

VAN BUREN COUNTY, MICHIGAN
REPORT ON FINANCIAL STATEMENTS
(with required and other
supplementary information)
YEAR ENDED SEPTEMBER 30, 2022

VAN BUREN COUNTY, MICHIGAN

SEPTEMBER 30, 2022

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Paul Schincariol	Vice-Chairperson
Kurt Doroh	Commissioner
Gail Patterson-Gladney	Commissioner
Richard Godfrey	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
Van Buren County
Paw Paw, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Van Buren County, Michigan (the County), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Van Buren County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Van Buren County, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Van Buren County Road Commission, which represent 91%, 94%, and 95%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Van Buren County Road Commission, are based solely on the report of the other auditor.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Van Buren County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The accompanying other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the portion marked “unaudited” on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 28, 2023 on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

Manes Costeiron PC

April 28, 2023

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, 2022. This analysis should be read in conjunction with the *Independent Auditor's Report*, beginning on page 1 of this report, and with the County's financial statements, which follow this section.

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

FINANCIAL HIGHLIGHTS

Government-wide

- Total net position as of September 30, 2022, was \$43,270,255 (excluding component units).
- Governmental activities net position was \$21,824,256.
- Business-type activities net position was \$21,445,999.
- Component Unit net position was \$89,129,615.

Fund Level

- At the close of the fiscal year, the County's governmental funds reported a total ending fund balance of \$21,422,042 with \$2,542,844 being nonspendable.
- The General Fund realized \$606,234 less in revenues and other financing sources than anticipated for the fiscal year. General Fund operations also expended \$1,414,568 less than appropriated.
- Overall, the General Fund fund balance increased by \$837,766 to \$10,061,749 with \$8,001,137 unassigned or available for general purposes.

Capital and Long-term Debt Activities

- The governmental activities and business-type activities of the primary government had a decrease of \$217,440 and \$52,466 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 \$11,568,819, with a net decrease of \$645,790 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 Public Improvement Fund, the Delinquent Tax Revolving Fund, the Public Transit Fund, and the Delinquent Tax Forfeitures Fund. All other funds are classified as non-major funds and are reported in aggregate by the applicable fund type. The County includes detailed information on its non-major funds in the other supplementary information section of this report.

VAN BUREN COUNTY, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

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

- **Governmental Funds** - Most of the County's basic services are reported in the governmental funds. The focus of these funds is how cash and other financial assets that can be readily converted to cash, flow in and out during the course of the fiscal year and how the balances left at year-end are available for spending on future services. Consequently, the governmental fund financial statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that may be expended in the near future to finance the County's programs. Governmental funds include the *General Fund*, as well as *Special Revenue Funds* (use of fund balance is 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 schedules for the General Fund and any major Special Revenue Funds (when applicable) and historical information for the defined benefit pension plan and retired employees' healthcare plans.

Other Supplementary Information

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

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

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As previously stated, Van Buren County's combined net position was \$43,270,255 at the end of this fiscal year's operations. The net position of the governmental activities was \$21,824,256; the business-type activities was \$21,445,999.

Net Position as of September 30, 2022 and 2021

	Governmental Activities 2022	Governmental Activities 2021	Business-type Activities 2022	Business-type Activities 2021	Total Primary Government 2022	Total Primary Government 2021
ASSETS						
Current and other assets	\$ 36,838,378	\$ 30,200,523	\$ 29,946,543	\$ 28,779,684	\$ 66,784,921	\$ 58,980,207
Capital assets	20,577,113	20,794,553	884,865	937,331	21,461,978	21,731,884
TOTAL ASSETS	\$ 57,415,491	\$ 50,995,076	\$ 30,831,408	\$ 29,717,015	\$ 88,246,899	\$ 80,712,091
DEFERRED OUTFLOWS OF RESOURCES	\$ 4,195,241	\$ 3,449,241	\$ 121,366	\$ 113,294	\$ 4,316,607	\$ 3,562,535
LIABILITIES						
Current liabilities	\$ 13,814,068	\$ 11,815,563	\$ 6,233,243	\$ 5,263,364	\$ 20,047,311	\$ 17,078,927
Noncurrent liabilities	22,772,686	23,404,195	3,203,761	4,281,755	25,976,447	27,685,950
TOTAL LIABILITIES	\$ 36,586,754	\$ 35,219,758	\$ 9,437,004	\$ 9,545,119	\$ 46,023,758	\$ 44,764,877
DEFERRED INFLOWS OF RESOURCES	\$ 3,199,722	\$ 2,246,753	\$ 69,771	\$ 46,864	\$ 3,269,493	\$ 2,293,617
NET POSITION						
Net investment in capital assets	\$ 16,712,113	\$ 16,699,553	\$ 884,865	\$ 937,331	\$ 17,596,978	\$ 17,636,884
Restricted	7,246,123	7,582,541	58,515	60,012	7,304,638	7,642,553
Unrestricted	(2,133,980)	(7,304,288)	20,502,619	19,240,983	18,368,639	11,936,695
TOTAL NET POSITION	\$ 21,824,256	\$ 16,977,806	\$ 21,445,999	\$ 20,238,326	\$ 43,270,255	\$ 37,216,132

Changes in Net Position for the Fiscal Years Ended September 30, 2022 and 2021

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 2022	Governmental Activities 2021	Business-type Activities 2022	Business-type Activities 2021	Total 2022	Total 2021
REVENUES						
Charges for Services	\$ 7,169,644	\$ 6,941,804	\$ 1,800,207	\$ 2,271,186	\$ 8,969,851	\$ 9,212,990
Grants and Contributions	11,648,712	7,513,336	1,858,854	1,832,481	13,507,566	9,345,817
General Revenues						
Property Taxes	21,389,373	20,489,312	854,518	821,191	22,243,891	21,310,503
State Revenues	1,640,312	1,608,295	-	-	1,640,312	1,608,295
Investment Earnings	(49,800)	76,047	12,999	20,782	(36,801)	96,829
Gain on equipment disposal	545,170	-	-	10,138	545,170	10,138
Miscellaneous	149,763	240,818	2,047	13,536	151,810	254,354
Transfers	352,596	353,103	(352,596)	(353,103)	-	-
TOTAL REVENUES	42,845,770	37,222,715	4,176,029	4,616,211	47,021,799	41,838,926
EXPENSES						
General Government	7,115,476	6,256,858	-	-	7,115,476	6,256,858
Judicial	9,229,972	9,201,728	-	-	9,229,972	9,201,728
Public Safety	13,475,416	13,150,704	-	-	13,475,416	13,150,704
Public Works	350,528	438,999	-	-	350,528	438,999
Health and Welfare	6,841,296	6,844,750	-	-	6,841,296	6,844,750
Community and Econ. Dev.	857,600	779,509	-	-	857,600	779,509
Interest and Long Term Debt	129,032	133,103	-	-	129,032	133,103
Other	-	-	2,968,356	2,871,756	2,968,356	2,871,756
TOTAL EXPENSES	37,999,320	36,805,651	2,968,356	2,871,756	40,967,676	39,677,407
Change in Net Position	\$ 4,846,450	\$ 417,064	\$ 1,207,673	\$ 1,744,455	\$ 6,054,123	\$ 2,161,519

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

Governmental Activities

The result of 2022 governmental activity was an increase of \$4,846,450 in net position to \$21,824,256. Of the total governmental activities' net position, \$16,712,113 is invested in capital assets less related debt, \$7,246,123 is reported as restricted, meaning these assets are legally committed for a specific purpose through statute, or by another authority outside the County government. The balance of (\$2,133,980) is listed as unrestricted, having no legal commitment.

Revenues

The three largest revenue categories for governmental activities were property taxes at 50%, grants and contributions at 27%, and charges for services at 17%. The County levied property tax millages for revenue in 2022, including levies for general government operations at 4.4347 mills, which is not assigned to any particular activity, ambulance services at .9370 mills, public safety at .5332 mills, public transit at .2471 mills, roads at .9769 mills, conservation district at .0996 mills, and veterans' relief at .1000 mills. Grants and contributions increased by \$4,135,376, or 55% during the year, primarily due to recognition of ARPA related grant funding.

Expenses

Public safety is the largest area, expending 35% 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 24%, and includes various court activities. General government expenses increased \$858,618 during the year primarily due to general increases in operating costs.

Business-type Activities

Net position of business-type activities increased by \$1,207,673 during 2022.

Of the total business-type activities net position, \$20,502,619 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.

Total revenues for business-type activities decreased \$440,182, or approximately 10% from the prior year, while expenses increased \$96,600, or approximately 3% from the prior year.

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

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As the County completed 2022, its governmental funds reported *combined* fund balances of \$21,422,042, a net increase of \$4,290,977. The net changes are summarized in the following chart:

	<u>General Fund</u>	<u>ARPA Grant Fund</u>	<u>Public Improvement Fund</u>	<u>Nonmajor Governmental Funds</u>
Fund Balance 9/30/21	\$ 9,223,983	\$ 392	\$ 323,579	\$ 7,583,111
Fund Balance 9/30/22	10,061,749	100,086	3,887,895	7,372,312
Net Change	837,766	99,694	3,564,316	(210,799)

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, 2022, the General Fund reported a fund balance of \$10,061,749. Of the total fund balance, \$606,008 is nonspendable; \$1,258,430 is committed; and \$196,174 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 \$25,300,853; \$606,234 under the final amended budget. There were some wide variations in individual revenue accounts reflecting the tightening national and local economy. Property taxes, charges for services, and interest and rents were under budgeted amounts by \$427,399, \$406,985, and \$208,404, respectively.

The County's General Fund total expenditures and other financing uses budget was decreased by \$1,637,810 (approximately 7% under the original budget) during 2022.

Actual County expenditures for 2022 were \$1,414,568, below budget. Overall, General Government was approximately \$400,247 under budget due to favorable variances related to general services. Public safety was under budget by \$346,948, due to favorable variances in the jail.

ARPA Grant Fund

The ARPA Grant Fund was established to account for restricted resources received from the American Rescue Plan Act. At September 30, 2022 the ending fund balance was \$100,086 reflecting investment earnings. \$4,657,642 of grant funds were recognized during the year.

Public Improvement Fund

The Public Improvement Fund recognized an operating transfer in during the year of \$4,116,791, primarily related to lost revenue under the ARPA Grant. The fund ended the year with a fund balance of \$3,887,895.

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

CAPITAL ASSETS ADMINISTRATION

Capital Assets - At the end of Fiscal Year 2022, the County had invested \$20,577,113 for governmental activities and \$884,865 for business-type activities, net of accumulated depreciation, in a broad range of capital assets (see table below). Accumulated depreciation was \$23,152,096 for the governmental activities and \$2,434,210, for the business-type activities. Depreciation charges for the fiscal year totaled \$1,206,682 for the governmental activities and \$218,963 for the business-type activities. Additional information on Van Buren County's capital assets can be found in Note 6 on pages 43-45 of this report.

	Governmental Activities	Business-type Activities	Total
Land	\$ 1,934,119	\$ 67,229	\$ 2,001,348
Construction in progress	1,571,347	35,000	1,606,347
Land Improvements, net	228,850	184,174	413,024
Buildings, net	14,679,369	15,463	14,694,832
Equipment, net	2,163,428	67,787	2,231,215
Vehicles, net	-	515,212	515,212
	\$ 20,577,113	\$ 884,865	\$ 21,461,978

LONG-TERM DEBT

At the end of the 2022 fiscal year, Van Buren County had net outstanding debt of \$11,568,819. During the year, the County paid down the 2021 and 2020 Delinquent Tax Notes in the amounts of \$1,446,401 and \$1,895,000, respectively, and issued 2022 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 46-50 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 current closure status 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, if the current closure of the Palisades Nuclear Plant were to continue.
- The current owner ("Holtec International") of the Palisades Nuclear Plant has applied for grant funding, to repower the Plant and resume commercial energy production. If this endeavor is successful, the County would likely not see an overall reduction in property tax revenue.

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, 2022**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 23,611,871	\$ 14,837,571	\$ 38,449,442	\$ 8,404,323
Investments	7,449,136	1,103,941	8,553,077	-
Current portion of receivables	8,845,274	4,283,569	13,128,843	4,321,105
Internal balances	(7,608,482)	7,608,482	-	-
Due from other governmental units	2,014,154	556,447	2,570,601	2,865,166
Inventories	-	-	-	1,500,008
Prepays	419,631	100,206	519,837	851
Total current assets	34,731,584	28,490,216	63,221,800	17,091,453
Noncurrent assets				
Investments	1,826,794	1,449,407	3,276,201	-
Loans receivable	-	-	-	316,042
Special assessments receivable	-	-	-	2,026,366
Contracts receivable	-	-	-	692,043
Advances to other governmental units	280,000	-	280,000	-
Net pension asset	-	6,920	6,920	1,249,763
Capital assets not being depreciated	3,505,466	102,229	3,607,695	12,450,637
Capital assets, net of accumulated depreciation	17,071,647	782,636	17,854,283	70,047,701
Total noncurrent assets	22,683,907	2,341,192	25,025,099	86,782,552
TOTAL ASSETS	57,415,491	30,831,408	88,246,899	103,874,005
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	-	-	73,636
Deferred outflows of resources related to pensions	4,195,241	121,366	4,316,607	1,732,977
Deferred outflows of resources related to OPEB	-	-	-	71,151
TOTAL DEFERRED OUTFLOWS OF RESOURCES	4,195,241	121,366	4,316,607	1,877,764
LIABILITIES				
Current liabilities				
Accounts payable	1,513,415	3,269,156	4,782,571	191,004
Accrued liabilities	788,441	52,776	841,217	88,129
Due to other governmental units	58,203	90,332	148,535	42,966
Accrued interest payable	-	-	-	23,378
Unearned revenue	10,041,728	-	10,041,728	-
Current portion of compensated absences	1,412,281	66,424	1,478,705	124,396
Current portion of long-term obligations	-	2,754,555	2,754,555	1,099,289
Total current liabilities	13,814,068	6,233,243	20,047,311	1,569,162
Noncurrent liabilities				
Advances from other governmental units	-	-	-	280,000
Noncurrent portion of compensated absences	266,798	24,501	291,299	82,931
Net other post-employment benefits liability	-	-	-	1,083,678
Noncurrent portion of long-term obligations	3,865,000	3,179,260	7,044,260	2,600,162
Net pension liability	13,429,587	-	13,429,587	-
OPEB liability	5,211,301	-	5,211,301	-
Total noncurrent liabilities	22,772,686	3,203,761	25,976,447	4,046,771
TOTAL LIABILITIES	36,586,754	9,437,004	46,023,758	5,615,933
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	-	-	-	2,650,000
Deferred inflows of resources related to pensions	3,199,722	69,771	3,269,493	2,855,102
Deferred inflows of resources related to OPEB	-	-	-	5,501,119
TOTAL DEFERRED INFLOWS OF RESOURCES	3,199,722	69,771	3,269,493	11,006,221
NET POSITION				
Net investment in capital assets	16,712,113	884,865	17,596,978	80,323,047
Restricted for				
Public safety	3,241,974	-	3,241,974	-
Other purposes	4,004,149	58,515	4,062,664	4,588,950
Unrestricted	(2,133,980)	20,502,619	18,368,639	4,217,618
TOTAL NET POSITION	\$ 21,824,256	\$ 21,445,999	\$ 43,270,255	\$ 89,129,615

