$ 5,208,138</u></u>	<u><u>\$ 4,300,273</u></u>	<u><u>\$ 4,257,569</u></u>	<u><u>\$ 5,192,481</u></u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 141,437	\$ 159,153	\$ 117,364	\$ 164,105
Benefit payments	<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>
Plan Fiduciary Net Position, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Employer's Net OPEB Liability	<u><u>\$ 5,208,138</u></u>	<u><u>\$ 4,300,273</u></u>	<u><u>\$ 4,257,569</u></u>	<u><u>\$ 5,192,481</u></u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0%	0%	0%	0%
Covered payroll	<u><u>\$ 303,436</u></u>	<u><u>\$ 418,576</u></u>	<u><u>\$ 463,950</u></u>	<u><u>\$ 411,861</u></u>
Employer's Net OPEB Liability as a percentage of covered payroll	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)	\$ 1,867,531
To adjust for revenues generated related to various activities accounted for in separate funds	1,935,762
To adjust for expenditures generated related to various activities accounted for in separate funds	(2,996,006)
To remove the transfers in and out from the budgetary basis schedule	<u>864,644</u>
Net change in fund balance (GAAP Basis)	<u><u>\$ 1,671,931</u></u>

NOTE 2 - COUNTY EMPLOYEE RETIREMENT PLAN

Changes of benefits terms: There were no changes of benefit terms during plan year 2020.

Changes in assumptions: Increases in merit pay and longevity pay assumptions.

NOTE 3 - COUNTY DEFINED BENEFIT OPEB PLAN

Changes in benefit terms: There were no changes of benefit terms in plan year 2021.

Changes in assumptions: Decrease in discount rate from 3.58% to 2.43%.
Decrease in annual wage increase from 3.50% to 3.00%.
Decrease in dental and vision healthcare cost trend rate from 5.00% to 4.50%.

OTHER SUPPLEMENTARY INFORMATION

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
COMBINING BALANCE SHEET
SEPTEMBER 30, 2021**

	General	Specialty Courts	Local Emergency Planning Committee	Disaster Contingency
ASSETS				
Cash and cash equivalents	\$ 15	\$ 6	\$ 22,464	\$ 2,867
Investments	6,797,485	-	-	-
Receivables				
Accounts	95,811	-	-	-
Taxes	5,629,046	-	-	-
Interest	1,308	-	-	-
Due from other governmental units				
Federal/State	371,178	466,698	2,570	834
Local	13,700	-	-	-
Advances to other funds	20,000	-	-	-
Advances to other governmental units	280,000	-	-	-
Prepays	209,268	-	-	1,300
TOTAL ASSETS	\$ 13,417,811	\$ 466,704	\$ 25,034	\$ 5,001
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 342,875	\$ 71,417	\$ -	\$ -
Accrued liabilities	697,408	34,782	-	-
Due to other governmental units	4,517	-	-	-
Due to other funds	3,814,131	193,722	-	-
Advance from other funds	-	-	-	5,000
TOTAL LIABILITIES	4,858,931	299,921	-	5,000
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	1,239,166	-	-	-
FUND BALANCES				
Nonspendable	509,268	-	-	1,300
Restricted	77,989	-	-	-
Committed	-	-	-	-
Assigned	-	166,783	25,034	-
Unassigned	6,732,457	-	-	(1,299)
TOTAL FUND BALANCES	7,319,714	166,783	25,034	1
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 13,417,811	\$ 466,704	\$ 25,034	\$ 5,001

Law Library	Courthouse Restoration	Budget Stabilization	Computers	Indigent Defense	Total Before Eliminations	Eliminations	Total
\$ 1,846	\$ 5,613	\$ 1,258,430	\$ 377,880	\$ 5,575	\$ 1,674,696	\$ -	\$ 1,674,696
-	-	-	-	-	6,797,485	-	6,797,485
-	-	-	12,901	-	108,712	-	108,712
-	-	-	-	-	5,629,046	-	5,629,046
-	-	-	-	-	1,308	-	1,308
-	-	-	-	-	841,280	-	841,280
-	-	-	-	-	13,700	-	13,700
-	-	-	-	-	20,000	(5,000)	15,000
-	-	-	-	-	280,000	-	280,000
-	-	-	71,775	-	282,343	-	282,343
<u>\$ 1,846</u>	<u>\$ 5,613</u>	<u>\$ 1,258,430</u>	<u>\$ 462,556</u>	<u>\$ 5,575</u>	<u>\$ 15,648,570</u>	<u>\$ (5,000)</u>	<u>\$ 15,643,570</u>
\$ 1,846	\$ -	\$ -	\$ 14,148	\$ 5,575	\$ 435,861	\$ -	\$ 435,861
-	-	-	-	-	732,190	-	732,190
-	-	-	-	-	4,517	-	4,517
-	-	-	-	-	4,007,853	-	4,007,853
-	-	-	-	-	5,000	(5,000)	-
<u>1,846</u>	<u>-</u>	<u>-</u>	<u>14,148</u>	<u>5,575</u>	<u>5,185,421</u>	<u>(5,000)</u>	<u>5,180,421</u>
-	-	-	-	-	1,239,166	-	1,239,166
-	-	-	71,775	-	582,343	(5,000)	577,343
-	-	-	-	-	77,989	-	77,989
-	-	1,258,430	-	-	1,258,430	-	1,258,430
-	5,613	-	-	-	197,430	-	197,430
-	-	-	376,633	-	7,107,791	5,000	7,112,791
<u>-</u>	<u>5,613</u>	<u>1,258,430</u>	<u>448,408</u>	<u>-</u>	<u>9,223,983</u>	<u>-</u>	<u>9,223,983</u>
<u>\$ 1,846</u>	<u>\$ 5,613</u>	<u>\$ 1,258,430</u>	<u>\$ 462,556</u>	<u>\$ 5,575</u>	<u>\$ 15,648,570</u>	<u>\$ (5,000)</u>	<u>\$ 15,643,570</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2021**

	General	Specialty Courts	Local Emergency Planning Committee	Disaster Contingency
REVENUES				
Taxes	\$ 17,613,301	\$ -	\$ -	\$ -
Licenses and permits	122,114	-	-	-
Intergovernmental	5,119,435	1,593,912	7,056	250,804
Charges for services	2,632,280	58,959	-	-
Fines and forfeits	112,079	-	-	-
Interest and rents	569,050	-	-	-
Other	167,435	1,347	-	1,382
TOTAL REVENUES	26,335,694	1,654,218	7,056	252,186
EXPENDITURES				
Current				
General government	5,972,994	-	-	-
Judicial	4,997,208	1,693,951	-	-
Public safety	6,684,362	-	1,070	265,302
Public works	437,975	-	-	-
Health and welfare	1,354,706	-	-	-
Community and economic development	711,704	-	-	-
TOTAL EXPENDITURES	20,158,949	1,693,951	1,070	265,302
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,176,745	(39,733)	5,986	(13,116)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	21,969	-	13,117
Transfers out	(4,309,214)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(4,309,214)	21,969	-	13,117
NET CHANGE IN FUND BALANCES	1,867,531	(17,764)	5,986	1
Fund balances, beginning of year	5,452,183	184,547	19,048	-
Fund balances, end of year	\$ 7,319,714	\$ 166,783	\$ 25,034	\$ 1

Law Library	Courthouse Restoration	Budget Stabilization	Computers	Indigent Defense	Total Before Eliminations	Eliminations	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,613,301	\$ -	\$ 17,613,301
-	-	-	-	-	122,114	-	122,114
-	-	-	-	-	6,971,207	-	6,971,207
-	-	-	10,854	-	2,702,093	-	2,702,093
10,000	-	-	-	-	122,079	-	122,079
-	-	-	-	-	569,050	-	569,050
339	-	-	1,106	3	171,612	-	171,612
<u>10,339</u>	<u>-</u>	<u>-</u>	<u>11,960</u>	<u>3</u>	<u>28,271,456</u>	<u>-</u>	<u>28,271,456</u>
-	-	-	695,783	-	6,668,777	-	6,668,777
32,927	-	-	-	306,973	7,031,059	-	7,031,059
-	-	-	-	-	6,950,734	-	6,950,734
-	-	-	-	-	437,975	-	437,975
-	-	-	-	-	1,354,706	-	1,354,706
-	-	-	-	-	711,704	-	711,704
<u>32,927</u>	<u>-</u>	<u>-</u>	<u>695,783</u>	<u>306,973</u>	<u>23,154,955</u>	<u>-</u>	<u>23,154,955</u>
<u>(22,588)</u>	<u>-</u>	<u>-</u>	<u>(683,823)</u>	<u>(306,970)</u>	<u>5,116,501</u>	<u>-</u>	<u>5,116,501</u>
22,588	-	-	500,000	306,970	864,644	(864,644)	-
-	-	-	-	-	(4,309,214)	864,644	(3,444,570)
<u>22,588</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>306,970</u>	<u>(3,444,570)</u>	<u>-</u>	<u>(3,444,570)</u>
-	-	-	(183,823)	-	1,671,931	-	1,671,931
-	5,613	1,258,430	632,231	-	7,552,052	-	7,552,052
<u>\$ -</u>	<u>\$ 5,613</u>	<u>\$ 1,258,430</u>	<u>\$ 448,408</u>	<u>\$ -</u>	<u>\$ 9,223,983</u>	<u>\$ -</u>	<u>\$ 9,223,983</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2021**

	Special			
	Sheriff's Extra Voted Millage	Friend of the Court	Collection Agency	60% Justice Training
ASSETS				
Cash and cash equivalents	\$ 1,208,931	\$ 109,273	\$ 47,107	\$ -
Accounts receivable	16,982	5,102	8,952	-
Loans receivable	-	-	-	-
Due from other governmental units				
Federal/State	-	-	29,831	13,673
Prepays	-	-	-	-
TOTAL ASSETS	\$ 1,225,913	\$ 114,375	\$ 85,890	\$ 13,673
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 10,541	\$ 5,452	\$ -	\$ -
Accrued liabilities	84,809	108,923	17,046	-
Due to other funds	-	-	-	10,125
Unearned revenue	-	-	-	-
Advance from other funds	-	-	-	-
TOTAL LIABILITIES	95,350	114,375	17,046	10,125
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	1,130,563	-	-	3,548
Committed	-	-	68,844	-
TOTAL FUND BALANCES	1,130,563	-	68,844	3,548
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,225,913	\$ 114,375	\$ 85,890	\$ 13,673