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		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	\$ 7,115,476	\$ 699,388	\$ 6,279,116	\$ -	\$ (136,972)	\$ -	\$ (136,972)	\$ -
Judicial	9,229,972	1,124,514	3,464,479	-	(4,640,979)	-	(4,640,979)	-
Public safety	13,475,416	4,107,272	847,367	51,348	(8,469,429)	-	(8,469,429)	-
Public works	350,528	47,334	-	-	(303,194)	-	(303,194)	-
Health and welfare	6,841,296	26,443	992,227	-	(5,822,626)	-	(5,822,626)	-
Community and economic development	857,600	1,164,693	14,175	-	321,268	-	321,268	-
Interest on long-term debt	129,032	-	-	-	(129,032)	-	(129,032)	-
Total governmental activities	37,999,320	7,169,644	11,597,364	51,348	(19,180,964)	-	(19,180,964)	-
Business-type activities								
Delinquent tax revolving	292,891	1,007,236	-	-	-	714,345	714,345	-
Public transit	2,261,052	107,295	1,718,626	104,028	-	(331,103)	(331,103)	-
Delinquent tax forfeiture	174,352	219,360	-	-	-	45,008	45,008	-
Other	240,061	466,316	36,200	-	-	262,455	262,455	-
Total business-type activities	2,968,356	1,800,207	1,754,826	104,028	-	690,705	690,705	-
Total primary government	\$ 40,967,676	\$ 8,969,851	\$ 13,352,190	\$ 155,376	(19,180,964)	690,705	(18,490,259)	-
Component units								
Road Commission	\$ 13,808,760	\$ 167,838	\$ 15,602,899	\$ 521,128	-	-	-	2,483,105
Drainage District	608,994	-	-	725,019	-	-	-	116,025
Department of Public Works	54,475	-	39,704	-	-	-	-	(14,771)
Economic Development Corporation	35,950	15,357	92,125	-	-	-	-	71,532
Brownfield Redevelopment Authority	86,209	3,560	41,680	-	-	-	-	(40,969)
Land Bank Authority	84,355	-	84,355	-	-	-	-	-
Total component units	\$ 14,678,743	\$ 186,755	\$ 15,860,763	\$ 1,246,147	-	-	-	2,614,922
General revenues								
Property taxes					21,389,373	854,518	22,243,891	2,624,328
State shared revenues					1,640,312	-	1,640,312	-
Investment earnings (loss)					(49,800)	12,999	(36,801)	-
Gain on equipment disposal					545,170	-	545,170	21,502
Miscellaneous					149,763	2,047	151,810	24,494
Transfers					352,596	(352,596)	-	-
Total general revenues and transfers					24,027,414	516,968	24,544,382	2,670,324
Change in net position					4,846,450	1,207,673	6,054,123	5,285,246
Net position, beginning of the year					16,977,806	20,238,326	37,216,132	83,844,369
Net position, end of the year					\$ 21,824,256	\$ 21,445,999	\$ 43,270,255	\$ 89,129,615

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2022**

	General	ARPA Grant	Public Improvement	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	\$ 1,699,904	\$ 10,201,003	\$ 3,907,266	\$ 5,566,370	\$ 21,374,543
Investments	9,275,930	-	-	-	9,275,930
Receivables					
Accounts	100,515	-	4,527	741,531	846,573
Taxes	6,076,212	-	-	-	6,076,212
Loans	-	-	-	1,920,664	1,920,664
Interest	1,308	-	-	-	1,308
Due from other governmental units	1,084,065	-	-	930,089	2,014,154
Advances to other funds	15,000	-	-	-	15,000
Advances to other governmental units	280,000	-	-	-	280,000
Prepays	311,008	-	1,900	16,172	329,080
TOTAL ASSETS	\$ 18,843,942	\$ 10,201,003	\$ 3,913,693	\$ 9,174,826	\$ 42,133,464
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 463,956	\$ 59,189	\$ 25,798	\$ 962,778	\$ 1,511,721
Accrued liabilities	271,318	-	-	132,539	403,857
Due to other funds	6,906,285	-	-	702,197	7,608,482
Due to other governmental units	58,203	-	-	-	58,203
Advance from other funds	-	-	-	5,000	5,000
Unearned revenue	-	10,041,728	-	-	10,041,728
TOTAL LIABILITIES	7,699,762	10,100,917	25,798	1,802,514	19,628,991
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,082,431	-	-	-	1,082,431
FUND BALANCES					
Nonspendable	606,008	-	-	1,936,836	2,542,844
Restricted	-	-	-	5,309,287	5,309,287
Committed	1,258,430	100,086	3,887,895	126,189	5,372,600
Assigned	196,174	-	-	-	196,174
Unassigned	8,001,137	-	-	-	8,001,137
TOTAL FUND BALANCES	10,061,749	100,086	3,887,895	7,372,312	21,422,042
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 18,843,942	\$ 10,201,003	\$ 3,913,693	\$ 9,174,826	\$ 42,133,464

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, 2022**

Total fund balances - governmental funds \$ 21,422,042

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	\$ 43,729,209	
Accumulated depreciation is	<u>(23,152,096)</u>	
Capital assets, net		20,577,113

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	1,932,118
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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	4,195,241	
Deferred inflows of resources related to pensions	<u>(3,199,722)</u>	
		995,519

Long-term receivables are not available to pay for current period expenditures and are therefore unavailable in the funds.	1,082,431
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet. Long-term liabilities at year-end consist of:

Bonds and loans payable	(3,865,000)	
Other post-employment benefits liability	(5,211,301)	
Net pension liability	(13,429,587)	
Compensated absences	<u>(1,679,079)</u>	
		<u>(24,184,967)</u>

Net position of governmental activities	<u>\$ 21,824,256</u>
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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, 2022**

	General	ARPA Grant	Public Improvement	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	\$ 16,121,823	\$ -	\$ -	\$ 5,429,085	\$ 21,550,908
Licenses and permits	111,840	-	-	43,708	155,548
Intergovernmental	6,873,168	4,657,642	-	1,532,919	13,063,729
Charges for services	2,359,959	-	-	3,984,381	6,344,340
Fines and forfeits	175,290	-	-	20,627	195,917
Interest and rents	342,617	99,694	54,961	314	497,586
Other	161,599	-	546,316	133,966	841,881
TOTAL REVENUES	26,146,296	4,757,336	601,277	11,145,000	42,649,909
EXPENDITURES					
Current					
General government	6,913,213	540,851	-	-	7,454,064
Judicial	6,961,839	-	-	2,314,003	9,275,842
Public safety	7,053,440	-	-	6,071,475	13,124,915
Public works	352,843	-	-	-	352,843
Health and welfare	1,589,006	-	-	4,988,645	6,577,651
Community and economic development	802,212	-	-	59,353	861,565
Capital outlay	-	-	705,616	-	705,616
Debt service					
Principal	-	-	-	230,000	230,000
Interest and fiscal charges	-	-	-	129,032	129,032
TOTAL EXPENDITURES	23,672,553	540,851	705,616	13,792,508	38,711,528
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,473,743	4,216,485	(104,339)	(2,647,508)	3,938,381
OTHER FINANCING SOURCES (USES)					
Transfers in	558,136	-	4,116,791	2,608,373	7,283,300
Transfers out	(2,194,113)	(4,116,791)	(448,136)	(171,664)	(6,930,704)
TOTAL OTHER FINANCING SOURCES (USES)	(1,635,977)	(4,116,791)	3,668,655	2,436,709	352,596
NET CHANGE IN FUND BALANCES	837,766	99,694	3,564,316	(210,799)	4,290,977
Fund balances, beginning of year	9,223,983	392	323,579	7,583,111	17,131,065
Fund balances, end of year	<u>\$ 10,061,749</u>	<u>\$ 100,086</u>	<u>\$ 3,887,895</u>	<u>\$ 7,372,312</u>	<u>\$ 21,422,042</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, 2022

Net change in fund balances - total governmental funds \$ 4,290,977

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	\$ 1,020,681
Net book value of disposed capital assets	(31,439)
Depreciation expense	<u>(1,206,682)</u>

Excess of depreciation expense and other capital items over capital outlay	(217,440)
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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	515,659
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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	(156,735)
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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	230,000
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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	142,523
Increase in deferred outflows of resources related to pension	746,000
(Increase) in deferred inflows of resources related to pension	(952,969)
Decrease in compensated absences	251,598
(Increase) in OPEB liability	<u>(3,163)</u>

183,989

Change in net position of governmental activities

\$ 4,846,450

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

	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	\$ 5,480,017	\$ 3,782,391	\$ 5,160,844	\$ 414,319	\$ 14,837,571	\$ 2,237,328
Investments	-	1,103,941	-	-	1,103,941	-
Receivables						
Accounts	4,956	12,282	-	867	18,105	517
Taxes	4,265,097	-	-	-	4,265,097	-
Interest	-	367	-	-	367	-
Due from other governmental units	194,951	361,496	-	-	556,447	-
Due from other funds	7,695,501	-	-	-	7,695,501	-
Prepays	-	12,747	-	87,459	100,206	90,551
Total current assets	<u>17,640,522</u>	<u>5,273,224</u>	<u>5,160,844</u>	<u>502,645</u>	<u>28,577,235</u>	<u>2,328,396</u>
Noncurrent assets						
Investments	-	1,449,407	-	-	1,449,407	-
Capital assets not being depreciated	-	102,229	-	-	102,229	-
Capital assets, net of accumulated depreciation	-	782,636	-	-	782,636	-
Net pension asset	-	6,920	-	-	6,920	-
Total noncurrent assets	<u>-</u>	<u>2,341,192</u>	<u>-</u>	<u>-</u>	<u>2,341,192</u>	<u>-</u>
TOTAL ASSETS	<u>17,640,522</u>	<u>7,614,416</u>	<u>5,160,844</u>	<u>502,645</u>	<u>30,918,427</u>	<u>2,328,396</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions	-	121,366	-	-	121,366	-
LIABILITIES						
Current liabilities						
Accounts payable	68,743	49,588	3,150,618	207	3,269,156	1,694
Accrued liabilities	-	52,776	-	-	52,776	384,584
Due to other governmental units	527	-	89,805	-	90,332	-
Due to other funds	-	-	-	87,019	87,019	-
Current portion of compensated absences	-	66,424	-	-	66,424	-
Current portion of notes payable	2,754,555	-	-	-	2,754,555	-
Total current liabilities	<u>2,823,825</u>	<u>168,788</u>	<u>3,240,423</u>	<u>87,226</u>	<u>6,320,262</u>	<u>386,278</u>
Noncurrent liabilities						
Advance from other funds	-	-	-	-	-	10,000
Noncurrent portion of compensated absences	-	24,501	-	-	24,501	-
Noncurrent portion of notes payable	3,179,260	-	-	-	3,179,260	-
Total noncurrent liabilities	<u>3,179,260</u>	<u>24,501</u>	<u>-</u>	<u>-</u>	<u>3,203,761</u>	<u>10,000</u>
TOTAL LIABILITIES	<u>6,003,085</u>	<u>193,289</u>	<u>3,240,423</u>	<u>87,226</u>	<u>9,524,023</u>	<u>396,278</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions	-	69,771	-	-	69,771	-
NET POSITION						
Investment in capital assets	-	884,865	-	-	884,865	-
Restricted	-	58,515	-	-	58,515	-
Unrestricted	11,637,437	6,529,342	1,920,421	415,419	20,502,619	1,932,118
TOTAL NET POSITION	<u>\$ 11,637,437</u>	<u>\$ 7,472,722</u>	<u>\$ 1,920,421</u>	<u>\$ 415,419</u>	<u>\$ 21,445,999</u>	<u>\$ 1,932,118</u>

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, 2022**

	Business-type Activities				Total	Governmental Activities
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds		Internal Service Fund
OPERATING REVENUES						
Property taxes, interest, and penalties	\$ 1,007,236	\$ -	\$ 89	\$ -	\$ 1,007,325	\$ -
Charges for services	-	107,295	219,271	466,316	792,882	4,135,983
TOTAL OPERATING REVENUES	1,007,236	107,295	219,360	466,316	1,800,207	4,135,983
OPERATING EXPENSES						
Salaries	-	1,047,660	-	-	1,047,660	-
Fringe benefits	-	532,866	-	-	532,866	3,618,708
Operating supplies	-	293,551	23,606	196,332	513,489	-
Contractual services	175,139	107,827	150,746	43,729	477,441	1,616
Depreciation	-	218,963	-	-	218,963	-
Other	-	57,427	-	-	57,427	-
TOTAL OPERATING EXPENSES	175,139	2,258,294	174,352	240,061	2,847,846	3,620,324
OPERATING INCOME (LOSS)	832,097	(2,150,999)	45,008	226,255	(1,047,639)	515,659
NONOPERATING REVENUES (EXPENSES)						
Property taxes	-	854,518	-	-	854,518	-
Local Community Stabilization Share	-	24,006	-	-	24,006	-
State operating grants and contributions	-	801,701	-	-	801,701	-
Federal operating grants and contributions	-	853,299	-	-	853,299	-
Local operating grants and contributions	-	39,620	-	36,200	75,820	-
Note issuance costs	(16,950)	-	-	-	(16,950)	-
Interest revenue	-	12,999	-	-	12,999	-
Interest expense	(100,802)	-	-	-	(100,802)	-
(Loss) on sale of capital assets	-	(2,758)	-	-	(2,758)	-
Other	-	1,964	83	-	2,047	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(117,752)	2,585,349	83	36,200	2,503,880	-
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	714,345	434,350	45,091	262,455	1,456,241	515,659
Capital grants	-	104,028	-	-	104,028	-
Transfers in	-	-	-	6,436	6,436	-
Transfers out	(359,032)	-	-	-	(359,032)	-
CHANGE IN NET POSITION	355,313	538,378	45,091	268,891	1,207,673	515,659
Net position, beginning of year	11,282,124	6,934,344	1,875,330	146,528	20,238,326	1,416,459
Net position, end of year	<u>\$ 11,637,437</u>	<u>\$ 7,472,722</u>	<u>\$ 1,920,421</u>	<u>\$ 415,419</u>	<u>\$ 21,445,999</u>	<u>\$ 1,932,118</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2022**

	Business-type Activities				Total	Governmental
	Delinquent Tax Revolving	Public Transit	Delinquent Tax Forfeitures	Nonmajor Enterprise Funds		Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash receipts from customers	\$ 1,090,772	\$ 107,814	\$ 272,961	\$ 524,153	\$ 1,995,700	\$ 4,137,339
Cash received from other governmental units	2,831,053	-	-	-	2,831,053	-
Cash paid to suppliers	(128,495)	(477,501)	(174,352)	(338,310)	(1,118,658)	(3,437,239)
Cash paid to employees	-	(1,581,080)	-	-	(1,581,080)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	3,793,330	(1,950,767)	98,609	185,843	2,127,015	700,100
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Property taxes	-	854,518	-	-	854,518	-
Other nonoperating receipts	-	1,964	83	-	2,047	-
Intergovernmental sources	-	1,593,322	-	36,200	1,629,522	-
Note issuance costs paid	(16,950)	-	-	-	(16,950)	-
Interest paid	(100,802)	-	-	-	(100,802)	-
Transfers in (out)	(359,032)	-	-	6,436	(352,596)	-
Proceeds from notes	5,500,000	-	-	-	5,500,000	-
Payments from (to) other funds	(2,841,502)	-	-	87,019	(2,754,483)	-
Payments on borrowings	(5,662,141)	-	-	-	(5,662,141)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(3,480,427)	2,449,804	83	129,655	(900,885)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital contributed by governmental units	-	104,028	-	-	104,028	-
Capital purchases	-	(169,497)	-	-	(169,497)	-
Proceeds from sale of capital assets	-	242	-	-	242	-
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	(65,227)	-	-	(65,227)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investments	-	(1,449,407)	-	-	(1,449,407)	-
Maturity of investments	-	1,110,452	-	-	1,110,452	-
Interest received	-	12,632	-	-	12,632	-
NET CASH (USED) BY INVESTING ACTIVITIES	-	(326,323)	-	-	(326,323)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	312,903	107,487	98,692	315,498	834,580	700,100
Cash and cash equivalents, beginning of year	5,167,114	3,674,904	5,062,152	98,821	14,002,991	1,537,228
Cash and cash equivalents, end of year	<u>\$ 5,480,017</u>	<u>\$ 3,782,391</u>	<u>\$ 5,160,844</u>	<u>\$ 414,319</u>	<u>\$ 14,837,571</u>	<u>\$ 2,237,328</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (continued)
 YEAR ENDED SEPTEMBER 30, 2022**