Revenue						
Central Dispatch	Dispatch Training	SCAR	Concealed Pistol Licensing	Register of Deeds Automation	Ambulance Millage	Crime Victims' Rights
\$ 1,082,604	\$ 18,346	\$ -	\$ 154,688	\$ 559,628	\$ 920,626	\$ -
512,869	1,322	-	2,461	-	-	-
-	-	-	-	-	-	-
-	-	14,968	-	-	-	35,497
5,691	-	-	-	8,661	-	-
<u>\$ 1,601,164</u>	<u>\$ 19,668</u>	<u>\$ 14,968</u>	<u>\$ 157,149</u>	<u>\$ 568,289</u>	<u>\$ 920,626</u>	<u>\$ 35,497</u>
\$ 5,013	\$ -	\$ -	\$ -	\$ 145	\$ 781,805	\$ 1,921
61,535	-	4,569	881	-	-	6,695
-	-	2,842	-	-	-	12,646
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>66,548</u>	<u>-</u>	<u>7,411</u>	<u>881</u>	<u>145</u>	<u>781,805</u>	<u>21,262</u>
5,691	-	-	-	8,661	-	-
1,528,925	19,668	7,557	156,268	559,483	138,821	14,235
-	-	-	-	-	-	-
<u>1,534,616</u>	<u>19,668</u>	<u>7,557</u>	<u>156,268</u>	<u>568,144</u>	<u>138,821</u>	<u>14,235</u>
<u>\$ 1,601,164</u>	<u>\$ 19,668</u>	<u>\$ 14,968</u>	<u>\$ 157,149</u>	<u>\$ 568,289</u>	<u>\$ 920,626</u>	<u>\$ 35,497</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
SEPTEMBER 30, 2021**

	Special			
	Law Enforcement	Local Corrections Officers Training	Drug Law Enforcement	Sheriff Drain Work Crew
ASSETS				
Cash and cash equivalents	\$ -	\$ 27,306	\$ 136,027	\$ 13,615
Accounts receivable	117,862	2,837	-	-
Loans receivable	-	-	-	-
Due from other governmental units				
Federal/State	-	-	-	-
Prepays	-	-	-	-
TOTAL ASSETS	\$ 117,862	\$ 30,143	\$ 136,027	\$ 13,615
LIABILITIES				
Accounts payable	\$ -	\$ 4,096	\$ 28,192	\$ 906
Accrued liabilities	39,835	-	-	4,122
Due to other funds	78,027	-	-	-
Unearned revenue	-	-	-	-
Advance from other funds	-	-	-	-
TOTAL LIABILITIES	117,862	4,096	28,192	5,028
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	26,047	107,835	-
Committed	-	-	-	8,587
TOTAL FUND BALANCES	-	26,047	107,835	8,587
TOTAL LIABILITIES AND FUND BALANCES	\$ 117,862	\$ 30,143	\$ 136,027	\$ 13,615

Revenue						Capital Projects
Social Welfare	Veterans' Relief	Entergy Stipend	Housing Program Income	Child Care	Homeland Security Grants	Public Improvement
\$ 51,145	\$ 346,400	\$ 232,401	\$ 109,384	\$ 1,141,004	\$ 182,056	\$ 636,592
-	-	-	-	-	4,523	9,512
-	-	-	1,976,502	-	-	-
-	-	-	-	170,847	502,854	-
-	-	-	-	-	-	-
<u>\$ 51,145</u>	<u>\$ 346,400</u>	<u>\$ 232,401</u>	<u>\$ 2,085,886</u>	<u>\$ 1,311,851</u>	<u>\$ 689,433</u>	<u>\$ 646,104</u>
\$ -	\$ 9,718	\$ -	\$ -	\$ 177,574	\$ 12,890	\$ 30,265
-	4,687	4,413	-	34,041	9,419	-
-	-	-	-	-	661,496	81,010
-	-	-	-	-	-	211,250
-	-	-	-	-	5,000	-
-	14,405	4,413	-	211,615	688,805	322,525
-	-	-	1,976,502	-	-	-
51,145	331,995	227,988	109,384	1,100,236	-	-
-	-	-	-	-	628	323,579
<u>51,145</u>	<u>331,995</u>	<u>227,988</u>	<u>2,085,886</u>	<u>1,100,236</u>	<u>628</u>	<u>323,579</u>
<u>\$ 51,145</u>	<u>\$ 346,400</u>	<u>\$ 232,401</u>	<u>\$ 2,085,886</u>	<u>\$ 1,311,851</u>	<u>\$ 689,433</u>	<u>\$ 646,104</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
SEPTEMBER 30, 2021**

	Debt Service	
	Building Authority Debt - Jail	Total
ASSETS		
Cash and cash equivalents	\$ 500	\$ 6,977,633
Accounts receivable	-	682,422
Loans receivable	-	1,976,502
Due from other governmental units		
Federal/State	-	767,670
Prepays	-	14,352
TOTAL ASSETS	\$ 500	\$ 10,418,579
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ -	\$ 1,068,518
Accrued liabilities	-	380,975
Due to other funds	-	846,146
Unearned revenue	-	211,250
Advance from other funds	-	5,000
TOTAL LIABILITIES	-	2,511,889
FUND BALANCES		
Nonspendable	-	1,990,854
Restricted	-	5,513,698
Committed	500	402,138
TOTAL FUND BALANCES	500	7,906,690
TOTAL LIABILITIES AND FUND BALANCES	\$ 500	\$ 10,418,579

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2021**

	Special			
	Sheriff's Extra Voted Millage	Friend of the Court	Collection Agency	60% Justice Training
REVENUES				
Taxes	\$ 1,772,153	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental				
Federal/State	172,093	1,605	-	-
Charges for services	13,682	84,740	322,584	-
Fines and forfeits	-	-	-	-
Interest and rents	-	-	-	-
Other	93,856	250	16	6,857
TOTAL REVENUES	2,051,784	86,595	322,600	6,857
EXPENDITURES				
Current				
General government	-	-	-	-
Judicial	-	2,017,105	-	-
Public safety	1,639,984	-	336,406	12,244
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Capital outlay	90,799	-	3,796	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
TOTAL EXPENDITURES	1,730,783	2,017,105	340,202	12,244
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	321,001	(1,930,510)	(17,602)	(5,387)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,930,510	17,602	-
Transfers out	(71,852)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(71,852)	1,930,510	17,602	-
NET CHANGE IN FUND BALANCES	249,149	-	-	(5,387)
Fund balances, beginning of year	881,414	-	68,844	8,935
Fund balances, end of year	\$ 1,130,563	\$ -	\$ 68,844	\$ 3,548

Revenue

Central Dispatch	Dispatch Training	SCAR	Concealed Pistol Licensing	Register of Deeds Automation	Ambulance Millage	Crime Victims' Rights
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,114,644	\$ -
-	-	-	62,372	-	-	-
-	14,523	53,377	-	-	41,889	121,376
2,082,768	-	-	-	91,040	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
160	38	-	-	-	-	41
<u>2,082,928</u>	<u>14,561</u>	<u>53,377</u>	<u>62,372</u>	<u>91,040</u>	<u>3,156,533</u>	<u>121,417</u>
-	-	-	22,196	-	-	-
-	-	-	-	-	-	123,443
2,706,932	17,401	89,124	-	-	-	-
-	-	-	-	-	3,108,212	-
-	-	-	-	44,505	-	-
-	-	-	-	641	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,706,932</u>	<u>17,401</u>	<u>89,124</u>	<u>22,196</u>	<u>45,146</u>	<u>3,108,212</u>	<u>123,443</u>
<u>(624,004)</u>	<u>(2,840)</u>	<u>(35,747)</u>	<u>40,176</u>	<u>45,894</u>	<u>48,321</u>	<u>(2,026)</u>
-	-	35,746	-	-	-	-
-	-	-	-	-	-	-
-	-	35,746	-	-	-	-
<u>(624,004)</u>	<u>(2,840)</u>	<u>(1)</u>	<u>40,176</u>	<u>45,894</u>	<u>48,321</u>	<u>(2,026)</u>
<u>2,158,620</u>	<u>22,508</u>	<u>7,558</u>	<u>116,092</u>	<u>522,250</u>	<u>90,500</u>	<u>16,261</u>
<u>\$ 1,534,616</u>	<u>\$ 19,668</u>	<u>\$ 7,557</u>	<u>\$ 156,268</u>	<u>\$ 568,144</u>	<u>\$ 138,821</u>	<u>\$ 14,235</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (continued)
YEAR ENDED SEPTEMBER 30, 2021**

	Special			
	Law Enforcement	Local Corrections Officers Training	Drug Law Enforcement	Sheriff Drain Work Crew
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental				
Federal/State	-	-	-	-
Local	-	-	-	-
Charges for services	776,515	12,581	-	63,654
Fines and forfeits	-	-	9,571	-
Interest and rents	-	-	-	-
Other	-	-	2,655	10
TOTAL REVENUES	<u>776,515</u>	<u>12,581</u>	<u>12,226</u>	<u>63,664</u>
EXPENDITURES				
Current				
Public safety	788,473	25,529	45,020	71,869
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>788,473</u>	<u>25,529</u>	<u>45,020</u>	<u>71,869</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(11,958)</u>	<u>(12,948)</u>	<u>(32,794)</u>	<u>(8,205)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>11,958</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(12,948)	(32,794)	(8,205)
Fund balances, beginning of year	<u>-</u>	<u>38,995</u>	<u>140,629</u>	<u>16,792</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 26,047</u>	<u>\$ 107,835</u>	<u>\$ 8,587</u>

Revenue						Capital Projects
Social Welfare	Veterans' Relief	Entergy Stipend	Housing Program Income	Child Care	Homeland Security Grants	Public Improvement
\$ -	\$ 332,968	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	2,691	-	38,592	587,229	879,854	-
-	-	-	-	-	-	-
-	-	-	-	50,521	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	66,787
-	145	51,001	-	63	-	7,761
-	335,804	51,001	38,592	637,813	879,854	74,548
-	-	87,107	-	-	879,443	-
4,689	91,950	-	-	1,968,643	-	-
-	-	-	21,001	-	-	-
-	-	-	-	-	-	612,036
4,689	91,950	87,107	21,001	1,968,643	879,443	612,036
(4,689)	243,854	(36,106)	17,591	(1,330,830)	411	(537,488)
-	-	36,106	-	804,000	-	680,500
(4,689)	243,854	-	17,591	(526,830)	411	143,012
55,834	88,141	227,988	2,068,295	1,627,066	217	180,567
\$ 51,145	\$ 331,995	\$ 227,988	\$ 2,085,886	\$ 1,100,236	\$ 628	\$ 323,579