	Business-type Activities					Governmental Activities
	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)	\$ 832,097	\$ (2,150,999)	\$ 45,008	\$ 226,255	\$ (1,047,639)	\$ 515,659
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation	-	218,963	-	-	218,963	-
(Increase) decrease in						
Receivables	83,536	519	1,433	(867)	84,621	1,356
Due from other governmental units	2,831,053	-	-	-	2,831,053	-
Prepays	-	973	-	(28,755)	(27,782)	27,644
Net pension asset	-	(6,920)	-	-	(6,920)	-
Deferred outflows related to pension	-	(8,072)	-	-	(8,072)	-
Increase (decrease) in						
Accounts payable	46,644	24,581	52,168	(10,790)	112,603	1,694
Compensated absences	-	(2,051)	-	-	(2,051)	-
Accrued liabilities	-	(44,250)	-	-	(44,250)	153,747
Net pension liability	-	(6,418)	-	-	(6,418)	-
Deferred inflows related to pension	-	22,907	-	-	22,907	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 3,793,330	\$ (1,950,767)	\$ 98,609	\$ 185,843	\$ 2,127,015	\$ 700,100

**VAN BUREN COUNTY, MICHIGAN
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022**

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	<u>\$ 11,130,032</u>
LIABILITIES	
Undistributed tax collections payable	9,241,019
Due to other governmental units	661,755
Due to individuals and agencies	<u>655,299</u>
TOTAL LIABILITIES	<u>10,558,073</u>
NET POSITION	
Restricted for individuals, organizations, and other governmental units	<u><u>\$ 571,959</u></u>

**VAN BUREN COUNTY, MICHIGAN
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2022**

	Custodial Funds
ADDITIONS	
Property tax collections for other governmental units	\$ 23,215,344
Collections for other governmental units	6,162,689
Collections for individual and agencies	1,416,151
Investment earnings (loss)	(35,824)
TOTAL ADDITIONS	30,758,360
DEDUCTIONS	
Property tax distributions to other governmental units	23,215,344
Distributions to other governmental units	6,162,689
Distributions to individuals and agencies	1,386,146
TOTAL DEDUCTIONS	30,764,179
NET CHANGE IN FIDUCIARY NET POSITION	(5,819)
Net position, beginning of year	577,778
Net position, end of year	\$ 571,959

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

	Road Commission	Drainage District	Department of Public Works	Economic Development Corporation	Brownfield Redevelopment Authority	Land Bank Authority	Total
ASSETS							
Current assets							
Cash and cash equivalents	\$ 6,950,325	\$ 673,974	\$ 1,513	\$ 498,766	\$ 277,743	\$ 2,002	\$ 8,404,323
Receivables							
Taxes	2,650,000	-	-	-	-	-	2,650,000
Accounts	55,272	-	-	-	-	-	55,272
Loans	-	-	-	236,591	18,198	-	254,789
Special assessments	-	650,263	-	-	-	-	650,263
Contracts	-	-	676,357	-	-	-	676,357
Interest	-	-	-	34,424	-	-	34,424
Due from other governmental units	2,865,166	-	-	-	-	-	2,865,166
Inventories	1,500,008	-	-	-	-	-	1,500,008
Prepays	-	851	-	-	-	-	851
Total current assets	<u>14,020,771</u>	<u>1,325,088</u>	<u>677,870</u>	<u>769,781</u>	<u>295,941</u>	<u>2,002</u>	<u>17,091,453</u>
Noncurrent assets							
Noncurrent portion of loans receivable	-	-	-	281,740	34,302	-	316,042
Noncurrent portion of special assessments receivable	-	2,026,366	-	-	-	-	2,026,366
Noncurrent portion of contracts receivable	-	-	692,043	-	-	-	692,043
Net pension asset	1,249,763	-	-	-	-	-	1,249,763
Capital assets not being depreciated	12,450,637	-	-	-	-	-	12,450,637
Capital assets, net of accumulated depreciation	<u>66,888,969</u>	<u>3,158,732</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,047,701</u>
Total noncurrent assets	<u>80,589,369</u>	<u>5,185,098</u>	<u>692,043</u>	<u>281,740</u>	<u>34,302</u>	<u>-</u>	<u>86,782,552</u>
TOTAL ASSETS	<u>94,610,140</u>	<u>6,510,186</u>	<u>1,369,913</u>	<u>1,051,521</u>	<u>330,243</u>	<u>2,002</u>	<u>103,874,005</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charge on refunding	-	-	73,636	-	-	-	73,636
Deferred outflows of resources related to pensions	1,732,977	-	-	-	-	-	1,732,977
Deferred outflows of resources related to OPEB	71,151	-	-	-	-	-	71,151
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,804,128</u>	<u>-</u>	<u>73,636</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,877,764</u>
LIABILITIES							
Current liabilities							
Accounts payable	165,542	7,621	-	-	15,839	2,002	191,004
Accrued liabilities	88,129	-	-	-	-	-	88,129
Due to other governmental units	41,408	-	-	-	1,558	-	42,966
Accrued interest payable	-	13,465	9,913	-	-	-	23,378
Current portion of compensated absences	124,396	-	-	-	-	-	124,396
Current portion of long-term obligations	-	382,708	712,048	-	4,533	-	1,099,289
Total current liabilities	<u>419,475</u>	<u>403,794</u>	<u>721,961</u>	<u>-</u>	<u>21,930</u>	<u>2,002</u>	<u>1,569,162</u>
Noncurrent liabilities							
Advances from other governmental units	-	280,000	-	-	-	-	280,000
Noncurrent portion of compensated absences	82,931	-	-	-	-	-	82,931
Net other post-employment benefits obligation	1,083,678	-	-	-	-	-	1,083,678
Noncurrent portion of long-term obligations	-	1,792,583	692,043	-	115,536	-	2,600,162
Total noncurrent liabilities	<u>1,166,609</u>	<u>2,072,583</u>	<u>692,043</u>	<u>-</u>	<u>115,536</u>	<u>-</u>	<u>4,046,771</u>
TOTAL LIABILITIES	<u>1,586,084</u>	<u>2,476,377</u>	<u>1,414,004</u>	<u>-</u>	<u>137,466</u>	<u>2,002</u>	<u>5,615,933</u>
DEFERRED INFLOWS OF RESOURCES							
Property taxes levied for subsequent year	2,650,000	-	-	-	-	-	2,650,000
Deferred inflows of resources related to pensions	2,855,102	-	-	-	-	-	2,855,102
Deferred inflows of resources related to OPEB	5,501,119	-	-	-	-	-	5,501,119
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>11,006,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,006,221</u>
NET POSITION							
Net investment in capital assets	79,339,606	983,441	-	-	-	-	80,323,047
Restricted	4,482,357	77,048	29,545	-	-	-	4,588,950
Unrestricted	-	2,973,320	-	1,051,521	192,777	-	4,217,618
TOTAL NET POSITION	<u>\$ 83,821,963</u>	<u>\$ 4,033,809</u>	<u>\$ 29,545</u>	<u>\$ 1,051,521</u>	<u>\$ 192,777</u>	<u>\$ -</u>	<u>\$ 89,129,615</u>

See accompanying notes to financial statements.

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2022**

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	Land Bank Authority	Total
Road Commission	\$ 13,808,760	\$ 167,838	\$ 15,602,899	\$ 521,128	\$ 2,483,105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,483,105
Drainage District	608,994	-	-	725,019	-	116,025	-	-	-	-	116,025
Department of Public Works	54,475	-	39,704	-	-	-	(14,771)	-	-	-	(14,771)
Economic Development Corporation	35,950	15,357	92,125	-	-	-	-	71,532	-	-	71,532
Brownfield Redevelopment Authority	86,209	3,560	41,680	-	-	-	-	-	(40,969)	-	(40,969)
Land Bank Authority	84,355	-	84,355	-	-	-	-	-	-	-	-
TOTALS	\$ 14,678,743	\$ 186,755	\$ 15,860,763	\$ 1,246,147	2,483,105	116,025	(14,771)	71,532	(40,969)	-	2,614,922
General revenues											
Property taxes					2,572,736	-	-	-	51,592	-	2,624,328
Gain on equipment disposal					21,502	-	-	-	-	-	21,502
Miscellaneous					17,373	7,121	-	-	-	-	24,494
Total general revenues					2,611,611	7,121	-	-	51,592	-	2,670,324
CHANGE IN NET POSITION					5,094,716	123,146	(14,771)	71,532	10,623	-	5,285,246
Net position, beginning of year					78,727,247	3,910,663	44,316	979,989	182,154	-	83,844,369
Net position, end of year					\$ 83,821,963	\$ 4,033,809	\$ 29,545	\$ 1,051,521	\$ 192,777	\$ -	\$ 89,129,615

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, 2021.

Blended Component Unit

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

Discretely Presented Component Units

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

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

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

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

Discretely Presented Component Units (continued)

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

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

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

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

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

Joint Venture

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

The County is a member of the Van Buren/Cass County District Public Health Department, which is a joint venture between Van Buren and Cass Counties and was established to provide public health services. The District Health Board has representation from and provides services to Van Buren and Cass Counties. Each County provides annual appropriations and passes through the statutory amounts of cigarette and hotel liquor tax funding to subsidize operations. The current funding formula approved by the District Health Board requires Van Buren and Cass Counties to provide 55% and 45%, respectively. Van Buren County's contribution for the year ended September 30, 2022, was \$615,410. Separate audited financial statements for their year ended September 30, 2022, are available at the Health Department's administrative offices.

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

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

Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

FUND FINANCIAL STATEMENTS

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

The County reports the following *major governmental funds*:

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

The County reports the following *major enterprise funds*:

- a. The *Delinquent Tax Revolving Fund* accounts for money either advanced by the County or by the issuance of general obligation limited tax notes, to pay other taxing units and various County funds for their delinquent taxes.
- b. The *Public Transit Fund* accounts for the financial resources related to the operation of the County's public transit system.

**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)

- 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.

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 contracts receivable made in connection with various programs.

Inventories

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

Prepays

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

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 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 Commission also reports deferred outflows of resources and deferred inflows of resources which correspond to the Road Commission's net pension liability and net OPEB liability and are related to differences in experience, differences in assumptions, differences between projected and actual plan investment earnings and contributions made subsequent to the measurement date.

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

Long-Term Obligations

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

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

Advances to Other 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 1 - DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Use of Estimates

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

NOTE 2 - DEPOSITS AND INVESTMENTS

As of September 30, 2022, 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, 2022, \$33,894,836 of the County's bank balance of \$37,984,836 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 \$40,862,792. The County had \$8,550 of imprest cash at September 30, 2022.

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, 2022, 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.

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

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk (continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
PRIMARY GOVERNMENT		
Uncategorized pooled investment funds		
Michigan CLASS	\$ 25,108,107	0.08 years
U.S. Treasury notes	265,233	0.01 years
Municipal bonds	1,558,667	2.58 years
Mutual funds	<u>2,009,726</u>	<u>N/A</u>
TOTAL PRIMARY GOVERNMENT	<u><u>\$ 28,941,733</u></u>	<u><u>0.21 years</u></u>

Concentration of Credit Risk

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>S & P Rating</u>
PRIMARY GOVERNMENT		
Uncategorized pooled investment funds		
Michigan CLASS	\$ 25,108,107	AAAm
U.S. Treasury notes	265,233	AA+
Municipal bonds	1,558,667	AA
Mutual funds	<u>2,009,726</u>	<u>N/A</u>
TOTAL PRIMARY GOVERNMENT	<u><u>\$ 28,941,733</u></u>	

Foreign Currency Risk

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

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

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurements

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

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

Investment Type	Level 1	Level 2	Level 3	Total
PRIMARY GOVERNMENT				
U.S. Treasury notes	\$ -	\$ 265,233	\$ -	\$ 265,233
Municipal bonds	-	1,558,667	-	1,558,667
Mutual funds	2,009,726	-	-	2,009,726
TOTAL PRIMARY GOVERNMENT	\$ 2,009,726	\$ 1,823,900	\$ -	\$ 3,833,626

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.

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

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Investments in Entities that Calculate Net Asset Value per Share (continued)

At September 30, 2022, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency, if Eligible</u>	<u>Redemption Notice Period</u>
PRIMARY GOVERNMENT				
Michigan CLASS	<u>\$ 25,108,107</u>	<u>\$ -</u>	No restrictions	None

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

The following summarizes the categorization of these amounts as of September 30, 2022:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Fiduciary Funds</u>	<u>Reporting Entity</u>
Cash and cash equivalents	\$ 38,449,442	\$ 8,404,323	\$ 11,130,032	\$ 57,983,797
Current investments	8,553,077	-	-	8,553,077
Noncurrent investments	<u>3,276,201</u>	<u>-</u>	<u>-</u>	<u>3,276,201</u>
	<u>\$ 50,278,720</u>	<u>\$ 8,404,323</u>	<u>\$ 11,130,032</u>	<u>\$ 69,813,075</u>

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

The amount of interfund receivables and payables at September 30, 2022, is as follows:

Due to Delinquent Tax Revolving Fund from:	
General Fund	\$ 6,906,285
Nonmajor governmental funds	702,197
Nonmajor enterprise funds	<u>87,019</u>
	<u>\$ 7,695,501</u>

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

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

NOTE 4 - ADVANCES RECEIVABLE AND PAYABLE

The following schedule details advances receivable and payable related to the primary government at September 30, 2022:

Advance from General Fund to:	
Nonmajor governmental funds	\$ 5,000
Internal Service Fund	<u>10,000</u>
	<u>\$ 15,000</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 General Fund from:	
Public Improvement Fund	\$ 448,136
Nonmajor governmental funds	<u>110,000</u>
	<u>\$ 558,136</u>
Transfers to Public Improvement Fund from:	
ARPA Grant Fund	<u>\$ 4,116,791</u>
Transfers to nonmajor governmental funds from:	
General Fund	\$ 2,187,677
Delinquent Tax Revolving Fund	359,032
Nonmajor governmental funds	<u>61,664</u>
	<u>\$ 2,608,373</u>
Transfers to nonmajor enterprise funds from:	
General Fund	<u>\$ 6,436</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, 2022, was as follows:

Primary Government

	Balance Oct. 1, 2021	Additions	Deletions	Balance Sept. 30, 2022
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,934,119	\$ -	\$ -	\$ 1,934,119
Construction in progress	1,562,022	9,325	-	1,571,347
	<u>3,496,141</u>	<u>9,325</u>	<u>-</u>	<u>3,505,466</u>
Capital assets being depreciated				
Land improvements	508,231	17,900	-	526,131
Buildings	31,594,954	486,971	-	32,081,925
Equipment	8,066,477	506,485	(957,275)	7,615,687
Subtotal	<u>40,169,662</u>	<u>1,011,356</u>	<u>(957,275)</u>	<u>40,223,743</u>
Less accumulated depreciation for:				
Land improvements	(277,779)	(19,502)	-	(297,281)
Buildings	(16,691,751)	(710,805)	-	(17,402,556)
Equipment	(5,901,720)	(476,375)	925,836	(5,452,259)
Subtotal	<u>(22,871,250)</u>	<u>(1,206,682)</u>	<u>925,836</u>	<u>(23,152,096)</u>
Net capital assets being depreciated	<u>17,298,412</u>	<u>(195,326)</u>	<u>(31,439)</u>	<u>17,071,647</u>
Capital assets, net	<u>\$ 20,794,553</u>	<u>\$ (186,001)</u>	<u>\$ (31,439)</u>	<u>\$ 20,577,113</u>

Depreciation expense was charged to the following governmental activities:

General government	\$ 511,884
Public safety	397,992
Health and welfare	<u>296,806</u>
Total depreciation expense	<u>\$ 1,206,682</u>

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

NOTE 6 - CAPITAL ASSETS (continued)

Primary Government (continued)

	Balance Oct. 1, 2021	Additions	Deletions	Balance Sept. 30, 2022
Business-type activities				
Capital assets not being depreciated				
Land	\$ 67,229	\$ -	\$ -	\$ 67,229
Construction in progress	-	35,000	-	35,000
Subtotal	<u>67,229</u>	<u>35,000</u>	<u>-</u>	<u>102,229</u>
Capital assets being depreciated				
Buildings	858,254	-	-	858,254
Land improvements	60,561	-	-	60,561
Buses	1,814,655	104,028	-	1,918,683
Vehicles	93,999	-	-	93,999
Furniture and equipment	274,226	30,469	(19,346)	285,349
Subtotal	<u>3,101,695</u>	<u>134,497</u>	<u>(19,346)</u>	<u>3,216,846</u>
Less accumulated depreciation for:				
Buildings	(654,791)	(19,289)	-	(674,080)
Land improvements	(40,542)	(4,556)	-	(45,098)
Buses	(1,230,687)	(172,784)	-	(1,403,471)
Vehicles	(93,999)	-	-	(93,999)
Furniture and equipment	(211,574)	(22,334)	16,346	(217,562)
Subtotal	<u>(2,231,593)</u>	<u>(218,963)</u>	<u>16,346</u>	<u>(2,434,210)</u>
Net capital assets being depreciated	<u>870,102</u>	<u>(84,466)</u>	<u>(3,000)</u>	<u>782,636</u>
Capital assets, net	<u>\$ 937,331</u>	<u>\$ (49,466)</u>	<u>\$ (3,000)</u>	<u>\$ 884,865</u>

Component Units

	Balance Oct. 1, 2021	Additions	Deletions	Balance Sept. 30, 2022
Drainage District				
Capital assets being depreciated				
Infrastructure	\$ 5,934,963	\$ -	\$ -	\$ 5,934,963
Less accumulated depreciated for:				
Infrastructure	(2,511,903)	(264,328)	-	(2,776,231)
Capital assets, net	<u>\$ 3,423,060</u>	<u>\$ (264,328)</u>	<u>\$ -</u>	<u>\$ 3,158,732</u>

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

NOTE 6 - CAPITAL ASSETS (continued)

Component Units (continued)

	Balance Jan. 1, 2021	Additions	Deletions	Balance Dec. 31, 2021
Road Commission				
Capital assets not being depreciated				
Land and improvements	\$ 380,512	\$ 169,058	\$ -	\$ 549,570
Infrastructure right of ways	44,646	-	-	44,646
Infrastructure land improvements	11,856,421	-	-	11,856,421
Subtotal	<u>12,281,579</u>	<u>169,058</u>	<u>-</u>	<u>12,450,637</u>
Capital assets being depreciated				
Land improvements	561,495	-	-	561,495
Building and improvements	7,379,341	51,276	-	7,430,617
Road equipment	13,585,900	1,061,391	(14,392)	14,632,899
Shop equipment	209,775	2,747	-	212,522
Office equipment	127,004	3,625	-	130,629
Engineers' equipment	121,355	7,024	-	128,379
Yard and storage	231,345	-	-	231,345
Depletable assets	146,078	-	-	146,078
Infrastructure - Traffic Signals	287,452	-	-	287,452
Infrastructure - Bridges	16,534,624	37,677	-	16,572,301
Infrastructure - Roads	82,981,657	7,980,211	(3,556,893)	87,404,975
Subtotal	<u>122,166,026</u>	<u>9,143,951</u>	<u>(3,571,285)</u>	<u>127,738,692</u>
Less accumulated depreciation for:				
Land improvements	(313,027)	(20,784)	-	(333,811)
Buildings and improvements	(2,599,909)	(159,283)	-	(2,759,192)
Road equipment	(9,662,781)	(1,469,931)	13,111	(11,119,601)
Shop equipment	(175,847)	(13,151)	-	(188,998)
Office equipment	(100,198)	(10,926)	-	(111,124)
Engineers' equipment	(88,545)	(12,031)	-	(100,576)
Yard and storage	(180,832)	(5,059)	-	(185,891)
Depletable assets	(108,749)	(62)	-	(108,811)
Infrastructure - Traffic Signals	(208,650)	(15,760)	-	(224,410)
Infrastructure - Bridges	(6,600,279)	(681,434)	-	(7,281,713)
Infrastructure - Roads	(37,799,036)	(4,193,453)	3,556,893	(38,435,596)
Subtotal	<u>(57,837,853)</u>	<u>(6,581,874)</u>	<u>3,570,004</u>	<u>(60,849,723)</u>
Net capital assets being depreciated	<u>64,328,173</u>	<u>2,562,077</u>	<u>(1,281)</u>	<u>66,888,969</u>
Capital assets, net	<u>\$ 76,609,752</u>	<u>\$ 2,731,135</u>	<u>\$ (1,281)</u>	<u>\$ 79,339,606</u>

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

NOTE 7 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations (including current portion) of the County for the year ended September 30, 2022:

	Balance Oct. 1, 2021	Additions	Deletions	Balance Sept. 30, 2022	Amounts Due Within One Year
PRIMARY GOVERNMENT					
Governmental Activities					
Bonded debt					
2017 Building Authority Bonds	\$ 4,095,000	\$ -	\$ (230,000)	\$ 3,865,000	\$ -
Other long-term obligations					
Compensated absences	<u>1,930,677</u>	<u>1,372,304</u>	<u>(1,623,902)</u>	<u>1,679,079</u>	<u>1,412,281</u>
Total Governmental Activities	<u>6,025,677</u>	<u>1,372,304</u>	<u>(1,853,902)</u>	<u>5,544,079</u>	<u>1,412,281</u>
Business-type Activities					
Direct borrowing/placements					
2020 Delinquent tax notes	1,895,000	-	(1,895,000)	-	-
2021 Delinquent tax notes	4,200,956	-	(1,446,401)	2,754,555	2,754,555
2022 Delinquent tax notes	<u>-</u>	<u>5,500,000</u>	<u>(2,320,740)</u>	<u>3,179,260</u>	<u>-</u>
Total direct borrowing/placements	<u>6,095,956</u>	<u>5,500,000</u>	<u>(5,662,141)</u>	<u>5,933,815</u>	<u>2,754,555</u>
Other long-term obligations					
Compensated absences - Transit	<u>92,976</u>	<u>65,871</u>	<u>(67,922)</u>	<u>90,925</u>	<u>66,424</u>
Total Business-type Activities	<u>6,188,932</u>	<u>5,565,871</u>	<u>(5,730,063)</u>	<u>6,024,740</u>	<u>2,820,979</u>
TOTAL PRIMARY GOVERNMENT	<u>12,214,609</u>	<u>6,938,175</u>	<u>(7,583,965)</u>	<u>11,568,819</u>	<u>4,233,260</u>
COMPONENT UNITS					
Road Commission					
Bonded debt					
Refunding bonds	<u>410,000</u>	<u>-</u>	<u>(410,000)</u>	<u>-</u>	<u>-</u>
Other long-term obligations					
Compensated absences	<u>221,745</u>	<u>280,041</u>	<u>(294,459)</u>	<u>207,327</u>	<u>124,396</u>
Drainage Districts					
Bonded debt					
Lindsley Drainage District	80,000	-	(20,000)	60,000	20,000
Health and Cemetery Drainage District	120,000	-	(30,000)	90,000	30,000
Bob-O-Links Estates Drainage District	<u>1,505,000</u>	<u>-</u>	<u>(120,000)</u>	<u>1,385,000</u>	<u>120,000</u>
Total other debt	<u>1,705,000</u>	<u>-</u>	<u>(170,000)</u>	<u>1,535,000</u>	<u>170,000</u>
Direct borrowing/placements					
Drain notes	<u>374,750</u>	<u>398,541</u>	<u>(133,000)</u>	<u>640,291</u>	<u>212,708</u>
Department of Public Works					
Bonded debt					
Refunding Bonds	2,070,000	-	(710,000)	1,360,000	690,000
Bond premium	<u>66,139</u>	<u>-</u>	<u>(22,048)</u>	<u>44,091</u>	<u>22,048</u>
Total other debt	<u>2,136,139</u>	<u>-</u>	<u>(732,048)</u>	<u>1,404,091</u>	<u>712,048</u>
Brownfield Redevelopment Authority					
Direct borrowing/placements					
Brownfield Redevelopment Loans	<u>136,498</u>	<u>-</u>	<u>(16,429)</u>	<u>120,069</u>	<u>4,533</u>
TOTAL COMPONENT UNITS	<u>4,984,132</u>	<u>678,582</u>	<u>(1,755,936)</u>	<u>3,906,778</u>	<u>1,223,685</u>
TOTAL REPORTING ENTITY	<u>\$ 17,198,741</u>	<u>\$ 7,616,757</u>	<u>\$ (9,339,901)</u>	<u>\$ 15,475,597</u>	<u>\$ 5,456,945</u>

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

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

PRIMARY GOVERNMENT

General Obligation Bonds

Bonds payable on September 30, 2022, 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 \$235,000 to \$335,000 through October 1, 2036, with interest ranging from 2.50% to 3.75%, payable semi-annually.	<u>\$ 3,865,000</u>
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Delinquent Tax Notes

Notes payable on September 30, 2022, are as follows:

\$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.	\$ 2,754,555
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\$5,500,000 Van Buren County General Obligation Limited Tax Notes, Series 2022, dated May 12, 2022, due on June 1, 2024, with various interest rates for the purchase of 2021 delinquent taxes.	<u>3,179,260</u>
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\$ 5,933,815

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 \$1,679,079 for vacation and sick at September 30, 2022. Of this amount, \$1,412,281 has been recorded as a current liability and \$266,798 has been recorded as a noncurrent liability.

Compensated Absences - Public Transit

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

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

COMPONENT UNIT - ROAD COMMISSION

Compensated Absences

Vacation pay at 100% is payable to the employee when employment is severed. At December 31, 2021, there was \$124,118 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, 2021, there was a total of \$83,209 recorded as sick leave liability for both the bargaining unit and administrative employees.

COMPONENT UNIT - DRAINAGE DISTRICT

Drain Notes

Notes payable at September 30, 2022, 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 2027. \$ 640,291

The Drainage District's outstanding installment loans from direct borrowings of \$640,291 are backed by the full faith and credit of the County. In the event of default, the outstanding amounts may become immediately due.

Bonded Debt

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

\$295,000 Van Buren County Lindsley Drainage District Bonds dated, September 22, 2010, due in annual installments of \$20,000 through June 1, 2025, with interest ranging from 4.30% to 4.50%, payable semi-annually. \$ 60,000

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

COMPONENT UNIT - DRAINAGE DISTRICT (continued)

Bonded Debt (continued)

\$420,000 Van Buren County Health and Cemetery Drainage District, dated September 22, 2010, due in annual installments of \$30,000 through June 1, 2025, with interest ranging from 4.30% to 4.50%, payable semi-annually.	\$ 90,000
\$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>1,385,000</u>
	<u>\$ 1,535,000</u>

COMPONENT UNIT - DEPARTMENT OF PUBLIC WORKS

Bonds payable at September 30, 2022, 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 \$690,000 through June 1, 2024, with interest ranging from 2.125% to 2.25%, payable semi-annually.	<u>\$ 1,360,000</u>
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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 \$7,714 to \$8,690 from August 4, 2022 to August 4, 2032, with interest of 1.50%, payable annually.	<u>73,736</u>
	<u>\$ 120,069</u>

The Brownfield Redevelopment Authority's outstanding installment loans from direct borrowings of \$120,069 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, 2022, bonds due and payable June 1, 2023 through June 1, 2024, for the 2003 Covert Water Supply System Bonds in the amount of \$1,500,000 are considered defeased.

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

NOTE 7 - LONG-TERM OBLIGATIONS (continued)

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

		Primary Government			
Year Ending September 30,		Bonded Debt			
		Principal	Interest		
	2023	\$ -	\$ 59,206		
	2024	230,000	121,058		
	2025	235,000	115,475		
	2026	240,000	109,358		
	2027	245,000	102,747		
	2028-2032	1,350,000	395,000		
	2033-2037	1,565,000	147,589		
		\$ 3,865,000	\$ 1,050,433		
Component Units					
Year Ending September 30,		Drainage District Bonded Debt		Department of Public Works Bonded Debt	
		Principal	Interest	Principal	Interest
	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	105,000	10,425	-	-
	2028-2032	500,000	36,750	-	-
	2033-2035	300,000	8,250	-	-
		\$ 1,535,000	\$ 134,425	\$ 1,360,000	\$ 44,813
Brownfield Redevelopment Authority					
Year Ending September 30,		Drainage District Direct Borrowing/Placement		Direct Borrowing/Placement	
		Principal	Interest	Principal	Interest
	2023	\$ 212,708	\$ 15,663	\$ 4,533	\$ 1,847
	2024	160,959	11,380	11,612	1,675
	2025	107,208	7,110	11,794	1,499
	2026	79,708	4,209	11,971	1,322
	2027	79,708	2,104	12,151	1,202
	2028-2032	-	-	63,542	3,223
	2033	-	-	4,466	67
		\$ 640,291	\$ 40,466	\$ 120,069	\$ 10,835

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.

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

NOTE 8 - PROPERTY TAXES AND TAX RECEIVABLE

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

The County's Winter 2021 and Summer 2022 ad valorem taxes were levied and collectible on December 1, 2021 and July 1, 2022, 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 2021 and Summer 2022 tax levies have been recognized as revenue in the current fiscal year. The 2021 and 2022 taxable value of Van Buren County amounted to \$3,535,133,126 and \$3,692,139,622 respectively, on which ad valorem taxes levied for County general operating purposes consisted of 4.4347 mills for Summer 2022. 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 for Winter 2021.

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, 2022. 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 PLANS

PRIMARY GOVERNMENT

Plan Description

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

Summary of Significant Accounting Policies

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

Benefits Provided

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

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

NOTE 9 - DEFINED BENEFIT PENSION PLANS (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, 2021, valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	132
Inactive employees entitled to but not yet receiving benefits	202
Active employees	<u>255</u>
	<u><u>589</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, 2022, the active employee contribution rate was 5.00% of annual payroll. Employer contributions range from 5.22% to 23.41% based on annual payroll.

Payable to the Pension Plan

At September 30, 2022, there were no amounts outstanding by the County for contributions to the pension plan required for the year ended September 30, 2022.

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

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

PRIMARY GOVERNMENT (continued)

Net Pension Liability

The County's net pension liability reported at September 30, 2022 was determined using a measure of the total pension liability and the pension net position as of December 31, 2021. The December 31, 2021 total pension liability was determined by an actuarial valuation as of that date.

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

<u>Changes in Net Pension Liability</u>	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2020	\$ 46,328,165	\$ 32,749,637	\$ 13,578,528
Changes for the Year			
Service cost	1,256,282	-	1,256,282
Interest on total pension liability	3,476,087	-	3,476,087
Difference between expected and actual experience	(56,847)	-	(56,847)
Changes in assumptions	1,921,123	-	1,921,123
Employer contributions	-	1,662,114	(1,662,114)
Employee contributions	-	723,915	(723,915)
Net investment income	-	4,418,784	(4,418,784)
Benefit payments, including employee refunds	(2,436,628)	(2,436,628)	-
Administrative expense	-	(52,307)	52,307
Net changes	4,160,017	4,315,878	(155,861)
Balances as of December 31, 2021	\$ 50,488,182	\$ 37,065,515	\$ 13,422,667

Governmental activities report a net pension liability of \$13,429,587, while business-type activities report a net pension asset of \$6,920 as of September 30, 2022.