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (continued)
YEAR ENDED SEPTEMBER 30, 2021**

	Debt Service	
	Building Authority Debt - Jail	Total
REVENUES		
Taxes	\$ -	\$ 5,219,765
Licenses and permits	-	62,372
Intergovernmental		
Federal/State	-	1,913,229
Charges for services	-	3,498,085
Fines and forfeits	-	9,571
Interest and rents	-	66,787
Other	-	162,853
	<u>-</u>	<u>10,932,662</u>
TOTAL REVENUES		
EXPENDITURES		
Current		
General government	-	22,196
Judicial	-	2,140,548
Public safety	-	6,699,532
Health and welfare	-	5,173,494
Community and economic development	-	65,506
Capital outlay	-	707,272
Debt service		
Principal	220,000	220,000
Interest and fiscal charges	133,103	133,103
	<u>353,103</u>	<u>15,161,651</u>
TOTAL EXPENDITURES		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(353,103)</u>	<u>(4,228,989)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	353,103	3,869,525
Transfers out	-	(71,852)
	<u>353,103</u>	<u>3,797,673</u>
TOTAL OTHER FINANCING SOURCES (USES)		
NET CHANGE IN FUND BALANCES	-	(431,316)
Fund balances, beginning of year	<u>500</u>	<u>8,338,006</u>
Fund balances, end of year	<u>\$ 500</u>	<u>\$ 7,906,690</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Computer Mapping	Jail Commissary	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,484	\$ 96,337	\$ 98,821
Accounts receivable	-	58,704	58,704
TOTAL ASSETS	2,484	155,041	157,525
LIABILITIES			
Current liabilities			
Accounts payable	1,177	9,820	10,997
NET POSITION			
Unrestricted	\$ 1,307	\$ 145,221	\$ 146,528

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Computer Mapping</u>	<u>Jail Commissary</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	<u>\$ 1,640</u>	<u>\$ 359,908</u>	<u>\$ 361,548</u>
OPERATING EXPENSES			
Operating supplies	-	225,519	225,519
Contractual services	<u>33,372</u>	<u>-</u>	<u>33,372</u>
TOTAL OPERATING EXPENSES	<u>33,372</u>	<u>225,519</u>	<u>258,891</u>
OPERATING INCOME (LOSS)	(31,732)	134,389	102,657
Net position, beginning of year	<u>33,039</u>	<u>10,832</u>	<u>43,871</u>
Net position, end of year	<u><u>\$ 1,307</u></u>	<u><u>\$ 145,221</u></u>	<u><u>\$ 146,528</u></u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2021**

	Computer Mapping	Jail Commissary	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 1,640	\$ 301,204	\$ 302,844
Cash paid to suppliers	(32,195)	(245,767)	(277,962)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(30,555)	55,437	24,882
Cash and cash equivalents, beginning of year	33,039	40,900	73,939
Cash and cash equivalents, end of year	\$ 2,484	\$ 96,337	\$ 98,821
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (31,732)	\$ 134,389	\$ 102,657
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities (Increase) in:			
Accounts receivable	-	(58,704)	(58,704)
Increase (decrease) in:			
Accounts payable	1,177	(20,248)	(19,071)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (30,555)	\$ 55,437	\$ 24,882

**VAN BUREN COUNTY, MICHIGAN
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

	General Custodial	Current Tax Collection Custodial	Total
ASSETS			
Cash and cash equivalents	\$ 1,297,137	\$ 8,207,694	\$ 9,504,831
Investments	360,442	-	360,442
TOTAL ASSETS	1,657,579	8,207,694	9,865,273
LIABILITIES			
Undistributed tax collections payable	-	8,207,694	8,207,694
Due to other governmental units	450,590	-	450,590
Due to individuals and agencies	629,211	-	629,211
TOTAL LIABILITIES	1,079,801	8,207,694	9,287,495
NET POSITION			
Restricted for individuals, organizations, and other governmental units	\$ 577,778	\$ -	\$ 577,778

**VAN BUREN COUNTY, MICHIGAN
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2021**

	General Custodial	Current Tax Collection Custodial	Total
ADDITIONS			
Property tax collections for other governmental units	\$ -	\$ 23,238,246	\$ 23,238,246
Collections for other governmental units	13,550,364	-	13,550,364
Collections for individual and agencies	695,711	-	695,711
Investment earnings	99,852	-	99,852
TOTAL ADDITIONS	14,345,927	23,238,246	37,584,173
DEDUCTIONS			
Property tax distributions to other governmental units	-	23,238,246	23,238,246
Distributions to other governmental units	13,550,364	-	13,550,364
Distributions to individuals and agencies	630,227	-	630,227
TOTAL DEDUCTIONS	14,180,591	23,238,246	37,418,837
NET INCREASE IN FIDUCIARY NET POSITION	165,336	-	165,336
Net position, beginning of year	412,442	-	412,442
Net position, end of year	<u>\$ 577,778</u>	<u>\$ -</u>	<u>\$ 577,778</u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED SEPTEMBER 30, 2021**

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 21)		MI-2020-008/2017-0136/P10	\$ 369,851	\$ 369,851	\$ 369,851	\$ -	\$ -	\$ -
COVID-19 Operating Assistance - Section 5311		MI-2020-008/2017-0136/P10	369,851	301,223	301,223	-	-	68,628
COVID-19 Operating Assistance - Section 5311 CARES Flex		MI-2020-015/2017-0136/P11	177,785	162,176	162,176	-	-	15,609
Capital Assistance - Section 5311 (FY 21)		MI-2021-049/2017-0136/P15	128,125	-	-	-	-	128,125
Capital Assistance - Section 5311 (FY 20)		MI-2018-034-03/2017-0136/P13	468,750	-	-	-	-	468,750
Capital Assistance - Section 5311 (FY 20)		MI-2018-034-02/2017-0136/P9	186,549	-	-	-	-	186,549
Capital Assistance - Section 5311 (FY 19)		MI-2018-034-01/2017-0136/P5	143,750	104,613	83,690	20,923	-	39,137
Capital Assistance - Section 5311 (FY 17)		MI-2016-037-01/2017-0136/P2	43,750	43,750	35,000	8,750	-	-
Rural Transit Assistance Program (RTAP)		N/A	4,695	4,695	4,695	-	-	-
			<u>1,893,106</u>	<u>986,308</u>	<u>956,635</u>	<u>29,673</u>	<u>-</u>	<u>906,798</u>
Federal Transit Cluster								
Bus and Bus Facilities Formula & Discretionary Programs	20.526							
Section 5339 (80/20)		MI-2020-034-01/2017-0136/P14	108,846	-	-	-	-	108,846
Section 5339 (80/20)		MI-2018-009-02/2017-0136/P12	203,158	-	-	-	-	203,158
Section 5339 (80/20)		MI-2020-034-00/2017-0136/P8	312,084	-	-	-	-	312,084
			<u>624,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>624,088</u>
MICHIGAN DEPARTMENT OF TRANSPORTATION								
Operating Assistance - Act 51								
Operating Assistance (FY 21)								
Nonurban		MI-18-X050	769,687	699,688	-	699,688	-	69,999
Capital Assistance								
Capital Assistance (FY 19)		2017-0136/P6	121,095	-	-	-	-	121,095
			<u>890,782</u>	<u>699,688</u>	<u>-</u>	<u>699,688</u>	<u>-</u>	<u>191,094</u>
TOTALS			<u>\$ 3,407,976</u>	<u>\$ 1,685,996</u>	<u>\$ 956,635</u>	<u>\$ 729,361</u>	<u>\$ -</u>	<u>\$ 1,721,980</u>

(a)

(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 (\$80,312).

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE REVENUE REPORT (OAR SCHEDULE 4R)
YEAR ENDED SEPTEMBER 30, 2021**

<u>Code</u>	<u>Description</u>	<u>Amount</u>
401	Fare box revenue	
40100	Passenger fares	\$ 55,782
407	Nontransportation revenue	
40760	Gains from the sale of capital assets	10,138
408	Local revenue	
40800	Taxes levied directly for/by transit agency	821,191
40800	Local Community Stabilization Share	26,553
409	Local revenue	
40910	Local operating assistance	39,620
411	State formula and contracts	
41101	State operating assistance	699,688
41101	Prior year State operating assistance	80,312
413	Federal contracts	
41301	Section 5311	369,851
41360	CARES Act Lost Revenue Replacement/Rural CARES Flex	162,176
41361	COVID-19 Section 5311	301,223
41398	RTAP	4,695
414	Other revenue	
41400	Interest income	20,782
440	Other revenue	
44000	Refunds and credits	<u>13,483</u>
TOTAL NONURBAN SERVICE REVENUE		<u><u>\$ 2,605,494</u></u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE EXPENSE REPORT (OAR SCHEDULE 4E)
YEAR ENDED SEPTEMBER 30, 2021**

Code	Description	Total
501	Labor	
50101	Operator's salaries and wages	\$ 524,474
50102	Other salaries and wages	304,181
50103	Dispatcher's salaries and wages	170,012
502	Fringe benefits	
50200	Fringe benefits	451,448
50210	DC Pensions	20,105
50220	DB Pensions	36,578
503	Services	
50302	Advertising fees	10,369
50305	Audit cost	11,660
50399	Other services	95,275
504	Materials and supplies	
50401	Fuel and lubricants	140,963
50402	Tires and tubes	18,812
50404	Major purchases	3,171
50499	Other materials and supplies	35,052
505	Utilities	
50500	Utilities	21,285
506	Insurance	
50603	Liability insurance	26,599
507	Taxes & Fees	
50700	Taxes & Fees	814
509	Miscellaneous expenses	
50902	Travel, meetings, and training	5,637
50903	Association dues and subscriptions	3,436
50999	Other miscellaneous expenses	45
513	Depreciation	
51300	Depreciation	232,456
540	Less ineligible expenses	
54000	Ineligible refunds and credits	13,483
550	Less ineligible expenses	
55007	Ineligible depreciation	221,623
55009	Ineligible percent of association dues	344
574	Less ineligible expenses	
57402	Ineligible RTAP	4,695
580	Less ineligible expenses	
58020	Ineligible DB pensions	8,132
	Total expenses	2,112,372
	Total ineligible expenses	248,277
	Total eligible expenses	<u>\$ 1,864,095</u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE NONFINANCIAL REPORT (OAR SCHEDULE 4N) (UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2021**