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

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

PRIMARY GOVERNMENT (continued)

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

For the year ended September 30, 2022, the County recognized pension expense of \$1,970,221. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 33,161	\$ 623,032
Differences in assumptions	2,880,972	-
Net difference between projected and actual earnings on pension plan investments	-	2,646,461
Contributions subsequent to the measurement date*	<u>1,402,474</u>	<u>-</u>
Total	<u>\$ 4,316,607</u>	<u>\$ 3,269,493</u>

* 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, 2023.

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

<u>Years Ending September 30,</u>	<u>Pension Expense</u>
2023	\$ 291,733
2024	(143,081)
2025	(117,266)
2026	(386,746)

Actuarial Assumptions

The total pension liability in the December 31, 2021, annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

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

Investment rate of return: 7.00%, net of investment expenses, including inflation.

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

NOTE 9 - DEFINED BENEFIT PENSION PLANS (continued)

PRIMARY GOVERNMENT (continued)

Actuarial Assumptions (continued)

The base mortality tables used are constructed as described below and are based on amount weighted sex distinct rates:

- Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120.
- Non-disabled retired plan members and beneficiaries' mortality based on 106% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 106% of PubG-2010 Employee Mortality Tables for Ages 18-49, and 106% of PubG-2010 Healthy Retiree Tables for ages 50-120.
- Disabled retired plan members mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17 and 100% of PubNS-2010 Disabled Retiree Tables for ages 18-120.

The actuarial assumptions used in the valuation were based on the results of the 2014-2018 Five-Year Experience Study.

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers.

Change in Assumptions

The actuarial assumptions were changed during the year as follows:

- Discount rate was lowered from 7.60% to 7.25%.
- Investment rate of return was lowered from 7.35% to 7.00%.

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 PLANS (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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Target Allocation Gross Rate of Return</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	60.00%	4.50%	2.70%
Global Fixed Income	20.00%	2.00%	0.40%
Private Investments	<u>20.00%</u>	7.00%	<u>1.40%</u>
	<u>100.00%</u>		4.50%
	Inflation		2.50%
	Administrative expenses netted above		<u>0.25%</u>
	Investment rate of return		<u>7.25%</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the employer, calculated using the discount rates of 7.25%, as well as what the employer's net pension liability would be using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	<u>\$ 19,647,195</u>	<u>\$ 13,422,667</u>	<u>\$ 8,235,496</u>

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, 2022, 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, 2022, 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, 2021	\$ 5,208,138	\$ -	\$ 5,208,138
Changes for the year			
Service cost	44,444	-	44,444
Interest on total OPEB liability	125,077	-	125,077
Employer contributions	(166,358)	166,358	(332,716)
Benefit payments	-	(166,358)	166,358
Net changes	3,163	-	3,163
Balances as of September 30, 2022	\$ 5,211,301	\$ -	\$ 5,211,301

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)

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, 2022, the municipal bond rate used was 2.43%.

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

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (continued)

PRIMARY GOVERNMENT (continued)

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:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$ 6,083,901	\$ 5,211,301	\$ 4,514,327

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:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$ 4,431,742	\$ 5,211,301	\$ 6,181,217

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

For the year ended September 30, 2022, the County recognized OPEB expense of \$169,521. At September 30, 2022, 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 - CONTINGENT LIABILITIES

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

There are a series of property tax appeals in progress in the Michigan Court of Appeals and Michigan Tax Tribunal (MTT), filed by the owners of an electric generating plant located in the County's Covert Township. The County and other affected taxing units are collaborating on the defense of the assessed and taxable values of the various real and personal property components of the plant. The MTT judgement is unfavorable to the County and the County is appealing the decision. The MTT case for the 2016 appeal is currently before the Tax Tribunal. Appeals for the 2017-2021 tax years are at the Michigan Court of Appeals. They are in abeyance at the MTT pending a decision by the Court of Appeals. An appeal has been filed for the 2022 tax year and is currently pending before the MTT.

NOTE 12 - FEDERAL GRANTS

COMPONENT UNIT - ROAD COMMISSION

The Michigan Department of Transportation (MDOT) requires that road commissions report all Federal and State grants pertaining to their county. During the year ended December 31, 2021, the Federal grants received and expended by the Road Commission was \$496,596 for contracted projects and \$0 for negotiated projects. Contracted projects are defined as projects performed by private contractors paid for and administered by MDOT. The contracted Federal projects are not subject to single audit requirements by the road commissions, as they are included in MDOT's single audit.

Negotiated projects are defined as projects performed by Road Commission employees or private contractors paid for and administered by the Road Commission which are subject to single audit requirements, if the amount expended is \$750,000 or more. A single audit was not performed during the fiscal year ended December 31, 2021.

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

NOTE 13 - RISK MANAGEMENT

PRIMARY GOVERNMENT AND COMPONENT UNITS (EXCEPT ROAD COMMISSION)

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

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

COMPONENT UNIT - ROAD COMMISSION

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

NOTE 14 - TAX ABATEMENTS

Industrial Facilities Exemption

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

For the year ended September 30, 2022, the County's property tax revenue for general operations were reduced by \$32,890 under the IFT program, revenue for ambulance operations was reduced by \$7,945, revenue for public safety operations were reduced by \$4,521, revenue for Transit operations were reduced by \$2,094, and revenue for veterans' services were reduced by \$848.

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

NOTE 15 - DETAILS OF FUND BALANCE CLASSIFICATIONS

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

	General Fund	ARPA Grant	Public Improvement	Nonmajor Governmental Funds	Total
Fund Balances					
Nonspendable					
Advances	\$ 295,000	\$ -	\$ -	\$ -	\$ 295,000
Prepays	311,008	-	-	16,172	327,180
Loans	-	-	-	1,920,664	1,920,664
Restricted					
Judicial					
Family Counseling	-	-	-	80,727	80,727
Public Safety					
Sheriff's Extra Voted Millage	-	-	-	1,075,212	1,075,212
60% Justice Training	-	-	-	3,757	3,757
SCAR	-	-	-	7,558	7,558
Central Dispatch	-	-	-	1,827,170	1,827,170
Dispatch Training	-	-	-	34,934	34,934
Crime Victims' Rights	-	-	-	11,806	11,806
Local Corrections Officers Training	-	-	-	33,403	33,403
Drug Law Enforcement	-	-	-	74,945	74,945
Concealed Pistol Licensing	-	-	-	169,940	169,940
Public Works					
Entergy Stipend	-	-	-	227,987	227,987
Health and Welfare					
Ambulance Millage	-	-	-	218,756	218,756
Social Welfare	-	-	-	46,254	46,254
Veterans' Relief	-	-	-	500,529	500,529
Child Care	-	-	-	250,610	250,610
Community and Economic Development					
Register of Deeds Automation	-	-	-	589,523	589,523
Housing Program Income	-	-	-	156,176	156,176
Committed					
General Government					
Budget Stabilization	1,258,430	-	-	-	1,258,430
ARPA Grant	-	100,086	-	-	100,086
Building Authority	-	-	-	500	500
Public Safety					
Collection Agency	-	-	-	118,569	118,569
Sheriff Drain Work Crew	-	-	-	7,120	7,120
Capital Improvements					
Public Improvement	-	-	3,887,895	-	3,887,895
Assigned					
Judicial					
Specialty Courts	159,682	-	-	-	159,682
Courthouse Restoration	5,613	-	-	-	5,613
Public Safety					
Local Emergency Planning Committee	30,879	-	-	-	30,879
Unassigned	8,001,137	-	-	-	8,001,137
TOTAL FUND BALANCES	\$ 10,061,749	\$ 100,086	\$ 3,887,895	\$ 7,372,312	\$ 21,422,042

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

NOTE 16 - RESTRICTED NET POSITION

Restrictions of net position shown in the government-wide financial statements indicate that a restriction imposed by the funding source or some other outside source precludes their use for unrestricted purposes. The following are the various net position restrictions as of September 30, 2022:

PRIMARY GOVERNMENT	
Governmental Activities	
Public Safety	
Sheriff's Extra Voted Millage	\$ 1,078,461
60% Justice Training	3,757
Central Dispatch	1,827,170
Dispatch Training	34,934
Crime Victims' Rights	11,806
SCAR	7,558
Local Corrections Officers Training	33,403
Drug Law Enforcement	74,945
Concealed Pistol Licensing	<u>169,940</u>
Total restricted for public safety	<u>3,241,974</u>
Other purposes	
Ambulance	218,756
Register of Deeds Automation	600,003
Social Welfare	46,254
Entergy Stipend	227,987
Family Counseling	80,727
Veterans' Relief	500,529
Child Care	253,053
Housing Program Income	<u>2,076,840</u>
Total restricted for other purposes	<u>4,004,149</u>
	<u><u>\$ 7,246,123</u></u>
Business-type Activities	
Restricted for pension	<u><u>\$ 58,515</u></u>
COMPONENT UNITS	
Road Commission	
Restricted for County roads	<u><u>\$ 4,482,357</u></u>
Drainage District	
Restricted for capital projects	<u><u>\$ 77,048</u></u>
Department of Public Works	
Restricted for debt service	<u><u>\$ 29,545</u></u>

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

NOTE 17 - CHANGE IN ACCOUNTING PRINCIPLE

For the year ended September 30, 2022, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, which was issued in June 2017. The objective of this Statement is to increase the usefulness of governments' 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 financing of the right to use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

There was no material impact on the County's financial statement after the adoption of GASB Statement No. 87.

NOTE 18 - UPCOMING ACCOUNTING PRONOUNCEMENTS

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.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior period, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The County is currently evaluating the impact this standard will have on the financial statements when adopted during the 2023-2024 fiscal year.

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

NOTE 18 - UPCOMING ACCOUNTING PRONOUNCEMENTS (continued)

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

NOTE 19 - TRANSIT REPORTING

Mileage

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

Capital Money

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

Ineligible Expenses

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

Pension

Pension costs incurred for the defined benefit retirement plan administered by MERS were calculated pursuant to the MERS GASB 68 Implementation Guide. The total pension expense recognized as calculated in step 6 of the guide is \$37,915. The entire amount of \$37,915 was expensed on the books and is reported in 50220 defined benefit pensions. The Transit paid \$36,418 therefore, \$1,497 (\$37,915 less the amount paid) is subtracted out under 58020 Ineligible defined benefit pensions.

REQUIRED SUPPLEMENTARY INFORMATION

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Taxes				
Current and delinquent property taxes	\$ 15,771,218	\$ 16,368,728	\$ 15,947,853	\$ (420,875)
Payments in lieu of taxes	143,396	165,494	162,270	(3,224)
Mobile home park taxes	5,000	5,000	6,900	1,900
Interest and penalties	10,000	10,000	4,800	(5,200)
Total taxes	<u>15,929,614</u>	<u>16,549,222</u>	<u>16,121,823</u>	<u>(427,399)</u>
Licenses and permits				
Gun permits	-	-	20	20
Dog licenses	140,000	140,000	102,180	(37,820)
Marriage license fees	10,000	3,000	3,160	160
Cremation permits	-	2,400	6,480	4,080
Total licenses and permits	<u>150,000</u>	<u>145,400</u>	<u>111,840</u>	<u>(33,560)</u>
Intergovernmental				
Federal/State				
Emergency management	35,000	35,000	18,225	(16,775)
Foster care program	110,000	110,000	103,765	(6,235)
CDBG	-	14,175	14,175	-
Cooperative reimbursement program	1,549,848	1,549,848	1,250,083	(299,765)
IV-D incentive	109,312	109,312	110,739	1,427
Friend of the Court	71,097	71,097	73,088	1,991
Judges standardization	230,820	230,820	342,828	112,008
Juvenile Officer's salary	52,775	52,775	65,970	13,195
Probate court judge	100,000	100,000	10,342	(89,658)
Jury fees	12,200	12,200	11,229	(971)
District court case flow assistance	18,000	18,000	13,947	(4,053)
Redocumentation	60,918	63,875	64,575	700
Treasurer court financing	349,128	349,128	295,422	(53,706)
Sheriff secondary road patrol	70,098	88,267	161,442	73,175
State shared revenue	1,568,670	1,568,670	1,640,312	71,642
Recreational marijuana	140,006	140,006	564,534	424,528
Local community stabilization share	314,655	314,655	362,803	48,148
Snowmobile grant	2,500	2,500	2,000	(500)
Dive response recovery	22,000	23,880	25,500	1,620
State and community highway safety	12,112	12,112	13,214	1,102
Convention and tourism tax	283,317	283,317	288,623	5,306
Opioid settlement	-	85,000	-	(85,000)
Other	500	99,048	105,276	6,228
Local	2,500	2,505	3,800	1,295
Total intergovernmental	<u>5,115,456</u>	<u>5,336,190</u>	<u>5,541,892</u>	<u>205,702</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES (continued)				
Charges for services				
Family Court	\$ 21,400	\$ 21,400	\$ 16,075	\$ (5,325)
District Court	805,600	805,600	609,282	(196,318)
Friend of the Court	82,500	82,500	63,049	(19,451)
Probate Court	32,000	38,825	37,564	(1,261)
County Treasurer	58,000	58,000	30,379	(27,621)
County Clerk	169,500	169,500	129,107	(40,393)
Election fees	33,000	55,332	74,825	19,493
Prosecuting attorney services	3,500	3,500	135	(3,365)
Register of Deeds	822,381	1,166,132	1,082,535	(83,597)
Land management fees	105,500	105,500	76,937	(28,563)
Drain Commissioner services	138,000	47,335	47,334	(1)
Sheriff department services	73,200	110,469	110,944	475
Animal shelter services	5,100	5,100	13,835	8,735
Medical examiner services	4,000	4,000	-	(4,000)
Passport fees	24,400	24,400	8,604	(15,796)
Other sales	10,000	11,100	1,103	(9,997)
Total charges for services	<u>2,388,081</u>	<u>2,708,693</u>	<u>2,301,708</u>	<u>(406,985)</u>
Fines and forfeits				
Bond forfeitures	30,000	30,000	60,806	30,806
Ordinance fines and costs	100,000	100,000	104,484	4,484
Total fines and forfeits	<u>130,000</u>	<u>130,000</u>	<u>165,290</u>	<u>35,290</u>
Interest and rents				
Interest on investments	50,000	50,000	(151,019)	(201,019)
Rents	501,021	501,021	493,636	(7,385)
Total interest and rents	<u>551,021</u>	<u>551,021</u>	<u>342,617</u>	<u>(208,404)</u>
Other				
Reimbursements and refunds	3,105	159,030	151,613	(7,417)
Contributions	2,000	2,000	5,934	3,934
Other	-	6	-	(6)
Total other	<u>5,105</u>	<u>161,036</u>	<u>157,547</u>	<u>(3,489)</u>
TOTAL REVENUES	<u>24,269,277</u>	<u>25,581,562</u>	<u>24,742,717</u>	<u>(838,845)</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
EXPENDITURES				
Current				
General government				
Board of Commissioners	\$ 363,829	\$ 364,255	\$ 359,485	\$ 4,770
County Administrator	351,600	420,769	403,519	17,250
Human Resources	159,527	205,221	183,205	22,016
General benefits	710,000	736,414	683,582	52,832
Elections	135,583	135,682	82,163	53,519
Finance	292,164	355,861	347,379	8,482
Clerk	454,398	454,404	435,417	18,987
Equalization	236,461	236,461	193,805	42,656
Information technology	682,064	682,192	645,222	36,970
Land information services	310,480	323,993	312,410	11,583
Remonumentation	92,003	92,003	77,454	14,549
Treasurer	379,164	379,281	368,858	10,423
Building and grounds	1,772,970	2,043,718	2,044,642	(924)
General services	220,000	460,107	352,973	107,134
Total general government	<u>6,160,243</u>	<u>6,890,361</u>	<u>6,490,114</u>	<u>400,247</u>
Judicial				
Circuit Court	551,190	668,811	640,131	28,680
Family Court	1,114,490	1,114,543	1,099,324	15,219
District Court	1,648,360	1,707,034	1,678,680	28,354
Jury board	25,500	37,633	30,840	6,793
Probate Court	574,564	584,671	552,748	31,923
State probation	5,500	5,512	4,369	1,143
Prosecuting Attorney	1,108,561	1,108,646	1,099,678	8,968
Court Shared Costs	136,625	141,682	120,323	21,359
Family counseling services	12,000	-	-	-
Total judicial	<u>5,176,790</u>	<u>5,368,532</u>	<u>5,226,093</u>	<u>142,439</u>
Public safety				
Sheriff	387,152	387,213	378,740	8,473
Sheriff Road Patrol	1,831,378	1,891,924	1,939,775	(47,851)
Courthouse Security	332,599	372,600	349,548	23,052
Secondary Road Patrol	208,298	208,298	194,532	13,766
Marine safety	76,915	76,940	60,268	16,672
Snowmobile grant	6,783	6,783	2,600	4,183
Dive response recovery	11,000	11,000	5,767	5,233
OHSP enforcement grant	12,112	19,797	22,381	(2,584)
Youth Services	25,000	25,005	15,392	9,613
Jail	3,353,020	3,455,757	3,253,352	202,405
Alternative work program	187,261	187,270	181,544	5,726
Sheriff Court Officer	83,675	85,175	83,172	2,003
Emergency services	132,994	166,556	154,019	12,537
Animal control	473,207	473,282	379,562	93,720
Total public safety	<u>7,121,394</u>	<u>7,367,600</u>	<u>7,020,652</u>	<u>346,948</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (continued)				
Current (continued)				
Public works				
Drain Commissioner	\$ 440,353	\$ 351,405	\$ 351,543	\$ (138)
Public works	9,785	9,785	1,300	8,485
Total public works	<u>450,138</u>	<u>361,190</u>	<u>352,843</u>	<u>8,347</u>
Health and welfare				
Health department	605,431	776,056	615,410	160,646
Mental health department	341,431	341,431	341,431	-
Contagious diseases	10,000	10,000	-	10,000
Medical examiner	233,000	248,195	231,565	16,630
Human services	74,269	229,169	229,437	(268)
Veterans' burials	6,000	6,000	1,395	4,605
Veterans' counseling	76,291	175,957	169,768	6,189
Total health and welfare	<u>1,346,422</u>	<u>1,786,808</u>	<u>1,589,006</u>	<u>197,802</u>
Community and economic development				
Planning Commission	7,000	7,000	4,778	2,222
Register of Deeds	249,169	256,669	252,886	3,783
Cooperative extension	266,650	269,150	267,372	1,778
Economic Development	274,800	288,975	267,412	21,563
Land Bank	-	10,000	9,764	236
Total community and economic development	<u>797,619</u>	<u>831,794</u>	<u>802,212</u>	<u>29,582</u>
TOTAL EXPENDITURES	<u>21,052,606</u>	<u>22,606,285</u>	<u>21,480,920</u>	<u>1,125,365</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,216,671</u>	<u>2,975,277</u>	<u>3,261,797</u>	<u>286,520</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
(NON-GAAP BUDGETARY BASIS) (continued)
YEAR ENDED SEPTEMBER 30, 2022**