PUBLIC SERVICE

<u>Code</u>	<u>Description</u>	<u>Weekday</u>	<u>Saturday</u>	<u>Sunday</u>	<u>Total</u>
611	Vehicle Miles ⁽¹⁾	399,804	11,564	10,317	421,685

⁽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, 2021**

	October 1 through March 31	Nonurban April 1 through September 30	Total
Total expenses	\$ 959,607	\$ 1,152,765	\$ 2,112,372
Less ineligible expenses			
Prior year refunds and credits	7,371	6,112	13,483
RTAP	4,695	-	4,695
Depreciation	110,811	110,812	221,623
Association dues	-	344	344
DB pensions	-	8,132	8,132
Total ineligible expenses per R&E manual	122,877	125,400	248,277
TOTAL ELIGIBLE EXPENSES	<u>\$ 836,730</u>	<u>\$ 1,027,365</u>	<u>\$ 1,864,095</u>
Eligible expenses for State reimbursement x Reimbursement percentage			\$ 1,864,095 <u>0.375350</u>
State operating assistance			<u>\$ 699,688</u>
Eligible expenses for Federal reimbursement x Reimbursement percentage	\$ 836,730 <u>0.360000</u>	\$ 1,027,365 <u>0.360000</u>	\$ 1,864,095 <u>0.360000</u>
Federal section 5311 operating assistance	<u>\$ 301,223</u>	<u>\$ 369,851</u>	<u>\$ 671,074</u>

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING BALANCE SHEET - DRAINAGE DISTRICT
 SEPTEMBER 30, 2021**

	Capital Projects				Total
	Drain	Drain Revolving	Maintenance Revolving	Lake Level	
ASSETS					
Cash and cash equivalents	\$ 59,526	\$ 254,058	\$ 102,990	\$ 21,676	\$ 438,250
Special assessments receivable	2,518,348	-	-	4,898	2,523,246
Prepaid expenditures	1,026	-	-	-	1,026
TOTAL ASSETS	\$ 2,578,900	\$ 254,058	\$ 102,990	\$ 26,574	\$ 2,962,522
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 6,847	\$ -	\$ -	\$ -	\$ 6,847
Due to other governmental units	94,563	-	-	-	94,563
Advances from other governmental units	-	180,000	100,000	-	280,000
TOTAL LIABILITIES	101,410	180,000	100,000	-	381,410
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	2,518,348	-	-	4,898	2,523,246
FUND BALANCES (DEFICIT)					
Nonspendable	1,026	-	-	-	1,026
Restricted for capital projects	-	74,058	2,990	-	77,048
Unassigned	(41,884)	-	-	21,676	(20,208)
TOTAL FUND BALANCES (DEFICIT)	(40,858)	74,058	2,990	21,676	57,866
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 2,578,900	\$ 254,058	\$ 102,990	\$ 26,574	\$ 2,962,522

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE COMBINING BALANCE SHEET TO THE
 STATEMENT OF NET POSITION - DRAINAGE DISTRICT
 SEPTEMBER 30, 2021**

Total fund balances - governmental funds \$ 57,866

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	\$ 5,934,963	
Accumulated depreciation is	<u>(2,511,903)</u>	
Capital assets, net		3,423,060

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.	2,523,246
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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	(2,079,750)	
Accrued interest payable	<u>(13,759)</u>	
		<u>(2,093,509)</u>

Net position of governmental activities \$ 3,910,663

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - DRAINAGE DISTRICT
 YEAR ENDED SEPTEMBER 30, 2021**

	Capital Projects				Total
	Drain	Drain Revolving	Maintenance Revolving	Lake Level	
REVENUES					
Charges for services	\$ 15,542	\$ -	\$ -	\$ -	\$ 15,542
Other					
Special assessments	600,374	-	-	9,074	609,448
Miscellaneous	35,840	-	-	-	35,840
TOTAL REVENUES	651,756	-	-	9,074	660,830
EXPENDITURES					
Current					
Public works	704,845	-	-	12,617	717,462
Debt service					
Principal	241,750	-	-	-	241,750
Interest and fiscal charges	43,356	-	-	-	43,356
TOTAL EXPENDITURES	989,951	-	-	12,617	1,002,568
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(338,195)	-	-	(3,543)	(341,738)
OTHER FINANCING SOURCES					
Issuance of debt	82,500	-	-	-	82,500
NET CHANGE IN FUND BALANCES	(255,695)	-	-	(3,543)	(259,238)
Fund balances, beginning of year	214,837	74,058	2,990	25,219	317,104
Fund balances (deficit), end of year	\$ (40,858)	\$ 74,058	\$ 2,990	\$ 21,676	\$ 57,866

**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, 2021**

Net change in fund balances - total governmental funds \$ (259,238)

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	\$ 441,316	
Depreciation expense	<u>(179,017)</u>	
Excess of capital outlay over depreciation expense		262,299

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:

(Decrease) in unavailable revenue	(263,127)
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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	241,750	
Note proceeds	<u>(82,500)</u>	
Excess of note proceeds over principal retirement		159,250

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>(2,610)</u>
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Change in net position of governmental activities \$ (103,426)

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING BALANCE SHEET - DEPARTMENT OF PUBLIC WORKS
 SEPTEMBER 30, 2021**