	<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 in	\$ -	\$ 325,525	\$ 558,136	\$ 232,611
Transfers out				
Specialty Court	(30,000)	(30,000)	(25,418)	4,582
Friend of the Court	(2,151,227)	(2,151,227)	(2,096,436)	54,791
Indigent Defense	(322,850)	(303,697)	(303,697)	-
Law Library	(20,000)	(30,000)	(27,309)	2,691
Child Care	(200,000)	(200,000)	-	200,000
Computers	(450,000)	(450,000)	(450,000)	-
Disaster Contingency	-	(11,062)	(11,062)	-
Law Enforcement	(42,594)	(42,594)	(15,455)	27,139
Family Counseling	-	(75,786)	(75,786)	-
Computer Mapping	-	(6,436)	(6,436)	-
	<u>(3,216,671)</u>	<u>(2,975,277)</u>	<u>(2,453,463)</u>	<u>521,814</u>
TOTAL OTHER FINANCING (USES)				
Net change in fund balance (Budgetary basis)	<u>\$ -</u>	<u>\$ -</u>	808,334	<u>\$ 808,334</u>
Budgetary perspective difference			<u>29,432</u>	
Net change in fund balance (GAAP basis)			<u>\$ 837,766</u>	

**VAN BUREN COUNTY, MICHIGAN
 ARPA GRANT FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				
Federal/State	\$ -	\$ 8,064,655	\$ 4,657,642	\$ (3,407,013)
Interest and rents	-	-	99,694	99,694
TOTAL REVENUES	-	8,064,655	4,757,336	(3,307,319)
EXPENDITURES				
Current				
General government	-	8,064,655	540,851	7,523,804
EXCESS OF REVENUES OVER EXPENDITURES	-	-	4,216,485	4,216,485
OTHER FINANCING (USES)				
Transfers out	-	-	(4,116,791)	(4,116,791)
NET CHANGE IN FUND BALANCE	-	-	99,694	99,694
Fund balance, beginning of year	392	392	392	-
Fund balance, end of year	<u>\$ 392</u>	<u>\$ 392</u>	<u>\$ 100,086</u>	<u>\$ 99,694</u>

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

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 1,906,566	\$ 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>1,906,566</u>	<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>	<u>\$ -</u>
Covered payroll	<u>\$ 15,134,574</u>	<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	13%	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 FIVE FISCAL YEARS (ULTIMATELY TEN YEARS WILL BE DISPLAYED)
(AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH YEAR)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service cost	\$ 44,444	\$ 47,373	\$ 51,366	\$ 48,723	\$ 45,366
Interest	125,077	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>(166,358)</u>	<u>(141,437)</u>	<u>(159,153)</u>	<u>(117,364)</u>	<u>(164,105)</u>
Net Change in Total OPEB Liability	3,163	907,865	42,704	(934,912)	33,566
Total OPEB liability, beginning	<u>5,208,138</u>	<u>4,300,273</u>	<u>4,257,569</u>	<u>5,192,481</u>	<u>5,158,915</u>
Total OPEB Liability, ending	<u>\$ 5,211,301</u>	<u>\$ 5,208,138</u>	<u>\$ 4,300,273</u>	<u>\$ 4,257,569</u>	<u>\$ 5,192,481</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 166,358	\$ 141,437	\$ 159,153	\$ 117,364	\$ 164,105
Benefit payments	<u>(166,358)</u>	<u>(141,437)</u>	<u>(159,153)</u>	<u>(117,364)</u>	<u>(164,105)</u>
Net Change in Plan Fiduciary Net Position	-	-	-	-	-
Plan Fiduciary Net Position, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Net OPEB Liability	<u>\$ 5,211,301</u>	<u>\$ 5,208,138</u>	<u>\$ 4,300,273</u>	<u>\$ 4,257,569</u>	<u>\$ 5,192,481</u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0%	0%	0%	0%	0%
Covered payroll	<u>\$ 204,806</u>	<u>\$ 303,436</u>	<u>\$ 418,576</u>	<u>\$ 463,950</u>	<u>\$ 411,861</u>
Employer's Net OPEB Liability as a percentage of covered payroll	2,545%	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)	\$	808,334
To adjust for revenues generated related to various activities accounted for in separate funds		1,403,579
To adjust for expenditures generated related to various activities accounted for in separate funds		(2,191,633)
To remove the transfers in and out from the budgetary basis schedule		817,486
Net change in fund balance (GAAP Basis)	\$	837,766

NOTE 2 - COUNTY EMPLOYEE RETIREMENT PLAN

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

Changes in assumptions: Discount rate was lowered from 7.60% to 7.25%.
Investment rate of return was lowered from 7.35% to 7.00%.

NOTE 3 - COUNTY DEFINED BENEFIT OPEB PLAN

Changes in benefit terms: There were no changes of benefit terms in plan year 2022.

Changes in assumptions: There were no changes in assumptions in plan year 2022.

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

NOTE 4 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

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

During the year ended September 30, 2022, the County incurred expenditures in various Special Revenue funds in excess of the amounts appropriated as follows:

	<u>Amounts Appropriated</u>	<u>Amounts Expended</u>	<u>Variance</u>
Primary Government			
SCAR	\$ 86,674	\$ 94,809	\$ (8,135)
Concealed Pistol Licensing	30,043	30,078	(35)
Law Enforcement	873,558	884,168	(10,610)
Drug Law Enforcement	50,109	54,274	(4,165)

OTHER SUPPLEMENTARY INFORMATION

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
COMBINING BALANCE SHEET
SEPTEMBER 30, 2022**

	General	Specialty Courts	Local Emergency Planning Committee	Disaster Contingency
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 28,309	\$ 5,070
Investments	9,275,930	-	-	-
Receivables				
Accounts	85,135	1,399	-	-
Taxes	6,076,212	-	-	-
Interest	1,308	-	-	-
Due from other governmental units	498,341	583,154	2,570	-
Advances to other funds	20,000	-	-	-
Advances to other governmental units	280,000	-	-	-
Prepays	238,431	-	-	-
TOTAL ASSETS	\$ 16,475,357	\$ 584,553	\$ 30,879	\$ 5,070
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 392,618	\$ 61,325	\$ -	\$ 70
Accrued liabilities	259,362	11,956	-	-
Due to other governmental units	58,203	-	-	-
Due to other funds	6,554,695	351,590	-	-
Advance from other funds	-	-	-	5,000
TOTAL LIABILITIES	7,264,878	424,871	-	5,070
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	1,082,431	-	-	-
FUND BALANCES				
Nonspendable	538,431	-	-	-
Committed	-	-	-	-
Assigned	-	159,682	30,879	-
Unassigned	7,589,617	-	-	-
TOTAL FUND BALANCES	8,128,048	159,682	30,879	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 16,475,357	\$ 584,553	\$ 30,879	\$ 5,070

Law Library	Courthouse Restoration	Budget Stabilization	Computers	Indigent Defense	Total Before Eliminations	Eliminations	Total
\$ 609	\$ 5,613	\$ 1,258,430	\$ 401,873	\$ -	\$ 1,699,904	\$ -	\$ 1,699,904
-	-	-	-	-	9,275,930	-	9,275,930
-	-	-	13,981	-	100,515	-	100,515
-	-	-	-	-	6,076,212	-	6,076,212
-	-	-	-	-	1,308	-	1,308
-	-	-	-	-	1,084,065	-	1,084,065
-	-	-	-	-	20,000	(5,000)	15,000
-	-	-	-	-	280,000	-	280,000
-	-	-	72,577	-	311,008	-	311,008
<u>\$ 609</u>	<u>\$ 5,613</u>	<u>\$ 1,258,430</u>	<u>\$ 488,431</u>	<u>\$ -</u>	<u>\$ 18,848,942</u>	<u>\$ (5,000)</u>	<u>\$ 18,843,942</u>
\$ 609	\$ -	\$ -	\$ 9,334	\$ -	\$ 463,956	\$ -	\$ 463,956
-	-	-	-	-	271,318	-	271,318
-	-	-	-	-	58,203	-	58,203
-	-	-	-	-	6,906,285	-	6,906,285
-	-	-	-	-	5,000	(5,000)	-
<u>609</u>	<u>-</u>	<u>-</u>	<u>9,334</u>	<u>-</u>	<u>7,704,762</u>	<u>(5,000)</u>	<u>7,699,762</u>
-	-	-	-	-	1,082,431	-	1,082,431
-	-	-	72,577	-	611,008	(5,000)	606,008
-	-	1,258,430	-	-	1,258,430	-	1,258,430
-	5,613	-	-	-	196,174	-	196,174
-	-	-	406,520	-	7,996,137	5,000	8,001,137
<u>-</u>	<u>5,613</u>	<u>1,258,430</u>	<u>479,097</u>	<u>-</u>	<u>10,061,749</u>	<u>-</u>	<u>10,061,749</u>
<u>\$ 609</u>	<u>\$ 5,613</u>	<u>\$ 1,258,430</u>	<u>\$ 488,431</u>	<u>\$ -</u>	<u>\$ 18,848,942</u>	<u>\$ (5,000)</u>	<u>\$ 18,843,942</u>

**VAN BUREN COUNTY, MICHIGAN
GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2022**

	General	Specialty Courts	Local Emergency Planning Committee	Disaster Contingency
REVENUES				
Taxes	\$ 16,121,823	\$ -	\$ -	\$ -
Licenses and permits	111,840	-	-	-
Intergovernmental	5,541,892	1,303,836	6,814	20,626
Charges for services	2,301,708	55,373	-	-
Fines and forfeits	165,290	-	-	-
Interest and rents	342,617	-	-	-
Other	157,547	2,548	-	130
TOTAL REVENUES	24,742,717	1,361,757	6,814	20,756
EXPENDITURES				
Current				
General government	6,490,114	-	-	-
Judicial	5,226,093	1,394,276	-	-
Public safety	7,020,652	-	969	31,819
Public works	352,843	-	-	-
Health and welfare	1,589,006	-	-	-
Community and economic development	802,212	-	-	-
TOTAL EXPENDITURES	21,480,920	1,394,276	969	31,819
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,261,797	(32,519)	5,845	(11,063)
OTHER FINANCING SOURCES (USES)				
Transfers in	558,136	25,418	-	11,062
Transfers out	(3,011,599)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(2,453,463)	25,418	-	11,062
NET CHANGE IN FUND BALANCES	808,334	(7,101)	5,845	(1)
Fund balances, beginning of year	7,319,714	166,783	25,034	1
Fund balances, end of year	\$ 8,128,048	\$ 159,682	\$ 30,879	\$ -

Law Library	Courthouse Restoration	Budget Stabilization	Computers	Indigent Defense	Total Before Eliminations	Eliminations	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,121,823	\$ -	\$ 16,121,823
-	-	-	-	-	111,840	-	111,840
-	-	-	-	-	6,873,168	-	6,873,168
-	-	-	2,878	-	2,359,959	-	2,359,959
10,000	-	-	-	-	175,290	-	175,290
-	-	-	-	-	342,617	-	342,617
464	-	-	910	-	161,599	-	161,599
<u>10,464</u>	<u>-</u>	<u>-</u>	<u>3,788</u>	<u>-</u>	<u>26,146,296</u>	<u>-</u>	<u>26,146,296</u>
-	-	-	423,099	-	6,913,213	-	6,913,213
37,773	-	-	-	303,697	6,961,839	-	6,961,839
-	-	-	-	-	7,053,440	-	7,053,440
-	-	-	-	-	352,843	-	352,843
-	-	-	-	-	1,589,006	-	1,589,006
-	-	-	-	-	802,212	-	802,212
<u>37,773</u>	<u>-</u>	<u>-</u>	<u>423,099</u>	<u>303,697</u>	<u>23,672,553</u>	<u>-</u>	<u>23,672,553</u>
<u>(27,309)</u>	<u>-</u>	<u>-</u>	<u>(419,311)</u>	<u>(303,697)</u>	<u>2,473,743</u>	<u>-</u>	<u>2,473,743</u>
27,309	-	-	450,000	303,697	1,375,622	(817,486)	558,136
-	-	-	-	-	(3,011,599)	817,486	(2,194,113)
<u>27,309</u>	<u>-</u>	<u>-</u>	<u>450,000</u>	<u>303,697</u>	<u>(1,635,977)</u>	<u>-</u>	<u>(1,635,977)</u>
-	-	-	30,689	-	837,766	-	837,766
-	5,613	1,258,430	448,408	-	9,223,983	-	9,223,983
<u>\$ -</u>	<u>\$ 5,613</u>	<u>\$ 1,258,430</u>	<u>\$ 479,097</u>	<u>\$ -</u>	<u>\$ 10,061,749</u>	<u>\$ -</u>	<u>\$ 10,061,749</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2022**

	Special			
	Sheriff's Extra Voted Millage	Friend of the Court	Collection Agency	60% Justice Training
ASSETS				
Cash and cash equivalents	\$ 1,109,738	\$ 40,211	\$ 124,429	\$ -
Accounts receivable	2,567	250	-	-
Loans receivable	-	-	-	-
Due from other governmental units	-	3,159	-	13,673
Prepays	3,249	-	-	-
TOTAL ASSETS	\$ 1,115,554	\$ 43,620	\$ 124,429	\$ 13,673
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 8,251	\$ 6,109	\$ -	\$ 275
Accrued liabilities	28,842	37,511	5,860	-
Due to other funds	-	-	-	9,641
Advance from other funds	-	-	-	-
TOTAL LIABILITIES	37,093	43,620	5,860	9,916
FUND BALANCES				
Nonspendable	3,249	-	-	-
Restricted	1,075,212	-	-	3,757
Committed	-	-	118,569	-
TOTAL FUND BALANCES	1,078,461	-	118,569	3,757
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,115,554	\$ 43,620	\$ 124,429	\$ 13,673

Revenue						
Central Dispatch	Dispatch Training	SCAR	Concealed Pistol Licensing	Register of Deeds Automation	Ambulance Millage	Crime Victims' Rights
\$ 1,300,709	\$ 24,609	\$ -	\$ 170,256	\$ 589,523	\$ 1,019,894	\$ -
557,039	17	1,249	-	-	-	-
-	-	-	-	-	-	-
-	10,308	13,282	-	-	-	36,070
-	-	-	-	10,480	-	-
<u>\$ 1,857,748</u>	<u>\$ 34,934</u>	<u>\$ 14,531</u>	<u>\$ 170,256</u>	<u>\$ 600,003</u>	<u>\$ 1,019,894</u>	<u>\$ 36,070</u>
\$ 5,073	\$ -	\$ 174	\$ -	\$ -	\$ 801,138	\$ 196
25,505	-	1,703	316	-	-	2,495
-	-	5,096	-	-	-	21,573
-	-	-	-	-	-	-
<u>30,578</u>	<u>-</u>	<u>6,973</u>	<u>316</u>	<u>-</u>	<u>801,138</u>	<u>24,264</u>
-	-	-	-	10,480	-	-
1,827,170	34,934	7,558	169,940	589,523	218,756	11,806
-	-	-	-	-	-	-
<u>1,827,170</u>	<u>34,934</u>	<u>7,558</u>	<u>169,940</u>	<u>600,003</u>	<u>218,756</u>	<u>11,806</u>
<u>\$ 1,857,748</u>	<u>\$ 34,934</u>	<u>\$ 14,531</u>	<u>\$ 170,256</u>	<u>\$ 600,003</u>	<u>\$ 1,019,894</u>	<u>\$ 36,070</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
SEPTEMBER 30, 2022**

	Special			
	Law Enforcement	Local Corrections Officers Training	Drug Law Enforcement	Sheriff Drain Work Crew
ASSETS				
Cash and cash equivalents	\$ -	\$ 33,403	\$ 112,422	\$ 8,657
Accounts receivable	171,890	-	-	-
Loans receivable	-	-	-	-
Due from other governmental units	-	-	-	-
Prepays	-	-	-	-
TOTAL ASSETS	\$ 171,890	\$ 33,403	\$ 112,422	\$ 8,657
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 37,477	\$ 492
Accrued liabilities	19,330	-	-	1,045
Due to other funds	152,560	-	-	-
Advance from other funds	-	-	-	-
TOTAL LIABILITIES	171,890	-	37,477	1,537
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	33,403	74,945	-
Committed	-	-	-	7,120
TOTAL FUND BALANCES	-	33,403	74,945	7,120
TOTAL LIABILITIES AND FUND BALANCES	\$ 171,890	\$ 33,403	\$ 112,422	\$ 8,657

Revenue

Social Welfare	Veterans' Relief	Entergy Stipend	Housing Program Income	Child Care	Homeland Security Grants	Family Counseling
\$ 46,412	\$ 520,717	\$ 227,987	\$ 156,176	\$ -	\$ -	\$ 80,727
-	-	-	-	3,996	4,523	-
-	-	-	1,920,664	-	-	-
-	-	-	-	503,663	349,934	-
-	-	-	-	2,443	-	-
<u>\$ 46,412</u>	<u>\$ 520,717</u>	<u>\$ 227,987</u>	<u>\$ 2,076,840</u>	<u>\$ 510,102</u>	<u>\$ 354,457</u>	<u>\$ 80,727</u>
\$ 158	\$ 18,450	\$ -	\$ -	\$ 74,492	\$ 10,493	\$ -
-	1,738	-	-	8,194	-	-
-	-	-	-	174,363	338,964	-
-	-	-	-	-	5,000	-
<u>158</u>	<u>20,188</u>	<u>-</u>	<u>-</u>	<u>257,049</u>	<u>354,457</u>	<u>-</u>
-	-	-	1,920,664	2,443	-	-
46,254	500,529	227,987	156,176	250,610	-	80,727
-	-	-	-	-	-	-
<u>46,254</u>	<u>500,529</u>	<u>227,987</u>	<u>2,076,840</u>	<u>253,053</u>	<u>-</u>	<u>80,727</u>
<u>\$ 46,412</u>	<u>\$ 520,717</u>	<u>\$ 227,987</u>	<u>\$ 2,076,840</u>	<u>\$ 510,102</u>	<u>\$ 354,457</u>	<u>\$ 80,727</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
SEPTEMBER 30, 2022**

	Debt Service	
	Building Authority Debt - Jail	Total
ASSETS		
Cash and cash equivalents	\$ 500	\$ 5,566,370
Accounts receivable	-	741,531
Loans receivable	-	1,920,664
Due from other governmental units	-	930,089
Prepays	-	16,172
	500	9,174,826
TOTAL ASSETS		
	\$ 500	\$ 9,174,826
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ -	\$ 962,778
Accrued liabilities	-	132,539
Due to other funds	-	702,197
Advance from other funds	-	5,000
	-	1,802,514
TOTAL LIABILITIES		
	-	1,802,514
FUND BALANCES		
Nonspendable	-	1,936,836
Restricted	-	5,309,287
Committed	500	126,189
	500	7,372,312
TOTAL FUND BALANCES		
	500	7,372,312
TOTAL LIABILITIES AND FUND BALANCES		
	\$ 500	\$ 9,174,826

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2022**

	Special			
	Sheriff's Extra Voted Millage	Friend of the Court	Collection Agency	60% Justice Training
REVENUES				
Taxes	\$ 1,852,553	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	24,883	3,309	-	-
Charges for services	28,083	76,229	323,835	-
Fines and forfeits	-	-	-	-
Interest and rents	-	-	-	-
Other	63,036	173	1	7,994
TOTAL REVENUES	<u>1,968,555</u>	<u>79,711</u>	<u>323,836</u>	<u>7,994</u>
EXPENDITURES				
Current				
Judicial	-	2,176,147	-	-
Public safety	1,958,993	-	274,111	7,785
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
TOTAL EXPENDITURES	<u>1,958,993</u>	<u>2,176,147</u>	<u>274,111</u>	<u>7,785</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>9,562</u>	<u>(2,096,436)</u>	<u>49,725</u>	<u>209</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,096,436	-	-
Transfers out	(61,664)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(61,664)</u>	<u>2,096,436</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(52,102)	-	49,725	209
Fund balances, beginning of year	<u>1,130,563</u>	<u>-</u>	<u>68,844</u>	<u>3,548</u>
Fund balances, end of year	<u>\$ 1,078,461</u>	<u>\$ -</u>	<u>\$ 118,569</u>	<u>\$ 3,757</u>

Revenue

Central Dispatch	Dispatch Training	SCAR	Concealed Pistol Licensing	Register of Deeds Automation	Ambulance Millage	Crime Victims' Rights
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,229,374	\$ -
-	-	-	43,708	-	-	-
-	26,280	47,743	-	-	35,781	133,186
2,533,062	-	-	-	79,130	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,270	103	2,000	42	8	-	65
<u>2,534,332</u>	<u>26,383</u>	<u>49,743</u>	<u>43,750</u>	<u>79,138</u>	<u>3,265,155</u>	<u>133,251</u>
-	-	-	-	-	-	135,680
2,241,778	11,117	94,809	30,078	-	-	-
-	-	-	-	-	3,185,220	-
-	-	-	-	47,279	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,241,778</u>	<u>11,117</u>	<u>94,809</u>	<u>30,078</u>	<u>47,279</u>	<u>3,185,220</u>	<u>135,680</u>
<u>292,554</u>	<u>15,266</u>	<u>(45,066)</u>	<u>13,672</u>	<u>31,859</u>	<u>79,935</u>	<u>(2,429)</u>
-	-	45,067	-	-	-	-
-	-	-	-	-	-	-
-	-	45,067	-	-	-	-
292,554	15,266	1	13,672	31,859	79,935	(2,429)
<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>\$ 1,827,170</u>	<u>\$ 34,934</u>	<u>\$ 7,558</u>	<u>\$ 169,940</u>	<u>\$ 600,003</u>	<u>\$ 218,756</u>	<u>\$ 11,806</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (continued)
YEAR ENDED SEPTEMBER 30, 2022**

	Special			
	Law Enforcement	Local Corrections Officers Training	Drug Law Enforcement	Sheriff Drain Work Crew
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	868,713	9,275	-	35,112
Fines and forfeits	-	-	20,627	-
Interest and rents	-	-	-	-
Other	-	63	757	11
TOTAL REVENUES	868,713	9,338	21,384	35,123
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	884,168	1,982	54,274	36,590
Health and welfare	-	-	-	-
Community and economic development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
TOTAL EXPENDITURES	884,168	1,982	54,274	36,590
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(15,455)	7,356	(32,890)	(1,467)
OTHER FINANCING SOURCES (USES)				
Transfers in	15,455	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	15,455	-	-	-
NET CHANGE IN FUND BALANCES	-	7,356	(32,890)	(1,467)
Fund balances, beginning of year	-	26,047	107,835	8,587
Fund balances, end of year	<u>\$ -</u>	<u>\$ 33,403</u>	<u>\$ 74,945</u>	<u>\$ 7,120</u>

Revenue

Social Welfare	Veterans' Relief	Entergy Stipend	Housing Program Income	Child Care	Homeland Security Grants	Family Counseling
\$ -	\$ 347,158	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	9,715	-	3,028	841,534	407,460	-
-	-	-	-	30,942	-	-
-	-	-	-	-	-	-
-	314	-	-	-	-	-
-	150	51,104	-	72	-	7,117
-	357,337	51,104	3,028	872,548	407,460	7,117
-	-	-	-	-	-	2,176
-	-	67,702	-	-	408,088	-
4,891	188,803	-	-	1,609,731	-	-
-	-	-	12,074	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,891	188,803	67,702	12,074	1,609,731	408,088	2,176
(4,891)	168,534	(16,598)	(9,046)	(737,183)	(628)	4,941
-	-	16,597	-	-	-	75,786
-	-	-	-	(110,000)	-	-
-	-	16,597	-	(110,000)	-	75,786
(4,891)	168,534	(1)	(9,046)	(847,183)	(628)	80,727
51,145	331,995	227,988	2,085,886	1,100,236	628	-
<u>\$ 46,254</u>	<u>\$ 500,529</u>	<u>\$ 227,987</u>	<u>\$ 2,076,840</u>	<u>\$ 253,053</u>	<u>\$ -</u>	<u>\$ 80,727</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (continued)
YEAR ENDED SEPTEMBER 30, 2022**

	<u>Debt Service</u>	
	<u>Building Authority Debt - Jail</u>	<u>Total</u>
REVENUES		
Taxes	\$ -	\$ 5,429,085
Licenses and permits	-	43,708
Intergovernmental	-	1,532,919
Charges for services	-	3,984,381
Fines and forfeits	-	20,627
Interest and rents	-	314
Other	-	133,966
	<u>-</u>	<u>11,145,000</u>
TOTAL REVENUES	-	11,145,000
EXPENDITURES		
Current		
Judicial	-	2,314,003
Public safety	-	6,071,475
Health and welfare	-	4,988,645
Community and economic development	-	59,353
Debt service		
Principal	230,000	230,000
Interest and fiscal charges	129,032	129,032
	<u>359,032</u>	<u>13,792,508</u>
TOTAL EXPENDITURES	359,032	13,792,508
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(359,032)</u>	<u>(2,647,508)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	359,032	2,608,373
Transfers out	-	(171,664)
	<u>359,032</u>	<u>2,436,709</u>
TOTAL OTHER FINANCING SOURCES (USES)	359,032	2,436,709
NET CHANGE IN FUND BALANCES	-	(210,799)
Fund balances, beginning of year	<u>500</u>	<u>7,583,111</u>
Fund balances, end of year	<u>\$ 500</u>	<u>\$ 7,372,312</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

	Computer Mapping	Jail Commissary	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ -	\$ 414,319	\$ 414,319
Accounts receivable	867	-	867
Prepays	87,459	-	87,459
TOTAL ASSETS	88,326	414,319	502,645
LIABILITIES			
Current liabilities			
Accounts payable	-	207	207
Due to other funds	87,019	-	87,019
TOTAL LIABILITIES	87,019	207	87,226
NET POSITION			
Unrestricted	\$ 1,307	\$ 414,112	\$ 415,419

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2022**

	<u>Computer Mapping</u>	<u>Jail Commissary</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 1,093	\$ 465,223	\$ 466,316
OPERATING EXPENSES			
Operating supplies	-	196,332	196,332
Contractual services	43,729	-	43,729
TOTAL OPERATING EXPENSES	<u>43,729</u>	<u>196,332</u>	<u>240,061</u>
OPERATING INCOME (LOSS)	(42,636)	268,891	226,255
NONOPERATING REVENUES			
Intergovernmental	36,200	-	36,200
INCOME (LOSS) BEFORE TRANSFERS	(6,436)	268,891	262,455
TRANSFERS			
Transfers in	6,436	-	6,436
CHANGE IN NET POSITION	-	268,891	268,891
Net position, beginning of year	<u>1,307</u>	<u>145,221</u>	<u>146,528</u>
Net position, end of year	<u>\$ 1,307</u>	<u>\$ 414,112</u>	<u>\$ 415,419</u>

**VAN BUREN COUNTY, MICHIGAN
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2022**

	Computer Mapping	Jail Commissary	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 226	\$ 523,927	\$ 524,153
Cash paid to suppliers	(132,365)	(205,945)	(338,310)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(132,139)	317,982	185,843
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental sources	36,200	-	36,200
Payments from other funds	87,019	-	87,019
Transfers in	6,436	-	6,436
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	129,655	-	129,655
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,484)	317,982	315,498
Cash and cash equivalents, beginning of year	2,484	96,337	98,821
Cash and cash equivalents, end of year	\$ -	\$ 414,319	\$ 414,319
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (42,636)	\$ 268,891	\$ 226,255
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
(Increase) decrease in:			
Accounts receivable	(867)	-	(867)
Prepays	(87,459)	58,704	(28,755)
(Decrease) in:			
Accounts payable	(1,177)	(9,613)	(10,790)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (132,139)	\$ 317,982	\$ 185,843

**VAN BUREN COUNTY, MICHIGAN
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022**

	General Custodial	Inmate Custodial	Current Tax Collection Custodial	Total
ASSETS				
Cash and cash equivalents	\$ 1,859,008	\$ 30,005	\$ 9,241,019	\$ 11,130,032
LIABILITIES				
Undistributed tax collections payable	-	-	9,241,019	9,241,019
Due to other governmental units	661,755	-	-	661,755
Due to individuals and agencies	655,299	-	-	655,299
TOTAL LIABILITIES	<u>1,317,054</u>	<u>-</u>	<u>9,241,019</u>	<u>10,558,073</u>
NET POSITION				
Restricted for individuals, organizations, and other governmental units	<u>\$ 541,954</u>	<u>\$ 30,005</u>	<u>\$ -</u>	<u>\$ 571,959</u>