Debt Service							
	Casco/ South Haven Water and Sewer No. 2	Hartford Water and Sewer	Paw Paw Sewer No. 6	Sister Lakes Sewer	Covert Water Refunding	Debt Service	Total
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,513	\$ 1,513
FUND BALANCES							
Restricted for debt service	-	-	-	-	-	1,513	1,513
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,513	\$ 1,513

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE COMBINING BALANCE SHEET TO THE
 STATEMENT OF NET POSITION - DEPARTMENT OF PUBLIC WORKS
 SEPTEMBER 30, 2021**

Total fund balances - governmental funds \$ 1,513

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

Long-term receivables are not available to pay for current period expenditures and therefore are not reported as assets in the funds. Long-term receivables at year-end consist of:

Lease receivable	2,083,133
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Governmental funds report the difference between the carrying amount of the defeased debt and its reacquisition price when debt is first issued, whereas these amounts are deferred and amortized in the government-wide statement of net position. These amounts consist of:

Deferred charge on refunding	110,455
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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:

Accrued interest payable	\$ (14,646)	
Bonds payable	(2,070,000)	
Bond premium	(66,139)	
	(2,150,785)	(2,150,785)

Net position of governmental activities \$ 44,316

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - DEPARTMENT OF PUBLIC WORKS
 YEAR ENDED SEPTEMBER 30, 2021**

	Debt Service						Total
	Casco/ South Haven Water and Sewer No. 2	Hartford Water and Sewer	Paw Paw Sewer No. 6	Sister Lakes Sewer	Covert Water Refunding	Debt Service	
REVENUES							
Intergovernmental - local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 778,788	\$ 778,788
EXPENDITURES							
Debt service							
Principal	-	-	-	-	-	750,000	750,000
Interest and fiscal charges	-	-	-	-	-	60,009	60,009
TOTAL EXPENDITURES	-	-	-	-	-	810,009	810,009
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	(31,221)	(31,221)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	32,734	32,734
Transfers out	(500)	(31,045)	(363)	(500)	(326)	-	(32,734)
TOTAL OTHER FINANCING SOURCES (USES)	(500)	(31,045)	(363)	(500)	(326)	32,734	-
NET CHANGE IN FUND BALANCE	(500)	(31,045)	(363)	(500)	(326)	1,513	(31,221)
Fund balances, beginning of year	500	31,045	363	500	326	-	32,734
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,513	\$ 1,513

**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 - DEPARTMENT OF PUBLIC WORKS
 YEAR ENDED SEPTEMBER 30, 2021**

Net change in fund balances - total governmental funds \$ (31,221)

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	\$	750,000	
Amortization of deferred charge		(36,818)	
Amortization of bond premium		22,048	
Lease proceeds		<u>(724,241)</u>	
			10,989

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>5,462</u>	
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Change in net position of governmental activities \$ (14,770)

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 BALANCE SHEET - ECONOMIC DEVELOPMENT CORPORATION
 SEPTEMBER 30, 2021**

ASSETS	
Cash and cash equivalents	\$ 307,316
Loans receivable	638,249
Interest receivable	<u>34,424</u>
TOTAL ASSETS	<u>\$ 979,989</u>
 FUND BALANCE	
Nonspendable	\$ 638,249
Unassigned	<u>341,740</u>
TOTAL FUND BALANCE	<u>979,989</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 979,989</u>

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, 2021.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - ECONOMIC DEVELOPMENT CORPORATION
 YEAR ENDED SEPTEMBER 30, 2021**

REVENUES	
Interest	<u>\$ 46,385</u>
EXPENDITURES	
Current	
Community and economic development	<u>4,395</u>
NET CHANGE IN FUND BALANCE	41,990
Fund balance, beginning of year	<u>937,999</u>
Fund balance, end of year	<u><u>\$ 979,989</u></u>

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, 2021.

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNIT FUNDS
BALANCE SHEET - BROWNFIELD REDEVELOPMENT AUTHORITY
SEPTEMBER 30, 2021**

ASSETS	
Cash and cash equivalents	\$ 271,176
Due from other governmental units	39,148
Loans receivable	<u>59,000</u>
TOTAL ASSETS	<u><u>\$ 369,324</u></u>
LIABILITIES	
Accounts payable	<u>\$ 50,672</u>
FUND BALANCE	
Nonspendable	59,000
Unassigned	<u>259,652</u>
TOTAL FUND BALANCE	<u><u>318,652</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 369,324</u></u>

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNIT FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF
NET POSITION - BROWNFIELD REDEVELOPMENT AUTHORITY
SEPTEMBER 30, 2021**

Total fund balance - governmental fund \$ 318,652

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	(136,498)
Net position of governmental activities	\$ 182,154

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BROWNFIELD REDEVELOPMENT AUTHORITY
 YEAR ENDED SEPTEMBER 30, 2021**

REVENUES	
Taxes	\$ 38,951
Intergovernmental - Federal/State	60,957
Charges for services	<u>9,775</u>
TOTAL REVENUES	<u>109,683</u>
EXPENDITURES	
Current	
Community and economic development	<u>111,215</u>
NET CHANGE IN FUND BALANCE	(1,532)
Fund balance, beginning of year	<u>320,184</u>
Fund balance, end of year	<u><u>\$ 318,652</u></u>

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, 2021.