**VAN BUREN COUNTY, MICHIGAN
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2022**

	General Custodial	Inmate Custodial	Current Tax Collection Custodial	Total
ADDITIONS				
Property tax collections for other governmental units	\$ -	\$ -	\$ 23,215,344	\$ 23,215,344
Collections for other governmental units	6,162,689	-	-	6,162,689
Collections for individual and agencies	350,728	1,065,423	-	1,416,151
Investment earnings (loss)	(35,824)	-	-	(35,824)
TOTAL ADDITIONS	6,477,593	1,065,423	23,215,344	30,758,360
DEDUCTIONS				
Property tax distributions to other governmental units	-	-	23,215,344	23,215,344
Distributions to other governmental units	6,162,689	-	-	6,162,689
Distributions to individuals and agencies	350,728	1,035,418	-	1,386,146
TOTAL DEDUCTIONS	6,513,417	1,035,418	23,215,344	30,764,179
NET CHANGE IN FIDUCIARY NET POSITION	(35,824)	30,005	-	(5,819)
Net position, beginning of year	577,778	-	-	577,778
Net position, end of year	<u>\$ 541,954</u>	<u>\$ 30,005</u>	<u>\$ -</u>	<u>\$ 571,959</u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED SEPTEMBER 30, 2022**

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							
COVID-19 Operating Assistance - Section 5311 CRRSA		MI-2021-023-00/2022-0144/P1	\$ 826,470	\$ 816,246	\$ 816,246	\$ -	\$ -	\$ 10,224
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
Rural Transit Assistance Program (RTAP)		N/A	5,944	5,944	5,944	-	-	-
			<u>1,615,838</u>	<u>822,190</u>	<u>822,190</u>	<u>-</u>	<u>-</u>	<u>793,648</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 22)								
Nonurban		MI-18-X050	722,858	713,917	-	713,917	-	8,941
Capital Assistance								
Capital Assistance (FY 19)		2017-0136/P6	121,095	104,028	-	104,028	-	17,067
			<u>843,953</u>	<u>817,945</u>	<u>-</u>	<u>817,945</u>	<u>-</u>	<u>26,008</u>
TOTALS			<u>\$ 3,083,879</u>	<u>\$ 1,640,135</u>	<u>\$ 822,190</u>	<u>\$ 817,945</u>	<u>\$ -</u>	<u>\$ 1,443,744</u>

(b)

(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 (\$87,784).

(b) The total Federal revenue on the Statement of Revenues, Expenses, and Changes in Net Position is higher than total Federal revenue on the Schedule of Expenditures of Federal and State Awards due to receipt in the current year of additional operating dollars received for prior fiscal years (\$31,109).

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE REVENUE REPORT (OAR SCHEDULE 4R)
YEAR ENDED SEPTEMBER 30, 2022**

Code	Description	Amount
401	Fare box revenue	
40100	Passenger fares	\$ 107,295
408	Local revenue	
40800	Taxes levied directly for/by transit agency	854,518
40800	Local Community Stabilization Share	24,006
409	Local revenue	
40910	Local operating assistance	39,620
411	State formula and contracts	
41101	State operating assistance	713,917
41101	Prior year State operating assistance	87,784
413	Federal contracts	
41301	Prior year Section 5311	31,109
41361	CRRSA Act	816,246
41398	RTAP	5,944
414	Other revenue	
41400	Interest income	12,999
440	Other revenue	
44000	Refunds and credits	1,964
	TOTAL NONURBAN SERVICE REVENUE	<u>\$ 2,695,402</u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE EXPENSE REPORT (OAR SCHEDULE 4E)
YEAR ENDED SEPTEMBER 30, 2022**

Code	Description	Total
501	Labor	
50101	Operator's salaries and wages	\$ 621,113
50102	Other salaries and wages	256,602
50103	Dispatcher's salaries and wages	169,945
502	Fringe benefits	
50200	Fringe benefits	486,168
50210	DC Pensions	8,783
50220	DB Pensions	37,915
503	Services	
50302	Advertising fees	13,586
50305	Audit cost	3,200
50399	Other services	91,041
504	Materials and supplies	
50401	Fuel and lubricants	225,870
50402	Tires and tubes	20,152
50404	Major purchases	3,069
50499	Other materials and supplies	44,460
505	Utilities	
50500	Utilities	22,185
506	Insurance	
50603	Liability insurance	26,467
507	Taxes & Fees	
50700	Taxes & Fees	274
509	Miscellaneous expenses	
50902	Travel, meetings, and training	5,009
50903	Association dues and subscriptions	3,398
50909	Loss on disposal of assets	2,758
50999	Other miscellaneous expenses	94
513	Depreciation	
51300	Depreciation	218,963
540	Less ineligible expenses	
54000	Ineligible refunds and credits	1,819
550	Less ineligible expenses	
55007	Ineligible depreciation	208,130
55009	Ineligible percent of association dues	289
574	Less ineligible expenses	
57402	Ineligible RTAP	5,944
580	Less ineligible expenses	
58009	Ineligible loss on disposal of assets	2,758
58020	Ineligible DB pensions	1,497
	Total expenses	2,261,052
	Total ineligible expenses	220,437
	Total eligible expenses	<u>\$ 2,040,615</u>

**VAN BUREN COUNTY, MICHIGAN
TRANSIT FUND
NONURBAN REGULAR SERVICE NONFINANCIAL REPORT (OAR SCHEDULE 4N) (UNAUDITED)
YEAR ENDED SEPTEMBER 30, 2022**

PUBLIC SERVICE

<u>Code</u>	<u>Description</u>	<u>Weekday</u>	<u>Saturday</u>	<u>Sunday</u>	<u>Total</u>
611	Vehicle Miles ⁽¹⁾	446,101	11,789	10,780	468,670

⁽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, 2022**

	Nonurban
Total expenses	\$ 2,261,052
Less ineligible expenses	
Prior year refunds and credits	1,819
RTAP	5,944
Depreciation	208,130
Association dues	289
Loss on disposal of assets	2,758
DB pensions	1,497
Total ineligible expenses per R&E manual	220,437
TOTAL ELIGIBLE EXPENSES	\$ 2,040,615
Eligible expenses for State reimbursement	\$ 2,040,615
x Reimbursement percentage	0.349854
State operating assistance	\$ 713,917
Eligible expenses for Federal reimbursement	\$ 2,040,615
x Reimbursement percentage	0.400000
Federal section 5311 operating assistance	\$ 816,246

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING BALANCE SHEET - DRAINAGE DISTRICT
 SEPTEMBER 30, 2022**

	Capital Projects				Total
	Drain	Drain Revolving	Maintenance Revolving	Lake Level	
ASSETS					
Cash and cash equivalents	\$ 299,015	\$ 254,058	\$ 102,990	\$ 17,911	\$ 673,974
Special assessments receivable	2,662,922	-	-	13,707	2,676,629
Prepaid expenditures	851	-	-	-	851
TOTAL ASSETS	<u>\$ 2,962,788</u>	<u>\$ 254,058</u>	<u>\$ 102,990</u>	<u>\$ 31,618</u>	<u>\$ 3,351,454</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 7,437	\$ -	\$ -	\$ 184	\$ 7,621
Advances from other governmental units	-	180,000	100,000	-	280,000
TOTAL LIABILITIES	<u>7,437</u>	<u>180,000</u>	<u>100,000</u>	<u>184</u>	<u>287,621</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	2,662,922	-	-	13,707	2,676,629
FUND BALANCES					
Nonspendable	851	-	-	-	851
Restricted for capital projects	-	74,058	2,990	-	77,048
Unassigned	291,578	-	-	17,727	309,305
TOTAL FUND BALANCES	<u>292,429</u>	<u>74,058</u>	<u>2,990</u>	<u>17,727</u>	<u>387,204</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 2,962,788</u>	<u>\$ 254,058</u>	<u>\$ 102,990</u>	<u>\$ 31,618</u>	<u>\$ 3,351,454</u>

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE COMBINING BALANCE SHEET TO THE
 STATEMENT OF NET POSITION - DRAINAGE DISTRICT
 SEPTEMBER 30, 2022**

Total fund balances - governmental funds \$ 387,204

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>(2,776,231)</u>	

Capital assets, net		3,158,732
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Various amounts due for special assessments are not expected to be collected within 60 days of year end are not available to pay for current expenditures.		2,676,629
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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	(2,175,291)	
Accrued interest payable	<u>(13,465)</u>	

(2,188,756)

Net position of governmental activities		<u><u>\$ 4,033,809</u></u>
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**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - DRAINAGE DISTRICT
 YEAR ENDED SEPTEMBER 30, 2022**

	Capital Projects				Total
	Drain	Drain Revolving	Maintenance Revolving	Lake Level	
REVENUES					
Other					
Special assessments	\$ 566,737	\$ -	\$ -	\$ 4,899	\$ 571,636
Miscellaneous	7,121	-	-	-	7,121
TOTAL REVENUES	573,858	-	-	4,899	578,757
EXPENDITURES					
Current					
Public works	294,658	-	-	8,848	303,506
Debt service					
Principal	303,000	-	-	-	303,000
Interest and fiscal charges	41,454	-	-	-	41,454
TOTAL EXPENDITURES	639,112	-	-	8,848	647,960
EXCESS OF REVENUES (UNDER) EXPENDITURES	(65,254)	-	-	(3,949)	(69,203)
OTHER FINANCING SOURCES					
Issuance of debt	398,541	-	-	-	398,541
NET CHANGE IN FUND BALANCES	333,287	-	-	(3,949)	329,338
Fund balances, beginning of year	(40,858)	74,058	2,990	21,676	57,866
Fund balances, end of year	<u>\$ 292,429</u>	<u>\$ 74,058</u>	<u>\$ 2,990</u>	<u>\$ 17,727</u>	<u>\$ 387,204</u>

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES - DRAINAGE DISTRICT
 YEAR ENDED SEPTEMBER 30, 2022**

Net change in fund balances - total governmental funds \$ 329,338

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:

Depreciation expense (264,328)

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

Increase in unavailable revenue 153,383

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	\$ 303,000
Note proceeds	<u>(398,541)</u>

Excess of note proceeds over principal retirement (95,541)

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>294</u>
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Change in net position of governmental activities \$ 123,146

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 BALANCE SHEET - DEPARTMENT OF PUBLIC WORKS
 SEPTEMBER 30, 2022**

	Debt Service
ASSETS	
Cash and cash equivalents	\$ 1,513
LIABILITIES	\$ -
FUND BALANCE	
Restricted for debt service	1,513
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,513

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE BALANCE SHEET TO THE
 STATEMENT OF NET POSITION - DEPARTMENT OF PUBLIC WORKS
 SEPTEMBER 30, 2022**

Total fund balance - governmental fund \$ 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:

Contracts receivable 1,368,400

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 73,636

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	\$ (9,913)	
Bonds payable	(1,360,000)	
Bond premium	<u>(44,091)</u>	
		<u>(1,414,004)</u>

Net position of governmental activities \$ 29,545

VAN BUREN COUNTY, MICHIGAN
COMPONENT UNIT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - DEPARTMENT OF PUBLIC WORKS
YEAR ENDED SEPTEMBER 30, 2022

	Debt Service
REVENUES	
Intergovernmental - local	\$ 754,437
EXPENDITURES	
Debt service	
Principal	710,000
Interest and fiscal charges	44,437
TOTAL EXPENDITURES	754,437
NET CHANGE IN FUND BALANCE	-
Fund balance, beginning of year	1,513
Fund balance, end of year	\$ 1,513

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
 STATEMENT OF ACTIVITIES - DEPARTMENT OF PUBLIC WORKS
 YEAR ENDED SEPTEMBER 30, 2022**

Net change in fund balance - governmental fund \$ -

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	\$ 710,000	
Amortization of deferred charge	(36,819)	
Amortization of bond premium	22,048	
Contract proceeds	<u>(714,733)</u>	
		(19,504)

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>4,733</u>
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Change in net position of governmental activities \$ (14,771)

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNIT FUNDS
BALANCE SHEET - ECONOMIC DEVELOPMENT CORPORATION
SEPTEMBER 30, 2022**

ASSETS	
Cash and cash equivalents	\$ 498,766
Loans receivable	518,331
Interest receivable	<u>34,424</u>
 TOTAL ASSETS	 <u><u>\$ 1,051,521</u></u>
 FUND BALANCE	
Nonspendable	\$ 518,331
Unassigned	<u>533,190</u>
 TOTAL FUND BALANCE	 <u><u>\$ 1,051,521</u></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, 2022.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - ECONOMIC DEVELOPMENT CORPORATION
 YEAR ENDED SEPTEMBER 30, 2022**

REVENUES		
Interest	\$	15,357
Other		<u>92,125</u>
TOTAL REVENUES		<u>107,482</u>
EXPENDITURES		
Current		
Community and economic development		<u>35,950</u>
NET CHANGE IN FUND BALANCE		71,532
Fund balance, beginning of year		<u>979,989</u>
Fund balance, end of year	\$	<u><u>1,051,521</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, 2022.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 BALANCE SHEET - BROWNFIELD REDEVELOPMENT AUTHORITY
 SEPTEMBER 30, 2022**

ASSETS	
Cash and cash equivalents	\$ 277,743
Loans receivable	<u>52,500</u>
TOTAL ASSETS	<u><u>\$ 330,243</u></u>
LIABILITIES	
Accounts payable	\$ 15,839
Due to other governmental units	<u>1,558</u>
TOTAL LIABILITIES	<u>17,397</u>
FUND BALANCE	
Nonspendable	52,500
Unassigned	<u>260,346</u>
TOTAL FUND BALANCE	<u>312,846</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 330,243</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, 2022**

Total fund balance - governmental fund \$ 312,846

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 (120,069)

Net position of governmental activities \$ 192,777

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BROWNFIELD REDEVELOPMENT AUTHORITY
 YEAR ENDED SEPTEMBER 30, 2022**

REVENUES	
Taxes	\$ 51,592
Intergovernmental - Federal/State	41,680
Charges for services	<u>3,560</u>
TOTAL REVENUES	<u>96,832</u>
EXPENDITURES	
Current	
Community and economic development	86,209
Debt service	
Principal	<u>16,429</u>
TOTAL EXPENDITURES	<u>102,638</u>
NET CHANGE IN FUND BALANCE	(5,806)
Fund balance, beginning of year	<u>318,652</u>
Fund balance, end of year	<u><u>\$ 312,846</u></u>

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
 STATEMENT OF ACTIVITIES - BROWNFIELD REDEVELOPMENT AUTHORITY
 YEAR ENDED SEPTEMBER 30, 2022**

Net change in fund balance - governmental fund \$ (5,806)

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

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

Loan principal retirement of long-term debt	16,429
Change in net position of governmental activities	\$ 10,623

**VAN BUREN COUNTY, MICHIGAN
COMPONENT UNIT FUNDS
BALANCE SHEET - LAND BANK AUTHORITY
SEPTEMBER 30, 2022**

ASSETS	
Cash and cash equivalents	<u>\$ 2,002</u>
LIABILITIES	
Accounts payable	<u>\$ 2,002</u>
FUND BALANCE	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,002</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, 2022.

**VAN BUREN COUNTY, MICHIGAN
 COMPONENT UNIT FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - LAND BANK AUTHORITY
 YEAR ENDED SEPTEMBER 30, 2022**

REVENUES		
Intergovernmental		\$ 84,355
EXPENDITURES		
Current		
Community and economic development		84,355
NET CHANGE IN FUND BALANCE		-
Fund balance, beginning of year		-
Fund balance, end of year		\$ -

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, 2022.